**Willie Jacobsz**

Good morning ladies and gentlemen. Thank you very much for joining us this morning for our quarter two results for F2009. I draw your attention to the forward looking statement which is in your pack and which we consider read.

In the unlikely event of an emergency, please take note that there are emergency exits against that wall. Exit the room through there, go onto the lawns and the tennis court as far away from the building as possible, and take your umbrellas with you. You might need them.

This morning Nick is going to give us an introduction and overview of the quarter. He will then hand over to Paul Schmidt, who will take us through the financials. Vishnu Pillay will take us through the South African operations, after which Glenn Baldwin will take us through the international mines. Nick will then conclude with review of strategy, and after that we will have time for a few questions and answers. Nick, I hand over to you.

**Nick Holland**

Thank you very much, Willie, and morning everybody. First of all I'd like to welcome Paul Schmidt on my right as our new Chief Financial Officer. He has been acting with distinction in that role over the last nine months, so we're very pleased to add Paul to the executive team. And I think this rounds off the team now. We have everybody in place that we need. All the

positions in the executive team are now filled. And more importantly, all of the expertise and the skills base in the local and international divisions have been put in place, and I'm very confident that we have the right people for the future here.

To take you back to a slide that I put up in May last year when I first took over as CEO, one of the things that we wanted to do was get Gold Fields up to four million ounces again. The strategy overall, the three pillar strategy, didn't change. Securing the future, operational excellence and growing the company.

But underpinned by safety, safety being the number one priority in the company. We had to make a significant inroad into improved safety.

We targeted the run rate of about four million ounces a year during quarter three of 2009, which is the March quarter, and getting our NCE – that was the other thing that I brought in, the whole concept of all-in costs, including capital expenditure, not just operating costs – down to $725 an ounce at an exchange rate of R8 to the dollar. That's the target we've set ourselves, so I think everything you see in this presentation should be looked at in the context of where we want to take the company.

## DELIVERING OUR COMMITMENTS

| | |
|---|---|
| **GUIDANCE** | • Q1 and Q2 F09 production and cost targets achieved |
| **TARKWA EXPANSION** | • CIL plant expansion completed<br>• 1 mtpm design capacity by 23 Dec 08. |
| **CERRO CORONA** | • Capital project completed<br>• 500,000 tpm name plate capacity by late Dec 08 |
| **ST IVES** | • Belleisle and Cave Rocks ramped up by Dec 08<br>• Production build-up as underground mines deliver |

## OVER THE CAPITAL HUMP

If we look at the last two quarters to December, the other thing I mentioned to you in July when I gave the year-end results was that the rest of 2008 was going to be lousy. And before anybody writes these terrible sets of results, yes, they are bad. I said they'd be bad, and I said that Gold Fields was going through a period of six months of transistioning itself and getting it back up to where it should be. I'm pleased to tell you, however, that we've met the guidance for those two quarters, and in particular for the quarter we're in now we are showing an upward tick and we've met our guidance spot on in terms of production and in terms of costs.

I think the exciting things that have happened during the quarter, which gives me a lot of confidence for the future, is first of all the Tarkwa expansion has been completed. That project was doubling the mill capacity from 450,000 tonnes a month to a million tonnes a month. And I set the team a target. I said I'm going to be on holiday in Cape Town over Christmas. I'd like you to give me a call, please, and tell me that we've got this plant commissioned and it's running at capacity of 36,000 tonnes a day by Christmas. The team took up the challenge, and I duly got the phone call, not on Christmas day, in fact on the 23rd December. The other thing is that all of the capital was completed, and it's fully accounted for in this quarter, around about $173 million. So that puts us in a very good position to get Tarkwa up to its design capacity of a million tonnes a month for the March quarter and beyond.

Secondly, the Cerro Corona project is finally completed, and again all the capital spent in line with the final numbers. $545 million, that's all in these numbers now. There is no more project capital to come. And again I must say the team have done a great job.

Commissioning these plants with flotation circuits is no easy thing, and talking to the mettalurgical guys, it can take anywhere from three to six months to stabilise these plants. The team have achieved that certainly within that time period by the end of December, and we achieved the name plate capacity of about 17,000 tonnes a day milled in late December. So we're very pleased with the progress in ramping up that operation, and now we can look forward to a full quarter of name plate capacity production in March.

St Ives, which I think has been a disappointment both to us and yourselves over the last couple of years is starting to turn the corner, starting to ramp up. And getting the Belleisle and Cave Rocks underground mines in place certainly provides the high grade underground sweetener that the operation sorely needs. So those mines are fully ramped up, and we're going to see production now moving up again in the March quarter. As Glen will show you in his presentation, the future at St Ives looks a lot brighter than what I've seen for the last seven years that we've owned this operation.

So I think we're over the main capital hump and we can now start harvesting our projects.

INTRODUCTION **Strategy To Release Value** 8

## SAFETY PROJECTS

| | |
|---|---|
| **KLOOF** | • Main Shaft steel replacement completed on schedule |
| **DRIEFONTEIN** | • Critical secondary support backlog completed |
| **SOUTH DEEP** | • 95 2 & 3 West Ramps rehabilitation completed<br>• Vent Raise Hole repaired |
| **PILLAR MINING** | • Pillar mining review completed and implemented |

**SOUTH AFRICA TO INCREASE PRODUCTION FROM 15.5 TONS TO 18 TONS OF GOLD PER QUARTER**

## ALL REHABILITATION PROJECTS COMPLETED

On the safety side, the Kloof main shaft steel replacement - bear in mind we had to stop the shaft at the end of July and replace 225 tonnes of steel. Essentially we had to replace a lot of the buntons, dividers and guides in that particular shaft that were heavily corroded over the last 40 years. And to put this into context, remember this is a 2,000 metre shaft. You can put seven Eiffel Towers into the shaft. And in fact, I went down the shaft myself and had a look at some of the work the guys were doing. Some of the buntons were in a particularly bad state. And I have to say the team has finished the job on time and within budget. Taking 225

tonnes of steel out of that shaft and replacing it, the work that our team has done, I don't think anybody else in this country could have done the work that our engineering teams have done. So I'm very proud and pleased by what they have achieved.

Driefontein - the other critical area was the secondary support backlog, and in particular this was going to impact both stoping and development over the six months. The stoping reduction in particular was going to be acute in the September quarter. We've made tremendous inroads into the secondary support backlog which accumulated over many years. One of the reasons you'll see Driefontein's development values are so low, because we haven't been developing some of the higher grade areas. We've been redeploying crews into the secondary support, and that's why the values are down - nothing to be concerned about. We're getting back into development now. We have enough flexibility. But this had to be done. We couldn't continue to operate safely sitting with this kind of backlog.

South Deep - the 95 two west and 95 three west ramps that we spoke about previously, that rehabilitation had to be done. That's complete and we're getting back up to historical production levels. And also the vent raise hole – remember that's where the tragic accident took place on the 1st May and we had to change the whole conveyance there – that repair job is now complete and we expect to commission that vent raise hole, which is very important in terms of begin the second form of egress, shortly.

Pillar mining - we took 1.5 million ounces out of our reserves. It was a hard decision to make but the right decision. I have absolutely no regrets about making that decision. Some of the stuff we had to take out was higher grade, so it has impacted our grade, but I think the good news is that we've taken out everything that we needed to. There is nothing more now that we feel uncomfortable about, so we've made the big step change reduction there.

With all of this work done, South Africa now needs to get back closer to where we were before the electricity crisis. Remember we used to produce 21 tonnes of gold per quarter. Then the Eskom crisis hit on the 27th January and we went down to around 15 tonnes. We expect to get that back to around 18 tonnes in the March quarter, and I'm sure we're going to get closer to 19 to 20 tonnes thereafter, so we're back on the way to recovery in South Africa. And I think you'll see the unit costs come down appreciably once we achieve that. So we're all set up for a much better 2009.

INTRODUCTION

## Strategy To Release Value

### STEP CHANGE IN SAFETY

Du Pont Safety Review completed

Training and Culture interventions ongoing

Significant improvements in all safety metrics

8 Fatalities year to Dec against total of 47 for F2008

### "WE WILL NOT MINE IF WE CANNOT MINE SAFELY"

In terms of safety, the DuPont safety review was completed, and it has been a useful exercise. And obviously we'll be factoring those findings into our new strategies on safety to make sure we can be best practise in terms of safety practises and processes. Training continues. We put thousands of people through our training every year on safety, and basically every employee over a period of two years would have gone through the training intervention. That's 45,000 people, so it tells you how many people are going through every year. Our safety metrics have improved substantially compared to the previous year, so it's paying dividends. All of this work is paying dividends.

Unfortunately I have to report that we've had eight fatalities in the year to date against a total of 47 for 2008, but I think you'll all agree that we're on the right track and this is making a difference. Bear in mind as well, investing in safety is a good investment. It's not a cost. If you are continuing to have accidents in operations you have a stop-start process. You never really get these juggernauts to operate on a steady-state basis if you have a stop-start issue around safety and accidents. So this is an important investment. And I stand by the statement, if we can't mind safely we won't mine. And that is the the philosophy and culture of Gold Fields.

INTRODUCTION

## Strategy To Release Value

## Q2 F2009 RESULTS

| | |
|---|---|
| Gold production | • Up 5% to 839,000 attributable ounces |
| Cash costs | • ZAR – flat at R153,893<br>(US$ - down 21% to US$ 487/oz) |
| NCE | • ZAR - up 8% to R244,210<br>(US$ - down 15% to US$774/oz) |
| Operating profit | • Up to R2,566m |
| Net earnings | • Up to R483m |
| Normalised earnings | • Up to R542m |
| Interim Dividend | • R0.30 per share |

## GUIDANCE ACHIEVED

Briefly for the quarter, gold production - bang on line with guidance, 839,000 ounces. So it should be no surprise to anybody here. Also on cash costs we've outperformed guidance. In Rand terms, R153,000 a kilogram. In US Dollar terms down 21% to $487 per ounce. And of course the Rand exchange rate having weakened by 27% has obviously had a significant impact on our cash costs. That's come to our benefit too. And the NCE still high at R244,000 a kilogram, but bear in mind this was the quarter where we finished all of the important capital at Cerro Corona and at Tarkwa. And you'll see later on that now that the project capital is out the way we expect this capital cost to come down. The operating profit was up to R2.5 billion. Net earnings, if you strip out all of the one-off items, so-called normalised earnings, were R542 million for the quarter. And that compares against normalised earnings last quarter of R120 million. So we've seen a four and a half times increase on bottom line earnings this quarter, which is not only the gold price, it's also because of the higher production.

The interim dividend is (SA) 30 cents a share. It's slightly lower than the 50% that we normally pay out, but within our policy. Remember, our policy says we pay out 50% subject to investment opportunities, so this is in line with that. It represents about 38% of earnings. We're still the highest dividend payers in the gold industry by a long walk. And the reason it's slightly off is because of the very high capital we've invested over the last year. And that means a lot of our operating cash flow has been reinvested, and therefore we've pulled back a bit. But that's going to provide a good platform for the future for us to pay higher dividends.

INTRODUCTION

## Strategy To Release Value

| HIGHER GOLD PRICE | |
|---|---|
| + Higher production | |
| + Weaker exchange rate | |
| + Lower input costs | Lower NCE |
| + Lower capex | |
| **= IMPROVED FREE CASH FLOW** | |

## A BETTER H2 F2009

If we stand back and look at what's happened over the last few months and where we're going, we're seeing a higher gold price. If you look over 2008 the gold price has gone up 4% in Dollar terms. Everything else has come down. PGMs have come down, copper has come down, oil has come down, nickel has come down, everything has come down. Gold has held up pretty well, and it provides a tremendous platform for further growth. We're seeing record investment into ETFs. ETFs are now standing at about 1,200 tonnes of gold. The central banks aren't selling anywhere near their allocations. Physical demand has never been better. In fact, coins and bars, you couldn't get them over the last quarter. The Kruger Rand has been trading at a large premium to spot. Mine supply over 2008 went up only 2%, undershot the forecasts substantially, notwithstanding the higher price.

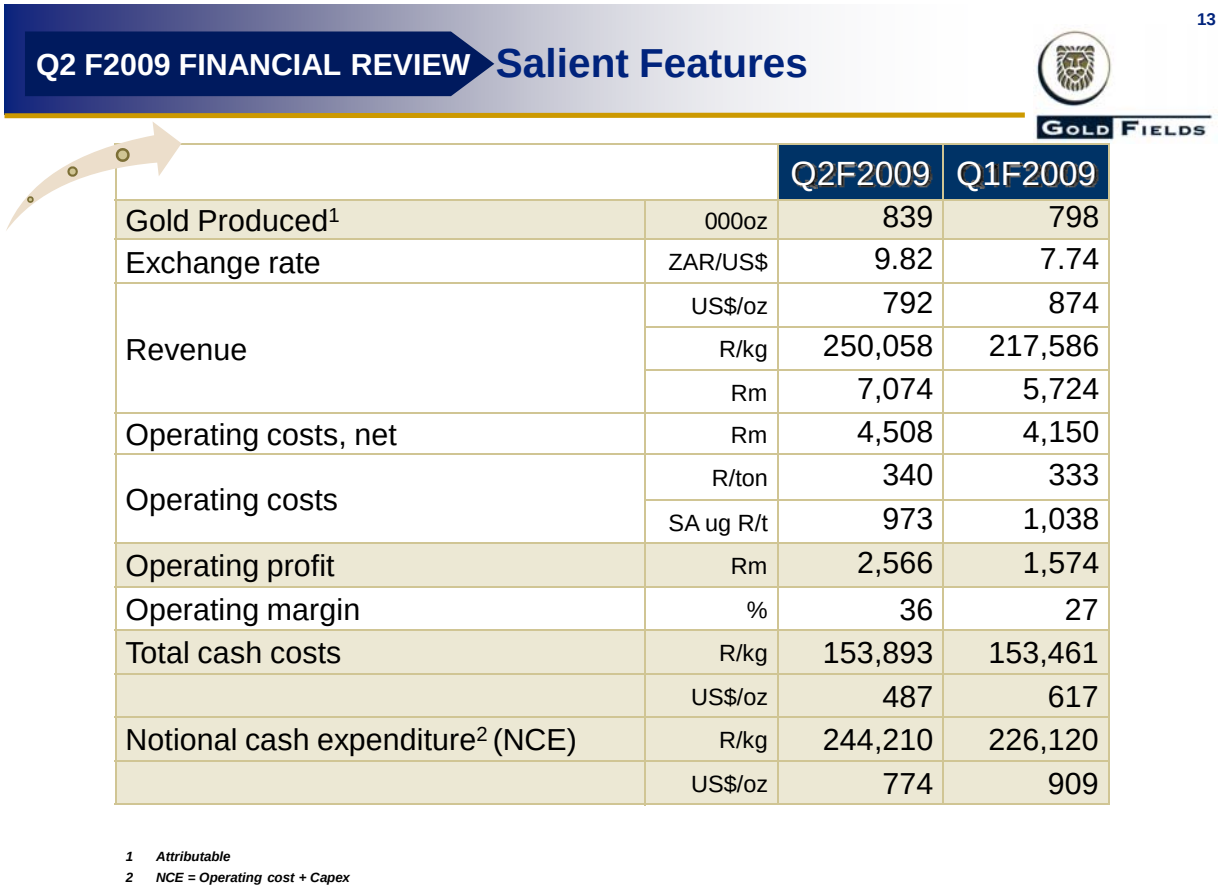
So I think the fundamentals are good for gold, and the sentiment is good for gold. I'm not going to give any wild predictions as to where the gold price is going, but I certainly think it's got the potential to go higher. We've got the weaker exchange rate to buffer us both in South Africa and in Australia, and interestingly, yesterday the realised price you could get in Australia was A$1,350 per ounce. Now, even with the historical poor performance out of St Ives, even that can make money, even at that historical poor performance. Imagine what it can do if we can ramp it up, which we will, and benefit also from the weaker exchange rate. And Agnew will be an absolute money spinner at these kinds of exchange rates. That's helped us.

Lower input costs are coming through. You know we're seeing lower diesel coming through; we're seeing steel coming down. One of the problems with that is costs are very elastic on the way up and they're very sticky on the way down. We've got to go out and hunt those cost

reductions, and we're doing it. That's going to take some time but it's going to come through. And then lower capital, as I spoke about, now that the projects are finished.

So - all of this provides the ingredients for a much better, improved cash flow going forward. I'm going to talk about strategy later on, but with that I'm going to hand over to Paul, and he will take you through the financial results.

**Paul Schmidt**




| | | Q2F2009 | Q1F2009 |
|---|---|---|---|
| Gold Produced[1] | 000oz | 839 | 798 |
| Exchange rate | ZAR/US$ | 9.82 | 7.74 |
| Revenue | US$/oz | 792 | 874 |
| | R/kg | 250,058 | 217,586 |
| | Rm | 7,074 | 5,724 |
| Operating costs, net | Rm | 4,508 | 4,150 |
| Operating costs | R/ton | 340 | 333 |
| | SA ug R/t | 973 | 1,038 |
| Operating profit | Rm | 2,566 | 1,574 |
| Operating margin | % | 36 | 27 |
| Total cash costs | R/kg | 153,893 | 153,461 |
| | US$/oz | 487 | 617 |
| Notional cash expenditure[2] (NCE) | R/kg | 244,210 | 226,120 |
| | US$/oz | 774 | 909 |

*1 Attributable*
*2 NCE = Operating cost + Capex*

Thanks, Nick. Good morning everybody.

If we start with production - production increased from 798,000 ounces to 839,000 ounces. As Nick mentioned earlier, this is in line with the guidance given at the September quarterly.

If we look at the gold price - the gold price in Dollar terms decreased from $874 to $792 per ounce. However, in Rand terms it increased from R217,000 to R250,000 per kilo. This on the back of the weaker Rand, decreasing from R7.74 to R9.82 to the Dollar.

The impact of the increased production and the higher Rand gold price resulted in revenue increasing from R5.7 billion to R7.1 billion.

If we look at operating costs - operating costs increased from R4.2 billion to R4.5 billion. The main reason for the increase is the conversion of the foreign operations at the lower Rand

Dollar exchange rate as well as the inclusion of Cerro Corona's costs for the full quarter. I think it's a good control of costs that we're seeing here.

If we look at operating profit - this increased from R1.6 billion to R2.6 billion.

Of note is that the operating margin increased from 27% to 36%.

If we go further down, total cash costs in Dollar terms decreased from $617 to $487 per ounce. Notional cash expenditure, or NCE, decreased from R909 to R774.

Q2 F2009 FINANCIAL REVIEW

## Income Statement

14

| | | Q2F2009 | Q1F2009 |
|---|---|---|---|
| Operating profit | Rm | 2,566 | 1,574 |
| Amortisation & depreciation | Rm | (1,033) | (902) |
| Net operating profit | Rm | 1,533 | 672 |
| Finance cost | Rm | (164) | (112) |
| Share of loss of associates | Rm | (47) | (104) |
| Loss on financial instruments | Rm | (66) | (56) |
| Exploration | Rm | (136) | (68) |
| Other expenses | Rm | (100) | (120) |
| Profit before tax & exceptional items | Rm | 1,020 | 212 |
| Exceptional items | Rm | (5) | 115 |
| Mining & income tax | Rm | (496) | (257) |
| Net profit | Rm | 519 | 70 |
| Net profit attributable to minority shareholders | Rm | 36 | 31 |
| Net profit attributable to ordinary shareholders | Rm | 483 | 39 |
| | SA cps | 74 | 6 |
| Normalised earnings | Rm | 542 | 120 |
| | SA cps | 83 | 18 |

If we go to the next page, if we look at amortisation and depreciation, this increased from R902 million to just over R1 billion, and this is in line with the increased production.

Looking further down the income statement, if we look at finance costs this increased from R112 million to R164 million, mainly due to higher interest payment as a result of higher average borrowings during the quarter.

Share of loss of associates decreased from R104 million to R47 million, and this was on the back of lower losses made by our associate, Rusoro Mining.

Loss on financial instruments has remained fairly consistent at about R60 million, and it represents mark to market losses on our diesel hedges in both Ghana and Australia. Of note is that these hedges have now been fully expensed and nothing more needs to come through the income statement. If we look at exploration - exploration has doubled from R68

million to R136 million. The main reasons for the increase is the first time inclusion of expenditure at our Talas project is Kurdistan as well as some of our joint venture partnerships with Sino Gold in China. Other expenses represents a hotchpotch of things, and has decreased from R120 million to R100 million.

If we look further down at exceptional items, we had an exceptional loss of R5 million this quarter compared to a R115 million gain in the previous quarter. If we remember, the previous quarter saw the inclusion of the insurance claim for the fire at South Deep.

Mining and income tax increased from R257 million to R496 million, and that is in line with the increased operating profit.

If we look at net profit, it increased from R70 million to R519 million. If we deduct the minority shareholders' share of this, net profit attributable to the ordinary shareholders of Gold Fields increased from R39 million to R483 million, or from 6c to 74c.

Normalised earnings – that is net profit attributable to ordinary shareholders but after deducting losses from associates, losses from financial instruments, losses from foreign exchange as well as exceptional items – increased from R120 million to R542 million, or from 18c to 83c. I think this is a very good result for Gold Fields for the quarter.

Q2 F2009 FINANCIAL REVIEW

## Cash Flow Statement

15

| | | Q2F2009 | Q1F2009 |
|---|---|---|---|
| Cash flows from operations | Rm | 1,787 | (32) |
| Dividend paid | Rm | - | (785) |
| Capital expenditure net | Rm | (2,345) | (1,811) |
| Other investing activities | Rm | (5) | (97) |
| Net loans (repaid)/received | Rm | (340) | 2,596 |
| Other financing activities | Rm | 9 | 3 |
| Net cash outflow | Rm | (894) | (126) |
| Currency translation adjustment | Rm | 130 | (63) |
| Cash at beginning of period | Rm | 1,818 | 2,007 |
| Cash at end of period | Rm | 1,054 | 1,818 |

If we move on to the cash flow statement - cash flow from operations was at about R1.8 billion for the quarter. The main reason for the increase quarter on quarter was the increased

operating profit as well as lower tax payment. One must remember that in September we saw the big year-end tax payments for the South African operations.

Dividends paid - there was no dividend paid this quarter, however the September quarter had R785 million in. This was for the final F2008 dividend payment.

Capex increased from R1.8 billion to R2.3 billion. The main reason for this was the final expenditure coming through for the CIL plant in Ghana as well as the Cerro Corona project.

Going further down, if we look at net loans there was an outflow of R340 million this quarter, and was mainly due to a 50% redemption of our preference shares.

In the previous quarter we saw a R2.6 billion inflow. This was due to borrowings by the South African operations to fund working capital requirements. The net effect of the above is that net cash outflow increased from R126 million to R894 million for the quarter.

If we add to this currency translation adjustment as well as the opening balance, cash at the end of the period was R1.1 billion compared to R1.8 billion at the beginning of the quarter.

Q2 F2009 FINANCIAL REVIEW **Balance Sheet** 16

| Net Debt as at End December 2008 | | |
|---|---|---|
| | Rm | $m |
| Loans - Long term | (10,016) | (1,039) |
| Loans - Short term | (392) | (41) |
| Total loans | (10,408) | (1,080) |
| Less cash and deposits | 1,054 | 110 |
| Net debt | (9,354) | (970) |
| Less investments | 4,360 | 452 |
| Net debt after investments | (4,994) | (518) |

## DEBT LEVELS WITHIN COMFORT RANGE

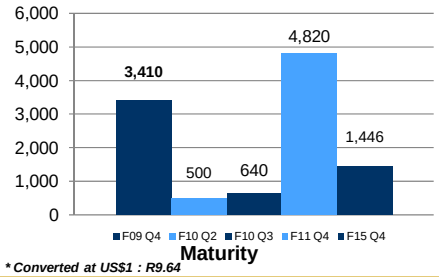
If we move on to net debt, our net debt position at the end of the quarter was just over R9.3 billion or just below $1 billion, a number that we are very comfortable with. However, if we deduct from this our investments which are highly liquid, our net debt is about R5 billion or just over $500 million.

## Q2 F2009 FINANCIAL REVIEW Financial Flexibility

### Headroom Available

| | Rand Denominated | US$ Denominated |
|---|---|---|
| | Rm | $m |
| Uncommitted Facilities | 550 | 40 |
| Committed Facilities | 500 | 150 |
| Total credit | 1,050 | 190 |

**Debt Maturity Profile (Rm) as at Dec 2008***




*Converted at US$1 : R9.64*

**Refinancing Plan**

- Free cash flow
- Local market remains liquid and cost effective

## AMPLE LIQUIDITY

If we look at our available headroom, at present we have Rand denominated facilities of just over R1 billion, and US denominated facilities of about $200 million. If you look at our debt maturity profile you will see in quarter four, in the June quarter this year, we have about R3.5 billion worth of debt maturing. We believe we will fund about two thirds of this from existing facilities and the remainder we will fund from free cash flow.

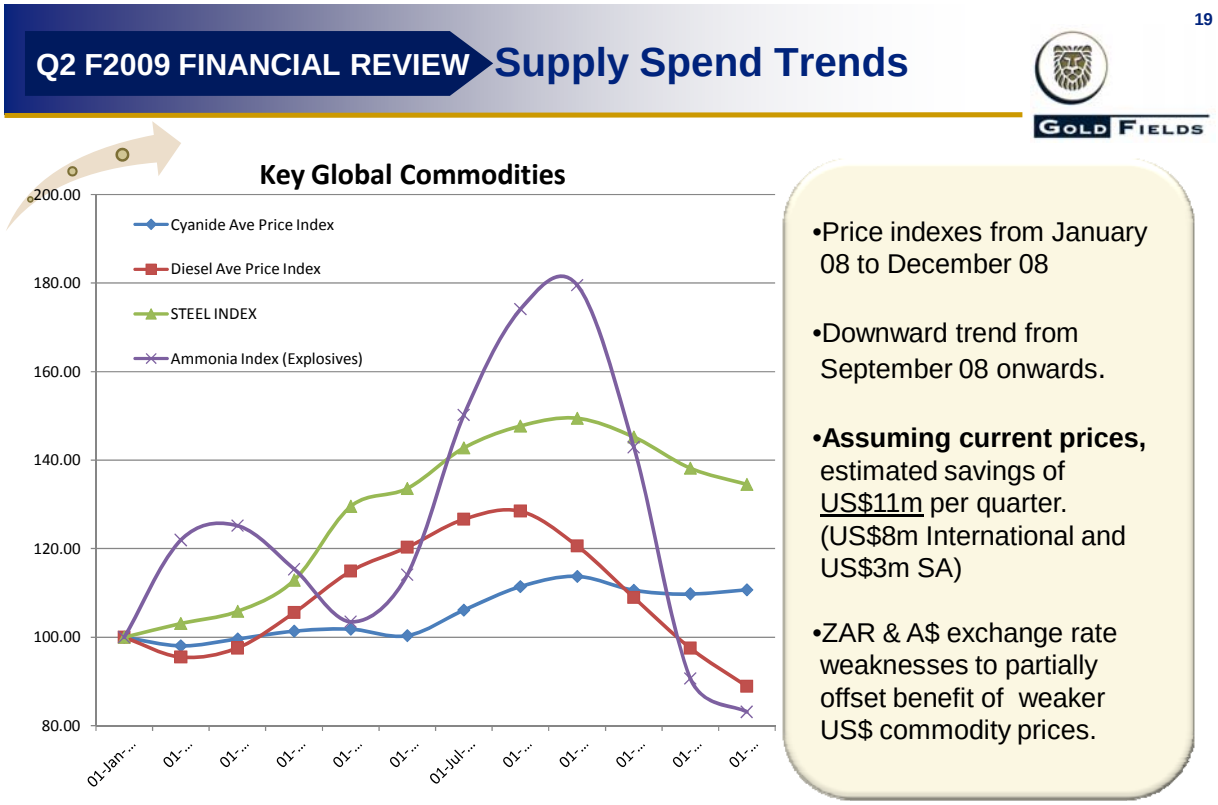
## Q2 F2009 FINANCIAL REVIEW Capital Expenditure Profile

| All Amounts Rm | F2009 | | | |
|---|---|---|---|---|
| Growth Projects: | Q1 Actual | Q2 Actual | Q3 Forecast | Q4 Forecast |
| • Cerro Corona | 168 | 371 | - | - |
| • Tarkwa CIL Expansion | 278 | 328 | - | - |
| • South Deep | 189 | 256 | 280 | 320 |
| Total growth projects | 635 | 955 | 280 | 320 |
| • Sustaining Capex – South Africa | 288 | 350 | 386 | 361 |
| • Sustaining Capex – International | 568 (US$73) | 731 (US$76) | 890 (US$89) | 851 (US$85) |
| • ORD – SA Operations | 311 | 301 | 331 | 339 |
| Total Capital Expenditure | 1,802 | 2,337 | 1,887 | 1,871 |

**ALL GROWTH PROJECTS FULLY CAPITALISED**

If we go on to capital expenditure - as I mentioned earlier capital expenditure for the quarter was high at R2.3 billion, and the main reason was because of the final expenditure coming through at our two big growth projects, Cerro Corona and the Tarkwa CIL expansion. Of note is that these projects have now been completed, and no further costs will come through.

Thereby it will free up about R500 million for the company in quarter three and four. Of note is if you have a look at the sustained capex for the international operations, this is showing quite a big increase from Q2 to Q3, and the main reason for this is due to increased stripping at Tarkwa to feed the new mill as well as increased development at St Ives.




If you look at our commodities, it's a slide for calendar 2008, and if you look at the right hand side we can see in the last quarter of calendar 2008 we saw significant price decreases in diesel, steel and ammonia. We believe that for quarters two, three and four we expect to see savings of around $11 million in each quarter. The split between this is about $8 million at the international operations because of their higher diesel consumption and about $3 million at the South African operations. Thank you very much, ladies and gentlemen. I will now hand over to Vishnu.

**Vishnu Pillay**

Thank you, Paul, and good morning ladies and gentlemen. Over a number of years many of my colleagues, including members of my family, have said Vishnu, you talk too slowly and too softly. I have to say I've finally found my soul mate in Paul. Paul is an individual I have known many years, and I applaud his appointment. And you can rest assured he is a man that will keep the accounts clean. But this being our first meeting for 2009 I'd like to take this opportunity for those who have not spoken to you personally to wish you well and hope that your dreams that you aspire to for this year are achieved successfully.

Every year brings with it its own challenges, and no doubt the commodities industry has experienced some of that as well. Fortunately, in the business that we are in we seem to be reaping the benefits of the value in gold. And clearly, as Paul and Nick have indicated, this group is starting to realise that value. Realising the value is also dependant on our operations performing. Over the last six months and when I reflect on where we had been,

our operations had been focussed solely on safety. Safety of our people and on the integrity of our infrastructure.

## Q2 F2009 SOUTH AFRICA Safety

21

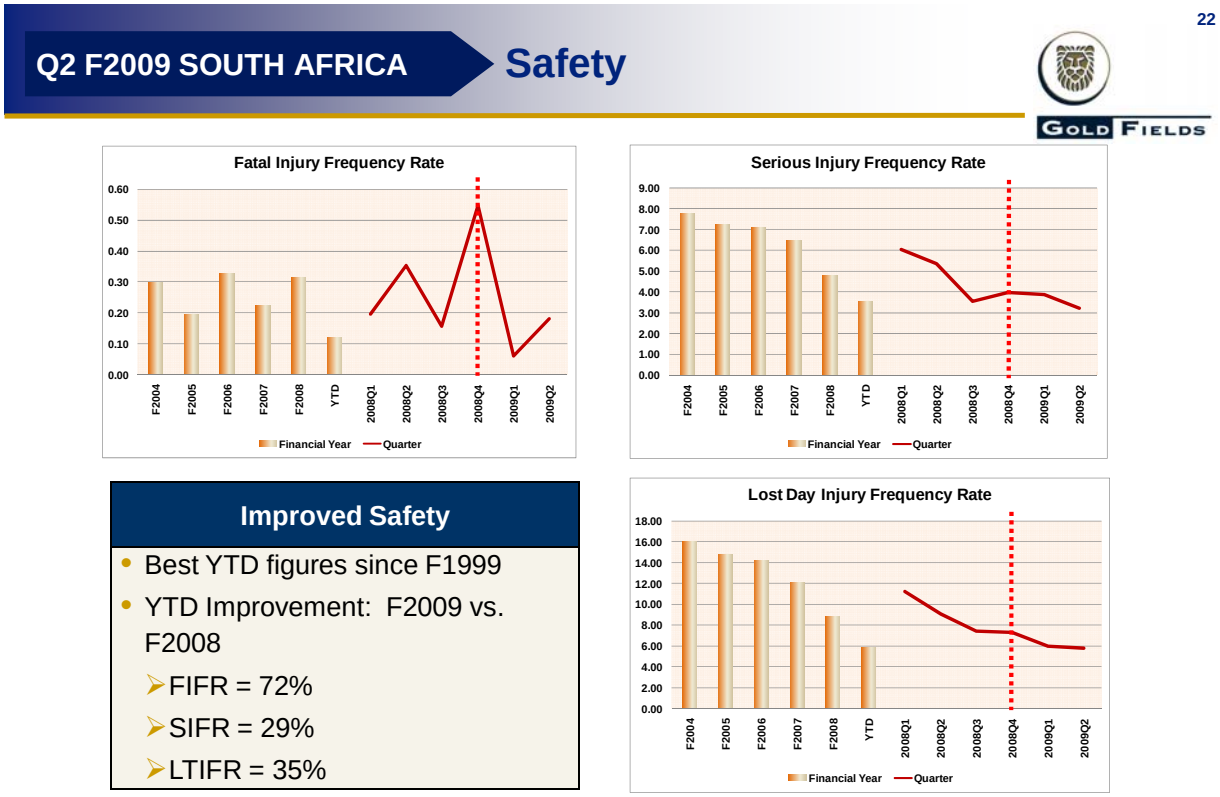
***Mining Weekly***

**"WE INTEND STEERING THIS SHIP WITH AN INCREDIBLY STEADY HAND AND YOU WILL SEE, IN THE QUARTERS TO COME, AN IMPROVEMENT"**

And I believe that's pretty important. When I commented on the subject of safety in July last year Martin Creamer took the liberty of publishing this cartoon in Mining Weekly. Look, although I accept it doesn't capture all of my inner beauty, I have to say that I promised that you will see the improvement in the quarters to come. That was what we said. And this executive team, together with the executive management on the operations, worked tirelessly to ensure that we made a step change in safety. I want you to regard safety as a work in progress, and there is still a consistent amount of work that we have to do. But I'm pleased to tell you that if you look back at the progress that we've made over several quarters you'll see a distinct trend. It's trending in the right direction, and I'm pleased that we're making the right kinds of decisions on our operations with respect to the action that we should be taking around safety.

And the cornerstone of this philosophy around which we are governing safety on the operations is the comment that if we cannot mine safely we will not mine. And that means every crew, every middle line supervisor, every senior manager and every executive on every one of our operations has to take a judgement decision before they enter the workplace. And if that workplace is not safe, that crew will not go in and work. And it's very clear that that has been bought into by all of our senior management teams. The crews are beginning to understand the philosophy that has been expounded by Nick and the group right now. And we're seeing the benefits of that in our safety results as you can see from the trends that are up on the screen. However, I have to say I deeply regret the fact that we've

lost eight of our colleagues. And that is something that we aspire to ensure does not repeat itself.




We want zero fatal accidents and zero serious injuries, to the extent that we've now taken the decision on the South African operations that every crew that suffers a serious injury, either in its entirety or on an individual basis, those crews will be removed and will be subject to training for a day or two to make sure that they understand the consequences of the accident and the manner in which remedial action should be taken going forward. And we're quite happy to do that. As Nick said, safety and the investment in safety is something that we want to do and we don't see it as a cost. We will realise the benefits of it going forward into the future. The eight fatal accidents that I'm making reference to really had two prime causes: seismicity, which is prevalent on our deep-level mines on a regular basis, and equipment management. Trucks and tramming, material handling and the management of equipment on our operations have been the second severe cause of fatal accidents.

## Q2 F2009 SOUTH AFRICA — Safety

### Findings of Du Pont Review

- Areas for improvement:
  - Culture
  - Training
  - Application of standards
- Will not have a negative impact on production
- Learning points will improve Health and Safety initiatives

***"A clear and simple safety vision cascading down from the CEO"***
***and***
***"Management has energy for Safety, and sees it as a priority"***

### NEW SAFETY STRATEGY BEING FORMULATED

Having recognised the fact that something different needed to be done, the group commissioned the DuPont review. That report was delivered to the executive on the 10th January, and as I speak to you now there is a group of our engineers and safety professionals currently reviewing the contents of that report and understanding how best we can make implementation on our operations possible. It's fair to say that the key findings relate to culture training and standards. We recognise those learning points, and we are quite happy to build it into the strategy that's delivered the results that I've just shared with you.

And I have to say, I'm extremely pleased with the progress we're making so far. But credit shouldn't come to me. Credit should really go to the operational Vice Presidents who fight this battle for us every single day. They have bought into the ideal of making sure that we can run safe operations and are committed to making sure that we deliver on what we have indicated to our board. In summary the South African operations have delivered on its commitments. Despite the fact that over the last six months, and in particular Q2 of this financial year, has been extremely difficult. What we have been able to do is achieve the objectives that we have set for ourselves.

## Q2 F2009 SOUTH AFRICA Summary

| | | Actual Q1 F09 | Actual Q2 F09 | Guidance Q3 F09 |
|---|---|---|---|---|
| Gold Production | kg | 15,304 | **15,571** | **17,900** |
| | koz | 492.0 | **500.6** | **575.5** |
| Total cash costs | R/kg | 153,581 | **148,944** | **130,000** |
| | US$/oz | 617 | **472** | **400** |
| NCE | R/kg | 212,742 | **214,277** | **190,600** |
| | US$/oz | 855 | **679** | **600** |
| Capex | Rm | 788 | **907** | **1,000** |
| | US$m | 102 | **91** | **100** |

### Salient Points

- Kloof Main Shaft rehabilitated on schedule
- Critical Secondary Support addressed
- Christmas break (12-days) impacted on production; Start-up well managed

### Outlook Q3

- Production to improve by 15% to 17,900kg – subject to no major operational interruptions
- Lower NCE, despite an increase in Capex
- Mechanisation programme & Project “M” suite gaining traction

## RESTORING THE INTEGRITY OF THE OPERATIONS

The Kloof main shaft rehabilitation is complete, on schedule, on budget. We replaced 225 tonnes of steel in that shaft, and we did it in record time. We commenced on the 4th August and we completed on the 5th January. We worked every day 24 hours a day except for Christmas day. And the team that was put together, from the design through to procurement, fabrication, installation, must rank as the best team that we have in the mining industry right now. Secondary support that we had to catch up with on all of our deep-level mines has been done successfully, and in the last six months we have installed 18,800 metres of secondary support. Nowhere has that been done before. And our crews deserve the credit for this. We have now switched to the one pass system where we now have additional members to every crew, and we are holding secondary support 10 metres back from the face. Those faces will not advance unless secondary support is brought up to speed. So hopefully this will not be a legacy that we will leave behind going forward into the future.

The vent raise hole at South Deep, the work on that has been completed, and we’re about to commission that shortly. That will give us the operational flexibility we desire to get our level up to the planned levels that we had anticipated. It’s also a form of second egress that’s necessary, and I have no doubt that that will be handed over to the contractors that are doing work for us pretty shortly. There is an increase in capital going forward, and that’s largely due to the three major mines, Driefontein, South Deep and Kloof. Those are regular projects. They’re nothing out of the ordinary, and we’re quite happy to make sure that that investment happens.

Getting down to the forecast of guidance for quarter three F2009, now that we have the principle actions of remedial safety behind us, quarter three the operations should be able to

slide back into its normal operation mode. That does take some time. We've had the impact of the Christmas break, but I can assure you that the teams on the mine are working feverishly to make sure that we restore normality to our operations. Subject to any major operational interruptions that's where we expect to be at 18 tonnes. A challenge is to make sure that the South African operations recover to their previous levels of production. However, given the fact that we had taken a decision on pillars and remnants, given the fact that some of our shafts are nearing the end of their life of mine, we'd be happy to normalise between 18 and 19 tonnes going forward into the future.

25

## Q2 F2009 SOUTH AFRICA — Driefontein Gold Mine

| | | Actual Q1 F09 | Actual Q2 F09 | Guidance Q3 F09 |
|---|---|---|---|---|
| Gold Production | kg | 6,428 | **6,063** | **6,900** |
| | koz | 206.7 | **194.9** | **221.8** |
| Total cash costs | R/kg | 130,149 | **137,886** | **120,000** |
| | US$/oz | 523 | **437** | **375** |
| NCE | R/kg | 169,306 | **186,459** | **167,000** |
| | US$/oz | 680 | **591** | **520** |
| Capex | Rm | 207 | **254** | **292** |
| | US$m | 27 | **26** | **29** |

### Salient Points

- 2 Fatalities; Section 54 stoppage with resultant loss in production (5-days)
- Critical secondary support addressed
- Seismicity at 1 Shaft

### Outlook Q3

- 6 and 7 Shafts to focus on reclamation, sweepings and selective mining
- Production to improve by 14% to 6,900kg

**STEADY STATE TARGET: 7 TONS PER QUARTER**

Driefontein gold mine is the one that I think I need to explain. This mine has had a particularly difficult quarter. The shortfall in production which is up on the screen is largely due to a mine-wide stoppage that we had as a result of a major seismic event that claimed the lives of two of our colleagues. We had to stop the operation. We had to make sure that those areas that we couldn't mine and would provide an opportunity for a repeat accident were then removed from our production plan. That impacted the grade and clearly we lost a significant amount of time in making sure that this operation got back up again. As Nick alluded to earlier, these are big mines. You don't stop them for one day and expect that the next day they would be up and running again. It doesn't happen. For every day's stoppage that we have it takes us three days to get back up to normal again. And no doubt that's something that we want to try and minimise going forward into the future.

I'm pleased to tell you that despite the fact we're operating at 95% power and we're able to manage within that allocation we're going back into two shafts on the west side of the mine,

six and seven. We will be doing selected cleaning, sweeping and vamping and a high level of reclamation work. The intention is to do mining on a very small scale and make sure that we retrieve the value that is locked in those shafts over the next few quarters going forward.



## Q2 F2009 SOUTH AFRICA — Kloof Gold Mine

| | | Actual Q1 F09 | Actual Q2 F09 | Guidance Q3 F09 |
|---|---|---|---|---|
| Gold Production | kg | 4,871 | **4,717** | **6,100** |
| | koz | 156.6 | **151.7** | **196.1** |
| Total cash costs | R/kg | 153,747 | **156,689** | **120,000** |
| | US$/oz | 618 | **496** | **375** |
| NCE | R/kg | 210,142 | **216,981** | **170,000** |
| | US$/oz | 844 | **687** | **530** |
| Capex | Rm | 238 | **251** | **275** |
| | US$m | 31 | **25** | **27** |

### Salient Points

- 2 Fatalities; Section 54 stoppage with resultant loss in production (4-days)
- Main Shaft rehabilitation completed
- Fire at 7 Shaft

### Outlook Q3

- Main Shaft to return to normal production at 8,000 to 12,000 square metres per month
- Aggressively pursuing the Middelvlei Reef at 8 Shaft and Main Shaft (1 Sub-vertical)
- Increased capital expenditure due to the commencement of the 69 Decline Project
- Production to improve by 29% to 6,100kg

**STEADY STATE TARGET: 6.5 TONS PER QUARTER**

Kloof gold mine despite the remediation work that was done and despite the stoppage of the main shaft, I have to say to you this mine beat its guidance hand over fist. And that is a tribute to the commitment, tenacity and determination of the men on the ground. They have done extremely well. We've been able to reorganise the logistics around the main shaft. We've been able to reorganise the movement of ore around that shaft. And one must acknowledge the fact that that shaft was responsible for hoisting 60% of Kloof tonnages, and we took it out of the equation of management. And we did extremely well in making sure that operation produced and delivered to the guidance that we had issued to you. So I'm pleased. That mine, together with Driefontein, remains the foundation of this group, and they've done extremely well.

Despite that and the levels of production we had achieved, we did have to manage a fire on seven shaft. That was brought under control within a period of two weeks and didn't entirely affect our production because that was confined to the older areas of the mine. The expectation is that Kloof will get back to 6.5 tonnes a quarter on a steady-state basis. That's pretty much what we're planning going forward into the future. However, for quarter three we anticipate that we'll be at 6.1 tonnes.

## Q2 F2009 SOUTH AFRICA — South Deep Gold Mine

| | | Actual Q1 F09 | Actual Q2 F09 | Guidance Q3 F09 |
|---|---|---|---|---|
| Gold Production | kg | 849 | **1,471** | **1,600** |
| | koz | 27.3 | **47.3** | **51.4** |
| Total cash costs | R/kg | 339,694 | **179,130** | **172,000** |
| | US$/oz | 1,365 | **567** | **535** |
| NCE | R/kg | 579,270 | **362,135** | **356,000** |
| | US$/oz | 2,328 | **1,147** | **1,110** |
| Capex | Rm | 189 | **256** | **280** |
| | US$m | 24 | **26** | **28** |

### Salient Points

- Vent Raise Hole repaired & winder replaced
- Twin Vent Shaft brattice wall completed
- Production up by 74%
- Development increased by 69%

### Outlook Q3

- Refurbishment of the South Shaft Complex to accelerate production build-up
- Mine to self-fund 50% of capital for the balance of F2009
- Production to improve by 9% to 1,600kg in Q3 F09

## ACCELERATED BUILD-UP

South Deep has been an operation that has been on the lips of virtually every investment analyst that I've spoken to. Let me tell you, South Deep is the mine of the future. It's the mine that's going to deliver value to those who have the foresight to make an investment in this organisation. It's going to be fully mechanised. There is going to be no conventional activity on that mine. And if ever we have the privilege of entertaining you, you'll realise you don't actually have to walk underground on that mine. You can actually ride in a Jeep. And that's the level to which we are going to be bringing this mine into production. The level of technology, the level of engineering skills and the manner in which we are going to exploit this resource.

South Deep is not just twin shafts, although that has been the topic of discussion over a number of months, maybe longer than a year. This is an ore body that goes just beyond the twin shaft complex. It also extends into the south shaft complex where we have a considerable resource that's locked up. The decision has been taken that we will make an investment into refurbishing the south shaft, and we expect that going forward we will be using south shaft to hoist excess waste rock that's going to come out of our production build-up at twins. The plan is to make sure that that shaft is functional on an ongoing basis into the future, and we're looking at how best we can exploit the one million ounce reserve base that we have locked at that shaft.

## Q2 F2009 SOUTH AFRICA — Beatrix Gold Mine

| | | Actual Q1 F09 | Actual Q2 F09 | Guidance Q3 F09 |
|---|---|---|---|---|
| Gold Production | kg | 3,156 | **3,320** | **3,300** |
| | koz | 101.5 | **106.7** | **106.0** |
| Total cash costs | R/kg | 150,982 | **144,759** | **147,000** |
| | US$/oz | 607 | **459** | **460** |
| NCE | R/kg | 206,622 | **195,723** | **199,000** |
| | US$/oz | 830 | **620** | **620** |
| Capex | Rm | 154 | **147** | **150** |
| | US$m | 20 | **14** | **15** |

### Salient Points

- 2 fatalities; Section 54 stoppage resulted in production delays (2-days)
- Insufficient production volumes and recovered grade is too low

### Outlook Q3

- Improve quality mining, production volumes and grades
- Optimisation of Metallurgical Plants
- Production of 3,300 kg for Q3 F09

## STEADY STATE TARGET: 3.6 TONS PER QUARTER

Beatrix, I have to say this mine has the potential to deliver 3.75 tonnes per quarter. It's not performed at the levels that it should be. It has the potential to. The ore body is present. And if you look at the grades that are delivered from Beatrix west in the development, they're better than what we're getting at Kloof and Driefontein. We are, however, constrained by the fact that some of our working places are far from the shaft and it is affecting our productivity. But I have to recognise that over the last quarter there has been an improvement, and the plan is to make sure that we get back to a consistent 3.7 tonnes a quarter. That mine has the ore body, it has the grade, and clearly we can actually deliver significant value on that. I'm not giving up on this mine, although it's in the Free State. I'm quite happy to get out there as often as it takes, and I'm quite pleased that the management team on the mine remains equally committed to making this operation a great success going forward into the future. There are two metallurgical plants on this mine, and we are studying currently how best we can optimise those plants going forward into the future.

SA REGION

## Way Forward

### Simple Strategy

- **Safety**
  - Principal value and top priority
- **Deliver Operational Plans**
  - Volume
  - Value
  - Quality
  - NCE Management

## FOCUS ON THE FUNDAMENTALS

There should be no confusion about how we intend to manage the South African operations. It's a simple, unambiguous strategy. And that calls for us to focus on safety, because safety is the principle value and priority in this organisation. And that is a commitment that comes all the way down from the board, through to the executive and on to the operations. And under no circumstances will we relinquish our responsibility in that respect. We're going to make sure that we achieve the results that we desire, and if time permits, compare our results with the rest of our peer group. And we will see the progress that we've made. We will make sure that we achieve zero fatal accidents and zero serious injuries going forward into the future.

Plan is king. We have an operating plan that we have to deliver on. It's our commitment to the board. And we're going to make sure that we deliver that plan against the criteria that have been set up, followed and supported by quality mining in the organisation. NCE management is a philosophy that we've brought to the organisation, and we expect that at every operation every operating Vice President will manage the notional cash expenditure to the extent that we've given you guidance on. It's key and fundamental to the success of our operations going forward. I have to say I invest a significant amount of time into the management of our people. That's one element of this organisation that makes it run. It's the principle part of the value creation that we talk about. And I sincerely hope that going forward into the future and in the quarters to come I'll be able to report on progress against our plan to you, and I really look forward to these operations getting back up to their previous operating levels. I think the worst is now behind us and we will manage the future with a great deal of courage and determination, and ensure that the value that you desire is what

you actually get from it. I guess with that then it's incumbent on me to hand over to my colleague, Glen, you will talk you through the international operations. Thank you very much.

**Glenn Baldwin**

31

## Q2 F2009 INTERNATIONAL Summary

| | | Actual Q1 F09 | Actual Q2 F09 | Guidance Q3 F09 |
|---|---|---|---|---|
| **Gold Produced - managed** | koz | 366 | **405** | **467** |
| **Total cash costs** | US$/oz | 616 | **507** | **490** |
| **NCE** | US$/oz | 981 | **891** | **680** |
| **Capex** | US$m | 131 | **147** | **89** |

### Outlook Q3

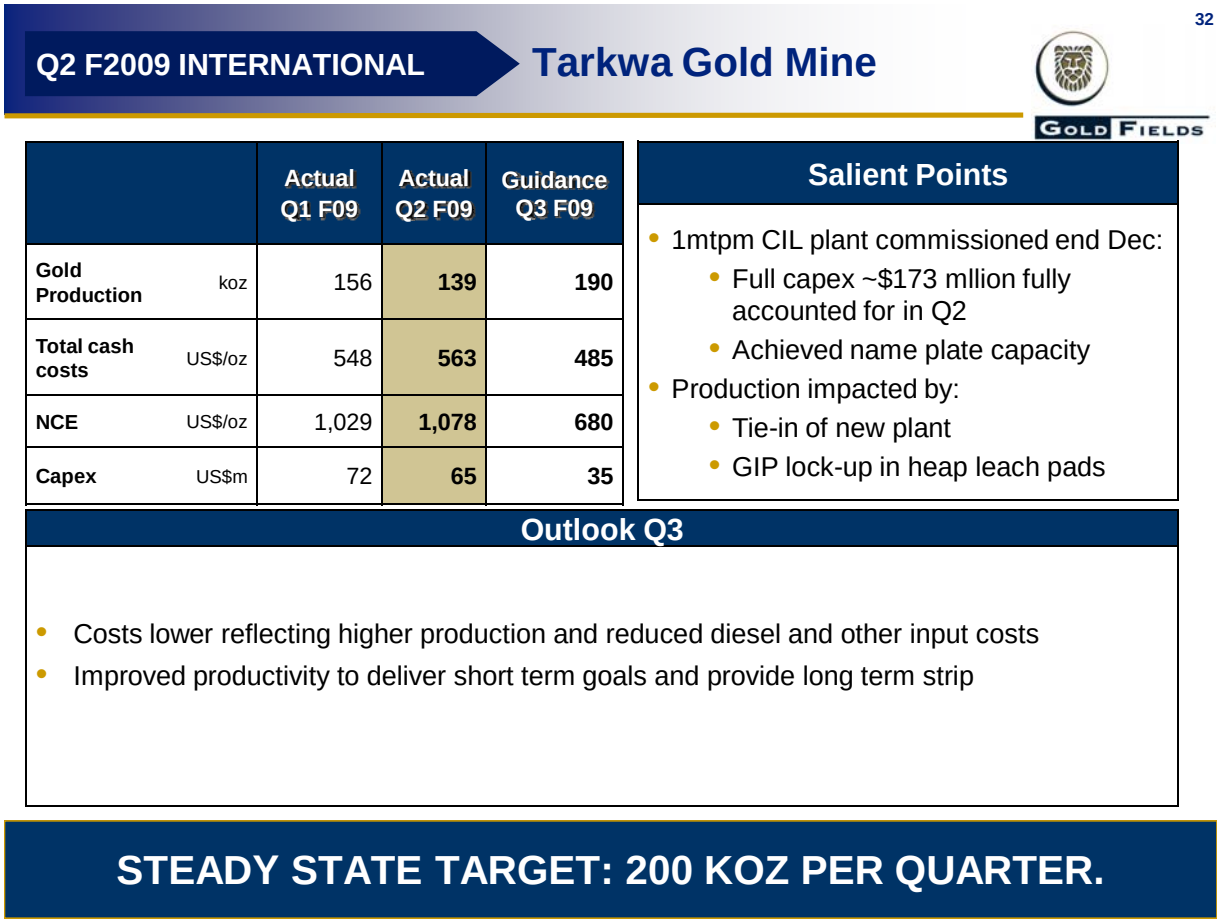
- Tarkwa CIL Expansion ramped up to full production
- Cerro Corona ramped up to full production
- Major project completion in Q2 results in positive metrics going forward:
  - ✓ Higher gold production
  - ✓ Substantial reduction in capital
  - ✓ Cash generating margin
- Further definition of Athena Project at St Ives

**INCREASE IN PRODUCTION = DECLINE IN NCE**

Good morning, ladies and gentlemen. Since the last quarterly presentation the international operations have added a full quarter of Cerro Corona production, and I'm pleased to say that our safety performance improved quarter on quarter as well, with a reduction in the number of lost-time injuries. Managed gold production was substantially up, reflecting the addition of Peru to the international operations, and solid performances in Australia and at Damang. The overall cash costs were down by 18% quarter on quarter to just over $500 an ounce, US, which is also a good improvement on the guidance of around $550 an ounce. The reduction is due to the grade kick from underground at St Ives, the inclusion of lower-cost producer, Cerro Corona, and the weaker Australian Dollar. Of note is that the capital was also managed at levels better than guidance, and the NCE was lower by about $100 an ounce.

In the quarter the Cerro Corona project was completed. The Tarkwa CIL expansion project was mechanically completed, and the St Ives Belleisle and Cave Rocks underground projects achieved full production. Going forward we are planning for higher production as a result of the expanded CIL plant at Tarkwa, stoping from Cave Rocks at St Ives and mining efficiencies at Agnew. This will result in lower cost per ounce across the portfolio. The next main growth project for the international operations is the Athena project at St Ives. We have intersected some high-grade mineralisation, and we aim to complete a conceptual study on

the underground prospect in the March quarter and plan to share positive news with you about this project in April.




Firstly to Tarkwa, where production was lower than the guidance, mainly due to the lockup of gold in process in the heap leach. We certainly planned for production to be lower quarter on quarter as a result of the planned completion of the CIL expansion and the disruptive impact of the tie-ins betweens the existing plant and the new circuit. The lockup of the gold in the heap leach was due to the placement of higher grade material at the end of the quarter and the inability to leach the gold before the end of this period. We plan to release a substantial portion of this lockup in the March quarter and the remainder of it certainly before the financial year end.

The mining productivity improved during the quarter, and this is important because we need to up the mining rate on the pre-strip to ensure reserves are available for processing. The increases needed due to the deepening of key high-grade pits such as Teberebie and Atuabo. The commissioning of the CIL expansion is going well, and the first rock into the mill was in mid-December. The name plate capacity of the circuit is a million tonnes a month, and the daily rate was achieved on the 23rd December. It must be emphasised that ramping up a new project of this size is not without its challenges. The key risk to the CIL production in the March quarter is milling rates. We do have plans to address this, but I'd like to highlight that with a million tonnes a month ramp-up.

You may recall steady-state production for Tarkwa of 750,000 ounces per year when we justified the CIL expansion. We are now targeting 800,000 ounces per year for the next year or so with a view to the CIL plant outperforming and release of the GIP from the south heap where placement has actually now stopped. The south heap leach material is now being either treated in the CIL plant or the very low grade is placed on the north heaps. Similarly the feed profile for the north heap facility has also changed. The objective is to maximise the recovery of the gold from each mineral type according to its chemistry. The future of Tarkwa in the short term is to optimise all processing circuits and to maximise the NCE margin – that is to generate cash.

33

## Q2 F2009 INTERNATIONAL — Damang Gold mine

| | | Actual Q1 F09 | Actual Q2 F09 | Guidance Q3 F09 |
|---|---|---|---|---|
| **Gold Production** | koz | 44 | **50** | **52** |
| **Total cash costs** | US$/oz | 790 | **622** | **610** |
| **NCE** | US$/oz | 895 | **753** | **720** |
| **Capex** | US$m | 4 | **3** | **4** |

### Salient Points

- Rex pit started
- Improved yield and plant availability
- DPCB performing as planned

### Outlook Q3

- Grade increase with pebble crusher installation
- Major crusher rebuild (2 weeks) but crushed ore stockpile sufficient for mill feed
- Benefits of lower diesel and other input costs

**STEADY STATE TARGET: 50 KOZ PER QUARTER**

To Damang, and looking at the results of quarter one versus the gold price, the margin was clearly on the wrong side of the ledger. So the mining and plant performances were critically analysed and we were able to improve the operation during the quarter. The Rex pit was started earlier than planned by some six months because we were able to amicably remove the illegal miners from the pit, which improved the blend to the mill. The cash costs and the NCE improved quarter on quarter and we plan for more improved costs into the March quarter. This will mainly be as a function of volume. We plan to rebuild the primary crusher in this coming quarter, and before you are concerned we have been building up crushed ore stocks on the crushed ore stockpile over the last six or seven months so there will little impact on our ounce profile that is planned. The long-term production at Damang is targeted at about 200,000 ounces per year.

## Q2 F2009 INTERNATIONAL — St Ives Gold Mine

| | | Actual Q1 F09 | Actual Q2 F09 | Guidance Q3 F09 |
|---|---|---|---|---|
| **Gold Production** | koz | 101 | **109** | **113** |
| **Total cash costs** | US$/oz | 708 | **551** | **500** |
| **NCE** | US$/oz | 986 | **679** | **690** |
| **Capex** | US$m | 27 | **15** | **20** |

### Salient Points

- Higher grade underground ore improves costs
- Leviathon pit on schedule
- Cash costs includes US$80/oz royalties
- Cave Rocks attained full production
- Athena delineation continued

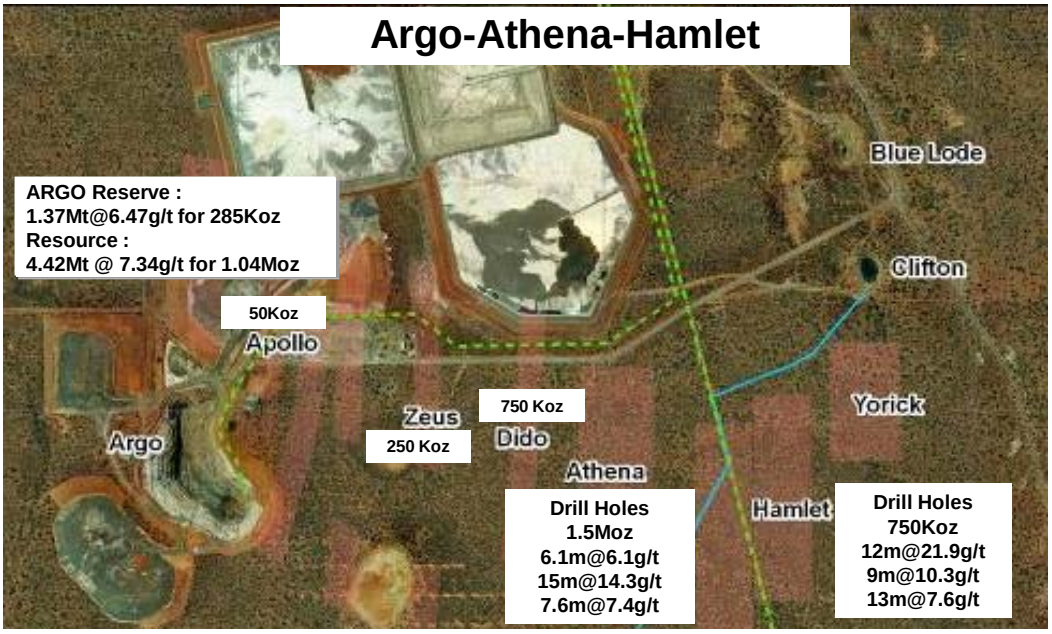
### Outlook Q3

- Cost reduction projects deliver benefits
- Strong project pipeline developing with promising intersections (Athena and Hamlet)
- H2F2009 complete Athena Conceptual Study

**STEADY STATE TARGET: 115 TO 120 KOZ PER QUARTER**

The St Ives performance improved, showing the benefit of high-grade sources from underground on the mill performance and ultimately ounce production. Obviously in the conversion from Australian to US Dollars there is a benefit in US terms, so in Australian terms the cash costs increased by A$21 per ounce because of the increase in royalties of A$30 an ounce. Cave Rocks reached full production in the quarter and Belleisle's contribution was on plan. In the next quarter we are planning to increase production again, mainly a full quarter of stoping at Cave Rocks, and reach our target of 115,000 to 120,000 of gold per quarter by financial year end. Also in the March quarter we are doing a mill shut-down which will take about three days, where we actually stop Lefroy production. This is an opportunity loss of a couple of thousand ounces, which means that we would have exceeded 115,000 ounces in the March quarter if everything goes to plan had it not been for this planned maintenance.

## Q2 F2009 INTERNATIONAL — St Ives Gold Mine




**Ounces are inventory unless otherwise indicated**

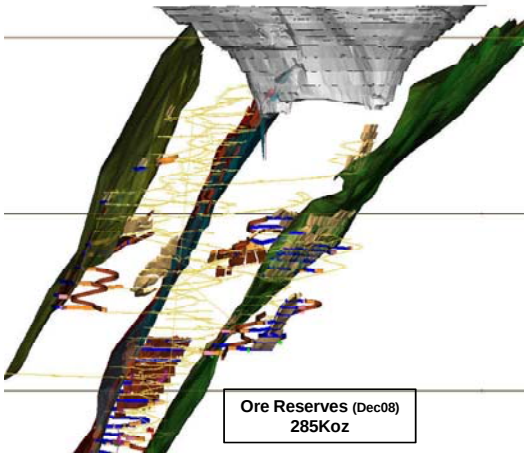
## SIGNIFICANT UPSIDE

The key to the future of stable underground production at St Ives, and therefore the grade backbone, is the Athena project and associated deposits. In the December quarter we continued to delineate this project, which is located about 2km from the well-known Argo ore body. Argo has been a primary underground source at St Ives for the past five years, but has certainly not delivered spectacular results because of a challenging dip which has difficult stoping conditions and high quantities of development required to open up the reserve on multiple narrow lodes. Compare this to the first results of Athena. Three distinct and parallel lodes, which are generally steeply dipping and well-defined. In inventory Athena currently has about 1.5 million ounces in the top 350 metres of the ore body, and is open at depth. Athena also appears to be steeper, higher grade and wider than Argo.

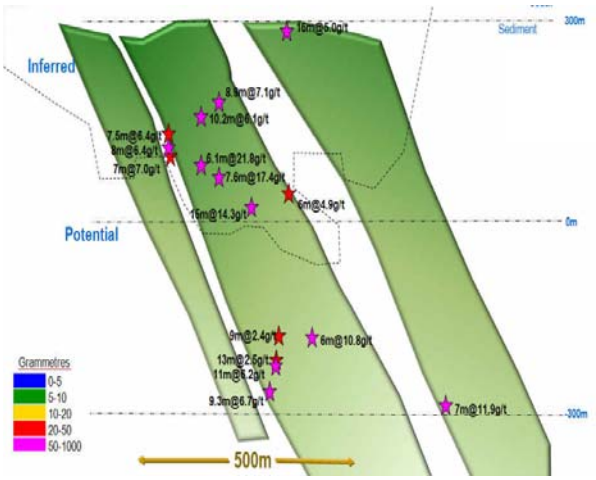
We plan to complete the conceptual study on Athena in the March quarter, and if positive move to a feasibility study immediately. We show some selected grades of Argo on the screen. Now look at the parallel structure of Hamlet, which is about half a kilometre away. This has good grades as well, but is also seemingly wider mineralisation, and therefore if you add up the inventory of all the deposits shown there is over three million ounces, and we aim to convert at least half a million ounces into reserve for the next declaration.

## Q2 F2009 INTERNATIONAL — St Ives Gold Mine

**ARGO**




**ATHENA**




## THE FUTURE BACKBONE OF ST IVES

The side by side cross-section of Argo and Athena gives an idea of scale and regularity of the mineralisation. Of note is the multiple ore bodies at Argo compared to the three distinct lodes at Athena. We've drilled numerous holes into Athena to determine this geography and now require a finalisation of conceptual designs and financial evaluation to see whether Athena will be able to become the base load for the mill. The Athena and Hamlet discoveries will contribute over 100,000 ounces per year. A big change at St Ives.

## Q2 F2009 INTERNATIONAL — Agnew Gold Mine

| | | Actual Q1 F09 | Actual Q2 F09 | Guidance Q3 F09 |
|---|---|---|---|---|
| **Gold Production** | koz | 52 | **45** | **50** |
| **Total cash costs** | US$/oz | 494 | **371** | **355** |
| **NCE** | US$/oz | 588 | **552** | **540** |
| **Capex** | US$m | 6 | **8** | **9** |

### Salient Points

- Kim lode achieves 40ktpm sustainably
- Equipment availability issues resolved
- Mine scheduling opportunities to increase production from underground to 50koz/q

### Outlook Q3

- Increase stoping extraction rate in Main Lode
- Develop infrastructure to support >70ktpm from Waroonga complex
- Steady state target: ~50koz per quarter from Waroonga underground complex
- Reserve definition for Waroonga – target 5 year plan
- Accelerate the underground exploration program

## A CASH GENERATOR

At Agnew production was pretty much in line with guidance at 45,000 ounces. The Songvang low-grade stockpiles were totally depleted, and we have started to mill other low-grade stockpiles to clean up the environmental liability. At the current Australian gold price these tonnes to contribute to the NCE margin, and the tonnage does not displace any high grade ore. In the March quarter we aim to increase production from the Waroonga underground complex from about 55,000 tonnes a month to 70,000 tonnes a month. And the lower grade Main Lode ore blended with the higher grade Kim Lode ore is planned to produce about 200,000 ounces per year going forward. The current reserve statement shows the life of Agnew may be about two years or less. Remember, the reserve definition drilling of the Waroonga complex aims to extend the reserve life to in excess of five years. We have improved continuity of the Kim and Main lodes at depth, so we will continue to target along the life of mine to enable more optimal financial decisions. The Main Lode decline will be extended this quarter, and it is planned to link the Main and Kim lodes at depth to increase safety and productivity. This will provide an environment for sustainable levels of higher production from the Waroonga complex going forward.

## Q2 F2009 INTERNATIONAL

# Cerro Corona Gold Mine

| | | Actual Q1 F09 | Actual Q2 F09 | Guidance* Q3 F09 |
|---|---|---|---|---|
| **Gold** | koz | 6.8 | **26.1** | **34.6** |
| **Copper** | tons | 750 | **6,200** | **7,300** |
| **Production** | Eq oz | 12 | **61** | **62** |
| **Total cash costs** | US$/oz | N/A | **355** | **450** |
| **NCE** | US$/oz | 2,289 | **1,201** | **800** |
| **Capex** | US$m | 22 | **56** | **20** |

*Guidance at Copper US$3,200/t and Gold US$850/oz

### Salient Points

- Gold and Copper production on target
- Mine production ramped up to design levels at quarter end
- Concentrate specification grades achieved end of quarter
- Project capital completed

### Outlook Q3

- Stabilise copper recoveries
- Deliver planned gold and copper at full production
- Determine optimal mining schedule and cost structure given lower copper price
- Aguilas starter dam construction on track

## THE PROJECT BECOMES A MINE

To Cerro Corona, and the project capital of $545 million was completed at the end of the December quarter. The mine outperformed guidance substantially with respect to physical production of gold and copper. In fact the ramp-up of the mine to full production, given the complexity of the mineralogy, was exceptional in the December quarter. The mining fleet is performing well, and the plant finished the quarter strongly. The issues within the mine's control are copper recoveries, construction of the tailings dam and general tailings dam management. We have secured tailings dam operators with good experience on these types of dams, and towards the end of the quarter we saw the benefit of this. We have met the concentrate grades of the copper and gold as required in our contracts to various copper smelters.

Q2 F2009 INTERNATIONAL

## Cerro Corona Mine

# Equivalent Ounce Calculation

Formula: Equivalent Gold Ounces = Gold Ounces + ( Copper Tons x Copper Price $/t ) / Gold Price $/oz

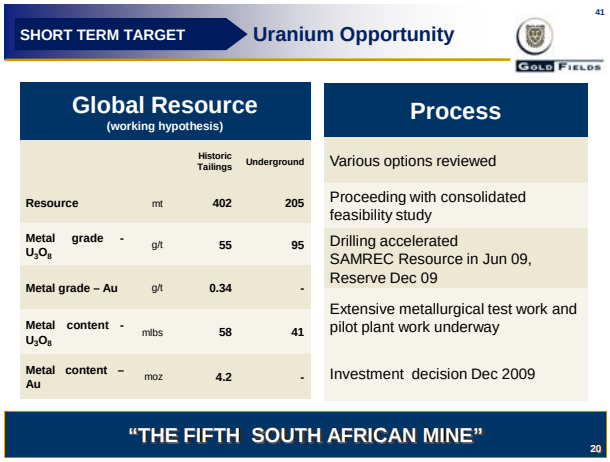
| | | Q2 F2009 | | | Q3 F2009 | |
|---|---|---|---|---|---|---|
| | | Guidance prices & production | Actual at guidance prices | Actual at actual prices | Forecast at Q1 Guidance prices | Forecast at Q3 Guidance prices |
| Gold price | $/oz | 800 | 800 | 790 | 800 | 850 |
| Copper price | $/t | 5,000 | 5,000 | 4,501 | 5,000 | 3,200 |
| Gold produced | ozs | 25,400 | 26,100 | 26,100 | 34,600 | 34,600 |
| Copper produced | tons | 4,600 | 6,200 | 6,200 | 7,300 | 7,300 |
| Equivalent gold ounces | koz | 54.2 | 64.9 | 61.5 | 80.2 | 62.0 |

## DELIVERY OF PHYSICALS

However, out of our control is the copper price. And this slide shows the formula for calculating gold equivalent ounces at the top, as well as the guidance and actual performance achieved figures in the table. Of note is the performance in the December quarter, where we were 20% up on guidance in terms of the equivalent ounces at the estimated copper and gold prices at the start of the quarter. And only slightly better at the end of the quarter because of actual price received. Into the March quarter you can see we are planning a much higher production level of physicals, as one would expect, but not realising equivalent ounce benefits due to the low copper price. During this quarter we will again review all aspects of the Cerro Corona mine with the objective of generating an NCE with margin at $800 per equivalent ounce.

In closing, the major projects are complete, and the next project in the international operations may be the brownfield development of Athena at St Ives. We plan to increase gold production with improvements at all operations compared to the December quarter with the result being a substantially lower NCE. The March quarter will be one of consolidation at each mine, changed management from projects to operations and delivery on the plan. The international operations have positioned themselves well to take advantage of the higher gold price at the moment and generate a pre-tax NCE margin in excess of $200 an ounce. Thank you very much.

## Nick Holland




Thank you, Glenn. I'm going to wrap up with giving you a road map of where we're headed after you've had that background. I think first of all let's talk about uranium. This is something I've mentioned before. First of all let's just look at the resource that's available to us, a total of about 600 million tonnes, of which about two thirds is on surface in about 14 tails dams around the west Wits. That contains in situ, adjusted for dilution and mine core factor, but pre-recoveries, of about 58 million pounds of uranium on the surface tails and about 41 million pounds of uranium on the current arisings. So a very substantial resource. What I said to you last time is that come this quarterly presentation we're going to tell you more or less where we're going to go. We had a number of options. Do we joint venture? Do we sell it? Do we go it alone? What do we do? And we think that having looked at all of the options and evaluated the different possibilities that the most compelling investment argument for us is to proceed on a stand-alone basis. We have enough scale to do so, and certainly I'm happy with the content of the uranium and the gold that we have. There is enough critical mass.

So the next steps really are to complete the drilling of those 14 slimes dams. We have drilled extensively 13 of them. We purposefully stepped up that drilling because it was going too slowly, and we're just finishing off the last dam now. That will be done by the end of February. Then we will do all the various assay results. That will culminate in a resource statement for the June reserves and resources declaration, and we'll have a reserve on our uranium by the end of December. Why that reserve is important is because that also culminates with a conclusion of a consolidated feasibility study that looks at the best way to treat not just the historical tailings but also the current arisings coming out of underground. The idea is probably to construct one large plant that actually deals with all of these sources at the same time. Obviously there is a lot of test work and a pilot study that needs to be completed as part of that, and I'm chomping at the bit to get this work done, but I'm also sensitive to the fact that the team has to do the work properly and completely to make sure that we make the right decisions. And that decision point will be at the end of December.

And I classify this as the fifth South African mine because I think it can make a significant difference to the portfolio. And uranium I think has got a potentially good future. If you look at power requirements around the world, there is no doubt that nuclear is going to play a major role in providing the additional power requirements and satisfying the demands that the global economy requires into the future. So the fundamentals for uranium we see as pretty positive, and this also gives us an opportunity to remove all of the slimes and create one consolidated slimes dam, so there is benefit also in terms of environmental issues on that. So investment decision by the end of December. And together with the ramp-up of South

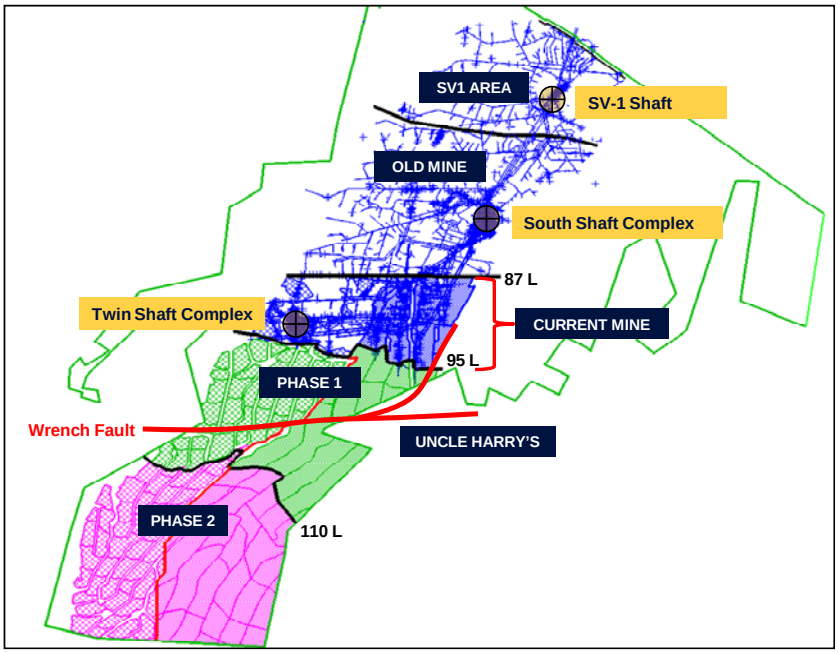
Deep that we're going to see over the next couple of years, the fifth mine coming in, certainly the South African gold industry is definitely not a sunset industry for us. We see a rise in profile, as you've seen from Vishnu. And if you superimpose on top of that these projects, the future I think is bright.



## STRATEGY REVIEW — South Deep Opportunity

**Outlook**

- Short Term Target:
  320 koz oz p.a. by Q1 F2010
  - Accelerate South Shaft refurbishment
  - Accelerate depletion of current mine
- Long Term Target:
  800 koz p.a by Q4 2014
  - 750 koz from mechanised mining (Upper Elsburgs)
  - 50 koz from low profile mechanised mining (VCR)




**PRODUCTION BUILD-UP**

Looking at South Deep, let's just share with you a couple of ideas. The one thought that we've had looking at South Deep is the potential of accelerating the current mine reserves. And as you know, if you go back to our reserves declaration from last year there is about 3.3 million ounces in current mine. And we were planning to exploit that probably over about 20 years. And one of the opportunities for us is to see how we can accelerate that. And that's the challenge I've given to the team. And they're responding well to the challenge, and certainly there is an opportunity to bring some of that forward, such that a short-term target for Q1F2010 is to get our gold production at South Deep up to an annualised rate of about 320,000 ounces. And that's currently from around about 200,000 ounces that we have. And how we'll be able to do that, as Vishnu said to you, is to bring the south shaft back into commission. Currently the hoisting capacity at the twins is limited to about 175,000 tonnes. There is about 40,000 tonnes of waste that comes out, about 20,000 tonnes for the de-stress mining, so it leaves only about 110,000 for ore, and that's where the south shaft complex can give us flexibility until we get the vent shaft finally deepened with the rock winder commissioned at twins. And there is another three years' work, so bringing the south shaft in earlier is going to give us flexibility to look for opportunities to bring forward some of those ounces.

You heard Vishnu talk also about the potential around south shaft, the one million ounces as well. And lastly, I think with the Rand gold price being where it is, we all know you've got to make hay while the sun shines. You know we're currently just under R300,000 a kilogram, and if we can produce the extra gold without compromising the very important development below 95 level – which is the future – we can make this project self-financing during the build-up. And that's really the target we're setting for the team. At the same time the long-term target of getting to 800,000 ounces by the end of calendar 2014 remains intact. I've been through the plans in detail with the guys, as has Vishnu, and we're confident that we can get to that target. That's made up of about 750,000 from the Elsbergs – that's mechanised mining as you know it – and then we want to bring the VCR in as well on a mechanised basis. The original plan was to mine that conventional. We don't want to mine it conventional. We want to mine it mechanised, and so we're looking at plans to bring that in as well. And there is another 1.5 million ounces [inaudible segment] so that's a nice high-grade sweetener. Now that we've got 2008 behind us with all of the problems we're looking forward to a much brighter 2009 on South Deep.

43

STRATEGY REVIEW **Exploration**

**Discretionary Exploration Expenditure**

| *All in US$m* | Names of Projects | Q1 F2009 | Q2 F2009 |
|---|---|---|---|
| **Greenfields (Expensed)** | | **8.7** | **14.5** |
| West & Central Africa | *Kisenge, Sankarani* | 2.5 | 2.7 |
| South America | *Chile Generative, Peru Generative, GoldQuest JV* | 1.6 | 1.8 |
| Australasia | *Myall. Delamarian, Lachlan, Mt Carlton, Sino Gold* | 2.6 | 3.5 |
| Eurasia | *Talas JV* | 0.8 | 3.6 |
| Other | | 1.9 | 2.9 |
| **Brownfields** | | **13.2** | **9.5** |
| Capitalised | | | |
| St Ives | Athena | 7.3 | 4.2 |
| Agnew | Waroonga underground | 3.4 | 2.7 |
| Damang | | 0.7 | 0.6 |
| Expensed | | | |
| St Ives | | 1.0 | 0.6 |
| Agnew | | 0.2 | 0.1 |
| Damang | | 0.2 | 0.1 |
| **Total Expenditure** | | **21.9** | **24.0** |

**INVESTING IN THE FUTURE**

If I look at exploration it's a busy slide, and I don't intend to go through all the numbers. But to give you a sense for what we're doing, we've spent $24 million on exploration during Q2F2009. That translates to around about $100 million a year. And let's look at the brownfields first because what's important to recognise here is that at a place like St Ives and Agnew we're spending around about $30 million to $35 million a year on exploration. Now, often when you do your models you're going to include this in our costs and say, oh, look how bad they are. To mine two million ounces of reserves they're spending all this money.

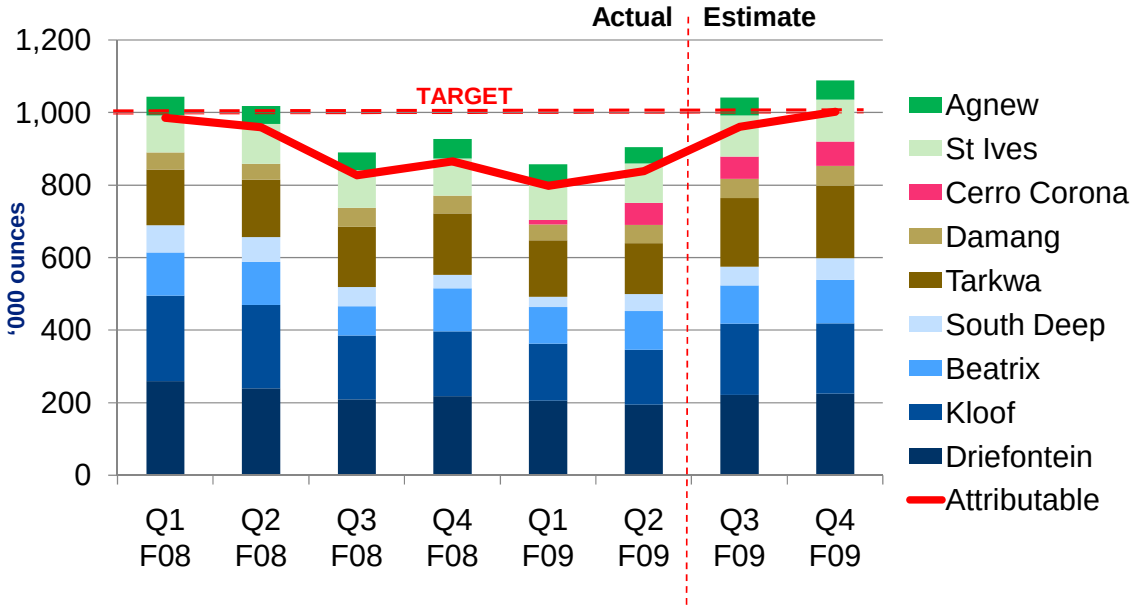
What you're missing is that a lot of this money is actually going into doubling or even going beyond doubling the current reserve. And you've seen the opportunities Glenn has gone through. He's given you an inventory list there of over three million ounces alone, which is 150% of the current reserve. And some of the stuff we're seeing coming down the track on Athena particular looks better than what we've got. So we're spending that money, it sits in the capital figures. The alternative is we could not spend it at all. We could mine out the reserve, we could drop our cash costs by $100 an ounce, and St Ives and Agnew would look great. Well, they'd look great but they'd only be mining out the 2.5 to 3 million ounces you see there.

So the intent here is to give you an idea of the money that is going in to extending the reserve life and giving you an indication of the quality of the earnings, the quality of the NCE that we're showing you, and the historical finder costs at a place like St Ives is about A$25 per ounce. In the world today that's very, very cheap. So this is good money we're spending. Going back to the greenfields stuff, I think the one that's worth mentioning in particular is Talas. That's a copper-gold porphyry project in Kurdistan. That's a joint venture with Orsu. And the drill results coming out of that are looking better and better, and I think this has got significant possibility of moving up our resource triangle over the next year or two. And in Australasia we have a number of interesting opportunities that we're drilling on. And we need another mine in Australia. That's the objective here. Coming back to the whole regionalisation, I'd like us to get another mine so that we can get Australia up to at least a million ounces. And these opportunities, together with our investment in Sino, provide that opportunity for the greater Australasia. So just to show you, Gold Fields is investing into the future. We're not just spending money to keep our current operations going.

STRATEGY REVIEW

## Short Term Targets

### PRODUCTION ON TARGET



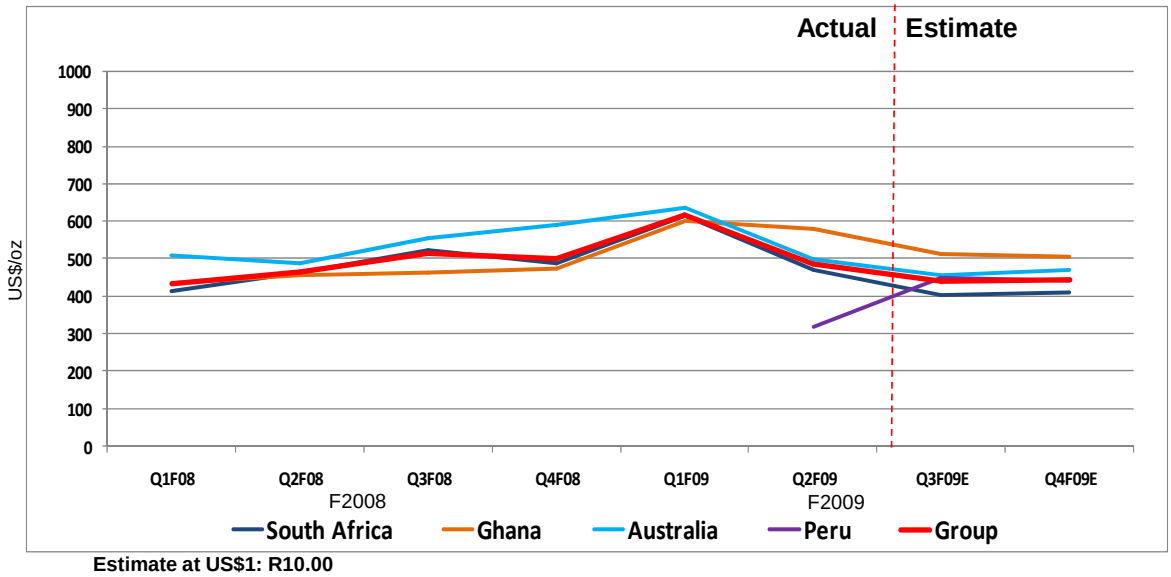

### STILL TARGETING ~ 4MOZ PER ANNUM

On the production going forward we've spoken about the target of four million ounces, and we're still targeting that. The copper price of course does have an impact on our equivalent ounces when we report Corona. And you know copper was $6,000 a ton at the beginning of the quarter. At the end of December it was $2,900 a ton. So that has a major impact when you work out your equivalent ounces. That means we're probably losing on an equivalent ounce basis between 20,000 and 25,000 ounces out of Cerro Corona. The physicals are still there. Corona, as you heard from Glenn, is going to be producing around about 140,000 ounces a year of gold and about 30,000 tonnes a year of copper. So we have achieved the planned physicals, but unfortunately because of the copper price when you convert the ounces back then you lose some of the ounces. That's why I've given caution in the book, where I've said the steady state given the copper price and assuming no production interruptions is probably going to stabilise at 975,000 ounces a quarter. If the copper price comes back then we'll certainly achieve our target. But I'm very pleased that we're close to achieving the promise we've made you and the investing community.

STRATEGY REVIEW

## Short Term Targets

## CASH COSTS AHEAD OF GUIDANCE




Estimate at US$1: R10.00

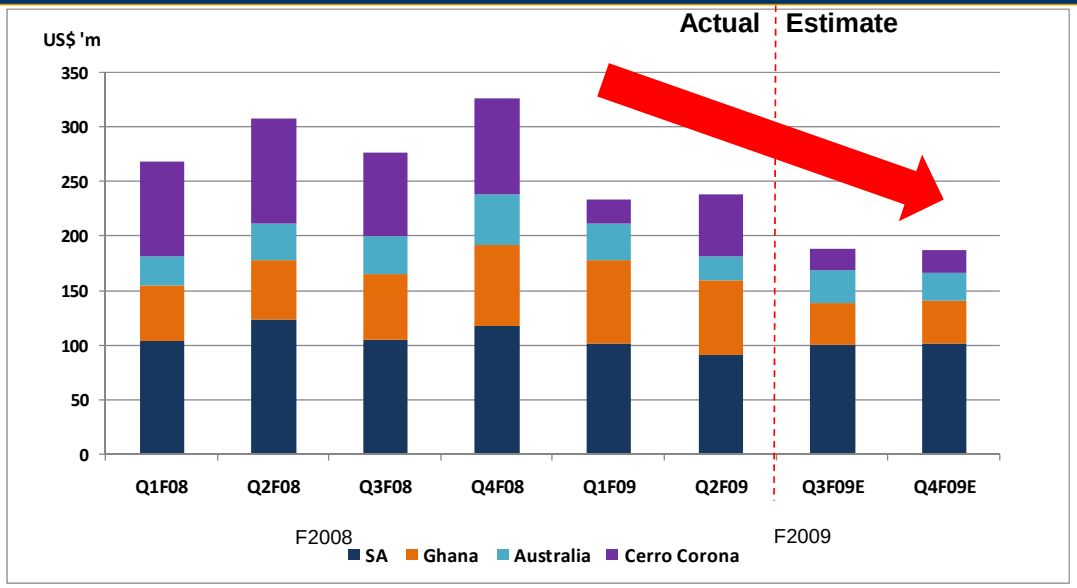
## POSITIVE IMPACT OF INCREASED PRODUCTION

You can see it in the costs as well if you look at the red line going forward. We expect to be around about $440 an ounce cash cost, so that provides a very healthy margin when measured against a gold price that's hovering around $900 an ounce.

STRATEGY REVIEW

## Short Term Targets

### MAJOR CAPITAL PROJECT COMPLETED




Estimate at US$1: R10.00

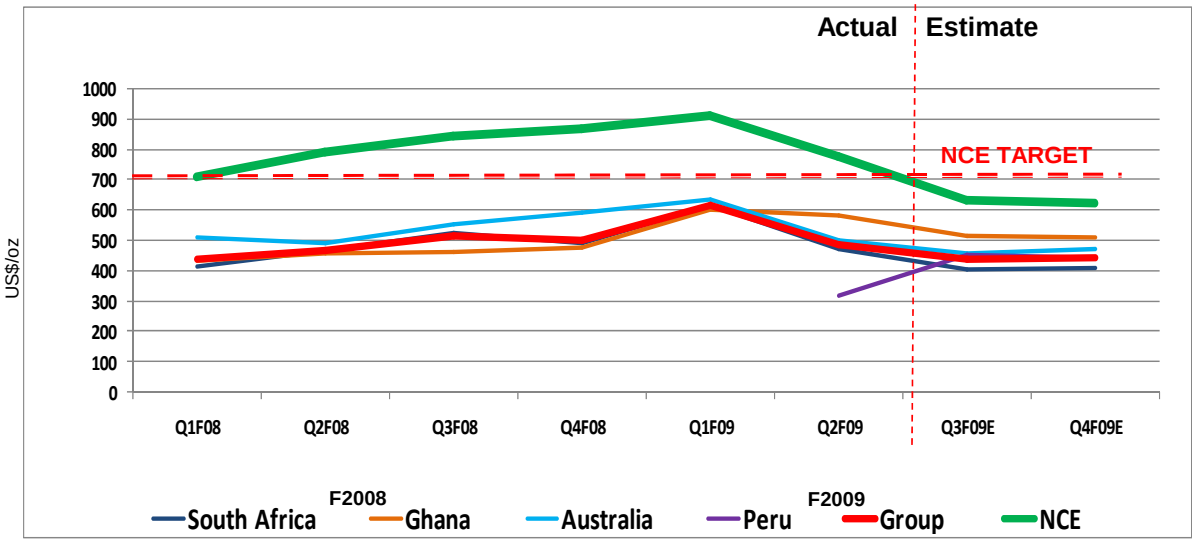
### STRONG CASH FLOW IN H2 F2009

And our capital, as you've heard, you can see quarter two was still pretty high has we finished up those projects, and then a step change takes place in quarter three. And just to reiterate again that the Corona and Tarkwa projects are now finished.

STRATEGY REVIEW

## Short Term Targets

## NOTIONAL CASH EXPENDITURE WELL BELOW TARGET




Estimate at US$1: R10.00

## WELL POSITIONED FOR CASH GENERATION

That capital is spent. It's now just sustaining capital on those operations, and that itself will also flow through to the NCE. And you can see the heavily shaded green line showing that we're going to be down to somewhere around $620 or $630 an ounce all-in. Obviously the exchange rate has helped us. Our target was $725, and if you want to go and do the calculations and use R8 instead of R10 to the Dollar, it comes back to about $742. So the $725 target at R8, we're very close. But of course with the exchange rate benefit we're going to be even better. And that provides the opportunity now to start making some cash.

## STRATEGY REVIEW Opportunities

| |
|---|
| **Lower oil price** |
| **Power conservation programmes** |
| **Cost reductions due to pull-back in mining consumables' prices** |
| **Sweat the assets** |

## DELIVER POTENTIAL OF EXISTING MINES

The lower oil price, we haven't seen the full impact of that coming through yet. Diesel is obviously a major cost input at the international ops, and it still needs time to work its way through. Some of the benefit is in this quarter; some of the benefit will come through in the March quarter. Power conservation programmes. We've got our Eskom supply now at the 95% of historical levels, and that compares to the baseline pre the electricity crisis. The target is to drop that by another 10%, the usage, 5% this year and 5% next year, such that by the end of 2010 we'll be at 85% usage of where we were back at the beginning of 2008. To put that into context, that's taking out 90 megawatts. 90 megawatts is huge. Now, if every industrial user could do that and if retail could come to the party on their savings we won't have an electricity crisis in this country. So I think we've all got to help Eskom. We've all got to come to the party and do our bit. I think the other reason for doing this is that power tariffs are inevitably going to go above inflation. I think we must make peace with that. Eskom need the money to ensure that they can secure the long-term future, so power conservation is critical. And at our SA ops power makes up about 12%.

Cost reductions due to the pull-back in mining. You've heard about the pull-back in the base metal sector. We started to see that flow through. Paul showed you some numbers. And we've got to keep hunting for that. Costs are sticky on the way down, so you've got to hunt these savings otherwise you don't get them. I think the most important strategy for Gold Fields is let's not get too worked up about M&A heroics. The most important thing for Gold Fields right now is to deliver our projects, get the SA assets back closer to where they should be. That provides the platform for anything else, because if we don't achieve that we don't have to worry about growth because there won't be the money available. So it's very simple. And that's going to be the key strategy for us over 2009.

STRATEGY REVIEW

## Opportunities



| RISKS | MITIGATION |
|---|---|
| Copper Price | Cost optimisation<br>Mine planning |
| Safety stoppages at SA mines | Increased focus on safety |
| Achieving production and cost targets | "Beef up" regional teams<br>Operational flexibility |
| Financial position | Major investments completed<br>Strong cash generation outlook |

**FOCUS ON GETTING THE BASICS RIGHT**

In terms of risks, copper price we've spoken about. And the reality is on an equivalent ounce basis current copper takes Cerro Corona from a 350,000 ounce a year operation to 280,000 ounces. That means you have to have a mine step change on how we run the operation, look to optimise the feed into the plant, mine planning. The team are all working on that. Safety we have spoken about, and the financial position of the company. I think with us now having spent the major project capital, fully capitalised the balance sheet, fully capitalised the company, we can now harvest the returns that we've been waiting for for some years.

Q4 F2008

## Conclusions

**SAFETY FIRST**

**STILL TARGETING 4 MOZ PER ANNUM**

**IMPROVE CONSISTENCY, PREDICTABILITY AND DELIVERY**

**GET ASSETS TO DELIVER TO THEIR POTENTIAL**

**AGGRESSIVE PURSUIT OF FREE CASH FLOW**

So in conclusion, safety remains the number one priority. The four million ounce target remains. We're going to be chasing that. And let's get our assets to deliver. So I think with that, Willie I think is going to manage any questions that anybody may have. Thank you.

**Willie Jacobsz**

Thank you, Nick. We're going to have a time for a few questions, but after that there will be a media round table where we normally have it. So questions. Where is the microphone? We will start with Brendan.

**Shane Hunter**

Good morning. Shane Hunter from Barnard Jacobs Mellett. Just two questions on Driefontein, if you could just give us an idea of what we can expect for the grade going forward in light of the decrease that we've seen in this quarter.

**Vishnu Pillay**

Firstly I think it's incumbent upon me to reinforce the fact that post the fatal accident that we had at that shaft we had to make significant changes to our production plan. We had to exit certain areas on the mine that the regulatory authority felt was necessary to prevent a recurrence of such an accident. And we've done that. So we've taken it out of our production plan. We expect that the grade going forward would stick closely to the reserve grade because we have managed the mix on that shaft and at four. We're going back into six and

seven at the requisite grades, and we are looking at considerably improving our surface grades by managing the mix going into our surface reclamation plants. So we'll stick with our reserve grades, which is just about 8g.

**Shane Hunter**

Can you tell us, how long will the surface material still last for at Driefontein?

**Vishnu Pillay**

My recollection is that it has an additional three years to go. It is three years.

**Willie Jacobsz**

Thank you. Brendan. Oh, sorry.

**Shane Hunter**

Sorry, just one more question. My last one for Glen. At Cerro Corona you've got up to steady state production. Can we expect some of the costs per ton you've got now for 18 tonnes? Is that going to be a good number going forward?

**Glen Baldwin**

That's going to be around about the number.

**Willie Jacobsz**

Thank you, Shane. Brendan?

**Brendan Ryan**

Brendan Ryan, Mining MX. Nick, at this stage can you give an estimate on the likely capital cost of that uranium plant and its production of uranium and gold? And then you also talk in your notes about tradeoffs and the studies that are taking place. Can you elaborate on that?

**Nick Holland**

Ja. Look, I don't want to give specifics about the production profile because the work is underway. So I wouldn't really want to give you any numbers or capital costs. Bear with us. Wait for the work to be done, and then it will give you definitive numbers. I don't want to give you numbers that we're going to have to significantly revise. The tradeoffs we talk about are different processing methods within the plant. You know, do we have autoclaves, so we bring in roasters, all that kind of stuff. The technical process of trying to extract the best recoveries. The trick here is to try and get your recoveries up. You can actually process all of your material and you find you only get a 45% recovery, whereas if you do it differently you could get a 60% recovery. And as you could imagine, on these kinds of in situ resources that's going to make a significant difference to the recoveries. So let us work through it, and believe me, we'll give you chapter and verse when we've got it clear in our heads.

**Willie Jacobsz**

Thank you, Brendan. Ruby?

**Ruby**

Thanks, Mr Jacobsz. Two questions please. Firstly from the balance sheet, the asset side, at the line investments. I notice that there's a reduction in value of R1.34 billion, about 23.5% down from June. What is the reason for that? And second question relates to the planned total cash costs at Kloof to reach R120,000 per kilogram. Now this is a reduction coincidentally also of 23.5% from the previous quarter, and it appears that this is to be achieved mainly by a production increase of 29%. Now, we're one third of the way into this new quarter. Can Mr. Pillay tell us at this stage whether he is on target to achieving this?

**Paul Schmidt**

Rubie, I'll answer the investment first. As you know we mark to market our investments on a quarterly basis, and the main reason for the decrease is the mark to market of our investment in Sino, Orezone and Mvelaphanda. That's accounting for basically the whole R1.3 billion reduction.

**Vishnu Pillay**

Thanks, Paul. Look, I'm not about to string myself up to hang here, but I have to say to you, January's production at Kloof is at 1810 kilograms. To achieve six point one we have to deliver just on two tonnes a quarter, and with the Christmas break we've delivered 1810 kilograms. So I'm reasonably confident that with the actions that we're taking on the operation that we will achieve the objective that we've indicated in our guidance. I have to caveat that by saving that that is subject to no major stoppages on the operation. And you have to take into account that previously over the period that we have been remediating the shaft steelwork that mine has clearly outperformed the guidance that we have given. So I'm confident that we'll achieve it.

**Willie Jacobsz**

Johan?

**Johan Steyn**

Thanks, Willie. Johan Steyn from Deutsche Bank. Just one quick question, Nick. In terms of labour outlook for the next year or two, how do you see it develop, both in terms of numbers and inflation?

**Nick Holland**

Look, inflation is very difficult to determine what sort of pay settlement we're going to get because those negotiations only begin around April or May. I don't want to second guess how the negotiating team is going to pan out with the union. All I can say is that these negotiations are always tough negotiations and I think honest negotiations. And let's see how it works out. Look, the inflation outlook in the country is declining, you know. So I think that's positive. Look, we always benchmark ourselves against inflation. We're not in a business to provide above inflation cost increases otherwise we're not going to have a business. In terms of labour numbers, you're seeing the South African operations in a transition process right now where we've been at 15 tonnes and we're moving up to 19 tonnes. 18 tonnes this

quarter and 19 tonnes thereafter. So I think we've got to assess what it's going to look like once we've got to that situation. But I can assure you that the best outcome for us is to get the extra gold and to reduce the costs. So we're sensitive about labour. But it's a dynamic situation, and we'll continue to monitor the requirements against how we deliver against our plan. So watch this space.

**Willie Jacobsz**

We've got... Johan?

**Johan Steyn**

Sorry, one last question. Vishnu, in terms of South Deep, we obviously respect the fact of going visionary for mechanised mining. Are you guys comfortable that you've got the skills, because it's obviously a different skills set that you need for mechanised mining?

**Vishnu Pillay**

Currently we have, but we recognise the fact that going forward into the future and in our build-up to full production we need a strategic skills plan, which is being compiled and would be available for us to manage going forward into the future. I must give you the commitment of this team and the operations team that under no circumstances are we going to reverse the decision to do conventional mining. It's going to be a mechanised mine going forward, and we're fully going to support all the initiatives that are required to make it a success.

**Willie Jacobsz**

Thank you. We've got time for one more question. Steve?

**Steve Shepperd**

I'm reminded that your previous Chief Executive Officer used to talk about Wal-Mart and the Saks 5$^{th}$ Avenue. With a record gold price, Vish, what are the chances that you might be tempted to harvest some of your vast lower grade areas?

**Vishnu Pillay**

Steve, the temptation is always there. But I have to say that we're not switching the strategy. We recognise the fact that we have an ore reserve grade that we need to mine to, and that's what we're currently mining to. So we're not going to go all-out and mine tonnes of low-grade ore on our operations. We're pretty much sticking with the strategy that has been set.

**Willie Jacobsz**

## NEW APPOINTMENTS

52

| | |
|---|---|
| **Nikki Catrakilis-Wagner**<br>Investor Relations Manager<br><br>Office: (Direct): +27 11 562-9706<br>Switchboard: +27 11 562-9700<br>Mobile: +27 (0) 83 309-6720<br>Nikki.Catrakilis-Wagner@goldfields.co.za | **Marritt Claassens**<br>Corporate Affairs Manager<br><br>Office (Direct): +27 (11) 562-9774<br>Switchboard: +27 (11) 562-9700<br>Mobile: +27 (0) 82 307-3297<br>MarrittC@goldfields.co.za |

53

Thank you, Vishnu. Just in conclusion I just want to bring to your attention that we've appointed two new people in Gold Fields that can help all of you with information. We've got Nikki Catrakilis-Wagner who has been appointed as an investor relations manager in the Johannesburg office, and Marit Claasen, head of media relations, also in the Jo'burg office. Their numbers are in the book that you've received, so please make use of them. They're there to help you with information. There will be some lunch served now. We will have a media round table in the room at the back starting in about 15 minutes. Thank you very much.