Newcrest

Newcrest Mining Limited
Concise Annual Report 2004

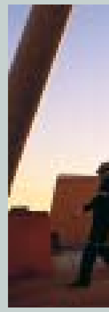
Telfer will be the largest gold mine in Australia, with projected annual production of more than 800,000 ounces of gold and 30,000 tonnes of copper for 24 years, positioning Newcrest as a significant and profitable Australian-based resources business.

Newcrest Mining Limited
ABN: 20 005 683 625

Notice of Meeting

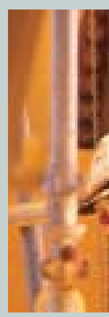
Notice is hereby given that the 24th Annual General Meeting will be held at the Hyatt Regency Hotel, 99 Adelaide Terrace, Perth, Western Australia on Wednesday 27 October 2004 at 9.30am.





Telfer





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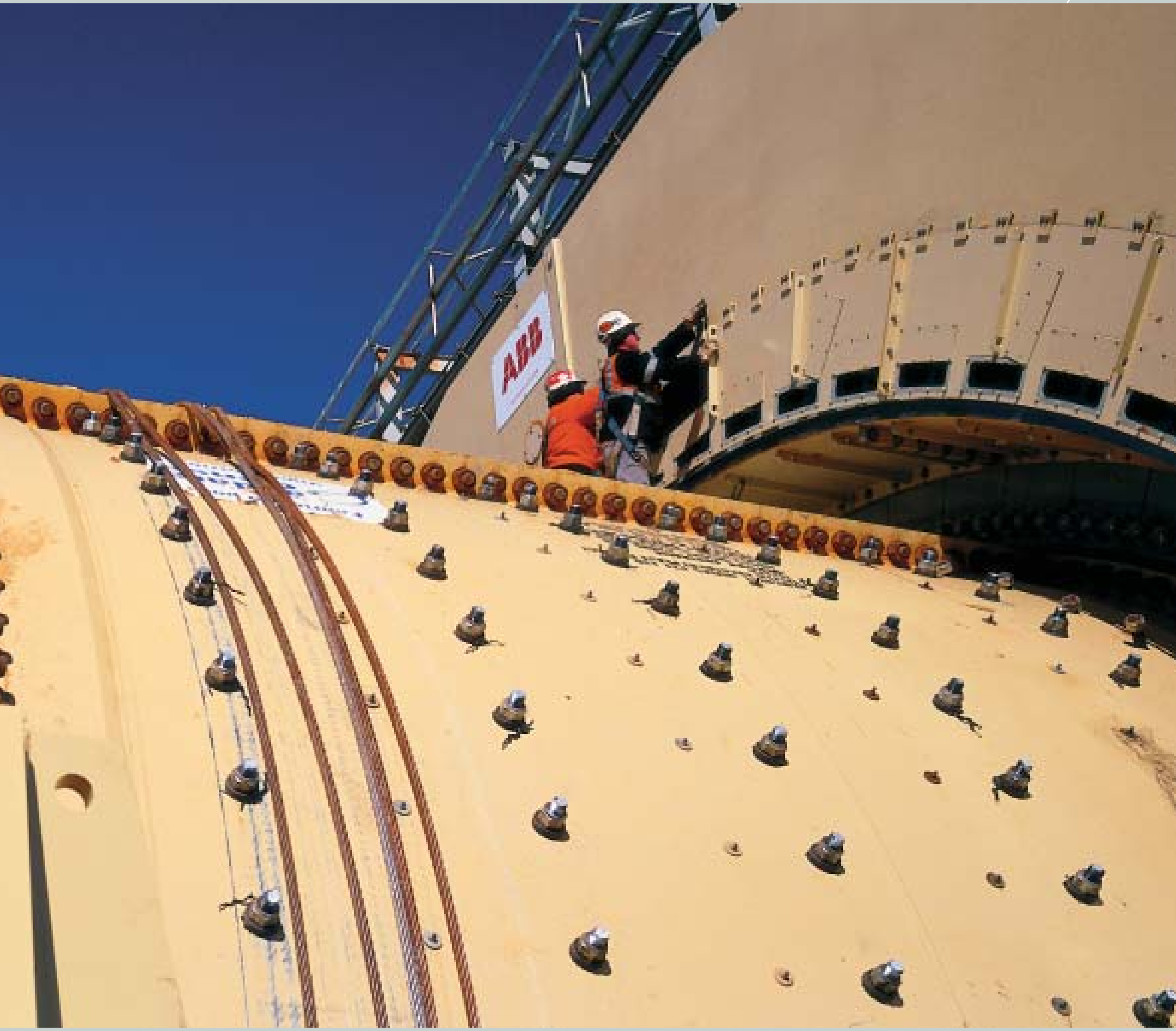
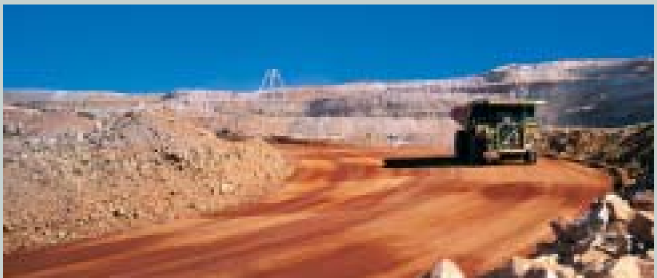


Newcrest – The Sustainable Resource Business

Who we are:
Newcrest explores for, develops and operates gold and copper mines. Using a combination of technical skills and mining experience, we focus on the fundamental elements of resource projects to ensure strong financial returns. Newcrest's Board and Executives are a diverse and experienced team with a strong knowledge of the mining industry. They aim to deliver growth opportunities and ultimately sustainable financial returns to Newcrest's shareholders.

What we do:
Newcrest maintains a strategy of developing low-cost, long-life mines and also smaller high-margin mines. We aim to operate projects in the lowest cost quartile in order to maximise profitability and minimise the impact from commodity price variation. Exploration remains the key plank of our business building strategy.

How we performed:
During the 2003/04 year, Newcrest delivered a profit of $122.9 million, rising 33 percent, with Ridgeway and Toguraci performing strongly. Cadia Hill's contribution underperformed budget. With the completion of the large Telfer gold/copper and smaller Cracow gold mines, Newcrest will continue its strong record in project delivery – from exploration through development to operations.



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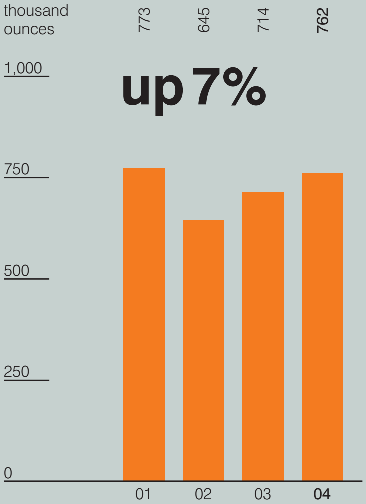
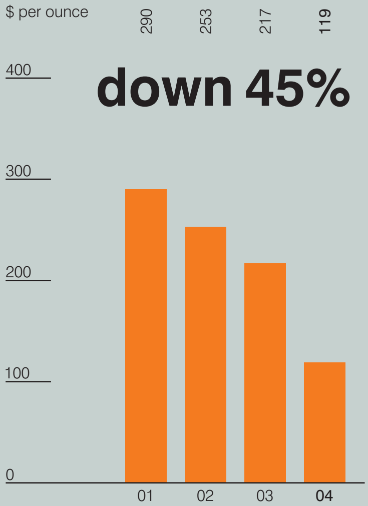
- Full year after tax profit was A$122.9 million
- A 5 cent fully franked final dividend declared
- 761,780 ounces of gold and 84,758 tonnes of copper produced
- Group cash costs further reduced to A$119 per ounce reflecting the good operational result and the strong by-product copper contribution
- Total costs reduced to A$268 per ounce
- Ridgeway performed strongly with 438,026 ounces of gold and 47,378 tonnes of copper produced
- Mining production at Toguraci commenced in February 2004 under challenging conditions
- The Telfer project continued through the construction phase and is nearing completion
- The Cracow development commenced in September 2003
- The Newcrest hedge book was comprehensively simplified and copper hedged to maintain strong by-product revenue
- Overall safety performance improved, but a fatality at Toguraci marred the Group's safety performance

03/04 our results

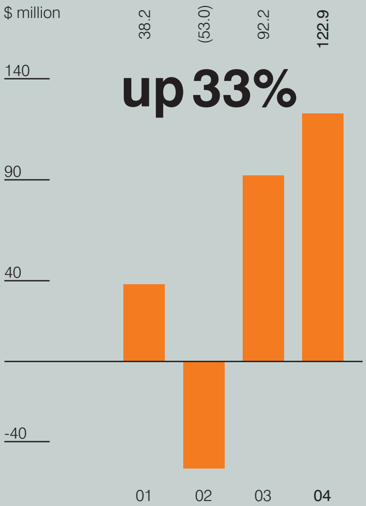
Group Gold Production



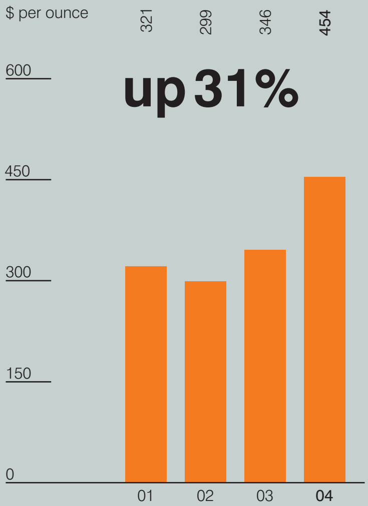
Group NAGIS Cash Cost



Profit/(Loss) after tax



Group Cash Margin



		12 months to 30 June 2004	12 months to 30 June 2003
Gold produced	(ounces)	**761,780**	714,377
Copper produced	(tonnes)	**84,758**	67,738
Gold price realised	($ per ounce)	**579**	567
Sales revenue	($ million)	**711.4**	607.2
Earnings before significant items, borrowing costs, tax, depreciation and amortisation	($ million)	**292.9**	195.9
Net profit after tax attributable to members of the Company	($ million)	**122.9**	92.2
Capital expenditure (cash flow basis including exploration)	($ million)	**753.4**	265.3
Basic earnings per share	(cents per share)	**37.5**	29.6
Return on capital employed (ROCE) excluding significant items (EBIT before significant items/average capital employed)	(percent)	**9.0**	6.6
Net debt/net debt plus equity	(percent)	**48.9**	30.3

(All $ are Australian denominated unless stated otherwise.)

Chairman's Review

During 2003/04, Newcrest re-affirmed and built upon the Company's long-term strategy – operating as a responsible, efficient and low-cost gold and copper producer.

The commissioning of the Telfer project in Western Australia and the smaller but higher grade Cracow project in Queensland will reinforce Newcrest's strategy even further. Together, the two projects will almost double the Company's current level of production and substantially add to Newcrest's financial strength.

As foreshadowed in my report to shareholders last year, the successful start-up of the Telfer project will represent a further step change in the Company's development. As with the Cadia Hill, Gosowong and Ridgeway projects before it, the impact of the major capital investment in Telfer will have an immediate effect, generating substantial revenue as Telfer builds up production.

The Company's improving financial strength will be directed to optimising debt levels and maintaining strong returns to shareholders. We expect the high capital returns of the past years gradually to give way to an increased flow of dividends as debt is reduced.

The merit of Newcrest's strategy and the success of its implementation were broadly endorsed by the sharemarket with a strong re-rating of the Company's share price during the past year. Newcrest is now firmly placed in the ASX Top 50.

The Company's sharemarket performance results directly from its preferred strategy of organic growth by the discovery and efficient development of world-class gold and copper operations. This strategy has reduced the Company's requirement for upfront capital, while at the same time delivering a higher margin with better returns and lower risk.

Your Board remains committed to growing the Company further. In the current world gold environment, organic growth through successful exploration will remain a key component of that plan. The Board has already committed to a progressive step-up of both brownfields and greenfields exploration during the coming years.

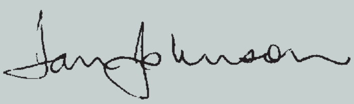
The Cadia Valley and Telfer regions are now firmly established as major gold districts, with each region expected to support several large mines for many years to come. Developments at Gosowong and Cracow demonstrate clear potential for each to emerge as an important new gold district. Newcrest will continue to target exploration in these areas. At Boddington evaluation studies are continuing.

Brownfields exploration in these regions is the most efficient use of capital for Newcrest's growth. It enhances the prospects for success and shortens the time needed to bring new discoveries to production. This approach has served Newcrest well in the past and the Board is committed to maintaining it.

During the past year, the Company's corporate governance practices have been extensively reviewed, particularly in light of the ASX Corporate Governance Council Principles of Good Corporate Governance and Best Practice Recommendations. Newcrest's practices, which demonstrate a high level of compliance with the ASX Principles, are reported in detail later in this Annual Report.

In addition to satisfying the formal requirements of the ASX, Newcrest's Board and management have developed an extensive framework for assessing and managing key risks and threats to Newcrest's future prosperity. The aim is to improve the consistency of the delivery of key outcomes for the Company's shareholders in the future. The recent simplification of the Company's gold and foreign exchange hedge book is clear evidence of that approach.

The successful implementation of the Company's strategy is due to the hard work and commitment of the people at Newcrest. The Board will continue to ensure that the Company makes an appropriate investment in its people so that they can achieve their full potential. This will enable Newcrest to continue to deliver on its long-term strategy and produce acceptable outcomes to all stakeholders.



Ian Johnson

Chairman

Managing Director and Chief Executive Officer's Report

The 2003/04 year was a period of substantial progress for Newcrest, on a number of fronts.

Overview

Financially, our much improved profit figure was due to a very strong performance at the Ridgeway mine and the commencement of gold production from the high-grade deposit at Toguraci. The robust performance at these locations offset the disappointing third quarter at the Cadia Hill open pit operation. The much stronger copper price in the second half of the year made a strong impact, lowering further the cash costs per ounce of production from an already very low level in the first half of the year.

Newcrest's hedging program also added significant value to the Company's profit by achieving a gold price higher than the average spot price for the year. With the Australian dollar well above US$0.64 cents for most of the year minimal foreign exchange losses were incurred. At year end, we made some significant changes to the Company's hedge book. I expand on these changes later.

I outline below the significant progress on other objectives set by the Board for the 2003/04 year:

1. Occupational Health and Safety. We launched a major new initiative called *Target Zero* – the long-term aim of this initiative is to eliminate injuries from the Newcrest workplace.
2. Corporate citizenship. At each of our sites, we focussed on maintaining and improving Newcrest's reputation as a good corporate citizen.
3. Rehabilitation. The efforts at planning and undertaking rehabilitation of our operational sites has been an area of considerable focus. Newcrest's ability to obtain permits in the future will in part be determined by our record on this front.
4. Management structure. We improved the management structure in the important areas of technical support, human resources and IT with the aim of facilitating a culture of continuous improvement.
5. Exploration. We increased Newcrest's exploration spend with the intention of fully understanding the potential of our brownfields sites and at the same time improving our chances of further greenfields success.

Operations

The Ridgeway mine in the Cadia Valley continued to perform strongly during the year. Ridgeway production is now highly predictable and is in line with mine plans. We increased the production rate to an annualised tonnage of 5.6 million tonnes, which exceeds the feasibility study's nominal design capacity.

Ridgeway's cash flow continues to be strong and within its first two years the mine had returned all capital invested in both exploration and development. This outcome is outstanding for an underground mine the size of Ridgeway.

Ongoing deep exploration drilling from underground at Ridgeway was successful in increasing the reserve and resource base of the orebody beneath its current limits. We plan to commence the necessary development so this depth extension to be brought into production in due course.

The Cadia Hill open pit mine provided some operational challenges in the third quarter of the 2003/04 year. The mine considerably underperformed due to reduced availability of the two main shovels. We devoted a lot of time to improving outcomes in this vital maintenance area and by year end, shovel availability had returned to planned levels and total rock movement had returned to normal levels. Due to the underperformance of the mining fleet, we were unable to access the higher grade areas of the pit. This resulted in ore from the low grade stockpiles being treated through the concentrator and lowered the overall gold production and increased costs.

At Toguraci, which is located two kilometres from the existing Gosowong plant on the island of Halmahera in Indonesia, pre-stripping of the orebody commenced in October 2003 with the first gold pour taking place in February 2004. The results from Toguraci have been good with the orebody performing slightly in excess of expectations to date.

During the 2003/04 year, the Toguraci operation dealt with heightened security issues arising from an influx of illegal miners. These security issues caused a cessation of mining for a period of six weeks. The temporary suspension of operations was necessary to ensure the safety of our own people and that of the illegal miners. Various claims were made questioning PT Nusa Halmahera Mineral's (PTNHM) right to mine the Toguraci deposit. PTNHM has at all times complied with Indonesian law and we have consulted extensively with both the local and the central governments on this issue. All necessary approvals were received by PTNHM for its mining activities.

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Projects

Throughout the 2003/04 year, we focussed on the vital task of delivering the first stage of the Telfer project. In late March, the program was set back when Cyclone Fay (considered a 1-in-200 year rain event) deposited 360 millimetres of rain on the site in just over 24 hours. Whilst no material damage occurred on site, we experienced some significant delays, especially in relation to the installation of the gas pipeline from Port Hedland.

At the time of writing, the first stage of the project was in the final stages of construction with only pipe fitting and electrical wiring being key tasks remaining to be done before production commences.

The second stage of the project is progressing well – the shaft sink is now well advanced and work on the underground infrastructure is in line with expectations.

The Telfer project will have a major beneficial impact on Newcrest and we eagerly await the commencement of production.

At Cracow, the underground development is proceeding smoothly and we have made a good start on the work required to refurbish the CIP plant. We anticipate that the first gold will be poured before the end of the 2004 calendar year.

The Boddington project studies continued during the year with progress made in the areas of geology, metallurgy and design. All joint venture partners continue to work towards achieving a finished study in 2005.

Exploration

Our commitment to Newcrest's exploration remains strong. We believe that our ongoing exploration success will be vital to Newcrest's ability both to maintain production levels and to grow into the future.

Newcrest's exploration program involves two categories of exploration – brownfields and greenfields.

We have made excellent progress in brownfields exploration – Cadia East, Ridgeway Deeps, Cracow, Kencana and underground at Telfer – in our quest to fully understand the mineral endowment of those areas. Clearly each of these sites offers the opportunity to extend the life of the operating mines that already exist, or are planned, in these areas. Exploitation of these new resources will only require incremental capital which in turn will mean a greater overall return on capital.

Our commitment to Newcrest's greenfields exploration continued throughout the 2003/04 year. Unfortunately, flood waters at Ashburton and the area surrounding Telfer, due to Cyclone Fay, brought an early end to the drilling season in the second half of the year – very little exploration was possible from late March until year end. This delay was particularly frustrating as progress in both these key areas had been encouraging up until that time. Fortunately exploration in both Ashburton and Telfer has now recommenced.

Greenfields exploration also continued in the Yilgarn, in Eastern Australia and in North America. We plan to resume modest exploration in South America, notably in Peru, in the not too distant future.

Finance

Newcrest reported an after tax profit of $122.9 million for the 2003/04 year, which compares with $92.2 million in the previous year – an increase of 33 percent. Profit after tax but before significant items, which provides a better indication of the underlying business profitability, was $119.3 million ($66.3 million) up 80 percent.

Basic earnings per share of 37.5 cents per share for the 2003/04 year is an increase of 7.9 cents from last year's result of 29.6 cents per share.

Our improved profit figure is due to the lower cost of production, in conjunction with strong copper prices in the second half of the year. Co-product costing is shown in the Five Year Summary on page 72. Other positives for Newcrest were the strong copper production from Cadia Valley and the commissioning of the Toguraci mine.

Newcrest's hedge book performed well for the Company during 2003/04 – the achieved gold price was $33 higher than the average spot price for the year. Nevertheless, the highlight for Newcrest in recent times was the restructure of our hedge book, which we announced on 5 July 2004. Newcrest's book now consists only of simple vanilla gold derivative products in line with the Company's hedging policy.

As a result of the higher copper prices in the second half of the 2003/04 year, we decided to lock in these much improved copper prices for most of the planned copper production over the next two years. Our plans to mine the supergene copper zone at Telfer over the first two years of the open cut operation will result in enhanced copper production. Newcrest's hedging strategy to maintain strong copper revenue through that period will provide a substantial boost to the Company's performance during that period.

Occupational Health and Safety

Newcrest's management has set itself the task of attaining world's best practice for a resource company in the area of occupational health and safety. The initiative is called *Target Zero* and we have hired DuPont consultants to help design the various training initiatives that we need. DuPont has a long-established reputation for international leadership in this field and we are delighted to be able to draw on their expertise.

The number of lost time accidents at Newcrest per million man hours fell from 3 in 2002/03 to 1.9 in the 2003/04 year. We hope to reduce the accident statistics to less than 0.5 per million man hours in the near future with an aspiration, over time, to eliminate work accidents that cause lost time altogether. To achieve this aspiration, we require a substantial commitment from all of our people and from our contractors. This challenge will be all the greater because of the substantial number of new people who will come on board at Telfer and Cracow in the near future.

I regret to report that one of our people was killed at our Indonesian operation during the year, despite our efforts and hopes in eliminating work fatalities. Pak Patrsino was driving a Caterpillar 966 loader when it rolled over resulting in Pak Patrsino's death. All of us at Newcrest offer our sincerest and deepest sympathy to Pak Patrsino's family.

We have completed a comprehensive investigation reviewing the cause of the accident in the hope that we can avoid a repeat of this tragedy.

Sustainability

The concept of sustainability is an important element in Newcrest's development of successful operations. We are committed to developing long-term beneficial relationships with our key stakeholders as the foundation of a sustainable future.

We have a number of key stakeholder groups – from our shareholders to local communities to our own employees and contractors. The degree to which we are able to satisfy the needs of this diverse group of stakeholders is a clear measure of Newcrest's success in establishing sustainable operations.

Since Newcrest became a signatory to the Australian Mining Industry Code for Environmental Management, we have shown a steady increase in environmental performance as measured by the Annual Implementation Survey. In the 2003 calendar year, we delivered a further increase in our annual survey score to 69 percent. Our score rose from 43 percent in 2000 to 64 percent in 2002. Under the modified scoring system used to assess implementation of the Code, 80 percent indicates that the systems represented by the Code have been fully implemented and integrated. At 69 percent, Newcrest's score indicates that we have the necessary systems and processes in place and are well advanced in integrating these elements into our overall business functions. Throughout this period each of our operations has shown steady improvement, which we are confident will continue into the future.

While the number of reported environmental incidents rose slightly compared with the previous year (22 in 2003/04 compared with 15 in 2002/03), we believe this was still a good performance given the increase in construction activity at Telfer and Cracow. A more accurate year-on-year comparison is using the number of hours worked during the year as an indicator of overall Group activity. On this basis we had a decline in environmental incidents per million hours worked from 3.46 in 2002/03 to 2.93 in 2003/04.

Throughout the 2003/04 year we focussed on the vital task of delivering the first stage of the Telfer project … the Telfer project will have a major beneficial impact on Newcrest.

Managing Director and Chief Executive Officer's Report (continued)

Objectives for 2004/05

The key challenge for the 2004/05 year will be to bring the Telfer and Cracow projects on-stream successfully. The boost to production, as a result of these projects, has been much anticipated by our shareholders, the Board and management of the Company.

In addition to the positive outlook for Newcrest's operations, there are some Key Performance Indicators (KPIs) that we set for the 2004/05 year:

1. Actively encourage all of our people to embrace *Target Zero*.
2. Enhance Newcrest's reputation as a good corporate citizen among our stakeholders both in Australia and in the countries in which we operate.
3. Continue to place a real emphasis on the continuous improvement culture within Newcrest and to encourage behaviour among our staff and contractors consistent with and reflective of the highest ethical standards.
4. Improve the financial performance of the Company.
5. Sustain the Company's gold reserve and resource inventory through brownfields exploration, continue to support greenfields exploration and the people who undertake this exploration.

As you would expect, Newcrest's KPIs are similar to the list we provided last year. All of our people at Newcrest realise that there is no easy way to success and these KPIs (even if the detail varies slightly over time) will reappear year after year regardless of how successful we may be in the future.

Our people

Newcrest is going through a period of substantial growth and as a result we will welcome many new faces in the next 12 months.

In any period of substantial change, the existing members of an organisation must ensure that growing pains are kept to a minimum. The 2003/04 year is an example of such dynamic change, which has been a particularly challenging year for the management of Newcrest.

We have achieved what we set out to do in 2003/04 and we looking forward to bringing both Telfer and Cracow into production and at the same time achieving our other 2004/05 objectives.

I am confident that Newcrest's management team and all employees will continue to rise to the occasion and enhance Newcrest's reputation and I thank all of them for their contribution to date. It is certainly an exciting time to work at Newcrest.

Tony Palmer
Managing Director and Chief Executive Officer

Newcrest Senior Management


Bruce Price


Tony O'Neill


Dan Wood


Bernard Lavery


Jeff Smith


Peter Reeve


Matthew Butlin

The Newcrest Senior Management team is responsible for the development, management and implementation of corporate business plans and the development of longer term strategies.The team draws strongly on the operating team and external input in bi-monthly meetings to fulfil its objectives. The team meets with the Board of Directors during the year to review progress of strategy discussions and the formulation of the Company budget.

Bruce Price
Executive General Manager Project Development, responsible for Telfer development, previously built Gosowong and Ridgeway. Prior to that, over 10 years with Normandy Mining.

Tony O'Neill
Executive General Manager Operations and Marketing, responsible for Group operations, previously held senior operational and business roles at KCGM and WMC.

Dan Wood
Executive General Manager Exploration, a geologist with over 37 years' experience in a diverse range of commodities, both in Australia and overseas, including with BHP.

Bernard Lavery
Executive General Manager Corporate Services, a lawyer by training with a wide experience in corporate law, previously with WMC and Ashton Mining.

Jeff Smith
Executive General Manager Finance, previously held senior positions at WMC in accounting, taxation and strategic planning.

Peter Reeve
General Manager Corporate Affairs, a metallurgist with strong corporate finance and market experience at JBWere & Sons, the Shell/Billiton Group and CRA Ltd.

Matthew Butlin
Executive General Manager Organisational Effectiveness. Previously with The Empower Group, and CRA in various senior organisation effectiveness roles.

Financial Report

Summary of year's results

Due to the funding requirements for the Telfer project, the 2003/04 year was a significant year for effectively managing Newcrest's finances. The Telfer funding plan relied heavily on the Cadia Valley mines to generate the cash flows needed at the beginning of the year.

We also established Ridgeway as a quality mine. In less than two years, on an undiscounted basis, cash flow from Ridgeway has fully repaid the capital invested.

The financial highlights for the 2003/04 year are summarised in the following table. Refer to the Discussion and Analysis of the Financial Statements on page 56 for a detailed review of the current year results.

	2004	2003
Net profit after tax before significant items	$119.3 million	$66.3 million
Net profit after tax	$122.9 million	$92.2 million
Basic earnings per share	37.5 cents	29.6 cents
Return on capital employed	9.0 percent	6.6 percent
Return on members' equity	18.1 percent	10.6 percent
Gearing – net debt/net debt + equity	48.9 percent	30.3 percent
Dividend	5 cents	5 cents

Net profit after tax before significant items rose substantially for the 2003/04 year. This measure is considered to be the best indication of the profitability of the underlying businesses. Newcrest's increase in profit resulted principally from higher production and lower cash costs assisted by strong copper by-product revenue. Earnings per share and return on equity both rose accordingly.

The commissioning of the Telfer project in the first half of the 2004/05 year will result in significant increases in earnings per share and return on equity for the whole of 2004/05.

Key strategic issues

The financial standing of Newcrest changed dramatically during 2003/04 with the Company positioning itself well for the future with long-life operations, low on the cost curve which will provide stable cash flows for many years.

Particular items of note are as follows:

Due to the relative importance of the Telfer project to Newcrest the financing for the Telfer project necessarily contained some elements of a project financing. This project financing style prevailed due to the perceived completion risks associated with the project and the significant contribution Telfer will make to the overall Group. The financing was completed in March 2003.

By June 2004, the Company's credit position had been transformed with our effective credit rating and capacity increased dramatically. Newcrest is now well positioned to contemplate a restructure of its existing debt to take advantage of better credit conditions and to establish debt maturities that are more reflective of the long-life reserve profile of the Company. Conditions in key capital markets are presently very favourable and we expect to examine benefits of a debt restructure in the current financial year.

Capital management plan

Proposals to restructure existing debt form part of Newcrest's larger corporate capital management plan which will address such matters as dividend policy, gearing targets and liquidity.

The Board's intention is to increase the dividend payout ratio once Telfer is operating at full capacity. Our aim is to establish a sustainable dividend level and to regularly monitor cash availability. We can then determine whether returns to shareholders above the sustainable dividend level can be made, depending on cash availability and investment opportunities.

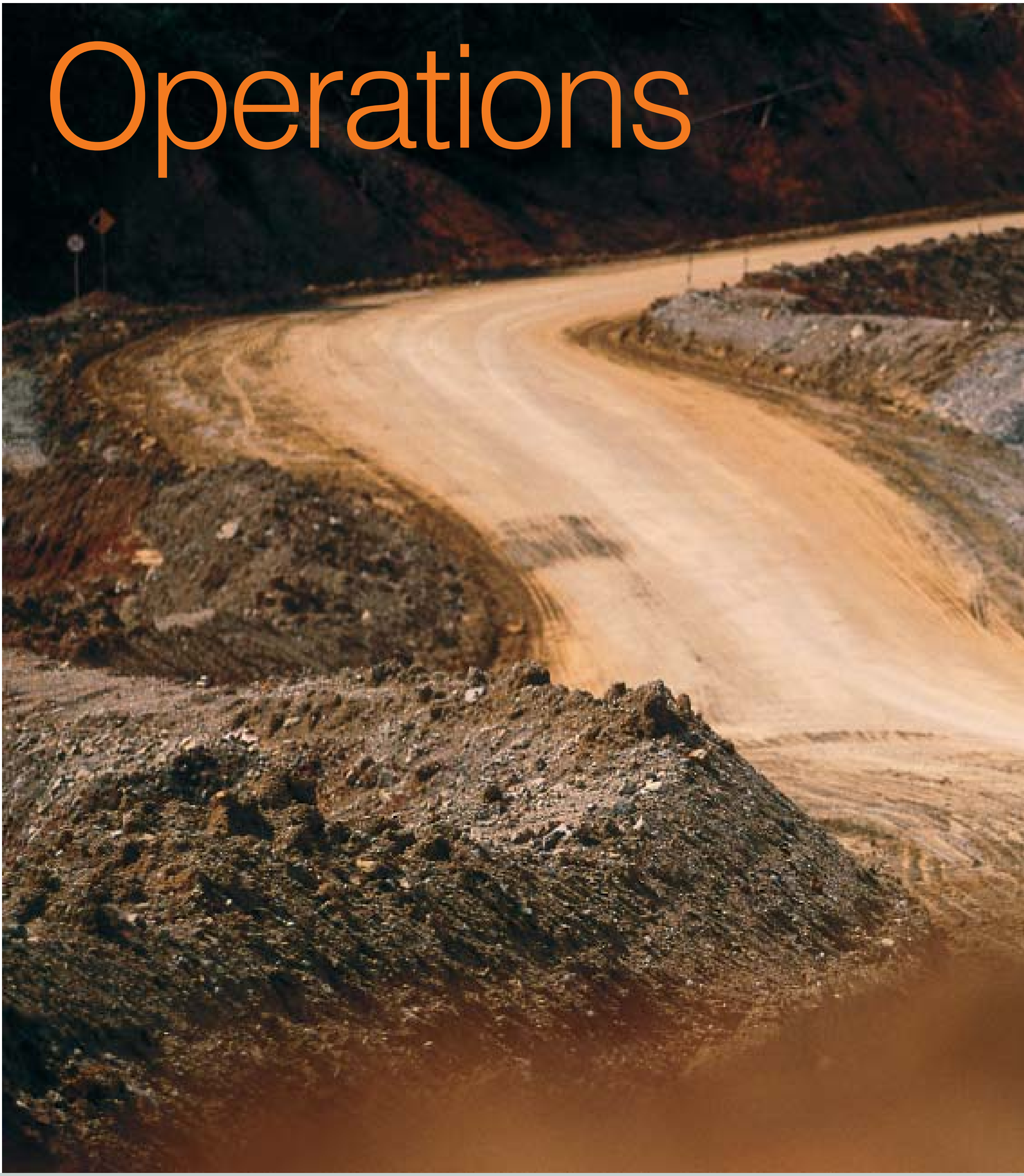
Current gearing levels remain manageable and gearing has risen as a result of funding the Telfer project. We intend to reduce our gearing to more modest levels and cash flow predictions suggest this can be achieved in a relatively short timeframe. We are seeking to minimise Newcrest's cost of capital in this process. Once target debt levels are determined we will seek an appropriate mix of long and short-term debt to reflect a repayment profile that complements our business plans.

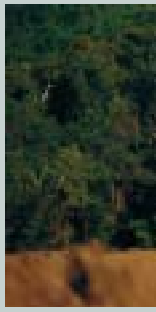
Restructure of hedge book

A critical piece of our plan to develop the Company's long-term financial strategy was the restructure of the hedge book, which was completed immediately after year end. We now have a hedge book consisting entirely of vanilla hedging instruments. This restructure now aligns the entire book with the Company's hedging policy approved by the Board in 2002 and should enable our derivative positions to qualify as hedges under international accounting standards which become effective in 2005.

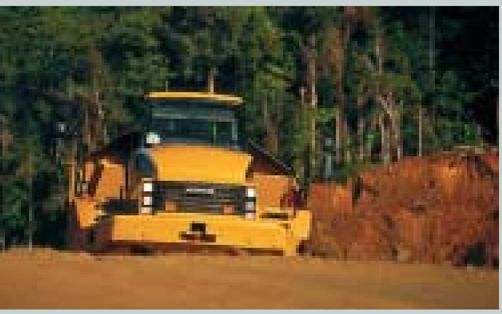
Newcrest's hedging policy is to hedge to ensure the return on new capital invested and to ensure that we can meet the Company's financial commitments in times of low commodity prices. In the next few years, therefore, hedging levels based on annual production rates will remain high whilst debt levels remain high and development opportunities are pursued. Our expectation, however, is that overall, hedging levels will reduce over time commensurate with a reduction in gearing.

Operations






Toguraci Gold Mine



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CADIA VALLEY OPERATIONS

Ridgeway Gold/Copper Mine

The Ridgeway underground mine performed strongly throughout 2003/04 with production of 438,026 ounces of gold (377,539 ounces) and 47,378 tonnes of copper (45,024 tonnes).

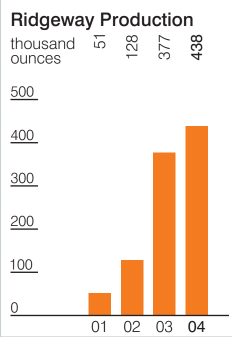
The unit cash costs of production were a low $19 per ounce ($85 per ounce) with a total unit cost of production of $172 per ounce ($239 per ounce). The costs were lower in 2003/04 primarily due to the higher by-product revenue resulting from the stronger copper price in the second half of the financial year.

During the initial part of the year, Ridgeway's production rates were consolidated at 5 million tonnes per annum. Ridgeway then conducted trials to maximise the mine and mill throughput rates to assess the viability of the operation sustaining a higher production rate. An optimal production rate of 5.6 million tonnes per annum was implemented, taking into consideration grind and recovery parameters.

The sub-level cave development, ore handling system and high grade concentrator have all performed extremely well during the year. Production from the sub-level cave has become highly predictable and is in accordance with the mine plan. Head grades mined and milled continued to show a strong correlation with the reserve model. The early stages of mine development provided ore grades above the reserve model and over the next two years these will revert closer to the average reserve grade.

The outlook for 2004/05 is to consolidate production at 5.6 million tonnes per annum and focus on the potential to increase recoveries in the concentrator with the commissioning of a new concentrate regrind circuit in the first quarter. The introduction of an owner-operated underground mining fleet will be complete by April 2005.

Central NSW
Underground Gold/Copper Mine
Nominal Treatment Rate 5 million tonnes pa
2004 Gold Production 438,026 ounces
2004 Copper Production 47,378 tonnes
Cash Cost $19 per ounce
Total Cost $172 per ounce



The delineation of the Ridgeway orebody was extended during the year with an updated resource and an initial reserve defined for the Ridgeway Deeps mineralisation. Feasibility studies are underway based on the continuation of sub-level cave at depth, installation of a new crusher 300 metres below the existing crusher and extension of the underground conveyor system.

Development of Ridgeway Deeps is due to commence during 2004/05 with the planned advance of the existing Ridgeway decline. This development will allow additional drilling to be undertaken deeper into the orebody and establish the infrastructure required to produce from the orebody in future years.

Ridgeway's performance in 2004 established it as one of the most efficient gold and copper mines in the world.

2

feature

Newcrest's involvement in the International Caving Study (ICS) helps the Company maintain its position at the forefront of mining technology – aiding the delivery of high quality projects.

Newcrest is actively involved in an International Caving Study (ICS) involving major international mining companies, equipment manufacturers and explosives suppliers supported by leading research organisations. Newcrest is a member company of the ICS Group along with companies well practised at caving such as Codelco (Chile), DeBeers (South Africa), LKAB (Sweden), Rio Tinto and other companies such as WMC and Sandvik Tamrock. Research has been conducted by the sponsors – University of Queensland's Julius Kruttschnitt Mineral Research Centre (JKMRC), CSIRO Petroleum and the Itasca Consulting Group based in Minnesota, USA.

Newcrest's involvement in the project further extends our underground mining competencies to sustainably mine large, lower-grade, deeper deposits by the application of low-cost mass-mining methods.

The ICS Group focusses on approaches to achieve continuous caving processes, fragmentation, broken rock flow, mine design, risk assessment and operational management for underground caving methods. The Group shares resources to extend these competencies and provides a forum for international knowledge sharing with other leading underground caving operators.

The impetus for funding this project was the application of caving operations in stronger rock and geotechnical environments outside current experience. Led by Codelco, Rio Tinto and CSIRO, the ICS developed new approaches to assess cave propagation and fragmentation, and conducted industrial trials on blasting and hydraulic fracturing techniques (from the petroleum industry) to engineer the rock before mining. These techniques have the potential to enable caving of strong rock and significantly reduce underground mining costs. This will allow lower-grade mineralisation to be economically mined, generate increased profit from existing deposits and lower environmental impacts.

Newcrest also leads research initiatives by conducting industrial tests at Ridgeway to produce a step change in the industry's knowledge of flow of broken rock in sub-level cave mining. These tests have enabled Ridgeway to increase draw and bring forward substantial future cash flows. The strong relationships developed between ICS members has also enabled one of Newcrest's mining engineers to work at the Palabora mine in Africa and review Rio Tinto's operating systems over a six-month period. This secondment helped Newcrest increase its in-depth understanding of Panel and Block Cave mine operations with potential application to new projects the Company has in the pipeline.

During the ICS, Newcrest visited and developed a working understanding of technical designs and operating practices at: LKAB's Kiruna mine in Sweden; Codelco's Chuquicamata mine in Salvador; Andina and El Teniente mines in Chile; Rio Tinto's Palabora Mine in Africa; DeBeers' Premier, Finsch and Koffiefontein mines in South Africa; and WMC's Leinster operations in Australia. Most of the sponsors have in turn visited Ridgeway and complimented Newcrest on the mine's 'rock factory' manufacturing style operations.

The Cadia Hill mine overcame substantial equipment reliability issues to produce 244,261 ounces of gold and 37,380 tonnes of copper during 2004.

2 section

CADIA VALLEY OPERATIONS

Cadia Hill Gold/Copper Mine

The Cadia Hill mine produced 244,261 ounces of gold (298,848 ounces) and 37,380 tonnes of copper (22,714 tonnes) during the 2003/04 year.

The cash costs of production were $263 per ounce ($344 per ounce) with a total cost of production of $435 per ounce ($483 per ounce). The costs were primarily lower due to the higher by-product revenue resulting from the stronger copper price.

Open cut ore during the year was sourced from the Cadia Extended pit and the main Cadia Hill pit. The Cadia Extended pit ore contained higher copper than the main pit, resulting in a significant increase in copper production during 2003/04. Mining of the Cadia Extended pit was completed by year end and the North Wall Cutback and Cutback 1 advanced strongly over the period. Material moved over the year was 76.6 million tonnes.

The 2003/04 year has been challenging for open pit mining with material movement below plan due to reliability issues with the face shovels. Some of the resulting mill feed was sourced from low-grade stockpiles which adversely impacted grades and metal production. The equipment reliability issues were resolved by year end with availability rates returning to normal.

The low-grade concentrator consolidated increased throughput rates associated with the Mine to Mill project and the optimisation of the regrind circuit. Trials were conducted to demonstrate the benefits of blending ore to reduce grade variation through the mill and on new collectors to improve recoveries. The results of these trials have been very encouraging, and with recovery increases of up to 10 percent achieved the program has been implemented on an ongoing basis.

Central NSW

Open cut Gold/Copper Mine

Nominal Treatment Rate 17 million tonnes pa

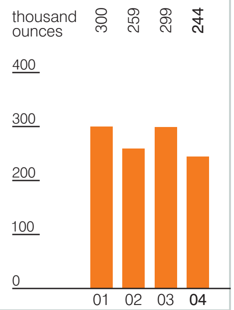
2004 Gold Production 244,261 ounces

2004 Copper Production 37,380 tonnes

Cash Cost $263 per ounce

Total Cost $435 per ounce

Cadia Hill Production



Cadia Valley – other initiatives

Cadia Valley Operations distributed more than $300,000 in community grants through Cadia Valley Operations' strategy of supporting the organisations which support the local communities. The principal recipient in 2003/04 was the Canobolas Zone of the Rural Fire Service, which received $100,000 to assist with establishment of a Centre for Training Excellence. The Centre will provide specialised fire fighting training for volunteer brigades and a host of kindred organisations. Other major recipients for the year were Careflight, Orange Base Hospital, Red Cross, Orange Community Transport, the Salvation Army and the Smith Family.

Every year, Cadia Valley Operations offers two tertiary education scholarships in mining industry disciplines to local secondary school students. The scholarships are offered to students residing in the local government areas of Blayney Shire, Cabonne Shire, and Orange City Council and who are enrolling in a mining industry related discipline.

Cadia Valley seedlings initiative with Landcare Groups

In 2003 Cadia Valley Operations commenced a progressive five year revegetation program on its agricultural farms. Other farmers in the district were briefed about the program and strong feedback was received on a number of aspects of the program. The strategy focuses on establishment of a network of vegetation corridors across the valley, protecting and enhancing remnant vegetation, providing habitat for threatened species and endangered ecological communities; and riparian restoration to protect creek banks, remove willow trees and improve water quality.

Obviously programs of this type are more effective when done on a broader community basis and in order to encourage participation from other landholders in the district, Cadia Valley Operations offered to assist local residents to establish similar complementary programs by providing free seedlings to members of the Panuara and Springside Landcare Groups.

Cadia Valley Operations undertook to provide all Landcare members with 50 free seedlings every season for the duration of the revegetation program. The seedlings are purchased from a local supplier and are native to the Cadia district. More than 1,500 seedlings were distributed during the 2003/04 year.

A side benefit to this initiative has been renewed interest and membership in the local Landcare groups. In response to expressions of interest from the Forest Reefs district, Cadia Valley Operations has undertaken to support the formation of a new Landcare Group for Flyers Creek.

Newcrest copper concentrate sales

During 2003/04, Newcrest's operations produced 761,780 ounces of gold. Cadia Valley's copper-gold concentrate contained 682,287 of these gold ounces. In addition to the gold-in-concentrate, Cadia Valley also produced 328,791 tonnes of copper-in-concentrate.

The majority of Cadia Valley's copper-gold concentrate is sold under long-term contract to copper smelters in Japan. Newcrest sells the majority of Cadia Valley's copper concentrate output to Pan Pacific Copper Co Ltd, a joint-venture between Japan's Nippon Mining & Metal Co Ltd and Mitsui Mining & Smelting Co Ltd. Pan Pacific Copper purchases copper concentrate feed for the Saganoseki Smelter and Refinery on Japan's southernmost island, Kyushu and the Hibi Smelter on Japan's Inland Sea. Other customers include Japan's Mitsubishi Materials Corporation and Dowa Mining Company. Newcrest also sells concentrate to trade merchants, who deliver the material under their own contracts to a variety of regional smelters.

Using both pyrometallurgical and hydrometallurgical processes, the smelters extract the copper and gold from the copper concentrate, as well as silver. The sulphur in the concentrate is used as fuel in the autogenous flash-smelting process, with residual sulphur being captured and processed into sulphuric acid, which is then in turn used for applications such as fertiliser.

Once the copper and gold processes are complete, the smelters have produced copper metal to 99.9 percent purity and gold bullion to 99.99 percent purity. These high quality products are then sold into Asia's metal markets or used in the smelters' own downstream operations.

The Japanese smelters operate under strict environmental protocols. For example, the Saganoseki Smelter and Refinery has co-existed for about 90 years with the local fishing industry – fishing boats moor near the smelter's own wharves.

TOGURACI GOLD MINE

Toguraci is located 2 kilometres south-west of the original Gosowong pit on Halmahera Island in Indonesia. The project is operated by a joint venture company Pt Nusa Halmahera Minerals (PTNHM) which is 82.5 percent owned by Newcrest and 17.5 percent owned by PT Aneka Tambang.

The Toguraci open pit produced 79,493 ounces of gold during 2003/04 at a cash cost of production of $223 per ounce with a total cost of $280 per ounce.

Development of the mine commenced in July 2003 upon approval of the feasibility study and environmental impact statement by the Indonesian Minister of Mines. Site preparation, construction of the access road and pre-stripping activities were undertaken during the first six months, with mining of ore commencing and first gold production in February 2004. The orebody has performed in accordance with the geological model and all capital necessary to develop the project has been repaid.

Between late October and December 2003 up to 2,000 illegal miners occupied the Toguraci mine site. PTNHM suspended pre-stripping to ensure the safety of both staff and illegal miners. An Indonesian government committee was appointed to independently assess the occupation and PTNHM's right to mine the deposit. The committee endorsed PTNHM's right to mine and ordered the Indonesian police to remove the illegal miners.

Halmahera Island, Indonesia

Open cut Gold Mine

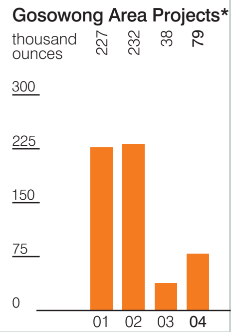
Nominal Treatment Rate 0.25 million tonnes pa

2004 Gold Production 79,493 ounces

Cash Cost $223 per ounce

Total Cost $280 per ounce

*Gosowong Area Projects include the depleted Gosowong mine, Toguraci and the Kencana resource.



Since the operation commenced in 1998, PTNHM has maintained an ongoing commitment to various community development programs. During the year PTNHM provided funds for health care, educational support, training and fostering the establishment of local businesses.

The future of the Gosowong field lies in the Kencana project. At this stage, the Kencana project contains 1.1 million ounces of resource in high-grade mineralisation that remains open at depth and to the south. The project is 1 kilometre south of the existing mill and the mine is likely to be an underground operation. Kencana is expected to provide significant life to the Gosowong operations and to maintain continuous benefits to the surrounding region for a number of years.

2 section

MAY 2001

JULY 2004

The rehabilitation of Gosowong's waste dump and mined-out pit commenced immediately after mining was completed. In 2000, progressive rehabilitation of the waste dump began and currently about 45 percent has been revegetated.

The primary objective of the rehabilitation is to stabilise landforms quickly by establishing revegetation. The long-term objective is to re-establish a forest ecosystem similar to the original, limited production forest.

Rehabilitation success depends on several critical factors: correctly designed and constructed drainage, genuine stability, placement of clean subsoil and topsoil and maintenance after planting.

Three types of rehabilitation works are implemented: stabilisation, final rehabilitation and maintenance and repair.

As each part of the waste dump reaches its final form the surface is covered with approximately 20 centimetres of topsoil. Rapid site stabilisation can be achieved through the establishment of grasses and legumes.

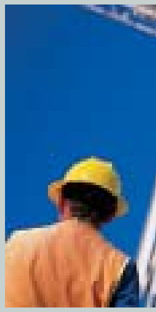
A commitment to the highest standards of environmental monitoring and rehabilitation continues at Newcrest's projects in the Gosowong area.

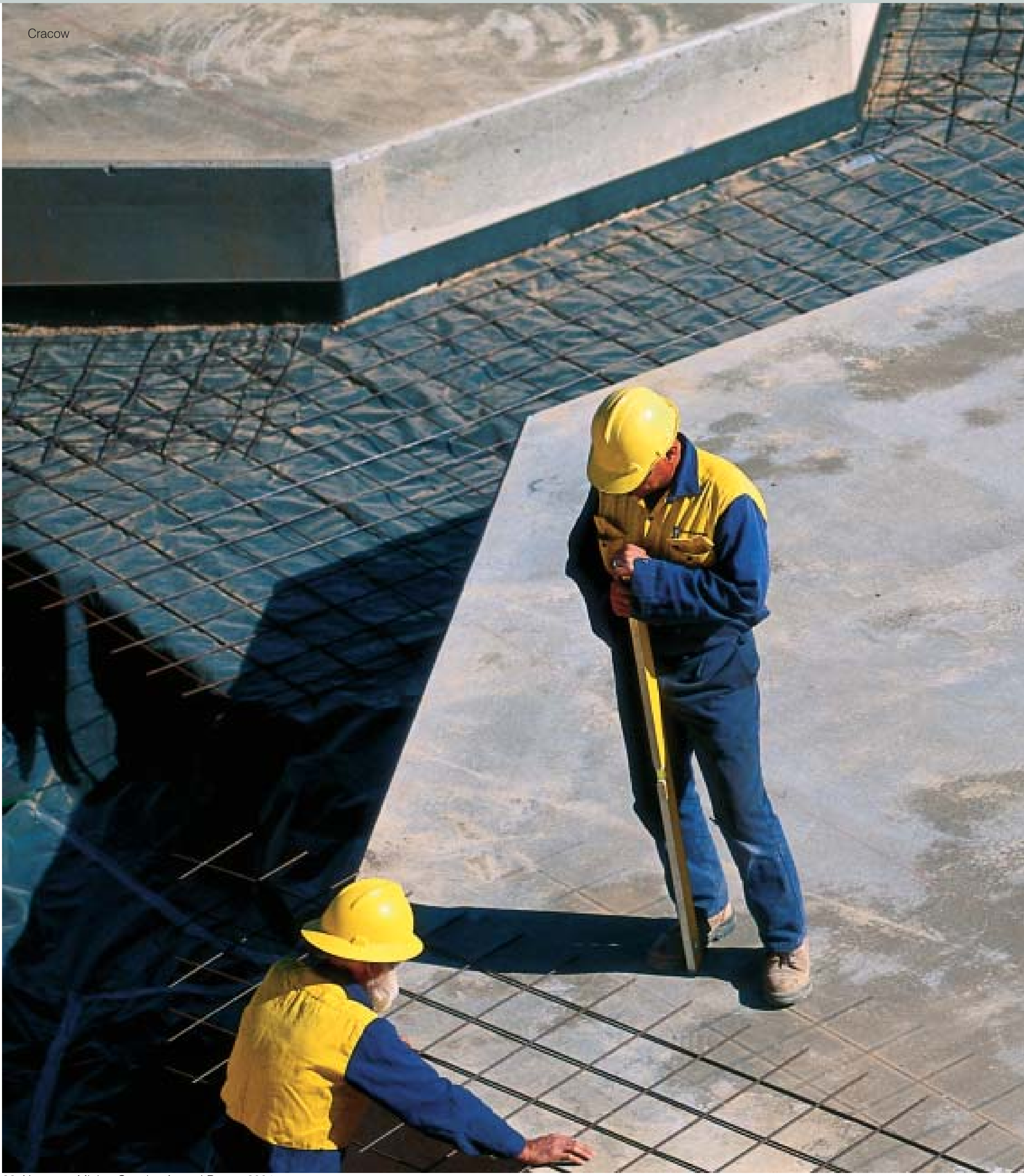
2

feature

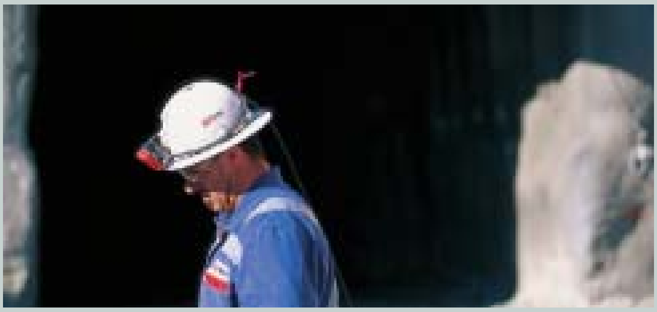
The rapid establishment of ground cover and, over a longer period, a forest ecosystem, must be achieved in final rehabilitation. Planting is a two-stage process. Initially the priority is to establish a canopy cover (using pioneer tree species) to minimise erosion from rain and to provide a microclimate amenable to the establishment of rainforest tree species (native local species). The planting density is approximately 1,000 trees per hectare. Exotic legumes used as cover crop are chosen for their rapid growth and proven beneficial effects on soil fertility. Within 12 months the canopy development is usually sufficient to plant rainforest plants.

The monitoring of rehabilitation areas is undertaken to measure growth rates and establishment success of the species used. Monitoring can show that end-use criteria have been met and that the rehabilitated area is suitable to hand back to the Government and community.





Cracow



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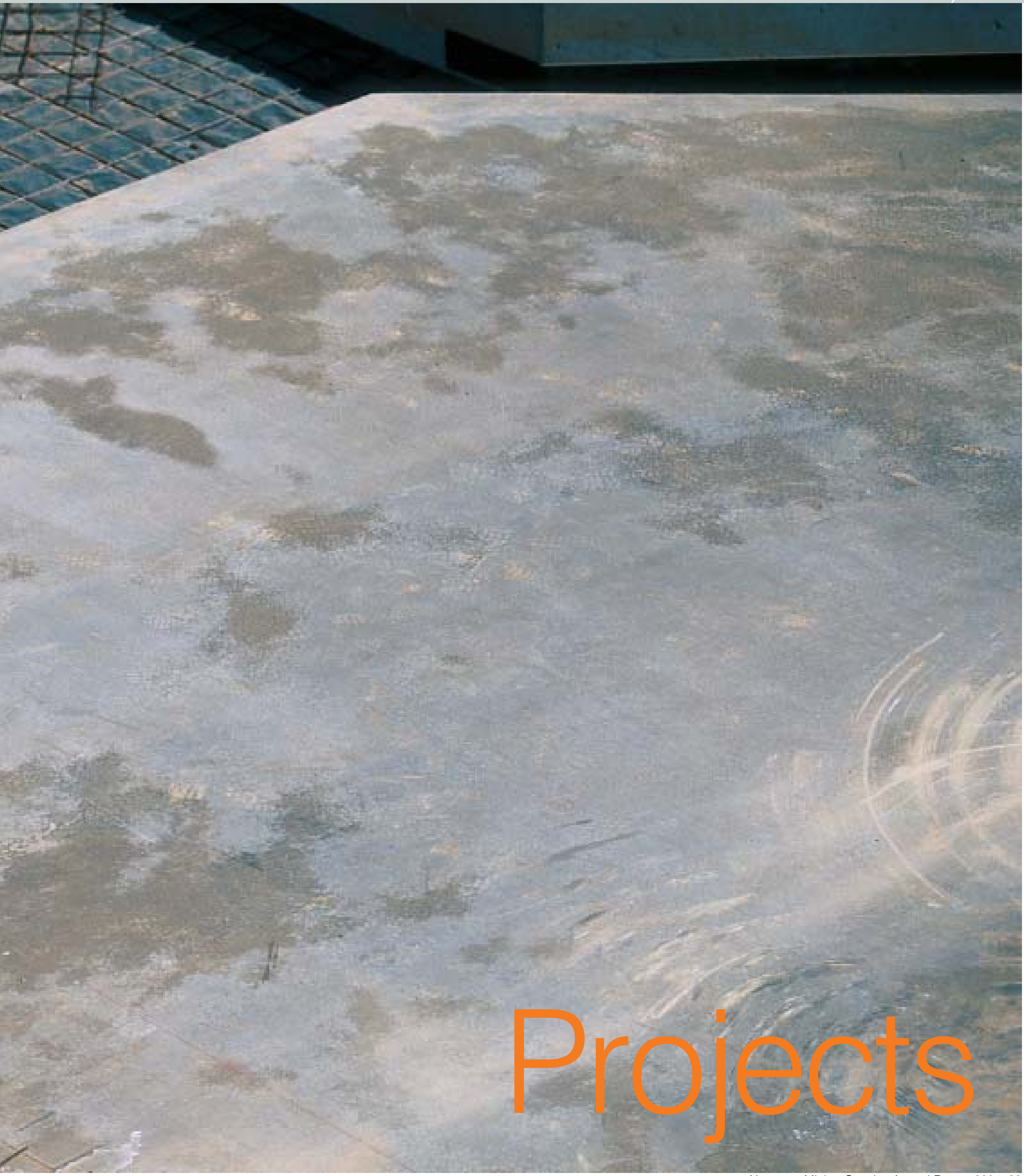
section



Projects

3 section

TELFER GOLD/COPPER PROJECT

Development of the Telfer project proceeded generally on schedule during the year. Open pit preproduction development progressed ahead of schedule and the remaining site infrastructure development continued. By year end various stages of commissioning were under way in the processing area and the power station.

The construction progress of Telfer has again validated the 'Owners Team' approach to large-scale project development where Newcrest maintains responsibility for key contractor selection and overall management of the project schedule.

In the case of Telfer over 2004, the key aspects of the development program were:

- Ordering of long lead-time items in 2003
- Early establishment of mining operations in the open pit
- Staged delivery of the open pit and underground stages of the project
- Continual risk assessment and ongoing development of contingency plans for unforeseen circumstances.

During 2004 project development proceeded ahead of schedule with construction ramp up exceeding planned targets.

Development was impacted by rains associated with Cyclone Fay over Easter 2004. Rain in the order of 360 millimetres on the plant site and 500 millimetres on the access road fell in a 48 hour period inundating many of the project areas.

The plant site recovered well, however, the access road flooding receded more slowly than expected. As a result a 6 kilometre causeway was constructed over the affected area to allow normal site access during the peak period of construction.

Construction of the pipeline to provide gas for the power station was also impacted by the rain and subsequent flooding. At year end 275 kilometres of the total 450 kilometres had been laid. Construction is now expected to be completed by November, however, the power station is designed to also operate on diesel fuel if necessary without material cost impact.

North-west Western Australia – 450 kms inland from Port Hedland
Project construction underway
Annual Project Output: 800,000 ounces gold and 30,000 tonnes copper
Ore Reserve: 18.4 million ounces gold, 690 kilotonnes copper
Mineral Resource: 26 million ounces gold, 960 kilotonnes copper

During the year the open pit mine performed strongly with 41 million tonnes of material moved. This mining exposed significant quantities of ore and by year end around 1 million tonnes of broken ore was stockpiled ready for processing.

The underground development continued generally according to plan with the sinking of the haulage shaft completed down to 235 metres by year end. In the present plan the final depth of the shaft is 1,100 metres.

The underground development contract was awarded to mining contractor Eroc in July and development for the sub-level cave will proceed allowing for commissioning of the underground mining operations by mid 2005.

The workforce on site peaked at year end at around 1,500 people and of the 620 full-time employees required to operate the project, around 80 percent were employed.

Key statistics for the Telfer construction are:

- In the concentrator at completion
  - 32,000 tonnes of concrete poured
  - 5,000 tonnes of structural steel erected
  - 60 kilometres of pipe installed
  - 420 kilometres of electrical cable installed
  - The mill tower is 42 metres high (14 storey building)
- The starter tailings dam is 2.5 kilometres in diameter, 8 kilometres in circumference and required 12 million tonnes of material to complete. The tailings dam wall will ultimately be 60 metres high.
- The open pit will eventually be 3 kilometres long, 1.5 kilometres wide and 650 metres in depth.
- Over the current life of mine of 24 years 1.8 billion tonnes of material will be moved from the Telfer mine.

Engagement with the communities in which we operate remains important before, during and after project development.

3
feature

Newcrest Mining has sponsored eight Martu people in a basic hospitality training course as part of the Company's contribution towards enhancing the skills of indigenous people and improving their chances of gaining employment through the Telfer project.

The course, a joint effort between the Martu, Newcrest Mining, the Pilbara College of TAFE and the Department of Employment and Workplace Relations, is designed to help prepare personnel for work in the hospitality industry.

The course emphasises those skills required by companies such as ESS, which supports the mining industry with camp management and catering services.

The trainees learned skills in kitchen work, catering, housekeeping, cleaning and laundry services. They also undertook practical studies in occupational health and safety, personal development, basic computing and senior first aid.

Six Martu women and two men enrolled in the 18 week pilot course. They undertook two weeks work experience at Port Hedland based establishments including ESS's Wedgefield camp, the Port Hedland Regional Hospital and local prepared-food outlet, Sue's Place.

At the end of the course, the students prepared and served a luncheon for those involved in the industry to show off their newly acquired skills with a view to attracting new employment opportunities.

3
section

CRACOW

The Cracow project, which is a joint venture between Newcrest Mining (70 percent) and Sedimentary Holdings (30 percent) which aims to develop an underground gold mine, commenced in September 2003. This commenced with the establishment of the portal and development of the decline that will allow access to the Royal and Crown orebodies.

At year end the portal was established and decline developed to 1,000 metres.

Access development off the decline for the three upper levels at the top of the Royal deposit (2216RL down to 2183RL) to allow progressive in-fill drilling and early access to this zone was partially completed.

The progress of the mill refurbishment program advanced well and the key items of mills and tankage were on schedule.

With the establishment of the camp and key infrastructure, the project remains on target for commissioning in the December quarter 2004.

In the broader community, agreement was reached with the relevant landowners for the installation of a new water pipeline. The Banana Shire Council continues to provide support for the development of the project and relationships with the local Aboriginal communities are maintained with regular Aboriginal Liaison Committee meetings.

Central Queensland
Project construction underway
Project Output: 675,000 ounces over 7 years*
Mineral Resource: 800,000 ounces*
*100 percent project basis

With a strong mining heritage and a small local community, the development of the Cracow project requires particular attention to the needs of all stakeholders.

3 feature

The Cracow area is subject to two separate Native Title claims, one by the Wulli Wulli People and one by the Iman #1 People. In order for the project to proceed, a Cultural Heritage Management Plan was agreed to in January 2001. This agreement enabled cultural heritage clearance work to be carried out for both exploration activity and the mine development.

In order to obtain mining leases an Indigenous Land Use Agreement was negotiated with the Wulli Wulli People and the Iman #1 People and agreed to in November 2002. This agreement provides a range of benefits to both Aboriginal groups throughout the life of the mine.

A Liaison Committee, bringing together all parties involved, has been working to implement the benefits of this agreement. This Liaison Committee meets four times each year. Signatories to the agreement include the Wulli Wulli People and the Iman #1 People, the Gurang Land Council, Sedimentary Holdings and Newcrest Operations Limited.

3 section

CADIA EAST

Cadia East is a project in the Cadia Valley within the discovery corridor incorporating the prospect formerly known as Cadia Far East.

The mineralisation which consists of both open pit and underground zones has the following resource inventory:

Cadia East Open Pit	300 million tonnes at 0.46 grams per tonne gold and 0.37 percent copper
Cadia East Underground	530 million tonnes at 0.81 grams per tonne of gold and 0.33 percent copper

During the 2003/04 year, substantial exploration drilling was undertaken in order to define both the limits of the mineralisation and the grade in certain zones which enables more detailed mining studies to be undertaken.

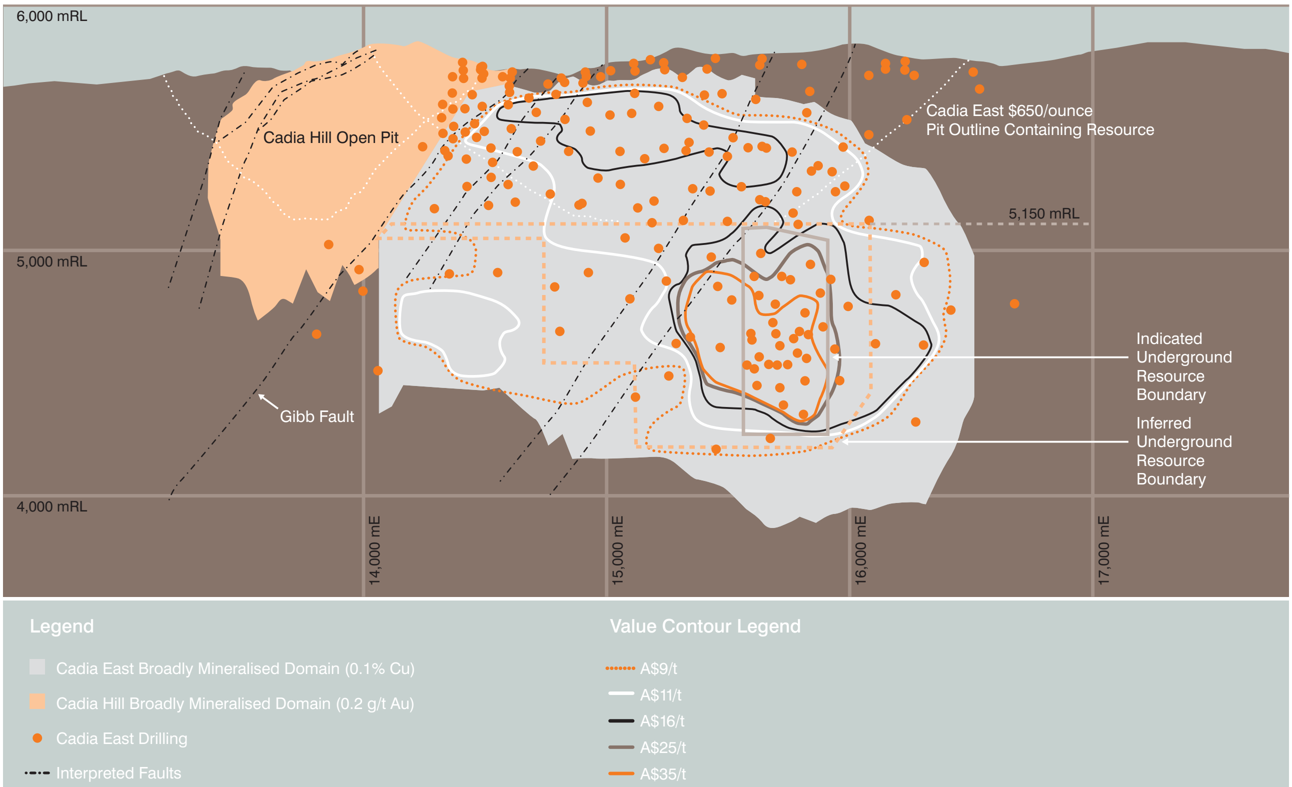
Central New South Wales
Adjacent Cadia Hill
Mineral Resource: 18 million ounces gold and 2,900 kilotonnes copper

With 830 million tonnes of mineralised material already identified and strong prospectivity for further increases, we anticipate the extensive Cadia East project will make a long-term contribution to Newcrest.

Initial studies have highlighted the potential for large-scale mining on the mineralisation. We have also studied other options including sub-level cave or Panel Cave mining.

During 2005 we will commence a decline access in order to conduct more exploration, define rock characteristics and better sample the material.

Long section of Cadia East mineralisation



BODDINGTON EXPANSION PROJECT (22.2 PERCENT)

In 2001, mining and processing of oxide resources at Boddington ended. Since that time the project has remained on care and maintenance while project studies and exploration activities continue.

Boddington hosts a substantial basement mineral resource containing 20 million ounces of gold and 800 kilotonnes of copper and ore reserves containing in excess of 10 million ounces of gold (100 percent terms) within existing mining leases. These resources form the basis of the Boddington Expansion Project.

A Study Team was established for the purpose of reviewing, optimising and updating the earlier feasibility study completed in 2000.

Along with our joint venture partners, Anglogold/Ashanti and Newmont Mining, review of the work of the Study Team continued during 2004 with the aim of completing the updated study in 2005.

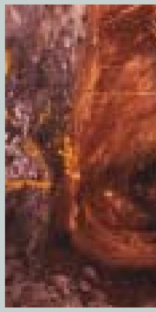
During the year Newcrest also conducted additional reviews of various aspects of the Boddington Expansion Project feasibility including:

- A review of the geological controls and assumptions underlying the resource estimate
- A review of key components of the ore processing flow sheet; and
- A broad review of the potential impact of these on project scope.

The Boddington Expansion Project is situated in a geographically favourable location. Key permitting is already established for the project, and Newcrest, like its partners, wishes to progress the project as quickly as practicable.

South-west Western Australia
Care and maintenance
Ore Reserve: 2.4 million ounces gold*
Mineral Resource: 4.4 million ounces gold*
*22.2 percent project basis

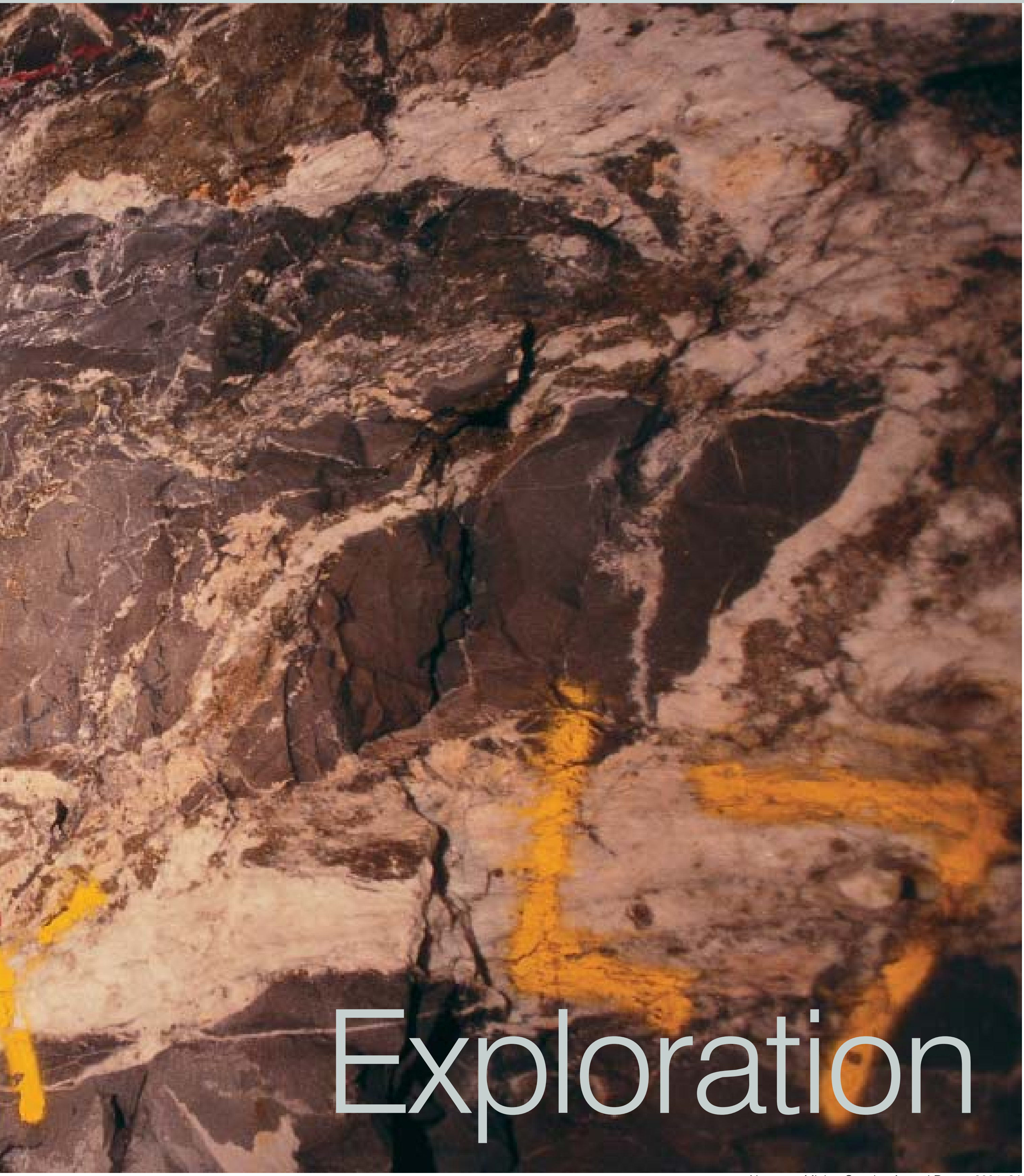





Telfer

Cracow

4
section



Exploration

Exploration and long-term reserve replacement are core elements of any successful mining business.

4
section

STRATEGY AND REVIEW

Strategy

Exploration discovery remains Newcrest's key driver for value adding growth and for maximising shareholder returns over the long term. A key objective of our exploration strategy is to control large mineral districts with the aim of securing sustainable long-life mining operations whilst enhancing the potential for repeat discoveries.

The principal targets for Newcrest's exploration are porphyry gold-copper, epithermal gold and sediment-hosted gold deposits. Operationally, our continued emphasis is on minimising fixed overhead costs and maximising funds available for drilling.

Newcrest's exploration strategy is biased towards exploring recognised mining or mineral districts and focusses on deeper drilling. Our approach continues to acknowledge the importance of time and patience in the discovery process and the need for reliable and consistent exploration funding.

Newcrest's exploration remains predominantly Australian-focussed with a brownfields emphasis. Internationally, we have broadened our area of search with initial efforts concentrated in the USA and Peru, to complement exploration in Indonesia.

The Newcrest Board recognises that continued strong support for the exploration program is essential to the Company's future sustainability. To ensure viability of the reserve replacement program and the potential to make ongoing discoveries, the exploration budget will be progressively increased over the next four years.

2003/04 year in review

The success of our exploration activities is demonstrated by Group Mineral Resources increasing in 2003/04 by 9 million ounces to 62 million ounces of gold and by 1.2 million tonnes copper to 5 million tonnes of copper. Ore Reserves remained at 28 million ounces of gold and copper increased by 39 thousand tonnes to 1,439 thousand tonnes during the year, after mining depletion.

Annual exploration expenditure for the year was $45.4 million, a large part of which was spent on drilling programs at Ridgeway Deeps, Cadia East, Cracow, Kencana and Toguraci. Our exploration expenditure is forecast to increase to $52 million in the 2004/05 year.

Mine area exploration

Cadia District, New South Wales

Cadia East

At Cadia East further deep drilling and pre-feasibility mining studies enabled the release of an upgraded audited Mineral Resource estimate in February 2004 and a further increase at 30 June 2004. The new estimate is an increase of 8.4 million ounces of gold and 1.2 million tonnes of copper over the June 2003 estimate, resulting in a Mineral Resource of 18 million ounces of gold and 2.9 million tonnes of copper. The resource consists of:

- An open pit Mineral Resource (Inferred) of 300 million tonnes at 0.46 grams per tonne of gold and 0.37 percent copper, and
- An underground Mineral Resource (Inferred and Indicated) of 530 million tonnes at 0.81 grams per tonne of gold and 0.33 percent copper.

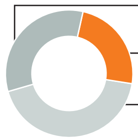
Cadia East is a gold-copper porphyry style of deposit which is presently estimated to extend to a depth of more than 1,500 metres below surface. The deeper underground resource remains open to the east, west and at depth. Surface drilling is continuing on the underground mineralisation to evaluate a possible western extension of a high-grade zone and the surrounding lower-grade mineralisation. It is anticipated that additional drilling will increase the size of the underground resource.

Ridgeway

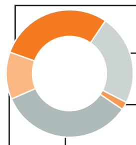
At Ridgeway, further deep drilling increased the pre-mining resource by 270,000 ounces of gold and 17,000 tonnes of copper when compared to the 2002/03 result, but after mining depletions, the overall change in the Ridgeway resource is a decrease of 230,000 ounces of gold and 34,000 tonnes of copper.

The newly identified mineralisation is located immediately below the existing Ridgeway orebody and extends the deposit to 1,300 metres below surface. Deeper drilling is continuing as the deposit remains open at depth.

Total Exploration Expenditure
$45.4M



Greenfields Exploration Expenditure
$19.3M



Junction Reefs (earning 51 percent)
In the Junction Reefs joint venture area, along strike of the Cadia discoveries, drilling continued at the Warrengong prospect.

A long interval of modest but encouraging mineralisation was recorded. Additional drilling is planned for 2004/05.

Gosowong, Indonesia (82.5 percent)

Gosowong Extended (Kencana Shoot)
Kencana is a body of epithermal gold mineralisation located one kilometre south of the Gosowong pit. The first audited Mineral Resource estimate for the prospect was released in February 2004.

A combined Indicated and Inferred Mineral Resource of 0.69 million tonnes at 41 grams per tonne of gold for 0.92 million ounces has been estimated for Newcrest's share of the north-western, more closely drilled part of the deposit.

The mineralisation remains open to the south-east and at depth. Drilling is currently focussed on investigating the south-eastern extension of the mineralisation and on defining its lower and upper boundaries. Significant high-grade intersections have been recorded 200 metres south-east of the resource envelope.

Toguraci
An updated resource was estimated for Toguraci. This resource includes gold mineralisation in the Kayu Manis and Damar structures.

Telfer District, Western Australia

Telfer Regional Exploration
Telfer's regional exploration was focussed on Trotman's Dome, which has the most extensive evidence of gold mineralisation outside of Telfer Dome. Trotman's Dome is located approximately 30 kilometres south-east of Telfer. Planned fieldwork for the latter part of 2003/04 was delayed due to the impact of Cyclone Monty and Cyclone Fay.

Drilling in the first half of 2003/04 was concentrated on the Backdoor prospect and indicated that the mineralised breccia thins to the west but remains open to the east, where it appears to be better developed at depth. Drilling in the latter part of the 2003/04 year was planned to investigate the effect of sample type and size on drilling results, but this program was delayed by adverse weather conditions. The results of this investigation when completed in 2004/05 will influence the future direction of exploration at Backdoor, although deeper core drilling is planned to investigate the eastern part of the breccia.

Discovery exploration drilling for 2004/05 will be focussed on Connaughton's Dome, Tim's Dome and in the Grace and Parallel Range areas.

Cracow, Queensland (70 percent)

The strategy of identifying gold-mineralised structures with widely spaced discovery drilling, whilst mine development proceeded, led to the discovery of mineralisation in the Sterling structure. Gold mineralisation for future resource definition drilling has now been identified in the Sterling, Klondyke North, Roses Pride, Sovereign, Empire and Phoenix structures; in addition to the Royal and Crown shoots.The Sterling structure is located about 300 metres to the west of the Empire structure. Additional drilling is continuing on Sterling to broadly outline the mineralisation. Drilling results from the Sovereign structure indicated possible enhancements to this mineralisation. Further broadly spaced drilling is needed before systematic resource definition drilling is undertaken on the additional six identified gold mineralised structures.

Discovery drilling for additional gold mineralised structures will continue in 2004/05 on areas surrounding the Crown and Royal shoots, and on identified targets in the eastern part of the Cracow goldfield.

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Greenfields Exploration

Ashburton, Western Australia

In the Ashburton district the search for 'Carlin' style sediment-hosted gold mineralisation continued. Over the past five years widely spaced discovery drilling has identified numerous gold anomalies in oxidised sediments scattered over a 200 kilometre distance.

During the year Newcrest increased its interest in the Ashburton joint ventures with Sipa Resources Limited from 70 percent to 80 percent, by carrying Sipa funding contributions during exploration. In addition Newcrest secured access to the Mt Olympus mine area, where deep drilling has not been conducted previously.

Field work in the second half of 2003/04 was disrupted by cyclones Fay and Monty. Prior to this interruption additional elevated gold values in oxidised sediments were recorded from drilling at the Electric Dingo, Cleopatra North, Romulus and Merlin prospects. These results included 18 metres at 3.0 grams per tonne of gold from 70 metres at Cleopatra North and 17 metres at 3.2 grams per tonne of gold from 64 metres at Romulus.

Moderate gold grades were recorded in unoxidised sediments at the Anthiby Well prospect and this was encouraging in the search for primary (unoxidised) gold mineralisation. Results include 8 metres at 3.1 grams per tonne of gold and 5 metres at 4.3 grams per tonne of gold from depths below surface of less than 100 metres.

Deeper drilling at Anthiby Well and other prospects, including the Mt Olympus mine, is planned for 2004/05.

Americas

Drilling continued at a number of project areas in Nevada.

A small exploration office was opened in Lima, Peru, to progress a modest discovery exploration program in the region.

Outlook

Exploration in 2004/05 will continue to be focussed on a small number of projects domestically and offshore.

Resource definition drilling programs will continue at Cadia East, Ridgeway Deeps, Telfer Deeps and Kencana. Discovery drilling will continue at Cracow, Telfer District and Ashburton and on greenfields projects elsewhere in Australia and the Americas.

MINERAL RESOURCES AND ORE RESERVES

Total in situ Mineral Resources at year end for the Group, net of mining depletion, are estimated at 62 million ounces of gold and 5 million tonnes of copper, which is an increase in the resource of 8.4 million ounces of gold and an increase of 1.2 million tonnes of copper compared with June 2003.

There was a major increase in Mineral Resources at Cadia East Underground with the addition of 8.4 million ounces of gold and 1.2 million tonnes of copper in situ.

Ore Reserves are estimated at 28 million ounces of gold and 1.4 million tonnes of copper in situ.

Mineral Resources and Ore Reserves conform to the Australasian Code for Reporting of Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code). Ore Reserves are a sub-set of Mineral Resources. External and internal audits are conducted on completed estimates. All costs and prices are in Australian dollars unless stated otherwise. Relevant information on the methods and parameters used to estimate Mineral Resources and Ore Reserves are presented in the Newcrest Supplementary Information Booklet located in the Annual Report section on the Company's website at www.newcrest.com.au.

Cadia Hill

The Cadia Hill Mineral Resource and Ore Reserve were depleted by 14.5 million tonnes during the period. This was partially offset by a 6.1 million tonne increase due to copper recovery improvements. A reduction of 12.3 million tonnes to the Cadia Hill Ore Reserve was also made by removing marginal material that will not be processed. Reconciliation of production results continue to show very good correlation with the Mineral Resource and Ore Reserve models.

Cadia Extended

The open pit mining at Cadia Extended was completed and the associated Ore Reserve was depleted during the year. The Mineral Resource has been depleted by mining and the remaining Mineral Resource is being evaluated.

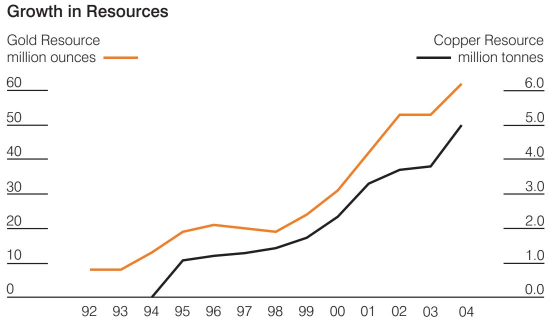
Cadia Stockpiles

Open pit stockpiles increased by 4.5 million tonnes during the period. This change is net of mining reclaim, new material added and metallurgical adjustments.

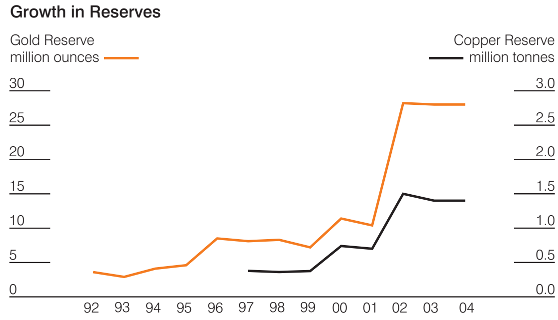
Ridgeway

Continued drilling of Ridgeway Deeps has resulted in an addition to the Mineral Resource. This was offset by mining depletion resulting in a net reduction of 1.5 million tonnes to the Mineral Resource during the period.

2004
Gold: 62 million ounces **Copper:** 5.0 million tonnes



2004
Gold: 28 million ounces **Copper:** 1.4 million tonnes



At Ridgeway Underground there was a net increase in Ore Reserves after mining depletion of 0.7 million ounces of gold and 0.09 million tonnes of copper in situ. An increase in reserves of 1.23 million ounces and 0.15 million tonnes of copper defined from the Ridgeway Deeps zone and other extensions was offset by Ridgeway mining depletions to arrive at the net outcome.

Cadia East Open Pit

The Mineral Resource for the open cut component to the Cadia East deposit remains unchanged. Resource definition drilling is planned to upgrade this resource in 2004/05.

Cadia East Underground

The underground component of the Cadia East Mineral Resource (formerly known as Cadia Far East) increased by 400 million tonnes during the period. The resource is predicated on bulk underground extraction methods and has been reported within conceptual mining outlines.

An updated Mineral Resource estimate was published in a market release in February 2004. Subsequent drilling has significantly expanded the deposit further to the west resulting in increased tonnes in the Inferred category. Mineralisation remains open at depth and to the west.

Telfer

The Telfer Mineral Resource and Ore Reserve Statements remain unchanged since June 2003.

Open Pit

Open Pit mining commenced late 2003 and this material was stockpiled, according to ore type, in preparation for milling which will commence in the December quarter 2004. Total grade control production reconciliation to the reserve remains in line with the feasibility estimates.

Telfer Deeps

Drilling and bulk sampling exploration activity continued in the western flank of the feasibility sub-level cave operation. Bulk sampling results within the sub-level cave are in line with feasibility estimates.

The Telfer Open Pit ore reserve is constrained within pit designs based on optimisation shells generated using the profit algorithm approach.

The Telfer Deeps ore reserve is based on a sub-level cave mining method designed using a series of break even boundaries for each production level.

Studies continue to evaluate mining strategies for the potential extensions to the Telfer Deeps mineralisation.

Boddington

The Boddington Expansion Mineral Resource and Ore Reserve estimates and the Basement Mineral Resource estimate are the same as those reported last year. A revision of the resource estimate is in progress and will incorporate revisions of cost assumptions arising from the Feasibility Study Update currently in progress.

Toguraci

Net of mining depletion the Toguraci Ore Reserve increased by approximately 5 percent during the year to 0.22 million ounces contained gold. Resource additions at Kayu Manis replaced mining depletion. The Toguraci Mineral Resource therefore remained unchanged at 0.30 million ounces.

Material changes during the period included the addition of a new resource at Kayu Manis, subsequent redesign of the pit and depletion due to the commencement of mining.

The Kayu Manis vein is located immediately to the south of Damar and represents a natural extension of the pit in that direction. The net contribution of Kayu Manis to the Mineral Resource was 0.05 million ounces and the Toguraci pit was re-optimised to include Kayu Manis.

Mining focussed on the Damar and Midas veins where a total of 0.06 million ounces was depleted. Strong grade over-performance at Damar and contributions from cross-cutting mineralised structures resulted in a net production of 0.07 million ounces. Significant open pit upside remains with the likely inclusion of the BoD veins located to the west of Damar.

Gosowong Extended (Kencana)

The first Mineral Resource estimate for the Kencana discovery was released in February this year. The Gosowong Extended Project team has commenced to progress studies into the feasibility of developing the Kencana Shoot as a new high grade ore source at Gosowong.

Cracow

The Royal and Crown Mineral Resources remain unchanged.

Underground drilling commenced which will provide data on geology and grade continuity for the location of the initial ore drives and for stoping block outlines in the upper levels. Remodelling of the upper part of the Royal will then be completed and this will permit an update of the Royal Resource in 2004/05.

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2004 MINERAL RESOURCES

Gold and Copper Resources	Measured Resource Dry Tonnes (million)	Measured Resource Gold Grade (g/t Au)	Measured Resource Copper Grade (% Cu)	Indicated Resource Dry Tonnes (million)	Indicated Resource Gold Grade (g/t Au)	Indicated Resource Copper Grade (% Cu)	Inferred Resource Dry Tonnes (million)	Inferred Resource Gold Grade (g/t Au)	Inferred Resource Copper Grade (% Cu)	Gold In situ (million ounces)	Copper In situ (kilo-tonnes)	Competent Person
Cadia Hill	210	0.71	0.16	40	0.59	0.16				5.6	400	1
Cadia Extended	0.1	0.36	0.20	36	0.40	0.22	4.0	0.39	0.17	0.51	87	1
Cadia Stockpiles	15	0.41	0.16							0.20	24	1
Ridgeway	42	2.0	0.66	16	2.1	0.67	19	1.4	0.54	4.5	480	1
Ridgeway Stockpiles	0.076	2.9	0.87							0.007	0.66	1
Cadia East Open Pit							300	0.46	0.37	4.3	1100	1
Cadia East Underground				210	1.0	0.38	320	0.69	0.30	14	1800	1
Telfer												
Open Pit	170	1.3	0.17	200	1.7	0.13	94	1.1	0.12	21	670	2
Underground				46	2.8	0.52	11	2.0	0.41	4.8	290	2
Satellites				0.72	4.2	0.06	1.7	2.6	0.08	0.24	1.9	2
Stockpiles				3.1	0.83	0.14				0.08	4.4	2
Subtotal	170	1.3	0.17	250	1.9	0.20	110	1.2	0.15	26	960	
Boddington												
Basement	0.081	1.8		0.12	2.1		0.022	9.0		0.02		3
Boddington Expansion	29	0.93	0.11	82	0.83	0.12	51	0.8	0.091	4.4	180	4
Subtotal	29	0.93	0.11	82	0.83	0.12	51	0.8	0.091	4.4	180	
Toguraci Open Pit				0.23	34		0.10	17		0.30		5
Gosowong Extended				0.25	69		0.44	26		0.92		5
Toguraci Stockpiles	0.014	27								0.013		5
Gosowong Stockpiles	0.071	2.7								0.0063		5
Cracow							1.7	10		0.55		6
Total Gold and Copper Resources										**62**	**5,000**	

1. C. F. Moorhead, 2. G. R. Howard, 3. K. P. Gleeson, 4. S. Williams, 5. G. N. Petersen, 6. J. F. Leckie/P. Creenaune

Rounding, conforming to the JORC Code, may cause some computational discrepancies and total gold has been rounded to two significant figures. The gold and copper grade totals in the resources are weighted averages.

Information in this report which relates to Mineral Resources is based on and accurately reflects reports prepared by the Competent Person named beside the information. All these persons are full-time employees of Newcrest Mining Limited or the relevant subsidiary, except K. P. Gleeson, who is a full-time employee of Boddington Gold Mine Management Company Pty Ltd and S. Williams, who is a full-time employee of Newmont Australia Limited, and consent to the inclusion of material in the form and context in which it appears. Mr J. F. Leckie, Chief Geologist Mining and Development, Newcrest Mining Limited, is the Competent Person who has compiled this resource report. All the Competent Persons are Members or Fellows of The Australasian Institute of Mining and Metallurgy and/or the Australian Institute of Geoscientists and have the relevant experience in relation to the mineralisation being reported on by them to qualify as Competent Persons as defined in the Australasian Code for Reporting of Mineral Resources and Ore Reserves.

Newcrest has retained Mr Peter Stoker of Hackchester Pty Ltd to act as an external auditor for the Newcrest Mineral Resources where Newcrest is the operator. Mr Stoker has progressively audited these Mineral Resources and has stated that he is not aware of any issues which materially affect the reported Mineral Resources. Mr Stoker is a geologist with 35 years' experience in mine geology, Mineral Resource and Ore Reserve estimation, feasibility studies, project evaluation and mineral exploration.

2004 ORE RESERVES

Gold and Copper Reserves	Proved Reserve Dry Tonnes (million)	Proved Reserve Gold Grade (g/t Au)	Proved Reserve Copper Grade (% Cu)	Probable Reserve Dry Tonnes (million)	Probable Reserve Gold Grade (g/t Au)	Probable Reserve Copper Grade (% Cu)	Gold In situ (million ounces)	Copper In situ (kilo-tonnes)	Competent Person
Cadia Hill									
Cadia Hill	145	0.81	0.18	3.2	0.41	0.19	3.8	260	1
Stockpiles	15	0.41	0.16				0.2	24	1
Subtotal	**160**	**0.77**	**0.17**	**3.2**	**0.41**	**0.19**	**4.0**	**284**	
Ridgeway									
Underground	31	2.0	0.66	29	1.7	0.56	3.5	360	2
Stockpiles	0.08	2.9	0.87				0.01	0.7	2
Subtotal	**31**	**2.0**	**0.66**	**29**	**1.7**	**0.56**	**3.5**	**360**	
Telfer*									
Main Dome	130	1.3	0.21	120	1.5	0.15	12	430	3
West Dome	37	1.0	0.08	49	1.1	0.08	3.0	55	3
Telfer Deeps				39	2.7	0.50	3.4	200	4
Subtotal	**167**	**1.3**	**0.18**	**210**	**1.6**	**0.20**	**18**	**685**	
Boddington									
Expansion	28	0.94	0.12	59	0.84	0.13	2.4	110	5
Subtotal	**28**	**0.94**	**0.12**	**59**	**0.84**	**0.13**	**2.4**	**110**	
Gosowong									
Toguraci Pit*				0.18	37		0.22		6
Toguraci Stockpiles	0.01	27.0					0.01		6
Gosowong Stockpiles	0.07	2.7					0.01		6
Subtotal	**0.08**	**6.0**		**0.18**	**37**		**0.24**		
Total Gold and Copper Reserves							**28**	**1,439**	

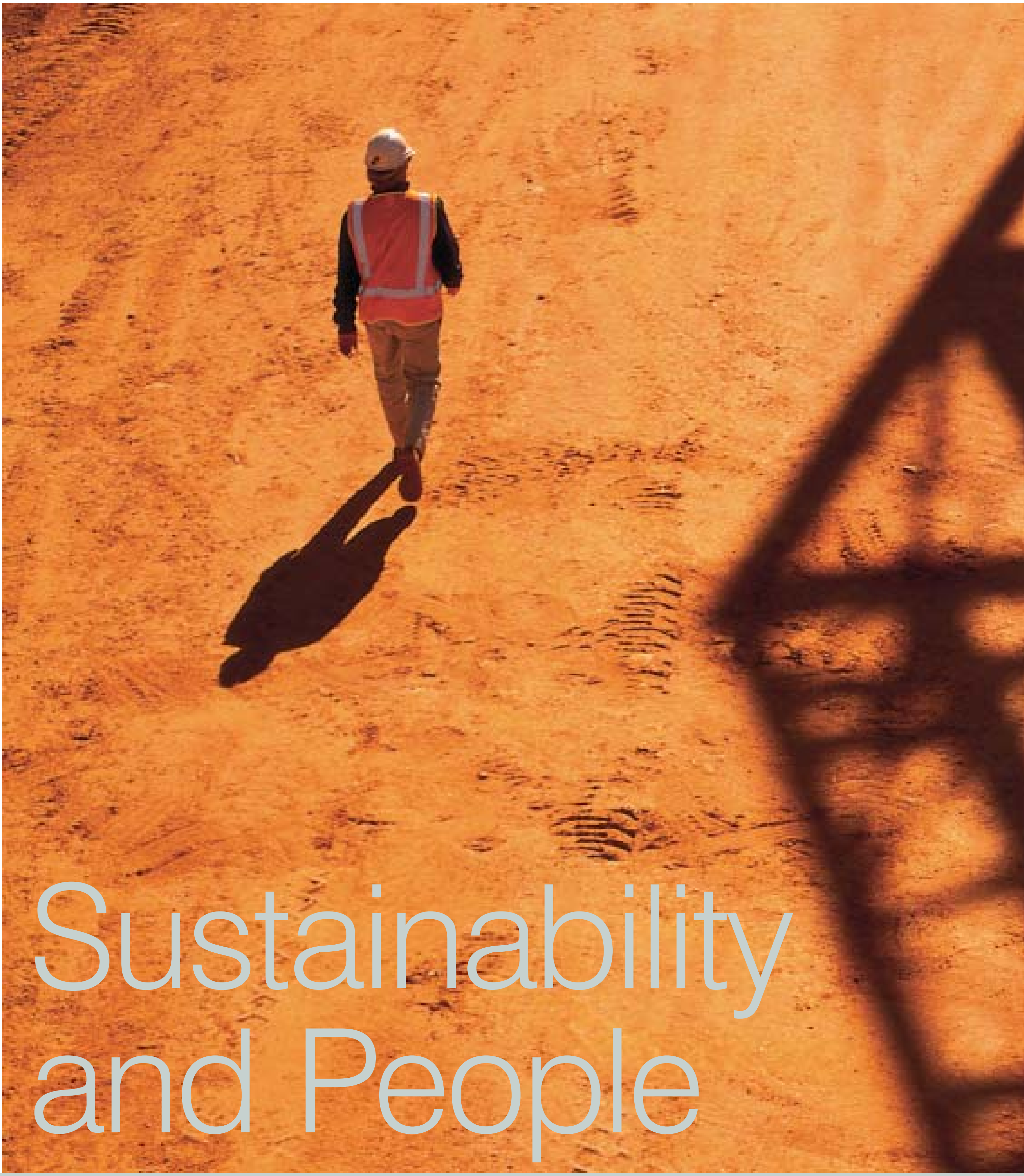
1. C. F. Moorhead, 2. G. Dunstan, 3. M. Staples, 4. A. Pratt, 5. S. Williams, 6. G. N. Petersen

Rounding, conforming to the JORC Code, may cause some computational discrepancies and total gold has been rounded to two significant figures.

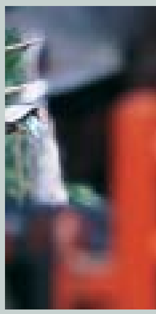
Information in this report which relates to Ore Reserves is based on and accurately reflects reports prepared by the Competent Person indicated beside the information. All these persons are full-time employees of Newcrest Mining Limited or the relevant subsidiary, except S. Williams, who is an employee of Newmont Australia Limited and M. Staples, who was an employee of Australian Mining Consultants Pty Ltd contracted to Newcrest Mining Limited, who has consented to the inclusion of material in the form and context in which it appears. Mr A. S. Logan, Manager Business Improvement, Newcrest Mining Limited, is the Competent Person who has compiled this reserve statement. All the Competent Persons are members of The Australasian Institute of Mining and Metallurgy and/or the Australian Institute of Geoscientists and have the relevant experience in relation to the mineralisation being reported on by them to qualify as Competent Persons as defined in the Australasian Code for Reporting of Mineral Resources and Ore Reserves.

AMC Consultants Pty Ltd was engaged to conduct audits on the process used for Ore Reserve estimation for Cadia Hill, Ridgeway and Gosowong. AMC Consultants is not aware of any issues with the process used which may materially affect these reported Ore Reserves. Reserves quoted for Telfer and Boddington are unchanged from the 2003 report.

*A small proportion (approximately 5 percent) of the Telfer and Toguraci open pit reserves fall within pit increments which are dependent on the inclusion of Inferred Resources to meet the economic criteria for production. Newcrest has every expectation that additional drilling that is planned will upgrade these Inferred Resources.



Sustainability and People



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HEALTH AND SAFETY

Newcrest's key priority is to provide a safe and healthy workplace for employees and contractors. Our belief is that all injuries are preventable and the ultimate goal is to have zero injuries across all areas of the business.

Target Zero

During 2003/04, Newcrest embarked on a major safety and health strategy named *Target Zero*. This strategy is designed to ensure we achieve world best practice in safety and health across all areas of our business. The central theme of the strategy is that all injuries are preventable.

The motivation for introducing our new strategy was that during the 2003/04 year we identified that improvements in our key safety performance measures had reached a plateau and were becoming resistant to our long-term improvement trend. In order to redress this situation, we required a new approach to health and safety in the workplace. To be successful in our endeavours of improving performance we recognised that the responsibility for safety has to be shared more broadly within the organisation and that systems development and polices alone are not sufficient. Real and sustainable improvements in safety are achieved only with sustained behavioural and attitudinal change within all employees.

The *Target Zero* program commenced in October 2003 with external health and safety experts undertaking benchmark audits of some key business units. The audit results were assessed against standards for world's best practice. The results highlighted the areas in which we need to improve our performance. This information in conjunction with the results from Company workshops were developed into strategies. Key aspects include:

- Establishment of reduction targets in injury frequency rates and inclusion of targets in business plans and individual goals
- Involvement of a broader cross-section of employees, line managers and contractors in the safety management process
- Implementation of training for all line managers in safety leadership, highlighting the importance of behaviour and commitment to achieving our goal of zero injuries
- Implementation of training for all employees in risk awareness and safety skills to improve their knowledge in how to work safely, and
- Introduction of a safe behaviour observation (SBO) program throughout the organisation to give line managers new skills in the process of behavioural change.

Targets have been established for improvements in our key performance measures with the ultimate goal of zero injuries. Action plans and training programs that align the strategies and the ultimate goal are being implemented Company wide.

2003/04 health and safety performance

We have applied considerable effort in pursuing our goal of zero injuries in the workplace, however, we still have some way to go. Regrettably, a fatality occurred at the Gosowong operation in May 2004. Pak Patrsino, a PTNHM employee, was killed when the loader he was operating rolled over. A comprehensive investigation was conducted into the causes of the incident with the learnings being applied at Gosowong and other Newcrest operations, with the aim of preventing any further incidents of this nature.

Newcrest's overall key health and safety performance indicators have shown general improvement compared to last year's performance:

- Lost Time Injury Frequency Rate (LTIFR) improved to 1.9 per million exposure hours from 3.0 in the previous year. While this indicator still compares favourably to the most recent industry benchmark (Australian Metalliferous Mining Industry LTIFR of 6 for 2002/03), we believe our performance is not acceptable for Newcrest.
- Total Recordable Injury Frequency Rate (TRIFR) reduced to 14.7 from a previous 28.4.
- Serious Potential Incidents (SPIs) increased to 17 from a previous 15.

Significant achievements and activities during the year were:

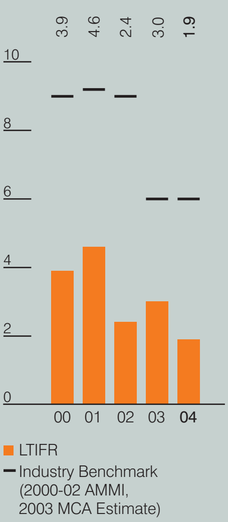
- Establishment of a workplace risk assessment tool at Cadia Valley Operations to recognise changed conditions and new hazards in the workplace.
- Commencement of the Safety Leadership Training programs for the executive, exploration, Cadia Valley Operations and Telfer management groups.
- Formation of the Executive Central Safety Group and Safety Working Groups and their replication on site.

Our approach for the coming year is to:

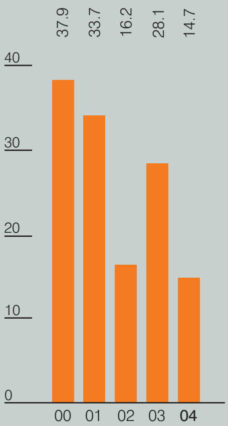
- Roll-out the *Target Zero* program across the Group and further develop the program.
- Provide Company-wide training and development in the *Target Zero* program.
- Maintain an innovative approach to safety improvement.

Newcrest's commitment to improved safety prompted the creation of the *Target Zero* program – a Company-wide effort to prevent all injuries.

LTIFR – Total Group



TRIFR – Total Group



Site Safety Performance

	LTIFR		TRIFR	
Site	**This Year**	**Previous Year**	**This Year**	**Previous Year**
Cadia Hill	0.0	0.9	13.4	22.6
Ridgeway	3.8	1.8	22.8	23.3
Gosowong	0.8	1.3	12.8	11.4
Telfer Project	2.6	6.5	14.6	55.9
Boddington	15.3	0.0	15.3	16.5
Exploration	3.8	4.0	20.3	27.7
Total Newcrest	**1.9**	**3.0**	**14.7**	**28.1**

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ENVIRONMENT

During the 2003/04 year we obtained permits for both the Cracow and Toguraci projects. Over the past five years, Newcrest has successfully permitted a number of major projects, including Cadia Hill, Gosowong, Ridgeway and Telfer.

Managing stakeholder relationships

At Newcrest, successful permitting is not just about obtaining permission to construct and operate projects. A thorough understanding of the environmental, social and economic setting of a project enables us to maximise the benefits and minimise any adverse elements.

Developing a mine is a partnership between Newcrest and our key stakeholders – shareholders, employees, government and the local community. No two situations are alike; for example, compare the temperate central tablelands of New South Wales with the arid tropics of Western Australia, or the wet tropics of Indonesia.

Getting it right is important and we believe that our success is measured in the positive contribution Newcrest makes to both the social and economic fabric of the local communities in which we operate.

Environmental highlights

Highlights of the year's activities include:

- **Reported environmental incidents.** The number of reported environmental incidents rose compared with the previous year (22 in 2003/04 compared with 15 in 2002/03). This was still a good performance given the increase in construction activity at Telfer and Cracow. To provide a more accurate year-on-year comparison we have used the number of hours worked during the year as an indicator of overall Company activity. On this basis there was a decline in environmental incidents per million hours worked to 2.93 in 2003/04 from 3.46 in 2002/03.

  Unfortunately, we had a Category IV environmental incident this year. Following an audit in February 2004, the Western Australian Department of Environment and Protection raised concerns regarding the level of fauna mortality during construction of the Telfer Gas Pipeline. While the fauna rescue plan was the responsibility of our contractors, Newcrest retained ultimate environmental responsibility for the infrastructure corridor. We responded by immediately placing our own full-time environmental observer with the pipeline to monitor compliance with the fauna rescue plan. This has resulted in significant improvement.
- **Sustainability.** Newcrest continues to promote the concept of sustainability, embracing a balance between economic prosperity, environmental quality and social responsibility. We released our second Sustainability Report in October 2003 and a fresh report will be issued in October 2004. We recognise the importance of informing our stakeholders of our environmental and social performance and commit to increase the breadth of coverage in future reports. Increasingly we will incorporate relevant elements of the Global Reporting Initiative in our reporting. The Company's Sustainability Reports can be viewed on its website at www.newcrest.com.au.
- **AMI Code Implementation Survey.** In keeping with our commitment under the AMI Code for Environmental Management, Newcrest completed its fourth Code Implementation Survey during the 2003/04 year. This survey measures the success of individual operations in implementing the various principles of the Code. Both of our operations showed significant improvement over the scores obtained in the 2002 survey. The results for each site (and the Group consolidated score) are shown in the table below. Under the modified scoring system used to assess implementation of the Code, 80 percent indicates that the systems represented by the Code have been fully implemented and integrated. At 69 percent, Newcrest's score indicates that we have the necessary systems and processes in place and are well advanced in integrating these elements into our overall business functions.

Operation	Implementation 2003 (percent)	Implementation 2002 (percent)
Cadia Valley Operations	71	67
Gosowong	68	63
Newcrest	69	64

- **Rehabilitation.** We are committed to progressive rehabilitation and the planned and orderly closure of our operations. All of our operations have closure plans and provision is made in the Company accounts for the costs of closure on an annual basis. Our commitment is demonstrated by our work at Gosowong, where during the care and maintenance phase, pending the commissioning of Toguraci, over 80 percent of the area we disturbed in the Gosowong operations was successfully rehabilitated.

HUMAN RESOURCES

Developing our people

Our people are the key element of Newcrest's business strategy and we have enshrined this principle in our corporate strategy.

In particular, the Company is committed to building Newcrest into an organisation that will support the business strategy through attention to leadership, technical capability and the talent needed to deliver business outcomes on an ongoing basis.

People development initiatives

Over the past year, we have introduced many initiatives to further build the organisation (culture, capability, leadership and people resources) necessary to deliver Newcrest's business strategy in an effective risk-managed way. These initiatives include:

- Development of organisation values. We developed our organisation values in October 2003 via a workshop with senior managers and executives. Since then, the values have been explored and understood by all personnel in the Company's head office in Melbourne. The values are being rolled out throughout the Company. Newcrest's values are:
  - We act with integrity and honesty
  - We seek high performance in ourselves and others
  - We work together
  - We value innovation and problem-solving
  - We care about people.
- Development and Training Matrix. Construction of a Development and Training Matrix to ensure the continued development of employees at all levels across the business, in technical and non-technical skills.
- Improvement in key areas. Managers and employees continued the improvement work identified through the employee opinion survey conducted during 2002/03. Improvements have been implemented in areas such as remuneration, communication, training and development, and health and safety.
- Review of remuneration policy. Our remuneration policy has been reviewed to develop a design more in keeping with the Company's growth and standing. The policy elements include:
  - A base salary based on total employee cost, augmented by a short-term incentive that is determined by performance against agreed objectives, and
  - A redesigned long-term incentive for middle, senior and executive managers that is intended to better align the behaviour and actions of management with the interests of shareholders.
- Redevelopment of procedures and policies. Newcrest's people procedures and policies have been redeveloped in line with the requirements of our business and alignment with the Company's culture and strategy.
- Skills assessment and staff retention programs. Implementation of systems to enable the timely understanding of the skills and people needed across the business and strategies for attracting and retaining the employees essential for current and future operations.
- Introduction of new leave policy. We have implemented a new leave policy. A key feature is our new policy for parental leave that puts Newcrest at the cutting edge for the resources industry. Newcrest's parental leave policy provides:
  - Up to 14 weeks paid parental leave for the primary carer
  - Provision for early return by agreement between Newcrest and the employee, and
  - Up to 52 weeks leave.

Telfer recruitment

At Telfer, all senior operations management and senior professional appointments have been filled and Telfer now has an operational workforce in excess of 460 people including project support personnel. The Telfer open pit is fully manned and operational. Telfer is currently in the process of bringing on the ore processing and maintenance operational workforce in preparation for commissioning and operation of the concentrator. In addition, the on-site construction workforce at Telfer has peaked at more than 1,500 personnel.

Employee Statistics

	Employees	Contractors	Total
2003	932	1,010	1,942
2004	1,498	1,705*	3,203

*Includes temporary construction workforce at Telfer.

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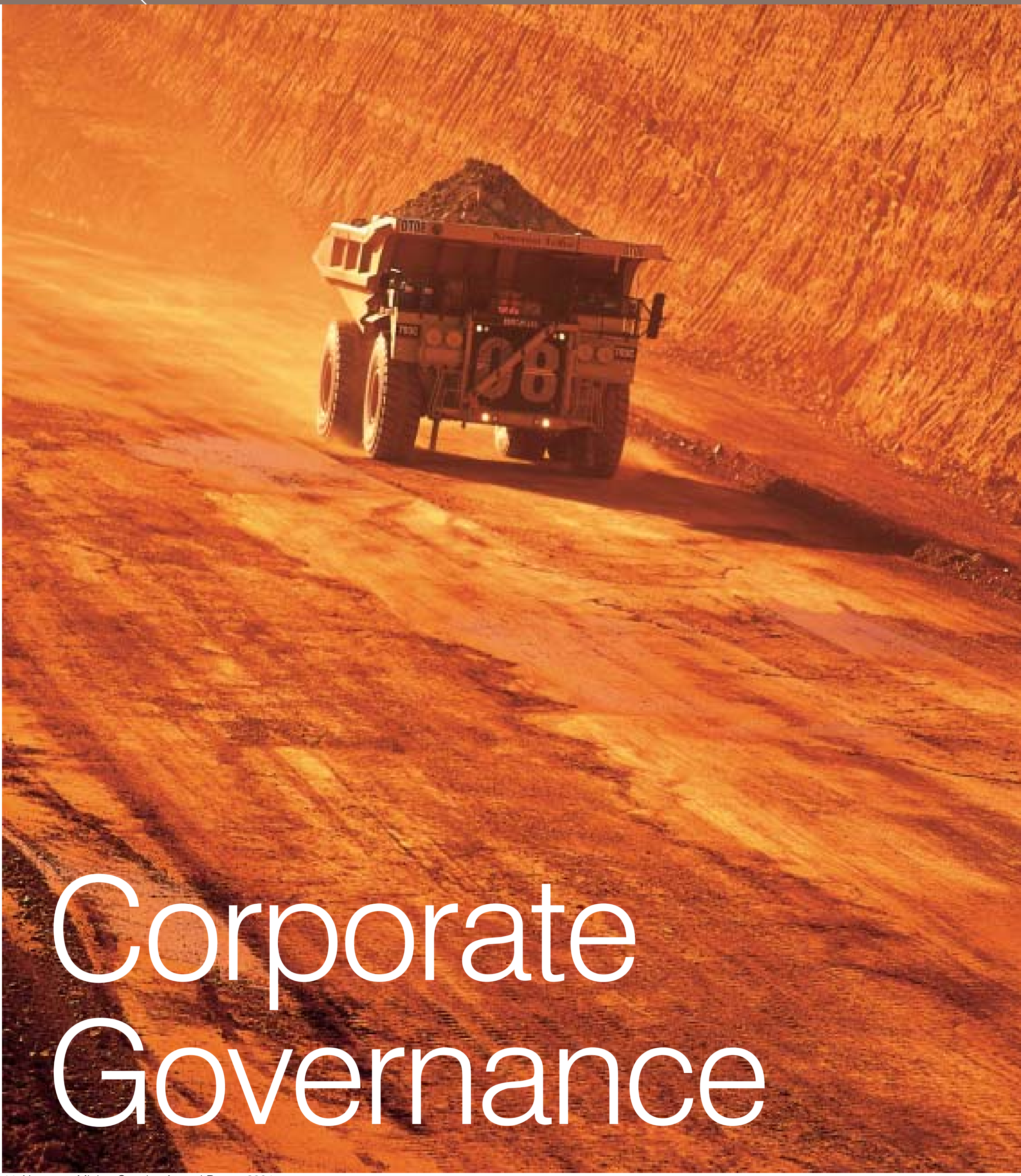


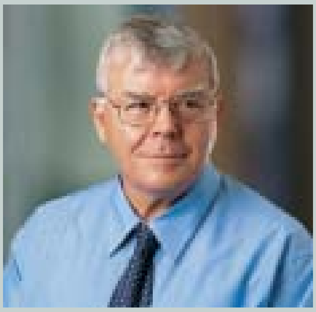
Corporate Governance

Board of Directors


Ian R. Johnson


Anthony J. Palmer


R. Bryan Davis


Ronald C. Milne


Michael A. O'Leary


Ian A. Renard


Nora L. Scheinkestel

Ian R. Johnson
Non-Executive Chairman

Bachelor of Science (Hons) from the University of New England. Former Chief Executive Officer of Newcrest Mining Limited. Former Group Executive of CRA Limited. Fellow of AusIMM and a Fellow of the Australian Institute of Company Directors. Appointed to the Board on 2 September 1998 and elected Chairman on 28 October 1998. A member of the Remuneration and Nomination, Governance and Ethics Committees.

Other Directorships:
Director of John Holland Group Pty Ltd.

Anthony J. Palmer
Managing Director and Chief Executive Officer

Bachelor of Engineering (Hons) from the University of NSW. Former General Manager with WMC Ltd including responsibility for Olympic Dam project. Former Managing Director of Normandy Mining Ltd. and Danae Resources. Commenced as CEO and MD of Newcrest on 1 December 2001. Member of AusIMM. A member of the Remuneration Committee.

Other Directorships:
Director of Australian Mines & Metals Association Inc.

R. Bryan Davis
Non-Executive Director

Bachelor of Science Technology (Mining) from the University of NSW. Former Executive Director of Pasminco Limited. Fellow of AusIMM and a member of the Australian Institute of Company Directors. Appointed to the Board in March 1998. A member of the Audit, Remuneration and Safety, Health and Environment Committees.

Other Directorships:
Chairman of Bendigo Mining Limited, Indophil Resources N.L. and Director of Coal & Allied Industries Ltd.

Ronald C. Milne
Non-Executive Director

Member of Certified Practising Accountants Australia. Appointed to the Board in November 1995 with a management career extending through the manufacturing, merchant banking and oil exploration industries. A member of the Remuneration, Audit, Finance and Safety, Health and Environment Committees.

Other Directorships:
Director of Brambles Industries Limited, Brambles Industries PLC and J. Capital Pty Ltd.

Michael A. O'Leary
Non-Executive Director

Bachelor of Science (Technology) from the University of NSW. Former Chairman and Managing Director of Argyle Diamond Mines and Hamersley Iron. Former Director of CRA Limited and Rio Tinto plc. Fellow of AusIMM and Fellow of the Australian Institute of Company Directors. Appointed to the Board in September 2003. A member of the Remuneration, Finance and Safety, Health and Environment Committees.

Other Directorships:
Director of Santos Limited and Director and Deputy Chairman of Bank West Ltd.

Ian A. Renard
Non-Executive Director

Bachelor of Arts and Master of Laws Degrees from the University of Melbourne. Consultant of Allens Arthur Robinson. Fellow of the Australian Institute of Company Directors. Appointed to the Board in May 1998. A member of the Remuneration, Audit and Nomination, Governance and Ethics Committees.

Other Directorships:
Deputy Chancellor of the University of Melbourne. Director of CSL Limited, Hurstmead Pastoral Company Pty Ltd and Hillview Quarries Pty Ltd. Chairman of Melbourne Theatre Company.

Nora L. Scheinkestel
Non-Executive Director

Bachelor of Laws (Hons) and PhD from the University of Melbourne. Fellow of the Australian Institute of Company Directors. Appointed to the Board in August 2000 with a management background in international banking and project finance. An Associate Professor at the Melbourne Business School at the University of Melbourne. A member of the Remuneration, Nomination, Governance and Ethics and Finance Committees.

Other Directorships:
Director of PaperlinX Ltd and AMP Limited and AMP Capital Investors Ltd. Chairman of South East Water Ltd.

Corporate Governance

Set out below is an overview of the Company's corporate governance practices including those matters required to be addressed in the annual report by the ASX Corporate Governance Council Principles of Good Corporate Governance and Best Practice Recommendations. Additional information is available on the Company's website. [1]

The Board considers that the Company is in compliance in all substantial respects with the Principles and Best Practice Recommendations.

Board Role

On behalf of the shareholders, the Board:

- sets the Company's strategic goals and objectives.
- oversees the management and performance of the Company's business.
- determines broad issues of policy.
- sets an appropriate framework of corporate governance for management.

These and other functions of the Board and by exception the functions of management, have been formalised through the adoption of a formal Board Charter.

Board Composition

Newcrest's Board currently comprises seven Directors, six of whom are Non-Executive including the Chairman of Directors and one of whom is the Managing Director. Details of each Director's skills, experience and relevant expertise are set out on page 45.

The Board has determined that all Non-Executive Directors, including the Chairman, are independent and free of any relationship which might conflict with the interests of the Company. In doing so the Board adopted the definition suggested in the ASX Best Practice Recommendations and formed the view that the materiality thresholds set out in the ASX definition would be breached only if a Director received, as a consultant to the Company, fees exceeding $250,000 per annum or was a principal or partner of a professional adviser that billed more than $3 million per annum during the last three years, or was a Director or Officer of a supplier or customer that held contracts with the Company for value exceeding 10 percent of Newcrest's annual revenue. Although Mr Johnson acted in the role of Executive Chairman for a period of three months during 2001, pending the appointment of a new Managing Director, the Board considers that the interim nature and shortness of that appointment has not compromised his independence. The Board will monitor the independence of each Director and the appropriateness of the thresholds of independence that it has set, on an ongoing basis, to ensure that they remain appropriate to the Company's circumstances.

The Board regularly reviews its membership to ensure that it provides the range of business skills and expertise demanded by the Company's operations.

When a Board position becomes vacant or additional Directors are required, candidates are identified with the assistance of professional advice and are considered, at first instance, by the Nomination, Governance and Ethics Committee of the Board and finally by the full Board. Directors are selected for their specialist skills and business backgrounds in order to create appropriate skill balance on the Board. In the case of the appointment or resignation of the Managing Director, decisions are made by the full Board, with professional advice sought, as required. All Board appointments are subject to shareholder approval. As a general rule, a Non-Executive Director who has served on the Board for 12 or more years will not seek re-election.

All Directors of the Newcrest Board are required, as a matter of Board Policy, to own a minimum of 3,000 shares in the Company. In addition, all Non-Executive Directors are required to direct at least 10 percent of their Director's fees to purchase shares in the Company (at market prices) through the Non-Executive Directors' Share Plan, which was approved by shareholders at the Company's 1999 Annual General Meeting. Directors' shareholdings are subject to the Company's Share Trading Policy which restricts the times when a Director can purchase or sell Company stock and also prohibits short-term trading.

Board Function

The Board meets monthly and at such other times as the business of the Company requires. Each year at least one Board Meeting is held at one of the Company's mine sites.

At each regular meeting the Board reviews the performance of the Company, with particular emphasis on safety and environmental matters. As well as considering any major strategic or investment decisions, the Board reviews in detail principal aspects of the Company's operations and performance. This process involves receiving detailed presentations from management about key components of the Company's business.

The Board periodically reviews the Company's strategic direction and each year, together with senior management, conducts a structured strategic review of the Company's activities and its future direction.

To enhance the Board's capacity to monitor the full range of the Company's operations and to increase Directors' exposure to them, a number of Board Committees have been put in place.

The Committees can, where necessary, also provide a forum for more detailed consideration of issues of special importance.

1 This Corporate Governance section and items shown underlined can be found at www.newcrest.com.au under 'Corporate Governance'.

The current Committee structure is:

Audit Committee

Ensures compliance with all accounting and financial reporting obligations of the Group and reviews internal financial controls, the role of the internal and external auditors, including the independence of the external auditors and the Company's risk management activities.

Remuneration Committee

Deals with all matters relating to the Company's remuneration policy, executive and employee remuneration levels and remuneration matters generally.

Finance Committee

Formulates and monitors policies and procedures for treasury practices and considers the Company's funding requirements.

Nomination, Governance and Ethics Committee

Considers candidates for the Board, reviews corporate governance, compliance processes and human resource (but not remuneration) and monitors the ethical standards of the Company.

Safety, Health and Environment Committee

Ensures that the Company has in place appropriate policies and monitors the Company's practices in the areas of safety, health and environmental management.

Each Committee is comprised of selected Non-Executive Directors, one of whom acts as Committee Chairman except the Remuneration Committee which is comprised of all Directors. Memberships and attendance at meetings are detailed in the Directors' Report on page 51. Each Committee acts pursuant to a separate formal charter also approved by the Board. All Board Committee deliberations are reported to the Board at the earliest opportunity and, where necessary, recommendations of a Committee are submitted to the Board for a decision.

The Managing Director, although formally only a member of the Remuneration Committee, is invited to attend all other Committee meetings. Other non-Committee Board members are also free to attend any Committee meeting if they wish to do so.

Directors of the Company have direct access to the Company's senior managers. The Board has adopted a formal policy which ensures that Directors also have access to independent external advisers where necessary. All Directors are encouraged to visit the Company's operating sites annually.

The Board has in place a formal process for evaluating its own performance. Through a combination of a written evaluation and interview process with each Director individually, as well as a collective Board review of the outcomes of that process, individual Director and Board performance are measured in key areas and opportunities identified where performance can be improved. The Company also receives each year a confidential market report of Board and Company performance and standing, relative to a peer group.

Board Remuneration

Total annual remuneration paid to all Non-Executive Directors may not exceed the maximum amount authorised by the shareholders in a general meeting (currently $1,000,000). Also each Non-Executive Director appointed prior to 2003 entered into a deed with the Company which provides that, upon retirement, that Director will be eligible to receive a retirement benefit being an amount equivalent to the fees paid to that Director during their preceding three years. The Board has determined that the practice of providing retirement benefits will be discontinued and all benefits accrued as at December 2003 will be frozen as at that date.

Remuneration of the Non-Executive Directors is fixed, rather than variable, and is determined with regard to the need to maintain Board membership of an appropriate calibre and remuneration trends in the marketplace. Remuneration levels and trends are assessed with the assistance of professional independent remuneration consultants. The Board has adopted a policy that each Director must personally hold a minimum of 3,000 shares in the Company. In addition to the minimum shareholding, each Director is required to participate in the Non-Executive Directors' Share Plan pursuant to which at least 10 percent of each Director's annual remuneration must be used to buy shares in the Company, on market and at pre-determined times. Both of these measures strongly align Directors' personal interests with shareholders' interests.

From time to time individual Directors may be asked by the Board to devote extra time or undertake extra duties, usually involving their specialist skills or knowledge, to assist the Board monitor, review or direct key aspects of the business. As any Director who undertakes such extra duties does so only at the request and direction of the Board, rather than management, no conflict of interest or loss of independence arises.

Executive Remuneration

The Board has in place a formal Remuneration Policy which defines and directs the Company's remuneration practices for management. The Policy recognises the different levels of contribution within management to the short-term and long-term success of the Company. A key element of the Remuneration Policy is the principle of reward for performance with a significant proportion of each senior manager's remuneration placed 'at risk' to both personal and Company performance. Every employee undergoes a formal performance appraisal each year which is used, in part, to determine that employee's remuneration in the year ahead.

The 'at risk' component of management remuneration is made up of a short-term incentive plan and a long-term incentive plan. Under the short-term incentive plan a component of a senior manager's cash remuneration is only deliverable upon certain pre-determined personal performance criteria being satisfied. The long-term incentive component is comprised of fully paid ordinary shares issued under the Performance Share Plan which was introduced in July 2004. In line with legislative and regulatory requirements the Plan has not been presented to shareholders for approval. The Plan, like the discontinued Executive Option Plan before it, incorporates the use of performance hurdles and progressive vesting mechanisms, both of which are reflective of contemporary remuneration practices and which align a proportion of management's remuneration with the level of returns to shareholders.

The Board has established with the Managing Director appropriate and specific personal and corporate performance objectives for the short and long term. The performance of the Managing Director is formally assessed against these objectives annually. The assessment is used to determine, in part, the level of 'at risk' remuneration paid to the Managing Director.

The extent to which 'at risk' remuneration is delivered to senior management or to the Managing Director varies, dependent upon among other factors, the performance of the Company's share price and overall shareholder returns, measured against its peer group of listed Australian gold companies. The Board is reviewing the future structure and operation of the 'at risk' component of management remuneration.

Risk Management and Compliance

The Board recognises that risk management and compliance are among its key responsibilities and are fundamental to the sound management of the business. The Company has a formal Risk Policy approved by the Board and a comprehensive reporting system which seeks to identify, at the earliest opportunity, any significant business risks.

The Company also has in place specific reporting and control mechanisms to manage significant risks and a formal compliance program to monitor compliance levels across a range of key areas. An internal audit function, which reviews and reports to the Board on the effectiveness of those mechanisms, is also maintained.

These reporting and control mechanisms underpin written certifications given by the Managing Director and Chief Financial Officer to the Board each half year that the Company's financial reports fairly reflect its financial condition and operational results and are in accordance with relevant accounting standards and that the risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

Ethics

The Company has a formal Code of Ethics which all Newcrest Directors, employees and contractors are required to observe as well as a comprehensive range of corporate policies which detail the framework for acceptable corporate behaviour. These set out procedures that employees are required to follow in a range of areas including share trading, employment practices and compliance. The Company policies are reviewed periodically.

Communication with Stakeholders

The Board recognises the importance of keeping the market fully informed of the Company's activities and of communicating openly and clearly with all stakeholders. A formal Continuous Disclosure Policy is in place to ensure that information which might be relevant to the market is brought forward. Company information considered to be material is announced immediately through the Australian Stock Exchange. Key presentations given by Company personnel to investors and institutions are also lodged with the Australian Stock Exchange. Every effort is made to ensure that communications are clear and complete and that they address shareholders' needs for information.

All key communications are placed immediately on the Company website and, where necessary, are mailed directly to all shareholders. General and historical information about the Company and its operations is also available on the website.

The Company has adopted the practice of alternating the location of its Annual General Meeting to facilitate the maximum possible attendance by shareholders. At each meeting the Company's auditors are available to answer questions relating to the auditing of the Company's financial statements.

7

section

Section 7
Financials

Financials

Directors' Report

The Directors present their report together with the Financial Report of Newcrest Mining Limited ('the Company') and of the Consolidated Entity, being the Company and its controlled entities, for the year ended 30 June 2004 and the auditor's report thereon.

Directors

The Directors of the Company at any time during or since the end of the financial year are:

Ian R. Johnson *Non-Executive Chairman*
Anthony J. Palmer *Managing Director and Chief Executive Officer*
R. Bryan Davis *Non-Executive Director*
Ronald C. Milne *Non-Executive Director*
Ian A. Renard *Non-Executive Director*
Nora L. Scheinkestel *Non-Executive Director*
Michael A. O'Leary *Non-Executive Director* (appointed 19 September 2003)

Appointment and Qualifications of Directors

All Directors held their position as a Director throughout the entire year and up to the date of this Report unless otherwise stated. Details of the Directors' qualifications, experience and special responsibilities appear in the Corporate Governance section on page 45.

Principal Activities

The principal activities of the Consolidated Entity during the year were exploration, development, mining and the sale of gold and gold/copper concentrate. There were no significant changes in those activities during the year.

Consolidated Result

The profit of the Consolidated Entity for the year ended 30 June 2004 after income tax and outside equity interest amounted to $122,870,000 (2003: $92,147,000).

Dividends

The following dividends of the Consolidated Entity have been paid, declared or recommended since the end of the preceding year:

- Final fully franked dividend for 30 June 2003 of 5 cents per share, amounting to $16,375,000 was paid on 17 October 2003.
- Final fully franked dividend for 30 June 2004 of 5 cents per share, amounting to approximately $16,428,000 has been declared and will be paid on 15 October 2004 to shareholders registered by close of business on 24 September 2004 (refer Note 7).

Review of Operations

Information on the operations of the Group during the year and the results of those operations are set out in this Concise Annual Report.

Environmental Regulation

The operations of the Consolidated Entity in Australia are subject to environmental regulation under the laws of the Commonwealth and the States in which those operations are conducted. The operation in Indonesia is subject to environmental regulation under the laws of the Republic of Indonesia and the Province in which it operates. It is the policy of the Consolidated Entity to comply with all relevant environmental regulations in all countries in which it operates.

Each mining operation is subject to particular environmental regulation specific to the activities undertaken at that site as part of the licence or approval for that operation. There is also a broad range of industry specific environmental laws which apply to all mining operations and other operations of the Consolidated Entity. The environmental laws and regulations generally address the potential impact of the Consolidated Entity's activities in relation to water and air quality, noise, surface disturbance and the impact upon flora and fauna.

The Consolidated Entity has a uniform internal reporting system across all sites. All environmental events, including breaches of any regulation or law, are ranked according to their actual or potential environmental consequence. Five levels of incident are recognised (based on Australian Standard AS4360): I (insignificant), II (minor), III (moderate), IV (major) and V (catastrophic). Data on Category I incidents are only collected at a site level and are not reported in aggregate for the Consolidated Entity.

The number of events reported in each category during the year are shown in the accompanying table. In all cases environmental authorities were notified of those events where required and remedial action undertaken.

Category	II	III	IV	V
2004 – No. of incidents	20	1	1	–
2003 – No. of incidents	10	4	1	–

The Managing Director reports to the Board at all meetings on all environmental, health and safety incidents. The Board also has a Safety, Health and Environment Committee which reviews the environmental and safety performance of the Consolidated Entity. The Directors are not aware of any environmental matter which would have a materially adverse impact on the overall business of the Consolidated Entity.

Significant Changes in the State of Affairs

Significant changes in the state of affairs of the Consolidated Entity that occurred during the financial year were as follows:

(i) Total revenue increased 17 percent principally due to the increased contribution from copper by-product revenue.

(ii) The mark to market of derivative financial instruments at 30 June 2004 was negative $451.6 million (2003: positive $84.8 million). Including gold loan swap contracts the mark to market position was negative $478.4 million (2003: positive $38.7 million).

(iii) Expenditure on the Telfer project incurred and accrued in the financial year was $631.3 million.

(iv) $639.9 million of proceeds from borrowings were drawn down under debt facilities to fund the Telfer project.

Subsequent Events

Subsequent to 30 June 2004, Newcrest Mining Limited announced that it had completed a comprehensive simplification of its gold and foreign currency hedging positions.

The restructure of the hedge book included elimination of the entire foreign currency book and all contingent products in the gold book. The overall purpose of the restructure is to provide greater revenue certainty and to facilitate greater understanding of the Company's total business.

The assessed mark to market value inherent in the existing hedge book has been embedded into the price of the new forwards and gold lease rate transactions resulting in the restructure being completed without any cash outflow, except for a minor credit fee. Refer to the Subsequent Event Note 11 for details of the revised hedging tables and impact of this restructure.

There are no other matters or circumstances which have arisen since 30 June 2004 that have significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity in subsequent financial years.

Likely Developments and Expected Results

Further information about likely developments in the operations of the Consolidated Entity and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Consolidated Entity.

Directors' Meetings

The number of Directors' meetings (including meetings of committees of Directors) and number of meetings attended by each of the Directors of the Company during the financial year are:

Director	Directors' Meetings		Audit Committee Meetings		Remuneration Committee Meetings		Finance Committee Meetings		Nomination, Governance & Ethics Committee Meetings		Safety, Health & Environment Committee Meetings	
	A	B	A	C	A	C	A	C	A	C	A	C
I. R. Johnson	14	14	–	–	3	3	–	–	4	4	–	–
A. J. Palmer	14	14	–	–	3	3	–	–	–	–	–	–
N. L. Scheinkestel	14	14	–	–	3	3	4	4	4	4	–	–
R. B. Davis	14	14	4	4	6	6	–	–	–	–	3	3
R. C. Milne	14	14	4	4	6	6	4	4	–	–	3	3
I. A. Renard	14	14	4	4	3	3	1	1	3	3	–	–
M. A. O'Leary	10	11	–	–	1	1	3	3	–	–	2	2

Column A – Indicates the number of meetings attended.
Column B – Indicates the number of meetings held whilst a Director.
Column C – Indicates the number of meetings held whilst a member.

The details of the functions and memberships of the Committees of the Board are presented in the Statement of Corporate Governance.

Directors' and Senior Executives' Emoluments

The Remuneration Committee, consisting of all Directors, is responsible for making recommendations to the Board on remuneration policies and practices generally, and specifically on remuneration packages and other terms of employment applicable to Executive Directors, Senior Executives and Non-Executive Directors of the Company. The broad remuneration policy objective is to ensure remuneration packages properly reflect employees' duties and responsibilities and that remuneration is competitive in attracting, retaining and motivating people of the highest quality.

Executive remuneration and other terms of employment are reviewed annually by the Remuneration Committee having regard to performance against goals set at the start of the year, relevant comparative information and independent expert advice. Executive remuneration is made up of fixed and variable remuneration. Fixed remuneration includes monthly salary, superannuation, fringe benefits and resignation and retirement entitlements (where applicable). Executives may also receive variable remuneration payments based on the achievement of specific financial and non-financial performance hurdles. These variable remuneration payments, which represent remuneration at risk, include annual incentive payments made under the Company's short-term incentive plan and participation in the Company's Executive Share Option Plan. The ability to exercise options is conditional on the Consolidated Entity achieving certain performance hurdles.

Remuneration and other terms of employment for the Managing Director and certain Senior Executives are formalised in service agreements.

Remuneration of Non-Executive Directors is fixed, rather than variable and is determined with regard to the need to maintain Board membership of an appropriate calibre and remuneration trends in the market place. The total amount paid to all Non-Executive Directors may not exceed the maximum amount authorised by the shareholders in a general meeting (currently $1,000,000). Non-Executive Directors do not receive any performance related remuneration and are not entitled to participate in the Company's Executive Share Option Plan but are required to hold a minimum amount of 3,000 shares. Each Director is required to participate in the compulsory Non-Executive Director Share Plan pursuant to which a minimum 10 percent of each Director's annual remuneration must be used to buy shares in the Company on market at the prevailing market price (with no discount). Non-Executive Directors are also entitled to retirement benefits in accordance with a shareholder approved deed. During 2003, the Board made a decision to discontinue the practice of paying Directors a retirement allowance. This means the provision of retirement benefits will not be continued in the case of any new Directors (including Mr O'Leary). Each of the existing Directors, whose retirement benefits are contractually established in their formal terms of engagement with the Company, has agreed to have those benefits frozen with effect from 31 December 2003 in respect of the service they have provided up to that date.

Directors' and Senior Executives' Remuneration

Directors	Directors' Base Fee/ Salary $	Superannuation Contributions $	Other Services $	Retirement Benefit Provision (ii) $	Short-Term Incentive Payments $	Long-Term Incentive Payments (Options Valuation) (iv) $	Other Benefits (iii) $	Total $
I. R. Johnson *Non-Executive Chairman*	252,500	20,455	–	38,430	–	–	195	311,580
A. J. Palmer *Managing Director*	842,500	–	–	–	330,000	445,144	33,862	1,615,506
R. B. Davis *Non-Executive Director*	112,500	9,116	–	31,537	–	–	195	153,348
R. C. Milne *Non-Executive Director*	112,500	9,566	5,000 (i)	16,749	–	–	195	144,010
I. A. Renard *Non-Executive Director*	112,500	9,116	–	16,749	–	–	195	138,560
N. L. Scheinkestel *Non-Executive Director*	112,500	9,116	–	31,537	–	–	195	153,348
M. A. O'Leary *Non-Executive Director*	90,833	7,360	–	–	–	–	152	98,345

Executive Officers are those directly accountable and responsible for the operational management and strategic direction of the Company. The five most senior positions with the most authority are disclosed over the page. Also disclosed is John Blake (General Manager Gosowong Mine) as he falls within the top five remuneration category due to the site and housing allowances associated with this position.

Executive Officers

	Fixed Remuneration (including Superannuation) $	Site, Housing & Rental Allowances $	Short-Term Incentive Payments $	Long-Term Incentive Payments (Options Valuation) (iv) $	Other Benefits (iii) $	Total $
J. Smith *Executive General Manager Finance and Chief Financial Officer*	532,617	15,175	240,000	37,835	18,767	844,394
B. Price *Executive General Manager Project Development*	473,100	28,679	150,000	104,485	27,203	783,467
D. Wood *Executive General Manager Exploration*	430,850	–	208,000	104,485	3,076	746,411
T. O'Neill *Executive General Manager Operations and Marketing*	426,900	–	130,000	97,835	4,621	659,356
B. Lavery *Executive General Manager Corporate Services*	404,675	–	112,500	104,485	4,621	626,281
J. Blake *General Manager Gosowong Mine*	242,600	278,455	68,778	80,484	15,453	685,770

(i) Comprises a payment of $5,000 for duties performed as Chairman of the Superannuation Policy Committee.
(ii) The amounts disclosed in Director's remuneration represent the provision recorded in the current year to maintain the Director's full entitlement on the above terms.
(iii) Other benefits mainly comprise travel, parking, insurance and applicable fringe benefits tax payable on benefits.
(iv) The Company has adopted the fair value measurement provisions of AASB 1046 'Director and Executive Disclosures' prospectively for all options granted to Directors and relevant executives which have not vested as at 1 July 2003. The fair value of such grants is being amortised and disclosed as part of Director and executive emoluments on a straight-line basis over the vesting period. No adjustments have been or will be made to reverse amounts previously disclosed in relation to options that never vest (i.e., forfeitures).

The fair value of the options is calculated at the date of grant using a Black-Scholes model and binomial methodologies, and allocated to each reporting period evenly over the period from grant date to vesting date. The value disclosed above is the portion of the fair value of the options allocated to this reporting period. The fair value methodology adopted and details of performance hurdles are discussed in further detail below.

Share Options – Valuation Methodology

The Directors' assessment of the fair value of options granted, for the purpose of reporting emoluments of Directors and Executive Officers is based upon independent advice.

The methodology used in valuing the options was as follows:

- The options were valued on the date of grant based on the relevant market parameters applying at that time.
- The options were first valued as if they were unrestricted, freely tradable options using an option pricing model which combines both Black-Scholes and binomial methodologies. It is on this basis that the Board determines this element of remuneration levels.
- The following factors and assumptions were used in determining the fair value of options granted during the year:

Grant date	2 December 2003
Share price on grant date	$12.75
Exercise price	$12.29
Expected volatility	37 percent
Historical volatility	37 percent
Risk-free interest rate	6.33 percent
Dividend yield	0.39 percent
Expected life of the option	5 years

These factors resulted in a fair value per option of $5.48.

- To take into account the performance hurdles and forfeiture conditions attached to the options, a discount factor based on the probability estimate that the options will vest, was then applied to arrive at an estimate of the number of options expected to vest. This is the best estimate available of the cost to the Company of awarding the options. The above valuation has been applied as follows in respect to the 2 separate option series granted:
  - For options granted to the Managing Director, it has been assumed that the service period requirements and performance hurdles will be fully met and therefore no discount has been applied.
  - For the options granted to all Executives, it has been assumed that the service period requirements have an 80 percent probability of being met and that performance hurdles have a 75 percent probability of being met.

Executive Share Option Plan

'Share Options' in the case of the Company refers to those options granted to senior management, including the Executive Director, pursuant to the Newcrest Executive Option Plan. No person entitled to exercise any of the options had or has any right, by virtue of the options, to participate in any share issue of any other body corporate.

The Newcrest Executive Option Plan provides for the allocation of five year options with performance hurdles and exercise conditions. Under the Plan, options issued to senior management may not be exercised until after the second anniversary of the grant date and can only be exercised to a maximum of 25 percent of the options granted in each subsequent year to the exercise date, subject always to the performance hurdles being satisfied. Where the previous year's maximum entitlement was not exercised, accumulated entitlements to that anniversary date may be exercised. The exercise price at which these options are issued is based on the weighted average of the prices at which the Company's shares were traded on the Australian Stock Exchange during the one week period prior to issue date.

Options issued to the Executive Director have specific performance hurdles relating to the development of Telfer. Refer below for the specific performance hurdle relating to options granted in the current year.

Detailed information on the movements in options on issue under the Newcrest Executive Option Plan during the financial year and the balance exercisable under the Newcrest Executive Option Plan at balance date are detailed in Note 21 to the full Financial Report of Newcrest Mining Limited.

Total Share Options Granted During the Financial Year

	Number of Options Granted	Exercise Price $	Grant Date	Expiry Date
Executive Directors				
A. Palmer *Managing Director and Chief Executive Officer*	250,000	12.29	2 December 2003	2 December 2008
All other Executives	2,415,000	12.29	2 December 2003	2 December 2008
Total Options Granted	2,665,000	12.29	2 December 2003	2 December 2008

Share Options Granted to Executive Directors and Most Highly Remunerated Executives During the Financial Year

During or since the end of the financial year, the Company granted options over unissued ordinary shares to the following Executive Directors and Executive Officers as part of their remuneration. All options granted to Executive Officers during the financial year were granted under the Newcrest Executive Option Plan. No options have been granted since the end of the financial year.

	Number of Options Granted	Exercise Price $	Expiry Date	Fair Value $	Number of Equity Instruments Expected to Vest[(i)] $
Executive Directors					
A. Palmer *Managing Director and Chief Executive Officer*	250,000	12.29	2 December 2008	5.48	250,000
Other Executive Officers					
J. Smith *Executive General Manager Finance*	100,000	12.29	2 December 2008	5.48	60,000
B. Price *Executive General Manager Project Development*	100,000	12.29	2 December 2008	5.48	60,000
D. Wood *Executive General Manager Exploration*	100,000	12.29	2 December 2008	5.48	60,000
T. O'Neill *Executive General Manager Operations and Marketing*	100,000	12.29	2 December 2008	5.48	60,000
B. Lavery *Executive General Manager Corporate Services*	100,000	12.29	2 December 2008	5.48	60,000
J. Blake *General Manager Gosowong Mine*	70,000	12.29	2 December 2008	5.48	42,000

(i) Vesting conditions are not taken into account in determining the fair value. Instead the vesting conditions are taken into account by adjusting the number of equity instruments expected to vest and this amount is included in measurement of the transaction value. Refer above section 'Share Options – Valuation Methodology' for the assessment of vesting conditions.

Share Options – Performance Hurdles

250,000 share options were granted to the Managing Director and Chief Executive Officer during the financial year subject to the following performance hurdle:

> 'The successful development and construction, under Mr Palmer's supervision, of the Telfer Underground Mine operation and the commissioning of that operation at an annual rate of 4 million tonnes per annum in the timeframe and within the budget approved by the Board for that development.'

Share options granted in the financial year to Executive Officers and senior management are subject to the following performance hurdle:

> '50 percent of options granted vesting upon the Total Shareholder Return ('TSR') growth of Newcrest Mining Limited ('Newcrest') meeting the TSR growth of the median of companies in the ASX 100 and increasing proportionately to 100 percent of options granted vesting upon the TSR growth of Newcrest meeting or exceeding the TSR growth of the 75th percentile of companies in the ASX 100.'

Shares Issued on the Exercise of Options

During the year an aggregate of 1,351,500 options were exercised, resulting in the issue of 1,351,500 ordinary shares of the Company at an aggregate consideration of $4,234,000.

Directors' Interests

The relevant interest of each Director in the share capital of the Company, as notified by the Directors to the Australian Stock Exchange in accordance with Section 235 (1) of the Corporations Act 2001, at the date of this Report, is as follows:

The Newcrest Non Executive Directors' Share Plan was approved by Shareholders on 28 October 1999. The Board adopted a policy which requires Non-Executive Directors to receive at least 10 percent of their annual remuneration by way of on market acquired shares in the Company with no discount. Shares acquired by a Non-Executive Director under the Plan may not be sold for a period of three years after they are acquired, except if the Director retires from the Board or if the Board permits earlier sale.

Indemnification and Insurance of Directors and Officers

Pursuant to Article 103 of its Constitution, the Company insures and indemnifies its Directors and Officers, against liabilities to another person (other than the Company or a related body corporate) that may arise from their position as Directors and Officers of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith.

Each Director named on page 50 of this Report and the Secretary, has entered into a Deed of Indemnity with the Company on these terms.

Insurance Premiums

During or since the financial year the Company has paid an insurance premium in respect of a contract insuring against liability of Directors and Officers in accordance with the Company's Constitution and the Corporations Act 2001.

The contract of insurance prohibits disclosure of the amount of the premium and the nature of the liability insured against. Each Director of Newcrest Mining Limited has paid the insurance premium in respect of cover which may apply in relation to liabilities of the type referred to in Section 199B of the Corporations Act 2001.

	Chief Entity or Related Body Corporate	Number of Ordinary Shares	Nature of Interest	Number of Options Over Ordinary Shares
I. R. Johnson	Newcrest Mining Limited	38,127	Direct and Indirect	–
A. J. Palmer	Newcrest Mining Limited	11,060	Direct	1,000,000
R. B. Davis	Newcrest Mining Limited	14,658	Direct and Indirect	–
R. C. Milne	Newcrest Mining Limited	8,501	Direct	–
I. A. Renard	Newcrest Mining Limited	15,871	Direct	–
N. L. Scheinkestel	Newcrest Mining Limited	70,635	Direct and Indirect	–
M. A. O'Leary	Newcrest Mining Limited	5,775	Direct	–

Rounding of Amounts

The Company is of a kind referred to in Class Order 98/0100 issued by the Australian Securities and Investments Commission dated 10 July 1998 and in accordance with that Class Order, amounts in the financial report have been rounded to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the Directors.

Ian R. Johnson
Chairman

Anthony J. Palmer
Managing Director and Chief Executive Officer

31 August 2004, Melbourne

Management Discussion and Analysis of the Financial Statements

This discussion and analysis is provided to assist readers in understanding the Concise Financial Report. The Concise Financial Report has been derived from the full 2004 Financial Report of Newcrest Mining Limited.

The Newcrest Mining Limited Consolidated Entity consists of Newcrest Mining Limited and its controlled entities. The principal activities of the Newcrest Mining Limited Consolidated Entity during the financial year comprised exploration, development, mining and the sale of gold and gold/copper concentrate.

Summary of Year's Results

The 2003/04 year was a significant year for the Consolidated Entity's financial management with the need to fund the Telfer project. The funding plan placed strong reliance on the Cadia Valley mines to generate the cash flows expected at the beginning of the year. It was also the year that Ridgeway established itself as a quality mine. On an undiscounted basis, cash flow from Ridgeway has fully repaid the capital invested in less than two years.

The financial highlights of the 2003/04 year are summarised in the following table:

	2004	2003
Net profit after tax before significant items	$119.3 million	$66.3 million
Net profit after tax	$122.9 million	$92.2 million
Basic earnings per share	37.5 cents	29.6 cents
Return on members equity (EBIT before significant items)	18.1 percent	10.6 percent
Return on members equity (Net profit after tax)	12.4 percent	10.5 percent
Gearing (net debt/net debt + equity)	49 percent	30 percent

Profit after tax but before significant items rose substantially in 2003/04. This measure is considered to be the better indication of the profitability of the underlying businesses. The increase in profit resulted principally from higher production and lower cash costs assisted by strong copper by-product revenue. Earnings per share and return on equity both rose accordingly.

The commissioning of the Telfer project in the first half of the current year will result in significant increases in these measures for the whole of 2004/05.

Statement of Financial Performance

Net profit after tax attributable to shareholders for the year was $122.9 million (2003: $92.2 million). The profit after tax but before significant items also increased significantly to $119.3 million (2003: $66.3 million).

Major factors impacting the result for the current year are:

Revenue

- Total gold revenue increased by $26.0 million due to an increase in sales ounces and the achieved gold price received was $579 per ounce (2003: $567 per ounce). Gold hedging gains contributed $25.3 million to the Group result, reflecting the strength of the Australian dollar during the year relative to the Newcrest foreign exchange hedge book.
- Total sales ounces were 754,745 (2003: 724,584). This increase of 30,161 ounces was mainly as a result of:
  - increase from Ridgeway, 56,147 ounces;
  - decreased throughput at Cadia Hill, 63,095 ounces;
  - increase in Indonesia of 37,221 ounces. Commencement of operations at Toguraci contributed 75,948 ounces compared to the prior year completion at the Gosowong pit which produced 38,727 ounces.
- By-product revenue significantly increased by $77.5 million to $270.3 million as a result of copper tonnes sold increasing to 84,231 tonnes (2003: 68,604 tonnes). Copper hedging contributed $3.8 million resulting in an achieved copper price of $1.44 per pound (2003: $1.28 per pound).

Costs

- Gross mine costs (excluding copper by-product revenue) increased due to higher production volume, however per unit cash costs were lower compared to the prior year.
- Borrowing costs expensed of $12.1 million are net of the borrowing costs capitalised to the Telfer project of $36.6 million.
- Other expenses mainly comprise Gosowong and Boddington care and maintenance.

Significant Items

- Surplus foreign currency contracts in excess of anticipated net US dollar receipts were provided for in the prior year. During the year, the appreciation of the Australian dollar resulted in a write-back to profit on this provision of $10.3 million. All surplus contracts have now lapsed and this provision is now finalised.
- The Consolidated Entity has adopted natural hedge accounting for its US dollar loan. A foreign exchange gain of $4.7 million was made which matched the loan repayment profile.
- Ongoing treatment of prior year hedging restructures involving gold, copper and gold lease rate contracts resulted in an expense of $9.8 million. $0.5 million has been released to operating revenue in the period resulting in a net increase to the provision of $9.3 million.

Other

- The net profit after tax translates to a basic and diluted earnings per share of 37.5 cents and 37.0 cents per share respectively and a return on equity of 12.4 percent.
- On 26 August 2004 the Directors declared a fully franked dividend of 5 cents per share.

Other factors which will impact future results:

- Subsequent to 30 June 2004 Newcrest Mining Limited announced that it had completed a comprehensive simplification of its legacy gold and foreign currency hedging positions. The hedge book, following the restructure, consists simply of a series of Australian and US dollar gold forward contracts. The resulting gains and losses on these contracts have been deferred and will be recognised over the years of 2005 to 2011 in line with the underlying production. Refer to the attached subsequent events Note 11 for more detail.

Statement of Financial Position

The Group is in a sound financial position having completed the funding required for Telfer. At 30 June 2004 total assets have increased to $2.6 billion, an increase of $727 million. The majority of this increase represents the capital expenditure associated with the Telfer project.

Total liabilities at 30 June 2004 were $1.6 billion, an increase of $612 million. The Consolidated Entity completed its drawdown under Telfer funding facilities during the year resulting in proceeds from borrowings of $554.9 million from the syndicated loan facility, $85.0 million unsecured bank loan and $73.1 million increase in finance lease liabilities. Newcrest Mining Limited concluded the year with gearing (measured as net debt to net debt-plus-equity) at 49 percent.

Contributed equity increased by $7.2 million during the year from the issue of shares on conversion of employee options and the dividend reinvestment plan.

Statement of Cash Flows

Group cash balances for the year have increased by $55.9 million for the year to $157.0 million, reflecting higher cash flows from operating activities and debt raisings to meet cash flows from investing activities.

- Cash flows from operating activities were $67.8 million higher than 2003 due mainly to increase in sales receipts and by-product revenue.
- Net cash used in investing activities amounted to $753.4 million. Major areas of expenditure include:
  - Telfer project of $666.7 million. (Includes Telfer Deeps and Pre-Strip Mine costs)
  - Exploration and evaluation expenditure of $45.4 million
  - Cadia Valley Operations expenditure of $17.7 million
  - Cracow expenditure of $17.0 million

Capital expenditure programs were largely financed by debt raisings. Major movements in the cash flows from financing activities include:

- Drawdown from financing facilities of:
  - Telfer syndicated loan note facility $554.9 million
  - Unsecured bank loan $85.0 million
- Repayment of borrowings consisted of:
  - $49.1 million gold loan
  - $15.4 million finance lease principal
  - $22.8 million from US dollar loan.

Statement of Financial Performance

For the year ended 30 June 2004	Note	Consolidated 2004 $'000	Consolidated 2003 $'000
Sales revenue	3	**711,389**	607,222
Cost of sales		**(474,523)**	(452,282)
Gross profit		**236,866**	154,940
Other revenues from ordinary activities	3	**5,069**	5,966
Exploration costs		**(32,050)**	(26,760)
Corporate administration costs		**(20,332)**	(18,960)
Borrowing costs	4	**(12,054)**	(14,975)
Net foreign exchange gain/(loss)	4	**969**	(13,001)
Other expenditure		**(7,535)**	(3,738)
Written down value of assets sold	4	**(1,042)**	(102)
Provision for surplus foreign exchange contracts	5	**10,252**	23,951
Foreign exchange gain on US dollar borrowing	5	**4,673**	24,681
Provision for hedging contract restructures	5	**(9,795)**	(11,681)
Profit from ordinary activities before income tax expense		**175,021**	120,321
Income tax expense relating to ordinary activities	6	**(51,090)**	(29,236)
Profit from ordinary activities after related income tax expense		**123,931**	91,085
Net (profit)/loss attributable to outside equity interest		**(1,061)**	1,062
Net profit attributable to members of the parent entity		**122,870**	92,147
Total share issue expenses attributable to members of the parent entity recognised directly in equity		**–**	(2,714)
Total changes in equity other than those resulting from transactions with owners as owners attributable to members of the parent entity		**122,870**	89,433
Basic earnings per share (cents per share)	8	**37.5**	29.6
Diluted earnings per share (cents per share)	8	**37.0**	29.3

The Statement of Financial Performance is to be read in conjunction with the discussion and analysis on page 56 and the notes to the financial statements set out on pages 61 to 67.

Statement of Financial Position

At 30 June 2004	Consolidated 2004 $'000	2003 $'000
CURRENT ASSETS		
Cash assets	**157,013**	101,065
Receivables	**109,848**	69,009
Other financial assets	**349**	134
Inventories	**40,156**	16,808
Deferred foreign exchange contract loss	**10,774**	24,481
Other	**20,538**	26,455
Total Current Assets	**338,678**	237,952
NON-CURRENT ASSETS		
Receivables	**34,571**	39,853
Inventories	**7,863**	8,851
Property, plant and equipment	**537,876**	562,042
Exploration, evaluation and development	**1,365,016**	761,595
Deferred foreign exchange contract loss	**30,835**	65,117
Other	**250,748**	163,606
Total Non-Current Assets	**2,226,909**	1,601,064
TOTAL ASSETS	**2,565,587**	1,839,016
CURRENT LIABILITIES		
Payables	**159,703**	181,215
Interest bearing liabilities	**86,229**	83,703
Foreign exchange contract liabilities	**10,774**	35,477
Provisions	**8,075**	7,800
Other	**3,342**	7,127
Total Current Liabilities	**268,123**	313,322
NON-CURRENT LIABILITIES		
Interest bearing liabilities	**1,027,592**	401,405
Foreign exchange contract liabilities	**30,835**	65,117
Deferred tax liabilities	**100,699**	50,797
Provisions	**57,275**	49,820
Other	**81,291**	71,528
Total Non-Current Liabilities	**1,297,692**	638,667
TOTAL LIABILITIES	**1,565,815**	953,989
NET ASSETS	**999,772**	885,027
EQUITY		
Contributed equity	**791,494**	784,305
Retained profits	**200,293**	93,798
Total parent entity interest	**991,787**	878,103
Total outside equity interest	**7,985**	6,924
TOTAL EQUITY	**999,772**	885,027

The Statement of Financial Position is to be read in conjunction with the discussion and analysis on page 56 and the notes to the financial statements set out on pages 61 to 67.

Statement of Cash Flows

For the year ended 30 June 2004	Consolidated 2004 $'000	2003 $'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts in the course of operations	**697,710**	608,266
Cash payments in the course of operations	**(419,672)**	(380,835)
Interest received	**2,450**	4,860
Borrowing costs paid	**(12,127)**	(15,019)
Income taxes paid	**(1,552)**	(18,265)
Net cash provided by operating activities	**266,809**	199,007
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	**(19,110)**	(21,316)
Proceeds from sale of non-current assets	**1,940**	440
Exploration and evaluation expenditure	**(45,375)**	(33,340)
Payments in respect of mine development	**(9,419)**	(6,449)
Payments in respect of mines under construction	**(647,804)**	(151,425)
Feasibility expenditure	**(17,981)**	(49,706)
Borrowing costs paid capitalised to development projects	**(15,647)**	(2,895)
Payments of research and development costs	**–**	(658)
Net cash (used in) investing activities	**(753,396)**	(265,349)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings:		
• Bank loan note	**554,862**	–
• Bank loan	**85,000**	–
Repayment of borrowings:		
• US dollar loan	**(22,755)**	–
• Loans from bullion banks	**–**	(4,178)
• Gold loan	**(49,137)**	(58,262)
Repayment of foreign exchange contracts	**–**	(14,153)
Repayment of finance lease principal	**(15,385)**	(10,415)
Proceeds from share issues	**4,234**	256,516
Share and option issue costs paid	**–**	(2,714)
Dividends paid	**(13,420)**	(13,752)
Net cash provided by financing activities	**543,399**	153,042
Net increase in cash held	**56,812**	86,700
Cash at the beginning of the financial year	**101,065**	14,365
Effects of exchange rates to cash	**(864)**	–
Cash at the end of the financial year	**157,013**	101,065

The Statement of Cash Flows is to be read in conjunction with the discussion and analysis on page 56 and the notes to the financial statements set out on pages 61 to 67.

Notes to the Concise Financial Report

Note 1 Accounting Policies

This Concise Financial Report has been derived from the Consolidated Entity's full 2004 Financial Report which complies with the Corporations Act 2001, Australian Accounting Standards and Urgent Issues Group Consensus Views. This Concise Financial Report has been prepared in accordance with Accounting Standard AASB1039 'Concise Financial Report' and the relevant provisions of the Corporations Act 2001.

The Concise Financial Report does not and cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Consolidated Entity as the full Financial Report.

It has been prepared on the basis of historical costs and except where stated, does not take into account changing money values or fair values of non-current assets.

A full description of the accounting policies adopted by the Consolidated Entity may be found in the Consolidated Entity's full Financial Report. These accounting policies have been consistently applied by each entity in the Consolidated Entity and, except where there is a change in accounting policy as set out in Note 2, are consistent with those of the previous year.

Note 2 Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

Tax Consolidation

Newcrest Mining Limited is the head entity in the tax consolidated group comprising all the Australian wholly-owned subsidiaries. The implementation date for the tax consolidated group is 1 July 2003. The head entity recognised all of the current and deferred tax assets and liabilities of the tax consolidated group (after elimination of intragroup transactions).

The tax-consolidated group has entered into tax sharing and tax funding agreements. The tax consolidated legislation specifies that unless tax sharing agreements are entered into the head entity and wholly-owned subsidiaries become jointly and severally liable for the group's income tax liability. Therefore, Newcrest has elected to enter into a tax sharing agreements between the head entity and the wholly-owned subsidiaries whereby they are not jointly and severally liable for the group's income tax liability resulting in each company being liable for its share of the group's income tax liability based on a notional income tax calculation. The effect of the tax sharing agreement is subject to the terms of a Deed of Cross Guarantee, pursuant to which the Company and subsidiaries party to the Deed have guaranteed any deficiency which might arise in relation to the Company or any of the subsidiaries party to the Deed on winding up of that entity.

The tax funding agreement requires wholly-owned subsidiaries to make contributions to the head entity for:

- deferred tax balances recognised by the head entity on implementation date, including the impact of any relevant reset tax cost bases; and
- current tax assets and liabilities and deferred tax balances arising from external transactions occurring after the implementation of tax consolidation.

Under the tax funding agreement, the contributions are calculated on a 'stand alone basis' so that the contributions are equivalent to the tax balances generated by external transactions entered into by wholly-owned subsidiaries. The contributions are payable as set out in the agreement and reflect the timing of the head entity's obligations to make payments for tax liabilities to the relevant tax authorities. The assets and liabilities arising under the tax funding agreement are recognised as intercompany assets and liabilities with a consequential adjustment to income tax expense/(benefit).

Notes to the Concise Financial Report (continued)

Note 3 Revenue from Ordinary Activities

	Consolidated 2004 $'000	2003 $'000
Sales revenue		
Sale of gold bullion	**144,510**	121,410
Sale of gold/copper concentrate	**566,879**	485,812
Total sales revenue	**711,389**	607,222
Other revenues		
Interest from other persons	**3,422**	4,928
Less: interest income capitalised	**(1,051)**	–
Gross proceeds from sale of non-current assets	**1,940**	440
Joint venture management fees	**158**	–
Other revenue items	**600**	598
Total other revenues	**5,069**	5,966
Total revenue from ordinary activities	**716,458**	613,188

Note 4 Expenses and Losses Included in Profit from Ordinary Activities Before Income Tax Expense

	Consolidated 2004 $'000	2003 $'000
Depreciation of:		
Property, plant and equipment	**62,816**	56,800
Amortisation of:		
Plant and equipment under finance leases	**8,084**	6,640
Mine development	**38,974**	31,936
Mine leases	**279**	292
Deferred mining	**906**	949
Cadia royalty	**975**	966
Other	**14**	15
(Less)/add: capitalised to inventory on hand	**(1,188)**	1,921
Total depreciation and amortisation	**110,860**	99,519
Borrowing costs:		
Bank loans	**28,593**	11,726
Finance charges on capitalised leases	**6,980**	1,656
Other borrowing costs	**13,033**	4,488
Less: Capitalised borrowing costs	**(36,552)**	(2,895)
Total borrowing costs expensed	**12,054**	14,975
Other Items:		
Operating lease rentals	**7,546**	3,359
Government royalties	**17,748**	15,603
Research and development expenditure	**425**	658
Provision for:		
Employee benefits	**5,395**	6,377
Restoration and rehabilitation	**3,144**	3,454
Stores obsolescence	**363**	931
Other	**1,619**	143
Gains/(losses):		
Net foreign exchange gain/(loss)	**969**	(13,001)
Sales of assets		
Sales of assets have given rise to the following profits:		
Proceeds from sale of property, plant and equipment	**1,940**	440
Carrying value of property, plant and equipment sold	**(1,042)**	(102)
Profit on sale of property, plant and equipment	**898**	338

Note 5 Individually Significant Items (Charged)/Credited in Operating Profit from Ordinary Activities Before Income Tax Expense

	Consolidated 2004 $'000	Consolidated 2003 $'000
Foreign exchange gain on the naturally hedged US dollar (i)	**4,673**	24,681
Liability for surplus foreign currency contracts (ii)	**10,252**	23,951
Liability for hedging contract restructures (iii)	**(9,795)**	(11,681)
Total significant items before tax expense	**5,130**	36,951
Tax effect of significant items	**(1,539)**	(11,085)
Total significant items after tax expense	**3,591**	25,866
(i) Realised gain on unhedged US dollar loan which was designated as a natural hedge and revalued to a hedged exchange rate of 0.6902. Unrealised gains and losses upon subsequent revaluation of the loan to the period end exchange rate are deferred and will be released to profit in line with the payments and matched against anticipated hedged concentrate sales.	**4,673**	24,681
(ii) Opening surplus foreign currency contract provision	**(10,996)**	(76,300)
Amounts paid in the current year on contracts that matured	**744**	41,353
Provision written back during the year	**10,252**	23,951
Closing surplus foreign currency contracts provision	**–**	(10,996)
(iii) Opening balance of hedge restructure provision	**(35,656)**	(25,000)
Losses recognised during the year	**(9,795)**	(11,681)
Provision released to income on maturity of contracts	**501**	1,025
Closing balance of hedge restructure provision	**(44,950)**	(35,656)

Note 6 Income Tax

The prima facie tax, using tax rates applicable in the country of operation on profit differs from the income tax provided in the financial statements as follows:

Income tax expense	Consolidated 2004 $'000	Consolidated 2003 $'000
Prima facie tax on profit from ordinary activities at 30 percent (2003: 30 percent)	**52,506**	36,096
Tax effect of permanent differences:		
Overseas exploration	**67**	77
Non-deductible depreciation and amortisation	**88**	88
Non-deductible foreign exchange losses	**–**	1,027
Other non-deductible items	**136**	21
Research and development allowance	**(840)**	(1,707)
(Over)/under provision for deferred tax liability	**(867)**	(6,366)
Income tax expense attributable to ordinary activities	**51,090**	29,236

Tax Consolidation

Effective 1 July 2003, for the purposes of income taxation, Newcrest Mining Limited and its wholly-owned Australian subsidiaries have formed a tax consolidated group (refer Note 2).

Note 7 Dividends

	Cents per share	Total amount $'000	Franked/ unfranked	Date of payment
Dividends recognised in the current year by the Company are:				
2004 – Dividend paid during the year				
Final – ordinary	5.0	16,375	Franked	17 Oct 2003
2003 – Dividend paid during the year				
Final – ordinary	5.0	15,931	Franked	18 Oct 2002
Subsequent events				
Dividend proposed and not recognised as a liability:[(i)]				
Since the end of the financial year, the Directors declared the following dividends:				
Final – ordinary	5.0	16,428	Franked	15 Oct 2004

[(i)] The financial effect of this dividend has not been brought to account in the financial statements for the year ended 30 June 2004 and will be recognised in subsequent financial reports. Dividends proposed will be fully franked at the tax rate of 30 percent (2003: 30 percent).

Dividend franking account

30 percent franking credits are available to shareholders of Newcrest Mining Limited of $10,181,672 (2003: $15,834,290). The above available amounts are based on the balance of the dividend franking account at year end adjusted for:

(a) franking credits that will arise from the payment of any current tax liability;

(b) franking debits that will arise from the payment of dividends recognised as a liability at year end;

(c) franking credits that will arise from the receipt of dividends recognised as receivables by the tax consolidated group at year end; and

(d) franking credits that the entity may be prevented from distributing in subsequent years.

The ability to utilise the franking credits is dependent upon there being sufficient available profits to declare dividends. The dividend declared for 30 June 2004 will be fully franked and utilise approximately $7,041,000 of the franking account balance.

Tax Consolidation legislation

On 1 July 2003, Newcrest Mining Limited and its wholly-owned subsidiaries adopted Tax Consolidation legislation which requires a tax consolidated group to keep a single franking account. The amount of franking credits available to shareholders of the parent entity (being the head entity in the tax consolidated group) disclosed at 30 June 2004 has been measured under the new legislation as those available from the tax consolidated group.

Note 8 Earnings Per Share

	Consolidated 2004	2003
Basic earnings per share (cents per share)	**37.5**	29.6
Diluted earnings per share (cents per share)	**37.0**	29.3

The following reflects the income and share data used in the calculations of basic and diluted earnings per share:

	Consolidated 2004 $'000	2003 $'000
Net profit after income tax	**123,931**	91,085
Adjustments:		
Net profit/(loss) attributable to outside equity interest	**(1,061)**	1,062
Earnings used in calculating basic earnings per share	**122,870**	92,147

	No. of shares	No. of shares
Weighted average number of ordinary shares used in calculating basic earnings per share:	**327,919,903**	311,423,514
Effect of dilutive securities:		
Share options	**4,015,926**	2,793,263
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share	**331,935,829**	314,216,777

Note 9 Financial Instruments

The Consolidated Entity uses derivative financial instruments in the normal course of business for the purpose of hedging its future production and sales and managing its commodity, foreign currency and interest rate exposures.

On 5 July 2004, Newcrest Mining Limited announced that it had completed a comprehensive simplification of its gold and foreign currency hedging positions. The restructure included the elimination of the entire foreign currency book and all contingent products in the gold hedging book. Please refer to the disclosures in the Subsequent Events Note 11 for the hedge book position of the Consolidated Entity after the restructuring subsequent to year end.

Refer to the 2004 full Financial Report for the full financial instruments note of the Consolidated Entity as at 30 June 2004.

The Aggregate Net Fair Values of Derivative Financial Instruments as at 30 June 2004

Net fair value of all derivative financial instruments	2004 $'000	2003 $'000
Gold hedge contracts (i)	**(357,800)**	182,300
Copper hedge contracts (ii)	**(42,900)**	(6,800)
Foreign currency contracts (iii)	**(50,900)**	(90,700)
Gold loan swap contracts (iv)	**(26,800)**	(46,100)
Total	**(478,400)**	38,700

(i) Gold hedge contracts have been designated against future production and are employed to secure future commodity prices in either A$ or US$ terms. The net fair value includes the fair value of gold lease rate contracts and the associated cumulative gain.
(ii) Copper hedge contracts have been designated against future production and are employed to secure future commodity prices in A$ terms.
(iii) Foreign exchange hedge contracts have been designated against:
- future production and are entered into to secure anticipated future net US$ income into A$; and
- future capital expenditure and are entered into to eliminate exposure to movements in US$ and Euros.

(iv) Gold loan swap contracts are designated against the gold loan and have been entered into to minimise exposure to gold lease rates.

The net unrealised loss positions of the hedge contracts reflect the opportunity cost of the financial instruments relative to the prevailing market as at balance date. The unrealised loss also reflects the estimated cost of unwinding the financial instruments in the event that production does not occur as planned, again relative to the prevailing market as at balance date. Unrealised losses will change over time as underlying market rates change.

Note 10 Segment Information

Geographical Segments (Primary Reporting Format based on location of mine sites)

2004	Cadia Valley Operations $'000	Gosowong (iv) $'000	Telfer (iii) $'000	Boddington (ii) $'000	Cracow (v) $'000	Group & Unallocated $'000	2004 Total $'000
Sales revenue (i)	639,676	42,590	–	–	–	29,123	711,389
Other revenue	82	180	1,285	523	–	2,999	5,069
Total segment revenue	639,758	42,770	1,285	523	–	32,122	716,458
Segment result (i)	188,312	20,279	–	–	–	(33,570)	175,021
Income tax expense						(51,090)	(51,090)
Net profit/(loss)	188,312	20,279	–	–	–	(84,660)	123,931
Segment assets	965,000	47,000	1,278,000	9,000	23,000	244,000	2,566,000
Segment liabilities	445,000	7,000	839,000	18,000	4,000	253,000	1,566,000
Acquisition of segment assets	28,875	13,972	631,303	1,281	20,310	23,034	718,595
Depreciation and amortisation of segment assets	105,057	4,239	–	–	–	1,564	110,860
Other non-cash expenses	7,151	289	–	(5)	–	3,086	10,521
Significant revenues/(expenses) (refer Note 5)	4,673	–	–	–	–	457	5,130

Note 10 Segment information (continued)

Geographical Segments (Primary Reporting Format based on location of mine sites) (continued)

2003	Cadia Valley Operations $'000	Gosowong (iv) $'000	Telfer (iii) $'000	Boddington (ii) $'000	Group & Unallocated $'000	2003 Total $'000
Sales revenue (i)	579,092	23,418	–	60	4,652	607,222
Other revenue	4	198	420	252	5,092	5,966
Total segment revenue	579,096	23,616	420	312	9,744	613,188
Segment result (i)	149,023	2,183	–	38	(30,923)	120,321
Income tax expense					(29,236)	(29,236)
Net profit/(loss)	149,023	2,183	–	38	(60,159)	91,085
Segment assets	976,400	37,900	557,400	8,600	258,716	1,839,016
Segment liabilities	523,800	4,200	166,500	18,500	240,989	953,989
Acquisition of segment assets	39,186	4,350	328,094	569	25,883	398,082
Depreciation and amortisation of segment assets	95,933	276	–	–	1,389	97,598
Other non-cash expenses	8,131	1,482	–	(227)	1,519	10,905
Significant revenues/(expenses) (refer Note 5)	24,681	–	–	–	12,270	36,951

(i) Segment sales revenue and segment results by mine location includes gold and copper sales at spot prices. Mine results do not include allocation of hedging and interest costs.
(ii) Operations at Boddington were suspended in November 2001 and the mine was placed on care and maintenance. The Wandoo feasibility study is currently being updated.
(iii) Operations at Telfer were suspended in September 2000 and this mine was placed on care and maintenance. During the current and prior financial year, the Telfer mine has been under redevelopment.
(iv) Operations at Gosowong were suspended in April 2003 and this mine was placed on care and maintenance until the development of Toguraci which recommenced production in February 2004.
(v) There are no operating results or prior period comparatives for Cracow as the mine commenced development during the current financial year.

Geographical Segments (based on location of customers)

	Sales Revenue from External Customers 2004 $'000	2003 $'000
Australia – Bullion	**96,040**	97,992
Other Asia – Bullion	**42,590**	23,418
Japan – Concentrate	**482,913**	369,855
Korea – Concentrate	**60,723**	111,305
Hedge gains included in revenue	**29,123**	4,652
Total Sales Revenue	**711,389**	607,222

Business Segments (Secondary Reporting Format)

The Consolidated Entity operates predominately in one business segment being the gold mining industry and derives its revenue from the sale of gold and gold/copper concentrate.

Note 11 Subsequent Events

Subsequent to 30 June 2004, Newcrest Mining Limited announced that it had completed a comprehensive simplification of its gold and foreign currency hedging positions. The financial effect of this event has not been recognised in the financial statements.

The restructure of the hedge book included elimination of the entire foreign currency book and all contingent products in the gold book. The overall purpose of the restructure is to provide greater revenue certainty and to facilitate greater understanding of the Consolidated Entity's total business. The assessed mark to market value inherent in the existing hedge book has been embedded into the price of the new forwards and gold lease rate transactions resulting in the restructure being completed without any cash outfow, except for a minor credit fee.

The hedge book following the restructure is detailed in Table 1 and consists simply of a series of Australian dollar forwards and a series of US dollar forwards. The gold loan remains in place. The restructure brings the hedge book into compliance with the Board policy of using only vanilla hedging instruments. It is also expected the restructured hedge book will meet the hedge effectiveness criteria of the Australian equivalent of International Reporting Financial Standards dealing with financial instruments AASB 139 'Financial Instruments: Recognition and Measurement'.

The quantity of ounces and the forward prices shown in the new hedge table are fixed. These are the definitive prices that will be delivered according to the schedule shown and subject only to movement in the floating lease rates.

The accounting treatment of the hedging restructure requires the original hedging products to be accounted for based on their original maturity dates. As a result an annual adjustment will be required to the Statement of Financial Performance over the period of the original hedge book. The adjustments are fixed and are of a one-off nature. The schedule of the annual adjustments is shown in Table 2.

The tables below replace the tables shown in the full Financial Report as at 30 June 2004 in the Financial Instruments Note 25 (a) Commodity Contracts. Note 25 (b) Foreign Exchange Contracts is now nil as these foreign exchange contracts have been completely eliminated and no new foreign exchange hedging contracts were entered into.

Table 1 – New Hedge Book

GOLD	04/05	05/06	06/07	07/08	08/09	09/10	10/11	TOTAL
A$ Forwards (ounces)	1,040,002	1,111,998	1,062,002	789,980	615,001	495,001	260,001	5,373,985
A$/ounce	592	592	594	603	588	636	619	599
US$ Forwards (ounces)	67,500	285,000	344,000	333,000	383,000	277,500	160,000	1,850,000
US$/ounce	333	330	350	341	355	379	413	355
Total Gold Hedging (ounces)	1,107,502	1,396,998	1,406,002	1,122,980	998,001	772,501	420,001	7,223,985
Gold Loan (ounces)	84,000	68,000	68,000	68,000	68,000	119,000	52,000	527,000
A$/ounce	488	488	488	488	488	488	488	488

Approximately 50 percent of the forwards from July 2006 are subject to floating gold lease rates with an allowance of 1 percent to Newcrest.

COPPER	04/05	05/06	06/07
A$ copper forwards (tonnes)	97,008	94,100	36,000
A$/tonne	3,792	3,138	2,646

Table 2 – Annual Accounting Hedge Book Adjustment to Net Profit

Year	2005 A$M	2006 A$M	2007 A$M	2008 A$M	2009 A$M	2010 A$M	2011 A$M	2012 A$M
Adjustment from hedge book restructure	(11)	(22)	(12)	(1)	2	15	21	1
Adjustment from prior years restructures	(6)	11	18	1	16	3	1	–
Net accounting adjustment	(17)	(11)	6	–	18	18	22	1

There are no other matters or circumstances which have arisen since 30 June 2004 that have significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity in subsequent financial years.

Directors' Declaration

In the opinion of the Directors of Newcrest Mining Limited:

The Concise Financial Report of the Consolidated Entity for the year ended 30 June 2004 is in accordance with

(a) Accounting Standard AASB 1039 'Concise Financial Reports';

(b) The financial statements and specific disclosures included in this Concise Financial Report have been derived from the full Financial Report for the year ended 30 June 2004;

(c) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable and the companies and the parent entity to the Deed of Cross Guarantee described in Note 30 of the full Financial Report, will together be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the Deed of Cross Guarantee dated 6 November 1992; and

(d) The financial statements and notes are in accordance with the Corporations Act 2001, including Sections 296 and 297.

This statement has been made in accordance with a resolution of the Directors.

Ian R Johnson
Chairman

Anthony J Palmer
Managing Director and Chief Executive Officer

31 August 2004
Melbourne

Independent Audit Report

To the members of Newcrest Mining Limited

Scope

The Concise Financial Report and Directors' Responsibility
The Concise Financial Report comprises the Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flows, Accompanying Notes to the Financial Statements and the Directors' Declaration for Newcrest Mining Limited (the Company) and the Consolidated Entity, for the year ended 30 June 2004. The Consolidated Entity comprises both the Company and the entities it controlled during the year.

The Directors of the Company are responsible for preparing a Concise Financial Report that complies with Accounting Standard AASB 1039 'Concise Financial Reports', in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error and for the accounting policies and accounting estimates inherent in the Concise Financial Report.

Audit Approach
We conducted an independent audit on the Concise Financial Report in order to express an opinion on it to the members of the Company. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the Concise Financial Report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the Concise Financial Report is presented fairly in accordance with Accounting Standard AASB 1039 'Concise Financial Reports'. We formed our audit opinion on the basis of these procedures, which included:

- testing that the information in the Concise Financial Report is consistent with the full Financial Report, and
- examining, on a test basis, information to provide evidence supporting the amounts, discussion and analysis and other disclosures in the Concise Financial Report that were not directly derived from the full Financial Report.

We have also performed an independent audit of the full Financial Report of the Company for the year ended 30 June 2004. Our audit report on the full Financial Report was signed on 31 August 2004 and was not subject to any qualification. For a better understanding of our approach to the audit of the Full Financial Report, this report should be read in conjunction with our audit report on the full Financial Report.

Independence

We are independent of the Company, and have met the independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001. In addition to our audit of the full and Concise Financial Reports, we were engaged to undertake the services disclosed in the notes to the financial statements of the full Financial Report. The provision of these services has not impaired our independence.

Audit opinion

In our opinion, the concise Financial Report of Newcrest Mining Limited complies with Accounting Standard AASB 1039 'Concise Financial Reports'.

Ernst & Young

P I Buzzard
Partner

Melbourne
31 August 2004

Shareholder Information

Capital

Share capital comprised 329,107,931 shares on 31 August 2004.

Shareholder Details

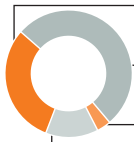
At 31 August 2004 the Company had 22,247 ordinary shareholders.

There were 414 shareholdings with less than a marketable parcel of $500 worth of ordinary shares (based upon a market price of $14.90 as at 31 August 2004).

Shareholder Breakdown

At 31 August 2004 the shareholder breakdown consisted of the following:

The shareholder base continued to evolve over the year with the international component of the register growing from 50.3 percent to 52.4 percent. This occurred as Newcrest transformed its business into one which competes strongly with its globally based gold peer group.



Newcrest Top 20 Shareholders at 31 August 2004

Name	Units	Issued Capital %
National Nominees Limited	86,555,952	26.30
Westpac Custodian Nominees Limited	55,699,862	16.92
JP Morgan Nominees Australia Limited	55,146,703	16.76
ANZ Nominees Limited	21,012,149	6.38
Citicorp Nominees Pty Limited	16,640,152	5.06
HSBC Custody Nominees (Australia) Limited	5,960,310	1.81
AMP Life Limited	5,876,954	1.79
Queensland Investment Corporation	5,352,351	1.63
Cogent Nominees Pty Limited	4,841,676	1.47
Westpac Financial Services Limited	4,171,222	1.27
IAG Nominees Pty Limited	3,079,959	0.94
Cogent Nominees Pty Limited	2,390,615	0.73
RBC Global Services Australia Nominees Pty Limited	2,248,342	0.68
Citicorp Nominees Pty Limited	1,522,094	0.46
Cogent Nominees Pty Limited	1,495,000	0.45
Government Superannuation Office	1,457,101	0.44
Citicorp Nominees Pty Limited	1,407,145	0.43
Westpac Life Insurance Services Limited	1,235,974	0.38
Citicorp Nominees Pty Limited	1,148,372	0.35
Victorian Workcover Authority	1,127,012	0.34
	278,368,945	**84.59**

Substantial Shareholders at 31 August 2004

Merrill Lynch Investment Managers	21,473,122	6.5

Investor Categories

Ranges	Investors	Securities	Issued Capital %
1–1000	13,602	5,843,405	1.78
1,001–5,000	7,664	15,807,041	4.80
5,001–10,000	553	3,965,439	1.21
10,001–100,000	354	8,624,575	2.62
100,001 and Over	74	294,867,471	89.60
Total	**22,247**	**329,107,931**	**100.00**

Voting Rights

Each ordinary shareholder is entitled to one vote for each share held.

The Company encourages shareholders to express their views on the conduct of business by speaking at shareholder meetings or by writing to the Chairman of the Board of Directors.

Dividends

The Company has declared a fully franked divided of 5 cents per share. The dividend is payable to shareholders on 15 October 2004. Shareholders registered as at the close of business on 24 September 2004 will be eligible for the dividend. A Dividend Reinvestment Plan at market price will be offered to shareholders.

US Investor Information

Newcrest may also be traded in the form of American Depositary Receipts (ADRs). Each ADR represents one Newcrest ordinary share. The program is administered on behalf of the Company by The Bank of New York and enquiries should be directed in writing to: The Bank of New York, 101 Barclay Street, New York, NY 10286.

ADR holders are not members of the Company but may instruct The Bank of New York as to the exercise of voting rights pertaining to the underlying shareholding.

During the year the net movement for ADRs was negative 158,964 and at year end a net 3,490,944 ADRs were outstanding.

Reporting to Shareholders

Newcrest is committed to clear reporting and disclosure of the Company's activities to our shareholders.

Share Registry Information

You can do so much more online

Did you know that you can access and even update information about your holdings in Newcrest Mining Limited via the internet.

Visit ASX Perpetual's website www.asxperpetual.com.au and access a wide variety of holding information, make some changes online or download forms. You can:

- Check your current and previous holding balances
- Choose your preferred annual report option
- Update your address details
- Update your bank details
- Confirm whether you have lodged your Tax File Number (TFN), Australian Business Number (ABN) or exemption
- Check transaction and dividend history
- Enter your email address
- Check the share prices and graphs
- Download a variety of instruction forms
- Subscribe to email announcements

You can access this information via a security login using your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as well as your surname (or company name) and postcode (must be the postcode recorded on your holding record).

Don't miss out on your dividends

Dividend cheques that are not banked are required to be handed over to the State Trustee under the Unclaimed Monies Act. You are reminded to bank cheques immediately.

Better still, why not have us bank your dividend payments for you

How would you like to have immediate access to your dividend payment? Your dividend payments can be credited directly into any nominated bank, building society or credit union account in Australia.

Not only can we do your banking for you, but dividends paid by direct credit hit your account as cleared funds, thus allowing you to access them on payment date.

Contact Information

You can also contact the Newcrest Mining Limited share registry by calling 1300 554 474 or from outside Australia +61 3 9615 9947.

Share Registry contact details are contained in the Corporate Directory of this report on the inner back cover.

Five Year Summary

Gold Production (ounces)	761,780	714,377	644,626	773,352	998,615
Cash costs ($ per ounce)	119	217	253	290	295
Total costs ($ per ounce)	268	356	414	439	441
Net profit after tax ($'000)	122,870	92,147	(53,033)	38,154	3,394
Return on Capital Employed (percent)	9.0	6.6	3.7	7.2	11.3

For the 12 months ending 30 June	2004	2003	2002	2001	2000
Gold Production – Newcrest Share (ounces)					
Ridgeway	**438,026**	377,539	127,665	50,688	9,015
Cadia Hill	**244,261**	298,848	258,834	300,255	326,035
Gosowong	–	37,878	232,297	226,900	274,943
Toguraci	**79,493**	–	–	–	–
Telfer	–	–	–	58,374	267,039
New Celebration	–	–	–	86,379	70,506
Boddington	–	112	25,830	50,756	51,077
Total	**761,780**	714,377	644,626	773,352	998,615
Costs per ounce					
By-product basis (NAGIS)					
Cash costs ($ per ounce)	**119**	217	253	290	295
Total costs ($ per ounce)	**268**	356	414	439	441
Co-product basis					
Gold cash costs ($ per ounce)	**289**	331	330	349	323
Copper cash costs ($ per lb)	**0.77**	0.75	0.86	1.00	0.80
Total gold costs ($ per ounce)	**379**	426	449	466	448
Total copper costs ($ per lb)	**1.01**	0.96	1.17	1.33	1.12
Expenditure ($'000)					
Exploration	**45,375**	38,840	44,832	51,421	65,426
Capital	**638,303**	366,127	210,540	144,733	109,011
Profit and Loss ($'000)					
Sales revenue	**711,389**	607,222	479,667	581,306	697,487
Cash flow from operations	**266,809**	199,007	90,324	136,025	202,525
Depreciation and amortisation	**(110,860)**	(97,598)	(101,515)	(111,733)	(141,413)
Income tax (expense)/benefit	**(51,090)**	(29,236)	21,383	(12,087)	7,085
Net profit after tax	**122,870**	92,147	(53,033)	38,154	3,394
Basic earnings per share (cents per share)	**37.5**	29.6	(19.2)	15.6	1.4
Dividend paid (cents per share)	**5**	5	5	5	5
Financial Position ($'000)					
Total assets	**2,565,587**	1,839,016	1,375,989	1,216,728	1,131,509
Total liabilities	**1,565,815**	953,989	836,427	768,529	718,862
Shareholders' equity	**999,772**	885,027	539,562	448,199	412,647
Return on Capital Employed (percent)	**9.0**	6.6	3.7	7.2	11.3
Issued Capital (million shares)					
Weighted average	**328.6**	311.4	276.7	244.4	242.5
Gold Inventory (million ounces)					
Reserves	**28**	28	28	10.4	11.4
Resources	**62**	53	53	42	31

Corporate Directory

Investor Information

Registered and Principal Office
Newcrest Mining Limited
Level 9
600 St Kilda Road
Melbourne, Victoria 3004
Australia
Telephone: +61 (0)3 9522 5333
Facsimile: +61 (0)3 9525 2996
Email: corporateaffairs@newcrest.com.au
Internet: www.newcrest.com.au

Company Secretary
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Email: laveryb@newcrest.com.au

General Manager Corporate Affairs
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600 St Kilda Road
Melbourne, Victoria 3004
Australia
Telephone: +61 (0)3 9522 5339
Facsimile: +61 (0)3 9510 3416
Email: reevep@newcrest.com.au

Stock Exchange Listings

Australian Stock Exchange
(Ticker NCM)
New York ADRs
(Ticker NWCNY)

Share Registry
ASX Perpetual Registrars Limited
Level 4
333 Collins Street
Melbourne, Victoria 3000
Australia
Telephone: 1300 554 474
+61 (0)3 9615 9947
Facsimile: +61 (0)3 9615 9900
+61 (0)3 8614 2909*
*For faxing of Proxy Forms only.

Email: registrars@asxperpetual.com.au
Internet: www.asxperpetual.com.au

ADR Depositary
The Bank of New York
101 Barclay Street
New York, NY 10286
United States of America
Telephone: +1 (212) 815 2218
Facsimile: +1 (212) 571 3050

Other Offices

Brisbane
Exploration Office
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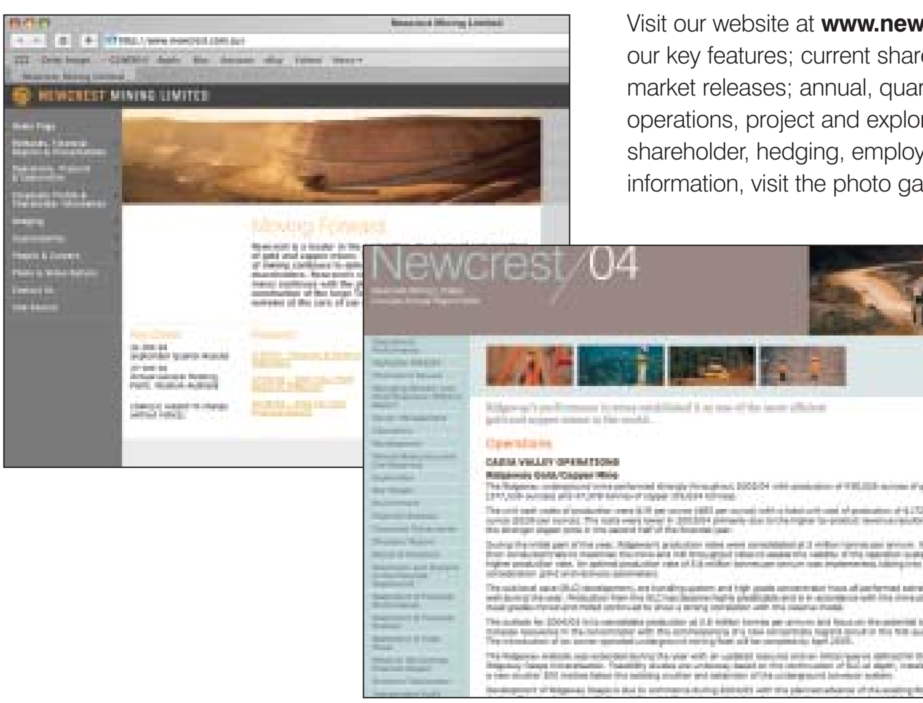
Level 2
349 Coronation Drive
Milton, Queensland 4064
Australia
Telephone: +61 (0)7 3858 0858
Facsimile: +61 (0)7 3217 8233

Perth
Exploration Office &
Telfer Project Group
Newcrest Mining Limited
Hyatt Business Centre
Level 2
30 Terrace Road
East Perth, Western Australia 6004
Australia
Telephone: +61 (0)8 9270 7070
Facsimile: +61 (0)8 9221 7340

Company Events
27 October 2004
Annual General Meeting at 9.30am
Hyatt Regency Hotel
99 Adelaide Terrace
Perth, Western Australia



Visit our website at **www.newcrest.com.au** to view our key features; current share price; key dates; market releases; annual, quarterly and financial reports; operations, project and exploration information; corporate, shareholder, hedging, employment and sustainability information, visit the photo gallery or contact us.

Concise Annual Report
This is the Company's Concise Annual Report for 2004. The full Financial Report and Auditor's Report are available to members free of charge upon a request in writing.

Designed and produced by ard