



GOLD FIELDS

Capital Projects Strategy

Analyst Day

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INTERNATIONAL CAPITAL PROJECTS IMPLEMENTATION STRATEGY

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INTRODUCTION

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.

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 environmental regulations; and new legislation affecting mining and mineral rights; changes in exchange rates; currency devaluations; inflation and other macro-economic factors, industrial action, temporary stoppages of mines for safety reasons; and the impact of the AIDS crisis in South Africa. These forward looking statements speak only as of the date of this document.

The company 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.

FORWARD LOOKING STATEMENTS

CAPITAL PROJECTS

Mining Industry's recent hurdles

- Market conditions for last 4 to 5 years added costs and caused delays in project completions.
- Most capital development projects did not meet expectations.
- Intensive competition for skills worldwide.
- Traditional mining support industries overloaded resulting in late equipment deliveries, limited fabrication capacity.
- Skill shortages and support industry lack of capacity driving costs up.

RECOGNITION OF ISSUES AND WILLINGNESS TO CHANGE

Good morning ladies and gentlemen.

My name is Ben Zikmundovsky, and I'm the new kid on the block. I was recently appointed the Head of International Capital Projects and Technical Services for Gold Fields

I have been in the project delivery business most of my working life, and the questions I am most frequently asked is "why do most projects start with such enthusiasm and end up in tears?"

The answer to this question is "because there are so many estimates and unknown external factors at the beginning of any project."

Executing a project is like doing a jigsaw puzzle in a storm at night. If you don't have all of the pieces secured, you will not end up with a full picture at the end of the day.

In this presentation I would like to demonstrate to you that Gold Fields has thought about assembling a jigsaw puzzle in a storm at night, and that we are ready to meet the challenges with respect to new capital project management.

The mining industry did not have it easy over the past five years when it comes to project

execution. I will not dwell too much on the past industry disappointments, as I'm sure everyone is quite familiar with them.

Certainly, project managers worldwide operated in a difficult environment over the past five years. Market conditions did affect outcomes, and the shortage of skills and support capacity had quite an effect.

In my opinion, one of the contributing factors was not only the lack of skills and lack of capacity, but also the loss of a capital project culture in many companies.

Gone are the days of mining houses having 200 or 300 highly specialised people in dedicated capital projects and technical departments. Those days will never repeat themselves.

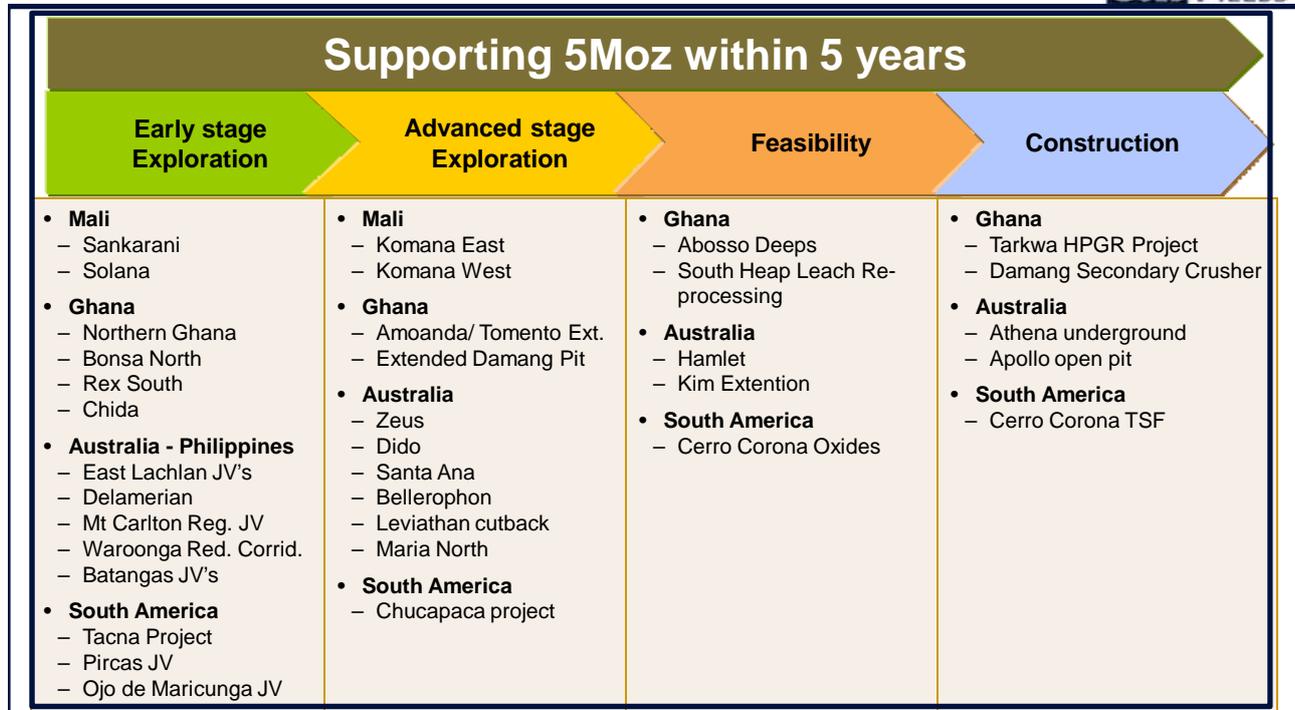
With the outsourcing of these services, some of the project culture has been lost, and very often, the project risk management was also abdicated to external service providers.

Gold Fields has recognised these issues, and they are complex.

We have developed a strong strategy in order to prevent the repeat of past legacies in the development of current and future capital projects.

CAPITAL PROJECTS

International Growth Pipeline



SOUND PROJECT MANAGEMENT DELIVERING GROWTH

This slide shows you the Gold Fields growth pipeline, specifically in our international Regions.

I will not go through the individual projects in any detail as they are all discussed at some length in the other presentations.

However, this slide demonstrates to you why we take capital project development so seriously in our Group.

Our objective is to make sure that the appropriate people, processes and plans are in place to deliver capital projects on time, in budget and within scope.

We believe that this is one of the areas in which Gold Fields will in the future differentiate itself from its peers.

CAPITAL PROJECTS

Development Strategy

Secure The Future

- If we cannot mine safely, we will not mine
- Establish sustainable project program and portfolio management
- Develop project culture, train and retain our people
- Convert exploration success to viable projects

Sweat the Assets

- Ensure that all current operations are optimized to give maximum production and life
- Ensure that all projects are “build for purpose”
- Deliver projects on time and budget

Grow Gold Fields

- Ensure swift but sustainable conversion of exploration projects to operating assets
- Assist in expanding the South American region
- Through technical innovation, ensure extended life of producing assets

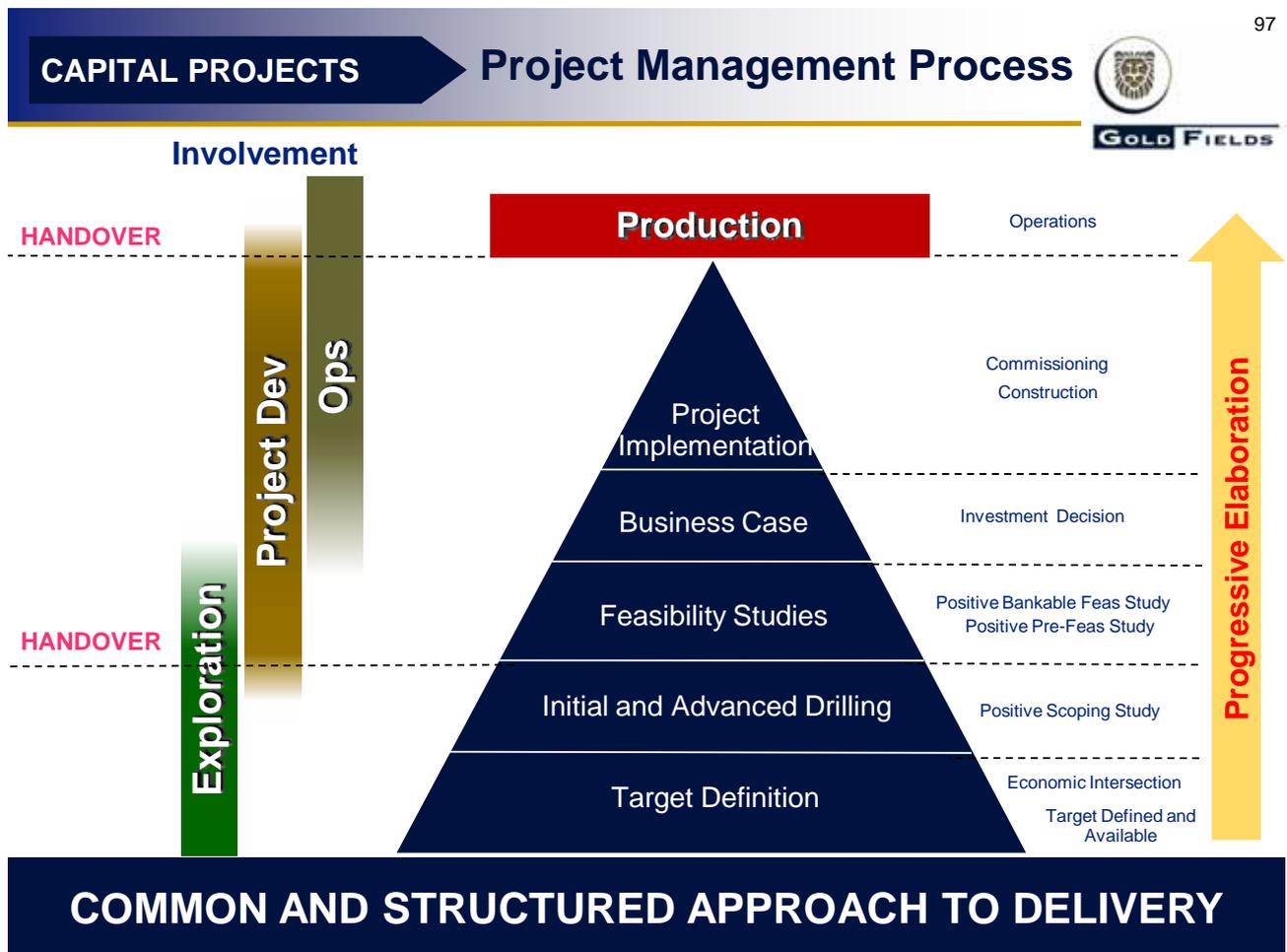
FOCUS ON DELIVERY

Our capital projects delivery strategy is in line with the main Gold Fields strategic pillars, namely: Secure The Future; Sweat The Assets; and Grow Gold Fields.

Secure The Future: It has been said many times that if we cannot mine safely we will not mine. That applies to projects as much as to operations. We will convert our exploration successes into viable projects.

Sweat The Assets: We will ensure that all projects are technically optimised to yield the maximum production in the mine life and to achieve optimal internal investment hurdles.

Grow Gold Fields: We will ensure that there is a swift but sustainable conversion of our exploration projects into operating assets. Through a focus on technical innovation and project delivery we will ensure that existing assets have extended life.



Project execution often fails because everyone is too excited about the final project outcomes at the beginning, and the benefits it will bring after its completion, and amongst all of this excitement the main project delivery processes are quite often forgotten.

This slide shows the processes, roles and responsibilities within Gold Fields. It clarifies who does what, when and under what circumstances.

As you can see, this is a typical process which we go through. We've got target definition, drilling, which hopefully results in a positive scoping study. We then go through the process of feasibility studies, pre-feasibility, bankable feasibility studies etc. That leads to a business case, where an investment decision is made, and project implementation begins, through to construction, commissioning and, finally, to production and operations.

The main purpose of this slide is to demonstrate our responsibilities at various stages of the projects. It shows not only the responsibility, but also the ownership at various stages of the projects.

I believe that the processes we have put in place are the best there are. I also know that, with this common and structured approach to project delivery, we can deliver projects on time and on budget.

Initiatives to mitigate project risks

- Understand and distribute all lessons learnt from the past (in progress)
- Initiate and embed the Capital Investment Framework / Guidelines (in progress)
- Initiate timely project skills and resources planning (initiated)
- Categorize project by their complexity, location, value, growth and/or sustaining and develop specific execution plans (in progress)
- Classify study levels and achieve consistency (in progress)
- Initiate early project risks identification and mitigating controls
- Initiate overall project controls strategy (in progress)

Strategic Trusts

- Structure: Develop core project management structures and roles and responsibilities (in progress)
- Staffing: Recruit experienced project managers and project support staff to address pipeline (in progress)
- Systems: Complete the roll out and embed the project management systems that are currently being developed

RECOGNITION OF CHALLENGES - MITIGATION

I would like to outline the way forward and illustrate some of the Gold Fields initiatives that we have undertaken to mitigate various project risks.

We need to learn from the industry's past mistakes, and we are disseminating lessons learnt right across the whole group.

The Capital Investment Framework (CIF as we call it) initiative is already underway, and will be in place early next year.

The objective of the CIF is to give the Group guidance on how to effectively manage capital projects and to clarify what project controls to apply, when and under what circumstances.

From a financial perspective all projects require capital. However, there are many different types of projects in Gold Fields' capital investment portfolio, and we need to differentiate between these types because different projects need different approaches and methodologies of execution. There is no such thing as one size fits all when it comes to project management.

We will also classify our different study levels, defining deliverables for each level, therefore having good clarity on the accuracy of future project costs. Obviously it goes



without saying that early project risk identification is of utmost importance.

Structure needs to match the strategy. I believe we have done it, and we have initiated the setting up of project delivery structures, skilled project staffing to implement these initiatives and the systems to support the structures.

It is important to roll out the right systems at the right time so that they serve the project rather than the project serving the system.

In closing, I would like to share with you a quote from one of the greatest ice hockey players in history, Wayne Gretzky. When asked what his secret to success was, he answered: skate to where the puck is going to be, not where it has been. And I believe that we have positioned Gold Fields to skate where the puck is going to be. Thank you.