

2008 Profit Report



Mt Rawdon, Queensland



Ivory Coast exploration



Lihir Island, PNG



Ballarat, Victoria



Forward looking statements



This presentation 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 Ballarat Goldfields 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 presentation 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 presentation 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.

This presentation is to be read in accordance with and subject to LGL's most recently filed updated reserves and resources statement available from LGL's website www.lgld.com or on the company announcements page of the ASX www.asx.com.au.

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

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 <http://www.sec.gov/edgar.shtml>.

Another record year



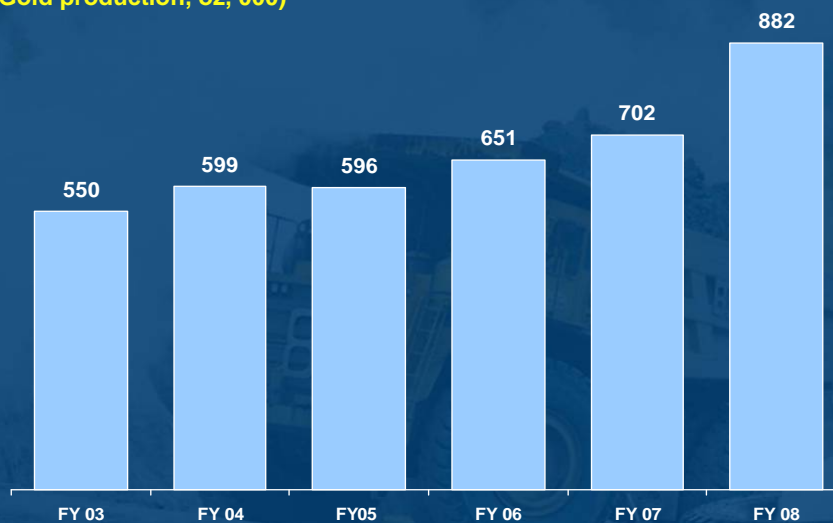
- Record gold production of 882,000 oz, up 26% from prior year.
- Record annual revenue of \$756 million, up 52%
- Underlying profit up 54% to \$185 million
- Net profit of \$109 million, compared with \$24 million loss in 2007
- Record operating cashflow of \$212 million
- Strong balance sheet. \$65 million cash, no debt

(All financial numbers in this presentation are expressed in \$US unless otherwise stated)

Record annual production



(Gold production, oz, 000)



Step change in the last half year



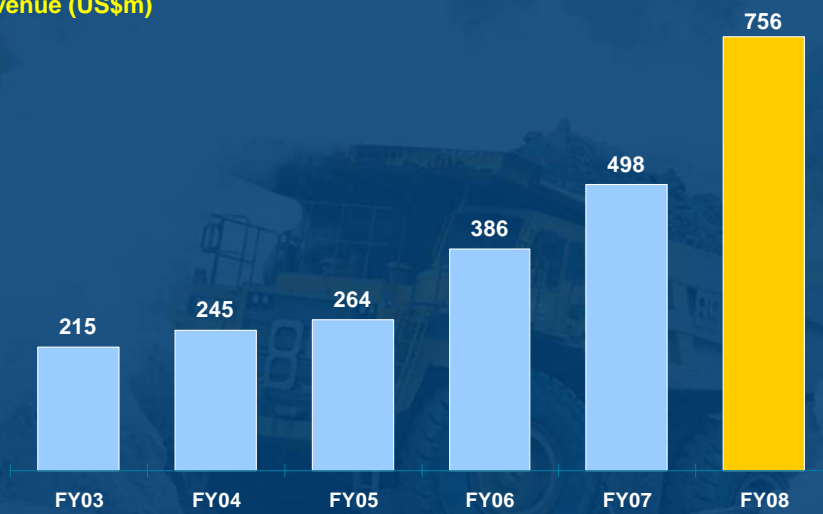
(oz, 000)



Rising price and volume lifts revenue



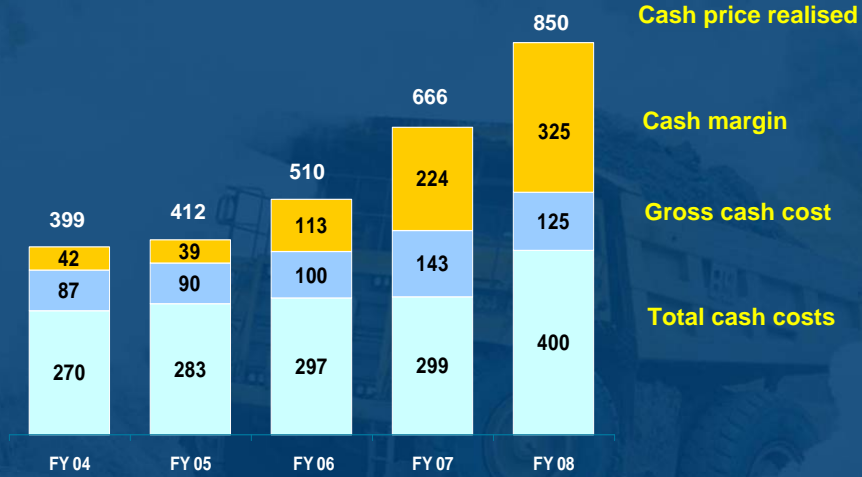
Revenue (US\$m)



Margins expanding



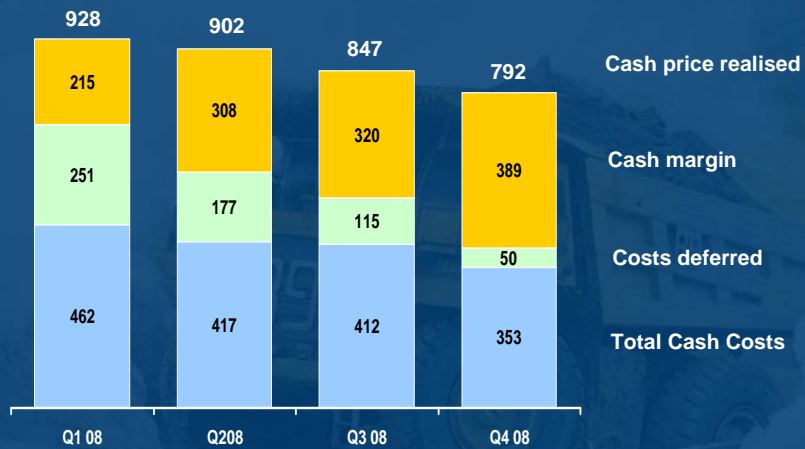
(US\$/oz)



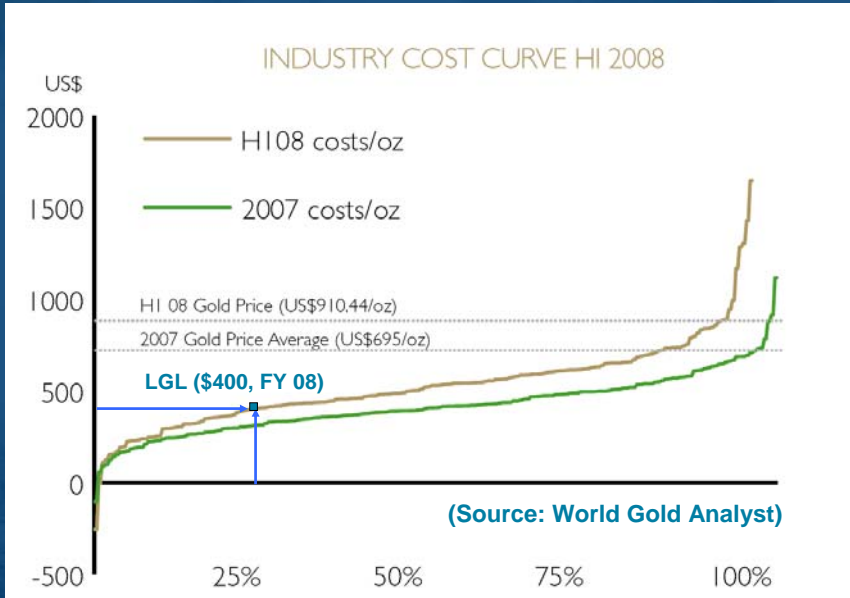
Costs reducing, margins expanding



(US\$/oz)



Maintaining cost advantage



Underlying profit



(US\$m)

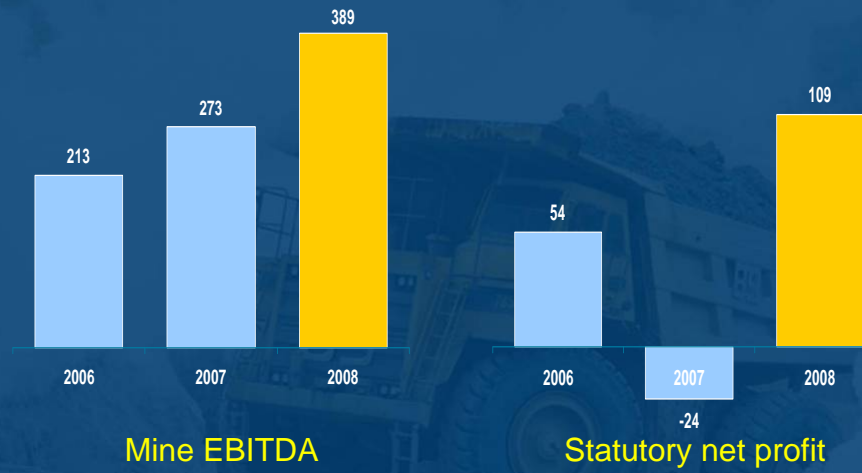


Net profit after tax, before non-cash hedging losses
loss on repayment of gold loan, and non-recurring items

Rising profitability



(\$USm)



Operating cash flow



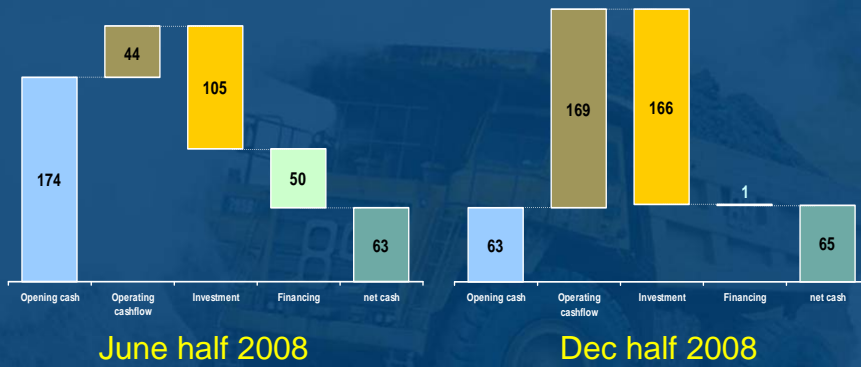
(\$USm)



Improving cash flow



(US\$m)



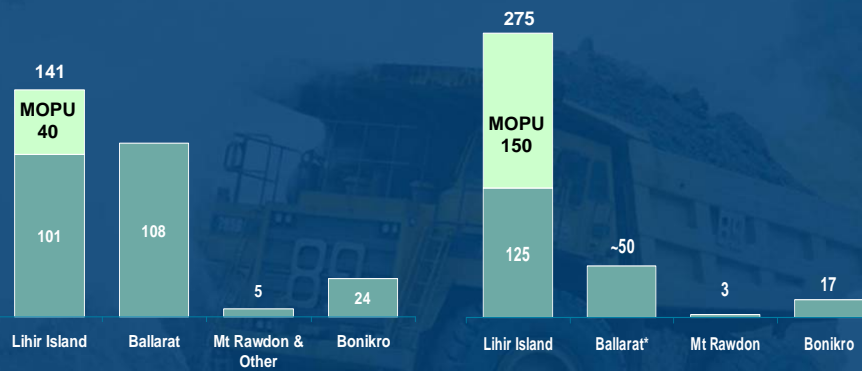
Capital expenditure



(\$USm)

Actual 2008

Forecast 2009

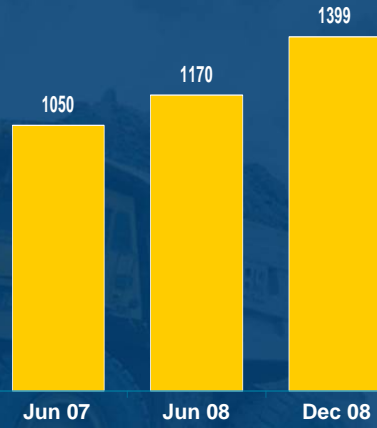
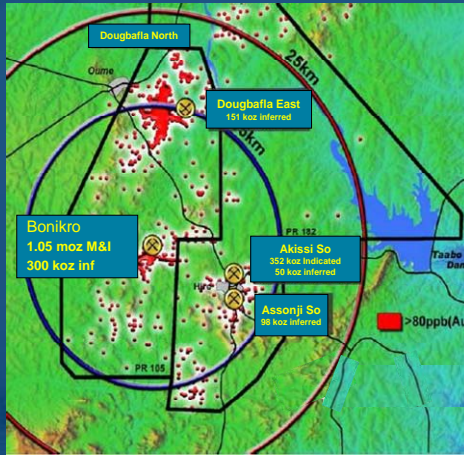


*Ballarat in commercial production from January 2009

Ivory Coast resource upgrade



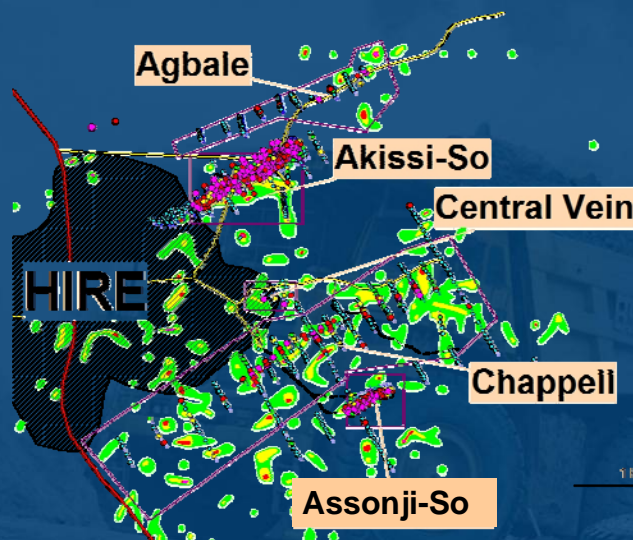
(Kozs)



Measured and Indicated Resources

Full details of Resources are contained in Appendix One

Exploration focus



Lihir Island resource, reserve update



Ore Reserves: Lihir Island, December 31, 2008

	Tonnes (millions)	Average grade (Au g/t)	Contained ozs (mozs)
Probable	180.3	2.94	17.0
Proved (Stockpiled ore)	59.4	2.48	4.7
Total	239.6	2.83	21.8*

*See Note One in Appendix Two for further details

Mineral Resources: Lihir Island, December 31, 2008*

	Tonnes (millions)	Average grade (Au g/t)	Contained ozs (mozs)
Measured	59.4	2.48	4.7
Indicated	324.7	2.71	28.2
Total M&I	384.1	2.67	32.9
Inferred	46.4	2.30	3.4

*See Note Two in Appendix Two for further details

2009 Outlook



LGL Group

- Total gold production + 1 million ozs
- Total cash costs below \$400/oz (ex Ballarat in ramp-up)
- Capex ~\$350 million

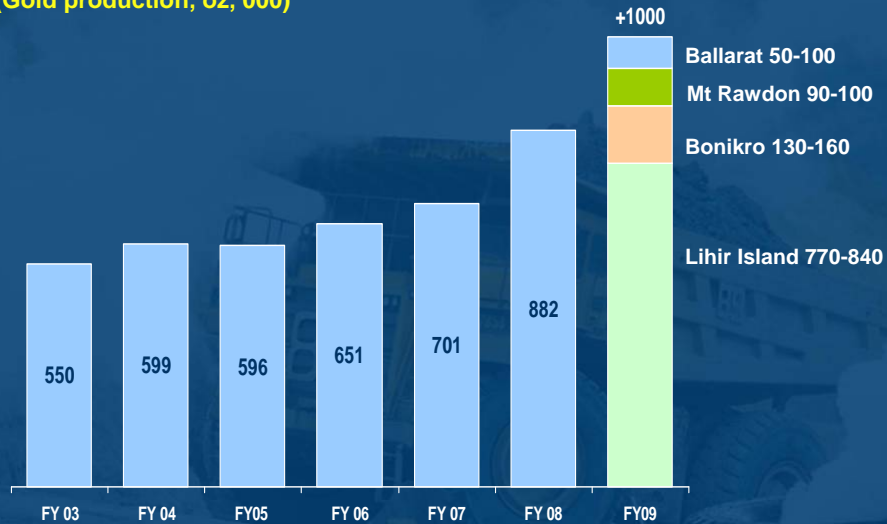
Operations

- Lihir Island ~ 770-840 kozs
- Mt Rawdon ~ 90-100 kozs
- Bonikro ~ 130-160 kozs
- Ballarat ~ 50-100 kozs

Another record year in 2009



(Gold production, oz, 000)



www.LGLgold.com

Competent Person

The information in this report that relates to Exploration Results and Mineral Resources at Lihir Island and at Akissi-So in Cote d'Ivoire 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.

The information in this report that relates to Ore Reserves at Lihir Island is based on information compiled by Mr David Grigg.

David Grigg is employed by Lihir Gold Limited in the role of Superintendent Mine Planning for the company. David Grigg 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 Mineral Resources and Ore Reserves". David Grigg consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves for the Assonji So, Dougbafia East and Bonikro projects was compiled by Mr Morgan Hart. Mr Hart is a member of The Australian Institute of Mining and Metallurgy and was a full time employee of Equigold NL at the time Resource Estimates were made. Mr Hart 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". Morgan Hart consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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Appendix One



In Situ Resources: Cote d'Ivoire

	Tonnes (kt)	Average grade (Au g/t)	Contained ounces (kozs)
Akissi-so			
Indicated	3245	3.37	352
Inferred	512	3.06	50
Assonji-so			
Inferred	1044	2.9	98
Doubafla East			
Inferred	2638	1.8	150
Bonikro			
Measured	7039	1.8	412
Indicated	11540	1.7	635
Inferred	6000	1.6	318

Appendix Two



Note One

- Reserves quoted for December 31, 2008 are those remaining below the December 31, 2008 mining surface, with the December 2008 ultimate pit design, based on the December 2007 Resource model.
- Cut-off grades at December 31, 2008, for direct feed ore has been reduced from 1.38 g/t to 1.30 g/t, and cut-off grade for flotation feed ore has been increased from 0.87 g/t to 1.26 g/t. This follows adjustments in cost allocations.
- Stockpile totals reflect ore above cut-off on stockpile at 31 December 2008.
- Rounding, conforming to the JORC Code, may cause some computational discrepancies.

Note Two

- December 2008 cut-off grade of 1.20 g/t. December 2007 cut-off grade of 0.87 g/t.
- Rounding, conforming to the JORC Code, may cause some computational discrepancies.
- The number of contained ounces does not indicate the ounces that will be ultimately recovered. The ounces ultimately recovered and available for sale depends on whether, and to the degree which, mineral resources are converted to ore reserves.