STATEMENT OF RESPONSIBILITY

STATEMENT OF RESPONSIBILITY BY THE BOARD OF DIRECTORS

The directors are responsible for the preparation, integrity and fair presentation of the financial statements of the company and of the Group. The financial statements presented on pages 112 to 214 have been prepared in accordance with International Financial Reporting Standards (IFRS) and in a manner required by the Companies Act in South Africa, and include amounts based on judgements and estimates made by management.

The directors consider that, in preparing the financial statements, they have used the most appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all IFRS Standards that they consider to be applicable have been followed. The directors are satisfied that the information contained in the financial statements fairly presents the results of operations for the year and the financial position of the Group at year end. The directors also prepared the other information included in the annual report and are responsible for both its accuracy and its consistency with the financial statements.

The directors have responsibility for ensuring that accounting records are kept. The accounting records should disclose with reasonable accuracy the financial position of the companies to enable the directors to ensure that the financial statements comply with the relevant legislation.

The company and the Group operated in a well-established controlled environment, which is well documented and regularly reviewed. This incorporates risk management and internal control procedures, which are designed to provide reasonable, but not absolute, assurance that assets are safeguarded and the risks facing the business are being controlled.

The going-concern basis has been adopted in preparing the financial statements. The directors have no reason to believe that the Group or any company within the Group will not be going concerns in the foreseeable future, based on forecasts and available cash resources. These financial statements support the viability of the company and the Group.

Gold Fields has adopted a Code of Ethics which code is available on the Gold Fields website and which is adhered to by the Group. The Group's external auditors, PricewaterhouseCoopers Incorporated, audited the financial statements, and their report is presented on page 91.

The financial statements were approved by the Board of Directors on 10 September 2009 and are signed on its behalf by:

NJ Holland
Chief Executive Officer

JG Hopwood
Non-Executive Director

REPORT OF THE INDEPENDENT AUDITORS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GOLD FIELDS LIMITED

We have audited the Group annual financial statements and annual financial statements of Gold Fields Limited, which comprise the consolidated and separate balance sheets as at 30 June 2009, and the consolidated and separate income statements, the consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the year then ended, and a summary of significant accounting policies and other explanatory notes, and the directors' report, as set out on pages 112 to 214.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the financial statements present fairly, in all material respects, the consolidated and separate financial position of Gold Fields Limited as at 30 June 2009, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Act of South Africa.

PricewaterhouseCoopers Inc

PricewaterhouseCoopers Inc
Director: PC Hough
Registered Auditor

Johannesburg
10 September 2009

CORPORATE SECRETARY'S CONFIRMATION

In terms of section 268G(d) of the Companies Act, 1973, as amended, I certify that the company has lodged with the Companies and Intellectual Property Registration Office all such returns as are required to be lodged by a public company in terms of the Companies Act, and that all such returns are true, correct and up to date.

C Farrel
Corporate Secretary

10 September 2009

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS

(The following Management's Discussion and Analysis of the Financial Statements should be read together with the Gold Fields' consolidated financial statements, including the notes appearing with these financial statements.)

The financial results have been prepared in accordance with International Financial Reporting Standards (IFRS) which is consistent with the previous year.

RESULTS FOR THE YEAR

Net earnings attributable to ordinary shareholders for F2009 were R1,536 million or 229 cents per share, compared with net earnings attributable to ordinary shareholders of R4,458 million or 683 cents per share achieved for the previous financial year. The reasons for this decrease are discussed below.

Headline earnings which exclude the after tax effect of asset impairments and profits on the sale of investments and fixed assets, amounted to R2,890 million or 431 cents per share for F2009, compared with headline earnings for the previous year of R2,992 million or 459 cents per share.

These results are analysed as follows:

REVENUE

Revenue increased 26 per cent from R23,010 million in F2008 to R29,087 million in F2009. The increase in revenue of R6,077 million was due to the increase in the rand gold price, which increased from R190,623 per kilogram to R253,459 per kilogram, partially offset by a decrease in gold sales. This increase in the rand gold price occurred as a result of a seven per cent increase in the US dollar gold price from an average of US$816 per ounce to US$875 per ounce year on year and a weaker rand, which moved from an average of 7.27 to 9.01 to the US dollar; a change of 24 per cent.

Gold sales decreased by five per cent from 3,880,800 ounces in F2008 to 3,689,600 ounces in F2009. Gold sales at the South African operations decreased from 2,419,100 ounces to 2,038,700 ounces or 16 per cent, while gold sales at the international operations increased from 1,461,700 ounces to 1,650,900 ounces or 13 per cent.

At the South African operations, the decrease in gold sales of 380,400 ounces was mainly as a result of the infrastructure rehabilitation at Kloof's Main shaft, safety stoppages related to seismicity and backlog secondary support at Driefontein and Kloof. Added to this were poor recoveries at Beatrix and a 25 per cent decrease in production at South Deep, from 232,100 ounces to 174,700 ounces, due to the termination of conventional VCR mining and rehabilitation of the two main access ramps.

At Driefontein, gold output reduced by 11 per cent from 928,000 ounces to 829,900 ounces as a result of lower underground volumes mined and processed of four per cent as well as a lower underground yield, which reduced by seven per cent from 8.1 grams per ton to 7.5 grams per ton. The lower volumes in the first half of the year were due to the backlog secondary support programme and two seismic events which resulted in safety related stoppages which led to a loss of high grade production, specifically pillar mining at 6 and 10 shafts.

Gold output at Kloof decreased by 22 per cent from 820,900 ounces to 643,000 ounces as a result of the major rehabilitation work undertaken and completed in the first half of the year on the Main shaft infrastructure, as well as safety related stoppages during the year. At Beatrix, gold output decreased 11 per cent from 438,100 ounces to 391,100 ounces due to a seven per cent decline in volumes mined and processed together with a decrease in yield.

At the international operations the increase in gold sales of 189,200 equivalent ounces was mainly as a result of the transition of Cerro Corona in Peru from project to operational phase during the year. First production was achieved in August 2008, with sales for the year of 217,800 equivalent ounces. This increase was partially offset by lower production from Ghana. At Tarkwa gold sales decreased from 646,100 ounces to 612,400 ounces mainly due to the problems associated with the commissioning of the new Carbon-in-Leach (CIL) expansion and the tie-in to the existing metallurgical plant. These problems have been overcome and nameplate capacity is being achieved. Gold sales at Damang were similar year on year, increasing from 194,200 ounces to 200,400 ounces as crusher problems which negatively affected production earlier in the year were offset by increased production from the high grade Damang pit cutback and a more consistent feed to the plant due to the build up of the crushed ore stockpile in F2008.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS continued

In Australia production was similar year on year. Gold sales at St Ives increased by three per cent from 417,700 ounces to 428,300 ounces, due to an increase of higher grade ore from the newly developed Cave Rocks and Belleisle underground mines. At Agnew, gold sales declined from 203,700 ounces to 192,100 ounces due to the completion of Songvang open pit stockpiles in January 2009, partially offset by a ramp-up in production from the Waroonga (Kim and Main Lode) underground complex.

COST OF SALES

Cost of sales, which consists of operating costs, changes in gold inventories and amortisation and depreciation, increased from R16,994 million in F2008 to R21,766 million in F2009.

The table below presents the analysis of cost of sales:

Analysis of cost of sales	F2009 R million	F2008 R million
Total cash cost	**17,145**	13,436
Add: General and administration	**707**	585
Exploration – on mine*	**–**	38
Rehabilitation	**129**	59
Gold inventory change – cash portion	**192**	7
Royalties**	**(339)**	(243)
Operating costs	**17,834**	13,882
(Deduct)/add: Gold inventory change – total	**(210)**	86
Amortisation and depreciation	**4,142**	3,026
Cost of sales per income statement	**21,766**	16,994

** On-mine or brownfields exploration is expensed as from F2009 together with greenfields exploration on the exploration line in the income statement and as such does not form part of cost of sales.*

*** Royalties are deducted as they are included as part of total cash cost but are reflected as part of taxation in the income statement.*

The analysis that follows provides a more detailed comparison of cost of sales, as well as a new, non-IFRS measure providing all-in costs for the Group. This new measure is defined as notional cash expenditure (NCE) per ounce.

Operating costs – cost of sales less gold inventory change, and amortisation and depreciation

Operating costs increased by 28 per cent from R13,882 million in F2008 to R17,834 million in F2009. The increase at the South African operations was 14 per cent from R8,610 million to R9,840 million and at the international operations 52 per cent from R5,272 million in F2008 to R7,994 million in F2009.

At the South African operations the increase of R1,230 million was mainly due to the above inflation annual wage increases of around 12 per cent all-in, a 25 per cent increase in electricity costs and an increase in commodity costs due to the commodities boom, which only slowed in the second half of the year. These increases were partially offset by the lower production levels and benefits achieved through our cost saving initiatives, such as programmes to reduce power consumption, a review of surface labour, improved workshop delivery, more effective salvage and reclamation and a focus on core business training, amongst others.

At the international operations, the increase of R2,722 million was mainly due to the weaker rand, which resulted in an increase of approximately R1,260 million, and R779 million at Cerro Corona, being its first year of operation as well as increased mining activity. In the respective reporting currencies the increase in operating costs at the Australian operations was 24 per cent and in Ghana, which is US dollar based, the increase was 17 per cent.

In Australia at St Ives, operating costs increased from A$269 million to A$345 million. This was made up of an increase in the third party royalty charge of A$32 million, due to the initial application of the 4 per cent smelter royalty combined with the higher Australian gold price. Other contributing factors were an increase in mining costs because of the 16 per cent increased underground and open pit ore tons mined, mainly from Cave Rocks, Belleisle and Leviathan open pit, and an increase in commodity and contractor costs.

At Agnew, costs increased from A$92 million to A$101 million, as underground mining activity increased following the depletion of the Songvang stockpiles during the year.

In Ghana at Tarkwa, operating costs increased from US$283 million to US$338 million. This increase was due to an 11 per cent increase in tons mined and increased milling volumes, increased maintenance and repairs contract (MARC) tariffs due to the larger and relatively older fleet, as well as increased power usage due to the newly expanded CIL plant and increased tariffs. At Damang, the majority of the increase from US$118 million to US$132 million was due to increased mining of the more expensive high grade Damang pit, together with an increase in mill consumables and increased power tariffs during the year.

The following table sets out for each operation and the Group, total gold sales in ounces, total cash cost and total production cost in US$/oz and R/kg for the years ended 30 June 2009 and 2008:

	Year ended 30 June 2009					Year ended 30 June 2008				
	Gold sold ('000 oz)	**Total cash cost[5] (US$/oz)**	**Total production cost[5] (US$/oz)**	**Total cash cost[5] (R/kg)**	**Total production cost[5] (R/kg)**	Gold sold ('000 oz)	Total cash cost[5] (US$/oz)	Total production cost[5] (US$/oz)	Total cash cost[5] (R/kg)	Total production cost[5] (R/kg)
South Africa										
• Driefontein	**829.9**	**448**	**537**	**129,837**	**155,451**	928.0	412	496	96,293	115,898
• Kloof	**643.0**	**507**	**632**	**146,930**	**183,148**	820.9	430	531	100,419	124,094
• Beatrix	**391.1**	**552**	**680**	**159,799**	**196,917**	438.1	515	610	120,382	142,510
• South Deep	**174.7**	**717**	**903**	**207,803**	**261,612**	232.1	727	866	169,889	202,382
South African operations	**2,038.7**	**510**	**626**	**147,657**	**181,238**	2,419.1	467	564	109,117	131,797
Ghana										
• Tarkwa[1]	**612.4**	**521**	**609**	**150,814**	**176,438**	646.1	430	500	100,552	116,760
• Damang[2]	**200.4**	**660**	**755**	**191,179**	**218,662**	194.2	551	623	128,770	145,506
Peru – Cerro Corona[3]	**217.8**	**369**	**543**	**106,777**	**157,168**					
Australia[4]			**708**		**205,074**			734		171,673
• St Ives	**428.3**	**596**		**172,707**		417.7	582		136,122	
• Agnew	**192.0**	**401**		**116,120**		203.7	445		104,040	
International operations	**1,650.9**	**523**	**655**	**151,549**	**189,782**	1,461.7	492	616	114,952	143,925
Total operations	**3,689.6**					3,880.8				
Weighted average cost		**516**	**639**	**149,398**	**185,061**		476	583	111,315	136,365

Notes: [1] *In F2009 and 2008, 435,400 ounces and 459,400 ounces respectively were attributable to Gold Fields.*
[2] *In F2009 and 2008, 142,500 ounces and 138,100 ounces respectively were attributable to Gold Fields.*
[3] *In F2009, 175,800 ounces were attributable to Gold Fields. There were no sales in F2008.*
[4] *Total production cost for the Australian operations is not split between the two operations.*
[5] *Total cash cost and total production cost is calculated in accordance with the Gold Institute industry standard.*

The weighted average total cash cost per kilogram increased by 34 per cent from R111,315 per kilogram (US$476 per ounce) in F2008, to R149,398 per kilogram (US$516 per ounce) in F2009.

The weighted average total cash cost at the South African operations in rand terms increased by 35 per cent from R109,117 per kilogram (US$467 per ounce) in F2008 to R147,657 per kilogram (US$510 per ounce) in F2009. This increase was as a result of the decline in gold production and the increases in costs described earlier.

At the international operations total cash cost increased from R114,952 per kilogram (US$492 per ounce) to R151,549 per kilogram (US$523 per ounce) an increase of 32 per cent in rand terms but only six per cent in dollar terms as the increase in costs was partially offset by the increase in production.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS continued

General and administration (G&A) costs

Net General and Administration costs, which are included in operating costs, were R707 million in F2009, an increase of 21 per cent compared with the R585 million in F2008 of which nearly half was due to the weaker rand.

Costs falling under the definition of general and administration costs included the following:

- Recovered corporate expenditure for F2009 was R254 million compared with R200 million in F2008;
- Management fees in Ghana of R136 million, compared with R106 million in F2008. In dollar terms they were similar at US$15 million;
- The cost of regional offices in Australia, Ghana and Peru of R102 million, compared with R55 million in F2008. The increase is mainly due to the inclusion of the Lima office in Peru and the translation of these dollar based costs at the weaker rand;
- World Gold Council fees of R56 million in F2009, charged at an average of US$1.80 per ounce of attributable gold production. The F2008 charge was similar at R50 million;
- Off-site training amounted to R149 million in F2009 compared with R142 million in F2008; and
- Other costs relating to Chamber of Mines and special technical projects.

Gold inventory change

Gold inventory change in F2009 was a R210 million credit to costs, compared with a charge to costs of R86 million in F2008.

At St Ives, there was a credit to costs of R10 million in F2009 compared with a charge to costs in F2008 of R51 million. In F2009 low grade Leviathan ore was stockpiled at year end. The charge to costs in F2008 was mainly due to the drawdown of stockpiles throughout the year to meet the shortfall resulting from the delayed production from Cave Rocks and Belleisle underground mines, and while the Leviathan pit was brought into full production.

At Agnew, there was a charge to costs in F2009 of R20 million compared with R148 million in F2008. Both amounts were due to processing the Songvang stockpile accumulated over prior years and depleted in mid-F2009.

At Tarkwa, there was a credit to costs in F2009 of R162 million compared with R36 million in F2008. The R162 million credit was due to gold lock-up in the new plant, a build-up at the North heap leach and increased stockpiles at year end. The R36 million credit in F2008 represented the build-up of inventory in the South heap leach which reached its sixth lift during the year.

At Damang, there was a credit to costs of R21 million in F2009 compared with R77 million in F2008. The credit in F2009 was mainly due to the deliberate stockpiling of crushed ore to improve mill feed flexibility started in the previous year. The R77 million credit in F2008 was due to a build-up of lower-grade mined-ore stockpiles of R25 million, with the balance the result of stockpiling crushed ore at the plant to improve flexibility.

Cerro Corona had a build-up of unsold stock at year end of R37 million.

Amortisation and depreciation

Amortisation and depreciation increased by R1,116 million, from R3,026 million in F2008 to R4,142 million in F2009. At the South African operations amortisation increased from R1,664 million in F2008 to R2,036 million in F2009, an increase of R372 million. At the international operations amortisation increased from R1,208 million to R1,961 million, an increase of R753 million.

At the South African operations, Driefontein increased from R548 million to R625 million and Kloof from R591 million to R693 million, mainly due to an increase in amortisation of short life ore reserve development. This was mainly as a result of a decrease in reserves. South Deep increased from R232 million to R283 million mainly due to a R50 million credit in F2008 to reverse over provisions at year end. However, the largest increase was at Beatrix, which increased by R142 million mainly due to a decrease in reserves at South shaft, which substantially increased the amortisation rate of that shaft.

At the international operations the increase of R753 million was mainly due to the inclusion of the first year's amortisation from Cerro Corona of R351 million and R288 million due to the weaker rand. In Ghana, which is dollar based, amortisation increased from US$60 million in F2008 to US$74 million in F2009. The majority of this increase was due to the depreciation of the new plant

expansion at Tarkwa and to a lesser degree an increase in the pre-strip amortisation rates at the Damang main pit and Tarkwa's Teberebie cut-back.

In Australia, amortisation increased from A$119 million in F2008 to A$142 million in F2009. This was mainly due to an increase in underground mining at Agnew, especially at Main Lode, necessitated by the depletion of Songvang stockpiles, and at St Ives, due to increased production from Leviathan open pit and the new underground mines, Cave Rocks and Belleisle.

Notional cash expenditure (NCE)

Notional cash expenditure is defined as operating costs (including general and administration costs) plus capital expenditure, which includes brownfields exploration, and is reported on a per ounce basis. The objective is to provide the all-in cost for the Group, and for each operation. The NCE per ounce is an important measure, as it determines how much free cash flow is generated in order to pay taxation, interest, greenfields exploration and dividends.

	Year ended 30 June 2009				Year ended 30 June 2008			
	Gold produced ('000ozs)	Operating costs US$mil	Capital expenditure US$mil	NCE US$/oz	Gold produced ('000ozs)	Operating costs US$mil	Capital expenditure US$mil	NCE US$/oz
South Africa								
• Driefontein	829.9	391.8	114.8	610	928.0	403.4	139.8	585
• Kloof	643.0	342.3	106.4	698	820.9	370.0	123.5	601
• Beatrix	391.1	226.1	69.9	757	438.1	237.2	79.3	723
• South Deep	174.7	131.9	113.3	1,403	232.1	173.8	107.9	1,214
South African operations	2,038.7	1,092.1	404.4	734	2,419.1	1,184.4	450.5	676
Ghana								
• Tarkwa	612.4	338.1	201.1	881	646.1	283.2	212.0	766
• Damang	200.4	132.4	16.9	745	194.2	118.1	28.1	753
Peru – Cerro Corona	219.3	86.4	116.8	926				
Australia								
• St Ives	428.3	255.4	68.8	757	417.7	241.5	107.9	836
• Agnew	192.1	74.9	30.8	550	203.7	82.5	33.1	568
International operations	1,652.5	887.2	434.4	800	1,461.7	725.3	381.1	757
Peru – Cerro Corona (project)							348.4	
Group operations/projects	3,691.2	1,979.3	838.8	763	3,880.8	1,909.7	1,180.0	796

The above calculation is based on the average rand to the US dollar exchange rate for the year of 9.01 and 7.27 for F2009 and F2008 respectively.

The NCE for F2009 of US$763 per ounce is lower than the US$796 per ounce achieved in F2008 because of the lower capital expenditure due to the completion of our growth projects in Peru, Ghana and Australia during the year, partially offset by the lower production and higher operating costs.

Net operating profit

As a consequence of the foregoing, net operating profit increased by 22 per cent from R6,015 million in F2008 to R7,321 million in F2009, with the higher gold price being the main contributor.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS continued

INVESTMENT INCOME

Income from investments was flat at R225 million.

The R225 million in F2009 comprises R12 million dividends received, R82 million interest received on the environmental rehabilitation trust funds and R131 million interest received on other cash balances.

The R227 million in F2008 comprises R34 million dividends received, R63 million interest received on the environmental rehabilitation trust funds and R130 million interest received on other cash balances.

Dividends received are lower in F2009 at R12 million and comprise R11 million dividend received on preference shares held in a wholly owned subsidiary of Mvela Resources Limited and R1 million dividend received from Troy Resources NL. The reason for the decrease is the settlement of the preference shares in March 2009.

Interest received on the environmental rehabilitation trust funds increased from R63 million in F2008 to R82 million in F2009 due to higher investment returns achieved by the funds and higher balances invested in F2009.

Interest on other cash balances remained relatively flat at R130 million in F2008 and R131 million in F2009.

FINANCE EXPENSE

Finance expense increased from R587 million in F2008 to R873 million in F2009.

The R873 million finance expense in F2009 comprises R18 million interest paid on the Mvela loan, R807 million in respect of other interest paid, preference share interest of R88 million and R38 million environmental rehabilitation interest charge, partially offset by interest capitalised of R78 million.

The R587 million finance expense in F2008 comprises R63 million interest paid on the Mvela loan, R516 million in respect of other interest paid, preference share interest of R19 million and R47 million environmental rehabilitation interest charge, partially offset by interest capitalised of R58 million.

Interest paid on the Mvela loan decreased from R63 million in F2008 to R18 million in F2009. The lower interest paid is due to the capital amount owing decreasing as capital repayments were made against the loan as well as the final repayment of the loan on 17 March 2009.

Other interest paid increased from R516 million in F2008 to R807 million in F2009. The charge in F2009 comprises:
- R383 million interest paid on local borrowings raised to finance capital expenditure and operating costs by the Driefontein, Kloof and South Deep mines;
- R341 million on forward cover costs for the foreign exchange contract taken out for the revolving credit facility;
- R41 million interest paid on the revolving credit facility for partial funding of the Cerro Corona capital expenditure and purchases of further investments in Sino Gold Limited;
- R26 million interest paid on the project finance facility taken out by Gold Fields La Cima;
- R14 million on the commercial paper issued during the fourth quarter to finance capital expenditure and operating costs of the divisions of GFIMSA; and
- The balance of R2 million related to sundry interest payments.

The charge in F2008 comprises:
- R205 million on forward cover costs for the foreign exchange contract taken out for the revolving credit facility;
- R169 million on the revolving credit facility taken out in the prior year in terms of the South Deep purchase;
- R77 million interest paid on local borrowings raised to finance capital expenditure and operating costs by the Driefontein, Kloof and Beatrix divisions of GFIMSA;

- R40 million interest paid on the revolving credit facility for partial funding of the Cerro Corona capital expenditure and purchases of further investments in Sino Gold Limited;
- R18 million interest paid on a facility taken out for the purchase of the Uncle Harry's mineral rights; and
- The balance of R7 million related to sundry interest payments.

The R88 million preference share interest relates to R1,200 million raised by the issue of the said shares to Rand Merchant Bank on 24 December 2007. The preference share interest is rolled up and will be paid only on redemption date. R600 million of the preference shares, with an associated interest of R23 million, were redeemed in October 2008.

During F2009, R78 million of interest was capitalised in terms of IAS 21 Borrowing cost, due to the existence of general borrowings used to finance long-term projects such as South Deep and Cerro Corona.

During F2008, R58 million of interest was capitalised due to the existence of general borrowings used to finance long-term projects such as South Deep, Cerro Corona, Driefontein 9 Shaft drop down and the Tarkwa CIL project.

Environmental rehabilitation interest charges decreased from R47 million in F2008 to R38 million in F2009. The decrease in the charge in F2009 was due to lower discount rates applied in the calculation of the interest charge which is in line with lower inflation in the current market environment partly offset by higher rehabilitation cost numbers.

Financial instruments

US dollar forward purchases

During F2009 the Group had three different US dollar forward purchase contracts. They were:

– Western Areas US dollar/rand forward purchases – As a result of the draw down under the bridge loan facility to settle the close-out of the gold derivative structure, US dollar/rand forward cover was purchased during the March 2007 quarter for the amount of US$551 million for settlement 6 August 2007, at an average forward rate of R7.3279/US$. Subsequent to this date the cover has been extended for periods between one and three months throughout F2008 and 2009. The forward cover was also reduced with the partial repayments of US$61 million and US$172 million against the loan on 6 December 2007 and 31 December 2007 respectively.

  During F2009, a further amount of US$44 million was repaid against the loan and the forward cover was reduced by the same amount. The balance of the US$274 million forward cover was extended to 15 July 2009, being the next repayment date on the loan, at an average forward rate of R8.0893/US$. For accounting purposes, this forward cover has been designated as a hedging instrument. As a result the gains and losses on the forward cover have been accounted for under gain/(loss) on foreign exchange along with gains and losses on the underlying loan that has been hedged. The forward cover points have been accounted for as part of interest.

– South Africa: US dollar/rand forward sales – In October 2008, US$150 million of expected gold revenue for the December quarter was sold forward on behalf of the South African operations. In December 2008, the US$150 million was extended to the March quarter at an average forward rate of R10.3818. During the March quarter US$30 million was settled at a gain for the quarter of R7 million. The outstanding balance of US$120 million was extended into the June quarter at an average forward rate of R10.2595. In the June quarter, the remaining forward cover of US$120 million was partly delivered into and the balance closed out, resulting in a gain of R54 million. This was accounted for in the income statement in the June quarter.

– Australia: US dollar/Australian dollar forward sales – In October 2008, US$70 million of expected gold revenue for the December quarter was sold forward on behalf of the Australian operations. In December 2008, US$56 million was extended to the March quarter at an average forward rate of A$0.6650. During the March quarter an additional US$8 million of the same instruments were taken out. The total of US$64 million was extended into the June quarter at an average forward rate of A$0.6445. In the June quarter the forward cover of US$64 million was partly delivered into and the balance closed out, resulting in a gain of A$2 million (R13 million). This was accounted for in the income statement.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS continued

During F2008 the Group had two different US dollar/rand forward purchase contracts. They were:

– As a result of the draw down under the bridge loan facility to settle the close-out of the gold derivative structure, US dollar/rand forward cover was purchased during the March 2007 quarter for the amount of US$551 million for settlement 6 August 2007, at an average forward rate of R7.3279/US$. Subsequent to this date the cover was extended for periods between one and three months throughout the year. The forward cover was also reduced with the partial repayments of US$61 million and US$172 million against the loan on 6 December 2007 and 31 December 2007 respectively.

  The balance of the US$318 million forward cover was extended on 6 June 2008 to 7 July 2008 at a rate of R7.8479/US$, based on an average spot rate of R7.7799/US$. For accounting purposes, this forward cover has been designated as a hedging instrument. As a result the gains and losses on the forward cover have been accounted for under gain/(loss) on foreign exchange along with gains and losses on the underlying loan that has been hedged. The forward cover points have been accounted for as part of interest.

– In anticipation of increased US dollar denominated capital expenditure on the Cerro Corona mine, a US$90 million forward exchange contract at a rate of R6.9200 was purchased. This was settled at a rate of R8.1536 resulting in a gain of R85 million.

International petroleum exchange gasoil call option

In F2009, the Ghanaian operations purchased four monthly Asian style Intercontinental exchange (ICE) gasoil call options with strike prices ranging from US$0.90 per litre to US$1.11 per litre, which equates to a Brent crude price of between US$92 and US$142 per barrel, with final expiry on 28 February 2010.
The call options resulted in a premium of US$10.4 million, paid upfront.

The Australian operations purchased two monthly Asian style Singapore 0.5 gasoil call options with strike prices ranging from US$0.9128 per litre to US$1.0950 per litre with a final expiry on 28 February 2010. The call options resulted in a premium of A$4.4 million, paid upfront.

On 28 June 2007 Gold Fields Ghana Holdings (BVI) Limited purchased a three month Asian style (average monthly price) call option in respect of 15.0 million litres of diesel, settled monthly, to protect against adverse energy price movements. The call option resulted in a premium of US$0.3 million, paid upfront, at a strike price of US$0.5572 per litre. On 20 August 2007 Gold Fields Ghana Holdings (BVI) Limited purchased a further three month Asian style call option in respect of 15.0 million litres of diesel, settled monthly, to protect against adverse energy price movements. The call option resulted in a premium of US$0.4 million, paid upfront, at a strike price of US$0.5572 per litre.

Copper financial instruments

During June 2009 8,705 tons of Cerro Corona's expected copper production for F2010 was sold forward for monthly deliveries, starting on 24 June 2009 to 23 June 2010. The average forward price for the monthly deliveries is US$5,001 per ton. An additional 8,705 tons of Cerro Corona's expected copper production for F2010 was hedged by means of a zero cost collar, guaranteeing a minimum price of US$4,600 per ton with full participation up to a maximum price of US$5,400 per ton.

Realised (loss)/gain on financial instruments

The realised portion on financial instruments moved from a gain of R86 million in F2008 to a loss of R56 million in F2009. The F2009 realised loss of R56 million comprises mainly:

- Loss of R126 million on the international petroleum exchange gasoil call option;
- Loss of R3 million on a US dollar/rand currency hedge;
- Gain of R61 million on the US dollar/rand forward sales; and
- Gain of R13 million on the US dollar/Australian dollar forward sales.

The F2008 realised gain of R86 million comprises:

- Gain of R85 million on a US dollar/rand currency hedge;
- Gain of R10 million on the international petroleum exchange gasoil call option; and
- Loss of R9 million on various warrants and options converted to shares.

Gain on foreign exchange

Gain on foreign exchange increased from R14 million in F2008 to R92 million in F2009.

The gain of R92 million in F2009 comprises:

- Gain of R125 million on the repayment of Australian dollar denominated intercompany loans;
- Gain of R35 million on the US dollar proceeds received in respect of the South Deep fire insurance claim of US$17 million; and
- Exchange losses of R68 million on cash balances held in currencies other than the functional currencies of the Group's various subsidiary companies.

The gain of R14 million in F2008 comprises exchange gains on foreign currency denominated cash balances within the Group.

Other (costs)/income

Other operating income in F2008 was R68 million compared to other costs of R203 million in F2009. The charge for F2009 is mainly made up of:

- Restructuring costs at the training academy;
- New loan facility charges;
- Research and development into mechanised mining;
- Fair value write down of the rose cultivars at Living Gold; and
- Sale agreement adjustment with Orezone Resources Inc. with reference to the sale of Essakane in the previous financial year.

The income realised in F2008 was mainly due to a refund of costs from Orezone Resources Inc. of R40 million and an R11 million fair value adjustment to the rose cultivars in Living Gold.

Share-based payments

IFRS 2 Share-based payments became effective for Gold Fields for the financial year ended 30 June 2006. In terms of IFRS 2, Gold Fields recognises the cost of share options granted (share-based payments) from 1 July 2005. IFRS 2 requires that all options granted after 7 November 2002, but not vested by 1 July 2005 be accounted for.

Gold Fields has adopted an appropriate valuation model to fair value the employee share options. The value of the share options has been determined as of the grant date of the options and has been expensed on a straight-line basis over the vesting period.

Based on this model R303 million was accounted for in F2009 compared to R151 million in F2008. The corresponding entry for the above adjustments was share-based payment reserve within shareholders' equity.

The reason for the increase in share-based payments is a modification made to the existing scheme and an additional allocation made in F2008 (as part of the employee retention strategy) resulting in two allocations being made to employees. The said modifications and additional allocation were accounted for a full year in F2009 as opposed to only a portion of the year in F2008.

The modification was made due to the fact that subsequent to the implementation of the Share Plan, it became evident that the XAU index used was not representative of Gold Fields' peer competitors as it included some companies which are not pure gold mining companies and a number of relatively small gold producers. Accordingly it was decided that instead of using the XAU index, Gold Fields' performance will be measured against only five gold mining companies who can be regarded as peer competitors.

The modification to the scheme resulted in incremental fair value which is being expensed over the remaining vesting period of the instruments.

Exploration expense

Gold Fields expensed R508 million (US$56 million) on exploration in F2009 compared with R328 million (US$45 million) in F2008. The bulk of the expenditure has been incurred on a diversified pipeline of projects in Africa, Australia, China and North, South and Central America. The increase in F2009 is due to spend on advanced stage exploration projects, being Talas in Kyrgyzstan, Chucapaca in Peru and Sankarani in Mali. Subject to continued exploration success, expenditure is expected to range between US$50 million and US$80 million in F2010.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS continued

Share of results of associates after tax

Gold Fields equity accounts for two associates. They are Rand Refinery Limited and Rusoro Mining Limited. The Group's 35 per cent share of after tax profits in Rand Refinery Limited was R14 million in F2009 compared to R34 million in F2008. Gold Fields acquired a 36 per cent stake in Rusoro in F2008 and during F2009 the holding was diluted to 26 per cent consequent upon a private placement by Rusoro. The after tax loss of R43 million for the seven months holding period in F2008 compares to a R156 million loss realised in F2009. The acquisition of the Rusoro stake is described under discontinued operations below.

Restructuring costs

The charge for restructuring costs increased from R65 million in F2008 to R126 million in F2009. The costs in F2009 relate to restructuring costs at the Driefontein, Kloof, Beatrix and South Deep operations. The costs of R65 million in F2008 relate to a provision made for the anticipated retrenchment of approximately 2,000 employees at the South Deep mine following the closure of the VCR section.

South Deep insurance claim

South Deep insurance claim income of R131 million relates to the receipt of the insurance claim from the South Deep fire in F2007.

Driefontein 9 shaft closure costs

Closure costs of R24 million were incurred in F2008 and relate to Driefontein's 9 shaft project which was suspended due to the lack of power supply. During F2009, there was a reversal of an over provision of R2 million after finalisation of the total closure costs.

Impairment of investments and assets

Impairment of investments and assets increased from R51 million in F2008 to R1,210 million in F2009.

The charge in F2009 of R1,210 comprises impairment of R1,066 million of Rusoro to its market value of R390 million (US$48 million) in terms of IAS 36 Impairment of assets. However, management's view of the investment in Rusoro is that its inherent value is significantly greater than its current market value. The balance of the impairment charge relates to a write down of R144 million on sundry offshore listed exploration investments to its market value at 30 June 2009.

The charge of R51 million in F2008 comprises R32 million relating to the St Ives' Junction mine and the original Leviathan pit which have been depleted and R19 million at Agnew, an impairment of the rehabilitation assets relating to old slimes dams.

The Group assesses at each reporting date whether there are indicators of impairment for any of its assets. If there are any indicators of impairment, the asset's recoverable amount needs to be estimated. The carrying value is compared to the higher of "value in use" or "fair value less costs to sell".

Various internal and external sources of information were considered and management has concluded that no indicators of impairment of assets exist at 30 June 2009.

Unlike assets, goodwill needs to be tested for impairment annually.

The following estimates and assumptions were used by management when reviewing the long-term assets and associated goodwill for impairment:

- A gold price of R245,000 per kilogram for F2010 and 2011 and R280,000 per kilogram thereafter (2008: R210,000 per kilogram),
- Discount rate of 6 per cent,
- The extraction of proved and probable reserves as per the most recent life of mine plan, and
- Operating costs and capital expenditure estimates as per the most recent life of mine plan.

In both F2009 and F2008 the application of the above estimates and assumptions did not result in any impairment charge.

(Loss)/profit on disposal of investments

Loss on sale of investments in F2009 amounted to R148 million compared to a profit of R1,416 million in F2008.
The major disposals comprising the R148 million loss in F2009 were:

- R209 million loss resulting from the exchange of 41.7 million Orezone Resources Inc. shares for 3.3 million IAMGold Limited shares as a result of the acquisition of all Orezone shares by IAMGold;
- R3 million loss from the sale of 70 per cent holding in IRCA (Pty) Limited Group;
- R1 million loss from the sale of 0.1 million shares in Lakota Resources Inc; and
- R65 million gain from the subsequent sale of the abovementioned 3.3 million shares in IAMGold Limited.

The major disposals comprising the R1,416 million profit in F2008 were:

- R1,389 million gain from the sale of the Essakane project in Burkina Faso to Orezone Resources Inc.;
- R35 million gain from the sale of various shares held by the New Africa Mining Fund;
- R15 million gain from the sale of 14.8 million shares in Emed Mining Public Limited;
- R1 million gain from the sale of 0.03 million shares in Resource Investment Trust;
- R20 million loss from the sale of 8.1 million shares in Committee Bay Resources Limited; and
- R4 million loss from the sale of 0.5 million shares in Lakota Resources Inc.

Profit on disposal of property, plant and equipment

Profit on disposal of property, plant and equipment decreased from R34 million in F2008 to R4 million in F2009.

The major disposals comprising the R4 million profit in F2009 related to the sale of surplus housing by Driefontein, Kloof and Beatrix.

The major disposals comprising the R34 million profit in F2008 were:

- R22 million profit from the sale of a stage winder by Driefontein; and
- R12 million profit from the sale of surplus housing by Beatrix and South Deep.

MINING AND INCOME TAX

The table below indicates Gold Fields' effective tax expense rate for F2009 and F2008:

	Year ended 30 June	
	2009	2008
Income and mining tax		
Effective tax expense rate	**55.9**	29.2

In F2009, the effective tax expense rate of 56 per cent differed from the maximum South African mining statutory tax rate of 43 per cent mainly due to non-deductible impairment charges of R520 million on the impairment of associate and certain listed investments, R339 million increase in charges relating to levies and royalties in Ghana and Australia, R219 million non-deductible exploration expense as well as R131 million non-deductible share-based payments.

These increases were partly offset by a reduction of R507 million in net tax charge arising from non-South African mining income taxed at lower rates, R250 million reduction relating to the South African mining tax formula and a R25 million decrease due to use of assessed losses not previously recognised at GFL Mining Services Limited and Gold Fields Protection Services Limited.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS continued

In F2008, the effective tax expense rate of 29 per cent differed from the maximum South African mining statutory tax rate of 43 per cent mainly due to a non-taxable gain on the disposal of the Essakane project and other investments of R609 million, a reduction of R424 million in net tax charge arising from non-South African mining income taxed at lower rates, R222 million reduction relating to the South African mining tax formula, R31 million decrease due to use of assessed losses not previously recognised at Gold Fields Limited and GFL Mining Services Limited and other non-taxable income of R110 million mainly due to the Venezuelan subsidiary not being subject to tax.

These reductions were partly offset by the Group incurring R243 million in charges relating to levies and royalties in Ghana and Australia, R141 million of non-deductible exploration expenses and R65 million of non-deductible share-based payments.

Discontinued operations

During the December quarter in F2008 the assets in Venezuela were sold. This sale has necessitated the restatement of prior periods salient features and financial results as required by IFRS 5.

In F2008 the net gain from the sale of the Venezuelan assets amounted to R111 million comprising a profit on the disposal of the Venezuelan assets of R74 million and an income on the operational results at Choco 10 for the five months ended November 2007, the effective date of sale, of R37 million.

There were no discontinued operations in F2009.

Profit attributable to ordinary shareholders of the company

Because of the factors discussed above, Gold Fields posted earnings attributable to ordinary shareholders of the company of R1,536 million in F2009 as compared with earnings of R4,458 million in F2008.

Profit attributable to minority shareholders' interest

Minority interests represent attributable earnings of R319 million in F2009, compared with attributable earnings of R360 million in F2008. These amounts reflect the portion of the net income or losses of Gold Fields Ghana, Abosso Goldfields, Gold Fields La Cima and Living Gold attributable to its minority shareholders.

LIQUIDITY AND CAPITAL RESOURCES

Cash resources

Cash flows from operating activities

Cash inflows from operating activities decreased from R6,692 million in F2008 to R6,001 million in F2009. The decrease of R691 million was mainly due to:

- A movement of R1,446 million in working capital resulting from an investment of R1,184 million in F2009 versus a release of R262 million in F2008 which is mainly due to an increase in trade receivables for gold sales in F2009;
- Increase in interest paid of R247 million due to higher borrowings;
- Increase in tax paid of R889 million due to higher taxable earnings;
- Partially offset by an increase in cash generated by operations of R1,975 million due to the gold price increasing from R190,623 per kilogram in F2008 to R253,459 per kilogram in F2009; and
- A decrease in dividends paid of R64 million.

Cash from discontinued operations relates entirely to the Venezuelan operations and amounted to R126 million in F2008. The R126 million in F2008 comprises R111 million of profit before tax and a depreciation charge of R15 million.

Cash flows from investing activities

Cash outflows from investing activities decreased from R7,727 million in F2008 to R7,284 million in F2009. The items comprising these numbers are discussed below.

Additions to property, plant and equipment

Capital expenditure decreased from R9,014 million in F2008 to R7,649 million in F2009.

Capital expenditure at the South African operations increased from R3,275 million in F2008 to R3,643 million in F2009. The increase in capital expenditure of R368 million was due to:

- Driefontein increasing from R1,016 million in F2008 to R1,034 million in F2009. This was mainly due to increased expenditure on ORD, high and low density accommodation, partly offset by decreased expenditure on the mothballed 9 shaft project;
- Kloof increasing from R898 million in F2008 to R959 million in F2009. This was due to expenditure on the Main shaft rehabilitation programme and increased ORD, partly offset by cessation of expenditure on the Kloof Extension Area project;
- South Deep increasing from R785 million in F2008 to R1,021 million in F2009. This increase was due to expenditure on development and mechanised equipment as per the project plan build-up; and
- Beatrix increasing from R576 million in F2008 to R629 million in F2009. This was mainly due to increased ORD and the procurement of additional mechanised equipment.

In F2008, R400 million was paid for the Uncle Harry's mineral rights adjacent to the South Deep mine.

Capital expenditure at the offshore operations decreased from R5,310 million in F2008 to R3,914 million in F2009 and from US$730 million to US$434 million in US dollar terms.

- Tarkwa decreased from US$212 million in F2008 to US$201 million in F2009. This was mainly due to the decrease in activity as the CIL expansion project was completed;
- Damang decreased from US$28 million in F2008 to US$17 million in F2009. This was due to a reduction of expenditure on the Damang pit cutback;
- St Ives decreased from US$108 million in F2008 to US$69 million in F2009. This was due to completion of the Cave Rocks and Belleisle projects;
- Agnew decreased from US$34 million in F2008 to US$30 million in F2009. This translates to an increase in Australian dollars from A$37 million to A$42 million and was due to underground capital development and increased exploration expenditure; and
- The Cerro Corona project in Peru decreased from US$348 million in F2008 to US$117 million in F2009 which was mainly due to commissioning of the project in the second quarter of F2009.

Proceeds on the disposal of property, plant and equipment

Proceeds on the disposal of property, plant and equipment decreased from R42 million in F2008 to R32 million in F2009. In both years this related to the disposal of various mining assets by the South African mining operations.

Proceeds on disposal of subsidiary

Proceeds on disposal of subsidiaries decreased from R1,042 million in F2008 to R45 million in F2009. The amount received in F2009 comprises the cash proceeds received from the sale of a 70 per cent holding in the IRCA (Pty) Limited Group. The amount of R1,042 million comprises entirely the cash proceeds received from the sale of the Essakane project in Burkina Faso. The gross proceeds of the sale amounted to R1,375 million comprising the abovementioned cash of R1,042 million and 41,666,667 shares in Orezone Resources Limited.

Net cash from discontinued operations

Cash inflows from investing activities from discontinued operations amounted to R1,165 million in F2008 and nil in F2009. The gross proceeds from the sale of the Venezuelan assets amounted to R2,799 million (US$413 million) and comprised cash of R1,219 million (US$180 million) and shares in Rusoro Mining Limited of R1,580 million (US$233 million). The cash received has been partly offset by capital expenditure for the period to 30 November 2007 of R54 million. This sale has necessitated the restatement of prior periods' salient features and financial results as required by IFRS 5 Non-current assets held for sale and discontinued operations.

Purchase of investments

Investment purchases decreased from R978 million in F2008 to R99 million in F2009.

The major net investment purchases comprising the R99 million spent in F2009 were:

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS continued

- R95 million invested in Sino Gold Limited as part of a rights offer maintaining our holding at 19.9 per cent;
- R17 million invested in Glencar Mining Plc resulting in a holding of 9.1 per cent at 30 June 2009;
- R2 million invested in Clancy Exploration Limited resulting in a holding of 5.4 per cent;
- R0.5 million invested in Cascadero Copper Corporation resulting in a holding of 0.5 per cent.

The major net investment purchases comprising the R978 million spent in F2008 were:
- R795 million invested in Sino Gold Limited bringing our holding to 19.9 per cent;
- R85 million on the conversion of options held in Mvelaphanda Resources Limited to shares;
- R67 million invested in Conquest Mining Limited bringing our holding to 19.1 per cent;
- R38 million invested in Orsu Metals Corporation (previously Lero Gold Corporation) bringing our holding to 7.6 per cent; and
- R5 million invested in Emed Mining Public Limited which was subsequently disposed of together with all existing holdings in the same, reducing our current holding to nil per cent.

Proceeds on the disposal of investments

Proceeds on the disposal of investments increased from R100 million in F2008 to R482 million in F2009.

The major investment disposals comprising the R482 million in F2009 were:
- R282 million from the sale of IAMGold Corporation shares; and
- R200 million from the redemption of preference shares held in a wholly owned subsidiary of Mvela Resources Limited.

The major investment disposals comprising the R100 million in F2008 were:
- R41 million from the sale of Emed Mining Public Limited shares;
- R38 million from the sale of various shares held by the New Africa Mining Fund;
- R12 million from the sale of Committee Bay Resources Limited shares; and
- R7 million from the sale of Encore Oil Limited shares.

Environmental trust funds and rehabilitation payments

During F2009 Gold Fields paid over R58 million to its environmental trust funds and spent R36 million on ongoing rehabilitation costs resulting in a total cash outflow of R94 million for the year.

During F2008 Gold Fields paid over R56 million to its environmental trust funds and spent R29 million on ongoing rehabilitation costs resulting in a total cash outflow of R84 million for the year.

Cash flows from financing activities

Net cash generated by financing activities increased from R557 million in F2008 to R2,087 million in F2009. The items comprising these numbers are discussed below.

Minority shareholders' loans received

Minority shareholders' loans received was nil for F2008 as compared to R10 million in F2009. The R10 million received in F2009 relates to an advance and a repayment between Tarkwa and its minority shareholder, IAMGold of US$6 million. The R10 million relates to different exchange rates used to convert the advance and repayment to South African rand.

Loans raised

Loans raised increased from R4,336 million in F2008 to R11,704 million in F2009. The R11,704 million received in F2009 comprises:
- R4,139 million was drawn down on a credit facility in order to repay the Mvela loan. Mvela then used the proceeds from the loan repayment to subscribe for its 15 per cent interest in GFIMSA by paying the R4,139 million to GFIMSA. Immediately upon receipt of the GFIMSA shares, Mvela exercised its right to use the GFIMSA shares to subscribe for 50 million new ordinary shares in Gold Fields;
- R3,900 million was borrowed by GFIMSA from various local banks to fund short-term working capital requirements and capital expenditure;
- R1,325 million (US$138 million) drawn down on the US$750 million syndicated facility to fund the capital expenditure on Cerro Corona and the acquisition of additional Sino Gold Limited shares;

- R1,143 million was drawn down under the Commercial Paper loan to refinance existing facilities;
- R993 million (US$116 million) was raised under the syndicated revolving loan facility for purposes of refinancing existing facilities; and
- R204 million (US$20 million) was drawn down under the short-term syndicated facility to fund capital expenditure.

The R4,336 million received in F2008 comprises:

- R1,719 million (US$225 million) drawn down on the US$750 million syndicated facility to fund the capital expenditure on Cerro Corona and the acquisition of additional Sino Gold Limited shares;
- R1,260 million (US$173 million) was borrowed by GFIMSA from various local banks to fund working capital requirements and capital expenditure;
- R1,200 million (US$165 million) was raised from the preference shares issued for purposes of refinancing existing facilities; and
- R157 million (US$23 million) was drawn down on the Cerro Corona project finance loan.

Loans repaid

Loans repaid increased from R4,620 million in F2008 to R9,724 million in F2009. The R9,724 million repayment in F2009 comprises:

- R4,139 million repayment to effect the Mvela transaction as described above;
- R2,802 million repayment of various Group committed and uncommitted facilities used to finance short-term working capital and capital expenditure of the GFIMSA divisions;
- R1,299 million (US$150 million) repayment of the split-tenor revolving credit facility taken out in F2007;
- R623 million repayment of the preference shares issued;
- R484 million representing the ninth and tenth repayments to Mvelaphanda Resources in terms of the Mvela loan; and
- R377 million (US$44 million) repayment of the syndicated revolving loan facility taken out in F2009.

The R4,620 million repayment in F2008 comprises:

- R3,002 million (US$432 million) repayment of the split-tenor revolving credit facility used to refinance the JP Morgan facility taken out in F2007;
- R1,263 million repayment of various Group committed and uncommitted facilities used to finance working capital and capital expenditure of the GFIMSA divisions; and
- R355 million representing the seventh and eighth repayments to Mvelaphanda Resources in terms of the Mvela loan.

Proceeds from rights issue – Cerro Corona

The entire R768 million (US$96 million) was raised in F2008 as a rights issue to minority shareholders in Cerro Corona. As a result of Gold Fields converting its loan to equity, the outside shareholders were given the opportunity to participate in a rights issue to avoid a dilution of their interest. The funds were awaiting finalisation of all statutory requirements before the shares could be issued.

Shares issued

Shares issued increased from R73 million in F2008 to R97 million in F2009.

The R97 million in F2009 includes R25 million received from the issue of 50,000,000 shares as a result of the completion of the Mvelaphanda transaction and R72 million received from shares issued in terms of the Group's employee share scheme.

The R73 million in F2008 consists entirely of shares issued in terms of the Group's employee share scheme.

Net cash generated/(utilised)

As a result of the above, net cash generated for F2009 amounted to R804 million compared to net cash utilised of R478 million in F2008.

Total Group cash and cash equivalents amounted to R2,804 million at 30 June 2009, as compared to R2,007 million at the end of F2008.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS continued

BALANCE SHEET

Net debt

Net debt (borrowings plus current portion of borrowings less cash and cash equivalents and bank overdraft) has increased from R4,991 million (US$624 million) in F2008 to R6,092 million (US$756 million) in F2009. In F2009 Gold Fields successfully refinanced maturing debt, which improved the debt maturity profile and provided flexibility and diversity in terms of sources of funding. The debt maturity profile is depicted in the table below:

Debt maturity ladder

	F2010	F2011	F2012	F2013 to F2017	Total
Loan facilities (committed and uncommitted), including preference shares and commercial paper					
R'million	4,065.4	684.2	–	1,500.0	6,249.6
US$'million	39.5	325.3	516.9	99.3	981.0
Utilisation – Loan facilities(committed and uncommitted), including preference shares and commercial paper					
R'million	2,242.8	684.2	–	–	2,927.0
US$'million	39.5	86.3	515.4	99.3	740.5
Dollar debt translated to rand	318.4	695.6	4,154.1	800.4	5,968.5
Total (R'm)	**2,561.2**	**1,379.8**	**4,154.1**	**800.4**	**8,895.5**
Borrowings per balance sheet (R'm)					6,334.3
Current portion of borrowings per balance sheet (R'm)					2,561.2
Total per balance sheet (R'm)					**8,895.5**

Exchange rate: US$1 = R8.06 being the closing rate at 30 June 2009.

Long-term provisions

Long-term provisions at the end of F2009 were R2,320 million as compared to R2,037 million at the end of F2008 and include a provision for post-retirement health care costs of R21 million (F2008: R21 million), a provision for environmental rehabilitation costs of R2,268 million (F2008: R2,016 million) and other long-term provisions of R31 million (F2008: nil).

Provision for post-retirement health care costs

The Group medical scheme, Medisense, provides benefits to employees and certain of its former employees. The Group remains liable for 50 per cent of these retired employees' medical contributions to the medical scheme after retirement. This is applicable to employees of the Free State operations who retired on or before 31 August 1997 and members of the West Wits operations who retired on or before 1 January 1999.

Provision for environmental rehabilitation costs

The amount provided for environmental rehabilitation costs increased from R2,016 million in F2008 to R2,268 million in F2009. The provision represents the present value of closure, rehabilitation and other environmental obligations incurred up to 30 June 2009. The provision is updated annually to take account of inflation, the time value of money and any new environmental obligations incurred.

The discount rate applied in F2009 changed to a range of 7.0 per cent to 8.7 per cent (2008: 10.1 per cent to 12.6 per cent) for the South African operations, 4.1 per cent to 4.4 per cent (2008: 4.6 per cent to 5.0 per cent) for Ghana, 6.2 per cent to 6.3 per cent (2008: 7.6 per cent) for Australia and 6.7 per cent (2008: 6.0 per cent) in Peru.

The rates of inflation used in F2009 also changed from the previous year to 7.0 per cent (2008: 9.0 per cent) for South Africa, 3.0 per cent (2008: 4.2 per cent) in Ghana, 2.5 per cent (2008: 3.0 per cent) in Australia and 5.4 per cent (2008: 5.4 per cent) in Peru. The inflation adjustment for F2009 was R129 million compared with R59 million in F2008 and the interest adjustment for F2009 was R38 million compared with R47 million in F2008.

During F2009 additional provisions were raised for new disturbances and changes in environmental legislation at:

- Driefontein of R70 million;
- Tarkwa of R68 million;
- Kloof of R35 million;
- Beatrix of R33 million;
- South Deep of R24 million;
- St Ives of R11 million; and
- Damang of R2 million.

Provisions were reversed for:

- Cerro Corona of R31 million; and
- Agnew of R8 million

resulting in net additional provisions of R204 million.

During F2008 additional provisions were raised for new disturbances and changes in environmental legislation at:

- Cerro Corona of R139 million;
- Driefontein of R83 million;
- Tarkwa of R67 million;
- South Deep of R54 million;
- Kloof of R33 million;
- Beatrix of R20 million;
- Agnew of R8 million; and
- St Ives of R1 million

resulting in net additional provisions of R405 million.

The South African operations contribute to dedicated environmental trust funds to provide financing for final closure and rehabilitation costs. The amount invested in the fund is shown as a non-current asset in the financial statements and increased from R747 million in F2008 to R887 million in F2009. The increase consists of contributions of R58 million and interest income of R82 million. The South African operations will continue to contribute annually to the trust fund over the remaining lives of the mines, which should ensure that sufficient funds will be available to discharge commitments for future rehabilitation costs.

Other long-term provisions

Gold Fields La Cima has formally declared their intention to jointly participate with Minera Yanacocha S.R.L. in financing of the Kunter Wasi Road as an alternative route from the coast to the Cerro Corona Mine. Gold Fields La Cima agreed to pay a maximum of 20 per cent of the estimated cost of the project amounting to US$12 million, which is expected to commence during the 2010 financial year and be completed by June 2011.

INFORMATION COMMUNICATION AND TECHNOLOGY (ICT)

Gold Fields ICT remains committed to supporting the Group in achieving its business strategy and is gearing towards improving and standardising global ICT service delivery. A number of strategic programmes have been conducted during the course of this year with the major achievement being the deployment of SAP globally within the Group. A SAP blueprint has been developed with the objective of enhancing the extraction of value from this system.

The following strategic focus areas drive the prioritisation of activities within Gold Fields ICT. These focus areas have been translated into five key ICT programmes as follows:

1. Safety;
2. Information Management and Communications;
3. Productivity;
4. Cost Management; and
5. ICT Operational and Delivery Excellence.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS continued

In order to deliver the key ICT strategic focus areas, the ICT organisation has focused on business architecture and an appropriate operating model described below:

a) ICT business architecture

The Gold Fields ICT business architecture focuses the ICT organisation on business imperatives and providing business support, while the non-core services are outsourced, i.e. infrastructure and applications support. The journey to focusing the ICT organisation into supporting core business of mining will require a decoupling of the business, application and infrastructure layers of ICT and adopting a multiple vendor sourcing strategy when outsourcing non-core services.

b) Operating model

A new Gold Fields ICT operating model has been developed to ensure the continuous alignment of ICT and business. This model allows the ICT team to engage with the business, service providers and vendors to implement new projects through the projects office and transition these projects into business as usual (BAU) through a core ICT team. The oversight by this core team has been key to ensuring that projects are delivered to Gold Fields' standards and transitioned to BAU with the proper contracts and Service Level Agreements in place that best support the business.

The re-focused ICT has progressed significantly, both in terms of investment allocation as well as the delivery of key programmes as highlighted below:

Financials

ICT has generated significant cost savings through the careful execution of its strategy. These savings are being used to finance the necessary investments in technology and business projects for the future.

Gold Fields ICT F2010 highlights

F2010 will see ICT bring in a greater level of global standardisation to infrastructure, applications and business processes through the following strategic projects:

- The deployment of an IT Solution to manage capital projects;
- The renegotiation of the Outsource environment to generate savings on outsourced components;
- Introduction of a new ICT Operating Model and Strategy;
- Development of the ICT Global Delivery Excellence Program;
- The launch of a records and document management system; and
- Deployment of a consolidated business intelligence platform.

SARBANES-OXLEY

Gold Fields, being a foreign private issuer under US SEC rules, has to comply with the requirements of the Sarbanes-Oxley Act, 2002. Management's compliance programme consists of self assessments, focused walk-throughs and operating effectiveness testing executed throughout the year, on a quarterly basis.

At the time of this reporting, management has completed control design and operating effectiveness testing for the Group across all significant locations, with the exception of the processes relating to preparation of US GAAP reporting (20F).

The results to date of said compliance programme indicate a very high level of compliance and no indication of a material breakdown in controls was noted.

SOUTH AFRICA STRATEGIC SOURCING AND INTEGRATED IMPROVEMENT PROJECTS

Cumulative benefits delivered for the South African operations during F2009 were around R70 million, achieved mainly through pricing claw-back benefits from the record high peak prices recorded in the first half of F2009, together with integrated continuous improvement initiatives. The early part of F2009 also benefited from forward buying strategies largely in steel related products and higher inventory levels which allowed reduced spend quantities and lower stock average prices during the first quarter of F2009 and thus avoided the full impact of the record inflation prior to the global downturn.

The main reduced spend benefits came from areas like fuel and cables reduced prices and buying strategies across steel products like rails and support items. Improvements in quality and related volumes of repairs and capital purchases also added significant benefits.

The first half of F2009 ended up seeing high net price inflation in materials spend of more than 10 per cent, before the commencement of a turn in the inflation cycle in the second half, on the back of the global slowdown, where a marginal net price deflation was experienced. The net full year price inflation for materials was between 3 per cent and 5 per cent, significantly down from the start of year projections of more than 20 per cent inflation. The big benefit is that the pricing baselines have been re-set to reflect the global economic downturn and have not been at the high prices seen at the beginning of F2009.

During the fourth quarter of F2009, it became evident that deflation had bottomed out and corrected across most commodities, especially oil, ammonia and copper, thereby effectively catching up again with the long-term trend line. A gradual upturn of pricing from the new corrected baseline is expected during the next year together with power and labour related inflation flowing through.

INTERNATIONAL OPERATIONS INTEGRATED CONTINUOUS IMPROVEMENT INITIATIVES AND STRATEGIC SOURCING AND SUPPLY BENEFITS ACHIEVED

Cumulative continuous improvement, sourcing and rise and fall claw-back related benefits across the International operations for F2009 of around US$38 million were achieved. The big benefit is that the pricing baselines have been re-set to reflect the global economic downturn and have not been at the high prices seen at the beginning of F2009. The main areas resulting in benefits were diesel rise and fall across the regions, mining contracts improvement projects in Australia and power rate adjustments in Ghana.

High inflation in the first part of F2009 largely off-set the visible flow through of the above realised pricing claw-backs and benefits, resulting in a fairly flat cost line across most commodities, except for the average weighted prices for diesel that ended lower.

The market for commodities like oil and ammonia corrected to the long-term trend line and prices are expected to gradually increase going into the new fiscal year.

Australia

Cumulative benefits delivered in Australia for F2009 added up to around US$17 million (A$20 million) largely from underground and surface mining contracts improvement projects, diesel rise and fall claw-back, travel and accommodation cost savings.

Ghana

Cumulative F2009 benefits for Ghana of around US$16 million were recorded, largely through rise and fall claw-back in diesel, reduced power tariffs, explosives cost reductions, cyanide and grinding balls cost reductions.

Peru

Estimated cumulative benefits for F2009 in Peru amounted to around US$5 million across areas like diesel, grinding balls, emulsions, ammonia nitrate and freight rates.

Paul Schmidt
Chief Financial Officer

10 September 2009

DIRECTORS' REPORT

The directors have pleasure in submitting their report and the annual financial statements of the company and the Group for the year ended 30 June 2009.

PROFILE

Business of the company

Gold Fields Limited is one of the world's largest unhedged producers of gold with attributable steady state production of approximately 3.6* million ounces per annum from nine operating mines in South Africa, Peru, Ghana and Australia. The company has total attributable Mineral Reserves of 81 million ounces and Mineral Resources of 271 million ounces. Gold Fields is listed on JSE Limited (primary listing), New York Stock Exchange (NYSE), NASDAQ Dubai Limited (NASDAQ Dubai), NYSE Euronext in Brussels (NYX) and Swiss Exchange (SWX).

FINANCIAL RESULTS

The information on the financial position of the Group for the year ended 30 June 2009 is set out in the financial statements on pages 112 to 214 of this annual report. The income statement set out in this annual report shows profit attributable to Gold Fields Limited members of R1,535.6 million (US$170.4 million) compared to R4,457.5 million (US$613.0 million) in 2008.

REVIEW OF OPERATIONS

The various operations are comprehensively reviewed on pages 22 to 43.

COMPLIANCE WITH FINANCIAL REPORTING STANDARDS

The Gold Fields Group annual financial statements comply with International Financial Reporting Standards, the South African Companies Act, and JSE Limited Listings Requirements (JSE Listings Requirements).

REPORTING IN UNITED STATES DOLLARS

To assist international investors, the income statement, balance sheet, statement of changes in equity and cash flow statement of the Group have been translated into United States dollars on pages 140 to 198.

SHARE CAPITAL

Authorised

The authorised share capital of the company is R500,000,010 divided into 1,000,000,000 ordinary par value shares of 50 cents each and 1,000 non-convertible redeemable preference par value shares of 1 cent each.

The following are the movements in the issued ordinary share capital of the company for the year ended 30 June 2009

	2009		2008	
	Number of shares	**Rand**	Number of shares	Rand
At the beginning of the year	**653,200,682**	**326,600,341.00**	652,158,066	326,079,033.00
Exercise of options by participants in the Gold Fields incentive schemes	**1,549,167**	**774,583.50**	1,042,616	521,308.00
Shares issued to Mvelaphanda Gold (Proprietary) Limited	**50,000,000**	**25,000,000.00**	–	–
At 30 June	**704,749,849**	**352,374,924.50**	653,200,682	326,600,341.00

The following are the movements in the issued non-convertible redeemable preference share capital of the company for the year ended 30 June 2009:

	2009		2008	
	Number of shares	**Rand**	Number of shares	Rand
At the beginning of the year	**100**	**1.00**		
Shares redeemed from FirstRand Bank Limited	**50**	**0.50**		
At the end of the year	**50**	**0.50**	100	1.00

**Based on the annualised run rate for the June 2009 quarter.*

In terms of the authority granted by shareholders at the annual general meeting held on 2 November 2007, 100 of the non-convertible redeemable preference shares were issued to FirstRand Bank Limited on 20 December 2007. The reason for issuing the non-convertible redeemable preference shares was to provide the company with a mechanism to raise cost-effective capital equivalent to debt finance as part of a general capital management programme which, in the opinion of the directors, was deemed appropriate for the activities of the company.

On 10 October 2008 the company elected to redeem 50 (fifty) preference shares from FirstRand Bank Limited for a consideration of R623,169,470.49.

In terms of the authority granted by shareholders at the annual general meeting held on 12 November 2008, all of the authorised but unissued ordinary and preference share capital at that date, after setting aside so many ordinary shares as may be required to be allotted and issued pursuant to the share incentive schemes, was placed under the control of the directors. This authority expires at the next annual general meeting where shareholders will be asked to renew this authority.

On 17 March 2009 the company announced that, in terms of the R4.1 billion Black Economic Empowerment transaction approved by shareholders of Gold Fields on 8 March 2004, and which reached maturity on 17 March 2009, Mvelaphanda Resources Limited (Mvela Resources) took receipt, through its wholly owned subsidiary Mvelaphanda Gold (Proprietary) Limited (Mvela Gold), of its 15% shareholding in GFI Mining South Africa (Proprietary) Limited (GFIMSA), a subsidiary of Gold Fields which owns and operates the South African gold mining assets of Gold Fields (the GFIMSA Shares). Upon receipt of the GFIMSA Shares, Mvela Gold exercised its right to require the exchange of the GFIMSA Shares for 50 million new ordinary shares in the issued share capital of the company.

In terms of JSE Listings Requirements, shareholders may, subject to certain conditions, authorise the directors to issue the shares held under their control for cash other than by means of a rights offer to shareholders. In order that the directors of the company may be placed in a position to take advantage of favourable circumstances which may arise for the issue of such shares for cash, without restriction, for the benefit of the company, shareholders will be asked to consider an ordinary resolution to this effect at the forthcoming annual general meeting.

Repurchase of shares

The company has not exercised the general authority granted to buy back shares from its issued ordinary share capital granted at the annual general meeting held on 12 November 2008. At the next annual general meeting, shareholders will be asked to renew the general authority for the acquisition by the company, or a subsidiary of the company, of its own shares.

Listings

The abbreviated name under which the company is listed on JSE Limited (JSE) is "GFIELDS" and the short code is GFI. The company also has a secondary listing on the following stock exchanges:

New York Stock Exchange (NYSE); NASDAQ Dubai Limited (NASDAQ Dubai); NYSE Euronext in Brussels (NYX) and Swiss Exchange (SWX).

At 30 June 2009, the company had in issue through The Bank of New York Mellon on the NYSE, 298,196,921 (2008: 320,299,828) American Depositary Receipts (ADRs). Each ADR is equal to one ordinary share.

The GF Management Incentive Scheme

At the annual general meeting on 10 November 1999, shareholders approved the adoption of the GF Management Incentive Scheme (the Scheme) to substitute the scheme in place prior to the reverse takeover of Driefontein by Gold Fields in 1999. This scheme was introduced to provide an incentive for certain officers and employees of the Group to acquire shares in the company. No further allocations of options under this scheme are being made in view of the introduction of the Gold Fields 2005 Share Plan (see below) and the scheme will be closed once all options have been exercised or forfeited. Currently, the last date of expiry is 23 March 2013.

DIRECTORS' REPORT continued

The salient features of the scheme are that:
• It is comprised of only share options;
• A third of the total share option grant vests upon the second, third and fourth anniversaries of the grant date; and
• Share options expire no later than seven years from the grant date.

The directors are authorised to issue, allot and grant options to acquire up to a maximum of 22,791,830 ordinary shares in the unissued share capital of the company in terms of the scheme. At 30 June 2009, this represented 3.23 per cent of shares in issue. The unexercised options under the scheme represented 0.33 per cent of shares in issue as at 30 June 2009.

Further details of the scheme are disclosed in note 5 of the financial statements on page 148.

The GF Non-executive Director Share Plan

At the annual general meeting on 31 October 2001, shareholders approved a resolution to proceed with the allocation of options to non-executive directors. As a result, each non-executive director has been allocated the options detailed on page 148.

The salient features of the scheme are as follows:
• Share options vest one year after allocation;
• 10,000 share options will be issued annually to non-executive directors provided the director in question attends at least 75 per cent of board meetings; and
• A director will forfeit share options 30 days after a director leaves the Board.

No further allocations of options under this Plan are being made in view of the introduction of the Gold Fields Limited 2005 Non-executive Share Plan (see below) and the plan will be closed once all options have been exercised or forfeited. Currently, the last date of expiry is 12 February 2011.

Further details of the scheme are disclosed in note 5 of the financial statements on page 148.

Gold Fields Limited 2005 Share Plan

At the annual general meeting on 17 November 2005, shareholders approved the adoption of the Gold Fields Limited 2005 Share Plan (the Plan) to replace the GF Management Incentive Scheme approved in 1999. The Plan provides for two methods of participation, namely the Performance Allocated Share Appreciation Rights Method (SARS) and the Performance Vesting Restricted Share Method (PVRS). The Plan seeks to attract, retain, motivate and reward participating employees on a basis which seeks to align the interests of such employees with those of the company's share owners.

The salient features of the plan are as follows:
• PVRS and SARS are offered to participants annually during March. Quarterly allocations are also made in June, September and December on a pro-rata basis to qualifying new employees. PVRS are performance-related shares, granted at zero cost;
• All PVRS allocations made from 1 March 2006 to 1 March 2008 were conditionally awarded to participants. Based on the rules of the Plan, the actual number of PVRS which would be settled to a participant three years after the original award date is determined by the company's performance measured against the performance of five other major gold mining companies (the peer group) based on the relative change in the Gold Fields share price compared to the basket of the respective US dollar share prices of the peer group. From 1 June 2008 the rules were modified so that two performance measures apply. The target performance criterion has been set at 85% of the company's expected gold production over the three year measurement period as set out in the Business Plans of the company approved by the Board. In the event that the target performance criterion is met the full initial target award shall be settled on the settlement date. In addition the Remuneration Committee has determined that the number of PVRS to be settled may be increased by up to 300% of the number of the initial target PVRS conditionally awarded, depending on the performance of the company relative to the performance of five other major gold mining companies (the peer group) based on the relative change in the Gold Fields share price compared to the basket of the respective US dollar share prices of the peer group. The above amendments were effected under the ambit of the existing rules as previously approved by the shareholders in the annual general meeting;

- SARS are share options, granted at the weighted average price over the last 20 trading days, and
- The SARS will vest on the third anniversary of the grant date, but may be exercised between the third and sixth anniversary of the grant date by existing Gold Fields employees.

The details of the executive directors' participation in the above scheme are listed on page 117.
Further details of the scheme are disclosed in note 5 of the financial statements on page 148.

Gold Fields Limited 2005 Non-executive Share Plan

At the annual general meeting on 17 November 2005, shareholders approved the adoption of the Gold Fields Limited 2005 Non-executive Share Plan to replace the GF Non-executive Director Share Plan approved in 2001. The 2005 Non-executive Plan provides for the award of restricted shares to non-executive directors that ordinarily vest after a period of three years from the award thereof.

The salient features of the Plan are as follows:

- Restricted shares are to be granted annually; and
- Shares will vest and be settled on the third anniversary of the award date.

Further details of the scheme are disclosed in note 5 of the financial statements on page 148.

The directors are authorised to issue and allot all or any of such shares required for the plans, but in aggregate with the other schemes, may not exceed 5 per cent of the total issued ordinary shares in the capital of the company. The unexercised options and shares under the schemes and plans represented 1.98 per cent of shares in issue at 30 June 2009.

Consolidated table of equity-settled instruments under all the schemes

	Number of equity securities
Outstanding at 1 July 2008	13,674,343**
Movement during the year:	
Granted during the year	3,980,042
Exercised and released	(1,499,836)
Conditions for vesting not met	(226,900)
Forfeited	(1,999,738)
Cancelled	–
Outstanding at 30 June 2009	**13,927,911*** **

** *Included in this number are 146,700 options and 81,500 restricted shares available to non-executive directors under the GF Non-executive Director Share Plan and the Gold Fields Limited 2005 Non-executive Share Plan, respectively.*

*** *Included in this number are 81,700 options and 101,100 restricted shares available to non-executive directors under the GF Non-executive Share Plan and the Gold Fields Limited 2005 Non-executive Share Plan, respectively.*

Due to the number of prohibited periods which the company has been subjected to as a result of various transactions, the expiry dates of options under the Scheme and the Plan have been extended so as to not prejudice the individuals affected.

DIRECTORS' REPORT continued

DIRECTORATE

Composition of the Board

The Board currently consists of one executive director and twelve non-executive directors.

The following changes in directorate occurred during the year under review:

Director	Nature of change	Date of change
Richard Menell	Appointed	8 October 2008
Terence Goodlace	Resigned	15 October 2008
Gayle Wilson	Appointed	1 August 2008
Roberto Dañino	Appointed	10 March 2009
Cheryl Carolus	Appointed	10 March 2009

Subsequent to year end, Professor Gill Marcus resigned from the Board with effect from 20 July 2009 and on 21 August 2009 Mr Alan Richard Hill was appointed on the Board as an independent non-executive director.

Directors retiring in terms of the company's articles of association are Ms CA Carolus, Messrs R Dañino, AR Hill, NJ Holland, RP Menell, and being eligible, are available for re-election.

The board of directors of various subsidiaries of Gold Fields comprise some of the executive officers and the executive director, where appropriate.

Interest of directors

As at 30 June 2009, the directors' beneficial and associate interest in the issued share capital of the company was 0.022 per cent (2008: 0.024 per cent) in aggregate per director and no one director individually exceeds one per cent of the issued share capital or voting control of the company.

	Beneficial				Associate interest	
	Direct		Indirect		Direct	
Director	**2009**	2008	**2009**	2008	**2009**	2008
Alan Wright	**68,582**	68,582	**67,108**	67,108	**2,724**	2,724
Nicholas Holland	**–**	–	**–**	–	**–**	–
Terence Goodlace*	**–**	–	**–**	–	**–**	–
Kofi Ansah	**–**	–	**–**	–	**–**	–
Cheryl Carolus	**–**	–	**–**	–	**–**	–
Roberto Dañino	**–**	–	**–**	–	**–**	–
John Hopwood	**15,000**	15,000	**–**	–	**–**	–
Gill Marcus*	**900**	900	**–**	–	**–**	–
Richard Menell	**–**	–	**–**	–	**–**	–
David Murray	**–**	–	**–**	–	**–**	–
Donald Ncube	**–**	–	**–**	–	**–**	–
Rupert Pennant-Rea	**2,030**	–	**–**	–	**–**	–
Chris von Christierson	**–**	–	**–**	–	**–**	–
Gayle Wilson	**–**	–	**–**	–	**–**	–
Total	**86,512**	84,482	**67,108**	67,108	**2,724**	2,724

** Terence Goodlace resigned on 15 October 2008 and Gill Marcus resigned on 20 July 2009.*

At the date this Director's Report was prepared, none of the current directors of the Group has disposed of any of the shares held by them as at 30 June 2009, nor had they acquired any additional shares.

The company has not entered into any contracts of service, other than the service contract with the executive director of the company.

Directors' equity-settled instruments

The directors held the following equity-settled instruments at 30 June 2009:

	Equity-settled instruments at 30 June 2008		Equity-settled instruments granted during the year		Equity-settled instruments forfeited during the year		Conditions for vesting not met		Equity-settled instruments exercised during the year			Equity-settled instruments at 30 June 2009	
Director	Number	Average strike price (rand)	Number	Average strike price (rand)	Number	Average strike price (rand)	Number	Average strike price (rand)	Number	Average strike price (cents)	Benefit arising (R million)	Number	Average strike price (cents)
Alan Wright	64,900	61.88	7,600	–			–		(28,000)	43.7	1.90	**44,500**	**89.00**
Nicholas Holland	352,850	79.34	120,040	109.66			(9,600)	–	–	–	–	**463,290**	**89.92**
Terence Goodlace[1]	200,675	101.91	–	–	(138,675)	107.41	–	–	(46,600)	82.57	1.85	**15,400**	**131.22**
Kofi Ansah	14,300	39.62	5,000	–			–	–	(3,000)	–	0.25	**16,300**	**39.62**
Cheryl Carolus[2]	–	–	–	–			–	–	–	–	–	**–**	**–**
Roberto Dañino[2]	–	–	–	–			–	–	–	–	–	**–**	**–**
John Hopwood	3,500	–	5,000	–			–	–	–	–	–	**8,500**	**–**
Gill Marcus[3]	1,200	–	5,000	–			–	–	–	–	–	**6,200**	**–**
Richard Menell[4]	–	–	–	–					–	–	–	**–**	**–**
David Murray	–	–	5,000	–			–	–	–	–	–	**5,000**	**–**
Donald Ncube	3,500	–	5,000	–			–	–	–	–	–	**8,500**	**–**
Rupert Pennant-Rea	32,600	70.90	5,000	–			–	–	(3,000)	–	0.20	**34,600**	**70.9**
Chris von Christierson	27,600	79.68	5,000	–			–	–	(3,000)	–	0.19	**29,600**	**79.68**
Gayle Wilson[5]	–	–	–	–					–	–	–	**–**	**–**

Notes:

[1] Resigned 15 October 2008.

[2] Appointed 10 March 2009.

[3] Resigned 20 July 2009.

[4] Appointed 8 October 2008.

[5] Appointed 1 August 2008.

A register of detailed equity-settled instruments outstanding by tranche is available for inspection at the company's registered office. The equity-settled instrument terms are detailed on pages 114 and 148.

DIRECTORS' REPORT continued

Directors' fees

In terms of the articles of association the fees for services as non-executive directors are determined by the company in general meeting.

	Board fees								
Director	Directors' fees	Committee fees	Travel allowances[3]	Salary	Total bonus[1]	Pension scheme total contributions	Expense allowances	2009[2]	2008*
Executive									
Nicholas Holland				6,402,897.00	3,745,533.00	892,960.00	693,950.00	**11,735,340.00**	6,841,550.00
Terence Goodlace[4]				1,158,186.00	1,991,796.00	116,550.00	–	**3,266,532.00**	838,195.00
Non-executive									
Alan Wright	1,118,500.00		46,200.00				311,249.00	**1,475,949.00**	1,053,000.00
Kofi Ansah	212,700.00	161,200.00	251,196.00				–	**625,096.00**	485,118.76
Cheryl Carolus[5]	72,140.88	14,290.61	46,200.00				–	**132,631.49**	–
Roberto Dañino[5]	72,140.88	–	46,200.00				–	**118,340.88**	–
John Hopwood	202,700.00	237,950.00	–				96,858.00	**537,508.00**	489,250.00
Gill Marcus[6]	202,700.00	80,250.00	–				–	**282,950.00**	281,384.53
Richard Menell[7]	154,017.39	102,964.40	46,200.00				–	**303,181.79**	–
David Murray	212,700.00	132,550.00	251,196.00				–	**596,446.00**	263,243.76
Donald Ncube	202,700.00	161,100.00	–				7,372.00	**371,172.00**	382,625.00
Rupert Pennant-Rea	193,900.00	162,500.00	251,196.00				–	**607,596.00**	549,452.00
Chris von Christierson	203,900.00	202,200.00	213,664.00				158,918.00	**778,682.00**	534,993.76
Gayle Wilson[8]	193,791.30	102,002.02	46,200.00				118.483.00	**460,476.32**	–
Total	3,041,890.45	1,357,007.03	1,198,252.00	7,561,083.00	5,737,329.00	1,009,510.00	1,386,830.00	**21,291,901.48**	11,718,812.81

Notes:

[1] Bonuses are for F2008 performance, paid in F2009.

[2] These amounts reflect the full directors' emoluments in rand for comparative purposes. The portion of executive directors' emoluments payable in US dollars is paid in terms of agreements with the offshore subsidiaries for work done by directors offshore for offshore companies. The total US dollar amounts paid for F2009 were as follows:

NJ Holland US$415,930.29 and TP Goodlace US$40,886.77.

[3] A travel allowance for the non-executive directors was approved at the AGM held on 17 November 2005.

[4] Resigned 15 October 2008.

[5] Appointed 10 March 2009.

[6] Resigned 20 July 2009.

[7] Appointed 8 October 2008.

[8] Appointed 1 August 2008.

**2008 remuneration restated as subsequently determined to be more accurate to include expense allowances.*

Remuneration policy

The company's remuneration policy is determined by the Remuneration Committee, which over the past year has utilised appropriate external advice in evaluating and setting this policy.

Gold Fields' remuneration philosophy is aimed at attracting and retaining motivated high-calibre executives aligned with the interests of shareholders. Such alignment is achieved through an appropriate mix of fixed and performance-based remuneration which provides for high performers to be well rewarded.

Executives are paid gross remuneration packages (GRP), which include all fixed elements of remuneration, with the exception of a standard 24 working days' leave per annum, with the company having no contingent retirement or medical liabilities. A portion of the fixed remuneration of executives with international responsibilities is paid in US dollars. Increases are determined, usually effective January each year, by the Remuneration Committee informed by remuneration surveys to which the company subscribes and independent advice, where necessary.

The short-term incentive is an annual incentive bonus in terms of which the executive directors are able to earn bonuses of 50 per cent of their GRPs for on-target performance. This incentive bonus could increase above 50 per cent due to specific out-performance. Incentive bonuses are based on targets approved in advance by the Remuneration Committee, comprising safety, corporate, operational and personal objectives. In the case of the chief executive, 70 per cent of his incentive is based on corporate objectives. In other cases corporate and operational objectives (where applicable) comprise 35 per cent to 70 per cent of the incentive with personal objectives making up the balance. Based on the bonus accrued for the F2008 financial year, in F2009 the weighted average incentive bonus and retention bonus paid to members of the executive team (excluding executive directors, details of which are shown above) was 47.6 per cent of GRP.

The corporate objectives comprise four elements. Twenty five per cent relates to safety achievements. Twenty five per cent of the corporate objective relates to the relative performance of the Gold Fields share price against the average performance of the AngloGold Ashanti and Harmony share prices over the year in question. The remaining corporate objectives, as measured against the operational plan approved by the Board, relate to notional cash expenditure per ounce produced (25 per cent) and total gold produced (25 per cent).

Operational objectives are measured against the operational plans approved by the Board and cover safety, production, costs and progress in developing long-term ore reserves. Personal objectives are developed each year for each executive based on key performance areas and are approved at the beginning of each year by the Remuneration Committee. Performance against these objectives is reviewed by the Remuneration Committee at the end of the year.

The fees for non-executive directors are dealt with by a special non-executive Remuneration Committee comprising independent external parties. Proposed changes to the fees payable to non-executive directors, together with proposed awards under the Gold Fields Limited 2005 Non-executive Share Plan (details of the plan are provided on page 114), are set out in the notice of the annual general meeting which accompanies this report.

Directors' and officers' disclosure of interests in contracts

During the year under review, no contracts were entered into in which directors and officers of the company had an interest and which significantly affected the business of the Group.

Related party information is disclosed on pages 196 to 198.

DIRECTORS' REPORT continued

FINANCIAL AFFAIRS

Dividend policy

The company's dividend policy is to declare an interim and final dividend in respect of each financial year, based on 50 per cent of the earnings for the year before taking account of investment opportunities and after excluding impairments. Earnings are adjusted to exclude unrealised gains and losses on financial instruments and foreign debt, but adjusted to include cash payments and receipts in relation to such underlying financial instruments.

Interim dividend

On Thursday, 28 January 2009, the company declared an interim cash dividend of 30 SA cents per ordinary share (2008: 65 SA cents) to shareholders reflected in the register of the company on Friday, 13 February 2009. The dividend was declared in the currency of the Republic of South Africa.

This dividend was paid on Monday, 23 February 2009.

Final dividend

On Thursday, 5 August 2009, the company declared a final cash dividend of 80 SA cents per ordinary share (2008: 120 SA cents) to shareholders reflected in the register of the company on Friday, 21 August 2009. The dividend was declared in the currency of the Republic of South Africa.

This dividend was paid on Monday, 31 August 2009.

The dividend resulted in a total dividend of 110 SA cents per share for the year, with the final dividend being accounted for in F2010.

Borrowing powers

In terms of the provisions of article 12.1 of the articles of association, the borrowing powers of the company are unlimited. As at 30 June 2009, the company's borrowings totalled R8,895.5 million (US$1,103.7 million) (2008: R6,998.1 million (US$874.7 million)).

Fixed assets

Capital expenditure

Capital expenditure for the year amounted to R7,649 million compared to R9,014 million in F2008. Estimated capital expenditure for the 2010 financial year is R8,500 million and is intended to be funded from internal sources and, to the extent necessary, borrowings.

Investments

Acquisitions

Investment purchases decreased from R978 million in F2008 to R99 million in F2009.

The major net investment purchases comprising the R99 million spent in F2009 were:

- R95 million invested in Sino Gold Limited as part of a rights offer maintaining our holding at 19.9 per cent; and
- R17 million invested in Glencar Mining Plc (Glencar) resulting in a holding of 9.1 per cent as at 30 June 2009. Subsequent to year end the investment in Glencar was increased to 29.9 per cent. Please refer to note 33 of the financial statements on page 177.

The major net investment purchases comprising the R978 million spent in F2008 were:

- R795 million invested in Sino Gold Limited bringing our holding to 19.9 per cent;
- R85 million on the conversion of options held in Mvelaphanda Resources Limited to shares;
- R67 million invested in Conquest Mining Limited bringing our holding to 19.1 per cent; and
- R38 million invested in Orsu Metals Corporation (previously Lero Gold Corporation) bringing our holding to 7.6 per cent.

Disposals

Proceeds on the disposal of investments increased from R100 million in F2008 to R482 million in F2009.

The major net investment disposals comprising the R482 million in F2009 were:

- R282 million from the sale of IAMGold Corporation shares; and
- R200 million from the redemption of preference shares held in a wholly owned subsidiary of Mvela Resources Limited.

The major net investment disposals comprising the R100 million in F2008 were:

- R41 million from the sale of Emed Mining Public Limited shares;
- R38 million from the sale of various shares held by the New Africa Mining Fund; and
- R12 million from the sale of Committee Bay Resources Limited shares.

Significant announcements

25 August 2008

Gold Fields announced resources of 251 million ounces and reserves of 83 million.

10 September 2008

Gold Fields announced that the Arctic Platinum Project in Finland had reverted to Gold Fields after North American Palladium Limited did not follow its rights in terms of the agreement entered into between the parties on 18 October 2005.

14 January 2009

Gold Fields announced the appointment of Paul Schmidt as Chief Financial Officer of the Group.

17 March 2009

Gold Fields and Mvelaphanda Resources Limited (Mvela Resources) successfully completed the final step of the R4.1 billion Black Economic Empowerment transaction initiated in 2004 in which Mvela Resources took receipt through its wholly owned subsidiary Mvelaphanda Gold (Proprietary) Limited (Mvela Gold), of its 15 per cent shareholding in GFI Mining South Africa (Proprietary) Limited (GFIMSA), a subsidiary of Gold Fields which owns and operates the South African gold mining assets of Gold Fields (the GFIMSA Shares). Immediately upon receipt of the GFIMSA shares, Mvela Gold exercised its right to use the GFIMSA shares to subscribe for 50 million new ordinary shares in Gold Fields.

3 June 2009

Gold Fields announced that agreement had been reached in terms of which Gold Fields would sell its 19.9 per cent stake in Sino Gold Mining Limited to Eldorado Gold Corporation for a total consideration of approximately US$282 million payable in Eldorado Gold Corporation shares.

10 June 2009

Gold Fields announced the opening of its new Employee Housing Programme in the communities of Glenharvie and Blybank on the West Rand in South Africa. The programme consists of 192 family homes which will be occupied by employees of the Driefontein and Kloof gold mines.

26 June 2009

Gold Fields announced that it expected to beat guidance and increase production by 4 per cent to approximately 905,000 ounces during Q4 F2009.

31 July 2009

Gold Fields announced that Beatrix Gold Mine had achieved accreditation with the International Cyanide Management Code (ICMC). Beatrix is the fourth of Gold Fields' nine mines to achieve Cyanide Code accreditation. The Tarkwa and Damang Gold Mines in Ghana achieved accreditation in June and May 2008, respectively and the South Deep Gold Mine in South Africa achieved accreditation in December 2008.

DIRECTORS' REPORT continued

4 August 2009

Gold Fields Limited announced the appointment of Peter Turner, Executive Vice President: Head of the West Africa Region, Juan Luis Kruger (Juancho), Executive Vice President: Head South America Region and Ben Zikmundovsky, Executive Vice President: Head of International Capital Projects and International Technical Services to its Group Executive team.

24 August 2009

Gold Fields Limited announced that Mr Alan Richard Hill was appointed to its Board of Directors on 21 August 2009.

27 August 2009

Gold Fields Limited announced that an agreement has been executed in terms of which the royalty payable by Gold Fields' wholly owned Australian subsidiary, St Ives Gold Mining Company (Pty) Ltd, to Morgan Stanley Bank's subsidiaries, has been terminated for a consideration of A$308 million.

4 September 2009

Gold Fields Limited announced that it had disposed of its holding in Eldorado Gold Corporation. Gold Fields disposed of 27,824,654 Eldorado shares at CAD11,61 per share for a total consideration of CAD323 million (approximately US$293 million).

GOING CONCERN

The financial statements have been prepared using appropriate accounting policies, supported by reasonable judgements and estimates. The directors have reasonable belief that the company and the Group have adequate resources to continue as a going concern for the foreseeable future.

DEMATERIALISATION OF SHARES (STRATE)

Shareholders are reminded that as a result of the clearing and settlement of trades through STRATE, the company's share certificates are no longer good for delivery for trading. Dematerialisation of the company's share certificates is a prerequisite when dealing in the company's shares.

PROPERTY

The register of property and mineral rights is available for inspection at the registered office of the company during normal business hours.

OCCUPATIONAL HEALTHCARE SERVICES

As previously reported, occupational healthcare services are made available by Gold Fields to employees in South Africa from its existing facilities. There is a risk that the cost of providing such services could increase in the future depending upon changes in the nature of underlying legislation and the profile of employees. This increased cost, should it transpire, is currently indeterminate. The Group is monitoring developments in this regard.

ENVIRONMENTAL OBLIGATIONS

The Group has made provision in the financial statements for environmental rehabilitation costs amounting to R2,268 million (2008: R2,016 million). Cash contributions of R58 million (2008: R56 million) have been paid during the year to a dedicated trust fund created to fund these provisions with the total amounts invested at the year end amounting to R887 million (2008: R747 million).

SPECIAL RESOLUTIONS ADOPTED BY SUBSIDIARY COMPANIES

There were no special resolutions passed by subsidiary companies during the year under review that related to capital structure, borrowing powers, the objects clause contained in the memorandum of association or any other material matter that affects the understanding of the company and its subsidiaries save for the Gold Fields Group Services (Proprietary) Limited which amended its main business and main object. Gold Fields Group Services was created as a separate service entity to act as administrative, financial and technical advisors to the company with effect from 23 February 2009. Prior to this date, these services were rendered by GFL Mining Services Limited.

LITIGATION

The directors of the company are not aware of any legal or arbitration proceedings, including proceedings that are pending or threatened, that may have or have had in the recent past, being at least the previous 12 months, a material effect on the Group's financial position, save for the summons received on 21 August 2008 by Gold Fields Operations Limited (formerly known as Western Areas Limited) (Gold Fields Operations), a subsidiary of the company. The summons was received from Randgold & Exploration Company Limited (Randgold) and African Strategic Investments (Holdings) Limited. The summons claims that during the period that Gold Fields Operations was under the control of Mr Brett Kebble, Mr Roger Kebble and others, Gold Fields Operations was allegedly part of a scam whereby JCI Limited unlawfully disposed of shares owned by Randgold in Randgold Resources Limited (Resources) and Afrikander Lease Limited, now Uranium One.

Gold Fields Operations' preliminary assessment was that it had strong defences to these claims and accordingly, Gold Fields Operations' attorneys were instructed to vigorously defend the claims. Werksmans Attorneys have been so instructed. Much of the preparatory work is still being undertaken and pleadings have not yet closed.

The claims have been computed in various ways. The highest claims have been computed on the basis of the highest prices of Resources and Uranium One between the dates of the alleged thefts and March 2008 (approximately R11 billion). The alternative claims have been computed on the basis of the actual amounts allegedly received by Gold Fields Operations to fund its operations (approximately R519 million).

It should be noted that claims lie only against Gold Fields Operations, whose only interest is 50 per cent stake in the South Deep Mine.

ADMINISTRATION

The office of company secretary of Gold Fields Limited was held by Mr C Farrel for the year under review. With effect from 23 February 2009, the administrative, financial and technical advisory services are being provided by Gold Fields Group Services (Proprietary) Limited to the company, as per above.

Computershare Investor Services (Pty) Limited is the company's South African transfer secretaries and Capita Registrars is the United Kingdom registrars of the company.

AUDITORS

PricewaterhouseCoopers Inc will continue in office in accordance with section 270(2) of the Companies Act.

SUBSIDIARY COMPANIES

Details of major subsidiary companies in which the company has a direct or indirect interest are set out on pages 210 and 211.

ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, except for the adoption of new and revised standards and interpretations.

1. BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the International Accounting Standards Board, and the South African Companies Act. The consolidated financial statements have been prepared under the historical cost convention, as modified by available-for-sale financial assets, and financial assets and liabilities (including derivative instruments), which have been brought to account at fair value through profit or loss or through the fair value adjustment reserve under shareholders' equity.

Standards, interpretations and amendments to published standards effective in F2009

During the financial year, the following amendments to standards were adopted by the Group:

IAS 39 and IFRS 7 Amendments to IAS 39 Financial instruments: recognition and measurement and IFRS 7 Financial instruments: disclosures – reclassification of financial assets

The amendments introduce the possibility of reclassifications of certain financial assets previously classified as 'held for trading' or 'available for sale' to another category under limited circumstances. Various disclosures are required where a reclassification has been made. Derivatives and assets designated as 'at fair value through profit or loss' under the fair value option are not eligible for this reclassification. These amendments do not have any impact on the Group's financial position or performance.

Standards, interpretations and amendments to published standards which are not yet effective

Certain new standards, amendments and interpretations to existing standards have been published that apply to the Group's accounting periods beginning on 1 July 2009 or later periods but have not been early adopted by the Group. Management is currently reviewing the impact of these standards on the Group.

These standards, amendments and interpretations are:

Standard(s) Amendment(s) Interpretation(s)	Nature of the change	**Salient features of the change(s)**	Effective date*
IFRIC 16 Hedges of a net investment in a foreign operation	Interpretation	*Provides guidance on:* • Identifying the foreign currency risks that qualify as a hedged risk (in the hedge of a net investment in a foreign operation). • Where, within a group, hedging instruments that are hedges of a net investment in a foreign operation can be held to qualify for hedge accounting. • How an entity should determine the amounts to be reclassified from equity to profit or loss for both the hedging instrument and the hedged item.	1 October 2008
IFRS 2 Amendment to IFRS 2 Share-based payments: vesting conditions and cancellations	Amendments	• Clarifies that vesting conditions are service conditions and performance conditions only. Other features of a share-based payment are not vesting conditions. • All cancellations, whether by the entity or by other parties, should receive the same accounting treatment.	1 January 2009

**Effective date refers to annual period beginning on or after said date.*

Standard(s) Amendment(s) Interpretation(s)	Nature of the change	**Salient features of the change(s)**	Effective date*
IFRS 8 Operating segments	New standard	• An entity must report financial and descriptive information about its reportable segments. • Financial information to be reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments. • Additional disclosure requirements include factors used to identify the entity's operating segments and the types of products and services from which each reportable segment derives its revenue.	1 January 2009
IAS 1 Presentation of financial statements	Revision	• Affects the presentation of owner changes in equity and of comprehensive income. • Requires presentation, in a statement of changes in equity, of all owner changes in equity. All non-owner changes in equity to be presented in one statement of comprehensive income or in two statements. • Requires disclosure of reclassification adjustments and income tax relating to each component of other comprehensive income. • Requires presentation of dividends recognised as distributions to owners and related amounts per share in the statement of changes in equity or in the notes.	
IAS 32 Financial Instruments: presentation and IAS 1 Presentation of financial instruments – puttable financial instruments and obligations arising on liquidation	Amendments	• IAS 32 requires some financial instruments that meet the definition of a financial liability to be classified as equity. Puttable financial instruments and instruments which put an obligation on the entity to deliver to another party a pro rata share of the net assets of the entity only on liquidation are now specifically defined. • IAS 1 has been similarly amended to prescribe the necessary presentation and disclosure for such instruments.	
IFRIC 15 Agreements for the construction of real estate	Interpretation	• Addresses diversity in accounting for real estate sales and clarifies how to determine whether an agreement is within the scope of IAS 11 Construction contracts or IAS 18 Revenue and when revenue from construction should be recognised.	
IFRS 7 Financial instruments: disclosures, improving disclosures about financial instruments	Amendments	• Introduces a three level hierarchy for fair value measurement disclosures. • Requires entities to provide additional disclosures about the relative reliability of fair value. • Clarifies and enhances existing requirements for disclosure of liquidity risk.	
IFRSs		Annual improvements project is a collection of amendments to IFRS and is the result of conclusions reached by the Board on proposals made in its annual improvements project.	

**Effective date refers to annual period beginning on or after said date.*

ACCOUNTING POLICIES continued

Standard(s) Amendment(s) Interpretation(s)	Nature of the change	**Salient features of the change(s)**	Effective date*
IFRIC 9 and IAS 39 Reassessment of embedded derivatives and financial instruments: recognition and measurement	Amendments	• Provides for a mandatory assessment of any embedded derivatives following a reclassification of a financial asset out of the fair value through profit and loss category. • The assessment should be made on the basis of the circumstances that existed when the entity first became a party to the contract. • If the fair value of the embedded derivative cannot be reliably measured, the hybrid financial asset in its entirety should remain in fair value through profit and loss category.	1 July 2009
IFRS 1 First-time adoption of International Financial Reporting Standards and IAS 27 Consolidated and separate financial statements: cost of an investment in a subsidiary, jointly controlled entity or associate'	Amendments	• First-time adopters can use a deemed cost of either fair value or the carrying amount under previous accounting practice to measure the initial cost of investments in subsidiaries, jointly controlled entities and associates in the separate financial statements. • The definition of the cost method from IAS 27 has been removed and replaced with a requirement to present dividends as income in the separate financial statements of the investor.	
IAS 27 Consolidated and separate financial statements	Revision	• The equity providers of capital to the economic entity include both the parent company's shareholders and the non-controlling interest (previously minority interest). Non-controlling interests continue to be recognised as part of equity. However, losses are allocated to the non-controlling interest even if a deficit balance results.	
IFRS 3 Business combinations	Revision	• Focuses on recognising different components of a business combination at fair value rather than a cost allocation. • Transaction costs are no longer capitalised as part of the cost of the business combination. • All elements of consideration are recognised at the date of the business combination. Subsequent changes in the value of the consideration do not adjust goodwill, but rather impact income. • Payments that are not consideration affect income. • Acquirer's interest includes previous holdings. • Introduction of a choice on how to recognise goodwill by either measuring the non-controlling interest at fair value or at its share of net assets. • Subsequent changes in deferred taxes recognised as part of the business combination impact income rather than adjust goodwill. • Additional guidance provided on recognition of assets acquired and liabilities assumed.	

**Effective date refers to annual period beginning on or after said date.*

Standard(s) Amendment(s) Interpretation(s)	Nature of the change	**Salient features of the change(s)**	Effective date*
IAS 39 Amendments to IAS 39 Financial instruments: recognition and measurement exposures qualifying for hedge accounting	Amendments	• Prohibits designating inflation as a hedgeable component of a fixed rate debt. • Prohibits including time value in the one-sided hedged risk when designating options as hedges.	1 July 2009
IFRIC 17 Distributions of non-cash assets to owners	Interpretation	Applies to the accounting for distributions of non-cash assets (commonly referred to as dividends in specie) to the owners of the entity. The interpretation clarifies that: • A dividend payable should be recognised when the dividend is appropriately authorised and is no longer at the discretion of the entity. • A dividend payable should be measured at the fair value of the net assets to be distributed; and • An entity should recognise the difference between the dividend paid and the carrying amount of the net assets distributed in profit or loss.	
IFRIC 18 Transfers of assets from customers	Interpretation	• Clarifies the accounting treatment for transfers of property, plant and equipment received from customers. • Applies to agreements with customers in which the entity receives cash from a customer when that amount of cash must be used only to construct or acquire an item of property, plant and equipment and the entity must then use the item of property, plant and equipment either to connect the customer to a network or to provide the customer with ongoing access to a supply of goods and services, or to do both.	
IFRS 2 Share-based payments – group cash-settled share-based payment transactions	Amendments	• Clarifies that an entity that receives goods or services in a share-based payments arrangement must account for those goods or services irrespective of whether the transaction is settled in cash or shares. • Provides guidance on how to account for group share-based payment schemes in entities' separate financial statements.	1 January 2010

**Effective date refers to annual period beginning on or after said date.*

Significant accounting judgements and estimates

Use of estimates: The preparation of the financial statements requires the Group's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience, current and expected economic conditions, and in some cases actuarial techniques. Actual results could differ from those estimates.

The more significant areas requiring the use of management estimates and assumptions relate to Mineral Reserves that are the basis of future cash flow estimates and unit-of-production depreciation, depletion and amortisation calculations, environmental, reclamation and closure obligations, estimates of recoverable gold and other materials in heap leach pads,asset impairments, write-downs of inventory to net realisable value, post-retirement healthcare liabilities, the fair value and accounting treatment of derivative financial instruments and deferred taxation.

ACCOUNTING POLICIES continued

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial year are discussed below.

Carrying value of property, plant and equipment and goodwill

All mining assets are amortised using the units-of-production method where the mine operating plan calls for production from proved and probable Mineral Reserves.

Mobile and other equipment are depreciated over the shorter of the estimated useful life of the asset or the estimate of mine life based on proved and probable Mineral Reserves.

The calculation of the units-of-production rate of amortisation could be impacted to the extent that actual production in the future is different from current forecast production based on proved and probable Mineral Reserves. This would generally result from the extent that there are significant changes in any of the factors or assumptions used in estimating Mineral Reserves. These factors could include:

- Changes in proved and probable Mineral Reserves;
- Differences between actual commodity prices and commodity price assumptions;
- Unforeseen operational issues at mine sites;
- Changes in capital, operating, mining, processing and reclamation costs, discount rates and foreign exchange rates; and
- Changes in Mineral Reserves could similarly impact the useful lives of assets depreciated on a straight-line basis, where those lives are limited to the life of the mine.

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair value less cost to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the gold price assumption may change which may then impact the Group estimated life of mine determinant and may then require a material adjustment to the carrying value of property, plant and equipment.

The Group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable by comparing expected future cash flows to these carrying values. In addition, goodwill is tested for impairment on an annual basis. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows of each group of assets. Expected future cash flows used to determine the value in use and fair value less costs to sell of property, plant and equipment are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including reserves and production estimates, together with economic factors such as spot and future gold prices, discount rates, foreign currency exchange rates, estimates of costs to produce reserves and future capital expenditure.

An individual operating mine is not a typical going-concern business because of the finite life of its reserves. The allocation of goodwill to an individual mine will result in an eventual goodwill impairment due to the wasting nature of the mine. In accordance with the provisions of IAS 36, the Group performs its annual impairment review of goodwill during the fourth quarter of each year.

The carrying amount of property, plant and equipment at 30 June 2009 was R48,337 million (2008: R45,533 million). The carrying value of goodwill at 30 June 2009 was R4,459 million (2008: R4,459 million).

Mineral Reserves estimates

Mineral Reserves are estimates of the amount of product that can be economically and legally extracted from the Group's properties. In order to calculate the reserves, estimates and assumptions are required about a range of geological, technical and economic factors, including but not limited to quantities, grades, production techniques, recovery rates, production costs, transport costs, commodity demand, commodity prices and exchange rates.

Estimating the quantity and grade of the Mineral Reserves requires the size, shape and depth of ore bodies to be determined by analysing geological data such as the logging and assaying of drill samples. This process may require complex and difficult geological judgements and calculations to interpret the data.

The Group is required to determine and report on the Mineral Reserves in accordance with the South African Mineral Resource Committee (SAMREC) code.

Estimates of Mineral Reserves may change from year to year due to the change in economic assumptions used to estimate ore reserves and due to additional geological data becoming available during the course of operations. Changes in reported proven and probable reserves may affect the Group's financial results and position in a number of ways, including the following:

- Asset carrying values may be affected due to changes in estimated cash flows;
- Depreciation and amortisation charges to the income statement may change as these are calculated on the units-of-production method, or where the useful economic lives of assets change;
- Deferred stripping costs recorded in the balance sheet or charged to the income statement may change due to changes in stripping ratios or the units-of-production method of depreciation;
- Decommissioning site restoration and environmental provisions may change where changes in ore reserves affect expectations about the timing or cost of these activities; and
- The carrying value of deferred tax assets may change due to changes in estimates of the likely recovery of the tax benefits.

Pre-production

The Group assesses the stage of each mine construction project to determine when a mine moves into the production stage. The criteria used to assess the start date are determined based on the unique nature of each mine construction project. The Group considers various relevant criteria to assess when the mine is substantially complete, ready for its intended use and moves into the production stage. Some of the criteria would include, but are not limited to the following:

- The level of capital expenditure compared to the construction cost estimates;
- Ability to produce metal in saleable form (within specifications); and
- Ability to sustain commercial levels of production of metal.

When a mine construction project moves into the production stage, the capitalisation of certain mine construction costs ceases and costs are expensed, except for capitalisable costs related to mining asset additions or improvements, underground mine development or ore reserve development.

Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The Group recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the Group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the balance sheet date could be impacted.

Additionally, future changes in tax laws in the jurisdictions in which the Group operates could limit the ability of the Group to obtain tax deductions in future periods.

ACCOUNTING POLICIES continued

Carrying values at 30 June 2009:
Deferred taxation liability: R6,129 million (2008: R5,422 million)
Taxation liability: R792 million (2008: R985 million)

Provision for environmental rehabilitation costs
The Group's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The Group recognises management's best estimate for asset retirement obligations in the period in which they are incurred. Actual costs incurred in future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision.

The carrying amounts of the rehabilitation obligations at 30 June 2009 were R2,268 million (2008: R2,016 million).

Stockpiles, gold in process and product inventories
Costs that are incurred in or benefit the productive process are accumulated as stockpiles, gold in process, ore on leach pads and product inventories. Net realisable value tests are performed at least annually and represent the estimated future sales price of the product based on prevailing spot metals prices at the reporting date, less estimated costs to complete production and bring the product to sale.

Stockpiles are measured by estimating the number of tons added and removed from the stockpile, the number of contained gold ounces based on assay data, and the estimated recovery percentage based on the expected processing method. Stockpile tonnages are verified by periodic surveys.

The carrying amount of inventories at 30 June 2009 was R2,148 million (2008: R1,818 million).

Share-based payments
The Group issues equity-settled share-based payments to certain employees and non-executive directors. These instruments are measured at fair value at grant date, using the Black-Scholes or Monte Carlo simulation valuation models, which require assumptions regarding the estimated term of the option, share price volatility and expected dividend yield. While Gold Fields' management believes that these assumptions are appropriate, the use of different assumptions could have a material impact on the fair value of the option grant and the related recognition of share-based compensation expense in the consolidated income statement. Gold Fields' options have characteristics significantly different from those of traded options and therefore fair values may also differ.

The income statement charge for 2009 was R303 million (2008: R151 million).

Financial instruments
The estimated fair value of financial instruments is determined at discrete points in time based on the relevant market information. The fair value is calculated with reference to market rates using industry valuation techniques and appropriate models. The carrying values of derivative financial instruments at 30 June 2009 was a liability of R14 million (2008: an asset of R56 million).

Contingencies
Contingencies can be either possible assets or possible liabilities arising from past events which, by their nature, will only be resolved when one or more future events not wholly within the control of the Group occur or fail to occur. The assessment of such contingencies inherently involves the exercise of significant judgement and estimates of the outcome of future events.

2. CONSOLIDATION

2.1 Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights.

The Group financial statements consolidate the activities, assets and liabilities of the company and its subsidiaries. Operating results of subsidiaries acquired or disposed of are included in the Group statements from the effective dates on which control is obtained or excluded from such statements as from the date on which control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group.

The cost of an acquisition is measured as the fair value of assets given up, shares issued or liabilities undertaken at the date of exchange plus costs directly attributable to the acquisition.

Any excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of subsidiaries at the date of acquisition is recorded as goodwill. Goodwill is stated at cost and is not amortised, but is tested for impairment on an annual basis. Any excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost is immediately accounted for in earnings. Inter-company transactions, balances and unrealised gains and losses between Group companies are eliminated, unless such losses cannot be recovered.

2.2 Transactions with minority interests

Transactions with minority interests are treated as transactions with equity owners of the Group. For purchases from minority interests, the difference between the consideration paid and the relevant share of the carrying value of net assets of the subsidiary acquired is accounted for in equity. Gains or losses on disposals to minority interests are also recorded in equity as gains or losses on transacting with minorities.

2.3 Associates

The equity method of accounting is used for an investment over which the Group exercises significant influence, but not control, and normally owns between 20 per cent and 50 per cent of the voting equity. Associates are equity accounted from the effective date of acquisition to the date that the Group ceases to have significant influence.

Results of associates are equity accounted using the results of their most recent audited annual financial statements or unaudited interim financial statements. Any losses from associates are brought to account in the consolidated financial statements until the interest in such associates is written down to zero. Thereafter, losses are accounted for only insofar as the Group is committed to providing financial support to such associates.

The carrying value of an investment in associate represents the cost of the investment, including goodwill, a share of the post-acquisition retained earnings and losses, any other movements in reserves and any impairment losses. The carrying value is assessed annually for existence of indicators of impairment and if such exist, the carrying amount is compared to the recoverable amount, being the higher of value in use or fair value less costs to sell. If an impairment in value has occurred, it is recognised in the period in which the impairment arose.

3. FOREIGN CURRENCIES

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in South African rand, which is the company's functional and presentation currency.

ACCOUNTING POLICIES continued

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in the income statement. Translation differences on available-for-sale equities are included in the revaluation reserve in equity.

3.1 Foreign operations

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

Assets and liabilities are translated at the exchange rate ruling at the balance sheet date. Equity items are translated at historical rates. Income statement items are translated at the average exchange rate for the year. Exchange differences on translation are accounted for in shareholders' equity. These differences will be recognised in earnings upon realisation of the underlying operation.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations (i.e. the reporting entity's interest in the net assets of that operation), and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and are translated at each reporting date at the closing rate.

4. PROPERTY, PLANT AND EQUIPMENT

4.1 Mine development and infrastructure

Mining assets, including mine development and infrastructure costs and mine plant facilities, are recorded at cost less accumulated depreciation and accumulated impairment losses.

Expenditure incurred to evaluate and develop new ore bodies, to define mineralisation in existing ore bodies, to establish or expand productive capacity, is capitalised until commercial levels of production are achieved, at which times the costs are amortised as set out below.

Development of ore bodies includes the development of shaft systems and waste rock removal that allows access to reserves that are economically recoverable in the future. Subsequent to this, costs are capitalised if the criteria for recognition as an asset are met. Access to individual ore bodies exploited by the Group is limited to the time span of the Group's respective mining leases.

4.2 Borrowing costs

Borrowing costs incurred in respect of assets requiring a substantial period of time to prepare for their intended future use are capitalised to the date that the assets are substantially completed.

4.3 Mineral and surface rights

Mineral and surface rights are recorded at cost less accumulated amortisation and accumulated impairment losses. When there is little likelihood of a mineral right being exploited, or the fair value of mineral rights have diminished below cost, a write-down is effected against income in the period that such determination is made.

4.4 Land

Land is shown at cost and is not depreciated.

4.5 Other assets

Non-mining assets are recorded at cost less accumulated depreciation and accumulated impairment losses. These assets include the assets of the mining operations not included in mine development and infrastructure, borrowing costs, mineral and surface rights and land and all the assets of the non-mining operations.

4.6 Amortisation and depreciation of mining assets

Amortisation and depreciation is determined to give a fair and systematic charge in the income statement taking into account the nature of a particular ore body and the method of mining that ore body. To achieve this, the following calculation methods are used:

- Mining assets, including mine development and infrastructure costs, mine plant facilities and evaluation costs, are amortised over the life of the mine using the units-of-production method, based on estimated proved and probable ore reserves above infrastructure;
- Where it is anticipated that the mine life will significantly exceed the proved and probable reserves, the mine life is estimated using a methodology that takes account of current exploration information to assess the likely recoverable gold from a particular area. Such estimates are adjusted for the level of confidence in the assessment and the probability of conversion to reserves. The probability of conversion is based on historical experience of similar mining and geological conditions; and
- At the Australian operations, the calculation of amortisation takes into account future costs which will be incurred to develop all the proved and probable ore reserves.

Proved and probable ore reserves reflect estimated quantities of economically recoverable reserves, which can be recovered in future from known mineral deposits.

Certain mining plant and equipment included in mine development and infrastructure is depreciated on a straight-line basis over their estimated useful lives.

4.7 Depreciation of non-mining assets

Non-mining assets are recorded at cost and depreciated on a straight-line basis over their current expected useful lives to their residual values as follows:

- Vehicles, 20 per cent;
- Computers, 33.3 per cent; and
- Furniture and equipment, 10 per cent.

The assets' useful lives and residual values are reassessed at each reporting date and adjusted if appropriate.

4.8 Mining exploration

Expenditure on advances to companies solely for exploration activities, prior to evaluation, is charged against income until the viability of the mining venture has been proven. Expenditure incurred on exploration "farm-in" projects is written off until an ownership interest has vested. Exploration expenditure to define mineralisation at existing ore bodies is considered mine development costs and is capitalised until commercial levels of production are achieved.

Exploration activities at certain of the Group's non-South African operations are broken down into defined areas within the mining lease boundaries. These areas are generally defined by structural and geological continuity. Exploration costs in these areas are capitalised to the extent that specific exploration programmes have yielded targets and/or results that warrant further exploration in future years.

4.9 Impairment

Recoverability of the carrying value of the long-term mining assets of the Group is reviewed whenever events or changes in circumstances indicate that such carrying value may not be recoverable. To determine whether a long-term mining asset may be impaired, the higher of "value in use" or "fair value less costs to sell" is compared to the carrying value of the asset.

ACCOUNTING POLICIES continued

A cash-generating unit is defined by the Group as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Generally for the Group this represents an individual operating mine, including mines which are part of a larger mine complex. The costs attributable to individual shafts of a mine are impaired if the shaft is closed.

Exploration targets in respect of which costs have been capitalised at certain of the Group's international operations are evaluated on an annual basis to ensure that these targets continue to support capitalisation of the underlying costs. Those that do not are impaired.

When any infrastructure is closed down during the year, any carrying value attributable to that infrastructure is impaired.

4.10 Leases

Operating lease costs are charged against income on a straight-line basis over the period of the lease.

5. GOODWILL

Goodwill is stated at cost less accumulated impairment losses. Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired subsidiary/associate at the date of acquisition. Goodwill on acquisition of associates is tested for impairment as part of the carrying amount of the investment in associate whenever there is any objective evidence that the investment may be impaired. Goodwill on acquisition of a subsidiary is assessed at each balance sheet date or whenever there are impairment indicators to establish whether there is any indication of impairment to goodwill. A write-down is made if the carrying amount exceeds the recoverable amount. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill allocated to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

6. WASTE NORMALISATION OR DEFERRED STRIPPING

At certain of the Group's non-South African open pit operations, costs related to removing waste within the ore body once it has been exposed are accounted for in the income statement using the waste normalisation method. The objective of this method is to provide that every ounce mined from the relevant pit bears its equal pro-rata share of the total in-pit waste removal cost, expected to be incurred over the life of the pit. In-pit waste removal costs are expensed to the income statement by determining the ratio of ounces mined in each period to total proved and probable reserve ounces expected to be recovered from the pit and applying this ratio to total waste removal costs expected to be incurred over the life of the pit. The resultant asset created by the timing difference between costs incurred and costs expensed is recorded in the balance sheet as a current asset.

7. DEFERRED TAXATION

Deferred taxation is provided in full, using the balance sheet method, on temporary differences existing at each balance sheet date between the tax values of assets and liabilities and their carrying amounts. Substantively enacted tax rates are used to determine future anticipated effective tax rates which in turn are used in the determination of deferred taxation.

These temporary differences are expected to result in taxable or deductible amounts in determining taxable profits for future periods when the carrying amount of the asset is recovered or the liability is settled. The principal temporary differences arise from depreciation of property, plant and equipment, provisions, unutilised capital allowances and tax losses carried forward.

Deferred tax assets relating to the carry forward of unutilised tax losses and/or unutilised capital allowances are recognised to the extent it is probable that future taxable profit will be available against which the unutilised tax losses and/or unutilised capital allowances can be recovered. Deferred tax assets are reviewed at each reporting date and are impaired if recovery is no longer probable.

No provision is made for any potential taxation liability on the distribution of retained earnings by Group companies.

8. INVENTORIES

Inventories are valued at the lower of cost and net realisable value. Gold on hand represents production on hand after the smelting process. Due to the different nature of the Group's non-South African operations, gold-in-process for such operations represents either production in broken ore form, gold in circuit or production from the time of placement on heap leach pads.

Cost is determined on the following basis:

- Gold on hand and gold-in-process is valued using weighted average cost. Cost includes production, amortisation and related administration costs; and
- Consumable stores are valued at weighted average cost, after appropriate provision for redundant and slow-moving items.

Net realisable value is determined with reference to relevant market prices.

9. FINANCIAL INSTRUMENTS

Financial instruments recognised in the balance sheet include cash and cash equivalents, investments, trade and other receivables, borrowings, trade and other payables and derivative financial instruments. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

9.1 Investments

Investments comprise (i) investments in listed companies which are classified as available-for-sale and are accounted for at fair value, with unrealised holding gains and losses excluded from earnings and reported as a separate component of shareholders' equity and are released to the income statement when the investments are sold; (ii) investments in unlisted companies which are accounted for at directors' valuation adjusted for write-downs where appropriate.

Purchases and sales of investments are recognised on the trade date, which is the date that the Group commits to purchase or sell the asset. Cost of purchase includes transaction costs. The fair value of listed investments is based on quoted bid prices.

Realised gains and losses are included in determining net income or loss. Unrealised losses are included in determining net income or loss where a significant decline in the value of the investment, other than temporary, has occurred.

Investments in subsidiaries and associates are recognised at cost less accumulated impairment losses.

9.2 Derivative financial instruments

The Group's general policy with regard to its exposure to the dollar gold price is to remain unhedged. However, hedges are sometimes undertaken on a project specific basis as follows:

- To protect cash flows at times of significant expenditure;
- For specific debt servicing requirements; and
- To safeguard the viability of higher cost operations.

The Group may from time to time establish currency and/or interest rate and/or commodity financial instruments to protect underlying cash flows.

On the date a derivative contract is entered into, the Group designates the derivative as (i) a hedge of the fair value of a recognised asset or liability (fair value hedge); (ii) a hedge of a forecasted transaction or a firm commitment (cash flow hedge); (iii) a hedge of a net investment in a foreign entity; or (iv) should the derivative not fall into one of the three categories above it is not regarded as a hedge.

Derivative financial instruments are initially recognised in the balance sheet at fair value and subsequently remeasured at their fair value, unless they meet the criteria for the normal purchases normal sales exemption. Recognition of derivatives which meet the above criteria under IAS 39 is deferred until settlement.

ACCOUNTING POLICIES continued

Changes in fair value of a derivative that is highly effective, and that is designated and qualifies as a fair value hedge, are recorded in earnings, along with the change in the fair value of the hedged asset or liability that is attributable to the hedged risk. If the hedge no longer meets the requirements for hedge accounting, the adjustment to the carrying amount of the hedge, for which the effective interest rate method is used, is amortised to profit or loss over the period to maturity.

Changes in fair value of a derivative that is highly effective, and that is designated as a cash flow hedge, are recognised directly in shareholders' equity. The gain or loss relating to the ineffective portion is recognised immediately in the income statement. Where the forecasted transaction or firm commitment results in the recognition of an asset or liability, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability. Amounts deferred in shareholders' equity are included in earnings in the same periods during which the hedged firm commitment or forecasted transaction affects earnings. When a hedging instrument expires or is sold, or when a hedge no longer meets the requirements for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

Hedges of net investments in foreign entities are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in equity. The gain or loss relating to the ineffective portion is recognised immediately in the income statement. Gains and losses accumulated in equity are included in the income statement when the foreign operation is partially disposed of or sold.

Certain derivative transactions, while providing effective economic hedges under the Group's risk management policies, do not qualify for hedge accounting. Changes in the fair value of derivatives that are not designated as hedges or that do not qualify for hedge accounting are recognised immediately in the income statement.

9.3 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value and are measured at cost which is deemed to be fair value as they have a short-term maturity.

Bank overdrafts are included within current liabilities in the balance sheet.

9.4 Trade receivables

Trade receivables are initially recognised at fair value and subsequently carried at amortised cost less provision for impairment. Estimates made for impairment are based on a review of all outstanding amounts at year end. Irrecoverable amounts are written off during the year in which they are identified.

9.5 Trade payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

9.6 Embedded derivatives

The Group assesses whether an embedded derivative is required to be separated from a host contract and accounted for as a derivative when the Group first becomes a party to a contract. Subsequent reassessment is not performed unless there is a change in the terms of the contract that significantly modifies the cash flows.

9.7 Financial guarantees

Financial guarantee contracts are accounted for as financial instruments and are recognised initially at fair value and are subsequently measured at the higher of the amount determined in accordance with IAS 37 (Provisions, contingent liabilities and assets), and the initial amount recognised less cumulative amortisation.

9.8 Non-current assets held for sale

Non-current assets held for sale (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. These assets may be a component of an entity, a disposal group or an individual non-current asset. Non-current assets held for sale are stated at the lower of carrying amount and fair value less costs to sell.

A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held for sale, and: (i) represents a separate major line of business or geographical area of operations; (ii) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or (iii) is a subsidiary acquired exclusively with a view to resale.

10. PROVISIONS

Provisions are recognised when the Group has a present obligation, legal or constructive resulting from past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

11. BORROWINGS

Borrowings are recognised initially at fair value, net of transaction costs incurred, where applicable and subsequently measured at amortised cost using the effective interest rate method.

Interest payable on borrowings is recognised in the income statement over the term of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

12. ENVIRONMENTAL OBLIGATIONS

Long-term environmental obligations are based on the Group's environmental management plans, in compliance with applicable environmental and regulatory requirements.

Full provision is made based on the net present value of the estimated cost of restoring the environmental disturbance that has occurred up to the balance sheet date. The unwinding of the obligation is accounted for in the income statement.

The estimated costs of rehabilitation are reviewed annually and adjusted as appropriate for changes in legislation, technology or other circumstances. Cost estimates are not reduced by the potential proceeds from the sale of assets or from plant clean up at closure.

Changes in estimates are capitalised or reversed against the relevant asset. Estimates are discounted at a pre-tax rate that reflects current market assessments.

Increases due to additional environmental disturbances are capitalised and amortised over the remaining lives of the mines. These increases are accounted for on a net present value basis.

For certain South African operations annual contributions are made to dedicated rehabilitation trust funds to fund the estimated cost of rehabilitation during and at the end of the life of the relevant mine. The amounts contributed to this trust fund are included under non-current assets and are measured at fair value. Interest earned on monies paid to rehabilitation trust funds is accrued on a time proportion basis and is recorded as interest income. These trusts are consolidated for Group purposes.

In respect of certain South African operations and all non-South African operations, bank guarantees are provided for funding of the environmental rehabilitation obligations.

ACCOUNTING POLICIES continued

13. EMPLOYEE BENEFITS

13.1 Pension and provident funds

The Group operates a defined contribution retirement plan and contributes to a number of industry based defined contribution retirement plans. The retirement plans are funded by payments from employees and Group companies.

Contributions to defined contribution funds are charged against income as incurred.

13.2 Post-retirement health care costs

Medical cover is provided through a number of different schemes. The Group has an obligation to provide medical benefits to certain of its pensioners and dependants of ex-employees. These liabilities have been provided in full, calculated on an actuarial basis. These liabilities are unfunded. Periodic valuation of these obligations is carried out by independent actuaries using appropriate mortality tables, long-term estimates of increases in medical costs and appropriate discount rates.

13.3 Share-based payments

The Group operates a number of equity-settled compensation plans. The fair value of the equity-settled instruments is measured by reference to the fair value of the equity instrument granted which in turn is determined using the modified Black Scholes and Monte Carlo simulation models on the date of grant.

Fair value is based on market prices of the equity-settled instruments granted, if available, taking into account the terms and conditions upon which those equity-settled instruments were granted. Fair value of equity-settled instruments granted is estimated using appropriate valuation models and appropriate assumptions at grant date. Non-market vesting conditions (service period prior to vesting) are not taken into account when estimating the fair value of the equity-settled instruments at grant date. Market conditions are taken into account in determining the fair value at grant date.

The fair value of the equity-settled instruments is recognised as an employee benefit expense over the vesting period based on the Group's estimate of the number of instruments that will eventually vest, with a corresponding increase in the share-based payment reserve. Vesting assumptions for non-market conditions are reviewed at each reporting date to ensure they reflect current expectations.

Where the terms of an equity-settled award are modified, the originally determined expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the participant as measured at the date of the modification.

13.4 Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the balance sheet date are discounted to present value.

14. SHARE CAPITAL

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction therefrom, net of tax. Incremental costs directly attributable to the issue of new shares for the acquisition of a business are included in the cost of acquisition as part of the purchase consideration.

15. REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Group and the amount of revenue can be reliably measured. Revenue is stated at the fair value of the consideration received or receivable.

15.1 Revenue arising from gold and gold equivalent sales is recognised when the significant risks and rewards of ownership pass to the buyer. The price of gold, silver and copper is determined by market forces.

Concentrate revenue is calculated, net of refining and treatment charges, on a best estimate basis on shipment date, using forward metal prices to the estimated final pricing date, adjusted for the specific terms of the agreements. Variations between the price recorded at the shipment date and the actual final price received are caused by changes in prevailing copper prices, and result in an embedded derivative in the accounts receivable. The embedded derivative is marked-to-market each period until final settlement occurs, with changes in fair value classified as provisional price adjustments and included as a component of revenue.

15.2 Revenue from services is recognised over the period the services are rendered and is accrued in the financial statements.

15.3 Dividends, which include capitalisation dividends, are recognised when the right to receive payment is established.

15.4 Interest income is recognised on a time proportion basis taking account of the principal outstanding and the effective rate over the period to maturity.

16. DIVIDENDS DECLARED

Dividends and the related taxation thereon are recognised only when such dividends are declared.

17. EARNINGS/(LOSS) PER SHARE

Earnings/(loss) per share is calculated based on the net income/(loss) divided by the weighted average number of ordinary shares in issue during the year. A diluted earnings per share is presented when the inclusion of ordinary shares that may be issued in the future has a dilutive effect on earnings per share.

18. SEGMENTAL REPORTING

The Group has only one business segment, that of gold mining. Segment analysis is based on individual mining operations.

19. COMPARATIVES

Where necessary, comparatives are adjusted to conform to changes in presentation. No comparatives were adjusted in the current year unless otherwise stated.

20. ADDITIONAL US DOLLAR FINANCIAL INFORMATION

The translation of the financial statements into US dollar is based on the average exchange rate for the year for the income statement and cash flow statement and the year end closing exchange rate for balance sheet items. Exchange differences on translation are accounted for in shareholders' equity.

This information is provided as supplementary information for convenience purposes only.

CONSOLIDATED INCOME STATEMENT

for the year ended 30 June 2009

Figures in millions unless otherwise stated

United States Dollars				South African Rand	
2008	**2009**		Notes	**2009**	2008
		Continuing operations:			
3,165.0	**3,228.3**	Revenue	1	**29,086.9**	23,009.5
(2,337.7)	**(2,415.7)**	Cost of sales	2	**(21,765.9)**	(16,994.3)
827.3	**812.6**	Net operating profit		**7,321.0**	6,015.2
31.2	**24.9**	Investment income	3	**224.8**	226.8
(80.7)	**(96.9)**	Finance expense	4	**(872.8)**	(587.3)
11.8	**(6.2)**	Realised (loss)/gain on financial instruments		**(55.9)**	85.5
1.9	**10.2**	Gain on foreign exchange		**91.7**	13.6
9.3	**(22.7)**	Other (costs)/income		**(202.8)**	68.4
(20.7)	**(33.7)**	Share-based payments	5	**(303.4)**	(150.6)
(45.1)	**(56.4)**	Exploration expense		**(508.3)**	(327.8)
(1.2)	**(15.7)**	Share of losses of associates after taxation		**(141.3)**	(8.9)
(9.0)	**(13.9)**	Restructuring costs		**(125.5)**	(65.2)
–	**14.6**	South Deep insurance claim		**131.4**	–
(3.3)	**0.2**	Driefontein 9 Shaft closure costs		**1.9**	(24.0)
(7.0)	**(134.2)**	Impairment of investments and assets	6	**(1,209.5)**	(51.2)
194.8	**(16.4)**	(Loss)/profit on disposal of investments		**(148.0)**	1,416.2
4.6	**0.5**	Profit on disposal of property, plant and equipment		**4.3**	33.6
913.9	**466.9**	Profit before taxation	7	**4,207.6**	6,644.3
(266.6)	**(261.2)**	Mining and income tax	8	**(2,353.5)**	(1,937.7)
647.3	**205.7**	Profit for the year from continuing operations		**1,854.1**	4,706.6
		Discontinued operations:			
15.3	**–**	Profit for the year from discontinued operations	9	**–**	111.2
662.6	**205.7**	Profit for the year		**1,854.1**	4,817.8
		Profit attributable to:			
613.0	**170.4**	– Ordinary shareholders of the company		**1,535.6**	4,457.5
49.6	**35.3**	– Minority shareholders		**318.5**	360.3
662.6	**205.7**			**1,854.1**	4,817.8
		Earnings per share attributable to ordinary shareholders of the company:			
94	**25**	Basic earnings per share – cents	10.1	**229**	683
88	**25**	Diluted earnings per share – cents	10.2	**227**	637
22	**17**	Dividends per share – cents	11	**150**	160

Exchange rate: R9.01/US$ (F2008: R7.27/US$)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED BALANCE SHEET

at 30 June 2009

Figures in millions unless otherwise stated

United States Dollars 2008	United States Dollars 2009		Notes	South African Rand 2009	South African Rand 2008
		ASSETS			
7,055.4	**7,029.0**	**Non-current assets**		**56,653.8**	56,443.1
5,691.7	**5,997.2**	Property, plant and equipment	12	**48,337.4**	45,533.3
557.4	**553.2**	Goodwill	13	**4,458.9**	4,458.9
240.0	**54.5**	Investment in associates	14	**439.8**	1,919.8
473.0	**314.1**	Investments	16	**2,531.0**	3,784.4
93.3	**110.0**	Environmental trust funds	17	**886.7**	746.7
809.1	**1,067.2**	**Current assets**		**8,600.8**	6,472.4
227.2	**266.5**	Inventories	18	**2,148.4**	1,818.2
279.2	**383.8**	Trade and other receivables	19	**3,092.8**	2,233.1
42.1	**59.3**	Deferred stripping costs		**477.8**	336.4
6.9	**–**	Financial instruments	20	**–**	55.5
253.7	**357.6**	Cash and cash equivalents	21	**2,881.8**	2,029.2
7,864.5	**8,096.2**	**Total assets**		**65,254.6**	62,915.5
		EQUITY AND LIABILITIES			
51.2	**54.1**	Share capital		**352.4**	326.6
4,074.2	**4,535.8**	Share premium		**31,113.2**	27,912.2
(296.6)	**(959.2)**	Other reserves		**(1,135.7)**	3,585.8
1,308.5	**1,357.7**	Retained earnings		**9,876.2**	9,321.6
5,137.3	**4,988.4**	Shareholders' equity attributable to ordinary shareholders		**40,206.1**	41,146.2
182.9	**305.6**	Minority interests		**2,463.3**	1,415.0
5,320.2	**5,294.0**	Total shareholders' equity per statement		**42,669.4**	42,561.2
1,746.4	**1,834.1**	**Non-current liabilities**		**14,782.7**	13,972.3
677.7	**760.4**	Deferred taxation	22	**6,128.8**	5,421.9
814.2	**785.9**	Borrowings	23	**6,334.3**	6,513.9
254.5	**287.8**	Provisions	24	**2,319.6**	2,036.5
798.0	**968.1**	**Current liabilities**		**7,802.5**	6,382.0
611.6	**540.6**	Trade and other payables	25	**4,357.6**	4,891.3
2.8	**9.7**	Bank overdraft	21	**77.9**	21.9
123.1	**98.2**	Taxation		**791.8**	984.6
–	**1.8**	Financial instruments	20	**14.0**	–
60.5	**317.8**	Current portion of borrowings	23	**2,561.2**	484.2
7,864.6	**8,096.2**	**Total equity and liabilities**		**65,254.6**	62,915.5

Exchange rate: R8.06/US$ (F2008: R8.00/US$)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2009

Figures in millions unless otherwise stated

	Number of ordinary shares in issue	Ordinary share capital	Share premium	Equity portion of convertible debt (Mvela)	Foreign currency translation adjustment
South African Rand					
Balance at 30 June 2007	652,158,066	326.1	27,840.0	3,130.2	787.5
Mark-to-market gain on listed investments	–	–	–	–	–
Realised loss on disposal of listed investments	–	–	–	–	–
Net gains recognised directly in equity	–	–	–	–	–
Profit for the year	–	–	–	–	–
Dividends paid	–	–	–	–	–
Share-based payments	–	–	–	–	2.7
Disposal of subsidiary	–	–	–	–	(285.9)
Transactions with minorities	–	–	–	–	–
Exercise of employee share options	1,042,616	0.5	72.2	–	–
Foreign exchange translation	–	–	–	–	2,092.2
Balance at 30 June 2008	653,200,682	326.6	27,912.2	3,130.2	2,596.5
Dilution loss on associate	–	–	–	–	–
Share of equity investee's other equity movements	–	–	–	–	–
Mark-to-market gain on listed investments	–	–	–	–	–
Realised loss on disposal of listed investments	–	–	–	–	–
Net losses recognised directly in equity	–	–	–	–	–
Deferred taxation on mark-to-market gains and disposal losses	–	–	–	–	–
Profit for the year	–	–	–	–	–
Dividends paid	–	–	–	–	–
Share-based payments	–	–	–	–	–
Transactions with minorities	–	–	–	–	–
Mvela share issue on conclusion of transaction	50,000,000	25.0	3,130.2	(3,130.2)	–
Exercise of employee share options	1,549,167	0.8	70.8	–	–
Foreign exchange translation	–	–	–	–	(809.8)
Balance at 30 June 2009	**704,749,849**	**352.4**	**31,113.2**	**–**	**1,786.7**

Fair value adjustment reserve	Asset revaluation reserve	Share-based payment reserve	Other reserves	Retained earnings	Equity attributable to ordinary shareholders	Minority interests	Total equity
775.8	204.7	247.2	(3,559.8)	5,872.4	35,624.1	1,482.2	37,106.3
313.8	–	–	–	–	313.8	–	313.8
6.2	–	–	–	–	6.2	–	6.2
320.0	–	–	–	–	320.0	–	320.0
–	–	–	–	4,457.5	4,457.5	360.3	4,817.8
–	–	–	–	(1,044.8)	(1,044.8)	–	(1,044.8)
–	–	150.6	–	–	153.3		153.3
–	(204.7)	–	–	36.5	(454.1)	(131.6)	(585.7)
–	–	–	(74.7)	–	(74.7)	(308.2)	(382.9)
–	–	–	–	–	72.7		72.7
–	–	–	–	–	2,092.2	12.3	2,104.5
1,095.8	–	397.8	(3,634.5)	9,321.6	41,146.2	1,415.0	42,561.2
–	–	–	(331.9)	–	(331.9)	–	(331.9)
–	–	–	60.7	–	60.7	–	60.7
(863.9)	–	–	–	–	(863.9)	–	(863.9)
151.2	–	–	–	–	151.2	–	151.2
(712.7)	–	–	(271.2)	–	(983.9)	–	(983.9)
(101.0)	–	–	–	–	(101.0)	–	(101.0)
–	–	–	–	1,535.6	1,535.6	318.5	1,854.1
–	–	–	–	(981.0)	(981.0)	–	(981.0)
–	–	303.4	–	–	303.4	–	303.4
–	–	–	–	–	–	747.5	747.5
–	–	–	–	–	25.0	–	25.0
–	–	–	–	–	71.6	–	71.6
–	–	–	–	–	(809.8)	(17.7)	(827.5)
282.1	**–**	**701.2**	**(3,905.7)**	**9,876.2**	**40,206.1**	**2,463.3**	**42,669.4**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY continued

for the year ended 30 June 2009

Figures in millions unless otherwise stated

	Number of ordinary shares in issue	Ordinary share capital	Share premium	Equity portion of convertible debt (Mvela)	Foreign currency translation adjustment
United States Dollar					
Balance at 30 June 2007	652,158,066	51.1	4,064.3	453.7	(102.8)
Mark-to-market gain on listed investments	–	–	–	–	–
Realised loss on disposal of listed investments	–	–	–	–	–
Net gains recognised directly in equity	–	–	–	–	–
Profit for the year	–	–	–	–	–
Dividends paid	–	–	–	–	–
Share-based payments	–	–	–	–	0.4
Disposal of subsidiary	–	–	–	–	(31.9)
Transactions with minorities	–	–	–	–	–
Exercise of employee share options	1,042,616	0.1	9.9	–	–
Foreign exchange translation	–	–	–	–	(318.1)
Balance at 30 June 2008	653,200,682	51.2	4,074.2	453.7	(452.4)
Dilution loss on associate	–	–	–	–	–
Share of equity investee's other equity movements	–	–	–	–	–
Mark-to-market gain on listed investments	–	–	–	–	–
Realised loss on disposal of listed investments	–	–	–	–	–
Net losses recognised directly in equity	–	–	–	–	–
Deferred taxation on mark-to-market gains and disposal losses	–	–	–	–	–
Profit for the year	–	–	–	–	–
Dividends paid	–	–	–	–	–
Share-based payments	–	–	–	–	–
Transactions with minorities	–	–	–	–	–
Mvela share issue on conclusion of transaction	50,000,000	2.8	453.7	(453.7)	
Exercise of employee share options	1,549,167	0.1	7.9	–	–
Foreign exchange translation	–	–	–	–	(122.1)
Balance at 30 June 2009	**704,749,849**	**54.1**	**4,535.8**	**–**	**(574.5)**

Fair value adjustment reserve	Asset revaluation reserve	Share-based payment reserve	Other reserves	Retained earnings	Equity attributable to ordinary shareholders	Minority interests	Total equity
106.0	36.0	37.5	(495.9)	832.6	4,982.5	207.2	5,189.7
43.1	–	–	–	–	43.1	–	43.1
0.9	–	–	–	–	0.9	–	0.9
44.0	–	–	–	–	44.0	–	44.0
–	–	–	–	613.0	613.0	49.6	662.6
–	–	–	–	(142.5)	(142.5)	–	(142.5)
–	–	20.7	–	–	21.1	–	21.1
–	(36.0)	–	–	5.4	(62.5)	(17.4)	(79.9)
–	–	–	(10.3)	–	(10.3)	(43.1)	(53.4)
–	–	–	–	–	10.0	–	10.0
–	–	–	–	–	(318.1)	(13.4)	(331.5)
150.0	–	58.2	(506.2)	1,308.5	5,137.2	182.9	5,320.1
–	–	–	(36.8)	–	(36.8)	–	(36.8)
–	–	–	6.7	–	6.7	–	6.7
(95.9)	–	–	–	–	(95.9)	–	(95.9)
16.8	–	–	–	–	16.8	–	16.8
(79.1)	–	–	(30.1)	–	(109.2)	–	(109.2)
(11.2)	–	–	–	–	(11.2)	–	(11.2)
–	–	–	–	170.4	170.4	35.3	205.7
–	–	–	–	(121.2)	(121.2)	–	(121.2)
–	–	33.7	–	–	33.7	–	33.7
–	–	–	–	–	–	97.6	97.6
–	–	–	–	–	2.8	–	2.8
–	–	–	–	–	8.0	–	8.0
–	–	–	–	–	(122.1)	(10.2)	(132.3)
59.7	**–**	**91.9**	**(536.3)**	**1,357.7**	**4,988.4**	**305.6**	**5,294.0**

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 30 June 2009

Figures in millions unless otherwise stated

United States Dollars				South African Rand	
2008	**2009**		Notes	**2009**	2008
905.2	**656.8**	**Cash flows from operating activities**		**6,000.8**	6,692.1
1,195.1	**1,183.4**	Cash generated by operations	26	**10,663.5**	8,688.7
17.9	**14.5**	Interest received		**131.0**	130.3
4.6	**1.3**	Dividends received		**11.5**	33.6
(0.4)	**(0.3)**	Post-retirement health care payments		**(2.3)**	(2.6)
36.1	**(131.4)**	Change in working capital	27	**(1,183.8)**	262.3
1,253.3	**1,067.5**	Cash generated by operating activities		**9,619.9**	9,112.3
(79.5)	**(91.6)**	Interest paid		**(825.3)**	(578.4)
(143.5)	**(197.9)**	Taxation paid	28	**(1,812.8)**	(923.4)
1,030.3	**778.0**	Net cash from continuing operations		**6,981.8**	7,610.5
17.4	**–**	Net cash from discontinued operations		**–**	126.4
(142.5)	**(121.2)**	Dividends paid	29	**(981.0)**	(1,044.8)
(1,063.0)	**(809.3)**	**Cash flows from investing activities**		**(7,283.5)**	(7,727.2)
(1,239.9)	**(849.0)**	Additions to property, plant and equipment		**(7,649.2)**	(9,013.9)
5.8	**3.6**	Proceeds on disposal of property, plant and equipment		**32.0**	42.2
143.3	**5.0**	Proceeds on disposal of subsidiary		**45.0**	1,042.1
160.2	**–**	Net cash from discontinued operations		**–**	1,164.6
(134.5)	**(12.8)**	Purchase of investments		**(99.3)**	(977.6)
13.7	**54.3**	Proceeds on disposal of investments		**482.0**	99.8
(11.6)	**(10.4)**	Environmental trust funds and rehabilitation payments		**(94.0)**	(84.4)
67.0	**275.3**	**Cash flows from financing activities**		**2,086.8**	557.1
–	**–**	Loans received from minority shareholders		**10.3**	–
596.4	**1,312.3**	Loans raised		**11,703.9**	4,335.9
(635.4)	**(1,047.7)**	Loans repaid		**(9,724.0)**	(4,619.5)
96.0	**–**	Proceeds from rights issue – Cerro Corona		**–**	768.0
10.0	**10.7**	Proceeds from the issue of shares		**96.6**	72.7
(90.8)	**122.8**	Net cash generated/(utilised)		**804.1**	(478.0)
18.6	**(25.8)**	Effect of exchange rate fluctuation on cash held		**(7.5)**	175.2
323.1	**250.9**	Cash and cash equivalents at beginning of the year		**2,007.3**	2,310.1
250.9	**347.9**	**Cash and cash equivalents at end of the year**	21	**2,803.9**	2,007.3

The accompanying notes form an integral part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 30 June 2009

Figures in millions unless otherwise stated

United States Dollars 2008	2009		South African Rand 2009	2008
		1. REVENUE		
		Revenue from mining operations		
3,165.0	**3,228.3**	– Spot sales	**29,086.9**	23,009.5
3,165.0	**3,228.3**	**Total revenue**	**29,086.9**	23,009.5
		2. COST OF SALES		
(734.3)	**(685.4)**	Salaries and wages	**(6,175.6)**	(5,338.0)
(503.0)	**(533.5)**	Consumable stores	**(4,806.5)**	(3,656.7)
(182.7)	**(204.7)**	Utilities	**(1,844.1)**	(1,328.5)
(347.8)	**(411.0)**	Mine contractors	**(3,703.3)**	(2,528.5)
(141.9)	**(144.8)**	Other	**(1,304.4)**	(1,031.5)
(11.8)	**23.3**	Gold inventory change	**210.3**	(85.5)
(416.2)	**(459.7)**	Amortisation and depreciation	**(4,142.3)**	(3,025.6)
(2,337.7)	**(2,415.7)**	**Total cost of sales**	**(21,765.9)**	(16,994.3)
		3. INVESTMENT INCOME		
4.6	**1.3**	Dividends received	**11.5**	33.6
8.7	**9.1**	Interest received – environmental trust funds	**82.3**	62.9
17.9	**14.5**	Interest received – other	**131.0**	130.3
31.2	**24.9**	**Total investment income**	**224.8**	226.8
		4. FINANCE EXPENSE		
(8.6)	**(2.0)**	Interest paid – Mvela loan	**(17.9)**	(62.7)
(70.9)	**(89.6)**	Interest paid – other	**(807.4)**	(515.7)
(2.7)	**(9.8)**	Preference share interest	**(87.9)**	(19.5)
8.0	**8.7**	Interest capitalised	**78.5**	57.9
(6.5)	**(4.2)**	Interest charge – environmental rehabilitation	**(38.1)**	(47.3)
(80.7)	**(96.9)**	**Total finance expense**	**(872.8)**	(587.3)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 30 June 2009

5. SHARE-BASED PAYMENTS

The Group grants equity-settled instruments comprising share options and restricted shares to directors, certain officers and employees. During financial 2009, the following share plans were in place: The GF Management Incentive Scheme, the Gold Fields Limited 2005 Share Plan, the Gold Fields Limited 2005 Non-executive Share Plan and the GF Non-executive Director Share Plan. Details of the salient features of these plans are included in the directors' report.

The following information is available for each plan:

30 June 2008			30 June 2009	
Average instrument price (cps)	Number of instruments	(a) The GF Management Incentive Scheme	Number of instruments	Average instrument price (cps)
76.66	5,584,973	Outstanding at 1 July 2008	4,212,219	78.38
		Movement during the year:		
–	–	Granted during the year	–	–
71.82	(990,175)	Exercised and released	(1,367,882)	69.69
72.33	(382,579)	Forfeited	(539,916)	105.39
–	–	Cancelled	–	–
78.38	4,212,219	**Outstanding at 30 June 2009**	2,304,421	77.20
		Included in the above are 2,266,799 (2008: 3,307,624) vested options.		

Average instrument price (cps)	Number of instruments	(b) GF Non-executive Director Share Plan	Number of instruments	Average instrument price (cps)
83.47	174,400	Outstanding at 1 July 2008	146,700	83.81
		Movement during the year:		
–	–	Granted during the year	–	–
81.71	(27,700)	Exercised and released	(25,000)	43.70
–	–	Forfeited	(40,000)	99.21
–	–	Cancelled	–	–
83.81	146,700	**Outstanding at 30 June 2009**	81,700	88.54
		All options above in F2009 and F2008 have vested.		

CONSOLIDATED BALANCE SHEETS

for the year ended 30 June 2009

5. SHARE-BASED PAYMENTS (continued)

No further allocations are being made under schemes a and b above, in view of the new plans below. However, some share option expiry dates were extended to enable participants who were disadvantaged due to closed periods to be placed in an equitable position. The incremental fair value of the modification is R8.1 million and was recorded in earnings (2008: R4.4 million).

30 June 2008 Number of options	30 June 2008 Weighted average price (Rand)	30 June 2008 Contractual life extended by (years)		30 June 2009 Number of options	30 June 2009 Weighted average price (Rand)	30 June 2009 Contractual life extended by (years)
			The following directors were affected by the modification:			
			Executive directors			
97,999	78.81	0.79	NJ Holland	172,499	76.59	0.38
294,932	74.35	0.78	ID Cockerill	–	–	–
22,833	114.18	0.67	TP Goodlace	3,167	154.65	0.01
			Non-executive directors			
6,700	68.59	0.59	K Ansah	6,700	68.59	0.39
20,000	99.21	1.47	JM McMahon	–	–	–
25,000	84.79	1.18	RL Pennant-Rea	25,000	84.79	0.39
20,000	99.21	1.47	PJ Ryan	–	–	–
20,000	99.21	1.47	CI von Christierson	20,000	99.21	0.39
55,000	68.41	1.16	AJ Wright	55,000	68.41	0.39

Average instrument price (cps)	Share appreciation rights (SARS)	Performance vesting restricted shares (PVRS)	(c) Gold Fields Limited 2005 Share Plan and Gold Fields Limited 2005 Non-executive Share Plan	Performance vesting restricted shares (PVRS)	Share appreciation rights (SARS)	Average instrument price (cps)
124.75	1,765,540	1,906,452	Outstanding at 1 July 2008	5,477,487	3,837,937	112.73
			Movement during the year:			
105.97	2,569,481	4,267,761	Granted during the year	2,668,771	1,311,271	108.90
–	–	(21,933)	Exercised and released	(106,954)	–	–
118.77	(497,084)	(674,793)	Forfeited	(880,240)	(539,582)	121.07
–	–	–	Conditions for vesting not met	(226,900)	–	–
–	–	–	Cancelled	–	–	–
112.7	3,837,937	5,477,487	**Outstanding at 30 June 2009**	6,932,164	4,609,626	111.50
			Included in the above are 558,863 (2008: nil) vested restricted shares.			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 30 June 2009

5. SHARE-BASED PAYMENTS (continued)

30 June 2008		30 June 2009
	(c) Gold Fields Limited 2005 Share Plan and Gold Fields Limited 2005 Non-executive Share Plan (continued)	
	The fair value of equity instruments granted during the year were valued using the Black Scholes and Monte Carlo Simulation models.	
	Black Scholes Model	
	This model is used to value the Share Appreciation Rights (SARS) as described in the directors' report. The inputs to the model for options granted during the year were as follows:	
R105.98	– weighted average exercise price	R108.90
41.7%	– exponentially weighted moving average volatility (based on a statistical analysis of the share price on a weighted moving average basis for the expected term of the option)	51.7%
3.0–4.2	– expected term (years)	3.0 – 4.2
1.5%	– long-term expected dividend yield	1.8%
10.8%	– weighted average risk free interest rate	6.9%
R41.72	– weighted average fair value	R45.90
	Monte-Carlo Simulation	
	This model is used to value the Performance Vesting Restricted Shares (PVRS) as described in the Directors' Report. The inputs to the model for options granted during the year were as follows:	
42.4%	– weighted average historical volatility (based on a statistical analysis of the share price on a weighted moving average basis for the expected term of the option)	67.8%
3.0	– expected term (years)	3.0
1.5%	– historical dividend yield	2.3%
2.8%	– weighted average three year risk free interest rate (based on US interest rates)	0.6%
R146.30	– weighted average fair value	R209.40
	Subsequent to the implementation of the Gold Fields Limited 2005 Share Plans, during financial year 2008, it became evident that the Philadelphia XAU Index (XAU Index) was not representative of Gold Fields' peer competitors, as some of the companies in the XAU Index are not pure gold mining companies. Furthermore, since the selection of the XAU Index as a benchmark, a number of relatively small gold producers have been included in the XAU Index and again these cannot be regarded as representative of Gold Fields' peer competitors.	
	Accordingly instead of using the XAU Index, Gold Fields' performance will be measured against only five gold mining companies who can be regarded as peer competitors.	
	The incremental fair value and the inputs used in calculating the effect of the modification are listed below:	
41.2%	– weighted average expected volatility (based on a statistical analysis of the share price on a weighted moving average basis for the expected term of the option)	n/a
3.0	– expected term (years)	n/a
0.8%	– expected dividend yield	n/a
2.5%	– weighted average three year risk free interest rate (based on US interest rates)	n/a
R62.53	– weighted average incremental fair value of modification	n/a

5. SHARE-BASED PAYMENTS (continued)

The following table summarises information relating to the options outstanding at 30 June 2009:

30 June 2008				30 June 2009		
Weighted average					Weighted average	
Contractual life (years)	Price	Number of instruments	Range of exercise prices for outstanding equity instruments (South African rands)	Number of instruments	Price	Contractual life (years)
2.43	–	5,477,488	n/a*	6,932,164	–	1.98
0.16	21.72	93,000	10.00 – 34.99	–	–	–
0.43	46.05	252,200	35.00 – 59.99	93,200	46.23	1.00
3.23	72.39	2,975,255	60.00 – 84.99	1,826,009	72.25	2.27
5.20	102.99	2,955,032	85.00 – 109.99	3,690,976	105.73	4.84
3.88	123.43	1,753,702	110.00 –134.99	1,335,164	123.79	3.11
1.77	150.80	167,666	135.00 –159.99	50,398	146.02	1.65
		13,674,343	Total outstanding at 30 June 2009	13,927,911		
			* Restricted shares (PVRS) are awarded for no consideration.			
		111.74	Weighted average share price during the year	89.20		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 30 June 2009

Figures in millions unless otherwise stated

United States Dollars 2008	2009		South African Rand 2009	2008
		6. IMPAIRMENT OF INVESTMENTS AND ASSETS		
–	**(118.3)**	Impairment of investment in associate – Rusoro Mining Limited	**(1,065.7)**	–
–	**(16.0)**	Impairment of listed investments	**(143.8)**	–
(7.0)	**–**	Impairment of property, plant and equipment	**–**	(51.2)
(7.0)	**(134.2)**	**Impairment of investments and assets**	**(1,209.5)**	(51.2)
		7. INCLUDED IN PROFIT BEFORE TAXATION ARE THE FOLLOWING:		
		Expenses		
		Auditors' remuneration		
3.2	**2.9**	– audit fee	**25.7**	22.9
0.1	**0.5**	– non-audit services	**4.3**	1.0
8.1	**14.4**	Environmental rehabilitation inflation adjustment	**129.4**	59.0
0.8	**0.8**	Operating lease charges	**7.2**	5.6
		8. MINING AND INCOME TAX		
		The components of mining and income tax are the following:		
		South African taxation		
(111.7)	**(93.1)**	– mining tax	**(839.0)**	(812.3)
(1.9)	**(2.4)**	– non-mining tax	**(21.4)**	(13.7)
(6.7)	**(6.2)**	– company and capital gains tax	**(56.1)**	(48.4)
(0.4)	**–**	– prior year adjustment – current tax	**–**	(3.2)
(37.1)	**(35.1)**	– deferred tax	**(316.2)**	(269.6)
(1.1)	**2.5**	– prior year adjustment – deferred tax	**22.8**	(8.0)
		Foreign taxation		
(42.8)	**(33.6)**	– current	**(302.5)**	(311.3)
2.6	**–**	– prior year adjustment – current tax	**–**	19.2
(33.5)	**(37.6)**	– foreign levies and royalties	**(339.4)**	(243.4)
(34.0)	**(55.7)**	– deferred tax	**(501.7)**	(247.0)
(266.6)	**(261.2)**	**Total mining and income tax**	**(2,353.5)**	(1,937.7)
		Major items causing the Group's income tax to differ from the maximum South African statutory mining tax rate of 43.0% (2008: 43.0%) were:		
		Tax on profit before taxation at maximum South African statutory mining tax rate	**(1,809.4)**	(2,857.0)
		Rate adjustment to reflect the actual realised company tax rates in South Africa and offshore	**507.4**	423.7
		South African mining tax formula rate adjustment	**249.7**	221.6
		Use of assessed loss not previously recognised	**24.5**	30.5
		Non-deductible share-based payments	**(130.5)**	(64.8)
		Non-deductible exploration expense	**(218.6)**	(141.0)
		Non-deductible impairment of investments and assets	**(520.1)**	(22.0)
		Non-deductible/non-taxable (loss)/profit on disposal of investments	**(63.6)**	609.0
		Net non-deductible expenditure and non-taxable income	**(55.6)**	109.6
		Foreign levies and royalties	**(339.4)**	(243.3)
		Deferred tax asset not recognised	**(20.7)**	(7.2)
		Capital gains tax	**–**	(6.9)
		Other	**22.9**	10.0
		Mining and income tax expense	**(2,353.5)**	(1,937.7)

8. MINING AND INCOME TAX (continued)

	2009	2008
Tax rates		
South Africa		
Mining tax[1]	**Y = 43 – 215/X**	Y = 43 – 215/X
Non-mining tax[2]	**35.0%**	35.0%
Company tax rate	**28.0%**	28.0%

[1] South African mining tax on mining income is determined according to a formula which takes into account the profit and revenue from mining operations. South African mining taxable income is determined after the deduction of all mining capital expenditure, with the proviso that this cannot result in an assessed loss. Capital expenditure amounts not deducted are carried forward as unredeemed capital expenditure to be deducted from future mining income. Depreciation is ignored for the purpose of calculating South African mining taxation.

In the formula above, Y is the percentage rate of tax payable and X is the ratio of mining profit, after the deduction of redeemable capital expenditure, to mining revenue expressed as a percentage.

[2] Non-mining income of South African mining operations consists primarily of interest received.

	2009	2008
International operations		
Company tax rate		
Australia	**30.0%**	30.0%
Ghana	**25.0%**	25.0%
Peru*	**35.6%**	35.6%
Royalties		
Australia	**2.5%**	2.5%
Ghana	**3.0%**	3.0%
Peru	**3.0%**	3.0%

** The tax rate applicable to Peru is 30% excluding an effective 5.6% Workers Participation tax payable on taxable profits.*

Deferred tax is provided at the expected future rate for mining operations arising from temporary differences between the carrying values and tax values of assets and liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 30 June 2009

8. MINING AND INCOME TAX (continued)

At 30 June 2009 the Group had the following estimated amounts available for set-off against future income:

	F2009			F2008		
	Unredeemed capital expenditure R million	Tax losses R million	Deferred tax asset not recognised on tax losses R million	Unredeemed capital expenditure R million	Tax losses R million	Deferred tax asset not recognised on tax losses R million
South Africa[3]						
Beatrix Division	**1,348.9**	**–**	**–**	1,572.5	–	–
GFI Mining South Africa (Pty) Limited	**1,348.9**	**–**	**–**	1,572.5	–	–
Gold Fields Limited	**–**	**–**	**–**	–	11.6	–
Gold Fields Operations Limited	**2,702.2**	**4,666.7**	**–**	2,216.4	4,463.3	–
GFI Joint Venture Holdings (Pty) Limited	**6,291.1**	**766.9**	**–**	5,788.9	831.8	–
Living Gold (Pty) Limited	**–**	**142.2**	**39.8**	–	134.8	37.8
Golden Oils (Pty) Limited	**–**	**5.7**	**1.6**	–	3.2	0.9
Agrihold (Pty) Limited	**–**	**17.8**	**5.0**	–	8.5	2.4
Golden Hytec Farming (Pty) Limited	**–**	**9.3**	**2.6**	–	9.3	2.6
	10,342.2	**5,608.6**	**49.0**	9,577.8	5,462.5	43.7

[3] *These deductions are available to be utilised against income generated by the relevant tax entity and do not expire unless the tax entity concerned ceases to mine commercially for a period of longer than one year. Under South African mining tax ring-fencing legislation, each tax entity is treated separately and as such these deductions can only be utilised by the tax entities in which the deductions have been generated. South African tax losses have no expiration date.*

	F2009			F2008		
	Unredeemed capital expenditure US$ million	Tax losses US$ million	Deferred tax asset not recognised on tax losses US$ million	Unredeemed capital expenditure US$ million	Tax losses US$ million	Deferred tax asset not recognised on tax losses US$ million
International operations						
Orogen Investments SA (Luxembourg)[4]	**–**	**188.9**	**54.0**	–	211.5	60.5
Gold Fields Arctic Platinum Oy	**–**	**96.1**	**25.0**	–	106.1	27.6
Gold Fields Ghana Limited	**96.7**	**–**	**–**	28.1	–	–
Abosso Goldfields Limited	**6.7**	**–**	**–**	7.8	–	–
Gold Fields La Cima	**615.4**	**–**	**–**	707.9	–	–
	718.8	**285.0**	**79.0**	743.8	317.6	88.1

[4] *In terms of current Luxembourg taxation legislation, losses incurred in accounting periods subsequent to 31 December 1990, can be carried forward indefinitely. All losses incurred by Orogen Investment SA (Luxembourg) were incurred subsequent to 31 December 1990.*

	AUS$ million	AUS$ million	AUS$ million	AUS$ million	AUS$ million	AUS$ million
Gold Fields Australia (Pty) Limited	**–**	**–**	**–**	–	34.2	–

Figures in millions unless otherwise stated

9. DISCONTINUED OPERATIONS

On 30 November 2007, Gold Fields disposed of all its assets in Venezuela to Rusoro Mining Limited. The gross proceeds from the sale of the Venezuelan assets amounted to R2.8 billion (US$0.4 billion) and comprised cash of R1.2 billion (US$0.2 billion) and 140 million newly-issued shares in Rusoro Mining Limited valued at R1.6 billion (US$0.2 billion) on 30 November 2007.

The results of the Venezuelan assets are presented below:

United States Dollars 2008	United States Dollars **2009**		South African Rand **2009**	South African Rand 2008
41.2	–	Revenue	–	299.6
(29.5)	–	Cost of sales	–	(214.7)
11.7	–	Net operating profit	–	84.9
(5.7)	–	Other cost	–	(41.1)
6.0	–	Profit before tax	–	43.8
(0.9)	–	Mining and income tax	–	(6.8)
5.1	–	Net profit	–	37.0
10.2	–	Profit on sale of Venezuelan assets	–	74.2
15.3	–	**Profit for the year from discontinued operations**	–	111.2

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 30 June 2009

Figures in millions unless otherwise stated

United States Dollars 2008	United States Dollars 2009		South African Rand 2009	South African Rand 2008
		10. EARNINGS PER SHARE		
94	**25**	**10.1 Basic earnings per share – cents**	**229**	683
		Basic earnings per share is calculated by dividing the profit attributable to ordinary shareholders of R1,535.6 million (2008: R4,457.5 million) by the weighted average number of ordinary shares in issue during the year of 670,328,262 (2008: 652,538,212).		
88	**25**	**10.2 Diluted earnings per share – cents**	**227**	637
		Diluted basic earnings per share is calculated on the basis of adjusted profit attributable to ordinary shareholders of R1,535.6 million (2008: R4,496.3 million) and 677,790,732 (2008: 706,252,205) shares, being the diluted number of ordinary shares in issue during the year.		
		Profit used to calculate diluted earnings per share is calculated as follows:		
613.0	**170.4**	Profit attributable to ordinary shareholders	**1,535.6**	4,457.5
5.3	**–**	Interest expense of Mvela's convertible debt – net of tax	**–**	38.8
618.3	**170.4**	**Profit used to determine diluted earnings per share**	**1,535.6**	4,496.3
		The weighted average number of shares has been adjusted by the following to arrive at the diluted number of ordinary shares:		
		Weighted average number of shares	**670,328,262**	652,538,212
		Share options in issue	**7,462,470**	3,713,993
		Assumed conversion of Mvela's convertible debt	**–**	50,000,000
		Diluted number of ordinary shares	**677,790,732**	706,252,205

Figures in millions unless otherwise stated

United States Dollars 2008	United States Dollars 2009		South African Rand 2009	South African Rand 2008
		10. EARNINGS PER SHARE (continued)		
63	**48**	**10.3 Headline earnings per share – cents**	**431**	459
		Headline earnings per share is calculated on the basis of adjusted net earnings attributable to ordinary shareholders of R2,890.0 million (2008: R2,992.3 million) and 670,328,262 (2008: 652,538,212) shares, being the weighted average number of ordinary shares in issue during the year.		
		Net profit attributable to ordinary shareholders is reconciled to headline earnings as follows:		
613.0	**170.4**	Net profit attributable to ordinary shareholders	**1,535.6**	4,457.5
(194.8)	**16.4**	Loss/(profit) on disposal of investments	**148.0**	(1,416.2)
0.3	**–**	Taxation effect of profit on disposal of investments	**–**	2.2
(4.6)	**(0.5)**	Profit on disposal of property, plant and equipment	**(4.3)**	(33.6)
2.9	**0.1**	Taxation effect of profit on property, plant and equipment	**1.2**	20.8
7.0	**134.2**	Impairment of assets	**1,209.5**	51.2
(2.1)	**–**	Taxation effect of impairment of assets	**–**	(15.4)
(10.2)	**–**	Profit on sale of Venezuelan assets	**–**	(74.2)
411.5	**320.6**	**Headline earnings**	**2,890.0**	2,992.3
59	**47**	**10.4 Diluted headline earnings per share – cents**	**426**	429
		Diluted headline earnings per share is calculated on the basis of adjusted headline earnings attributable to ordinary shareholders of R2,890.0 million (2008: R3,031.1 million) and 677,790,732 (2008: 706,252,205) shares, being the diluted number of ordinary shares in issue during the year.		
		11. DIVIDENDS		
89.4	**101.9**	2008 final dividend of 120 cents per share (2007: 95 cents) declared on 1 August 2008	**784.6**	619.9
54.3	**19.3**	2009 interim dividend of 30 cents per share (2008: 65 cents) declared on 28 January 2009	**196.4**	424.9
		A final dividend in respect of financial 2009 of 80 cents per share was approved by the Board of Directors on 5 August 2009. This dividend payable is not reflected in these financial statements.		
		No Secondary Tax on Companies is payable on the dividend declared after year end due to sufficient STC credits available in Gold Fields Limited.		
143.7	**121.2**	**Total dividends**	**981.0**	1,044.8

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Figures in millions unless otherwise stated

United States Dollars				South African Rand		
Land, mineral rights and rehabilitation assets	Mine development, infrastructure and other assets	Total		Total	Mine development, infrastructure and other assets	Land, mineral rights and rehabilitation assets
			12. PROPERTY, PLANT AND EQUIPMENT			
			30 June 2009			
			Cost			
1,007.6	8,047.6	9,055.2	Balance at beginning of the year	72,441.5	64,380.8	8,060.7
21.1	827.8	848.9	Additions	7,649.2	7,458.8	190.4
–	8.7	8.7	Finance charges capitalised[1]	78.5	78.5	–
(2.8)	(15.5)	(18.3)	Disposals	(164.6)	(139.6)	(25.0)
1.30	7.7	9.0	Other	81.4	69.6	11.8
22.7	–	22.7	Additions to rehabilitation assets	204.4	–	204.4
(66.6)	(140.2)	(206.8)	Translation adjustment	(1,951.9)	(1,435.5)	(516.4)
983.3	**8,736.1**	**9,719.4**	**Balance at end of the year**	**78 338.5**	**70,412.6**	**7,925.9**
			Accumulated depreciation and impairment			
286.2	3,077.3	3,363.5	Balance at beginning of the year	26,908.2	24,618.5	2,289.7
26.1	433.6	459.7	Charge for the year	4,142.3	3,907.0	235.1
(1.0)	(2.9)	(3.9)	Disposals	(35.8)	(26.4)	(9.4)
0.1	1.0	1.1	Other	9.4	8.6	0.8
(28.6)	(69.6)	(98.2)	Translation adjustment	(1,023.0)	(786.1)	(236.7)
282.8	**3,439.4**	**3,722.2**	**Balance at end of the year**	**30,001.1**	**27,721.6**	**2,279.5**
700.5	**5,296.7**	**5,997.2**	**Carrying value at end of the year**	**48,337.4**	**42,691.0**	**5,646.4**
			30 June 2008			
1,007.6	8,047.6	9,055.2	Cost	72,441.5	64,380.8	8,060.7
286.2	3,077.3	3,363.5	Accumulated depreciation and impairment	26,908.2	24,618.5	2,289.7
721.4	4,970.3	5,691.7	**Carrying value at end of the year**	45,533.3	39,762.3	5,771.0

Notes

[1] Borrowing costs of R16.5 million arising on Group borrowings specifically related to the construction of Cerro Corona project were capitalised during the year. The balance of R62.0 million of the borrowing cost capitalised relates to Group general borrowings which directly relates to certain qualifying projects at the South African operations. An average interest capitalisation rate of 13.7% was applied.

Figures in millions unless otherwise stated

United States Dollars 2008	2009		South African Rand 2009	2008
		13. GOODWILL		
623.7	**557.4**	Balance at beginning of the year	**4,458.9**	4,458.9
(66.3)	**(4.2)**	Translation	**–**	–
557.4	**553.2**	**Balance at end of the year**	**4,458.9**	4,458.9

The goodwill arose on the acquisition of South Deep and is attributable to the upside potential of the asset, synergies, deferred tax and the gold multiple.

The total goodwill has been allocated to South Deep, being the cash generating unit (CGU), where it is tested for impairment as part of the CGU.

In line with the accounting policy, the recoverable amount was determined by reference to "fair value less costs to sell" being the higher of "value in use" or "fair value less cost to sell", based on the cash flows over the life of the asset and discounted to present value at an appropriate discount rate. Management's estimates and assumptions include:

- Long-term gold price of R245,000 per kilogram for 2010 and 2011 and R280,000 per kilogram thereafter (2008: R210,000 per kilogram); and,
- a discount rate of 6%.

- Annual life of mine plan which take into account the following:
  - proved and probable ore reserves of South Deep;
  - value beyond proved and probable reserves determined using appropriate price assumptions;
  - cash flows used in impairment calculations are based on the life of mine plan which exceeds five years; and
  - capital expenditures estimates as per the life of mine plan.

The carrying value of CGUs, including goodwill, is tested on an annual basis for impairment. In addition, the group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount of a CGU may not be recoverable.

Expected future cash flows used to determine the recoverable amount of property, plant and equipment and goodwill are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including reserves and production estimates, together with economic factors such as the spot gold price, foreign currency exchange rates, estimates of production costs, future capital expenditure and discount rates.

Therefore it is possible that outcomes within the next financial year that are materially different from the assumptions used in the impairment testing process could require an adjustment to the carrying values.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 30 June 2009

Figures in millions unless otherwise stated

United States Dollars 2008	United States Dollars 2009			South African Rand 2009	South African Rand 2008
		14.	**INVESTMENT IN ASSOCIATES**		
8.8	**6.1**		Investment in Rand Refinery Limited	**49.5**	70.0
231.2	**48.4**		Investment in Rusoro Mining Limited	**390.3**	1,849.8
240.0	**54.5**		**Total investment in associates**	**439.8**	1,919.8
		(a)	**Rand Refinery Limited**		
			The Group has a 34.9% interest in Rand Refinery Limited, a company incorporated in the Republic of South Africa, which is involved in the refining of bullion and by-products which are sourced from, *inter alia*, South African and foreign gold producing mining companies. The investment has been equity accounted as from 1 July 2002.		
			Rand Refinery Limited has a 30 September year end and equity accounting is based on results to 31 May 2009.		
46.1	**52.1**		Total revenue of associate – 100% basis for the period	**469.8**	334.9
13.3	**4.6**		Total profit of associate – 100% basis for the period	**41.2**	96.8
			Investment in associate consists of:		
3.3	**3.3**		Unlisted shares at cost	**22.3**	22.3
1.8	**5.5**		Share of accumulated profits brought forward	**47.7**	13.9
–	**(5.6)**		Dividend received	**(34.9)**	–
4.5	**1.6**		Profit after taxation	**14.4**	33.8
(0.8)	**1.3**		Translation adjustments	**–**	–
8.8	**6.1**		**Total investment in associate**	**49.5**	70.0
			The Group's interest in the summarised financial statements of Rand Refinery Limited:		
8.3	**10.1**		Non-current assets	**81.5**	66.3
10.7	**14.0**		Current assets	**112.9**	86.0
19.0	**24.1**		**Total assets**	**194.4**	152.3
1.2	**2.1**		Non-current liabilities	**16.6**	9.9
3.3	**10.2**		Current liabilities	**82.6**	26.7
4.5	**12.3**		**Total liabilities**	**99.2**	36.6
14.5	**11.8**		**Net assets**	**95.2**	115.7
			Reconciliation of the total investment in associate with attributable net assets:		
14.5	**11.8**		Net assets	**95.2**	115.7
(1.4)	**(1.4)**		Dividend received	**(8.4)**	(8.4)
(4.3)	**(4.3)**		Fair value adjustment*	**(37.3)**	(37.3)
8.8	**6.1**		**Carrying value**	**49.5**	70.0

** The investment in associate was fair valued at 1 July 2002, the date when significant influence was obtained.*

Figures in millions unless otherwise stated

14. INVESTMENT IN ASSOCIATES (continued)

(b) Rusoro Mining Limited

As a portion of the consideration received for the sale of the Venezuelan assets, the Group acquired 140 million shares in Rusoro Mining Limited, an interest of 36.2%. At 30 June 2009, the interest in Rusoro Mining Limited had been reduced to 26.4% mainly because Gold Fields did not participate in a Rusoro Mining Limited rights offer during F2009. This resulted in a dilution loss of R331.9 million which has been accounted for in equity as noted below.

Rusoro Mining Limited, a company listed on the TSX Venture Exchange, is a junior gold producer, with a large land position in the prolific Bolivar State gold region in southern Venezuela. The investment has been equity accounted as from 30 November 2007.

Rusoro Mining Limited has a 31 December year end and equity accounting is based on results published to 31 March 2009.

United States Dollars 2008	United States Dollars 2009		South African Rand 2009	South African Rand 2008
11.7	**88.8**	Total revenue of associate – 100% basis for the period	**800.1**	87.1
(15.8)	**(54.4)**	Total loss of associate – 100% basis for the period	**(490.1)**	(117.8)
		Investment in associate consists of:		
236.9	**236.9**	Listed shares at fair value at acquisition	**1,604.7**	1,604.7
(5.7)	**(25.8)**	Share of accumulated losses	**(224.3)**	(42.7)
–	**(41.2)**	Dilution loss	**(331.9)**	–
–	**(132.2)**	Impairment of investment	**(1,065.7)**	–
–	**10.7**	Other equity movements	**86.6**	–
–	**–**	Translation adjustments	**320.9**	287.8
231.2	**48.4**	**Total investment in associate**	**390.3**	1,849.8
		The Group's interest in the summarised financial statements of Rusoro Mining Limited:		
372.1	**242.6**	Non-current assets	**1,955.0**	2,976.4
20.8	**25.1**	Current assets	**202.6**	166.4
392.9	**267.7**	**Total assets**	**2,157.6**	3,142.8
144.1	**86.0**	Non-current liabilities	**693.4**	1,153.0
13.3	**9.8**	Current liabilities	**79.0**	106.4
157.4	**95.8**	**Total liabilities**	**772.4**	1,259.4
–	**0.2**	**Non-controlling interest**	**1.3**	–
235.5	**171.7**	**Net assets**	**1,383.9**	1,883.4
		Reconciliation of the total investment in associate with attributable net assets:		
235.5	**171.7**	Net assets	**1,383.9**	1,883.4
(4.3)	**(5.0)**	Translation adjustments	**72.1**	(33.6)
–	**(118.3)**	Impairment of investment in associate	**(1,065.7)**	–
231.2	**48.4**	**Carrying value**	**390.3**	1,849.8

The carrying value of Rusoro is based on the market price at 30 June 2009. This price was used to determine the impairment charge of R1,065.7 million.

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15. FINANCIAL INSTRUMENTS PER CATEGORY

The accounting policies for financial instruments have been applied to the line items below:

Figures in millions unless otherwise stated

Total	Available for sale	Derivatives used for hedging	Loans and receivables		Loans and receivables	Derivatives used for hedging	Available for sale	Total
United States Dollars				Assets per balance sheet	South African Rand			
				2009				
314.1	**314.1**	**–**	**–**	Investments	**–**	**–**	**2,531.0**	**2,531.0**
110.0	**–**	**–**	**110.0**	Environmental trust funds	**886.7**	**–**	**–**	**886.7**
383.8	**–**	**–**	**383.8**	Trade and other receivables	**3,092.8**	**–**	**–**	**3,092.8**
357.6	**–**	**–**	**357.6**	Cash and cash equivalents	**2,881.8**	**–**	**–**	**2,881.8**
				2008				
473.0	473.0	–	–	Investments	–	–	3,784.4	3,784.4
93.3	–	–	93.3	Environmental trust funds	746.7	–	–	746.7
279.2	–	–	279.2	Trade and other receivables	2,233.1	–	–	2,233.1
6.9	–	6.9	–	Financial instruments	–	55.5	–	55.5
253.7	–	–	253.7	Cash and cash equivalents	2,029.2	–	–	2,029.2

Total	Other financial liabilities	Derivatives used for hedging		Derivatives used for hedging	Other financial liabilities	Total
United States Dollars			Liabilities per balance sheet	South African Rand		
			2009			
1,103.7	**1,103.7**	**–**	Borrowings	**–**	**8,895.5**	**8,895.5**
287.8	**287.8**	**–**	Provisions	**–**	**2,319.6**	**2,319.6**
540.6	**540.6**	**–**	Trade and other payables	**–**	**4,357.6**	**4,357.6**
9.7	**9.7**	**–**	Bank overdraft	**–**	**77.9**	**77.9**
1.8	**1.7**	**0.1**	Financial instruments	**0.4**	**13.6**	**14.0**
			2008			
874.8	874.8	–	Borrowings	–	6,998.1	6,998.1
254.5	254.5	–	Provisions	–	2,036.5	2,036.5
611.6	611.6	–	Trade and other payables	–	4,891.3	4,891.3
2.8	2.8	–	Bank overdraft	–	21.9	21.9

Figures in millions unless otherwise stated

United States Dollars 2008	2009		South African Rand 2009	2008
		16. INVESTMENTS		
		Listed		
292.5	**268.7**	Cost	**2,269.4**	2,444.4
–	**(16.0)**	*Less:* Other than temporary impairments	**(143.8)**	–
150.0	**59.7**	Net unrealised gain on revaluation	**392.7**	1,095.8
442.5	**312.4**	Carrying value	**2,518.3**	3,540.2
442.5	**312.4**	Market value	**2,518.3**	3,540.2
		Unlisted		
27.7	**0.8**	Carrying value and directors' valuation	**6.2**	221.8
470.2	**313.2**	Total listed and unlisted investments	**2,524.5**	3,762.0
2.8	**0.9**	Loans advanced	**6.5**	22.4
473.0	**314.1**	**Total investments**	**2,531.0**	3,784.4
		All investments are classified as available for sale. Details of major investments are given on pages 210 and 211.		
		17. ENVIRONMENTAL TRUST FUNDS		
87.8	**93.3**	Balance at beginning of the year	**746.7**	627.7
7.7	**6.4**	Contributions made during the year	**57.7**	56.1
8.7	**9.1**	Interest earned during the year	**82.3**	62.9
(10.9)	**1.2**	Translation adjustment	**–**	–
93.3	**110.0**	**Balance at end of the year**	**886.7**	746.7
		The proceeds from these funds are intended to fund environmental rehabilitation obligations of the Group's South African mines and they are not available for general purposes of the Group. All income earned on these funds is re-invested or spent to meet these obligations. The funds are invested in money market, fixed deposits and government bonds. These obligations are included in environmental rehabilitation costs under long-term provisions. (Refer note 24.2)		
		18. INVENTORIES		
125.7	**143.5**	Gold-in-process	**1,156.7**	1,005.9
99.5	**121.0**	Consumable stores	**975.3**	796.0
2.0	**2.0**	Other	**16.4**	16.3
227.2	**266.5**	**Total inventories**	**2,148.4**	1,818.2
		The cost of consumable stores consumed during the year and included in working cost amounted to R4.8 billion (US$533.5 million).		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 30 June 2009

Figures in millions unless otherwise stated

United States Dollars			South African Rand	
2008	**2009**		**2009**	2008
		19. TRADE AND OTHER RECEIVABLES		
64.7	**137.1**	Trade receivables – gold sales	**1,104.8**	517.4
44.0	**19.1**	Trade receivables – other	**154.0**	352.0
0.4	**38.6**	Deposits	**311.4**	2.9
0.8	**1.1**	Interest receivable	**8.7**	6.3
4.5	**4.6**	Payroll receivables	**37.2**	36.2
23.9	**26.8**	Prepayments	**215.8**	191.5
131.0	**144.0**	Value added tax	**1,160.3**	1,048.3
1.2	**0.8**	Diesel rebate	**6.2**	9.3
0.4	**–**	Taxes receivable	**–**	3.1
8.3	**11.7**	Other	**94.4**	66.1
279.2	**383.8**	**Total trade and other receivables**	**3,092.8**	2,233.1
		20. FINANCIAL INSTRUMENTS		
6.9	**(0.1)**	Western Areas US dollars/rand purchases	**(0.4)**	55.5
–	**(1.7)**	Peru copper financial instruments	**(13.6)**	–
6.9	**(1.8)**	**Total financial instruments**	**(14.0)**	55.5

Western Areas US dollars/rand forward purchases

As a result of the US$551 million drawn down under the original bridge loan facility to settle mainly the close-out of the Western Areas gold derivative structure on 30 January 2007, US dollar/rand forward cover was purchased during the March 2007 quarter to cover this amount. During financial 2008, US$233 million of this loan was repaid and the forward cover was reduced to US$318 million to correspond with the loan amount outstanding.

In June 2009, a further amount of US$44 million was repaid against the loan, and the forward cover was reduced by US$44 million. The balance of US$274 million was extended to 15 July 2009, being the next interest repayment date on the loan, at an average forward rate of R8.0893.

At 30 June 2009 the unrealised foreign exchange loss on the revaluation of the US$274 million loan was R210 million. This loss was offset by R210 million cumulative positive gains on the forward cover purchased at an original rate of R7,3279. During the June quarter R65 million of forward cover costs were accounted for as part of interest, as this forward cover has been designated as a hedging instrument.

Figures in millions unless otherwise stated

United States Dollars 2008	United States Dollars 2009		South African Rand 2009	South African Rand 2008
		20. FINANCIAL INSTRUMENTS (continued)		
		Peru copper financial instruments		
		During June 2009, 8,705 tons of Cerro Corona's expected copper production for financial 2010 was sold forward for monthly deliveries, starting on 24 June 2009 to 23 June 2010. The average forward price for the monthly deliveries is US$5,001 per ton.		
		An additional 8,705 tons of Cerro Corona's expected copper production for financial 2010 was hedged by means of a zero cost collar, guaranteeing a minimum price of US$4,600 per ton with full participation up to a maximum price of US$5,400 per ton. The market to market value of both instruments at the end of June 2009 was negative by R13.6 million (US$1.7 million).		
		21. CASH AND CASH EQUIVALENTS		
253.7	**357.6**	Cash at bank and on hand	**2,881.8**	2,029.2
(2.8)	**(9.7)**	Bank overdraft	**(77.9)**	(21.9)
250.9	**347.9**	**Total cash and cash equivalents**	**2,803.9**	2,007.3
		22. DEFERRED TAXATION		
		The detailed components of the net deferred taxation liability which results from the differences between the carrying amounts of assets and liabilities recognised for financial reporting and taxation purposes in different accounting periods are:		
		Deferred taxation liabilities		
1 618.4	**1 698.8**	– Mining assets	**13,692.1**	12,947.0
35.6	**41.9**	– Investment in environmental trust funds	**338.0**	284.6
–	**1.0**	– Financial instruments	**8.3**	–
2.5	**12.5**	– Investments	**101.0**	19.9
3.5	**3.3**	– Inventories	**26.4**	28.0
12.3	**17.4**	– Deferred stripping costs	**140.1**	98.7
12.4	**8.2**	– Other	**66.3**	99.3
1,684.7	**1,783.1**	**Gross deferred taxation liabilities**	**14,372.2**	13,477.5
		Deferred taxation assets		
(101.5)	**(115.7)**	– Provisions	**(932.3)**	(811.8)
(13.9)	**–**	– Borrowings	**–**	(110.9)
(293.4)	**(281.3)**	– Tax losses	**(2,267.3)**	(2,347.5)
(598.2)	**(625.8)**	– Unredeemed capital expenditure	**(5,043.8)**	(4,785.4)
677.7	**760.3**	**Net deferred taxation liabilities**	**6,128.8**	5,421.9
650.5	**677.7**	Balance at beginning of the year	**5,421.9**	4,651.4
72.2	**88.2**	Transferred through the income statement	**795.1**	524.6
–	**11.2**	Deferred tax on mark-to-market adjustments accounted for in equity	**101.0**	–
(45.0)	**(16.7)**	Translation adjustment	**(189.2)**	245.9
677.7	**760.4**	**Balance at end of the year**	**6,128.8**	5,421.9

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 30 June 2009

23. BORROWINGS

(a) Debt component of Mvela loan

On 17 March 2004, Mvelaphanda Gold (Pty) Limited (Mvela), a wholly owned subsidiary of Mvelaphanda Resources Limited, advanced an amount of R4,139 million to GFI Mining South Africa (Pty) Limited (GFIMSA) at a fixed rate of 10.57% nominal annual compounded semi-annually. Interest was payable semi-annually and the loan amount was repaid on 17 March 2009.

On the date the loan was repaid, Mvela was obliged to subscribe for new shares in GFIMSA such that after the subscription it owned 15 per cent of the issued share capital of GFIMSA. The Mvelaphanda transaction further provided that for a period of one year after the subscription for the shares, each of Gold Fields Limited and Mvela will be entitled to require the exchange of these shares for 50,000,000 ordinary shares in the share capital of Gold Fields. On 17 March 2009 Mvela elected to exchange the GFIMSA Shares for the 50,000,000 Gold Fields shares.

The net proceeds of the loan of R4,107 million (R4,139 million less R32 million of costs) were accounted for in two components, namely a debt component and an equity component.

The debt component on initial recognition, included in long-term liabilities, is the present value of the future interest payments discounted using a market related cost of debt. The residual amount, representing the value of the equity component, is included in shareholders' equity, inclusive of deferred tax.

The debt component of the Mvela loan was amortised against payments of interest on the loan of R4,139.0 million with a proportionate amount of such payments recognised as interest on the debt component of the Mvela loan.

The loan was guaranteed by Gold Fields, Gold Fields Australia Pty Limited and Gold Fields Holdings Company (BVI) Limited (GF Holdings).

(b) Split-tenor revolving credit facility

On 16 May 2007, GFIMSA, Orogen Holdings (BVI) Limited (Orogen) and Gold Fields Operations Limited (GF Operations) entered into a US$750 million split-tenor revolving credit facility consisting of a US$250 million 364-day revolving tranche with a twelve-month term out option (Facility A) and a US$500 million five-year revolving tranche (Facility B).

On 28 April 2008, Gold Fields exercised the term out option under Facility A which converted the full US$250 million advance at that point into a term loan with a final maturity date of 16 May 2009. In terms of the facility agreement, Gold Fields had the option to repay the loan under Facility A early in whole or in part by giving five days' prior notice. Facility B matures on 16 May 2012. The purpose of the facilities was to refinance existing facilities and for general corporate purposes.

On 21 May 2007, GF Operations drew down US$50.8 million under Facility A and US$500.0 million under Facility B. In addition, on 21 May 2007, Orogen drew down US$168 million under Facility A. On 25 September 2007, Orogen drew down US$31.1 million under Facility A.

On 6 December 2007 Gold Fields utilised the proceeds from the sale of its Essakane exploration project in Burkina Faso and its Choco 10 mine in Venezuela to repay Facility A in its entirety (US$250 million) and US$10 million of the proceeds to partly repay Facility B. On 31 December 2007, Gold Fields utilised the proceeds from the issue of non-convertible redeemable preference shares to further partly repay Facility B by US$172 million. Subsequent to this, Orogen drew down US$73 million under Facility A on various dates and on 25 April 2008 GF Operations drew down US$177 million under Facility A to partly repay its loan under Facility B, after which Gold Fields exercised the term out option under Facility A as detailed above. In addition Orogen drew down a further US$121 million under Facility B subsequent to the term out option being exercised.

23. BORROWINGS (continued)

(b) Split-tenor revolving credit facility (continued)

On various dates during the current financial year Orogen drew down a further US$120 million under facility B. On 15 May 2009, GF Operations drew down US$118 million under Facility B to partly refinance its maturing loan under Facility A. The balance of the GF Operations loan outstanding under Facility A in the amount of US$59 million was refinanced with the $311 million syndicated revolving loan facility, which is detailed below in c). Also on 15 May 2009, Orogen repaid US$16 million of its portion of the maturing Facility A and refinanced the remaining US$57 million with the US$311 million syndicated revolving loan facility.

The total borrowings at year end under Facility B are US$500 million (2008: US$262 million) and Facility A nil (US$250 million as at 30 June 2008). The difference of US$1.5 million between the total borrowings above and the borrowings disclosed on page 170 relates to the transaction costs deducted from the liability on initial measurement.

The loan under Facility A bore interest at LIBOR plus a margin of 0.25% per annum while the loan under Facility B bears interest at LIBOR plus a margin of 0.30% per annum. Where the total utilisations under Facility A were equal to or greater than 50%, a utilisation fee of 0.05% per annum was paid on the total amount of utilisation. Such utilisation fee was paid quarterly in arrears.

Borrowings under the Revolving Credit Facility are guaranteed by Gold Fields, GFIMSA, GF Holdings, Orogen and GF Operations.

(c) Syndicated revolving loan facility

On 7 May 2009, GFIMSA, Orogen and GF Operations entered into a 364-day US$311 million syndicated revolving loan facility with an option to extend the term on the same terms for an additional 364 days from the date of the original final maturity (Extension Option). At any time prior to the date of final maturity, Gold Fields will have the option to convert all advances outstanding under this facility into a term loan with a final maturity date being no more than 24 months after the signing date of the facility (the Term Out Option). The Extension Option may not be exercised if the Term Out Option has been previously exercised. The purpose of the facilities was to refinance existing facilities and for general corporate purposes.

On 15 May 2009, GF Operations and Orogen drew down US$59 million and US$57 million respectively under this facility to refinance their respective portion of the loans maturing under Facility A of the split-tenor revolving credit facility. On 15 June 2009, GF Operations repaid US$44 million of its loan. The total borrowings at year end under the facility is US$72 million.

The facility bears interest at LIBOR plus a margin of 2.75% per annum. The borrowers are required to pay a quarterly commitment fee of 1.10% per annum, payable on the undrawn portion of the facility. A term out fee of 0.25% flat is payable on the date on which Gold Fields exercises the Term Out Option. This fee will be calculated on the amount of the facility which has been converted into the term loan.

Borrowings under the syndicated revolving loan facility are guaranteed by Gold Fields, GFIMSA, GF Holdings, Orogen and GF Operations.

(d) Project finance facility

On 14 November 2006, Gold Fields La Cima entered into a US$150 million project finance facility with a number of lenders. The purpose of the facility was to finance the project costs related to the development of the Cerro Corona copper-gold porphyry deposit located in the Hualgayoc province in the Cajamarca region in northern Peru.

As at 30 June 2009, Gold Fields La Cima has drawn down US$150 million (2008: US$150 million) under the Project Finance Facility. The loan bears interest at a margin over LIBOR of 0.45% during the pre-completion phase (i.e. prior to the financial completion date) and between 1.25% and 1.75% thereafter. Scheduled principal payments shall be made in 16 semi-annual instalments of various amounts ranging from 4.75% to 6.75% of the principal amount, beginning 30 June 2009. The final instalment is due on the tenth anniversary of the signing date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 30 June 2009

23. BORROWINGS (continued)

(d) Project finance facility (continued)

During the pre-completion phase the loan is guaranteed by Gold Fields and Gold Fields Corona (BVI) Limited (a wholly owned subsidiary of Gold Fields). The facility is secured by, among other things, pledges of and mortgages over the assets and properties of Gold Fields La Cima.

(e) Preference shares

On 24 December 2007, Gold Fields Limited issued R1.2 billion of non-convertible redeemable preference shares. The dividend rate payable is a floating rate that increases from 22% up to 61% of the prime lending rate quoted by FirstRand Bank Limited (the Prime Rate) over the life of the Preference Shares. Dividends accrue quarterly and are rolled up until the redemption date. The purpose of the preference shares was to refinance existing credit facilities.

On 10 October 2008, R600 million of the R1,200 million preference shares was redeemed with an attributable dividend of R23.2 million. The balance of the preference shares are redeemable at the option of Gold Fields.

The preference shares mature on 24 January 2011 and have been guaranteed by GFIMSA, Orogen, GF Operations and GF Holdings.

(f) Commercial paper loan

Gold Fields established its R10 billion Domestic Medium Term Note Programme (the Programme) on 6 April 2009. Under the Programme Gold Fields may from time to time issue notes denominated in any currency. The notes will not be subject to any minimum or maximum maturity and the maximum aggregate nominal amount of all notes from time to time outstanding will not exceed R10 billion. The Programme has been registered with the Bond Exchange of South Africa Limited (BESA) and the notes issued can be listed on BESA or not.

Under the Programme Gold Fields issued listed notes on 9 April 2009 and 4 June 2009 totalling R568 million and R575 million respectively. The different notes issued mature either three months or six months from date of issue and bear interest at Johannesburg Interbank Agreed Rate (JIBAR) plus a margin ranging from 0.675% to 1.000% per annum.

The total notes issued at year end under the Programme is R1,143 million.

(g) Industrial Development Corporation loan

On 28 May 2004, Living Gold (Pty) Limited (Living Gold), a subsidiary of GFIMSA, entered into an agreement with the Industrial Development Corporation of South Africa Limited (IDC) in terms of which the IDC agreed to provide a loan facility of R16.6 million. On 24 November 2004, Living Gold drew down the full amount of the facility and on 1 July 2006 the IDC converted R8.1 million of the outstanding loan to equity. On 1 July 2008 the remaining R8.8 million was converted to equity.

(h) Short-term syndicated facility

Gold Fields Ghana Limited entered into a US$20 million syndicated facility for 12 months. The facility is to be used for working capital requirements associated with the expansion of the carbon-in-leach (CIL) plant at the Tarkwa mine and related capital expenditure. The loan bears interest at LIBOR plus a margin of 3.0% per annum.

During December 2008, Tarkwa drew down US$20 million under the loan. Scheduled principal payments shall be made in monthly instalments of US$2 million for the first four months and US$4 million for the last three months beginning 30 June 2009. The final instalment is due on 31 December 2009.

(i) Other loans

R500 million revolving credit facility

On 21 August 2007, GFIMSA entered into a R500 million 364-day revolving credit facility. The facility was used for general corporate purposes. The facility bore interest at JIBAR plus a margin of 0.70% per annum.

23. BORROWINGS (continued)

(i) Other loans (continued)

R500 million revolving credit facility (continued)

On 24 August 2007, GFIMSA drew down R250 million under the facility. On 28 December 2007, GFIMSA drew down an additional R250 million. On 24 June 2008, the R500 million was repaid in full. Subsequently R500 million was drawn down under this facility, and was fully repaid on 19 August 2008. The facility expired on 21 August 2008. On 22 September 2008, this facility was renegotiated as a short term facility expiring on 21 October 2008.

On 11 November 2008, GFIMSA entered into a new R500 million 364-day revolving credit facility. The facility is to be used for general corporate and working capital requirements. The facility bears interest at JIBAR plus a margin of 1.20% per annum. On 15 May 2009 R500 million was drawn down under the facility with no repayments subsequent to this date. Borrowings under the facility are guaranteed by Gold Fields Limited.

R1 billion revolving credit facility

On 31 January 2008, GFIMSA, GF Operations, Orogen and GFL Mining Services Limited entered into a R1 billion 364-day revolving credit facility effective 15 May 2008. The facility was to be used for capital expenditure in respect of gold mining projects, general corporate and working capital requirements. Borrowings under the facility were guaranteed by Gold Fields, GF Holdings, GF Operations, Orogen and GFIMSA and bore interest at JIBAR plus 0.70% per annum. Gold Fields paid a quarterly commitment fee of 0.15% per annum on any undrawn amounts under the facility.

The Group utilised the abovementioned facility with other uncommitted loan facilities from some of the major banks to fund the capital expenditure and working capital requirements of the South African operations. The total of R8,039 million (2008: R1,260.2 million) borrowed under the combination of these loan facilities was repaid in part within the year from cash profits generated by the operations.

R1.5 billion long-term revolving credit facility

On 6 May 2009, GFIMSA and GF Operations entered into a R1.5 billion five year revolving credit facility effective 10 June 2009. The facility is to be utilised for capital expenditure, general corporate and working capital requirements and the refinancing of existing debt.

The facility is unutilised at year end and bears interest at JIBAR plus a margin of 2.95% per annum. The borrowers are required to pay a commitment fee of 0.75% per annum on the undrawn and un-cancelled amounts of the facility, calculated and payable semi-annually in arrears.

The facility matures on 10 June 2014. Borrowings under the facility are guaranteed by Gold Fields, GF Holdings, GF Operations, Orogen and GFIMSA.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 30 June 2009

Figures in millions unless otherwise stated

United States Dollars 2008	United States Dollars 2009			South African Rand 2009	South African Rand 2008
		23.	**BORROWINGS (continued)**		
		(a)	**Debt component of Mvela loan**		
595.2	**595.2**		Loan advanced	**4,107.0**	4,107.0
(355.6)	**(355.6)**		Equity component	**(2,453.6)**	(2,453.6)
239.6	**239.6**		Debt component on initial recognition	**1,653.4**	1,653.4
117.4	**60.5**		Balance at the beginning of year	**484.2**	839.6
(48.9)	**(54.2)**		Loan repayments during the year	**(484.2)**	(355.4)
(8.0)	**(6.3)**		Translation adjustment	**–**	–
60.5	**–**		Balance at end of year	**–**	484.2
		(b)	**Split-tenor revolving credit facility**		
717.3	**510.5**		Balance at the beginning of year	**4,084.0**	5,128.7
225.1	**138.0**		Loan advanced	**1,325.2**	1,718.7
(431.9)	**(150.0)**		Loan repayments during the year	**(1,299.2)**	(3,001.6)
–	**–**		Translation adjustment	**(92.0)**	238.2
510.5	**498.5**		Balance at end of year	**4,018.0**	4,084.0
		(c)	**Syndicated revolving loan facility**		
–	**–**		Balance at the beginning of year	**–**	–
–	**116.0**		Loan advanced	**993.0**	–
–	**(44.0)**		Loan repayments during the year	**(376.6)**	–
–	**–**		Translation adjustment	**(36.1)**	–
–	**72.0**		Balance at end of year	**580.3**	–
		(d)	**Project finance facility**		
127.0	**150.0**		Balance at the beginning of year	**1,200.0**	908.1
23.0	**–**		Loan advanced	**–**	156.9
–	**–**		Translation adjustment	**9.0**	135.0
150.0	**150.0**		Balance at end of year	**1,209.0**	1,200.0
		(e)	**Preference shares**		
165.1	**152.4**		Balance at the beginning of year	**1,219.5**	1,200.0
2.7	**9.8**		Preference share interest	**87.9**	19.5
–	**(63.5)**		Preference share repayments during the year	**(623.2)**	–
(15.4)	**(13.8)**		Translation adjustment	**–**	–
152.4	**84.9**		Balance at end of year	**684.2**	1,219.5
		(f)	**Commercial paper loan**		
–	**–**		Balance at the beginning of year	**–**	–
–	**133.5**		Loan advanced	**1,143.0**	–
–	**8.3**		Translation adjustment	**–**	–
–	**141.8**		Balance at end of year	**1,143.0**	–

Figures in millions unless otherwise stated

United States Dollars 2008	2009		South African Rand 2009	2008
		23. BORROWINGS (continued)		
		(g) Industrial Development Corporation loan		
2.3	**1.1**	Balance at the beginning of year	**8.8**	8.8
(1.1)	**(1.1)**	Capitalisation of loan to minority interests	**(8.8)**	–
(0.1)	**–**	Translation adjustment	**–**	–
1.1	**–**	Balance at end of year	**–**	8.8
		(h) Short-term syndicated facility		
–	**–**	Balance at the beginning of year	**–**	–
–	**20.0**	Loan advanced	**203.6**	–
–	**–**	Translation adjustment	**(42.4)**	–
–	**20.0**	Balance at end of year	**161.2**	–
		(i) Other loans		
0.6	**0.2**	Balance at the beginning of year	**1.6**	3.9
173.3	**904.8**	Loans advanced	**8,039.0**	1,260.2
(173.7)	**(736.0)**	Loans repaid during the year	**(6,940.8)**	(1,262.5)
–	**(32.5)**	Translation adjustment	**–**	–
0.2	**136.5**	Balance at end of year	**1,099.8**	1.6
874.7	**1,103.7**	**Gross borrowings**	**8,895.5**	6,998.1
(60.5)	**(317.8)**	Current portion included in borrowings	**(2,561.2)**	(484.2)
814.2	**785.9**	**Total non-current borrowings**	**6,334.3**	6,513.9
		The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates at the balance sheet dates are as follows:		
814.2	**1,103.7**	Six months or less	**8,895.5**	6,513.9
60.5	**–**	Fixed rate with no exposure to repricing	**–**	484.2
874.7	**1,103.7**		**8,895.5**	6,998.1
		The carrying amounts of the Group's borrowings are denominated in the following currencies:		
660.5	**740.5**	US dollar	**5,968.5**	5,284.0
214.3	**363.2**	Rand	**2,927.0**	1,714.1
874.7	**1,103.7**		**8,895.5**	6,998.1
		The Group has the following undrawn borrowing facilities:		
187.5	**425.1**	Committed	**3,426.0**	1,500.0
183.8	**207.5**	Uncommitted	**1,672.4**	1,470.0
371.3	**632.6**		**5,098.4**	2,970.0
		All of the above facilities have floating rates. Committed facilities amounting to R1,500.0 million expire on 10 June 2014 and the remaining balance expires 7 May 2010 with an option to extend for a further year. The uncommitted facilities have no expiry dates and are open ended.		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

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Figures in millions unless otherwise stated

United States Dollars 2008	United States Dollars 2009		South African Rand 2009	South African Rand 2008
		24. PROVISIONS		
		24.1 Post-retirement health care costs		
2.2	**2.3**	Gold Fields Group (excluding South Deep) post-retirement health care costs	**18.3**	17.6
0.4	**0.3**	South Deep post-retirement health care costs	**2.2**	3.4
2.6	**2.6**	Gold Fields Group post-retirement health care costs	**20.5**	21.0

Gold Fields Group (excluding South Deep) post-retirement health care costs

The Group has certain liabilities to subsidise the contributions payable by certain pensioners and dependants of ex-employees on a pay-as-you-go basis. The remaining obligation was actuarially valued at 30 June 2009 and the outstanding contributions will be funded over the lifetime of these pensioners and dependants.

The following table sets forth the funded status and amounts recognised by the Group for post-retirement health care costs:

United States Dollars 2008	United States Dollars 2009		South African Rand 2009	South African Rand 2008
2.1	**2.4**	Actuarial present value	**19.2**	16.5
–	**–**	Plan assets at fair value	**–**	–
2.1	**2.4**	Accumulated benefit obligation in excess of plan assets	**19.2**	16.5
–	**–**	Unrecognised prior service costs	**–**	–
–	**–**	Unrecognised actuarial (gains)/losses	**–**	–
2.1	**2.4**	Post-retirement health care liability	**19.2**	16.5
		Benefit obligation reconciliation		
2.3	**2.2**	Balance at beginning of year	**17.6**	16.8
0.3	**0.2**	Interest charge	**1.6**	2.3
(0.2)	**(0.1)**	Payments during the year	**(0.9)**	(1.5)
(0.2)	**–**	Translation adjustments	**–**	–
2.2	**2.3**	Balance at end of year	**18.3**	17.6

The obligation has been valued using the projected unit credit funding method on past service liabilities. The valuation assumes a health care cost inflation rate of 7.0% per annum (2008: 8.0%) and a discount rate of 8.375% per annum (2008: 10.0%). Assumed health care cost trend rates have a significant impact on the amounts reported for the health care plans.

A one percentage point increase in assumed health care trend rates would have increased interest cost for 2009 by R0.2 million (9.8%) (2008: R 0.2 million (10.5%)). The effect of this change on the accumulated post-retirement health care benefit obligation at 30 June 2009 would have been an increase of R2.0 million (10.2%) (2008: R1.5 million (9.4%)).

Figures in millions unless otherwise stated

24. PROVISIONS (continued)

24.1 Post-retirement health care costs (continued)

A one percentage point decrease in assumed health care trend rates would have decreased interest cost for 2009 by R0.1 million (8.5%) (2008: R0.1 million (8.9%)). The effect of this change on the accumulated post-retirement health care benefit obligation at 30 June 2009 would have been a decrease of R1.7 million (8.7%) (2008: R1.3 million (8.1%)).

South Deep post-retirement health care costs

As part of the acquisition of South Deep, the post-retirement health care cost liability was assumed. The Group has certain liabilities to provide fixed monthly post-retirement medical benefits to certain pensioners and dependants of ex-employees. The obligation was actuarially valued at 30 June 2009 and the outstanding contributions will be funded until 31 December 2011.

The following table sets forth the funded status and amounts recognised by the Group for post-retirement health care costs:

United States Dollars 2008	United States Dollars 2009		South African Rand 2009	South African Rand 2008
0.3	**0.2**	Actuarial present value	**2.0**	2.7
–	**–**	Plan assets at fair value	**–**	–
0.3	**0.2**	Accumulated benefit obligation in excess of plan assets	**2.0**	2.7
–	**–**	Unrecognised prior service costs	**–**	–
–	**–**	Unrecognised actuarial (gains)/losses	**–**	–
0.3	**0.2**	Post-retirement health care liability	**2.0**	2.7
		Benefit obligation reconciliation		
0.6	**0.5**	Balance at beginning of year	**3.4**	4.2
–	**–**	Interest charge	**0.2**	0.3
(0.2)	**(0.2)**	Payments during the year	**(1.4)**	(1.1)
0.1	**–**	Translation adjustments	**–**	–
0.5	**0.3**	Balance at end of year	**2.2**	3.4

The obligation has been valued using the projected unit credit funding method on past service liabilities. The valuation assumes a health care cost inflation rate of 7.0% per annum (2008: 8.0%) and a discount rate of 8.375% per annum (2008: 10.0%).

An increase or decrease in assumed health care trend rates would not have affected the interest cost for 2009 or 2008 as the monthly contributions are fixed.

A change in the medical inflation assumption does not affect the employer liability as the subsidy does not escalate. The monthly contributions will remain constant.

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Figures in millions unless otherwise stated

United States Dollars 2008	United States Dollars 2009		South African Rand 2009	South African Rand 2008
		24. PROVISIONS (continued)		
		24.2 Environmental rehabilitation costs		
193.1	**251.9**	Balance at beginning of the year	**2,015.5**	1,380.5
55.7	**22.7**	Additional provision due to new disturbances	**204.4**	404.8
8.1	**14.4**	Inflation charge	**129.4**	59.0
6.5	**4.2**	Interest charge	**38.1**	47.3
(4.0)	**(4.0)**	Payments against provision	**(36.3)**	(29.3)
(7.5)	**(7.9)**	Translation adjustments	**(83.2)**	153.2
251.9	**281.3**	Balance at end of year	**2,267.9**	2,015.5

South African, Ghanaian, Australian and Peruvian mining companies are required by law to undertake rehabilitation works as part of their ongoing operations. These environmental rehabilitation costs are funded as follows:

- Ghana – reclamation bonds underwritten by banks to secure estimated costs of rehabilitation;
- South Africa – contributions into environmental trust funds (Note 17);
- Australia – unconditional bank-guaranteed performance bonds to secure the estimated costs; and
- Peru – guarantees with annual deposits for proper compliance with the Mine Closure Plan.

The expected timing of the cash outflows in respect of the provision is on the closure of the various mining operations. However, certain current rehabilitation costs are charged to this provision as and when incurred.

2008 Inflation rate %	2008 Discount rate %	The provision is calculated using the following rates:	**2009 Discount rate %**	**2009 Inflation rate %**
9.0	10.1 – 12.6	South Africa	**7.0 – 8.7**	**7.0**
4.2	4.6 – 5.0	Ghana	**4.1 – 4.4**	**3.0**
3.0	7.6	Australia	**6.2 – 6.3**	**2.5**
5.4	6.0	Peru	**6.7**	**5.4**

Figures in millions unless otherwise stated

United States Dollars 2008	2009		South African Rand 2009	2008
		24. PROVISIONS (continued)		
		24.3 Other long-term provisions		
–	**3.9**	Kunter Wasi Road	**31.2**	–
–	**3.9**	Balance at end of the year	**31.2**	–
		Gold Fields La Cima has formally declared their intention to jointly participate with Minera Yanacocha S.R.L. in financing the Kunter Wasi Road as an alternative route from the coast to the Cerro Corona Mine. Gold Fields La Cima agreed to pay a maximum of 20% of the estimated cost of the project amounting to US$11.5 million, which is commencing in July 2009 and is scheduled to be completed by June 2011.		
254.5	**287.8**	**Total provisions**	**2,319.6**	2,036.5
		25. TRADE AND OTHER PAYABLES		
167.2	**191.6**	Trade payables	**1,544.5**	1,337.3
296.0	**283.9**	Accruals and other payables	**2,288.6**	2,367.5
47.2	**50.7**	Leave pay accrual	**408.5**	376.9
96.0	**–**	Funds received for shares to be issued	**–**	768.0
5.2	**14.4**	Interest payable on loans	**116.0**	41.6
611.6	**540.6**	**Total accounts payable**	**4,357.6**	4,891.3
		26. CASH GENERATED BY OPERATIONS		
647.3	**205.7**	Profit for the year	**1,854.1**	4,706.6
266.6	**261.2**	Taxation	**2,353.5**	1,937.7
79.5	**91.6**	Interest paid	**825.3**	578.4
(17.9)	**(14.5)**	Interest received	**(131.0)**	(130.3)
(4.6)	**(1.3)**	Dividends received	**(11.5)**	(33.6)
970.9	**542.7**	**Earnings before non-cash items**	**4,890.4**	7,058.8
		Non-cash and other adjusting items:		
416.2	**459.7**	Amortisation and depreciation	**4,142.3**	3,025.6
8.1	**14.4**	Inflation adjustment to rehabilitation liability	**129.4**	59.0
6.5	**4.2**	Interest adjustment to rehabilitation liability	**38.1**	47.3
(8.7)	**(9.1)**	Interest received – environmental trust funds	**(82.3)**	(62.9)
7.0	**134.2**	Impairment of assets	**1,209.5**	51.2
(4.6)	**(0.5)**	Profit on disposal of property, plant and equipment	**(4.3)**	(33.6)
(205.0)	**16.1**	Profit/(loss) on disposal of investments	**145.1**	(1,490.4)
20.7	**33.7**	Share-based payments	**303.4**	150.6
2.7	**11.3**	Preference share and other non-cash interest	**102.0**	19.5
(8.0)	**(8.7)**	Finance costs capitalised	**(78.5)**	(57.9)
(10.7)	**(14.6)**	Other	**(131.6)**	(78.5)
1,195.1	**1,183.4**	**Total cash generated by operations**	**10,663.5**	8,688.7

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United States Dollars 2008	United States Dollars 2009		South African Rand 2009	South African Rand 2008
		27. CHANGE IN WORKING CAPITAL		
(14.6)	**(48.9)**	Inventories	**(441.0)**	(106.1)
(55.3)	**(127.0)**	Accounts receivable	**(1,144.3)**	(402.2)
106.0	**44.5**	Accounts payable	**401.5**	770.6
36.1	**(131.4)**	**Total change in working capital**	**(1,183.8)**	262.3
		28. TAXATION PAID		
(76.3)	**(123.1)**	Amount owing at beginning of year	**(984.6)**	(545.5)
(194.4)	**(173.0)**	SA and foreign current taxation	**(1,558.4)**	(1,413.1)
123.1	**98.2**	Amount owing at end of year	**791.8**	984.6
4.1	**–**	Translation	**(61.6)**	50.6
(143.5)	**(197.9)**	**Total taxation paid**	**(1,812.8)**	(923.4)
		29. DIVIDENDS PAID		
(142.5)	**(121.2)**	Dividends per statement of shareholders' equity	**(981.0)**	(1,044.8)
(142.5)	**(121.2)**	**Total dividends paid**	**(981.0)**	(1,044.8)
		30. RETIREMENT BENEFITS		
		All employees are members of various defined contribution retirement schemes.		
		Contributions to the various retirement schemes are fully expensed during the year in which they are incurred. The cost of providing retirement benefits for the year amounted to R515.6 million (2008: R494.2 million).		
		31. COMMITMENTS		
		Capital expenditure		
932.3	**958.7**	– authorised	**7,727.1**	7,458.3
167.5	**131.4**	– contracted for	**1,058.9**	1,340.2
		Operating leases:		
1.1	**1.7**	– within one year	**13.8**	8.7
1.6	**3.8**	– later than one and not later than five years	**30.3**	12.4
–	**–**	– later than five years	**–**	–
39.6	**3.1**	Guarantees and other commitments	**25.1**	316.7

32. CONTINGENT LIABILITIES

Randgold & Exploration summons

On 21 August 2008, Gold Fields Operations received a summons from Randgold and Exploration Company Limited, or R&E, and African Strategic Investment (Holdings) Limited. The summons claims that during the period that Gold Fields Operations was under the control of Brett Kebble, Roger Kebble and others, Gold Fields Operations was allegedly part of a scam whereby JCI Limited unlawfully disposed of shares owned by R&E in Randgold Resources Limited, or Resources, and Afrikander Lease Limited, now Uranium One.

Gold Fields Operations' preliminary assessment was that it had strong defences to these claims and accordingly, Gold Fields Operations' attorneys were instructed to vigorously defend the claims. Werksmans Attorneys have been so instructed. Much of the preparatory work is still being undertaken and pleadings have not yet closed.

The claims have been computed in various ways. The highest claims have been computed on the basis of the highest prices of Resources and Uranium One between the dates of the alleged thefts and March 2008 (approximately R11 billion). The alternative claims have been computed on the basis of the actual amounts allegedly received by Gold Fields Operations to fund its operations (approximately R519 million).

It should be noted that the claims lie only against Gold Fields Operations, whose only interest is a 50% stake in the South Deep Mine.

World Gold Council

Gold Fields is a member of the World Gold Council. In terms of the membership agreement, all members are responsible for certain costs, including ongoing costs on a three year rolling basis, winding up costs, if applicable, and various other contingent liabilities. Apportionment of liabilities to individual members, should they arise, is done proportionate to the member's production relative to the total production of all members. To date, no claims have been made on Gold Fields.

33. EVENTS AFTER THE BALANCE SHEET DATE

Disposal of stake in Sino Gold

On 3 June 2009, Gold Fields Limited reached agreement to sell its 19.9% stake in Sino Gold Mining Limited to Eldorado Gold Corporation for a total consideration of approximately US$282 million payable in Eldorado shares which were received on 27 July 2009. Gold Fields received a share exchange ratio of 48 Eldorado shares for every 100 Sino Gold shares, which resulted in Gold Fields holding 27,824,654 Eldorado shares or approximately 7% of the outstanding shares of Eldorado on a fully diluted basis.

In addition, Gold Fields holds a top-up right for a period of 18 months, which will apply should Eldorado purchase an additional 5% or more of the outstanding shares of Sino Gold and the sellers in that transaction realise a consideration ratio in excess of the share exchange ratio of 0.48 Eldorado shares per Sino Gold share received by Gold Fields.

On 3 September 2009, Gold Fields disposed of its holding in Eldorado for a total consideration of CAD323 million (approximately US$293 million).

Acquisition of Glencar Mining

On 24 July 2009, Gold Fields Limited, through a wholly owned subsidiary, reached agreement with Glencar Mining Plc (Glencar) on the terms of a recommended cash offer to acquire the entire issued share capital of Glencar for cash. On 7 August 2009, the offer document was posted to eligible Glencar shareholders who had until 4 September to accept the offer. On 7 September, Gold Fields announced that it had received 83.1 per cent of acceptances and therefore 83.1 per cent of the issued share capital of Glencar. All conditions of the offer were satisfied or waived and therefore the offer was declared unconditional in all respects. Gold Fields has also taken control of the board of Glencar with the appointment of three new directors.

Termination of royalty over St Ives

On 27 August 2009, an agreement was executed in terms of which the royalty payable by St Ives Gold Mining Company (Pty) Limited (St Ives) to Morgan Stanley Bank's subsidiaries was terminated for a consideration of A$308 million.

When Gold Fields acquired St Ives in late 2001, the total consideration included the royalty, which was subsequently acquired by subsidiaries of Morgan Stanley Bank. The royalty comprised two parts (i) a payment equal to 4% of the revenue from all future gold produced by St Ives; and (ii) provided that the gold price exceeds A$600/oz, a payment equal to 10% of the revenue difference between the spot gold price expressed in Australian dollars per ounce and a price of A$600/oz calculated on all future ounces produced by St Ives. Both components of the royalty were payable on all future production from St Ives and thus presented an uncapped liability.

The punitive impact of the royalty on the costs of St Ives, which equated to approximately A$100 per ounce at current gold prices, has become clear over the past year both in terms of its adverse impact on the operating margin of the mine, as well as St Ives' ability to convert further ounces into Reserves.

Final dividend

On 5 August 2009, Gold Fields declared a dividend of 80 cents per share.

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34. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The fair value of a financial instrument is defined as the amount at which the instrument could be exchanged in an arm's-length transaction between willing parties. The estimated values of the Group's financial instruments are:

	30 June 2009 R million		30 June 2008 R million	
	Carrying amount	**Fair value**	Carrying amount	Fair value
Financial assets				
Cash and cash equivalents	**2,881.8**	**2,881.8**	2,029.2	2,029.2
Financial instruments	**–**	**–**	55.5	55.5
Trade and other receivables	**3,092.8**	**3,092.8**	2,233.1	2,233.1
Environmental trust fund	**886.7**	**886.7**	746.7	746.7
Investments	**2,531.0**	**2,531.0**	3,784.4	3,784.4
Financial liabilities				
Trade and other payables	**4,357.6**	**4,357.6**	4,891.3	4,891.3
Current portion of borrowings	**2,561.2**	**2,561.2**	484.2	506.7
Financial instruments	**14.0**	**14.0**	–	–
Borrowings	**6,334.3**	**6,334.3**	6,513.9	6,513.9
Bank overdraft	**77.9**	**77.9**	21.9	21.9
	US$ million		US$ million	
Financial assets				
Cash and cash equivalents	**357.6**	**357.6**	253.7	253.7
Financial instruments	**–**	**–**	6.9	6.9
Trade and other receivables	**383.8**	**383.8**	279.2	279.2
Environmental trust fund	**110.0**	**110.0**	93.3	93.3
Investments	**314.1**	**314.1**	473.0	473.0
Financial liabilities				
Trade and other payables	**540.6**	**540.6**	611.6	611.6
Current portion of borrowings	**317.8**	**317.8**	60.5	63.3
Financial instruments	**1.8**	**1.8**	–	–
Borrowings	**785.9**	**785.9**	814.2	814.2
Bank overdraft	**9.7**	**9.7**	2.8	2.8

The following methods and assumptions were used to estimate the fair value of each class of financial instrument:

Trade and other receivables, payables and cash and cash equivalents

The carrying amounts approximate fair values due to the short maturity of these instruments.

Investments, environmental trust fund and long- and short-term liabilities

The fair value of publicly traded instruments is based on quoted market values. The environmental trust fund is stated at fair value based on the nature of the fund's investments. The fair value of short-term and long-term borrowings approximates their carrying amount as the impact of credit risk is included in the measurement of carrying amounts.

Financial instruments

The fair value of financial instruments is estimated based on ruling market prices, volatilities and interest rates at 30 June 2009. All derivatives are carried on the balance sheet at fair value.

35. RISK MANAGEMENT ACTIVITIES

In the normal course of its operations, the Group is exposed to commodity price, currency, interest rate, liquidity, equity price and credit risk. In order to manage these risks, the Group has developed a comprehensive risk management process to facilitate control and monitoring of these risks.

Controlling and managing risk in the Group

Gold Fields has policies in areas such as counterparty exposure, hedging practices and prudential limits which have been approved by Gold Fields' Board of Directors. Management of financial risk is centralised at Gold Fields' treasury department, which acts as the interface between Gold Fields' operations and counterparty banks. The treasury department manages financial risk in accordance with the policies and procedures established by the Gold Fields Board of Directors and Executive Committee.

Gold Fields' Audit Committee has approved dealing limits for money market, foreign exchange and commodity transactions, which Gold Fields' treasury department is required to adhere to. Among other restrictions, these limits describe which instruments may be traded and demarcate open position limits for each category as well as indicating counterparty credit related limits. The dealing exposure and limits are checked and controlled each day and reported to the Chief Financial Officer.

The objective of Treasury is to manage all financial risks arising from the Group's business activities in order to protect profit and cash flows. Treasury activities of Gold Fields Limited and its subsidiaries (the Group) are guided by the Treasury Policy, the Treasury Framework as well as domestic and international financial market regulations. Treasury activities are currently performed within the Treasury Framework with appropriate resolutions from the Board of Gold Fields Limited, which are reviewed and approved annually by the Audit Committee.

The financial risk management objectives of the Group are defined as follows:

Liquidity risk management: The objective is to ensure that the Group is able to meet its short-term commitments through the effective and efficient usage of credit facilities.

Currency risk management: The objective is to maximise the Group's profits by minimising currency fluctuations.

Funding risk management: The objective is to meet funding requirements timeously and at competitive rates by adopting reliable liquidity management procedures.

Investment risk management: The objective is to achieve optimal returns on surplus funds.

Interest rate risk management: The objective is to identify opportunities to prudently manage interest rate exposures.

Counterparty exposure: The objective is to only deal with approved counterparties that are of a sound financial standing and who have an official credit rating. The Group is limited to a maximum investment of between 4 and 5 per cent of the financial institutions' equity, which is dependent on the institutions' credit rating. This credit rating is Fitch Ratings' short-term credit rating for financial institutions.

Commodity price risk management: Commodity risk management takes place within limits and with counterparties as approved in the Treasury Framework.

Operational risk management: The objective is to implement controls to adequately mitigate the risk of error and/or fraud.

Banking relations management: The objective is to maintain relationships with credible financial institutions and ensure that all contracts and agreements related to risk management activities are co-ordinated and consistent throughout the Group and that they comply where necessary with all relevant regulatory and statutory requirements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 30 June 2009

35. RISK MANAGEMENT ACTIVITIES (continued)

Credit risk

Credit risk represents risk that an entity will suffer a financial loss due to the other party of a financial instrument not discharging its obligation.

The Group has reduced its exposure to credit risk by dealing with a number of counterparties. The group approves these counterparties according to its risk management policy and ensures that they are of good credit quality.

Accounts receivable are reviewed on a regular basis and a provision for impairment is raised when they are not considered recoverable.

The combined maximum credit risk exposure of the Group is as follows:

	SA Rand		US Dollars	
	2009	2008	**2009**	2008
On balance sheet				
Financial instruments	**–**	55.5	**–**	6.9
Investments	**6.5**	22.4	**0.9**	2.8
Non-current assets	**886.7**	746.7	**110.0**	93.3
Trade and other receivables	**1,716.7**	993.3	**213.0**	124.3
Cash and cash equivalents	**2,881.8**	2,029.2	**357.6**	253.7
Off balance sheet				
Guarantees	–	270.9	–	33.9

Trade debtors mainly comprise banking institutions purchasing gold bullion. Normal terms are two working days. These debtors are in a sound financial position and no impairment has been recognised.

Other receivables that are past due but not impaired total R19.9 million (2008: R29.2 million). As of 30 June 2009, other receivables of R52.0 million (2008: R37.3 million) are considered impaired and are provided for.

Concentration of credit risk on cash and cash equivalents and non-current assets is considered minimal due to the abovementioned investment risk management and counterparty exposure risk management policies.

Liquidity risk

In the ordinary course of business, the Group receives cash proceeds from its operations and is required to fund working capital and capital expenditure requirements. The cash is managed to ensure surplus funds are invested to maximise returns whilst ensuring that capital is safeguarded to the maximum extent possible by investing only with top financial institutions.

Uncommitted borrowing facilities are maintained with several banking counterparties to meet the Group's normal and contingency funding requirements.

35. RISK MANAGEMENT ACTIVITIES (continued)

The following are the contractually due undiscounted cash flows resulting from maturities of all financial liabilities, including interest payments:

	Within one year R million	Between one and five years R million	After five years R million	Total R million
2009				
Trade payables	**4,357.6**	**–**	**–**	**4,357.6**
Borrowings				
– US$ borrowings				
– Capital	**318.4**	**5,181.6**	**480.6**	**5,980.6**
– Interest	**48.7**	**111.3**	**16.2**	**176.2**
– ZAR borrowings				
– Capital	**2,242.9**	**600.0**	**–**	**2,842.9**
– Interest	**34.4**	**231.4**	**–**	**265.8**
Environmental rehabilitation costs[4]	**–**	**–**	**2,754.4**	**2,754.4**
Post-retirement health care costs	**–**	**–**	**20.5**	**20.5**
Financial instruments[5]				
– Contractual outflow	**2,216.4**	**–**	**–**	**2,216.4**
– Inflow if US$ were to be sold	**(2,208.4)**	**–**	**–**	**(2,208.4)**
Bank overdraft	**77.9**	**–**	**–**	**77.9**
Total	**7,087.9**	**6,124.3**	**3,271.7**	**16,483.9**
2008				
Trade payables	4,123.3	–	–	4,123.3
Borrowings				
– US$ borrowings				
– Capital	96.0	4,600.0	600.0	5,296.0
– Interest	196.5	455.9	43.8	696.2
– ZAR borrowings				
– Capital	484.2	1,210.4	–	1,694.6
– Interest	17.9	399.1	–	417.0
Environmental rehabilitation costs[4]	–	–	2,542.8	2,542.8
Post-retirement health care costs	–	–	21.0	21.0
Financial instruments[5]				
– Contractual outflow	2,495.6	–	–	2,495.6
– Inflow if US$ were to be sold	(2,544.0)	–	–	(2,544.0)
Bank overdraft	21.9	–	–	21.9
Total	4,891.4	6,665.4	3,207.6	14,764.4

Notes:

[1] Spot rate: R8.06 = US$1.00 (2008: R8.00 = US$1.00)

[2] US$ borrowings – Spot LIBOR (1 month fix) rate adjusted by specific facility agreement: 0.31125% (2008: 2.4819%)

[3] ZAR borrowings – Spot Prime rate adjusted by specific facility agreement: 11.0 % (2008: 15.50%).

[4] In South Africa, R886.7 million of the environmental rehabilitation costs is funded through the environmental trust funds.

[5] Financial instruments relate to the US$/Rand forward cover purchased (note 20). It is anticipated that the cover will be extended until repayment of the loan facility. The inflow is based on the Spot Rate R8.06 = US$1.00 (2008: R8.00 = US$1.00).

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35. RISK MANAGEMENT ACTIVITIES (continued)

	Within one year US$ million	Between one and five years US$ million	After five years US$ million	Total US$ million
2009				
Trade payables	**540.6**	**–**	**–**	**540.6**
Borrowings				
– US$ borrowings				
– Capital	**39.5**	**642.9**	**59.6**	**742.0**
– Interest	**6.0**	**13.8**	**2.0**	**21.8**
– ZAR borrowings				
– Capital	**278.3**	**74.4**	**–**	**352.7**
– Interest	**4.3**	**28.7**	**–**	**33.0**
Environmental rehabilitation costs [4]	**–**	**–**	**341.7**	**341.7**
Post-retirement health care costs	**–**	**–**	**2.6**	**2.6**
Financial instruments [5]				
– Contractual outflow	**275.0**	**–**	**–**	**275.0**
– Inflow if US$ were to be sold	**(274.0)**	**–**	**–**	**(274.0)**
Bank overdraft	**9.7**	**–**	**–**	**9.7**
Total	**879.4**	**759.8**	**405.9**	**2,045.1**
2008				
Trade payables	515.4	–	–	515.4
Borrowings				
– US$ borrowings				
– Capital	12.0	575.0	75.0	662.0
– Interest	24.6	57.0	5.5	87.1
– ZAR borrowings				
– Capital	60.5	151.3	–	211.8
– Interest	2.2	49.9	–	52.1
Environmental rehabilitation costs [4]	–	–	317.9	317.9
Post-retirement health care costs	–	–	2.6	2.6
Financial instruments [5]				
– Contractual outflow	312.0	–	–	312.0
– Inflow if US$ were to be sold	(318.0)	–	–	(318.0)
Bank overdraft	2.7	–	–	2.7
Total	611.4	833.2	401.0	1,845.6

Notes:

[1] Spot Rate: R8.06 = US$1.00 (2008: R8.00 = US$1.00).

[2] US$ borrowings – Spot LIBOR (1 month fix) rate adjusted by specific facility agreement: 0.31125% (2008: 2.4819%).

[3] ZAR borrowings – Spot Prime rate adjusted by specific facility agreement: 11.0% (2008: 15.50%).

[4] In South Africa, R886.7 million of the environmental rehabilitation costs is funded through the environmental trust funds.

[5] Financial instruments relate to the US$/Rand forward cover purchased (note 20). It is anticipated that the cover will be extended until repayment of the loan facility. The inflow is based on the Spot Rate R8.06 = US$1.00 (2008: R8.00 = US$1.00).

35. RISK MANAGEMENT ACTIVITIES (continued)

Market risk

Gold Fields is exposed to market risks, including foreign currency, commodity price, equity securities price and interest rate risk associated with underlying assets, liabilities and anticipated transactions. Following periodic evaluation of these exposures, Gold Fields may enter into derivative financial instruments to manage some of these exposures.

IFRS 7 Sensitivity analysis

IFRS 7 requires sensitivity analysis that shows the effects of hypothetical changes of relevant risk variables on profit and loss or shareholders' equity. The Group is exposed to commodity price, currency, interest rate and equity price risks. The effects are determined by relating the hypothetical change in the risk variable to the balance of financial instruments at year end date.

The amounts generated from the sensitivity analyses below are forward-looking estimates of market risks assuming certain adverse or favourable market conditions occur. Actual results in the future may differ materially from those projected results and therefore should not be considered a projection of likely future events and gains/losses.

Foreign currency sensitivity

General and policy

In the ordinary course of business, Gold Fields enters into transactions, such as gold sales, denominated in foreign currencies, primarily US dollars. In addition, Gold Fields has investments and indebtedness in US and Australian dollars. Although this exposes Gold Fields to transaction and translation exposure from fluctuations in foreign currency exchange rates, Gold Fields does not generally hedge this exposure, although it may do so in specific circumstances, such as financing projects or acquisitions. Also, Gold Fields on occasion undertakes currency hedging to take advantage of favourable short-term fluctuations in exchange rates when management believes exchange rates are at unsustainably high levels.

Gold Fields' revenues and costs are very sensitive to the Rand/US dollar exchange rate because revenues are generated using a gold price denominated in US dollars, while costs of the South African operations are incurred principally in Rand. Depreciation of the Rand against the US dollar reduces Gold Fields' average costs when they are translated into US dollars, thereby increasing the operating margin of the South African operations. Conversely, appreciation of the Rand results in South African operating costs increasing when translated into US dollars, resulting in lower operating margins. The impact on profitability of changes in the value of the Rand against the US dollar can be substantial.

Currency risk only exists on account of financial instruments being denominated in a currency that is not the functional currency and being of a monetary nature. Differences resulting from the translation of financial statements into the Group's presentation currency are not taken into account.

Foreign currency hedging experience

2009

South Africa US dollars/rand forward sales

South Africa: US dollars/rand forward sales – In October 2008, US$150 million of expected gold revenue for the December quarter was sold forward on behalf of the South African operations. In December 2008, the US$150 million was extended to the March quarter at an average forward rate of R10.3818. During the March quarter US$30 million was settled at a gain for the quarter of R7 million. The outstanding balance of US$120 million was extended into the June quarter at an average forward rate of R10.2595. Subsequent to the March quarter end, the remaining forward cover of US$120 million was partly delivered into and the balance closed out, resulting in a gain of R54 million. This was accounted for in the income statement in the June quarter.

Australia US dollars/Australian dollars forward sales

Australia: US dollars/Australian dollars forward sales – In October 2008, US$70 million of expected gold revenue for the December quarter was sold forward on behalf of the Australian operations. In December 2008, US$56 million was extended to the March quarter at an average forward rate of A$0.6650. During the March quarter an additional US$8 million of instruments were taken out. The total of US$64 million was extended into the June quarter at an average forward rate of A$0.6445. Subsequent to the March quarter end the forward cover of US$64 million was partly delivered into and the balance closed out, resulting in a gain of A$2 million(R13 million). This was accounted for in the income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

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35. RISK MANAGEMENT ACTIVITIES (continued)

Foreign currency hedging experience (continued)

2009

Western Areas US dollar/rand forward purchases

As a result of the draw down under the then bridge loan facility to settle the close-out of the old Western Areas gold derivative structure, US dollar/rand forward cover was purchased during the March 2007 quarter for the amount of US$550.8 million for settlement 6 August 2007, at an average forward rate of R7.3279/US$. Subsequent to this date the bridge loan facility was refinanced with the split-tenor revolving credit facility on 21 May 2007 and the cover has been extended for periods between one and three months throughout the year. The forward cover was also reduced with the partial repayments of US$60.8 million, US$172 million and US$44 million against the loan on 6 December 2007, 31 December 2007 and 15 June 2009 respectively.

The balance of US$274 million forward cover was extended to 15 July 2009 at a rate of R8.0892/US$, based on an average spot rate of R8.0419/US$. For accounting purposes, this forward cover has been designated as a hedging instrument. As a result the gains and losses on the forward cover have been accounted for under gain/(loss) on foreign exchange along with gains and losses on the underlying loan that has been hedged. The forward cover points have been accounted for as part of interest.

The balance of the US dollar borrowings as disclosed in note 23 are held by subsidiaries that have a US dollar functional currency and as a result have no exposure to changes in foreign currency.

2008

On 27 July 2007 and 4 October 2007 US dollar/rand forward cover of US$40 million and US$50 million was purchased respectively to hedge future investments in Orogen, a 100% owned subsidiary. In January 2008, the Board approved the funding of the balance of the Cerro Corona Capital Project from available offshore facilities. As a result of this decision, the forward cover of US$40 million was cancelled for the respective dates of 30 April 2008 and 22 April 2008. A net profit of R84.8 million was recognised on the closure of the contract.

Foreign currency contract position

As of 30 June 2009, Gold Fields' foreign currency contract position was as follows:

	Year ended 30 June	
US Dollar/Rand	**2009**	2008
Forward exchange contracts:		
Amount (US dollars) – '000	**274,000**	318,000
Average forward rate (R/US$)	**8.0892**	7.8479

Foreign currency sensitivity analysis

A sensitivity analysis of Gold Fields' foreign currency exposure as of 30 June 2009 is set forth below. Major non-derivative monetary financial instruments, except for those disclosed in the table below, are denominated in the applicable functional currency. Exchange rate fluctuations therefore do not have an effect on profit and loss or shareholders' equity. Non-interest bearing securities or equity instruments held are of a non-monetary nature and therefore are not exposed to currency risk as defined in IFRS 7.

35. RISK MANAGEMENT ACTIVITIES (continued)

	R/US$[1] exchange rate as of 30 June					
Sensitivity to R/US$[2] exchange rates	**-10.0% R million**	**-7.5% R million**	**-5.0% R million**	**5.0% R million**	**7.5% R million**	**10.0% R million**
2009						
Borrowings under the split-tenor revolving credit facility by GF Operations	**(220.8)**	**(165.6)**	**(110.4)**	**110.4**	**165.6**	**220.8**
Forward cover	**220.8**	**165.6**	**110.4**	**(110.4)**	**(165.6)**	**(220.8)**
Change in finance expense[3]	**–**	**–**	**–**	**–**	**–**	**–**
2008						
Borrowings under the split-tenor revolving credit facility by GF Operations	(254.4)	(190.8)	(127.2)	127.2	190.8	254.4
Forward cover	254.4	190.8	127.2	(127.2)	(190.8)	(254.4)
Change in finance expense[3]	–	–	–	–	–	–

Notes:

[1] "+" and "-" designate the strengthening and weakening of the Rand against the US dollar.

[2] Spot rate: R8.06 = US$1.00 (2008: R8.00 = US$1.00).

[3] For accounting purposes, this forward cover has been designated as a hedging instrument. As a result the gains and losses on the forward cover have been accounted for under gain/(loss) on foreign exchange along with gains and losses on the underlying loan that has been hedged.

	R/US$[1] exchange rate as of 30 June					
Sensitivity to R/US$[2] exchange rates	**-10.0% US$ million**	**-7.5% US$ million**	**-5.0% US$ million**	**5.0% US$ million**	**7.5% US$ million**	**10.0% US$ million**
2009						
Borrowings under the split-tenor revolving credit facility by GF Operations	**(24.5)**	**(18.4)**	**(12.3)**	**12.3**	**18.4**	**24.5**
Forward cover	**24.5**	**18.4**	**12.3**	**(12.3)**	**(18.4)**	**(24.5)**
Change in finance expense[3]	**–**	**–**	**–**	**–**	**–**	**–**
2008						
Borrowings under the split-tenor revolving credit facility by GF Operations	(35.0)	(26.2)	(17.5)	17.5	26.2	35.0
Forward cover	35.0	26.2	17.5	(17.5)	(26.2)	(35.0)
Change in finance expense[3]	–	–	–	–	–	–

Notes:

[1] "+" and "-" designate the strengthening and weakening of the rand against the US dollar.

[2] Spot rate: R8.06 = US$ 1.00 (2008: R8.00 = US$ 1.00).

[3] For accounting purposes, this forward cover has been designated as a hedging instrument. As a result the gains and losses on the forward cover have been accounted for under gain/(loss) on foreign exchange along with gains and losses on the underlying loan that has been hedged.

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35. RISK MANAGEMENT ACTIVITIES (continued)

A sensitivity analysis of the mark-to-market valuations of Gold Fields' foreign currency contracts is set forth below.

	R/US$[1] exchange rate as of 30 June						
Sensitivity to R/US$[1] exchange rates	-10.0% R million	-7.5% R million	-5.0% R million	Spot[2] R million	5.0% R million	7.5% R million	10.0% R million
2009							
Financial instruments							
(Marked to market forwards)	**220.5**	**165.3**	**110.1**	**(0.4)**	**(110.8)**	**(166.0)**	**(221.2)**
2008							
Financial instruments							
(Marked to market forwards)	310.2	246.6	183.0	55.5	(71.4)	(135.0)	(198.6)

Notes:

[1] "+" and "-" designate the strengthening and weakening of the rand against the US dollar.

[2] Spot rate: R8.06 = US$1.00 (2008: R8.00 = US$1.00).

	R/US$[1] exchange rate as of 30 June						
Sensitivity to R/US$[1] exchange rates	-10.0% US$ million	-7.5% US$ million	-5.0% US$ million	Spot[2] US$ million	5.0% US$ million	7.5% US$ million	10.0% US$ million
2009							
Financial instruments							
(Marked to market forwards)	**27.4**	**20.5**	**13.7**	**(0.1)**	**(13.7)**	**(20.6)**	**(27.4)**
2008							
Financial instruments							
(Marked to market forwards)	38.8	30.8	22.9	6.9	(8.9)	(16.9)	(24.8)

Notes:

[1] "+" and "-" designate the strengthening and weakening of the rand against the US dollar.

[2] Spot rate: R8.06 = US$1.00 (2008: R8.00 = US$1.00).

	Weighted average Rand interest rate as of 30 June						
Sensitivity to Rand interest rates	-1.5% R million	-1.0% R million	-0.5% R million	Spot[1] R million	0.5% R million	1.0% R million	1.5% R million
2009							
Financial instruments							
(Marked to market forwards)	**(2.3)**	**(1.6)**	**(1.0)**	**(0.4)**	**0.3**	**0.9**	**1.5**
2008							
Financial instruments							
(Marked to market forwards)	54.4	54.8	55.3	55.5	56.2	56.7	57.1

Notes:

[1] Spot Rand interest rate: 7.69% (2008:11.69%).

35. RISK MANAGEMENT ACTIVITIES (continued)

	Weighted average Rand interest rate as of 30 June						
Sensitivity to Rand interest rates	**-1.5% US$ million**	**-1.0% US$ million**	**-0.5% US$ million**	**Spot[1] US$ million**	**0.5% US$ million**	**1.0% US$ million**	**1.5% US$ million**
2009							
Financial instruments							
(Marked to market forwards)	**(0.3)**	**(0.2)**	**(0.1)**	**(0.1)**	**–**	**0.1**	**0.2**
2008							
Financial instruments							
(Marked to market forwards)	6.8	6.9	6.9	6.9	7.0	7.1	7.1

Notes:
[1] Spot rand interest rate: 7.69% (2008:11.69%).

	Weighted average US Dollar interest rate as of 30 June						
Sensitivity to US Dollar interest rates	**-1.5% R million**	**-1.0% R million**	**-0.5% R million**	**Spot[1] R million**	**0.5% R million**	**1.0% R million**	**1.5% R million**
2009							
Financial instruments							
(Marked to market forwards)	**1.5**	**0.9**	**0.3**	**(0.4)**	**(1.0)**	**(1.6)**	**(2.3)**
2008							
Financial instruments							
(Marked to market forwards)	57.1	56.7	56.2	55.5	55.3	54.8	54.4

Notes:
[1] Spot US dollar interest rate: 0.31% (2008: 2.69%).

	Weighted average US Dollar interest rate as of 30 June						
Sensitivity to US Dollar interest rates	**-1.5% US$ million**	**-1.0% US$ million**	**-0.5% US$ million**	**Spot[1] US$ million**	**0.5% US$ million**	**1.0% US$ million**	**1.5% US$ million**
2009							
Financial instruments							
(Marked to market forwards)	**0.2**	**0.1**	**–**	**(0.1)**	**(0.1)**	**(0.2)**	**(0.3)**
2008							
Financial instruments							
(Marked to market forwards)	7.1	7.1	7.0	6.9	6.9	6.9	6.8

Notes:
[1] Spot US dollar interest rate: 0.31% (2008: 2.69%).

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for the year ended 30 June 2009

35. RISK MANAGEMENT ACTIVITIES (continued)

Commodity price sensitivity

General

Gold and copper

The market prices of gold and to a lesser extent copper have a significant effect on the results of operations of Gold Fields, the ability of Gold Fields to pay dividends and undertake capital expenditures, and the market price of Gold Fields' ordinary shares. Gold and copper prices have historically fluctuated widely and are affected by numerous industry factors over which Gold Fields does not have any control. The aggregate effect of these factors on the gold and copper price, all of which are beyond the control of Gold Fields, is impossible for Gold Fields to predict.

Oil

The market price of oil has a significant effect on the results of the offshore operations of Gold Fields. The offshore operations consume large quantities of diesel in the running of their mining fleets. Oil prices have historically fluctuated widely and are affected by numerous factors over which Gold Fields does not have any control.

Commodity price hedging policy

Gold and copper

Generally, Gold Fields does not enter into forward sales, derivatives or other hedging arrangements to establish a price in advance for future gold production. On an exceptional basis, Gold Fields may consider gold hedging arrangements in one or more of the following circumstances:

- To protect cash flows at times of significant expenditure;
- For specific debt-servicing requirements; and
- To safeguard the viability of higher cost operations.

To the extent that it enters into commodity hedging arrangements, Gold Fields seeks to use different counterparty banks consisting of local and international banks to spread risk. None of the counterparties is affiliated with, or related parties of, Gold Fields.

Oil

Generally Gold Fields does not enter into derivatives or other hedging arrangements to establish a price in advance for future oil consumption. However, where oil prices are expected to increase in the short to medium term, Gold Fields may consider hedging the oil price in order to protect itself against the adverse cost effects of a material increase in the oil price.

Commodity price hedging experience

Gold and copper

During June 2009 8,705 tons of Cerro Corona's expected copper production for financial 2010 was sold forward for monthly deliveries, starting on 24 June 2009 to 23 June 2010. The average forward price for the monthly deliveries is US$5,001 per ton. An additional 8,705 tons of Cerro Corona's expected copper production for financial 2010 was hedged by means of a zero cost collar, guaranteeing a minimum price of US$4,600 per ton with full participation up to a maximum price of US$5,400 per ton. The market to market value of both instruments at the end of June 2009 was negative by R13.6 million (US$1.7 million).

Oil

2009

In F2009, the Ghanaian operations purchased four monthly Asian style ICE gasoil call options with strike prices ranging from US$0.90 per litre to US$1.11 per litre, which equates to a Brent crude price of between US$92 and US$142 per barrel, with final expiry on 28 February 2010.

The Australian operations purchased two monthly Asian style Singapore 0.5 gasoil call options with strike prices ranging from US$0.9128 per litre to US$1.0950 per litre with a final expiry on 28 February 2010. The call options resulted in a premium of A$4.4 million, paid upfront.

2008

On 28 June 2007 Gold Fields Ghana Holdings (BVI) Limited purchased a three month Asian style (average monthly price) call option in respect of 15.0 million litres of diesel, settled monthly, to protect against adverse energy price movements. The call option resulted in a premium of US$0.3 million, paid upfront, at a strike price of US$0.5572 per litre. On 20 August 2007 Gold Fields Ghana Holdings (BVI) Limited purchased a further three month Asian style call option in respect of 15.0 million litres of diesel, settled monthly, to protect against adverse energy price movements. The call option resulted in a premium of US$0.4 million, paid upfront, at a strike price of US$0.5572 per litre.

35. RISK MANAGEMENT ACTIVITIES (continued)

Commodity price contract position

As of the end of F2009, the only material commodity price hedging contracts outstanding were the copper instruments described above.

A sensitivity analysis of the mark-to-market valuations of Gold Fields' foreign currency contracts is set forth below:

	Copper spot price as of 30 June						
Sensitivity to copper spot price[1]	-15.0% R million	-10.0% R million	-5.05% R million	Spot[2] R million	5.0% R million	10.0% R million	15.0% R million
2009							
Financial instruments (Marked to market forwards)	48.6	31.0	13.4	(4.2)	(21.9)	(39.6)	(57.2)
Financial instruments (Marked to market zero cost collar)	32.5	18.4	4.8	(9.4)	(22.2)	(36.3)	(50.9)
2008							
Financial instruments (Marked to market forwards)	–	–	–	–	–	–	–
Financial instruments (Marked to market zero cost collar)	–	–	–	–	–	–	–

Notes:

[1] "+" and "-" designate the strengthening and weakening of the copper price against spot.

[2] Spot rate: Copper US$5,040 per ton and R8.06 = US$1.00 (2008: R8.00 = US$1.00).

	Copper spot price as of 30 June						
Sensitivity to copper spot price[1]	-15.0% US$ million	-10.0% US$ million	-5.05% US$ million	Spot[2] US$ million	5.0% US$ million	10.0% US$ million	15.0% US$ million
2009							
Financial instruments (Marked to market forwards)	6.0	3.8	1.7	(0.5)	(2.7)	(4.9)	(7.1)
Financial instruments (Marked to market zero cost collar)	4.0	2.3	0.6	(1.2)	(2.8)	(4.5)	(6.3)
2008							
Financial instruments (Marked to market forwards)	–	–	–	–	–	–	–
Financial instruments (Marked to market zero cost collar)	–	–	–	–	–	–	–

Notes:

[1] "+" and "-" designate the strengthening and weakening of the copper price against spot.

[2] Spot rate: Copper US$5,040 per ton and R8.06 = US$ 1.00 (2008: R8.00 = US$ 1.00).

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35. RISK MANAGEMENT ACTIVITIES (continued)

	US$[2] exchange rate as of 30 June						
Sensitivity to R/US$[1] exchange rate	-10.0% R million	-7.5% R million	-5.0% R million	Spot[2] R million	5.0% R million	7.5% R million	10.0% R million
2009							
Financial instruments							
(Marked to market forwards)	(4.0)	(4.1)	(4.2)	(4.2)	(4.6)	(4.7)	(4.9)
Financial instruments							
(Marked to market zero cost collar)	(8.0)	(8.3)	(8.5)	(9.4)	(9.4)	(9.6)	(9.8)
2008							
Financial instruments							
(Marked to market forwards)	–	–	–	–	–	–	–
Financial instruments							
(Marked to market zero cost collar)	–	–	–	–	–	–	–

Notes:

[1] "+" and "-" designate the strengthening and weakening of the Rand against the US dollar.

[2] Spot rate: R8.06 = US$ 1.00 (2008: R8.00 = US$ 1.00).

	US$[1] exchange rate as of 30 June						
Sensitivity to R/US$[1] exchange rate	-10.0% US$ million	-7.5% US$ million	-5.0% US$ million	Spot[2] US$ million	5.0% US$ million	7.5% US$ million	10.0% US$ million
2009							
Financial instruments							
(Marked to market forwards)	(0.5)	(0.5)	(0.5)	(0.5)	(0.6)	(0.6)	(0.6)
Financial instruments							
(Marked to market zero cost collar)	(1.0)	(1.0)	(1.1)	(1.2)	(1.2)	(1.2)	(1.2)
2008							
Financial instruments							
(Marked to market forwards)	–	–	–	–	–	–	–
Financial instruments							
(Marked to market zero cost collar)	–	–	–	–	–	–	–

Notes:

[1] "+" and "-" designate the strengthening and weakening of the rand against the US dollar.

[2] Spot rate: R8.06 = US$1.00 (2008: R8.00 = US$1.00).

35. RISK MANAGEMENT ACTIVITIES (continued)

	Weighted average US Dollar interest rate as of 30 June						
Sensitivity to US Dollar interest rates	-1.5% R million	-1.0% R million	-0.5% R million	Spot[1] R million	0.5% R million	1.0% R million	1.5% R million
2009							
Financial instruments (Marked to market forwards)	(4.3)	(4.3)	(4.3)	(4.2)	(4.3)	(4.3)	(4.2)
Financial instruments (Marked to market zero cost collar)	(6.9)	(7.3)	(7.9)	(9.4)	(9.3)	(10.0)	(10.7)
2008							
Financial instruments (Marked to market forwards)	–	–	–	–	–	–	–
Financial instruments (Marked to market zero cost collar)	–	–	–	–	–	–	–

Notes:

[1] Spot US dollar interest rate: 0.31% (2008:n/a).

	Weighted average US Dollar interest rate as of 30 June						
Sensitivity to US Dollar interest rates	-1.5% US$ million	-1.0% US$ million	-0.5% US$ million	Spot[1] US$ million	0.5% US$ million	1.0% US$ million	1.5% US$ million
2009							
Financial instruments (Marked to market forwards)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
Financial instruments (Marked to market zero cost collar)	(0.9)	(0.9)	(1.0)	(1.2)	(1.2)	(1.2)	(1.3)
2008							
Financial instruments (Marked to market forwards)	–	–	–	–	–	–	–
Financial instruments (Marked to market zero cost collar)	–	–	–	–	–	–	–

Notes:

[1] Spot US dollar interest rate: 0.31% (2008:n/a)

[2] Spot rate: R8.06 = US$1.00 (2008: R8.00 = US$1.00).

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35. RISK MANAGEMENT ACTIVITIES (continued)

	Copper volatility as of 30 June						
Sensitivity to copper volatility	-10.0% R million	-7.5% R million	-5.0% R million	Spot[2] R million	5.0% R million	7.5% R million	10.0% R million
2009							
Financial instruments							
(Marked to market zero cost collar)	(7.9)	(8.1)	(8.4)	(9.4)	(8.8)	(9.1)	(9.3)
2008							
Financial instruments							
(Marked to market zero cost collar)	–	–	–	–	–	–	–

Notes:

[1] Spot copper volatility: 44.7% (2008: n/a).

	Copper volatility as of 30 June						
Sensitivity to copper volatility	-10.0% US$ million	-7.5% US$ million	-5.0% US$ million	Spot[2] US$ million	5.0% US$ million	7.5% US$ million	10.0% US$ million
2009							
Financial instruments							
(Marked to market zero cost collar)	(1.0)	(1.0)	(1.0)	(1.2)	(1.1)	(1.1)	(1.2)
2008							
Financial instruments							
(Marked to market zero cost collar)	–	–	–	–	–	–	–

Notes:

[1] Spot copper volatility: 44.7% (2008: n/a).

[2] Spot rate: R8.06 = US$1.00 (2008: R8.00 = US$1.00).

35. RISK MANAGEMENT ACTIVITIES (continued)

Equity securities price risk

General

The Group is exposed to equity securities price risk because of investments held by the Group which are classified as available-for-sale. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with limits set by the Group.

The Group's equity investments are publicly traded and are listed on one of the following exchanges:

- JSE Limited
- Toronto Stock Exchange
- Australian Stock Exchange
- London Stock Exchange

The table below summarises the impact of increases/decreases of the exchanges on the Group's shareholders' equity in case of shares and the Group's profit and loss in case of options and warrants. The analysis is based on the assumption that the share prices quoted on the exchange have increased/decreased with all other variables held constant and the Group's investments moved according to the historical correlation with the index.

Equity investments – shares	Increase/(decrease) in equity price at 30 June			
Sensitivity to equity security price	-10.0% R million	-5.0% R million	5.0% R million	10.0% R million
2009				
Increase/(decrease) in shareholders' equity	**(251.8)**	**(125.9)**	**125.9**	**251.8**
2008				
Increase/(decrease) in shareholders' equity	(354.0)	(177.0)	177.0	354.0

Equity investments – shares	Increase/(decrease) in equity price at 30 June			
Sensitivity to equity security price	-10.0% US$ million	-5.0% US$ million	5.0% US$ million	10.0% US$ million
2009				
Increase/(decrease) in shareholders' equity	**(31.2)**	**(15.6)**	**15.6**	**31.2**
2008				
Increase/(decrease) in shareholders' equity	(44.3)	(22.1)	22.1	44.3

Notes:

[1] Spot rate: R8.06 = US$1.00 (2008: R8.00 = US$1.00)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

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35. RISK MANAGEMENT ACTIVITIES (continued)

Interest price sensitivity

General

As Gold Fields has no significant interest bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates. Gold Fields' interest rate risk arises from long-term borrowings.

As of 30 June 2009, Gold Fields' long-term indebtedness amounted to R6,334.3 million (2008: R6,513.9 million). Gold Fields generally does not undertake any specific action to cover its exposure to interest rate risk, although it may do so in specific circumstances as in the case of the Mvelaphanda Transaction. Under the Mvela Loan, GFIMSA paid Mvela interest, semi-annually and at a fixed rate of 10.57% per annum. Refer to note 23 for all the borrowings and the relevant interest rates per facility.

Interest rate sensitivity analysis

The portion of Gold Fields interest bearing debt at year end that is exposed to interest rate fluctuations is R8,895.5 million (2008: R6,513.9 million). This debt is normally rolled for periods between one and three months and is therefore exposed to the rate changes in this period. The remainder of the debt is either short-term (less than three months total tenor) or bears interest at a fixed rate.

R5,968.5 million (2008: R5,284.0 million) of the total debt at year end is exposed to changes in the LIBOR rate and R2,927.0 million (2008: R1,210.4 million) is exposed to the South African Prime (Prime) interest rate. The relevant interest rates for each facility are described in note 23.

The table below summarises the effect of a change in finance expense on the Group's profit and loss had LIBOR and Prime differed as indicated. The analysis is based on the assumption that the applicable interest rate increased/decreased with all other variables held constant. All financial instruments with fixed interest rates that are carried at amortised cost are not subject to the interest rate sensitivity analysis.

	Change in interest expense for interest rate changes as of 30 June					
Sensitivity to interest rates	**-1.5% R million**	**-1.0% R million**	**-0.5% R million**	**0.5% R million**	**1.0% R million**	**1.5% R million**
2009						
Sensitivity to LIBOR interest rates	**(75.8)**	**(50.5)**	**(25.3)**	**25.3**	**50.5**	**75.8**
Sensitivity to Prime interest rates	**(34.7)**	**(23.1)**	**(11.6)**	**11.6**	**23.1**	**34.7**
Change in finance expense	**(110.5)**	**(73.6)**	**(36.9)**	**36.9**	**73.6**	**110.5**
2008						
Sensitivity to LIBOR interest rates	(52.5)	(35.0)	(17.5)	17.5	35.0	52.5
Sensitivity to Prime interest rates	(11.7)	(7.8)	(3.9)	3.9	7.8	11.7
Change in finance expense	(64.2)	(42.8)	(21.4)	21.4	42.8	64.2

Notes:

[1] Spot rate: R8.06 = US$ 1.00 (2008: R8.00 = US$ 1.00).

35. RISK MANAGEMENT ACTIVITIES (continued)

Sensitivity to interest rates	Change in interest expense for interest rate changes as of 30 June -1.5% US$ million	-1.0% US$ million	-0.5% US$ million	0.5% US$ million	1.0% US$ million	1.5% US$ million
2009						
Sensitivity to LIBOR interest rates	**(8.4)**	**(5.6)**	**(2.8)**	**2.8**	**5.6**	**8.4**
Sensitivity to Prime interest rates	**(3.8)**	**(2.6)**	**(1.3)**	**1.3**	**2.6**	**3.8**
Change in finance expense	**(12.2)**	**(8.2)**	**(4.1)**	**4.1**	**8.2**	**12.2**
2008						
Sensitivity to LIBOR interest rates	(7.2)	(4.8)	(2.4)	2.4	4.8	7.2
Sensitivity to Prime interest rates	(1.6)	(1.1)	(0.5)	0.5	1.1	1.6
Change in finance expense	(8.8)	(5.9)	(2.9)	2.9	5.9	8.8

Notes:

[1] Spot rate: R8.06 = US$1.00 (2008: R8.00 = US$1.00).

36. CAPITAL MANAGEMENT

The primary objective of managing the Group's capital is to ensure that there is sufficient capital available to support the funding requirements of the Group, including capital expenditure, in a way that

- Optimises the cost of capital;
- Maximises shareholders' returns; and
- Ensures that the Group remains in a sound financial position.

There were no changes to the Group's overall capital management approach during the current year.

The Group manages and makes adjustments to the capital structure as and when borrowings mature or as and when funding is required. This may take the form of raising equity, market or bank debt or hybrids thereof. Opportunities in the market are also monitored closely to ensure that the most efficient funding solutions are implemented.

The Group monitors capital using a gearing ratio, which is defined as net debt divided by shareholders' equity. While the Group does not set absolute limits on the ratio, the Group believes a ratio of between 10% and 25% is optimal.

Figures in millions	2009	2008
SA rand		
Borrowings	**8,895.5**	6,998.1
Cash and cash equivalents	**2,803.9**	2,007.3
Net debt	**6,091.6**	4,990.8
Total shareholders' equity	**42,669.4**	42,561.2
Gearing ratio (%)	**14**	12
US dollars		
Borrowings	**1,103.7**	874.7
Cash and cash equivalents	**347.9**	250.9
Net debt	**755.8**	623.8
Total shareholders' equity	**5,294.0**	5,320.1
Gearing ratio (%)	**14**	12

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 30 June 2009

37. RELATED PARTY TRANSACTIONS

None of the directors, officers or major shareholders of Gold Fields or, to the knowledge of Gold Fields, their families, had any interest, direct or indirect, in any transaction during the last two fiscal years or in any proposed transaction which has affected or will materially affect Gold Fields or its investment interests or subsidiaries, other than as stated below.

Mvelaphanda transaction

On 8 March 2004, shareholders of both Gold Fields and Mvelaphanda Resources Limited (Mvela Resources) voted decisively in favour of all shareholder resolutions necessary to implement the transaction in terms of which Mvelaphanda Gold (Proprietary) Limited (Mvela), a wholly owned subsidiary of Mvela Resources, would acquire a 15 per cent beneficial interest in the South African gold mining assets of Gold Fields, including the world-class Beatrix, Driefontein and Kloof mines, for a cash consideration of R4,139 million. All conditions precedent to the transaction were fulfilled following the completion by Mvela Resources of a domestic and international private placement on 15 March 2004.

In terms of the Right of Exchange, Mvela and Gold Fields had the right to require the exchange of the GFIMSA shares in return for the issue to Mvela of new ordinary shares in Gold Fields. The minimum and maximum number of Gold Fields shares that would have been issued by Gold Fields following the exercise of the Right of Exchange was 45 million and 55 million respectively.

Following completion of the private placement Mvela Gold advanced a loan of R4,139 million to GFI Mining South Africa (Pty) Limited, a wholly owned subsidiary of Gold Fields, on 17 March 2004. This loan was financed by way of commercial bank debt of approximately R1,349 million, mezzanine finance of R1,100 million (which includes R200 million of redeemable preference shares in Micawber 325 (Pty) Limited subscribed for by Gold Fields) and the balance of approximately R1,690 million raised by the Mvela Resources private placement, (which includes R100 million of equity in Mvela Resources subscribed for by Gold Fields as part of the above private placement). At the end of five years, the GFIMSA loan would be repaid and Mvela would subscribe for 15 per cent of the share capital of GFIMSA.

The proceeds of the GFIMSA Loan were applied towards settling R4.1 billion of the R4.7 billion payable by GFIMSA to Beatrix Mining Ventures Limited, Driefontein Consolidated (Pty) Limited and Kloof Gold Mining Company Limited following implementation of the internal reorganisation pursuant to which GFIMSA has acquired the gold mining assets of these companies as well as ancillary assets.

In terms of the transaction, and in furthering its empowerment objectives, Mvela had appointed two nominees out of a maximum of seven to the GFIMSA board, and had appointed two members to each of GFIMSA's Operations Committee and Transformation Committee, which latter committee was established to monitor compliance with the Mining Charter and other transformation objectives.

On 17 March 2008, Gold Fields and Mvela decided that Mvela would receive a fixed 50 million Gold Fields shares if and when Mvela's future stake of 15 per cent in GFIMSA is exchanged at the instance of either Gold Fields or Mvela, for shares in Gold Fields.

On 17 March 2009, in terms of the R4.1 billion Black Economic Empowerment transaction approved by shareholders of Gold Fields on 8 March 2004, Mvela Resources took receipt, through its wholly owned subsidiary Mvela Gold, of its 15 per cent shareholding in GFIMSA.

Immediately upon receipt of the GFIMSA shares, Mvela Gold exercised its right to use the GFIMSA shares to subscribe for 50 million new ordinary shares in Gold Fields. Gold Fields issued 50 million new ordinary Gold Fields shares, to Mvela Gold for the GFIMSA shares. Pursuant to the above transactions, Mvela Gold owned approximately 7 per cent of the listed shares of Gold Fields, and Gold Fields again owns 100 per cent of GFIMSA.

37. RELATED PARTY TRANSACTIONS (continued)

New Africa Mining Fund

John G Hopwood, a non-executive director of Gold Fields Limited, is a Trustee of New Africa Mining Fund and is the Chairman of the New Africa Mining Fund Investment Committee. Gold Fields has been instrumental in the formation of the New Africa Mining Fund and is a significant investor in the fund. The fund has as its objectives the promotion of black economic empowerment and the transformation of the South African mining industry by facilitating junior mining projects. As at 30 June 2009 Gold Fields Limited has contributed R31.4 million (2008: net R31.4 million). The original commitment period of six years, under which Gold Fields has provided a commitment to fund R50.0 million in total, expired on 28 February 2009. No new investments are permitted but follow on investments of up to R56 million are allowed, the Gold Fields portion of which is estimated at approximately R5 million.

ABSA

Gill Marcus, a non-executive director of Gold Fields Limited until 20 July 2009, was the Chairperson of ABSA Group Limited and ABSA Bank Limited up to that date. Gold Fields currently has a R500 million 364 day revolving credit facility with ABSA Capital (a division of ABSA Bank Limited) and entered into two further facilities with ABSA during F2009 which expired during the financial year. Refer note 23(i) for further details.

Rand Refinery Limited

GFL Mining Services Limited has an agreement with Rand Refinery Limited, (Rand Refinery), in which Gold Fields holds a 34.9% interest, providing for the refining of substantially all of Gold Fields' South African gold production by Rand Refinery. On 21 November 2000, GFL Mining Services Limited (GFLMS) entered into an agreement with Rand Refinery in terms of which GFLMS acts as agent for Rand Refinery with regard to the sale of a maximum of 50% of Gold Fields' South African gold production.

On 1 June 2004, GFLMS has exercised its right, by giving notice to Rand Refinery, to sell all of Gold Fields' South African gold production with effect from 1 October 2004. Gold Fields Ghana Limited and Abosso Goldfields Limited also have an agreement with Rand Refinery since March 2002 to transport, refine and sell substantially all of the gold production from the Tarkwa and Damang mines.

Nicholas J Holland, who is the chief executive officer and a director of Gold Fields, has been a director of Rand Refinery since 12 July 2000. As a director of GFLMS, which is a wholly owned subsidiary of Gold Fields, Mr Holland has declared his interest in the contract between Rand Refinery and GFLMS, pursuant to South African requirements, and has not participated in the decision of Rand Refinery to enter into the agreement with either of GFLMS, Gold Fields Ghana Limited or Abosso Goldfields Limited. Mr Holland signed the agreement with Rand Refinery on behalf of GFLMS.

None of the directors or officers of Gold Fields or any associate of such director or officer is currently or has been at any time during the past two fiscal years indebted to Gold Fields.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 30 June 2009

Figures in millions unless otherwise stated

United States Dollars			South African Rand	
2008	**2009**		**2009**	2008
		38. RELATED PARTY TRANSACTIONS (continued)		
		Compensation to key management (Executive Committee)		
5.4	**5.1**	Salaries and other short-term employee benefits	**46.1**	39.2
1.7	**2.0**	Bonus	**18.2**	12.0
2.3	**2.7**	Share-based payments	**24.5**	16.6
9.4	**9.8**		**88.8**	67.8
		39. SEGMENT REPORTING		
		The segment information is shown on pages 212 and 213.		

COMPANY INCOME STATEMENT

for the year ended 30 June 2009

Figures in millions unless otherwise stated

	Notes	South African Rand 2009	2008
Dividend received		**1,595.2**	424.9
Net interest paid		**(87.9)**	(12.2)
Share-based payments		**(7.0)**	(4.8)
Amortisation of financial guarantees		**87.1**	73.6
Foreign exchange loss on revaluation of financial guarantees		**(4.5)**	(16.6)
Mark-to-market of Mvela Right of Exchange	1	**529.0**	(529.0)
Other income		**3.4**	2.5
Profit/(loss) before taxation		**2,115.3**	(61.6)
Taxation	2	**(29.8)**	3.3
Profit/(loss) for the year		**2,085.5**	(58.3)

The accompanying notes form an integral part of these financial statements.

COMPANY BALANCE SHEET

at 30 June 2009

Figures in millions unless otherwise stated

	Notes	South African Rand 2009	2008
ASSETS			
Non-current assets		**32,258.9**	27,822.9
Deferred taxation		**–**	3.3
Investments	4	**32,258.9**	27,819.6
Current asset			
Trade and other receivables		**3.2**	2.6
Total assets		**32,262.1**	27,825.5
EQUITY AND LIABILITIES			
Share capital		**352.4**	326.6
Share premium		**31,411.3**	28,210.3
Reserves		**259.3**	252.2
Accumulated loss		**(1,792.5)**	(2,897.2)
Shareholders' equity per statement		**30,230.5**	25,891.9
Non-current liabilities		**684.2**	1,219.5
Borrowings	5	**684.2**	1,219.5
Current liabilities		**1,347.4**	714.1
Trade and other payables		**16.1**	0.6
Current portion of financial instrument		**–**	529.0
Financial guarantees	6	**149.9**	172.6
Short-term loans	7	**1,143.0**	–
Taxation		**38.4**	11.9
Total equity and liabilities		**32,262.1**	27,825.5

The accompanying notes form an integral part of these financial statements

COMPANY STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

for the year ended 30 June 2009

Figures in millions unless otherwise stated

	Number of ordinary shares issued	Ordinary share capital	Share premium	Fair value adjustment reserve	Share-based payment reserve	Accumu-lated loss	Total share-holders' equity
South African Rand							
Balance at 30 June 2007	652,158,066	326.1	28,138.1	0.2	247.2	(1,794.1)	26,917.5
Net loss	–	–	–	–	–	(58.3)	(58.3)
Share-based payments	–	–	–	–	4.8	–	4.8
Dividends	–	–	–	–	–	(1,044.8)	(1,044.8)
Exercise of employee share options	1,042,616	0.5	72.2	–	–	–	72.7
Mark-to-market gain on listed investment	–	–	–	–	–	–	–
Balance at 30 June 2008	653,200,682	326.6	28,210.3	0.2	252.0	(2,897.2)	25,891.9
Net profit	–	–	–	–	–	2,085.5	2,085.5
Share-based payments	–	–	–	–	7.0	–	7.0
Dividends	–	–	–	–	–	(980.8)	(980.8)
Mvela share issue on conclusion of transaction	50,000,000	25.0	3,130.2	–	–	–	3,155.2
Exercise of employee share options	1,549,167	0.8	70.8	–	–	–	71.6
Mark-to-market gain on listed investment	–	–	–	0.1	–	–	0.1
Balance at 30 June 2009	**704,749,849**	**352.4**	**31,411.3**	**0.3**	**259.0**	**(1,792.5)**	**30,230.5**

The accompanying notes form an integral part of these financial statements

COMPANY CASH FLOW STATEMENT

for the year ended 30 June 2009

Figures in millions unless otherwise stated

	Notes	South African Rand 2009	2008
Cash flows from operating activities		**633.1**	(594.0)
Cash generated by operations	8	**91.7**	22.0
Interest paid		**(102.0)**	(19.5)
Interest received		**14.1**	7.3
Dividends received		**1,595.2**	424.9
Change in working capital	9	**14.9**	16.1
Cash generated by operating activities		**1,613.9**	450.8
Tax paid	10	**–**	–
Net cash generated by operations		**1,613.9**	450.8
Dividends paid	11	**(980.8)**	(1,044.8)
Cash flows from investing activities		**–**	–
Purchase of investments		**–**	–
Cash flows from financing activities		**(633.1)**	594.0
Advance of long-term loan to subsidiaries		**(1,249.5)**	(678.7)
Preference share liability (repaid)/raised		**(623.2)**	1 200.0
Short-term loans raised		**1,143.0**	–
Proceeds from issue of shares		**96.6**	72.7
Net cash generated/(utilised)		**–**	–
Cash and cash equivalents at beginning of the year		**–**	–
Cash and cash equivalents at end of the year		**–**	–

The accompanying notes form an integral part of these financial statements

NOTES TO THE COMPANY ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2009

Figures in millions unless otherwise stated

	South African Rand	
	2009	2008
1. MARK-TO-MARKET OF MVELA RIGHT OF EXCHANGE		
In terms of the Right of Exchange, Mvelaphanda Gold (Pty) Limited (Mvela) and Gold Fields have the right to require the exchange of the GFIMSA shares in return for the issue to Mvela of new ordinary shares in Gold Fields. The minimum and maximum number of Gold Fields shares that would be issued by Gold Fields following the exercise of the Right of Exchange was 45 million and 55 million respectively. On 17 March 2008, Gold Fields and Mvela decided that Mvela will receive a fixed 50 million Gold Fields shares if and when Mvela's future stake of 15 per cent in GFIMSA is exchanged at the instance of either Gold Fields or Mvela, for shares in Gold Fields.		
The fixed contract, prior to its conclusion on 17 March 2009, represented an option to exchange a fixed amount of Gold Fields equity for a fixed amount of a financial asset. The fixed contract met the definition of a derivative under IAS 39 and had to be marked-to-market at year end.		
Mark-to-market of Mvela Right of Exchange	**529.0**	(529.0)
Total mark-to-market of Mvela Right of Exchange	**529.0**	(529.0)
2. TAXATION		
South African current taxation		
– normal tax	**(26.5)**	–
– deferred tax	**(3.3)**	3.3
Total tax	**(29.8)**	3.3
3. DIVIDENDS		
2008 final dividend of 120 cents per share (2007: 95 cents) declared on 1 August 2008	**784.5**	619.9
2009 interim dividend of 30 cents per share (2008: 65 cents) declared on 28 January 2009	**196.4**	424.9
A final dividend in respect of F2009 of 80 cents per share was approved by the Board of Directors on 5 August 2009. This dividend payable is not reflected in these financial statements.		
No Secondary Tax on Companies is payable on the dividend declared after year end due to sufficient STC credits available in Gold Fields Limited.		
Total dividends	**980.9**	1,044.8
4. INVESTMENTS		
Listed		
Cost	**0.3**	0.3
Net unrealised gain on revaluation	**0.3**	0.2
Carrying value	**0.6**	0.5
Market value	**0.6**	0.5
Unlisted		
Carrying value	**21,899.0**	18,709.3
Total listed and unlisted investments	**21,899.6**	18,709.8
Loans	**10,359.3**	9,109.8
Total investments	**32,258.9**	27,819.6
Details of major investments are given on pages 210 and 211.		

NOTES TO THE COMPANY ANNUAL FINANCIAL STATEMENTS continued

for the year ended 30 June 2009

Figures in millions unless otherwise stated

	South African Rand	
	2009	2008
5. BORROWINGS		
On 24 December 2007 Gold Fields Limited issued R1.2 billion three years and one month non-convertible redeemable preference shares. The dividend rate payable is a floating rate of up to 61% of Prime. Dividends are rolled up until redemption date. The purpose of the preference shares was to refinance existing facilities.		
On 10 October 2008, R600 million of the R1,200 million preference shares was repaid with an attributable dividend of R23.2 million. The balance is redeemable at the option of Gold Fields.		
The remaining preference shares mature on 24 January 2011 and have been guaranteed by GFIMSA, Orogen, GF Operations and Gold Fields Holdings Company (BVI) Limited.		
Preference shares		
Balance at the beginning of year	**1,219.5**	–
Preference shares issued	**–**	1,200.0
Preference shares repaid	**(623.2)**	–
Preference share interest	**87.9**	19.5
Total preference share liability	**684.2**	1,219.5
6. FINANCIAL GUARANTEES		
Gold Fields Limited and certain of its subsidiaries have guaranteed all payments and other obligations of GFI Mining South Africa (Pty) Limited, Gold Fields La Cima, Orogen Holdings (BVI) Limited and Gold Fields Operations Limited related to the Mvela loan, the project finance facility and the Split-tenor revolving credit facility.		
Value of unamortised portion of financial guarantees	**149.9**	172.6
Total financial guarantees	**149.9**	172.6
7. SHORT-TERM LOANS		
Gold Fields established its R10 billion Domestic Medium Term Note Programme (the Programme) on 6 April 2009. Under the Programme Gold Fields may from time to time issue notes denominated in any currency. The notes will not be subject to any minimum or maximum maturity and the maximum aggregate nominal amount of all notes from time to time outstanding will not exceed R10 billion. The Programme has been registered with the Bond Exchange of South Africa Limited (BESA) and the notes issued can be listed on BESA or not.		
Under the Programme Gold Fields issued listed notes on 9 April 2009 and 4 June 2009 totalling R568 million and R575 million respectively. The different notes issued mature either three months or six months from date of issue and bear interest at JIBAR plus a margin ranging from 0.675% to 1.000% per annum.		
Commercial paper issuance		
Balance at the beginning of year	**–**	–
Loans advanced	**1,143.0**	–
Total short term loans	**1,143.0**	–

Figures in millions unless otherwise stated

	South African Rand	
	2009	2008
8. CASH GENERATED BY OPERATIONS		
Profit/(loss) for the year	**2,085.5**	(58.3)
Taxation	**29.8**	(3.3)
Interest paid	**102.0**	19.5
Interest received	**(14.1)**	(7.3)
Dividends received	**(1,595.2)**	(424.9)
Profit/(loss) before non-cash items	**608.0**	(474.3)
Non-cash items:		
Share-based payments	**7.0**	4.8
Amortisation of financial guarantees	**(87.1)**	(73.6)
Mark-to-market of Mvela Right of Exchange	**(529.0)**	529.0
Foreign exchange loss on revaluation of financial guarantees	**4.5**	16.6
Preference share interest	**87.9**	19.5
Other	**0.4**	–
Total cash generated by operations	**91.7**	22.0
9. CHANGE IN WORKING CAPITAL		
Trade and other receivables	**(0.6)**	16.5
Trade and other payables	**15.5**	(0.4)
Total change in working capital	**14.9**	16.1
10. TAX PAID		
Amount owing at beginning of the year	**(11.9)**	(11.9)
SA current taxation	**(26.5)**	–
Amount owing at end of the year	**38.4**	11.9
Total tax paid	**–**	–
11. DIVIDENDS PAID		
Dividends per statement of shareholders' equity	**980.8**	1,044.8
Total dividends paid	**980.8**	1,044.8

NOTES TO THE COMPANY ANNUAL FINANCIAL STATEMENTS continued

for the year ended 30 June 2009

12. RISK MANAGEMENT ACTIVITIES

In the normal course of its operations, the company is exposed to commodity price, currency, interest rate, liquidity, equity price and credit risk. In order to manage these risks, the company has developed a comprehensive risk management process to facilitate control and monitoring of these risks.

Controlling and managing risk in the company

Gold Fields has policies in areas such as counterparty exposure, hedging practices and prudential limits which have been approved by Gold Fields' Board of Directors. Management of financial risk is centralised at Gold Fields' treasury department, which acts as the interface between Gold Fields' operations and counterparty banks. The treasury department manages financial risk in accordance with the policies and procedures established by the Gold Fields Board of Directors and Executive Committee.

Gold Fields' Audit Committee has approved dealing limits for money market, foreign exchange and commodity transactions, which Gold Fields' treasury department is required to adhere to. Among other restrictions, these limits describe which instruments may be traded and demarcate open position limits for each category as well as indicating counterparty credit related limits. The dealing exposure and limits are checked and controlled each day and reported to the chief financial officer.

The objective of Treasury is to manage all financial risks arising from the company's business activities in order to protect profit and cash flows. Treasury activities of Gold Fields Limited are guided by the Treasury Policy, the Treasury Framework as well as domestic and international financial market regulations. Treasury activities are currently performed within the Treasury Framework with appropriate resolutions from the Board of Gold Fields Limited, which are reviewed and approved annually by the Audit Committee.

The financial risk management objectives of the company are defined as follows:

Liquidity risk management: The objective is to ensure that the company is able to meet its short-term commitments through the effective and efficient usage of credit facilities.

Currency risk management: The objective is to maximise the company's profits by minimising currency fluctuations.

Funding risk management: The objective is to meet funding requirements timeously and at competitive rates by adopting reliable liquidity management procedures.

Investment risk management: The objective is to achieve optimal returns on surplus funds.

Interest rate risk management: The objective is to identify opportunities to prudently manage interest rate exposures.

Counterparty exposure: The objective is to only deal with approved counterparties that are of a sound financial standing and who have an official credit rating. The company is limited to a maximum investment of between 4 and 5 per cent of the financial institutions' equity, which is dependent on the institutions' credit rating. This credit rating is Fitch Ratings' short-term credit rating for financial institutions.

Commodity price risk management: Commodity risk management takes place within limits and with counterparties as approved in the Treasury Framework.

Operational risk management: The objective is to implement controls to adequately mitigate the risk of error and/or fraud.

Banking relations management: The objective is to maintain relationships with credible financial institutions and ensure that all contracts and agreements related to risk management activities are co-ordinated and consistent throughout the company and that they comply where necessary with all relevant regulatory and statutory requirements.

Credit risk

Credit risk represents risk that an entity will suffer a financial loss due to the other party of a financial instrument not discharging its obligation.

The company has reduced its exposure to credit risk by dealing with a number of counterparties. The company approves these counterparties according to its risk management policy and ensures that they are of good credit quality.

12. RISK MANAGEMENT ACTIVITIES (continued)

Accounts receivable are reviewed on a regular basis and a provision for impairment is raised when they are not considered recoverable.

The combined maximum credit risk exposure of the company is as follows:

	SA Rand 2009	SA Rand 2008
On balance sheet		
Investments	**10,359.3**	9,109.8
Trade and other receivables	**3.2**	2.6

None of the receivables are past due or impaired.

Liquidity risk

In the ordinary course of business, the company receives cash proceeds from its operations and is required to fund working capital and capital expenditure requirements. The cash is managed to ensure surplus funds are invested to maximise returns whilst ensuring that capital is safeguarded to the maximum extent possible by investing only with top financial institutions.

Uncommitted borrowing facilities are maintained with several banking counterparties to meet the company's normal and contingency funding requirements.

The following are the contractually due undiscounted cash flows resulting from maturities of all financial liabilities, including interest payments:

	Within one year R million	Between one and five years R million	After five years R million	Total R million
2009				
Trade payables	**16.1**	**–**	**–**	**16.1**
Borrowings				
– Capital	**–**	**600.0**	**–**	**600.0**
– Interest	**–**	**231.4**	**–**	**231.4**
Short term loans				
– Capital	**1,143.0**	**–**	**–**	**1,143.0**
– Interest	**29.8**	**–**	**–**	**29.8**
Total	**1,188.9**	**831.4**	**–**	**2,020.3**

Notes:

[1] ZAR borrowings - Spot Prime rate adjusted by specific facility agreement: 11% (2008: 15.50 %).

	Within one year R million	Between one and five years R million	After five years R million	Total R million
2008				
Trade payables	0.6	–	–	0.6
Borrowings				
– Capital	–	1,200.0	–	1,200.0
– Interest	–	399.1	–	399.1
Total	0.6	1 599.1	–	1 599.7

NOTES TO THE COMPANY ANNUAL FINANCIAL STATEMENTS continued

for the year ended 30 June 2009

12. RISK MANAGEMENT ACTIVITIES (continued)

Market risk

Gold Fields is exposed to market risks, including foreign currency, commodity price, equity securities price and interest rate risk associated with underlying assets, liabilities and anticipated transactions. Following periodic evaluation of these exposures, Gold Fields may enter into derivative financial instruments to manage some of these exposures.

IFRS 7 Sensitivity analysis

IFRS 7 requires sensitivity analysis that shows the effects of hypothetical changes of relevant risk variables on profit and loss or shareholders' equity. The company is exposed to commodity price, currency, interest rate, liquidity, equity price and credit risks. The effects are determined by relating the hypothetical change in the risk variable to the balance of financial instruments at year end date.

The amounts generated from the sensitivity analyses below are forward-looking estimates of market risks assuming certain adverse or favourable market conditions occur. Actual results in the future may differ materially from those projected results and therefore should not be considered a projection of likely future events and gains/losses.

Interest price sensitivity

General

As Gold Fields has no significant interest bearing assets, the company's income and operating cash flows are substantially independent of changes in market interest rates. Gold Fields' interest rate risk arises from long-term borrowings.

As of 30 June 2009, Gold Fields' long-term indebtedness amounted to R684.2 million (2008: R1,219.5 million) and its short-term indebtedness amounted to R1,143.0 million (2008: nil). Gold Fields generally does not undertake any specific action to cover its exposure to interest rate risk, although it may do so in specific circumstances.

Interest rate sensitivity analysis

The portion of Gold Fields' interest bearing debt at year end that is exposed to interest rate fluctuations in prime interest rate is R1,827.2 million (2008: R1,219.5 million).

The table below summarises the effect of a change in finance expense on the company's profit and loss had Prime differed as indicated. The analysis is based on the assumption that the applicable interest rate increased/decreased with all other variables held constant.

	Change in interest expense for interest rate changes as of 30 June					
Sensitivity to interest rates	-1.5% R million	-1.0% R million	-0.5% R million	0.5% R million	1.0% R million	1.5% R million
2009						
Sensitivity to Prime interest rates	**11.5**	**7.7**	**3.8**	**(3.8)**	**(7.7)**	**(11.5)**
Change in finance expense	**11.5**	**7.7**	**3.8**	**(3.8)**	**(7.7)**	**(11.5)**
2008						
Sensitivity to Prime interest rates	2.0	1.3	0.7	(0.7)	(1.3)	(2.0)
Change in finance expense	2.0	1.3	0.7	(0.7)	(1.3)	(2.0)

12. RISK MANAGEMENT ACTIVITIES (continued)

Market risk sensitivity

Mark-to-market of Mvela Right of Exchange

The instrument as described in note 1 was subject to different variables, the most significant of which were the rand gold price received on the one hand and the Gold Fields share price on the other. As the instrument was settled in March 2009, no sensitivity has been performed for F2009.

The table below summarises the effect of changes in the abovementioned variables:

	Change in mark-to-market value of derivative as of 30 June			
Sensitivity to Rand gold price	-10.0% R million	-5.0% R million	5.0% R million	10.0% R million
2009				
Effect on profit and loss	–	–	–	–
2008				
Effect on profit and loss	(320.0)	(142.0)	119.0	217.0

Notes:

[1] Rand Gold price of R227,342 used as a base in F2008.

	Change in mark-to-market value of derivative as of 30 June			
Sensitivity to Rand gold price	-20.0% R million	-10.0% R million	10.0% R million	20.0% R million
2009				
Effect on profit and loss	–	–	–	–
2008				
Effect on profit and loss	(576.0)	(288.0)	288.0	576.0

Notes:

[1] Spot Gold Fields equity price of R89.00 used as a base in F2008.

13. CAPITAL MANAGEMENT

Capital is managed on a Group basis only and not on a company basis. Refer to note 36 in the Group financial statements.

MAJOR GROUP INVESTMENTS – DIRECT AND INDIRECT

		Shares held		Group beneficial interest		Book value in holding company Shares		Book value in holding company Loans	
	Notes	2009	2008	2009 %	2008 %	2009 Rm	2008 Rm	2009 Rm	2008 Rm
SUBSIDIARIES									
Listed									
Gold Fields La Cima S.A.	5	**1,256,864,979**	53,145,700	**80.7**	80.7	**–**	–	**–**	–
Unlisted									
Abosso Goldfields Limited – Class"A" shares	2	**38,394,000**	38,394,000	**71.1**	71.1	**–**	–	**–**	–
– Class"B" shares	2	**4 ,266,000**	4,266,000	**71.1**	71.1	**–**	–	**–**	–
Agnew Gold Mining Company (Pty) Limited	4	**54,924,757**	54,924,757	**100.0**	100.0	**–**	–	**–**	–
Beatrix Mines Limited	1	**96,549,020**	96,549,020	**100.0**	100.0	**206.8**	206.8	**–**	–
Beatrix Mining Ventures Limited	1	**9,625,001**	9,625,001	**100.0**	100.0	**120.4**	120.4	**(136.8)**	(136.8)
Driefontein Consolidated (Pty) Limited	1	**1,000**	1,000	**100.0**	100.0	**–**	–	**(13.1)**	(13.1)
GFI Joint Venture Holdings (Pty) Limited	1	**311,668,564**	311,668,564	**100.0**	100.0	**–**	–	**–**	–
GFI Mining South Africa (Pty) Limited	1	**1,000**	850	**100.0**	100.0	**3,138.2**	8.0	**1,157.1**	–
GFL Mining Services Limited	1	**235,676,387**	235,676,387	**100.0**	100.0	**17,425.9**	17,425.9	**9,648.4**	9,869.8
Gold Fields Ghana Limited	2	**711**	711	**71.1**	71.1	**–**	–	**–**	–
Gold Fields Group Services (Pty) Limited	1	**1**	–	**100.0**	0.0	**–**	–	**313.9**	–
Gold Fields Holdings Company (BVI) Limited	3	**4,068**	4,056	**100.0**	100.0	**–**	–	**–**	–
Gold Fields Operations Limited	1	**161,753,619**	161,753,619	**100.0**	100.0	**–**	–	**–**	–
Kloof Gold Mining Company Limited	1	**138,600,000**	138,600,000	**100.0**	100.0	**602.8**	602.8	**(610.2)**	(610.2)
Minera Gold Fields South Africa	5	**3,750**	3,750	**100.0**	100.0	**–**	–	**–**	–
Orogen Holdings (BVI) Limited	3	**218**	206	**100.0**	100.0	**–**	–	**–**	–
St Ives Gold Mining Company (Pty) Limited	4	**281,051,329**	281,051,329	**100.0**	100.0	**–**	–	**–**	–
Total						**21,494.1**	18,363.9	**10,359.3**	9,109.7

Notes
1 – Incorporated in the Republic of South Africa
2 – Incorporated in Ghana
3 – Incorporated in the British Virgin Islands
4 – Incorporated in Australia
5 – Incorporated in Peru

The interest of Gold Fields Limited in the aggregate amount of the after-taxation profits of its subsidiaries is R1,975.5 million (2008: R4,043.8 million).

MAJOR GROUP INVESTMENTS – DIRECT AND INDIRECT continued

	Notes	Shares held		Group beneficial interest	
		2009	2008	**2009** %	2008 %
OTHER					
Listed associates					
Rusoro Mining Limited		**140,000,000**	140,000,000	**26.4**	36.2
Listed equity investments					
Gold One International Limited (previously Aflease Gold Limited)		**12,500,000**	12,500,000	**1.8**	2.4
Buffalo Gold (previously Sargold Resources Corporation)		**2,226,891**	1,946,779	**2.0**	2.0
CMQ Resources Inc. – shares		**1,071,000**	10,710,000	**16.4**	16.4
Conquest Mining Limited		**51,783,388**	51,783,388	**19.1**	19.1
Gold Quest Mining Corporation – shares		**5,362,500**	5,362,500	**8.1**	8.7
Medoro Resources – shares		**3,963,186**	3,963,186	**4.5**	4.5
Mvelaphanda Resources Limited – shares		**8,397,858**	8,397,858	**3.9**	4.0
Orezone Resources Inc.		**–**	41,666,667	**–**	11.7
Orsu Metals Corp (formerly Lero Gold Corp)		**11,349,195**	11,349,195	**2.5**	7.6
Radius Gold Inc.		**3,625,124**	3,625,124	**6.8**	6.8
Sino Gold Limited – shares		**57,968,029**	55,381,651	**19.9**	19.9
Troy Resources NL		**3,130,400**	3,130,400	**4.5**	4.5

Note: Only major investments are listed individually.

SEGMENT REPORT

Financial summary – Rand million

	Continuing operations									
INCOME STATEMENT for the year ended 30 June 2009	South Africa				Ghana		Peru	Australia	Corporate	Group
	Driefontein	Kloof	Beatrix	South Deep[1]	Tarkwa	Damang	Cerro Corona	St Ives/ Agnew	and other[2]	consolidation
Revenue	6,545.9	5,066.3	3,055.2	1,398.1	4,840.3	1,582.7	1,656.4	4,942.0	–	29,086.9
Operating costs	3,530.5	3,083.8	2,037.6	1,188.0	3,046.5	1,193.3	778.7	2,975.5	–	17,833.9
Gold inventory change	–	–	–	–	(162.5)	(20.8)	(37.0)	10.0	–	(210.3)
Operating profit	3,015.4	1,982.5	1,017.6	210.1	1,956.3	410.2	914.7	1,956.5	–	11,463.3
Amortisation and depreciation	624.9	692.7	435.2	283.2	495.3	169.4	350.7	945.3	145.6	4,142.3
Net operating profit	2,390.5	1,289.8	582.4	(73.1)	1,461.0	240.8	564.0	1,011.2	(145.6)	7,321.0
Other income/(expenditure)	(189.6)	(153.3)	(63.5)	55.0	(128.6)	(87.2)	(160.1)	3.5	(2,389.6)	(3,113.4)
Current taxation	603.2	254.0	0.9	–	145.2	74.7	145.4	189.3	145.7	1,558.4
Deferred taxation	176.4	109.7	196.2	(7.2)	286.5	(2.5)	29.5	196.5	(190.0)	795.1
Profit/(loss) for the year	1,421.3	772.8	321.8	(10.9)	900.7	81.4	229.0	628.9	(2,490.9)	1,854.1
Profit attributable to :										
– Ordinary shareholders	1,421.3	772.8	321.8	(10.9)	640.4	57.9	184.8	628.9	(2,481.4)	1,535.6
– Minority shareholders	–	–	–	–	260.3	23.5	44.2	–	(9.5)	318.5

BALANCE SHEET as at 30 June 2009										Group total
Total assets	7,801.8	5,847.1	2,113.4	1,183.0	7,570.6	1,230.0	6,616.7	7,034.1	25,857.9	65,254.6
Total liabilities (excluding deferred taxation)	2,614.6	1,812.9	559.0	674.8	1,329.6	232.1	2,213.7	1,027.0	5,992.7	16,456.4
Deferred taxation	1,794.2	1,676.7	672.9	–	1,173.5	142.1	51.0	770.1	(151.7)	6,128.8
Capital expenditure	1,034.4	958.6	629.4	1,020.5	1,812.0	152.1	1,052.2	897.3	92.7	7,649.2

	Continuing operations										
INCOME STATEMENT for the year ended 30 June 2008	South Africa				Ghana		Peru	Australia	Corporate	Total	Dis-
	Driefontein	Kloof	Beatrix	South Deep[1]	Tarkwa	Damang	Cerro Corona	St Ives/ Agnew	and other[2]	continuing operations	continued operations
Revenue	5,501.9	4,804.8	2,615.2	1,342.1	3,863.7	1,166.4	–	3,715.4	–	23,009.5	299.6
Operating costs	2,932.5	2,690.0	1,724.7	1,263.7	2,058.7	858.6	–	2,355.0	–	13,883.2	191.3
Gold inventory change	–	–	–	–	(35.8)	(77.0)	–	198.3	–	85.5	8.6
Operating profit	2,569.4	2,114.8	890.5	78.4	1,840.8	384.8	–	1,162.1	–	9,040.8	99.7
Amortisation and depreciation	548.3	591.4	292.6	231.8	331.8	101.1	–	775.5	153.1	3,025.6	14.8
Net operating profit	2,021.1	1,523.4	597.9	(153.4)	1,509.0	283.7	–	386.6	(153.1)	6,015.2	84.9
Other income/(expenditure)	(101.9)	(75.5)	(59.2)	(85.1)	1.1	(1.6)	–	69.2	882.1	629.1	(41.1)
Current taxation	500.8	323.7	1.3	–	331.3	54.3	–	92.4	109.3	1,413.1	5.9
Deferred taxation	185.1	176.3	205.0	(95.4)	104.2	40.4	–	95.1	(186.1)	524.6	0.9
Income from discontinued operations[3]											37.0
Profit on sale of Venezuelan assets[3]											74.2
Profit/(loss) for the year	1,233.3	947.9	332.4	(143.1)	1,074.6	187.4	–	268.3	805.8	4,706.6	111.2
Profit attributable to:											
– Ordinary shareholders	1,233.3	947.9	332.4	(143.1)	764.0	133.2	–	268.3	812.2	4,348.2	109.3
– Minority shareholders	–	–	–	–	310.6	54.2	–	–	(6.4)	358.4	1.9

BALANCE SHEET as at 30 June 2008										Group total	Dis- continued operations
Total assets	7,480.0	5,983.4	2,734.9	1,110.4	5,967.4	1,116.7	6,467.7	7,700.8	24,354.2	62,915.5	–
Total liabilities (excluding deferred taxation)	1,764.9	1,399.6	626.6	596.6	1,005.3	202.9	3,089.3	1,086.7	5,160.5	14,932.4	–
Deferred taxation	1,617.7	1,567.0	476.6	–	910.3	143.2	24.3	691.7	(8.9)	5,421.9	–
Capital expenditure[4]	1,016.4	897.7	576.6	784.7	1,541.0	204.2	2,533.0	1,025.5	434.8	9,013.9	70.0

The above is a geographical analysis presented by location of assets

[1] *The income statement and balance sheet of South Deep is that of the operating mine and does not include any of the adjustments made in respect of the purchase price allocation. South Deep Gold Mine, being an incorporated joint venture, is not liable for taxation. Taxation included in South Deep is indicative, as tax is provided in the holding company at a rate of 40 per cent.*

[2] *Included in "Corporate and other" is goodwill relating to the acquisition of South Deep.*

[3] *The Venezuelan assets (including Choco 10) were sold during F2008 and as such are classed as discontinued operations for accounting purposes.*

[4] *Included in capital expenditure "Corporate and other" is capital expenditure invested in discontinued operations.*

SEGMENT REPORT continued

Financial summary – US dollar million

	Continuing operations									
INCOME STATEMENT for the year ended 30 June 2009	**South Africa**				**Ghana**		**Peru**	**Australia**	**Corporate**	**Group**
	Driefontein	**Kloof**	**Beatrix**	**South Deep**[1]	**Tarkwa**	**Damang**	**Cerro Corona**	**St Ives/ Agnew**	**and other**[2]	**consoli-dation**
Revenue	726.5	562.3	339.1	155.2	537.2	175.7	183.8	548.5	–	3,228.3
Operating costs	391.8	342.3	226.1	131.9	338.1	132.4	86.4	330.3	–	1,979.3
Gold inventory change	–	–	–	–	(18.0)	(2.3)	(4.1)	1.1	–	(23.3)
Operating profit	334.7	220.0	112.9	23.3	217.1	45.5	101.5	217.1	–	1,272.3
Amortisation and depreciation	69.4	76.9	48.3	31.4	55.0	18.8	38.9	104.9	16.2	459.7
Net operating profit	265.3	143.2	64.6	(8.1)	162.2	26.7	62.6	112.2	(16.2)	812.6
Other income/(expenditure)	(21.0)	(17.0)	(7.0)	6.1	(14.3)	(9.6)	(17.8)	0.4	(265.2)	(345.4)
Current taxation	66.9	28.2	0.1	–	16.1	8.3	16.1	21.0	16.2	173.0
Deferred taxation	19.6	12.2	21.8	(0.8)	31.8	(0.3)	3.3	21.8	(21.1)	88.2
Profit/(loss) for the year	157.7	85.8	35.7	(1.2)	100.0	9.1	25.4	69.8	(276.5)	205.8
Profit attributable to:										
– Ordinary shareholders	157.7	85.8	35.7	(1.2)	71.1	6.5	20.5	69.8	(275.4)	170.5
– Minority shareholders	–	–	–	–	28.9	2.6	4.9	–	(1.1)	35.3
BALANCE SHEET as at 30 June 2009										**Group total**
Total assets	968.0	725.4	262.2	146.9	939.3	152.6	820.9	872.7	3,208.2	8,096.2
Total liabilities (excluding deferred taxation)	324.4	224.9	69.4	83.7	165.0	28.8	274.7	127.4	743.5	2,041.7
Deferred taxation	222.6	208.0	83.5	–	145.6	17.6	6.3	95.5	(18.8)	760.4
Capital expenditure	114.8	106.4	69.9	113.3	201.1	16.9	116.8	99.6	10.3	849.0

	Continuing operations										
INCOME STATEMENT for the year ended 30 June 2008	**South Africa**				**Ghana**		**Peru**	**Australia**	**Corporate**	**Total**	**Dis-**
	Driefontein	**Kloof**	**Beatrix**	**South Deep**[1]	**Tarkwa**	**Damang**	**Cerro Corona**	**St Ives/ Agnew**	**and other**[2]	**continuing operations**	**continued operations**
Revenue	756.8	660.9	359.7	184.6	531.5	160.4	–	511.1	–	3,165.0	41.2
Operating costs	403.4	370.0	237.2	173.8	283.2	118.1	–	323.9	–	1,909.7	26.3
Gold inventory change	–	–	–	–	(4.9)	(10.6)	–	27.3	–	11.8	1.2
Operating profit	353.4	290.9	122.5	10.8	253.2	52.9	–	159.8	–	1,243.5	13.7
Amortisation and depreciation	75.4	81.3	40.2	31.9	45.6	13.9	–	106.7	21.2	416.2	2.0
Net operating profit	278.0	209.6	82.2	(21.1)	207.6	39.0	–	53.1	(21.2)	827.3	11.7
Other income/(expenditure)	(14.0)	(10.4)	(8.2)	(11.7)	0.2	(0.1)	–	9.5	121.4	86.6	(5.7)
Current taxation	68.9	44.5	0.2	–	45.6	7.5	–	12.7	15.0	194.4	0.8
Deferred taxation	25.5	24.3	28.2	(13.1)	14.3	5.6	–	13.1	(25.6)	72.2	0.1
Income from discontinued operations[3]											5.1
Profit on sale of Venezuelan assets[3]											10.2
Profit/(loss) for the year	169.6	130.4	45.7	(19.7)	147.8	25.9	–	36.8	110.8	647.3	15.3
Profit attributable to:											
– Ordinary shareholders	169.6	130.4	45.7	(19.7)	105.1	18.4	–	36.8	111.6	598.0	15.0
– Minority shareholders	–	–	–	–	42.7	7.5	–	–	(0.9)	49.3	0.3
BALANCE SHEET as at 30 June 2008										**Group total**	**Dis-continued operations**
Total assets	935.0	747.9	341.9	138.9	745.9	139.6	808.5	962.6	3,044.3	7,864.5	–
Total liabilities (excluding deferred taxation)	220.6	175.0	78.3	74.6	125.7	25.4	386.2	135.8	645.1	1,866.6	–
Deferred taxation	202.2	195.9	59.6	–	113.8	17.9	3.0	86.5	(1.2)	677.7	–
Capital expenditure[4]	139.8	123.5	79.3	107.9	212.0	28.1	348.4	141.0	59.9	1,239.9	9.6

The above is a geographical analysis presented by location of assets.

US dollar figures may not add as they are rounded independently.

Year end exchange rates ZAR/US$8.06 and ZAR/US$8.00 for F2009 and F2008 respectively.

Average exchange rates ZAR/US$9.01 and ZAR/US$7.27 for F2009 and F2008 respectively.

[1] The income statement and balance sheet of South Deep is that of the operating mine and does not include any of the adjustments made in respect of the purchase price allocation. South Deep Gold Mine, being an incorporated joint venture, is not liable for taxation. Taxation included in South Deep is indicative, as tax is provided in the holding company at a rate of 40 per cent.

[2] Included in Corporate and Other is goodwill relating to the acquisition of South Deep.

[3] The Venezuelan assets (including Choco 10) were sold during F2008 and as such are classed as discontinued operations for accounting purposes.

[4] Included in capital expenditure "Corporate and other" is capital expenditure invested in discontinued operations.

SHAREHOLDERS' INFORMATION

Analysis of shareholders' information at 30 June 2009

Shareholder spread	Number of shareholders	%	Number of shares	%
1 – 1,000	19.684	84.93	3,774,742	0.54
1,001 – 10,000	2,617	11.29	7,802,255	1.11
10,001 – 100,000	571	2.46	20,628,489	2.93
100,001 – 1,000,000	248	1.07	65,926,249	9.35
1,000,001 and above	58	0.25	606,618,114	86.07
Total	**23,178**	**100.00**	**704,749,849**	**100.00**

Distribution of shareholders	Number of shareholders	%	Number of shares	%
American Depository Receipts	90	0.39	298,196,921	42.31
Unit Trusts/Mutual Fund	259	1.12	144,833,151	20.55
Pension Funds	198	0.85	88,441,020	12.55
Other Managed Funds	85	0.37	52,633,446	7.47
Custodians	78	0.34	42,790,802	6.07
Black Economic Empowerment	2	0.01	21,614,255	3.07
Foreign Government	19	0.08	17,609,605	2.5
Insurance Companies	14	0.06	13,661,872	1.94
Private Investors	24	0.1	10,461,377	1.48
Investment Trust	4	0.02	5,354,726	0.76
Charity	6	0.03	864,756	0.12
Hedge Fund	3	0.01	494,286	0.07
Local Authority	2	0.01	357,590	0.05
University	2	0.01	157,381	0.02
Remainder	22 392	96.6	7,278,661	1.04
Total	**23,178**	**100.00**	**704,749,849**	**100.00**

Non-public/public shareholders	Number of shareholders	%	Number of shares	%
Non-public shareholders				
Directors and associates	4	0.02	156,344	0.02
Public shareholders	23,174	99.98	704,593,505	99.98
Total	**23,178**	**100.00**	**704,749,849**	**100.00**

Beneficial shareholders holding of 3% or more	Number of shares	%
Tradewinds Global Investors LLC	38,822,278	5.51
Arnhold & S.Bleichroeder Advisers LLC	36,184,489	5.13
Public Investment Corporation of South Africa	35,297,817	5.01
BlackRock Investment Management (UK) Limited	31,148,016	4.42
Capital World Investors	27,500,000	3.90
Old Mutual Investment Corporation South Africa (Pty) Limited	22,730,194	3.22
Paulson & Co Inc.	21,923,223	3.11
Mvelaphanda Gold (Pty) Limited	21,506,918	3.05
Total	**235,112,935**	**33.35**

Foreign custodian shareholders holding of 3% or more	Number of Shares	%
Bank of New York Unrestricted Depository Receipts	298,196,921	42.31
JP Morgan Chase (Custodian)	41,262,838	5.86
Bank of New York, Brussels (Custodian)	27,338,820	3.88
Strate Street Bank and Trust (Custodian)	50,669,697	7.19

OPERATING AND FINANCIAL INFORMATION BY MINE

for the year ended 30 June 2009

(All companies wholly owned except for Tarkwa and Damang in Ghana (71.1 per cent) and Cerro Corona in Peru (80.7 per cent). Choco 10 in Venezuela was 95 per cent owned).

South Africa Region

Driefontein Mine

			Gold produced			Net earnings	
Year to 30 June	Tons milled	Yield* g/ton	Kilograms	'000 ounces	Cash cost US$/oz	SA R million	US$ million
1952-2004	208,703,000	14.9	3,114,792	100,143	n/a	n/a	n/a
2005	6,694,000	5.4	36,162	1,163	292	332.1	53.5
2006	6,867,000	5.2	35,755	1,150	315	645.0	100.8
2007	6,652,000	4.8	31,618	1,017	348	1,004.3	139.5
2008	5,981,000	4.8	28,865	928	412	1,233.3	169.5
2009	6,217,000	4.2	25,814	830	448	1,421.3	157.7
Total	**241,114,000**	**13.6**	**3,273,006**	**105,230**			

Includes West Driefontein from 1952 and East Driefontein from 1972.

**Combined surface and underground yield.*

Kloof Mine

			Gold produced			Net earnings	
Year to 30 June	Tons milled	Yield* g/ton	Kilograms	'000 ounces	Cash cost US$/oz	SA R million	US$ million
1939-2004	238,271,900	9.0	2,148,644	69,080	n/a	n/a	n/a
2005	4,655,000	6.9	32,258	1,037	330	(39.2)	(6.3)
2006	3,666,000	7.8	28,429	914	374	209.9	32.8
2007	3,829,000	7.5	28,705	923	366	790.3	109.8
2008	3,953,000	6.5	25,533	821	430	947.9	130.4
2009	3,319,000	6.0	19,998	643	507	772.8	85.8
Total	257,693,900	8.9	2,283,567	73,418			

Includes Venterspost from 1939, Libanon from 1949, Kloof from 1968 and Leeudoorn from 1991.

** Combined surface and underground yield.*

Beatrix Mine (includes Oryx Mine as from F2000)

			Gold produced			Net earnings	
Year to 30 June	Tons milled	Yield* g/ton	Kilograms	'000 ounces	Cash cost US$/oz	SA R million	US$ million
1985-2004	52,983,000	5.5	292,099	9,391	n/a	n/a	n/a
2005	4,181,000	4.6	19,418	624	352	(93.8)#	(15.1)#
2006	3,551,000	5.2	18,541	596	354	185.3	29.0
2007	3,590,000	4.7	16,903	543	377	370.8	51.5
2008	3,215,000	4.2	13,625	438	515	332.4	45.7
2009	2,991,000	4.1	12,164	391	552	321.8	35.7
Total	70,511,000	5.3	372,750	11,984			

Beatrix and Oryx became one tax entity as from F2000.

* Combined surface and underground yield.

 # Includes impairment write-down of R60 million (US$10 million).

OPERATING AND FINANCIAL INFORMATION BY MINE continued

for the year ended 30 June 2009

Oryx Mine – (changed name to 4 shaft, known as West section from F2005)

			Gold produced			Net earnings	
Year to 30 June	**Tons milled**	**Yield* g/ton**	**Kilograms**	**Cash cost ounces**	**US$/oz**	**SA R million**	**US$ million**
1985-1999	5,656,000	3.2	18,182	585	n/a	(768.0)	(123.5)

Included in Beatrix from F2000.

South Deep Mine

			Gold produced			Net earnings	
Year to 30 June	**Tons milled**	**Yield* g/ton**	**Kilograms**	**'000 ounces**	**Cash cost US$/oz**	**SA R million**	**US$ million**
2007#	1,104,000	4.6	5,076	163	595	(46.8)	(6.5)
2008	1,367,000	5.3	7,220	232	727	(143.1)	(19.7)
2009	1,241,000	4.4	5,434	175	717	(10.9)	(1.2)
Total	**3,712,000**	**4.8**	**17,730**	**570**			

 # For the 7 months ended 30 June 2007, since acquisition control.

** Combined surface and underground yield.*

West Africa Region

Ghana

Tarkwa Mine – total managed

			Gold produced			Net earnings (before minorities)	
Year to 30 June	**Tons treated**	**Yield g/ton**	**Kilograms**	**'000 ounces**	**Cash cost US$/oz**	**SA R million**	**US$ million**
1994-2004	71,979,559	1.2	87,495	2,813	n/a	1,183.0	142.0
2005	19,633,000	1.1	21,051	677	234	427.5	68.8
2006	21,487,000	1.0	22,060	709	292	626.2	97.8
2007	22,639,000	1.0	21,684	697	333	841.9	116.9
2008	22,035,000	0.9	20,095	646	430	1,074.6	147.8
2009	21,273,000	0.9	19,048	612	521	900.7	100.0
Total	**179,046,559**	**1.1**	**191,433**	**6,155**			

Surface operation from F1999.

Damang Mine – total managed

			Gold produced			Net earnings (before minorities)	
Year to 30 June	**Tons treated**	**Yield g/ton**	**Kilograms**	**'000 ounces**	**Cash cost US$/oz**	**SA R million**	**US$ million**
2002#-2004	12,064,000	1.9	23,291	749	226	459.1	57.3
2005	5,215,000	1.5	7,703	248	282	116.7	18.8
2006	5,328,000	1.4	7,312	235	341	174.2	27.2
2007	5,269,000	1.1	5,843	188	473	115.1	16.0
2008	4,516,000	1.3	6,041	194	551	187.4	25.9
2009	4,991,000	1.2	6,233	200	660	81.4	9.0
Total	**37,383,000**	**1.5**	**56,423**	**1,814**			

 # F2002 – For the 5 months ended 30 June, since acquisition.

Australasia Region

St Ives Mine

			Gold produced			
Year to 30 June	Tons treated	Yield g/ton	Kilograms	'000 ounces	Cash cost US$/oz	Cash cost A$/oz
2002#-2004	15,628,000	2.8	43,445	1,397	224	354
2005	6,332,000	2.6	16,393	527	336	447
2006	6,690,000	2.3	15,440	496	339	453
2007	6,759,000	2.2	15,146	487	424	540
2008	7,233,000	1.8	12,992	418	582	649
2009	7,262,000	1.8	13,322	428	596	805
Total	**49,904,000**	**2.3**	**116,738**	**3,753**		

 # F2002 – For the 7 months ended 30 June, since acquisition.

Agnew Mine

			Gold produced			
Year to 30 June	Tons treated	Yield g/ton	Kilograms	'000 ounces	Cash cost US$/oz	Cash cost A$/oz
2002#-2004	3,129,000	4.3	13,302	428	237	380
2005	1,170,000	5.6	6,609	212	233	310
2006	1,323,000	5.2	6,916	222	266	355
2007	1,323,000	5.0	6,605	212	295	377
2008	1,315,000	4.8	6,336	204	445	496
2009	1,066,000	5.6	5,974	192	401	541
Total	**9,326,000**	**4.9**	**45,742**	**1,471**		

 # For the 7 months ended 30 June, since acquisition.

St Ives/Agnew

	Net earnings		
Year to 30 June	SA R million	US$ million	A$ million
2002#-2004	1,428.4	156.9	263.8
2005	151.1	24.3	32.4
2006	251.8	39.3	52.6
2007	298.6	41.5	52.8
2008	268.3	36.8	41.2
2009	628.9	69.8	94.3
Total	**3,027.1**	**368.6**	**537.1**

 # F2002 – For the 7 months ended 30 June 2002, since acquisition.

OPERATING AND FINANCIAL INFORMATION BY MINE continued

for the year ended 30 June 2009

South America Region

Peru

Cero Corona Mine – total managed

			Gold produced##			Net earnings (before minorities)	
Year to 30 June	Tons treated	Yield g/ton	Kilograms	’000 ounces	Cash cost US$/oz	SA R million	US$ million
# 2009	4,547,000	1.5	6,822	219	369	229.0	25.4
Total	**4,547,000**	**1.5**	**6,822**	**219**			

 # Transition form project to operation from September 2008.

Cerro Corona is a Gold and Copper mine. As such gold produced is based on gold equivalent ounces.

Discontinued operations

Venezuela

Choco 10 Mine – total managed

			Gold produced			Net earnings (before minorities)	
Year to 30 June	Tons treated	Yield g/ton	Kilograms	’000 ounces	Cash cost US$/oz	SA R million	US$ million
# 2006	454,000	1.7	787	25	294	21.0	3.3
2007	1,001,000	1.7	1,699	55	523	(36.8)	(5.1)
## 2008	761,000	1.4	1,052	34	729	48.5	6.7
Total	**2,216,000**	**1.6**	**3,538**	**114**			

 # For the 4 months ended 30 June, since acquisition.

For the approximate 3.5 months to 11 October 2007, being the effective date of sale.

NOTICE OF ANNUAL GENERAL MEETING

Gold Fields Limited (Registration number 1968/004880/06)
Share code: GFI
Issuer code: GOGOF
ISIN: ZAE000018123

Notice is hereby given that the annual general meeting of shareholders of Gold Fields Limited will be held at 150 Helen Road, Sandown, Sandton on Wednesday, 4 November 2009 at 09:00, to consider and, if deemed fit, to pass, with or without modification, the following ordinary and special resolutions in the manner required by the Companies Act, 61 of 1973, as amended, and subject to the Listings Requirements of JSE Limited and other stock exchanges on which the company's ordinary shares are listed.

Ordinary Resolution Number 1
Adoption of financial statements
"Resolved that the consolidated audited annual financial statements of the company and its subsidiaries, incorporating the auditors' and directors' reports for the year ended 30 June 2009, be received and adopted."

Ordinary Resolution Number 2
Re-election of director
"Resolved that Ms CA Carolus who was appointed to the Board on 10 March 2009 and who retires in terms of the articles of association, and who is eligible and available for re-election, is hereby re-elected as a director of the company." A brief CV is set out on page 17 of the annual report.

Ordinary Resolution Number 3
Re-election of director
"Resolved that Mr R Dañino who was appointed to the Board on 10 March 2009 and who retires in terms of the articles of association, and who is eligible and available for re-election, is hereby re-elected as a director of the company." A brief CV is set out on page 17 of the annual report.

Ordinary Resolution Number 4
Re-election of director
"Resolved that Mr AR Hill who was appointed to the Board on 21 August 2009 and who retires in terms of the articles of association, and who is eligible and available for re-election, is hereby re-elected as a director of the company." A brief CV is set out on page 17 of the annual report.

Ordinary Resolution Number 5
Re-election of director
"Resolved that Mr NJ Holland who retires in terms of the articles of association, and who is eligible and available for re-election, is hereby re-elected as a director of the company." A brief CV is set out on page 16 of the annual report.

Ordinary Resolution Number 6
Re-election of director
"Resolved that Mr RP Menell who was appointed to the Board on 1 October 2008 and who retires in terms of the articles of association, and who is eligible and available for re-election, is hereby re-elected as a director of the company." A brief CV is set out on page 16 of the annual report.

Ordinary Resolution Number 7
Placement of ordinary shares under the control of the directors
"Resolved that, the entire authorised but unissued ordinary share capital of the company from time to time, after setting aside so many shares as may be required to be allotted and issued by the company in terms of any share plan or scheme for the benefit of employees and/or directors (whether executive or non-executive), be and is hereby placed under the control of the directors of the company until the next annual general meeting, on the basis that such directors be and are hereby authorised in terms of section 221(2) of the Companies Act 61 of 1973, as amended (Companies Act), to allot and issue all or part thereof in their discretion, subject to the provisions of the Companies Act and the Listings Requirements of JSE Limited."

NOTICE OF ANNUAL GENERAL MEETING continued

Ordinary Resolution Number 8

Placement of non-convertible redeemable preference shares under the control of the directors

"Resolved that the non-convertible redeemable preference shares in the authorised but unissued share capital of the company be and they are hereby placed under the control of the directors for allotment and issue at the discretion of the directors of the company, subject to all applicable legislation, the requirements of any recognised stock exchange on which the shares in the capital of the company may from time to time be listed and with such rights and privileges attached thereto as the directors may determine."

Ordinary Resolution Number 9

Issuing equity securities for cash

"Resolved that, pursuant to the articles of association of the company, and subject to the passing of ordinary resolution number 7, the directors of the company be and are hereby authorised until the forthcoming annual general meeting of the company (whereupon this authority shall lapse unless it is renewed at the aforementioned annual general meeting, provided that it shall not extend beyond 15 (fifteen) months of the date of this meeting), to allot and issue equity securities for cash subject to the Listings Requirements of JSE Limited (JSE) and subject to the Companies Act, 61 of 1973, as amended on the following basis:

(a) the allotment and issue of equity securities for cash shall be made only to persons qualifying as public shareholders as defined in the Listings Requirements of the JSE and not to related parties;

(b) equity securities which are the subject of issues for cash:
   (i) in the aggregate in any one financial year may not exceed 10 per cent of the company's relevant number of equity securities in issue of that class;
   (ii) of a particular class, will be aggregated with any securities that are compulsorily convertible into securities of that class, and, in the case of the issue of compulsorily convertible securities, aggregated with the securities of that class into which they are compulsorily convertible;
   (iii) as regards the number of securities which may be issued (the 10 per cent number), shall be based on the number of securities of that class in issue added to those that may be issued in future (arising from the conversion of options/ convertible securities), at the date of such application, less any securities of the class issued, or to be issued in future arising from options/convertible securities issued, during the current financial year, plus any securities of that class to be issued pursuant to a rights issue which has been announced, is irrevocable and is fully underwritten or acquisition (which had final terms announced) may be included as though they were securities in issue at the date of application;

(c) the maximum discount at which equity securities may be issued is 10 (ten) per cent of the weighted average traded price on the JSE of such equity securities over the 30 (thirty) business days prior to the date that the price of the issue is determined or agreed by the directors of the company;

(d) after the company has issued equity securities for cash which represent, on a cumulative basis within a financial year, 5 (five per cent or more of the number of equity securities of that class in issue prior to that issue, the company shall publish an announcement containing full details of the issue, including the effect of the issue on the net asset value and earnings per share of the company; and

(e) the equity securities which are the subject of the issue for cash are of a class already in issue or where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue."

In terms of the Listings Requirements of the JSE, a 75 per cent majority is required of votes cast in favour of such resolution by all equity securities holders present or represented by proxy at the general meeting convened to approve the above resolution regarding the waiver of the pre-emptive rights.

Ordinary Resolution Number 10

Amendments to the Gold Fields Limited 2005 Share Plan

"Resolved that, the Gold Fields Limited 2005 Share Plan adopted by the company at its Annual General Meeting on 17 November 2005 (the Share Plan) be and is hereby amended in accordance with the Deed of Amendment tabled at the Annual General Meeting and initialled by the Chairman for the purpose of identification."

Explanatory note on Resolution Number 10

The Deed of Amendment provides for the following two amendments to the Share Plan:

(i) The Share Plan affords eligible employees the opportunity of acquiring Performance Allocated Share Appreciation Rights. The current rules of the Share Plan provide that even if an eligible employee ceases to be employed by the Group as a result of his lawful summary dismissal or his dismissal on the grounds of his proven dishonest, fraudulent or grossly negligent conduct he is able to retain his Share Appreciation Rights which have vested in him at the time of such dismissal. However, this provision is not aligned with Gold Fields' ethics policy or the provisions of the previous option scheme, which provides that if an employee ceases to be employed by the Group as a result of his lawful summary dismissal or his dismissal on the grounds of his proven dishonest, fraudulent or grossly negligent conduct, he would forfeit his vested options. The proposed amendment will, if adopted by shareholders, have the effect that all Share Appreciation Rights allocated to an employee, who ceases to be employed by the Group as a result of his lawful summary dismissal or his dismissal on the grounds of his proven dishonest, fraudulent or grossly negligent conduct, will be forfeited, whether or not such Share Appreciation Rights have vested in such employee;

(ii) The current rules of the Share Plan provide that in the event of a no-fault termination of employment, the maximum number of Performance Vesting Restricted Shares to be settled to such employee shall be adjusted as if the Group had met the Target Performance Criteria. The proposed amendment will, if adopted by shareholders, have the effect that where the Board has already determined, prior to the date of termination of employment, that the Performance Criteria in respect of an Award have not been satisfied or exceeded, the number of Performance Vesting Restricted Shares to be settled to such employee shall be adjusted in the manner set out in the relevant Award Letter.

In terms of the Listings Requirements of the JSE, a 75 per cent majority is required of votes cast in favour of the above resolution by all equity securities holders present or represented by proxy at the general meeting convened to approve the above resolution regarding the amendment of the Share Plan.

Ordinary Resolution Number 11

Award of rights to non-executive directors under The Gold Fields Limited 2005 Non-executive Share Plan

"Resolved that:

(a) The following non-executive directors are awarded rights to the following numbers of shares in terms of The Gold Fields Limited 2005 Non-executive Share Plan:
  (i) AJ Wright – 6,300;
  (ii) K Ansah – 4,100;
  (iii) CA Carolus – 4,100;
  (iv) R Dañino – 4,100;
  (v) JG Hopwood – 4,100;
  (vi) RP Menell – 4,100;
  (vii) DN Murray – 4,100;
  (viii) DMJ Ncube – 4,100;
  (ix) RL Pennant-Rea – 4,100;
  (x) CI von Christierson – 4,100;
  (xi) GM Wilson – 4,100.

(b) So many unissued ordinary shares in the capital of the company as are necessary to allot and issue the shares in respect of which rights have been awarded to non-executive directors under this ordinary resolution number 11, be and are hereby placed under the control of the directors of the company who are specifically authorised in terms of section 221(2) of the Companies Act 61 of 1973, as amended, to allot and issue all and any of such shares, in accordance with the terms and conditions of The Gold Fields Limited 2005 Non-executive Share Plan, as same may be amended from time to time."

NOTICE OF ANNUAL GENERAL MEETING continued

Explanatory note on Resolution Number 11

The reasons for and effect of ordinary resolution number 11 are set out in the directors' report which forms part of the annual financial statements of the company, which accompany this notice of annual general meeting. This resolution relates to The Gold Fields Limited 2005 Non-executive Share Plan. Copies of The Gold Fields Limited 2005 Non-executive Share Plan are available for inspection at the registered office of the company from 08:00 to 17:00 until the date of the annual general meeting.

Ordinary Resolution Number 12

Increase of non-executive directors' fees

"Resolved that the following remuneration shall be payable to non-executive directors of the company with effect from 1 January 2010;

Retainer fee for:		
• The Chairman of the Board	R1,325,000	per annum
• The Chairman of the Audit Committee	R195,000	per annum
• The Chairman of the Capital Projects Control and Review Committee, Nominating and Governance Committee, Remuneration Committee and Safety, Health and Sustainable Development Committee	R150,000	per annum
Retainer fee for:		
• Members of the Board (excluding the Chairman of the Board)	R275,000	per annum
• Members of the Audit Committee	R120,000	per annum
• Members of the Capital Projects Control and Review Committee, Nominating and Governance Committee, Remuneration Committee and Safety, Health and Sustainable Development Committee	R95,000	per annum
Travel allowance payable to directors who travel internationally to attend meetings	US$5,400	per international trip required

Explanatory note on Resolution Number 12

It has become necessary to change the basis on which the remuneration of non-executive directors has been determined. The role of non-executive directors is under increasing focus of late with greater accountability and risk attached to the position. As Gold Fields is a global company and thus requires directors of international stature, its remuneration structure should take account of international as well as local norms in determining the appropriate remuneration for its directors. There is also an increasing practice of paying a single annual fee to directors, adjusted depending on their roles and participation in the Board and its various sub-committees.

It is therefore proposed that a flat fee be paid to all non-executive directors, as per the resolution above, which would be a 12 per cent increase on the fees approved and shares awarded at the last annual general meeting.

It is further proposed that the travel allowance payable to directors who travel internationally to attend meetings be increased from US$5,000 per international trip required to US$5,400 per international trip required.

Special Resolution Number 1

Acquisition of company's own shares

"Resolved that, pursuant to the articles of association of the company, the company or any subsidiary of the company is hereby authorised by way of general approval, from time to time, to acquire ordinary shares in the share capital of the company in accordance with the Companies Act, 61 of 1973 and the JSE Listings Requirements, provided that:

(i) the number of ordinary shares acquired in any one financial year shall not exceed 20 per cent of the ordinary shares in issue at the date on which this resolution is passed;

(ii) this authority shall lapse on the earlier of the date of the next annual general meeting of the company or the date 15 months after the date on which this resolution is passed;

(iii) the repurchase must be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counter party;

(iv) the company only appoints one agent to effect any repurchase (s) on its behalf;

(v) the price paid per ordinary share may not be greater than 10 per cent above the weighted average of the market value of the ordinary shares for the five business days immediately preceding the date on which a purchase is made;

(vi) the number of shares purchased by subsidiaries of the company shall not exceed 10 per cent in the aggregate of the number of issued shares in the company at the relevant times;
(vii) the repurchase of shares by the company or its subsidiaries may not be effected during a prohibited period, as defined in the JSE Listings Requirements;
(viii) after a repurchase, the company will continue to comply with all the JSE Listings Requirements concerning shareholder spread requirements; and
(ix) an announcement containing full details of such acquisitions of shares will be published as soon as the company and/or its subsidiaries have acquired shares constituting, on a cumulative basis 3 per cent of the number of shares in issue at the date of the general meeting at which this special resolution is considered and if approved, passed, and for each 3 per cent in aggregate of the initial number acquired thereafter."

Explanatory note on Special Resolution Number 1

The reason for and effect of this special resolution is to allow the company and/or its subsidiaries by way of a general authority to acquire its own issued shares, thereby reducing the total number of ordinary shares of the company in issue. At the present time, the directors have no specific intention with regard to the utilisation of this authority which will only be used if the circumstances are appropriate. Any decision by the directors, after considering the effect of a repurchase of up to 20 per cent of the company's issued ordinary shares, to use the general authority to repurchase shares of the company or Group will be with regard to the prevailing market conditions and other factors and provided that, after such acquisition, the directors are of the opinion that:
(i) the company and its subsidiaries will be able to pay their debts in the ordinary course of business for a period of 12 months after the date of this notice;
(ii) recognised and measured in accordance with the accounting policies used in the latest audited annual Group financial statements, the assets of the company and its subsidiaries will exceed the liabilities of the company and its subsidiaries for a period of 12 months after the date of this notice;
(iii) the ordinary capital and reserves of the company and its subsidiaries will be adequate for the purposes of the business of the company and its subsidiaries for the period of 12 months after the date of this notice; and
(iv) the working capital of the company and its subsidiaries will be adequate for the purposes of the business of the company and its subsidiaries for the period of 12 months after the date of this notice.

The company will ensure that its sponsor will provide the necessary letter on the adequacy of the working capital in terms of the JSE Listings Requirements, prior to the commencement of any purchase of the company's shares on the open market.

The JSE Listings Requirements require, in terms of section 11.26, the following disclosure requirements, which appear in the annual report of which this notice will be a part:

- Directors and management – refer to pages 16 to 19 of the annual report
- Major beneficial shareholders – refer to page 214 of the annual financial report
- Directors' interests in ordinary shares – refer to page 116 of the annual financial report
- Share capital of the company – refer to page 112 of the annual financial report

The directors of the company are not aware of any legal or arbitration proceedings, including proceedings that are pending or threatened, that may have or have had in the recent past, being at least the previous 12 months, a material effect on the Group's financial position, save for the summons received on 21 August 2008, by Gold Fields Operations Limited (formerly known as Western Areas Limited) (Gold Fields Operations), a subsidiary of the company. The summons was received from Randgold & Exploration Company Limited (Randgold) and African Strategic Investments (Holdings) Limited. The summons claims that during the period that Gold Fields Operations was under the control of Mr Brett Kebble, Mr Roger Kebble and others, Gold Fields Operations was allegedly part of a scam whereby JCI Limited unlawfully disposed of shares owned by Randgold in Randgold Resources Limited (RRL) and Afrikander Lease Limited, now Uranium One.

Gold Fields Operations' preliminary assessment was that it had strong defences to these claims and accordingly, Gold Fields Operations' attorneys were instructed to vigorously defend the claims. Werksmans Attorneys have been so instructed. Much of the preparatory work is still being undertaken and pleadings have not yet closed.

The claims have been computed in various ways. The highest claims have been computed on the basis of the highest prices of RRL and Uranium One between the dates of the alleged thefts and March 2008 (approximately R11 billion). The alternative claims have been computed on the basis of the actual amounts allegedly received by Gold Fields Operations to fund its operations (approximately R519 million).

NOTICE OF ANNUAL GENERAL MEETING continued

It should be noted that claims lie only against Gold Fields Operations, whose only interest is 50 per cent stake in the South Deep Mine.

The directors jointly and severally accept full responsibility for the accuracy of information pertaining to the special resolution and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the resolution contains all information required by the JSE Listings Requirements.

Other than the facts and developments reported on in the annual report, there have been no material changes in the affairs or financial position of the company and its subsidiaries between the date of signature of the audit report and the date of this notice.

A shareholder entitled to attend and vote at the meeting may appoint a proxy or proxies to attend, speak and vote in his/her stead. A proxy need not be a shareholder of the company. Proxy forms must reach the registered office, or the London secretaries, or the Johannesburg or London transfer office of the company at least 24 hours before the time of the meeting.

By order of the directors

C Farrel
Corporate Secretary

Johannesburg
10 September 2009

ADMINISTRATION AND CORPORATE INFORMATION

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Listings
JSE/NYSE/NASDAQ Dubai: GFI
NYX: GFLB
SWX: GOLI

GLOSSARY OF TERMS

ABET
Adult Basic Education and Training

AS/NZ 4801
Australian occupational health and safety management standards

Backfill
Material generally sourced from mine residues and utilised for the filling of mined voids, to ensure long-term stability of excavations and minimise the effects of seismic activity

BEE
Black Economic Empowerment. BEE seeks to ensure that black persons within South Africa gain a significant degree of control in the economy through the possession of equity stakes and the holding of management positions within an institution

Blasthole
A drill hole in a mine that is filled with explosives in order to blast loose a quantity of rock

Bore-hole or drill-hole
Method of sampling rock that has not been exposed by means of obtaining a core of rock (see diamond drill)

Box-hole
A cross raise, normally from the access cross-cut to the reef horizon, for the purpose of drawing broken rock and ore from the reef horizon into a conveyance in the crosscut

Breast mining
A mining method whereby mining advances in the direction of strike

Bulk mining
Any large-scale, mechanised method of mining involving many thousands of tons of ore being brought to surface each day

BVQI
Bureau Veritas Qualite International is a leading global and independent certification body that audits and certifies whether company systems meet the requirements of ISO standards

Carbon-in-Leach
The recovery process in which gold is leached from gold ore pulp by cyanide and simultaneously adsorbed onto activated carbon granules in the same vessel. The loaded carbon is then separated from the pulp for subsequent gold removal by elution. The process is typically employed where there is a naturally occurring gold adsorbent in the ore

Carbon-in-Pulp
The recovery process in which gold is first leached from gold ore pulp by cyanide and then adsorbed onto activated carbon granules in separate vessels. The loaded carbon is then separated from the pulp for subsequent gold removal by elution

Capital expenditure (or capex)
Specific project or ongoing expenditure for replacement or additional equipment, materials or infrastructure

Channel
Water course, also in this sense sedimentary material course

Collective Bargaining Agreement
Collective Bargaining Agreement means a written agreement concerning terms and conditions of employment or any other matter of mutual interest concluded by a trade union(s) and the company

Co-morbidity
Medical term for diseases that commonly co-exist to increase the risk of morbidity

Comminution
The term used to describe the process by which ore is reduced in size in order to liberate the desired mineral from the gangue material in preparation for further processing

Concentrate
A metal-rich product resulting from a mineral enrichment process such as gravity concentration or flotation, in which most of the desired mineral has been separated from the waste material in the ore

Conglomerate
Sedimentary rock comprising eroded, rounded pebbles

Cross-cut
A horizontal underground drive developed perpendicular to the strike direction of the stratigraphy

Cut-off grade
The lowest grade of mineralised rock cut-off grade which determines as to whether or not it is economic to recover its gold content by further concentration

Decline
A surface or sub-surface excavation in the form of a tunnel which is developed from the uppermost point downward

Depletion
The decrease in quantity of ore in a deposit or property resulting from extraction or mining

Development
Is any tunnelling operation, which has for its object either exploration, exploitation or both

Diamond drill
A rotary type of rock drill that cuts a core of rock that is recovered in long cylindrical sections

Dilution
Waste or material below the cut-off grade that contaminates the ore during the course of mining operations and thereby reduces the average grade mined

Dip
Angle of inclination of a geological feature/rock from the horizontal

Dyke
Thin, tabular, vertical or near vertical body of igneous rock formed by the injection of magma into planar zones of weakness

Elution
The chemical process of desorbing gold from activated carbon

Face
The end of a drift, cross-cut or stope at which work is taking place

Facies
A rock unit defined by its composition, internal geometry and formation environment, usually reflecting the conditions of its origin

Fatality rate
Number of deaths per million man-hours worked

Fault
The surface of a fracture along which movement has occurred

Feasibility study
A comprehensive design and costing study of the selected option for the development of a mineral project in which appropriate assessments have been made of realistically assumed geological, mining, metallurgical, economic, marketing, legal, environmental, social, governmental, engineering, operational and all other modifying factors, which are considered in sufficient detail to demonstrate at the time of reporting that extraction is reasonably justified (economically mineable) and the factors reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The overall confidence of the study should be stated

Filtration
Process of separating usually valuable solid material from a liquid

Flotation
The process by which the surface chemistry of the desired mineral particles is chemically modified such that they preferentially attach themselves to bubbles and float to the pulp surface in specially designed machines. The gangue or waste minerals are chemically depressed and do not float, thus allowing the valuable minerals to be concentrated and separated from the undesired material

Footwall
The underlying side of an ore body or stope

Gold equivalent
A quantity of metal (such as copper) converted to an amount of gold in ounces, based on accepted gold and other metal prices. i.e. The accepted total value of the metal based on its weight and value thereof divided by the accepted value of one troy ounce of gold

Grade
The quantity of gold contained within a unit weight of gold-bearing material generally expressed in grams per metric tonne (g/t)

Hanging wall
The overlying side of an ore body or slope

Haulage
A horizontal underground excavation which is used to transport mined ore

Head grade
The grade of the material delivered to the processing facility (such as heap leach pad, Mill etc.). The Mineral Reserve declaration is for material as delivered to the processing facility

Hedging
Taking a buy or sell position in futures market. Opposite to a position held in the cash/spot market to minimise the risk of financial loss from an adverse price change

Hydrothermal
Process of injection of hot, aqueous, generally mineral-rich solutions into existing rocks or features

ICVCT
Informed Consented Voluntary Counselling and Testing

GLOSSARY OF TERMS continued

Indicated Mineral Resource
That part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill-holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed

Inferred Mineral Resource
That part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill-holes which may be limited or of uncertain quality and reliability

ISO 14000
International standards for organisations to implement sound environmental management systems

LDIFR
Lost Day Injury Frequency Rate. Number of lost day injuries expressed in million man hours worked

Lock-up gold
Gold locked as a temporary inventory within a processing plant, or sections thereof, typically milling circuits

Measured Mineral Resource
That part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a high level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drillholes. The locations are spaced closely enough to confirm geological and grade continuity

Milling
A general term used to describe the process in which the ore is crushed and ground and subjected to physical or chemical treatment to extract the valuable metals to a concentrate or finished product

Mine Health and Safety Act (MHSA)
The South African Mine Health and Safety Act, No 29 of 1996

Mineral Resource
A 'Mineral Resource' is a concentration or occurrence of material of economic interest in or on the earth's crust in such form, quality and quantity that there are reasonable and realistic prospects for eventual economic extraction. The location, quantity, grade, continuity and other geological characteristics of a Mineral Resource are known, or estimated from specific geological evidence, sampling and knowledge interpreted from an appropriately constrained and portrayed geological model. Mineral Resources are subdivided, and must be so reported, in order of increasing confidence in respect of geoscientific evidence, into Inferred, Indicated or Measured categories

Mineral Reserve
A 'Mineral Reserve' is the economically mineable material derived from a Measured or Indicated Mineral Resource or both. It includes diluting and contaminating materials and allows for losses that are expected to occur when the material is mined. Appropriate assessments to a minimum of a Pre-Feasibility Study for a project and a Life of Mine Plan for an operation must have been completed, including consideration of, and modification by, realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors (the modifying factors). Such modifying factors must be disclosed

Mineralised
Rock in which minerals have been introduced to the point of a potential ore deposit

Minerals Act
The South African Minerals Act, No 50 of 1999

Normal fault
Fault in which the hanging wall moves downward relative to the footwall, under extensional tectonic conditions

Notional cash expenditure (NCE)
NCE is defined as operating costs plus capital expenditure and is reported on a per kilogram and per ounce basis.

Nugget effect
A measure of the randomness of the grade distribution within a mineralised zone

NUM
National Union of Mine Workers

OHSAS
Management system standards, developed in order to facilitate the integration of quality and occupational health and safety management systems by organisations

Payshoot
Linear to sub-linear zone within a reef for which gold grades or accumulations are predominantly above the cut-off grade

Pillar
Rock left behind to help support the excavations in an underground mine

Probable Mineral Reserve
The economically mineable material derived from a Measured and/or Indicated Mineral Resource. It is estimated with a lower level of confidence than a Proved Mineral Reserve. It is inclusive of diluting materials and allows for losses that may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out and including consideration of and modification by, realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction is reasonably justified

Project capital
Capital expenditure which is associated with specific projects of a non-routine nature

Proved Mineral Reserve
The economically mineable material derived from a Measured Mineral Resource. It is estimated with a high level of confidence. It is inclusive of diluting materials and allows for losses that may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, including consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction is reasonably justified

Reef
Gold bearing sedimentary horizon in the Witwatersrand Basin

SADC
Southern African Development Community

SAMREC Code
The South African code for the reporting of exploration results, Mineral Resources and Mineral Reserves (the SAMREC Code) 2007 Edition

Seismic
Earthquake or earth vibration including those artificially induced by mining operations

Sequential Grid Mining
Mining method incorporating dip pillars and mined on a grid system

Shaft
An opening cut downwards from the surface for transporting personnel, equipment, supplies, ore and waste

Shear
A deformation resulting from stresses that cause contiguous parts of a body of rock to slide relative to each other in a direction parallel to their plane of contact

Stope
The working area from which ore is extracted in an underground mine

Stripping
The process of removing overburden or waste rock to expose ore

Stripping ratio
The ratio of waste tonnes to ore tonnes mined calculated as total tonnes mined less ore tonnes mined divided by ore tonnes mined

Stratigraphy
The science of rock strata, including arrangement according to geographical positioning and chronological order of sequence

Strike
Direction of line formed by the intersection of strata surfaces with the horizontal plane, always perpendicular to the dip direction

Sub-vertical shaft
An opening cut below the surface downwards from an established surface shaft

Surface sources
Ore sources, usually dumps, tailings dams and stockpiles, located at the surface

TEBA
The Employment Bureau of Africa

Tertiary shaft
An opening cut below the surface downwards from an established sub-vertical shaft

The Base Case
The Base Case is established as part of the financial models

Trade union
An association of employees: whose principal purpose is to regulate relations between employees and the company, which has been registered; whose officials have been elected to represent the interests of employees within the workplace; and which is recognised for collective bargaining by the company

Total cash costs
Total cash costs include cost of sales – excluding amortisation and depreciation, rehabilitation costs, general and administration costs, and exploration costs in accordance with the Gold Institute Industry Standard

Vamping
Is the final clean-up of track ballast and/or accumulations in gullies and along transportation routes

GLOSSARY OF TERMS continued

Abbreviations and units

ABET	Adult Basic Education and Training
ADS	American Depository Shares
AIDS	Acquired Immune Deficiency Syndrome
ARC	Assessment & Rehabilitation Centres
ART	Antiretroviral therapy
CBO	Community based organisation
CIL	Carbon-in-leach
CIP	Carbon-in-pulp
CIS	Carbon-in solution
DCF	Discounted Cash Flow
ETF	Exchange traded fund
GFHS	Gold Fields Health Service
GFLC	Gold Fields La Cima
GRI	Global Reporting Initiative
HBC	Home Based Care
HDSA	Historically disadvantaged South African
HIV	Human Immunodeficiency Virus
LoM plan	Life-of-Mine plan
LTIFR	Lost Time Injury Frequency Rate, quoted in million man-hours
NGO	Non-governmental organisation
NUM	National Union of Mineworkers
NYSE	New York Stock Exchange
MCF	Mine Call Factor
OHC	Occupational Health Centre
OT	Occupational Therapy
PHC	Primary Health Clinic
PPI	Producer Price Index
SAMREC	South African code for Reporting of Mineral Resources and Mineral Reserves
SEC	United States Securities Exchange Commission
STI	Sexually Transmitted Infection
TB	Tuberculosis
TEC	Total Employees Costed
UASA	United Association of South Africa (a labour organisation)
VCT	Voluntary Counselling & Testing (for HIV)
cm	centimetre
cm.g/t	gold accumulation
g	gram
g/t	grams per metric ton – gold grade
Ha	hectare
kg	kilogram
km	kilometre
koz	thousand ounces
kt	thousand metric tons
ktpa	thousand metric tons per annum
ktpm	thousand tons per month
m^2	square metre
Moz	million ounces
oz	fine troy ounce equalling 31.10348 grams
t	metric ton
US$	United States dollar
US$m	million United States dollars
US$/oz	United States dollar per ounce
R	South African rand
R/kg	South African rand per kilogram
Rm	million South African rands
R/t	South African rand per metric ton

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PROXY FORM

Gold Fields Limited (Registration No 1968/004880/06)
Share Code: GFI
Issuer Code: GOGOF
ISIN: ZAE000018123

I/we (Name in block letters)

of (Address in block letters)

being a shareholder(s) of Gold Fields Limited

hereby appoint of

or, failing him/her of

or, failing him/her, the chairman of the meeting as my/our proxy to attend, speak and, on a poll vote on my/our behalf at the annual general meeting of shareholders of Gold Fields Limited to be held on Wednesday, 4 November 2009 at 09:00, and at any adjournment thereof, and to vote or abstain from voting as follows on the resolutions to be proposed at such meeting:

	For	Against	Abstain
Ordinary resolution number 1 Adoption of financial statements			
Ordinary resolution number 2 Re-election of Ms CA Carolus as a director			
Ordinary resolution number 3 Re-election of Mr R Dañino as a director			
Ordinary resolution number 4 Re-election of Mr AR Hill as a director			
Ordinary resolution number 5 Re-election of Mr NJ Holland as a director			
Ordinary resolution number 6 Re-election of Mr RP Menell as a director			
Ordinary resolution number 7 Placement of ordinary shares under the control of the directors			
Ordinary resolution number 8 Placement of non-convertible redeemable preference shares under the control of the directors			
Ordinary resolution number 9 Issuing equity securities for cash			
Ordinary resolution number 10 Amendments to the Gold Fields Limited 2005 Share Plan			
Ordinary resolution number 11 Award of rights to non-executive directors under The Gold Fields Limited 2005 Non-executive Share Plan			
Ordinary resolution number 12 Increase of non-executive directors' fees			
Special resolution number 1 Acquisition of company's own shares			

A shareholder entitled to attend and vote at the meeting may appoint a proxy or proxies to attend, speak and on a poll, vote in his/her stead. A proxy need not be a shareholder of the company.

Every person present and entitled to vote at the annual general meeting as a shareholder or as a representative of a body corporate shall on a show of hands have one vote only, irrespective of the number of shares such person holds or represents, but in the event of a poll, every share shall have one vote.

Please indicate with an "X" in the appropriate spaces above how you wish your votes to be cast.

If you return this form duly signed without any specific directions, the proxy will vote or abstain at his/her discretion.

Signed at on 2009

Name in block letters

Signature

Assisted by me (where applicable)

This proxy form is not for use by holders of American Depositary Receipts issued by the Bank of New York Mellon.

NOTES TO FORM OF PROXY

1. A form of proxy is only to be completed by those shareholders:
   - holding shares in certified form; or
   - recorded on sub-register electronic form in "own name".

2. All other beneficial owners who have dematerialised their shares through a Central Securities Depository Participant (CSDP) or broker and wish to attend the annual general meeting, must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker.

3. A signatory/ies to the Proxy Form may insert the name of a proxy or the name of an alternative proxy in the blank spaces provided with or without deleting "the chairman of the meeting", but any such deletion must be initialled by the signatory/ies. Any insertion or deletion not complying with the aforegoing will be deemed not to have been validly effected. The person at the meeting whose name appears first on the list of names above, shall be the validly appointed proxy for the shareholder at the meeting.

4. A shareholder's instructions to the proxy must be indicated in the appropriate blocks provided. A shareholder or the proxy is not obliged to use all the votes exercisable by the shareholder or by the proxy or to cast all those votes in the same way, but the total of that shareholder's votes cast and in respect whereof abstention is directed, may not exceed the total of the votes exercisable by the shareholder or the proxy. Failure to comply with the above or to provide voting instructions or the giving of contradictory instructions will be deemed to authorise the proxy to vote or abstain from voting at the meeting as such proxy deems fit in respect of all that shareholder's votes exercisable at that meeting.

5. Any alteration or correction made to this Proxy Form must be initialled by the signatory/ies.

6. Documentary evidence establishing the authority of a person signing this Proxy Form in a responsible capacity must be attached to this Proxy Form unless previously recorded by the company.

7. When there are joint holders of shares, any one holder may sign the Proxy Form.

8. Where applicable, spouses consent must be obtained.

9. The completion and lodging of this Proxy Form will not preclude the shareholder who grants this proxy from attending the meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such member wish to do so.

10. Completed Proxy Forms should be returned to the registered offices in Johannesburg or one of the transfer offices of the company at either of the addresses given below at least 24 hours before the time of the meeting.

Transfer offices:
South Africa
Computershare Investor Services (Proprietary) Limited
Ground Floor
70 Marshall Street
Johannesburg, 2001
PO Box 61051
Marshalltown, 2107
Tel: (+27)(11) 370 5000
Fax: (+27)(11) 370 5271

United Kingdom
Capita Registrars
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU
England
Tel: 08716649300 (from UK calls)
(+44)(20) 8639 3399 (from outside UK)
Fax: (+44)(20) 8658 3430

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