

SE Business  
 HD **OZ recovers, Newcrest lingers**  
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OZ Minerals and Newcrest **Mining** received very different reactions from the market yesterday, despite both offering up some hope to beleaguered investors in quarterly results.

OZ shares rallied almost 15 per cent from a low base, closing the day up 43¢ at \$3.50 on the back of its quarterly results. Managing director Terry Burgess said **copper** and **gold** output at its Prominent Hill mine was towards the upper end of a revised annual production guidance, and flagged a reduction in costs at the flagship mine, in South Australia. In the 12 months to December 31, OZ produced 73,362 tonnes of **copper** and 128,045 ounces of **gold**.

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Despite its once-mighty cash balance falling further in the quarter, down to \$363 **million**, Mr Burgess dismissed some market commentary of growing pressure on OZ's balance sheet and said there was no need for the company to sell its 18 per cent **stake** in Sandfire Resources.

Mr Burgess said analyst models showing OZ burning through its remaining cash this year were factoring in a low **copper** price. "We're still very happy with the **copper** price," he said.

"There are a lot of people out there saying US\$3.50 (per pound) for 2014, which is a very bullish view of **copper**. We will be smiling if that occurs over the year."

Newcrest received a different reaction to a similar announcement, however. Its shares fell 27¢, or 3.1 per cent, to \$8.53 after saying production at its suite of mines, including Telfer in the Pilbara, was on track to meet the upper end of a 2.3 **million**-ounce target for the financial year.

**Chinese**-controlled Norton **Gold** Fields won the tick of approval from investors for its December quarterly result, with shares up 1¢ to 14¢, albeit on light volumes.

Norton said a push to improve output and lower costs was on track, though it reported a 2000oz dip in quarterly production from its Paddington mine near Kalgoorlie-Boulder, to 42,616oz.

Norton said average C1 cash costs fell \$17 to \$883/oz in the period, though its disclosed total production costs rose slightly compared to the September period. The **company** attributed the increase to an "amortisation expense due to more tonnes milled than mined". At \$1188/oz Norton's total production costs were well below the \$1784/oz recorded in the December 2012 quarter.

"We're still very happy with the **copper** price." OZ Minerals managing director Terry Burgess

CO golpla : OZ Minerals Limited | sanfir : Sandfire Resources Ltd | newmoh : Newcrest Mining Ltd

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