# It’s All About Cash!

Merrill Lynch Global Metals, Mining & Steel Conference - Barcelona

14 – 16 May 2013

Chief Executive Officer – Nick Holland

# Forward Looking Statements

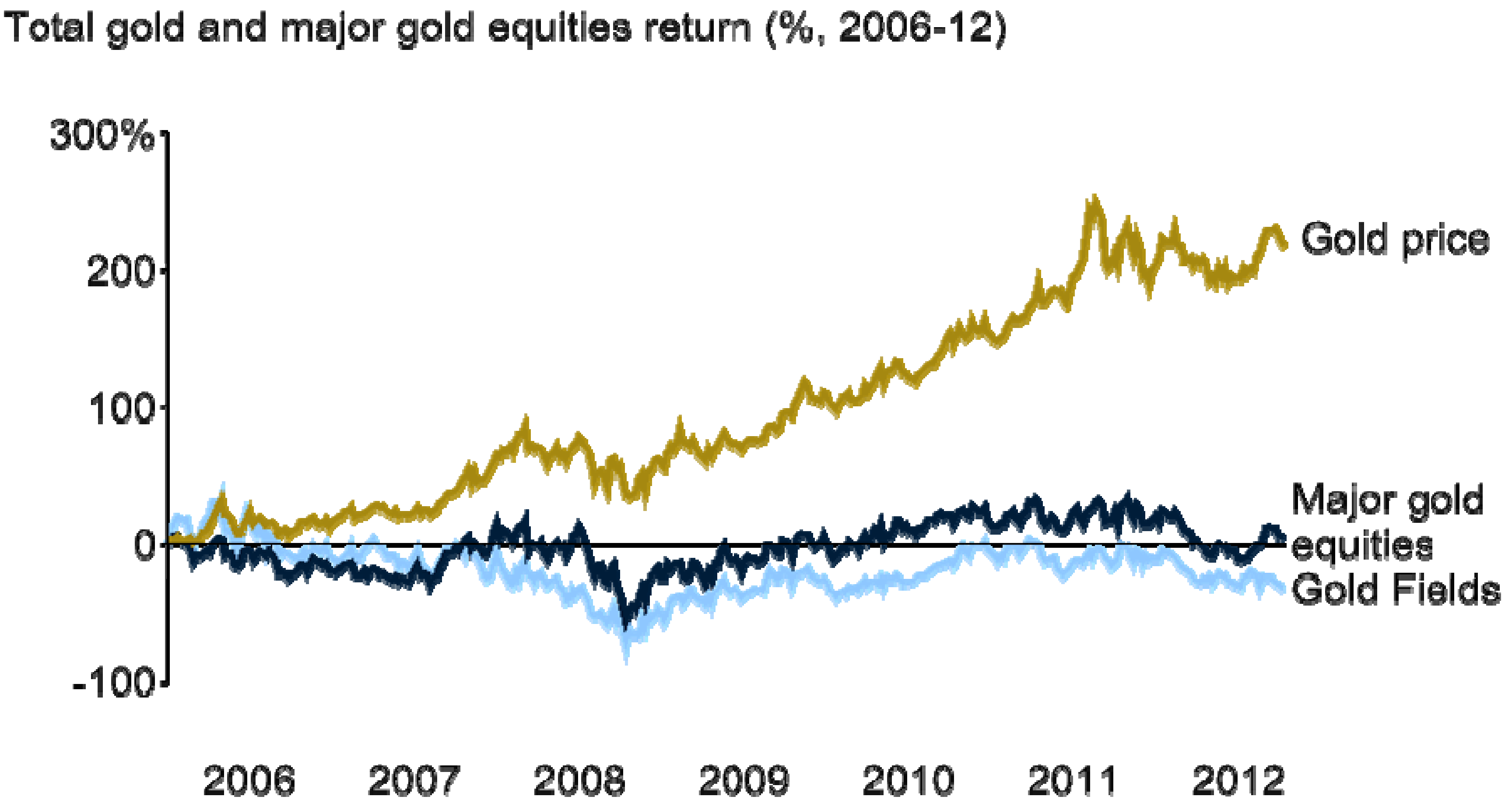
Certain statements in this document constitute "forward looking statements" within the meaning of Section 27A of the US Securities Act of 1933 and Section 21E of the US Securities Exchange Act of 1934.

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.

# Investors expect us to deliver leverage to the gold price

## However, we have not met their expectations…..




**Note:** Data indexed to 13 January 2006; 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

**Regaining Investor Confidence Requires a Paradigm Shift**

# The Gold Fields Paradigm Shift

## Its not about ounces at any cost…

1. **Focus on cash generation**
   - Review portfolio to optimise cash generation (Focus on NCE)
   - Prioritise low risk, high return brownfields growth opportunities
   - Pursue greenfields projects only if they offer truly attractive returns
2. **Deliver South Deep**
   - Full production of circa 700koz in 2016
3. **Financial gearing**
   - Leverage balance sheet for growth on a per share basis
4. **Strong dividend policy**
   - 25% to 35% pay-out of normalised earnings
5. **Sustainable development**
   - Focus on long-term sustainability of the business

**It's All About Cash!**

# Portfolio Review

## Unbundling Sibanye Gold

**Shareholders**

**Gold Fields Limited**

- Tarkwa
- Damang
- St Ives
- Agnew
- Cerro Corona
- South Deep
- Other Subsidiaries and Investments

**SibanyeGOLD**

- KDC
- Beatrix
- Service Entities

**Two Independent Companies. No Cross Holdings**

# Portfolio Review

## Unbundling Sibanye Gold - Rationale

| |
|---|
| Create fit-for-purpose, sustainable, long-life operations |
| Install a specialist, dedicated and focussed management team |
| Ring-fence SA cash flows for SA projects and dividends |
| Reverse declining production trends |
| Optimise extraction of reserves & resources and extend life of mines |
| Harness technology for challenges of deep level, hard rock, labour intensive mining |
| Act as catalyst for consolidation in SA gold industry |
| **A New Future For KDC And Beatrix** |

# Portfolio Review

## Focus on Sustainable Cash Generation

| | |
|---|---|
| **Group** | • Corporate Office and Regional structures rationalised<br>• Greenfields exploration spend cut to US$80 million p.a. |
| **St Ives** | • Owner mining conversion completed<br>• High cost heap leach operation closed |
| **Agnew** | • Low grade Main and Rajah ore bodies stopped<br>• Focus on high grade Kim ore body |
| **Tarkwa** | • High cost South Heap leach operation stopped |
| **Damang** | • Focus to improve NCE margin to + 25%<br>• Pit cut-back and underground options explored |

**No Marginal Ounces**

# Portfolio Review

## Focus On Cash Generation – Case Study, Agnew Gold Mine

### Challenges

- Mined high grade Kim and low grade Main & Rajah lodes
- Difficult ground conditions at Main & Rajah
- Paste fill and scheduling problems
- Attention and focus diverted away from high grade Kim

### Interventions

- Withdrew from Main & Rajah lodes
- Refocus mining on high grade Kim
- Restructure & rationalise fixed costs
  - Staffing reduced by ~20% (in 2012)
  - Mining fleet rationalised

| | | Q1 2013 | | H2 2012 | H1 2012 | |
|---|---|---|---|---|---|---|
| Gold produced | *koz* | **44** | | 102 | 74 | ↑ **38%** |
| Cash costs | *A$/oz* | **680** | | 710 | 920 | ↓ **23%** |
| NCE | *A$/oz* | **940** | | 970 | 1,400 | ↓ **40%** |

### Outlook

- Not a short term, high grading strategy
- Kim has 7 years of life
- Significant exploration potential
  - Extensions to Kim
  - Parallel new ore body discovered

**From The Worst Performer To The Best**

# Portfolio Review

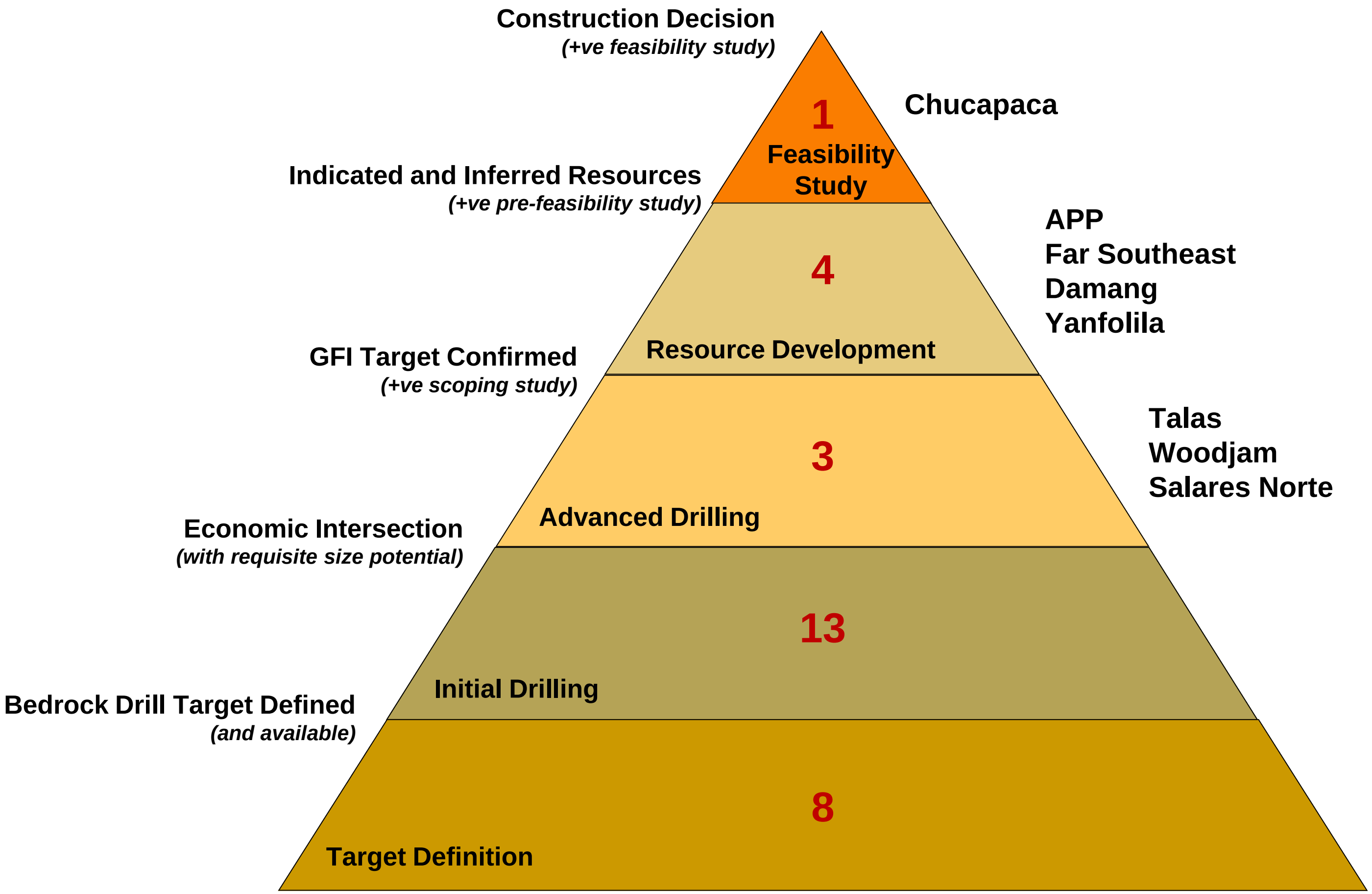
## Prioritise low risk, high return Brownfields Opportunities

| | |
|---|---|
| **Tarkwa** | **Tarkwa Expansion Phase 6 (TEP6)** |
| **Damang** | **Optimise extraction of 8.4Moz ore body** |
| **Cerro Corona** | **Sulphides Expansion Project**<br>**Oxides Project** |

**Low Risk Strategy To Grow Cash Generation Machine**

# Portfolio Review

## Pursue Greenfields Projects Only For Superior Returns




**Greenfields Project Pipeline – March 2013**

# Portfolio Review

## Pursue Greenfields Projects Only For Superior Returns

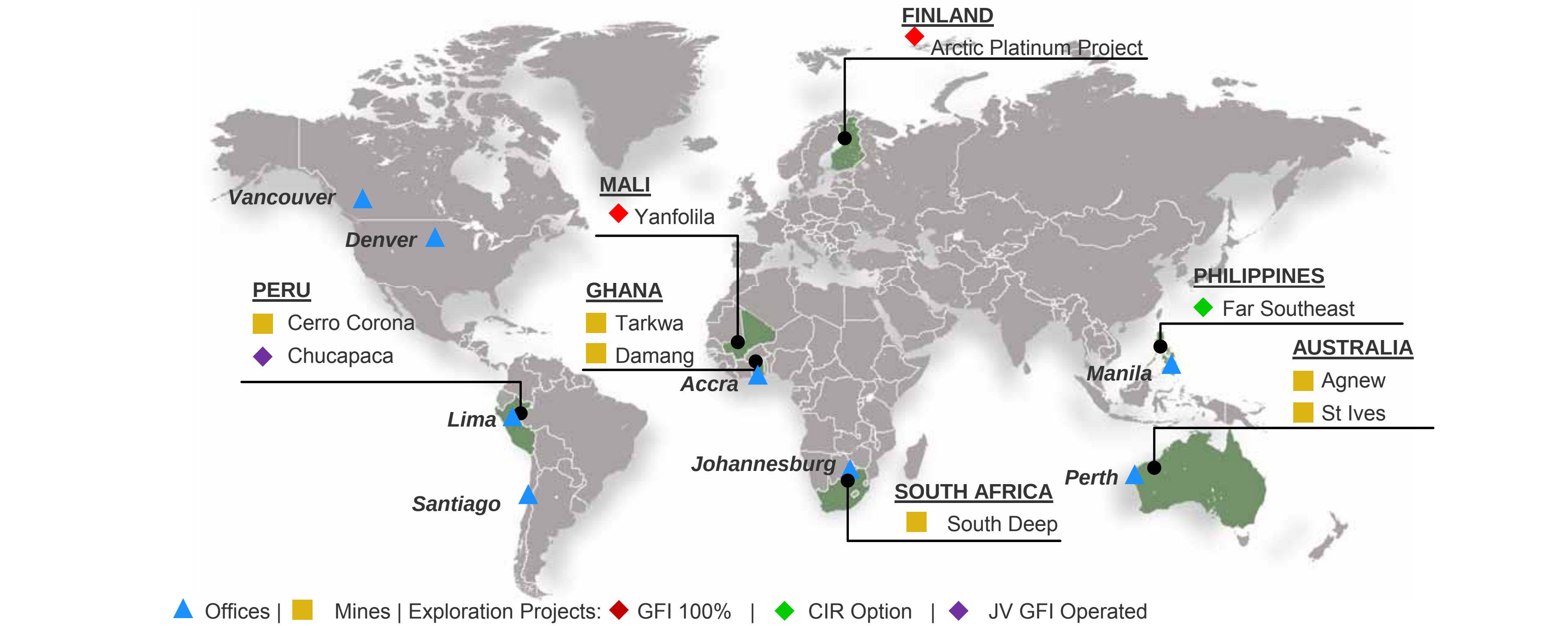
| | |
|---|---|
| **Peru** | **Chucapaca Project** |
| **Philippines** | **Far Southeast Project** |
| **Finland** | **Arctic Platinum Project** |
| **Mali** | **Yanfolila Project** |

- **Start small if possible**
- **Advance only projects with attractive returns**
- **Enforce stringent stage gates**
- **Where appropriate de-risk through financial or technical partnerships**
- **It is not about ounces!**

**No Unrealistic Production Targets**

# The New Gold Fields

## A Global Footprint




| | | South Africa | South America | West Africa | | Australasia | | International Operations | Total |
|---|---|---|---|---|---|---|---|---|---|
| | | South Deep | Cerro Corona | Tarkwa | Damang | St Ives | Agnew | | |
| Resources[1&2] | Moz | 79.3 | 3.7 | 14.6 | 8.4 | 4.7 | 3.5 | 41.9 | 114.2 |
| Reserves[1] | Moz | 39.1 | 2.8 | 10.1 | 4.1 | 2.2 | 1.2 | 20.4 | 59.5 |
| 2013 guidance[3] | koz | 313 | 275 | 645 | 173 | 390 | 155 | 1,638 | 1,951 |
| LoM[3] | Yrs | 50+ | 18+ | 16+ | 23+ | 6+ | 7+ | 15[4] | |

1. Managed gold Mineral Resources and Reserves as at 31 December 2012. Resources and reserves at Cerro Corona exclude copper (Resources:1,302Mlbs; Reserves 1,039Mlbs)
2. The total managed gold equivalent Mineral Resources as at 31 December 2012 excludes reserves of the growth projects (Chucapaca, APP, Yanfolila, Talas)
3. LoM based on 2013 production guidance. 2013 guidance is stated at the mid point on a gold equivalent basis.
4. LoM based on weighted average Mineral Reserve

# The New Gold Fields

## Results from operations – Q1 2013

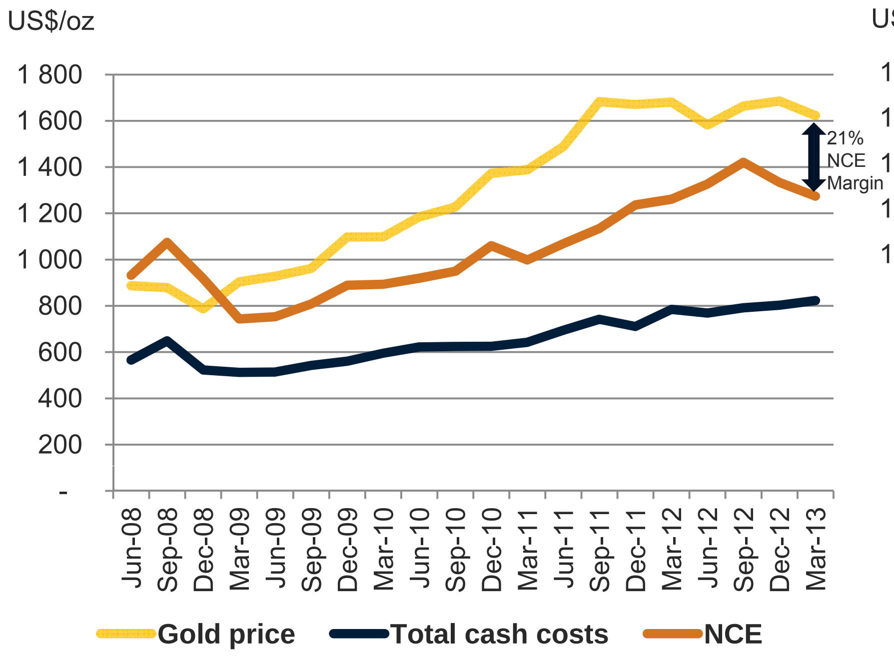
| | | Q1 2013 | Q4 2012 | Q1 2012 |
|---|---|---|---|---|
| Attributable production | koz | 477 | 534 | 498 |
| Cash costs | US$/oz | 819 | 798 | 758 |
| NCE | US$/oz | 1,291 | 1,365 | 1,258 |
| NCE margin | % | 21 | 20 | 25 |
| EBITDA | US$m | 404 | 503 | 491 |
| **Normalised earnings** | US$m | **68** | **127** | **60** |

**In Line With Guidance**

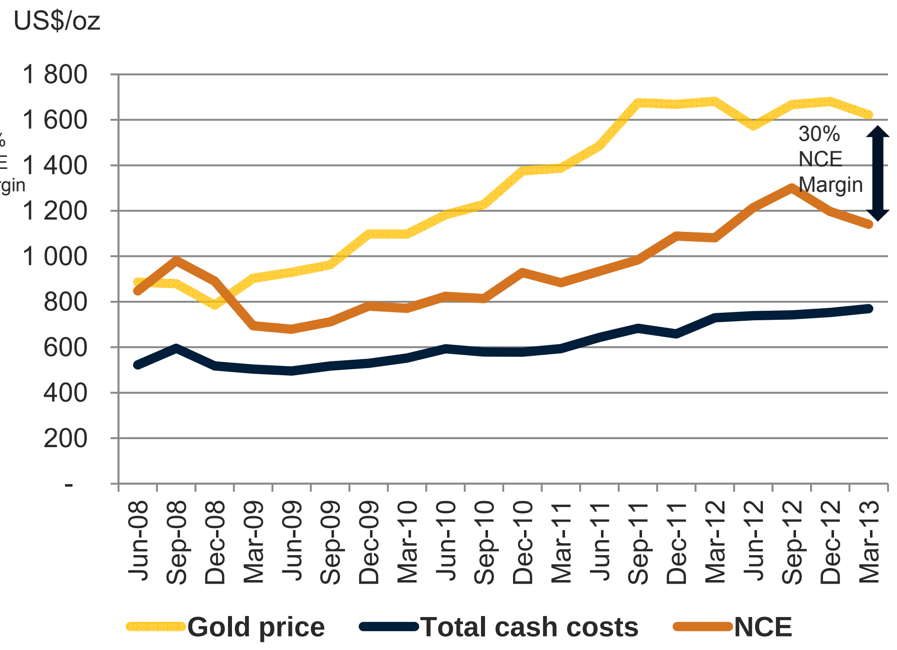
# The New Gold Fields

## Focus on All-in Costs (NCE)

### New GFI Including South Deep




### New GFI Excluding South Deep




**Targeting A 25% NCE Margin**

# The New Gold Fields

## Leverage the Balance Sheet

### Financial Targets

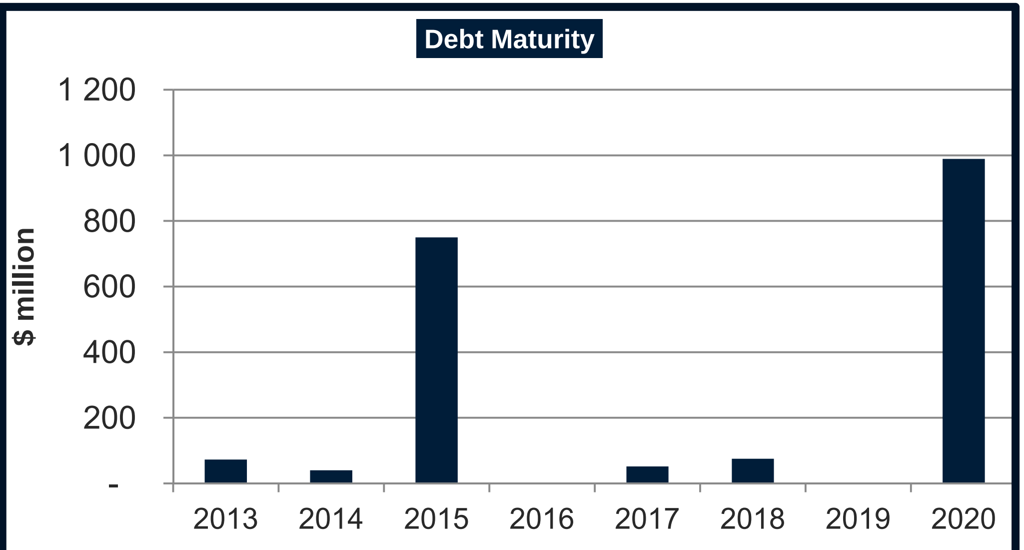
- Leverage balance sheet, in particular the long end
- Strive for long-term Net Debt / EBITDA ratio ≤1.0x

### Liquidity and Funding Policy

- Maintain strong liquidity and improve debt maturity profile
- Continue to diversify financing sources away from bank funding

### Balance Sheet

- Conservative debt maturity schedule



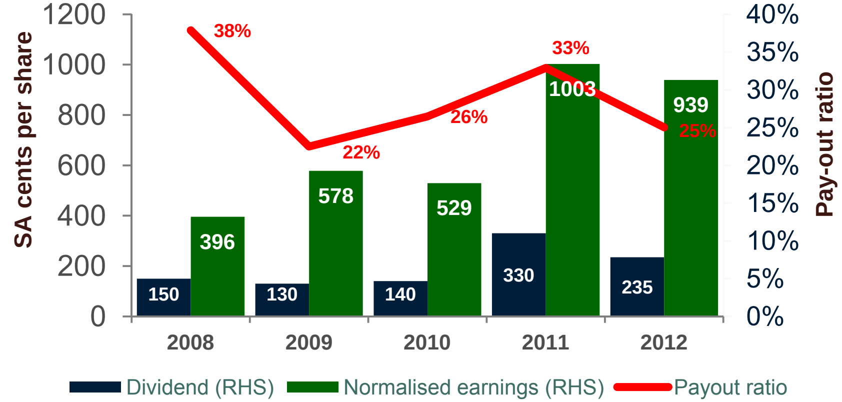

| All figures in US$ million | 31-Mar-2013 | 31-Dec-2012 |
|---|---|---|
| Net Debt – 31 March 2013 | **1,411** | **1,263** |
| EBITDA – Q1-2013 annualised | **1,616** | **1,868** |
| Net Debt/EBITDA – 31 March 2013 | **0.87** | **0.68** |
| Committed unutilised facilities | **746** | **700** |
| Cash From Operations – Q1-2013 (Q4-2012) | **200** | **321** |

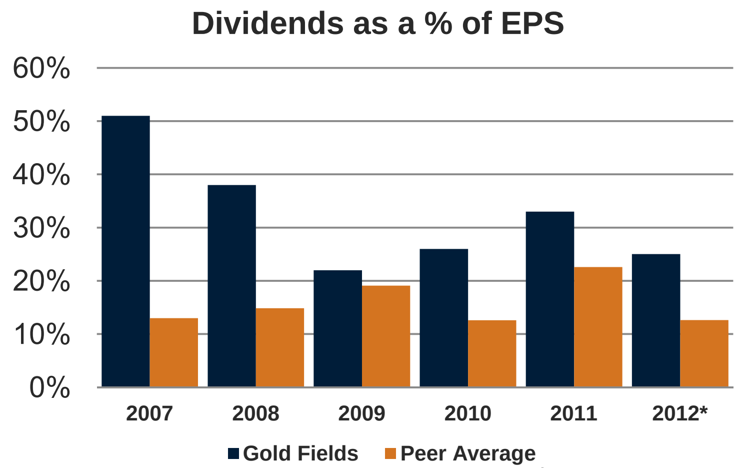
**Conservative Approach**

# The New Gold Fields

## Dividend Policy

| 2012 Dividends | |
|---|---|
| Final dividend | R0.75 per share |
| Full-year dividend | R2.35 per share |
| Pay-out ratio | 25% |



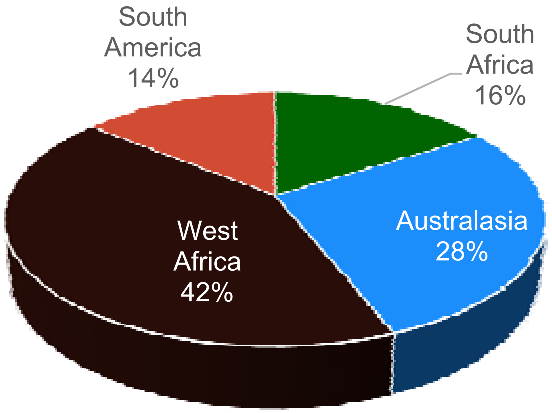




* Peer average pay-out ratio based on Bloomberg estimates of peer group on 13/02 2012

**Dividends Enjoy Priority – 25% To 35% Of Normalised Earnings**

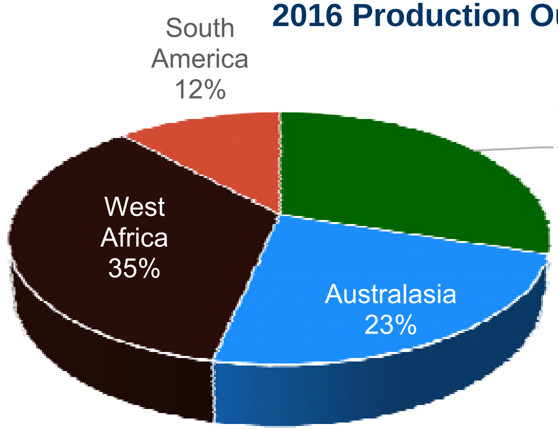
# The New Gold Fields

## International Diversification



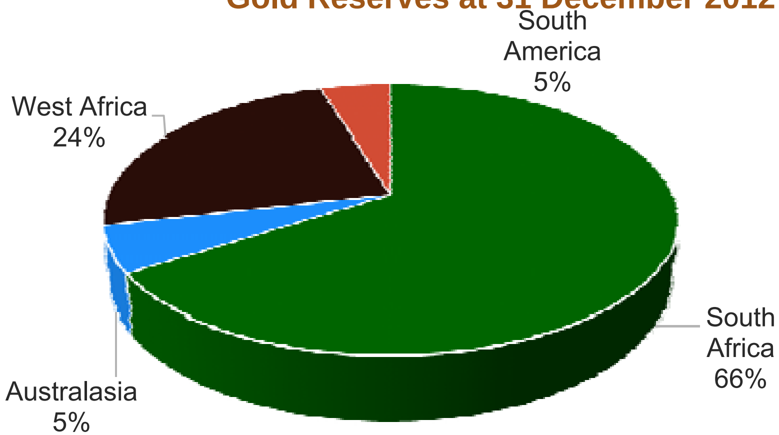

**2013 Production Guidance**

**2016 Production Outlook**




2016 production assumes South Deep at full production of 700koz

**Gold Reserves at 31 December 2012**




Reserves at Cerro Corona stated exclusive of equivalent gold ounces. Copper reserves were 1,039Mlbs at 31 December 2012

**A Global Footprint**

# South Deep Project (South Africa) 100%

## Capital Projects Progress

- **Landmark Union Agreement on new Operating Model – 2 October 2012**
- Full production of circa 700koz in 2016
- De-stress development increased 75% in 2012.
  - Targeting 50% improvement in 2013
- Self-funding by end of 2013

**Key Infrastructure Projects Completed : On Budget and On Time**

| | 2010 | 2011 | 2012 | 2013E | 2014E | 2015E | Status |
|---|---|---|---|---|---|---|---|
| 94 Level Refrigeration Plant | Phase1 commissioned | | Commission machines 3, 4 and 5 with 100 and 105 Level BACs | | | | On schedule |
| Twin Vent Shaft Deepening | | | | Hoisting builds up as per mine plan | | | Commissioned Oct 2012 |
| Tailings Storage Facility | | | | | | | Commissioned April 2011 |
| Plant Expansion 330 Ktpm | | | | | | | Commissioned Nov 2012 |
| Backfill Infrastructure | | | | Backfill pipe extensions in the 95-1W, 95-2W and 95-3W | | | Commissioned |
| New Mine Development | | | | | | | On-going |

**Transition To Build-up Underway**

# 2013 Group Guidance

## Conservative Yet Realistic

| | | |
|---|---|---|
| Managed production | koz | 1,910 to 1,990 |
| Attributable production | koz | 1,825 to 1,900 |
| Cash cost | US$/oz<br>R/kg | 860<br>250,000 |
| NCE | US$/oz<br>R/kg | 1,360<br>R395,000 |
| Exchange rates | US$:ZAR<br>US$:A$ | 1=9.00<br>1 = 0.962 |

**On Track To Meet Guidance**

# Conclusion

## A smaller, more focussed, yet solid platform for growth

Focus on cash generation and a superior return on all funds invested

Cash generation takes priority over production targets

Dividends have first call on cash flows – 25% to 35% of normalised earnings

Judiciously advance only low-risk, high return, brownfields and best greenfields projects

Seek opportunistic M&A of in production assets where path to value is clear

Maintain current approach to focus on gold and continue international diversification

**It's All About Cash!**

# It's All About Cash!

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