



GOLD FIELDS

ANNUAL REPORT 2009



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**GOLD FIELDS**

Gold Fields Vision

To be the global leader in sustainable gold mining.

Gold Fields Profile

Gold Fields is one of the world's largest unhedged producers of gold with attributable production of 3.6 million ounces* per annum from nine operating mines in South Africa, Ghana, Australia and Peru. Gold Fields also has an extensive growth pipeline with both greenfields and near mine exploration projects at various stages of development. Gold Fields 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), the New York Stock Exchange (NYSE), the Dubai International Financial Exchange (DIFX), the Euronext in Brussels (NYSE) and the Swiss Exchange (SWX).

**Based on the annualised run rate for the fourth quarter of F2009*

Forward looking statements

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

Such forward looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the company to be materially different from the future results, performance or achievements expressed or implied by such forward looking statements. Such risks, uncertainties and other important factors include among others: economic, business and political conditions in South Africa, Ghana, Australia, Peru and elsewhere; the ability to achieve anticipated efficiencies and other cost savings in connection with past and future acquisitions, exploration and development activities; decreases in the market price of gold or copper; hazards associated with underground and surface gold mining; labour disruptions; availability terms and deployment of capital or credit; changes in government regulations, particularly environmental regulations; and new legislation affecting mining and mineral rights; changes in exchange rates; currency devaluations; inflation and other macro-economic factors, industrial action, temporary stoppages of mines for safety reasons; and the impact of the Aids crisis in South Africa. These forward looking statements speak only as of the date of this document. The company undertakes no obligation to update publicly or release any revisions to these forward looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events.

Scope of this report

This report provides an overview of Gold Fields' four South African and five international operations for the year ended 30 June 2009, on a Group and mine by mine basis. It details the company's financial statements and Mineral Reserves and Mineral Resources and looks ahead to the Group's prospects for F2010 as it expands its global footprint. The Sustainable Development section of the report covers the activities of all of our existing mines as well as parts of our exploration and business development work for the year ended 30 June 2009.

Gold Fields Limited (Gold Fields or the company)
Incorporated in the Republic of South Africa
Registration number: 1968/004880/06
For additional information: www.goldfields.co.za

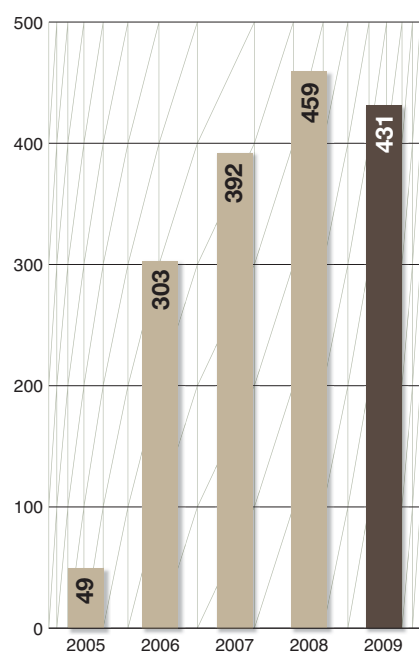
F2009 FINANCIAL HIGHLIGHTS

F2009 salient features

- Record safety improvement;
- Attributable gold production of 3.4 million ounces;
- Total cash costs of US\$516 per ounce;
- Notional cash expenditure of US\$763 per ounce;
- Operating margin of 39 per cent;
- Successful completion of critical infrastructure rehabilitation and secondary support backlog at South African operations;
- Completed construction of Cerro Corona Mine in Peru and CIL plant expansion at Tarkwa in Ghana;
- South Deep remodelled and appropriately resourced to achieve F2010 target of 300,000 ounces of gold;
- Commenced construction of Athena, the fourth underground mine at St Ives in Australia; and
- Three advanced stage exploration projects underway.

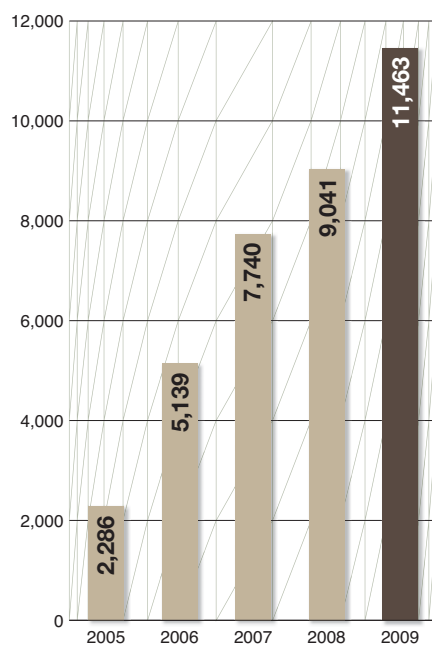
Headline earnings per share

South African cents



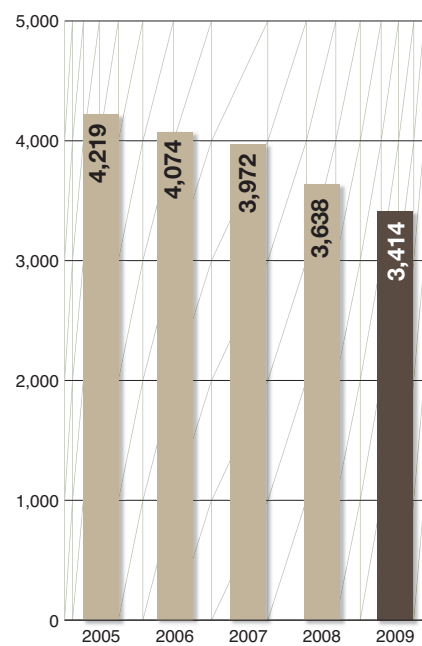
Operating profit

Rand million



Attributable gold production

'000 ounces



Operating summary¹

For the year ended 30 June		F2009	F2008	F2007	F2006	F2005
Salient features						
Gold produced – attributable	kg '000oz	106,186 3,414	113,154 3,638	123,534 3,972	126,712 4,074	131,284 4,219
Total cash cost	R/kg US\$/oz	149,398 516	111,315 476	86,623 374	67,988 330	66,041 331
Notional cash expenditure	R/kg US\$/oz	221,153 763	186,088 796	135,666 585	89,961 437	83,569 419
Gold price	R/kg US\$/oz	253,459 875	190,623 816	147,595 638	107,918 524	84,218 422
Operating profit	Rm	11,463	9,041	7,740	5,139	2,286
Operating margin	per cent	39	39	40	35	19

Financial summary¹

Rand million, unless otherwise stated						
Revenue		29,087	23,010	19,434	14,605	11,756
Basic earnings – cents per share		229	683	423	313	26
Headline earnings – cents per share		431	459	392	303	49
Dividends declared – cents per share		110	185	185	150	70
Total assets		65,254.6	62,915.5	53,925.0	31,635.2	23,997.4
Shareholders' equity		42,669.4	42,561.2	37,106.3	20,001.5	16,534.1
Cash and cash equivalents		2,803.9	2,007.3	2,310.1	1,617.5	3,375.0
Cash flows from operating activities ²		6,000.8	6,692.1	1,201.4	3,804.8	1,336.4
Cash generated/(utilised)		804.1	(478.0)	693.4	(1,781.6)	(919.9)

Market and ratio analysis

Debt leverage						
Net debt: EBITDA		0.53	0.55	0.59	0.14	(0.84)
Other						
Net asset value per share (Rand)		60.55	65.16	56.90	40.42	33.59
Dividend payout ratio (per cent)		48	27	44	48	269 ³
Exchange rates						
Average rate US\$1 = R		9.01	7.27	7.20	6.40	6.21
Closing rate US\$1 = R		8.06	8.00	7.15	7.43	6.70
Share price performance						
Ordinary shares (Rand)						
– high		123.50	135.00	173.80	164.00	101.01
– low		54.00	87.01	109.40	68.02	54.50
– year end		93.52	99.50	109.40	162.00	76.20
Average daily volume of shares traded ('000)		3,047	2,903	2,581	2,073	1,356
American Depositary Receipts (US\$)						
– high		13.99	19.60	24.48	26.95	15.25
– low		4.64	10.66	15.48	10.59	9.13
– year end		12.05	12.65	15.70	22.90	11.35
Average daily volume of shares traded ('000)		7,635	6,368	3,141	2,289	1,557
Number of shares in issue ('000)		704,750	653,201	652,158	494,825	492,294
Market capitalisation at year end (Rm)		65,908	64,993	71,346	80,162	37,513

¹ Figures are based on last published and audited Annual Financial Statements.

² Cash flows from operating activities in F2007 impacted by buy-back of Western Areas Limited hedge book.

³ The 269 per cent dividend payout ratio in 2005 was as a result of earnings per share of R0.26 and a dividend of R0.70.

MESSAGE FROM THE CHAIRMAN



Most importantly, we have made progress with our number one priority: to improve our safety record. We reduced fatal accidents substantially and showed an improvement of 55 per cent...

The 2009 financial year has been a year of remarkable change and challenge globally, and for Gold Fields specifically.

While the effects of the economic turmoil were brought upon us harshly early in the year, I am pleased that we have, nonetheless, maintained a strong focus on advancing our strategy and, in the process, achieved great accomplishments. I can confidently state that Gold Fields is today in a much stronger position than 12 months ago.

Most importantly, we have made considerable progress with our number one priority: to improve our safety performance. We reduced fatal accidents substantially and showed an improvement of 55 per cent, with fatalities declining from 47 in F2008 to 21 this year. Despite this improvement, we deeply regret each one of these fatalities and we are committed to eliminating all serious and fatal injuries on our mines. Significantly, our developing South Deep Gold Mine in South Africa has been fatality free for the past year, as have all of our mines in

West Africa, South America and Australasia. All other safety measures, globally, have also shown considerable improvement.

The Board is fully supportive of the safety initiatives being implemented by the management team, under the capable leadership of Nick Holland, the Chief Executive Officer. Understanding that we had to change radically our safety culture and performance, and with a full mandate from the Board, Nick and his team have, over the past year, conducted an all-encompassing re-examination of the Gold Fields approach to safety. Following this assessment, various initiatives have been successfully introduced, while others are in the process of being implemented. The Board is satisfied that these interventions are having the desired effect and that there has indeed been a step change in our approach to safety. This is now an integral part of the way Gold Fields conducts its business.

Gold Fields' operations have progressively over the past year shown greater stability,

predictability and consistency, which resulted in more profitable and sustainable operations in the second half of the financial year, and have established a platform for improved performance in the year ahead. Attributable gold production decreased by six per cent from 3.64 million ounces for the year ended June 2008 to 3.41 million ounces produced in F2009. Revenue increased by twenty six per cent from R23,010 million (US\$3,165 million) to R29,087 million (US\$3,228 million). The thirty three per cent higher average Rand per kilogram gold price of R253,459 per kilogram (US\$875 per ounce) compares with last year's R190,623 per kilogram (US\$816 per ounce). Earnings excluding exceptional items, gains and losses on foreign exchange and financial instruments, losses of associates after taxation, and discontinued operations, amounted to R2,981 million (US\$331 million) compared with R2,939 million (US\$404 million) in F2008.

One of the consequences of the collapse of the global debt markets is that, by and large,

junior exploration companies have considerably slowed their exploration and development activities. In addition, the number of new mines coming into production is generally less than historically expected, driven predominantly by the lack of a quality pipeline of new projects – mainly because of increased legislative and social challenges, a lack of investment, and no major technological advances. As a consequence, gold production globally is somewhat subdued and greenfields exploration continues to suffer from reduced investment.

On the other hand, demand for gold, driven in part by the rapidly increasing middle classes of certain emerging countries, continued tensions in many parts of the world and instability in some resource-rich African regions have, together with the maturing of the gold Exchange Traded Funds (ETF) business, reinforced the role of gold as a reliable store of value. After taking all of this into account, it seems as if the gold price could well be sustained at least at current levels, while significant upside potential exists.

Against this background, we believe that Gold Fields is uniquely positioned to benefit from what we believe to be a rising tide in the gold market, and it is our intent to ensure that the interests of those who own our company, rise with the tide.

Our vision is for Gold Fields to be the global leader in sustainable gold mining.

The simplicity of this vision statement belies the thoughtful consideration given to the meaning and intent of each word, and therein lies its power. Our strategy was crafted accordingly.

At the core of our strategy is our long-standing conviction not to hedge our gold, because we believe in gold.

- The first pillar of our threefold strategy is to **“sweat our assets”** – with attributable Mineral Resources in excess of 270 million gold equivalent ounces and attributable Mineral Reserves of some 80 million gold

equivalent ounces, our first priority must be to bring these ounces to account in the most cost effective way. We have a world-class suite of mines and we know that each one of them is capable of more. It is for this reason that we have mandated the management team to increase investment, *inter alia*, in the integrity of our infrastructure, mechanisation and new technologies, and ore reserve development. These investments will not only enhance the stability, predictability and consistency of the operations, but enable them to ascend to greater levels of productivity and profitability, which is the principal objective of this strategy.

- The second leg of our strategy is to **“grow Gold Fields”** – not simply for the sake of growth but growth in profitable production, earnings and returns to shareholders on a per share basis. Our objective is not merely to add ounces, but to add ounces that will improve the quality of our asset base. Furthermore, while we do not eschew the value that can be added through mergers and acquisitions, our preference is to leverage our vast Reserve and Resource base for brownfields growth, as well as to pursue growth through greenfields exploration success. Our target is, within a four to five year time-frame, to grow Gold Fields into a five million ounce per annum producer. To this end we have mandated the management team to pursue an aggressive internationalisation strategy, focused principally on the four well-endowed gold regions of the world where we have an operating presence. With South Africa expected to provide a stable production base-load of between 2.2 and 2.5 million ounces for many years into the future, we aim to grow attributable production to a million ounces per annum in each of West Africa, Australasia and South America. Management has also been mandated, with a view to the future, to establish a presence in what we consider to be the new frontiers of the gold industry – the Tian Shan belt in Asia and British Columbia in Canada.
- The third leg of our strategy is to **“secure our future”** – founded in 1887, Gold Fields has served shareholders in the 19th, 20th

and 21st centuries. As a Board we take this legacy seriously and we view the longevity of the company as central to our mandate. It is for this reason that we have embraced the concept of sustainable development and mandated the management team to secure the long-term sustainability of our business by giving due attention to the many social, environmental and economic considerations that will undoubtedly have a bearing on the future and that of the many and varied stakeholders throughout the world.

Our strategy to expand Gold Fields outside South Africa has advanced over the years and this year marked the end of significant capital programmes at both Tarkwa and Cerro Corona. We are particularly pleased that the Cerro Corona mine is now fully commissioned and at full production because this is an important step in the evolving of our strategy. As I indicated above, South America is one of the three international regions in which we intend to grow, and the Cerro Corona mine provides us with a solid platform from which to venture forth. Based on the current mines in operation, production from West Africa, South America and Australasia is now over one and a half million ounces of gold and these regions are now in a position to make an important contribution to the Group's income stream. A direct result of this achievement is that the Group's profile and attractiveness to international investors has been broadened considerably. We are also particularly pleased with the quality and quantum of advanced exploration projects in the portfolio, with an equally pleasing level of early stage possibilities not far behind.

In the South Africa Region we are satisfied with the progress that has been made with the South Deep Project. South Deep is indeed the mine of the future, in more ways than one. As a totally mechanised mine it is at the core of our long-term strategy in South Africa, and will in due course become the mainstay of our production from this region.

Our businesses continue to face major challenges. Climate change imperatives are at

MESSAGE FROM THE CHAIRMAN

the forefront of our decision making processes and efficient energy usage has been a primary focus over the past year. While the economic downturn may have lessened electricity supply pressures, significant investment in electricity capacity is still required, especially in South Africa. For this reason, we have participated in various initiatives to assist in alleviating this concern. Example are our commitment in Ghana to share in the construction costs of a facility that will provide power to communities and operations in the areas in which we mine, while in South Africa we continue to implement energy savings initiatives on all of our mines in order to conserve power.

Another pleasing development over the past year was our continued focus on the nurturing of talent in the organisation. Various interventions are underway to ensure that we continue to have sufficient and appropriately skilled people for our existing operations around the world, as well as for any new operations as we continue to expand globally. There have been numerous senior appointments made from within the Group over the last twelve months, which is an indication that our succession plan is working. The challenge today is to identify, develop and nurture another generation of people that will have the capability to lead Gold Fields into the next decade and beyond.

Equally important is the relationship with our employees and employee representative organisations and unions in the various jurisdictions in which we operate. I am pleased to report that the relationships with all of these organisations remain fundamentally sound and that we have experienced a growing maturity and pragmatism in all interactions with them.

In March 2009, Standard and Poor's Rating Services assigned Gold Fields a "BBB-/A3" long-term and short-term global corporate credit rating and "zaA/zaA-1" long-term and short-term South Africa national scale corporate credit rating. The long-term ratings reflect Gold Fields' satisfactory business risk and intermediate financial risk profiles, while the short-term ratings reflect Gold Fields' adequate

liquidity. The satisfactory business risk profile reflects our market position as the world's fourth largest gold producer, an industry-leading long reserve life of over 20 years, and healthy profitability underpinned by persistently strong gold prices. The stable outlook reflects the expectation that Gold Fields should continue to report healthy cash flow generation, supported by ongoing strong gold prices and a weak exchange rate.

In terms of the R4.1 billion Black Economic Empowerment (BEE) transaction approved by shareholders of Gold Fields during March 2004, Mvelaphanda Resources, through its wholly owned subsidiary Mvelaphanda Gold, subscribed for approximately seven per cent of the ordinary shares of Gold Fields, in March 2009.

On behalf of the Board of Gold Fields I welcome the newly appointed Presidents of South Africa and Ghana into office. The support and commitment of Gold Fields as a responsible operator and dedicated corporate citizen will be maintained, as it has been in all the areas in which we operate.

At the end of April 2009, the Department of Mineral Resources (DMR) gazetted the "Codes of Good Practice for the South African Minerals Industry". This is an attempt to set out administrative principles for effective implementation of the minerals and mining legislation and to enhance implementation of the Broad-Based Socio-Economic Charter applicable to the industry. These codes are aimed at how BEE will be measured. The DMR has indicated that it intends to discuss the new codes with industry and we remain supportive of dialogue as this will create common understanding between all the stakeholders.

On behalf of the Board, I would like to express my appreciation to the management team, as well as all employees, for the tremendous commitment displayed over the year. Your dedication has been outstanding.

I also pay tribute to my fellow directors for the considerable effort and contribution made

during the last twelve months. In November 2008, Rick Menell joined the Board, and in March 2009 we welcomed Cheryl Carolus and Roberto Dañino to the Board. We have already benefited greatly from the experience and deep knowledge that Rick, Cheryl and Roberto have brought to Gold Fields. More recently, on 21 August 2009, we welcomed Alan Hill to the Board of Directors. Alan is a former executive of Barrick Gold Corporation, and a mining engineer, and his vast experience will be of great benefit to Gold Fields.

Early in August of this year, after the period covered by this report, but prior to its publication, the President of South Africa announced the appointment of Gill Marcus, one of our fellow directors, as the new Governor of the Reserve Bank of South Africa. Gill accepted the appointment and consequently resigned from the Board, with immediate effect. On behalf of my fellow directors and all of the people of Gold Fields, I wish to congratulate Gill on her appointment and thank her for the immense contribution that she has made to Gold Fields. While we regret her departure, we know that we will continue to benefit, together with the rest of South Africa, from her wisdom and leadership as she assumes her important new role.

Looking towards next year, we are well positioned to continue progressing our strategy, and in doing so, delivering on the targets and objectives that we have set for ourselves, whilst being ever mindful of our responsibility to our communities. Gold Fields and its people remain committed to ensuring a strong and sustainable future for all of our stakeholders, for today and tomorrow.

Thank you for your ongoing support.



Alan J Wright
Chairman

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER



“... if we cannot mine safely, we will not mine. . .”

INTRODUCTION

I am pleased to report that we have had a year of strong progress against the goals and objectives articulated in our F2008 annual report, aimed at setting Gold Fields on a course for progressively improved performance during F2010, and the years beyond.

During F2009 we embraced a bold yet simple new vision, which is for Gold Fields to be **the global leader in sustainable gold mining**. Underpinning this vision, we have also adopted six values that guide us towards achieving this vision. These are:

1. **Safety:** If we cannot mine safely, we will not mine.
2. **Responsibility:** We act responsibly and care for the environment, each other, and all of our stakeholders – our employees, our communities, and our shareholders.
3. **Honesty:** We act with fairness, integrity, honesty and transparency.
4. **Respect:** We treat each other with trust, respect and dignity.
5. **Innovation:** We encourage innovation and entrepreneurship.
6. **Delivery:** We do what we say we will do.

As expected, F2009 was a year of two halves. The first half of the year was focused on improving the Gold Fields production machine. This included the completion of our international growth projects, as well as a number of planned, safety related production interruptions at our South African mines for the rehabilitation of critical infrastructure, which was the main contributor to a six per cent decline in attributable gold production to 3.41 million ounces for F2009.

However, as expected, in the second half of the year we experienced a return to greater stability, predictability and consistency in our performance as our international growth projects and the rehabilitation projects at our South Africa mines were completed. After reaching a production low point of 798,000 ounces in the first quarter of F2009, largely because of the production interruptions mentioned above, as well as a delay in the completion of certain growth projects, we had a steady improvement in quarterly production for the remainder of the year, ending the

fourth quarter with attributable production of 906,000 ounces of gold. This represented an improvement of 108,000 ounces, or 14 per cent, over the low point recorded in the first quarter, and is a trend that we expect to see continuing throughout F2010 as Gold Fields moves closer to its short- to medium-term goal of again producing between 3.8 million and 4 million attributable ounces of gold per annum.

While F2009 was a year of unprecedented operational challenges, it was also a year of significant milestones on our course towards achieving this target on a sustained basis.

The **first and most important of these milestones** was the significant strengthening of the safety culture in Gold Fields. In our F2008 annual report, I said that we had crossed a watershed in our approach to safety and I made a commitment that **“if we cannot mine safely, we will not mine”**. During F2009 we bedded this down as our single most important value, and the bedrock of the Gold Fields culture.

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

continued

Towards this end, we had to make a number of very difficult decisions during the past year, including several instances where we suspended production in the interest of safety. While these interventions came at a significant opportunity cost in lost production and revenue, it was a cost that we accepted without hesitation in the interest of the safety of our people and the long-term sustainability of our business. The net result is that we have seen a step change in our overall safety performance with all safety indicators showing a considerable improvement over the year. In particular, the number of fatalities on our mines declined by more than 55 per cent from 47 in F2008, to 21 in F2009.

While this represents a vast improvement, I deeply regret each one of these fatalities, and it remains my personal objective, and that of every person in Gold Fields, to eliminate all serious and fatal accidents on our mines. While this is a profound commitment to make in an industry that is characterised by high levels of risk, especially in the seismically active deep level mining environment in South Africa, it is a moral and commercial imperative for the future existence of our industry. I am confident that I have the unwavering support of the Board of Directors, the executive, all of the employees, and the vast majority of the shareholders of Gold Fields. I describe the specific safety interventions in more detail in the health and safety section of this message.

The **second key milestone**, which is closely related to the one of safety described above, was the successful completion of the critical safety related rehabilitation of infrastructure at our South African operations, as well as the completion of the secondary support backlog at these operations, which we described in some detail in the F2008 annual report.

The **third key milestone** was the completion of our international growth projects, as planned.

- The Cerro Corona Mine in Peru was completed during December 2008. This is now a world-class mine and is operating sustainably at its design capacity of approximately 140,000 ounces of gold and

32,000 tons of copper per year, and will make a meaningful contribution to Gold Fields in the future. The well-known gold regions of South America feature prominently on Gold Fields' radar screen for future expansion, and I believe that Cerro Corona gives Gold Fields an excellent foothold in this region.

- At the Tarkwa Gold Mine in West Africa the expansion of the Carbon-in-Leach (CIL) plant was completed, as planned, by the end of December 2008. While production build-up of the expanded mill is slower than initially anticipated due to some commissioning delays, it is expected to produce at its design capacity of approximately one million tons of ore per month, on a sustainable basis, during F2010. Together with the significant volumes through the heap leach operation, Tarkwa should sustain approximately 750,000 ounces of production a year, for many years to come.
- At St Ives in Australia, the Belleisle and Cave Rocks underground mines reached full production mid-way through F2009, providing a foundation for an improved operational performance.

The **fourth key milestone** achieved during F2009 was the implementation and roll-out of our new regionalisation strategy that I mentioned in my report last year. This strategy is aimed at transforming Gold Fields from its centralised structure to a more dynamic, networked structure, centred on the four regions of the world in which Gold Fields has an operational presence, and in which we aim to grow. Each of the regions, South Africa, West Africa, South America and Australasia, is moving through a process of building-up to greater accountability and responsibility for their operations and growth ambitions. I am confident that each of these regions will achieve the short- and medium-term cost and production challenges, as well as the medium-term growth targets that have been set. The four- to five-year target in South Africa is to produce between 2.2 and 2.5 million ounces of gold a year on a sustainable basis, while a target of one million ounces per annum of attributable production, either in development or in production, has been set for the management teams in each of West Africa, South America and Australasia.

In South Africa we have completed the separation of the corporate and the South African regional offices. The corporate office is now half the size that it was in the past, while the South African regional team is now housed together in its own separate regional office, closer to the nexus of the South African mines on the West Wits Line. This separation has resulted in a greater focus by the South African team on the main strategic initiatives that are being put in place at the various South African operations, while the more streamlined corporate office is better positioned to execute its mandate of Group related functions.

The **fifth key milestone** achieved during F2009 was the progress made with the South Deep Gold Mine in South Africa. Following a comprehensive, external review of this project between August 2008 and January 2009, we now have greater confidence in the overall integrity of this project, and its ability to deliver exceptional value to our shareholders for approximately the next fifty years. The purpose of the review was to answer three key questions: What is the full production capacity of South Deep? How long will it take to achieve? How much will it cost? At full production, South Deep should produce approximately 750,000 ounces to 800,000 ounces of gold per year; it should achieve this by December 2014; and it should cost approximately R8.5 billion in real terms to complete.

Regarding the near term, the re-commissioning of part of the South shaft has been completed, with single shift hoisting being planned for the next year to support the reef and waste tonnage build-up required for this mine to achieve 300,000 ounces of gold production during F2010, while simultaneously progressing development rates that should enable the mine to build to full production. The additional mining fleet required for the short-term build-up has been acquired and the first thirty years of the mining plan has been fully re-modelled and scheduled. Work is on schedule to complete the ventilation shaft of the Twin Shaft Complex by early 2012, which, along with development, is a very important milestone

to achieve full production of 330,000 tons of ore per month at this operation.

On the operational front, production in South Africa declined, from 2.4 million ounces in F2008 to 2.0 million ounces in F2009, mainly as a result of the safety related production interruptions referred to above. Following the completion of the critical infrastructure rehabilitation during the first half of the year, the operational teams have been focused on bringing greater stability, predictability and consistency to the operations, and positioning the region to again build-up, over the next year, to a production range of approximately 550,000 to 575,000 ounces of gold per quarter on a sustainable basis. While progress towards this goal has continued during the second half of the year, the build-up was impeded by a lack of flexibility caused by the focus on the backlog secondary support, which saw development crews redeployed from development into backlog secondary support. This situation is in the process of being remedied and ore reserve development has been designated as the second highest priority for F2010, second only to safety.

At the international operations total managed gold production increased from 1.5 million ounces in F2008 to 1.7 million ounces in F2009 as a result of the inclusion of 219,000 gold equivalent ounces from the newly completed Cerro Corona mine. This production increase was partially offset by a five per cent reduction in production at Tarkwa.

As indicated in the F2008 annual report, it remains a key strategic objective of Gold Fields to reduce notional cash expenditure (NCE) and increase free cash flow. NCE is defined as operating costs (including general and administration costs) plus capital expenditure, which includes brownfields exploration. The Group's NCE for the year ended 30 June 2009 amounted to US\$763 per ounce (R221,153 per kilogram), which compares with the US\$796 per ounce (R186,088 per kilogram) for last year. These figures include all sustaining capital as well as capital expenditure for growth projects.

It remains a key strategic objective of Gold Fields to reduce notional cash expenditure and increase free cash flow.

At the South African operations the NCE increased from US\$676 per ounce (R157,972 per kilogram) in the previous year to US\$734 per ounce (R212,629 per kilogram) this year. The combined West African, South American and Australasian operations achieved NCE for F2009 of US\$800 per ounce (R231,670 per kilogram), against last year's US\$757 per ounce (R176,909 per kilogram).

We continue to be the only gold mining company to report NCE.

During the fourth quarter of F2009 we impaired our holding in associate, Rusoro Mining Limited, in terms of the applicable accounting standard. The impairment charge amounted to R1.1 billion (US\$118 million). This impairment does not reflect management's view of the value inherent in Rusoro, which has reserves of 2.0 million ounces and resources of 14.1 million ounces.

There were some exciting developments on the **growth front** during F2009. At Gold Fields we see our growth coming primarily from exploration success, both near mine and greenfields. While we do not discount the possibility of acquisitions, it is difficult to make accretive purchases in the current environment.

We have therefore, during the year under review, increased our exploration activity around the globe and we now have over 30 exploration drill rigs operating in eleven countries: Australia, Ghana, Peru, Mali, Chile, Democratic Republic of Congo (DRC), Dominican Republic, China, USA, Indonesia and Kyrgyzstan, and we drilled 442,261 metres in F2009.

Interestingly, for the first time in Gold Fields' history, we currently have three highly prospective advanced stage exploration projects underway at the same time, at least one of which we expect to progress to a pre-feasibility study within the next 12 months.

- In West Africa, we are, together with our joint venture partner, Glencar Mining Plc, moving ahead with an exciting new exploration project in the south of Mali, known as the Sankarani Project. After the reporting period covered in this report, Gold Fields made a successful offer to acquire the entire issued share capital of Glencar which, if successful, will give Gold Fields full ownership of this project as well as its advanced Komana project.
- At the Chucapaca Project in southern Peru, recent drilling by our joint venture partner, Compania de Minas Buenaventura, has intersected significant gold with copper grades associated with a breccia-hosted deposit, and this resulted in approval being given to resume a resource delineation programme on this discovery.
- In Kyrgyzstan, we are advancing the Talas joint venture with Orsu Metals Corporation, where we are obtaining a better understanding of the ore body following the recognition of at least three phases of mineralisation through various exploration activities. This project is in a new frontier for Gold Fields.

It is well endowed, yet under-explored and has significant mineralisation potential.

The uranium project, which we now refer to as our "fifth mine" in the South African portfolio, is also progressing rapidly and our feasibility study is expected to be completed early in 2010. This project is defining the economic potential of processing a select number of our historic surface tailings dams at the Driefontein, Kloof and South Deep mines in South Africa, as well as current arisings from underground mining at these mines, for the recovery of uranium and related by-products of gold and sulphuric acid.

In addition we have a number of very exciting near mine growth opportunities at several of our mines around the world. These are described in the growth section below.

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

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Our share price performance over the last year largely reflected our operational performance, and can be described as “a tale of two halves”. Together with the rest of the world’s markets, we experienced a significant decline in our share price in the first half of the financial year, reaching the year’s low of R54.00 (US\$4.64) a share in September 2008. However, our share price increased strongly in the second half to end the year at R93.52 (US\$12.05) a share, a gain of 73 per cent in rand terms from the low point during the year. The turbulent financial market resulted in the investment community being more circumspect on how they approach investment decisions, and they are now largely focusing on stability, predictability and consistency in companies, which we have also made our operational mantra. Taking a selection of major gold producing companies among Gold Fields’ peer grouping and comparing share price performance over our last financial year (see graph below), we delivered a very creditable performance, near the top-end of the spectrum, which, I believe, indicates that the market is regaining confidence in our ability to deliver.

In summary, F2009 has been a year focused on improving safety, fixing up our production machine, and returning a sense of stability, predictability and consistency to the performance of Gold Fields. This is the most

One million fatality free shifts has been achieved at Kloof, South Deep and at Beatrix, and two million fatality free shifts at Driefontein.

important way in which we will continue to build our track record and, in doing so, differentiate our company from our peers.

HEALTH AND SAFETY

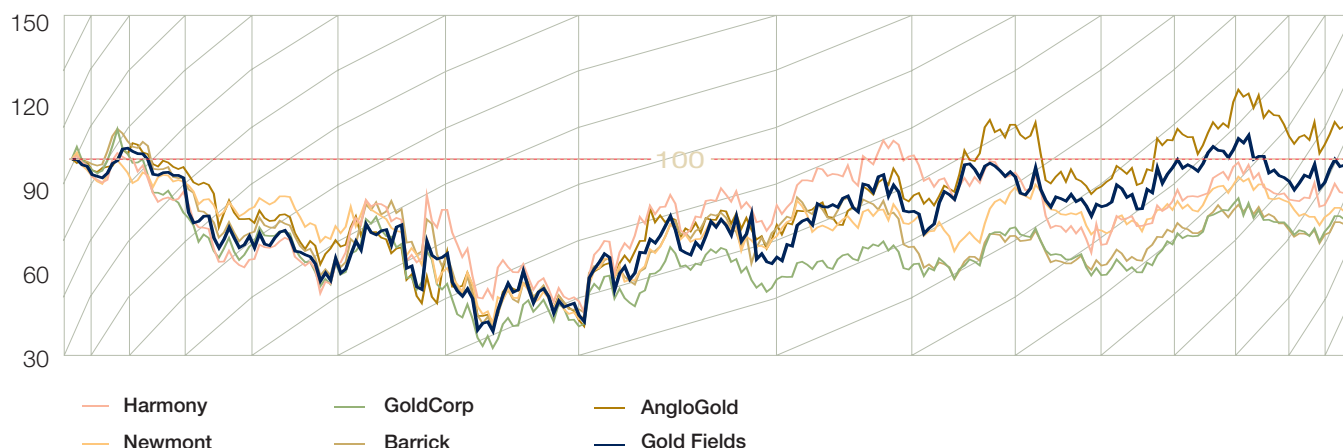
Gold Fields’ health and safety philosophy is premised on our commitment that “*if we cannot mine safely, we will not mine*”, and on our objective of achieving a zero harm working environment for all of our people. This philosophy is informed, first and foremost, by the fact that there is no price to be placed on human health and safety, and by the economic reality that a stable, predictable and consistent operational performance is not possible in an environment constantly plagued by accident induced interruptions to operations.

We remain fully aware that the realisation of our safety objectives will materialise only as a result of a sustained and ongoing effort. This objective, which is the number one priority in the company, can only be achieved if we have a tripartite approach to change involving every employee in our organisation, the leadership of

our unions and employee representative bodies, and the government. It is pleasing to report that over the year these key stakeholder groupings have realised that we are serious about placing safety ahead of production and that we are willing and able to make bold and courageous decisions when it comes to ensuring that no harm comes to any of our people. This, in my opinion, is one of the main reasons why we have seen a step change in safety over the past year.

The increased focus on safety across all levels of injury prevention has led to significant improvements across the board: Fatal Injury Frequency Rate; Serious Injury Frequency Rate and Lost Day Injury Frequency Rate. The Group’s all important Fatal Injury Frequency Rate continues to trend downwards with the year’s rate being 0.13 versus last year’s 0.29 per million man hours worked. This represents a 55 per cent improvement year on year. The Serious Injury Frequency Rate has decreased from 4.03 per million man hours worked to 2.82 per million man hours worked, which represents a 30 per cent improvement. The Lost Day Injury

Share price performance (1 July 2008 to 30 June 2009)



Frequency Rate decreased to 4.35 per million man hours worked, which represents a 43 per cent improvement.

At the South African operations, one million fatality free shifts were achieved at Kloof, South Deep and at Beatrix, and two million fatality free shifts were achieved at Driefontein, while the operations in West Africa, South America and Australasia operated for the full year without any fatalities. South Deep has to date mined for 15 months without a fatality, while Driefontein operated for eight months without a fatality, which proves that it can be done.

Although we have made significant strides in our quest to ensure a culture where the safety of everyone at Gold Fields is of the utmost importance, we know that simply doing more of the same is not going to move us forward.

With this in mind, during the year we have completed a Group-wide safety review by industry leaders DuPont, which I mentioned in last year's report. The purpose of this review was twofold and included:

- To understand our operations' safety management system and culture better; and
- To identify and recommend a path forward to achieve safety improvement objectives.

Systems, rules and procedures, as well as personal beliefs and values, largely direct behaviours. This is precisely why we included a safety perception survey in the DuPont review that was used to uncover the internal beliefs and perceptions of our people regarding safety. In South Africa, the outcomes of the DuPont review have resulted in a focused project termed Safe Production Management. This is now well underway, with dedicated resources, to ensure that the South Africa Region has an optimal health and safety culture and performance in the years ahead.

At the West Africa, South America and Australasia operations, the assessment of each mine has culminated in the drafting of action plans to address opportunities for improvement. Many of these action plans have already been

Gold Fields officially opened its new Employee Housing Programme in the communities of Glenharvie and Blybank on the West Rand in South Africa.

implemented while the remainder will be fully developed and implemented in the early stages of the 2010 financial year.

The Safe Production Rules, which have been introduced to employees globally, were developed through a comprehensive analysis of all historical safety incidents, and seek to reinforce the Gold Fields Health and Safety Policy, and to pursue our ultimate objective of zero harm. These rules also serve as an integral part of the training and orientation processes on all of our mines. All new employees, contractors and employees returning from annual leave are exposed to the Safe Production Rules during their induction, or re-induction sessions. The rules work hand-in-hand with other initiatives like the 'Stop, Think, Fix, Verify and then Continue' campaign, which has had a tremendous impact on employees' safety behaviour and awareness.

Good safety management remains essential to Gold Fields' business. It is now the cornerstone of everything we do and the people of Gold Fields, as well as all our stakeholders in the form of contractors, suppliers and unions, must be congratulated for the manner in which they have embraced our new safety philosophy. Without the cooperation and commitment of every member of our team globally, we would not have achieved the improvements that we have seen so far.

However, while we have made significant progress in the past year, we are acutely aware of the fact that much remains to be done.

We have introduced a new programme in South Africa, called "*24 Hours in the Life of a Gold Fields Employee*". This programme, which is based on the total well-being philosophy and is aimed at improving every facet of the lives of our people, includes interventions in the fields of living conditions, nutrition, health

care, safety, sport and recreation, and learning. During F2010 this programme will also be rolled out to all of our international operations.

In June 2009, Gold Fields officially opened its new Employee Housing Programme in the communities of Glenharvie and Blybank on the West Rand in South Africa. This programme consists of 192 family homes which will be occupied by employees of the Driefontein and Kloof gold mines.

SUSTAINABLE DEVELOPMENT

To achieve the Gold Fields objective of operating in a manner that represents a platform for responsible investment, we have integrated sustainable development considerations into the corporate and operational decision-making processes of the organisation. The result that we are striving towards is an appropriate balance between the Group's requirements to perform financially, achieve world-class standards in environmental management, and the desire and need to ensure broad social benefit. This approach of viewing sustainable development as an integral part of our business also informs the structure of this annual report to our stakeholders – incorporating financial, social and environmental reporting into a single report.

In last year's report we mentioned the progress being made towards a Sustainable Development Framework for Gold Fields. It is pleasing to report that this Framework has now been fully developed and implemented. Many of the best practices enshrined within the various sustainable development principles are not new to us at Gold Fields. For many years we have implemented policies and protocols in support of the various components of sustainable development. As a result, the consolidation of our existing approaches with new knowledge

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

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and best practices gleaned from the work of, *inter alia*, the International Council on Mining and Metals (ICMM), of which Gold Fields is a member, presented a unique opportunity for all operations to share their knowledge and facilitate the process of cross pollination.

HUMAN RESOURCES

The availability of appropriate skills, across the spectrum of disciplines, remains one of the most significant challenges we face in all of the countries in which we operate. While the pull-back that we have seen in the commodities sector globally has brought some reprieve, the medium- to long-term outlook remains one of grave concern.

To address this matter we have had to embark on a number of innovative new approaches to the attraction and retention of skilled employees. At Gold Fields we believe in "*hiring for attitude and training for skills*". Our efforts are focused on attracting the right people, training for the right skills, ensuring job satisfaction, providing career path progression opportunities and, in the final instance, offering competitive remuneration.

During the year we have restructured and refocused the Gold Fields Leadership Academy to ensure that it is better positioned to meet the skills demand of, in particular, our South African operations over the next decade. I am pleased with the renewed vigour that we are seeing in the ongoing education and training efforts throughout the Group and we continue to look at and implement innovative new interventions in this field. We place a high premium on education and training because it is a fundamental building block for continuous improvement, not only in the production arena, but also in our safety performance. A key focus of all of our education and training interventions is the development of the leadership skills of our people.

Fundamental to our approach to the management of our people is a strategic shift away from the historic focus on improved productivity through rationalisation, to an approach of mobilising our existing employees to work more productively. We believe, in the

It is pleasing to report that Gold Fields' balance sheet remains strong, which provides greater financial stability and, potentially, enables us to pursue new opportunities.

current environment that greater job security and stability for our people will, in the longer term, benefit our employees, our company and the various countries in which we operate.

OPERATIONAL RESULTS

Group attributable gold production decreased by six per cent from 3.64 million ounces for the year ended June 2008 to 3.41 million ounces for the year ended June 2009.

At the South African operations gold production decreased from 2.42 million ounces to 2.04 million ounces. Driefontein's gold production decreased by 11 per cent from 0.93 million ounces to 0.83 million ounces due to a decrease in volumes mined, associated with safety stoppages and the infrastructure rehabilitation projects referred to in the introduction of this report. At Kloof, gold production decreased by 22 per cent from 0.82 million ounces to 0.64 million ounces due to the Main shaft refurbishment project and safety related mine stoppages. Beatrix's gold production decreased by 11 per cent from 0.44 million ounces to 0.39 million ounces due to lower mining volumes, limited flexibility and lower than planned quality mining factors. South Deep's gold production decreased by 25 per cent from 0.23 million ounces to 0.17 million ounces due to the termination of conventional Ventersdorp Contact Reef (VCR) mining because of the geological structure and the stoppages related to the rehabilitation of the two main access ramps during the first quarter of the year under review.

At the international operations total managed gold production increased from 1.46 million ounces for the year ended June 2008 to 1.65 million ounces for the year ended June 2009. The main reason for this increase was the inclusion of 0.22 million gold equivalent ounces

from the newly completed Cerro Corona mine, which was not included in the previous year. Damang's gold production increased by three per cent to 0.20 million ounces. Tarkwa was five per cent down at 0.61 million ounces, mainly due to commissioning issues at the new CIL plant, which affected the whole plant. St Ives increased by three per cent from 0.42 million ounces to 0.43 million ounces. This was mainly due to increased production at Argo and Cave Rocks. Production at Agnew decreased by six per cent to 0.19 million ounces, mainly due to the depletion of the Songvang stockpiles.

Revenue increased by 26 per cent in rand terms (increased two per cent in US dollar terms) from R23,010 million (US\$3,165 million) to R29,087 million (US\$3,228 million). The 33 per cent higher average gold price at R253,459 per kilogram (US\$875 per ounce) compares with R190,623 per kilogram (US\$816 per ounce) achieved for the year ended June 2008. The rand weakened from an average rate of US\$1 = R7.27 to US\$1 = R9.01, or 24 per cent, while the rand/Australian dollar weakened by two per cent from an average rate of A\$1 = R6.52 to A\$1 = R6.67.

Net operating costs, including gold-in-process movements, increased by 26 per cent from R13,969 million to R17,624 million, or two per cent in dollar terms from US\$1,922 million to US\$1,956 million. The increase was largely as a result of the exchange rate movements of R1,260 million, mainly due to the weaker rand; the inclusion of Cerro Corona (R742 million or US\$82 million), which was not included in the previous year; and increases in electricity costs at the South African and Ghanaian operations. Total cash cost for the Group increased from R111,315 per kilogram (US\$476 per ounce) to R149,398 per kilogram (US\$516 per ounce) due to the above factors, combined with the lower production.

At the South African operations operating costs increased by 14 per cent from R8,611 million (US\$1,184 million) for the year ended June 2008 to R9,840 million (US\$1,092 million) for the year ended June 2009. This was due to the annual wage increases, the 25 per cent increase in electricity costs and the increase in commodity prices, partially offset by the cost saving initiatives implemented during the year. Whereas power supply was an operational issue last year, I believe that the national electricity supplier is now better equipped to ensure a reliable supply of electricity. However, it remains critically important that a national electricity conservation programme be implemented, spanning industry as well as other sectors. Such a programme will contribute significantly to the equitable distribution of tariff increases and the sustainability of supply. Total cash costs at the South African operations increased from R109,117 per kilogram to R147,657 per kilogram as a result of the above factors.

At the international operations, operating costs, including gold-in-process movements, increased by 45 per cent from R5,358 million (US\$737 million) for the year ended June 2008 to R7,784 million (US\$864 million) for the year ended June 2009. Of this increase, R742 million (US\$82 million) was as a result of the inclusion of Cerro Corona (not included in the previous year), while R1,260 million was as a result of exchange rate movements. Added to this were the annual increases in salaries and consumables at all the international operations driven by the resource boom and, at St Ives, the increase in the gold price and volume linked third party royalty due to the higher Australian dollar gold price.

Operating profit i.e. profit before amortisation, increased from R9,041 million (US\$1,244 million) to R11,463 million (US\$1,272 million). After accounting for taxation, sundry costs and exceptional items, net earnings amounted to R1,536 million (US\$170 million), compared with R4,458 million (US\$613 million) for the year ended June 2008. The main reason for this variance was a R2.6 billion negative movement on exceptional items, being mainly a profit on the sale of Essakane of R1.4 billion in F2008 and the impairment of Rusoro of R1.1 billion in F2009.

Our goal is to grow Gold Fields from a four million ounce to a five million ounce producer over a four to five year time horizon.

Earnings excluding exceptional items, gains and losses on foreign exchange, financial instruments, losses of associates after taxation and discontinued operations amounted to R2,981 million (US\$331 million) for the year ended June 2009 compared with R2,939 million (US\$404 million) for the year ended June 2008.

BALANCE SHEET

It is pleasing to report that Gold Fields' balance sheet remains strong, which provides greater financial stability and, potentially, enables us to pursue new opportunities. This is also particularly important given the ongoing and deepening liquidity crisis around the world. Today, most companies' balance sheets are under severe strain and I believe that the strength in our financial position will stand us in good stead should this financially constrained period continue for any length of time.

During the year, Standard and Poor's Ratings Service assigned Gold Fields with an investment grade rating that is an independent endorsement of Gold Fields as an investment grade company with a stable outlook. The rating confirms aspects such as Gold Fields' sound corporate governance and risk management, while aligning the Group with global best practice. An official credit rating will allow flexibility for the Group to efficiently structure long-term debt as well as new debt, should the need arise.

As at 30 June 2009, Gold Fields had net debt of R6,092 million (US\$756 million), comprising R2,561 million (US\$318 million) short- and R6,335 million (US\$786 million) long-term debt with cash of R2,804 million (US\$348 million) and a liquid investment portfolio, consisting primarily of investments in joint venture partners associated with our exploration portfolio, which was valued at R2,971 million (US\$369 million).

We announced recently that agreement had been reached in terms of which we have sold our 19.9 per cent stake in Sino Gold Mining Limited to Eldorado Gold Corporation for a total consideration of approximately US\$282 million, paid in Eldorado shares. On closing we received 48 Eldorado shares for every 100 Sino Gold shares, resulting in Gold Fields holding approximately seven per cent of the outstanding shares of Eldorado on a fully diluted basis. On 3 September 2009, Gold Fields disposed of its holding in Eldorado for a total consideration of CAD323 million, approximately US\$293 million. In the event of Eldorado concluding a take-over of Sino Gold within 18 months of the original transaction, Gold Fields will still receive a 'top-up' should a higher price be paid than the original consideration.

During the past year most of the senior and intermediate gold producers around the world have capitalised on the positive sentiment towards the gold sector by accessing the equity and equity-linked markets for funding. In the absence of any significant downturn in the gold market, Gold Fields believes that the equity or equity-linked markets should only be accessed for projects that are demonstrably accretive on a per share basis.

STRATEGY

As previously indicated, F2009 has been one of the most challenging years in the history of Gold Fields. In essence the first half of the year was dedicated to fixing up the production machine, while the second half was focused on again increasing production closer to the historical run-rate of approximately one million ounces of production per quarter, at an NCE of approximately US\$725 per ounce (calculated at an exchange rate of US\$1:R8.00). While we did not achieve the targeted run rate of one million ounces of production per quarter as set out in our annual report for F2008, we did show significantly improved stability, predictability

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

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and consistency, with production increasing for the last three consecutive quarters of the year, to end the year at 906,000 ounces of attributable production in quarter four. This is 108,000 ounces or 14 per cent higher than the production low-point of 798,000 ounces reported in quarter one of F2009.

During F2010 the strategic focus for Gold Fields will be to consolidate the operational gains made during F2009 and to further 'sweat' our existing assets. In particular we aim to achieve the following strategic objectives:

1. Further enhance our efforts on health and safety. Our goal remains the total elimination of all serious and fatal accidents on all of our operations.
2. Open up our ore bodies by stepping up development. This has become particularly urgent in South Africa where the focus on catching-up the backlog in secondary support over the past year has seen resources diverted away from development. As a result, flexibility has been affected, as we suspected it would. The target is to have at least 24 months of opened up reserves at each of our long-life shafts. Improved flexibility will also help us to get closer to our targeted production run-rate, on a sustainable basis.
3. Build momentum at the South Deep Project by increasing production to approximately 300,000 ounces for the year, while advancing the Twin Shaft infrastructure for completion in F2012 and focusing on the development of the ore body below 95-level, which will facilitate the ultimate build-up to full production of approximately 750,000 to 800,000 ounces per annum by December 2014.
4. Achieve greater stability, predictability and consistency in our quarterly production. We are working towards our goal of producing at a run-rate of between 925,000 and 950,000 ounces of gold per quarter during F2010. I believe that, beyond F2010, achieving one million ounces per quarter is realistic.
5. Increase the skills level across the organisation by improving our ability to attract and retain key personnel through a more aggressive programme of recruitment,

The Gold Fields senior executive team is now firmly in place and well positioned to lead the company into the exciting new phase of growth.

and a review of remuneration models, as well as by further enhancing our education and training initiatives.

6. Further improve our performance in the field of sustainable development and, in particular, improve our environmental record wherever we operate.
7. Further entrench the regionalisation strategy by bolstering the executive teams in each of the regions, in order to drive the operational performance of the regions and to advance our growth strategy.

GROWTH STRATEGY

Our strategy is focused on growth in ounces per share and returns on a per share basis. This comes down to 'sweating' our assets and leveraging our large resource and reserve base.

With this discipline in mind, our goal is to grow Gold Fields to five million ounces over a four to five year time horizon, with South Africa producing approximately 2.2 to 2.5 million ounces and each of our international regions (South America, West Africa and Australasia) producing approximately one million attributable ounces per year.

We aim to work towards this goal by advancing our regionalisation strategy and growing organically by leveraging off our existing production footprints in West Africa, South America, Australasia and South Africa.

Exploration remains the most cost effective way in which to grow a gold mining company. Through our various exploration programmes we are discovering new gold ounces for less than US\$20 per ounce and, in the past year, Gold Fields has laid the foundation for what will hopefully turn out to be significant success in the future.

Exploration expenditure in F2009 was US\$90.2 million. This expenditure reflects the high quality of projects in our pipeline and, of

course, stepping-up evaluation work on the more significant project areas.

Turning now to our near mine exploration activities, there is significant opportunities for creating value as our exploration teams are working in and around existing operations and infrastructure, and costs are therefore lower than they would be in a totally greenfield environment.

- At St Ives in Western Australia, drilling of the Athena project continues to deliver exceptional gold grades, and at the Hamlet target, diamond drilling has returned intercepts at sufficiently high grade to define a reserve. Together these two projects have the potential to add more than two million ounces to the resource base of St Ives and possibly double the life of this mine. Resources and reserves for both of these projects are included in the Mineral Resource and Reserve statement that is part of this report.
- At Agnew, also in Western Australia, surface drilling in the Redeemer – Waroonga gap has intersected a stratigraphic package including narrow zones of mineralisation. This exciting new development, together with additional potential at the Waroonga underground complex, has the potential to increase the life of this mine to as much as 10 years or more.
- At Damang in Ghana, extensional drilling below the Juno pit and southwards for 700 metres on the Tamang prospect intersected veining within 150 metres of surface and outside any resource shells. Similarly, favourable indications continue to come out of the Amoanda – Tomento East gap and veining has been located within 30 metres of surface 200 metres south of Tomento East.
- In Peru, the Consolidada de Hualgayoc 50:50 joint venture between Gold Fields La Cima and Buenaventura (NYSE: "BVN") is in the final stage of the approval process with the communities for drilling access to the Titan-Arabe copper-gold target.

We are very fortunate that we now have a portfolio of exploration assets which is complementary to our existing asset base, and will allow Gold Fields to achieve its stated growth ambitions.

During F2010 our strategic growth objectives are:

1. To proceed at least one of our advanced stage exploration projects to conceptual study stage;
2. To complete the uranium feasibility study in South Africa by early 2010;
3. To advance the phase 2 expansion of the Cerro Corona mine in Peru;
4. To complete the feasibility study and commence construction of the Athena discovery at St Ives; and
5. To continue drilling and development at South Deep.

MANAGEMENT CHANGES

In January 2009, Paul Schmidt was appointed Chief Financial Officer, and during the latter part of the financial year, we announced a reorganisation and further strengthening of our executive team.

The South Africa Region will continue to be led by Vishnu Pillay and, in line with our new regionalisation strategy, the international portfolio has been split into three separate portfolios. Each of these regions is now the responsibility of a dedicated regional executive vice president, all of whom are also members of the Group Executive Committee.

- The Australasia Region is headed up by Glenn Baldwin;
- The West Africa Region is headed up by Peter Turner; and
- The South America Region is headed up by Juan Luis Kruger.

Each of the regional Executive Vice Presidents is responsible for all operational matters in their respective regions and will also work with the business development and exploration executives to achieve our medium-term objective of growing production in each of the international regions to a million ounces per

annum. This change to the structure will allow greater executive focus on the very specific demands of each of our international regions.

Ben Zikmundovsky has been appointed as Executive Vice President and Head of International Capital Projects and International Technical Services. This is a new position created to take responsibility for project development in our international portfolio, as well as the international technical group. Ben joined Gold Fields on 1 August 2009 and is a member of the Group Executive Committee.

The Gold Fields senior executive team is now firmly in place and well positioned to lead the company into the exciting new phase of growth that lies ahead over the next few years.

THE GOLD MARKET

Considering the economic challenges over the past year, it has been a stimulating time in the industry. Gold has showed its resilience by being a refuge for a financial community that has been constrained in almost every other investing sector.

Gold is now emerging, once again, as an asset class in many investment portfolios, which is the single most important underpin of the current gold price. It continues to be a 'safe haven' investment and there is every reason to believe that gold will continue to be supported as the world struggles to recover from the financial turmoil of the past 18 months. Leading indicators point to global gold production that continues to decline, central banks (mainly China and Russia) being net buyers of gold, and investment demand continuing to grow exponentially, especially through the various exchange traded funds. Europe's Central Banks have also jointly announced lowering the gold sales quota by 20 per cent to 400 tons of gold a year.

As I mentioned last year, one of the most significant underpins to the price of gold is the real all-in cost of producing an ounce of gold which we estimate to be in the order of approximately US\$700 to US\$800 per ounce globally. This should provide a natural long-

term floor for the price of gold. While one can be almost certain that gold would from time to time test this level on the downside, it has real potential to move above that level over the longer term.

DIVIDEND

Gold Fields is continuing its dividend paying policy and in so doing is maintaining its position as the highest dividend payer in the industry. Notwithstanding the difficulties in financial markets, and a commitment to various growth initiatives, an interim dividend of R0.30 per share was declared on 29 January 2009 and paid on 23 February 2009. A final dividend of R0.80 per share was declared on 6 August 2009 and paid on 31 August 2009.

CONCLUSION

This past year has seen many thousands of people, which include employees, members of governments, and representative labour organisations as well as our business partners, contributing to re-building our great company. I hope I have provided some insight into the activities we are implementing and challenges we face, to achieve our objective of continuing to deliver value for all our stakeholders into the future.

The progress that we have made over the last year is very much an indication of the spirit and commitment of all of our people across the world. I would like to take this opportunity to thank the entire Gold Fields team for their diligence, support, enthusiasm and unstinting commitment that has enabled us to achieve our milestones during F2009.

Finally, I extend my appreciation to our Chairman and the Board of Directors for entrusting our executive team and the operational management teams on each of our mines with the opportunity to build a company that is determined to become "the global leader in sustainable gold mining".



Nick Holland
Chief Executive Officer

BOARD OF DIRECTORS

**Alan J Wright (68)[°]**

Chairman
CA(SA)

Mr Wright was appointed the Non-Executive Chairman of the Board on 17 November 2005. Prior to that, Mr Wright had been Deputy Chairman of Gold Fields since November 1997. Prior to September 1998, Mr Wright was the Chief Executive Officer of Gold Fields of South Africa Limited. Mr Wright holds no other directorships.

**Nicholas J Holland (50)***

Chief Executive Officer
BComm, BAcc, Witwatersrand; CA(SA)

Mr Holland has been a Director of Gold Fields since 14 April 1998 and became Chief Executive Officer on 1 May 2008. He served as Executive Director of Finance from April 1998. On 15 April 2002, his title changed to Chief Financial Officer until 30 April 2008. Prior to joining Gold Fields, he was Financial Director and Senior Manager of Corporate Finance of Gencor Limited. He is also an Alternate Director of Rand Refinery Limited.

**Kofi Ansah (65)[°]**

BSc (Mech Eng) UST Ghana; MSc (Metallurgy) Georgia Institute of Technology, USA

Mr Ansah was appointed a Director in April 2004. He is a Director of Ecobank (Ghana) Limited and Aluworks Limited.

**John G Hopwood (61)[°]**

BComm, CA(SA)

Mr Hopwood was appointed a Director on 15 February 2006. Previous experience includes being a Director and Head of the Mergers and Acquisitions division at Ernst & Young Corporate Finance. He was an Executive Director of Gold Fields of South Africa Limited from January 1992 to September 1998. Mr Hopwood is a member of the Board of Trustees of the New Africa Mining Fund and Chairman of the Fund's Investment Committee, and Non-executive Director of Pan African Resources Plc.

**Richard (Rick) P Menell (54)[°]**

BA (Hons), MA (Natural Sciences, Geology) Trinity College, Cambridge, UK; MSc. (Mineral Exploration and Management) Stanford University, California, USA

Mr Menell was appointed a Director of Gold Fields on 8 October 2008. Previously, he has been the President and Member of the Chamber of Mines of South Africa, President and Chief Executive Officer of TEAL Exploration & Mining Inc and Executive Chairman of Anglovaal Mining Limited and Avgold Limited. He is a Director of Weir Group Plc and various other companies.

**David N Murray (64)[°]**

BA Hons Econ; MBA, University of Cape Town

Mr Murray joined the Board on 1 January 2008. He has more than 36 years' experience in the mining industry and has been Chief Executive Officer of Rio Tinto Portugal, Rio Tinto Brazil, TVX Gold INC, Avgold Limited and Avmin Limited. He is a Non-Executive Director of Ivernia Inc.

* Executive director

[°] Non-executive director

**Cheryl A Carolus (49)°**

BA Law, Bachelor of Education, University of the Western Cape

Ms Carolus was appointed as Director on 10 March 2009. Ms Carolus joined the United Democratic Front (UDF) in 1983. She was National Co-ordinator of the UDF from 1985 to 1990. In May 1990, Ms Carolus was elected to be part of the African National Congress (ANC) delegation which held talks with the apartheid government, and in July 1991, she was elected to the ANC's National Executive Committee. From 1994 to 1997 she was Deputy Secretary General of the ANC and from 1997 to 1998 acting Secretary General. In 1998, she became South Africa's High Commissioner to London. Between 2001 and 2004, she was the Chief Executive Officer of SA Tourism (SATOUR). She served as chairperson of the South African National Parks Board for six years. She is also Executive Chairperson of Peotona Holdings, an investment company that deals with business development.

**Roberto Dañino (58)°**

Master of Law (Harvard Law School)
Pontificia Universidad Católica del Perú

Mr Dañino was appointed a Director on 10 March 2009. He serves on various corporate and non-profit boards, both in Peru and USA, including Gold Fields La Cima in Peru. Mr Dañino is a Peruvian lawyer who has practised for over 30 years as a partner of leading law firms in Lima and Washington, DC. He has significant experience throughout Latin America, as well as in the USA and the UK. Mr Dañino has served as Prime Minister of Peru and Ambassador to the USA. He has been Vice President and General Counsel of the International Centre for settlement of Investment Disputes. He was also the founding General Counsel of the Inter-American Investment Corporation in Washington, DC, the private sector affiliate of Inter-American Development Bank.

**Alan Hill (66)°**

BSc (Hons), MPhil (Rock Mechanics), Leeds University, UK

Mr Hill was appointed a Director of Gold Fields on 21 August 2009. He also serves on the board of Gabriel Resources and until recently was Chairman of Alamos Gold. Both companies are involved in gold exploration and development. Mr Hill's mining career started on the Zambian Copperbelt, following which he joined Noranda where he managed gold and nickel mines. He worked as a consultant for a short period, before joining Camflor Mines in 1981, which merged with Barrick Gold in 1984. Mr Hill joined Barrick as part of the merger and spent 19 years with Barrick and was instrumental in its considerable growth, having played a pivotal role in its various merger and acquisition initiatives through the years. He retired from Barrick in 2003 as its Executive Vice President: Development. Some of his previous directorships include Yamana Resources, Peru Copper and the Canadian Council of the Americas.

**Donald MJ Ncube (62)°**

BA Economics and Political Science, Fort Hare University; Post Graduate Diploma in Labour Relations, Strathclyde University, Scotland; Graduate MSc Manpower Studies, University of Manchester; Diploma in Financial Management

Mr Ncube was appointed a Director of Gold Fields on 15 February 2006. Previously, he was an Alternate Director of Anglo American Industrial Corporation Limited and Anglo American Corporation of South Africa Limited, a Director of AngloGold Ashanti Limited as well as Non-Executive Chairman of South African Airways. He is currently Chairman of Rare Holdings Limited, Chairman of Badimo Gas, Executive Director of Cincinnati Mining S.A., a Director of Manhattan Operations Douglas, and he serves on the boards of various other companies.

**Rupert L Pennant-Rea (61)°**

BA, Trinity College Dublin; MA, University of Manchester

Mr Pennant-Rea has been a Director of Gold Fields since 1 July 2002. He is Chairman of Henderson Group Plc and is a Director of First Quantum Minerals, Go-Ahead Group, Times Newspaper Limited and a number of other companies. Previously he was Editor of The Economist and Deputy Governor of the Bank of England.

**Chris I von Christierson (61)°**

BComm, Rhodes; MA, Cambridge

Mr von Christierson has been a Director of Gold Fields since 10 May 1999. As a result of a takeover by Lundin Mining he stepped down as the Chairman of Rio Narcea Gold Mines Limited on 18 July 2007. He is currently a Director of Southern Prospecting (UK) Limited and Non-executive Director of Platmin Limited.

**Gayle M Wilson (64)°**

BCom, BCompt (Hons); CA(SA)

Ms Wilson was appointed a Director on 1 August 2008. She was previously an audit partner at Ernst & Young for 16 years where her main focus was on mining clients. In 1998 she was involved in AngloGold Ashanti Limited's listing on the NYSE and in 2001 she took over as the lead partner on the global audit. Other mining clients during her career include Northam, Aquarius, Avmin (now ARM) and certain Anglo Platinum operations. She is a Non-Executive Director of Witwatersrand Consolidated Gold Resources Limited.

EXECUTIVE COMMITTEE

**Nicholas (Nick) Holland (50)**

Chief Executive Officer
BComm, BAcc, Witwatersrand, CA(SA)

Mr Holland has been an Executive Director of Gold Fields since 14 April 1998 and became Chief Executive Officer on 1 May 2008. He served as Executive Director of Finance from April 1998. On 15 April 2002, his title changed to Chief Financial Officer until 30 April 2008. Prior to joining Gold Fields, he was Financial Director and Senior Manager of Corporate Finance of Gencor Limited. He is also an Alternate Director of Rand Refinery Limited.

**Glenn Baldwin (37)**

Executive Vice President: Head of Australasia Region
BEng (Hons) Mining

Mr Baldwin was appointed Executive Vice President: Head of Australasia on 1 May 2009. Prior to his appointment at Gold Fields in 2007, Mr Baldwin was the Chief Operating Officer at Ivanhoe Nickel & Platinum Limited. After finishing his degree, Mr Baldwin spent seven years in Australia developing his mining skills. Coming to South Africa, he further developed his technical and operational skills in various roles within the Anglo American Group and thereafter as the Vice President Operations for Southern Platinum Limited.

**Italia Boninelli (53)**

Senior Vice President: Head of Human Resources
MA, Witwatersrand, PDLR, Unisa SBL

Mrs Boninelli was appointed to the position of Senior Vice President: Human Resources of Gold Fields on 8 January 2007. She is also the Chairperson of the Gold Fields Leadership Business Academy. Prior to that, she was Group Human Resources Director of Netcare, the largest private healthcare organisation in South Africa. She previously held senior human resources, marketing and communications positions in Standard Bank and Sappi.

**Jan Willem (Willie) Jacobsz (48)**

Senior Vice President: Head of Investor Relations and Corporate Affairs
BA, University of Johannesburg (previously Rand Afrikaans University)

Mr Jacobsz joined the Gold Fields executive committee in June 2002 as Head of Investor Relations, Corporate Affairs and Sustainable Development, the latter of which he relinquished in December 2007. He joined the Group in 1989 as head of the Gold Fields Foundation and has subsequently held various positions in the fields of transformation, corporate affairs, investor relations and sustainable development.

**Juan Luis (Juancho) Kruger (39)**

Executive Vice President: Head of South America Region
Bachelor degree in Business and Finance; Masters Degree in Business Administration

Mr Kruger was appointed as Executive Vice President: Head of South America Region on 1 August 2009. He has over fifteen years of broad experience in corporate finance, strategic planning and general management in the mining, consumer goods, airline, telecommunications and financial services industries in South America. Mr Kruger joined Gold Fields in October 2007 as Senior Vice President and Country Manager for the Peruvian operations, and led the start up team at Cerro Corona. As of April 2008, he assumed responsibilities for the South America Region. Prior to joining the company he held senior management positions for LAN Airlines, Glencore, McKinsey & Co, Telefonica and Procter & Gamble in South America.

**Tommy McKeith (45)**

Executive Vice President: Head of Exploration and Business Development
BSc Hons (Geology), GDE (Mining), MBA, University of the Witwatersrand

Mr McKeith was appointed to the position of Executive Vice President: Head of Exploration and Business Development on 1 October 2007. Prior to this appointment Mr McKeith was the Chief Executive Officer of Troy Resources NL, an Australian junior gold producer. Before joining Troy, he worked for over 15 years with Gold Fields and its predecessors in various mine geology, exploration and business development positions. These included Regional Manager Australasia and Vice President Business Development, based in Denver.

**Vishnu Pillay (52)**

Executive Vice President: Head of South Africa Region
BSc, MSc at Maharaja Sayajirao University of Baroda, Gujarat, India

Mr Pillay was appointed Executive Vice President: Head of South Africa Region from 1 May 2008. He was formerly Vice President and Head of Operations at Driefontein Gold Mine. Apart from a brief period with the CSIR where he held the positions of Executive Director: CSIR Mining Technology and Group Executive: Institutional Planning and Operations. He has had 23 years of service with Gold Fields at various operations and the technical division.



James (Jimmy) Dowsley (51)

Senior Vice President: Head of Corporate Development
BSc (Mining Engineering), Witwatersrand

Mr Dowsley was appointed as Senior Vice President: Head of Corporate Development on 15 April 2002. Prior to this appointment, Mr Dowsley was General Manager of Corporate Development. He also served as General Manager of New Business and as Manager of the Mineral Economics Division of Gold Fields of South Africa Limited.



Cain Farrel (59)

Corporate Secretary
FCIS, MBA, Southern Cross University, Australia

Mr Farrel was appointed Corporate Secretary on 1 May 2003. Mr Farrel is Past-President and a Director of the Southern African Institute of Chartered Secretaries and Administrators. Previously, Mr Farrel served as Senior Divisional Secretary of Anglo American Corporation of South Africa.



Michael Fleischer (48)

General Counsel
Bachelor Procuratoris, University of the Witwatersrand. Admitted as attorney of the High Court of South Africa in 1991; Advanced Taxation Certificate, University of South Africa

Mr Fleischer was appointed General Counsel with effect from 1 November 2006. Prior to his appointment, Mr Fleischer was a partner in the corporate services department at Webber Wentzel, a major law firm in South Africa, and has extensive experience in advising on mergers and acquisitions transactions in South Africa and worldwide (where transactions involve a South African element). Mr Fleischer has a wide range of experience in mergers and acquisitions, commercial transactions, mining law and stock exchange requirements. While in practice he was ranked as one of South Africa's leading commercial lawyers by Chambers Global (the world's leading lawyers for business).



Paul Schmidt (42)

Chief Financial Officer
BComm, Witwatersrand; BCompt (Hons), Unisa; CA(SA)

Mr Schmidt was appointed Chief Financial Officer on 1 January 2009. Prior to this appointment, Mr Schmidt was Financial Controller for the Group. He has more than thirteen years' experience in the mining industry.



Peter Turner (52)

Executive Vice President: Head of West Africa Region
NHD Vaal Triangle Technikon SA, Mechanical Engineering; South African Mine Manager Certificate of Competency (Metalliferous Mining)

Mr Turner was appointed as Executive Vice President: Head of West Africa Region effective on 1 August 2009. Mr Turner has more than 34 years of experience in the mining industry. He moved to Ghana in 2008 when he was appointed Vice President of Operations and before that he headed up the Kloof Gold Mine in South Africa. Prior to joining Gold Fields in 2005, he was the General Manager, East and West Africa Region for AngloGold Ashanti where he spent the majority of his career. He progressed through the ranks, starting as an engineering trainee at Vaal Reefs in 1975, later spending time in various managerial positions at numerous gold mining operations.



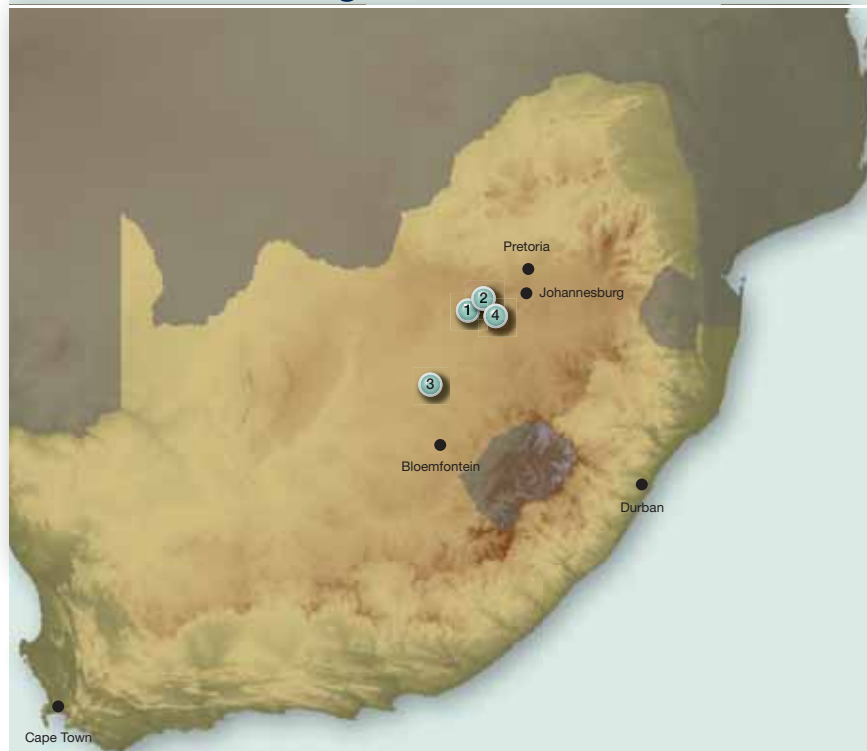
Ben Zikmundovsky (59)

Executive Vice President: Head of International Capital Projects and International Technical Services
Bachelor of Science, Mechanical Engineering; Diploma in Business Management

Mr Zikmundovsky was appointed as Executive Vice President: Head of International Capital Projects and International Technical Services on 1 August 2009. Mr Zikmundovsky has over 30 years' experience in the development of companies, operations and projects in the mining, mineral processing, construction and equipment industries on the African continent, in South America, the former Soviet Union countries, the Middle East and in Europe. He started his career in 1973 as a project design engineer for Roberts Union Corporation (RUC) in South Africa, and has since worked in various capacities.

GOLD FIELDS AT A GLANCE

South Africa Region

**1. Driefontein Gold Mine**

Production: 25,814 kg (830,000 oz)
 Total cash costs: R129,837/kg
 (US\$448/oz)
 NCE*: R176,838/kg (US\$610/oz)
 Mineral Reserve: 18.2 Moz
 Mineral Resource: 52.8 Moz
 Employees in service: 15,501
 Contractors: 2,244

2. Kloof Gold Mine

Production: 19,998 kg (643,000 ozs)
 Total cash costs: R146,930/kg
 (US\$507/oz)
 NCE: R202,140/kg (US\$698/oz)
 Mineral Reserve: 10.5 Moz
 Mineral Resource: 79.0 Moz
 Employees in service: 14,522
 Contractors: 1,619

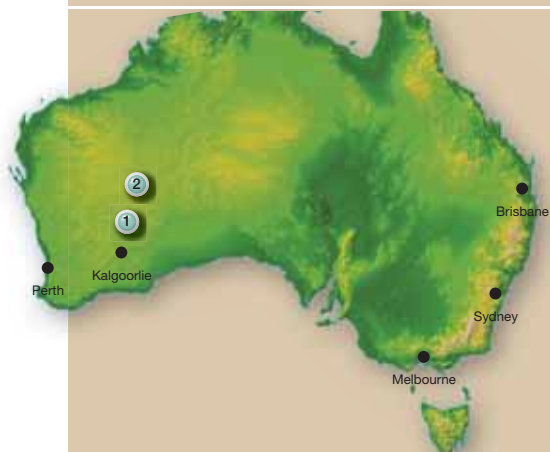
3. Beatrix Gold Mine

Production: 12,164 kg (391,000 ozs)
 Total cash costs: R159,799/kg
 (US\$552/oz)
 NCE: R219,254/kg (US\$757/oz)
 Mineral Reserve: 6.4 Moz
 Mineral Resource: 17.6 Moz
 Employees in service: 9,649
 Contractors: 905

4. South Deep Gold Mine

Production: 5,434 kg (175,000 ozs)
 Total cash costs: R207,803/kg
 (US\$717/oz)
 NCE: R406,423/kg (US\$1,403/oz)
 Mineral Reserve: 29.5 Moz
 Mineral Resource: 63.8 Moz
 Employees in service: 2,273
 Contractors: 2,382

Australasia Region

**1. St Ives Gold Mine**

Production: 13,322 kg
 (428,000 ozs)
 Total cash costs: R172,707/kg
 (A\$805/oz, US\$596/oz)
 NCE: R219,299/kg (A\$1,023/oz,
 US\$757/oz)
 Mineral Reserve: 2.3 Moz
 Mineral Resource: 5.6 Moz
 Employees in service: 263
 Contractors: 658

2. Agnew Gold Mine

Production: 5,974 kg (192,000 ozs)
 Total cash costs: R116,120/kg
 (A\$541/oz, US\$401/oz)
 NCE: R159,240/kg (A\$743/oz,
 US\$550/oz)
 Mineral Reserve: 0.7 Moz
 Mineral Resource: 3.5 Moz
 Employees in service: 140
 Contractors: 200

*Notional Cash Expenditure

West Africa Region



1. Tarkwa Gold Mine

Production: 19,048 kg
(612,000 oz)
Total cash costs: R150,814/kg
(US\$521/oz)
NCE: R255,066/kg (US\$881/oz)
Mineral Reserve: 10.7 Moz
Mineral Resource: 16.2 Moz
Employees in service: 1,805
Contractors: 2,846

2. Damang Gold Mine

Production: 6,233 kg (200,000 oz)
Total cash costs: R191,179/kg
(US\$660/oz)
NCE: R215,851/kg (US\$745/oz)
Mineral Reserve: 1.8 Moz
Mineral Resource: 4.3 Moz
Employees in service: 407
Contractors: 1,101

South America Region



1. Cerro Corona Gold Mine

Production: 6,822 kg (219,000 oz)
Total cash costs: R106,777/kg
(US\$369/oz)
NCE: R268,382/kg (US\$926/oz)
Mineral Reserve: 5.5 Moz (gold equivalent)
Mineral Resource: 8.1 Moz (gold equivalent)
Employees in service: 310
Contractors: 506

Exploration and Business Development



Three advanced stage exploration drilling prospects

1. West Africa – Sankarani in Mali
2. South America – Chucapaca in Southern Peru
3. Central Asia – Talas in Kyrgyzstan

Development Stage	Africa	Australasia	South America	Rest of the world
Advanced Drilling	1	–	1	2*
Initial Drilling	4	13	1	3
Target Definition	20	15	14	9

*Includes Arctic Platinum Project.

REVIEW OF OPERATIONS: SOUTH AFRICA REGION

F2009 Achievements

- Improved safety by 50%.
- Successful completion of infrastructure rehabilitation and priority secondary support backlog.
- South Deep remodelled and operational plan complete for build-up.
- Uranium Mineral Resource defined.

Vishnu Pillay

Executive Vice President: Head of South Africa Region

Since assuming responsibility for Gold Fields' South African operations this past year, three key areas of focus have been introduced: vigorous attention to safety; improved secondary support initiatives to secure the integrity of the deep level haulages; and an enhanced planned maintenance programme. Despite numerous challenges, tremendous improvement has been made on all three fronts.

Growing our production is a major priority, but we will only do this through a safe and responsible approach. It is exceptionally gratifying to report that all safety indices have improved over the past year in the South Africa Region: our fatal injury frequency rate improved by 50 per cent; the lost day injury frequency rate by 39 per cent; and the serious injury frequency rate by 32 per cent. On 12 June 2009, Driefontein recorded in excess of 2.85 million fatality free shifts, which is a record achievement for the mine and has set a new benchmark for deep level gold mining. The benefits of the step change in the approach to safety cannot be underestimated and the positive impact on the morale of the Gold Fields people has been visible. The focus on further improving our safety record in the year ahead will be maintained by targeting an improvement in each of the key indices by aiming to achieve a further 33 per cent improvement, year on year.

The rapidly deteriorating backlog in secondary support and infrastructure rehabilitation across all operations has largely been completed. At Kloof, the Main shaft steel work rehabilitation was completed in December 2008. With regard to enhancing planned maintenance, condition assessments are being conducted on all vertical mine shafts and plant infrastructure. Audits have been done to identify all repairs required. Of course, other important imperatives remain on the operational front and structured project initiatives are in place to ensure, among various activities, optimised energy and utilities consumption, an increase in production, better ore reserve management, and a plan focused on a tripartite health and safety summit aimed at the implementation of a zero harm policy for all our workers.

The energy and utilities projects, comprising power, diesel and the related consumption of air and water, target savings of R130 million per annum at current tariff levels by the end of F2010. This should be achieved by way of a 10 per cent reduction in power consumption and a 20 per cent reduction in diesel consumption. Significant improvements have been made and we are well on track to achieve these targets.

We are implementing mechanised equipment in all flat-end development areas at the long-life shafts of Driefontein, Kloof and Beatrix and we aim to achieve this by the end of F2010. An improvement in safety, productivity and increased reserve flexibility is already evident. We are targeting a mechanised rate of 100 per cent by the end of 2010, with some 46 per cent of development having been mechanised to date, with unit cost, equipment efficiency and labour productivity improving on a daily basis.

At the South Deep project, which secures the long-term sustainability of the South African portfolio, we are continuing to focus on delivering the build-up to planned development metres, as well as the completion of the Twin shaft infrastructure. The recommissioning of South shaft for hoisting has been partially completed and single shift hoisting is being planned in F2010. Current new mine development rates should deliver the infrastructure necessary to build to full production of around 750,000 to 800,000 ounces per annum by December 2014.

The West Wits Tailings Reprocessing project (Uranium project) team has achieved numerous milestones over the year. This project aims to assess the viability of extracting gold and uranium, as well as sulphuric acid, from existing tailings facilities. The achievements over the last year include the completion of the drilling and evaluation work, as well as the mineral resource model. The metallurgical test-work has advanced considerably, while all the data accumulated in the pre-feasibility study is being compiled into financial models for the combined feasibility study, which is to be presented to the Board of Directors in early 2010.

We are pleased with the two year wage deal that was achieved for F2010 and F2011. The mutually beneficial agreement underscores the improving relations with the union bodies in South Africa and we will strive to continue this positive engagement in future. I am exceptionally pleased with the progress made at the South African operations, despite the difficulties experienced. The dedication, combined with significant contributions from the entire team has been nothing short of extraordinary. My gratitude and thanks to all involved in South Africa.

F2010 Focus Areas

- 1 Improve safety.
- 2 Increase Ore Reserve Development.
- 3 Deliver South Deep project successfully.
- 4 Create a pipeline of skills.



Vishnu Pillay

Driefontein Gold Mine

- Fatal Injury Frequency Rate improved by 38 per cent.
- Over two million fatality free shifts recorded.
- Completed preparatory work for 4 shaft pillar extraction.

OVERVIEW

Location: Driefontein is situated some 70 km west of Johannesburg, at latitude 26°24'S and longitude 27°30'E, near Carletonville in the Gauteng Province of South Africa. The site is accessed via the N12 highway between Johannesburg and Potchefstroom. Geologically the mine is located on the North Western Rim of the Witwatersrand Basin. **Infrastructure:** It comprises eight producing shaft systems that mine different contributions from pillars and open ground, and three gold plants of which 1 plant processes mainly underground ore, 2 plant processes both underground ore and surface material and 3 plant processes surface material only. **Geology:** Three primary reefs are exploited; the Ventersdorp Contact Reef (VCR) located at the top of the Central Rand Group; the Carbon Leader Reef (CL) near the base and the Middelvllei Reef (MR), which stratigraphically occurs some 50 metres to 75 metres above the CL. **Mine type and depth:** It is a large, well-established deep to ultra deep level gold mine to 50 level (the lowest working level) some 3,400 metres below surface. **Employees in service:** The mine has 15,501 permanent employees and 2,244 contractors.

SAFETY AND ENVIRONMENT

During the year under review, seven employees lost their lives in four mining related accidents. Of the seven deceased, six were fatally injured in seismic induced falls of ground and one in a tramming related accident. The fatal injury frequency rate improved from 0.26 in F2008 to 0.16 in F2009. The mine continued with the 'Masiphephe' safety programme during the year, and overall safety performance improved

on all indices year on year. On 12 June 2009, the mine recorded in excess of 2.85 million fatality free shifts, which is a record achievement for the mine and set a new benchmark for deep level gold mining. The lost day injury frequency rate improved from 7.02 for F2008 to 4.90 in F2009 with about a third of accidents caused by falls of ground, which remain the major cause of accidents.

During F2009, Driefontein received, and complied with, various instructions to stop operations (known as Section 54s) from the Principal Inspector of the Gauteng area of the Department of Mineral Resources (DMR). Following additional inspections, including the Health and Safety Audits that ensure legal compliance of the mine, the DMR has expressed its satisfaction with the mine's remedial measures. Driefontein was also exposed to the external audit by DuPont as well as an internal audit on the full compliance safety management system. Remedial action plans which address the recommendations emanating from these audits will provide the platform for continuous health and safety improvements.

Driefontein maintained its OHSAS18001 and ISO14001:2004 (Environmental Management System) accreditation through the various external audits conducted in F2009.

OPERATIONAL REVIEW

Gold production decreased by 11 per cent from 28,865 kilograms in F2008 to 25,814 kilograms in F2009. This was due to two major interventions, to improve safety performance and address business interruptions. Firstly, it was necessary to address the rapidly deteriorating backlog in secondary support at 1, 4 and 5 shafts and secondly, a major pillar and remnant pillar mining review led to the suspension of stoping at 6 tertiary and 10 shaft and the stopping of numerous high grade pillars across the mine. These interventions had a severe impact on gold production.

As a result underground tons milled decreased from 3.27 million tons in F2008 to 3.14 million tons in F2009. In order to fully utilise mill capacity surface tons milled increased from 2.71 million tons in F2008 to 3.08 million tons in F2009.

Main development decreased from 27,459 metres in F2008 to 20,074 metres in F2009 due to the redeployment of development crews

to address the historical backlog secondary support.

Revenue increased from R5,502 million in F2008 to R6,546 million in F2009. The higher gold price received being partially offset by the lower production.

Operating costs increased by 20 per cent from R2,933 million in F2008 to R3,531 million in F2009. This increase was mainly due to higher electricity tariffs, labour costs and an increase in raw material prices, especially in the first half of F2009.

Total cash cost increased from R96,293 per kilogram (US\$412/oz) in F2008 to R129,837 per kilogram (US\$448/oz) in F2009 as a result of the higher costs and lower production.

Operating profit, before amortisation, increased from R2,569 million in F2008 to R3,015 million in F2009. Operating margin decreased slightly from 47 per cent in F2008 to 46 per cent in F2009.

Capital expenditure increased from R1,016 million in F2008 to R1,034 million in F2009. The majority of this increase was due to housing upgrades and an increase in capitalised ore reserve development.

Notional cash expenditure increased from R136,806 per kilogram (US\$585/oz) in F2008 to R176,838 per kilogram (US\$610/oz) in F2009.

F2010 Focus Areas

- Safe production management;
- Eliminating the backlog on secondary support;
- Volume, value and quality;
- Increasing mining flexibility by accelerating development;
- Advancing the optimisation study on mining below 50 level;
- Reducing electricity consumption; and
- Advancing the commitments as set out in the Driefontein Social and Labour Plan.

REVIEW OF OPERATIONS: SOUTH AFRICA REGION

continued

Kloof Gold Mine

- Fatal Injury Frequency Rate improved by 30 per cent.
- Major shaft infrastructure rehabilitation completed.
- Ore reserve development accelerated.

OVERVIEW

Location: Kloof is situated some 60 km west of Johannesburg at latitude 26°24'S and longitude 27°36'E, near Westonaria in the Gauteng Province of South Africa. The mine is accessed via the N12 highway between Johannesburg and Potchefstroom. Geologically the mine is located on the main Western Rim of the Witwatersrand Basin. **Infrastructure:** Kloof consists of six shaft systems and two gold plants. **Geology:** Kloof exploits auriferous palaeoplacers (reefs), namely the Ventersdorp Contact Reef (VCR) that constitutes 83 per cent of the Kloof Underground Mineral Reserve ounces, the Middelveit Reef (MR) 15 per cent and two per cent from the Kloof Reef (KR). **Mine type and depth:** It is a large, well-established intermediate to ultra deep level gold mine to 45 level (the lowest working level) some 3,347 metres below surface. **Employees in service:** The mine has 14,522 permanent employees and 1,619 contractors.

SAFETY AND ENVIRONMENT

During the year, ten employees lost their lives in eight separate incidents, compared to fifteen fatalities in F2008. Five incidents were caused by seismic induced falls of ground and one by a gravity induced fall of ground. Falls of ground (gravity and seismic related) remained the major cause of injuries. There has been a 30 per cent improvement in the fatal injury frequency rate from 0.33 to 0.23, and a 52 per cent improvement in the serious injury frequency rate from 6.96 to 3.31. The lost day injury frequency rate improved 45 per

cent from 11.05 for F2008 to 6.03 for F2009. Kloof achieved 1 million fatality free shifts on 9 October 2008.

The mine remains committed to the zero harm philosophy and has introduced further improvements to its behaviour based training and safety programmes. The Gold Fields Safe Production Rules are also being rolled out in a 20-week process together with the Fall of Ground or "Stop & Terminate All Rockfalls" (STAR) campaign.

Following the heightened safety awareness across the Group, Kloof has adopted a more prudent approach to pillar mining. Identified remnant pillars are comprehensively analysed and approved by the Rock Engineering Department before any mining takes place.

Kloof was exposed to the external audit by DuPont as well as an internal audit of the Full Compliance Safety Management System. Remedial action plans emanating from these audits provide the platform for continuous health and safety improvements.

During the year, Kloof was issued with various instructions to stop operations through the DMR's Section 54 mechanism with respect to accidents that related to support, grizzlies, shaft repair work and centralised blasting. Following these stoppages, standards were revised and, in addition, physical audits were done on workplaces and practices to improve safety awareness.

Kloof maintained its OHSAS18001 and ISO14001:2004 (Environmental Management System) accreditation through the various external audits conducted during F2009.

OPERATIONAL REVIEW

Gold produced decreased by 22 per cent from 25,533 kilograms in F2008 to 19,998 kilograms in F2009. This was due to major infrastructure repairs at Main shaft which disrupted production in the first half of the year, safety related stoppages and an underground fire at 7 shaft also impacted negatively on mining volumes.

As a result of the lower mining activity tons milled from underground decreased from 2.94 million tons in F2008 to 2.40 million tons in F2009. Surface tons decreased from 1.01 million tons to 0.92 million tons due to a reduction in toll milling at South Deep, partially offset by an increase in surface ore processed at Kloof 1 and 2 plants.

Main development decreased from 33,582 metres in F2008 to 22,838 metres in F2009. This decrease was mainly due to the redeployment of development crews to address the secondary support backlog.

Revenue increased from R4,805 million in F2008 to R5,066 million in F2009. The higher gold price received was partially offset by the lower production.

Operating costs increased by 15 per cent from R2,690 million in F2008 to R3,084 million in F2009. This increase was mainly due to increased labour costs, an increase in raw material prices, increased electricity tariffs and higher contractor costs associated with the transport of ore from 4 shaft to 2 plant. This was as a result of the logistical constraints experienced during the Main shaft repair programme.

Total cash cost increased from R100,419 per kilogram (US\$430/oz) in F2008 to R146,930 per kilogram (US\$507/oz) in F2009 as a result of the higher costs and lower production.

Operating profit, before amortisation, decreased from R2,115 million in F2008 to R1,983 million in F2009. Operating margin decreased from 44 per cent in F2008 to 39 per cent in F2009.

Capital expenditure increased from R898 million in F2008 to R959 million in F2009. The main contributors to this increase were capitalised ore reserve development, the 4 shaft complex and the Social and Labour Plan project.

Notional cash expenditure increased from R140,512 per kilogram (US\$601/oz) in F2008 to R202,140 per kilogram (US\$698/oz) in F2009.

F2010 Focus Areas

- Safe production management;
- Finalising of the Main shaft pillar extraction project;
- Elimination of secondary support backlog;
- Increasing mining flexibility by accelerating development;
- 100 per cent mechanisation of all flat end development;
- Intensifying 'old' gold recovery; and
- Advancing the commitments as set out in the Kloof Social and Labour Plan.

Beatrix Gold Mine

- Mining quality issues resolved – approaching steady state production.
- Turnaround in safety evident.
- Ore reserve development accelerated.

OVERVIEW

Location: Beatrix is situated at latitude 28°15'S and longitude 26°47'E, near the towns of Welkom and Virginia, some 240km southwest of Johannesburg in the Free State Province of South Africa. The site is accessed via the N1 highway between Johannesburg and Kroonstad, and then via the R34. Geologically the mine is located along the Southern Rim of the Witwatersrand Basin.

Infrastructure: It consists of four operating shafts and two gold plants. **Geology:** Exploiting auriferous palaeoplacers (reefs) of the Central Rand Group. The Beatrix Reef (BXR), and local facies variations thereof, constitutes 72 per cent of the Beatrix Ore Reserve with the Kalkoenkrans Reef (KKR) contributing 28 per cent. **Mine type and depth:** It is a large shallow to medium depth gold mine operating at depths between 600 and 2,155 metres below surface. **Employees in service:** The mine has 9,649 permanent employees and 905 contractors.

SAFETY AND ENVIRONMENT

Beatrix's safety performance regressed slightly in lost time injury frequency rates, while the fatal injury frequency rate remained steady at 0.13 per million man hours worked. Regrettably, four employees lost their lives during the year in four separate incidents, two of which were tramming related, one fall of ground and one where an employee fell down an orepass.

Phase 2 of the well accepted 'Khuleseka' (be protected) commenced during the fourth quarter, during which all supervisors were exposed to a two day intervention focusing on theory and practical exposure of technical skills required to improve their quality of work. Beatrix was also exposed to the external audit by DuPont as well as an internal audit of the Full Compliance Safety Management System. Remedial action plans emanating from these audits provide the platform for continuous health and safety improvements.

Beatrix maintained its OHSAS18001 and ISO14001:2004 (Environmental Management System) accreditation through the various external audits conducted in F2009.

The Beatrix methane-capture project has been approved by the Designated National Authority for the clean development mechanism in South Africa.

A project to capture and extract methane gas from underground at the South Section of the mine, as well as to capture and flare methane gas from identified surface boreholes, is progressing well with flaring of the gas scheduled to take place by the end of 2009. The objective of this project is to mitigate the environmental impact of mining activity at the mine with regard to greenhouse gas emissions and initially to generate carbon credits and, thereafter, to utilise methane for power generation.

OPERATIONAL REVIEW

Gold produced decreased by 11 per cent from 13,625 kilograms in F2008 to 12,164 kilograms in F2009. This was due to lower underground volumes at 3 shaft, mine call factor regression and safety related stoppages.

Tons milled decreased from 3.22 million in F2008 to 2.99 million in F2009. Even though no surface tons were processed the mine

continues to examine and review the viability of the low grade surface dumps which appear to be economical at current gold prices.

Main development decreased from 40,812 metres in F2008 to 32,630 metres in F2009. The decrease was due to the focus on safety which required the cleaning of haulages, removing of mud accumulation and bringing the construction and the equipping of development ends up to standard. Exploratory secondary development was increased at the South section to define high grade areas for future stoping activities.

Revenue increased from R2,615 million in F2008 to R3,055 million in F2009. The higher gold price received was partially offset by the lower production.

Operating costs increased by 18 per cent from R1,725 million in F2008 to R2,038 million in F2009. This increase was mainly due to employee incentives, higher salaries and wages, as well as overtime and an increase in electricity tariffs.

Total cash cost increased from R120,382 per kilogram (US\$515/oz) in F2008 to R159,799 per kilogram (US\$552/oz) in F2009 as a result of the higher costs and lower production.

Operating profit, before amortisation, increased from R891 million in F2008 to R1,018 million in F2009. Operating margin decreased slightly from 34 per cent in F2008 to 33 per cent in F2009.

Capital expenditure increased from R577 million in F2008 to R629 million in F2009. The majority of this expenditure was on accelerated ore reserve development across the mine. Development at 3 shaft, 24 level, is nearing completion and progressing as planned on 25 and 26 levels.

Notional cash expenditure increased from R168,903 per kilogram (US\$723/oz) in F2008 to R219,254 per kilogram (US\$757/oz) in F2009.

REVIEW OF OPERATIONS: SOUTH AFRICA REGION

continued

F2010 Focus Areas

- Safe production management;
- Stabilising stoping, development and production;
- Increase flexibility by developing the ore body with emphasis on the continued introduction and delivery of development mechanisation initiatives;
- Full implementation and sustained application of consistent drilling, blasting and explosive usage to maintain a high MCF and contribute towards improved gold recovery; and
- Ongoing implementation and delivery of the Beatrix Social and Labour Plan.

South Deep Project

- Mine positioned to increase production to 300,000 ounces during F2010.
- South shaft recommissioned, fleet in place, ore body remodelled for next 30 years.
- On track for build-up to full production by end of 2014.

OVERVIEW

Location: South Deep is situated in the districts of Westonaria and Vanderbijlpark (Gauteng Province), some 45 km southwest of Johannesburg at latitude 26° 25'S and longitude 27° 40'E. It is accessed via the R28 provincial road between Westonaria and Vereeniging, and is located in the major gold mining region of South Africa, being the Witwatersrand Basin. **Infrastructure:** South Deep operates one gold plant and is accessed from surface through two shaft systems, the new Twin shaft complex of which the main shaft comprises a single-drop to a depth of 2,995 metres, and the original mine's South shaft complex. The mine has been subdivided into two main areas, namely "above current infrastructure" to 110 level (2,888 metres below

surface), and below current infrastructure to 135 level (3,250 metres below surface). **Geology:** Exploiting auriferous palaeoplacers (reefs), i.e. the Ventersdorp Contact Reef (VCR) of the Venterspost Formation and conglomerates that comprise the Upper Elsburg Reefs of the Mondeor Formation. **Mine type and depth:** A large developing deep level gold mine (>2,000 metres below surface). **Employees in service:** The mine has 2,273 permanent employees and 2,382 contractors.

SAFETY AND ENVIRONMENT

There has been a steady improvement in the safety performance year on year. The standout safety statistic was a fatality free year for F2009. The serious injury frequency rate decreased from 5.25 to 2.08, an improvement of 60 per cent, the lost day injury frequency rate decreased from 16.81 to 5.26, an improvement of 69 per cent, and the injury free days for the year of 218 is a new record for the mine. South Deep is now 100 per cent on trackless mechanised mining methods and this has significantly contributed to the improved safety performance. The mine has adopted a 'one pass system' for support, which covers all development headings across the mine. No Section 54s were issued to South Deep by the Department of Mineral Resources during the year. Various internal and external audits were conducted during the year.

South Deep has received ISO14001:2004 (Environmental Management System) accreditation, and became the first of Gold Fields' operations to be fully compliant and accredited with the requirements of the ICMI Cyanide Code. In F2010, OHSAS18001 certification is planned.

PROJECT REVIEW

South Deep is a capital project and remains a developing mine. Excellent progress has been made on the infrastructure to support the F2010 target of producing 300,000 ounces of gold and the F2014 target of achieving full production of between 750,000 and 800,000 ounces of gold. The ore body has been remodelled and scheduled for the next 30-years, the fleet is in place and South shaft has been refurbished.

Re-investment in the South shaft complex during the year has seen rock winding facilities

recommissioned, which is in line with the strategy for F2010 with approximately 60,000 tons per month to be hoisted at the South shaft complex. At the Twin shaft complex the Ventilation shaft brattice wall was safely installed during F2009 and the first of four surface fans has been commissioned. The fans will be utilised in the build-up to full production when the mine design requires the additional ventilation. Everything is on track for the completion of the Ventilation shaft early in 2012 and the subsequent full commissioning of the entire Twin shaft complex to its design capacity of 330,000 tons of ore hoisted per month. This is a critical path milestone required for the mine to achieve full production, as planned by the end of F2014.

The surface exploration drilling programme has progressed in F2009 and the currently planned 12 boreholes will be completed by the end of F2011. In addition, long incline boreholes (LIB) have been drilled underground and this has resulted in a better understanding of the area below 95 level and has reduced the development required on 110 level to access and open up the ore body.

The mining rights conversion application was submitted in December 2008 and the mine is advancing the commitments as set out in the Social and Labour Plan.

Mechanised de-stress mining commenced in the three targeted project areas in the current mining horizons during F2009. Innovative mine design has resulted in the application of a horizontal de-stress mining cut and the same low profile mechanised equipment is applied for the regular mining and the de-stress cut mining. The horizontal method has the benefit of enhancing the de-stress mining grade and will facilitate access to the long hole stoping mining layouts for the new ground below 95 level.

Construction of the new South Deep tailings storage facility has commenced and is scheduled for first tailings deposition in February 2010. Construction is expected to be completed by July 2010.

OPERATIONAL REVIEW

Gold produced decreased by 25 per cent from 7,220 kilograms in F2008 to 5,434 kilograms in F2009. This was due to the cessation of VCR mining in January 2007 because of a major geological fault causing the depletion of ore availability.

Tons milled decreased from 1.37 million tons in F2008 to 1.24 million tons in F2009. This was mainly due to lower surface tons milled and the cessation of the VCR mining. Surface tons decreased from 0.30 million tons to 0.20 million tons due to the depletion of surface dump material. The majority of the surface material processed in F2009 was from surface clean-up.

Main development increased from 5,850 metres to 7,152 metres in F2009. Development below 95 level gained momentum in January 2009, after the interruptions caused by the shaft accident in May 2008.

Revenue increased from R1,342 million in F2008 to R1,398 million in F2009. The higher gold price received was partially offset by the lower production.

Operating costs decreased by six per cent from R1,264 million in F2008 to R1,188 million in F2009. This decrease was mainly due to labour restructuring early in the year which was necessary because of the depletion of ore at the labour intensive VCR mining area.

Total cash cost increased from R169,889 per kilogram (US\$727/oz) in F2008 to R207,803 per kilogram (US\$717/oz) in F2009 as a result of the lower production.

Operating profit, before amortisation, increased from R78 million in F2008 to R210 million in F2009. Operating margin increased from six per cent in F2008 to 15 per cent in F2009.

Capital expenditure increased from R785 million in F2008 to R1,021 million in F2009. The majority of this increase was due to expenditure on development and infrastructure below 95 level.

Notional cash expenditure increased from R283,712 per kilogram (US\$1,214/oz) in F2008 to R406,423 per kilogram (US\$1,403/oz) in F2009, due to the significant capital investment needed to bring this mine to full production.

F2010 Focus Areas

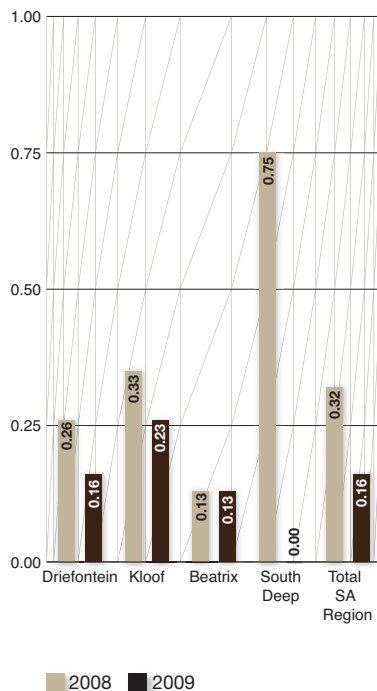
- Safe production management;
- Completion of all shaft infrastructure in support of achieving full production by December 2014;
- Development to ramp up to 17.4 km from 7.2 km waste and reef metres; and
- Creating mining flexibility at South shaft.

REVIEW OF OPERATIONS: SOUTH AFRICA REGION

continued

Fatal Injury Frequency Rates

per million man hours worked



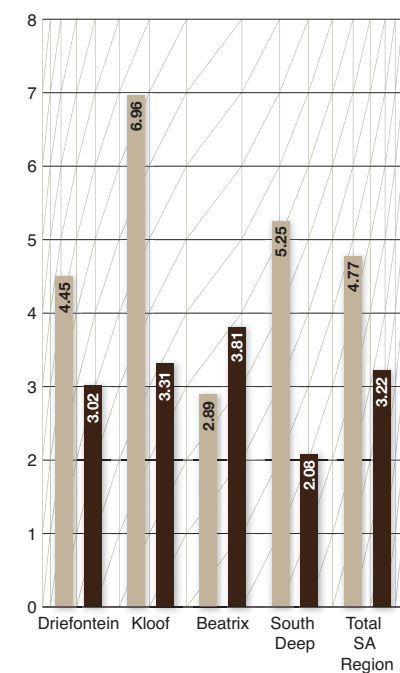
Driefontein Gold Mine

		2009	2008	2007	2006
Main development	km	20.1	27.5	28.0	27.4
Main on-reef (development)	km	4.1	5.8	5.3	4.2
(value)	cm g/t	877	1,242	1,307	1,454
Area mined	'000m	530	579	653	680
Productivity	m ² /TEC*	2.6	2.8	3.2	3.4
Tons milled	Underground	'000	3,137	3,273	3,812
	Surface	'000	3,080	2,708	2,840
	Total	'000	6,217	5,981	6,652
Yield	Underground	g/t	7.5	8.1	7.6
	Surface	g/t	0.7	0.8	1.0
	Combined	g/t	4.2	4.8	5.2
Gold produced	Underground	kg	23,658	26,591	28,815
	Surface	kg	2,156	2,274	2,803
	Total	kg	25,814	28,865	31,618
	Total	'000oz	830	928	1,017
Operating costs	Underground	R/ton	1,044	830	653
	Surface	R/ton	83	79	65
	Total	R/ton	568	490	402
Gold sold	kg	25,814	28,865	31,618	35,755
Total cash cost	US\$/oz	448	412	348	315
	R/kg	129,837	96,293	80,457	64,870
Notional cash expenditure	US\$/oz	610	585	476	403
	R/kg	176,838	136,806	110,269	82,872
Net earnings	Rm	1,421.3	1,233.3	1,004.3	645.0
Capital expenditure	Rm	1,034.4	1,016.4	815.0	543.3

*TEC = Total Employees Costed

Serious Injury Frequency Rates

per million man hours worked



Kloof Gold Mine

		2009	2008	2007	2006
Main development	km	22.8	33.6	35.0	30.4
Main on-reef (development)	km	3.7	5.0	6.1	7.3
(value)	cm g/t	1,777	1,717	1,410	1,788
Area mined	'000m	428	519	620	607
Productivity	m ² /TEC*	2.2	2.6	2.9	3.4
Tons milled	Underground	'000	2,398	2,941	3,447
	Surface	'000	921	1,012	382
	Total	'000	3,319	3,953	3,829
Yield	Underground	g/t	8.1	8.4	8.2
	Surface	g/t	0.7	0.9	1.2
	Combined	g/t	6.0	6.5	7.5
Gold produced	Underground	kg	19,316	24,587	28,260
	Surface	kg	682	946	445
	Total	kg	19,998	25,533	28,705
	Total	'000oz	643	821	923
Operating costs	Underground	R/ton	1,254	893	727
	Surface	R/ton	84	62	82
	Total	R/ton	929	680	662
Gold sold	kg	19,998	25,533	28,705	28,429
Total cash cost	US\$/oz	507	430	366	374
	R/kg	146,930	100,419	84,672	76,918
Notional cash expenditure	US\$/oz	698	601	498	472
	R/kg	202,140	140,512	115,377	97,200
Net earnings	Rm	772.8	947.9	790.3	209.9
Capital expenditure	Rm	958.6	897.7	775.8	482.7

*TEC = Total Employees Costed

2008 2009

Beatrix Gold Mine

			2009	2008	2007	2006
Main development	km		32.6	40.8	43.8	35.9
Main on-reef (development)	km		6.7	8.3	6.4	6.9
(value)	cm g/t		963	974	967	1,135
Area mined	'000m		565	625	703	686
Productivity	m ² /TEC*		4.5	4.9	5.6	5.5
Tons milled	Underground	'000	2,991	3,215	3,590	3,551
	Surface	'000	–	–	–	–
	Total	'000	2,991	3,215	3,590	3,551
Yield	Underground	g/t	4.1	4.2	4.7	5.2
	Surface	g/t	–	–	–	–
	Combined	g/t	4.1	4.2	4.7	5.2
Gold produced	Underground	kg	12,164	13,625	16,903	18,541
	Surface	kg	–	–	–	–
	Total	kg	12,164	13,625	16,903	18,541
	Total	'000oz	391	438	543	596
Operating costs	Underground	R/ton	681	536	432	396
	Surface	R/ton	–	–	–	–
	Total	R/ton	681	536	432	396
Gold sold	kg		12,164	13,625	16,903	18,541
Total cash cost	US\$/oz		552	515	377	354
	R/kg		159,799	120,382	87,251	72,768
Notional cash expenditure	US\$/oz		757	723	584	485
	R/kg		219,254	168,903	126,812	99,892
Net earnings	Rm		321.8	332.4	370.8	185.3
Capital expenditure	Rm		629.4	576.6	592.8	447.3

*TEC = Total Employees Costed

South Deep Gold Mine

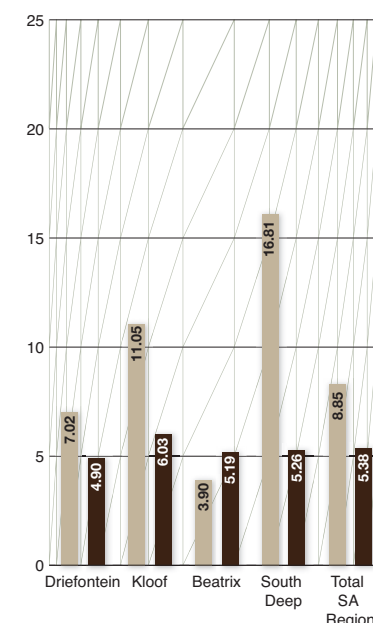
			2009	2008	2007*
Main development	km		7.2	5.9	2.9
Main on-reef (development)	km		4.3	3.1	1.7
(value)	g/t		5.9	6.0	6.2
Area mined**	'000m		0	42.0	48.0
Tons milled	Underground	'000	1,038	1,066	776
	Surface	'000	203	301	328
	Total	'000	1,241	1,367	1,104
Yield	Underground	g/t	6.1	6.5	6.2
	Surface	g/t	1.3	0.8	0.9
	Combined	g/t	4.4	5.3	4.6
Gold production	Underground	kg	5,178	6,967	4,783
	Surface	kg	256	253	293
	Total	kg	5,434	7,220	5,076
	Total	'000oz	175	232	163
Operating costs	Underground	R/ton	1,134	1,170	896
	Surface	R/ton	53	54	75
	Total	R/ton	957	924	652
Gold sold	kg		5,434	7,220	5,166
Total cash cost	US\$/oz		717	727	595
	R/kg		207,803	169,889	137,689
Notional cash expenditure	US\$/oz		1,403	1,214	854
	R/kg		406,423	283,712	197,636
Net loss	Rm		(10.9)	(143.1)	(46.8)
Capital expenditure	Rm		1,020.5	784.7	283.4

*South Deep for seven months from 1 December 2006

**VCR conventional mining was stopped in F2008

Lost Day Injury Frequency Rates

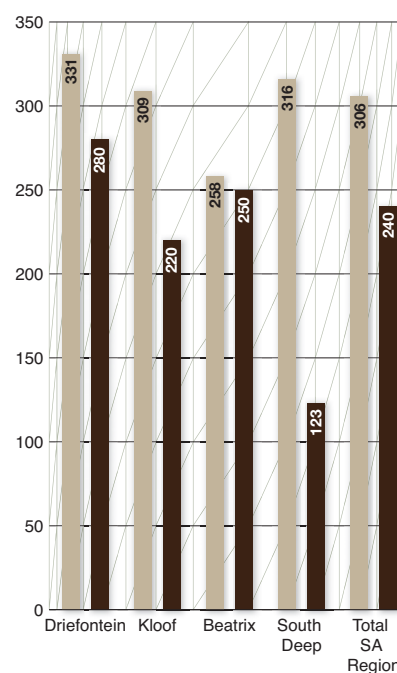
per million man hours worked



2008 2009

Lost Time Frequency Rates

per million man hours worked



2008 2009

REVIEW OF OPERATIONS: WEST AFRICA REGION

F2009 Achievements

- Excellent safety record.
- CIL plant commissioning completed.

Peter Turner

Executive Vice President: Head of West Africa Region

During the last year, Ghana concluded peaceful national elections that resulted in a new government being formed. Various ministerial changes have occurred as a result, and Gold Fields Ghana has already formed strong relationships with the new incumbents.

Most importantly, it is gratifying to report that we had an excellent safety year in the region, with no fatalities. The entire region is continuing its focus on ensuring that the detailed and considerable safety policies and philosophies of the Gold Fields Group are adhered to on a daily basis. In addition, the approach to employee well-being has been accelerated by integrating all chronic disease initiatives into the overall programme, including a renewed focus on malaria. The on-site health care services are well supported by the Group as these remain vitally important in this environment, especially when it comes to the early diagnosis and treatment of infectious diseases such as malaria.

Gold Fields Ghana continues its commitment to other areas of sustainable development through the implementation of a range of carefully considered projects and effective stakeholder engagement. The Gold Fields Ghana Foundation focuses on the need to improve the quality of lives of some 30,000 men, women and children in 16 primary stakeholder communities, and continues to achieve positive results in areas such as agriculture, education, health and sanitation.

Within the region, we remain focused on creating a sustainable production platform, while growing the region with a specific focus in Ghana and Mali. The CIL plant expansion project at Tarkwa was completed in December 2008. However, the slower than planned build-up of the plant impacted negatively on the year's gold production, which was slightly lower than last year. The CIL plant, which is the third largest in the world, is now fully operational and is expected to have a positive impact on production in F2010. At Damang, where gold production rose to 200,000 ounces, the focus remains on maintaining plant efficiencies and optimising throughput volumes. One of the initiatives to support this objective is to install a secondary crusher plant, which will enhance the throughput of hard material, while maintaining grade quality.

The West Africa Region is focused on increasing its exploration effort to improve the overall resource base, and the eventual life of mine in the region. At Damang, we plan to spend US\$10 million on brownfields exploration drilling during F2010, with a view to at least double the reserves of the mine. We are also planning to accelerate our greenfields exploration footprint in the Yanfolila Belt in Mali, where we have a significant interest in the Sankarani joint venture project. Subsequent to year-end, Gold Fields made a successful offer to acquire the entire issued share capital of Glencar, which includes Glencar's advanced Komana prospect. Our medium-term target is to grow attributable production in the West Africa Region to more than one million ounces per annum.

The region remains committed to optimising the business process through the use of the Six Sigma continuous improvement philosophy, while maintaining a safe working environment, and improving the quality of life for our employees and the communities that surround us.



Peter Turner

Tarkwa Gold Mine

- Fatality free year.
- CIL plant construction completed and successfully ramped up.
- Approaching full production.

OVERVIEW

Location: The Tarkwa gold mine is located in southwestern Ghana, about 300 km by road west of Accra, the capital, at latitude 5°15'N and longitude 2°00'W. It is situated some 4 km west of the town of Tarkwa with good access roads and an established infrastructure, which is served by a main road connecting the port of Takoradi some 60 km to the southeast on the Atlantic coast. **Infrastructure:** Multiple open pits (currently six), two heap leach facilities and a CIL plant. **Geology:** The ore body at Tarkwa consists of a series of sedimentary banket quartz reef units (conglomerates) of the Tarkwaian System that are very similar to those mined in the Witwatersrand Basin of South Africa. The operation is currently mining multiple reef horizons from open-pits and there is potential for underground mining in the future.

Employees in service: 1,805 permanent employees, 44 temporary employees and 2,846 contractors.

SAFETY AND ENVIRONMENT

The general safety performance of Tarkwa improved year on year with no fatalities, while the lost day injury frequency rate was unchanged at 0.26. The Safe Production Rules programme was formally launched in May 2009 by management, union representatives and safety officials. This event was successful in creating a high degree of awareness.

Tarkwa also retained its ISO14001:2004 (Environmental Management System) certification following an external audit during the year. The mine also retained its full compliance to the ICMI Cyanide Code.

OPERATIONAL REVIEW

Gold produced decreased by five per cent from 646,000 ounces in F2008 to 612,000 ounces in F2009. This was due to teething problems encountered during commissioning of the CIL expansion plant in mid-year and the slightly lower grades mined.

Tons processed decreased from 22.04 million in F2008 to 21.27 million in F2009. This was mainly due to a decrease in tons treated at the South heap as this ore was treated at the new CIL plant to improve its recovery. However, despite an increase in tons milled at the CIL plant, the teething problems and the slightly lower grade did not offset the decrease in production from the heap leach facility.

Tons mined increased from 113.3 million to 132.6 million and ore mined increased from 19.9 million tons to 21.7 million tons.

Revenue increased from US\$532 million in F2008 to US\$537 million in F2009. Revenue from the higher gold price was partially offset by the lower gold production.

Operating costs, including gold-in-process movements, increased by 15 per cent from US\$278 million in F2008 to US\$320 million in F2009. This increase was mainly due to increased milling at the expanded CIL plant, which required additional ball mill grinding media, increased power and diesel inputs, together with the increase in tons mined.

Total cash cost increased from US\$430 per ounce in F2008 to US\$521 per ounce in F2009 as a result of the higher costs and lower production.

Operating profit, before amortisation, decreased from US\$253 million in F2008 to US\$217 million in F2009. Operating margin decreased from 48 per cent in F2008 to 40 per cent in F2009.

Capital expenditure decreased from US\$212 million in F2008 to US\$201 million in F2009. The majority of this expenditure was for the completion of the CIL plant expansion, ongoing pre-stripping, increasing the primary mining fleet and relocation of a power sub-station.

Notional cash expenditure increased from US\$766 per ounce in F2008 to US\$881 per ounce in F2009.

F2010 Focus Areas

- The CIL expansion project is expected to increase throughput to one million tons of ore per month on a sustainable basis;
- The High Pressure Grinding Rolls pilot project to start processing by second quarter F2010; and
- Overall strip ratio is expected to increase to 5.3.

REVIEW OF OPERATIONS: WEST AFRICA REGION

continued

Damang Gold Mine

■ Fatality free year.

■ Increased gold production.

OVERVIEW

Location: Damang is located in southwestern Ghana, approximately 300 km by road, west of Accra, the capital, at a latitude 5°11'N and longitude 1°57'W. It is situated some 30 km north of the town of Tarkwa with reasonable access roads and an established infrastructure. The mine is served by a main road connecting to the port of Takoradi, some 90 km to the southeast. **Infrastructure:** Multiple open pits, surface stockpile sources and a CIL plant.

Geology: The Damang Gold Mine exploits oxide and fresh hydrothermal mineralisation in addition to Witwatersrand style, palaeoplacer mineralisation similar to that of the Tarkwa Gold Mine. **Employees in service:** 407 permanent employees, 1,101 contractors.

SAFETY AND ENVIRONMENT

Damang Gold Mine experienced another good safety year and the mine remains fatality free since acquisition by Gold Fields. The mine has shown an improvement in safety, evident in the Lost Day Injury Frequency Rate improving from 0.68 to 0.37. This achievement has earned the mine the prestigious Chairman's Award for the best safety improvement over a three year period.

The mine's safety management system has been OHSAS18001 certified since 2006 and re-certification was achieved following an external audit conducted in May 2009. Damang also retained its ISO14001:2004 (Environmental Management System) certification following an external audit during the year, and remains fully compliant to the ICMI Cyanide Code.

OPERATIONAL REVIEW

Gold produced increased by three per cent from 194,000 ounces in F2008 to 200,000 ounces in F2009. This was due to the build up of the crushed ore stockpile in F2008, which resulted in a consistent feed to the mill in F2009. Thus, tons milled increased from 4.52 million tons in F2008 to 4.99 million tons in F2009.

Tons mined decreased from 31.4 million tons to 19.5 million tons as a result of mining the deeper, higher-grade Damang pit cutback. Ore mined increased from 4.1 million tons in F2008 to 4.4 million tons in F2009.

Revenue increased from US\$160 million in F2008 to US\$176 million in F2009 resulting from the higher gold price received and increased production.

Operating costs, including gold-in-process movements, increased by 20 per cent from US\$108 million in F2008 to US\$130 million in F2009. This increase was mainly due to increased mining of the more expensive Damang pit cutback and increased mill consumable costs.

Total cash cost increased from US\$551 per ounce in F2008 to US\$660 per ounce in F2009 as a result of the higher costs.

Operating profit, before amortisation, decreased from US\$53 million in F2008 to US\$46 million in F2009. Operating margin decreased from 33 per cent in F2008 to 26 per cent in F2009.

Capital expenditure decreased from US\$28 million in F2008 to US\$17 million in F2009. The decrease was mainly due to higher Damang pit cutback development costs in F2008. The majority of expenditure in F2009 was for upgrading the primary crusher, exploration drilling and developing the Rex pit.

Notional cash expenditure decreased from US\$753 per ounce in F2008 to US\$745 per ounce in F2009.

F2010 Focus Areas

- The operational focus will be on acquiring and installing a secondary crusher, maintaining plant efficiencies, and optimising throughput volumes.
- With renewed focus on growing Damang, the F2010 drilling campaign is targeting 27,600 metres of reverse circulation and 17,250 metres of diamond drilling at a total estimated cost of US\$10 million.

Tarkwa Gold Mine

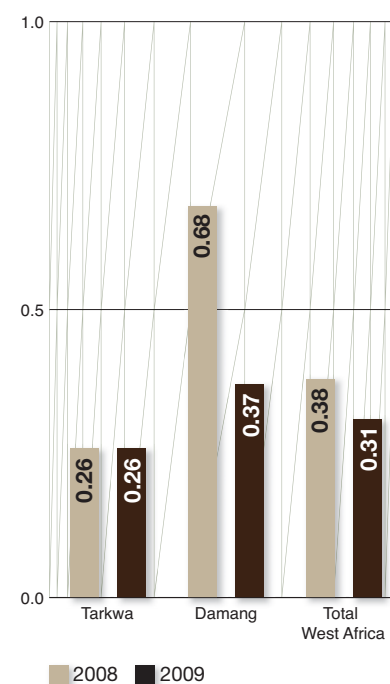
			2009	2008	2007
Open pit mining					
Waste mined	'000t		110,895	93,440	85,508
Ore mined	000t		21,689	19,901	22,074
Head grade	g/t		1.1	1.2	1.2
Strip ratio	W:O		5.1	4.7	4.0
Processing					
Tons processed	Milled	'000t	7,733	5,571	5,620
	Heap leach	'000t	13,540	16,464	17,019
	Total	'000t	21,273	22,035	22,639
Yield	Milled	g/t	1.4	1.5	1.5
	Heap leach	g/t	0.7	0.7	0.8
	Combined	g/t	0.9	0.9	1.0
Gold produced	Milled	'000oz	314	267	272
	Heap leach	'000oz	298	379	425
	Total	'000oz	612	646	697
	Total	kg	19,048	20,095	21,684
Total cash costs	US\$/oz		521	430	333
Notional cash expenditure	US\$/oz		881	766	512
Net attributable earnings	US\$m		71.1	105.1	83.1
Capital expenditure	US\$m		201.1	212.0	107.7

Damang Gold Mine

			2009	2008	2007
Open pit mining					
Waste mined	'000t		15,057	27,330	28,109
Ore mined	'000t		4,402	4,092	3,141
Head grade	g/t		1.34	1.43	1.20
Strip ratio	W:O		3.42	6.7	9.0
Processing					
Tons milled	'000t		4,991	4,516	5,269
Yield	g/t		1.2	1.3	1.1
Gold produced	kg		6,233	6,041	5,843
	'000oz		200	194	188
Total cash costs	US\$/oz		660	551	473
Notional cash expenditure	US\$/oz		745	753	637
Net attributable earnings	US\$m		6.5	18.4	11.4
Capital expenditure	US\$m		16.9	28.1	31.7

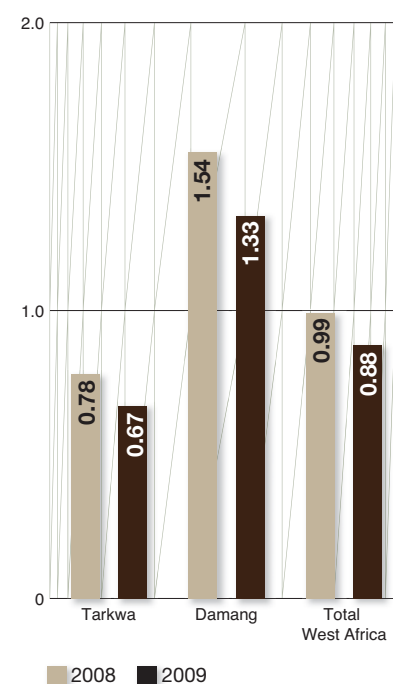
Lost Day Injury Frequency Rate

per million man hours worked



Serious Injury Frequency Rate

per million man hours worked



REVIEW OF OPERATIONS: AUSTRALASIA REGION

F2009 Achievements

- Projects delivered at St Ives.
- Ramp up of Waroonga production at Agnew successful.
- Exploration success delivers one million ounces of reserve at St Ives.

Glenn Baldwin

Executive Vice President: Head of Australasia Region

The safety performance of the Australian operations improved significantly, with a reduction in the serious injury frequency rate by 32 per cent, and the operations remained fatal accident free, again.

Various safety initiatives driven during the year included a standardised approach to safety reporting, focus on hazard identification and immediate remediation, and changing the approach to incident investigation. Through the actions of improved communication with employees, perception audits, cultural safety change training and the development of personal values, the safety philosophy of "if we cannot mine safely, we will not mine" was embedded into the organisation. The operations continue to seek the position as the safety benchmark operation in the global gold mining industry.

Our responsibility toward the environment is equally believed, including achievement of substantial Cyanide Code compliance at both operations during the year. Furthermore, energy efficiency projects were designed and implemented, and started to drive the operations to best practice over the next three years.

Stakeholder engagement remains a key focus, specifically with the operational imperative of maintaining our licence to operate. While the work with members of our various immediate communities to protect areas of archeological and ethnic significance remains a strategic imperative, the operations form part of the Australian employment collective and therefore recruit across the country. One example of contributing away from our immediate mine boundary, but where some of our employees were affected, was at the time of the bushfires in the state of Victoria at the beginning of 2009: the fires caused havoc and many vehicles were destroyed by the blaze. Agnew donated vehicles to assist with the clean-up and rebuilding of the region.

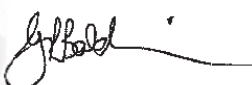
The growth of Gold Fields internationally has led to the introduction of human resources best practices across the regions, especially in Australasia. The diversity of skills required in the Australian mines is large because of the different styles of mining (both open pit and underground) plus the various roster systems (fly-in/fly-out and residential). I believe we have risen to the challenge and we now have in place highly proficient teams at each operation as well as much stronger technical and administrative capacity centrally in Perth.

At St Ives, F2009 gold production was higher at nearly 430,000 ounces, mainly as a result of the Belleisle and Cave Rocks underground mines and the Leviathan open pit mine achieving full production. In addition, the mine implemented the underground development improvement project which focused on productivity and cost optimisation initiatives. During August 2009, the royalty payable by Gold Fields' wholly-owned Australian subsidiary, St Ives Gold Mining Company (Pty) Limited, was terminated for a consideration of A\$308 million. This transaction positively transforms the cost profile of St Ives, placing it firmly within the bottom half of the Australian gold cost curve, allowing this operation to benefit fully from the higher gold price.

While Agnew remains a stable producer, gold production decreased to 192,000 ounces in F2009 due to the closure of the Songvang pit and completion of stockpile processing. Demands on both capital and operating costs have been high, but the various programmes that were implemented successfully increased productivity and reduced costs. The mine was positioned in the first quartile of the Australian gold producers NCE cost curve, at year end.

The Australasia Region is gearing up for its next phase of development. The key focus areas at the existing mines are the St Ives Athena Project, which is planned to be the fourth underground mine. The Athena complex has in excess of 1.5 million ounces of gold in inventory and the first significant ore reserve will be declared in September 2009. At Agnew, the life of mine optimisation project will convert resource to reserve in the Waroonga complex and the completion of infrastructure projects is designed to mitigate productivity losses at depth. Strategically, we are well positioned to grow Gold Fields' production in Australasia with an aggressive and geographically diversified greenfields exploration portfolio, including projects in the Philippines.

Our strategy is to contribute to the Gold Fields vision by realising maximum value from our existing mines and growing to a one million ounce producer by 2014. This goal must be achieved by living the value system, specifically on the platform of no harm to any one employee, stakeholder or the environment.



Glenn Baldwin

St Ives Gold Mine

- Fatality-free year, and Serious Injury Frequency Rate improves by 32 per cent.
- Brought the Belleisle and Cave Rocks underground mines into full production.
- Completed conceptual study for Athena, accelerated development plan started.

OVERVIEW

Location: The St Ives operations extend from 5 to 25 km south-southwest of the town of Kambalda in Western Australia, approximately 630 km east of Perth. Located at approximately latitude 31°12'S and longitude 121°40'E, the nearest major settlement is the town of Kalgoorlie situated 80 km north. **Infrastructure:** Ore is currently mined from three underground mines, three open pits and 10 surface stockpile sources, and processed via both mill/CIP and heap leach plants. **Geology:** Structurally controlled hydrothermal gold deposits situated in the Norseman-Wiluna Greenstone Belt, which is part of the Yilgarn Craton, a 2.6Ga granite-greenstone terrain in Western Australia. **Employees in service:** The mine has 263 permanent employees and 658 contractors.

SAFETY AND ENVIRONMENT

St Ives remained fatality free for F2009; but unfortunately recorded two serious injuries during the year and the lost day injury frequency rate decreased from 0.43 in F2008 to zero this year. The primary focus is to eliminate injuries through critical hazard controls together with the continued implementation of an intervention designed to influence safety performance.

The mine maintained AS4801:2000 Occupational Health and Safety Management System certification and ISO14001:2004 (Environmental

Management System) certification. Post year end the mine was awarded full ICMI Cyanide Code compliance.

OPERATIONAL REVIEW

Gold produced increased by two per cent from 418,000 ounces in F2008 to 428,000 ounces in F2009. This was due to the Belleisle and Cave Rocks underground mines achieving full production in September and December 2008 respectively, as well as the Leviathan pit cutback which achieved full production in January 2009.

Tons milled at Lefroy increased from 4.65 million in F2008 to 4.82 million in F2009. The Lefroy mill operation benefited from various value adding projects, which included the optimisation of the blending strategy and improved tailing deposition. Heap leach feed decreased from 2.59 million tons to 2.44 million tons.

Tons mined decreased from 35.8 million to 31.8 million and ore mined increased from 6.04 million tons in F2008 to 7.02 million tons in F2009. The majority of the increase was due to an increase in ore from the newly commissioned Cave Rocks and Belleisle underground mines, and production from Leviathan open pit.

Revenue increased from A\$381 million in F2008 to A\$512 million in F2009, resulting from the higher gold price received and increased production.

Operating costs, including gold-in-process movements, increased by 24 per cent from A\$277 million in F2008 to A\$344 million in F2009. This increase was mainly due to the impact of the full Morgan Stanley Royalty for the year, at A\$46 million, together with increases in input cost, principally labour and external services, partially offset by lower fuel costs.

Total cash cost increased from A\$649 per ounce in F2008 to A\$805 per ounce in F2009 as a result of the higher operation costs.

Operating profit, before amortisation, increased from A\$105 million in F2008 to A\$168 million in

F2009. Operating margin increased from 27 per cent in F2008 to 33 per cent in F2009.

Capital expenditure decreased from A\$120 million in F2008 to A\$93 million in F2009. The majority of this expenditure was on development for the underground operations at Argo and Cave Rocks, and continuing exploration expenditure, mainly on the Athena project complex.

Notional cash expenditure increased from A\$932 per ounce in F2008 to A\$1,023 per ounce in F2009.

F2010 Focus Areas

- Maintaining OSHAS18001 Occupational Safety and Health Management and ISO14001:2004 (Environmental Management Systems);
- Completing the Athena underground mine feasibility study and commence development;
- Increasing the St Ives Mineral Reserves to six years and resources to 12 years;
- Continuing to implement efficiencies and cost reductions; and
- Managing dilution and recoveries.

REVIEW OF OPERATIONS: AUSTRALASIA REGION

continued

Agnew Gold Mine

- Fatal Injury free again.
- Waroonga production increased by 45 per cent.
- Kim Lode production increased by 40 per cent.
- Substantial plant maintenance completed, including planned major mill works.

OVERVIEW

Location: Agnew is located 23 km west of the town of Leinster in Western Australia, approximately 375 km north of Kalgoorlie and 1,000 km (by road) northeast of Perth at latitude 27°55'S and longitude 120°42'E. The mine is served by a network of sealed roads and an all weather airstrip at Leinster. **Infrastructure:** Ore is currently mined from the Kim and Main ore bodies which form part of the Waroonga underground mining complex. Processing is via one CIP plant with 1.3 Mtpa capacity. **Geology:** Structurally controlled hydrothermal gold deposits situated in the Norseman-Wiluna Greenstone Belt which is part of the Yilgarn Craton, a 2.6Ga granite-greenstone terrain. **Employees in service:** The mine has 140 permanent employees and 200 contractors.

SAFETY AND ENVIRONMENT

Agnew incurred four lost time injuries in F2009, and it reduced medically treated injuries from fifteen in F2008 to seven in F2009. The operation has remained fatality free since acquisition. A Zero Incident Process (ZIP) programme was rolled out in F2009, with 70 per cent of employees completing the programme thus far, while the remainder will complete the programme in F2010. This is designed to complement the various other safety initiatives at Agnew.

The mine maintained certification for AS4801:2000 Occupational Safety and Health Management System, and ISO14001:2004 (Environmental Management Standard). It was also awarded substantial ICMI Cyanide Code Compliance.

A significant amount of effort regarding environmental management and reporting has resulted in the site achieving an impressive run of no significant environmental incidents in F2009.

OPERATIONAL REVIEW

Gold produced decreased by six per cent from 204,000 ounces in F2008 to 192,000 ounces in F2009. This was due to the completion of processing of Songvang stockpiles by mid F2009, with 94 per cent of production sourced from the Waroonga underground complex containing the Kim and Main lodes.

Tons milled decreased from 1.32 million in F2008 to 1.07 million in F2009. This was due to the depletion of the low grade Songvang stockpiles.

Underground ore tons mined increased from 0.51 million in F2008 to 0.74 million in F2009. This increase was at the Waroonga Complex where a step change in production volumes occurred in F2009.

Revenue increased from A\$188 million in F2008 to A\$230 million in F2009. The higher gold price received was partially offset by the lower production.

Operating costs, including gold-in-process movements, decreased by 10 per cent from A\$115 million in F2008 to A\$104 million in F2009. This decrease was mainly due to lower processing volumes due to the depletion of the Songvang stockpiles and credits received on two toll treatment parcels to utilise spare mill capacity in the second half of the year.

Total cash cost increased from A\$496 per ounce in F2008 to A\$541 per ounce in F2009 as a result of the lower production.

Operating profit, before amortisation, increased from A\$74 million in F2008 to A\$125 million in F2009. Operating margin increased from 39 per cent in F2008 to 55 per cent in F2009.

Capital expenditure increased from A\$37 million in F2008 to A\$42 million in F2009. The majority of this increase related to the Cyanide Code compliance project, additional capital development and ventilation upgrades. On- mine exploration amounted to A\$18 million.

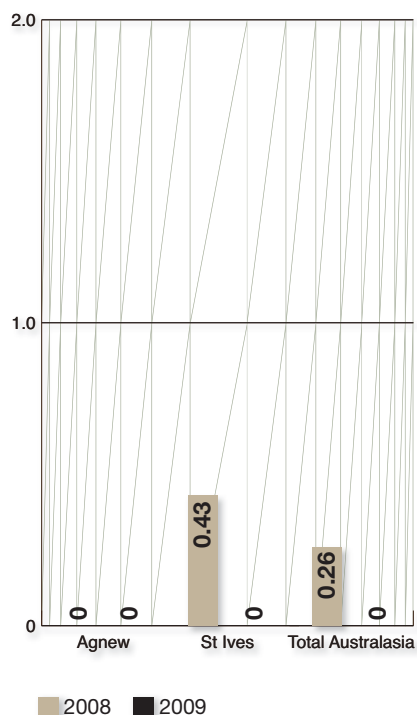
Notional cash expenditure increased from A\$634 per ounce in F2008 to A\$743 per ounce in F2009.

F2010 Focus Areas

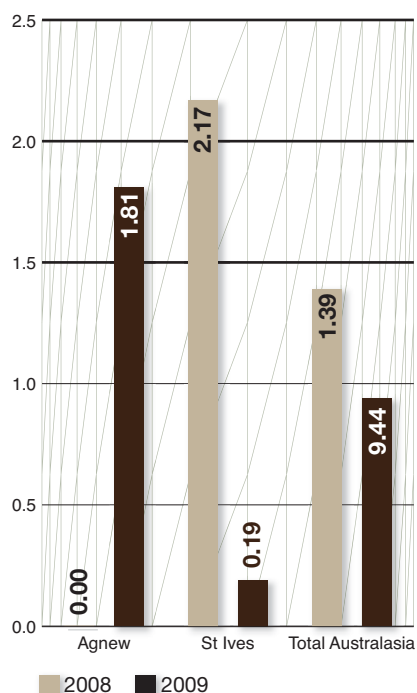
- Maintain a consistent production rate throughout the year;
- Exploration of the Kim Lode from underground and surface to convert resources to reserves;
- Continue exploration at Maria North, Cinderella and the mine corridor conglomerate; and
- A series of studies will be conducted on the infrastructure at Waroonga with the view to developing a five-year life of mine plan.

Lost Day Injury Frequency Rate

per million man hours worked

**Serious Injury Frequency Rate**

per million man hours worked

**Australia consolidated**

		2009	2008	2007
Net earnings	A\$m	94.3	41.2	52.8

St Ives Gold Mine

		2009	2008	2007
Open pit mining				
Waste mined	'000t	24,801	29,778	26,828
Ore mined	'000t	5,799	5,143	3,928
Head grade	g/t	1.52	1.71	2.23
Strip ratio	W:O	4.31	5.79	6.83
Underground mining				
Ore mined	'000t	1,222	901	1,336
Head grade	g/t	5.06	5.15	5.28
Processing				
Tons processed				
Milled	'000t	4,821	4,647	4,669
Heap leach	'000t	2,441	2,586	2,090
Total	'000t	7,262	7,233	6,759
Yield				
Milled	g/t	2.5	2.5	3.0
Heap leach	g/t	0.5	0.6	0.5
Total	g/t	1.8	1.8	2.2
Gold produced	kg	13,322	12,992	15,146
	'000oz	428	418	487
Total cash costs	A\$/oz	805	649	540
	US\$/oz	596	582	424
Notional cash expenditure	A\$/oz	1,023	932	738
	US\$/oz	757	836	579
Capital expenditure	A\$m	92.9	120.3	96.6

Agnew Gold Mine

		2009	2008	2007
Open pit mining				
Waste mined	'000t	–	191	9,315
Ore mined	'000t	–	202	1,532
Head grade	g/t	–	3.24	2.58
Strip ratio	W:O	–	0.95	6.08
Underground mining				
Ore mined	'000t	737	505	394
Head grade	g/t	7.94	9.34	11.69
Processing				
Tons milled	'000t	1,066	1,315	1,323
Yield	g/t	5.6	4.8	5.0
Gold produced	kg	5,974	6,336	6,605
	'000oz	192	204	212
Total cash costs	A\$/oz	541	496	377
	US\$/oz	401	445	295
Notional cash expenditure	A\$/oz	743	634	602
	US\$/oz	550	568	473
Capital expenditure	A\$m	41.6	37.0	36.3

REVIEW OF OPERATIONS: SOUTH AMERICA REGION



F2009 Achievements

- Mine and plant steady at design level.
- Excellent safety record.
- Las Aquilas construction on-track.

Juan Luis Kruger

Executive Vice President: Head of South America Region

F2009 was indeed a signature year for Gold Fields in the South America Region. During the first half of the year the main driving force was the need to complete the commissioning and ramp-up of the Cerro Corona mine, which is owned by Gold Fields' La Cima S.A., a subsidiary of Gold Fields in which the Group has an 80.7 per cent interest. The commissioning and production ramp-up went particularly smoothly, with the plant first achieving its nameplate throughput of 500,000 tons of ore per month, or 6.2 million tons per annum, by the end of December 2008, and steady state production at this level, on a consistent basis, by the end of the March quarter 2009.

This is a significant achievement when one considers that, prior to this project, Gold Fields had limited operating experience in South America, and that the Cerro Corona mine site is in a geographically challenging and remote location – between 4,000 and 5,000 metres above sea level, in the Andes mountains of Northern Peru. I am particularly proud of the team that displayed considerable skill, determination and perseverance, often against significant odds, to get this mine to full production in a relatively short period of time.

I am also pleased that not once during the construction phase, or since, has any member of the Cerro Corona team wavered on the very stringent safety procedures and protocols in place at the mine site, which is a trademark of the Gold Fields Group.

Cerro Corona has also established itself in a short space of time as a leader in the field of sustainable development in the region, with a number of innovative new projects at the mine site and in the surrounding communities. These projects include infrastructure and sustainable development initiatives aimed at improving the quality of life of the population in the areas of direct influence of the operation, which range from road construction, rural electrification, potable water, education and health care programmes, to training and employment opportunities for local workers, together with the development of self sustaining economic activities such as dairy cattle and a blueberry plantation. These projects have contributed to the development of the Hualgayoc region and have resulted in Cerro Corona being awarded with public recognition, strengthening the Gold Fields brand in Peru. Employee well-being is also a significant component of the sustainable development efforts, with programmes in place to address issues such as accommodation, sport and recreation, health care and the spiritual and social needs of employees.

A commitment to exemplary environmental management is a key aspect of the Gold Fields approach to sustainable development, and is a value that we fully embrace in the South America Region. At the Cerro Corona mine we have established an independent advisory committee consisting of external experts to advise us on all facets of the construction of the tailings management facility at the mine. Activities that are reviewed by this committee include the construction of the facility, the placement of tailings, as well as water quality and quantity issues.

Now that the Cerro Corona mine has reached steady state production, our focus has shifted to the optimisation of the site and the improvement of efficiencies, including cost management. We also believe that the processing plant has the potential to exceed its nameplate capacity and we will during F2010 be pursuing opportunities to increase throughput and production.

The Cerro Corona mine provides Gold Fields with a strong operational foothold in the South America Region. Gold Fields is targeting to have at least one million ounces in development or production in the region within four to five years. A very promising pipeline of growth opportunities exists in South America. The first opportunity is the possibility of growing the reserve base at the Cerro Corona mine by converting existing resources to reserves. This work is underway and, if successful, is expected to have a positive impact on both the production profile and the life of mine. A second opportunity is an exploration joint venture between Gold Fields La Cima S.A. and Compañía de Minas Buenaventura S.A.A. (Consolidada de Hualgayoc) on a significant land package, which includes a number of targets, surrounding the Cerro Corona mine site. Gold Fields has other greenfields exploration projects in the South America Region, including the Chucapaca Project in Southern Peru, which is a promising advanced stage exploration project which Gold Fields is pursuing through its fully owned exploration subsidiary, Minera Gold Fields Peru S.A. in partnership with Compañía de Minas Buenaventura. Furthermore, Gold Fields is also pursuing two growth opportunities in Central Chile, in the Maricunga belt, a highly endowed area of this country.

Juancho Kruger

Cerro Corona Mine

- Completed construction and reached design capacity.
- Construction of second phase tailings underway.
- Focus on production and cost optimisation advanced.

OVERVIEW

Location: The Cerro Corona Mine is situated in the highest part of the Western Cordillera of the Andes in northern Peru, 1.5 km west-northwest of the village of Hualgayoc in the Department of Cajamarca, centred at longitude 78° 37' 8" W and latitude 6° 45' 36" S. The mine is located approximately 600 km north-northeast of Lima and approximately 80 km by road north of the city of Cajamarca. Access is by road from Cajamarca. **Infrastructure:** The project involves the production of gold and copper by conventional open pit mining methods, and the copper-gold flotation concentrate is trucked to the Port of Salaverry for shipment to smelters in Japan, Korea and Europe. **Geology:** The Cerro Corona Cu-Au deposit is a Porphyry-style mineralisation hosted by a 600-700 metre diameter sub-vertical cylindrical-shaped diorite porphyry emplaced in mid-Cretaceous limestone, marls and siliclastic rocks. **Mine type and depth:** Large open pit mine. **Employees in service:** The mine has 310 permanent employees and 560 contractors active on the operations and currently there are 40 employees and approximately 900 contractors on various capital projects.

SAFETY AND ENVIRONMENT

Cerro Corona experienced a significant improvement in safety performance in F2009 compared to the previous year, with the Lost Day Injuries down from 12 to 2, Medically Treated Injuries down from 21 to 11, and zero fatalities. The lost day injury frequency rate improved from 0.96 in F2008 to 0.25 in F2009.

Management has focused on promoting a culture of safety awareness among all employees and contractors to further continue improvements in the mine's safety performance.

A new hazard reporting system was successfully implemented during the March quarter.

Implementation also began on the OHSAS 18001 Health and Safety Management System with the objective of further reducing injuries, occupational illness and property damage as well as process losses. The certification of the programme is expected to be obtained by the end of F2010. The ISO14001:2004 (Environmental Management System) certification process was initiated in F2009 and final certification is planned for early 2010.

The sustainable development programmes, together with infrastructure development projects for the local communities, and the employment of local people and contractors, have been the three pillars of the social strategy, which has created strong goodwill for Gold Fields in the region. Commitments to the surrounding communities have been met and have allowed Cerro Corona to enhance its relationships with local groups inside its area of influence.

During F2009, we received two important awards for our safety and environmental performance. We were placed second in the National Pit Safety Awards presented by the Peruvian National Institute of Mine Engineers and we achieved second position at the Expomina national contest for environmental practices and projects.

OPERATIONAL REVIEW

The year marked the transition of Cerro Corona from a project phase to a fully functional mining operation. Construction of the project was completed in July 2008 for a total construction cost of US\$545 million. Commissioning and production build-up of the operation followed and was completed by the end of the first quarter, with the first shipment of a parcel of 4,026 wet metric tons of concentrate. Cerro Corona reached design capacity by the end of December 2008 and steady state operations were reached during the third quarter of F2009. Construction of the second phase of the tailings dam started in late August 2008, while planned levels should be achieved in December 2009.

Gold produced for the nine months to year end, since the mine became operational, amounted to 105,000 ounces. Copper

production amounted to 23,947 tons. Converting the copper production to equivalent gold ounces was based on an average copper price of US\$4,115 per ton and an average gold price of US\$875 per ounce and resulted in production for F2009 of 219,000 equivalent ounces, of which 218,000 equivalent ounces were sold.

Tons milled amounted to 4.55 million, producing 119,000 tons of concentrate.

Total tons mined amounted to 9.9 million which included 5.0 million tons of ore.

Revenue amounted to US\$184 million. Costs, including gold-in-process movements, amounted to US\$82 million. The operating profit of US\$102 million resulted in an operating margin of 55 per cent for F2009.

Total cash cost for F2009 averaged US\$369 per ounce based on equivalent ounces.

Capital expenditure decreased from US\$348 million in F2008 to US\$117 million in F2009 due to achieving commercial levels of production at the end of the December quarter. The majority of the expenditure during F2009, other than on the project phase, was incurred on the Tailing Management Facility (TMF).

Notional cash expenditure for F2009 was US\$926 per ounce.

F2010 Focus Areas

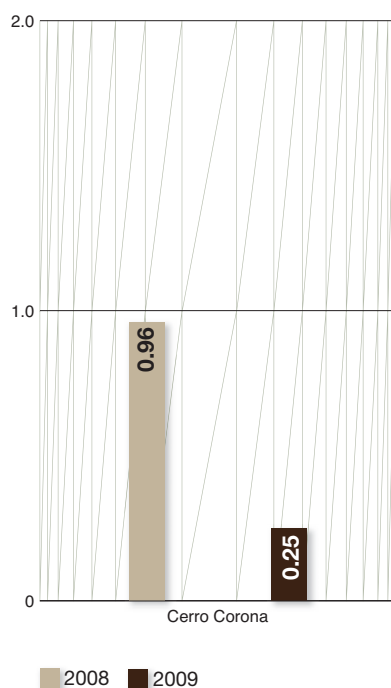
- To obtain ISO14001:2004 certification for the Environmental Management System and complete the OHSAS18001 certification process;
- Emphasis on production and cost optimisation, with significant focus on improving recoveries and efficiencies;
- Total tons mined to 12.6 million and steady nameplate production of 6.2 million tons of ore treated; and
- Deliver the construction targets of the first two raises of the Las Gordas and Las Aguilas tailings dam.

REVIEW OF OPERATIONS: SOUTH AMERICA REGION

continued

Lost Day Injury Frequency Rate

per million man hours worked

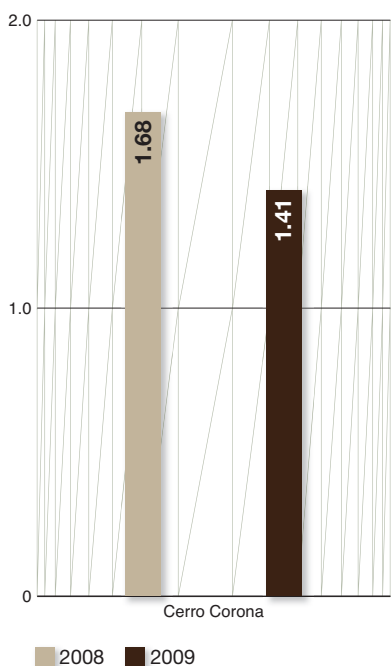


Cerro Corona Gold Mine

		2009	2008
Open pit mining			
Waste mined	'000t	4,894	5,762
Ore mined	'000t	5,044	939
Combined grade	g/t	2.4	2.7
Au grade	g/t	1.2	1.2
Cu grade	per cent	0.8	0.4
Strip ratio	W:O	1.0	6.1
Processing			
Tons milled	'000t	4,547	–
Combined yield	g/t	1.5	–
Au yield	g/t	0.7	–
Cu yield	per cent	0.5	–
Gold produced	'000oz	105	–
Copper produced	'000t	24	–
Copper produced expressed in equivalent gold ounces	'000eqoz	114	–
Total produced	'000eqoz	219	–
	eqkg	6,822	–
Total cash cost	US\$/eqoz	369	–
Notional cash expenditure	US\$/eqoz	926	–
Net attributable earnings	US\$m	20.5	–
Capital expenditure	US\$m	116.8	348.4

Serious Injury Frequency Rate

per million man hours worked



REVIEW OF OPERATIONS – EXPLORATION AND BUSINESS DEVELOPMENT

F2009 Achievements

- Near mine exploration success at St Ives, Agnew and Damang.
- Three greenfields projects at the advanced drilling stage.

Tommy McKeith

Executive Vice President: Head of Exploration and Business Development

Gold Fields' growth strategy is focused on creating our own high quality gold opportunities through an aggressive exploration programme. By leveraging our technical excellence in area selection and programme execution, the Exploration Group aims to improve the likelihood of success and significantly reduce project development timelines.

Our strategy is based on a measured and thoughtful approach when adding new projects to the portfolio. The aim is to strike the appropriate balance between size, quality and the various risks associated with the opportunity. These tradeoffs will continually be re-assessed as a project advances through the development pipeline to ensure its economic potential is commensurate with its technical, commercial, geopolitical, social and environmental risks.

Near mine exploration around our operations in Australia, Ghana and Peru is a priority for our Group. During the year, we advanced the Athena and Hamlet discoveries at St Ives to the feasibility stage and advanced exploration opportunities at all our sites. Near mine exploration is focused on unlocking the option value of our international gold operations and providing a robust platform for regional growth. This is reflected in positive growth trends in annual resource and reserve declarations.

Most of our greenfields exploration is organised to provide the growth pipeline for our international regions: South America, West Africa and Australasia. During the year, Gold Fields advanced this portfolio to the extent where we now have advanced drilling projects in Peru and Mali. Initial drilling projects in Australia and Chile are showing significant potential and we hope to progress these during the next financial year.

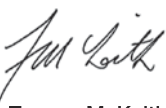
Positioning Gold Fields for the longer term, we are establishing exploration activities in a few key prospective geological belts in new regions, away from our existing operations. During the year, the Talas Project in Kyrgyzstan progressed to the advanced drilling stage and continues to demonstrate promise. New exploration search spaces can also arise through the application of new geological concepts and technologies, which we have employed at our initial drilling projects in Canada located within a supposedly mature exploration terrain in British Columbia.

Our objectives are carefully considered in the current environment, and include:

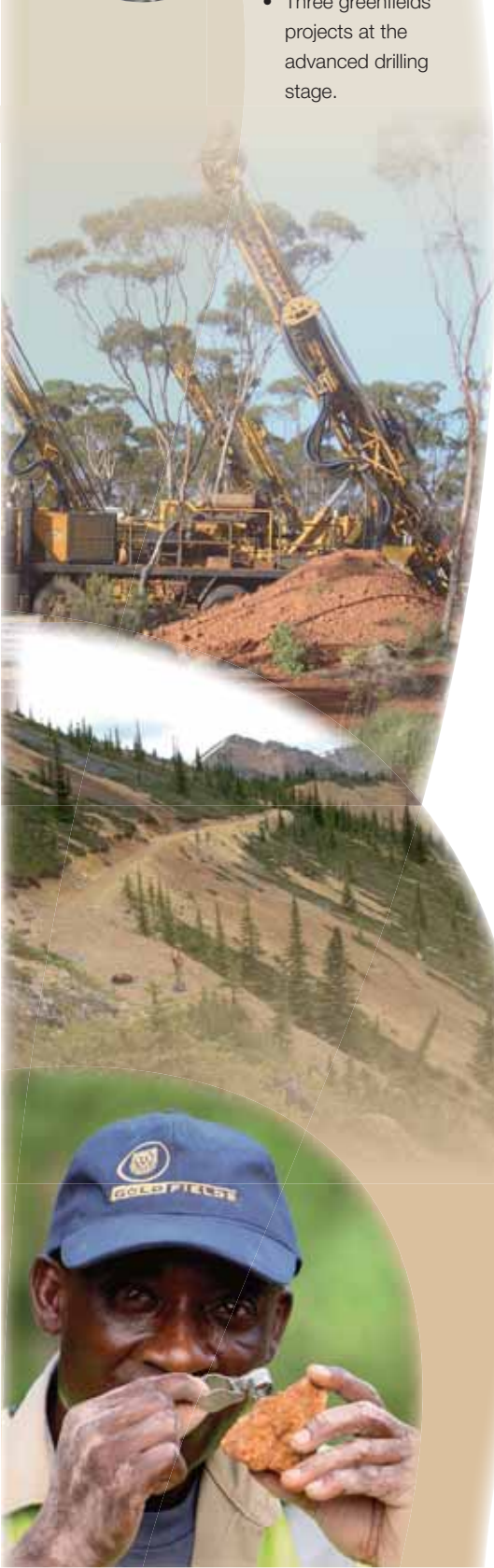
- Developing a robust pipeline of quality greenfields opportunities capable of generating a Gold Fields development project every two to three years; the goal is to establish a steady state greenfields pipeline by 2014;
- Establishing Gold Fields' presence in select regions around the world with the aim of establishing a dominant position in areas containing the most promising emerging and prospective gold belts; and
- Providing Gold Fields' international operating regions with a growth pipeline to achieve the targeted production goal of one million ounces a year from each region through exploration success and value accretive business development.

To achieve these goals, Gold Fields has assembled a team of experienced and motivated professionals. Gold Fields has stated that if we cannot mine safely, we will not mine. This principle applies to the exploration team: if we cannot explore safely, we will not explore. We continually strive to provide a safe and healthy working environment at all our projects with the ongoing aim of achieving zero safety related incidents and accidents. From an environmental perspective, the Exploration Group utilises industry best practices that minimise our footprint wherever possible.

To demonstrate this commitment to safety and the environment, the Gold Fields Exploration Group has achieved and will strive to maintain ISO14001 and OHSAS18001 certification at its offices and projects around the world. As a team, we know that the Exploration Group is the first ambassador of Gold Fields in a community. Consequently we always strive to leave a positive and lasting legacy. Our stakeholders can rely on Gold Fields to make positive contributions and be constructive members of the communities in which we work.



Tommy McKeith



REVIEW OF OPERATIONS – EXPLORATION AND BUSINESS DEVELOPMENT

continued

INTRODUCTION

Gold Fields operates a disciplined exploration project management system with clear decision gates based on the discovery potential and economics of a target. The different stages of an exploration target's development are as follows:

- Target definition;
- Initial drilling;
- Advanced drilling;
- Resource development; and
- Bankable feasibility study.

To be successful, targets need to be drill tested and advanced to the next exploration phase. There is a strong focus in Gold Fields' Exploration Group on turning over targets as effectively as possible by drill testing and,

where successful, advancing these projects in a timely manner.

Greenfields exploration is generated by reviewing and ranking the most prospective terrains across the world. Highly ranked belts are selected for exploration after a further screen of country risk and strategic fit to Gold Fields. Each exploration region continuously monitors and reviews a variety of exploration and business development opportunities, targeting projects at all stages of development.

When evaluating new opportunities or assessing conceptual targets, we use various metrics, which include reserve and production potential, margin, payback period, initial capital costs, development timeline, net asset value, earnings and cashflow.

At the **SBX joint venture project in Chile**, we are earning into a 90 per cent interest in three claims held by SBX Asesorias e Inversiones, and 100 per cent of a claim held by Aguas Heladas. During the year we completed geophysical surveys, bulldozer trenching and a reverse circulation (RC) drill programme on two of the properties. Positive results were returned from the Pircas prospect and a follow-up drilling programme is planned for the next field season.

We have signed a letter of intent with SBX Asesorias e Inversiones to earn up to a 70 per cent interest in the **Ojo de Maricunga project in Chile**. A definitive joint venture agreement should be executed soon and planning for the next field season is currently underway.

We entered into definitive agreements with Mindoro Resources Limited in the **Batangas region in the Philippines** which allows us to earn up to a 75 per cent interest in a large area with known copper/gold porphyries and epithermal gold prospects. A community relations programme and field work commenced at the end of F2009 with the objective of defining targets for initial drilling in F2010.

Development Stage	Africa	Australasia	South America	Rest of the world
Advanced Drilling	1	–	1	2*
Initial Drilling	4	13	1	3
Target Definition	20	15	14	9

*Includes Arctic Platinum Project.

There has been considerable progress over the last year on Gold Fields' exploration portfolio. For the first time in the Group's history, we have three advanced drilling exploration projects underway at the same time:

- The Talas joint venture with Orsu Mining in Kyrgyzstan, where we are advancing a resource delineation drilling programme at the Taldybulak copper-gold target as well as testing other promising targets within the belt;
- The Chucapaca joint venture between Minera Gold Fields Peru S.A and with Buenaventura in Peru, where recent drilling intersected significant gold with copper grades and this resulted in approval to carry out an aggressive resource delineation programme on this discovery; and
- At the Sankarani joint venture with Glencar in Mali, we are aggressively exploring several significant mineralised trends. Subsequent to year-end, Gold Fields made a successful offer to acquire the entire issued share capital of Glencar, which includes Glencar's advanced Komana prospect.

GREENFIELDS EXPLORATION

The table above provides a breakdown of the number of targets in Gold Fields for each of

the first three stages of project development as of 30 June 2009. The table does not include near mine exploration projects at Gold Fields operations in South Africa, Ghana, Australia and Peru.

During F2009 Gold Fields spent a total of US\$90 million on exploration, which included US\$48 million on greenfields exploration projects and US\$42 million on brownfields exploration projects, of which US\$34 million was capitalised. The exploration budget for F2010 is substantially higher at US\$80 million for greenfields and US\$40 million for near mine, reflecting the quality of our portfolio.

At the **East Lachlan joint ventures in New South Wales, Australia**, we have signed an additional agreement with Clancy Exploration Limited on the Myall property and are now earning into an 80 per cent interest on four separate joint venture projects. During the year, initial drilling of bedrock geochemical and geophysical targets confirmed the presence of large porphyry systems on two of the properties analogous to the nearby Cadia and Ridgeway mines. Drilling on several targets returned significant intercepts of strong alteration and encouraging mineralisation.

A definitive agreement was signed with Cascadero Copper Corporation, that allows Gold Fields to earn up to a 75 per cent interest in the **Toodoggone copper/gold project in British Columbia, Canada**. An airborne magnetics survey was completed during the spring and field work commenced in June 2009, which includes ground follow-up geophysics and geologic mapping. Initial drilling started in August 2009.

A definitive agreement was signed with the **Woodjam Partners (Fjordland Exploration Inc. and Cariboo Rose Resources Limited)** to earn into a 70 per cent interest in a 40,500 hectare property covering several known porphyry targets in south-central **British Columbia, Canada**. Field work consisting of core re-logging, geological mapping and soil sampling has commenced. Geophysical surveys and initial drilling started in August 2009.

ADVANCED PROJECTS

In late 2008 we announced a joint venture agreement with Orsu Metals Corporation for the further exploration and development of the **Talas licence area in northwestern**

Kyrgyzstan. The agreement gives Gold Fields the right to earn as much as a 70 per cent interest in Orsu's Talas licence area. We assumed operatorship of the Talas Project during F2009 and continued an aggressive drilling programme through the winter months to delineate the resource potential at the Taldybulak copper/gold porphyry target as well as testing other promising targets within the belt. Results continue to be encouraging and work is progressing to complete an in-house conceptual study by Q4 F2010.

Our wholly owned exploration subsidiary, Minera Gold Fields Peru S.A., has exercised its back-in right with Compañía de Minas Buenaventura S.A.A. to earn a 51 per cent interest in the **Chucapaca project located in southern Peru**. The option was triggered on the back of the Canahuire discovery on the Chucapaca tenements where drilling intersected significant gold and copper mineralisation associated with the margins of a diatreme breccia. Operatorship of the project was transferred to Minera Gold Fields Peru S.A. during F2009 and an aggressive drill campaign commenced to delineate the extent of mineralisation of the Canahuire deposit as well as to test several other prospective targets in the area. Results have confirmed and expanded the potential of the deposit and work is progressing to complete a scoping study in Q4 F2010.

At the 51 per cent owned **Sankarani Joint Venture with Glencar Mining Plc (Glencar)** in southern Mali, positive initial drilling results over the year defined extensive mineralised trends with economic gold grades over significant drill widths at the Finguana, Bokoro and Sanioumale shear-hosted orogenic gold targets. Additional field work and follow-up drilling will commence in F2010 following the rainy season with the aim of progressing this project to the scoping study stage.

We announced in July 2009, that we had reached agreement with Glencar on the terms of a recommended cash offer for its entire issued share capital. The offer was accepted allowing us to consolidate 100 per cent ownership of the Sankarani Properties and Glencar's advanced Komana Project where Glencar has delineated a 1.25 million ounce resource in two separate ore bodies. Gold Fields plans to complete an extensive drill-out of the Komana Project to include in a scoping study during F2011.

At the **Arctic Platinum Project in Finland**, positive results from preliminary metallurgical tests, using a hydrometallurgical process, have justified additional engineering work to fine-tune the cost estimates for using this process on a commercial scale. The hydrometallurgical process uses pressure oxidation to take the base metals and precious metals in concentrate into solution. The metals are then recovered from the solution. During F2010 further work will be completed to assess the economic viability of the process and a decision will be made on pilot plant testing by Q4 F2010.

SINO GOLD MINING LIMITED

Towards the end of the financial year, we announced that agreement was reached on the sale of our 19.9 per cent stake in Sino Gold Mining Limited (Sino Gold) to Eldorado Gold Corporation (Eldorado) for a total consideration of about US\$282 million, paid in Eldorado shares. 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; about seven per cent of the outstanding shares of Eldorado on a fully diluted basis. Subsequent to year end, Gold Fields disposed of its holding in Eldorado Gold for a total consideration of C\$323 million (US\$293 million).

NEAR MINE EXPLORATION

At the **St Ives Mine in Western Australia**, the main focus was resource conversion and extensional drilling at the Athena and Hamlet deposits, located adjacent to the Argo underground mine. Athena is a new discovery and, subject to feasibility study, is the next underground mine at St Ives. Step out drilling has confirmed continuity of the main lode to 600 metres below surface, and infill resource definition drilling demonstrated consistent widths, grades and geometry. The drilling for the Athena conceptual study has now been completed and a full feasibility study will be completed by mid F2010. At Hamlet, which is showing both open pit and underground mining potential, drilling was focused on near surface resource definition and also at extending the lateral and depth extents of the known mineralisation. The strike length of the resource is about 500 metres while deeper drilling between 200 and 400 metres below surface is returning positive results. Drilling will continue testing along strike of these deeper results in F2010.

Drilling at the Leviathan complex will be aimed at testing extensions to the open pit resources in F2010.

At the **Agnew Mine in Western Australia**, underground extensional drilling and resource conversion at Waroonga was the main focus for the year, specifically at Kim South and 450 South. The objective at Waroonga is to drill test and convert an inferred two million ounce mineral resource position and establish a five-year reserve base for Agnew. Surface targets within 10 kilometres of the gold plant were tested including the Cinderella and Cinderella NE blocks, where the style of mineralisation is gold associated with flat veins.

A major programme of drilling to clearly define the gold potential of the Mine Central Corridor (MCC) shear zone was also started during the year. This programme will systematically explore and model the full potential of the MCC between five on-lease, major gold deposits along a 20-kilometre length of the shear zone. Historical drilling outside of the known and mined deposits is shallow and only tested within 50 to 100 metres below surface.

At the **Damang Mine in Ghana**, the emphasis during F2009 has been on extensional drilling to the south of the main Damang mine and between some of the smaller surface mines. Positive results are being returned from the Nyame and Tamang prospects and suggest that the Damang mineralisation may extend for at least two kilometres south of the Damang pit cutback. To the south of Tamang, extensional drilling between the Amoanda and Tomento East surface mines, and between Amoanda and the Rex surface mine further to the south, is also starting to show promise. These initial drilling results are supported by an extensive, lease-wide gravity and IP geophysical survey which is scheduled for completion by Q3 of F2010.

At **Cerro Corona in Peru**, district exploration continues in the 50:50 joint venture between Gold Fields La Cima S.A. and Compañía de Minas Buenaventura. At the Titan-Arabe copper/gold target, negotiations are continuing with the local communities to gain drilling access. Should we obtain approval from the communities, the drilling programme will commence in F2010.

MINERAL RESOURCES AND RESERVES

SALIENT HIGHLIGHTS

- Attributable Mineral Resources, including 2PGE and Cu converted to Au-Equivalent ounces, at 271.2 million ounces.
- Attributable uranium Mineral Resources within the South Africa Region – West Wits Operations* [underground and Tailings Storage Facilities (TSF's)] at 77.1 million pounds.
- Attributable Mineral Reserves, including Cu converted to Au-Equivalent ounces, at 81.1 million ounces.
- A pre-feasibility study for the gold and uranium Mineral Resource potential within the Tailings Storage Facilities of the West Wits Operations has been completed and a feasibility study has commenced. Modelling of the West Wits underground uranium resource is ongoing.
- Resource modelling for the Upper Elsburg reefs at South Deep has been completed from 87 to 110 level, inclusive of Uncle Harry's ground contiguous to South Deep.
- Production at the Cerro Corona Mine and the CIL plant expansion at Tarkwa came on stream during F2009.
- The F2009 exploration campaign at St Ives successfully delineated new and additional Mineral Resources and Mineral Reserves, primarily from the Athena complex.
- Significant increase in Mineral Reserves within the Damang Pit complex area.
- High Pressure Grind Roll (HPGR) technology pilot study for improving Heap Leach recovery at Tarkwa has commenced.

* West Wits Operations include Driefontein, Kloof and South Deep Gold Mines

CORPORATE GOVERNANCE

The company has a robust production capability founded on its portfolio of high-quality, long-life assets and its 'gold only' Mineral Reserve managed profile currently ranks third in the industry.

The F2010 Statement outlines the Gold Fields Mineral Resource (Resources) and Mineral Reserve (Reserves) at each of its operating mines and at Arctic Platinum, as at 30 June 2009. The Resource and Reserve information reported is considered important for disclosure and it reflects a level of detail required for completeness, transparency and materiality. The Group's Resource and Reserve figures are estimates and will be affected by fluctuations in the US dollar currency exchange rates, costs

and operating factors. Resources are reported inclusive of Reserves and stability pillars.

Guided by a commitment to corporate governance, this Statement has been audited by recognised, leading global mining consultancies, and found to be compliant with the South African Code for the Reporting of Resources and Reserves (2007 SAMREC Code), which is aligned to the updated Section 12 (October 2008) of the Johannesburg Stock Exchange (JSE Limited) listing requirements and Industry Guide 7 for reporting on the United States Securities and Exchange Commission (SEC). Cognisance is taken of other relevant international codes, where geographically applicable, such as the Australian JORC Code

and Canadian NI 43-101. The process followed in producing the declaration is aligned to the guiding principles of the Sarbanes-Oxley (SOX) Act of 2002.

Covering the entire Group's Mineral Resource Management (MRM) function, the SOX audit runs in parallel with the external Resource and Reserve audits and underpins the internal control process, leading to world class corporate governance practices.

All comparisons and reconciliations reported are standardised on a 12 month window defined by the period between the last published Resource and Reserve statement as at 30 June 2008 and the current 30 June 2009 declaration.

GROUP REPORT

The June 2008 Statement's numbers are shown in brackets for ease of comparison:

- As at the end of June 2009, Gold Fields has total attributable precious metal Resources, including: (i) platinum and copper as gold equivalents, (ii) Uncle Harry's Prospecting Area contiguous to the South Deep Mine and (iii) West Wits TSF's gold (excluding uranium), of 271.2 (250.6) million ounces and total attributable gold and copper-gold equivalent Reserves of 81.1 (82.8) million ounces;

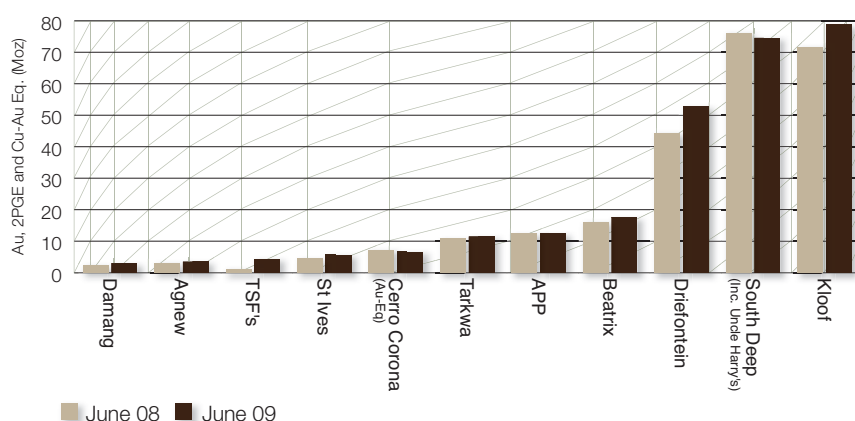
- Total attributable gold Resources (excluding platinum and copper equivalents) are 255.4 (234.5) million ounces and Reserves are 78.9 (80.5) million ounces, net of 4.1 and 3.8 million ounces depletion from the Resource and Reserve respectively. Total attributable TSF and underground uranium Resources amount to 77.1 million pounds (excludes Beatrix);
- The South Africa Region has a declared attributable Resource of 228.3 (209.6) million ounces, up nine per cent primarily due

to the increase in the metal price and the inclusion of additional TSF gold ounces. The South African Region has a Reserve of 64.7 (66.6) million ounces, down three per cent, net of 2.4 and 2.1 million ounces depletion from the Resource and Reserve respectively. Aside from the restated Upper Elsburg reef numbers above infrastructure (87-110 level), South Deep figures remain as per the acquisition model;

- Following a pre-feasibility study, the TSF Project has a declared attributable surface uranium Resource of 51.4 (11.4) million pounds and a gold Resource of 4.3 (1.2) million ounces (included in the South Africa Region Resources above). The underground attributable uranium Resource for the West Wits Operations has been estimated this year at 25.7 million pounds (excluding Beatrix);
- The West Africa Region has a declared attributable gold Resource of 14.6 (13.5) million ounces and a gold Reserve of 8.9 (9.0) million ounces, depleted by 0.6 and 0.7 million ounces respectively;
- The Australasia Region has a declared attributable gold Resource of 9.1 (7.7) million ounces and a gold Reserve of 3.0 (2.5) million ounces, depleted by 0.7 and 0.7 million ounces respectively;
- The South America Region has a declared attributable gold Resource of 3.4 (3.8) million ounces and a gold Reserve of 2.3 (2.4) million ounces. Attributable copper Resources and Reserves are 1,154 (1,321) million pounds and 797 (856) million pounds respectively. The total attributable gold and copper-gold equivalent Resource and Reserve ounces are 6.6 (7.2) million ounces and 4.5 (4.7) million ounces, depleted by 0.3 and 0.3 million ounces respectively;
- North American Palladium Limited (NAP) did not take up their option to acquire 60 per cent of the Arctic Platinum Growth Project (APP) and consequently the Resource Statement remains the same as historically reported (12.6 million ounces 2PGE+Au);
- The commodity prices used for the Reserve declaration are in accordance with the SEC guidelines and approximate the historical two-to three-year average commodity prices.

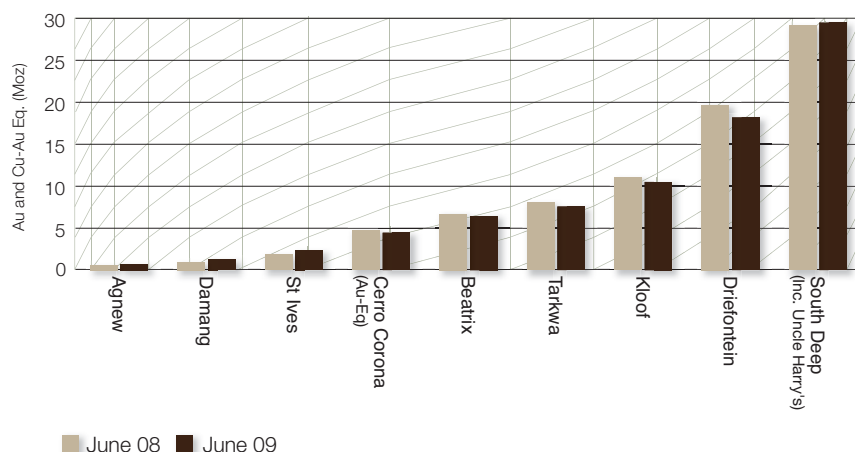
Attributable Mineral Resources and Mineral Reserves per operation:

Attributable Resources*



*Excluding TSF uranium Resources as well as the underground Uranium Resources.

Attributable Reserves



MINERAL RESOURCES AND RESERVES

continued

The following currency rates were used as the basis for estimation in this declaration:

Location	Unit	June 2009		June 2008	
		Reserves	Resources	Reserves	Resources
Ghana & Peru	Au – US\$/oz	800	1,000	650	800
Australia	Au – A\$/oz	1,000	1,250	750	925
South Africa ^{1 & 2}	Au – ZAR/kg	230,000	285,000	150,000	180,000
	U ₃ O ₈ – US\$/lb	–	75	–	40
Peru	Cu – US\$/lb	2.20 ³	2.75 ³	1.75	2.10

Notes:

¹ South Deep figures between 87 to 110 level generated by Gold Fields.

² The remainder of South Deep is reported as per the acquisition model (low gold price and corresponding lower costs).

³ Whittle shells run at US\$2.20/lb for Resources and US\$1.75/lb for Reserves. US\$2.75/lb and US\$2.20/lb used to calculate equivalent gold for Resources and Reserves respectively and for cash flow analysis.

The investment in mine based exploration has remained at high levels, with expenditure for the 12 month period July 2008 to June 2009 totalling US\$48.47 million. The on-mine exploration spend centred heavily on Australia (69 per cent) with South Africa (21 per cent) and Ghana (10 per cent) accounting for the remainder.

Exploration expenditure for 12 month period ending 30 June 2009

Operations/Regions	Metres drilled	F2009 expenditure			Total expenditure	
					F2009	F2008
		R million	A\$ million	US\$ million	US\$ million	US\$ million
Driefontein	11,754	5.414	–	–	0.605	1.403
Kloof	16,526	11.208	–	–	1.252	1.717
Beatrix	8,152	3.408	–	–	0.381	0.556
South Deep	26,665	52.911	–	–	5.912	3.388
West Wits TSF's*	30,012	16.247	–	–	1.815	0.197
Total South Africa Region	93,109	89.188	–	–	9.965	7.261
Tarkwa**	–	–	–	–	–	0.960
Damang	26,906	–	–	5.005	5.005	4.104
Total West Africa Region	26,906	–	–	5.005	5.005	5.064
St Ives	155,490	–	26.342	–	20.523	22.970
Agnew	134,366	–	16.651	–	12.972	17.016
Total Australasia Region	289,856	–	42.993	–	33.495	39.986
Cerro Corona**	–	–	–	–	–	–
Total South America Region	–	–	–	–	–	–
Grand Total	409,871	89.188	42.993	5.005	48.465	52.311

Notes: Exchange rate as at 30 June 2009 US\$ 0.7791: A\$1.00 and US\$1.00: R8.95.

* Tailings Storage Facility

** Grade control drilling only.

All mines exclusive of grade control and cover drilling except where it is included in the Capex budget.

SOUTH AFRICA REGION

The South Africa Region's Resource base has increased by nine per cent net of depletion primarily because of the increase in the gold price and the additional TSF gold ounces. The total Reserve has decreased by three per cent, net of mined depletion. The South Africa Region currently accounts for 84 per cent and 80 per cent of the Group's attributable precious metal and gold equivalent Resource and Reserve base respectively.

The application to convert South Deep's old order mining rights, and to include Uncle Harry's Prospecting Right into a new order mining right, was submitted in Q2 F2009 to the Department of Mineral Resources (DMR) for approval.

The tempo of exploration has significantly increased year on year, with drilling expenditure for the 12 months ending 30 June 2009 amounting to R89 million (R53 million for F2008). South Deep accounted for R52.91 million and was the main contributor following the initiation of an extensive surface and underground exploration programme in F2009, aligned to facilitate geology models with improved resolution that will underpin resource definition.

The following points are noteworthy:

- The uranium and gold Resource models for the West Wits TSF have been generated and incorporated in the pre-feasibility study. A feasibility study has commenced and should be completed within the F2010 financial year;
- Underground uranium Resource models have been generated for Driefontein, Kloof and South Deep (Upper Elsburg reefs 87 – 110 level);
- All primary off-reef development at the long life shafts should be fully mechanised by the end of Q4 F2010. This should have a positive impact on the safety performance and is expected to increase productivity, which in turn should increase available Reserves;
- During F2010 a mine design, planning and financial comparison will be undertaken between deepening 9 sub-vertical shaft and developing declines below 5 Shaft at Driefontein;

- South Deep continued developing and enhancing the Resource models and as a consequence has now designed and scheduled just under 50 per cent of the declared Reserve.

Driefontein

Enhanced geological modelling and re-zoning of the Multi Band Carbon Leader Reef facies at Driefontein is providing better resolution of the geological domains. A selective mining cut methodology is being applied to the Multi Band Carbon Leader, which reduces dilution and significantly improves the stope grades (g/t Au). It also mitigates the geotechnical risk associated with exposing the less competent hangingwall quartzites. The geological model of the Middelvellei Reef was reviewed and upgraded during the past year and as a consequence the development strategies at the 6 and 8 Shaft complexes have been altered accordingly.

Kloof

At Kloof 7 shaft, positive drilling results in the 69 line decline area below 39 level have resulted in the original geometry of the high grade Ventersdorp Contact Reef (VCR) Sandy 1 facies being increased. The Sandy 1 facies around the 45 level area to the west of 4 shaft, was also increased following new borehole intersections.

Beatrix

At Beatrix, maintenance of main and secondary development volumes, particularly at South Section, has provided for continued ore body definition and selective mining of relevant areas. At North Section, ongoing resolution of geological facies and value trends are being driven by underground exploration drilling and detailed geological mapping, which defines areas of potential that will contribute to the future sustainability and volume build-up in the Section. Key areas targeted for underground and surface exploration drilling at Beatrix in F2010 include the Western Decline area at North Section, the G Block extension and Vlakpan areas at South Section and the North Block at West Section (4 shaft).

South Deep

The remodelled and restated South Deep figures reported for the Upper Elsburg reefs are from the ground between 87 and 110 levels. The new commodity price and updated technical and economic parameters have been used in the estimation process. The figures for South shaft (Old Mine) and the ground below infrastructure, together with the majority of the VCR, continued to be stated as reviewed and approved by an Independent Review Panel of consultants as at December 2005. The underground and surface exploration drilling programme in the mine lease area and in Uncle Harry's to enhance the confidence in the estimate, continued during the year.

The key milestones for South Deep in the next three years include:

- The commissioning of the new tailings facility towards the end of 2011;
- The equipping of the Ventilation shaft in the next 12 months;
- The concurrent starting of the 240 metre deepening of the shaft to a final depth of 2,995 metres by mining contractor Murray & Roberts Cementation;
- The commissioning of the Ventilation shaft rock winder by June 2012.

These milestones are necessary to facilitate the build-up to full production by December 2014.

WEST AFRICA REGION

The West Africa Region's Resource base has increased by eight per cent net of depletion primarily because of the increase in gold price. The total Reserve has decreased slightly by one per cent, net of mined depletion. The West Africa Region currently accounts for five per cent and 11 per cent of the Group's attributable precious metal and gold equivalent Resource and Reserve base respectively

Tarkwa

The Tarkwa Carbon In Leach (CIL) plant expansion project was completed in Q2 F2009. The expanded CIL plant is on track to reach full planned production in Q1 F2010. This expansion increases the mill capacity to 12.3 Mtpa and maintains planned production

MINERAL RESOURCES AND RESERVES

continued

at between 650 koz to 750 koz per annum. In addition, the Heap Leach (HL) treatment route has a capacity of 9.85 Mtpa translating to a combined CIL and HL planned production of between 700 koz to 800 koz per annum

Processing at the South Heap Leach was phased out in December 2009 and the current focus is on constructing a High Pressure Grind Roll (HPGR) pilot plant to conduct a 1.0 Mt plant scale test of the technology in Q2 F2010. The tests will determine the viability and increased recoveries that potentially could be achieved through this process.

Damang

The Damang Pit Cutback (DPCB) complex continues to provide a window of opportunity to explore attractive targets and increase the mine's operational footprint. A significant increase in Reserve at Huni (within the DPCB complex), following Resource model updates and optimisation at US\$800/oz, adds to this flexibility. The strategy to investigate potential underground mining from the DPCB open pit is planned to be evaluated during F2010.

Damang plans to accelerate its recent rate of discovery to maintain a pipeline of quality projects and to provide additional mineable reserves to drive an extension to the LoM. On-mine lease exploration activities in F2010 will be assisted by the Near Mine Exploration initiative to ensure that the highest potential targets are tested as a priority. Prime targets include Amoanda North, Damang North and Nohokoa.

The current focus on commissioning a secondary crusher at the Damang Processing Plant by the fourth quarter of F2010 is aimed at increasing the treatment of high grade fresh ore to ensure flexibility and to mitigate the current dependency on lower grade oxide ore. This facility will allow for better blending ratios of up to 90 per cent high grade fresh ore and 10 per cent oxide ore.

AUSTRALASIA REGION

The Australasia Region's Resource base has increased by 19 per cent net of depletion primarily because of the increase in gold price

and discovery. The total Reserve has increased by 22 per cent, net of mined depletion due to the increase in discovery and gold price. The Australasia Region currently accounts for three per cent and four per cent of the Group's attributable precious metal and gold equivalent Resource and Reserve base respectively.

St Ives

The Resource and Reserve at St Ives has been increased following a year of continued successful exploration. The overall exploration strategy and framework implemented over the past few years has consisted of systematic full field air core drill programmes, integrated with detailed geological mapping and modelling supported by the application of best practices such as regional geochemistry, multi element sampling, geophysics and visual 3D modelling.

In particular, exploration spend for F2009 at St Ives was dominated by the drill out of the Athena and surrounding environments within the prospective Condensor North mining area, which has culminated in the declaration of the initial Reserve (399 koz) from this project area. Significant volumes of drilling and structural/geological understanding were completed at this site during the past year and the local knowledge base is well advanced. Further depth and extensional drilling will be completed in F2010 as options to bring this ore body into future production are evaluated.

Further contributions to the St Ives Reserve growth came from discoveries and extension at the Argo (+151 koz) and Belleisle (+46 koz) underground mines, where extension drilling and improved ore body modelling/structural control reviews were conducted and extensions drilled out. At the Cave Rocks underground mine, geological work focused on defining ore body geometry, continuity and spatial distribution during the past year, which will also provide the framework for future extensional drilling programmes.

Two continuous improvement programmes at St Ives, the Underground Department Improvement Programme (UDIP) and Open Pit Department Improvement Programme (ODIP) were initiated in F2009. These programmes will

focus on, and contribute towards, improved mine design, sequencing and productivity through primary drilling and ore body definition. Reductions in key quality parameters such as dilution and inherent gold losses to improve the mine to mill recovery and subsequent revenue streams, will also be targeted.

Agnew

Ongoing exploration of the Waroonga complex which primarily concentrated on the Kim South and Main lodes has enabled Agnew to continue to add to the Resource and Reserve base year on year for the last three years. A geological study of the whole Waroonga complex is underway to provide better ore definition and optimise the exploration programme. Outside of Waroonga, exploration will be focused within the highly prospective Mine Central Corridor that hosts the vast majority of the larger major gold ore bodies discovered in the region (Songvang, Crusader complex and Redeemer complex).

SOUTH AMERICA REGION

The South America Region's attributable gold and gold equivalent Resource base has decreased by nine per cent net of depletion primarily due to geotechnical changes (flattening of slope angles) and increases in operating costs. The total attributable gold equivalent Reserve has decreased by six per cent, net of mined depletion. The South America Region currently accounts for two per cent and six per cent of the Group's attributable precious metal and gold equivalent Resource and Reserve base respectively.

Production at Cerro Corona started in August 2008 and reached steady state of approximately 500,000 tonnes per month, producing about 3,100 metric tons copper per month and 12,000 oz gold per month in February 2009. Construction of the Tailings Storage Facility is progressing according to schedule. Abutments clean-up, restricted placement areas and higher than expected precipitation are the main challenges to construction. Following the revision to the geotechnical model, the slope angles have been modified resulting in an increase in the waste stripping, which may exceed the current waste storage facility. The

surplus tonnage will have to be accommodated at an alternative on-mine site. Investigations into a potential expanded or supplementary tailings facility are in progress and will be completed in F2010.

ARCTIC PLATINUM PROJECT

During F2009 North American Palladium Limited (NAP) informed Gold Fields Finland Oy that it will not follow its option to acquire up to 60 per cent of the Arctic Platinum Project (APP). During the past two years NAP completed two phases of infill drilling on the SK Reef (21,723m) and Suhanko Project plus extensions (16,844m). Unfortunately the Resource modelling and estimation had not been completed by NAP by 31 August 2008 when the agreement expired, but all drill cores and assay data have been delivered to Gold Fields. The new geological information is being reviewed for both project areas and revised resource models should be completed within F2010.

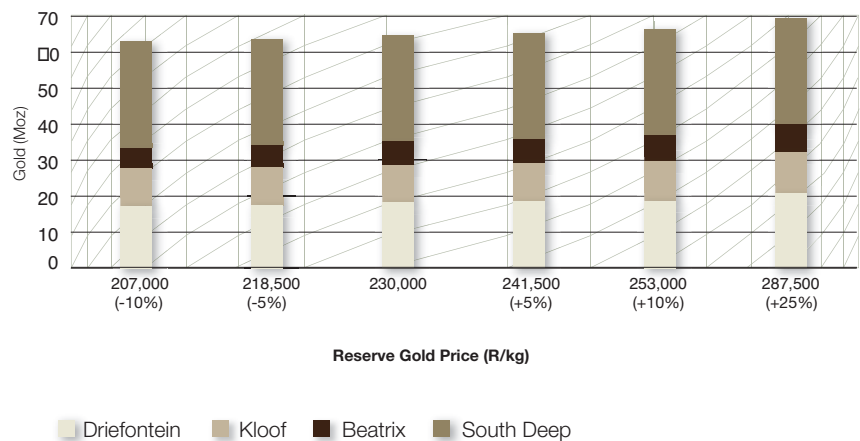
Emphasis has shifted from geological development of the Suhanko Project to the examination and testing of Platsol processing technology. New metallurgical recovery and operating cost estimates are being developed and when this work is completed, an updated Resource will be estimated based on a revised set of precious and base metal price assumptions.

MINERAL RESERVE SENSITIVITY

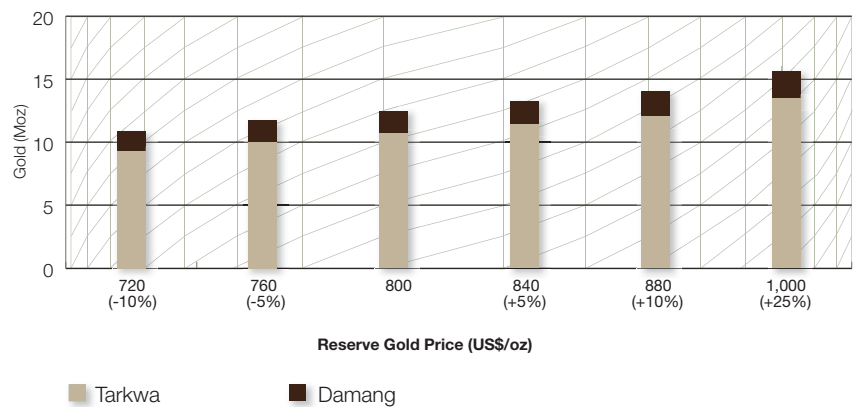
The sensitivity of Reserve ounces at all the operations is shown in the accompanying charts, at -5 per cent, -10 per cent and +5 per cent, +10 per cent and +25 per cent, above and below the base gold price used in this declaration. Surface low grade stockpiles are specifically included. South Deep has been included across the range at its base declaration prices. The +25 per cent flex is included to help reflect the current commodity price trend.

The Reserve sensitivities are not based on detailed depletion schedules and should be considered on a relative and indicative basis only.

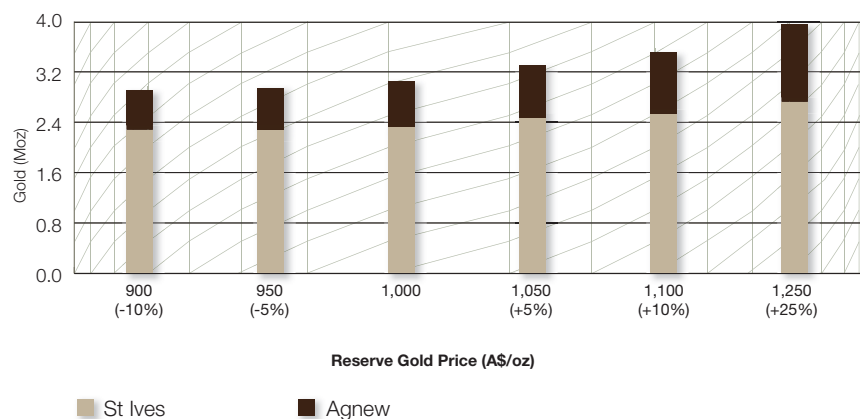
South Africa Region Managed Mineral Reserve Sensitivity



West Africa Region Managed Mineral Reserve Sensitivity



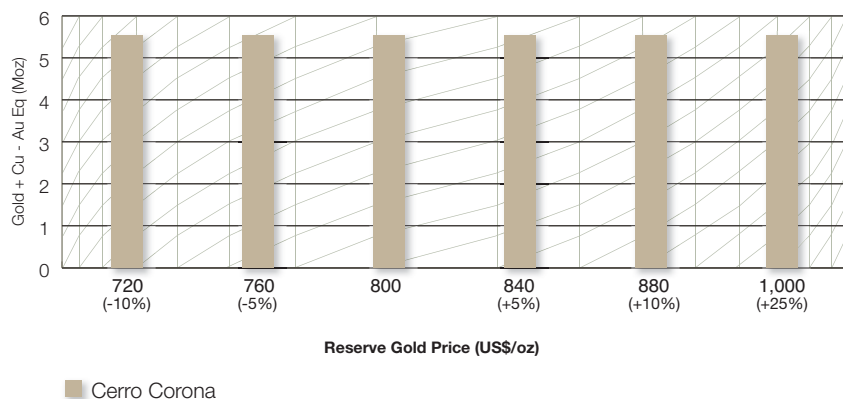
Australasia Region Managed Mineral Reserve Sensitivity



MINERAL RESOURCES AND RESERVES

continued

South America Region Managed Mineral Reserve Sensitivity



Note:

Cerro Corona Reserves are constrained by the Tailings Storage Facility (TSF). Supplementary facilities may allow for expansion of the Reserve base.

COMPETENT PERSONS

The competent persons designated in terms of the 2007 SAMREC Code taking responsibility for the reporting of Gold Fields' Resources and Reserves are the respective mine based Mineral Resource Managers.

Corporate governance on the overall compliance of these figures has been overseen by Tim Rowland, Vice President Technical South African Operations [BSc (Hons) Geology, MSc Mineral Exploration, GDE Mining Engineering, Pr. Sci. Nat. (Registration number 400122/2000) FSAIMM, FGSSA, GASA, 23 years experience and Kevin Robertson, Senior Consultant Mineral Resources and Mine Planning [NHD (Economic Geology), Post Graduate Diploma in Business Engineering Management, GDE (Mining), MEng (Mining), Pri. Sci. Nat. (Registration number 400127/04)], 23 years experience.

The named persons are permanent employees of Gold Fields Limited. Additional information summarising the mine based competent person teams involved with the compilation of the Resource and Reserve declaration per Operation is included in the 'Technical Short-Form Reports'.

Note:

A comprehensive review of the Group's Resources and Reserves as at 30 June 2009, including locality and mine infrastructure plans of all the operations, is available in the 'Mineral Resources and Mineral Reserves Overview 2009' or may be downloaded from the Gold Fields website (www.goldfields.co.za) as a pdf file using Adobe Acrobat Reader. Rounding of figures in this report may result in computational discrepancies. Where this occurs it is deemed not to be significant.

GOLD FIELDS LIMITED CLASSIFIED MINERAL RESOURCE AND MINERAL RESERVE STATEMENT

as at 30 June 2009

HEADLINE NUMBERS

	Resources				Reserves			
	30 June 2009		June 2008	30 June 2009		June 2008		
	Tons (Mt)	Au+2PGE (Mt)	Au+2PGE (Moz)	Tons (Moz)	Au+2PGE (Moz)	Au+2PGE (Moz)		
Totals including platinum								
Managed	2,143.1	–	278.493	257.786	747.1	–	83.019	84.773
Attributable	1,970.4	–	267.978	247.123	641.4	–	78.863	80.530
Totals including platinum and gold equivalents (from copper)	Tons (Mt)	Au+2PGE +AuEq (Moz)	Au+2PGE +AuEq (Moz)	Tons (Mt)	Au+2PGE +AuEq (Moz)	Au+2PGE +AuEq (Moz)	Au+2PGE +AuEq (Moz)	
Managed	2,143.1	–	282.424	262.083	747.1	–	85.736	87.630
Attributable	1,970.4	–	271.150	250.591	641.4	–	81.055	82.835

SUMMARY¹

	Resources (100%)				Reserves (100%)				Attributable (%)		
	30 June 2009		June 2008		30 June 2009		June 2008		30 June 2009		
GOLD	Tons (Mt)	Grade (g/t)	Gold (Moz)	Gold (Moz)	Tons (Mt)	Grade (g/t)	Gold (Moz)	Gold (Moz)	(%)	Resource (Moz)	Reserve (Moz)
South African operations											
Driefontein	171.2	9.6	52.781	44.400	75.2	7.5	18.202	19.702	100	52.781	18.202
Kloof	255.2	9.6	78.954	71.774	53.2	6.2	10.521	11.070	100	78.954	10.521
South Deep ²	260.1	7.6	63.826	63.968	149.4	6.1	29.486	29.127	100	63.826	29.486
Uncle Harry's ³	78.0	5.8	14.566	16.504	–	–	–	–	74	10.779	–
Beatrix	93.0	5.9	17.598	16.107	41.0	4.9	6.448	6.696	100	17.598	6.448
Tailings Storage Facilities (TSF)	453.0	0.3	4.348	1.167	–	–	–	–	100	4.348	–
Total South Africa Region	1,310.5	5.5	232.072	213.920	318.8	6.3	64.657	66.595		228.285	64.657
Ghana operations											
Tarkwa	348.7	1.4	16.187	15.435	270.0	1.2	10.676	11.313	71.1	11.509	7.591
Damang	74.9	1.8	4.283	3.490	36.1	1.6	1.820	1.354	71.1	3.045	1.294
Total West Africa Region	423.6	1.5	20.470	18.925	306.1	1.3	12.496	12.667	71.1	14.554	8.885
Australia operations											
St Ives	63.8	2.8	5.643	4.538	30.1	2.4	2.322	1.879	100	5.643	2.322
Agnew ⁴	21.2	5.1	3.497	3.125	2.9	7.8	0.722	0.615	100	3.497	0.722
Total Australasia Region	85.0	3.3	9.140	7.663	33.0	2.9	3.044	2.494	100	9.140	3.044
Peru operation											
Cerro Corona	155.8	0.8	4.209	4.677	89.3	1.0	2.822	3.017	80.7	3.397	2.277
Total South America Region	155.8	0.8	4.209	4.677	89.3	1.0	2.822	3.017	80.7	3.397	2.277

GFL GOLD TOTALS

Total Gold Managed	1,974.8	4.2	265.892	245.185	747.1	3.5	83.019	84.773			
Total Gold Attributable	1,802.1	4.4	255.377	234.522	641.4	3.8	78.863	80.530		255.377	78.863

MINERAL RESOURCES AND RESERVES

continued

SUMMARY¹ (continued)

COPPER	Resources (100%)				Reserves (100%)				Attributable (%)		
	Tons (Mt)	Grade (% Cu)	Copper (M lbs)	Copper (M lbs)	Tons (Mt)	Grade (% Cu)	Copper (M lbs)	Copper (M lbs)	30 June 2009 Resource %	30 June 2009 Reserve (M lbs)	30 June 2009 Reserve (M lbs)
Cerro Corona (copper only)	148.2	0.4	1,429	1,637	89.3	0.5	988	1,061	80.7	1,154	797
			Au-Eq (Moz)	Au-Eq (Moz)			Au-Eq (Moz)	Au-Eq (Moz)		Au-Eq (Moz)	Au-Eq (Moz)
Cerro Corona – Gold Equivalent			3.931	4.297	–	–	2.717	2.857	80.7	3.172	2.193
URANIUM	Tons (Mt)	Grade (kg/t)	Uranium (M lbs)	Uranium (M lbs)	Tons (Mt)	Grade (kg/t)	Uranium ('000 kg)	Uranium ('000 kg)	Uranium		
									(%)	(M lbs)	(M lbs)
Driefontein Underground	50.2	0.096	10.545	–	–	–	–	–	100	10.545	–
Kloof Underground	35.5	0.045	3.554	–	–	–	–	–	100	3.554	–
South Deep Underground	71.6	0.073	11.583	–	–	–	–	–	100	11.583	–
Total Uranium Underground	157.3	0.074	25.681	–					100	25.681	–
Driefontein TSF	164.7	0.061	22.255	11.380	–	–	–	–	100	22.255	–
Kloof TSF	234.9	0.039	20.450	–	–	–	–	–	100	20.450	–
South Deep TSF	53.4	0.074	8.726	–	–	–	–	–	100	8.726	–
Total Uranium TSF	453.0	0.051	51.431	11.380	–	–	–	–	100	51.431	–
Total Uranium Managed	610.3	0.057	77.113	11.380	–	–	–	–	100	77.113	
PLATINUM	Tons (Mt)	2PGE + Au (g/t)	2PGE + Au (Moz)	2PGE + Au (Moz)	Tons (Mt)	2PGE + Au (g/t)	2PGE + Au (Moz)	2PGE + Au (Moz)	2PGE		
									(%)	+ Au (Moz)	+ Au (Moz)
Arctic Platinum Project ⁵	168.3	2.3	12.601	12.601	–	–	–	–	100	12.601	–

Footnotes: See page 56

GOLD FIELDS LIMITED CLASSIFIED MINERAL RESOURCE AND MINERAL RESERVE STATEMENT

as at 30 June 2009

SOUTH AFRICA OPERATIONS¹

	Resources					Reserves			
	30 June 2009	June 2008				30 June 2009	June 2008		
	Tons (Mt)	Grade (g/t)	Gold (Moz)	Gold (Moz)		Tons (Mt)	Grade (g/t)	Gold (Moz)	Gold (Moz)
Driefontein					Driefontein				
Measured	50.2	10.5	16.887	15.926	Proved	17.6	7.4	4.157	4.834
Indicated AI	24.9	12.7	10.177	9.430	Probable AI	20.6	8.7	5.735	6.003
Inferred AI	17.4	5.9	3.343	–					
Total Above Infrastructure	92.5	10.2	30.407	25.356	Total Above Infrastructure	38.2	8.1	9.892	10.837
Indicated BI ⁶	43.2	12.4	17.262	18.847	Probable BI ⁶	27.4	9.2	8.097	8.668
Inferred BI ⁶	25.9	5.9	4.899						
Total underground	161.6	10.1	52.568	44.203	Total underground	65.6	8.5	17.989	19.505
Indicated surface rock dumps	9.6	0.7	0.213	0.197	Probable surface rock dumps	9.6	0.7	0.213	0.197
Driefontein Total	171.2	9.6	52.781	44.400	Driefontein Total	75.2	7.5	18.202	19.702
Measured surface tailings	150.9	0.3	1.703	–					
Indicated surface tailings	–	–	–	1.167					
Inferred surface tailings	13.8	0.2	0.102	–					
Driefontein TSF	164.7	0.3	1.805	1.167					
Kloof					Kloof				
Measured	71.1	11.6	26.549	22.962	Proved	19.2	7.6	4.704	5.334
Indicated AI	73.9	8.0	19.071	26.839	Probable AI	18.4	7.8	4.609	4.790
Total Above Infrastructure	145.0	9.8	45.620	49.801	Total Above Infrastructure	37.6	7.7	9.313	10.124
Indicated BI ⁷	79.5	12.8	32.729	21.355	Probable BI ⁷	3.4	8.0	0.868	0.584
Total underground	224.6	10.9	78.350	71.156	Total underground	41.0	7.7	10.180	10.708
Indicated surface rock dumps	30.7	0.6	0.604	0.618	Probable surface rock dumps	12.2	0.9	0.341	0.362
Kloof Total	255.2	9.6	78.954	71.774	Kloof Total	53.2	6.2	10.521	11.070
Kloof TSF (Measured)	234.9	0.3	2.145	–					
South Deep²					South Deep²				
Measured	41.6	7.4	9.890	8.821	Proved	15.2	5.9	2.906	3.000
Indicated AI	125.9	8.7	35.038	36.249	Probable AI	67.6	6.6	14.265	13.812
Total Above Infrastructure	167.5	8.3	44.928	45.070	Total Above Infrastructure	82.8	6.5	17.171	16.812
Indicated BI ⁸	92.6	6.3	18.898	18.898	Probable BI ⁸	66.6	5.8	12.315	12.315
Total underground	260.1	7.6	63.826	63.968	Total underground	149.4	6.1	29.486	29.127
South Deep Total	260.1	7.6	63.826	63.968	South Deep Total	149.4	6.1	29.486	29.127
South Deep TSF (Measured)	53.4	0.2	0.399	–					
Uncle Harry's Prospecting Area (Inferred Resource)³	78.0	5.8	14.566	16.504	Uncle Harry's Prospecting Area	–	–	–	–
Beatrix					Beatrix				
Measured	25.1	6.2	5.002	4.457	Proved	13.9	4.7	2.087	1.781
Indicated AI	37.5	6.6	7.942	8.287	Probable AI	24.7	5.0	3.990	4.435
Inferred AI	1.9	8.8	0.540	–					
Total Above Infrastructure	64.5	6.5	13.484	12.744	Total Above Infrastructure	38.6	4.9	6.077	6.216
Indicated BI ⁹	28.6	4.5	4.114	3.362	Probable BI ⁹	2.4	4.8	0.371	0.480
Total underground	93.0	5.9	17.598	16.107	Total underground	41.0	4.9	6.448	6.696
Beatrix Total	93.0	5.9	17.598	16.107	Grand Total	41.0	4.9	6.448	6.696
Total South Africa Region	1310.5	5.5	232.072	213.920	Total South Africa Region	318.8	6.3	64.657	66.595

Footnotes: See page 56

MINERAL RESOURCES AND RESERVES

continued

GOLD FIELDS LIMITED CLASSIFIED MINERAL RESOURCE AND MINERAL RESERVE STATEMENT

as at 30 June 2009

INTERNATIONAL OPERATIONS

	Resources					Reserves			
	30 June 2009		June 2008			30 June 2009		June 2008	
	Tons (Mt)	Grade (g/t)	Gold (Moz)	Gold (Moz)		Tons (Mt)	Grade (g/t)	Gold (Moz)	Gold (Moz)
GHANA OPERATIONS									
Tarkwa					Tarkwa				
Measured	144.7	1.5	6.800	6.914	Proved	149.6	1.3	6.220	6.371
Indicated	173.4	1.2	6.705	6.021	Probable	116.0	1.2	4.354	4.857
Inferred	26.0	3.1	2.569	2.411					
Total	344.1	1.5	16.075	15.346	Total	265.6	1.2	10.575	11.228
Measured low-grade stockpiles	4.7	0.8	0.112	0.090	Proved low-grade stockpiles	4.4	0.7	0.101	0.085
Tarkwa Total	348.7	1.4	16.187	15.435	Tarkwa Total	270.0	1.2	10.676	11.313
Damang					Damang				
Measured	9.4	1.5	0.464	0.680	Proved	3.5	1.8	0.207	0.388
Indicated	48.0	1.5	2.268	1.309	Probable	27.5	1.6	1.429	0.800
Inferred	12.5	3.4	1.367	1.336					
Total	69.9	1.8	4.100	3.325	Total	31.0	1.7	1.636	1.189
Indicated low-grade stockpiles	5.1	1.1	0.184	0.165	Probable low-grade stockpiles	5.1	1.1	0.184	0.165
Damang Total	74.9	1.8	4.283	3.490	Damang Total	36.1	1.6	1.820	1.354
Total West Africa Region	423.6	1.5	20.470	18.925	Total West Africa Region	306.1	1.3	12.496	12.667
AUSTRALIA OPERATIONS									
St. Ives					St. Ives				
Measured	2.5	4.0	0.322	0.250	Proved	1.9	4.3	0.260	0.170
Indicated	41.3	2.7	3.545	2.951	Probable	24.1	2.5	1.922	1.547
Inferred	15.9	3.2	1.636	1.175					
Total	59.7	2.9	5.503	4.376	Total	26.0	2.6	2.182	1.716
Measured low-grade stockpiles	4.1	1.1	0.139	0.163	Proved low-grade stockpiles	4.1	1.1	0.139	0.163
St Ives Total	63.8	2.8	5.643	4.538	St Ives Total	30.1	2.4	2.322	1.879
Agnew ⁴					Agnew ⁴				
Measured	3.7	4.6	0.543	0.365	Proved	0.6	8.9	0.186	0.106
Indicated	9.5	5.1	1.539	1.595	Probable	1.9	8.7	0.526	0.494
Inferred	7.7	5.7	1.404	1.148					
Total	20.9	5.2	3.486	3.108	Total	2.5	8.7	0.712	0.600
Measured low-grade stockpiles	0.3	1.1	0.012	0.018	Proved low-grade stockpiles	0.3	0.9	0.010	0.015
Agnew Total	21.2	5.1	3.497	3.125	Agnew Total	2.9	7.8	0.722	0.615
Total Australasia Region	85.0	3.3	9.140	7.663	Total Australasia Region	33.0	2.9	3.044	2.494

GOLD FIELDS LIMITED CLASSIFIED MINERAL RESOURCE AND MINERAL RESERVE STATEMENT

as at 30 June 2009

INTERNATIONAL OPERATIONS¹ (continued)

INTERNATIONAL OPERATIONS (Continued)									
	Resources					Reserves			
	30 June 2009		June 2008			30 June 2009		June 2008	
	Tons (Mt)	Grade (g/t)	Gold (Moz)	Gold (Moz)		Tons (Mt)	Grade (g/t)	Gold (Moz)	Gold (Moz)
PERU OPERATIONS									
Cerro Corona					Cerro Corona				
Measured	27.5	1.0	0.894	1.051	Proved	21.4	1.1	0.756	0.843
Indicated	116.7	0.8	2.940	3.336	Probable	66.6	0.9	2.017	2.145
Inferred	4.9	0.5	0.081	0.155					
Total	149.1	0.8	3.915	4.542	Total	88.1	1.0	2.773	2.988
Measured stockpiles	6.7	1.4	0.295	0.135	Proved stockpiles	1.2	1.2	0.049	0.029
Cerro Corona Total ¹⁰	155.8	0.8	4.209	4.677	Cerro Corona Total ¹¹	89.3	1.0	2.822	3.017
Total South America Region	155.8	0.8	4.209	4.677	Total South America Region	89.3	1.0	2.822	3.017
INTERNATIONAL OPERATIONS									
Grand Total	664.4	1.6	33.820	31.265	Grand Total	428.4	1.3	18.362	18.178
TOTAL GFL (Managed)									
Above Infrastructure	1,705.0	3.4	187.989	182.723		647.3	2.9	61.368	62.726
Below Infrastructure	269.8	9.0	77.902	62.462		99.8	6.7	21.651	22.047
Total GFL (Managed)	1,974.8	4.2	265.892	245.185	Total GFL (Managed)	747.1	3.5	83.019	84.773
Total Attributable to GFL	1,802.1	4.4	255.377	234.522	Total Attributable to GFL	641.4	3.8	78.863	80.530
	Tons	Grade	Au-Eq	Au-Eq		Tons	Grade	Au-Eq	Au-Eq
Copper – Gold Equivalent	(Mt)	Cu (%)	(Moz)	(Moz)	Copper – Gold Equivalent	(Mt)	Cu (%)	(Moz)	(Moz)
Cerro Corona ¹²	148.2	0.4	3.931	4.297	Cerro Corona ¹²	89.3	0.5	2.717	2.857

Footnotes: See page 56

MINERAL RESOURCES AND RESERVES

continued

GOLD FIELDS LIMITED CLASSIFIED MINERAL RESOURCE AND MINERAL RESERVE STATEMENT

as at 30 June 2009

PROJECTS ¹

	Resources				Reserves			
	30 June 2009		June 2008		30 June 2009		June 2008	
	2 PGE Tons (Mt)	+ Au Grade (g/t)	2 PGE + Au (Moz)	2 PGE + Au (Moz)	2 PGE Tons (Mt)	+ Au Grade (g/t)	2 PGE + Au (Moz)	2 PGE + Au (Moz)
PLATINUM GROUP ELEMENTS (PGE)								
Arctic Platinum Project ⁵	168.3	2.3	12.601	12.601	–	–	–	–
URANIUM	Resources				Reserves			
	30 June 2009		June 2008		30 June 2009		June 2008	
	Tons (Mt)	Grade (kg/t)	Uranium (M lbs)	Uranium (M lbs)	Tons (Mt)	Grade (kg/t)	Uranium (M lbs)	Uranium (M lbs)
Driefontein Tailings (Measured)	150.9	0.064	21.444	–	–	–	–	–
Driefontein Tailings (Indicated)	–	–	–	11.380	–	–	–	–
Driefontein Tailings (Inferred)	13.8	0.027	0.811	–	–	–	–	–
Driefontein TSF Total	164.7	0.061	22.255	11.380	–	–	–	–
Driefontein Underground (Inferred)	50.2	0.096	10.545	–	–	–	–	–
Driefontein Total	214.9	0.069	32.800	11.380	–	–	–	–
Kloof Surface Tailings (Indicated)	234.9	0.039	20.450	–	–	–	–	–
Kloof Underground (Inferred)	35.5	0.045	3.554	–	–	–	–	–
Kloof Total	270.4	0.040	24.004	–	–	–	–	–
South Deep Surface Tailings (Indicated)	53.4	0.074	8.726	–	–	–	–	–
South Deep Underground (Inferred)	71.6	0.073	11.583	–	–	–	–	–
South Deep Total	125.0	0.074	20.309	–	–	–	–	–
Uranium Total	610.3	0.057	77.113	11.380	–	–	–	–

Mineral Resources were calculated using gold prices of R285,000/kg in South Africa; A\$1,250/oz in Australia; and US\$1,000/oz in Ghana and Peru. The copper price used was US\$2.20/lb for the Whittle Shell and US\$2.75/lb for the gold equivalent computation.

Mineral Reserves were calculated using gold prices of R230,000/kg in South Africa; A\$1,000/oz in Australia; and US\$800/oz in Ghana and Peru. The copper price for Reserves was US\$1.75/lb for the Whittle Shell and US\$2.20/lb for the gold equivalent computation.

All equivalent gold ounces reported are based on either current F2010 or F2009 mineral prices as applicable.

¹ Managed, unless otherwise stated.

² Aside from the restated Upper Elsburg (87 to 110 levels) Resources and Reserves, the South Deep figures are as per acquisition model.

³ Uncle Harry's Prospecting Area Inferred Resources for F2010 at a 3g/t cut-off, with Prospecting Rights held by WAPL for which the shareholding is: GFL = 74% and Peotona = 26%.

⁴ The Agnew Deposits, Miranda and Vivien are subject to a royalty agreement.

⁵ Gold Fields holds a 100% interest in the Arctic Platinum Project. Resource figures are historical and not as per current metal prices.

⁶ Driefontein BI refers to material below 50 level (3,420m below surface). The current studies for Reserves, through accessing the area via a sub-vertical shaft complex, are currently being reviewed versus multiple declines, and this could have a material impact on the numbers.

⁷ Kloof BI refers to material below 45 level (3,350m below surface).

⁸ South Deep BI refers to material below 110 level (2,888m below surface).

⁹ Beatrix BI refers to material below 26 level (1,341m below surface).

¹⁰ Excludes copper Resources of 0.4 % Cu containing 1,429 M lbs copper (tons are however included). Copper open pit Resources comprise Measured of 26.7 Mt @ 0.5 % Cu for 305 M lbs, Indicated of 115.6 Mt @ 0.4 % Cu for 1,076 M lb, Inferred of 4.8 Mt @ 0.3 % Cu for 35 M lb, and Measured stockpiles of 1.2 Mt @ 0.5 % for 14 M lb.

¹¹ Excludes copper Reserves of 0.5 % Cu containing 988 M lbs copper (tons are however included). The copper Reserve classification tonnages are the same as for gold with open pit Proved copper Reserves of 0.6 % Cu for 266 M lbs, Probable of 0.5 % for 708 M lbs and Proved stockpiles of 0.5 % for 14 M lbs.

¹² Copper equivalent ounces (copper revenue converted to gold equivalent ounces). Note that these tons are repeated in the gold statement.

AI = Above Infrastructure; BI = Below Infrastructure. All tons relate to metric units. Rounding-off of figures may result in minor computational discrepancies, where this happens it is not deemed significant. Resources are inclusive of Reserves.

For further details refer to the company's website, www.goldfields.co.za.

Sustainable Development 2009



GOLD FIELDS

2 0 0 9 A n n u a l R e p o r t E d i t i o n

Ethics and corporate governance.

Gold Fields is committed to ethical and fair business dealings and promotes a corporate culture that is non-sectarian and non-political and which is socially and environmentally responsible.

Gold Fields' people.

We are continually striving for an environment that encourages innovation, transformation and development, which will enable our ideas and aspirations.

Health and Safety.

Nick Holland, Chief Executive Officer of Gold Fields made the statement 'If we cannot mine safely, we will not mine'. This iconic statement has translated into a vast improvement on performance.



SUSTAINABLE DEVELOPMENT

OVERVIEW OF OUR PERFORMANCE

F2009 highlights

- Development of and full roll-out of the Safe Production Rules.
- Completion of the independent DuPont safety assessment and the development of action plans to address improvement opportunities.
- Despite international financial pressures, the Group avoided the implementation of any formal retrenchment processes.
- Development and implementation of the well-being strategy.
- ISO14001, OHSAS18001 and AS4801 certifications maintained.
- South Deep received ISO14001 certification, which means all the South African operations are now certified.
- Driefontein, Kloof and Beatrix all upgraded their OHSAS18001 to the 2007 version. South Deep is ready to be audited in the first quarter of F2010.
- The best ever safety year in F2009.
- Driefontein passed the milestone of two million fatality free shifts.
- South Deep passed the milestone of one million fatality free shifts.
- Beatrix passed the milestone of one million fatality free shifts.
- Awards received in Peru with regard to health and safety management and another for environmental and social initiatives.

- Cerro Corona achieved production with 27 per cent of its permanent workforce and 40 per cent of its contract workforce sourced from local communities.
- Gold Fields received an award for reporting on the Carbon Disclosure Project.
- Cyanide Management Code "Full Certification" and "Substantial Compliance" results.

F2009 lowlights

- Despite initiatives to prevent fatal accidents, 21 fatalities occurred during the year.
- Seven Level 3 environmental incidents occurred during the year.

Key focus areas for F2010

- Entrench the Safe Production Rules and reduce risk to all employees.
- Embed the culture of sustainable development within the organisation.
- Achieve improvements in our energy efficiency in the Group and progress our methane capture project at the Beatrix operation.
- Skills attraction and retention.
- ISO14001:2004 (Environmental Management System) certification at Cerro Corona.
- Further utilisation of the AA1000SES to guide our stakeholder engagement processes.
- OHSAS18001 certification for South Deep.

SUSTAINABLE DEVELOPMENT POLICY STATEMENT

Gold Fields Limited seeks to operate in a manner that presents a platform for responsible investment. This will be achieved by integrating sustainable development considerations into the decision-making process. The result will be an appropriate balance of the Company's requirements to perform financially, to strive toward world-class standards in environmental management and to ensure broad social benefit.

To attain the vision, Gold Fields commits to:

- Undertake its business activities in a manner that is ethical and adheres to sound systems of corporate governance;
- The development and safeguarding of its social capital and to uphold human rights as they apply to its operations;
- The deployment of effective risk management strategies;
- Continually improve its environmental, health and safety performance through formalised management systems and cycles of review;
- Contribute to the conservation of biodiversity and to design and develop appropriate post-mining land uses in consultation with host communities and governments;
- The implementation of best practice with regard to material stewardship and supply chain management and to encourage or require, where practical, business partners, contractors and suppliers to adopt similar objectives;
- Investment in and supporting the socio-economic development of communities that are affected by its activities;
- Actively engage and communicate with all stakeholders in a manner that is open and participative; and
- Embark on a regular review of its processes and performance to ensure adherence to these commitments.

Employees of Gold Fields Limited are expected to play a fundamental role in achieving these commitments by:

- Integrating sustainable development principles into everyday practice; and
- Acting proactively and adhering to the Group's sustainable development policy.



Gold Fields had an impressive safety year with improvements throughout the Group. Driefontein achieved two million fatality free shifts following various initiatives introduced at the mine

In keeping with our past practices of reporting on materiality, we have again tailored the sustainable development section of this report in accordance with our sustainable development framework and associated issues that are material or significant. The company has an established culture of stakeholder engagement and it is through the outcomes of such engagements that materiality is often determined. Stakeholder engagement in the Group is extensive and is part of our daily activities. Stakeholder groups include:

- Employees and business partners;
- Industry and trade associations;
- Local communities;
- Non Governmental Organisations;
- Research institutions;
- Academia;
- Media;
- Global communities; and
- Regulatory authorities.

SUSTAINABLE DEVELOPMENT FRAMEWORK

In the last annual report we reported on the progress made with the development of a sustainable development framework for the Group. This framework was developed through a comprehensive process of reviewing numerous principles and best practice, as they apply to our organisation, and with regard to sustainable development. The approach that was followed, and the subsequent development of a new set of policies and an overarching framework, was not one of reinventing the wheel but rather one of consolidation of best practice within the group. This approach results from the fact that many of the best practices enshrined within various sustainable development principles are not new to Gold Fields. For many years we have implemented policies and protocols with regard to the various components of sustainable development and, as a result, this approach was a significant opportunity for all our operations to share knowledge and facilitate cross pollination. The process has culminated in the final version of our Sustainable Development Framework. This framework consists of an overarching sustainable development policy with the following supporting policies:

An appropriate balance between the Group's requirements to perform financially, and to continually strive toward world-class standards in environmental management and to ensure broad social benefit.

- Occupational Health and Safety;
- Human Rights;
- Ethics and Corporate Governance;
- Risk Management;
- Environment;
- Material Stewardship and Supply Chain Management;
- Community and Indigenous Peoples; and
- Stakeholder Engagement.

The Sustainable Development Framework was approved by the Board. Gold Fields is fully committed to the International Council on Mining and Metals (ICMM) and to the United Nations Global Compact and their respective associated principles. In light of our commitment to the principles of the ICMM and the Global Compact, we have reviewed the terms of reference of the Safety, Health, Environment and Community subcommittee of the Board. The terms of reference have been amended to include a commitment to the principles of the ICMM and the Global Compact as well as a commitment to our own Sustainable Development Framework, which supports the aforementioned. As a result

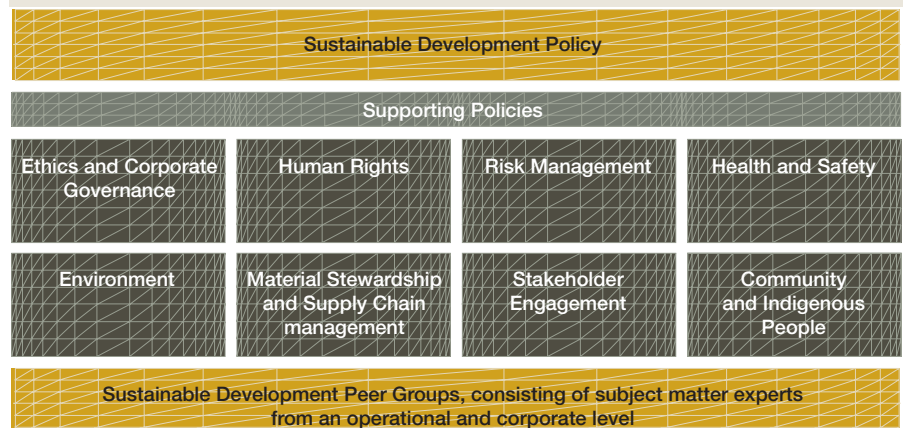
of this review, the Safety, Health, Environment and Community subcommittee was renamed to the Safety, Health and Sustainable Development Committee. Reports submitted to the subcommittee are aligned with our Sustainable Development Framework, as is this annual report.

The principle means for ensuring that the framework is properly implemented within the organisation is through integration of our sustainable development requirements into the performance management system of the organisation. This performance management system effectively consists of targets which employees aim to achieve and serve to measure employee performance, and provides guidance for incentive and reward. These contractual arrangements are secured through a Balanced Score Card (BSC) which is designed around the overall Gold Fields strategy which consists of three pillars:

- Sweating our assets;
- Growing Gold Fields; and
- Securing our future.

INVITATION TO ENGAGE AND STAKEHOLDER FEEDBACK FORM

This Report aims to meet the requirement for increased transparency and accountability in corporate reporting. We hope you find it useful and informative. We believe that it constitutes a reasonable and fair reflection of the progress and challenges we have experienced over the past year. As always, we welcome your feedback on the report and any of our activities. For further information and contact details, please visit our website at www.goldfields.co.za or e-mail philip.woodhouse@goldfields.co.za.



SUSTAINABLE DEVELOPMENT

continued

Gold Fields is fully committed to the International Council on Mining and Metals and to the United Nations Global Compact and their respective associated principles.

Thus our sustainable development framework becomes a series of values that are entrenched throughout our strategy, from an operational excellence point of view, to ensuring that the growth component of our strategy is undertaken with due regard to sound principles of sustainable development to, our ultimate objective of securing the future. This effectively embraces the holistic concept of sustainable development within all activities.

In terms of the strategy specific to sustainable development, again we premise this on three pillars:

- Consolidating the baseline;
- Embedding a culture of sustainable development and best practice; and
- Scenario planning toward proactively positioning the company.

The Board of Directors has approved the Sustainable Development Framework which establishes the baseline referred to above. We are in the process of integrating our entire Sustainable Development Framework into our induction processes whereby all new employees, employees returning from leave, and contractors, are exposed to the Framework and are made aware of their responsibilities. The final component of the strategy is to implement scenario planning for sustainable development. We are currently evaluating techniques to satisfy this requirement. The implementation of scenario planning systems will inform any changes that may need to be made to the baseline in order to position the company appropriately. This triggers a requirement to further refine the culture within the organisation. Thus, we believe that sustainable development is largely an evolutionary process within the organisation.

The Gold Fields Sustainable Development Framework is reflected on the previous page and all policies with regard to the Framework are available on our website and detailed in each relevant section of this report.

ETHICS AND CORPORATE GOVERNANCE

Gold Fields is committed to ethical and fair business dealings and promotes a corporate culture which is non-sectarian, non-political and which is socially and environmentally responsible.

The company endorses the principles contained in the South African Code of Corporate Practices and Conduct as recommended in the second King Report (King II) and complies with its provisions. Gold Fields shares are listed on JSE Limited (the JSE) as a primary listing and the company is required to comply with the JSE Listings Requirements in respect of King II. The company's shares also trade in the United States of America (USA) on the New York Stock Exchange (NYSE) and are registered with the United States Securities and Exchange Commission (SEC). As such, the company is subject to the disclosure and corporate governance requirements of the NYSE, in so far as these relate to foreign private issuers such as Gold Fields. The company also has a secondary listing on the NASDAQ Dubai Limited, the Euronext in Brussels, and the Swiss Exchange and is subject to the disclosure requirements of these exchanges.

The company has implemented an ethics policy and has developed an ethics booklet, which summarise the salient principles of the policy for employees informing them of their responsibilities regarding ethical behaviour. The content of this ethics policy is included in our training programmes and most notably in

our induction programmes that target all new employees and business partners. All employees are required to adhere to the requirements of the ethics policy. The Group has procured the services of an independent hotline service provider, to facilitate the confidential reporting of any code transgressions.

No material transgression of our ethics policies has been reported during the period under review. In addition, no significant fines or non-monetary sanctions for non-compliance with legal requirements have been levelled against the company.

Board of Directors

The company's articles of association provide that the company's Board of Directors shall consist of a minimum of four directors and a maximum of 15 directors. The Board of Directors currently comprises one executive director and 12 non-executive directors.

The office of the Chairman and that of the Chief Executive Officer (CEO) are separate from one another and are currently filled by an independent non-executive director, Mr AJ Wright, and an executive director, Mr NJ Holland, respectively.

Mr RP Menell was appointed as a non-executive director on 8 October 2008. On 10 March 2009 Ms CA Carolus and Mr R Dañino were appointed as non-executive directors, while Mr AR Hill was appointed a non-executive director on 21 August 2009.

The Gold Fields Board of Directors comprises a majority of non-executive directors of whom sufficient are independent of management so that shareholder interests (including minority interests) can be protected. Non-executive directors do not receive any remuneration from the company for their services as directors other than the fees and restricted shares, with a three year vesting period, as detailed in the Directors' Report on pages 112 to 123 of this annual report.

The Board of Directors reviews the status of its members on an ongoing basis and, based on its deliberations, considers the current complement of its 12 non-executive directors to

be independent, as defined in the JSE Listings Requirements.

Details of the directors and their status as executive or non-executive appear on pages 16 and 17 of this annual report.

Board of Directors' charter

In accordance with the Board of Directors' charter, the directors seek to promote the mission of the company, while upholding sound principles of corporate governance, the best interests of its communities, and its shareholders. The charter, which is available on the Gold Fields website (www.goldfields.co.za), articulates clearly and concisely the objectives and responsibilities of the Board of Directors.

The Board of Directors discharges these responsibilities through a number of actions including:

- Determining the Group's code of ethics and conducting its own affairs in a professional manner, upholding the core values of integrity, transparency and enterprise;
- Evaluating, determining and ensuring the implementation of corporate strategy and policy;
- Determining compensation, development, education and other relevant policies for the Group's employees; and
- Developing and setting disclosure and reporting practices, as required by applicable laws to best serve the needs of its shareholders.

Rotation of Directors

In accordance with the company's articles of association, one-third of the directors shall retire from office at each annual general meeting, with the first to retire being those appointed as additional members of the Board of Directors during the year, followed by the longest serving members. Retiring directors are free to make themselves available for re-election and may, as such, be re-elected at the annual general meeting at which they retire.

themselves. The Board of Directors met on nine occasions, in person or telephonically, during the year under review. The record of attendance by members of the Board of Directors at such meetings is contained in the table below.

Board of Directors committees

The Board of Directors has established a number of standing committees composed entirely of non-executive directors. These committees comprise the Nominating and Governance Committee, the Audit Committee, the Remuneration Committee, the Safety, Health and Sustainable Development Committee, and the Capital Projects Control and Review Committee all of which operate in accordance with written terms of reference, which were approved by the Board of Directors and are available on the Group's website (www.goldfields.co.za) or from the company's secretarial office, on request.

Each of the Board of Directors' standing committees is chaired by an independent, non-executive director. Each committee is required to evaluate its own effectiveness and performance from time to time, with the Nominating and Governance Committee monitoring and reporting to the Board of Directors periodically on such performance and effectiveness.

Each member is paid remuneration in addition to the annual fee payable to directors, which remuneration is recommended by a separate subcommittee chaired by the Chief Executive Officer and requires approval in advance by the shareholders at an annual general meeting of the company.

Director	2008				2009				
	31/07	22/08	8/10	13/11	28/01	12/02	12/03	01/05	25/06
AJ Wright	✓	✓	✓	✓	✓	✓	✓	✓	✓
NJ Holland	✓	✓	✓	✓	✓	✓	✓	✓	✓
K Ansah	✓	✓	✓	✓	✓	✓	✓	✓	✓
CA Carolus ⁴	N/A	N/A	N/A	N/A	N/A	N/A	✓	✓	✓
R Dañino ⁴	N/A	N/A	N/A	N/A	N/A	N/A	✓	✓	✓
TP Goodlace ³	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A
JG Hopwood	✓	✓	✓	✓	✓	✓	✓	#	✓
G Marcus	✓	✓	✓	✓	✓	✓	✓	#	✓
RP Menell ²	N/A	N/A	N/A	✓	✓	✓	✓	✓	✓
DN Murray	✓	✓	✓	✓	✓	✓	✓	✓	✓
DMJ Ncube	✓	✓	✓	✓	✓	✓	✓	#	✓
RL Pennant-Rea	#	✓	✓	✓	#	✓	✓	✓	✓
Cl von Christerson	#	✓	✓	✓	✓	✓	✓	✓	✓
GM Wilson ¹	N/A	✓	✓	✓	✓	✓	✓	✓	✓

✓ Indicates attendance # Indicates absence with apology N/A Indicates not a director at the time or not required to attend

¹ Appointed 1 August 2008. ² Appointed 8 October 2008. ³ Resigned 15 October 2008.

⁴ Appointed 10 March 2009.

Board of Directors meetings and attendance

The Board of Directors is required to meet at least four times a year. The non-executive directors also use this opportunity to meet amongst

SUSTAINABLE DEVELOPMENT

continued

Nominating and Governance Committee

The Nominating and Governance Committee is chaired by the chairman of the Group, Mr AJ Wright. It comprises independent non-executive directors, namely, Messrs K Ansah, R Dañino, RL Pennant-Rea and Cl von Christierson. Its written terms of reference require this committee, *inter alia*, to:

- Develop the approach of the Group to matters of corporate governance and make recommendations to the Board of Directors with respect to all such matters;
- Identify a successor to the chairman and chief executive officer and make recommendations in this regard to the Board of Directors as a whole;
- Consider the mandates of Board of Directors' committees, the selection and rotation of committee members and chairmen as well as the performance and effectiveness of each Board of Directors' committee on an ongoing basis; and
- Evaluate the effectiveness of the Board of Directors and its committees and management as a whole and report thereon to the Board of Directors.

The Nominating and Governance Committee met on five occasions during the year under review. The record of attendance by members at such meetings is contained in the table below.

Director	2008		2009		
	21/08	12/11	11/02	05/03	29/04
AJ Wright	✓	✓	✓	✓	✓
K Ansah	✓	✓	✓	✓	✓
R Dañino ¹	N/A	N/A	N/A	N/A	N/A
RL Pennant-Rea	✓	✓	✓	✓	✓
Cl von Christierson	✓	✓	✓	✓	✓

✓ Indicates attendance N/A Indicates not a member at the time

¹ Appointed 1 May 2009.

Audit Committee

The Audit Committee comprises independent non-executive directors, chaired by Mr JG Hopwood, while other members are Messrs RP Menell, DMJ Ncube, RL Pennant-Rea and Mrs GM Wilson. The committee is

required to meet at least quarterly and to monitor and review:

- The effectiveness of the Group's information systems and other systems of internal control;
- The effectiveness of the internal audit function;
- The reports of both the external and internal auditors;
- The quarterly and annual reports and specifically the annual financial statements;
- The annual report on Form 20-F filed with the United States Securities and Exchange Commission (SEC);
- The accounting policies of the Group and any proposed revision thereto;
- The external audit findings, reports and fees and the approval thereof; and
- The compliance with applicable legislation, requirements of regulatory authorities and the Group's code of ethics.

All members of the Audit Committee are independent non-executive directors.

The internal and external auditors have unrestricted access to the Audit Committee, the Audit Committee chairman and the chairman of the Board of Directors, ensuring that their independence is in no way impaired.

The Group internal audit function is headed by the senior manager, internal audit. The Audit Committee determines the purpose, authority and responsibility of the internal audit function in an Internal Audit Charter, which charter has been approved by the Audit Committee. The Audit Committee has the authority to appoint and dismiss the head of the Group internal audit function.

The Audit Committee is required to approve all significant non-audit relationships with the Group's independent auditor. For the period under review, the Audit Committee has approved, and the Group's independent auditor has performed non-audit services for accounting advice and taxation. In consideration for rendering these services, the Group has paid the independent auditor an amount of R4,3 million.

The Audit Committee is responsible for the oversight of the work of the independent auditor, and the independent auditor reports directly to the Audit Committee.

The Board of Directors believes that the members of the Audit Committee collectively possess the knowledge and experience to oversee and assess the performance of Gold Fields' management and auditors, the quality of Gold Fields' disclosure controls, the preparation and evaluation of Gold Fields' financial statements and Gold Fields' financial reporting. The Board of Directors also believes that the members of the Audit Committee collectively possess the understanding of audit committee functions necessary to diligently execute their responsibilities.

The Audit Committee has adopted formal, written terms of reference that were approved by the Board of Directors. The Audit Committee is of the opinion that it has satisfied its responsibilities for the past financial year in compliance with such terms of reference. The Audit Committee is satisfied with the appropriateness of the CFO's expertise and experience. In addition, the Audit Committee is satisfied that the external auditors are independent of the company.

The Audit Committee met on six occasions during the year under review. The record of attendance by members at such meetings is contained in the table below.

Director	2008				2009	
	29/07	20/08	27/10	07/11	27/01	04/05
JG Hopwood	✓	✓	✓	✓	✓	✓
RP Menell ²	N/A	N/A	N/A	N/A	✓	✓
DMJ Ncube	✓	✓	✓	✓	✓	#
RL Pennant-Rea	#	✓	✓	#	✓	✓
GM Wilson ¹	N/A	✓	✓	✓	✓	✓

✓ Indicates attendance # Indicates absence with apology
N/A Indicates not a director at the time or not required to attend

¹ Appointed 1 August 2008. ² Appointed 13 November 2008.

Remuneration Committee

The Remuneration Committee comprises independent non-executive directors, namely, Messrs CI von Christierson (chairman), JG Hopwood, DMJ Ncube, Mrs GM Wilson and Mr AJ Wright and is required to meet at least twice a year. The committee, which has adopted its own formal terms of reference, has established and reviews, on an ongoing basis, the Group's remuneration philosophy, the terms and conditions of employment of executive directors and other executives, including a short-term performance-linked bonus scheme and a long-term share incentive scheme.

The terms and conditions of employment of the executive director are contained in a written contract of employment. The remuneration particulars of the contract are contained on pages 117 and 118 of this annual report, with the Group's maximum exposure being limited to two and a half years' remuneration in the event of such executive director's services being terminated as a result of a takeover or merger.

The Remuneration Committee met on six occasions during the year under review. The record of attendance by members at such meetings is contained in the table below.

Director	2008		2009			
	21/08	12/11	11/02	05/03	29/04	25/06
CI von Christierson	✓	✓	✓	✓	✓	✓
JG Hopwood	✓	✓	✓	✓	#	✓
DMJ Ncube	✓	✓	✓	#	#	✓
AJ Wright	✓	✓	✓	✓	✓	✓
GM Wilson ¹	N/A	N/A	N/A	N/A	N/A	✓

✓ Indicates attendance # Indicates absence with apology
N/A Indicates not a member at the time

¹ Appointed 1 May 2009.

Safety, Health and Sustainable Development (SHSD) Committee

The Safety, Health and Sustainable Development Committee (formerly known as the Safety, Health, Environment and Community Committee (SHEC)) comprises independent non-executive directors, namely, Messrs DN Murray (chairman), K Ansah, RP Menell, AJ Wright and Ms CA Carolus.

The Group has during the year under review placed an increased emphasis on the non-financial value drivers of the business including but not restricted to stakeholders. The focus includes socio-economic issues such as community and individual development, employment equity, health and safety. As such, the SHSD Committee plays a pivotal role in assisting the Board of Directors in its oversight of the effectiveness of the Group's environmental, health and safety programmes and keeping the Board of Directors informed in regard to the Group's objectives, compliance with and maintenance of standards in these areas. The committee seeks also to minimise health, safety and mining related accidents within the Group, to ensure that the Group's operations are in compliance with all environmental regulations, and has established a Group policy in respect of HIV/Aids and other health matters. This committee has adopted formal terms of reference and is required, in terms thereof, to meet at least twice a year.

The SHSD Committee met on seven occasions during the year under review. The record of attendance by members at such meetings is contained in the table below.

Director	2008			2009			
	31/07	21/08	12/11	11/02	19/03	29/04	24/06
DN Murray	✓	✓	✓	✓	✓	✓	✓
K Ansah	✓	✓	✓	✓	✓	✓	✓
CA Carolus ²	N/A	N/A	N/A	N/A	N/A	N/A	✓
G Marcus	✓	✓	✓	✓	✓	#	✓
RP Menell ¹	N/A	N/A	N/A	✓	#	✓	✓
AJ Wright	✓	✓	✓	✓	✓	✓	✓

✓ Indicates attendance # Indicates absence with apology
N/A Indicates not a member at the time

¹ Appointed 13 November 2008. ² Appointed 1 May 2009.

Capital Projects Control and Review Committee

On 1 May 2009, the Gold Fields Board established a subcommittee with the purpose of satisfying the Board that Gold Fields has used correct and efficient methodologies and has adequate controls in place in respect of new capital projects proposed by management

in excess of R1.5 billion or US\$200 million. This committee will be reviewing such projects from inception to completion and making such recommendations to management as it considers appropriate.

The committee comprises independent non-executive directors, namely, Messrs RP Menell, (chairman), DN Murray, AR Hill (appointed on 21 August 2009), CI von Christierson and Mrs GM Wilson. The committee's first meeting was held on Wednesday, 19 August 2009.

Executive Committee

The Gold Fields Executive Committee (Executive Committee) is not a subcommittee of the Board of Directors, but is primarily responsible for implementing the Board of Directors' mandates. The Executive Committee meets regularly to review Group performance and develops Group strategy and policy proposals for consideration by the Board of Directors.

During the year under review the Executive Committee was reorganised and strengthened to reflect the Group's new regionalisation strategy and expanding global footprint. Each of the four regions is now headed up by an Executive Vice President who is also a member of the Executive Committee.

Details of the members of the Executive Committee appear on pages 18 and 19 of this annual report.

The Executive Committee has been mandated by the Board of Directors to assist in the execution of the Group's disclosure obligations. A series of guidelines on disclosure have been disseminated throughout the Group. 'Disclosure' is an agenda item at each Executive Committee meeting and, in order to facilitate the fulfilment by the committee of this function, a disclosure co-ordinator has been appointed at each operation and in respect of each core discipline throughout the Group.

Each operating subsidiary of the Group has established board of directors and management committee structures designed to ensure that the Group's commitment to sound practices and standards of corporate governance is maintained on a Group-wide basis. The Group's executive director serves on the board of directors of each operating subsidiary of the Group.

SUSTAINABLE DEVELOPMENT

continued

Internal controls

The Board of Directors has established and maintains internal controls and procedures, which are reviewed regularly for effectiveness. These controls and procedures are designed to manage, rather than eliminate, the risk of failure, and provide reasonable, but not absolute, assurance that there is an adequate system of internal control in place.

Internal auditors monitor the operation of the internal control systems and report their findings and recommendations to the Audit Committee, the directors and management. Action is taken to address any deficiencies as and when they are identified. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

Group Code of Ethics

Directors and employees are bound to uphold the core values of honesty, transparency and integrity that underpin the Gold Fields Code of Ethics. Above all, this code requires all directors and employees to maintain the ethical standards set by the Group, *inter alia*, that its representatives conduct themselves with integrity, in accordance with all applicable laws and generally in a manner which is beyond reproach. The code of ethics also articulates the Group's policy with regard to conflicts of interest, confidentiality, fair dealing, and the protection and proper use of Group assets. The code of ethics is available on the Group's website (www.goldfields.co.za) and has been communicated throughout the Group. The code of ethics is also communicated to all new employees.

The Board of Directors is committed to ensuring the consistent application of the code of ethics and is assisted in its responsibility for overseeing compliance therewith by the Audit Committee.

Gold Fields has contracted the services of 'Tip-offs Anonymous', an independent hotline service provider, to facilitate the confidential reporting of code violations, fraud and other inappropriate behaviour. Employees found guilty of ethical breaches are disciplined in accordance with the Group's disciplinary code and, should the breach also be a criminal act, it is the Group's policy to pursue prosecution of the employee concerned.

Insider trading

The Group operates a closed period prior to the publication of its quarterly and year end financial results during which period employees, directors and officers of the Group may not deal in Gold Fields shares. This is also extended to any period when Gold Fields is trading under a cautionary announcement or when employees, directors and officers are in possession of unpublished price sensitive information. The company secretary keeps members of the Board of Directors and employees across the Group informed of all such periods.

GOLD FIELDS' PEOPLE

Central to our approach to Gold Fields' people is the upholding of human rights as they apply to our activities. In this regard, the Group has developed and implemented a human rights policy. This policy covers numerous commitments to human rights which include:

- Upholding the right to freedom of association;
- Upholding the right to not be employed as a child;
- Upholding the right to not be subjected to forced or compulsory labour;
- Upholding the right to fair treatment; and
- Freedom of cultural, political and religious choice.

A copy of our human rights policy statement is available on our website: www.goldfields.co.za.

No material reports of transgressions of our human rights policy have been reported during the period under review.

Employee numbers as at 30 June 2009:

Total employees (excluding contractors)	49,715
Contractors	16,109

Gold Fields has accelerated various strategic imperatives over the last two years and it is fully understood by the Board of Directors and the Executive Committee that quality people will be the foundation for the success of these initiatives. We are continually striving for an environment that encourages innovation, and accepts transformation and development, which will enable our ideals and aspirations.

Human rights

Gold Fields has started to implement the Group's Human Rights Policy and practice guides across all operations, with a view to ensuring compliance and good governance.

South Africa Region

Skills attraction and retention remain a key focus in the South Africa Region.

An increased recruitment drive was launched during November 2008 in an effort to fill vacant positions in the South Africa Region. The most critical positions identified include mechanical and electrical engineers, rock mechanic engineers and Mineral Resources managers.

Employee relations

An employee relations summit, which took place in December 2008, was attended by representatives from Gold Fields and the three recognised unions within Gold Fields. The engagement agenda has now shifted towards safe production management and productivity improvement initiatives.

Furthermore, visible commitment by Gold Fields' senior executives and senior managers to directly communicate with senior leaders of trade unions at national level has been expressly welcomed and encouraged by the trade union leaders.

Performance management

The Group performance management system is a key business goal in areas such as health and safety management and productivity improvement. The BSC methodology is now fully embraced as a Group-wide process for driving performance management and is gaining momentum. Performance ratings from the individual BSCs are utilised in a number of areas such as remuneration, development and talent planning.

Remuneration and benefits

Gold Fields continued to optimise its total reward philosophy, which is an all encompassing philosophy incorporating salary remuneration, market trends as well as short- and long-term incentives. It also focuses on employee well-being with a special initiative called *24-hours in the Life of a Gold Fields*

Employee which addresses accommodation and living conditions, nutrition, health care, safe production, sport and recreation, and learning. It is aimed at attracting and retaining motivated high calibre people aligned with the interests of the business.

This philosophy enhances both employee performance excellence and a culture of meritocracy founded on the principle of extraordinary rewards for extraordinary performance, providing for significant differentiation between high, average and low performers.

Furthermore, we continued to maintain our competitiveness in the labour market by regularly participating in industry market surveys, not only to benchmark remuneration practices but also to keep abreast of industry movements regarding employee benefits and non-financial recognition programmes. Gold Fields is also currently actively involved in an industry task team working on formulating industry standards for remuneration practices based on labour market dynamics.

We have also implemented a true total cost to company structuring for the management group of employees and also for the "Officials" bargaining unit. This structuring is known as the Gross Remuneration Package (GRP) structuring approach. Currently a total of 76 per cent of officials have voluntarily selected the GRP structuring and all employees on Paterson grades D, E, and F-band positions are on the same structuring.

The share plan has been enhanced with appropriate changes to the rules. The Senior Executive Retention Bonus Scheme has been discontinued during the course of the year. It was felt that the initial intention for establishing the scheme was not realised and therefore to continue with the scheme was not in the best interests of the business.

The Gold Fields Limited Corporate Retirement Fund (GFLCRF) has been closed, and two new employer funds (one for South African operations and one for corporate and international operational staff based in South Africa) have been registered within the Alexander Forbes umbrella fund – Alexander Forbes Retirement Fund (Provident Fund) – (AFRF), effective

1 March 2009. The rules of the AFRF are similar to those of the GFLCRF except for the additional investment portfolios which are now available within the AFRF. Because of the nature of the scheme, (i.e. umbrella fund), the administration costs have been reduced and the risks for trustees have been eliminated.

Gold Fields offers a choice of medical aids to its employees, one being an in-house medical aid with highly competitive rates. Gold Fields is actively involved with industry-wide task teams regarding the medical aid and retirement fund industry and influences the agenda in this regard.

Safe Production Management

As a pivotal driver for transformation and change in Gold Fields, human resources has become a strategic partner to the business in ensuring the successful implementation of the Safe Production Management programme (SPM). The architecture of the SPM is founded on five pillars. The first two pillars, namely (1) *Programmes for Safe Production* and (2) *Technical, Engineering and Mine Design* look at traditional approaches to health and safety management, while the remaining three pillars focus directly on people driven outcomes: (3) *Cultures, Values and Beliefs*; (4) *Organisational Structuring*; and (5) *Performance Leadership*.

Human Resources is set to play a critical role in bringing about the necessary conditions to progress from a culture of dependence to one of interdependence; rooted in beliefs and values that create the climate and context required for safe production behaviour by all employees.

Transformation

With regard to the representation of the Historically Disadvantaged South Africans in management (HDSAs), the following progress had been made in comparison to F2008:

HDSA:	F2009 - (F2009 SLP Target: 40 per cent)	F2008
	39 per cent	36 per cent
Women in Mining (WIM):	F2009 - (F2009 SLP Target: 5 per cent)	F2008
	6.2 per cent	5.8 per cent

Although the employment equity progress was somewhat hindered by the economic challenges faced by the operations in F2009, the operations remain on track to meet the 40 per cent HDSA target before the end of the 2009 calendar year.



Human resource initiatives play an important role in the implementation and development of the Safe Production Management programme

SUSTAINABLE DEVELOPMENT

continued

The Gold Fields Business and Leadership Academy (the Academy)

The Gold Fields Business and Leadership Academy continues to spearhead the provision of a full range of human resource development services needed within Gold Fields, to ensure the organisation remains adequately staffed to meet its operational requirements.

The Academy has been operational since F2006 and has recently undergone a review of its service delivery and business model, thereby ensuring it remains fully aligned with the changing demands faced within Gold Fields, particularly in light of the current global economic environment.

The primary objective of the Academy's service to the Group is undergoing continuous change, evolving towards performance improvement facilitation, in addition to its traditional role as a training provider. This means that a greater focus is now being placed on the design and development of learning solutions, which should empower employees with the increased knowledge and ability needed within Gold Fields to achieve its commitment to safe production.

Key delivery areas for the Academy in F2009 included: (i) providing increased support to the South African mining operations in respect of their obligations under the relevant sections of the Social and Labour Plans submitted to Government; (ii) special interventions aligned with the roll-out of Gold Fields' Safe Production Rules, which will drive ongoing safety performance improvement.

Human resource development, as an integrated process, has gained considerable momentum with the launch of Gold Fields' Leadership Development Programme. Our leadership development, together with performance and talent management, are the key drivers of all people management initiatives. A comprehensive approach to leadership development was implemented based on a well researched and designed Gold Fields Leadership Development model and competency framework. The Leadership model and framework was utilised in selecting a group of six full time students and eleven part time students as part of a pilot

International regions – Human Resources

Staff numbers as at 30 June 2009:

	Australia	Ghana	Peru	Exploration
Total employees (excluding contractors)	415	2,436	350	209
Contractors	999	3,208	1,486	22

programme in the South Africa Region. Learning will be based on integrated and adult learning methodologies in association with best in field partners. All learning gained from the design, development and pilot phase will be shared throughout the Group.

Significant focus remained in the areas of bursaries (where 124 have been awarded), learnerships (378) and post graduate trainees (40), closely governed by the relevant discipline development committees through our management review process. One of the important events within the mining learnership provisions area was the successful and smooth transition from the traditional blasting certificate programme to the new era Mining Qualification Authority certification programme.

Talent management

The Discipline Development Committees (DDCs) are now well established, with a key focus on managing the talent in each discipline. The success of these bodies lies in the partnership between the management from the Regional office and the operations. The annual Management Review (Talent Review) outcomes form the basis of talent, succession and development planning. Execution of development initiatives in the form of skills audits, skills analysis and individual development plans (IDPs) are done through the Academy and the on-mine education and training campuses.



As part of the "24 Hours in the Life of a Gold Fields Employee", a housing project was launched near the Driefontein and Kloof gold mines

24 Hours in The Life of a Gold Fields Employee

During the year a comprehensive new programme was launched to facilitate the total well-being of all employees in the South Africa Region. This programme is designed to address all of the needs of an employee throughout the 24-hour cycle of his or her day. Based on the Total Well-being philosophy, the programme includes interventions in the fields of accommodation and living conditions, nutrition, healthcare, sports and recreation, safety, and education and training, as well as the spiritual needs of employees. In each of the focus areas there are comprehensive plans in place to address the need for appropriate facilities and infrastructure as well as management processes to ensure delivery against the needs of employees. The programme is in the process of being adopted for each of the international regions where the roll-out will be completed during F2010.

International Regions

International human resource development

The focal point for the human resource development effort in F2009 was the health, safety and environmental training required to comply with the site specific safety and environmental systems, as well as to support the *"If we cannot mine safely, we will not mine"* initiative launched during the year.

An increased focus on human resource development necessitated the appointment of a dedicated training and development manager to establish a centralised training and development capacity for all of the international regions.

This newly established role is expected to provide leadership in assessing and influencing international training and development initiatives. In addition, a review of the training and development effort and direction within Gold Fields has also started. These reviews should as a whole result in cross pollination and application of the identified best practices across all regions.

Human Resources International Best Practice Framework

The growth of Gold Fields internationally has necessitated the alignment of human resources

best practices across the regions in which we operate. This has resulted in the development and implementation of the Human Resources International Best Practice Framework across the employee work cycle. This includes policies, procedures and clear cut definitions of roles and responsibilities of all stakeholders in the management of people.

International deployment

The globalisation of our workplace has resulted in the need to revisit deployment practices. Policies, guidelines and a comprehensive remuneration model have been developed to facilitate the seamless movement of people to suit business requirements and the transfer of scarce and critical skills.

Human Resources SAP (Information Management System)

The standardisation of human resources information management was prioritised as a strategic initiative across the Group. SAP was chosen as the technology enabler to achieve this. To date SAP HR (Phase 1) has been successfully implemented in Peru, followed by an accelerated implementation in Ghana and Australia. The following modules were part of the phase 1 implementation: Personnel Administration, Organisational Management, Time Recording and Administration, Payroll and Recruitment. The overall intent and focus is standardisation of information management and reporting. This initiative will be implemented for the exploration unit in F2010.

Labour management

In support of delivering operational excellence, renewed focus was placed on labour planning as a critical component of ensuring delivery of the overall strategy. The areas of focus included organisational design, labour cost management (as a percentage of operating costs etc), and labour trends (turnover and retention).

As part of securing our future and to ensure that we have depth and breadth of skills across the business pipeline, succession planning at management and specialist levels has been elevated as a critical priority. To measure and monitor progress against plan, annual reviews

are being conducted to assess internal pipeline succession against external market influences.

Leadership development

Leadership development is seen as the core human resources theme that supports the Gold Fields strategy. A comprehensive programme has been developed to further the growth of identified individuals that are earmarked as leaders of the future. Whilst the programme is already being implemented in the South Africa Region, it is being customised for the International Regions.

Climate survey

A climate survey was conducted in Ghana and Australia to explore the relationships between organisational commitment, productivity and underlying mental models that inform safety based behaviour, and also to understand the underlying assumptions of individuals, the various departments, and contractor groups. The information obtained from the survey assisted each operation to develop interventions to address their specific needs at individual, group and organisational level. Damang mine was subsequently attributed the award of the Chairman's safety shield as a direct outcome of this intervention.

Australasia Region

The global financial crisis has had a major impact on the availability of labour in the Australian mining and resources sector. Numerous large projects have been deferred and several operating mines and processing facilities in the industry have been shut down, resulting in more than 13,000 job losses. The challenges of securing suitably skilled and experienced labour that existed only a few months ago has decreased and unplanned labour turnover has been significantly reduced. All of the Australian operations are in the process of securing the necessary people with the skills and experience required to meet their operational needs.

While the challenges associated with sourcing labour have eased, retaining quality staff remains a high priority. In line with our strategy of 'Growing Our People', additional resources have been added to the human resources team to ensure appropriate training and development

SUSTAINABLE DEVELOPMENT

continued

Number of expats employed in Ghana expressed as a percentage of total permanent workforce:

Total permanent employees

Company	Tarkwa			Damang			Gold Fields Ghana		
	Total Nationals	Expats	%	Total Nationals	Expats	%	Total Nationals	Expats	%
	1,873	45	2.4	410	21	5.1	2,283	66	2.9

strategies are adopted and used effectively to further engage with our staff, providing them with skills and career growth opportunities. Promotion from within remains the key goal for filling the more senior vacancies. Employment and associated benefits are regularly monitored and benchmarked against industry surveys to ensure our total remuneration packages remain competitive.

In line with the Group Initiative, *24 Hours in the Life of a Gold Fields Employee*, pioneered in the South Africa Region, and in recognition of the need for work-life balance, revised hours of work and rosters have been introduced into some sections of the operations. Improvements to village accommodation and associated facilities have also been undertaken at Kambalda and Leinster. The recently completed upgrade of the Kambalda airport has reduced the travelling time for employees and visitors to St Ives. Initiatives focusing on the health and well-being of staff beyond the workplace have continued to be well accepted.

The Australian government introduced new industrial relations legislation effective from 1 July 2009. The new legislation, in part, abolishes the concept of an individual employment agreement between an employer and an employee, and it also introduces opportunities for third party intervention in the management of staff.

The Australian operations have not lost any work time due to industrial action since being acquired by Gold Fields in 2001. This record can be attributed to management's ability to deal directly with staff on all employment and related matters without outside intervention. In order to retain this ability and to avoid some of the negative aspects of the new legislation, an Employee Collective Agreement has been established and endorsed by staff at each location. These agreements will enable the

existing employment relationship to continue for a further five years.

West Africa Region

Skills development, attraction and retention

Skills development, attraction and retention in Ghana remained a major challenge. The focus of training at Tarkwa and Damang has remained on developing employees to their full potential to achieve operational excellence. Future managers and leaders are identified with the view to develop them based on individually identified and measured improvement areas. These individual development plans are linked to career paths and succession plans resulting in appropriate promotional routes. Special attention is given to the principle of promoting from within the company.

A total of 90 students who have completed their studies and are undergoing their national service have been accommodated on our operations. During the national service period these individuals are exposed to the world of work and its required competencies. The organisation also reaps the benefits by assessing and attracting the best candidates for permanent employment. The year has seen the introduction of a tertiary bursary scheme for the children of employees, thus addressing future critical skills needs whilst retaining existing employees. During the year an average of 3.7 per cent of available working hours was spent in a training environment by our employees.

Our total remuneration packages are acknowledged as attractive, fair and highly competitive within Ghana.

Other initiatives put in place to support retention of skills include the introduction of a car loan scheme for official rank employees, where a certain portion of the interest is subsidised by the company, as well as the upgrade of accommodation on the Tarkwa mine site.

Employment equity

In Ghana the replacement of expatriate employees with competent national employees is a key focus area. The key to achieve this goal is through training and development and knowledge transfer. Strategies are in place to identify, develop and accelerate high potential national employees to fill positions traditionally occupied by expatriate employees.

Employee relations

Employees of Gold Fields Ghana enjoy freedom of association and expression with the result that two unions affiliated to the Ghana Mineworkers Union (GMWU) represent employees.

A Collective Bargaining Agreement for the officials category of employees was concluded during August 2008. Collective Bargaining Agreements are negotiated every three years. Negotiations for the Collective Bargaining Agreement for the staff category of employees are ongoing.

In order to promote sound relations and a sense of goodwill the following initiatives were undertaken during the year:

- Gold Fields recognises the right of all its employees to exercise their democratic rights. Appropriate arrangements were made during the December 2008 national elections to enable employees to participate in voting by arranging for polling booths to be placed on company property;
- Interdepartmental sporting events were introduced to improve morale and inter-departmental relations;
- Employees were encouraged to participate in a corporate climate survey to establish the degree of employee engagement and organisational shortcomings. Action plans were established to address these;
- At Damang a meal committee was established to consider appropriate actions required to ensure balanced mid shift meals;
- At Damang, due to excessive dusty road conditions, air conditioned buses were introduced on the bus routes to and from work; and
- At Tarkwa recreational facilities were improved and expanded to provide better opportunities to employees to maintain a balanced and healthy lifestyle.

South America Region

Cerro Corona mine in Peru employs a total of 1,836 people, consisting of 350 Gold Fields employees and the balance employed by various contractors. The single largest contractor employer is Minera San Martin, which employs some 376 people. Minera San Martin carries out all mining activities under the direction of the Gold Fields mining and geology department. All mine planning, excavation, plant deliveries, and construction activities are directly managed by Gold Fields. Other contractors include camp administration and catering, security, and laboratory operations.

In general all plant/metallurgical, environmental, accounting and administration, human resources and community relations activities are executed by Gold Fields personnel. Most of the positions within the organisational structure have been filled.

Gold Fields has a commitment to the local communities to employ as many people as possible from the area, to the degree practicable. This commitment also applies to our contractors.

In the South America Region the approach to employee well-being is guided by the Group-wide philosophy of Total Well-being. Employees benefit from a wide range of employee specific as well as community-wide well-being initiatives which are discussed in more detail on page 73.

The workforce at Cerro Corona is not unionised. Industrial relations are managed through claim policies, internal regulations, and through procedures provided for in Peruvian legislation. Labour relations at Cerro Corona are good and during the year we have experienced no interruptions to production due to labour issues.

In addition to the Gold Fields Code of Ethics, an Ethics Policy that is fully compliant with Peruvian regulations, Sarbanes-Oxley and international labour conventions, has been adopted.

RISK MANAGEMENT

Risk management policy

Gold Fields strives to manage risk effectively in order to protect the company's assets, stakeholders, environment and reputation and to ensure achievement of the business objectives.

The aim is to achieve a fuller understanding of the reward/risk balance and seeks to reduce the likelihood and consequences of adverse effects to acceptable levels and to achieve continual improvement in our management of risk, thereby enhancing the degree of certainty in achieving our objectives.

The new Internet web based Cura electronic risk management software solution was implemented across Gold Fields during the latter part of 2008 and was fully functional by early 2009, with the exception of Cerro Corona where connectivity problems were previously experienced.

Risk registers from all the operations and service divisions have been analysed in the new format.

An auditing function was added to the existing software in order to conduct ongoing internal assurances that mitigating strategies for risks are receiving the required attention. The audits are conducted by an internal controller on each operation.

The Top 10 risks were extracted directly from the new electronic software and presented for each operation and service division during the Executive Committee strategic management planning and review for F2010.

During F2009 a number of new risks were identified and included in the Group risk register for consideration by Gold Fields' Executive Committee and the Audit Committee. These new risks relate primarily to:

- Leadership and management changes within Gold Fields; and
- Significant changes in the global risk landscape such as the credit crisis and the commodity price downturn.

The six major areas reviewed in terms of the risk management policy are outlined below:

1. Health and safety

Safety always comes first and is the first item on the agenda at all meetings. Gold Fields has significantly improved its safety performance during the past year. The slogan, "If we cannot mine safely, we will not mine" has been at the

forefront during F2009. This campaign assisted in contributing to a 55 per cent reduction in fatalities and a 30 per cent improvement in serious injuries this year. Behaviour based safety interventions on all the operations are ongoing and an area of priority.

Each operation in the South Africa Region is implementing a comprehensive strategy to ensure compliance to the 2013 milestones for health and safety which were put in place by the Mine Health and Safety Council (MHSC). Progress towards the achievement of safety and occupational hygiene targets is monitored with report back to senior management on a weekly basis. More recently a project called 4M was introduced in the South Africa Region to formally monitor, by way of monthly meetings and report back, the progress towards the achievement of the MHSC milestones.

2. Financial

Please refer to the financial statements for a detailed report on each financial risk exposure.

The risks remain the same as last year, however the intensity has increased in respect of the action that the Group has taken in an attempt to further mitigate the risk.

Various financial and operational cost cutting initiatives and projects are in place, referred to as Projects 1M to 3M. Project 1M relates to the achievement of an additional one metre of face advance on stoping panels. Project 2M relates to the implementation of new mining and engineering technology. A new department has been established in the South Africa Region to direct and guide the operations in the implementation of new technology. Project 3M relates to a saving initiative in surface utilities such as power, air and water. Operations in the South Africa Region are already geared towards operating at 90 per cent power availability. Further improvements to cut power usage and costs are included in a Group-wide power conservation strategy, which is monitored through the 3M project.

The installation of three additional emergency power generation plants at the West Wits mines at a total cost of R160 million is complete.

SUSTAINABLE DEVELOPMENT

continued

The Group initiated a project to implement a capital management software solution to assist in the management of future projects. Prism, MS Projects and SAP have been selected as the software solution packages. This software is in the process of being implemented at South Deep. The software solution together with good management principles will assist in ensuring that the project is completed on time and within budget.

3. Human resources

The competition for scarce human resources amongst mining companies has abated slightly since the onset of the global credit crisis and the subsequent slowdown in the commodity sector. Despite this Gold Fields still regards the retention of skills as a major risk. Retaining quality, motivated and experienced staff is a huge opportunity for Gold Fields to excel as one of the leading gold producers in the world. Gold Fields strives to keep abreast of the latest best practices in terms of remuneration and retention bonuses to retain its valued and experienced staff.

The expansion and growth policy of Gold Fields will compound the problem and the Group's ability to staff up. During the year the regionalisation strategy was implemented and the necessary management structures were put in place.

4. Political and social

As ore bodies bind mining operations physically to the location, the sector is exposed to unexpected changes in national regulatory requirements, such as the tax regime, the terms of royalty agreements, as well as levy and licence conditions. Such uncertainties can have a material effect on overall profitability and influence investment decisions in certain regions where there is political volatility, a divisive electoral process or a drift towards undemocratic rule. In addition, there are local, national and international campaigns against mining activities and specific forms of mining, all of which have the potential to influence public perceptions of the industry. These could include demands from labour and other social demands. Gold Fields remains particularly conscious of these dynamics and continues to develop relationships and mutually beneficial

partnerships with all levels of government and non-governmental stakeholders in each country of operation. Through the implementation of the AA1000 stakeholder engagement system, community support programmes and its membership in various industry bodies and transparent lobbying at national and international level, the Group further seeks to ensure stakeholder inclusivity and manage stakeholder expectations and increased regulator understanding.

In addition, the Group's South African operations are subject to the mining charter and scorecard which seeks to:

- Promote equitable access to South Africa's Mineral Resources for all people in South Africa;
- Expand opportunities for Historically Disadvantaged South Africans (HDSAs), including women, to enter the mining and minerals industry and to benefit from the extraction and processing of the country's resources;
- Utilise the existing skills base for the empowerment of HDSAs;
- Expand the skills base of HDSAs in order to serve the community;
- Promote employment and the social and economic welfare of mining communities and areas supplying mining labour; and
- Promote beneficiation of South Africa's mineral commodities beyond mining and processing, including the production of consumer goods.

While Gold Fields believes that it has made, and continues to make good progress towards meeting the Mining Charter requirements, any regulatory changes to these, or failure to meet existing targets, as well as the rise of unrealistic social, political and economic demands being placed on the South African mining sector in general, could adversely affect the Group's earnings, assets and cash flow.

5. Environmental

During 2008, a large amount of work was done to comply with the requirements of the International Cyanide Management Code. Initially third party consultants were engaged to direct the process and make recommendations

for Gold Fields to achieve compliance. Having completed the audit process and received a multitude of recommendations for improvements, the physical work started early in 2008. This involved a substantial capital investment. The work involved construction changes at cyanide offloading areas and the re-organisation and re-routing of pipelines at all the gold plants in the Group. Accompanying procedures and standards were also reviewed in order to comply with the new Code.

This effort has resulted in Gold Fields' operations achieving either accreditation, or substantial compliances to the Code during F2009, the detail of which is included on page 81.

The unpredictable consequence of global warming was included in the Gold Fields risk register during this year. Mitigating strategies have been initiated as well as the development of a comprehensive carbon strategy. More information on energy and climate is included under the environmental section on page 78.

6. Risk finance

The Group's insurance programme has been successfully renewed for F2010. Gold Fields continues to insure on a standing charges only (fixed cost) basis of business interruption cover.

Globally the economic meltdown had a negative effect on the international insurance market. Insurance capacity for mining risks has shrunk and a few underwriters have to withdraw from the mining market. Huge losses in their investment income portfolios and a number of catastrophic events during the past two years, forced insurers to increase their insurance rates.

Despite this, due to sound risk management, the premiums remained similar and the underlying deductible structure was unchanged from F2009.

HEALTH AND SAFETY

Safety

On 7 May 2008, Nick Holland, the Chief Executive Officer of Gold Fields, made the statement "If we cannot mine safely, we will not

Operations	Fatality Free Injury Rate				Serious Injury Frequency Rate		Lost Day Injury Frequency Rate	
	F2009		F2008		F2009	F2008	F2009	F2008
	No.	Rate	No.	Rate				
Driefontein	7	0.16	12	0.26	3.02	4.45	4.90	7.02
Kloof	10	0.23	15	0.33	3.31	6.96	6.03	11.05
Beatrix	4	0.13	4	0.13	3.81	2.89	5.19	3.90
South Deep	0	0	12	0.75	2.08	5.25	5.26	16.81
South African Operations	21	0.16	43	0.32	3.22	4.77	5.38	8.85
Ghana	0	0	3	0.14	0.88	0.99	0.31	0.38
Australia	0	0	0	0	0.94	1.39	0	0.26
Peru	0	0	1	0.10	1.41	1.68	0.25	0.96
International Operations	0	0	4	0.12	2.42	2.72	0.33	0.63
Group	21	0.13	47	0.29	2.82	4.03	4.35	7.57

mine." This iconic statement has translated into a vast improvement in safety performance as reflected above.

This signalled a watershed in the Gold Fields approach to safety and was the precursor to a far reaching suite of interventions which, collectively, have resulted in a very significant improvement in the Group's safety performance during F2009.

The Fatal Injury Frequency Rate (FIFR) for the Group improved by 55 per cent to 0.13 per million man hours worked, compared to 0.29 during F2008. Across the board, we have also seen improvements with regard to the Serious Injury Frequency Rates (SIFR) and Lost Day Injury Frequency Rates (LDIFR). The

SIFR improved from 4.03 to 2.82 per million man hours worked. The LDIFR decreased from 7.57 per million man hours worked in F2008, to 4.35 per million man hours worked in F2009. This represents an improvement of 30 per cent and 43 per cent respectively.

In the South Africa Region, the FIFR for F2009 was 0.16, as opposed to the 0.32 recorded during F2008. One million fatality free shifts were recorded at Kloof, South Deep and Beatrix and two million fatality free shifts at Driefontein. Other safety statistics continue with a positive downward trend and an overall improvement was observed in the SIFR from 4.77 to 3.22 per million man hours worked and LDIFR from 8.85 to 5.38 per million man hours worked.

At the international operations, the FIFR for the year remains at zero incidents per million man hours worked. LDIFR decreased from 0.63 in F2008 to 0.33 per million man hours worked in F2009. The SIFR has decreased from 2.72 for F2008 to 2.42 per million man hours worked in F2009.

The improvements can be partly attributed to an increase in hazard reporting across all sites and changes in behaviour, resulting in a decrease in serious incidents for all operations.

A significant initiative embarked upon during the year was the development of the Safe Production Rules for Gold Fields. These rules were developed through a comprehensive analysis of historical serious incidences. The Safe Production Rules seek to reinforce the Gold Fields Health and Safety Policy and to pursue the objective of zero harm. All Gold Fields employees, business partners and stakeholders have a duty to ensure that the Safe Production Rules are constantly applied and remain an integral part of work practices and processes. The statement "If we cannot mine safely, we will not mine", translates into:

- Safety is the number one priority;
- Every employee has the right and responsibility to understand the risks inherent in the task to be performed;
- Every employee has the right and responsibility to withdraw from a dangerous situation;
- Every employee must be provided with the required training, resources and personal protective equipment; and
- Every employee must be provided with the required information to enable the employee to mine safely.

The Safe Production Rules have been integrated into a booklet format and have been printed and distributed to all employees. The Safe Production Rules have also been integrated into our induction processes whereby all employees returning from annual leave, new employees and contractors, are exposed to the Safe Production Rules.

During the year, we commissioned the services of DuPont to undertake a comprehensive



Safe Production Rules campaigns have been launched at all our operations

SUSTAINABLE DEVELOPMENT

continued

review of our safety practices. This review was undertaken on all operations. The objectives of the assessment were threefold, and included:

- Understanding the operations' safety management systems and culture;
- Identifying improvement opportunities; and
- Providing a recommended path to achieve safety improvement objectives.

Included in the assessment was a safety perception survey which was utilised to uncover the internal beliefs and perceptions around safety. The survey covered a third of all employees and took the form of structured interviews.

Each mine in the Group was visited and evaluated against the above and a report specific to the mine and the Group, was provided.

In South Africa, the outcomes of the DuPont assessments resulted in a project termed Safe Production Management, which has already been highlighted under the Gold Fields' People section. This has been started with dedicated resources to ensure that the South Africa Region has the optimal health and safety culture and performance. The project will focus on five pillars for improved health and safety, these being:

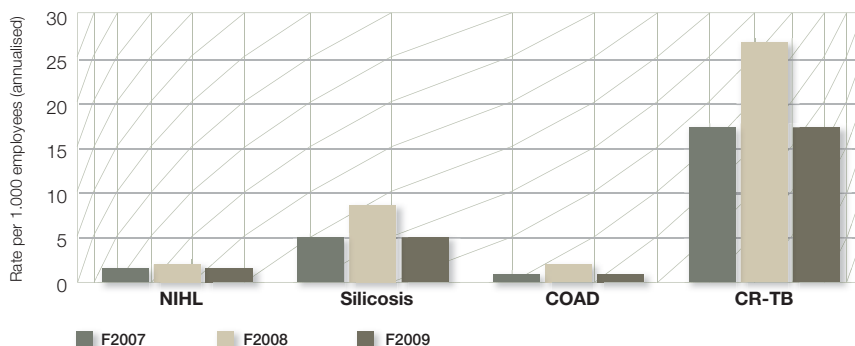
- Programme for safety;
- Technical, engineering and mine design;
- Culture, beliefs and values;
- Organisational structuring; and
- Performance leadership.

As mentioned in our previous report, we deploy OHSAS18001 certifications at our operations, which have been maintained at all certified operations during the year under review.

At the international operations, the DuPont assessment for each mine culminated in action plans to address the opportunities for improvement. A number of initiatives were implemented across all international operations, including the following:

- An Occupational Health and Safety Leadership training programme for all managers and supervisors;
- An increase in leadership visibility through regular workplace inspections and general workplace visits;
- A central incident investigation process incorporating well developed root cause analysis principles;
- A rigorous vehicle and machinery inspection

GFIMSA operations occupational diseases submitted



Breakdown of occupational diseases submitted to MBOD & RMA, F2007 – F2009

NIHL = Noise Induced Hearing Loss

COAD = Chronic Obstructive Airways Disease

CR-TB = Cardiorespiratory Tuberculosis

process prior to purchase and use;

- A central safety database allowing for accurate analysis of incidents and target areas; and
- Site-wide reviews of all risk assessments and a central risk assessment protocol.

During the year the international operations committed to use a single standardised health and safety record database. The Cintellate system was selected as the most appropriate platform. The system was expanded to incorporate health, personal fitness and disease control data. After some short-term testing, this system will be replicated in Ghana and then a Spanish version will be implemented in Peru.

A review of the Gold Fields Full Compliance audit system was carried out during the year and work was done to modify the audit protocol and to fully implement a self audit system for each site.

The international operations have embarked on a training project around cultural safety change and the development of personal values for safe behaviour. Qualified psychologists are employed for the project and initial results are encouraging.

Health care

South Africa Region

Introduction

The past year saw the alignment of all value chain elements of health services under

one leadership team with the integration of occupational health, health services and the Gold Fields Nursing College into Gold Fields Health. In the current context of an increased disease burden, it is envisaged that this realignment will enhance operational efficiencies, improve patient care and, ultimately, create value by positioning health as a strategic partner to achieve the objectives of the business.

The frequency of visits per miner has reduced from 1.73 to 1.15. Sick leave days per employee have stabilised at F2007 levels. The sick leave rate for F2009 was 12 days per employee, compared to 10.7 in F2008 and 12.1 in F2007.

Medical surveillance and occupational diseases

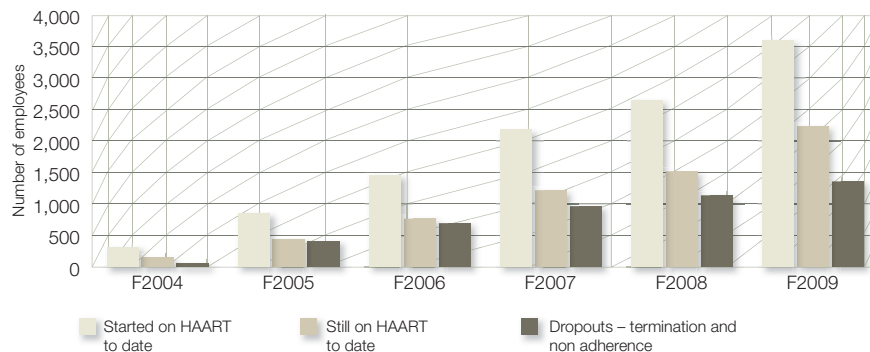
The entire workforce has undergone the required medical surveillance examinations this year. In addition, 16,251 contractor examinations have also been conducted. Lung disease continues to form the majority of submissions for compensation.

Tuberculosis (TB)

In the South Africa Region there has been a reduction in the TB rates for all TB infection types, year on year, and an even greater reduction in the pulmonary TB rate, such that Gold Fields achieved its target of 25 infections per 1,000 employees for pulmonary TB rates for this year. Multi drug resistance (MDR) continues to increase with a total of 68 new cases

High active anti-retroviral treatment (HAART)

HAART Programme actual employees cumulative



The table above depicts the cumulative number of employees on the HAART programme

Chronic disease of lifestyle

Disease risk profile	Of those tested and found positive
HIV+	16%
Diabetic	3%
H/Cholesterolaemia	1%
High blood pressure	40%
Overweight	29%
Obese	20%
Underweight	3%

Risk profiles for health risk assessments, F2009: 30 per cent of Driefontein employees completed a health risk assessment in F2009. This assessment was a pilot project at Driefontein only, which has proved successful and is now being implemented at all South African operations in F2010. Many employees were identified with risk factors for cardiovascular diseases: 40 per cent had high blood pressure, 3 per cent diabetes, while 29 per cent and 20 per cent were overweight or clinically obese, respectively.

reported in F2009, compared to 47 cases for F2008. During F2010 the monitoring of patients receiving TB treatment will be stepped up to limit the emergence of resistance, improve cure rates, and reduce re-infection rates.

HIV/Aids

Approximately 30 per cent of employees in the South Africa Region are HIV positive. This is a significant concern as it negatively impacts on life, safety and productivity. Gold Fields has an extensive and well developed programme to manage all aspects of HIV and AIDS amongst its employees. A central part of this programme is the provision of anti-retroviral treatment (ART) to employees with AIDS. During F2009, 941 new employees started treatment, which

brings the total number of employees on the programme to 2,235. Only 6 per cent of employees enrolled on the programme have been forced to withdraw due to non-adherence to the programme.

The deaths in service due to medical reasons (of which HIV is one) has decreased from 10 per 1,000 in 2006 to 5.61 per 1,000 for F2009, pointing to improvements in the accessibility of healthcare services to more employees. In addition, ill health retirements have increased from 25 per 1,000 in F2008 to 29 per 1,000 in F2009.

Informed, Consent, Voluntary Counselling and Testing (ICVCT) is a core part of the HIV/Aids

programme, and a significant contributor to the prevention of HIV infection. A total of 39 per cent of all employees in the South Africa Region have been tested.

Southern Africa HIV therapeutic vaccine project

Gold Fields has contributed US\$600,000 towards the Southern African HIV Therapeutic Vaccine Project. This collaborative strategic HIV/Aids health initiative is aimed at advancing therapeutic vaccine clinical trials within Southern Africa. The Virax vaccine technology and the related project proposal have been extensively discussed with leading HIV experts in South Africa and are favourably regarded due to the potential for the vaccine to provide an effective early therapeutic intervention, potentially delaying the requirement to start ART by some years.

The research project has received final South African Medicines Control Council approval and the clinical trial commenced in October 2008. The trial involves recruiting 140 HIV positive participants from four well established HIV/Aids clinics across four provinces in South Africa. Progress has been good with the number of participants enrolled rising to 58 as at June 2009.

International Regions

Total well-being

The Total Well-being framework defines well-being as the state of complete physical, social, mental and spiritual well-being and not merely the absence of disease or ill health. Health is the extent to which an individual or group is able to realise aspirations and satisfy needs and to change or cope with the environment. A positive physical, social and emotional state is achieved through a host of different structured approaches, without neglecting a single sphere of well-being.

Because our operations are often in relatively remote settings, a vast number of initiatives across three continents are in place to ensure that Gold Fields employees have access to a host of options to address all spheres of well-being: physical, mental, emotional, spiritual, social, financial, vocational and ecological. Many of the activities cut across the work,

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recreation, sport and social dimensions of employees' lives, thereby attempting to address a healthy work-life balance around the clock.

The common approach followed by the International Regions is based on the following building blocks of the Total Employee Well-being programme:

- Education;
- Awareness;
- Lifestyle improvement programmes; and
- Facilities.

These are supported by:

- Access to primary health care;
- Disease management programmes; and
- Strategic and innovative responses to specific healthcare challenges e.g. HIV/Aids, Malaria.

Following baseline well-being audits of the International Regions, the process of implementing and aligning all work and life sphere activities in support of total employee well-being has begun. Previously fragmented elements are now seen holistically and structures are in place to align and drive the programme at operational level, led by enthusiastic programme coordinators and well-being champions. Support and guidance is provided centrally, where reporting takes place.

West Africa Region

In Ghana, the approach to total employee well-being is to completely integrate all chronic disease programmes into the overall well-being programme, including a renewed focus on malaria. The on-site Primary Health Care services and Employee Care Centres are vitally important in this environment, especially when it comes to the early diagnosis and treatment of infectious diseases such as Malaria.

The HIV/Aids programme for the region, which was modelled on the very successful programme in the South Africa Region, is a benchmark for international best practice and has received international acclaim. The appointed well-being coordinators, programme officers and peer educators promote voluntary counselling and testing at safety meetings and chop houses (food halls). A total of one thousand four hundred and twenty (1,420) employees at Tarkwa (74 per cent) voluntarily re-tested for HIV, and Damang mine re-tested one hundred and eighty seven (187) employees (50 per cent), bringing the total workforce tested to date to 93 per cent. During the last year, 0.5 per cent of

employees tested were found to be HIV positive against a national infection rate of 2.3 per cent for Ghana as a whole.

Tuberculosis is not a major problem at the Ghanaian operations but all employees who undergo pre-employment screening or annual screening are also screened for tuberculosis.

An extensive integrated Malaria control approach has been instituted at both Tarkwa and Damang. Information, education and communication focusing on the risk of malaria, the process of infection, signs and symptoms, and protective measures, have been posted at numerous accessible points on the operations. Early case detection and prompt effective treatment is ongoing at the mine clinics and the ABA hospital. Employees and contractors are encouraged to seek prompt treatment and to comply with the treatment regimen to prevent complicated malaria.

Both Tarkwa and Damang recently undertook Malaria vector identification and susceptibility testing in communities and mine villages to determine the type of chemicals to be used for vector control. A review of the integrated Malaria control programme was conducted in 2009, with recommendations and action plans to further align the Gold Fields programme to the World Health Organisation's Roll Back Malaria programme. Because of a high index of vigilance and an aggressive and prompt treatment regimen, Malaria amongst employees is diagnosed early and treated effectively. Only minor losses of productivity are attributable to the disease as semi-immune workers experience light symptoms and recover quickly.

In terms of physical well-being, a strong football culture exists in Ghana with enthusiastic participation. Employees also have access to a host of other sporting and social activities. Recreation clubs provide a relaxing social venue after a hard day's work. Social clubs and groups are very popular in Ghana. Spiritual, emotional and mental support is strong within communities, where spiritual leaders play an important role. Social events like happy hour, where people engage in indoor games like draughts, ludo, chess and other popular and traditional games, are organised on holidays. Tennis and golf coaches have been employed at Tarkwa and Damang to train employees. Gymnasium facilities have been made available for employees and their dependants on the mine sites as well as at the Accra office. Employees

have started enrolling at the gym and swimming lessons are also ongoing.

Australasia Region

In Australia, the St Ives and Agnew operations have both adopted a strong holistic well-being approach. Levels of awareness and health education are high and actively promoted by top and middle management. A well-being coordinator leads the team at St Ives, whilst a very effective integrated approach is achieved within the safety structures at Agnew mine.

The SafeSpine programme aimed at education and awareness about mobility and manual handling has created new thinking and practice in injury reduction. The programme was originally run as a pilot phase in 2008 at the St Ives mine, in which reduction in sprains and strains was achieved for the maintenance group that attended the programme. SafeSpine has been initiated at all three underground operations at St Ives and will be expanded to the processing and open pit areas. The maintenance phase of the programme continues with 100 per cent compliance of shift crews doing a pre-shift warm up. In addition to this, Agnew mine conducts core strength and flexibility assessments on site, as well as myo-therapy treatment sessions, which provide therapeutic relief without the necessity for leaving the workplace.

The recreational facilities at Kambalda and Leinster both boast excellent facilities for residents and numerous opportunities exist for social and sporting interaction. Local general practitioners provide effective primary health care for the community.

At our Agnew mine, a health assessment facility is to be established on site with links to industry professionals such as dietitians, general practitioners and psychologists in order to provide a comprehensive service to all employees and contractors across the site, with the aim of improving general health.

Gold Fields Australia employees have access to a 24/7 Employee Assistance Programme which provides convenient and confidential access to counsellors and other healthcare professionals. A good culture towards fitness for work is emerging as very few positive drug and alcohol cases resulted from random tests conducted over the past year.

Regional office employees in Perth were invited to participate in a voluntary and confidential health and fitness appraisal. Group reports were

generated which will guide and inform future health and well-being initiatives.

South America Region

At Cerro Corona in Peru, the well-being programme is coordinated through a committee which integrates all aspects of well-being. This multi-disciplinary team addresses issues such as accommodation, sporting events, recreational facilities and activities, access to gymnasium and facilitating spiritual and social needs.

An on-site gymnasium is well attended, where a personal fitness instructor provides physical exercise and nutritional advice. On weekends, spiritual leaders from numerous denominations lead services at the mine site. In their free time, employees have access to the internet and board games such as chess.

The Primary Health Care clinic on site provides 24-hour doctor and nurse service in support of well-being maintenance. Health education and preventative medicine is conducted at this centre. The centre also conducts well-being assessments and monitors employee well-being trends.

Due to a relatively cold and wet climate at high altitude, respiratory diseases feature at the Cerro Corona mine, but are treated promptly and effectively. Preventative measures for altitude sickness are undertaken through physical examinations and observations for all visitors to the site to prevent and treat any cases.

H1N1 and other respiratory diseases: implications for Gold Fields

As a labour intensive global organisation, Gold Fields recognises the threat of acute communicable respiratory disease, including H1N1 (swine flu), avian flu, SARS, etc. With operations around the world, a generic approach has been adopted which integrates with relevant country programmes. Preparedness measures for wide scale acute respiratory epidemics include, but are not limited to the following:

- A watching brief of all major health risks/pandemics;
- Health awareness and up to date information on outbreaks;
- Personal hygiene and community health prevention programmes and drives;
- Scenario planning for absenteeism and review of human resources policies and procedures;
- Health service preparedness plans;
- Access to Primary Health Care, early diagnosis and treatment; and
- Disease monitoring and reporting.

The 2009 H1N1 pandemic has spread worldwide more rapidly than expected. Fortunately the severity of the Influenza A in this "pandemic year" has proved to be of a more moderate nature and is being treated according to usual treatment protocols. South Africa, however, may be hardest hit due to relatively high prevalence of chronic respiratory conditions and immune compromise. Accordingly, a more aggressive preventative, diagnostic and treatment protocol is being adopted to minimise disease consequences and loss of productivity.

ENVIRONMENTAL MANAGEMENT

Supporting our overall Sustainable Development policy and framework, we have developed an environmental policy framework. Supporting the environmental policy, we are developing practice guides that serve as internal guidance for the operations. These practice guides serve to include guidance on:

- Environmental management systems;
- Environmental contract inclusions;
- Climate change;
- Biodiversity;
- Environmental economics; and
- Mine closure.

Being an ISO14001 certified company, the management systems practice guide mirrors the requirements of the ISO14001 standard and contains the requirement for operations to maintain such certification. In the case of new operations, the practice guide provides guidance on how to achieve certification.

In line with our material stewardship and supply chain management policy, we are consolidating the requirements for conformance by our business partners and the environmental contract inclusions practice guide contributes to this process.

During F2009 we started to develop a carbon strategy for the Group. The intention is to consolidate our current practices and to position the company appropriately with regard to this important issue. It is expected that this project will be completed early in the new financial year and that the strategy will be integrated into the climate change practice guide. Further information regarding our response to climate change is provided under the climate change and energy efficiency section of this report.

As the issue of biodiversity is an essential component of our environmental management systems, we are consolidating our approach

into a practice guide. We are fortunate to have considerable expertise in this regard and these experts are actively involved in the development of the document.

We are also piloting an environmental economics system at a specific South African operation, with the intention to develop a standardised approach that can be replicated at the other operations throughout the Group. It is intended that this system will link into various systems such as SAP. On completion of the pilot, an environmental economics practice guide will be developed.

On the closure front, we have a long-standing Sarbanes Oxley compliant protocol for closure provision. This protocol documents the approach to closure, strategic principles to consider, and how to determine the provisioning quantum. The development of this practice guide was relatively simple as we converted our existing procedure into the practice guide format.

All of the above practice guide documents went through an internal review process to ensure that they are appropriate to all operations. This approach also allows us to gain leverage from the substantial expertise in the Group and facilitates a process of knowledge sharing and cross pollination.

Environmental management systems

All of our operations have implemented formal environmental management systems that are ISO14001:2004 (Environmental Management Systems) certified. We are pleased to report that South Deep achieved certification during the year and that Cerro Corona has embarked on the process of certification. During the year, our certified operations have all undergone numerous audits as required by their certifications and we are pleased that all operations have retained their certifications. Our environmental management systems for exploration activities are also ISO14001 certified and certifications for these activities have also been retained.

The exploration offices have also deployed formalised environmental management systems and are ISO14001 certified.

Environmental data

The primary function of Gold Fields Environmental Management System is to generate data for internal management purposes, principal among which are continual improvement, prevention of pollution, achievement of targets set by management, and the maintenance of

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First tree planted by the General Manager of Tarkwa Gold Mine on Environmental Day, 2009

legal compliance. The data presented in the tables below provides a sample of the range of information generated by this system and has been selected for its materiality as well as disclosure in terms of the Global Reporting Initiative (GRI) indicators. All data is based on direct measurement or calculations based on empirical data using generally accepted best practice methodologies. Instances where previous years' data have been restated are highlighted in the table. None of these corrections are deemed to be material.

The data for the underground South African operations will reflect different resource consumption when compared to the open-pit operations in Ghana and Australia. In South Africa, electricity provides the primary source of power required for the transportation of ore from the rock face to the processing plants; in the opencast mines this is done with diesel-powered trucks. Open-pit mines also do not need timber for roof support, as do the South African mines. They do, however, have a greater need for cement, which is an input for the heap leach operations. The other reagents used inside the plant vary in accordance with ore mineralogy.

In F2008, we reported mainly on greenhouse gas emissions (specifically direct CO₂ consumption). We are reviewing our data collection systems and will resume reporting this data between operations. Efforts to normalize the reporting of all disclosed environmental data so as to provide a better overall indication of progress and comparison between operations is ongoing. The tables that follow represent the Group's performance with regard to key consumables (timber is not material within the international operations and Cerro Corona is not included as it is not operated for a full 12 months).

Key consumables:

Timber (tons)	F2009	F2008	F2007	F2006	F2005
Driefontein	34,549	40,864	43,942	43,204	45,100
Kloof	27,286	37,982	37,574	55,735	39,900
Beatrix	28,171	41,659	42,587	43,259	46,100
South Deep	254	n/a	n/a	n/a	n/a

Blasting agents (tons)	F2009	F2008	F2007	F2006	F2005
Driefontein	3,127	1,993	1,400	1,042	1,400
Kloof*	731	2,196	1,160	1,415	1,300
Beatrix	3,035	3,231	5,185	4,607	4,600
South Deep	86	n/d**	n/a	n/a	n/a
Tarkwa	23,884	30,578	29,712	28,556	23,000
Damang	2,970	4,148	3,568	2,044	1,300
St Ives	7,390	6,258	4,256	4,928	4,000
Agnew	588	3,421	3,287	4,130	1,700

*Excludes contractor blasting agents

**Not determined

Hydrochloric acid HCL (tons)	F2009	F2008	F2007	F2006	F2005
Driefontein	1,054	1,238	710	1,967	2,690
Kloof	729	41	433	599	790
Beatrix	673	807	738	692	840
South Deep	93	171	n/a	n/a	n/a
Tarkwa	1,048	1,481	1,267	1,444	1,100
Damang	270	198	173	232	200
St Ives	355	272	236	288	370
Agnew	197	176	192	140	150

Lime (tons)	F2009	F2008	F2007	F2006	F2005
Driefontein	3,718	4,021	5,782	7,580	7,600
Kloof	2,928	4,301	3,589	4,916	9,100
Beatrix	2,831	2,951	3,422	3,033	3,900
South Deep	3,744	3,976	n/a	n/a	n/a
Tarkwa	4,358	4,289	3,537	3,085	2,500
Damang	2,645	2,741	3,251	3,239	3,500
St Ives	15,860	12,894	11,820	9,786	18,300
Agnew	1,635	1,155	1,402	2,042	2,400

Cement (tons)*	F2009	F2008	F2007	F2006	F2005
Driefontein	191	243	458	760	900
Kloof	683	39	44	101	105
Beatrix	166	823	587	762	1,100
South Deep	231	n/d**	n/a	n/a	n/a
Tarkwa	37,147	60,577	67,905	64,507	72,100
Damang	0	0	5	23	13
St Ives	7,925	11,055	8,674	8,386	11,500
Agnew	9,354	4,525	2,255	2,051	2,400

*Reporting methodology has been amended

**Not determined

Caustic soda (tons)	F2009	F2008	F2007	F2006	F2005
Driefontein	452	282	359	592	650
Kloof	293	157	81	176	510
Beatrix	578	624	512	556	530
South Deep	294	337	n/a	n/a	n/a
Tarkwa	809	869	749	619	300
Damang	393	354	336	347	330
St Ives	352	307	330	284	370
Agnew	486	350	274	297	280

Incidents

We continue to report environmental incidents in accordance with our incident reporting system. This system allows for the reporting of incidents from level 1 through 5 which is dictated by the severity of the incident. These levels are defined as:

- Level 1 – incidents of minor non-conformance that result in no or negligible adverse environmental impact;
- Level 2 – incidents that result in short-term, limited and non-ongoing adverse environmental impacts;
- Level 3 – incidents that result in ongoing, but limited environmental impact;
- Level 4 – incidents that result in medium-term environmental impact; and
- Level 5 – incidents that result in long-term environmental impact.

In keeping with the principles of materiality, Gold Fields is reporting level two incidents and above. Level 1 incidents are of a minor and administrative nature only.

The table below reflects the incidents for the reporting period:

Level	F2009	F2008	F2007	F2006	F2005	F2004	F2003
2	181	111	117	71	129	208	144
3	7	10	3	4	3	2	4
4	0	0	0	0	0	0	0
5	0	0	0	0	0	0	0

Unfortunately there were seven level three incidents during the reporting period. The table below provides detail on the nature of the incidents as well as corrective actions taken. It should be noted that there have been zero cyanide related incidents.

Level 3 incidents	Remedial action
High levels of sedimentation in the Mesa de Plata sediment pond at Cerro Corona.	The pond was cleaned out to ensure the correct functioning of the facility. Changes to the design were implemented to ensure ongoing efficiency.
About 600 cubic metres of tailings were spilt south of Letsatsing Village at Driefontein.	Pipe was replaced and regular thickness tests are conducted on all pipes in the mine. The site was cleaned up.
About 800 cubic metres of tailings spilt between a mine workers' hostel and redundant playing grounds at Driefontein.	Pipe was replaced and regular thickness tests are conducted on all pipes in the mine. The site was cleaned up.
300 cubic metres of tailings were spilt along the road to the east of No.1 tailings dam at Driefontein.	Pipe was replaced and regular thickness tests are conducted on all pipes in the mine. The site was cleaned up.
Tailing spillage at No 4 tailings dam (6 station) at Driefontein.	Occurred due to pipe casing corrosion. The pipe was replaced and cleaning operations are underway.
Tailings spill at No 2 tailings dam pipe burst at Driefontein.	Occurred due to valve failure. The faulty valve has been replaced. The tailings spill has been contained and cleaning operations are nearing completion.
Tailings spillage at No 2 tailings dam at Driefontein.	Occurred due to pipe corrosion. The pipe has been replaced and cleaning operations are nearing completion.

At the South African operations, routine water monitoring (including water sampling and bio-monitoring, which are typically done in structures like the bio-monitoring dams shown in the picture overleaf) was performed at strategic areas on different mines to determine

water quality for both surface and underground water throughout the year. Water sampling results conducted to check levels of pollutants in Gold Fields water circuits revealed a trend similar to that of the previous year, which was within the limits set in the current water

permits. Similarly, bio-monitoring conducted to identify any potential environmental impacts to biological species due to mine water discharges indicated that the surface water conditions were able to support the desired level of biodiversity.

Of the four South African operations, only one (Kloof) has been issued with a new water use licence. Driefontein has received a draft water use licence, while the Regulators have indicated that South Deep's draft licence is imminent. Beatrix is in a unique situation in that it has received correspondence from its regulatory authority indicating that it was not necessary to apply for a water use licence. Despite this, a decision was made to proactively apply for a water use licence. Conditions on the licences (i.e. both the final and the draft licences) are more stringent than the previous water permits. Consequently, all operations are changing their systems to be in line with the new licence conditions, including those mines which are still awaiting their water use licences. It is worth mentioning that some conditions will take time (about two years) to implement as they necessitate physical changes in various mine engineering controls. During the year, Gold Fields developed and implemented a comprehensive new water strategy, utilising the best available technologies and proven best practices, to ensure that all water in all of the applicable water circuits complies with the national drinking water standards, and to ensure that water leaving Gold Fields' properties has no adverse impact on people or the environment.

In terms of issues related to water quality in the Wonderfontein spruit (WFS), Gold Fields has continued, during the year, to engage proactively with all stakeholders in the community of the WFS Catchment Area, and played a leading role in the numerous public bodies and processes related to the WFS.

As previously reported, Gold Fields established the Wonderfontein Action Group (WAG), which comprised *inter alia*, the gold mines in the area, the regulators, academic institutions and representatives of the community. The WAG had three stated objectives, these being to:

- Sample the sediment in the WFS so as to determine the spatial extent of any elevated heavy metals;
- Pilot a water monitoring methodology that would be open and transparent and available on a "real time" basis to all stakeholders; and
- Help re-establish the Water Management Forums in the catchment area.

To date all three objectives have been met. The approach to water monitoring was successful and now needs to be rolled out in the catchment area. Furthermore, in order to ensure the

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continuation of the processes initiated by the WAG and to further increase the level of objectivity, it was decided to incorporate the function into the Water Management Forums in the form of a Mining Interest Group (MIG). This group, which currently includes other mining companies in the area, is a subset of the larger Forum and is functioning well and has remained involved with the issues at hand. In a parallel process of contributing towards finding an acceptable and practicable solution for the WFS, the Regulators have recently formed the Steering Committee for Remediation of Mining Related Radioactive Contamination (SCRMRRRC) that will be looking at radioactive contamination of water in the whole of South Africa. The Wonderfontein spruit Catchment Area Technical Working Group was formed under the auspices of the SCRMRRRC to look specifically at the WFS catchment area. This technical working group is characterised by representation from the mining industry as well as the surrounding communities.

The issue of total dissolved solids (TDS) exceeding licence conditions at the tailings storage facility at Agnew was disclosed in our previous annual report. The focus with regard to this issue has been to rehabilitate the tailings storage facility as it is no longer in use. We have also launched an extensive investigation to better understand the source of the elevation of the TDS.

At Cerro Corona, we have assigned costs to closure actions with regard to water management. As part and parcel of our operations, we continue to refine our understanding of the mineralogy of the gold bearing deposit. This is achieved through a very comprehensive sampling and leach testing programme that seeks to ensure that we deal with sulphide bearing material appropriately and that closure actions are designed accordingly. The deposit does contain material that has the potential to be acid generating, which explains the implementation of this comprehensive and proactive programme. Overseeing this entire process, we have procured the services of internationally recognised experts to serve on a review board that provides us with independent insight and review of all of our actions with regard to tailings material and waste rock.

At Tarkwa, grade control drilling has indicated the presence of sulphuric material in one of our pits. We have designed a sampling programme, which integrates with our usual grade control drilling and seeks to ensure that we understand the extent of the sulphuric material and that the necessary actions are put in place to handle the material responsibly. Fortunately, the presence of such material is uncharacteristic at our Ghanaian operations.



Bio-monitoring dams at Kloof, which is typical of Gold Fields' responsible water management programme

Total water withdrawn from local sources (m³)	F2009	F2008	F2007	F2006	F2005
Driefontein	17,370,067	14,720,540	16,416,000	17,450,000	18,200,000
Kloof	20,847,990	20,671,000	20,799,974	23,862,289	25,500,000
Beatrix	11,937,000	11,232,000	16,912,192	13,204,645	15,100,000
South Deep ¹	4,477	5,027	n/a	n/a	n/a
Tarkwa	4,527,850	7,941,690	5,596,000	2,539,527	5,200,000
Damang	476,742	547,910	594,376	673,439	800,000
St Ives	12,272,576	14,197,081	3,941,007	3,213,848	3,600,000
Agnew	242,705	246,700	192,612	2,128,000	2,100,000

¹ Different reporting methodology used by previous owner, and therefore not reported in years prior to F2008. Cerro Corona not included as it has not operated for a full 12 month period.

Energy and climate change

The implementation of the first phase of the Beatrix methane extraction project was temporarily suspended and a decision was made to first establish market interest and then to negotiate an offtake agreement prior to any further expenditure. Tenders were requested and a total of 22 offers received. Many of the offers extended well beyond the 2012 closure of the Kyoto Protocol and some extended to 2020. These tenders have been reviewed and the top three tenders selected. Negotiations to establish a draft termsheet were completed during July 2009.

At Kloof, a project design document (PDD) explaining the energy savings associated with the implementation of hard ice cooling replacing conventional cold water cooling systems at 3 shaft was completed with a calculated potential energy saving equivalent to an estimated 55,000 Certified Emission Reduction (CER) credits. The validation of the PDD is scheduled for early F2010. Two Project



Solar power used at St Ives Gold Mine in Australia

Initiation Notes (PIN) dealing with Voluntary Emission Reduction (VER) credits were prepared and submitted to TFS brokers in the United Kingdom to test the market. Response has been slow as the VER market has slowed down significantly as a result of the economic downturn. Additional projects identified include Project Ethos, energy savings associated with reduced waste rock hoisted and energy recovery and electricity generation as part of the Uranium Project associated with the sulphur roasting part of the project. Exclusivity agreements to further develop these potential projects are under review.

The National Business Initiative's (NBI) Carbon Disclosure Project aims to act as an intermediary between large corporations and shareholders on all climate change related issues and requires us to update our submissions by end of May of each year. Our May 2008 submission was well received and we were ranked second in the carbon intensive sector by the NBI.

As part of our carbon footprint determinations, we have compared calendar years 2007 and 2008 on a like for like basis. This assessment uncovered the fact that our energy savings measures are bearing fruit with the total emissions reducing by some 290,000 tons year on year, which equates to a 4.5 per cent reduction.

Following the completion of the determination of our carbon footprint this year, we procured the services of an external service provider with expertise on the issue of climate change to assist us in the development of a carbon strategy. This work has commenced and will be completed early in the new financial year.

Beatrix Gold Mine has the highest methane emission rate of any gold mine in South Africa. Methane is a potent greenhouse gas of which the contribution to global warming and climate change is 21 times higher than that of carbon dioxide. To mitigate its global warming impact, a carbon credit project under the Clean Development Mechanism (CDM) of the Kyoto Protocol has been registered to capture and destroy the methane emissions from the Beatrix mine.

The methane will be captured at source and piped to surface along an extraction column. During phase one of the project the methane will be flared and, during a second phase, electricity will be generated by using reciprocating gas engines which will generate approximately 4MW of electrical power and which will be made available for use by the mine. Carbon credits will be earned for both the destruction of the methane gas as well as for the production of electricity.

This project has a number of benefits for the mine, being the mitigation of the global warming impact as well as the removal of approximately 49% of the total volume of methane gas from the general body of the air, thus reducing the methane related risk in the mine. There is

furthermore a potential benefit in that the mine will generate an income through the trading of carbon credits whilst reducing its carbon footprint by approximately 25%. It will also assist in alleviating the energy shortage experienced within South Africa. This is the first project of its nature in the mining industry in South Africa.

At the international operations, we have integrated all aspects of climate change into our strategic planning exercise as well as into our Resources and Reserves Review that takes place on an annual basis. Furthermore, the issue of climate change is a fundamental consideration within our strategic management system that we have implemented for sustainable development.

For the Australasia Region, we continue to submit the required information to the Australian Greenhouse Office. We also submitted our initial public and government reports in accordance with the Energy Efficiency Opportunities Act. The programme is targeted at organisations using in excess of 0.5PJ of energy per annum and works to encourage the implementation of efficiency measures. Our December 2008 submission identified a total of 96 projects, representing savings of some 96,000GJ or 8.8 per cent of total energy usage. Specifically considering F2009, between the St Ives and Agnew mine sites, a total of 21 of these projects were considered, with an overall implementation capital cost of A\$8.3 million and an annual payback of A\$1.8 million.

The progress on energy efficiency projects has been greatly assisted by the appointment of energy officers at both St Ives and Agnew, which has leveraged off the existing continuous improvement systems.

A large focus in Australia has been the release of draft legislation for the Carbon Pollution Reduction Scheme (CPRS) in May 2009. This legislation is now planned to commence 1 July 2011. The CPRS is currently designed as a Cap and Trade scheme, whereby a carbon permit will be required for each tonne of CO₂ equivalent emitted, with the price fixed in the first year at \$A10/tonne CO₂, after which the cap is lifted to \$A40/tonne CO₂. Gold Fields Australia has formed part of a gold industry

collective, constituting approximately 80 per cent of Australia's gold production, which submitted an application to the government to be included as one of the industries to obtain a proportion of free carbon permits under the scheme. Free carbon credits can be issued if the industry complies with certain requirements under the scheme.

The CPRS scheme will allow the import of certain carbon units. This allows us to look to the global platform on which we operate for opportunities.

Renewable energy options to supplement gas fired power were also progressed for the Australian operations, with a wind resource survey to be commissioned on Lake Lefroy at St Ives and solar power options covering the TSF2 area progressed at Agnew. We intend to make use of recently announced government incentive programmes to assist progression of these projects.

In Ghana, a South African based company, Powertech IST Otakon, completed energy efficiency workshops and project evaluations for the Tarkwa and Damang operations during January 2009. The resultant report for the Tarkwa mine contains a total of 23 projects, of which 10 are viable based on initial estimates. These projects account for predicted annual savings of 32,500GJ. Final reports for the Damang mine are expected in early F2010. In addition to this, the option of using locally produced biodiesel, mixed with standard diesel and back-up power supply options for the Tarkwa CIL plant, are being evaluated. Longer-term gas fired power options, possibly through a gold industry consortium, will be explored further in F2010.

Energy saving requirements and alternative technologies are also included in the current fuel and lubricants tender process that covers both the Australian and Ghanaian operations.

The following tables report the Group's performance with respect to energy consumption.



Alien vegetation eradication project at Kloof Gold Mine

SUSTAINABLE DEVELOPMENT

continued

Energy consumption

CO ₂ Emissions*	F2009	F2008	F2007	F2006	F2005
Driefontein	1,430,226	1,504,457	1,667,846	1,668,806	1,630,536
Kloof	1,414,382	1,527,282	1,590,582	1,644,755	1,539,977
Beatrix**	759,494	798,207	820,304	811,311	831,701
South Deep	449,659	473,419	n/a	n/a	n/a
Tarkwa	194,308	192,340	155,525	130,665	110,594
Damang	54,361	78,492	96,212	55,988	39,240
St Ives	256,598	240,472	224,364	207,591	187,754
Agnew	56,463	58,166	71,405	67,913	59,401

The South African operations' reporting methodology has been aligned with international best practice.

**The coal usage at Beatrix was 15,087 tons compared to 16,572 tons in F2008 and has been included in the CO₂ calculations above.

Electricity (MWh)	F2009	F2008	F2007	F2006	F2005
Driefontein	1,641,441	1,727,046	1,904,075	1,910,100	1,874,000
Kloof	1,623,314	1,751,495	1,833,957	1,887,032	1,766,000
Beatrix	848,034	889,657	863,460	931,533	953,000
South Deep	511,355	540,583*	n/a	n/a	n/a
Tarkwa	250,270	214,306	200,282	202,641	163,000
Damang	105,206	89,628	87,606	107,006	108,000
St Ives	188,899	191,369	192,248	187,037	148,000
Agnew	52,604	54,379	51,472	48,121	46,000

*South Deep's electricity consumption for F2008 has been adjusted to reflect the alignment of South Deep's reporting standard with the Group's reporting standard

Electricity (TJ)	F2009	F2008	F2007	F2006	F2005
Driefontein	5,909	6,217	6,854	6,876	6,740
Kloof	5,844	6,305	6,602	6,793	6,360
Beatrix	3,063	3,202	3,108	3,353	3,430
South Deep	1,863	2,345	n/a	n/a	n/a
Tarkwa	901	766	721	729	590
Damang	379	317	315	385	380
St Ives	680	688	696	672	530
Agnew	189	196	185	173	160

Diesel (TJ)	F2009	F2008	F2007	F2006	F2005
Driefontein	87	86	85	160	66
Kloof	88	109	90	110	113
Beatrix	50	58	58	44	66
South Deep	82	61	n/a	n/a	n/a
Tarkwa	2,319	2,331	1,855	1,519	1,300
Damang	582	913	1,166	583	370
St Ives	1,297	1,043	811	654	825
Agnew	159	152	367	361	271

Petrol (TJ)	F2009	F2008	F2007	F2006	F2005
Driefontein	6.2	8	10.65	9.42	10.2
Kloof	4.9	7	5.35	5.45	4.8
Beatrix	4.8	5	5.82	5.43	7.3
South Deep	2.5	2.5	n/a	n/a	n/a
Tarkwa	1	1	0.6	0.5	0.7
Damang	–	–	–	–	–
St Ives	5.8	5.4	3.0	4.0	3.6
Agnew	0.1	0.1	0.25	0.35	0.3

Liquid Petroleum Gas (TJ)	F2009	F2008	F2007	F2006	F2005
Driefontein	6.0	3.7	5.85	4.2	3.87
Kloof	2.3	3.1	3.0	3.2	2.4
Beatrix	–	–	–	–	–
South Deep	0.9	–	n/a	n/a	n/a
Tarkwa	4.0	4.7	3.8	6.1	5.1
Damang	76.5	89.7	57	80.3	112
St Ives	16.3	40	33	39.1	37.6
Agnew	12.2	19.4	21.6	21.7	15.5



Near mine exploration aims to increase the life of an operation and adheres to strict environmental protocol

Land management and biodiversity

The South African operations are represented on the South African Mining and Biodiversity Forum (SAMBF). The SAMBF was established in 2005 to provide a platform for cross-sectoral interaction and co-operation in order to improve biodiversity conservation and management in the mining sector. A review status report on biodiversity management that was recently published, identified the need for a guideline document specific to the South African mining sector. The SAMBF has compiled draft guidelines incorporating local biodiversity information and best practices specific to South Africa. During the year the operations have focused on biodiversity assessments around sensitive areas which included caves and sinkholes.

In our last annual report we provided an overview of the Leadership for Conservation in Africa (LCA). The initiative, of which Gold Fields was the founding sponsor, seeks to pursue socio-economic development through conservation on the African continent. Ghana is very active within the LCA and considering our footprint in the country, we are actively supporting conservation bodies within the country. In partnership with the Ghanaian government, we are leading a potential project on the Cape coast of Ghana that will contribute to the conservation of biodiversity and socio-economic benefits to local communities.

Waste management:

Tailings to dams (tons)	F2009	F2008	F2007	F2006	F2005
Driefontein	3,474,719	3,839,620	9,779,083	6,592,996	6,534,000
Kloof	2,753,429	3,485,680	3,710,101	3,681,623	5,128,000
Beatrix	2,991,200	3,212,600	3,590,000	3,540,324	4,118,000
South Deep	1,398,005	5,212,090	n/a	n/a	n/a
Tarkwa	5,006,738	4,979,019	5,230,888	4,686,966	3,190,000
Damang	4,083,312	3,695,229	5,269,310	5,327,955	5,215,000
St Ives	4,821,330	4,647,818	4,669,446	4,567,611	3,753,000
Agnew	2,849,747	2,851,660	3,226,978	3,161,159	1,170,000

Waste rock to rock dumps (tons)	F2009	F2008	F2007	F2006	F2005
Driefontein	264,568	464,996	559,946	319,783	385,000
Kloof	921,604	1,101,623	1,120,821	473,371	625,000
Beatrix	597,714	1,091,543	934,439	731,738	722,000
South Deep	0	105,447	n/a	n/a	n/a
Tarkwa	56,119,157	89,096,834	82,168,348	74,353,234	61,666,000
Damang	15,057,505	29,433,351	28,109,727	21,427,370	9,050,000
St Ives	9,075,024	12,323,842	5,210,789	17,028,304	20,360,000
Agnew	153,416	425,609	18,234,119	14,254,210	2,060,000

Cerro Corona not included as it has not operated for a full 12 month period.

Cyanide Management Code status

Region	Operation	Certification status
South Africa	Driefontein	Substantial compliance 8 April 2009
	Kloof	Substantial compliance 30 July 2009
	Beatrix	Full compliance 21 July 2009
	South Deep	Full compliance 1 April 2009
West Africa	Tarkwa	Full compliance 4 June 2008
	Damang	Full compliance 8 May 2008
Australia	St Ives	Full compliance 5 August 2009
	Agnew	Substantial compliance 3 June 2009, full compliance expected by end September 2009

Suppliers		
	Orica and Barbex Technical Services Limited	16 November 2007
Ghana		
Australia	Australian Gold Reagents Pty Limited	Certified 9 October 2007
South Africa	Sasol	8 March 2007

Closure

As per our requirements in the closure practice guide, we have again reviewed our closure costs for all Regions. These costs are reflected in the table below:

Closure provision	2009	2008
Driefontein	R604 million	R514 million
Kloof	R458 million	R391 million
Beatrix	R276 million	R226 million
South Deep	R171 million	R155 million
Tarkwa	US\$40 million	US\$30 million
Damang	US\$6 million	US\$5 million
St Ives	A\$74 million	A\$73 million
Agnew	A\$18 million	A\$18 million
Cerro Corona	US\$36 million	US\$34 million

These costs are before accounting adjustments, which include compounding and discounting the above amounts at appropriate rates. As at 30 June 2009, the accounting value was R2,267.9 million.

As mentioned previously, in accordance with our environmental framework, we are in the process of developing a biodiversity practice guide that aims to provide the operations with practical guidance with regard to the management of biodiversity. This practice guide has been drafted and is currently subject to internal review.

Waste management

Waste management remains an area of focus in our environmental management systems. We have protocols in place to ensure that waste is dealt with effectively and responsibly and that recycling opportunities are realised and maximised. Our environmental management systems require that any employee that may impact on the environment by virtue of their activities, undergo the necessary training. Our systems utilise two forms of training, these being awareness and competence training. The requirement for awareness training is satisfied through our induction programmes where employees returning from annual leave, new employees, and contractors, are exposed to varying levels of environmental training. Competency training is more specific and requires detailed training for specific tasks. Records are kept of all environmental training. Relevant employees are required to undergo training as to the requirements of the waste protocols to ensure that all waste is handled responsibly and disposed of in accordance with procedural arrangements. Such protocols typically include potentially hazardous waste, domestic waste and recyclable waste.

The greatest stream of waste from our operations is tailings material. Intensive systems have been implemented for tailings management and have been integrated into the environmental management systems and therefore tailings facilities are covered by our ISO14001 certifications and procedural arrangements where applicable, with the prime intent of managing any associated potential impacts. Furthermore, our tailings facilities are governed under our commitment to the Cyanide Code and as such are integrated into our environmental management systems. Generally, tailings management can be broken down into three areas. These are:

- Tailings delivery – procedures are in place to ensure daily inspection of all tailings delivery infrastructure to ensure that any failures are detected immediately and rectified before any significant environmental impact can occur.

SUSTAINABLE DEVELOPMENT

continued

Associated with this is the necessary spillage infrastructure. Under the requirements of the Cyanide Code, further fortifications have been made to all our installations;

- **Tailings impoundment** – here the issues of primary concern are tailings stability, dust management and water containment. A host of actions are deployed to manage these impacts, including the concurrent rehabilitation of tailings facilities to alleviate any potential impacts associated with aesthetics or dust, extensive monitoring networks that are reviewed externally by professional engineers to ensure the integrity of the structures, the use of numerous types of drainage facilities to contain water on site, extensive monitoring systems to ensure adherence to Cyanide Code requirements, committees established to oversee and monitor management of the sites, geohydrological studies to determine whether any potential for contamination exists and regular reporting to the Safety, Health and Sustainable Development Committee on the status of the management of the facilities; and
- **Water return** – our tailings structures are equipped with return water facilities to ensure that water on the structures is contained in a closed circuit and returned to the gold processing plants for re-use. Return water facilities conform to best practice and Cyanide Code requirements and also provide buffering capacity for large rainfall events. Pipelines conveying return water to the processing facilities are inspected regularly and also have the necessary spillage containment structures. Water balances are utilised to manage the process.

Governing all of the above are the necessary procedures required in terms of our ISO14001 certification.

At Cerro Corona, we have implemented an advisory committee consisting of external experts to review all aspects of tailings dam construction and management. This committee was created to ensure best practice and to provide insight into leading practice from around the globe. Activities that are reviewed by this advisory committee range from construction to tailings placement to water quality and quantity.

Cyanide management

Gold Fields remains committed to the International Cyanide Management Code. Beatrix and South Deep have been certified with

full compliance, while Driefontein and Kloof are substantially compliant. Plans are also in place to upgrade Driefontein and Kloof.

Tarkwa and Damang have been certified with full compliance to the code and this has been maintained. In accordance with the audit protocol, St Ives and Agnew have progressed initiatives to upgrade their certification from substantially compliant to full compliance and are preparing for an audit on their commitments in the coming financial year.

The Tarkwa closure provision has increased due to a higher footprint through the construction of the CIL plant, increase in the heap leach footprint, increase in tailings storage footprint and an increase due to pit shell design associated with a higher price, which increases the amount of pit and waste rock rehabilitation. The Damang provision has increased due to the commencement of mining at the Rex pit. The St Ives provision has increased as a result of inflation, but there is a relative decrease as a result of concurrent rehabilitation that was undertaken during the year. The Cerro Corona provision also increased in line with inflation as the design criteria have not changed nor has the footprint of the mine.

Fines and legal actions

During F2009, no significant fines or non-compliance actions were levelled against the company.

MATERIAL STEWARDSHIP AND SUPPLY CHAIN MANAGEMENT

During the first half of financial year 2009 and in alignment with the new Group Sustainable Development Framework, a Group policy was

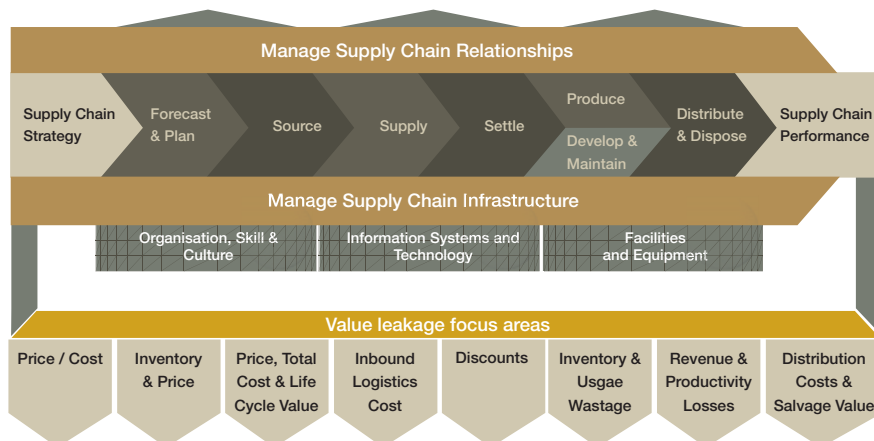
developed and approved by the Board of Directors for material stewardship and supply chain management.

The overall philosophy in our dealings with external business partners and vendors is governed by the Gold Fields Group ethics policy and approval framework, which provides a common set of corporate governance guidelines.

The vision and intent of the integrated supply chain and material stewardship policy is, *inter alia*, to:

- Encourage business partners and vendors to adopt sustainable development practices;
- Source, store, utilise and dispose of materials in a manner that is responsible with due regard to environmental, social, health and safety considerations; and
- Support local economies, suppliers and community development.

Continuous cost, quality and vendor performance improvement initiatives for F2009 delivered very good results from a high inflation claw-back perspective. Total cumulative contracted benefits for the financial year achieved more than R100 million (South Africa) and US\$20 million (international) contracted pricing claw-back benefits from the record high peak prices recorded at the end of 2008. The main benefit is that the pricing baselines have been re-set to reflect the global economic downturn and have not been fixed at the high end. The total cost and inflation claw-back strategy of this last year will shift more clearly during the next year towards a strong focus on enhanced productivity and efficiency management.



Although existing practice dictates that formal contracts cover key compliance, quality and commercial requirements and terms, moving forward it is important that more clarity and a shared understanding on risk exposures and 'green procurement' requirements is achieved and that an objective measurement model is refined to be able to evaluate status and guide priority focus in this space.

Continued local supplier/vendor/community development has shown good progress to date in areas like grinding media, general consumables and services in Ghana and in Peru. South Africa continued achieving required BEE procurement targets and Australia has consistently been largely locally supported and aligned.

For South Africa our policy objective is to identify and approve Historically Disadvantaged South African (HDSA) suppliers, increase the level of spend to previously disadvantaged individuals and to increase business opportunities and set targets for HDSA procurement spend. When application is made for registration on our database we evaluate the following criteria: ownership, black empowerment status, and size of enterprise relating to turnover and staff. Should an HDSA vendor not qualify as a result of safety, quality or service, Gold Fields will, at its discretion, support and develop the supplier to be able to meet our criteria as set out in the Gold Fields Policies and Procedures.

By the end of financial year 2009, South African HDSA spend accounted for R2.32 billion (42 per cent) of working cost and capital spend. We have increased our HDSA vendor data base from 558 vendors in F2008 to 639 vendors in F2009. In addition we have introduced more advanced training courses this year. They include an improved entrepreneurship, Excel and Word training and finance for small and BEE entrepreneurs and suppliers.

In Ghana, local supply strategic partnerships have been further developed in the area of grinding ball manufacturing and supply. A new exploration drilling and extended haulage local partnership has also been established. Apart from the on-site Tarkwa tyre retread facility that was commissioned during F2008, an on-site emulsion plant was also commissioned through a joint venture towards the end of F2008 as part of a new long-term guaranteed supply

of emulsion and logistics cost optimisation plan. Damang continued with local and community support with regard to general consumables purchasing and scrap sales.

In Peru, the major source of semi-skilled labour (and sometimes skilled labour) and service provision is through "Direct Influence Area" companies. This is an initiative designed to ensure benefit for the local communities and economy throughout the development of the mine and continuing through the operational phase of the mine. During the year significant spend support was invested into 62 local and community companies providing services to the mine in three main categories: heavy equipment, light vehicle trucks and general services. Part of this strategy requires training for the local companies to ensure that the companies optimise, and to provide a better understanding of quality and client satisfaction concepts.

In Australia, local supply partnerships and continuous improvement initiatives with mining contractors received priority focus with good cost savings and quality mining results and benefits flowing through. Major investments were also made in the new Kambalda airport and upgrades in accommodation across Kambalda and Leinster townships.

In terms of the issue of the lifecycle analysis of gold, fortunately, gold is a highly beneficial product to society in that it remains one of the main drivers of the global economy. The other important use of gold is for jewellery. Gold is not a harmful product and is actually used in medicinal applications for combating cancer. Gold also has numerous applications in environmental technology where it is used in water treatment and more recently, is being investigated for use in catalytic converters for the combating of harmful emissions from vehicles. Gold is benign to human health and in some cultures, gold is even eaten or is used for decorations on food. As a result, our focus remains on the production of gold from exploration to final product, in a manner that is responsible and sustainable.

We also take the concept of stewardship further than just our product and hence we refer to materials stewardship within our policy frameworks. The rationale behind this is that as part of normal operations, we do procure large quantities of materials as well as dispose of

waste materials. In this regard, our ISO14001 and OHSAS18001 management systems come into play and govern any materials brought onto site and ensure that they are managed and handled responsibly. Measures put in place for this include transporting contracts, offloading procedures, storage procedures and facility requirements, emergency preparedness and response and disposal. The disposal of materials is governed primarily by our ISO14001 systems that incorporates waste management procedures. These procedures deal with all types of waste as well as the training of relevant personnel to ensure that such procedures are deployed correctly. In terms of disposing of any potentially hazardous materials, where possible we recycle materials such as hydrocarbons, old chemical containers and the like. Where no recycling method exists, we dispose of potentially hazardous materials to companies specialising in the safe disposal of such materials and we retain safe disposal certificates. Some materials such as screenings obtained from water treatment plants are required to be incinerated and procedures are in place to ensure that incineration is undertaken responsibly and in accordance with relevant regulations. All of the above is subject to regular audits undertaken by external auditors as part of our usual certification audits for ISO14001 and OHSAS18001.

SOCIAL RESPONSIBILITY AND STAKEHOLDER ENGAGEMENT

South Africa Region

At Gold Fields, we believe that people are our business. This belief is central to our *24 Hours in the Life of a Gold Fields Employee* Programme (24 Hours Programme); our holistic approach to the promotion of work-life balance.



South Deep Mine fully upgraded and refurbished the library at Modderfontein Primary School. A computer centre was established at the library in conjunction with the Department of Social & Labour

SUSTAINABLE DEVELOPMENT

continued

Key aspects of this programme include the promotion of safety, learning opportunities, balanced nutrition, improved accommodation, health, sport and recreation. These ingredients underpin our Social and Labour Plans, which makes our approach a sensible way of conducting our business rather than a matter of compliance to regulatory requirements.

During the past year, learning opportunities were granted to employees and members of local mining and labour sending communities. These included the provision of bursaries, study grants and loans as well as learnerships and internships. Our programme of providing decent living conditions gained momentum in F2009 with the completion of 181 family homes at integrated communities of Blybank and Glenharvie on the West Rand. At the same time, renovations of hostel rooms are underway and will result in employees living in single sex hostels being accommodated in better facilities



Grade 12 maths and science learners from four local schools that attend Saturday classes financed by Kloof Gold Mine

with more privacy. In F2009, 421 units were completed as part of this upgrade programme. As part of the 24 Hours Programme, employees are able to fulfil their spiritual and recreational needs through a variety of activities run at churches and other social amenities available at the operations. Employees at all our operations receive well-balanced meals that are prepared in accordance with acceptable national and international standards.

Our commitment to people was further demonstrated through our procurement programme. During F2009 we increased the number of HDSA vendors from 558 in the previous reporting period to 639 this year. In the same period, HDSA vendors accounted for 44 per cent of the procurement spend by Driefontein, Kloof and Beatrix. These mining operations worked in partnership with local

municipalities to identify and build capacity among SMMEs from local mining communities. By the end of the financial year, 95 SMMEs received training from the Thusanang Training Centre based at Driefontein Gold Mine.

We are firmly committed to living our values and will pursue our goal of improving the living and nutritional needs of our employees. We are on track to meet our housing targets and have exceeded industry based nutritional guidelines.

The company has positioned safety as its number one value and continues relentlessly in its pursuit of zero harm, meaning no fatal or serious injuries to any of its employees. However, the company also recognises that the loss of life in a mining accident has significant and tragic impact on the family and dependants of the employee who, in many cases, is the primary income earner.

In order to alleviate the financial burden on the family, the company has established the following initiatives when an employee dies in a mine accident or is medically incapacitated:

- The family is invited to nominate an immediate family member for permanent employment on that particular mine. The process is facilitated by TEBA and the company only requires an affidavit from the family to reflect consensus on the decision.
- The Matshediso Programme takes care of the educational needs of the school-going children of employees deceased in a mine accident. The annual allowance is R1,600 per child and is intended to cover the cost of school fees, books and uniforms for children to Grade 12, irrespective of the number of children per family. The company is currently reviewing the policy and considering a partnership with TEBA to assist in the administration of the programme, with a view to improving the process so that the intended recipients benefit from the programme.

Local economic development

Gold Fields' mining operations each made considerable investments towards the development of communities directly affected by mining activities in the host communities and those in the labour sending communities. The success of these community based initiatives stems from leveraging partnerships with local communities and district municipalities in both host communities and labour source communities. Due to the distinct nature of the host communities and labour sending areas, a two pronged approach has been adopted by the South Africa Region. Each of the mines are

responsible for local economic development programmes in host communities adjacent to it and has accordingly made adequate financial provision for projects aimed at community upliftment and poverty alleviation. Since the traditional labour source communities are based in rural areas, TEBA Development was contracted to manage six rural development projects in the Eastern Cape and KwaZulu Natal.

The engagement with organised labour and the Department of Mineral Resources during this year was significantly more regular and focused on critical human capital developments in the company. Our objective is to build on this foundation and to use our engagement model to its fullest extent by leveraging all interfaces with all our stakeholders inside and outside the company.

Host communities

The operations continued to support and participate in the review of the Integrated Development Plans of the local municipalities that are directly affected by their respective activities.

Kloof Gold Mine approved: (i) the Community Adult Basic Education and Training (ABET) programme, (ii) funding for a maths and science improvement programme, and (iii) creating employment for 66 members of the local mining community through a project established to eradicate alien vegetation on the mine's property.

A feasibility study for the establishment of a clinic at the Simunye township in the Westonaria Municipality was finalised. R5 million was approved for the construction of the clinic in partnership with the local municipality and the Provincial Department of Health.

South Deep Gold Mine continues to provide much needed meals to needy children at the local school and the library is proving to be a useful resource for the community. Senior mine officials also made a valuable contribution through teaching mathematics and science once a week. Students who participated in these lectures obtained improved pass marks.

Beatrix Gold Mine, in partnership with the local municipality, has approved the establishment of a brick making plant for the benefit of the local community. The mine will provide finance for capital items and raw material while the municipality will be responsible for water and electricity. This project will have a direct socio-economic benefit as it will result in job creation, skills development and poverty

Project	District municipality and province	Beneficiaries	Actual spend
Elundini Livestock Improvement Programme	Ukhahlamba – Eastern Cape	2,979 farmers	R1.2 million
Alfred Nzo Agriculture Development Project	Alfred Nzo – Eastern Cape	2,459 farmers	R0.9 million
Mbhashe Livestock Support Project	Amathole – Eastern Cape	692 farmers	R0.6 million
Qaukeni and Mbizana Abalimi Phambili Project	OR Tambo – Eastern Cape	2,550 farmers	R1 million
Jozini Abalimi Phambili	Mkhanyakude – KwaZulu Natal	538 farmers	R0.5 million

alleviation. The Golden Oils project continues to operate successfully. Four hectares of gladioli bulbs were harvested in June for export to Holland. The plan is to expand the farm to eight hectares during the next financial year. There is also the possibility of concluding a new offtake agreement for additional bulbs with the main clients in Holland. The evaluation of summer and winter indigenous bulb trials continues to yield positive results and the multiplication of genetic material has started.

Driefontein Gold Mine's construction of the Letsatsing primary school was completed and handed over to the Department of Education in August 2009. The school caters for children from communities in the vicinity of the mine. Twenty bursaries were allocated to Grade 11 and 12 students who excel in mathematics and science at the Carleton Jones High School in Carletonville.

The Living Gold project continues to operate with ongoing support from Gold Fields and 237 people are permanently employed, following an investment of R130 million over six years.



The Letsatsing Combined School was built by Gold Fields at a cost of R16 million and then handed over to the Department of Education

A contract was allocated to a local company to undertake environmental remediation work during this year. The contract was in excess of R5 million and provided employment for more than 20 people for an extended period.

Labour sending areas

The livestock improvement project is implemented in five district municipalities in the Eastern Cape and KwaZulu Natal, in more than one hundred villages. The programme has empowered thousands of local small-scale subsistence farmers and created a tangible benefit to sustainable economic development and poverty alleviation.

The livestock project operates on a cycle of village visits which are conducted at regular intervals and are guided by seasonal animal health needs. The project uses experienced farmers as mentors who provide support to inexperienced farmers on a number of farming related activities and decisions. Participation in the project is voluntary and mentors work with locally employed enumerators who provide logistical and administrative support to the mentors.

By instituting well managed animal health services through a mentorship approach, it is possible to build up farmer-led sustainable livestock support, thus boosting self-employment and production.

The table above provides a summary of the various initiatives that the South Africa Region is supporting in its endeavour to stimulate local economies, to assist local farmers in securing linkages to markets, and to build technical capacity for efficient, effective and sustainable farming practices in the labour sending areas.

As part of our social responsibility and in response to the challenge posed by HIV and Aids, the South Africa Region was instrumental

in supporting the Mine Home Based Care Project, another initiative managed by TEBA Development. This project comprises a network support structure for repatriated mine workers and their families. The project has benefited 380 former Gold Fields employees or members of their families in the Eastern Cape, Free State, KwaZulu Natal, Mozambique, Swaziland and Lesotho. Services include emotional and financial support to widows and orphans which is rendered in partnership with government departments.

Relationship with organised labour, government departments and other stakeholders

Relations with organised labour have improved and matured substantially with the National Union of Mineworkers leadership participating actively in debates on human capital restructuring and Safe Production Management strategies. Gold Fields' senior leadership was invited by the new Minister of Mineral Resources to participate in discussions on illegal mining challenges that are facing the country. In line with the resolution to merge the Mineworkers Development Agency and TEBA Development from the last wage negotiations, Gold Fields has continued to participate actively in the merger task team. A Memorandum of Understanding was signed by the boards of the two organisations to ensure that a final decision is made as soon as possible.

West Africa Region

In Ghana, the Group continues to consolidate its commitment to sustainable development through the implementation of a range of carefully selected projects and effective stakeholder engagement. The Gold Fields Ghana Foundation, a charity registered by the Department of Social Welfare of the Government of Ghana, provides us with a vehicle for community investment in the region.

The SEED programme is in its third year of existence. SEED is an acronym for Sustainable Community Empowerment and Economic Development. It is a high impact, results focused, sustainable integrated community development programme that focuses on economic growth, wealth creation, quality of life improvement and empowerment through education, capacity building and infrastructure development.

During the year under review the Foundation committed approximately US\$2 million to ensure that our primary stakeholder communities benefited directly from the growth and success of the company's operations.

SUSTAINABLE DEVELOPMENT

continued

The programme, which was conceived in response to the need to improve the quality of life of 30,000 men, women and children in our 16 primary stakeholder communities by 2010, continues to achieve positive results through its focus on four thematic areas namely; agricultural livelihoods, education, health and sanitation and programme sustainability. The programme objectives are fourfold, namely:

- To increase income and economic activities of 4,000 households in the primary stakeholder communities;
- To improve the health status of 30,000 residents in the primary stakeholder communities;
- To improve the level of education and livelihood skills of 5,000 youths and adults living in the 16 primary stakeholder communities; and
- To ensure the sustainability of the SEED programme interventions for long-term results and impact.

One major challenge to large scale mining in Ghana is the activities of Artisanal and Small-scale Mining (ASM). In pursuit of long-term solutions, Gold Fields Ghana is collaborating with other mining companies (within the Ghana Chamber of Mines), the government of Ghana and the ICMM. Gold Fields Ghana played a leadership role in a recent ICMM workshop organised in Elmina in Ghana to encourage dialogue on the issue. To date all of our interactions with artisanal miners have proven to be most successful and we remain committed to finding sustainable solutions to the issue.

In Ghana, soccer is strongly believed to be "the passion of the nation". This underscores the strategic importance of the Gold Fields Ghana headline sponsorship of the national soccer team, the Black Stars. This sponsorship was renewed in 2008.

We have maintained our focus on stakeholder engagement and have strengthened our relationships at the national and regional governmental levels through regular meetings with ministers and other senior level government officials to discuss various issues of mutual interest. At an operational level, we continue to improve and fortify our relationships with our communities through our open door policy and the more formal quarterly Community Consultative Community Meetings (CCCM). In addition, we have held review sessions with the chiefs and opinion leaders in our local communities with the prime intent to review the performance of our programmes.

Australasia Region

In Australia, the Gold Fields Australia Foundation contributed A\$848,700 to a range of community projects. The Foundation finalised its A\$1,000,000 commitment to the construction of the Kambalda Recreation Centre with a final payment of A\$330,000.

South America Region

In Peru, we are extending and maintaining our current initiatives in the local communities. A positive new development in this regard has been the commencement of a three year development programme in the Hualgayoc Province in partnership with the Clinton Foundation. We intend to provide more detail on this in the next annual report as this initiative has only commenced in the closing month of this financial year.

The application of community relations in Peru has been largely informed by extensive stakeholder engagement in the region to ensure that all initiatives are informed by community needs and have the support of all stakeholders.

In terms of the provision of access to essential services, we have completed the construction and handover of a school in the Tingo Valley. We have also completed the construction of the health centre at Pílancones. Another activity that we have embarked on is to further the access to electricity in the area as prior to our presence in the area, the infrastructure simply did not exist.

With regard to the deployment of agriculturally based development, we have previously reported our support of the pasture programme, the dairy programme and the blueberry project

and we continue to support these projects.

With regard to community health interventions and concerns, we have embarked on a process of assisting community members with setting up guinea pig farms. To date we have set up some 120 guinea pig farms in partnership with the local community around the Cerro Corona mine and this initiative is proving to be successful. These projects provide families with valuable sources of nutrition.

The high incidence of respiratory disease and ailments prevalent at the high altitude communities around the Cerro Corona mine is exacerbated by the use of wood fires for domestic purposes. We have embarked on a project with the local community to improve kitchen facilities within homes that will eliminate the health problems associated with wood fire smoke in homes, mitigate posture related problems and also reduce the use of wood for cooking purposes. We have now completed some 160 improved kitchen facilities in the local communities.

CONCLUSION

The Sustainable Development Framework that Gold Fields has developed and is currently implementing has been subjected to an assurance audit. This audit has been done in accordance with AccountAbility's AA1000AS (2008) assurance standard.

The result of the audit has indicated that this report adequately represents the sustainability performance of Gold Fields.

The Independent Assurance Statement can be found overleaf.



Global Reporting Initiative Reference Table:

PROFILE DISCLOSURES STRATEGY AND ANALYSIS		ECONOMIC		SOCIAL (CONTINUED)	
		CORE	ADDITIONAL	CORE	ADDITIONAL
1.1	pp 4 - 7, 13 - 19	ECONOMIC PERFORMANCE		OCCUPATIONAL HEALTH AND SAFETY	
1.2	pp 1 - 3, 58 - 59	EC1	pp. 83 - 86	LA6	pp. 64 - 68
ORGANIZATIONAL PROFILE		EC2	pp. 68 - 70, 76	LA7	pp. 23 - 27
2.1	FC	EC3	pp. 64 - 68	LA8	pp. 72 - 75
2.2	pp. 1 - 3, 20 - 56	MARKET PRESENCE			LA9
2.3	pp. 20 - 56	EC6	pp. 82 - 83	TRAINING AND EDUCATION	
2.4	p. 143	EC7	pp. 64 - 66, 82 - 83	LA10	pp. 64 - 68
2.5	pp. 1, 20 - 21	INDIRECT ECONOMIC IMPACTS			LA11
2.6	p. 1	EC8	pp. 83 - 86		pp. 66 - 69
2.7	pp. 1 - 3, 20 - 56		EC9	LA12	pp. 64 - 68
2.8	pp. 1 - 3, 64 - 68	ENVIRONMENTAL		DIVERSITY AND EQUAL OPPORTUNITY	
2.9	pp. 4 - 15, 59 - 63	MATERIALS		LA13	pp. 16 - 19, 64 - 68
2.10	p. 58	EN1	pp. 75 - 81	HUMAN RIGHTS	
REPORT PROFILE		ENERGY		INVESTMENTS AND PROCUREMENTS	
3.1	p. 1	EN3	pp. 76 - 80	HR 1	p. 64, 82 - 83
3.2	pp. 3, 4, 75	EN4	pp. 76 - 80	HR 2	p. 64, 82 - 83
3.3	pp. 3, 4		EN5		HR3
3.4	p. 61		EN6		p. 59, 64
REPORT SCOPE AND BOUNDARY			EN7	NON - DISCRIMINATION	
3.5	pp. 58 - 59		EN8	HR4	p. 64
3.6	p. 1	WATER		FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING	
3.7	p. 2, 76, throughout	EN8	pp. 77 - 79	HR5	p. 64
3.8	pp. 20 - 56		EN9	HR6	p. 64
3.9	pp. 75 - 76	BIODIVERSITY		CHILD LABOR	
3.10	pp. 76	EN11	pp. 78 - 81	FORCED AND COMPULSORY LABOR	
3.11	pp. 39 - 40	EN12	pp. 78 - 81	HR7	p. 64
GRI CONTENT INDEX			EN14	SOCIETY	
3.12	pp. 87		pp. 78 - 81	COMMUNITY	
ASSURANCE		EMISSIONS, EFFLUENTS AND WASTE		S01	pp. 83 - 86
3.13	pp. 89 - 90	EN16	pp. 80	CORRUPTION	
GOVERNANCE, COMMITMENTS AND ENGAGEMENT		EN17	pp. 80	S02	p. 64
4.1	pp. 16 - 19, 59 - 63		EN18	PUBLIC POLICY	
4.2	pp. 59 - 60	EN21	pp. 77 - 79	S05	p. 70
4.3	pp. 59 - 60	EN22	pp. 81 - 82	COMPLIANCE	
4.4	pp. 61, 64, 143	EN23	pp. 77	S08	pp. 58 - 86
4.5	pp. 61 - 63		EN25		
4.6	pp. 64 - 65	PRODUCTS AND SERVICES			
4.7	pp. 61 - 63	EN26	pp. 75 - 82		
4.8	pp. 7, 59, 64	COMPLIANCE			
4.9	pp. 58 - 63, 69 - 70	EN28	pp. 82		
4.10	pp. 60 - 63	SOCIAL			
COMMITMENT TO EXTERNAL INITIATIVES		EMPLOYMENT			
4.11	pp. 60 - 63	LA1	pp. 64 - 66, 68		
4.12	pp. 58 - 59	LABOR/ MANAGEMENT RELATIONS			
4.13	pp. 59 - 62	LA5	pp. 64 - 68		
STAKEHOLDER ENGAGEMENT					
4.14	pp. 61, 83 - 86				
4.15	pp. 61, 83 - 86				
4.16	pp. 83 - 86				
4.17	pp. 83 - 86				

REPORTED
REPORTED, NEEDS IMPROVEMENT

To the Board and stakeholders of Gold Fields:

SustainabilityServices.co.za (SS) was commissioned by Gold Fields to provide independent third party assurance over this 2009 Sustainability Report (the 'Report', covering the period 1 July 2008 to 30 June 2009). The assurance team comprised of Corporate Social Responsibility (CSR) consultants with experience in environmental and social performance measurement over a period of more than 10 years.

AccountAbility AA1000S (revised, 2008)

To the best of our ability, this assurance engagement has been managed in accordance with AccountAbility's AA1000AS (2008) assurance standard, and structured to meet the AA1000AS Type 1 (Moderate) requirements.

Independence

SS was not responsible for the preparation of any part of this Report and has not undertaken any commissions for Gold Fields in the reporting period concerning reporting or data collection.

Assurance objectives

Our assurance objectives were to provide stakeholders with an independent 'moderate level assurance' opinion on whether the report meets the AA1000AS (2008) principles of Inclusivity, Materiality and Responsiveness, as well as to assess the degree to which the Report is consistent with the 10 International Council on Metal and Mining (ICMM) Sustainable Development (SD) principles and the Global Reporting Initiative (GRI) G3 guidelines, to the extent of meeting the GRI's B+ level of reporting application.

Scope of work performed

AA1000AS (2008) Compliance

The process used in arriving at this assurance statement is based on AccountAbility's AA1000AS (2008) guidance, other best practices in sustainability reporting assurance. Our approach to assurance included:

- A review of Gold Fields' measurement and reporting procedures;
- A review of drafts of the Report for any significant anomalies; and,
- Interviews with the individual responsible for collating and writing various parts of the Report in order to ensure selected claims were reported and substantiated.

Unlike other assurance engagements, site visits were not undertaken to test accuracy of data at the primary source of collection and collation.

SUSTAINABLE DEVELOPMENT



Report Application Level	C	C+	B	B+	A	A+
G3 Profile Disclosures	Report on: 1.1 2.1 - 2.10 3.1 - 3.8, 3.10 - 3.12 4.1 - 4.4, 4.14 - 4.15	Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5 - 4.13, 4.16 - 4.17	Same as requirement for Level B			
G3 Management Approach Disclosures	Not Required	Management Approach Disclosures for each Indicator Category	Management Approach Disclosures for each Indicator Category			
G3 Performance Indicators & Sector Supplement Performance Indicators	Report on a minimum of 10 Performance Indicators, including at least one from each of: Economic, Social and Environmental.	Report on a minimum of 20 Performance Indicators, at least one from each of: Economic, Environmental, Human rights, Labor, Society, Product Responsibility.	Report on each core G3 and Sector Supplement* Indicator with due regard to the Materiality Principle by either: a) reporting on the Indicator or b) explaining the reason for its omission.			
	Report Externally Assured	Report Externally Assured	Report Externally Assured	Report Externally Assured	Report Externally Assured	Report Externally Assured

*Sector supplement in final version

Given that this is a Type 1 (Moderate) assurance engagement, the testing of data accuracy was limited to trend and anomaly studies.

Alignment to the ICMM 10 SD Principles

Our objective was to provide assurance over the alignment of the company's sustainability policies to the ICMM's 10 SD principles and any mandatory requirements set out in ICMM position statements.

The process employed included a comprehensive desk review of the Report, interviews with relevant company officials regarding the status of implementation of systems, and selective testing of the functionality of key systems and procedures.

GRI compliance

In determining the GRI G3 'Application Level' of the Report, we performed the following:

- A review of processes employed to define content, context and materiality, as well as stakeholder engagement processes, and the inclusion of reasonable discourses over material issues;
- A review of the approach of management to addressing topics discussed in the Report; and
- A review of drafts of the Report to assess GRI G3 performance indicators covered in the Report.

Findings

AA1000AS (2008) – Inclusivity, Materiality and Responsiveness

In general, the company's sustainability reporting processes are adequate. However, it was found that:

- Although Gold Fields actively engages an array of key stakeholders, as defined within

this Report, the assurance process did not allow for additional engagement to confirm or refute Gold Fields' assertion that the Report adequately reflects the information requirements of their key stakeholders;

- Within the scope of a 'Moderate Level Type 1 assurance assessment', the Report appears to reflect an accurate accounting of Gold Fields' sustainability reporting performance.
- The Report does not clearly afford stakeholders an understanding of Gold Fields' most material sustainability issues.

Alignment to the 10 ICMM SD Principles

Based on the work done, we can confirm that the company's Sustainable Development Framework is aligned with the 10 ICMM SD Principles, and that these principles have informed the structure and content of this Report and the implementation of its policies and systems which drive company performance.

GRI compliance

Based on our review of the Report, as well as the processes employed to collect and collate information reported herein, it is our assertion that this Report meets the GRI G3's requirements for Application Level B (responses to all required indicators, as well as no fewer than 20 Core indicators, with at least one from each of Economic, Environment, Human Rights, Labour and Society). However, it was found that:

Product Responsibility indicators were reasonably deemed 'not applicable', and thus were not reported.

The reporting of performance against some GRI G3 indicators requires either data quality improvements, or further detail in disclosure.

Recommendations

AA1000AS (2008)

- Gold Fields should ensure that stakeholder engagement procedures include an assessment of whether or not Sustainability Reports adequately reflect the reporting requirements of key stakeholders;
- Gold Fields should improve its reporting in line with the principles of Inclusiveness, Materiality, and Responsiveness, as guided by AA1000AS (2008), seeking Type 2 (High) levels of assurance in future.
- Future sustainability reports should be designed and developed to afford stakeholders a clearer understanding of Gold Fields' most material sustainability issues.

Alignment to the 10 ICMM SD Principles

Based on our findings, Gold Fields should demonstrate that this and future Reports adequately address the concerns and information requirements of its key stakeholders, and that these concerns are shown to play a role in informing materiality of the company's SD risk management process as well as its reporting.

GRI compliance

Having reasonably met GRI G3 Application Level B basic requirements, it is our recommendation that Gold Fields continue to review the process followed in compiling the Report and ensure that further reporting improvements occur to enhance the quality of data required for Application Level B

Conclusions

Based on the information reviewed, SustainabilityServices.co.za is confident that this report provides a reasonably complete and balanced account of the environmental, safety and social performance of Gold Fields during the period under review. The data presented is based on systematic processes and we are satisfied that the reported performance data adequately represents the sustainability performance of Gold Fields, while meeting the AA1000AS (2008) principles of inclusivity, materiality and responsiveness. The Report is consistent with the 10 ICMM SD principles. Moreover, and although the quality or quantity of data of some GRI G3 indicators can be improved, this Report appears to meet the GRI G3's requirements for Application Level B (B+ with this assurance engagement).

SustainabilityServices.co.za
10 September 2009



SustainabilityServices.co.za

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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

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.

A handwritten signature in black ink, appearing to read 'C Farrel', with a long horizontal line extending from the end of the signature.

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 "GFIELD" 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 (NYSE) 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.

Director	Beneficial		Associate interest	
	Direct	Indirect	Direct	
Director	2009	2008	2009	2008
Alan Wright	68,582	68,582	67,108	67,108
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

* 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:

Director	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	
	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.

Director	Board fees		Travel allowances ³	Salary	Total bonus ¹	Pension scheme total contributions	Expense allowances	2009 ²	2008 [*]
	Directors' fees	Committee fees							
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 Christerson	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	<p><i>Provides guidance on:</i></p> <ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	<p>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:</p> <ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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		Notes	South African Rand	
2008	2009		2009	2008
7,055.4	7,029.0			
5,691.7	5,997.2			
557.4	553.2			
240.0	54.5			
473.0	314.1			
93.3	110.0			
809.1	1,067.2			
227.2	266.5			
279.2	383.8			
42.1	59.3			
6.9	–			
253.7	357.6			
7,864.5	8,096.2			
51.2	54.1			
4,074.2	4,535.8			
(296.6)	(959.2)			
1,308.5	1,357.7			
5,137.3	4,988.4			
182.9	305.6			
5,320.2	5,294.0			
1,746.4	1,834.1			
677.7	760.4			
814.2	785.9			
254.5	287.8			
798.0	968.1			
611.6	540.6			
2.8	9.7			
123.1	98.2			
–	1.8			
60.5	317.8			
7,864.6	8,096.2			

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		Notes	South African Rand	
2008	2009		2009	2008
905.2	656.8		6,000.8	6,692.1
		Cash flows from operating activities		
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			South African Rand	
2008	2009		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			30 June 2009		
Number of options	Weighted average price (Rand)	Contractual life extended by (years)	Number of options	Weighted average price (Rand)	Contractual life extended by (years)
The following directors were affected by the modification:					
Executive directors					
97,999	78.81	0.79	172,499	76.59	0.38
294,932	74.35	0.78	–	–	–
22,833	114.18	0.67	3,167	154.65	0.01
Non-executive directors					
6,700	68.59	0.59	6,700	68.59	0.39
20,000	99.21	1.47	–	–	–
25,000	84.79	1.18	25,000	84.79	0.39
20,000	99.21	1.47	–	–	–
20,000	99.21	1.47	20,000	99.21	0.39
55,000	68.41	1.16	55,000	68.41	0.39

Performance			Performance		
Average instrument price (cps)	Share appreciation rights (SARS)	vesting restricted shares (PVRS)	restricted shares (PVRS)	Share appreciation rights (SARS)	Average instrument price (cps)
(c) Gold Fields Limited 2005 Share Plan and Gold Fields Limited 2005 Non-executive Share Plan					
124.75	1,765,540	1,906,452	5,477,487	3,837,937	112.73
Outstanding at 1 July 2008					
Movement during the year:					
105.97	2,569,481	4,267,761	2,668,771	1,311,271	108.90
–	–	(21,933)	(106,954)	–	–
Granted during the year					
118.77	(497,084)	(674,793)	(880,240)	(539,582)	121.07
Exercised and released					
–	–	–	(226,900)	–	–
Forfeited					
–	–	–	–	–	–
Conditions for vesting not met					
Cancelled					
112.7	3,837,937	5,477,487	6,932,164	4,609,626	111.50
Outstanding at 30 June 2009					
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
	<p>(c) Gold Fields Limited 2005 Share Plan and Gold Fields Limited 2005 Non-executive Share Plan (continued)</p> <p>The fair value of equity instruments granted during the year were valued using the Black Scholes and Monte Carlo Simulation models.</p> <p>Black Scholes Model</p> <p>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:</p>	
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
	<p>Monte-Carlo Simulation</p> <p>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:</p>	
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
	<p>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.</p> <p>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.</p> <p>The incremental fair value and the inputs used in calculating the effect of the modification are listed below:</p>	
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	Contractual 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		
		111.74	* Restricted shares (PVRS) are awarded for no consideration. 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			South African Rand	
2008	2009		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 on tax losses R million	Deferred tax asset not recognised on tax losses R million	Unredeemed capital expenditure R million	Tax losses on tax losses R million	Deferred tax asset not recognised on tax losses R million
South Africa³						
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 on tax losses US\$ million	Deferred tax asset not recognised on tax losses US\$ million	Unredeemed capital expenditure US\$ million	Tax losses on 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

United States Dollars			South African Rand	
2008	2009		2009	2008
		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:		
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			South African Rand	
2008	2009		2009	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		South African Rand		
2008	2009		2009	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

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		
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			South African Rand	
2008	2009		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
		<p>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.</p> <p>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.</p> <p>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:</p> <ul style="list-style-type: none"> – 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: <ul style="list-style-type: none"> – 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. <p>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.</p> <p>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.</p> <p>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.</p>		

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
		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, <i>inter alia</i> , 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

United States Dollars			South African Rand	
2008	2009		2009	2008
		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.		
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)
236.9	236.9	Investment in associate consists of:		
(5.7)	(25.8)	Listed shares at fair value at acquisition	1,604.7	1,604.7
–	(41.2)	Share of accumulated losses	(224.3)	(42.7)
–	(132.2)	Dilution loss	(331.9)	–
–	10.7	Impairment of investment	(1,065.7)	–
–	–	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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 30 June 2009

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

United States Dollars				South African Rand			
Total	Available for sale	Derivatives used for hedging	Loans and receivables	Loans and receivables	Derivatives used for hedging	Available for sale	Total
Assets per balance sheet				South African Rand			
2009				2009			
314.1	314.1	-	-	-	-	2,531.0	2,531.0
110.0	-	-	110.0	886.7	-	-	886.7
383.8	-	-	383.8	3,092.8	-	-	3,092.8
357.6	-	-	357.6	2,881.8	-	-	2,881.8
2008				2008			
473.0	473.0	-	-	-	-	3,784.4	3,784.4
93.3	-	-	93.3	746.7	-	-	746.7
279.2	-	-	279.2	2,233.1	-	-	2,233.1
6.9	-	6.9	-	-	55.5	-	55.5
253.7	-	-	253.7	2,029.2	-	-	2,029.2

United States Dollars			South African Rand		
Total	Other financial liabilities	Derivatives used for hedging	Derivatives used for hedging	Other financial liabilities	Total
Liabilities per balance sheet			South African Rand		
2009			2009		
1,103.7	1,103.7	-	-	8,895.5	8,895.5
287.8	287.8	-	-	2,319.6	2,319.6
540.6	540.6	-	-	4,357.6	4,357.6
9.7	9.7	-	-	77.9	77.9
1.8	1.7	0.1	0.4	13.6	14.0
2008			2008		
874.8	874.8	-	-	6,998.1	6,998.1
254.5	254.5	-	-	2,036.5	2,036.5
611.6	611.6	-	-	4,891.3	4,891.3
2.8	2.8	-	-	21.9	21.9

Figures in millions unless otherwise stated

United States Dollars			South African Rand	
2008	2009		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
		<p>Western Areas US dollars/rand forward purchases</p> <p>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.</p> <p>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.</p> <p>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.</p>		

Figures in millions unless otherwise stated

United States Dollars			South African Rand	
2008	2009		2009	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			South African Rand	
2008	2009		2009	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			South African Rand	
2008	2009		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.		

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for the year ended 30 June 2009

Figures in millions unless otherwise stated

United States Dollars			South African Rand	
2008	2009		2009	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:		
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

United States Dollars			South African Rand	
2008	2009		2009	2008
		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:		
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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for the year ended 30 June 2009

Figures in millions unless otherwise stated

United States Dollars			South African Rand	
2008	2009		2009	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
		<p>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:</p> <ul style="list-style-type: none"> – 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. <p>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.</p>		
2008			2009	
Inflation rate %	Discount rate %	The provision is calculated using the following rates:	Discount rate %	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			South African Rand	
2008	2009		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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Figures in millions unless otherwise stated

United States Dollars			South African Rand	
2008	2009		2009	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		
932.3	958.7	Capital expenditure		
167.5	131.4	– authorised	7,727.1	7,458.3
		– 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

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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)

Sensitivity to R/US\$ ² exchange rates	R/US\$ ¹ exchange rate as of 30 June					
	-10.0%	-7.5%	-5.0%	5.0%	7.5%	10.0%
	R million	R million	R million	R million	R million	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.

Sensitivity to R/US\$ ² exchange rates	R/US\$ ¹ exchange rate as of 30 June					
	-10.0%	-7.5%	-5.0%	5.0%	7.5%	10.0%
	US\$ million	US\$ million	US\$ million	US\$ million	US\$ million	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%	-7.5%	-5.0%	Spot ²	5.0%	7.5%	10.0%
	R million	R million	R million	R million	R million	R million	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%	-7.5%	-5.0%	Spot ²	5.0%	7.5%	10.0%
	US\$ million	US\$ million	US\$ million	US\$ million	US\$ million	US\$ million	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%	-1.0%	-0.5%	Spot ¹	0.5%	1.0%	1.5%
	R million	R million	R million	R million	R million	R million	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						
	-1.5%	-1.0%	-0.5%	Spot ¹	0.5%	1.0%	1.5%
Sensitivity to Rand interest rates	US\$ million	US\$ million	US\$ million	US\$ million	US\$ million	US\$ million	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						
	-1.5%	-1.0%	-0.5%	Spot ¹	0.5%	1.0%	1.5%
Sensitivity to US Dollar interest rates	R million	R million	R million	R million	R million	R million	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						
	-1.5%	-1.0%	-0.5%	Spot ¹	0.5%	1.0%	1.5%
Sensitivity to US Dollar interest rates	US\$ million	US\$ million	US\$ million	US\$ million	US\$ million	US\$ million	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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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%	-10.0%	-5.05%	Spot ²	5.0%	10.0%	15.0%
	R million	R million	R million	R million	R million	R million	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%	-10.0%	-5.05%	Spot ²	5.0%	10.0%	15.0%
	US\$ million	US\$ million	US\$ million	US\$ million	US\$ million	US\$ million	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%	-7.5%	-5.0%	Spot ²	5.0%	7.5%	10.0%
	R million	R million	R million	R million	R million	R million	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%	-7.5%	-5.0%	Spot ²	5.0%	7.5%	10.0%
	US\$ million	US\$ million	US\$ million	US\$ million	US\$ million	US\$ million	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%	-1.0%	-0.5%	Spot ¹	0.5%	1.0%	1.5%
	R million	R million	R million	R million	R million	R million	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%	-1.0%	-0.5%	Spot ¹	0.5%	1.0%	1.5%
	US\$ million	US\$ million	US\$ million	US\$ million	US\$ million	US\$ million	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).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 30 June 2009

35. RISK MANAGEMENT ACTIVITIES (continued)

Sensitivity to copper volatility	Copper volatility as of 30 June						
	-10.0%	-7.5%	-5.0%	Spot ²	5.0%	7.5%	10.0%
	R million	R million	R million	R million	R million	R million	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).

Sensitivity to copper volatility	Copper volatility as of 30 June						
	-10.0%	-7.5%	-5.0%	Spot ²	5.0%	7.5%	10.0%
	US\$ million	US\$ million	US\$ million	US\$ million	US\$ million	US\$ million	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			
		-10.0%	-5.0%	5.0%	10.0%
Sensitivity to equity security price		R million	R million	R million	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			
		-10.0%	-5.0%	5.0%	10.0%
Sensitivity to equity security price		US\$ million	US\$ million	US\$ million	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

for the year ended 30 June 2009

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					
	-1.5%	-1.0%	-0.5%	0.5%	1.0%	1.5%
Sensitivity to interest rates	R million	R million	R million	R million	R million	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)

	Change in interest expense for interest rate changes as of 30 June					
	-1.5%	-1.0%	-0.5%	0.5%	1.0%	1.5%
Sensitivity to interest rates	US\$ million	US\$ million	US\$ million	US\$ million	US\$ million	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 <small>(continued)</small>		
		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			
<p>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.</p> <p>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.</p>			
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
<p>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.</p> <p>No Secondary Tax on Companies is payable on the dividend declared after year end due to sufficient STC credits available in Gold Fields Limited.</p>			
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	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					
	-1.5%	-1.0%	-0.5%	0.5%	1.0%	1.5%
Sensitivity to interest rates	R million	R million	R million	R million	R million	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			
	-10.0%	-5.0%	5.0%	10.0%
Sensitivity to Rand gold price	R million	R million	R million	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			
	-20.0%	-10.0%	10.0%	20.0%
Sensitivity to Rand gold price	R million	R million	R million	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

	Notes	Shares held		Group beneficial interest		Book value in holding company			
		2009	2008	2009	2008	Shares		Loans	
				%	%	2009	2008	2009	2008
						Rm	Rm	Rm	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

	Shares held		Group beneficial interest	
	2009	2008	2009 %	2008 %
Notes				
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 and other ²	Group consoli- dation
	Driefontein	Kloof	Beatrix	South Deep ¹	Tarkwa	Damang	Cerro Corona	St Ives/ Agnew		
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										Dis- continued operations
INCOME STATEMENT for the year ended 30 June 2008	South Africa				Ghana		Peru	Australia	Corporate and other ²	Total continuing operations	
	Driefontein	Kloof	Beatrix	South Deep ¹	Tarkwa	Damang	Cerro Corona	St Ives/ Agnew			
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 expenditure⁴	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 and other ²	Group consoli- dation
	Driefontein	Kloof	Beatrix	South Deep ¹	Tarkwa	Damang	Cerro Corona	St Ives/ Agnew		
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										Dis- continued operations
INCOME STATEMENT for the year ended 30 June 2008	South Africa				Ghana		Peru	Australia	Corporate and other ²	Total continuing operations	
	Driefontein	Kloof	Beatrix	South Deep ¹	Tarkwa	Damang	Cerro Corona	St Ives/ Agnew			
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 expenditure⁴	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 Depositary 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 Depositary 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

Year to 30 June	Tons milled	Yield* g/ton	Gold produced		Cash cost US\$/oz	Net earnings	
			Kilograms	'000 ounces		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

Year to 30 June	Tons milled	Yield* g/ton	Gold produced		Cash cost US\$/oz	Net earnings	
			Kilograms	'000 ounces		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)

Year to 30 June	Tons milled	Yield* g/ton	Gold produced		Cash cost US\$/oz	Net earnings	
			Kilograms	'000 ounces		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 from 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

<i>Travel allowance payable to directors who travel internationally to attend meetings</i>	US\$5,400	per international trip required
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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

A handwritten signature in black ink, appearing to read 'C Farrel', with a horizontal line drawn underneath it.

C Farrel
Corporate Secretary

Johannesburg
10 September 2009

ADMINISTRATION AND CORPORATE INFORMATION

Corporate Secretary

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American Depository Receipts Transfer Agent

Bank of New York Mellon

BNY Mellon Shareowner Services

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US toll-free telephone: (1)(888) 269 2377

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Gold Fields Limited

Incorporated in the Republic of South Africa

Registration number 1968/004880/06

Share code: GFI

Issuer code: GOGOF

ISIN – ZAE 000018123

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Website

<http://www.goldfields.co.za>

Listings

JSE/NYSE/NASDAQ Dubai: GFI

NYSE: 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	SEC	United States Securities Exchange Commission
ADS	American Depository Shares	STI	Sexually Transmitted Infection
AIDS	Acquired Immune Deficiency Syndrome	TB	Tuberculosis
ARC	Assessment & Rehabilitation Centres	TEC	Total Employees Costed
ART	Antiretroviral therapy	UASA	United Association of South Africa (a labour organisation)
CBO	Community based organisation	VCT	Voluntary Counselling & Testing (for HIV)
CIL	Carbon-in-leach	cm	centimetre
CIP	Carbon-in-pulp	cm.g/t	gold accumulation
CIS	Carbon-in solution	g	gram
DCF	Discounted Cash Flow	g/t	grams per metric ton – gold grade
ETF	Exchange traded fund	Ha	hectare
GFHS	Gold Fields Health Service	kg	kilogram
GFLC	Gold Fields La Cima	km	kilometre
GRI	Global Reporting Initiative	koz	thousand ounces
HBC	Home Based Care	kt	thousand metric tons
HDSA	Historically disadvantaged South African	ktpa	thousand metric tons per annum
HIV	Human Immunodeficiency Virus	ktpm	thousand tons per month
LoM plan	Life-of-Mine plan	m ²	square metre
LTIFR	Lost Time Injury Frequency Rate, quoted in million man-hours	Moz	million ounces
NGO	Non-governmental organisation	oz	fine troy ounce equalling 31.10348 grams
NUM	National Union of Mineworkers	t	metric ton
NYSE	New York Stock Exchange	US\$	United States dollar
MCF	Mine Call Factor	US\$m	million United States dollars
OHC	Occupational Health Centre	US\$/oz	United States dollar per ounce
OT	Occupational Therapy	R	South African rand
PHC	Primary Health Clinic	R/kg	South African rand per kilogram
PPI	Producer Price Index	Rm	million South African rands
SAMREC	South African code for Reporting of Mineral Resources and Mineral Reserves	R/t	South African rand per metric ton

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 foregoing 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:

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 Fax: (+27)(11) 370 5271

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GOLD FIELDS

www.goldfields.co.za

