



## Gold Fields FY 2019 results

Nick Holland: CEO

13 February 2020



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# Forward looking statement

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

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

These forward looking statements speak only as of the date of this document. Gold Fields 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.

Further details of potential risks and uncertainties affecting Gold Fields are described in Gold Fields’ filings with the Johannesburg Securities Exchange and the US Securities and Exchange Commission, including in Gold Fields’ Annual Report on Form-20F for the year ended 31 December 2017, Gold Fields’ Integrated Annual Report 2017 and Gold Fields’ Annual Financial Report 2017

# A globally diversified gold miner

**FY 2019 results**

## Gold Fields Group

Mines: 9  
 Projects: 1  
 Countries: 5  
 Att. production: 2,195koz  
 AIC: US\$1,064/oz  
 Mine net cash flow\*: US\$552m inflow  
 Net cash flow: US\$249m inflow

## West Africa region

Mines: Tarkwa, Damang and Asanko  
 Att. production: 768koz  
 AIC: US\$1,039/oz  
 Net cash flow\*: US\$245m inflow

## Americas region

Mine: Cerro Corona (Peru)  
 Att. production: 291koz (Au eq)  
 AIC: US\$810/eq oz  
 Net cash flow: US\$86m inflow  
 Project: Salares Norte (Chile)

## South Africa region

Mine: South Deep  
 Att. production: 222koz  
 AIC: US\$1,259/oz  
 Net cash flow: US\$15m inflow

## Australia region

Mines: St Ives, Granny Smith, Agnew and Gruyere  
 Att. production: 914koz  
 AIC: US\$986/oz  
 Net cash flow\*: US\$206m inflow

*Net cash flow = Cash flow from operating activities less net capital expenditure and environmental payments and finance lease payments*

*\* Group mine net cash flow excludes Gruyere project capital expenditure of US\$67m and Damang project capital expenditure of US\$71m*

## Positioned for sustainable cash flow generation

- Over the past 3 years, Gold Fields has been focused on reinvesting for the future
- We have built two new mines (Gruyere and Damang) and completed a project feasibility study (Salares Norte)
  - Will extend life at lower cost
  - Funded largely from operational cash flow
- Decision made to proceed with Salares Norte
- Net cash flow from operations of US\$249m in 2019; US\$179m from the sale of investments in 2019
- Net debt was expected to increase in 2019, instead there was a reduction of US\$356m
- Final dividend of 100 SA cents declared bringing total dividend for the year to 160 SA cents
- Tactical hedges undertaken to protect the balance sheet and underwrite further debt reduction
  - No more hedges expected once the hedge book rolls off
- No need for big M&A
  - We have been countercyclical and invested through the cycle – now focused on delivering cash flow
  - All assets have organic potential
  - With Salares Norte we can sustain production of 2.0-2.5Moz for the next 10 years

# ESG Highlights

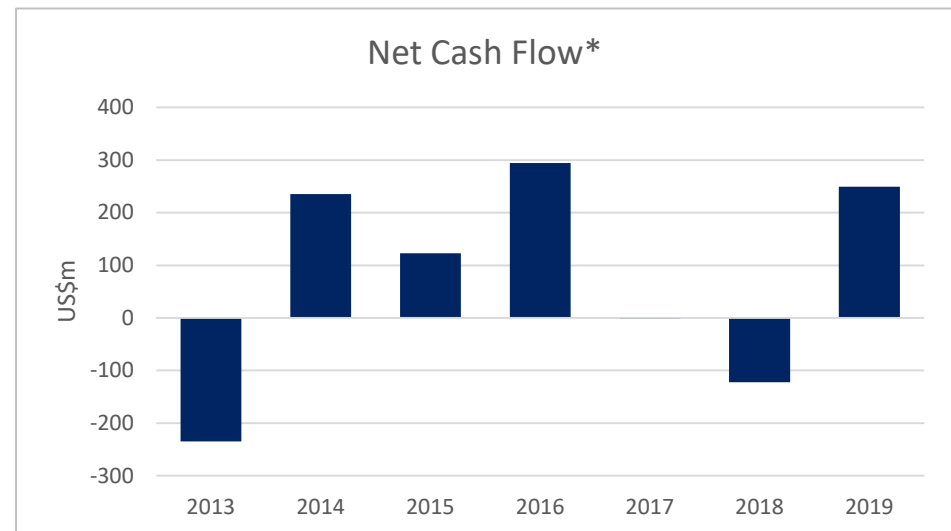
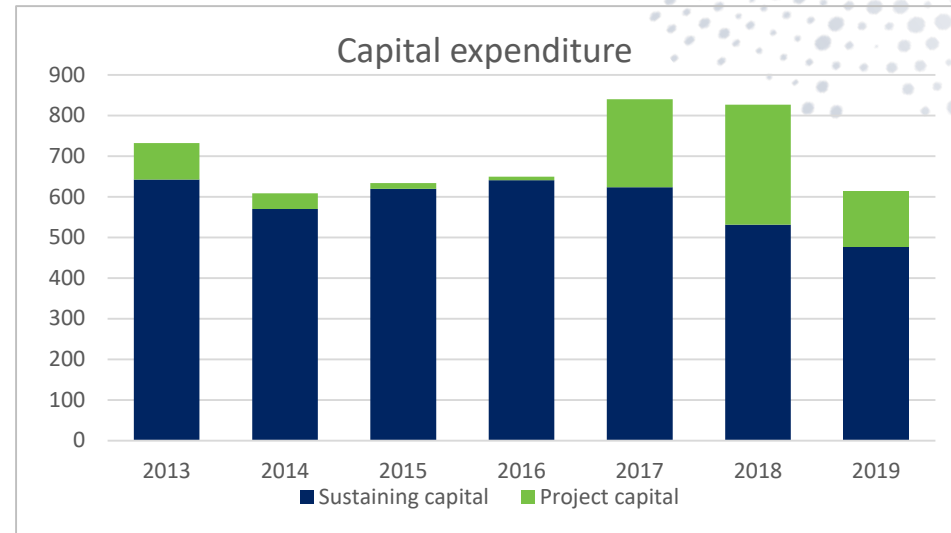
- Safety
  - Ms M Ramela was fatally injured at South Deep as a result of rockburst (2018: 1 fatality)
  - We recorded 12 serious injuries (2018: 16)
  - The duration rate (average days lost per lost time injury, LTI) was 29 (2018: 48)
  - Board, Exco and corporate, regional and site leadership teams trained in Courageous Safety Leadership
  - Critical controls for the highest priority regional material unwanted events (MUEs) were externally verified
- Closure
  - The Group closure cost estimate (CCE) for 2019 was US\$436m (2018: \$400m)
  - Rolling 3-year progressive rehabilitation plans were developed for the first time in 2018. We achieved 83% of the 2019 plans, against a target of 75%
- Environment
  - We recorded no Level 3-5 environmental incidents (2018: 2 Level 3 incidents), the first time we have achieved this milestone
  - We saved 1,125ML (7.4%) of freshwater, significantly higher than the planned savings of 415ML (3%).
  - Total water recycled/reused was 68%, well above the target of 65%.
- Energy and climate resilience
  - We saved a record 504TJ (2018: 411TJ), a 4.8% energy saving
  - Carbon saving of 171kt CO<sub>2</sub>e vs. 149kt CO<sub>2</sub>e in 2018
  - Our scope 1 and 2 CO<sub>2</sub>e emissions were 1.45Mt (2018: 1.37Mt)
  - We published our inaugural TCFD report in October 2019
  - Commissioned 4MW solar plant at Agnew and 7MW solar plant at Granny smith





## Cash flow inflection ahead of plan

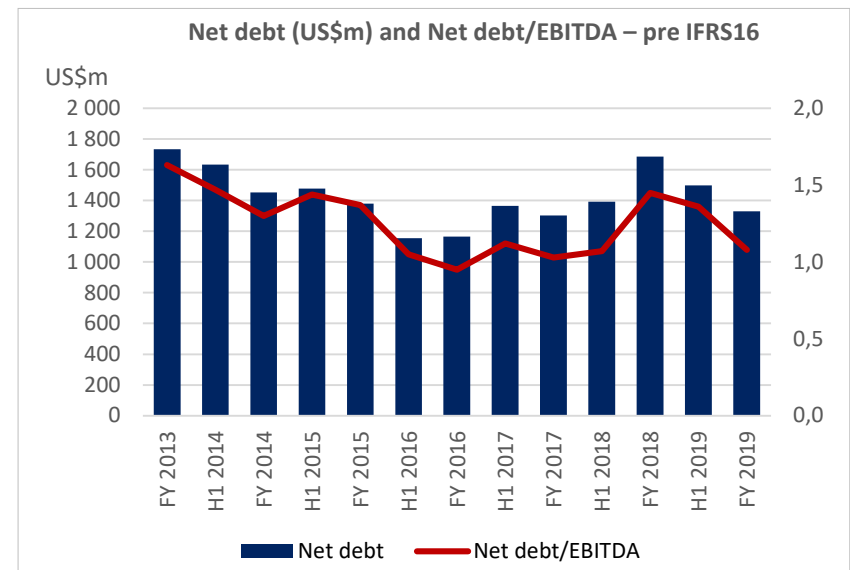
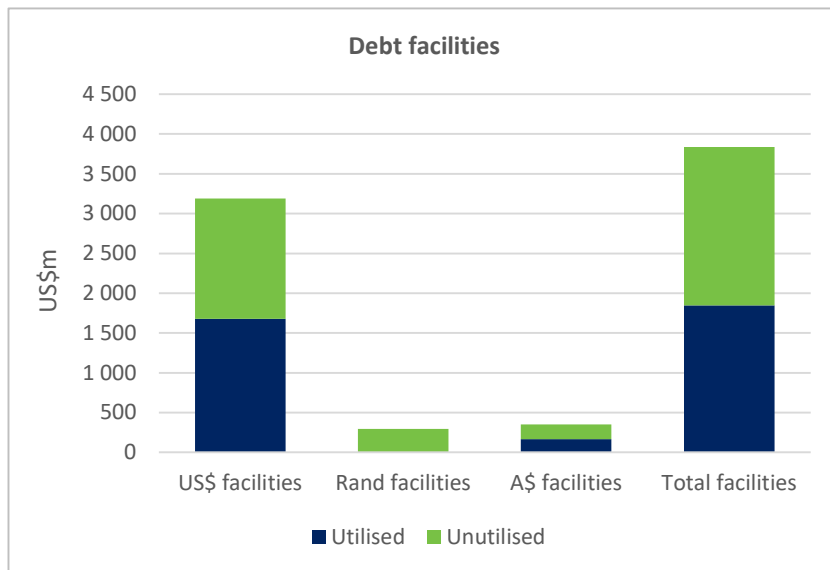
- Net cash flow\* of US\$249m in 2019 compared to an outflow of US\$122m in 2018
- Mine net cash flow of US\$552m (excluding projects) in 2019 compared to US\$345m in 2018
- Net cash inflow of US\$125m over 2017, 2018 and 2019 despite having spent US\$640m in project capital and US\$172m on Salares Norte over that period



\*Net Cash Flow = Cash flow from operating activities less net capital expenditure and environmental payments and finance lease payments

## Balance Sheet in good shape

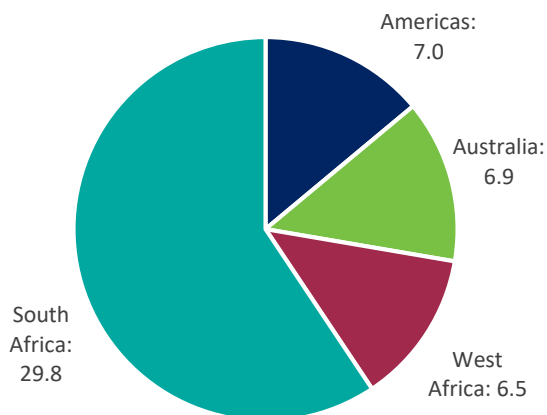
- Net debt (before IFRS16 adjustments) of US\$1,331m at 31 December 2019
  - Net debt to EBITDA of 1.08x
- Net debt (after IFRS16 adjustments) of US\$1,664m at 31 December 2019
  - Net debt to EBITDA of 1.29x
- Maturity extended and staggered through bond issues and new RCF agreements concluded in 2019
- Unutilised facilities of US\$1,514m, R4.1bn and A\$260m
- Remaining US\$601m of 2020 bond to be repaid out of operational cash flows and unutilised debt facilities if necessary



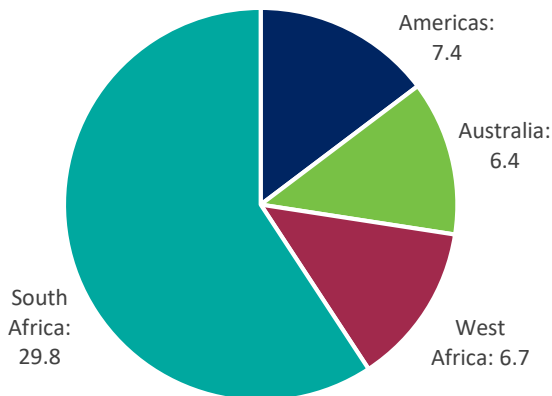
## Growing R&R

|                           | December 2019 |              | December 2018 |              |
|---------------------------|---------------|--------------|---------------|--------------|
|                           | Managed       | Attributable | Managed       | Attributable |
| Gold equivalent Resources | 146.8Moz      | 114.0Moz     | 140.5Moz      | 108.2Moz     |
| Gold equivalent Reserves  | 54.1Moz       | 50.2Moz      | 54.0Moz       | 50.3Moz      |

Att. Au equivalent Reserves: Dec-2019



Att. Au equivalent Reserves: Dec-2018



### Highlights:

- 31% YoY increase in St Ives' Reserves net of depletion – largest Reserve since 2011
- 38% YoY increase in Agnew's Reserves net of depletion
- 2% YoY increase in Tarkwa's Reserves net of depletion

*At end-2019, **20.5Moz** of Gold Fields' attributable gold equivalent Reserves (excluding Gold Fields' 45% interest in the Asanko Gold Mine) were outside South Africa, representing 41% of the Group's Reserve base*

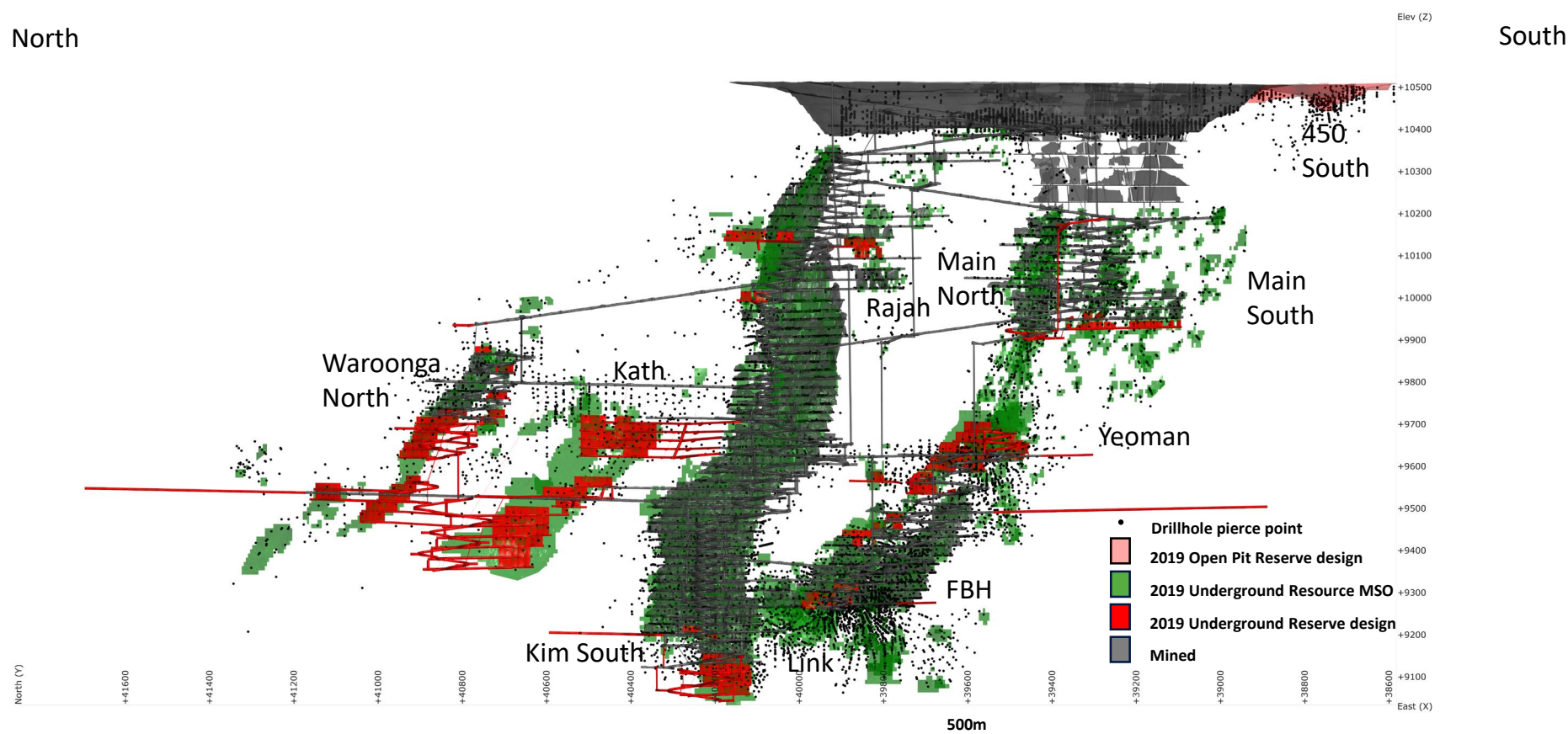
*Note: Group numbers do not include Gold Fields' 45% interest in Asanko*

*Price assumptions for gold equivalent ounce calculation: Reserves: Gold: US\$1,200/oz, Copper: US\$2.8/lb, Silver: US\$17.5/oz. Resources: Gold: US\$1,400/oz, Copper: US\$3.2/lb, Silver: US\$20/oz*

*The metallurgical recovery rate has not been applied to the conversion*



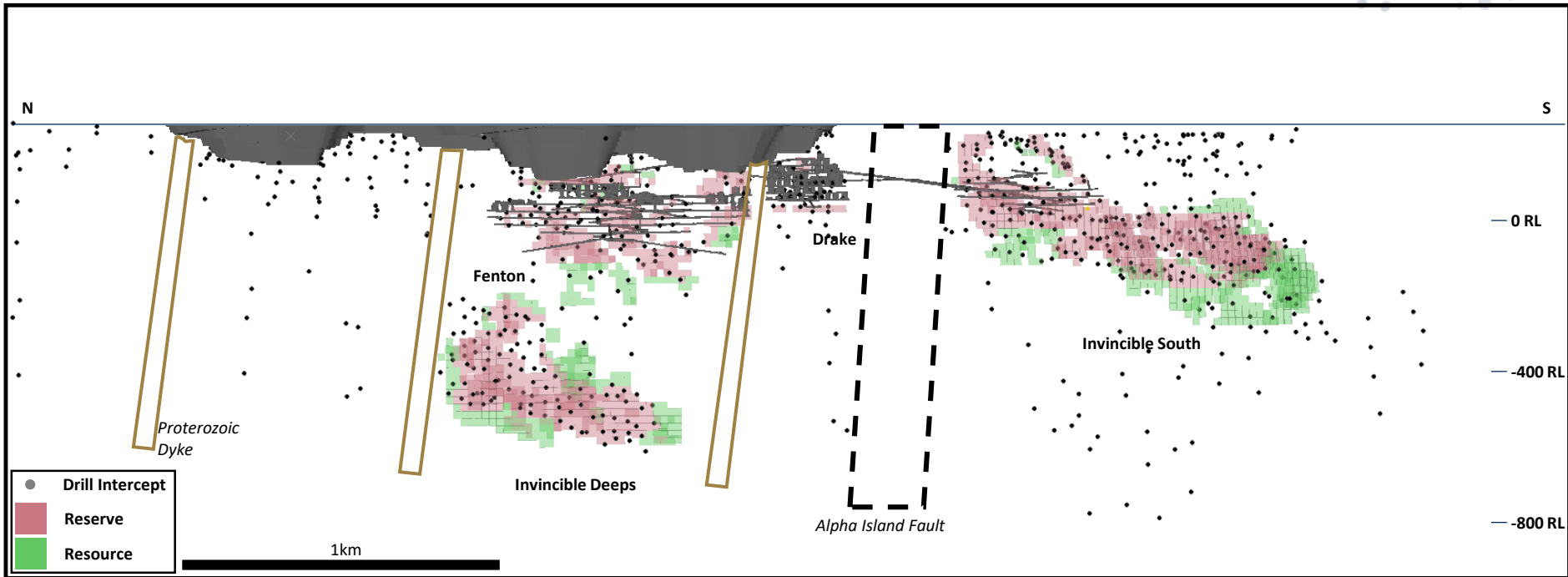
# Waroonga Complex - Dec 2019



|                  | 2015  | 2016  | 2017  | 2018  | 2019  |
|------------------|-------|-------|-------|-------|-------|
| Production (koz) | 128   | 153   | 168   | 178   | 162   |
| Resource (koz)   | 1,374 | 1,098 | 1,069 | 1,121 | 1,281 |
| Reserve (koz)    | 558   | 402   | 484   | 448   | 494   |

Note: Remnant mineralisation within 10m of mined stopes above 9800RL and 7m below 9800RL is sterilised and not reported as Resource

# Invincible Complex - Dec 2019





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# Granny Smith Wallaby Deposit – December 2019

## 7,722 koz Resource

- 783 koz Measured
- 5,337 koz Indicated
- 1,601 koz Inferred

## 2,072 koz Reserve

- 130 koz Proven
- 1,943 koz Probable

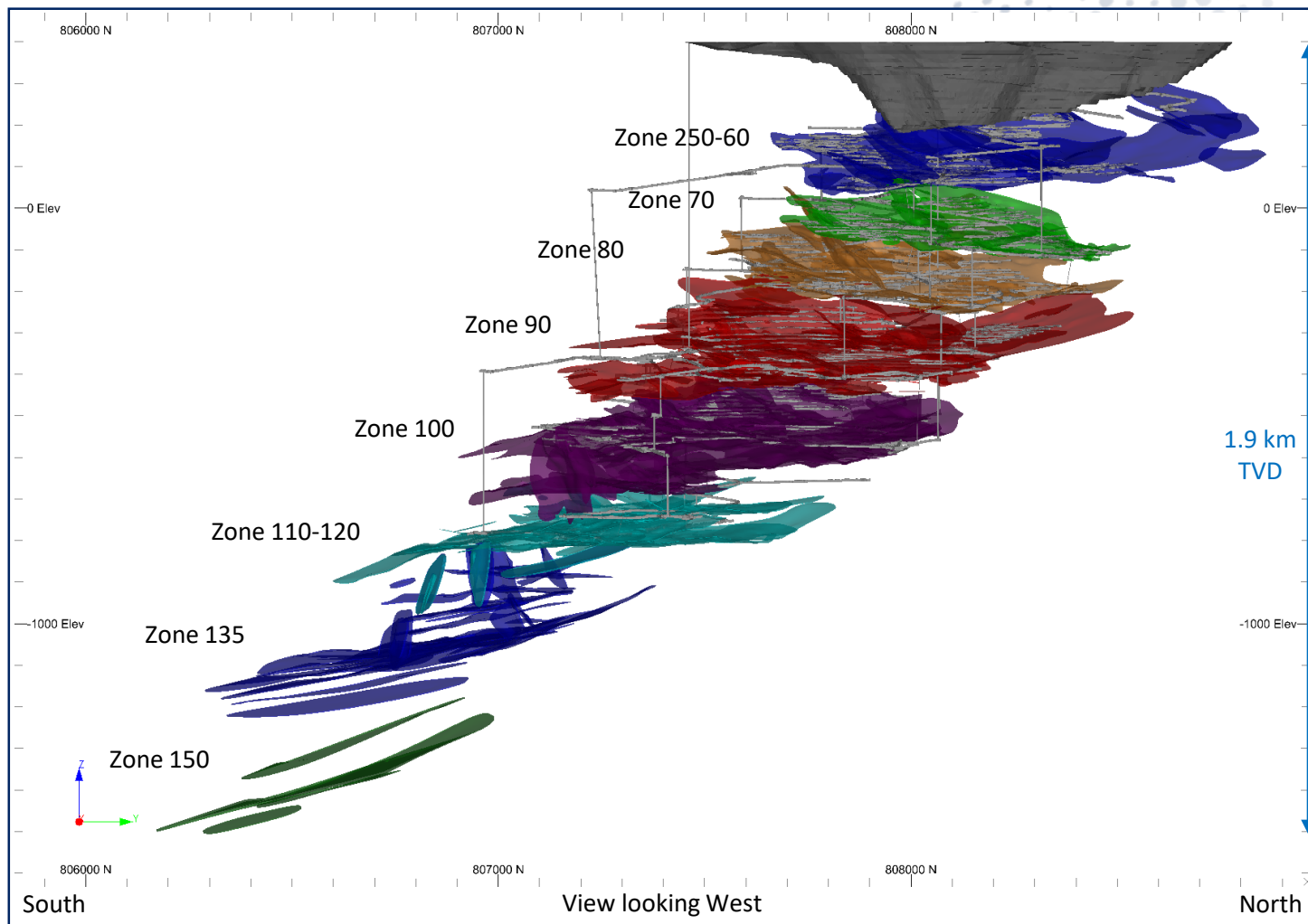
## Mined Production

- 291 koz

## 2018-2019 Year on Year Change

**Resource**  
+427 koz (+6%)

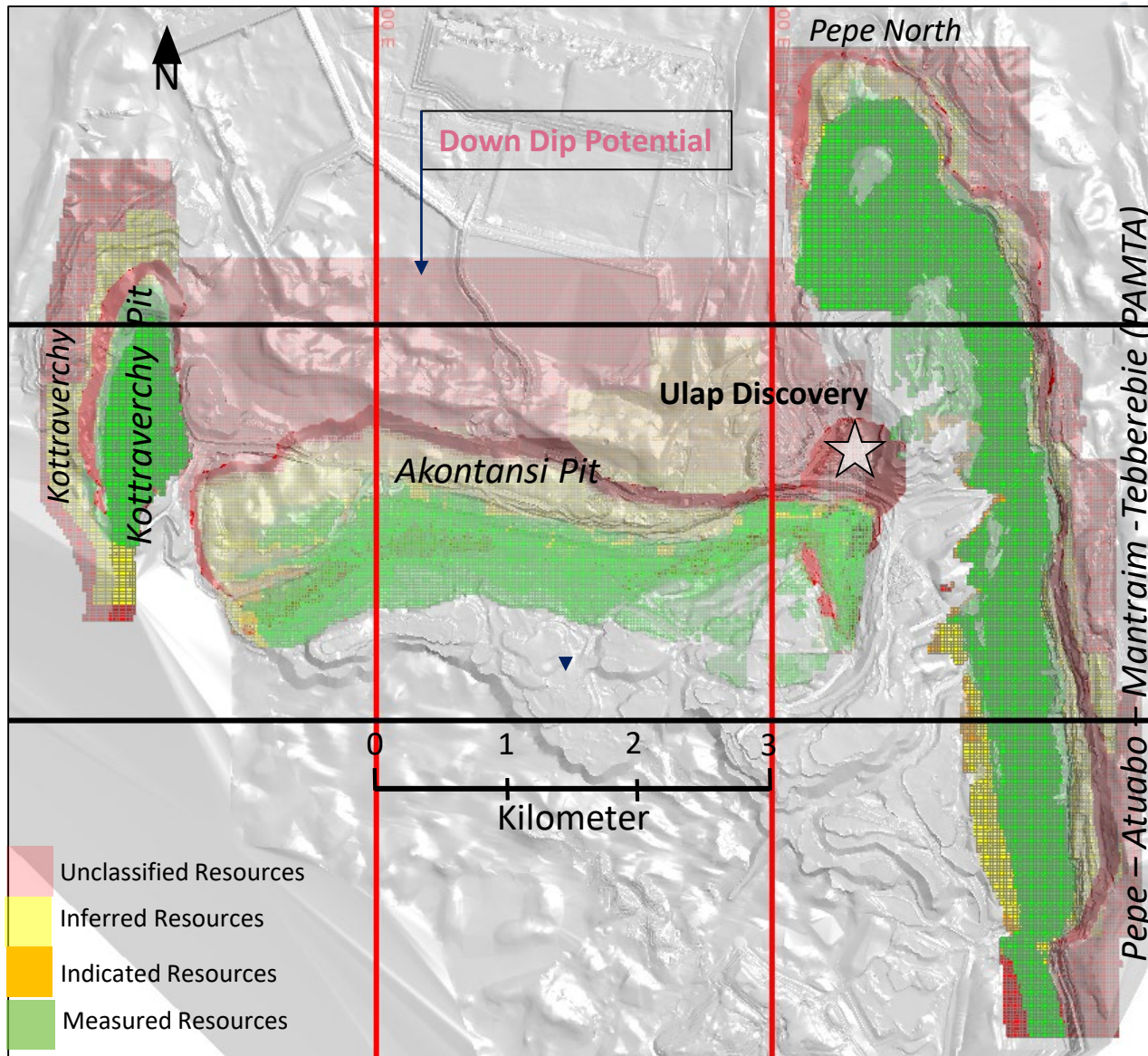
**Reserves\***  
-167 koz (-7%)



\* Reserve reduction due to increased pillar requirements in Zone 110, 120 and 135



# Tarkwa Exploration



*Untapped  
down dip  
potential  
along 22km  
strike  
length*



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## Update on projects



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# Gruyere

- First gold poured in June 2019, commercial levels of production achieved at end-September 2019
- Ramped up to nameplate capacity (8.2Mt) by end-December, quicker than expected
- Final capital cost was A\$610m – lower than most recent guidance of A\$621m
  - Gold Fields' share of the capital cost was A\$329m
- FY 2019 production of 99koz (100% basis) at upper end of guidance range (75koz – 100koz)
- AISC for Q4 2019 were A\$983/oz (US\$684/oz)
- Gruyere generated net cash flow of A\$31m (US\$21m) in Q4 2019 (Gold Fields' share)
- Grade mined in Q4 2019 was slightly lower than planned
  - Included additional ore above the cut-off grade but below the average LoM grade identified during grade control drilling
  - Within existing pit shell (but outside the Reserve) and would otherwise have been classified as waste
  - This lower grade ore was stockpiled during the quarter
  - Mined grade will become more consistent as mining moves into the fresh rock from Q2 2020
- LOM expectations:
  - Annual production of c.300koz (100% basis)
  - AISC of ~A\$1,100/oz (US\$775/oz)
  - 11-year life of mine (from 2020)





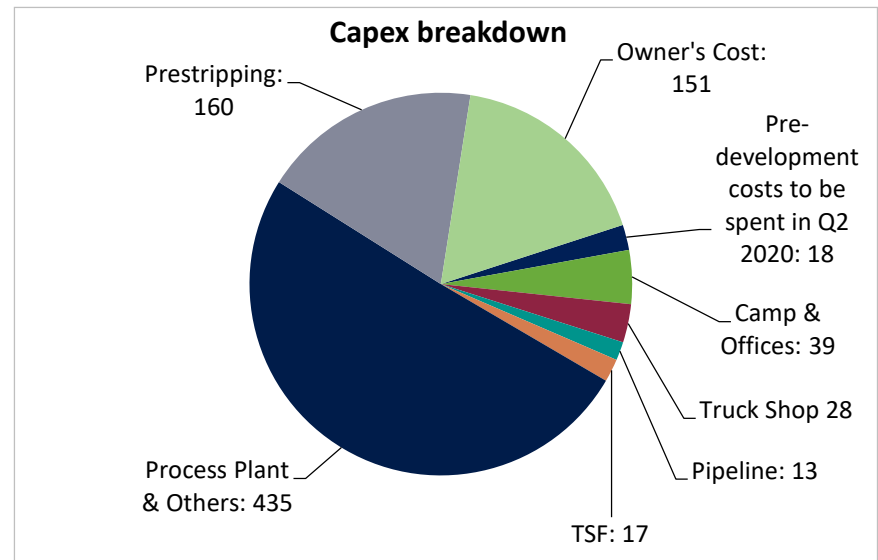
# Damang

- The Damang Reinvestment Project (DRP) has restored the mine to a 200koz pa producer
  - Produced 208koz in 2019
  - Expected to produced 217koz in 2020
- At end-December 2019 (36 months into the DRP):
  - Total material mined = 120Mt (17% above project schedule)
  - Gold produced = 533koz (17% above project schedule)
  - Project capital spent = US\$347m vs. plan of US\$313m driven by additional capital waste tonnes mined
- H2 2019 production impacted by lower grade as the mine transitioned through Huni sandstone lithology
  - Transition through Huni sandstone will continue during H1 2020 (less than 5% of Reserves)
  - Mining will occur in the higher grade Tarkwa phyllites from mid 2020
- Expect a strong H2 2020 through to 2023 underpinned by higher grade from the main pit
  - History has shown an over-reconciliation on the grade



# Salares Norte

- Detailed Engineering 58% complete at end-December 2019
  - Plan is to be 80% complete by mid-2020 and 100% complete by end-2020
- Environmental Impact Assessment (EIA) approved on 18 December 2019, earlier than anticipated in the project schedule
  - Sectoral permits are in process under the approved EIA
- Updated feasibility study presented to the Board in February 2020 and final notice to proceed provided by the Board
- Funding sources for Salares Norte capital:
  - Capital raise announced
  - Operational cash flows
  - Existing debt facilities if necessary
- US\$138m to be spent in 2020
  - US\$111m of capital and US\$27m of pre-development to be spent in Q1 2020
- Updated feasibility study key metrics:
  - Capital cost estimate US\$860m (2020 terms) scheduled over a 33-month period commencing April 2020
  - 11.5-year life of mine
  - Average annual production of 450koz gold equivalent over first seven years (355koz gold equivalent over first 10 years)
  - AISC over LoM of US\$552 per gold equivalent ounce
  - IRR of 23.4% at US\$1,300/oz gold price and 7.5% discount rate
  - 2.3 year payback period at US\$1,300/oz gold price



# Salares Norte: near-mine exploration

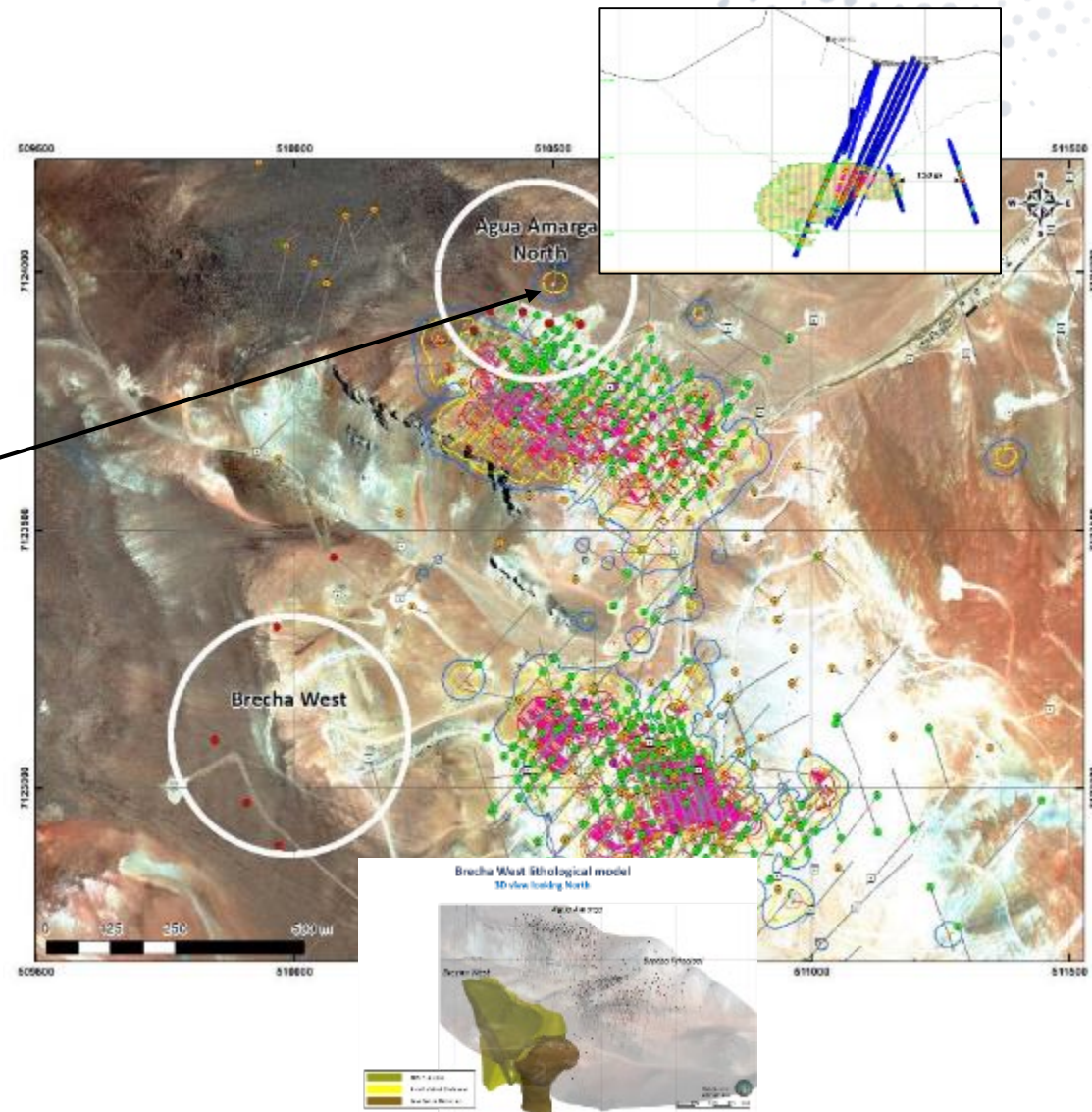
## ● Salares Norte Near Mine:

### - Brecha West:

- Target defined using geological mapping (maar-diatreme confirmed), geophysical surveys and geochemistry
- Exploratory drilling program to continue during 2020.

### - Agua Amarga North:

- SNDD551:
  - › 130 m outside the current resource and pit shell
  - › 8.70m @ 2.07 g/t Au (from 209.90m – oxide)
  - › 9.50m @ 3.64 g/t Au (from 223.00m – oxide)
- North extension drilling program in place to check the continuity of the orebody during Q1/2020.





# District exploration: Horizonte

## ● Horizonte:

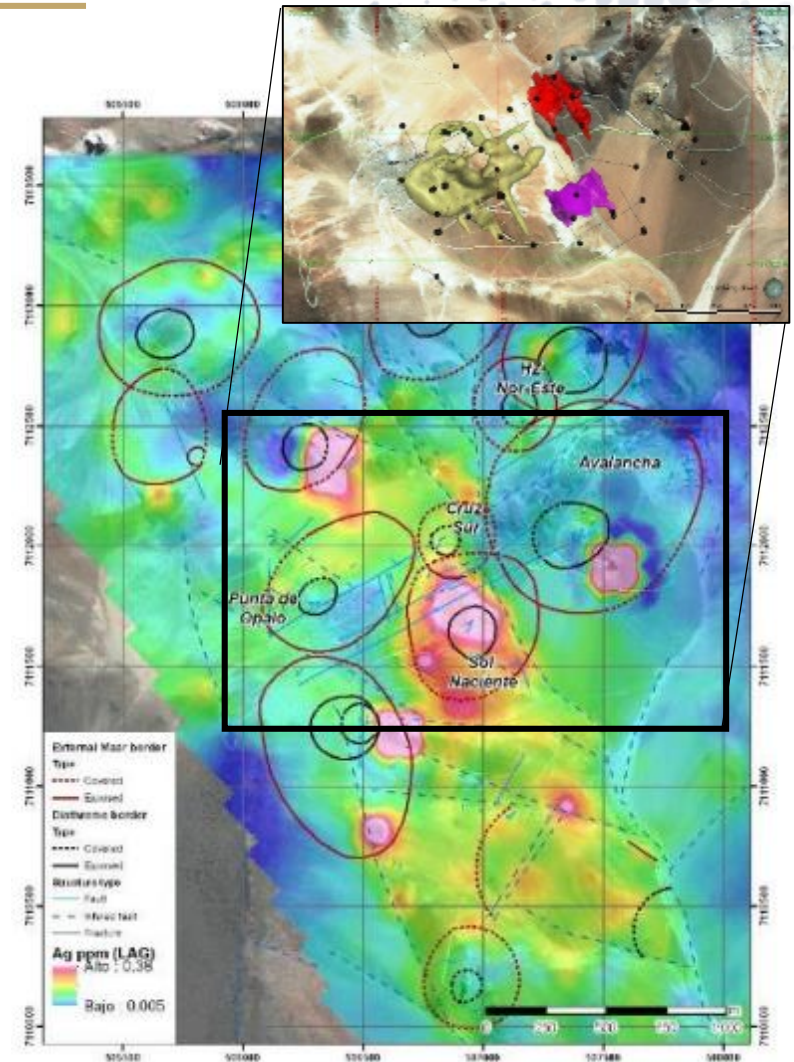
### - 2019 (Punta de Opalo/Cruz Sur/Sol Naciente):

- Interesting near surface oxide intercepts (inclined):

|         |  |
|---------|--|
| 05/2019 | › 47.20m @ 1.06 g/t Au (from 3.80m – HZDD044);                             |
| 06/2019 | › 20.20m @ 1.00 g/t Au & 6.95 g/t Ag (from 35.80m – HZDD054);              |
|         | • As well deeper oxide intercepts ( <u>inclined</u> ) with high grade:     |
| 03/2019 | › 27.25m @ 3.21 g/t Au & 24.02 g/t Ag (from 375.75m – HZDD036);            |
|         | › <b>14.00m @ 6.42 g/t Au &amp; 11.50 g/t Ag (from 250.00m – HZDD042);</b> |
| 12/2019 | › 8.30m @ 2.93 g/t Au & 79.00 g/t Ag (from 157.20m – HZDD061);             |
|         | › <b>6.50m @ 11.70 g/t Au &amp; 24.10 g/t Ag (from 172.50m – HZDD062);</b> |
| 01/2020 | › <b>43.00m @ 4.66 g/t Au &amp; 15.61 g/t Ag (from 138.00m – HZDD065)</b>  |
|         | › <b>» Including 10.4m @ 13.18 g/t Au &amp; 3.82 g/t Ag (from 169.60m)</b> |
| 02/2020 | › <b>16.68m @ 2.92g/t Au &amp; 23.27 g/t Ag (from 124.6m -HZDD068)</b>     |
|         | › <b>52.20m @ 1.43g/t Au &amp; 6.14 g/t Ag (from 159.8m - HZDD068)</b>     |

### - 2020:

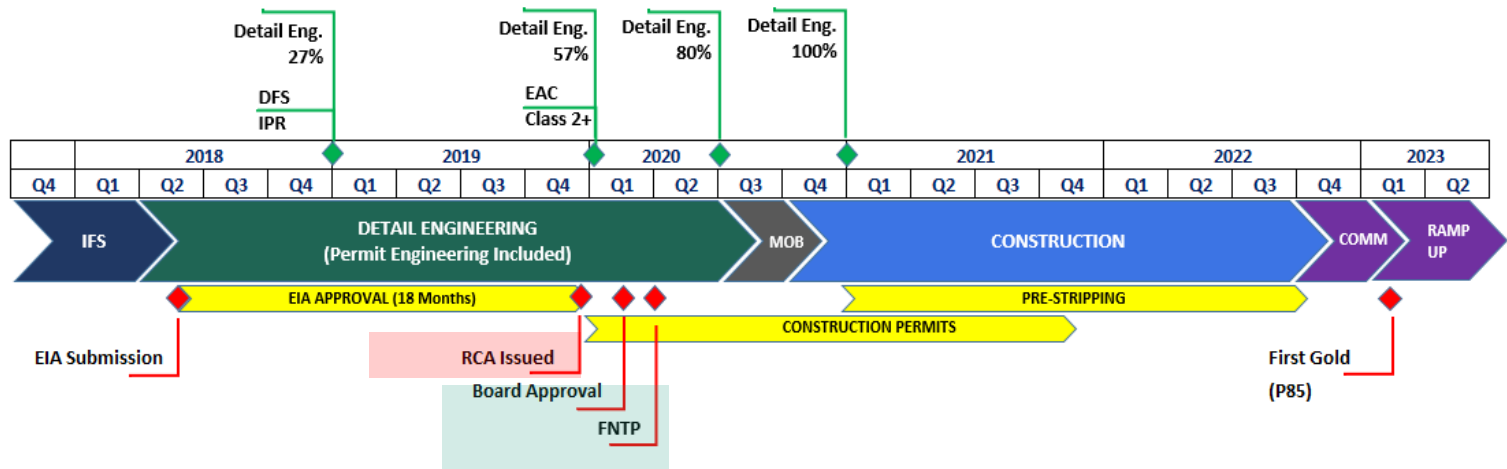
- Continue the drilling program over shallow oxide targets (Cruz Sur and Sol Naciente target)



# Salares Norte

## Execution Schedule

Current Phase  
(EPS – 2020)





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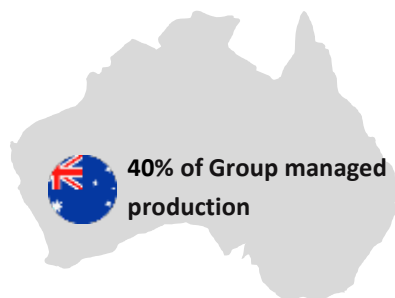
## Regional overviews



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# Australia

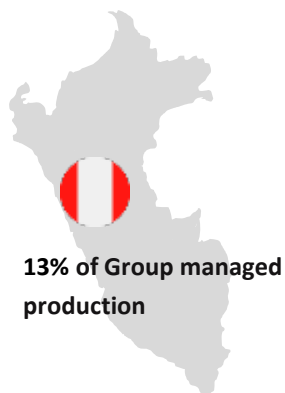


|                 |         | 2019  | 2018  | 2020 guidance |
|-----------------|---------|-------|-------|---------------|
| Att. Production | koz     | 914   | 886   | 985           |
| AIC             | US\$/oz | 986   | 943   | 930           |
|                 | A\$/oz  | 1,418 | 1,262 | 1,350         |
| Net cash flow*  | US\$m   | 206   | 192   |               |

\* Net cash flow excludes Gruyere project capital

- Gruyere: First gold in June 2019 and nameplate capacity reached by end-2019
- Agnew: New accommodation village opened during the year and 10-year electricity supply agreement signed with EDL
  - 23MW power station commissioned on 20 November. This integrates solar (4MW) with gas and diesel (19MW)
  - Second stage of the microgrid will include 18MW of wind generation and a 13MW battery will be completed by mid-2020
- Granny Smith: Ore handling study ongoing
- Transition to underground continued at St Ives with mining at the Invincible open pit coming to an end during 2019
- 8% increase in Australian region's Reserves post depletion
  - 38% increase in Agnew's Reserves
  - 31% increase in St Ives' Reserves

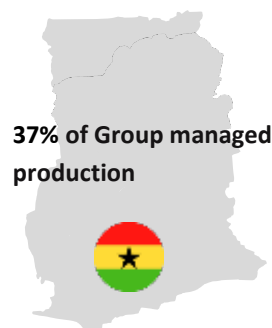
## Americas



|                    |         | 2019 | 2018 | 2020 guidance |
|--------------------|---------|------|------|---------------|
| Au Eq production   | koz     | 293  | 314  | 275           |
| Au Eq AIC          | US\$/oz | 810  | 699  | 830           |
| Au only production | koz     | 156  | 150  | 158           |
| Cu only production | kt      | 31   | 32   | 28            |
| Au only AIC        | US\$/oz | 472  | 282  | 575           |
| Net cash flow      | US\$m   | 86   | 112  |               |

- Feasibility study to extend life of mine to 2030 completed
- Initiated study to extend life of mine beyond 2030
- Orebody continues to reconcile closely to geological models
- 70% increase in capital expenditure in 2019 to US\$56m due to new waste storage facility construction and infrastructure relocation expenses for the life extension plan

## West Africa



|                    |         | 2019  | 2018  | 2020 guidance |
|--------------------|---------|-------|-------|---------------|
| Managed production | koz     | 840   | 750   | 840           |
| AISC               | US\$/oz | 942   | 926   | 980           |
| AIC                | US\$/oz | 1,039 | 1,098 | 1,006         |
| Net cash flow*     | US\$m   | 245   | 170   |               |

*\* Net cash flow excludes Damang project capital*

*Numbers include 45% of Asanko Gold Mine, 2018 includes Asanko for five months*

- Tarkwa: 2% YoY increase in Reserves
  - First time the mine has replaced Reserve depletion in 15 years
- Damang: Damang Reinvestment Project (DRP) nearing completion
  - Will mine the Tarkwa Phyllites at the base of the main pit from mid-2020
  - Damang generated a net cash inflow in 2019, the first year of positive cash flow since the DRP commenced
- Asanko: Updated life-of-mine model expected in Q1 2020

## South Africa

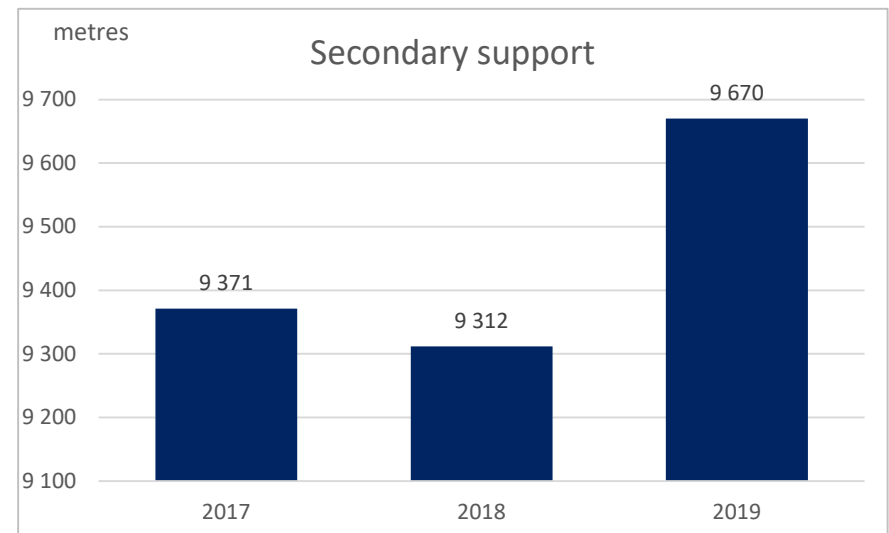
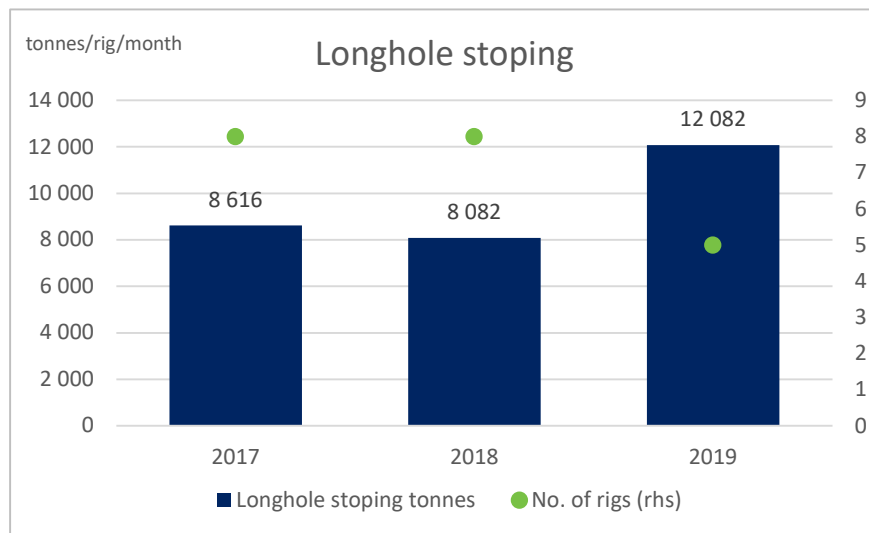
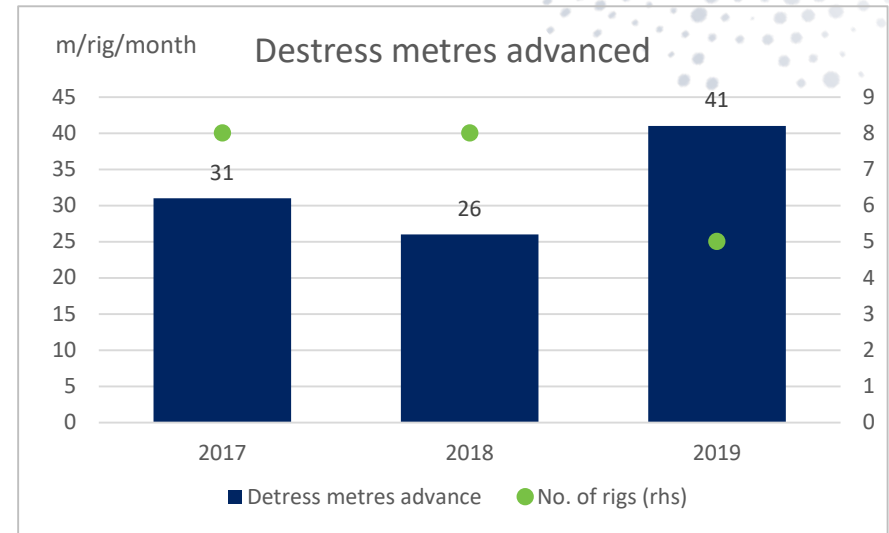
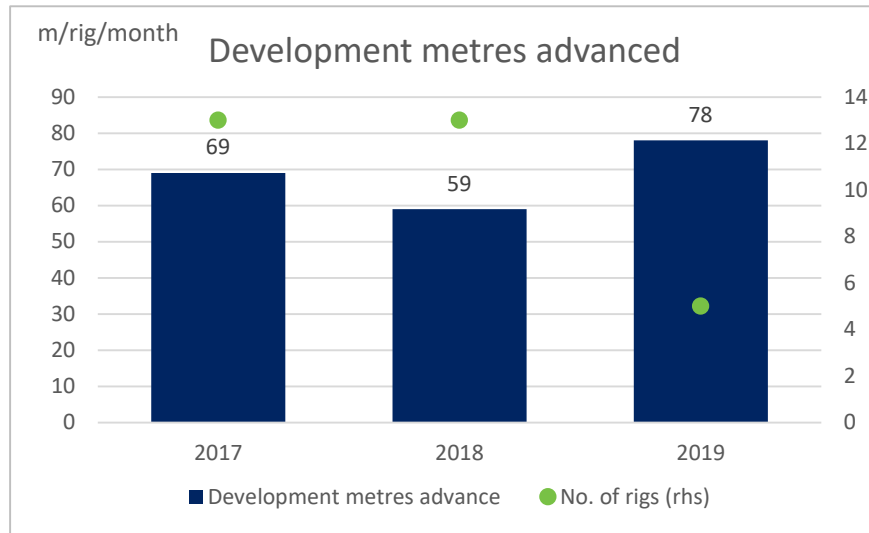


|                 |         | 2019  | 2018  | 2020 guidance |
|-----------------|---------|-------|-------|---------------|
| Att. Production | koz     | 222   | 157   | 257           |
| AISC            | US\$/oz | 1,259 | 1,903 | 1,281         |
| AIC             | US\$/oz | 1,259 | 2,012 | 1,340         |
| Net cash flow*  | US\$m   | 15    | (128) |               |

\* Excluding project capital

- South Deep restructuring announced at end-2018 was fully embedded during 2019
- 41% YoY increase in production to 6,907 kilograms (222koz), 15% ahead of guidance
- New Mine (North of Wrench) 60% of ore tonnes in 2019 vs. 45% in 2018
- South Deep generated a net cash inflow of US\$15m in 2019 vs an outflow of US\$128m in 2018
- Significant productivity improvements in 2019:
  - Destress increased 42% YoY to 26,606 m<sup>2</sup>
  - Longhole stoping volumes mined increased 36% YoY to 631kt
  - Record volume (426,338m<sup>3</sup>) of backfill was placed in 2019
  - Improvement in stope turnaround to 4.9 months in 2019 (2018: 7.8 months)
  - Overall productivity improved to 33.4 tonnes per employee in 2019 from 21.7 per employee in 2018
- New Mine development to commence in H2 2020
- Bulk of 2020 forecast production hedged at an average strike price of >R700,000/kg (spot price: c.R750,000/kg)
  - Increases level of confidence that the mine will generate positive free cash flow again in 2020

# South Deep: key metrics



# Outlook



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# Tactical hedging

## Underwriting debt reduction

- *Oil hedge*

**Australia:**

- 75 million litres at an equivalent Brent Crude swap price of US\$57.4/bbl hedged for the period January 2020 to December 2022

**Ghana:**

- 123.2 million litres at an equivalent Brent Crude swap price of US\$59.2/bbl hedged for the period January 2020 to December 2022

Volumes hedged represent 50% of annualised fuel consumption for the two regions

- *Gold hedge*

**Australia:**

- 210koz hedged using swaps with an average price of A\$1,957/oz; 270koz hedged using zero cost collars with an average floor price of A\$1,933/oz and an average cap price of A\$2,014/oz. Both hedges are for the period January 2020 to December 2020

**Ghana:**

- 100koz hedged using swaps with an average price of U\$1,382/oz; 175koz hedged using zero cost collars with an average floor price of U\$1,364/oz and an average cap price of U\$1,449/oz. Both hedges are for the period January 2020 to December 2020
- 100koz hedged for the period January 2020 to December 2020 using zero cost collars with an average floor price of U\$1,400/oz and an average cap price of U\$1,557/oz

**South Africa:**

- 100koz hedged using swaps with an average price of R681,400/kg; 100koz hedged using zero cost collars with an average floor price of R660,000/kg and an average cap price of R727,000/kg. Both hedges are for the period January 2020 to December 2020

# 2020 outlook and guidance

## 2020 Group guidance

- Attributable equivalent gold production: 2.275Moz – 2.315Moz
- AISC: US\$920/oz – US\$940/oz
- AIC: US\$1,035/oz – US\$1,055/oz
- AIC excluding Salares Norte expenditure: US\$975/oz – US\$995/oz

## Focus areas for 2020

- Gruyere: first full year of operation
- Damang: year of two halves – expect to be in the heart of the main orebody by mid-year
- Salares Norte: early works in H1, commence construction in Q4
- Further embed productivity improvements at South Deep – restart new mine development
- Continue to reduce net debt
- Commitment to maintain dividend policy



**Thank you**  
QUESTIONS AND ANSWERS



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