



## Newcrest Mining Limited 2022 AGM report

ASX code	NCM
Meeting date	9 Nov 2022
Type of meeting	Hybrid
Monitor	Rod McKenzie with Christine Haydon
Pre AGM-meeting	With chair Peter Tomsett & Claire Hannon Deputy Company Secretary & Legal Counsel

### Meeting Statistics

Number of holdings represented by ASA	111
Number of shares represented by ASA	221,818
Value of shares represented by ASA	\$2.1m
Total number attending meeting	NA
Market capitalisation	\$19 billion
ASA open proxies voted	ASA voted in favour of all the resolutions

A positive introduction and presentation by chairman Peter Tomsett but his presentation was clouded by the recent fatality at the Brucejack mine in British Columbia. That mine remains shut down whilst authorities and the company investigate the cause of the accident.

Newcrest now owns six (6) long life Tier 1 assets and has plans to further grow their copper production – one of the key minerals in the move towards renewable energy. Newcrest produced just short of 2 M oz of gold during FY22 at an All In Sustaining Cost margin of US\$732 / ounce.

Newcrest purchased Pretium Resources during FY22 – owner of the Brucejack mine in British Columbia (BC). Newcrest is now the largest gold producer in BC.

CEO&MD Sandeep Biswas gave a brief overview of operations and included positive statements in regard to women in the workplace and Newcrest's policy of zero tolerance of harassment in the workplace.

He summarised activities at various operations and advised that production at Cadia was to increase to 35 Mtpa. At Telfer, the Stage 8 cut-back has just been announced which will reduce pressure on evaluation and pre-feasibility work and early mining at the Havieron joint venture (NCM 70%, Greatland Gold 30%). The Havieron ore is to be treated at the Telfer mill when that mine is exhausted.

The chairman introduced the directors standing for election / re-election, the award of performance rights to the CEO&MD and briefly discussed the REM report. He informed the audience that Newcrest had received their first strike with >25% voting against the REM. He

reported that the company commenced a review of REM in late 2021. This included setting of more demanding hurdles for the award of performance rights and a variation to the performance measures for award of those rights. He also reported that the CEO was expected to hold 200% of his TFR (Total Fixed Remuneration) in equity. Other executives were expected to hold 100% of their TFR in equity.

Numerous questions were asked by Stephen Mayne relating to REM, meeting processes and gold holdings. One key point was for the company to announce details of proxy votes ahead of question time to enable the audience to focus their questions accordingly. The chairman indicated this will be reviewed for the next AGM.

ASA questioned the performance period for Performance Rights awarded to the CEO&MD. ASA prefers a 4 year (or longer) performance period. This will be reviewed for FY24. ASA also questioned the expansion into western Canada and whether this was for growth opportunities or a diversification of risk away from PNG & Telfer. The chairman indicated it was a bit of both...

We also asked about the likely timing and cost of remediation of the tailings dam wall at Cadia. This will be a major undertaking and likely to cost in excess of \$100m. Timing was not specified.

ASA voted in favour of all resolutions. The REM resolution recorded just 63.4% in favour which means Newcrest received their first strike. Newspaper reports stated that CGI Glass Lewis had raised concerns about bonus payments to the CEO&MD were overly generous compared to the company's financial performance. ASA considers the impact of plant maintenance at the Cadia mine and the acquisition of Pretium Resources Brucejack mine (from cash reserves) coupled with the increased costs of feasibility studies (Cadia, Telfer, Lihir, Havieron & Red Chris) satisfactorily explain any shortfall in financial performance.

Other resolutions all passed with >95% in favour.

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