Gold Fields Limited

2011 Investor Day

# Presentation 2 of 9

# Growth and International Projects

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Johannesburg
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# Growth and International Projects

## Forward looking statements

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

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

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3

Good morning ladies and gentlemen,

It is my great pleasure to share with you the story of our maturing growth pipeline in Gold Fields. Nick has just shown when we first verbalised our 5Moz in production or development target back in 2008 it was just an aspiration, without a project pipeline to support it.

What I want to demonstrate today is that Gold Fields has a robust and quality pipeline capable of delivering our target and provide the platform to continue to grow Gold Fields way past 2015.

I hope that when I have gone through my section you will share the team and my enthusiasm for what lies ahead.

So our immediate objective is to deliver the 5Moz in production or development target. We need to do this from a stable operational base where we will continue to replace and grow our reserves through near mine exploration. Greenfields exploration has been ramped up from about $40 million in 2008 to $110 million planned for 2012. This exploration investment supports the growth objectives of the regions.

We are not going to grow for the sake of growing. Strategically we are looking to diversify both geographically and operationally. As a result our greenfields growth effort is largely outside of South Africa and the deep level labour intensive mining. Our growth mantra is “whatever we bring in, needs to better than what we have”. This means better quality which we measure on a NCE margin basis. With this discipline we will drive the growth in our future cash flow.

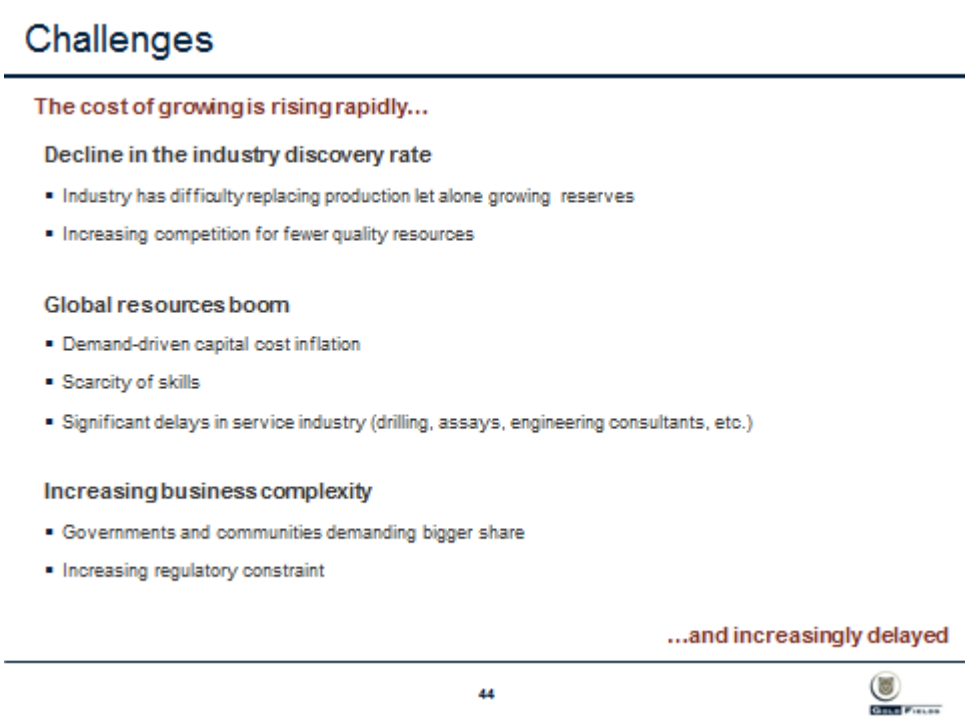
We measure our growth on a per share basis.

So no M&A heroics in today’s market where assets are clearly demanding significant premiums. No heroics doesn’t mean no M&A – but rather we will be very disciplined and opportunistic in our

approach – it must generate growth on a per share basis.

We believe that a discover and build strategy delivers superior value to our shareholders and we are building a world class capability to deliver this strategy.

Of course there are significant challenges….



## Challenges

**The cost of growing is rising rapidly…**

**Decline in the industry discovery rate**

- Industry has difficulty replacing production let alone growing reserves
- Increasing competition for fewer quality resources

**Global resources boom**

- Demand-driven capital cost inflation
- Scarcity of skills
- Significant delays in service industry (drilling, assays, engineering consultants, etc.)

**Increasing business complexity**

- Governments and communities demanding bigger share
- Increasing regulatory constraint

**…and increasingly delayed**

44

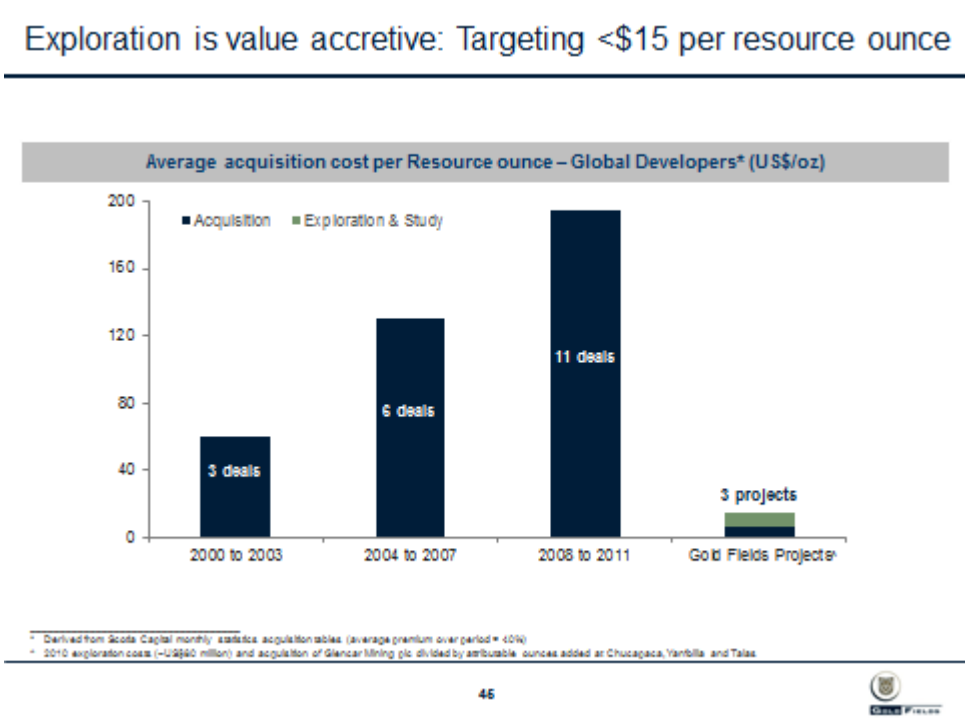
I have spoken a lot about the decrease in the discovery rate in the gold industry and in fact Nick just spoke on this again in his overview.

Gold companies are battling to grow let alone replace reserves. So we are seeing increasing competition from the larger company's for the few quality resources out there. Our response is to increase our exploration effort and add our own quality discoveries.

The boom that we are witnessing across the majority of commodities is causing increasing capital cost inflation and making it difficult to attract and retain skills. We are seeing increasing delays from the service industries where the demand for their services are at a premium.

On top of this, the complexity of our business climate is intensifying. As Nick already told us, and my colleagues I am sure will elaborate, governments and communities are becoming demanding. Coupled with the rapidly increasing regulatory imposts we are experiencing, from listing rules to environmental permitting, it is making the job of building new gold mines quite difficult.

With these issues - why do we believe in the discover and build strategy for Gold Fields growth?

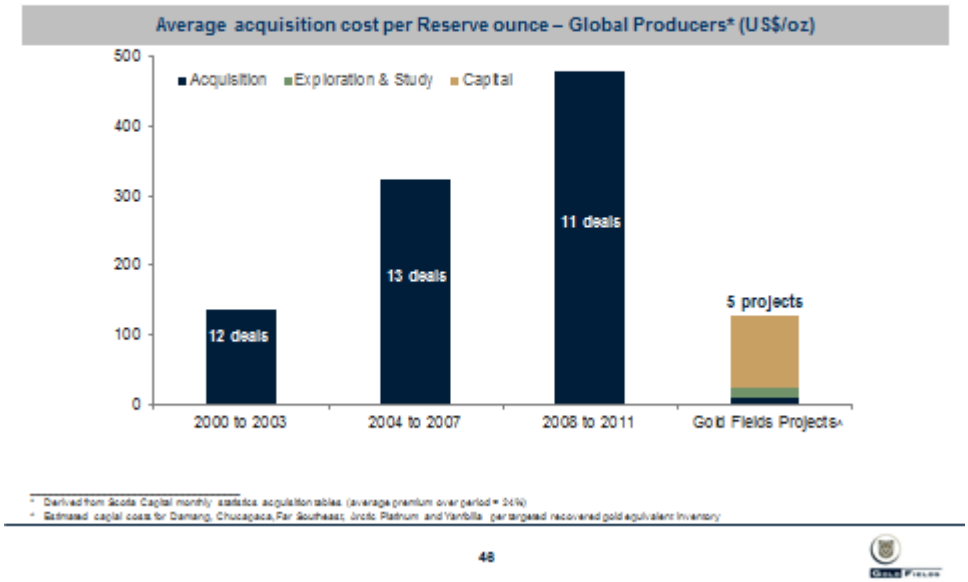



Looking here at discovering versus acquiring resources.

With increasing competition the average acquisition cost per resource ounce paid for development companies has increased from about $60/oz during the period 2000 to 2003 to nearly $200/oz during 2008 to 2011. This compared to the $8/oz cost of resource added by our greenfields exploration during 2010 and the $5/oz cost to acquire those exploration projects.

The increase in the number of deals per period is further evidence of the increasing demand for resources as companies are prepared to pay more and more for their growth.

## Discover & build strategy cheaper than acquisition




Looking now at the acquisition of producers over the same timeframe.

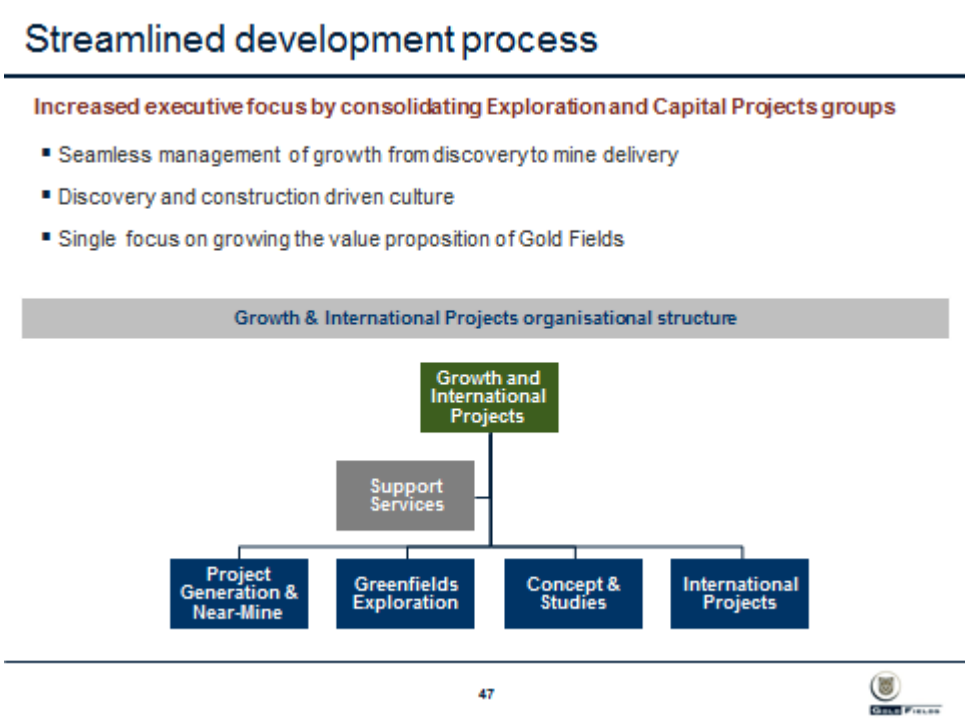
The cost of acquiring production assets has increased from about $140 per ounce of reserve back in the 2000 to 2003 period to about $500/oz reserve acquired in this recent period.

Comparing this to what we estimate it will cost to discover, build and bring to production our five greenfields projects (which I am going to talk about in more detail next) clearly illustrates the value of our strategy.

We estimate that it will cost us about $130/oz of mineable inventory to bring our projects to account – i.e. 4x cheaper than acquiring an ounce. Of course there is risk in bringing these projects to production and we may not do it for exactly that cost, but we believe the value captured outweighs the risk significantly.

Don't forget acquiring production also comes with risk.

So we believe that we will add significant value for Gold Fields' shareholders through a world-class discover and build capability that delivers repeatedly and reliably production growth to Gold Fields.




To this end we have recently consolidated our exploration and capital projects groups.

This provides our total discover and build capability with a seamless executive focus from discovery to mine delivery.

We have and are building a world-class team capable of delivering our targets.

## Track record of delivery

**Key achievements: Delivering the pipeline**

| | |
|---|---|
| Reserve Growth | ▪ Reserve replacement and growth at international operations<br>▪ At an average cost of ~US$33/ozeq* reserve discovered |
| Resource Growth | ▪ Added 10.5Mozeq in greenfields projects in 2010<br>▪ At an average cost of <$8/ozeq* resource |
| Maturing Pipeline | ▪ South Deep: Production ramp-up underway<br>▪ Chucapaca: Feasibility study H1 2012<br>▪ Damang: Resource and pre-feasibility study H1 2012<br>▪ Far Southeast: Resource and scoping study H1 2012<br>▪ Yanfolila: Pre-feasibility study H2 2012<br>▪ Arctic Platinum: Pre-feasibility study H2 2012 |
| Developing Pipeline | ▪ Initial resource expected from Woodjam JV in Q1 2012<br>▪ Initial drilling at Salares Norte in Chile encouraging<br>▪ First exploration at Kangare in Mali demonstrating a large system<br>▪ Entered joint venture with Minera S.A. on Taguas Project in Argentina<br>▪ Exploration activities in 13 countries |

**2012 activity increased to 660,000m drilling planned (E2011 ~370,000m)**

* Includes all international exploration costs (i.e. greenfields and near-mine exploration)
* Includes all international greenfields exploration costs

48

Our track-record is gaining credibility.

We have replaced and grown our international reserves for about $33/oz.

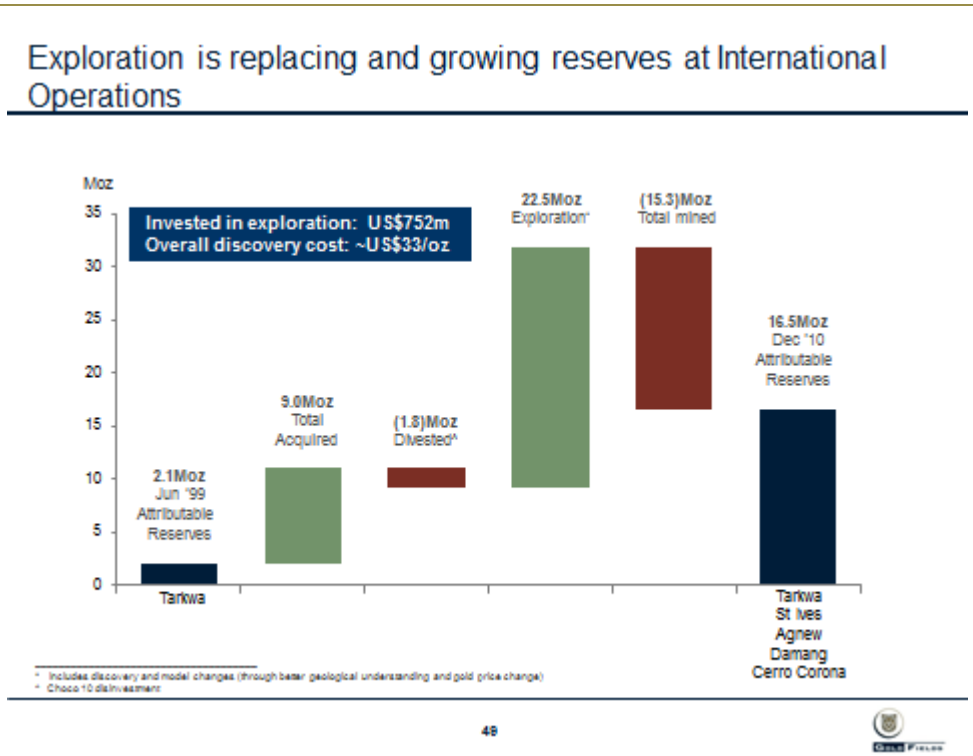
We are looking to improve on this over the next few years.

We added over 10Moz to our greenfields resources at an average cost of about $8/oz during 2010 alone. A massive achievement.

We now have a maturing pipeline that is capable of delivering our 5Moz in production or development by 2015 target.

And as I already said when we first set that target back in 2008, it seemed a pipe dream.

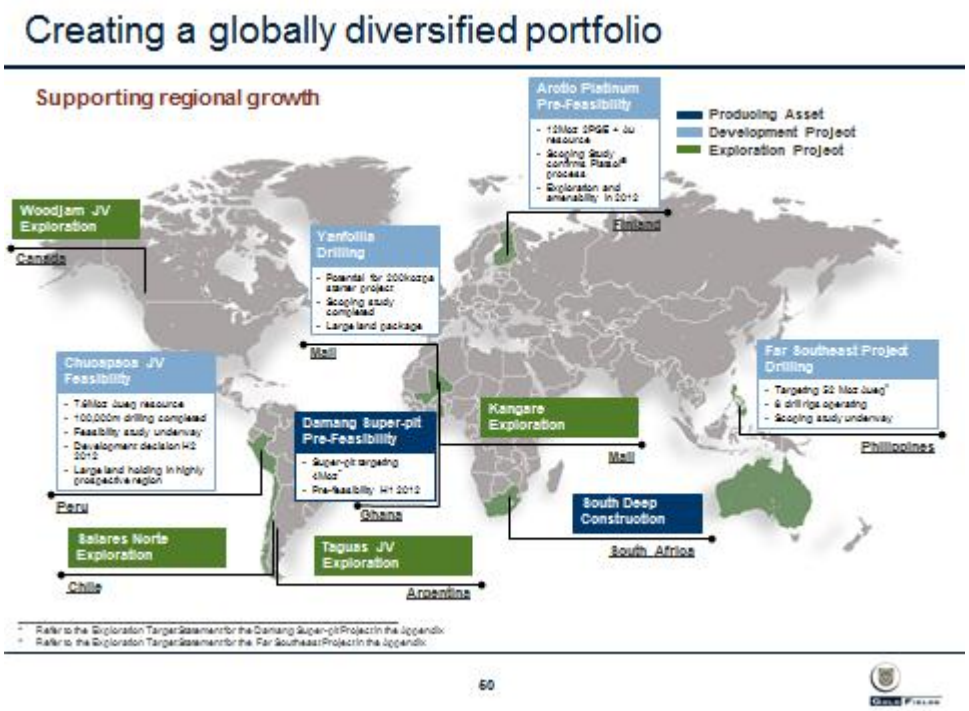
And importantly we have the exploration pipeline to continue to feed production growth in Gold Fields.




Our investment in exploration – both greenfields and near mine – has delivered reserves of 22.5 Moz at $33/oz.

As we deliver our greenfields projects into reserve I expect the reserve position to increase significantly and our exploration cost per ounce to decrease.

This is how you create value in our business.



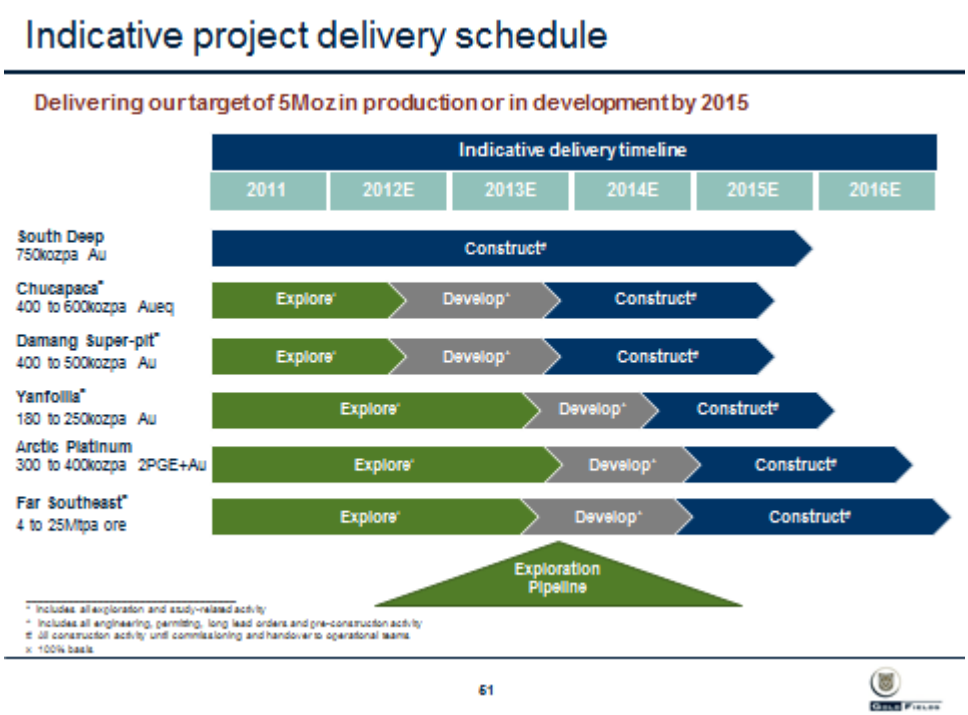

This map shows our 5 international growth projects and South Deep. It also shows some of our more promising exploration properties.

With the exception of South Deep our exploration and growth projects largely support our three international regions, with Chucapaca, Salares Norte and Taguas in the South American region; the Damang Superpit, Yanfolila and Kangare in West Africa and Far Southeast in the Australasia region.

I will give you an overview of the four exploration projects shown in green at the end of my section, but the majority of my presentation will focus on the five international growth projects shown in blue.

Peter, will talk in his section on South Deep.

We have seen significant progress in our growth portfolio over the last year and we are targeting development decisions at all of these projects before the end of 2014.




Shown in green is the expected time to complete all exploration and the majority of study related activity (including scoping, pre-feasibility and definitive feasibility studies).

In grey, is the expected time to complete detailed engineering and permitting prior to a construction decision.

The development decision, which is at the start of this period, is board approved and will normally be based on a definitive feasibility study.

It will start capital expenditure on the project like land acquisition, pre-ordering of long lead items, early construction activity and final permitting costs.

And then in blue is the expected time to complete construction and bring the project into commercial production.

So, as I just said, we are targeting development decisions on all 5 growth projects by the end of 2013 and construction decisions before the end of 2014.

Subject to meeting these targets and achieving the lower end of the production range, our attributable additional ounces in production or development by 2015, will be in excess of 1.5 Moz.

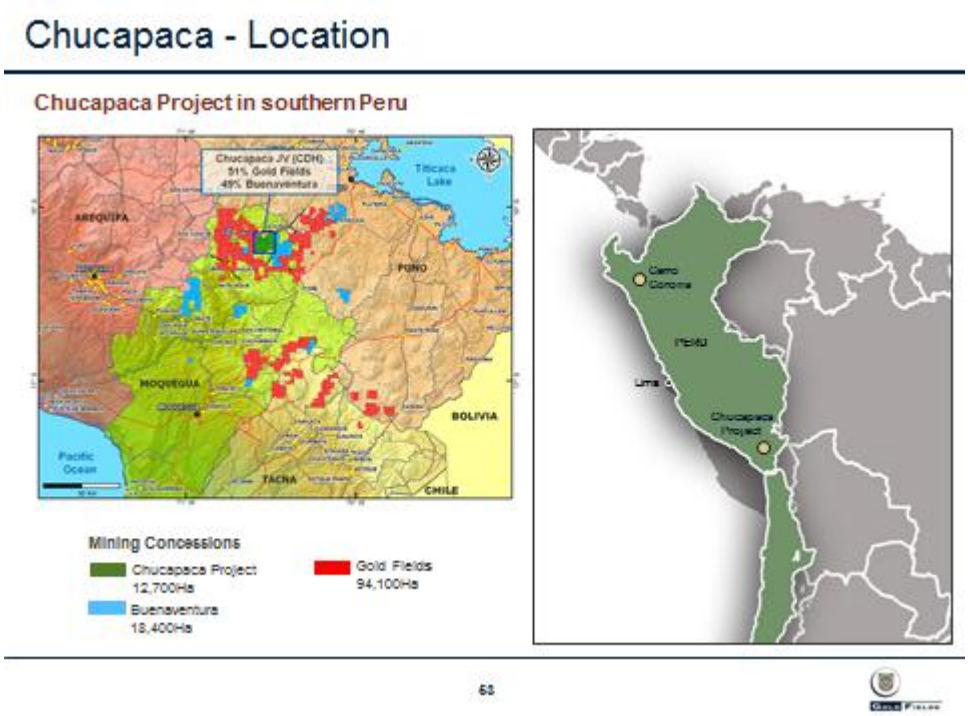
This, added to our current 3.5 Moz production, gives us the confidence today that we will meet our 5 Moz goal set back in 2008.

Ok, so let's go through these projects in more detail…..

The Chucapaca project in southern Peru was only discovered in Sep 2008.

Since the first hole we have advanced the project significantly and expect to complete the definitive feasibility by middle of 2012.

This discovery is fast becoming recognised as one of the best discoveries in South America in recent times.



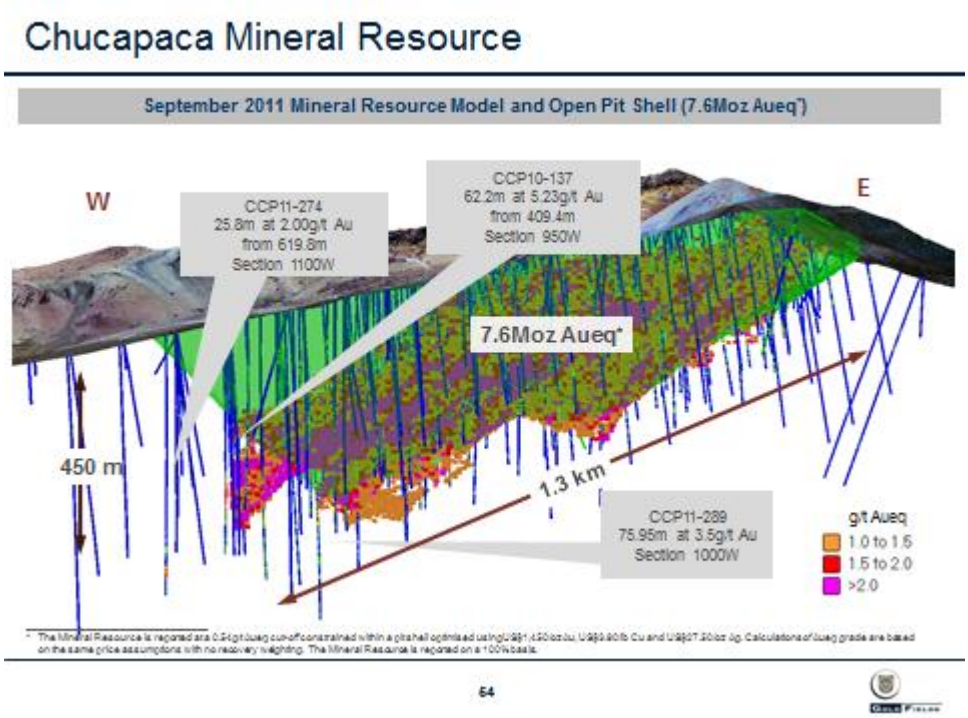

The project is a joint venture between Gold Fields and Buenaventura. Gold Fields holds 51% and operates the project.

The area of the joint venture is shown in green and both Gold Fields and Buenaventura have significant tenement positions outside of the joint venture area.

Our tenement interests are shown in red. Together Buenaventura and us have essentially covered the majority of this newly recognised gold district.

The project is located in southern Peru, quite far from our Cerro Corona mine. So there are no direct synergies but we are leveraging off our in-country operating knowledge and infrastructure.

We are greatly benefitting from everything we learnt at Cerro Corona when building it just over 3 years ago.




We have drilled just over 100,000 m into the Canahuire prospect since the discovery hole in September 2008.

Earlier this year we announced a pit constrained resource of about 7.6 Mozeq. You can see the pit shown in green and the resource blocks in the various colours signifying gold equivalent grades. The pit length is about 1.3 km and it's just about 450 m deep in the west.

It is a gold, silver and copper intermediate sulphidation epithermal orebody – with gold compromising over 80% of the revenue basket after recoveries.

You can see the shallow plunge to the west defined by a high grade shoot shown by the pink blocks.

It is open at depth to the west with high grade ore blocks continuing outside of the pit constraint and significant intersections over 200 m further to the west. I think this upside will most likely be mined from underground and we will be exploring this potential when we start drilling at the site again during 2012.

## Chucapaca Mineral Resource

~70% of Resource in the Indicated Category

| Category | Tonnes (Mt) | Grade | | | | Metal | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Au (g/t) | Ag (g/t) | Cu (%) | AuEq (g/t) | Au (Moz) | Ag (Moz) | Cu (Mlb) | AuEq (Moz) |
| Measured | - | - | - | - | - | - | - | - | - |
| Indicated | 92.56 | 1.45 | 11.61 | 0.09 | 1.83 | 4.32 | 34.56 | 178.59 | 5.46 |
| Inferred | 40.16 | 1.36 | 8.94 | 0.09 | 1.68 | 1.75 | 11.55 | 75.42 | 2.18 |
| Total | 132.72 | 1.42 | 10.81 | 0.09 | 1.79 | 6.07 | 46.11 | 254.01 | 7.63 |

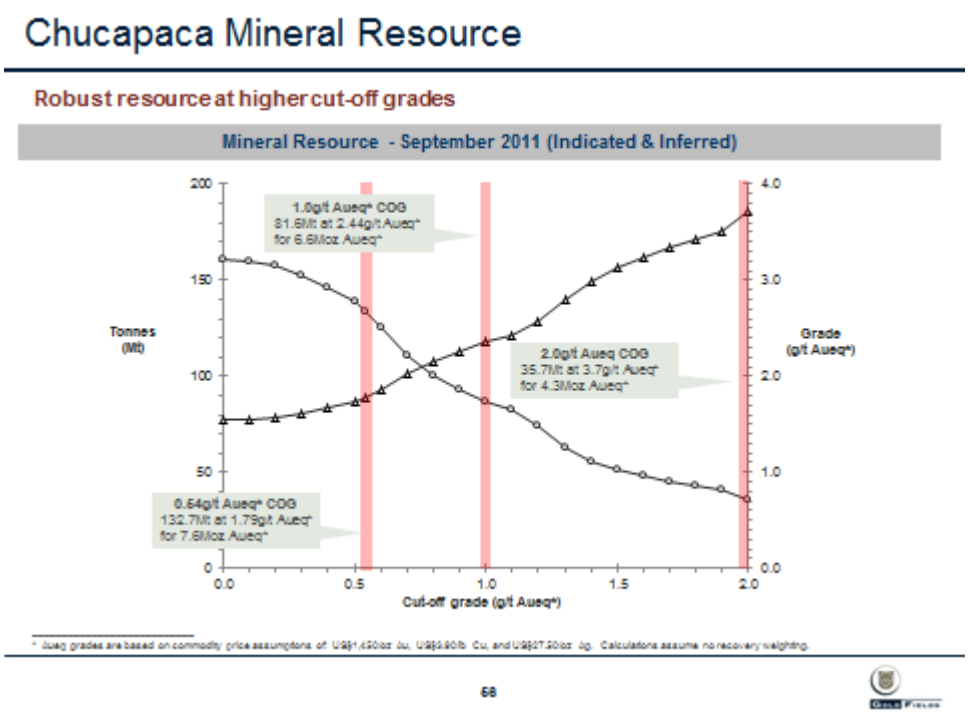
Note:
1. These Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability
2. Gold equivalent uses US$1,450/oz Au, US$3.90/lb Cu & US$27.50/oz Ag and assumes 100% recovery of all metals
3.Metal attributable to Gold Fields and Buenaventura is 3.88 Moz Aueq and 3.74 Moz Aueq, respectively
4. The Mineral Resource is reported at a 0.54g/t Aueq cut-off grade constrained within an optimised pit shell
5. The pit shell is based on a price assumption of US$1,450/oz Au, US$3.90/lb Cu & US$27.50/oz Ag
6. Gold equivalent is calculated based on normalising to different commodity prices and does not take into account weighted metallurgical recoveries. The difference in metal would be approximately 200koz Aueq using weighted metallurgical recoveries

55

Over 70% of the declared resource is classified as indicated, with a total measured, indicated and inferred resource of 132.7 Mt at 1.8g/t Aueq for 7.6 Moz Aueq.

Remember the resource is pit constrained and we used a cut-off grade of 0.54 g/t Aueq. I will show you what it looks like at higher cut-off grades in the next slide.

Note that these are 100% resource figures of which 51% is attributable to Gold Fields – i.e. – about 3.9 Moz Aueq.



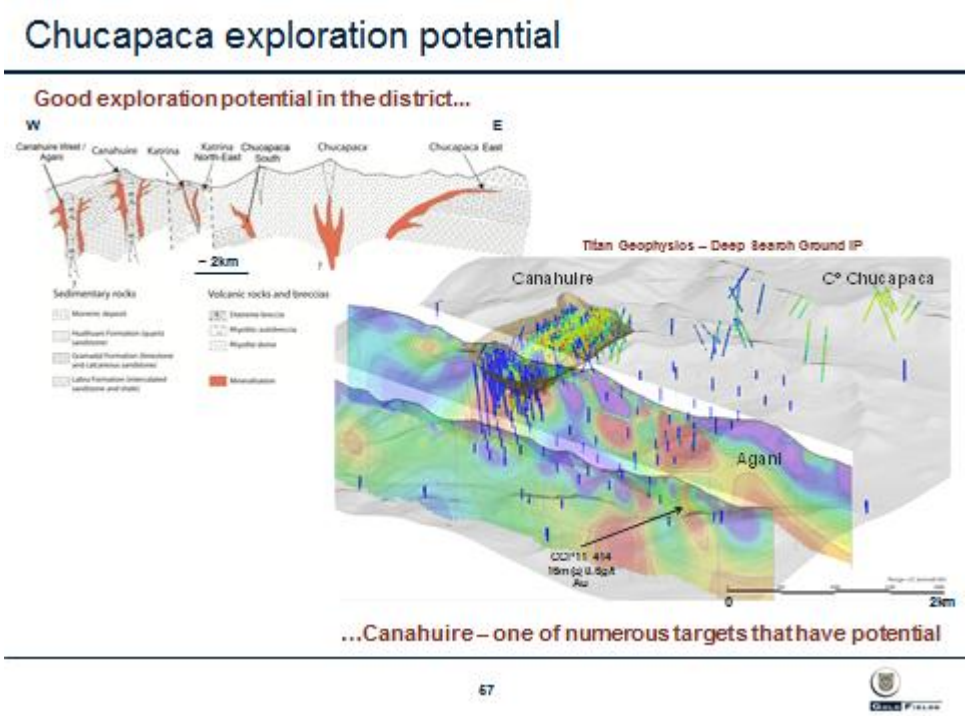

Looking at the grade tonnage relationship of the total resource at the declared cut-off of 0.54 g/t Aueq, gives us the 137 Mt at 1.8g /t Aueq.

Increasing the cut-off grade to 1.0 g/t Aueq - tonnage drops to 82 Mt and grade increases to 2.4 g/t Aueq, resulting in about 6.6 Mozeq contained metal.

So a 40% decrease in tons results in a corresponding 13% decrease in the contained metal. This illustrates well the robust nature of this orebody.

Looking at an even higher cut-off grade of 2.0 g/t Aueq; we get 37Mt at 3.7 g/t Aueq for 4.3 Moz Aueq contained, or a 72% decrease in tons for a corresponding 43% decrease in contained metal.

Hopefully this illustrates to you the robustness of this first discovery and the operational flexibility we should have when we are mining here.




Since making the discovery at Canahuire we focused on the resource infill drilling there and haven't progressed at all on the other targets and prospects within the Chucapaca tenements.

We recognised early the potential for more targets of similar and different style to Canahuire around the Chucapaca Dome.

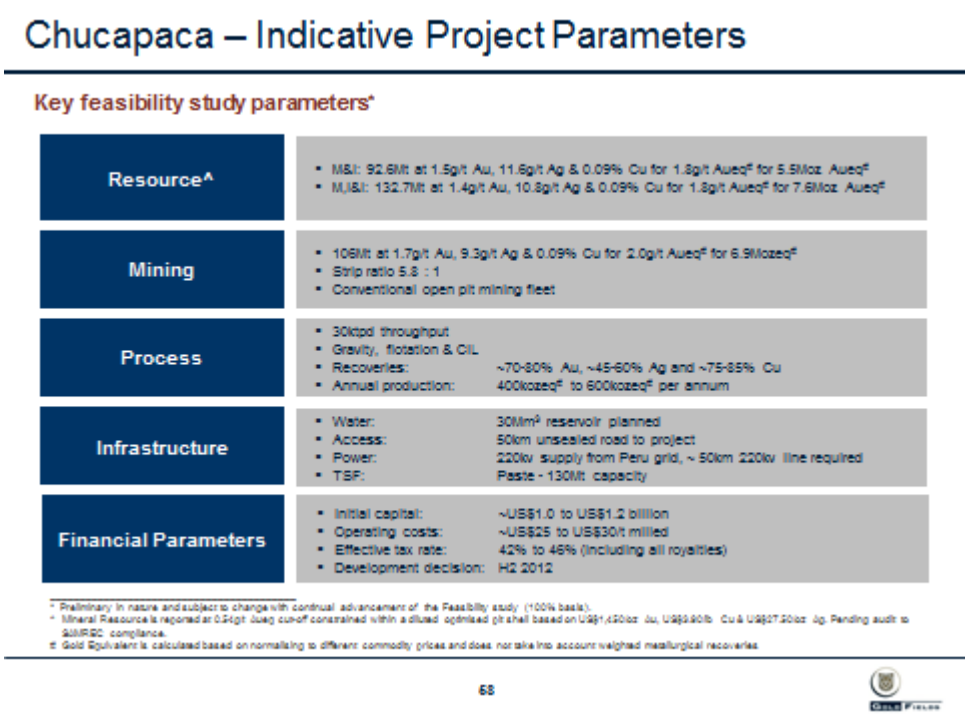
This schematic section shows the Chucapaca Dome – the original exploration target – and what we now believe to be a new target at depth.

The Canahuire resource focused on a breccia body and numerous other targets in the area.

Now that resource drilling at Canahuire is largely complete we can turn our attention to these targets and hopefully add new resource positions to the initial Canahuire discovery.

The Agani target to the west of Canahuire is especially compelling. It is in a similar setting to Canahuire and has been defined by a strong IP anomaly modeled to start at about 150 m below surface. We have intersected some gold mineralisation, 16 m at 0.6 g/t Au, close to surface that could be leakage at the top of the system. This target will be drilled as soon as we get our drills back on site next year.

As a betting man and an optimistic geologist I am confident that there is still significant untested potential at Chucapaca.



## Chucapaca – Indicative Project Parameters

**Key feasibility study parameters***

| | |
|---|---|
| **Resource^** | • M&I: 92.6Mt at 1.5g/t Au, 11.6g/t Ag & 0.09% Cu for 1.8g/t Aueq[#] for 5.5Moz Aueq[#]<br>• M,I&I: 132.7Mt at 1.4g/t Au, 10.8g/t Ag & 0.09% Cu for 1.8g/t Aueq[#] for 7.6Moz Aueq[#] |
| **Mining** | • 106Mt at 1.7g/t Au, 9.3g/t Ag & 0.09% Cu for 2.0g/t Aueq[#] for 6.9Mozeq[#]<br>• Strip ratio 5.8 : 1<br>• Conventional open pit mining fleet |
| **Process** | • 30ktpd throughput<br>• Gravity, flotation & CIL<br>• Recoveries: ~70-80% Au, ~45-60% Ag and ~75-85% Cu<br>• Annual production: 400kozeq[#] to 600kozeq[#] per annum |
| **Infrastructure** | • Water: 30Mm³ reservoir planned<br>• Access: 50km unsealed road to project<br>• Power: 220kv supply from Peru grid, ~ 50km 220kv line required<br>• TSF: Paste - 130Mt capacity |
| **Financial Parameters** | • Initial capital: ~US$1.0 to US$1.2 billion<br>• Operating costs: ~US$25 to US$30/t milled<br>• Effective tax rate: 42% to 46% (including all royalties)<br>• Development decision: H2 2012 |

* Preliminary in nature and subject to change with continual advancement of the Feasibility study (100% basis).
^ Mineral Resource is reported at 0.5 g/t Aueq cut-off constrained within a diluted optimised pit shell based on US$1,250/oz Au, US$3.90/lb Cu & US$27.50/oz Ag. Pending audit to SAMREC compliance.
# Gold Equivalent is calculated based on normalising to different commodity prices and does not take into account weighted metallurgical recoveries.

68

We are looking to complete the definitive feasibility study and make a development decision at the Canahuire open pit project in the first half of 2012. We are updating the September resource model, shown here, with new results from about 30,000 m of drilling and this model will be used in the final feasibility study.

The results shown here are interim but should give you a good indication of where the feasibility is headed and give you something to model.

All the numbers shown here are for the total project of which 51% is attributable to Gold Fields. We have used both the current indicated resource as well as about 2/3 of the inferred resource as our interim mining inventory.

I would be hopeful that our new drilling would convert most of this inferred resource to indicated.

We are looking at a conventional open pit with 106 Mt of ore for nearly 7 Moz Aueq contained metal at 5.8 to 1 life of mine strip ratio.

We are planning a 30 ktpd process facility. Looking to crush and mill to about 75 micron, which we will pass through a gravity gold recovery circuit, then float a saleable copper and gold concentrate and extract the remaining gold through CIL of the flotation tails.

Unoptimised metal recoveries are average and hopefully with some more work we will see these improve to the top end of the ranges. So on a 100% basis we are looking at somewhere between 400 and 600 kozpa Aueq production.

Water and community are the biggest risks to this project.

Currently we are looking to permit a 30 million cubic meter reservoir capable of supplying the mine and the community with an equal amount of water, as well as ensure the downstream flow of the dammed stream.

This solution has good community support and in fact we have enjoyed good community support at this project throughout.

We have identified and sterilised a tailings facility site capable of containing at least 130 Mt of paste tailings. This site is located in the same drainage as the preferred waste dump site allowing us to contain and manage all effluents in one drainage system.

Our initial capital estimates are about $1.0 to $1.2 billion. And average total operating costs are expected to be in the $25/t to $30/t range. This should generate slightly lower $/oz operating costs than what we are seeing at Corona currently.

Juancho, will tell you more about taxes in Peru and the recent changes. For our study we expect the effective tax rate to be about 42% to 46% inclusive of all royalties.

With a development decision in the first half of 2012, the Canahuire open pit is on track to be Gold Fields' next mine in South America.

In early 2011 our geologists recognised the potential to drill for extensions to mineralisation beneath the Damang and adjacent Juno and Huni open pits.

They created a conceptual model which was in fact just a cut and paste of the grade control model beneath the existing model, and floated a whittle pit to see if it would optimise. It did and that gave them and mine management the confidence to kick off a 2-phased drilling programme from the bottom of the open pits.

Recent proposed changes to taxes in Ghana do present a serious risk to the economic viability of this project. I think it is fair to say that if the changes are promulgated we would most likely not initiate the project as I will outline here today.

So what I am going to tell you here is premised on the old tax regime. We are currently in negotiation with the authorities and will hopefully come to a common understanding on the proposed changes soon.

## Damang Super-pit, Ghana

**Resource and Pre-feasibility targeted for H1 2012**

- December 2010 Damang Pit Reserve 1.1Moz
  - Other pit reserves of 0.83Moz
  - Total Damang property reserve 2.1Moz
- Combine Huni, Juno and Damang pits as a Super-pit
- Conceptual model generated by cut and paste of grade control model
- Proof-of-concept drilling confirmed mineralisation
  - 107 holes for ~25,000m
- Damang Super-pit exploration target*
  - 80Mt at 1.6g/t for 4.0Moz
- Resource delineation drilling
  - 157 holes for ~38,000m
  - ~40m by ~80m spacing
  - Programme completed

* Refer to the Exploration Target Statement for the Damang Super-pit Project in the Appendix

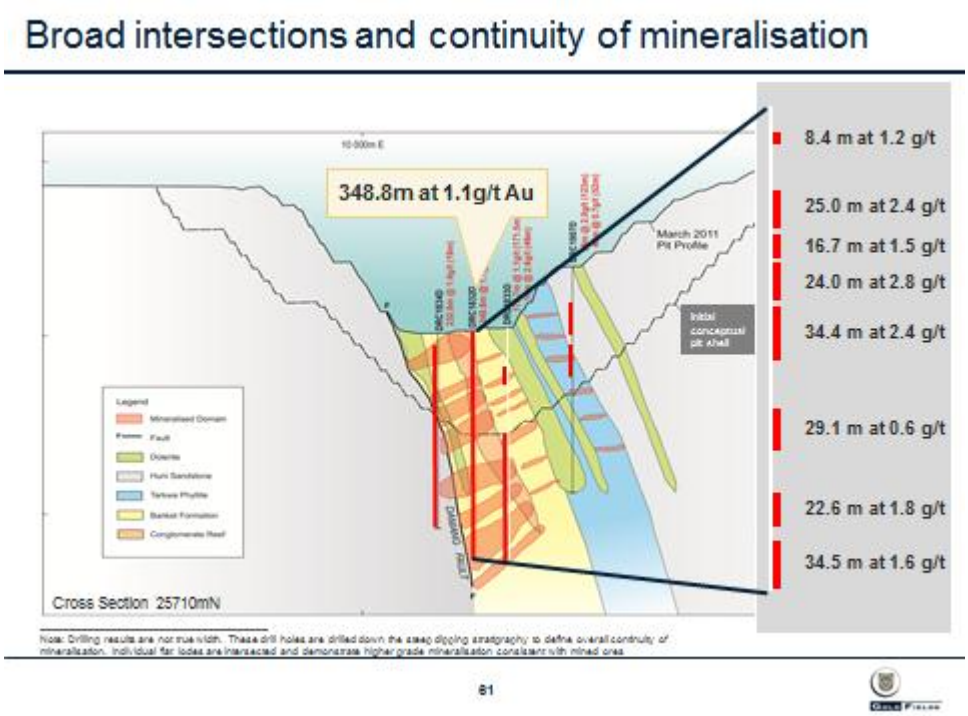
60

The December 2010 Damang pit reserve is 1.1 Moz with another 1 Moz of declared reserve from a number of smaller pits throughout the Damang leases.

The first phase of drill testing from the pit floor was proof of concept drilling. This programme was drilled on a wider spacing with the aim of confirming the concept.

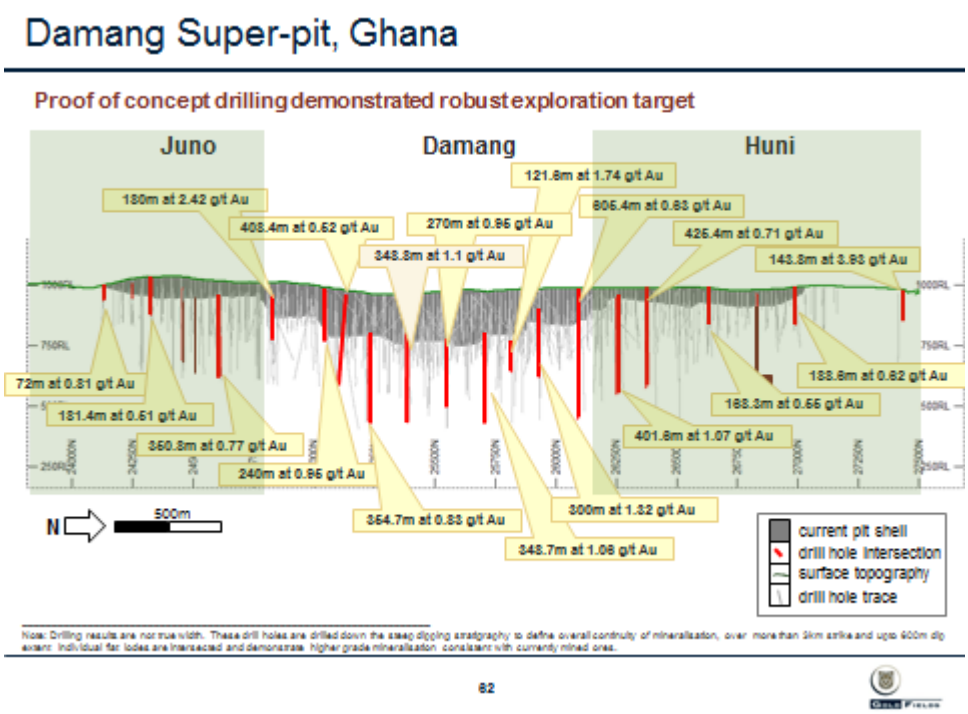
The programme was largely successful and we issued an exploration target of 80 Mt at 1.6 g/t for 4 Moz from the Damang Superpit and initiated a resource delineation programme to confirm the target.

We have just completed this drilling and we are targeting a resource declaration during the first quarter of 2012.




Drilling has confirmed broad intersections of mineralisation consistent with what has been mined in the pit. The mineralisation extends significantly further than we modelled in our conceptual cut and paste exercise. So this leaves opportunity to further deepen the pit or for bulk underground mining sometime into the future.

The bulked out grade is a bit low, but when we look at the individual lodes that will be selectively mined in the pit, we see very similar grades and widths to what we see currently in our mining.



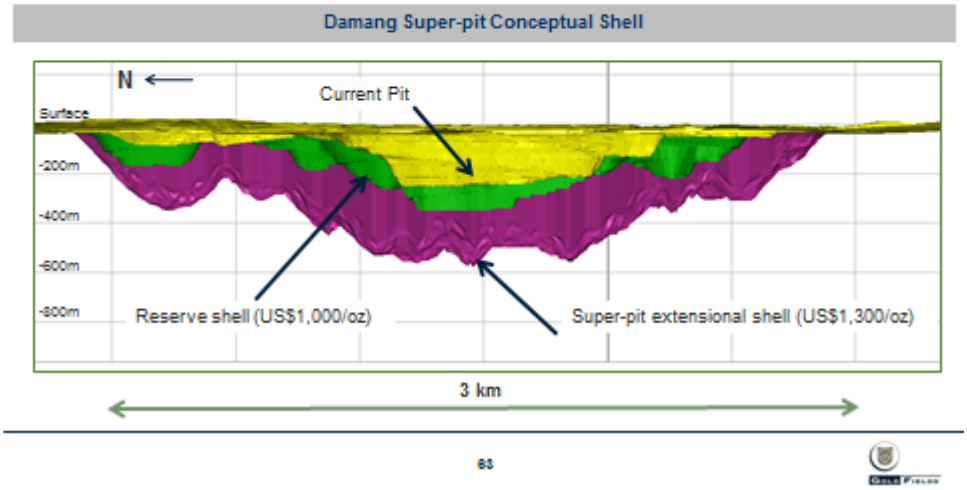

Looking here at a longitudinal projection of the super pit project from Juno in the south to Huni in the north, we are showing some of the proof-of-concept results.

As you can see these are consistently wide and robust, especially in the middle beneath the Damang pit.

The combined pit is over 3km long and nearly 500m deep – a very large hole – hence our “super pit”.

## Potential for a major pit push-back at Damang

- Resource estimate and Pre-feasibility targeted for completion during H1 2012
- Permitting process underway
- Study elements progressing to schedule




83

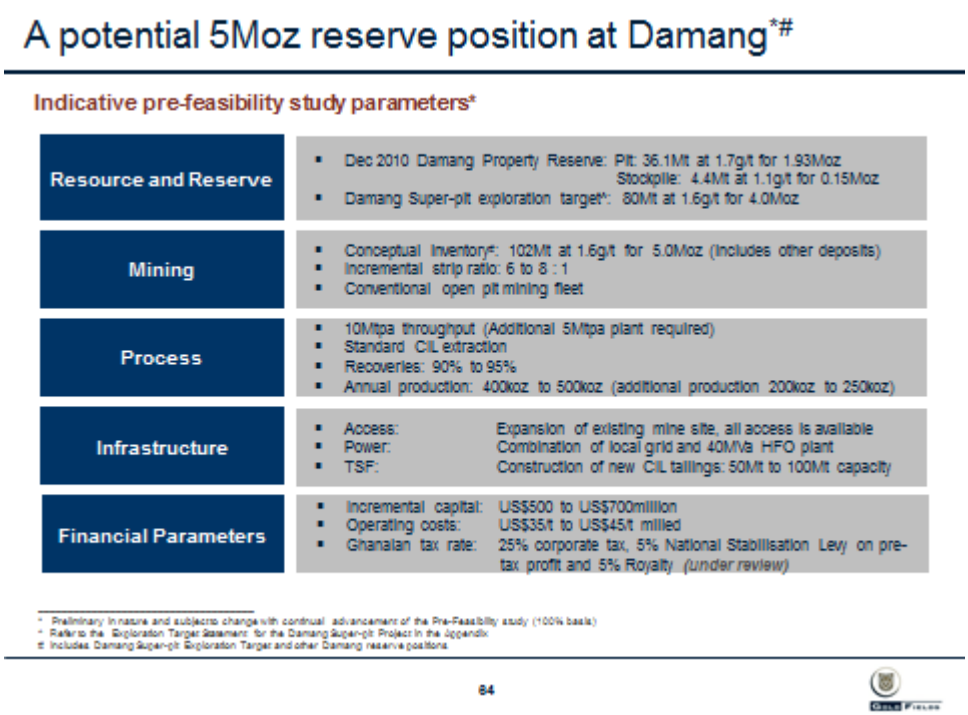
This longitudinal is looking from the other side with the Huni pit to the left and Juno to the right.

What we are showing here is the actual September 2011 mined pit in yellow.

The December 2010 reserve pit containing 1.1Moz is in green and the conceptual model (based on the cut and paste exercise) in purple.

I think this illustrates well the scale of the potential opportunity.

Remember that our drilling has shown continuation of robust mineralisation beneath the conceptual shell (the purple one) – so it could be bigger!



## A potential 5Moz reserve position at Damang*#

**Indicative pre-feasibility study parameters***

| | |
|---|---|
| **Resource and Reserve** | ▪ Dec 2010 Damang Property Reserve: Pit: 36.1Mt at 1.7g/t for 1.93Moz<br>Stockpile: 4.4Mt at 1.1g/t for 0.15Moz<br>▪ Damang Super-pit exploration target^: 80Mt at 1.6g/t for 4.0Moz |
| **Mining** | ▪ Conceptual inventory#: 102Mt at 1.6g/t for 5.0Moz (includes other deposits)<br>▪ Incremental strip ratio: 6 to 8 : 1<br>▪ Conventional open pit mining fleet |
| **Process** | ▪ 10Mtpa throughput (Additional 5Mtpa plant required)<br>▪ Standard CIL extraction<br>▪ Recoveries: 90% to 95%<br>▪ Annual production: 400koz to 500koz (additional production 200koz to 250koz) |
| **Infrastructure** | ▪ Access: Expansion of existing mine site, all access is available<br>▪ Power: Combination of local grid and 40MVa HFO plant<br>▪ TSF: Construction of new CIL tailings: 50Mt to 100Mt capacity |
| **Financial Parameters** | ▪ Incremental capital: US$500 to US$700million<br>▪ Operating costs: US$35/t to US$45/t milled<br>▪ Ghanaian tax rate: 25% corporate tax, 5% National Stabilisation Levy on pre-tax profit and 5% Royalty *(under review)* |

* Preliminary in nature and subject to change with continual advancement of the Pre-Feasibility study (100% basis)
^ Refer to the Exploration Target Statement for the Damang Super-pit Project in the Appendix
# Includes Damang Super-pit Exploration Target and other Damang reserve positions

84

We are looking to declare the new resource and complete the pre-feasibility study on the super pit project in the first half of 2012.

The results shown here are interim but should give you an indication of where the pre-feasibility numbers are headed and again give you something to model.

We are using an interim mining inventory of 102 Mt at 1.6 g/t for about 5 Moz contained gold. This comes from our exploration target of 4 Moz at the Damang superpit and various the satellite reserves on other pits in the Damang property, of about 1 Moz.

To push back the current pits we are looking at an incremental strip ratio of 6 to 8 to 1.

We are targeting 10 Mtpa process throughput which means an additional 5 Mtpa process capacity.

We would also need to do some upgrading and rehab on our current process facility.

Recoveries are expected to be good – in excess of 90%. So you can model about 400 to 500 kozpa production – about double we are currently doing.

This is a mine expansion so we have most of the infrastructure in place.

Permitting of a new CIL tailings facility is definitely a critical path activity and we have started work on this already.

We are expecting capital of about $500 to $ 700 million – with operating costs of about $35 to $

45/t.

This project is low risk being an expansion to a current operation – however as I said earlier proposed tax changes could cause Gold Fields reconsider this project.

Peet will tell you more about the proposed tax changes and their impact.

OK – so far we have spoken about the growth projects in our South America and West Africa Regions

Let's now look at the Australasia Region.

## High quality gold-copper porphyry with significant upside potential

**First Gold Fields resource planned Q2 2012**

- Option to acquire 60% interest
  - Option agreement signed Sept 2010 – initial payment US$54 million
  - Second down-payment made Sept 2011 - US$66 million
  - Final payment due Q1 2012 – US$220 million (subject to exploration FTAA license approval)
- 88 holes defined a high grade gold-copper porphyry
- Established infrastructure in a mining district
  - Mining established for 75 years
  - Existing TSF and other infrastructure
  - Generally supportive community
- Gold Fields drilling
  - Proof-of-concept: ~24,000m (17 holes)
  - Exploration: ~12,000m (13 holes)
  - Demonstrated significant potential
  - Limited initially to -200m AMSL

88

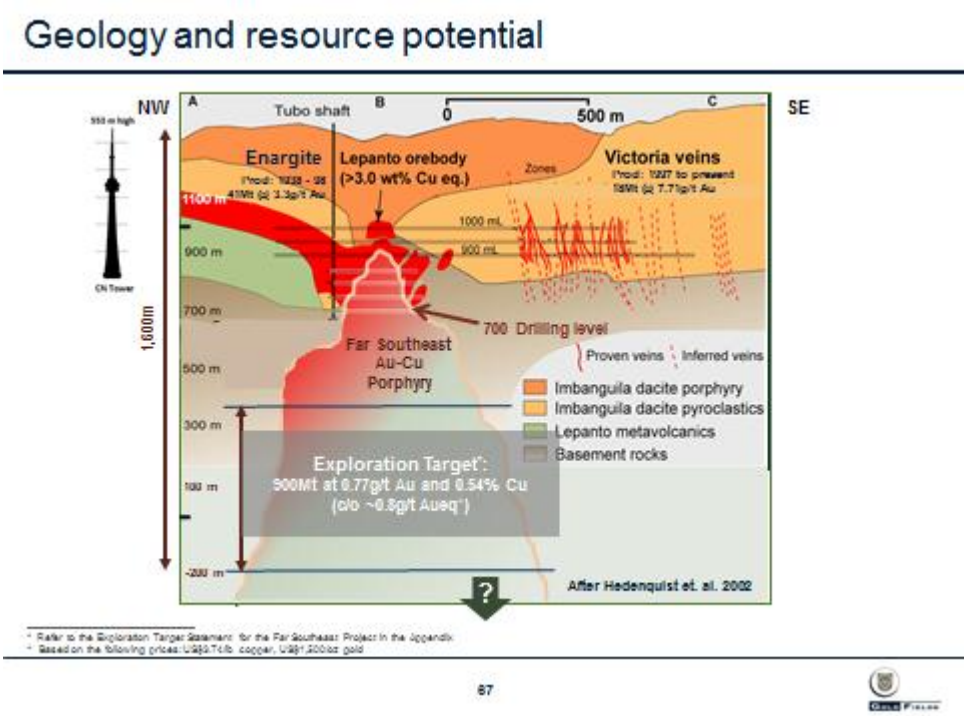
Far Southeast is a high grade gold-copper porphyry deposit located on Luzon Island north of Manila.

The deposit is located beneath existing underground mine workings and was substantially drilled by other companies where they outlined a robust and large porphyry mineralisation system.

We signed an option to acquire 60% of the Far Southeast project from Lepanto Mining, a Philippino-listed company. An initial $54 million was paid on signing in Sep 2010. We made a second down-payment of $66 million in September and we are scheduled to make the final payment of $220 million in the first half of 2012.

So we will have paid a total of $340 million for a 60% interest.

Gold Fields has completed about 36,000m of drilling, initially limited to 200m below sea level.

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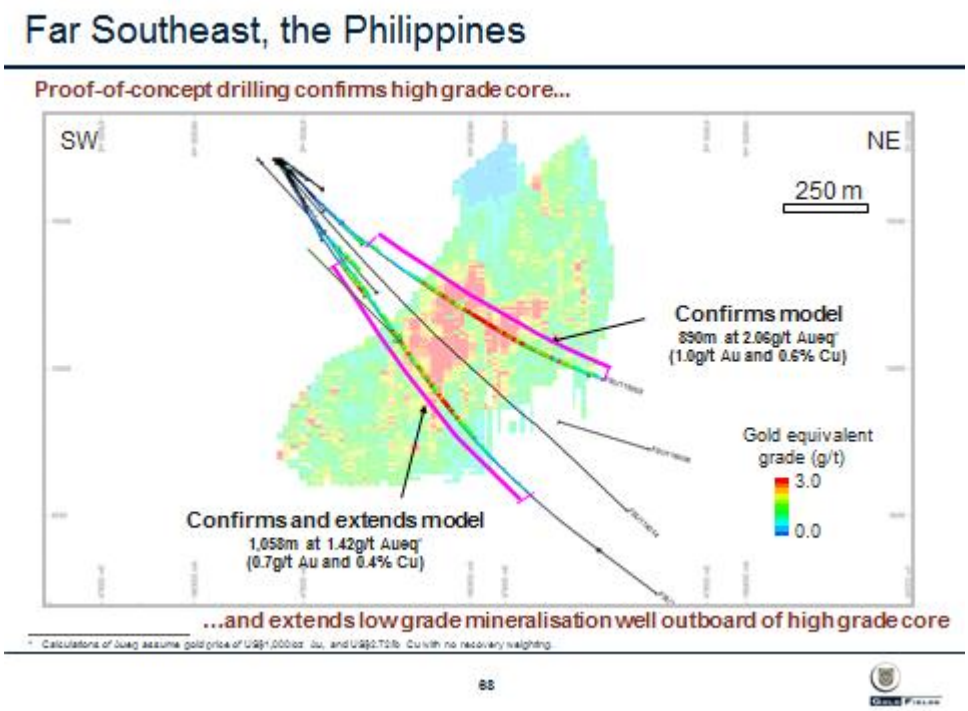
The porphyry deposit is shown here in pink and starts about 500 m below surface.

All our drilling was from the 700 level targeting an initial resource in a 550m vertical section between 350m above and 200m below sea level.

Based on our drilling and previous work, our initial resource target is about 900 Mt at 0.8 g/t Au and 0.5% copper for about 52 Moz Aueq between these elevations only.

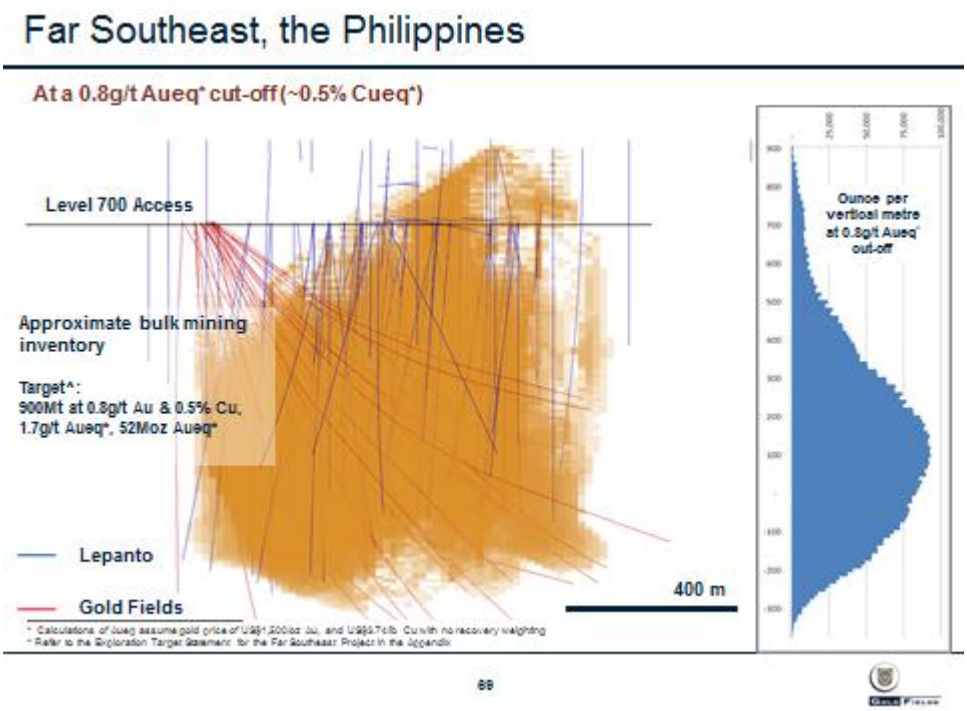
The orebody is open at depth and, in fact, in most directions.




The coloured blocks are shaded for Aueq grades and represents the extent of the model identified by previous drilling.

Our drilling has confirmed the high grade core identified by earlier drilling and extends the mineralisation well outside the previous model.

890m at 1g/t Au and 0.6% Cu is the kind of stuff I like to see.




At 0.8g/t Aueq cut-off, our exploration target, is 52 Moz Aueq – this is on a 100% basis.

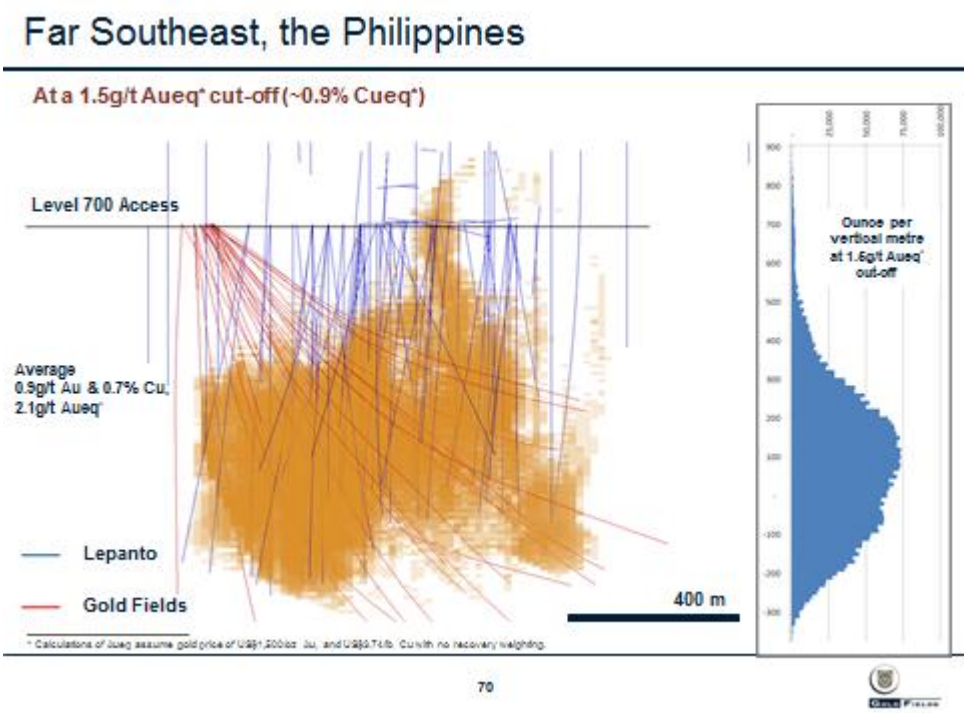
The orebody has a large footprint – nearly a km by a km at 200m below sea level – which makes it amenable to bulk mining.

On the right here we show the ounce per vertical meter profile through the exploration target.

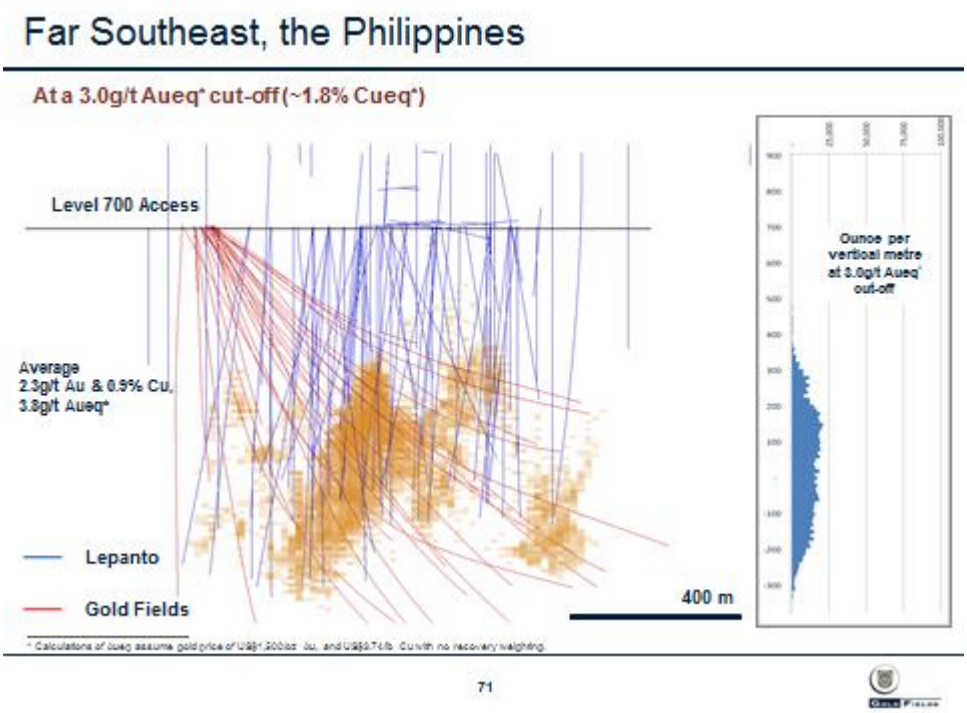
Through the guts of the target we are looking at an average of 75,000ovm.

This is world class.

These very high ounces per vertical meter means we can have good capital efficiencies in the underground mine.

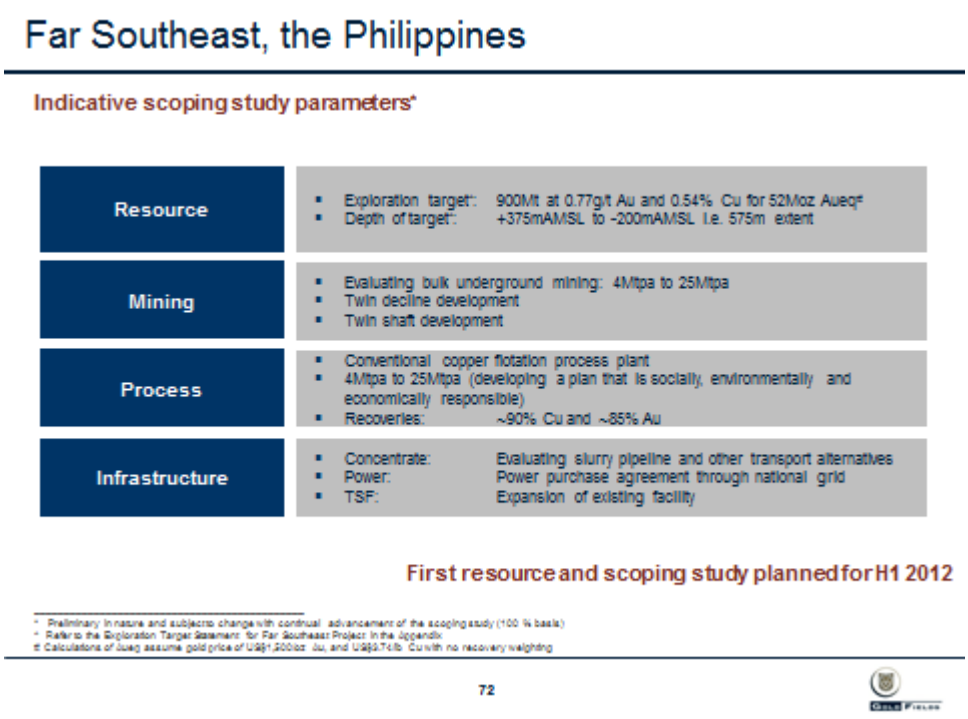



As we increase the cut-off grade to 1.5g/t Aueq we get slightly less tons and improved grade – now 0.9g/t Au and 0.7% Cu.




At a cut-off 3.0 g/t Aueq we see only the high grade – still massive in scale – with stellar grades of about 2.3 g/t Au and 0.9% Cu.

From our early work it looks possible that when we mine the larger bulk exploration target – we would be able extract the very significant high grade tonnage preferentially.



## Far Southeast, the Philippines

**Indicative scoping study parameters***

| | |
|---|---|
| **Resource** | ▪ Exploration target†: 900Mt at 0.77g/t Au and 0.54% Cu for 52Moz Aueq‡<br>▪ Depth of target†: +375mAMSL to -200mAMSL i.e. 575m extent |
| **Mining** | ▪ Evaluating bulk underground mining: 4Mtpa to 25Mtpa<br>▪ Twin decline development<br>▪ Twin shaft development |
| **Process** | ▪ Conventional copper flotation process plant<br>▪ 4Mtpa to 25Mtpa (developing a plan that is socially, environmentally and economically responsible)<br>▪ Recoveries: ~90% Cu and ~85% Au |
| **Infrastructure** | ▪ Concentrate: Evaluating slurry pipeline and other transport alternatives<br>▪ Power: Power purchase agreement through national grid<br>▪ TSF: Expansion of existing facility |

**First resource and scoping study planned for H1 2012**

* Preliminary in nature and subjects change with continual advancement of the scoping study (100 % basis)
† Refer to the Exploration Target Statement for Far Southeast Project in the Appendix
‡ Calculations of Aueq assume gold price of US$1,200/oz Au, and US$3.74/lb Cu with no recovery weighting

72

We are completing scoping studies on a range of scales and mining methods targeting initially 4 Mtpa to 25 Mtpa and maybe more in the future.

Whatever scale or method we use we are looking at a twin decline and twin shaft development.

But - due to the scale and tenure of the mineralisation being drilled here - I think it is safe to say that we are targeting the upper end of the production ranges.

Early metallurgical test work has demonstrated very good metal recoveries of about 90% for copper and 85% for gold.

The process flow sheet looks a lot like our Cerro Corona plant – which makes sense given the similar high grade gold - copper porphyry mineralisation.

At the upper end of the production range and given the high grade core we could see attributable production of around 1.2 Mozpa Aueq for over 10 years of ramped up operation alone.

Back to West Africa again.

We acquired 95% of the Yanfolila project at the end of 2009 and since then we have drilled largely the Komana east and west resources and recently completed a mine scoping study.

## Yanfolila, southern Mali

### Komana scoping study

- Scoping a 1Moz to 2Moz starter project
- 88,000m RC and DD drilling in 2 years
- Dec 2010 resource
  - Komana East and West
  - 9.1Mt at 2.5g/t for 740,000 ounces
- Good targets within 25km radius of the Komana deposits
- 57,000m RC and DD drilling by H1 2012
- Multiple ore sources feeding a central 3Mtpa to 4Mpta CIL plant
  - Kabaya South
  - Solona
  - Sanioumale West

74

We have drilled nearly 90,000 m since acquiring the project and declared our first resource in December 2010 of 9.1 Mt at 2.5 g/t for 740 koz at the two Komana deposits.

We also discovered a number of other targets with aircore drilling in our tenements - all within about a 25 km radius of the Komana deposits.

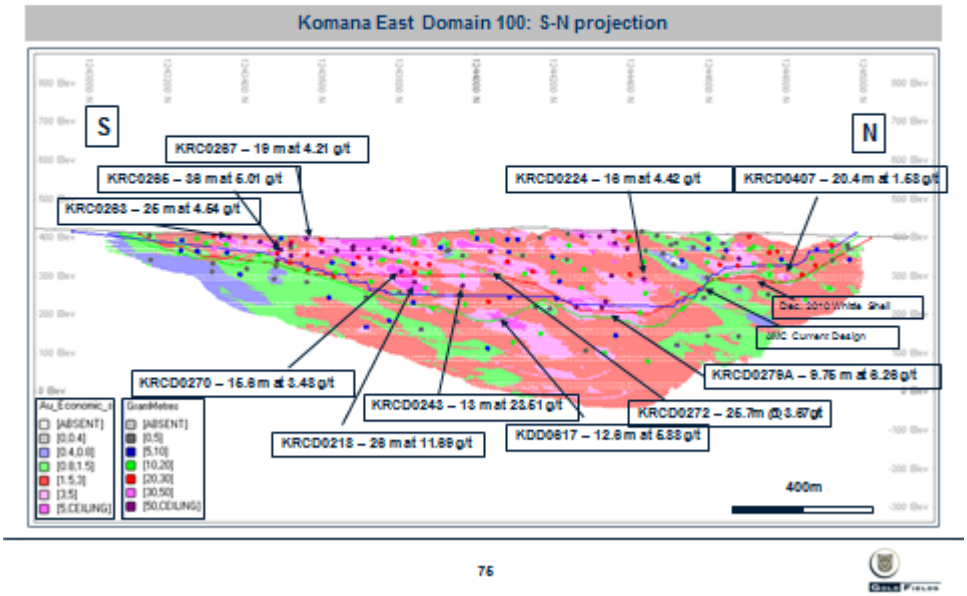
We are currently drilling to expand both Komana resources and delineate the new discoveries at Kabaya South, Sanioumale West and Solona with over 50,000m planned by Jun 2012.

We completed a mine scoping study envisaging multiple ore sources feeding a 3 to 4 Mtpa process facility located between the Komana Deposits.

In the scoping study we assumed mining all the Komana resources (including inferred resources) and some material from conceptual inventories at some of the satellite positions currently undergoing drilling.

## Yanfolila, southern Mali

Results received in 2011 show extensions at depth and plunge

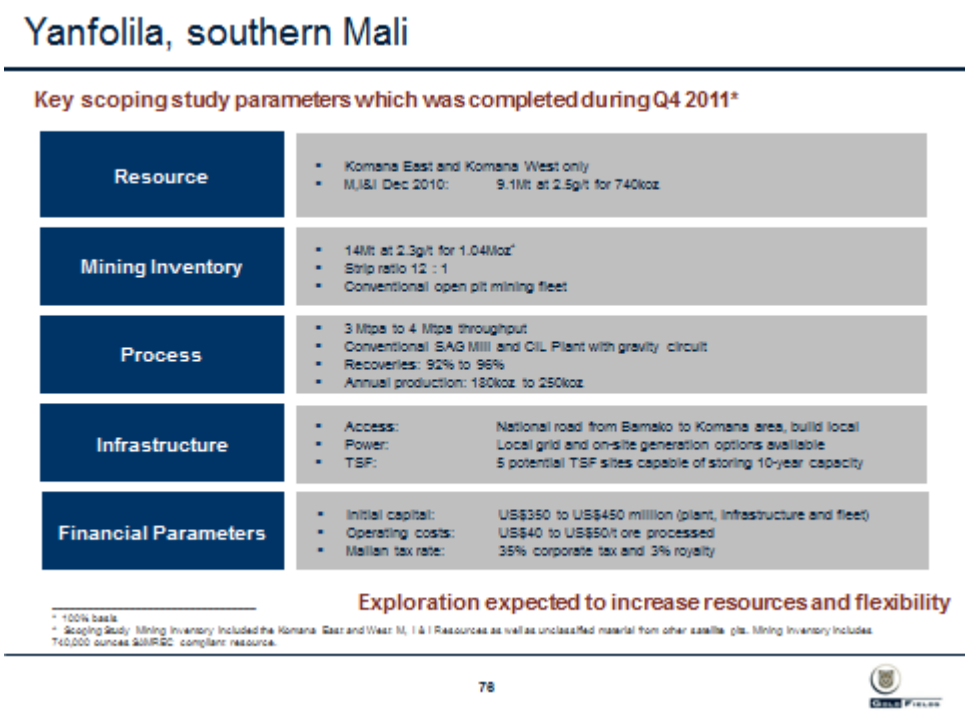



This longitudinal projection of the Komana East deposit illustrates the high grade material available for scheduling in our mine scoping study.

We have optimised a 200 m deep pit.

Mineralisation is oxidised for on average about a 60 m depth – this means cheap mining with limited drill and blast requirement.

We delineated shallow northerly plunging shoots and there is still good potential to extend mineralisation along strike to north and at depth.



## Yanfolila, southern Mali

**Key scoping study parameters which was completed during Q4 2011***

| | |
|---|---|
| **Resource** | • Komana East and Komana West only<br>• M,I&I Dec 2010: 9.1Mt at 2.5g/t for 740koz |
| **Mining Inventory** | • 14Mt at 2.3g/t for 1.04Moz*<br>• Strip ratio 12 : 1<br>• Conventional open pit mining fleet |
| **Process** | • 3 Mtpa to 4 Mtpa throughput<br>• Conventional SAG Mill and CIL Plant with gravity circuit<br>• Recoveries: 92% to 96%<br>• Annual production: 180koz to 250koz |
| **Infrastructure** | • Access: National road from Bamako to Komana area, build local<br>• Power: Local grid and on-site generation options available<br>• TSF: 5 potential TSF sites capable of storing 10-year capacity |
| **Financial Parameters** | • Initial capital: US$350 to US$450 million (plant, infrastructure and fleet)<br>• Operating costs: US$40 to US$50/t ore processed<br>• Malian tax rate: 35% corporate tax and 3% royalty |

**Exploration expected to increase resources and flexibility**

* 100% basis
* Scoping Study Mining Inventory included the Komana East and West M, I & I Resources as well as unclassified material from other satellite pits. Mining Inventory includes 740,000 ounces SAMREC compliant resource.

78

As at December 2010 the resource declared for Komana E and W was 9.1 Mt at 2.5 g/t for 740 koz.

The resource was classified as inferred. Since December 2010 we have completed significantly more drilling and I would expect, given our drill spacing, a significant addition to indicated resources.

As I have already said we used the Komana east and west inferred resources and some contribution from conceptual inventories (not yet classified or reported as a resource) to define a conceptual mining inventory of about 14 Mt at 2.3 g/t.

Using a conventional open pit mining – we expect strip ratios in the order of 10 to 12 to 1. Strip ratios are relatively high given the steep and narrow mineralisation.

We are looking at a 3 to 4 Mtpa throughput producing +200 kozpa.

Metallurgical test work has confirmed good recoveries of around 95%.

Infrastructure is generally good making this project quite straight forward.

Our initial capital estimates of about $350 to $450 million still need to be optimised. I would be hopeful that we could come in on the mid to lower end of the range.

Mining costs of about $40 to $50/t are quite high due to strip ratios, but given the mined grades we expect very robust margins. We just need some exploration success this season and this project could move to a development decision quicker than what we have shown before.

Arctic platinum has been in our portfolio for nearly 10 years now.

The project is made up of multiple open pittable Pd-Pt-Au-Cu-Ni resources with a combined resource of in excess of 12 Moz 2E+Au.

We completed a feasibility study on the project 5-years ago. In that study we looked at producing a base metal concentrate for sale to smelters. To produce a marketable concentrate we needed a low mass pull and then suffered from low metal recoveries. With the low recoveries and metal prices back then the project was marginal.

Since then metal prices have tripled and we have worked on a hydro-metallurgical process to extract metals at site.

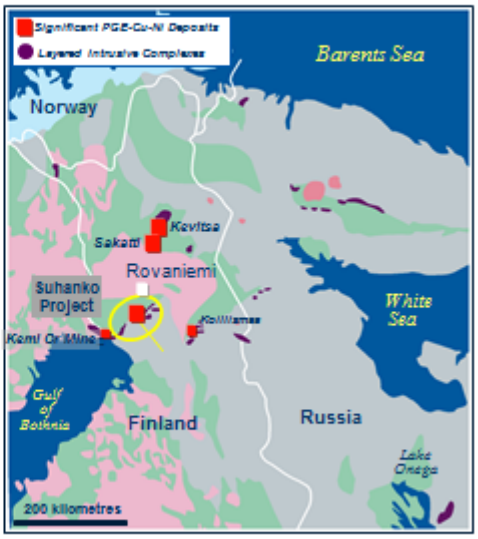
This meant we could have higher mass pulls and therefore better metal recoveries. The process is called Platsol – where we generate a concentrate and pass it through an autoclave with a solution.

The metals, which are all in solution, are then selectively extracted after the autoclave to produce saleable metal products such as Cu cathode, Ni-hydroxide and a precious metal concentrate.

## Arctic Platinum, Finland

**Scoping study confirms viable processing route**

- Detailed scoping study completed Q4 2011
- Platsol® demonstrated as a viable process
- Improved overall project recoveries
  - On site production of saleable metals
- Kontijaarvi and Ahmavaara M,I&I Resources
  - 137Mt at 1.21g/t Pd, 0.29g/t Pt, 0.12g/t Au, 0.21% Cu and 0.08% Ni
- Exploration identified potential new deposits
  - ~100Mt potential identified
- Environmental permitting and licenses
  - Current permit modified for Platsol®
  - Consolidating larger area




78

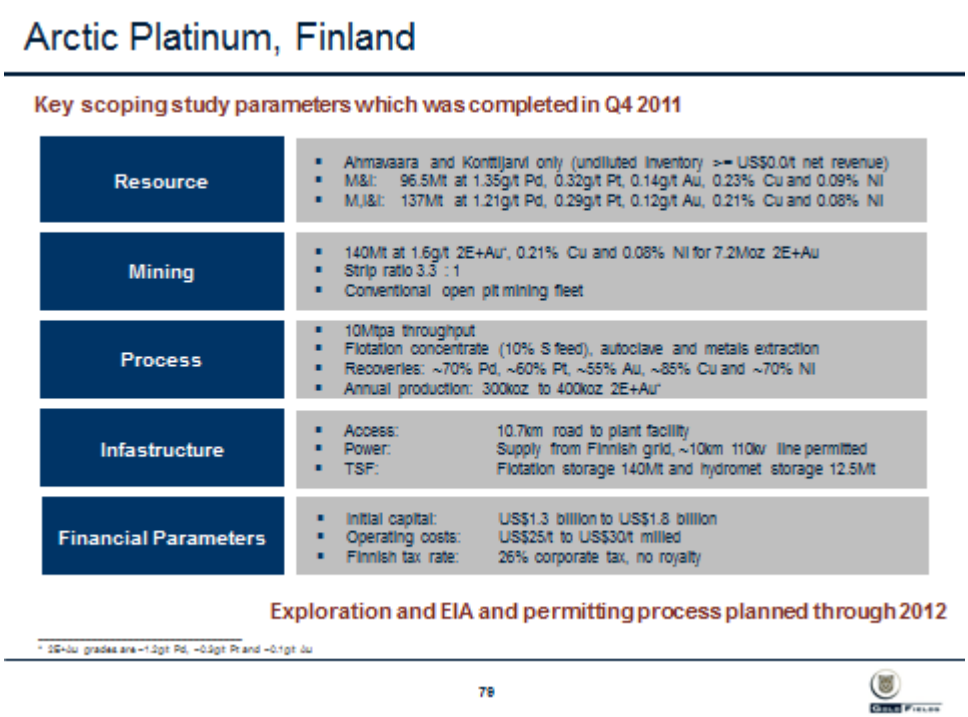
Our scoping study confirmed that the Platsol process was a viable process for the project.

We completed numerous bench-scale tests as well as two pilot plant runs of 50t of material each. The test work confirmed that we could increase average combined metal recoveries from about 50% to over 70%.

The scoping study was based on the two best drilled deposits, Kontijaarvi and Ahmavaara, comprising roughly half of the total resource at the project.

This limitation reduced flexibility with respect to sulphur grade feeding the autoclave and resulted in a sub-optimal mining scenario.

So we are drilling on some of the inventory positions close to Kontijaarvi and Ahmavaara with the aim of delineating multiple ore sources to generate mining flexibility.




So, as I said the mining inventory we used in the study was from Kontijaarvi and Ahmavaara only and we used the total resource including nearly 40 Mt inferred resources.

The strip ratio is about 3.3:1 from two conventional open pits.

We assumed a 10Mtpa process throughput – which has significant potential to be optimised in pre-feasibility trade-off studies.

Using this throughput we expect about 300 to 400koz 2E +Au annual production.

Infrastructure is very good for an arctic project and modification of the current mining permits for the Platsol process is progressing well.

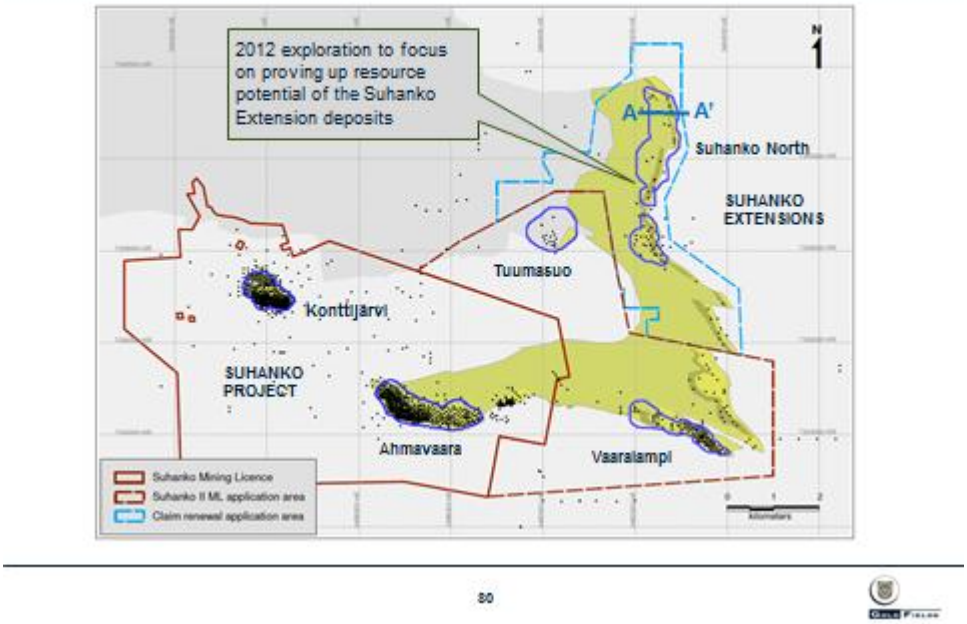
Operating costs of less than $30/t milled result in very robust operating margins.

Initial capital is high - $1.3 to $1.8 billion.

This has a lot of contingency built in for the new process and suggests a higher throughput will be required for better capital efficiency.

So we expect our drilling this season could add significant tons to the project and underpin a higher throughput or provide mining flexibility.

## Resource expansion & metallurgical test work



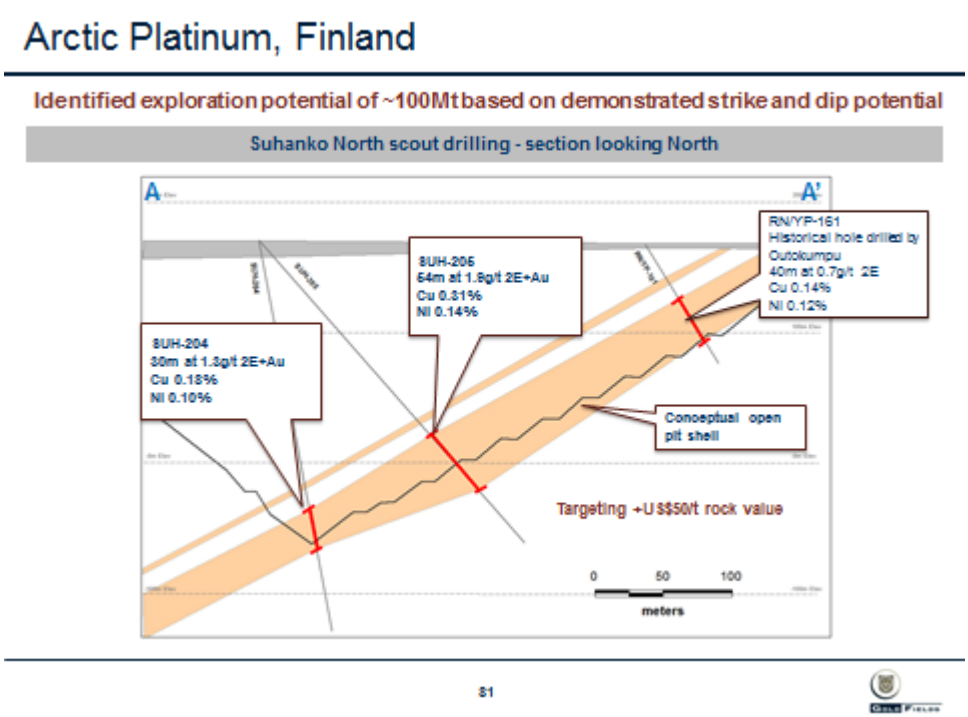

80

This plan shows the significant drilling completed at Kontijaarvi and Ahmavaara and the lesser drilling at the other prospects. Of these additional prospects only Vaaralampi contains declared resources.

This winter we will be drilling mainly at Suhanko North where previous drilling has identified the potential for about 100 Mt at grades similar to those in Kontijaarvi and Ahmavaara. Scout drilling completed earlier this year demonstrated robust grades and widths consistent with some of the earlier drilling by Outokumpu.

We will also complete some drilling on these other prospects to collect metallurgical sample for Platsol amenability tests.

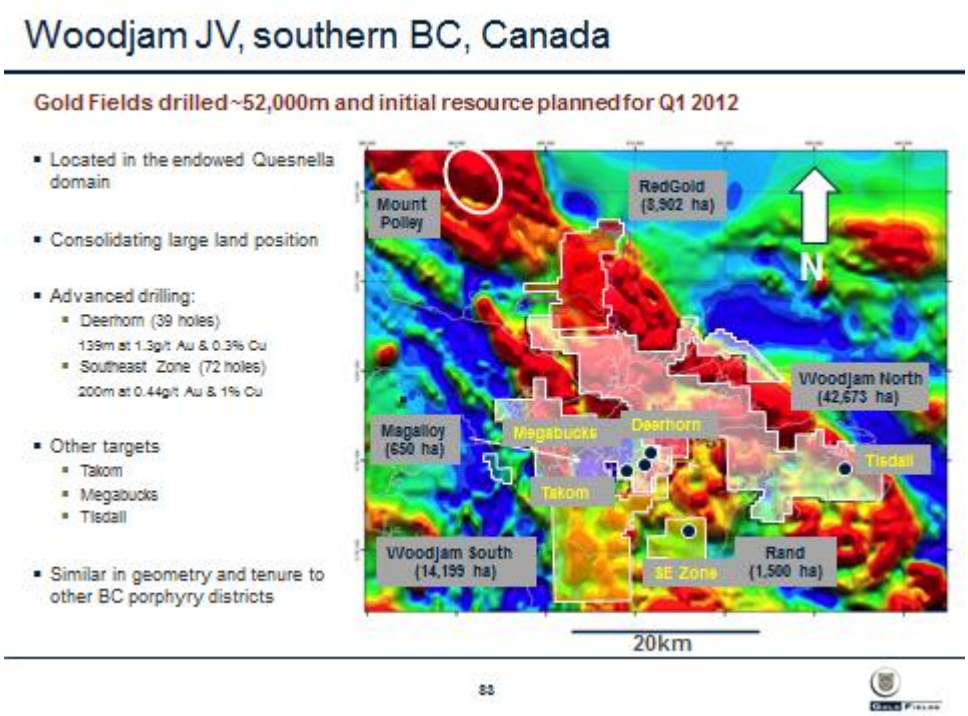
I will show some results from this section in the north.




Looking north – we drilled two holes down sections of the original Outokumpu hole. We intersected very robust widths and grades – well in excess of $50/t rock. We have five rigs turning and hope to bring the 100
Mt potential into resource by mid-2012.

We will use this drilling and the additional Platsol test results to complete a number of trade-offs and optimisations and complete a pre-feasibility study towards the end of 2012.

Lastly – I would like to tell you about some early exploration work that we are doing to give you a taste of what could be next in our maturing pipeline.




At our Woodjam project in southern BC, Canada Gold Fields has consolidated a large land position of nearly 60,000 ha.

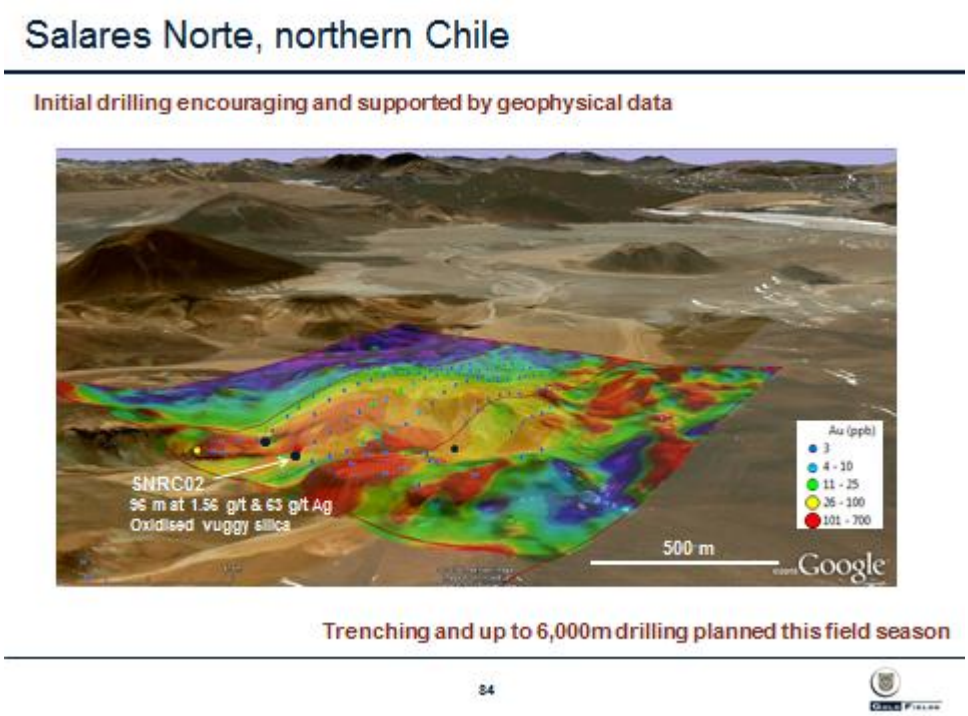
The project is located in the Quesnella domain which hosts a number of high grade Au-Cu and Cu-only porphyries. The properties are located immediately southeast of the operating Mount Polley mine.

We have completed over 50,000 m drilling, on prospects located mainly in the center of the area on the Woodjam North and South joint venture properties.

Our drilling has delineated high grade Au-Cu mineralisation pencil-like porpyhries at Deerhorn and Megabucks and lower grade bulk Cu-only porphyry mineralisation at the Southeast Zone and Tisdall.

We have intersected numerous ore grade intersections such as these better examples of 139 m at 1.3g/t Au and 0.3% Cu at Deerhorn and 200 m at 0.44 g/t Au and 1% Cu at the Southeast Zone.

We are targeting an initial resource from this project in the first quarter of 2012.




At our 100% owned Salares Norte project in northen Chile, we drilled the first holes into a target defined by IP geophysics and soil sampling.

The second of 3 drill holes in the area intersected nearly 100 m of vuggy silica with over 1.5 g/t Au and 63 g/t Ag.

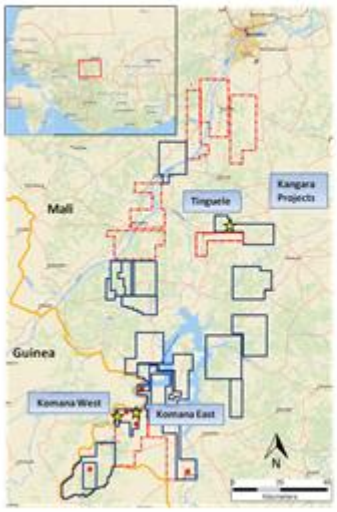
This mineralisation and its setting is similar to other oxidised high sulphidation gold deposits in South America.

Now that we can get back onto the ground after the winter we will follow this initial drilling up with a resource delineation programme.

Two rigs rolled onto the property this week and we expect to start drilling this month.

## Kangare, southern Mali

First exploration in the area demonstrating a large system




- Large land position in southern Mali
  - ~180km by 60km coverage
- Property owned 100% by Gold Fields
- Gold Fields completed ground gravity
  - identified major structure
- Soil sampling defined 5km Au anomaly at Tinguele
- Aircore drilling at Tinguele: 2km gold zone 40m to 100m
- First bedrock drilling intersected 10m at 3.77g/t from 21m

~14,000m RC and ~40,000m AC drilling this season

86

The Kanagare project is the continuation of the Yanfolila Belt in southern Mali.

The Belt is about 180km long by 80km wide. Gold Fields has consolidated a significant position in this belt.

Initial exploration work on some of these properties is highlighting excellent gold prospectivity.

At Tinguela aircore drilling has intersected a very large alteration system with a core gold zone of about 2km long by nearly 100m wide.

The first bedrock drilling in the area delivered 10m at 3.77 g/t.

Now that the rainy season is over we will be following-up on Tinguela as well as a number of other aircore and geophysical targets.

## Taguas JV, Argentina

**An advanced exploration project in San Juan, Argentina**

- Gold Fields can earn 51% from Minera S.A. by funding US$30 million over 4 years
- Gold Fields has additional rights to earn up to 70%
- 156 Drill holes for 33,976m drilled
  - Intermediate sulphidation targets:
    Cerro Campamento
    Cerro Silla Incl. 10m at 16g/t Au
  - Breccia-style targets
    Cerro Cuarto Incl. 29m at 3g/t Au & 1.5% Cu
  - Porphyry targets
    Tambillos Incl. grab samples of 0.6g/t Au
- Mobilising geophysical crews to site
- First Gold Fields drilling planned for December 2011

88

In Argentina we have just completed a joint venture with a private company, Minera S.A., that gives Gold Fields rights to earn up to 70% in their Taguas Project.

The project is located in the San Juan province immediately north of the Veladero and Pascua-Lama deposits.

Minera have already drilled over 33,000m at the project and intersected significant gold and copper mineralization with some high grade hits in intermediate sulphidation epithermal mineralisation and breccia-style mineralsation similar to that seen at Veladero.

Our first rig will start drilling this week.

So look out for news on this drilling programme as well as the others I mentioned in our quarterly reports.

These are all very prospective early-stage projects with the ability to become the next advanced projects in our pipeline.

END OF TRANSCRIPT