Q2 2012 Results

23 August 2012
Nick Holland
Chief Executive Officer
Emergency Procedures

• In case of emergency Alarm will sound

• Leave room through doors to the North of the Room
  (your right)

• Move to lawns furthest away from buildings to the North

• Await further instructions from officers
Forward Looking Statements

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.
Q2 2012: Highlights

Strong Financial Performance

<table>
<thead>
<tr>
<th></th>
<th>Q2 2012 US$m</th>
<th>H1 2012 US$m</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>667</td>
<td>1,367</td>
</tr>
<tr>
<td>Normalised earnings</td>
<td>224</td>
<td>504</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>514</td>
<td>874</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>100</td>
<td>119</td>
</tr>
</tbody>
</table>

New Dividend Policy – 25% to 35% of Normalised Earnings
Q2 2012: Highlights

Operations

• Production up 4% to 862koz

• Cash costs down 2% to US$851/oz and NCE up 2% to US$1,308/oz

• Solid performances from South Africa Region, Cerro Corona, St Ives and Tarkwa

• Work to be done at Agnew and Damang
Q2 2012: Highlights

Growth Projects

• Chucapaca Project - feasibility study to be completed by end of 2012

• Arctic Platinum Project – Suhanko North drilling completed, (targeting a 2 to 4Moz 2PGE +Au Resource)

• Far Southeast Project - maiden resource by Q4 2012, FPIC and FTAA processes continue
Q2 2012: South Africa Region

**Strong performance from South Africa Region**

- **KDC** production up 12% to 280koz
- Cash costs of US$936/oz and NCE of US$1,201/oz
- NCE margin of 26%
- Production on target to meet guidance of 1.0 to 1.1Moz per annum
- Ya Rona fire extinguished – purging underway

South Africa Region Free Cash Flow of R 1.3bn (US$161m)
Q2 2012: South Africa Region

Strong performance from South Africa Region

- **Beatrix** production steady at 80koz.
- Cash costs of US$1,055/oz and NCE of US$1,342/oz.
- NCE margin of 18%
- Production on target to meet guidance of 325 to 350koz per annum

South Africa Region Free Cash Flow of R 1.3bn (US$161m)
**Q2 2012: South Africa Region**

**South Deep Project**

- Production up 33% to 78koz.
- Cash costs of US$942/oz and NCE of US$1,979/oz
- South Deep 88% self-funding* in Q2 2012
- Build-up to full production run-rate of 700koz by end of 2015

<table>
<thead>
<tr>
<th>Major progress on key infrastructure: on budget and on time</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2010</strong></td>
</tr>
<tr>
<td>-----------------------------------------------------------</td>
</tr>
<tr>
<td>94 Level Refrigeration Plant</td>
</tr>
<tr>
<td>Tailings Storage Facility</td>
</tr>
<tr>
<td>Twin Vent Shaft</td>
</tr>
<tr>
<td>Plant Expansion</td>
</tr>
<tr>
<td>Backfill Infrastructure</td>
</tr>
<tr>
<td>New Mine Development</td>
</tr>
</tbody>
</table>

* Calculated as cash flow from operations divided by Capital Expenditure

**Key Infrastructure Projects On Track For Completion Q4 2012**
West Rand Surface Resources Project

- Positive scoping study by consultants on behalf of Gold Fields and Gold One
- Synergies in treating combined tailings of both parties utilising the following:
  - An integrated reclamation network
  - A high grade uranium leach facility
  - A single low grade gold and uranium extraction facility
- Depositing tailings on two residue disposal facilities
- Extract $U_3O_8$, Au and Sulphur
- Include historical surface dumps as well as current arisings of both parties
- 4Moz of gold and 65 million pounds of $U_3O_8$ to be recovered over a 20-year life
- Pre-feasibility study under consideration

A Significant Opportunity
Q2 2012: West Africa Region

14Moz of Reserves and 25Moz of Resources

- **Tarkwa** production 176koz
- Cash costs US$663/oz and NCE US$1,033/oz
- NCE margin of 36%
- Achieving outstanding mining costs – US$2.03/ton
- Mining volume targets achieved – 33Mt
- Heap leach stacking resumed

Tarkwa - A World-class Mine With Upside Potential
Tarkwa Expansion Phase 6 (TEP 6)

- 8Mtpa CIL plant to replace North Heap Leach
- Adds ~100koz p.a. on improved recoveries – to provide ~800koz p.a. production profile
- Additional 1Moz over life of mine based on lower cut-off grade and improved recoveries
- Double digit IRR, accretive on cash flow and NPV basis
- Capital ~US$450m
- Pre-feasibility study completed end of year
Q2 2012: West Africa Region

Damang - a mine in transition

- Production 38koz
- Cash costs US$995/oz and NCE US$1,799/oz
- NCE margin -11%
- High level of stripping to secure future mining – impacts NCE
- Lower production from high-grade Damang pit due to safety concerns
- Super-pit project work on slow burn, focus on restoring profitability and cash flow

Targeting Steady State 45koz Per Quarter
Q2 2012: Australasia Region

St Ives at steady state

- Production 111koz
- Cash Costs of US$920/oz and NCE of US$1,581/oz
- NCE margin of 3% due to short-term capex
- Restore NCE margin to 20%
- Steady state production 450koz per annum
- Transition to open pit owner mining by Q1 2013

Significant Exploration Potential
Q2 2012: Australasia Region

St Ives – Cave Rocks Extension

Coloured blocks indicate three-year mining plan

Potential for Two Years Plus Life Extension
Q2 2012: Australasia Region

St Ives – Invincible

Exciting New Discovery in Major High Grade Corridor
Q2 2012: Australasia Region

Agnew – work to be done

• Production 37koz
• Cash costs US$928/oz and NCE US$1,526/oz
• NCE margin of 6% due to short-term capex
• Restore NCE margin to 20%
• Return to steady state production of 45koz per quarter by year-end
  – Establish right mix and volumes from underground sources at Waroonga
  – Optimise high grade Kim ore body

Significant Exploration Potential
Q2 2012: Australasia Region

Agnew – Waroonga Complex

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Q2 2012: South America Region

Cerro Corona - Now a 6Moz, 16-year, fully developed asset

- Production 85koz eq
  - Gold - 40koz (68% recoveries)
  - Copper – 9,234t (85% recoveries)
- Cash costs US$482/oz and NCE US$708/oz
- NCE Margin 48%
- Production reflects planned lower grade and commodity ratio
- Outstanding cost performance
- Maintain momentum and leverage potential of higher reserve (Reserves 6.1Moz Au eq and Resources 7.7Moz Au eq)

Advancing Organic Growth Opportunities

Production figures stated on an equivalent ounce basis
Cerro Corona - Now a 6Moz, 16-year, fully developed asset

Progress future production growth projects

- Sulphide plant extension (Feasibility 2013)
- Heap leach option for oxides (Feasibility 2013)
Q2 2012: Group Margin

Q2 2012 NCE margin 18%; 2012 H1 21%

Targeting a 25% NCE Margin
Q2 2012: Strong Financial Position

Strong balance sheet

- Cash generated from operations R4,195m (US$514 million)
- Net debt R11,457 million (US$1,366 million)
- Net Debt/EBITDA ratio of 0.53
- Conservative debt maturity schedule
- Committed unutilised facilities of R7.7bn (US$918m)

Prudently Managed
Q2 2012: Dividends

Leading dividend payer in the peer group

- Interim dividend of 160 SA cents per share declared for H1 2012
- New dividend policy aligned to meet investors’ expectations and market sentiment
- Based on 25% to 35% of normalised earnings
Growth Portfolio

Chucapaca Project

- Feasibility study Q4 2012
- Submit EIA Q4 2012
- Start value engineering and optimisation Q4 2012
- Re-establish exploration in 2013
Growth Portfolio

Far Southeast Project

- Resource drilling progressing well

- Maiden Resource Q4 2012

- FPIC and FTAA processes continues

- Community engagement and support remains the highest priority

- PFS timing dependent on progress towards community acceptance and FTAA
Growth Portfolio

**Arctic Platinum Project**

- Suhanko North drilling complete
  (targeting a 2 to 4 Moz 2PGE + Au Resource in addition to existing Greater Suhanko Resource of ~7 Moz 2PGE + Au)
- Initial Platsol amenability tests on Suhanko North complete
- Platsol risk review completed
- Second integrated pilot plant planned for Q1 2013
- EIA baseline study in progress – Greater Suhanko Project footprint
- Product marketing and strategic positioning of the project in progress
- Pre-feasibility study due by Q2 2013
Growth Portfolio

**Damang Super-pit Project**

- Resource 10.1 Moz (+116% y-o-y)
- Reserve 3.4 Moz (+63% y-o-y)
- Focus on returning the operation to a stable base
- Super-pit project work on slow-burn while prioritising operational performance
<table>
<thead>
<tr>
<th>Production</th>
<th>No more than 3.4Moz eq</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash costs</td>
<td>US$880/oz</td>
</tr>
<tr>
<td></td>
<td>R230,000/kg</td>
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<tr>
<td>NCE</td>
<td>US$1,340/oz</td>
</tr>
<tr>
<td></td>
<td>R348,000/kg</td>
</tr>
<tr>
<td>Capital Programme</td>
<td>US$20/oz to US$25/oz</td>
</tr>
<tr>
<td>Exchange Rates:</td>
<td>ZAR : US$ = 8.20 : 1.00 and ZAR : A$ = 8.55 : 1.00</td>
</tr>
</tbody>
</table>
Investors seeking gold exposure only can buy ETFs…

Note: ETFs and similar products, including closed-end gold funds
Source: World Gold Council
…so gold mining stocks must provide returns that beat ETFs...

Total gold and major gold equities return (%, 2000-12)

As an industry we’re not delivering against these expectations

Note: Data indexed to 14th January 2000; index made up of 8 major gold producers’ total return indexes weighted by market capitalisation; Major Gold producers defined as: AngloGold Ashanti, Barrick, Harmony, Kinross, Goldcorp, Gold Fields, Newmont and Newcrest

Source: Bloomberg
The industry is struggling to grow production…

Investors are sceptical:
- Can this be delivered?
- Is it growth or just replenishment?

Note: Major Gold producers defined as: AngloGold Ashanti, Barrick, Harmony, Kinross, Goldcorp, Gold Fields, Newmont and Newcrest.
Source: World Gold Council; Annual reports; Producer investor presentations
…Operating costs are increasing sharply whilst yields are declining...

**Operating cost per tonne**

CAGR (06-11) 12%

**Average gold yield**

CAGR (06-11) -5%

**Note:** Cost per tonne is the weighted average of 8 major gold producers by total ore mined; average grade is the weighted average of 8 major gold producers by total ore mined; Major Gold producers defined as: AngloGold Ashanti, Barrick, Harmony, Kinross, Goldcorp, Gold Fields, Newmont and Newcrest.

**Source:** Gold Fields company data; annual reports
…and total expenditure has grown in line with the gold price…

Notional cash expenditure for Major Gold Producers (2006-11, $/oz)

Note: Major Gold producers defined as: AngloGold Ashanti, Barrick, Harmony, Kinross, Goldcorp, Gold Fields, Newmont and Newcrest; *Estimated NCE/oz based on total cash costs plus capex for existing operations, weight averaged by production (excludes new mine development capex)

Source: Bloomberg, Annual reports
Yet, we shoot ourselves in the foot by telling only half the story.

Notional cash expenditure for Major Gold Producers (2006-11, $/oz)

..whereas in practice, free cash flow is much lower once we include capital to sustain and grow our businesses.

Governments think we generate this much cash...

Gold price

Total cash expenditure (NCE) incl. new mines

Operating cash costs (commonly quoted metric)

Note: Major Gold producers defined as: AngloGold Ashanti, Barrick, Harmony, Kinross, Goldcorp, Gold Fields, Newmont and Newcrest; *Estimated NCE/oz based on total cash costs plus capex for existing operations, weight averaged by production (excludes new mine development capex).

Source: Bloomberg; Annual reports
The industry needs continued appreciation in the gold price, and counter to analyst expectations, prospects remain robust.

Gold price (spot vs analyst/market forecasts)

Note: Consensus forecast is median forecast of all contributing analysts to Bloomberg; Forecast as of 10\textsuperscript{th} May in each year, except 2006 which is from 30\textsuperscript{th} June; Futures price curve based on contracts prices on 20\textsuperscript{th} Jul 2012 for settlement at year-end in 2012, 2013, 2014 and 2015.
Source: Bloomberg
There are strong indications that the gold industry recognises that investment cannot be sustained whilst returns remain low.

“Barrick Gold slows down expansion”
Financial Times, 26th July 2012

“The era of gold mega-projects may be fading. The industry is moving into an era of cash flow generation, yields and capital discipline”
Sean Boyd, CEO, Agnico-Eagle

“Newmont to cut over $1bn from planned Peru project spend”
Mineweb, 24th May 2012

“Kinross Gold hunts for ways to cut expenses”
Financial Post, 8th August 2012

“Barrick replace CEO in board shake-up”
Financial Times, 6th June 2012

“…ounces at any cost…”
Johann Steyn

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Conclusion
Portfolio Review

It is not about ounces at any cost, it is about….

- Leveraging existing assets to the gold price
- Paying dividends
- Sustaining the business
- Real returns on capital invested
- Investing in growth that makes robust returns – Ghana and Peru Minority Buy-outs
- Leveraging the balance sheet
- Scrutinising, prioritising and sequencing all capital investment projects