



## Gold Fields FY 2020 results

Nick Holland: CEO

18 February 2021



**GOLD FIELDS**

# 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

# FY 2020 highlights

- Covid-19 impact largely contained – c.80koz of lost production (4% of original guidance)
- Attributable production of 2,236koz in 2020 vs. 2,195koz in 2019 (+2% YoY)
- Mine net cash flow of US\$868m
- Net cash flow of US\$631m – net of interest and Salares Norte expenditure
- Normalised earnings of US\$879m, 2.5 times 2019 normalised earnings
- Final dividend of R3.20/share, taking total dividend to R4.80/share
- Salares Norte tracking well
  - Construction progress 15.6% at end-December 2020 vs. plan of 9.9%
- Improved balance sheet

		31 December 2020	31 December 2019
Net Debt	US\$m	1,069	1,664
Net debt to EBITDA	times	0.56x	1.29x
Leases*	US\$m	429	333
Net debt (excl leases)	US\$m	640	1,331

*\*Increased leases in 2020 was due to renewable energy projects in Australia and increased capacity at Tarkwa*

Delivering the higher gold price

## Covid-19 update

	Americas	Australia	South Africa	West Africa	Group	Group + Galiano
<b>Tested</b>	52 409	17	13 483	5 573	71 482	72 230
<b>Positive</b>	1 150	-	995	560	2 705	2 829
<b>Negative</b>	51 246	17	12 370	4 988	68 621	69 245
<b>Waiting Results</b>	13	-	118	25	156	156
<b>Active cases</b>	45	-	30	80	155	170
<b>In Hospital</b>	1	-	1	3	5	5
<b>Recovered</b>	1 104	-	957	480	2 541	2 649
<b>Died</b>	1	-	8	-	9	10

*Notes:*

- High prevalence in Peru, Ghana and South Africa
- Doing PCR diagnostics
- Testing among our workforce is also more stringent than in public health facilities
- "Awaiting results", "Active cases" and "In hospital" refers to the current figures. South Africa includes the corporate office. West Africa excludes Galiano/Asanko

Have tested the workforce approximately four times

# A globally diversified gold miner

FY 2020 results

## Gold Fields Group

Mines: 9

Projects: 1

Countries: 5

Att. production: 2,236koz

AIC: US\$1,079/oz

Mine net cash flow: US\$868m inflow

Net cash flow\*\*: US\$631m inflow

## West Africa region

Mines: Tarkwa, Damang and Asanko

Att. production: 787koz

AIC: US\$1,060/oz

Net cash flow\*: US\$252m inflow

## Americas region

Mine: Cerro Corona (Peru)

Att. production: 206koz (Au eq)

AIC: US\$1,119/eq oz

Net cash flow\*: US\$84m inflow

Project: Salares Norte (Chile)

## South Africa region

Mine: South Deep

Att. production: 227koz

AIC: US\$1,260/oz

Net cash flow\*: US\$34m inflow

## Australia region

Mines: St Ives, Granny Smith,

Agnew and Gruyere

Att. production: 1,017koz

AIC: US\$957/oz

Net cash flow\*: US\$498m inflow

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

\*\*Net cash flow = Cash flow from operating activities less net capital expenditure, environmental payments, lease payments and redemption of Asanko preference shares

## **Delivering on strategy**

- Have delivered on key strategic projects
  - Gruyere: low cost, long life mine ahead of plan
  - Damang: Delivered the reinvestment plan ahead of schedule, now in the heart of the orebody
  - South Deep: Restructuring has reset the culture, notable productivity improvements
- Maintained prudent levels of capex through the cycle
- The portfolio is positioned to produce 2.0Moz – 2.5Moz pa for the next 10 years
- Delivered the high gold price to the bottom line in 2020, despite hedges capping some of the upside
- Further prioritisation and development of long-term ESG targets

# Focusing on Salares Norte and organic growth

- Focus is now on delivering Salares Norte – next 18 months define success
  - In construction, production expected in Q1 2023
  - Construction of plant and pre-stripping has commenced
- Brownfields opportunities across the portfolio:
  - St Ives: life extension driven by growth at the Invincible complex
  - Exploration success at Agnew – best position the mine has been in for many years
  - Exploring potential to extend the life-of-mine at Cerro Corona beyond 2030
  - Early studies on a potential further cutback at Damang have commenced
- No need to partake in expensive M&A
- Healthy Reserve position outside of SA
  - 20.5Moz of attributable gold equivalent Reserves outside of SA – c.10 year mine life
  - Continue to replace depletion and add Reserves in Australia
  - Replaced depletion and slightly added to Tarkwa's Reserves in 2020 – second consecutive year

Organic growth provides the best value



# Gold Fields' strategic ESG priorities

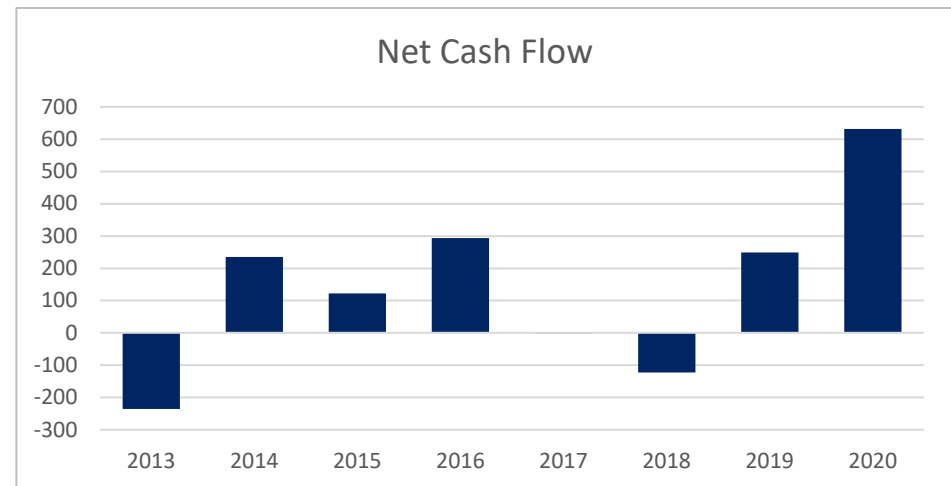
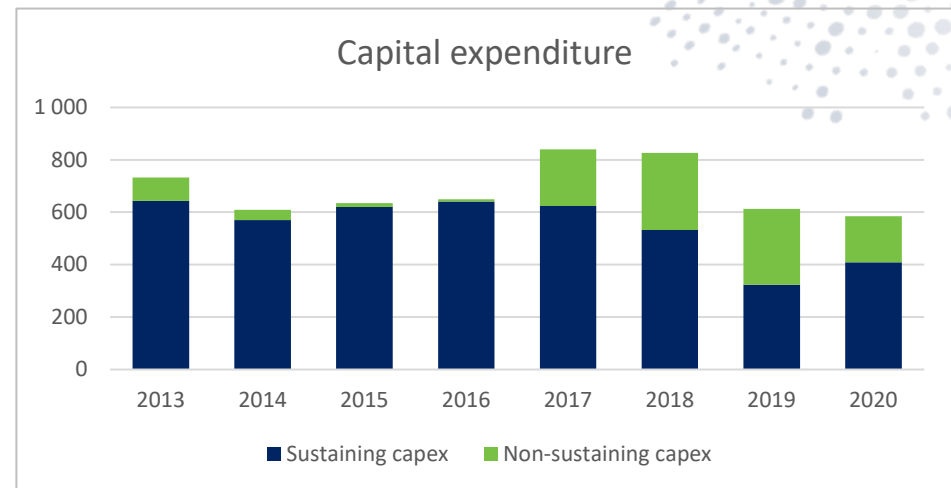
Strategic Priorities	Objectives	Strategic Intent
<b>Partnering to ensure the safety, health and well-being of our workforce and alleviating such impacts on our communities</b>	Elimination of fatalities, serious injuries, illnesses and mental harm that could arise from our activities	1. Zero fatalities and serious injuries at our operations
		2. Eliminate vehicular incidents by implementing advanced collision avoidance technologies
		3. Significantly reduce underground diesel particulate matter exposure
		4. Minimise health and environmental impacts on our host communities
<b>Build a diverse and inclusive workplace</b>	Increase the proportion of women and Indigenous people in our workforce	5. Increase the proportion of women in our workforce, including women in leadership and women in mining in all our operating regions
<b>Unlocking business, community &amp; stakeholder value</b>	Maximise in-country and host community employment and procurement	6. Maximise Group host community employment
		7. Maximise Group host community procurement spend
		8. Maximise Group in-country procurement
<b>Pursuing decarbonisation and building resilience to climate change in line with our commitment to the Paris Agreement</b>	Reduce carbon emissions, freshwater use and exposure to climate-related risks to operations, stakeholders and the environment	9. Continue pursuing carbon emissions reductions at all our operations
		10. Increase Group renewable energy use and include at least 20% renewables in all new projects
		11. Introduce electric vehicles in our underground operations
		12. Reduce fresh water use and optimise Group water recycling and reuse levels
<b>Full compliance with the 2020 Global Industry Standard on Tailings Management (GISTM)</b>	Safe and responsible tailings management	13. Achieve and maintain compliance with the GISTM as committed by ICMM members

Delivering enduring value in partnership with our stakeholders



## Strong cash generation in FY 2020

- Strong cash generation
  - Mine cash flow: US\$868m in 2020 vs. US\$414m in 2019
  - Net cash flow: US\$631m in 2020 vs. US\$249m in 2019
- De-gearred faster than expected – c.US\$1bn over 24 months (includes equity raise)
- Final dividend of R3.20/share
  - Double interim dividend
  - 2020 total dividend 3x 2019 total dividend
- 2021 FCF will be prioritized to fund Salares Norte capex (US\$508m), pay down more debt and honour the dividend policy

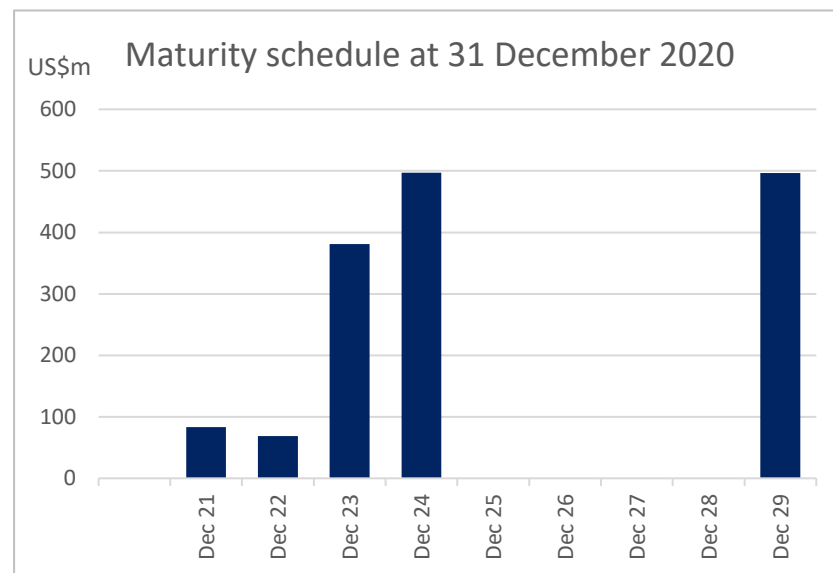
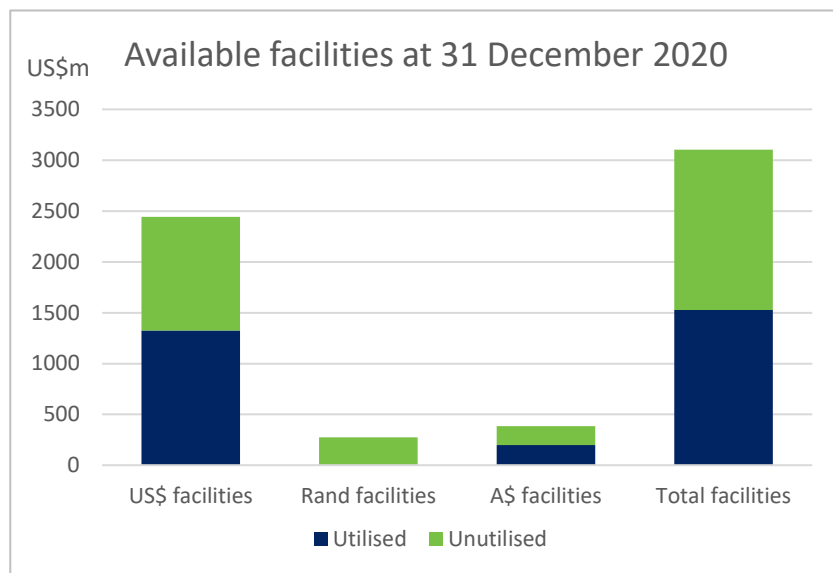


*\*Net Cash Flow = Cash flow from operating activities less net capital expenditure and environmental payments and finance lease payments*

Sustaining capex of US\$250/oz – US\$300/oz maintained

# Balance sheet

- Net debt of US\$1,069m at end-December 2020 (end-2019: US\$1,664m)
  - Net debt (excl leases) was US\$640m (end-2019: US\$1,331m)
- Net debt to EBITDA of 0.56x at end-December 2020
- Unutilised facilities (committed and uncommitted) of US\$1,117m, R4,035m and A\$240m
- US\$887m in cash on the Balance sheet
- Repaid outstanding 2020 bonds in October out of a combination of cash and US\$ debt facilities
- Refinanced the Australian facility and extended maturity to the 2023



## Salares Norte update

- Engineering progress 97.2% at end-December (plan: 90.0%)
  - Construction progress 15.6% at end-December (plan: 9.9%)
  - Total project progress 27.0% at end-December (plan: 24.4%)
  - Camp Phase I completed during Q3 2020
  - Camp Phase II construction completed post year-end
- } Now have 1,650 bed capacity
- US\$151m spent on project in 2020, including:
    - Pre-development costs of US\$11m (spent in Q1)
    - District exploration of US\$19m
    - Initial capex of US\$97m
    - Working capital
  - Diversion channel earthworks and precast installation completed by year-end. The bulk earthworks contractor commenced activities on 21 September
  - Mining contractor completed mobilisation and began pioneering works on 1 October
  - 87% of orders have been placed and pricing fixed but still subject to escalation
  - The pre-strip and construction of the process plant commenced in January 2021
  - District drilling 17,504m during 2020 vs. plan of 16,000m
  - Relocation of Chinchilla halted until further notice from the authorities

World class project under construction in tier 1 country

## Salares Norte progress

Salares Norte camp



Plant site



HME workshop



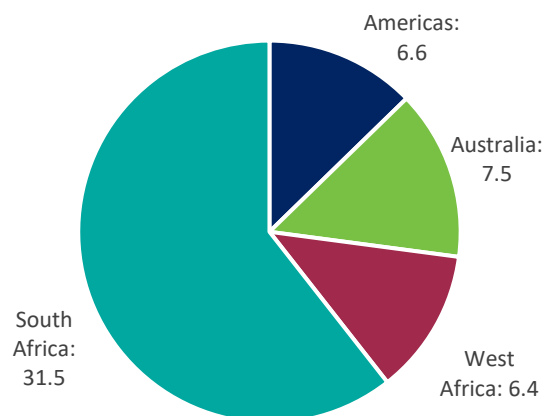
Pre-stripping the pit



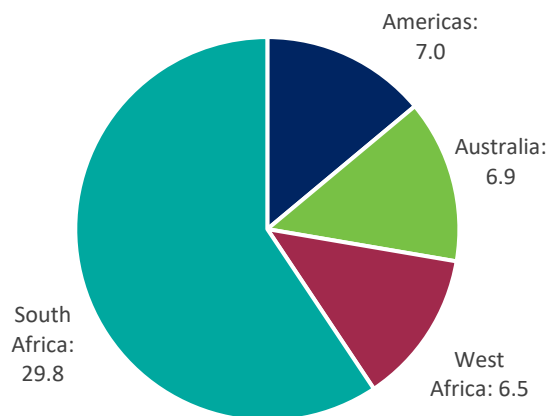
## Growing R&R ex-SA

	December 2020		December 2019	
	Managed	Attributable	Managed	Attributable
Gold equivalent Resources	149.1Moz	116.0Moz	148.7Moz	115.7Moz
Gold equivalent Reserves	56.1Moz	52.1Moz	55.2Moz	51.3Moz

Att. Au equivalent Reserves: Dec-2020



Att. Au equivalent Reserves: Dec-2019



### Highlights:

- 8% YoY increase in Australia Reserves
- 17% YoY increase in St Ives' Reserves net of depletion – largest Reserve since 2011
- 19% YoY increase in Agnew's Reserves net of depletion
- 3% YoY increase in Tarkwa's Reserves net of depletion

At end-2020, **20.5Moz** of Gold Fields' attributable gold equivalent Reserves (excluding Gold Fields' 45% interest in the Asanko Gold Mine) were outside South Africa, representing 39% of the Group's Reserve base

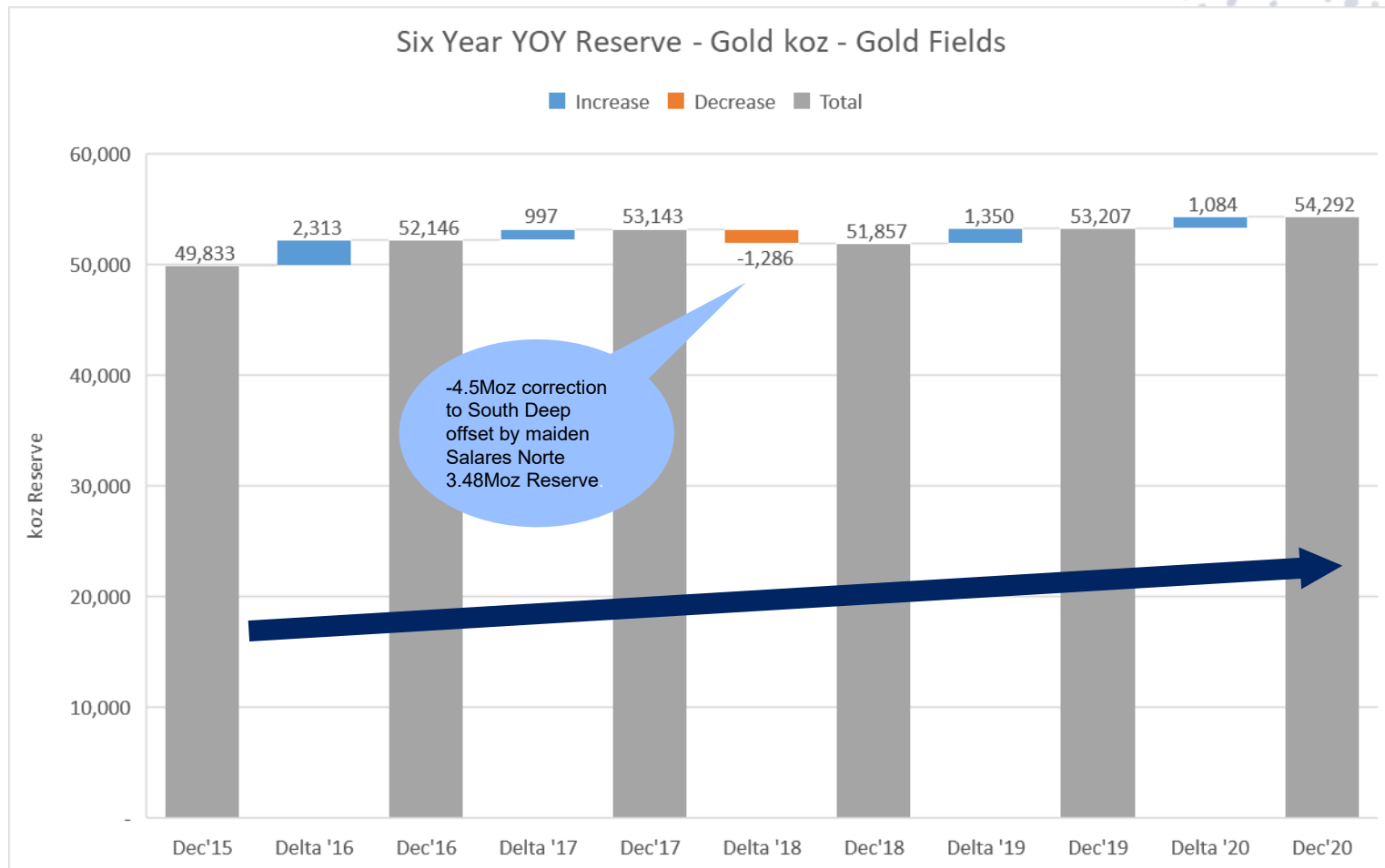
Note: Group numbers do not include Gold Fields' 45% interest in Asanko

Price assumptions for gold equivalent ounce calculation: Reserves: Gold: US\$1,300/oz, Copper: US\$2.8/lb, Silver: US\$17.5/oz. Resources: Gold: US\$1,500/oz, Copper: US\$3.2/lb, Silver: US\$20/oz

The metallurgical recovery rate has not been applied to the conversion

# Gold Fields' Mineral Reserve growth

Six year track record (gold only managed net of depletion)



9% Reserve Growth over 5 years net of Depletion

# Organic growth potential

- Tarkwa: Step out potential from existing pits
- Damang: Main Damang pit and the greater lease
- Australia:
  - Invincible complex plus historically mined areas
  - Greater Agnew
  - Granny Smith at depth (Z150)
  - Gruyere – further pit extension, potential underground to be evaluated
- Cerro Corona: Beyond 2030
- Salares Norte: District potential





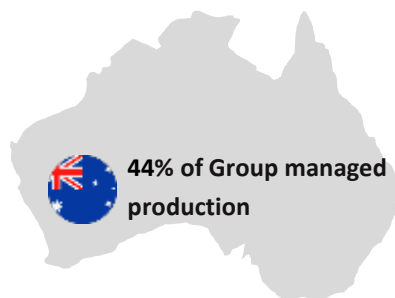
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## Regional overviews



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# Australia



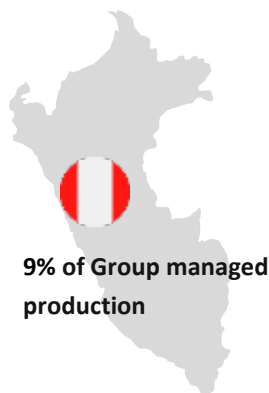
		2020	2019
Att. Production	koz	1,017	914
AIC	US\$/oz	957	986
	A\$/oz	1,388	1,418
Net cash flow*	US\$m	498	139
Att. Gold equivalent Reserves	Moz	7.5	6.9

\* Net cash flow excludes Gruyere project capital for 2019

- 11% year-on-year increase in gold produced driven by the first full year of Gruyere production – reached commercial levels of production at end-September 2019
- Renewable energy projects at Agnew, GSM and Gruyere
- Second decline to commence at Granny Smith
- Invincible orebody continues to grow at St Ives, both laterally and at depth
- Agnew is being configured for increased output over a longer life – first phase of plant expansion (crusher)
- Region generated net cash flow of US\$498m (A\$723m) in 2020

1Moz per year region

## Peru

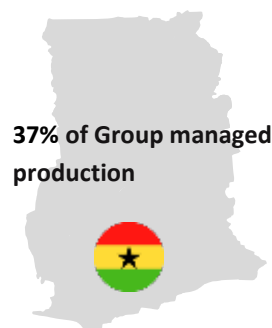


		2020	2019
Au Eq production	koz	207	293
Au Eq AIC	US\$/oz	1,119	810
Au only production	koz	119	156
Cu only production	kt	25	31
Au only AIC	US\$/oz	715	472
Net cash flow	US\$m	84	86
Att. Gold equivalent Reserves	Moz	6.6	7.0

- Cerro Corona was significantly impacted by the COVID-19 pandemic during H1 2020
  - Catch up in waste mining required at Cerro Corona in the coming year
- The impact of COVID-19 on gold equivalent production was 46koz for FY 2020
- In addition, the actual lower price factor had a negative impact of 22koz on gold equivalent production the year compared to guidance
- Looking at further life extension beyond 2030 with additional drilling planned for 2021
- Despite the challenges presented by COVID-19, Cerro Corona generated net cash flow of US\$84m in 2020, in line with 2019
- Increased stake in Chakana and agreement with Regulus Resources

Integrity of 2030 life extension plan intact

## West Africa



		2020	2019
Production	koz	862	840
AISC	US\$/oz	1,027	942
AIC	US\$/oz	1,060	1,039
Net cash flow*	US\$m	290	184
Att. Gold equivalent Reserves	Moz	6.4	6.5

*\* Net cash flow includes Damang project capital and redemption of Asanko preference shares  
Production and cost numbers include 45% of Asanko Gold Mine, Reserves exclude Asanko*

- Mining in main Damang pit transitioned through the bulk of the Huni Sandstone during H1 2020
  - Had a much stronger H2 2020, with mining taking place in the higher-grade, more consistent Tarkwa Phyllites in the base of the pit
- At end-December, 48 months into the the Damang reinvestment Project:
  - Tonnes mined were 14% ahead of plan
  - Gold produced was 17% ahead of plan
- Tarkwa replaced depletion and slightly added to Reserves in 2020 – second consecutive year
- Region generated net cash flow of US\$290m in 2020 (2019: US\$184m)
- Studies on a further cutback at Damang have commenced
- More exploration potential at Tarkwa – 22km of down dip strike potential being evaluated

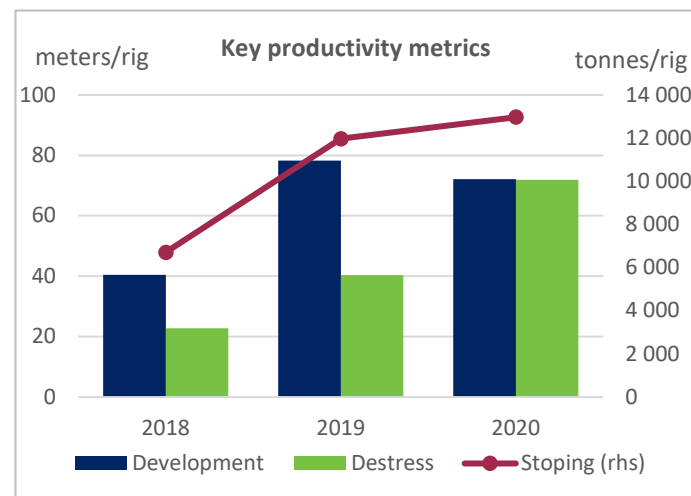
Significant organic growth potential

# South Africa



		2020	2019
Att. Production	koz	227	222
AISC	US\$/oz	1,237	1,259
AIC	US\$/oz	1,260	1,259
Net cash flow	US\$m	34	15
Att. Gold equivalent Reserves	Moz	31.5	29.8

- 1 Fatality during H1 2020: Mr. Abel Magajane
- Q2 2020 severely impacted by Covid-19 related restrictions
  - Placed on care and maintenance
  - 32koz lost during Covid-19 lockdown and ramp up
- Strong H2 performance after disruptions in H1
  - South Deep would have exceeded original production guidance had it not been for Covid-19
- Despite the Covid-19 interruptions, the mine managed to generate positive cash flow of R558m (US\$34m) during 2020, more than double that generated in 2019
- c.30% year-on-year productivity improvement in destress
- Improved compliance on stoping, up to c.90%
- Migration to North of Wrench from Current mine continued during 2020
- Gold production of 9,000kg (289koz) guided for 2021



20% - 30% increase in production over the coming years

# Outlook



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# 2021 outlook and guidance

## 2021 Group guidance

- Attributable equivalent gold production: 2.30Moz – 2.35Moz
- AISC: US\$1,020/oz – US\$1,060/oz
- AIC: US\$1,310/oz – US\$1,350/oz
- AIC (excl. Salares Norte): US\$1,090/oz – US\$1,130/oz
- Total capex: US\$1,177m (Sustaining: US\$538m, Non-sustaining: US\$639m)

## Focus areas for 2021

- Continue to navigate Covid-19 – inherent unquantifiable risk
- Salares Norte: stick to project schedule during peak capex year (70% complete by year-end)
- Further embed productivity improvements at South Deep – production expected to increase 28% YoY in 2021
- Continue to reduce net debt
- Commitment to maintain dividend policy





**Thank You**

QUESTIONS AND ANSWERS



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