



**GOLD FIELDS**



To be the global leader in sustainable gold mining

## Gold Fields Australia Site Visit: Regional Overview

RICHARD WESTON

Executive Vice President: Australasia Region

13 July 2014



**GOLD FIELDS**

# Forward looking statements

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Certain statements in this document constitute “forward looking statements” within the meaning of Section 27A of the US Securities Act of 1933 and Section 21E of the US Securities Exchange Act of 1934.

In particular, the forward looking statements in this document include among others those relating to the Damang Exploration Target Statement; the Far Southeast Exploration Target Statement; commodity prices; demand for gold and other metals and minerals; interest rate expectations; exploration and production costs; levels of expected production; Gold Fields’ growth pipeline; levels and expected benefits of current and planned capital expenditures; future reserve, resource and other mineralisation levels; and the extent of cost efficiencies and savings to be achieved. Such forward looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the company to be materially different from the future results, performance or achievements expressed or implied by such forward looking statements. Such risks, uncertainties and other important factors include among others: economic, business and political conditions in South Africa, Ghana, Australia, Peru and elsewhere; the ability to achieve anticipated efficiencies and other cost savings in connection with past and future acquisitions, exploration and development activities; decreases in the market price of gold and/or copper; hazards associated with underground and surface gold mining; labour disruptions; availability terms and deployment of capital or credit; changes in government regulations, particularly taxation and environmental regulations; and new legislation affecting mining and mineral rights; changes in exchange rates; currency devaluations; the availability and cost of raw and finished materials; the cost of energy and water; inflation and other macro-economic factors, industrial action, temporary stoppages of mines for safety and unplanned maintenance reasons; and the impact of the AIDS and other occupational health risks experienced by Gold Fields’ employees.

These forward looking statements speak only as of the date of this document. Gold Fields undertakes no obligation to update publicly or release any revisions to these forward looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events.

## Introduction

- Low risk environment and mining friendly jurisdiction
- Western Australia government and community supportive towards mining
- Strong and experienced local management team
- Two well established mines, St Ives and Agnew, with well trained workforce
- Regional Orogenic Geology well known and exploration success achieved
- Strong business improvement systems and culture
- Recent Native Title issues

## Regional Leadership Team

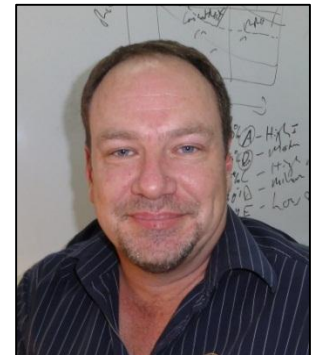
### Richard Weston – Executive Vice President: Australasia

- 40 years of international mining industry experience with 30 years in gold
- BE (Civil), MAppSc., Fellow of AusIMM
- Constructed and operated mines in NSW, NT, NZ, Bolivia, Mexico, Indonesia and now WA



### Philip Woodhouse – VP Sustainable Development

- Experienced in sustainability with particular reference to Risk, Health and Safety, Environment, Corporate Governance, Reporting, Human Rights, Community Relations, Stakeholder Engagement and International Policy
- BSC post graduate degree in Natural Sciences
- 20 years global experience in sustainability and worked across all of Gold Fields operating centres



### Alex Munt – VP Finance

- Bachelor Of Commerce
- Fellow of the Institute of Chartered Accountants in Australia
- 30 years of financial experience across a broad range of industries, including 15 years in the mining industry



## Regional Leadership Team

### Wimpie Du Toit – VP Human Resources

- Internationally experienced HR Generalist with excellent track record
- B.Com plus postgraduate Executive Business Coach and MDP qualification



### Kelly Carter – Head of Legal

- Experienced legal generalist, providing broad legal support to the region
- LLB (Hons) and postgraduate qualification in Legal Practice
- Admitted to practice in both Australia and England and Wales – extensive experience in both private practice and in-house roles, with a firm focus in the last 8 years on the WA resources sector

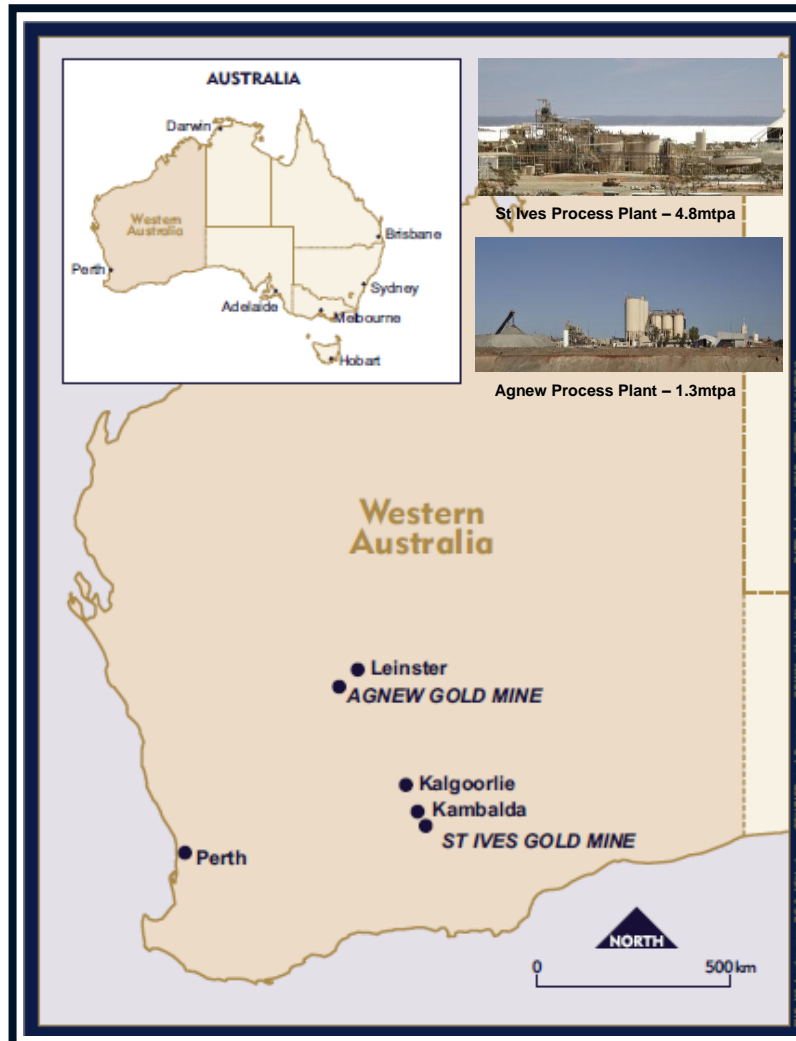


### Craig Feebrey – VP Exploration

- Specializing in early to late stage precious and base metal exploration, project management, business development and strategic planning
- 20 years experience in Australia, Central and SE Asia, SW Pacific, Russian Far East, and Central and Andean South America
- BSc, MSc, PhD, AusIMM (CP)

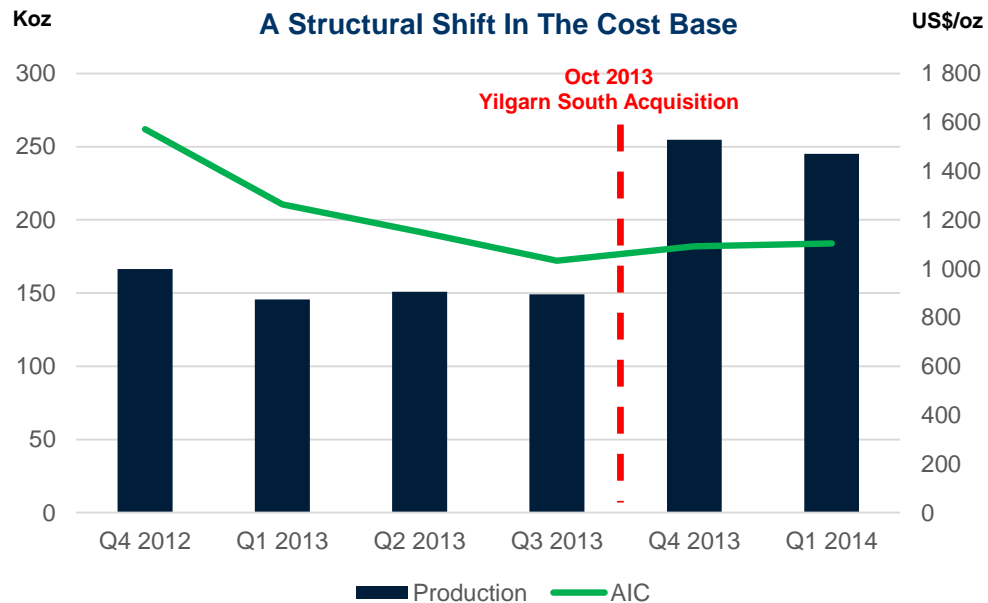


## Before The Yilgarn South Acquisition



### Implementing The Gold Fields Franchise

- Focus on free cash flow and growing the margin
- Not ounces for ounces sake, no marginal mining
- Optimised contractor vs owner mining
- Right-sizing of all overhead structures
- Rationalisation, optimisation and prioritisation of capital
- Site specific cost savings and business process re-engineering

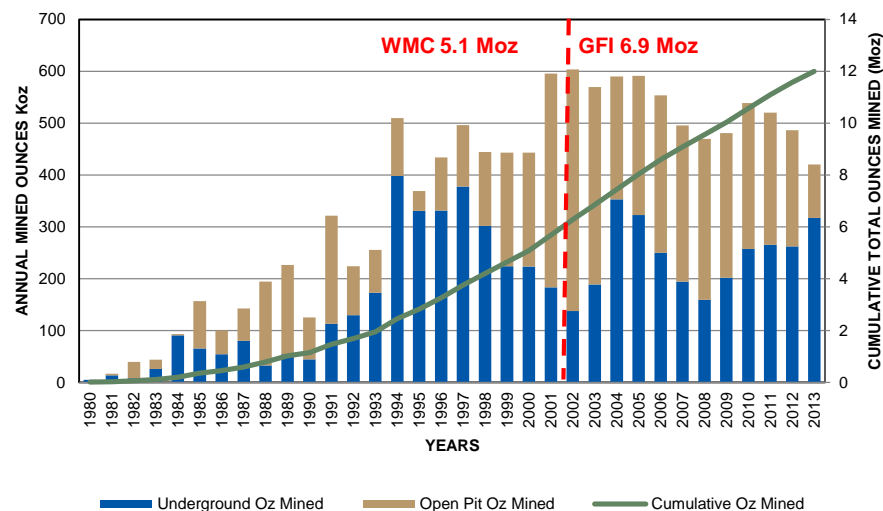


## A Well Established Operational Franchise In Western Australia

## Before The Yilgarn Acquisition: St Ives Gold Mine

- 1897: Gold discovered near Kambalda
- 1980: Gold production commences
- 2001: Acquired by Gold Fields
- 2005: Lefroy mill commissioned
- 2012: Invincible discovered
- St Ives has produced 12 Moz of which GFI has produced 6.9 Moz
- 2013 production: 403 Koz at AIC of US\$1,218/oz
- **Long-term consistent performer**
- **Consistent resource to reserve conversion history**
- **Outstanding exploration potential**

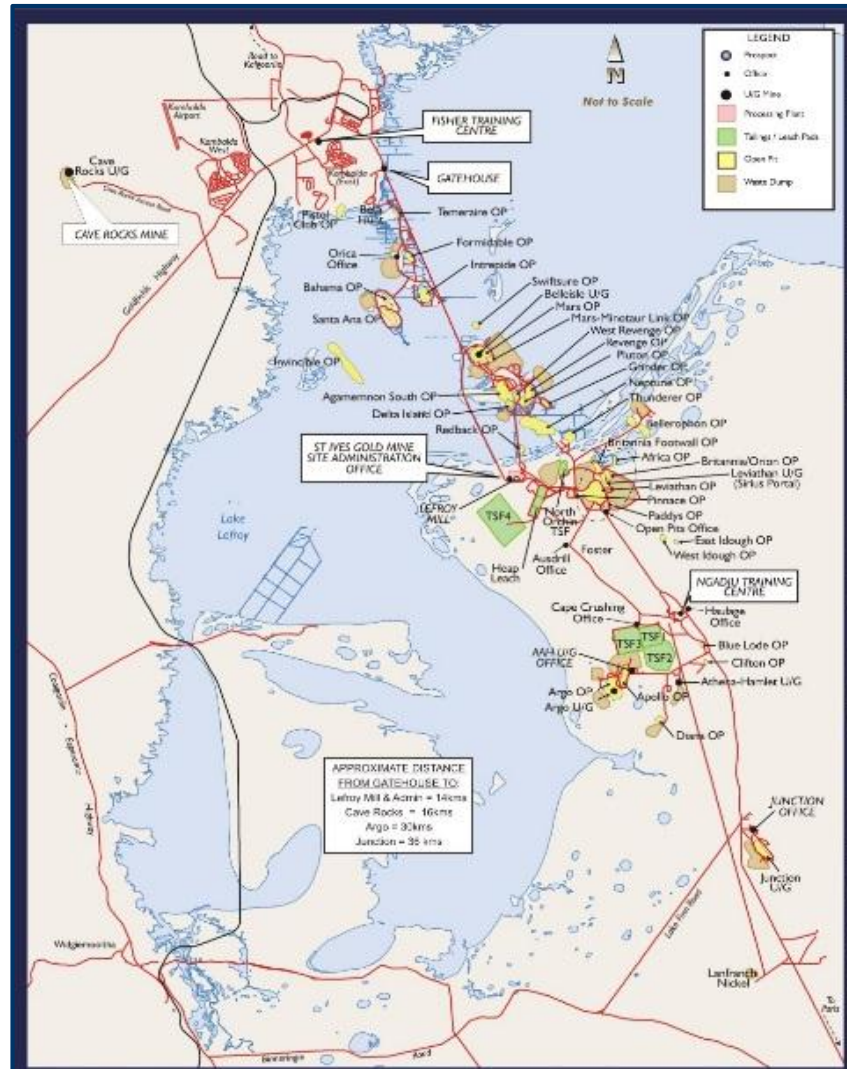
St Ives Production History



Mineral Reserves at Dec 2013 Proven and Probable		
Tonnes (Mt)	Grade (g/t)	Gold (Moz)
<b>20.7</b>	<b>3.0</b>	<b>2.0</b>

**A Prolific Camp - 12 Moz Produced Since 1980**

## Before The Yilgarn Acquisition: St Ives Gold Mine

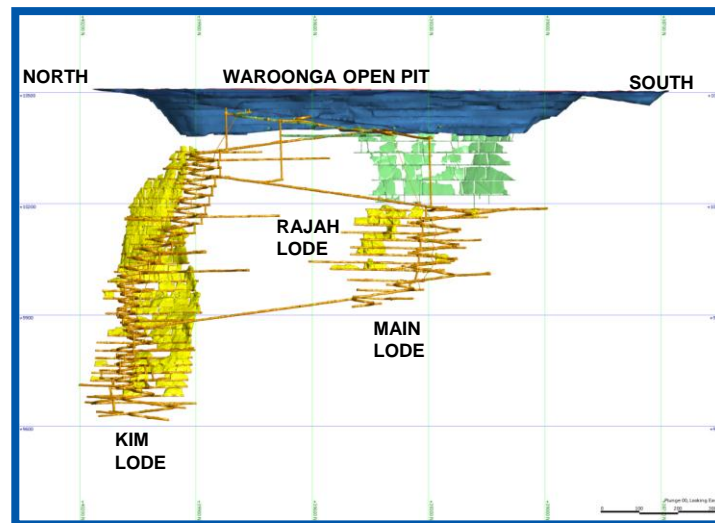


**Extensive Tenement Position, Multiple Targets, Significant New Discoveries**



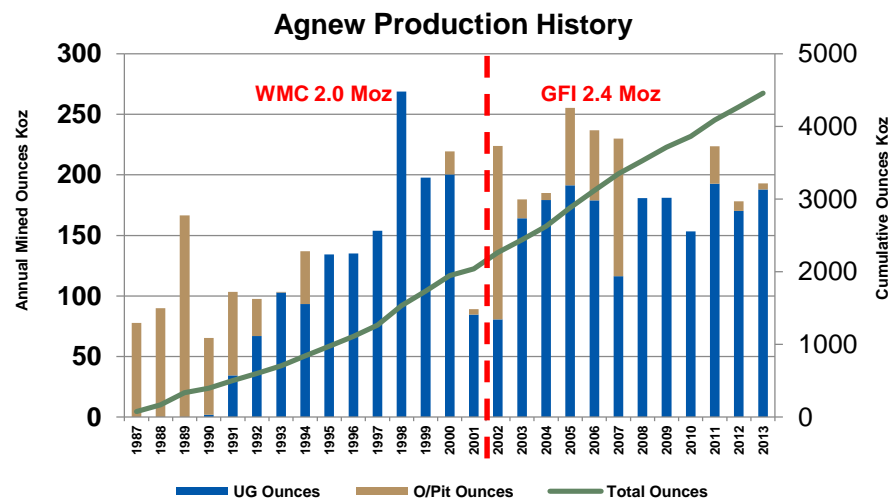
## Before The Yilgarn Acquisition: Agnew Gold Mine

- 1897: First discovery
- 1897 – 1911: Surface and shallow underground mining
- 1935 – 1948: Small underground mine
- 1987 – 1992: Open Pit mining by WMC
- 2001: Acquired by Gold Fields
- 2002: Kim lode discovered
- Agnew has produced 4.4 Moz of which GFI has produced 2.4 Moz
- 2013 Production: 216 Koz at AIC of US\$919/oz
- **Best performer in Group in 2013**
- **Consistent resource to reserve conversion history**
- **Outstanding exploration potential**



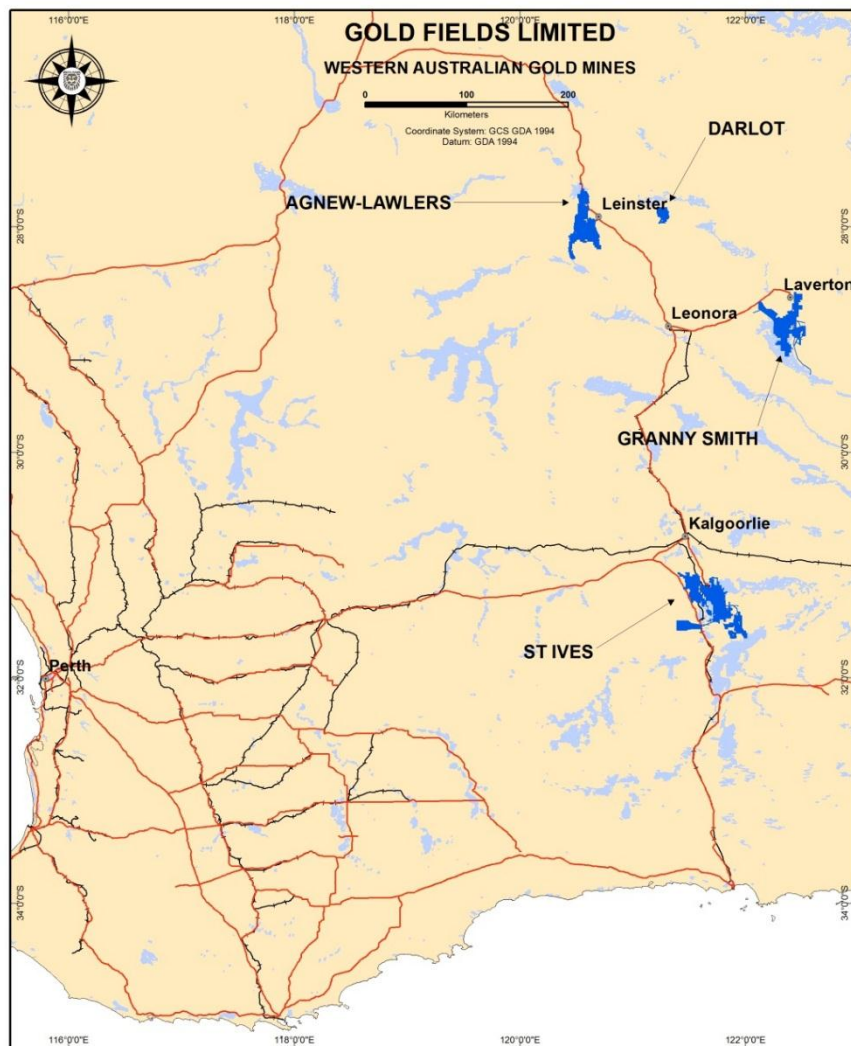
### Mineral Reserves at Dec 2013 Proven and Probable

Tonnes (Mt)	Grade (g/t)	Gold (Moz)
<b>3.0</b>	<b>7.4</b>	<b>0.7</b>



## Outstanding Exploration Potential With Multiple Targets

## What Did We Buy?



- 1. Total final consideration - US\$263 million**
- 2. Three operating mines**
  - i. Lawlers Gold Mine**
    - Mineral Reserves 1.2Mt @ 6.24g/t for 238 Koz
    - High grade underground mine
    - Average 80 Koz annual production
    - Contiguous to existing Agnew Gold Mine
  - ii. Granny Smith Gold Mine**
    - Mineral Reserves 4.1Mt @ 6.34g/t for 838 Koz
    - High grade underground mine
    - Average 240 Koz annual production
    - Under-utilised processing plant
  - iii. Darlot Gold Mine**
    - Mineral Reserves 1.0Mt @ 5.07g/t for 155 Koz
    - High grade underground mine
    - Average 80 Koz annual production
    - Under-utilised processing plant
    - Not included in valuation
    - Extension to 1.5 year mine life depends on exploration success on under explored tenements
- 3. Significant exploration potential**
  - All ore bodies and tenements under-explored

**Three Mines For The Price Of One!**

## Why Did We Make The Acquisition?

- The price was right – three for the price of one!
- Immediate synergies through combination of Agnew and Lawlers
- Significant operational savings and improvements through application of Gold Fields operational franchise
- Further synergies through regional critical mass:
  - management, finance and accounting, purchasing, logistics and human resources
- Expected exploration upside through GFA's understanding of and track record on orogenic ore bodies
- GFA's team of highly talented and experienced mining professionals with insight into Yilgarn culture and systems through former Barrick employees in GFA

**Significant Upside Potential!**

## A Rapid and Well Executed Transition

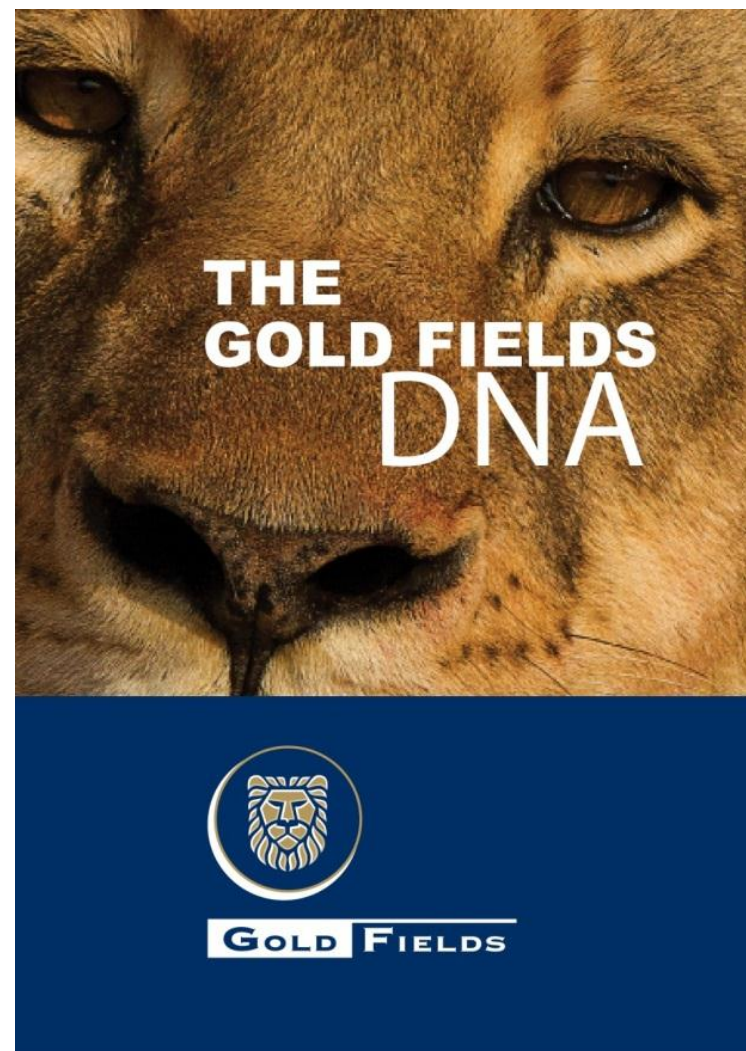
- GFA gained control October 2013
- During transition phase GFA undertook:
  - Risk assessments
  - Stakeholder engagement
  - Transitional plans
  - Introduction of GFI branding, DNA and operating franchise
  - Full operational reviews
  - Implementation of review findings



**The Acquisition Was Well Received and Supported By Employees**

## Comprehensive Operational Reviews

- Conducted in partnership with site leadership teams
- All sites completed in October 2013
- Formed the baseline for 2014 budgeting process
  - Human resources
  - Finance
  - Sustainable development
  - Strategy and planning
  - Mining: technical and operational
  - Geology: resource and mine
  - Mineral resource management
  - Processing
  - Engineering and projects
  - Contracts and supply
  - IT and communications



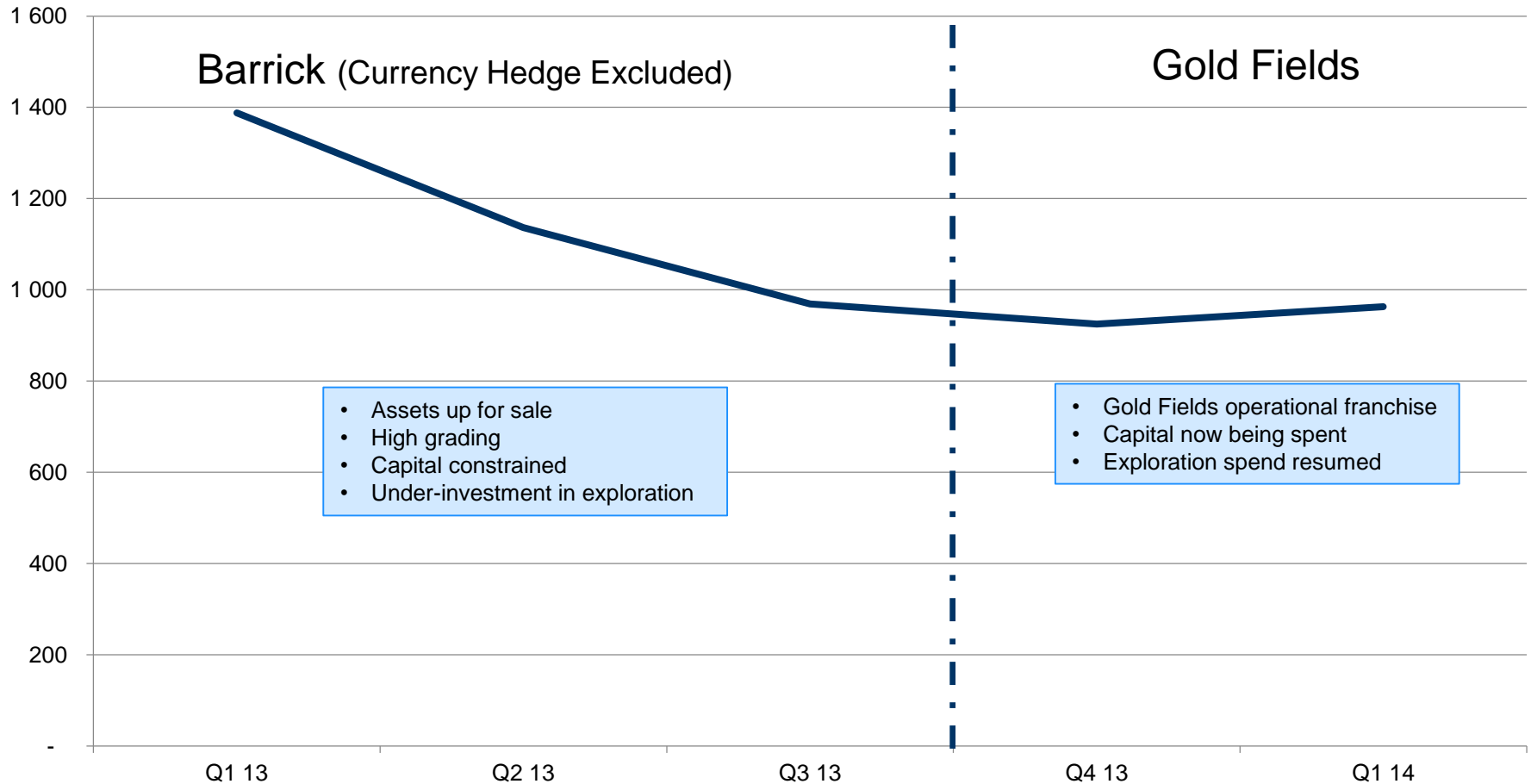
## Introduction of the Gold Fields Operational Franchise And DNA

# The Yilgarn South Acquisition (Oct 2013)



## A Sharper Focus On Costs

Yilgarn South AIC (US\$/oz)



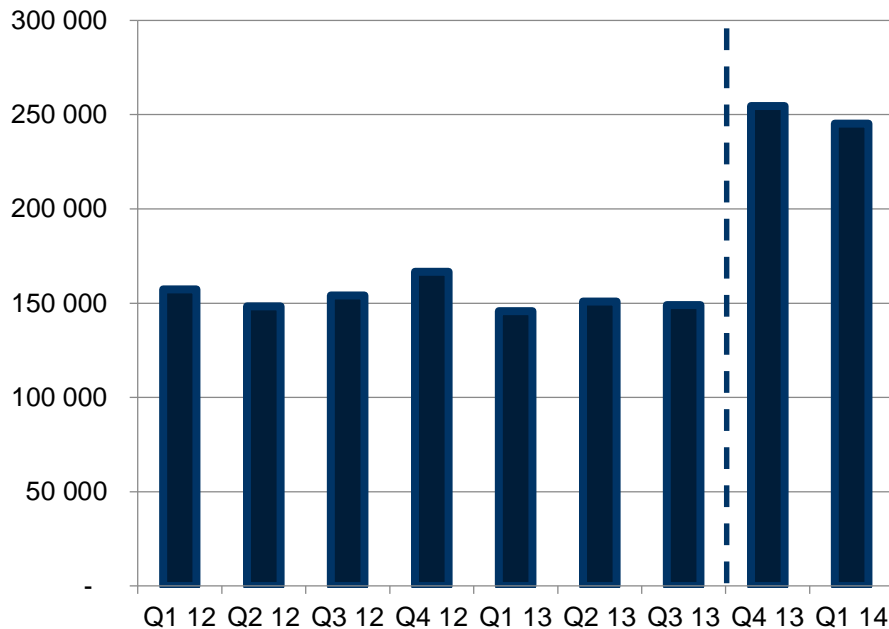
## Improving the GFA Portfolio

# The Yilgarn South Acquisition (Oct 2013)

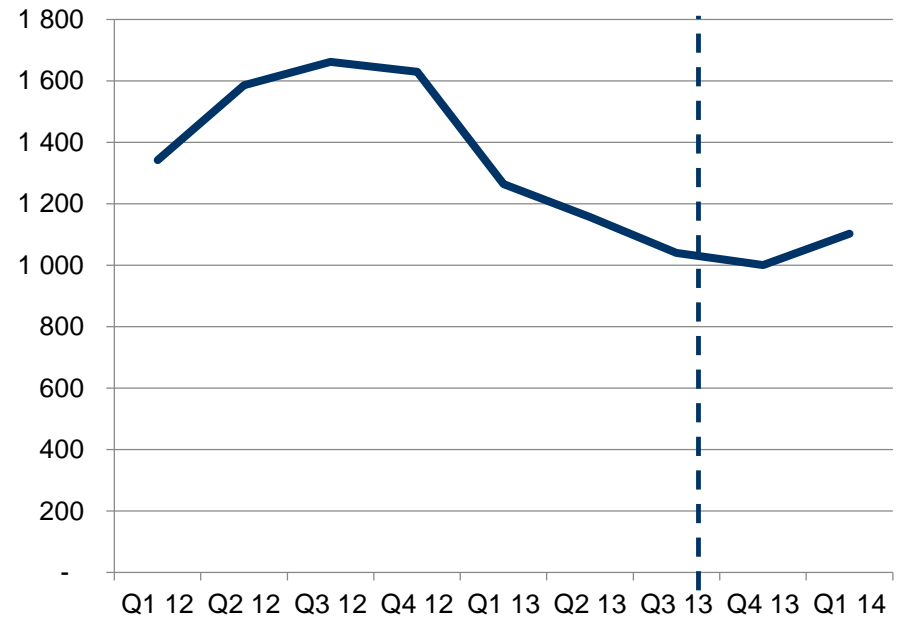


## The Impact of the Yilgarn Acquisition

Gold Fields Australia Production (oz)



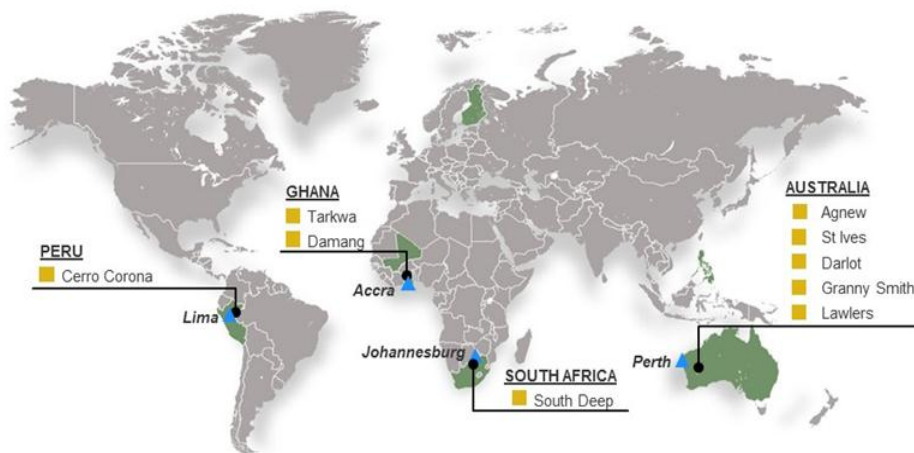
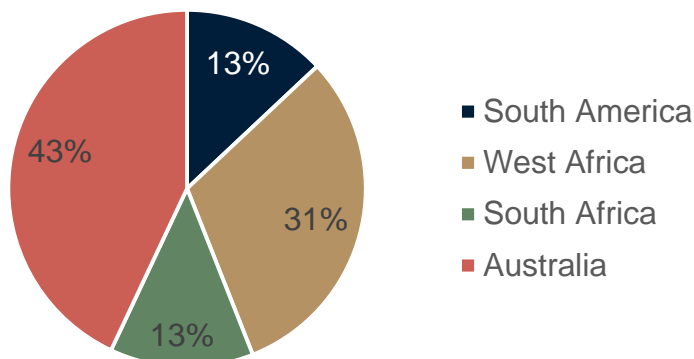
Gold Fields Australia AIC (US\$/oz)



**A Transformational Transaction For GFA And GFI**

## Changing Gold Fields' Global Footprint

Gold Fields Attributable Production



## Gold Fields Australia at a Glance

**GOLD PRODUCTION CAPABILITY:**

1,000,000+ ounces per annum

**MINERAL RESOURCES:**

11.5 million ounces

**MINERAL RESERVES:**

4.0 million ounces

**OPERATING MINES:**

St Ives, Agnew/Lawlers, Granny Smith, Darlot

**Australia 43% Of Gold Fields' Attributable Production**



## A Major Focus On Our People

- 950 Barrick employees transferred to GFA systems within 6 weeks
- Combined workforce of 2,440 at end of Q1 2014 - 1,670 employees and 770 contractors
- Standardized conditions of employment and policies implemented across the Region
- Fair Work Australia replaced Barrick conditions of employment
- Four year Employee Collective Agreement (ECA) concluded early 2014
- Balanced scorecards aligned to regional strategy, down to supervisor/foreman level
- Workforce well trained and highly experienced - a major asset
- Reduction in labour turnover from 27% in 2013 to 17% YTD

**We Take Our People Seriously**

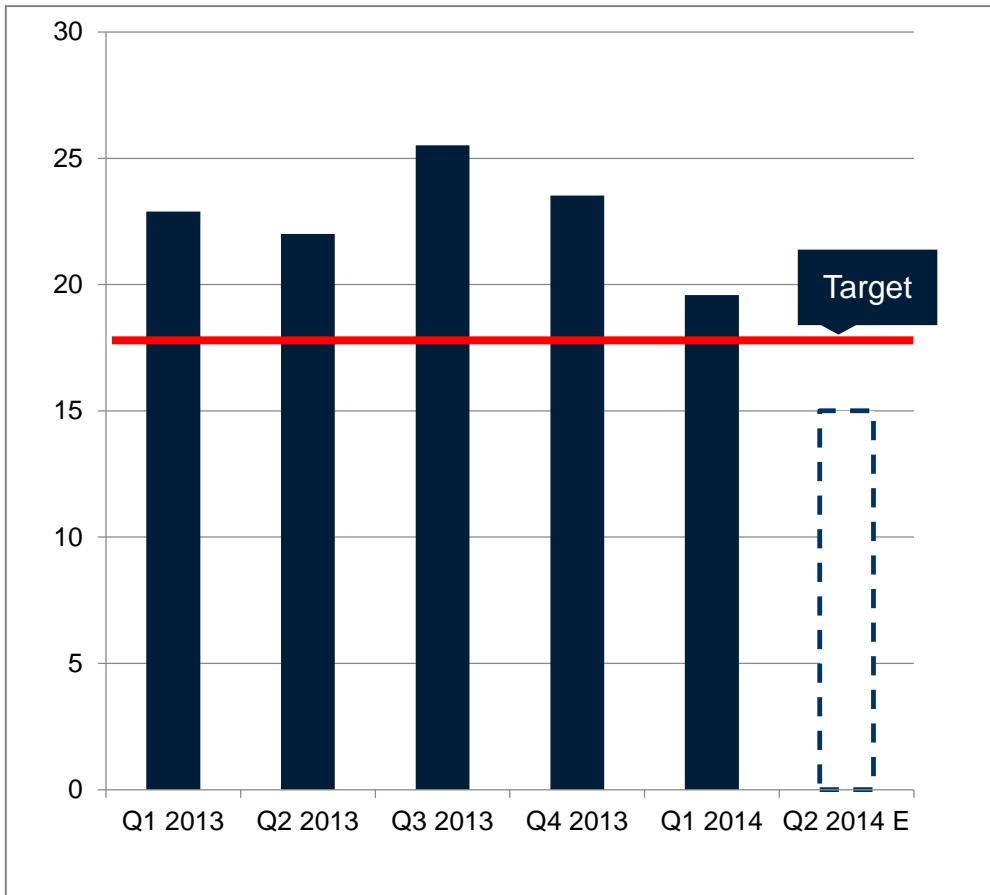
## Sustainability - a Core Business Driver

- Alignment of new assets to GFI operating model in progress:
  - St Ives and Agnew Certified to ISO 14001 and OHSAS 18001
  - Darlot: ISO 14001 certification achieved and initial OHSAS 18001 audit undertaken with no non-conformances
  - Granny Smith: ISO 14001 and OHSAS 18001 audits undertaken with no non-conformances
  - Expansion of scope audit to be undertaken at Agnew in Q3, to include Lawlers
- All operations achieved Full Compliance status to the Cyanide Code
- Regulatory approval received for the Neptune and Invincible Mines at St Ives
- Improved energy efficiency has mitigated the effect of the carbon tax
- Developed and implemented a Diesel Particulate Strategy with an achievement rate of 95% of readings below exposure standard
- In compliance with all regulatory requirements

**Sustainability Is Core To Our DNA**

## Health And Safety – Not Negotiable

**Total Recordable Injury Frequency Rate**  
 (TRIFR = Lost Time Injury + Restricted Work Injury +  
 Medically Treated Injury per Million Manhours Worked)



Vital Behaviours Programme	2 Months 2014
Workshops	94
Story Collection Attendance	1,737
Stories	1,582

**If We Cannot Mine Safely, We Will Not Mine**

## Shaping Our Own Destiny

- US\$50 million exploration spend in 2014 to crystalize known upside
- Leverage GFA orogenic expertise
  - **Granny Smith**
    - Excellent potential to extend and possibly duplicate Wallaby ore body
    - Process plant under-utilized
  - **St Ives**
    - Recent significant discovery of Invincible
      - › To commence pre-stripping H2 2014 and mining in 2015
    - Further major discoveries highly probable – extensive mineralization on large tenements
  - **Agnew / Lawlers**
    - Combined tenement position large and under-explored
    - Multiple high quality exploration targets
- Continued focus on costs and productivity improvements to ensure 15% FCF margin
- Leverage technology e.g. increased automation of equipment

**Targeting One Million Ounces in Western Australia at AIC Below US\$1,050/oz**

## Conclusions

- Yilgarn South a quality, cost effective acquisition
  - A game changer for GFA and GFI
  - Integration completed seamlessly
  - Significant improvements since acquisition
    - Safety
    - Costs
    - Productivity
    - Exploration
    - Immediate cash generation
- 15% FCF target
- Significant exploration activity at all sites

**Its All About Free Cash Flow, Not Ounces!**



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