

Financial Results

FOR HALF-YEAR ENDED 30 JUNE 2010



27 August 2010

(This release should be read in conjunction with the Second Quarter Production Report released on 28 July, 2010. Dollar figures refer to US dollars. Unless otherwise stated, percentage changes refer to the 6 months to June, 2010, compared with the 6 months to December 2009.)

Financial Performance and Operating Highlights

- Underlying profit* after tax of \$142.5 million, up 17% from \$121.5 million in the December half.
- Mine operating EBITDA increased by 10% to \$316.8 million, from \$287.6 million in the six months to December 31, 2009.
- Profit after tax from continuing operations increased 30% to \$97.9 million.
- Strong cashflow from operations of \$169.4 million.
- Net cash of \$267.0 million at June 30.
- Total cash costs of \$489/oz for the June half.
- Major expansion at Lihir Island on schedule and within budget.
- Bonikro expansion feasibility study progressing well.

Outlook

- Group production guidance maintained at 1-1.1 million ounces for the full year.
 - Total cash costs per ounce for the full year expected to be below \$450/oz.
- Shareholders approved Newcrest merger.

**Profit after tax before non-cash hedging losses and non-recurring items.*



Gold output in the first half of 474,000 ounces was in line with guidance as strong production continued at Lihir Island

Managing Director's Review

Solid gold production and higher gold prices have enabled Lihir Gold Ltd (LGL) to report a strong underlying net profit* of \$142.5 million for the 6 months to June 2010, up 17% compared with the December half 2009.

Gold output in the first half of 474,000 ounces was in line with guidance as strong production continued at the cornerstone asset of Lihir Island in PNG, which produced 377,000 ounces for the half year. Significant contributions were made from Mt Rawdon in Queensland and Bonikro in Côte d'Ivoire with combined production of 97,000 ounces for the period.

The net profit from continuing operations was sharply higher at \$97.9 million for the six months to June 2010, compared with a profit of \$75.1 million in the December half 2009.

Operational performances were solid across all sites, with improvements implemented in mining and processing, and good progress achieved in expansion projects.

At Lihir Island, mining and processing continued in line with plan during the first half of 2010, with plant throughput rates achieving record levels. A major autoclave maintenance program was successfully completed in the second quarter. Gold grades were lower in the period, reflecting the sequence for the development of the pit. The gold grade of autoclave feed averaged 5.40 g/t, compared with 5.86 g/t in the December half of 2009 but is anticipated to rise over the remainder of 2010.

In the first half of 2010, production at Bonikro totalled 49,138 ounces, which was slightly below plan due to heavy rainfall and low machinery availabilities in the mining fleet. This led to a reduction in gold grades of milled ore to 1.73 g/t from 2.41 g/t in the December half.

Production at Mt Rawdon totalled 47,345 ounces, which was above expectations due to higher than planned throughput, gold grades and recovery rates.

The Lihir Island expansion is proceeding on schedule and within budget. Nearly all of the major items of equipment are now on site and being installed, including the new autoclave, which arrived last week. The only remaining piece of major equipment to be delivered is the interim power station which is under construction in Thailand and on schedule for delivery in April 2011. The expansion remains on track to commence commissioning by the end of next year.

In Côte d'Ivoire the expansion feasibility work at Bonikro and Hiré is making good progress with the draft Social

and Environmental Impact Assessment completed for submission to the Government in the current quarter. The feasibility study is on track for completion in March quarter 2011 to allow a scale-up of production at Bonikro from 2012.

LGL has performed well, in line with expectations and positioning the Group for a strong second half as production and sales volumes increase. The financial results released today confirm the underlying strength and value of the LGL assets.

Financial Results Overview

The key features of the financial results are as follows:

- Total revenue for the half-year rose by 2% to \$544.9 million from the December half 2009 despite lower gold sales, driven by a stronger gold price.
- Cash cost of sales totalled \$228.1 million, down 7% on the half-year to December 2009 due to lower throughput and production. Unit costs rose marginally to \$489/oz from \$469/oz reflecting the planned lower production level, but maintaining LGL's competitive position on the global cash cost curve.
- Mine EBITDA rose strongly for the half year, up 10% from the December half to \$316.8 million.
- Strong underlying net profit of \$142.5 million for the half year, up 17% from the prior December half.
- Net cash on the balance sheet of \$267.0 million at June 30.

Newcrest Merger

On 4 May 2010, LGL announced it had entered into a Merger Implementation Agreement with Newcrest Mining Ltd, under which Newcrest would acquire all of LGL's ordinary shares through a Scheme of Arrangement.

LGL Directors unanimously recommended that LGL Shareholders vote in favour of the Scheme, in the absence of a superior proposal.

Shareholders voted overwhelmingly in favour of the proposed Scheme at the shareholder meeting in Port Moresby on Monday 23 August 2010 and the PNG Court has ratified the Scheme today. LGL will be effectively suspended from trading on ASX, NASDAQ and POMSoX at the close of trading on Monday 30 August 2010. The Scheme is expected to be implemented on 13 September 2010 following which LGL shareholders are to receive the Scheme consideration for their LGL shares.

Dividend

The LGL Board has not declared an interim dividend for the half-year to 30 June 2010. However, Newcrest has undertaken that LGL shareholders who take Newcrest shares as consideration under the Scheme will become entitled to the final dividend declared by Newcrest of 20 cents per share for the year ended 30 June 2010. The dividend is payable 22 October 2010.

Outlook

The production outlook for the remainder of 2010 is for stronger production from the three LGL producing mines, taking full year production to between 1.0 and 1.1 million ounces. This will include production of between 800,000 and 870,000 oz from Lihir Island, approximately 100,000 – 110,000 oz from Bonikro and 90,000 - 100,000 oz from Mt Rawdon.

Total cash costs for the year are forecast to be below \$450/oz, with total cash costs at Lihir Island to be below \$420/oz. Total cash costs at Mt Rawdon and at Bonikro are forecast to be between \$550-\$575/oz.

The first half of 2010 was a solid half for LGL, with production on track to meet full year guidance, and good progress achieved in the development of the expansion projects at Lihir Island and in Cote d'Ivoire.

The company is soon to become part of Newcrest Mining Limited with the combined assets creating a strong and vibrant new major gold company with a first-class portfolio of producing mines and an exciting growth profile. The combined company has an excellent future and promises to deliver strong returns to shareholders.

I would like to sincerely thank all the LGL staff for their dedication and hard work over recent months and years, and I am grateful to shareholders for all their support.



GRAEME HUNT
Managing Director



Financial Statements

INCOME STATEMENT

	Half year ended 30 June 2010 US\$m	Half year ended 31 Dec 2009 US\$m	Half year ended 30 June 2009 US\$m	Change H1 2010 vs H2 2009 (%)	Change H1 2010 vs H1 2009 (%)
CONTINUING OPERATIONS					
Revenue					
Gold sales	542.3	529.7	553.3	2	(2)
Silver sales	1.5	1.8	1.4	(19)	7
Other income	1.1	0.6	0.6	84	100
Total revenue	544.9	532.1	555.3	2	(2)
Cash cost of sales					
Operating costs	(283.9)	(297.2)	(236.8)	(4)	20
Royalties, levies & production taxes	(13.0)	(12.8)	(12.8)	1	2
Deferred mining costs (cash)	7.6	13.4	20.5	(43)	(63)
Changes in inventories (cash)	58.0	55.2	21.5	5	170
Foreign exchange loss	3.2	(3.1)	(1.1)	(201)	(399)
Cash cost of sales	(228.1)	(244.5)	(208.7)	(7)	9
Mine EBITDA	316.8	287.6	346.6	10	(9)
Non-cash cost of sales					
Depreciation & amortisation	(60.6)	(65.6)	(55.6)	(8)	9
Amortisation - mineral reserves	(23.3)	(30.3)	(32.9)	(23)	(29)
Deferred mining costs (non-cash)	1.8	2.9	4.4	(39)	(60)
Changes in inventories (non-cash)	9.0	6.1	5.4	49	68
Non-cash cost of sales	(73.1)	(86.9)	(78.7)	(16)	(7)
Gross profit from mining operations	243.7	200.7	267.9	21	(9)
Corporate expense	(39.7)	(27.5)	(18.7)	44	112
Project studies	-	0.1	(0.2)	n/a	n/a
Exploration expense	(2.2)	(3.3)	(6.1)	(33)	(64)
Operating profit before other income/(expense)	201.8	170.0	242.9	19	(17)
Other income/(expense):					
Hedging loss	(45.6)	(52.1)	(66.6)	(13)	(32)
Other income	0.1	3.2	4.0	(98)	(98)
Other expense	(25.2)	(13.8)	(8.0)	83	216
Operating profit before finance costs	131.1	107.3	172.3	22	(24)
Financial income	1.0	0.9	8.2	3	(88)
Financial expenses	(2.8)	(2.7)	(2.7)	5	4
Profit before tax	129.3	105.5	177.8	23	(27)
Income tax expense	(31.4)	(30.4)	(74.2)	3	(58)
Net profit after tax from continuing operations	97.9	75.1	103.6	30	(6)
DISCONTINUED OPERATIONS					
Profit / (loss) from discontinued operation, net of income tax	(11.3)	(8.5)	(404.4)	33	(97)
Profit / (loss) for the period	86.6	66.6	(300.8)	30	(129)
Profit / (loss) attributable to equity holders of the Company	87.1	66.9	(300.9)	30	(129)
Non-controlling interests	(0.5)	(0.3)	0.1	41	(421)
Profit / (loss) attributable to equity holders of the Company	87.1	66.9	(300.9)	30	(129)
Non cash hedging loss (after tax)	31.9	36.5	41.2	(13)	(23)
Discontinued Operations (after tax)	11.3	8.5	404.4	33	(97)
Non recurring expense (after tax)	17.7	9.6	5.6	84	216
(Re-recognition) / De-recognition of DTA	(10.2)	-	17.7	n/a	(158)
Former CEO pay-out	4.7	-	-	n/a	n/a
Underlying profit / (loss) after tax	142.5	121.5	168.0	17	(15)

Discussion and Analysis of the Income Statement

REVENUE

Total revenue for the half-year rose by 2% to \$544.9 million over the December 2009 half year, reflecting a stronger gold price of \$1,157/oz offsetting an 8% decrease in gold sales to 469,000 ounces. Silver sales and carbon credits added \$2.6 million to revenue.

Revenue		Half year ended 30 June 2010	Half year ended 31 Dec 2009	Half year ended 30 June 2009	Change H1 2010 vs H2 2009 (%)	Change H1 2010 vs H1 2009 (%)
Lihir Island						
Gold sold	oz	375,519	386,903	465,396	(3)	(19)
Price - spot	\$/oz	1,158	1,037	916	12	26
Mt Rawdon						
Gold sold	oz	47,142	55,019	53,943	(14)	(13)
Price - spot	\$/oz	1,153	1,020	915	13	26
Bonikro						
Gold sold	oz	46,203	69,240	84,354	(33)	(45)
Price - spot	\$/oz	1,153	1,041	919	11	25
LGL Group						
Gold sold	oz	468,864	511,161	603,693	(8)	(22)
Price - spot	\$/oz	1,157	1,036	917	12	26

COST OF SALES

Total cash cost of sales in the June half decreased by 7% to \$228.1 million compared with the December half, due primarily to the lower production and sales. Overall cost deferrals reduced in the half, mainly due to lower material movements.

At Lihir Island, gross cash costs, prior to cost deferrals, totalled \$227.3 million for the half year to June, which was down 5% from the December half year. Unit cash costs were marginally lower at \$473/oz compared to \$479/oz through a continuing focus on cost control despite higher machinery and plant maintenance costs.

At Mt Rawdon gross cash costs increased 14% to \$31.8 million which was up 14% due to the additional costs arising from the major cut-back being developed. Unit costs at \$532/oz were in line with expectations.

Gross cash costs of \$35.4 million at Bonikro were in line with plan, but unit costs were higher than expected at \$573/oz due to the lower gold production in the period.

Non cash cost of sales decreased to \$73.1 million for the half year, compared with \$86.9 million in the December half of 2009, due mainly to lower throughput and gold production at Lihir Island, Mt Rawdon and Bonikro.

Financial Data

			Half Year ended 30 June 2010	Half Year ended 31 Dec 2009	Half Year ended 30 June 2009	Change H1 2010 vs H2 2009 (%)	Change H1 2010 vs H1 2009 (%)
Lihir Island	Mining expenses	\$m	89.0	92.5	72.6	(4%)	23%
	Processing expenses	\$m	40.0	47.1	34.8	(15%)	15%
	Power generation costs	\$m	24.9	22.0	18.2	13%	37%
	Site G&A, royalties, refining	\$m	74.6	79.0	67.7	(6%)	10%
	CER's & silver credits	\$m	(1.2)	(0.8)	(0.6)	58%	90%
	Gross cash costs	\$m	227.3	239.8	192.7	(5%)	18%
	Gross cash costs	\$/oz	603	619	413	(3%)	46%
	Total cash costs	\$/oz	473	479	323	(1%)	46%
Mt Rawdon	Mining expenses	\$m	15.9	13.2	9.8	20%	62%
	Processing expenses	\$m	11.8	10.5	9.0	13%	31%
	Power generation costs	\$m	2.5	2.5	1.9	(3%)	26%
	Site G&A, royalties, refining	\$m	3.1	3.1	2.3	(1%)	31%
	Silver credits	\$m	(1.4)	(1.4)	(1.2)	(4%)	19%
	Gross cash costs	\$m	31.8	27.9	21.9	14%	45%
	Gross cash cost	\$/oz	672	523	403	29%	67%
	Total cash costs	\$/oz	532	426	367	25%	45%
Bonikro	Mining expenses	\$m	17.3	15.2	10.6	14%	63%
	Processing expenses	\$m	8.4	10.7	10.9	(22%)	(23%)
	Power generation costs	\$m	1.6	1.7	1.4	(6%)	16%
	Site G&A, royalties, refining	\$m	8.1	9.9	8.3	(18%)	(2%)
	Silver credits	\$m	-	-	-	n/a	n/a
	Gross cash costs	\$m	35.4	37.3	31.1	(5%)	14%
	Gross cash cost	\$/oz	721	562	372	28%	94%
	Total cash costs ⁽¹⁾	\$/oz	573	447	391	28%	47%
LGL Group	Gross cash cost	\$/oz	622	602	407	3%	53%
	Total cash costs	\$/oz	489	469	336	4%	45%

(1) Restatement of Bonikro unit total cash costs for first half 2010 due to adjustment of changes in inventory.

CORPORATE AND OTHER EXPENSES

Corporate office expenses have increased following the growth required to facilitate the major capital programs and expansions of operations particularly at Lihir Island and in Côte d'Ivoire. Corporate office expenses during the half-year included termination expenses to the previous managing director and chief executive officer of \$6.7 million.

Other expenses in the half year include \$18.2 million in costs associated with the proposed merger with Newcrest and \$6.6 million from the loss on disposal of assets on Lihir Island.

EXPLORATION

Exploration, evaluation and pre-development expenditure totalled \$20.2 million of which a total of \$2.2 million was expensed and a total of \$18.0 million near mine expenditure was capitalised, reflecting the focus on resource extension and conversion at both Lihir Island and Bonikro. The breakdown of the exploration expense is outlined in the table below.


	Half year ended 30 June 2010 US\$m	Half year ended 31 Dec 2009 (US\$m)	Half year ended 30 June 2009 (US\$m)	Change H1 2010 vs H2 2009 (%)	Change H1 2010 vs H1 2009 (%)
Exploration expensed:					
Lihir	0.1	(1.3)	1.6	(108)	(94)
Mt Rawdon	0.1	0.1	0.1	13	-
Cd'I Exploration	2.0	4.4	4.4	(55)	(55)
Total	2.2	3.3	6.1	(33)	(64)
Exploration capitalised:					
Lihir	4.2	4.1	1.2	2	250
Mt Rawdon	0.4	0.2	0.5	100	(20)
Cd'I Exploration	13.4	8.8	9.5	52	41
Total	18.0	13.1	11.2	37	61

HEDGING LOSS

The hedge loss includes \$45.6 million in relation to the closed out LGL and Equigold gold hedge books in prior years required to be brought to account at the original designation date in accordance with hedge accounting principles.

The following table provides a summary of the non-cash hedging losses which would have been booked in future periods in the absence of the merger with Newcrest.

Designation year	Gross pre-tax non-cash hedging loss \$m	Tax effect \$m	Net post-tax non-cash hedging loss \$m
2010 – 2nd half-year	43.2	(12.8)	30.4
2011 – 1st half-year	41.3	(12.3)	29.0
2011 – 2nd half-year	2.9	(0.9)	2.0
2012 – 1st half-year	2.9	(0.8)	2.1
2012 – 2nd half-year	2.9	(0.9)	2.0
2013 – 1st half-year	3.0	(0.9)	2.1
2013 – 2nd half year	3.0	(0.9)	2.1
	99.2	(29.5)	69.7



LGL made its first provisional cash payment of income tax in PNG in the June half of \$8.5 million

INCOME TAX EXPENSE

Income tax expense for the half-year was \$31.4 million, with the calculation based on continuing operations resulting in a net effective tax rate of 24%. The effective tax rate is lower than the prima facie statutory rate due mainly to the booking of additional deferred tax assets being tax losses in Australia. Previously derecognised deferred tax assets of \$10.2 million in respect of Australian tax losses have now been re-recognised for accounting purposes. This is partly offset by non-deductibility of mineral reserve amortisation and exploration expenses in Côte d'Ivoire and other non-deductible expenses across the group.

While LGL has carried forward tax losses in PNG at 30 June 2010, it is anticipated that LGL will be in a tax payable position for the 2010 year. Accordingly, LGL made its first provisional cash payment of income tax in PNG of \$8.5 million during the half-year. At the end of the half-year, LGL had carried forward tax losses resulting in deferred tax assets (measured at the applicable 30% tax rate) of \$49.8 million in PNG and \$105.8 million in Australia.

DISCONTINUING OPERATION

The Ballarat operation was re-classified as a discontinuing operation during 2009. During the half-year \$11.3 million, after tax, was expensed as a loss on the sale of the operation comprising mainly the applicable balance of the foreign currency translation reserve together with some operational expenses incurred prior to finalising the sale in May 2010.

Statement of Financial Position

HALF YEAR ENDED 30 JUNE 2010

	As at 30 Jun 2010	As at 31 Dec 2009
ASSETS		
Current assets		
Cash and cash equivalents	317.2	473.5
Receivables	24.7	15.1
Inventories	183.9	162.5
Derivative financial assets	0.9	9.3
Other assets	33.6	19.7
Assets classified as held for sale	-	8.5
Total current assets	560.3	688.6
Non-current assets		
Receivables	-	0.1
Inventories	381.1	333.3
Derivative financial assets	-	1.6
Deferred mining costs	308.3	299.5
Property, plant & equipment	2,102.8	1,888.8
Intangible assets	349.2	352.0
Available-for-sale financial asset	4.7	4.2
Deferred income tax asset	60.0	58.9
Total non-current assets	3,206.1	2,938.4
Total assets	3,766.4	3,627.0
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	140.7	111.4
Provisions	24.4	26.9
Borrowings and finance facilities	0.7	0.7
Derivative financial liabilities	1.0	-
Deferred settlement payable	0.2	-
Liabilities classified as held for sale	-	7.0
Total current liabilities	167.0	146.0
Non-current liabilities		
Provisions	48.3	46.5
Borrowings and finance facilities	50.2	50.2
Derivative financial liabilities	0.7	-
Deferred income tax liability	186.4	145.6
Other liabilities	0.6	-
Total non-current liabilities	286.2	242.3
Total liabilities	453.2	388.3
NET ASSETS	3,313.2	3,238.7
EQUITY		
Contributed equity	3,420.8	3,420.9
Reserves	(50.7)	(74.2)
Retained earnings	(88.1)	(139.7)
Total equity attributable to equity holders of the company	3,282.0	3,207.0
Non-controlling interests	31.2	31.7
TOTAL EQUITY	3,313.2	3,238.7

DISCUSSION AND ANALYSIS OF THE STATEMENT OF FINANCIAL POSITION

LGL continues to maintain a strong balance sheet. The Consolidated Entity's net assets and total shareholders' equity increased \$74.5 million to \$3.3 billion during the half.

Statement of Cash Flows

	Half year ended 30 June 2010 US\$m	Half year ended 31 Dec 2009 US\$m	Half year ended 30 June 2009 US\$m	Change H1 2010 vs H2 2009 (%)	Change H1 2010 vs H1 2009 (%)
Cash flows from operating activities					
Receipts from customers	546.0	538.7	546.8	1	-
Payments arising from suppliers & employees	(376.6)	(346.7)	(287.9)	9	31
Cash generated from operations	169.4	192.0	258.9	(12)	(35)
Insurance recoveries	0.5	3.1	1.4	(84)	(64)
Close out hedge book	-	-	(37.9)	n/a	n/a
Interest and finance charges paid	-	(0.1)	(0.2)	n/a	n/a
Provisional income tax paid	(8.5)	-	-	n/a	n/a
Net cash flow from operating activities	161.4	195.0	222.2	(17)	(27)
Cash flows from investing activities					
Interest received	1.0	1.4	1.0	(31)	-
Purchase of property, plant and equipment	(283.7)	(234.2)	(136.6)	22	106
Interest and finance charges capitalised	(2.8)	(1.4)	(1.3)	2	n/a
Proceeds on disposal of share investments	-	4.7	-	n/a	n/a
Proceeds on disposal of property, plant & equipment	4.1	2.0	-	108	n/a
Payments for acquisition of non-controlling interests	-	-	(10.8)	n/a	n/a
Acquisition of subsidiary net of cash acquired	-	-	(0.4)	n/a	n/a
Net cash flow from investing activities	(281.4)	(227.6)	(148.1)	24	90
Cash flows from financing activities					
Dividends paid	(35.5)	(35.5)	-	(0)	n/a
Drawdown of debt	-	50.0	-	n/a	n/a
Repayment of debt	(0.3)	(0.1)	-	145	n/a
Proceeds of equity issue	-	-	348.5	n/a	n/a
Underwriting expenses	-	-	(7.6)	n/a	n/a
Payment for treasury shares	(0.1)	-	-	n/a	n/a
Net cash flow from financing activities	(35.9)	14.4	340.9	(350)	(111)
Net increase / (decrease) in cash and cash equivalents	(155.9)	(18.1)	415.0	762	(138)
Cash and cash equivalents at the beginning of year	473.5	488.8	64.7	(3)	631
Effects of exchange rate changes to cash held	(0.4)	2.8	9.1	(114)	(104)
Cash and cash equivalents at end of year	317.2	473.5	488.8	(33)	(35)

DISCUSSION AND ANALYSIS OF THE STATEMENT OF CASH FLOWS

Cash generated from operations was \$169.4 million during the half year, down from \$192.0 million in the December half reflecting lower planned production and sales and higher costs. Cash on hand at the end of the half-year totalled \$317.2 million. Cash balances reduced by \$156.3 million during the half year due to continuing capital investment of \$286.5 million for the expansion and power station projects on Lihir Island, exploration in Côte d'Ivoire, sustaining capital for all site operations, and dividend payments of \$35.5 million. During the June half LGL made its first provisional cash payment of income tax in PNG of \$8.5 million.

Capital expenditure

The capital expenditure in the half year is outlined in the table below.

	Half year ended 30 June 2010 US\$m	Half year ended 31 Dec 2009 (US\$m)	Half year ended 30 June 2009 (US\$m)	<i>Change H1 2010 vs H2 2009 (%)</i>	<i>Change H1 2010 vs H1 2009 (%)</i>
Capital expenditure: (incl. capitalised exploration)					
Lihir	101.2	85.8	42.5	18	138
MOPU/Power	146.9	116.8	34.0	26	332
Capitalised Interest	2.8	1.4	1.3	100	115
Bonikro	7.7	13.2	16.0	(42)	(52)
Cd'I Exploration	21.9	10.1	9.9	117	121
Mt Rawdon	2.0	2.7	2.4	(26)	(17)
Ballarat	-	4.0	31.3	n/a	n/a
Corporate	4.0	1.6	0.5	150	700
	286.5	235.6	137.9	22	108

Other Information

PRODUCTION DATA

			Half year ended 30 June 2010	Half year ended 31 Dec 2009	Half year ended 30 June 2009	Change H1 2010 vs H2 2009 (%)	Change H1 2010 vs H1 2009 (%)
Lihir Island							
Mining	High grade ore	kt	3,446	3,058	3,031	13	14
	Economic grade ore	kt	4,332	4,064	2,566	7	69
Processing	Material moved	kt	22,924	23,132	23,236	(1)	(1)
	Ore milled	kt	3,316	3,357	3,152	(1)	5
	Autoclave feed	kt	2,580	2,439	2,404	6	7
	Autoclave grade	Au g/t	5.40	5.86	6.95	(8)	(22)
	CIL recovery	%	85.1	84.0	86.4	1	(1)
	Total recovery	%	81.9	79.8	82.7	3	(1)
	Gold poured	oz	377,198	387,244	466,147	(3)	(19)
Mt Rawdon							
Mining	Ore mined	kt	1,472	1,582	1,603	(7)	(8)
	Material moved	kt	7,029	6,034	5,301	16	33
Processing	Ore milled	kt	1,694	1,698	1,656	0	2
	Ore grade	Au g/t	0.95	1.07	1.14	(11)	(16)
	Gold recovery	%	89.8	91.4	90.2	(2)	0
	Gold poured	oz	47,345	53,328	54,452	(11)	(13)
	Silver poured	oz	82,249	85,963	87,731	(4)	(6)
Bonikro							
Mining	Ore mined	kt	651	1,280	1,093	(49)	(40)
	Material moved	kt	5,980	7,382	4,314	(19)	39
Processing	Ore milled	kt	927	944	1,104	(2)	(16)
	Ore grade	Au g/t	1.73	2.41	2.37	(28)	(27)
	Gold recovery	%	94.0	94.9	94.8	(1)	(1)
	Gold poured	oz	49,138	66,316	83,707	(26)	(41)
LGL Group Production							
		oz	473,682	506,888	604,306	(7)	(22)

Forward Looking Statements

This document may contain certain forward-looking statements, including but not limited to (i) estimated reserves, (ii) anticipated production profiles and characteristics, (iii) expected capital requirements, (iv) forecast cost profiles or (v) plans, strategies and objectives of management. Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Lihir Gold Limited ("LGL"), which may cause actual results to differ materially from those contained in this announcement. Important factors that could cause actual results to materially differ from the forward looking statements in this presentation include but are not limited to the market price of gold, anticipated ore grades, tonnage, recovery rates, production and equipment operating costs, the impact of foreign currency exchange rates on cost inputs and the activities of governmental authorities in Papua New Guinea and elsewhere, as set forth more fully under the caption "Risk Factors" in LGL's most recent Annual Report on Form 20-F, which has been filed with the US Securities and Exchange Commission ("SEC").

Gold reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice, and may require revision based on actual production experience. Such estimates are necessarily imprecise and depend to some extent on statistical inferences and other assumptions, such as gold prices, cut-off grades and operating costs, which may prove to be inaccurate. LGL's wholly owned subsidiary LGL Ballarat Operations Pty Ltd does not have any ore reserves and the level of its estimated mineral resources and exploration potential are necessarily imprecise and may prove to be inaccurate. Accordingly, no assurance can be given that the indicated amount of gold will be recovered or at the rates estimated.

LGL can therefore give no assurances that any of the estimates, production profiles, capital, cost profiles and plans will not materially differ from the statements contained in this release and their inclusion in this document should not be regarded as a representation by any person that they will be achieved.

The foregoing material is a presentation of general background information about LGL's activities as of the date of the presentation. It is information given in a summary form and does not purport to be complete. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice when deciding if an investment is appropriate.

Some of the information contained in this document includes certain un-audited non-GAAP (where GAAP means "generally accepted accounting principles") measures, such as "cash costs". Such unaudited non-GAAP measures are intended to provide information about the cash generating capacity and performance of LGL's mining operations. In particular, cash costs is a measure that is used in the gold mining industry and was developed in conjunction with gold mining companies associated with the Gold Institute in an effort to provide a level of comparability. However, LGL's measures may not be comparable to similarly titled measures of other companies.

Management uses this measure for the same purpose when monitoring and evaluating the performance of LGL. This information differs from measures of performance determined in accordance with GAAP and should not be considered in isolation or as a substitute for measures of performance determined in accordance with GAAP.

LGL Competent Person Statement

The information in this report that relates to Exploration Results in Côte d'Ivoire is based on information compiled by Mr Marcus Willson.

Mr Willson is a member of the Australian Institute of Geoscientists, is a Registered Professional Geoscientist (Exploration) and is a full time employee of Lihir Services Australia Pty Ltd (LSA) in the role of Group GM Exploration. LSA provides services to LGL pursuant to a Managed Services Agreement. Mr Willson has sufficient experience which is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Willson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is based on information compiled by Mr Roy Kidd. Mr Kidd is a member of the Australian Institute of Geoscientists and is a full time employee of Lihir Services Australia Pty Ltd (LSA) in the role of Principal Geologist. LSA provides services to LGL pursuant to a Managed Services Agreement. Roy Kidd has sufficient experience which is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Roy Kidd consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Note to U.S. Investors

Cautionary Note to U.S. Investors – The United States Securities and Exchange Commission permits U.S. mining companies, in their filings with the SEC, to disclose only those mineral deposits that a company can economically and legally extract or produce. LGL uses certain terms on this website, such as "measured," "indicated," and "inferred" "resources," which the SEC guidelines strictly prohibit U.S. registered companies from including in their filings with the SEC. U.S. Investors are urged to consider closely the disclosure in LGL's most recent Form 20-F, which may be secured from LGL, or from the SEC's website at www.sec.gov/edgar.shtml.

Note to Canadian Investors

Canadian Investors – for further information in relation to the calculation of reserves and resources with respect to LGL's Lihir operation, please refer to the Lihir Gold Limited (TSX:LGG) Technical Report (NI 43-101) dated 18 September 2007 available on SEDAR (www.sedar.com).

Further Information

CONTACT FOR INVESTOR INFORMATION

Joe Dowling
GM Corporate Affairs
Tel: +61 7 3318 3308
Mobile: +61 421 587 755
Email: joe.dowling@lglgold.com

Joel Forwood
Manager Investor Relations
Tel: +61 7 3318 3331
Mobile: +61 438 576 879
Email: joel.forwood@lglgold.com

Web site: www.LGLgold.com

SHAREHOLDER ENQUIRIES

Queries related to share registry matters should be directed to:

Computershare Investor Services
Level 19, 307 Queen Street
Brisbane, Queensland 4000 Australia
Tel: 1300 552 270 or +61 7 3237 2100
Fax: +61 7 3237 2152

Web site: www.computershare.com
Email: web.queries@computershare.com.au

ADR DEPOSITARY

The Bank of New York
Depositary Receipts Divison
101 Barclay St, 22nd Floor
New York, New York 10286 USA
Tel: +1 212 815 3700
Fax: +1 212 571 3050
Web site: www.adrbny.com

PRINCIPAL OFFICE

Level 7, Pacific Place
Cnr Champion Parade & Musgrave Street
Port Moresby, Papua New Guinea

CORPORATE OFFICE

Level 32, 400 George Street
Brisbane, Queensland 4000 Australia

STOCK EXCHANGE LISTINGS

Australian Securities Exchange (LGL)
NASDAQ National Market (LIHR)
Port Moresby Stock Exchange (LGL)

ISSUED CAPITAL

The current ordinary issued capital of the company is:

- 2,368,729,935 listed ordinary shares
(including 342,044 restricted executive shares)

DIRECTORS

Ross Garnaut – Chairman
Graeme Hunt – Managing Director
Bruce Brook
Peter Cassidy
Mike Etheridge
Winifred Kamit
Geoff Loudon
Alister Maitland

GROUP SECRETARY

Stuart MacKenzie