



COMPETITION

NAME YOUR NEWSLETTER COMPETITION

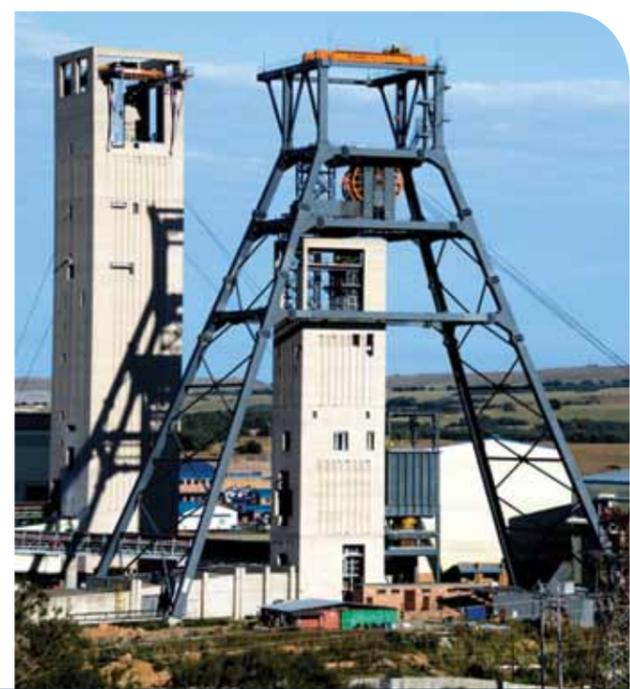
Stand a chance to Win R500. Come up with a creative name for our newsletter. Fill in your details below and drop the entry form at the Communications Offices (Old Safety offices next to the Canteen) / email mabel.legoete@goldfields.co.za.

Suggested Name: _____

Name & Surname: _____

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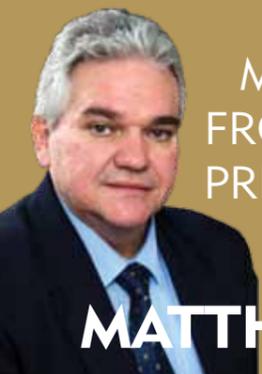


GOLD FIELDS

South Deep Gold Mine

MAY 2013

SOUTH DEEP NEWS FOR THE GOLD FIELDS COMMUNITY



MESSAGE
FROM VICE
PRESIDENT

**KEN
MATTHYSEN**

Taking South Deep *Into the future*

Dear South Deep Colleagues

South Deep went through a change management process in 2012 which involved consultation with the two union's on the mine – the NUM and UASA – and resulted in the implementation of a new operating model.

The new operating model

South Deep implemented the changes on 21 November 2012 which included:

- introduction of a new 4X4 12 hour shift arrangement;
- a new performance based bonus system;
- grading of new operators;
- maintenance management; and
- training and recruitment.

Why a new operating model

South Deep is one of the few mechanised mines in South Africa; it is a unique operation with a large orebody and reserves that will see the mine operating

for the next 50 years. At the moment we are still in the process of ramping up our operations and have been involved in a number of projects. These include the sinking of the ventilation shaft, upgrading of our gold plant to treat 330 000 tons per month as well as a new tailings storage facility which will handle our tailings for the Life of Mine of South Deep. These changes, together with the new operating model, are all in preparation for full production in 2015.

How did the mine reach the decision to implement a new operating model?

It took tough negotiations and a number of meetings

and engagements with organised labour to reach an agreement to implement these changes. Although this was a challenging period, the mine is very pleased with the outcome and we thank both NUM and UASA for working with us to reach an agreement.

Benefits of the changes so far

The mine has successfully adjusted to the new shift arrangements and as a result our production improved dramatically to 221,360 reef tons broken and 888 kgs of gold. There was a lot of ore broken in the longhole stopes but it was not all trammed. Underground stocks have increased by 38 000 tons,

so we are hopeful that we will see further production improvements in the months to come which will enable us to reach our targets.

The new bonus system gives employees an opportunity to earn more on their bonus than before, while the new shift arrangements gives them more time off which means more time spent with their families. In addition, the improved grading systems will ensure up-skilling of our employees and make sure they have a clear career path and more chances to grow in their jobs.

On the safety front we saw a bit of a decline in our safety performance just

after the implementation; in January we reached a milestone of two years (3 million) Fatality Free Shifts which was only 20 days away from 4 million Fatality Free Shifts.

However I am sad to announce that we experienced a fatality due to fall of ground (FOG). One of our colleagues Dionisio Pedro Ndlozi, a drill rig operator on 95/2 W Destress was fatally injured on 3 April 2013.

Finally the unbundling of Gold Fields and the official launch of Sibanye on 18 February 2013 also marked big milestones for Gold Fields as South Deep remains the only Gold Fields operation in South Africa.

Plans going forward

Going forward we are working to ensure that Vision 2015 is fully embedded and operational so that we can achieve our goals of producing 330 000 tons per month by 2015. We also have a collective agreement to implement which includes putting together a health system for our employees underground, a housing scheme that will be in place by June 2013, and introducing new underground transportation which will reduce travelling time to the workplaces.

We look forward to a successful year ahead.

KEN MATTHYSEN
VP and Head of Operations
South Deep

EDITOR'S NOTE

Welcome to the first 2013 issue of the South Deep newsletter. We trust that you will enjoy being part of it and engage with us on issues and suggestions about what is happening at South Deep.

Our newsletter is aimed at sharing relevant information with employees, creating a communication platform amongst all our staff and facilitating dialogue on South Deep specific issues. Information is power and we hope that by sharing it everyone will have a better understanding of South Deep, who we are, our vision and our personal contribution towards achieving our goals as a company.

In this issue we focus on strategic changes on the mine including the implementation of Vision 2015, and build up to full production, as well as looking at training, people development, and community involvement.

Our office is located at the old safety office next to the canteen at Twin shaft. We will be publishing your newsletter every two months, so please contact us soon with your stories. Suggestions and articles are welcome.

We look forward to hearing from you.

LORRAINE MOFOKENG
Editor

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email: Matthews.Menyau@goldfields.co.za



**WELCOME TO
KGABO MOABELO,**
who has been appointed
Managing Executive,
South Africa.

Kgabo, who was previously Executive Vice President for People and Organisational Effectiveness, will be taking full accountability for the business performance of South Deep, while also managing the numerous and complex stakeholder relationships and issues. Kgabo will report directly to Gold Fields CEO, Nick Holland, and his South African regional team will operate independently from the corporate head office.

KNOW YOUR MINE

In forthcoming issues we will be introducing various departments to you and explaining their role in the production of our end product – gold.

What better place to start than Exco, which makes the decisions that keep the mine operating as efficiently and as safely as possible.

Meet our South Deep Executive Team



Front from left: Japie Botha – Senior Manager Engineering, Masala Mutangwa – Senior Manager Operations, Ken Matthyssen – Vice President and Head of Operation, Dave Wright – Senior Consulting Mining, Deon Geysler – Senior Manager Technical.

Back from left: Edwin Matlapeng – Manager Health and Safety, Kolani Mamburu – Senior Manager Engineering, Stephen Joseph – Senior Manager Metallurgy, Giel Bezuidenhout – Senior Manager Finance, Gerard Pienaar – Senior Manager Operations (Twin Shaft), Bonny Sebola – Senior Manager Sustainable Development, Manie Keyser – Mineral Resource Manager, Clive Moses – Senior Manager Engineering, Sarel Ferreira – Senior Manager Operations (South Shaft).

CONTACT





Vision 2015

The Future of Mining



The future of mining – this is the vision for South Deep going forward. South Deep’s Vision 2015 plan aims for the mine to reach full production of 330 000 tonnes per month by 2015.

South Deep became a fully mechanised operation in 2008/2009 which involved a step change in our mining methods. In 2012 management worked with organised labour to introduce a new operating model to improve operations. This included the change from a 7/2, 7/5 shift to a new 4x4 shift system, which increased the amount of time spent on the face. At the same time a new performance-based bonus system was introduced to encourage teamwork across the mine.



Sarel Ferreira, Senior Manager Operations.

Vision 2015 was implemented in November 2012. Employee training on the new operating model, adjustments to systems and a vigorous communication and change management strategy were undertaken to ensure smooth implementation of the changes.

The first shift under the new operating model went down on 25 November 2012.

New operating model promises extended mine life

Sarel Ferreira and his team took time out to explain Vision 2015 and the new operating model at a series of road shows in February this year. All employees at both South Shaft and Twin Shaft attended the presentations, which took place before underground workers joined their shifts.

The operating model is expected to extend the life of the mine to more than 150 years.

The new 4 x 4 operating model brings a number of benefits to employees.

Instead of working seven days on, two days off, followed by seven days on and five days off, employees are now working four days on followed by four days off. This gives them more than 50 additional days off each year.

In addition, shift time has increased by 30 percent, which gives employees more time to meet their targets. Underground transportation has been improved which means that employees reach their workstations more quickly, and the new well-being and fatigue management programme ensures all



Miners listen to Sarel Ferreira as he explains how the new operating model works.

employees are working more efficiently and safely.

On top of all of this, the operating model means that South Deep has created 400 new jobs, which is good news for all our communities.

The operating system is closely linked to the new Siyaphambili bonus system which was also presented to employees during the road shows. The system emphasises the benefits of teamwork. For teams to earn a bonus, they must reach 75m per rig and more per day, while dump trucks must reach 14 000 tons per Simba and beyond. The bonus is also uncapped which means there is no limit – the harder the teams work, the more they exceed their targets and the greater the bonus.

However safety, as the number one value of South Deep, will not be compromised.

“To emphasise our commitment to safety, we will penalise the whole team if there are injuries or fatalities,” said Sarel. “Safe but efficient mining remain our watchwords”.



From Left: Maseli Raphuleng, Lerato Kgaolo, Justice Chauke and Nobuhle Baloyi outside the new Business Development Centre at South Shaft.

BUSINESS HUB

TO ASSIST LOCAL ENTREPRENEURS

As part of our commitment to ensure the development of local SMMEs, the mine has set up a Business Development Centre at South Deep’s South Shaft.

The Centre will assist local entrepreneurs with the following services :

- Registration of companies on the Gold Fields database
- Updating of business details
- Information on business opportunities or upcoming tender opportunities on the mine.
- SMME development training
- Business training and incubation

Operating hours at the Centre are from Monday – Friday, 07h00-16h00
Further details about the SMME Business Development Centre can be obtained from Khuliso Theswane on (011) 411 1433 or khuliso.theswane@goldfields.co.za.
Contact details at the Business Development Centre are 011 411 1075.

Fatigue management

all important for safety at work

As we all know, accidents can happen – and they happen more often when we are tired.

Underground, making sure you are not tired is probably one of the most vital elements in mining safety.

Safety is a cornerstone of our mining culture – **IF WE CANNOT MINE SAFELY WE WILL NOT MINE**

Our fatigue management programme was introduced as part of the new operating model and involves three components:

1. Talk to your supervisor. There are lots of things that make us tired – medication, problems at home, travelling time when you are returning to work from leave, even a night out – all these can contribute to general fatigue and lack of concentration.
2. It is vital to collect your meal at the Crush before you go down on your shift. Our meal packs contain food specially designed to keep your energy levels high during the time you are underground.
3. Make sure you take your meal shift breaks every five hours so you can keep your concentration high at all times – a rest and something to eat makes all the difference when it comes to fatigue management.

So if you are tired and stressed, or if you notice one of your team members is tired and he has said nothing, tell your supervisor. Remember, if you are not feeling well, your lack of concentration can endanger not only yourself but also your team mates.



ABET system improves lives

As a result of illiteracy levels at the mine, South Deep continues with the legacy of empowering its employees regardless of their background.

The ABET (Adult Basic Education and Training) centre at South Deep caters for learners from the surrounding communities, and mine employees who would like to further their studies.

The centre offers level 1 which is equivalent to grade 3, level 2 which is equivalent to grade 5, level 3 which is equivalent to grade 7 and level 4, an equivalent of grade 9.

Courses include Numeracy and English (Level 1); English, Numeracy and Life Orientation (Level 2); English, Numeracy, Life Orientation and Mining at Level 3 and English, Numeracy, Life Orientation, Natural Science and Mining Electives at Level 4.

The centre presently has 51 learners who are studying for matric and a further 174 learners scattered in other levels.

From March 2013 the centre will be introducing

a computer literacy course with two new computer labs presently being constructed, each of which can take 15 learners

A former successful learner at ABET is Bheki Ntuli from KwaZulu-Natal. Bheki started with ABET to improve his life and work opportunities. He began his studies in February 2012, he underwent a placement assessment and he was found competent enough to do Level 4, which he did in the record time of nine months.

As a result of his success at ABET and his hard work, he was appointed as a Plant operator supervisor at South Shaft in December 2012. He is hoping to become a Metallurgist in 5 years.

"Take your work very seriously and don't lose focus," he advises new learners "Everything is possible as long as you do it with your whole heart. If I can do it, so can you," he added.

State of the art

Mechanised Training Centre built at South Deep

As part of our Vision 2015 programme, South Deep has opened a mechanised training centre to help employees improve their operating skills through practical work.

The new centre, which was completed in December, has world-class equipment to ensure employees are trained to operate at the highest levels possible. It can accommodate 60 people a day and has four lecture rooms.

According to the TM3 Superintendent, Eddie Stonehouse, the aims of the centre are to:

- introduce mine employees to the trackless mining environment;
- conduct pre-employment assessments on all employees;
- provide initial training and refresher training for new and current employees;
- provide corrective / performance improvement training;
- provide social training to community members

- with the provision of signing them on as the need arises;
- provide mining and engineering learnerships and supervisory training; and
- provide a facility where all rebuilt machines are tested before taking the machine underground.

Eddie is very enthusiastic about the new facility and believes it will produce more informed and well trained staff.

"With the new facility, the students can move from the lecture room, where theory is facilitated, into an outside practical mock-up area

which will facilitate practical skills training," he said.

The outside practical mock-up area will be completed in Q2 2013. "We are in the process of upgrading and improving our simulator fleet to assist us in improving the quality of our training – in the medium to long term we will all benefit," he added.



New underground transportation system is tested at the training centre.

People on the move

People on the move at the Department of Geology in South Deep with effect from 1st February 2013.

For more information
on how to join ABET, contact Mosa Ramalefane, telephone 011 411 2286




Leon de Wet, Training Manager (centre back) together with South Deep officials, ABET learners, ABET facilitators and NUM representatives after the ABET Award Ceremony on Friday 15 March 2013.



Leon de Wet (Training Manager) and Thabane Mngomezulu (NUM Rep) present Bheki Ntuli (Best student for 2012) with his trophy and certificate.

Tyson Muto

Superintendent Geology – Production

Tyson, who is 26 years old, hails from Magan Village in Louis Trichardt, Limpopo. Tyson holds a B.Sc. Honours degree in Geology from the University of Pretoria.



He started his mining career as a bursar with Gold Fields in 2006. After completing his studies in 2009, he was appointed as a geologist at KDC before moving to South Deep as a geologist in 2011.

Tyson is currently doing his Masters degree at the University of Pretoria focusing on the final stages of crystallisation in the Upper Zone of the Bushveld Igneous Complex's Western Limb.

Keith Osburn

Superintendent Geology – Resource

Keith Osburn started his career at Anglo American at the Gamsberg brownfields base metal project in the Northern Cape. He joined South Deep in 2010 as a production geologist before moving to the resource department at the beginning of 2012.



Keith holds a B.Sc. Honours and a Masters degree in Geology, both of which he obtained from the University of Johannesburg.

He is engaged to Michelle and they are to be married later this year.

Daniel Kock

Superintendent Geology – Resource

Daniel began his career in 2009 as a graduate geologist with Caracle Creek Int. Consulting, working on numerous exploration projects. He joined South Deep three years ago. Daniel holds a BSc. Honours Degree in Geology from the University of Johannesburg.



He has worked in the exploration, production and resource geology departments and has now has been appointed as Superintendent Geologist in the resource department.

Daniel, who is married with one daughter, enjoys sports and spending time with his family.

Phophi Hazel Matidze

Superintendent Geology – Production

Phophi, who has been working for South Deep for seven years, began her career as a Data Capturer for Xisaka Xa Tuba Contractor. She joined the exploration team in July 2007 as an exploration geologist and then joined the production team in 2011 as a junior geologist. She has now been appointed Superintendent Geology in the production department.



Phophi holds a B.Sc. Honours Geology degree from the University of Venda and a graduate diploma in Engineering from Wits University.

Phophi is a single mother of two – 6-year-old Matamela and 4-year-old Rolirhuwa. Her hobbies include listening to music and reading magazines.



50 WOMEN JOIN SOUTH DEEP AS GENERAL WORKERS

South Deep has employed 50 new women as underground general workers. This is in line with the mine's Social Labour Plan.

The selection process took place on 8 February 2013 at the engagement centre and the new employees started with training 10 days later.

45 of the new employees came from the surrounding areas of Bekkersdal, Zuurbekom, Westonaria, Simunye, Sifikile, Thusanang, Poortjie, Ethembeni, and Hillshaven. The remaining five are graduates from the mine's ABET program. All candidates submitted

certified proof of residence to ensure they resided in the surrounding areas.

South Deep's Human Resource Manager Francois Cornelius explained that the mine hired the women because it is committed to assisting and developing the lives of people residing close to the mine.

Nthabeleng Sediti from Thusanang, one of the new general workers,

was delighted about her appointment.

"I am really happy about joining South Deep. I have been applying for a long time and I am glad I did not give up. I am looking forward to learning new skills and empower myself to be the best," she said.

"This job is going to change my life for the better, and I will be able to help my family with their needs," she added.



Shiraz Essakjee and Michael Diseko during the A4 recruitment process at South Deep.

Safety is paramount at South Deep

YOUR safety remains our primary concern. Please, always remember all the tips included in our poster.

Your Safety is Our Concern

- Always do a safety check on your vehicle before travelling
- Do not Drink and drive
- Rest in between long trips
- Look out for pedestrians



Remain **SAFE** and **RESPECT** your life throughout 2013



Your Safety is Our Concern

Letters to the Editor

Dear Employees and Contractors

In order to produce an informative newsletter we depend on your views and opinions to make every issue of the newsletter relevant and effective. We would love to hear from you with your questions, comments and stories about what is happening at South Deep. Please write to us at Mathews.Menyau@goldfields.co.za

Don't forget to take part in the name your newsletter competition.

We look forward to hearing from you.

Lorraine Mofokeng,
Editor



Career opportunities highlighted at Mayoral Career Expo

South Deep was invited to exhibit at the recent Career Expo hosted by the office of the Executive Mayor of Westonaria. The focus of the expo was to assist learners to make informed choices about career opportunities provided by our mine and other businesses in the area. Exhibitors included NYDA, Nedbank and SETA College.

More than 300 learners from high schools all around Westonaria, mainly from Grades 11 and 12, attended the expo.

Lerato Paai, Manager in the Executive Mayor's office was delighted with the turnout and is plan-

ning a second expo later in the year. This will be larger and offer more learners a chance to make important career decisions.

A lively debate on the use of English as the official language in South Africa opened the Expo. Learners from Westonaria High School were the first to present their argument supporting the motion, while the opposing team from TM Lethake's argued that if English was to be the only official language we would lose not only our indigenous languages but our heritage as well.

"There is a huge amount of talent in our communities



which we are not always aware of", said Lorraine Mofokeng, Superintendent, Communications at South Deep, after she had listened to the debate. "We need to reach out to the communities and seek out this talent, so we can assist our young people to make the most of

their lives", she added.

With this in mind, South Deep has asked Westonaria Municipality to partner with them in the forthcoming Mining and Technical Exposition, to be held in Westonaria in 2014.