



NEWCREST
MINING
LIMITED

ACN 005 683 625

to: Company Announcements Office
from: Peter Larsen
date: 28 October 2010
subject: 2010 Annual General Meeting - Chairman's Address and
Managing Director's Presentation

Please find attached for immediate release a copy of the Chairman's Address and the Managing Director's Presentation to be delivered at the Company's Annual General Meeting at 10:30 am this morning.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Peter Larsen', with a long horizontal flourish extending to the right.

Peter Larsen
Deputy Company Secretary

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Chairman's Address – 2010 AGM

The fiscal year ended June 2010 was a transformational year for our Company as a result of the Board's decision to approve the Cadia East gold and copper deposit in New South Wales, exploration success at Wafi-Golpu in PNG and, of course, the merger with Lihir Gold Limited.

It was a very successful year -- culminating in record gold production, record profit and record cashflow for the Company. Importantly, it was a year that laid the foundations for Newcrest to become a significant global resources sector participant for the long term.

All of Newcrest's mines performed well during the year. Both our safety and environmental performance continued the trend of year on year improvement.

As has been the case since we made the decision in 2007 to eliminate the hedge book, all production was sold at spot prices. With both the gold price and the copper price performing very strongly during the year -- in US dollar terms -- Newcrest generated record operating cashflow of more than A\$1.3 billion. It also delivered another record statutory profit.

Two new mines were completed during the year, both of which are important components of the Company's production growth profile over the next 10 years. The first of these, Ridgeway Deeps underground mine in the Cadia Valley, is Newcrest's first block cave mine -- successfully applying industry leading technologies in underground bulk mining methods.

Underground bulk mining is important to Newcrest's future. It will enhance our cost competitiveness and safety performance -- enabling further improvements through automation and remote operation.

The other new mine, Hidden Valley open pit in Papua New Guinea, was also completed during the year. Hidden Valley has had a somewhat “bumpy” beginning, however commissioning has been completed and this operation is expected to reach full production during the current fiscal year. The mine was officially opened last month.

I should note that in Indonesia, Gosowong’s project to complete the new mining front at Kencana 2 remains on track for both time and capital. The migration of production from Kencana 1 to Kencana 2 has gradually been completed during the year -- with no disruption to production or costs.

Newcrest remains one of the gold industry’s lowest cash-cost producers. Maintaining this position is an important value driver for the company to ensure that Newcrest can deliver superior returns to shareholders.

Against the industry trend, Newcrest was able to reduce its cash costs during the year -- expanding its cash margin relative to industry peers and further enhancing our competitive advantage.

Newcrest remains committed to our strategy of focusing on gold, operating low-cost and predominantly long-life gold assets -- growing our asset portfolio through exploration and acquisitions, and delivering strong financial returns for shareholders.

Consistent with this strategy, 2009-2010 included the three significant initiatives which your Board believes will underpin the long term future of Newcrest.

First, the decision by the Board in April to approve development of the Cadia East gold and copper deposit in New South Wales. This project will cost around A\$1.9 billion and underpin Cadia Valley production for the next 30 or so years. It is a significant advance on our strategy to develop long-life gold producing assets – and it will be an extension of the low cost underground block cave mining method currently employed at Ridgeway.

Cadia East not only supports the future for Newcrest – but also for Orange and the central west region of New South Wales. Cadia Valley is a major employer in the region and news of the State Government's planning approval of the project in January was greeted with enthusiasm by the local community. We are grateful for that support and will continue to work hard to retain it.

Second is Newcrest's exploration effort at Wafi-Golpu in PNG, which is part of our Morobe Mining Joint Venture with Harmony Gold. This has yielded exciting results.

A series of excellent drill intercepts have expanded the dimensions of the Golpu deposit - culminating in an approximately threefold increase in both the gold and copper content of the Golpu Mineral Resource estimate. Wafi-Golpu continues to evolve as a world class Mineral Resource and has recently progressed to the pre-feasibility study phase.

The third major initiative is the merger with Lihir Gold Limited. This was formally completed on the 13th of September. The combination of the two companies has established Newcrest as the leading gold producer in the Asia-Pacific region with a world class portfolio of long life, low cost assets.

With a market capitalisation exceeding A\$30 billion, Newcrest is now ranked 12th by market capital on the ASX and constitutes around 2.8% of Standard & Poor's ASX200 Index. This position should significantly widen investor interest in the Company both domestically and internationally.

Your Board believes that with a strong balance sheet, excellent projects and a strong exploration portfolio, Newcrest has a powerful base from which to deliver future growth and superior financial returns for shareholders.

Overall, we are delighted with the merger and confident that it will deliver very significant benefits in the years ahead.

Lihir brings some new skills and technologies to Newcrest – for example, the use of pressure oxidation technology in gold processing, the very significant contribution of geothermal power at Lihir Island, and the deep sea tailings placement method used on the island. Pressure oxidation extraction of gold from ore is becoming increasingly important as a way of developing the next generation of gold deposits.

Deep sea tailings placement can be an emotive issue and is not always well understood. In certain locations – such as Lihir Island – it is the most suitable and sustainable means of tailings placement.

The approach to tailings placement for Lihir Island takes into account many factors including geological stability, the depth of water and limited available land. The 15 years of practical operating experience and scientific monitoring on Lihir Island support deep sea tailings placement as the correct approach.

Newcrest will continue to diligently monitor and report the environmental impacts of the deep sea tailings placement. The Company will also continue to review ways of improving mining and waste disposal processes.

Successive years of strong cashflow generation and disciplined fiscal management have placed Newcrest in a very healthy financial position with a strong balance sheet and no debt. It has enabled a significant investment in the Company's future growth while not forgetting shareholders through dividend payments.

It also allows the Company to pursue further opportunities that are aligned to our strategy and offer clear value and potential for future growth. Growth remains a key element of Newcrest's strategy with a particular focus on opportunities in the Asia-Pacific region.

Exploration activities around the Company's minesites and emerging projects resulted in reserves of gold and copper increasing by 11 and 69 per cent respectively, nett of production depletions. Mineral Resources also increased and now exceed 83 million ounces of gold and 17.25 million tonnes of copper.

The Lihir transaction added significantly to reserves and resources, with a combined gold Mineral Resource containing 136 million ounces and a corresponding Ore Reserve of 77 million ounces - ranking Newcrest number four globally by reserves.

The Company continues to seek early stage entry into high quality gold projects in the Asia-Pacific Region, as evidenced by two recent transactions -- in Sumatra, Indonesia and Manus Island, PNG -- where Newcrest is positioned to earn a majority interest in projects by funding near term exploration programs.

Your Board remains focused on value creation and delivering competitive returns to its shareholders -- including the payment of dividends. As in previous years, the Board, in its determination of the dividend payable to shareholders, has given consideration to the gold price prevailing during the past financial year and the Company's need to fund emerging projects to ensure its future growth.

The final unfranked dividend of 20 cents per share, together with the interim dividend paid in April, represent a 67% increase in the total dividend over the previous year. It is the third consecutive year that the Company has increased dividends.

On behalf of shareholders I would like to acknowledge and thank our employees for delivering a record performance during fiscal year 2010, whilst positioning Newcrest for future success.

The international mining industry and associated labour markets remain very competitive. Newcrest must continue to invest in its people. Outperforming our peers requires that we attract and recruit the best people, continue to invest in their development and retain them to meet the challenges that lie ahead. We must also ensure that they are appropriately and competitively rewarded.

The issue of diversity is attracting much attention at the moment. This is not just a matter of gender but includes, age, ethnicity and cultural background.

Given that we now have operations or advanced exploration projects in Indonesia, Papua New Guinea, Fiji and Cote D'Ivoire, I am pleased to report that Newcrest is strongly committed to its "International Employees Policy". This says we have a clear preference to have our international operations staffed by a country's national employees – particularly the local community. Backed by our strong training and development culture to deliver the requisite skills, a substantially national workforce within a reasonable timeframe is our aim.

In reviewing the composition of the Board, as we contemplate the larger and geographically more diverse and complex business, diversity, including gender, is a key factor in your Board's decision-making.

The world economy has recovered from the volatile effects of the global financial crisis. The broader macroeconomic outlook, however, remains somewhat uncertain, particularly in Europe and the USA. The US\$ gold price continues to push to new highs and forecasts remain buoyant as investors seek to diversify their investment portfolios amidst economic volatility, currency concerns and the future risk of rising inflation.

Newcrest's decision to eliminate gold hedge positions continues to reap significant cash flow benefits. The copper price has recovered from the worst of the global financial crisis and forecasts again look strong on the back of emerging market demand, particularly within China, coupled with the mature supply situation.

The correlation of increasing commodity prices with the strengthening Australian dollar has continued. In general, commodity prices are escalating faster than the appreciation of the Australian dollar -- increasing revenue and costs but maintaining or improving operating margins.

For the future, Newcrest is focusing on new challenges ahead. Technology improvements -- particularly related to automation, metallurgical recovery and energy consumption -- will form an important part of future planning. Newcrest is also

actively involved in the approach to carbon management and is positioning the Company to deal with what lies ahead in this area.

In conclusion, Newcrest is now in an even stronger, more profitable and more competitive position overall than it was this time last year. It has been a good year to be part of the Company.

We now intend to show a short video about Newcrest's Vision to be "The Miner of Choice". This video will be followed by a presentation from our Managing Director and Chief Executive Officer, Ian Smith, after which we will proceed to the Formal Business of the meeting.