STILLABOWER MICHAEL E
Form 4
August 27, 2012

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
STILLABOWER MICHAEL E

(Last) (First) (Middle)

1600 W. MERIT PARKWAY

(Street)

SOUTH JORDAN, UT 84095

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
MERIT MEDICAL SYSTEMS INC [MMSI]

3. Date of Earliest Transaction (Month/Day/Year)
08/24/2012

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock, No Par Value	08/24/2012		M		33,334	A	$ 8.38	61,112	D	
Common Stock, No Par Value	08/24/2012		M		18,750	A	$ 9.22	79,862	D	
Common Stock, No Par Value	08/24/2012		S		52,084	D	$ 14.193 (7)	27,778	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Am Underlying Sec (Instr. 3 and 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title
Non-qualified stock options (right to buy)	$ 8.38	08/24/2012		M			33,334	05/22/2003	05/22/2013	Common Stock
Non-qualified stock options (right to buy)	$ 17.34							12/13/2003	12/13/2013	Common Stock
Non-qualified stock options (right to buy)	$ 11.05							06/10/2004	06/10/2014	Common Stock
Non-qualified stock options (right to buy)	$ 11.41							05/25/2005	05/25/2015	Common Stock
Non-qualified stock options (right to buy)	$ 9.22	08/24/2012		M			18,750	05/25/2006	05/25/2013	Common Stock
Non-qualified stock options (right to buy)	$ 9.7							06/27/2008 (1)	06/27/2014	Common Stock
Non-qualified stock options (right to buy)	$ 11.53							05/21/2009 (2)	05/21/2015	Common Stock
Non-qualified stock options (right to buy)	$ 13.82							09/26/2010 (3)	09/26/2016	Common Stock
Non-qualified stock options (right to buy)	$ 13.16							06/25/2011 (4)	06/25/2017	Common Stock

Non-qualified stock options (right to buy)	$ 13.75	08/11/2012 (5)	08/11/2018	Common Stock	2
Non-qualified stock options (right to buy)	$ 12.91	05/23/2013 (6)	05/23/2019	Common Stock	2

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
STILLABOWER MICHAEL E 1600 W. MERIT PARKWAY SOUTH JORDAN, UT 84095	X			

Signatures

Greg Barnett, Attorney-in-Fact	08/27/2012
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Becomes exercisable in equal annual installments of 20% commencing 06/27/2008.

(2) Becomes exercisable in equal annual installments of 20% commencing 05/21/2009.

(3) Becomes exercisable in equal annual installments of 20% commencing 09/26/2010.

(4) Becomes exercisable in equal annual installments of 20% commencing 06/25/2011.

(5) Becomes exercisable in equal annual installments of 20% commencing 08/11/2012.

(6) Becomes exercisable in equal annual installments of 20% commencing 05/23/2013.

(7) The price reported in Column 4 of Table 1 is a weighted average price. These shares were sold in multiple transactions at prices ranging from $14.15 to $14.30, inclusive. The reporting person undertakes to provide to Merit Medical Systems, Inc., any security holder of Merit Medical Systems, Inc., or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the range set forth in this footnote.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. n of the useful life of the mineral rights to prevent or detect a potential material error in the Company s consolidated financial statements. However, the deficiency was remediated at year-end.

As of 31 December 2017, management has selected an accounting methodology to reduce the estimation uncertainty in the amortisation of the mineral rights at the Australian operations. The controls relating to the initial selection and continued application of accounting policies were tested as of 31 December 2017 and management has concluded, through this testing, that these controls were operating effectively. Based on these efforts, the identified material weakness relating to internal controls over the selection of accounting policies has been remediated as of 31 December 2017.

The change in accounting methodology resulted in a retrospective adjustment of immaterial errors in the prior periods presented in the 31 December 2017 consolidated financial statements. Refer to the accounting policies and note 40 to the consolidated financial statements for further details.

Conclusion on effectiveness of controls as of 31 December 2017

Based upon its assessment, Gold Fields management concluded that, as of 31 December 2017, its internal control over financial reporting is effective based upon the criteria set out in the COSO framework.

TREND AND OUTLOOK

Attributable equivalent gold production for the Group for 2018 is expected to be between 2.08 million ounces and 2.10 million ounces. AISC is expected to be between US$990 per ounce and US$1,010 per ounce. AIC is planned to be between US$1,190 per ounce and US$1,210 per ounce. These expectations assume exchange rates of R/US$:12.00 and A$/US$:0.80.

AISC is planned to increase by between 4% to 6%, 4% of which is due to stronger exchange rates and 2% of which is due to increases in costs in local currency. AIC is planned to increase by between 9% to 11%, 4% of which is due to stronger exchange rates and 6% which is due to increases in growth capital expenditure in local currency.

Capital expenditure for the Group is planned at US$835 million. Sustaining capital expenditure for the Group is planned at US$549 million and growth capital expenditure is planned at US$286 million. The US$286 million growth capital expenditure comprises US$105 million for Damang, A$181 million (US$145 million) for Gruyere, as well as R434 million (US$36 million) at South Deep.

In 2017, total capital expenditure was US$840 million with sustaining capital expenditure of US$624 million and growth capital expenditure was US$216 million. Expenditure on Salares Norte of US$53 million in 2017 compares with US$83 million planned for 2018.

The above is subject to safety performance which limits the impact of safety-related stoppages and the forward looking statement.

Paul Schmidt

Chief Financial Officer

27 March 2018

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Report of Independent Registered Public Accounting Firm

To the shareholders and board of directors of Gold Fields Limited

Opinions on the Consolidated Financial Statements and Internal Control Over Financial Reporting

We have audited the accompanying consolidated statement of financial position of Gold Fields Limited and subsidiaries (the Company) as of December 31, 2017 and 2016, the related consolidated income statements, and statements of comprehensive income, changes in equity, and cash flows for each of the years in the three-year period ended December 31, 2017, and the related notes (collectively, the consolidated financial statements). We also have audited the Company s internal control over financial reporting as of December 31, 2017, based on criteria established in *Internal Control Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2017 and 2016, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2017, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2017, based on criteria established in *Internal Control Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Basis for Opinions

The Company s management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management s Report on Internal Control over Financial Reporting appearing in Item 15 of the Company s 2017 Annual Report on Form 20-F. Our responsibility is to express an opinion on the Company s consolidated financial statements and an opinion on the Company s internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

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Report of Independent Registered Public Accounting Firm continued

Definition and Limitations of Internal Control Over Financial Reporting

A company s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG Inc.

We have served as the Company s auditor since 2010.

Johannesburg, South Africa

April 4, 2018

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REMUNERATION COMMITTEE REPORT

Remuneration Report

Message from the RemCo Chairperson

The Remuneration Committee (RemCo), is pleased to present the Gold Fields Limited 2017 Remuneration Committee report. We have focused this year on further refining our remuneration policy which is the foundation of this report and which has strong links to the deliverables as set out in our group strategy to ensure that the remuneration and rewards we offer employees is closely aligned to the delivery of our strategic objectives and thus the interests of shareholders.

RemCo has been mandated by the Gold Fields Limited Board to oversee all aspects of remuneration in a fair, transparent and responsible way and to ensure feedback to the Board on all decisions taken by RemCo. During 2017, RemCo complied with all relevant regulatory and legal requirements as relates to remuneration of employees in all our jurisdictions. RemCo also notes there was compliance with the Gold Fields Remuneration Policy and no deviations were noted. Furthermore, during 2017, the King IV Code was released in South Africa and specific focus has been placed on Principle 14 that relates to remuneration. In particular, it emphasises that remuneration practices should be equitable, responsible and transparent, linked to the company strategy and the result should be continued stakeholder value creation.

As illustrated throughout this report, our general pay structure comprises a combination of base cash pay, industry aligned benefits and short and long-term incentives designed to ensure the delivery of our strategy. We regularly review the terms of reference of RemCo to ensure they align with regulatory requirements and best practice.

RemCo has worked closely with management and our external advisers to improve on these valuable and relevant practices and we believe the work we have done has been very positive and not only meets our objectives, but ensures our interests are aligned to those of our stakeholders.

Over the last few years, RemCo together with members of management, have engaged on numerous occasions, with our large institutional stakeholders to discuss the Remuneration Policy and in particular, the focus on transparent disclosure that highlights fair and responsible remuneration practices. A 96.98% approval of the 2016 Remuneration Policy was obtained at the AGM held in May 2017.

Gold Fields values the engagement with shareholders and their support. I would like to take the opportunity to thank them.

Gold Fields remuneration practices

We do:

- Provide pay for performance
  - 75% of the Chief Executive Officer s (CEOs) total remuneration comprises pay-at-risk
  - A significant percentage of the CEO s short-term incentive is based on corporate performance
  - The CEO s long-term incentive is entirely performance-based through performance shares
  - Performance share awards are earned based on absolute and relative total shareholder return (TSR) and free cash-flow margin (FCFM)
  - Threshold (partial) performance share payouts require relative TSR performance at least at the median when compared to the performance comparator group and absolute TSR to exceed the cost of equity
- Have a clawback policy
- Have executive director share ownership guidelines through the executive minimum shareholding plan
- Require a double-trigger for executives severance upon a change of control
- Have appropriate controls in place to mitigate undue risk in remuneration programmes
- Promote retention with equity awards that vest over three years
- Have an independent Remuneration Committee, with all members being independent directors
- Retain an independent remuneration consultant whose primary purpose is to advise the Remuneration Committee
- Conduct annual advisory votes on our remuneration policy and implementation report, as they appear in the remuneration report

We do not:

- Reprice underwater share options
- Pay dividends on unearned performance shares
- Provide guaranteed bonuses
- Grant share awards to non-executive directors

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REMUNERATION COMMITTEE REPORT continued

Remuneration Report (continued)

Message from the RemCo Chairperson continued

What we have focused on over the year

- Revision of the annual long-term incentive scheme for implementation in the 2018 financial year
- Completed a peer survey for executive remuneration
- Finalised executive remuneration for 2017
- Set bonus targets for 2017
- Appointed PricewaterhouseCoopers (PwC) as independent adviser to RemCo
- Approved and implemented the clawback policy
- Awarded long-term incentives to eligible management level employees
- Approved executive appointments
- Adopted King IV remuneration principles
- Approved the RemCo Charter

The fundamental principles of our Remuneration Policy remain unchanged, namely that the policy should:

- Provide competitive rewards to encourage ownership in the business by employees, as well as setting stretched performance targets for the delivery of reward-based, variable, short-term and long-term incentive plans
- Provide focused alignment to the corporate strategy through cascading scorecards to different levels of the organisation (the graphic on the next page illustrates the link between strategy and deliverables and our pay-for-performance approach)
- Motivate and reinforce individual, team and business performances in the short, medium and long term
- Promote an environment that embeds an ethical culture and promotes the Company values
- Encourage remuneration incentives that attract and retain motivated, high-calibre executives and senior managers
- Ensure that the Company s executive Remuneration Policy encourages, reinforces and rewards the delivery of sustainable shareholder value

Aligned with these fundamentals, RemCo, together with management, continuously considers ways to better align remuneration with our Group strategy and the interest of our shareholders; this year we have introduced a clawback policy, reviewed and aligned the minimum shareholding policy and introduced more relevance to the long-term incentive plan in relation to senior management as how best to encourage improved performance at regional level through improved incentives. In doing so, we have re-assessed the objectives and measures that drive Group, regional and individual performance and in particular have focused on four key strategic objectives in order to maximise total shareholder returns sustainably. These four strategic objectives are:

- Protect our licence and enhance our reputation
- Instil capital discipline through managing our balance sheet and maximising capital returns
- Promote safe operational delivery ensuring sustainable cash-flows
- Improving the quality of our portfolio

We believe that we have achieved closer alignment between strategy and remuneration through the introduction of the new long-term cash incentive plan, based on line-of-sight regional performance conditions, through which eligible senior management level employees will receive awards going forward.

Performance

Annual benchmarking is conducted to compare levels of pay at the market median to companies of comparable size, complexity within the industry and taking into account affordability, performance and economic conditions. A bespoke, global mining industry peer group survey will be conducted in 2018 to determine the evolution and global market trends of executive remuneration, policies and practices.

RemCo also had a comprehensive independent review and analysis of the Group Executive Committee s remuneration packages, which confirmed that executive compensation was aligned to our Group strategy and that our executives are realistically positioned against executives in comparative peer companies.

RemCo will continue to ensure fair, equitable and responsible remuneration processes are implemented throughout Gold Fields as it relates to overall employee remuneration, linked to the Group strategy of the Company and therefore promoting stakeholder value creation. RemCo believes that the Remuneration Policy was enforced in a way that remunerated employees of Gold Fields fairly, transparently and reasonably for the achievement of the Group strategic objectives set for the 2017 financial year and promoted positive outcomes in the short, medium and long term.

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Pay-for-performance model

OUR REWARDS

We are rewarded for the achievement of BSC objectives and the group strategy. The elements informing each reward are outlined below.

SALARY INCREASE	SHORT-TERM INCENTIVE (ANNUAL BONUS)	LONG-TERM INCENTIVE (LTIP)
Informed by: Individual BSC performance Affordability Economic conditions	Individual BSC performance Company s performance conditions: Safety Total gold production AIC per ounce Development or waste mined	**Executive level:** Absolute total shareholder return Relative total shareholder return Sustainable free cash-flow margin **Regional level:** All in Cost reduction

		Reserve/Rebase Plan South Deep Safety engagements and host community job creation

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REMUNERATION COMMITTEE REPORT continued

Remuneration Report

Remuneration Policy

Introduction

The Gold Fields Remuneration Committee (RemCo) is mandated by the Gold Fields Board to assist in exercising its responsibilities, by overseeing all aspects of remuneration and ensuring feedback on all decisions taken by RemCo are presented to the Board.

These duties are carried out in accordance with the approved terms of reference that are reviewed and approved annually. These terms of reference can be viewed on the Gold Fields website at **www.goldfields.com**. A 96.98% approval of the 2017 Remuneration Policy was obtained at the AGM held in May 2017.

As part of the Gold Fields Board assessment processes RemCo and the Chairperson of RemCo are assessed regularly in light of their agreed work plan. RemCo met four times during 2017. Full attendance details of the members of this Committee can be found on p6 of this Report.

During 2017, King IV for South Africa was introduced and in line with international developments, remuneration was a key focus area. The provisions of King IV have been applied together with compliance with remuneration legal standards and regulations in the various jurisdictions in which we operate.

During 2017, PricewaterhouseCoopers (PwC), an independent remuneration consultancy, was appointed remuneration advisers to RemCo to provide external advisory services on global best practice, trends and related governance matters relating to remuneration. Mercer Consulting South Africa was engaged to provide comprehensive analysis of Group Executive Committee s remuneration packages. In addition, Deloitte Consulting were appointed to advise RemCo on the cash-settled long-term incentive for implementation in 2018. RemCo are of the opinion that PwC, Mercer Consulting and Deloitte display ethical behaviour and have appropriate internal controls and codes of conduct, which allows for objectivity, and provides adequate evidence to foster reasonable conclusions on which RemCo may base its opinions.

King IV places emphasis on the fact that the Board, through the mandated Committee, is tasked to ensure fair, equitable and responsible executive remuneration practices as it relates to overall employee remuneration. Gold Fields Remuneration Policy ultimately encourages the achievement of the Company s strategy, and continuously supports the creation of shareholder value by aligning performance with the interests of all key stakeholders. The philosophy endorses the Company s values, ethics and beliefs and is aimed at attracting and retaining motivated, high-calibre executives and managers.

Gold Fields, through management and RemCo, regularly engages with larger institutional shareholders to consider the basis of performance and value creation for purposes of the Remuneration Policy and consideration on how to evaluate the implementation thereof. Recently shareholders have commended Gold Fields on the level of reporting disclosures for executive remuneration.

Risk management

RemCo has responsibility for oversight and management of compensation related risk. As part of its mandate, RemCo annually, and otherwise as considered necessary, reviews risks associated with the Company s remuneration philosophy, structure, policies and practices. RemCo is satisfied that the Company s executive compensation structure does not create undue risks or promote inappropriate risk-taking behaviour.

The following are key risk mitigation features of our remuneration policies and practices:

RemCo together with management are actively involved in the structuring and preparation of the Remuneration Policy to ensure it is aligned with the Group strategy, consequently improving employee performance, and maximising total shareholder returns sustainably. The Remuneration Policy is approved by RemCo after due consideration of input from management

RemCo makes use of external experts at any time, as and when required, to ensure that the Remuneration Policy meets the latest best global practices and that incentive plans and targets meet the Company s needs

The Remuneration Policy is available online at **www.goldfields.com**

Executive Remuneration is disclosed annually as reflected in the Implementation Report and in accordance with the Remuneration Policy. Executives are not involved in the approval process relating to remuneration, rewards, clawbacks or benefits that affects them personally

RemCo approves remuneration of the Executive Committee and the Company Secretary after recommendations from the CEO and independent external advisers, who have done the necessary benchmarking to ensure there is alignment with the appropriate peers particular to the industry and jurisdictions in which we operate

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The performance conditions governing the vesting of the long-term incentives have a significant portion based on free cash-flow, which aligns the cost of settlement of the long-term incentive with this important affordability measure

Variable pay is subject to eligibility criteria and is capped both on award and on settlement in line with performance outcomes. Limits are placed on variable pay awards (short-term incentives and performance shares), based on predefined plan provisions and calculation formulae, including caps on payouts

The pay mix contains a proportionately greater weighting towards award opportunities derived from the long-term incentive plan, compared to the short-term incentive plan, creating a greater focus on sustained Company performance over time

Performance shares, awarded annually, vest over a three-year period. Each allocation of the awards has overlapping performance periods that encourages sustained performance in the long term

Minimum share ownership requirements for the CEO, CFO and executives, monitored annually by the RemCo, to ensure alignment with shareholder interests over the long term;

RemCo and Board discretion to adjust payouts to, among other things, take into account the risks undertaken to achieve performance

Formal recovery (clawback) policy applicable to both cash and equity compensation of executives

Performance metrics and targets for the year are agreed upfront with the RemCo for all executives and these are the basis upon which executives are assessed at the end of each performance cycle. This ensures that executives are assessed objectively

The key reward components of the Remuneration Policy

The Remuneration Policy is linked to the Gold Fields strategy and is essential in achieving and exceeding the Groups performance goals and commitments. The figure below shows the relationships between the Group strategy, the Group scorecard and how they are used to feed into the bonus parameters, balanced scorecard process and the long-term incentives. There is clear alignment between each element ensuring that the remuneration approach clearly delivers on the overall Gold Fields strategy.

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REMUNERATION COMMITTEE REPORT continued

Remuneration Report (continued)

Remuneration Policy continued

The Remuneration Policy aims to reward all employees, transparently, fairly and responsibly according to their roles and individual contributions to the Company performance.

The key elements of the total remuneration mix are set out below.

	Reward component	Policy and strategic intent
We have a mix of guaranteed remuneration package (GRP) inclusive of all benefits applicable in South Africa, and a base rate of pay (BRP) where benefits are paid over and above the BRP for the rest of the Group	GRP is an all-inclusive total-cost-to-company package for South African employees BRP is applied to international employees The guaranteed pay benchmark is the market median, with a significant proportion of performance-related variable pay comprising short and long-term incentives	Competitive base salaries to attract and retain high-calibre employees and executives, based on personal performance and experience are paid monthly Benchmarks to peer group mining companies are used to determine external parity and design competitive remuneration scales Base salaries are reviewed annually by RemCo (effective 1 March each year),

	For exceptional performance, the Company positions overall remuneration, including short- and long-term incentives, at the 75th percentile of the market RemCo retains the discretion to determine whether and to what extent specific over-performance levels warrant total pay at the 75th percentile	taking account of Company performance, economic circumstances, affordability, individual performance, changes in responsibility and levels of increase for the broader employee population Global mobility of key employees around our operations is governed by our Expatriate Policy, which is aligned to the Group Remuneration Policy. Consideration is given to cost-of-living in the various jurisdictions and tax effects for the employees. This policy is reviewed annually by the Executive Vice President People and Organisational Effectiveness, and periodically by RemCo
Benefits and allowances	Flexible standard benefits may include, but not be limited to, membership to health insurance, retirement plans and disability/ incapacity and death cover which both the employee and the Company will contribute towards Any allowances are paid in accordance with specific applicable legislation The expatriate policy provides that special allowances may be made, in respect of amongst others, relocation costs, cost of living, cost of education for children and their families	The provision of benefits comply with legislation across jurisdictions in which we operate and benchmarking ensures that there are competitive benefits aimed at attracting and retaining key employees Benefits are provided based on affordability to both the employees and the Company

	Reward component	Policy and strategic intent
Short-term incentive (annual performance bonus)	Performance based Group annual incentive scheme RemCo approves annual payments of the short-term incentives paid in February of every year Where applicable, production bonuses are paid Regional and on mine schemes are considered and implemented, if applicable. In Peru, a statutory bonus scheme is applied in compliance with applicable legislation where the delta between the Group annual performance	Safety Total gold production All-in Cost (AIC) per ounce Development or waste mined Short-term view (12 months) include individual targets and then company specific objectives as noted above. Improved performance at corporate, regional, operational and individual level

	bonus is paid should the annual performance bonus be higher than the legislated bonus	Regional and mine specific targets are set in line with Group business plans
Long-term incentive (LTI) plan (management)	This is a new cash-settled LTI plan for Management Level employees effective for 2018, and awards under this plan replaces awards that participants received under the current LTI plan. In some instances, participants will receive a mix of awards under the cash-settled LTI plan and the Gold Fields Limited 2012 Share Plan (Share Plan) amended. However, overall levels of LTI will not increase The cash-settled LTI plan will ensure closer alignment with long-term regional and individual contributions This LTI plan is offered to senior, middle and lower management to cater for closer alignment with long-term performance predominantly in the region The cash-settled LTI plan will be a cash-based scheme except members of Regional Executive Committees will be entitled to 30% of their award in the form of shares. This portion is still linked to the overall long-term performance for the Group in terms of free cash-flow margin, absolute and relative total shareholder returns. The cash settled LTI plan forms part of variable compensation.	Sustainable free cash-flow as manifested in the longer life, lower cost and improved social compact The line of sight performance objectives will be based on: AIC reduction (40% weighting) Gold reserves/rebase plan for South Deep (40% weighting) Safety engagement and other region specific and appropriate measures ensuring a continuous licence to operate (20%)
Long-term incentive plan (executives and regional executives)	The LTI plan forms part of variable compensation and ensures that executives have a longer-term performance focus for the Company performance 100% of the executive LTI plan award is awarded under the Share Plan for Executive Committee members, and 30% is awarded under the Share Plan and 70% under the cash-settled LTI plan for Regional Executive Committee members	Long-term view (36 months and beyond) Market performance of the Company Shareholder alignment total shareholder return (absolute and relative) Sustainable free cash-flow The Share Plan also seeks to instill a sense of ownership among key employees and executives

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The Gold Fields Annual Financial Report including Governance Report 2017

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REMUNERATION COMMITTEE REPORT continued

Remuneration Report (continued)

Remuneration Policy continued

	Reward component	Policy and strategic intent
Executive minimum shareholding requirement (MSR)	Members of the Executive Committee are required to hold a specified value of shares in Gold Fields Limited in accordance with the terms of the approved MSR Policy The CEO is required to build up a holding of 200% of his salary, on a pre-tax basis, by 31 December 2020, and all other members of the Executive Committee are required to build up to 100% of the salary (GRP or BRP) five years from date of entry to the plan RemCo shall in terms of the MSR make an award of matching shares at a ratio of one share for every three shares (capped at the matching share limit) committed to the MSR (at the discretion of RemCo)	The Company wishes to encourage executives to hold shares in the Company, thus reinforcing the alignment between the executive and shareholder interests The MSR plan is in line with international best market practice and emerging best practice within South Africa

Benchmarking against peers

The pay mix of guaranteed and variable remuneration differs according to performance and the grading of the employee. In line with international best practice, the more senior the employee, the higher the proportion of variable pay in their total remuneration package. As a global company, we compete for talent in a global marketplace, and our approach to remuneration takes into account the need for competitive remuneration in the various jurisdictions in which we operate. Hence, there is a requirement to establish a basis for comparing remuneration across currencies and geographies.

Gold Fields engaged Mercer Consulting South Africa to provide a comprehensive analysis of the Group Executive Committee s remuneration packages. The Mercer Consulting study and PwC s review thereof confirmed that the Executive Committee s compensation was aligned to Group strategy and that they are ideally positioned in a basket of comparative peer companies.

The graph below is an illustration based on the assumption of the delivery of minimum; or on target; or maximum performance achievement on the total remuneration for the Executive Committee, on a single total figure basis of the 2018 Remuneration Policy.

Assuming below expected, expected and stretch performance for 2018 (US$ 000)

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Pay for performance linking executive pay to group strategy

RemCo and management aims to better align remuneration with the Group strategy (see figure on page 102) and Company performance according to the annual Group Scorecard. In 2018 a step change will be made on how performance in Gold Fields is measured. Whilst our strategy was well defined and the balanced scorecard concept had been entrenched and understood in the business and was supported by a solid performance management system, we introduced a number of improvements to enhance the link between performance and strategy including:

- Simplifying the Gold Fields strategy to a simple strategy on a page , which can be communicated with ease and allows for easy alignment to performance objectives
- Including and communicating an aspirational target of $900/oz for AIC that is cascaded down to our incentive and reward schemes (which is discussed in this report)
- Changing the four key strategic objectives in our performance management system in order to maximise total shareholder returns sustainably. These areas are different from previous years the four strategic objectives are:
  - Protect our licence to operate and enhance reputation, which refers to all the activities we do to enhance our reputation with stakeholders and the lives of our people. It includes driving our governance and compliance programmes and building confidence with analysts and investors
  - Instil capital discipline through managing our balance sheet and maximising capital returns making sure we invest money in the best possible way
  - Promote safe operational delivery, which is ensuring we deliver our projects and free cash-flow margin and meet guidance at our operations safely. It includes most of the day-to-day activities at our operations including how we manage our people, but the focus is on doing this safely and sustainably
  - Drive portfolio management, which is focusing on ensuring we have the best quality of assets through optimising the assets we have using technology and innovation to be more efficient or cost effective, as well as making good decisions on the assets we buy or sell, and extending the life-of-mine we have in Gold Fields through mergers and acquisitions or brownfields exploration on existing mine sites

- Driving strategy cascading and alignment into the regional scorecards with the regional EVPs and ensuring goals set were more outcomes focused and not initiative focused to drive the culture of focusing on delivery
  - For executive scorecards ensuring that the objectives set are more outcomes focused when goals are cascaded, and targets are appropriately set with stretch targets being sufficiently flexed taking into account the incremental reward
- Strategy management - the Group and regional scorecard process would now form part of the day-to-day management of the business and quarterly review business process in addition to the performance management process. This will then further support the delivery-based culture that Gold Fields is creating

The additional rigour added to our performance management process will indeed cascade down to all our management employees and enhance the way we measure and reward performance in Gold Fields.

The Group strategy on a page is shown alongside and this was a key input into the creation of the 2018 Group scorecard depicted thereafter. From the Group scorecard shown on p108, regional scorecards, as shown on p109 111 were crafted and individual scorecards are then created by cascading the relevant goals and deliverables. The direct link to the Gold Fields strategy is therefore created in individual balanced scorecards through which we measure personal performance.

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Gold Fields **strategy on a page**

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Americas BSC targets

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West Africa BSC targets

REMUNERATION COMMITTEE REPORT continued

Remuneration Report (continued)

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South Deep BSC targets

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Australia BSC targets

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REMUNERATION COMMITTEE REPORT continued

Remuneration Report

Remuneration Policy continued

Gold Fields has a strong pay for performance culture in which our remuneration philosophy and practices are built. The tables below depicts how our short-term and long-term incentives, our salary process and MSR policy embeds the pay for performance culture that will be detailed throughout this report. The theme of individual and company performance is weaved throughout our remuneration schemes and the alignment of these schemes with our overall strategy is highly evident in the metrics and indicators within these schemes.

Pay for performance

Salary process		**Short-term annual bonus**	**Long-term cash incentive**	**Long-term shares**	**MSR**
	Individual performance	Individual performance	Individual performance	Individual performance	Executive position in Gold Fields
	Market conditions				

	and comparisons	Company performance conditions (bonus parameters)	LTI plan performance conditions	Company performance	
	CPI Market conditions and comparisons	Safety, gold production and cost	All-In-cost	Free cash-flow margin	Ownership and long-term performance driven
		Development and waste stripping	Gold reserves, safety engagement and job creation	Absolute and Relative TSR	

Short-term incentives (annual performance bonus metrics)

The on-target bonus eligibility percentage is linked to on-target performance achievement whilst stretch-target bonus eligibility percentage is linked to exceptional performance achievement for annual bonuses for the CEO, CFO and Executive Vice Presidents (EVPs), calculated as a percentage of guaranteed remuneration, are set out below:

Role	On-target earning potential as % of guaranteed remuneration	Stretch-target earning potential (maximum cap) as % of guaranteed remuneration
CEO	65	130
CFO	60	120
EVPs	55	110

Earning potential between on-target and stretch performance is interpolated on a linear basis.

Executives also have the option to elect, in advance of the short-term incentive determination, to defer some or all of their short-term incentive towards the achievement of their MSR. See p118 for further detail on the MSR.

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Using bonus eligibility percentage ranges set out on page 113, organisational and personal performance regulate actual bonus outcomes for the Company. The CEO s and CFO s organisational objectives together with Corporate Executives are based on Group performance. Regional Executive Vice-Presidents performances are based on a combination of Group and regional performance. This is illustrated in the table below:

	Organisational objectives			
Employee category	**Group**	**Region**	**Operation**	**Personal objectives**
CEO	65%			35%
CFO	65%			35%
	65%			35%

Corporate executives				
Regional executives	20%	45%		35%
General managers		20%	45%	35%
Regional offices		65%		35%
Mines			65%	35%

Performance drivers against which performance is assessed are set and approved annually in advance by RemCo. Operational objectives for each mine are measured against the plans approved by RemCo. They comprise of safety, production, costs and physical mine development (ore and waste). The operational objectives form the basis of the regional objectives and subsequently feed into Group objectives. If individual, operational, regional or Group objectives do not exceed threshold targets, no bonus is payable.

Group bonus parameters

(Target performance is linked to the annual business plan approved by the Board)

Safety (TRIFR)	Ensuring the safety and wellbeing of our workforce	20%
Total gold production	The productive measure of our operations	20%
All-in Cost (AIC) per ounce	The financial measure of our operations	40%
		20%

Development or waste mined	Ensuring the future of our operations	

This year we embarked on a process to realign our performance management process to our Group strategy. Through this process we have categorised our balanced scorecard (BSC) measurement areas into four key strategic objectives: safe operational delivery; social licence to operate; capital discipline; and portfolio management. This realignment process also included the addition of a balance between lead and lag indicators into all scorecards and ensuring that appropriate stretch targets have been set for all management level employees. This alignment process builds on our previous balanced scorecard process but ensures a stronger alignment between our strategy and our BSC process by moving from the standard BSC performance quadrants to the highly customised strategic focus areas described above to ensure our strategy is cascaded into objectives that are measured in our performance management process.

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REMUNERATION COMMITTEE REPORT continued

Remuneration Report

Remuneration Policy continued

The CEO scorecard below demonstrates the changes that have been made to our performance measurement specifically that

lead and lag objectives are part of his deliverables.

2018 performance scorecard for the CEO				
Strategic objective measurement area	**Key result area**	**Weighting**	**Lead indicator**	**Lag indicator**
Safe operational delivery	Delivery of South Deep infrastructure projects and improvement in the mining cycle whilst ensuring we have the right	45%	*	

	people in the right roles			
	Deliver Damang reinvestment project in accordance with project budget and schedule	10%		*
	Deliver Gruyere project in accordance with approved budget and schedule	10%		*
	Integrated and aligned human resource strategy across the employee value chain to ensure leadership lives the delivery and teamwork culture	5%	*	
Portfolio management	Replacement of depletion of reserves in Australia	5%	*	
	Increase reserves for West Africa	5%	*	
	Drive innovation and technology throughout the Group by implementing key initiatives focused on installing IT backbones and technologies to enable digital mining for the mine of the future	10%	*	
Capital discipline	Capital allocation and ranking with hurdle rates to optimise capital expenditure and improve capital efficiency	5%		*
		5%	*	*

Licence to operate and reputation	Complete, audit and roll out of improved governance and compliance programme for the Gold Fields Group, with a review against national and international best practice

Long-term incentive (LTI) plan

Gold Fields Limited Amended 2012 Share Plan (Share Plan)

The Share Plan is a conditional share plan which provides for annual awards of performance shares, which vest subject to performance conditions. Participants receive real shares under the Share Plan.

Previously, all eligible management level employees who participated in the long-term incentive plan received performance shares under the Share Plan. From 2018 onwards, with the introduction of the cash-settled LTI plan, only the Executive Committee members (including regional Executive Committee members) will receive awards under the Share Plan, with Regional Executive Committee members receiving 30% of their total long-term incentive award under the Share Plan, and 70% under the new cash-settled LTI plan.

The long-term incentive plan seeks to instil a sense of ownership among employees and executives and enables:

- Alignment of executive rewards with shareholder interests
- Retention of key people
- Alignment of people costs with business results
- Achievement of MSR objectives

.

The standard award of performance shares determined by role, performance and guaranteed remuneration are set out in the table below where stretch-target eligibility % is twice that of the on-target eligibility for exceptional performance:

Role	On-target award as % of guaranteed remuneration	Stretch-target award as % of guaranteed remuneration[1]
CEO	104	208
CFO	96	192
Executive Committee	88	176

Regional Executive Committee members	18 20	36 40

[1] The annual award is adjusted to reflect participant s personal performance for the year. Those with inadequate performance achievements will not receive awards, whereas those exceeding expectations will receive higher awards.

The long-term incentives vesting occurs on the third anniversary of the initial award and is dependent on the extent to which the Company has met specified performance conditions over the three-year period. Vesting is capped at 200% of the award. Executives also have the option to elect, in advance of the vesting date, to defer some or all of their vested awards towards the achievement of their MSR. See p118 for further detail on the MSR.

Vesting conditions of performance shares for Executive Committee

Performance condition	Weighting	Threshold (0% vesting)	Target (100% vesting)	Stretch (200% vesting)
Absolute US Dollar total shareholder return (TSR)	33%	N/a no vesting below target	The US Dollar (nominal) Cost of Equity[1] over the three-year performance period	US Dollar Cost of Equity + 6% pa over the three-year performance period
Relative US Dollar total Shareholder Return (TSR)	33%	Median of the peer group	Median of the peer group	Upper quartile of the peer group
Free cash-flow margin (FCFM)	34%	Average FCFM over performance period of 5% at a gold price of $1,300/oz margin to be adjusted relative to the actual gold price	Average FCFM over performance period of 15% at a gold price of $1,300/oz margin to be adjusted relative to the actual	Average FCFM over performance period of 20% at a gold price of $1,300/oz margin to be adjusted relative to

	for the three-year period	gold price for the three-year period	the actual gold price for the three-year period

[1] *Cost of Equity is determined by the external consultant, PwC.*

Linear interpolation will be applied between threshold and target and target and stretch performance. The vesting profile based on performance over the three-year period is as follows:

Performance condition	**Threshold**	**Target**	**Stretch and cap**
Absolute TSR	0%	100%	200%
Relative TSR	0%	100%	200%
FCFM	0%	100%	200%

Given the three-year performance period over which the share award is evaluated, awards will not vest until the third anniversary of the award dates.

REMUNERATION COMMITTEE REPORT continued

Remuneration Report

Remuneration Policy continued

Cash-settled long-term incentive plan (cash-settled LTI plan 2018)

Whilst the members of the Gold Fields Group Executive Committee will only receive awards in terms of the Share Plan, the cash-settled LTI plan will provide for awards to senior and middle management from 2018 onwards and has been revised to ensure closer alignment with long-term business strategy, and specific emphasis on regional performance. With the implementation of a new scheme, where the cash-settled LTI plan is directly linked to the manager s line-of-sight actions, greater focus will be placed on creating a high performance culture.

The plan seeks to incentivise regional participants to deliver the Group strategy over the long term, in the same manner as the current Share Plan objectives. Eligible senior managers, as defined in the cash-settled LTI plan rules will now participate in both the long-term share incentive (30% weighting) and the new cash-settled LTI plan (70% weighting) according to the rules of each plan. Other eligible employees will participate 100% in the new cash-settled LTI plan, where participant s performance outcomes are designed to drive regional long-term strategic objectives aligned directly to their line-of-sight performance achievement conditions.

Regional fundamental value driving performance conditions will be set and agreed with RemCo at the beginning of the three-year performance period. The intent of the introduction of the cash-settled LTI plan is to create fundamental organisational value at all levels and to incentivise, motivate and retain management.

The measurement period for awards will be from 1 January of the year of award to 31 December of the third year. Performance conditions will be determined by the Group Executive team who are not assessed on these targets but on total shareholder return and cash-flow measures as referred to in the Share Plan above. These performance conditions must be approved annually by RemCo.

For the March 2018 award, RemCo-approved fundamental performance outcomes which include:

Decreasing actual AIC for each of our regions (40%)
Sustainably extending reserves at the international operations and in the case of South Deep achieving targets as set out in the rebase plan (40%)
Safety and protecting our licence to operate and enhancing our reputation (20%)

The cash-settled LTI plan awards essentially have three strata. Firstly, the imperative is to align the measures with our long-term strategic aspiration of improving the portfolio by decreasing AIC per ounce to under $900 by 2020 in a sustainable manner. This comprises three primary components; 1) decreasing actual AICs for each of our regions; 2) doing so sustainably by extending mine life as measured by gold reserves at the same time or achieving targets as set in the South Deep rebase plan; and importantly 3) doing it in a manner which promotes safety engagement and protects our licence to operate and enhances our reputation.

The second imperative for the changes, is to align regional targets to regional targets performance outcomes ensuring clarity in relation to what each region needs to deliver and also promotes line of sight alignment. The consolidation of all targets shows how each region contributes to the Group s long-term aspirations in 2020, which we believe will enhance total shareholder returns. The regional targets also help provide better line of sight for the cash-settled LTI plan, which would drive the regions (and employees) to understand their contributions to the overall strategy and assist in aligning all parties to achieve these. In short, the revised LTI plan measures proposed would become an improved performance lever for the Company.

The third imperative for the changes, is to ensure that the targets were stretching the regions to ensure that the Group is working towards a real step change increase in portfolio quality. This was done by looking at our latest strategic planning profiles and ensuring that the long-term targets assigned to each region were linked to long-term strategic planning profiles. Whilst, our current recommended profiles show a strong healthy Company, RemCo and management believe that the cash-settled LTI plan should be used as a catalyst for further improvement in our portfolio quality and ultimately in a differentiated share price performance.

Included in the metrics of the cash-settled LTI plan are two lead indicators 1) licence to operate measured by the positive contribution to community employment and 2) safety engagement. These two factors are lead indicators which have been introduced into the long-term incentive scheme in line with the Gold Field s strategy to be the global leader in sustainable gold mining.

Executive Minimum Shareholding Requirements (MSR) policy

The policy requires executives to build up sustainably and to hold a target minimum shareholding by the end of five years starting from 1 January 2016 in the case of the current CEO, and from 18 May 2016, or the date of appointment of the Executive Committee member if their appointment was after 18 May 2016.

The target minimum shareholding, on a pre-tax basis, of vested and unencumbered shares for the executives are:

- CEO: 200% of GRP
- CFO and other executives: 100% of annual GRP/BRP (target minimum shareholding)

To encourage and reward this commitment and investment by the Executives the Company will make an award of conditional rights to matching shares on an annual basis, at a ratio of one share for every three shares committed that year. The matching shares vest at the end of the five-year period provided that the participant remains in the employment of the Group and has retained the committed shares. The value of the ultimate number of matching shares that will vest will be limited to 67% of salary in the case of the CEO or 34% salary for the other executives.

Retention and sign-on bonuses

RemCo has the discretion based on the recommendation from management, to follow a retention strategy including the ad-hoc approval of sign-on payments and/or retention payments to be used in the recruitment of candidates who are highly skilled or fulfil specialised roles or scarce resource positions at executive level. The minimum work back periods for these retention payments are two years.

Clawback policy

The Board has approved the clawback policy entitling the Board to, in specific instances, seek repayment of remuneration amounts which have been made in error. The policy allows RemCo the right to recover all forms of remuneration from executives. This is applicable but not limited to remuneration relating to base pay, the achievement of financial or performance goals or similar conditions for any award, or payment under the annual incentive plan or long-term incentive plan or any bonus payment, whether vesting is based on the achievement of performance conditions, the passage of time, or both.

The right of recovery may be exercised within three years from the restatement date and the policy sets out the procedures to be followed depending on whether the remuneration has been paid, transferred or otherwise made available to the executive as well as the steps to take where the amount is not immediately recoverable, despite demand.

To date, there has been no requirement for this policy to be applied in terms of fund recovery from management.

Termination provisions applicable to Executive Committee service contracts

Gold Fields can also terminate the executive s employment summarily for any reason recognised by law in the respective jurisdiction. The general principles governing the settlement of employment benefits and rewards is that employees who resign voluntarily or are dismissed for disciplinary reasons forfeit all unvested benefits and awards. Employees who separate from the Company for reasons of death, disability, retirement, or redundancy for operational reasons retain a portion of unvested benefits and awards where this portion is based on the principles of time pro ration and performance testing where applicable, in line with the King IV principles.

Executive Committee s service contracts

Executive directors are party to permanent employment agreements with Gold Fields Group Services (Pty) Ltd (GFGS), Gold Fields Ghana Holdings BVI Limited (GF Ghana) and Gold Fields Orogen BVI Limited (Orogen) and the EVP: Strategy, planning and corporate development is party to permanent employment agreements with Gold Fields Group Services (GFGS) and Gold Fields Orogen BVI Limited (Orogen).

In terms of the South African employment contracts (the Orogen and GF Ghana contracts have substantially the same terms for the executive directors) for the Group Executive Committee, employment continues until terminated upon (i) notice by either party i.e. twenty four months or twelve months respectively for the CEO and CFO together with all related incentives that vest in the notice period, or (ii) six months in the case of the remaining members of the Group Executive Committee or (iii) retirement (currently provided for at age sixty three).

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REMUNERATION COMMITTEE REPORT continued

Remuneration Report

Remuneration Policy continued

Change of control provisions

Executive directors and eligible prescribed officers employment contracts also provide that, in the event of the executive s employment being terminated as a result of a change of control as defined below, and such termination occurring within 12 months of the change of control, the director is entitled to:

- Payment of an amount equal to two-and-a-half times annual GRP in the case of the CEO, two times annual GRP in the case of the CFO and the Executive Vice President: Sustainable Development
- A bonus payment in the amount equal to the average percentage of incentive bonuses achieved during the previous two completed financial years, pro-rated for time
- Full vesting of all long-term incentive awards

The employment contracts further provide that these payments cover any compensation or damages the executive directors may have under applicable employment legislation.

A change of control for the above is defined as the acquisition by a third party or concert parties of 30% or more of Gold Fields ordinary shares.

In the event of the finalisation of an acquisition, merger, consolidation, scheme of arrangement or other reorganisation, whether or not there is a change of control and if the executive directors services are terminated, the change of control provisions also apply.

In 2012, RemCo resolved to discontinue the remuneration entitlement in the event of a change of control for senior executives appointed after 1 January 2013. Therefore the only members of the executive with change of control provisions are the CEO, CFO and Executive Vice President: Sustainable Development. The senior executives who are currently entitled to the change of control remuneration benefits will retain their rights under the previous policy.

Non-executive directors (NEDs) fees

As Gold Fields is a global company with operations around the world, the Company requires its NEDs to have the necessary competence, experience and skill to assist the Group to set and deliver the objectives of the Group strategy. Therefore, its remuneration practices should take account of international, as well as local norms, in determining the appropriate remuneration to attract and retain NEDs that will add value due to their own particular sought after expertise. NEDs do not participate in any of the short- or long-term incentive plans and there are no arrangements in place for compensation to be awarded in the case of loss of office.

RemCo seeks to align NED fees to the median of an appropriate peer group and reviews fee structures for NEDs on an annual basis. NEDs are paid monthly based on annual fees for their Board membership as well as additional fees for their specific Board committee memberships. As advised by our external advisers, PwC, for the period 1 June 2018 to 31 May 2019, annual fee increases will be linked to prevailing country-specific inflation rates. On this basis approval will be sought from shareholders after recommendation by the Board at the AGM to be held on the 23 May 2018 for a 5.4% increase to be applied to the fees of South Africa-resident NEDs and 2.7% increase to be applied to the fees of non-resident NEDs paid in US Dollars, both effective 1 June 2018 (exclusive of VAT).

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Therefore, if approved by shareholders at the AGM, the following fixed annual fees shall be payable to NEDs of the Company with effect from 1 June 2018 (excluding VAT).

	Per annum 2017 approved fees in Rand[1]	**Per annum proposed fees for 2018 in Rand**	**Per annum approved fees for 2017 in US$**	**Per annum Proposed fees for 2018 in US$**
The Chair of the Board (all-inclusive fee)	2,960,000	3,120,000		
The Deputy Chair of the Board (all-inclusive fee)	1,926,000	2,031,000		
The Chair of the Audit Committee	352,000	372,000		
The Chairs of the Capital Projects Control and Review Committee, Nominating and Governance Committee, Remuneration Committee, Risk Committee, Social, and Ethics and Transformation Committee and Safety, Health and Sustainable Development Committee (excluding the Chair of the Board and the Deputy Chair of the Board)	217,200	228,960	17,200	17,676
Members of the Board (excluding the Chair and the Deputy Chair of the Board)	971,500	1,024,080	77,200	79,296

Members of the Audit Committee (excluding the Chair of the Audit Committee and the Deputy Chair of the Board)	182,000	191,880	14,500	14,892
Members of the Capital Projects Control and Review Committee, Nominating and Governance Committee, Remuneration Committee, Risk Committee, Social and Ethics and Transformation Committee and Safety, Health and Sustainable Development Committee (excluding the Chairs of the relevant Committees, Chair of the Board and the Deputy Chair of the Board)	137,000	144,480	11,000	11,304
Chair of ad hoc Committee (fee per meeting)		58,000		4,430
Member of ad hoc Committee (fee per meeting)		36,000		2,835

[1] *Shareholders approved the 2017/2018 fees for the period 1 June 2017 to 31 May 2018 at the Annual General Meeting held on 24 May 2017.*

Non-binding advisory vote

As set out in King IV, the Remuneration Policy and the Implementation Report will be put to a non-binding advisory shareholder vote at the Gold Fields Annual General Meeting (AGM) on 23 May 2018. Should there be a 25% or higher advisory vote against the adoption of the policy or implementation plan, Gold Fields will engage with shareholders to ascertain the reasons for the dissenting votes and discuss measures to deal with reasonable objections and concerns raised. Gold Fields will disclose in future remuneration reports the detail of any engagement and the nature of the steps taken to address reasonable objections and concerns.

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REMUNERATION COMMITTEE REPORT continued

Implementation report

This report sets out the performance outcomes achieved for the period ending December 2017, against the respective targets set in terms of the various aspects of the remuneration elements discussed in the Remuneration Policy.

Guaranteed pay (GRP and BRP) adjustments

The annual remuneration review takes place in March of each year. All eligible employees received a salary increase on 1 March 2017 and the average increase for executives during 2017 was 6.5%. The overall increase in labour costs during 2017 was within the approved mandate of RemCo.

Short-term incentives (annual performance bonus)

The total 2017 annual incentive award payment of US$29m is based on the Company s achievement of an overall average performance rating of 3.5 out of a maximum of 5 against Committee approved performance measures set at the beginning of the year.

Executives achieved an average performance rating of 3.85 (excluding the CEO s rating). The performance linked incentive bonus payment for the Executive Committee is 16% of the total bonus awarded for 2017 in the amount of US$4.5m. The overall company multiplier based on performance for the year is 130% in terms of the approved incentive award conditions. Two executives committed a portion of their incentive bonus payment to be deferred towards the achievement of the minimum shareholding requirement (MSR) and one elected to commit a number of personal investment shares towards the MSR. Remuneration awarded to executives is also subject to clawback for a period of up to three years as described in more detail on p118.

Group objectives

For the year ended 31 December 2017, the Group performance targets and how senior executives performed against these targets were as follows:

CORPORATE PERFORMANCE	**Weight**	**2016 Actual**	**2017 Actual**	**2017 Threshold 0.0%**	**Target +100%**	**Maximum +200%**	**Achieved**
Safety improvement TRIFR	20%	**2.27**	**2.42**	**2.27**	2.16	2.05	0%
Gold (equivalent) production koz	20%	**2,222**	**2,232**	**2,096**	2,177	2,257	169%
All-in Cost $/oz	40%	**1,006**	**1,088**	**1,201**	1,158	1,121	200%
Development and waste mined[1]	20%	**200%**			100	200	80%
	100%						130%

[1] *The development and waste mined targets are made up: International operations open pit waste 40% and underground development 40%, South Deep destress mining 10% and South Deep development 10%.*

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Personal objectives

In addition to the Group objectives listed above, the CEO and CFO were also assessed on their individual objectives for 2017. These objectives are set every year based on key performance areas and are approved by RemCo. Performance against these objectives is reviewed by RemCo towards the end of the year.

Nick Holland 2017 BSC				
Category	**Weight**	**Objective**	**Achievements**	**Rating Score out of 5**
Financial	10%	Capital allocation and management tracking well against capital project milestones	Investment committee established Estimating and Scheduling standards implemented More rigorous AFE process implemented Spend vs Plan 2017 Actual 96.79% with a 3.2% reduction in planned spend	3.0
	15%	Marketing South Deep rebase plan; reaffirming reinvestment strategy; as measured by improved rating based on consensus view	a) Current message of reinvesting for the future has been well received by the market.	a) 3.5
		Increase investor and analyst confidence to drive	b) In our peer group of 12 companies Gold Fields was the top performing stock in our	b) 5.0

		shareholder value	peer group (+43%) for the year	
Business Optimisation	40%	South Deep Deliver year 1 of rebase plan	Missed production and development targets Write-down of carrying value Good cost control with cost savings of R599m (AIC) (capital and opex) more than offset by gold production being 11% below plan A good second half of the year (with gold production up 36% on the first half of the year) Unit All in Costs were just 3% ahead of plan despite the low production. Multiple visits by the independent Geotechnical Review Board reaffirmed the mining method and geotechnical design as fit for purpose	2.0
	30%	Capital projects Deliver year 1 of Damang reinvestment plan Ensure Gruyere development occurs within schedule Salares pre feasibility study and new R&R statement with incremental resources	a) Damang produced 143,000 oz against the plan of 110,000oz and mined 39M tons against the plan of 32.6M tons. Year 1 of the Damang reinvestment plan has been significantly exceeded	a) 4.5
			b) Gruyere project construction as at 31 December 2017 was 33.9% against a plan of 32.2% Engineering progress was 72.0% against a plan of 71.9% and all critical engineering is on track	b) 4.0
			c) Salares Norte feasibility study substantially complete ahead of schedule with new R&R statement with 10 years mine life resources at 95% indicated level	c) 4.0
	5%	Life extension of Cerro Corona	Life-of-mine was extended by seven years. This included new work on the TSF and in pit tails capacity. Actual Eq-Au Reserves increased from 2.3Moz Au in Dec 2016 to 3.7Moz Au in Dec 2017 (+70%).	5.0

The CEO received a personal performance score of 3.3 out of 5. The bonus paid to the CEO was 81.8% of his annual salary. For purposes of the calculation, the personal rating is converted into a percentage on the basis of 3 = 100% and 5 = 200%. 3.3 = 118%. The CEO s bonus is therefore calculated as follows: [Group objectives (65% x 130%) + personal objectives (35% x 118%)] x 65% = 81.8%

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REMUNERATION COMMITTEE REPORT continued

Remuneration Report

Implementation report continued

RemCo considered the objectives set at the beginning of 2017 and the decisions taken by the Company during 2017 to meet these objectives, in determining the CEO s Bonus and how they aligned to his personal BSC and performance during the year.

The CFO received a personal performance score of 4.0 out of 5 which yields a multiplier of 160%. The bonus paid to the CFO was 84.3% of his annual salary, calculated as follows: [Group objectives (65% x 130%) + personal objectives (35% x 160%)] x 60% = 84.3%

Long-term incentive plan

Performance share awards

Awards made in terms of the Share Plan were subject to the following performance conditions:

1. Absolute and relative shareholder return (66% weighting) over the three-year measurement period.

Absolute total shareholder return (Absolute TSR) 33% of the initial award value will vest on the following basis:

Target	TSR performance	TSR factor
	0%	n/a

Below target		
Target	Average USD Cost of Equity as measured over a three-year period and independently assessed	100%
Stretch	Target + 6% per annum	200%
Above stretch	Capped at 200%	200%

Relative total shareholder return (Relative TSR) 33% of the initial award value will vest on the following basis:

Target	TSR performance	TSR factor
Below target	0%	n/a
Target	Median of the peer group	100%
Stretch	Upper quartile of the peer group	200%
Above stretch	Capped at 200%	200%

2. Free cash-flow margin (34% weighting) an average free cash-flow margin of 15% for target and an average free cash-flow margin of 20% for stretch for the three-year measurement period, at a gold price of US$1,300/oz.

Free cash-flow margin (FCFM) 34% of the initial award value will vest on the following basis:

Target	FCFM performance	FCFM factor
Threshold	Average FCFM over performance period of 5% at a gold price of US$1,300/oz margin to be adjusted relative to actual gold price for the performance period	0%
Target	Average FCFM over performance period of 15% at a gold price of US$1,300/oz margin to be adjusted relative to actual gold price for the performance period	100%
Stretch	Average FCFM over Performance period of 20% at a gold price of US$1,300/oz margin to be adjusted relative to actual gold price for the Performance Period	200%

In terms of the provisions of the Share Plan, eligible employees were awarded performance shares on 1 March 2016 and 1 March 2017 which vest on 1 March 2019 and 1 March 2020 respectively.

Further details of the 2012 Share Plan amended are disclosed in notes 5 and 26 respectively of the financial statements.

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In terms of the provisions of the (cash-settled) 2015 long-term incentive plan employees were awarded long-term incentives on 1 March 2015. Vesting of these awards were subject to achievement of performance conditions set and approved by RemCo.

The portion of the award subject to the free cash-flow margin vested partially based on achievement of performance conditions above threshold but below the target. The total shareholder return portion of the award did not vest as the performance target for this was not achieved. There is no vesting between threshold and target for this portion of the award. The final outcome of the achievement of the corporate performance conditions in terms of the LTI plan is tabulated below:

2015 LTI plan award 1 January 2015 to 31 December 2017 (full performance period completed)

	TSR 50%		FCFM 50%		
Award	**Achieved**	**Vesting**	**Achieved**	**Vesting**	**Final vesting % of the 2015 award**
2015 LTI plan award performance period 1 Jan 2015 to 31 Dec 2017	Below Threshold Performance	0%	14%	90%	45%

The table below reflects the actual values settled for the Group Executive Committee in respect of the 2015 LTI plan award, which was paid on 28 February 2018.

Name	**Designation**	**US$m value of initial LTI award**	**US$m value of awards vested**
NJ Holland	Chief Executive Officer	1.03	0.46
PA Schmidt	Chief Financial Officer	1.02	0.46
A Baku	EVP: West Africa	1.03	0.46
BJ Mattison	EVP: Strategy, Planning and Corporate Development	0.66	0.30
NA Chohan	EVP: Sustainable Development	0.28	0.13
TL Harmse	EVP: Group Head Legal and Compliance	0.56	0.25
A Nagaser	EVP: Investor Relations and Corporate Affairs	0.20	0.09
S Mathews	EVP: Australasia	0.44	0.20
R Weston	EVP: Australasia	0.72	0.22
LN Samuel	EVP: People and Organisational Effectiveness[1]	0.57	0.00
N Muller	EVP: South Africa region	0.38	0.00
		6.90	**2.57**

[1] *Separated during 2017*

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REMUNERATION COMMITTEE REPORT continued

Remuneration Report

Implementation report continued

2016 Performance share award 1 January 2016 to 31 December 2017 (24 months of the 36-month performance period completed)

The number of awards, the value on the award date, and the estimated value at year-end for the 2016 grant of performance shares is tabulated below.

Name	Designation	Number of awards	US$m value on the award date	Estimated US$m fair value at year-end
NJ Holland	Chief Executive Officer	272,735	1.29	1.22
PA Schmidt	Chief Financial Officer	171,619	0.81	0.77
A Baku	EVP: West Africa	165,123	0.78	0.74
R Butcher	EVP: Technical	23,964	0.11	0.11
S Mathews	EVP: Australasia	72,802	0.34	0.33
TL Harmse	EVP: Group Head Legal and Compliance	88,048	0.42	0.39
BJ Mattison	EVP: Strategy, Planning and Corporate Development	108,877	0.51	0.49
NA Chohan	EVP: Sustainable Development	66,035	0.31	0.30
A Nagaser	EVP: Investor Relations	33,136	0.16	0.15

		1,002,339	4.73	4.50

2017 performance share award 1 January 2017 to 31 December 2017 (12 months of the 36-month performance period completed)

The number of awards, the value on the award date, and the estimated value at year-end for the 2017 grant of performance shares is tabulated below.

Name	Designation	Number of awards	US$m value on the award date	Estimated US$m fair value at year-end
NJ Holland	Chief Executive Officer	370,042	1.00	2.41
PA Schmidt	Chief Financial Officer	178,808	0.55	1.17
A Baku	EVP: West Africa	156,967	0.49	1.02
R Butcher	EVP: Technical	98,389	0.30	0.64
S Mathews	EVP: Australasia	107,533	0.33	0.70
L Rivera	EVP: Americas	67,182	0.21	0.44
TL Harmse	EVP: Group Head Legal and Compliance	95,126	0.29	0.62
BJ Mattison	EVP: Strategy, Planning and Corporate Development	116,641	0.36	0.76
NA Chohan	EVP: Sustainable Development	70,907	0.22	0.46
A Nagaser	EVP: Investor Relations	48,673	0.15	0.32
M Preece	EVP: South Africa	53,462	0.17	0.35
		1,310,268	**4.07**	**8.89**

Minimum shareholding requirement as at 31 December 2017

Refer to the share ownership table on p22 for details of the Directors beneficial interest in the issued and listed share capital of the Company.

Executive directors and prescribed officers remuneration

The table of remuneration for the executive directors and prescribed officers on the basis of the total single figure of remuneration (2016 figures have been revised and represented due to adoption of King IV) as prescribed by King IV is disclosed below.

As a result of the adoption of the remuneration reporting requirements under King IV the terminology used in the table below has been assigned the following meanings:

Reflected King IV requires the disclosure of a total single figure of remuneration, received and receivable for the reporting period which ties remuneration to the individuals performance for the period. In respect of the cash LTI plan and matching shares the remuneration is reflected given that the company performance conditions have been met during the reporting period. The continued service and/ or continued employment requirements of the cash LTI plan and matching

All figures stated in US$ 000	Salary[1] US$	Pension fund contri-bution US$	Cash incentive[2] US$	Cash LTI plan reflected[3] US$

EXECUTIVE DIRECTORS					
Current					
NJ Holland	**2017**	**1,186.9**	**26.3**	**1,002.2**	**463.5**
NJ Holland[8]	2016	1,030.0	40.9	1,355.2	500.5
PA Schmidt	**2017**	**588.6**	**48.2**	**542.7**	**459.0**
PA Schmidt	2016	496.7	54.4	648.6	242.6
PRESCRIBED OFFICERS					
Current					
L Rivera[9]	**2017**	**626.3**		**270.4**	
L Rivera[9]	2016	154.5		111.0	
A Baku[10]	**2017**	**784.7**	**180.5**	**719.8**	**463.5**
A Baku[10]	2016	746.1	156.4	620.2	304.2
R Butcher	**2017**	**353.0**	**37.9**	**278.5**	
R Butcher[11]	2016	275.1	27.5	323.2	
NA Chohan[12]	**2017**	**342.8**	**26.3**	**288.3**	**126.0**
NA Chohan	2016	284.0	27.7	328.6	88.6
B Mattison	**2017**	**426.7**	**26.3**	**369.9**	**297.0**
B Mattison	2016	362.4	25.5	429.7	192.5
T Harmse	**2017**	**344.7**	**26.3**	**290.1**	**252.0**
T Harmse	2016	282.3	29.5	345.7	138.6
A Nagaser[14]	**2017**	**228.1**	**25.3**	**192.0**	**90.0**
A Nagaser	2016	193.9	21.5	221.1	
S Mathews[15]	**2017**	**397.5**	**21.2**	**326.1**	
M Preece[16]	**2017**	**338.2**	**16.6**		
Separated					
L Samuel[17]	**2017**	**384.3**	**17.5**		
L Samuel	2016	288.4	24.8	339.9	181.0
R Weston[18]	**2017**	**102.0**	**4.5**		**216.0**
R Weston	2016	576.4	64.2	570.7	350.4
E Balarezo[19]	2016	332.5			
M Diaz[20]	2016	136.1		1.2	
N Muller[13]	**2017**	**129.4**	**6.6**		
N Muller	2016	450.4	26.4	477.0	23.1

Average exchange rates were US$1=R13.33 for the FY2017 and US$1 = R14.70 for the FY2016.

[1] *The total US$ amounts paid for 2017, and included in salary, were as follows: NJ Holland US$396,500, P Schmidt US$121,000, B Mattison US$86,000.*
The total US$ amounts paid for 2016, and included in salary, were as follows: N Holland US$384,333, P Schmidt US$115,833, B Mattison US$70,417.

[2] *The annual bonus accruals for the year ended 31 December 2016 and 31 December 2017, paid in February 2017 and February 2018 respectively.*

[3] *The value of the 2014 cash LTI plan with a performance period ending on 31 December 2016 is reflected in the 2016 total single figure of remuneration.*
The value of the 2015 cash LTI plan with a performance period ending on 31 December 2017 is reflected in the 2017 total single figure of remuneration.

[4] *The 2017 total single figure of remuneration includes the cash equivalent value of matching shares awarded in terms of the MSR policy during 2017.*

[5] *Other includes special bonuses, incidental and severance payments unless otherwise stated.*

[6] *Includes cash Incentive, cash LTI plan and matching shares reflected for the year.*

[7]

The 2017 figure includes the bonus related to the 2016 financial year, paid in February 2017 and the 2014 cash LTI plan vested and settled in March 2017. The 2016 figure includes the bonus related to the 2015 financial year, paid in February 2016 and the 2013 performance shares vested and settled in March 2016. For NJ Holland, the 2017 figure does not include the 2014 cash LTI plan as well as 50% of the 2016 bonus, because he elected to receive restricted shares in lieu of these amounts, and the 2016 figure does not include the 2013 performance shares and 50% of the 2015 bonus because he elected to receive restricted shares in lieu of these amounts.

[8] *NJ Holland elected prior to the determination of his annual performance bonus for 2016 to receive 50% of his annual performance bonus (US$677,600 = 50%) in restricted shares. He also elected prior to the vesting of the 2014 cash-settled LTI plan award to receive 100% of this amount(US$500,500 = 100%) in restricted shares. The full bonus and cash LTI plan calculated for NJ Holland is reflected in the total single figure of remuneration and thus the receipt of restricted shares has been disregarded in calculating the total single figure of remuneration in line with King IV.*

REMUNERATION COMMITTEE REPORT continued

Remuneration Report

Implementation report continued

shares are not considered a factor for including the remuneration in the total single figure of remuneration. Remuneration included may not have legally transferred to the individual and the individual may not yet have the unconditional right to enjoy the benefits therefrom.

Settlement This refers to remuneration that has been included in the total single figure of remuneration in respect of any prior period, but has only been unconditionally transferred to the individual concerned in the current period.

Not yet settled This refers to remuneration that has been included in the total single figure of remuneration in the current period, but has not been unconditionally transferred to the individual concerned in the current period, or where an election has been made by the individual to defer the settlement thereof in fulfilment of their minimum shareholding requirement.

Unconditional transfer Means (excluding any applicable malus or claw back) that the individual now enjoys full right to the remuneration, and it is no longer subject to any further service, employment or other conditions.

Matching shares reflected[4] US$	Other[5] US$	Total single figure of remune-ration US$	Less: Amounts not yet settled[6] US$	Add: Cash value on settlement[7] US$	Total cash remune-ration US$

942.8		**3,621.7**	**(2,408.5)**	**677.6**	**1,890.8**
		2,926.6	(1,855.7)	618.9	1,689.8
157.5	**4.0**	**1,800.0**	**(1,159.2)**	**891.2**	**1,532.0**
	4.0	1,446.3	(891.2)	1,162.3	1,717.4
	253.3	**1,150.0**	**(486.7)**	**111.0**	**774.3**
	246.4	511.9	(111.0)		400.9
51.9	**150.2**	**2,350.6**	**(1,235.2)**	**924.4**	**2,039.8**
	314.5	2,141.4	(924.4)	726.9	1,943.9
		669.4	**(278.5)**	**323.2**	**714.1**
	110.7	736.5	(323.2)		413.3
54.0	**3.3**	**840.7**	**(468.3)**	**417.2**	**789.6**
	2.9	731.8	(417.2)	540.3	854.9
55.4	**1.0**	**1,176.3**	**(722.3)**	**622.2**	**1,076.2**
	0.6	1,010.7	(622.2)	620.2	1,008.7
10.0	**6.8**	**929.9**	**(552.1)**	**484.3**	**862.1**
	4.3	800.4	(484.3)	422.1	738.2
	0.7	**536.1**	**(282.0)**	**221.1**	**475.2**
	0.3	436.8	(221.1)	208.5	424.2
	10.0	**754.8**	**(326.1)**		**428.7**
		354.8			**354.8**
	198.9	**600.7**		**520.9**	**1,121.6**
	3.7	837.8	(520.9)	667.2	984.1
44.8	**7.6**	**374.9**	**(260.8)**	**921.1**	**1,035.2**
	7.4	1,569.1	(921.1)	1,044.2	1,692.2
	1,644.4	1,976.9		425.7	2,402.6
		137.3	(1.2)		136.1
	34.0	**170.0**		**500.1**	**670.1**
	2.4	979.3	(500.1)	423.5	902.7

[9] *L Rivera - Appointed on 1 October 2016, other payments for 2016 relates to sign-on and legislated bonuses and 2017 to legislated bonuses.*

[10] *A Baku - Other payments for 2016 relates to leave allowance and final payment of a retention bonus. 2017 relates to leave allowance.*

[11] *R Butcher - Appointed on 8 February 2016 - other payments for 2016 relates to sign-on bonus.*

[12] *NA Chohan elected prior to the determination of his annual performance bonus for 2017 to receive 5% of his annual performance bonus (US$15,004 = 5%) in restricted shares. The full bonus calculated for NA Chohan is reflected in the total single figure of remuneration and thus the receipt of restricted shares has been disregarded in calculating the total single figure of remuneration in line with King IV.*

[13] *N Muller - Resigned 31 March 2017.*

[14] *A Nagaser elected prior to the determination of his annual performance bonus for 2017 to receive 20% of his annual performance bonus (US$38,401 = 20%) in restricted shares. The full bonus calculated for A Nagaser is reflected in the total single figure of remuneration and thus the receipt of restricted shares has been disregarded in calculating the total single figure of remuneration in line with King IV.*

[15] *S Mathews - Appointed on 1 February 2017.*

[16] *M Preece - Appointed on 15 May 2017.*

[17] *L Samuel - Resigned 31 July 2017. Other payments for 2017 include a payment in lieu of notice.*

[18] *R Weston - Retired 28 February 2017. His pro-rated performance shares will be settled on the final vesting date at the end of the three-year performance period.*

[19] *E Balarezo - Terminated employment by mutual agreement during 2016. Other payments for 2016 includes a payment in lieu of notice.*

[20] *M Diaz - Terminated employment by mutual agreement during 2016.*

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Unvested award and cash-flow on settlement

Executive	Opening number of awards on 1 Jan 2016[3]	Granted/ enhanced vesting during 2016	Forfeited/ lapsed during 2016	Vested during 2016	Closing number of awards on 31 Dec 2016	Cash value on settlement during 2016 US$	Closing estimated fair Value at 31 Dec 2016 US$[4]
NJ Holland							
2010 SARS	65,045		65,045				
2011 SARS	44,012				44,012		
2013 Performance shares[1]	187,498	187,498		374,996			
2014 Cash LTI plan	1,300,000				1,300,000		500,500
2015 Cash LTI plan	1,030,000				1,030,000		386,250
2016 Performance		272,735			272,735		799,808

shares PS9							
2017 Performance shares PS10							
2017 MSR matching shares award							
TOTAL							1,686,558
PA Schmidt							
2010 SARS	24,640		24,640				
2011 SARS	29,686				29,686		
2013 Performance shares	69,326	69,326		138,652		545,836	
2014 Cash LTI plan	630,000				630,000		242,550
2015 Cash LTI plan	1,020,000				1,020,000		382,500
2016 Performance shares PS9		171,619			171,619		503,281
2017 Performance shares PS10							
2017 MSR matching shares award							
TOTAL						545,836	1,128,331
L Rivera							
2017 Performance shares							
TOTAL							
A Baku							
2010 SARS	9,674		9,674				
2011 SARS	8,069				8,069		
2013 Performance shares	17,559	17,559		35,118		154,925	
2014 Cash LTI plan	790,000				790,000		304,150
2015 Cash LTI plan	1,030,000				1,030,000		386,250
2016 Performance shares PS9		165,123			165,123		484,231
2017 Performance shares PS10							
2017 Restricted							

share PS10 Damang							
2017 MSR matching shares award							
TOTAL						154,925	1,174,631
NA Chohan							
2010 SARS	4,752		4,752				
2011 SARS	14,929				14,929		
2013 Performance shares	26,452	26,452		52,904		233,389	
2014 Cash LTI plan	230,000				230,000		88,550
2015 Cash LTI plan	280,000				280,000		105,000
2016 Performance shares PS9		66,035			66,035		193,651
2017 Performance shares PS10							
2017 MSR matching shares award							
TOTAL						233,389	387,201

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REMUNERATION COMMITTEE REPORT continued

Remuneration Report

Implementation report continued

Unvested award and cash-flow on settlement continued

Granted during 2017	Forfeited/ lapsed during 2017	Vested during 2017	Closing number on 31 Dec 2017	Cash value on settlement during 2017 US$	Closing estimated Fair Value at 31 Dec 2017 US$[4]	Strike price US$
						6.03
	44,012					8.23
						n/a
	799,500	500,500				n/a
			1,030,000		463,500	n/a
			272,735		1,220,991	n/a
370,042			370,042		2,411,913	n/a

244,574			**244,574**		**966,133**	**n/a**
					5,062,537	
						6.03
	29,686					**8.23**
						n/a
	387,450	**242,550**		**242,550**		**n/a**
			1,020,000		**459,000**	**n/a**
			171,619		**768,311**	**n/a**
178,808			**178,808**		**1,165,461**	**n/a**
40,850			**40,850**		**161,367**	**n/a**
				242,550	**2,554,139**	
67,182			**67,182**		**437,889**	**n/a**
					437,889	
						6.03
	8,069					**8.23**
						n/a
	485,850	**304,150**		**304,150**		**n/a**
			1,030,000		**463,500**	**n/a**
			165,123		**739,229**	**n/a**
156,967			**156,967**		**1,023,102**	**n/a**
133,311			**133,311**		**526,614**	**n/a**
13,468			**13,468**		**53,202**	**n/a**
				304,150	**2,805,647**	
						8.18
	14,929					**8.23**
						n/a
	141,450	**88,550**		**88,550**		**n/a**
			280,000		**126,000**	**n/a**
			66,035		**295,628**	**n/a**
70,907			**70,907**		**462,168**	**n/a**
14,008			**14,008**		**55,335**	**n/a**
				88,550	**939,131**	

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Executive	Opening number of awards on 1 Jan 2016[3]	Granted/ enhanced vesting during 2016	Forfeited/ lapsed during 2016	Vested during 2016	Closing number of awards on 31 Dec 2016	Cash value on settlement during 2016 US$	Closing estimated fair Value at 31 Dec 2016 US$[4]
A Nagaser							
2015 Cash LTI plan	200,000				200,000		75,000
2016 Performance shares PS9		33,136			33,136		97,173
2017 Performance shares PS10							
TOTAL							172,173
T Harmse							
2010 SARS	7,441		7,441				
2011 SARS	6,212				6,212		
2011(b)	3,077				3,077		

SARS							
2013 Performance shares	12,662	12,662		25,324		99,694	
2014 Cash LTI plan	360,000				360,000		138,600
2015 Cash LTI plan	560,000				560,000		210,000
2016 Performance shares PS9		88,048			88,048		258,205
2017 Performance shares PS10							
2017 MSR matching shares award							
TOTAL						99,694	606,805
B Mattison							
2010 SARS	14,111		14,111				
2011 SARS	11,736				11,736		
2013 Performance shares	30,601	30,601		61,202		240,936	
2014 Cash LTI plan	500,000				500,000		192,500
2015 Cash LTI plan	660,000				660,000		247,500
2016 Performance shares PS9		108,877			108,877		319,287
2017 Performance shares PS10							
2017 MSR matching shares award							
TOTAL						240,936	759,287
M Preece							
2017 Performance shares PS10							
TOTAL							
R Butcher							
2016 Performance shares PS9		23,964			23,964		70,276
2017 Performance shares PS10							
TOTAL							70,276

S Mathews						
2013 Performance shares PS7	9,582	1,533	11,115		43,756	
2014 Cash LTI plan	200,000			200,000		77,000
2015 Cash LTI plan	440,000			440,000		165,000
2016 Performance shares PS9		72,802		72,802		213,495
2017 Performance shares PS10						
TOTAL					43,756	455,495

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Remuneration Report

Implementation report continued

Unvested award and cash-flow on settlement continued

Granted during 2017	Forfeited/ lapsed during 2017	Vested during 2017	Closing number on 31 Dec 2017	Cash value on settlement during 2017 US$	Closing estimated Fair Value at 31 Dec 2017 US$[4]	Strike price US$
			200,000		90,000	n/a
			33,136		148,345	n/a
48,673			48,673		317,248	n/a
					555,593	
						6.03
	6,212					8.23
	3,077					7.92
						n/a
	221,400	138,600		138,600		n/a
			560,000		252,000	n/a
			88,048		394,177	n/a
95,126			95,126		620,026	n/a
2,592			2,592		10,239	n/a

				138,600	1,276,442	
						6.03
	11,736					8.23
						n/a
	307,500	192,500		192,500		n/a
			660,000		297,000	n/a
			108,877		487,425	n/a
116,641			116,641		760,260	n/a
14,368			14,368		56,757	n/a
				192,500	1,601,442	
53,462			53,462		348,462	n/a
					348,462	
			23,964		107,283	n/a
98,389			98,389		641,294	n/a
					748,577	
						n/a
	123,000	77,000		77,000		n/a
			440,000		198,000	n/a
			72,802		325,923	n/a
107,533			107,533		700,894	n/a
				77,000	1,224,817	

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Executive	Opening number of awards on 1 Jan 2016[3]	Granted/ enhanced vesting during 2016	Forfeited/ lapsed during 2016	Vested during 2016	Closing number of awards on 31 Dec 2016	Cash value on settlement during 2016 US$	Closing estimated fair Value at 31 Dec 2016 US$[4]
LN Samuel							
2011 SARS	3,835				3,835		
2013 Performance shares	39,113	39,113		78,226		345,099	
2014 Cash LTI plan	470,000				470,000		180,950
2015 Cash LTI plan	570,000				570,000		213,750
2016 Performance		66,092			66,092		193,818

shares PS9							
2017 Performance shares PS10							
2017 MSR matching shares award							
TOTAL						345,099	588,518
N Muller							
2014 Cash LTI plan	60,000				60,000		23,100
2015 Cash LTI plan	380,000				380,000		142,500
2015 Performance shares PS1-SD	245,208				245,208		719,084
2016 Performance shares PS9		137,280			137,280		402,580
TOTAL							1,287,264
R Weston							
2010 SARS	12,333		12,333				
2011 SARS	20,969				20,969		
2013 Performance shares	62,466	62,466		124,932		562,194	
2014 Cash LTI plan	910,000				910,000		350,350
2015 Cash LTI plan[2]	720,000				720,000		270,000
2016 Performance shares PS9[2]		158,913			158,913		466,020
2017 MSR matching shares award							
TOTAL						562,194	1,086,370

SARS represents vested but unexercised awards and have all lapsed during the 2016 and 2017 financial years, as applicable. Strike prices were converted using US$1 = R12.58 rate of exchange (based on year-end closing rate).
For the purposes of the 2014 and 2015 cash LTI plan it was assumed that US$1 represents 1 unit.
The 2014 cash LTI plan vested at 38.5%.
The 2015 cash LTI plan vested at 45%. In 2016 it was estimated to vest at 37.5%.
The 2016 performance shares awarded on 1 March 2016, vesting on 1 March 2019 was valued at the share prices noted below with an estimated vesting in 2016 of 100% and 2017 of 113%.
The 2017 performance shares awarded on 1 March 2017, vesting on 1 March 2020 was valued at the share prices noted below with an estimated vesting in 2017 of 165%.
The 2017 matching shares awarded on 23 May 2017, were valued at the share prices noted below with an estimated vesting of 100%.
The 20-day volume weighted average price, for determining the estimated fair value of unvested awards at 31 December 2016 is US$2.93.

The 20-day volume weighted average price, for determining the estimated fair value of unvested awards at 31 December 2017 is US$3.95.

Share prices used are based on the US ADR share price.

Cash value of settlements were converted to US$ based on a rate of US$1 = R14.70 for the financial year 2016.

Specific notes

[1] *NJ Holland elected prior to vesting date to receive 100% of the 2013 performance share award as restricted shares. The performance conditions achieved resulted in the initial award being enhanced to 200% of the initial award. A share price of R66.15 and a rate of exchange of US$1 = R14.70 was used to show the cash equivalent value.*

[2] *Due to his retirement, R Weston will forfeit a portion of his 2015 cash LTI plan, 2016 performance shares and 2017 MSR matching shares. The 2015 cash LTI plan and 2016 performance shares will vest following the end of the respective three-year performance periods.*

[3] *The opening value of the cash LTI plan awards has been trued-up/down to take into account exchange rate fluctuations since the award.*

[4] *The closing estimated fair value represents the determined value of the award at financial period end assuming on-target performance for non-market vesting conditions. This value is an estimate and may not represent the cash value on settlement when all the conditions have been met.*

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REMUNERATION COMMITTEE REPORT continued

Remuneration Report

Implementation report continued

Unvested award and cash-flow on settlement continued

Granted during 2017	Forfeited/ lapsed during 2017	Vested during 2017	Closing number on 31 Dec 2017	Cash value on settlement during 2017 US$	Closing estimated Fair Value at 31 Dec 2017 US$[4]	Strike price US$
	3,835					7.58
						n/a
	289,050	180,950		180,950		n/a
	570,000					n/a
	66,092					n/a
94,978	94,978					n/a
25,508	25,508					n/a
				180,950		
	36,900	23,100		23,100		n/a
	380,000					n/a
	245,208					n/a
	137,280					n/a

				23,100		
						7
	20,969					**8**
						n/a
	559,650	**350,350**		**350,350**		**n/a**
	504,000		**216,000**		**216,000**	**n/a**
	105,942		**52,971**		**236,436**	**n/a**
58,047	**46,438**	**11,609**		**35,980**		**n/a**
				386,330	**452,436**	

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Non-executive directors fees

The non-executive directors were paid the following Committee and Board fees as per the fees approved by shareholders on 18 May 2016 for the period 1 January 2017 to 31 May 2017 and on the 24 May 2017 for the period 1 June 2017 to 31 December 2017.

All figures stated in US$ 000	Directors fees	Committee fees	Total	Total received for the 12-month period ended 31 December 2016
	Board fees			
NON-EXECUTIVE DIRECTORS				
Cheryl A. Carolus	216.0		216.0	183.0
Richard P Menell	140.5		140.5	112.2
Donald M.J. Ncube	70.9	49.1	120.0	101.7
Yunus Suleman	70.9	53.3	124.2	33.2
Peter Bacchus	76.5	53.1	129.6	37.3

Steve Reid	76.5	54.1	130.6	89.3
Terence Goodlace	70.9	40.6	111.5	46.0
Alhassan Andani	76.5	53.3	129.8	43.1
Carmen Letton[1]	51.0	20.0	71.0	
Gayle M. Wilson[2]	28.4	26.3	54.7	114.7
Alan R. Hill				114.4
Kofi Ansah				82.7
David N. Murray				36.3
Total	**878.1**	**349.8**	**1,227.9**	**993.9**

[1] Fees in respect of the 2017 year were paid as a lump sum in January 2018
[2] GM Wilson retired from the Board at end-May 2017

Steven Reid

Chair of RemCo

On behalf of RemCo, which approved the report on 27 March 2018.

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ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these 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.

Gold Fields Limited (the Company or Gold Fields) is a company domiciled in South Africa. The registration number of the Company is 1968/004880/06. The address of the Company is 150 Helen Road, Sandton, Johannesburg. The consolidated financial statements of the Company as at 31 December 2017 and 2016 and for each of the years in the three-year period ended 31 December 2017 comprise the Company and its subsidiaries (together referred to as the Group and individually as Group entities) as well as the Group s share of the assets, liabilities, income and expenses of its joint operation and the Group s interest in associates and its joint venture. The Group is primarily involved in gold mining.

1. BASIS OF PREPARATION

The financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, as well as the requirements of 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, assets held for sale and financial assets and liabilities (including derivative instruments), which have been brought to account at fair value through profit or loss or through other comprehensive income.

As required by the United States Securities and Exchange Commission, the financial statements include the consolidated statements of financial position as at 31 December 2017 and 2016, and the consolidated income statements and statements of comprehensive income, changes in equity and cash flows for the years ended 31 December 2017, 2016 and 2015 and the related notes.

The consolidated financial statements were authorised for issue by the Board of Directors on 27 March 2018.

Standards, interpretations and amendments to published standards effective for the year ended 31 December 2017

During the financial year, the following new and revised accounting standards, amendments to standards and new interpretations were adopted by the Group:

Standard(s) **Amendment(s)** **Interpretation(s)**	**Salient features of the changes**
IAS 7 *Statement of cash flows*	The amendments require disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flow and non-cash changes.
IAS 12 *Income taxes*	The amendments provide additional guidance on the existence of deductible temporary differences; and The amendments also provide additional guidance on the methods used to calculate future taxable profit to establish whether a deferred tax asset can be recognised.

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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 January 2018 or later periods but have not been early adopted by the Group.

These standards, amendments and interpretations that are relevant to the Group are:

Standard(s) Amendment(s) Interpretation(s)	Salient features of the changes
IFRS 2 *Share-based payments*	The amendments cover three accounting areas: Measurement of cash-settled share-based payments; Classification of share-based payments settled net of tax withholdings; and

Accounting for a modification of a share-based payment from cash-settled to equity-settled.

The amendment does not have a material impact on the Group.

IFRS 9 *Financial Instruments*

This IFRS sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 *Financial Instruments*. The Group will adopt IFRS 9 on 1 January 2018;

This IFRS contains a new classification and measurement approach for financial assets that reflects the business model in which the assets are managed and their cash flow characteristics. The three principal classification categories for financial assets are: measured at amortised cost, fair value through profit or loss (FVTPL) and fair value through other comprehensive income (FVOCI);

Based on the Group s assessment, the Group believes that the new classification if applied at 31 December 2017, would not have a significant impact on its accounting for financial assets. The Group s available-for-sale financial assets will be designated at FVOCI; and

The new measurement principles will not have a material impact on the Group.

IFRS 15 *Revenue from contracts with customers*

This IFRS introduces a new revenue recognition model for contracts with customers and establishes a comprehensive framework for determining whether, how much and when revenue is recognised. IFRS 15 also includes extensive new disclosure requirements;

The Group has assessed the impact of adopting IFRS 15 and has determined the impact as follows:

Revenue will be recognised when the customer takes control of the gold, copper and silver. The timing of recognition of revenue will no longer be when risks and rewards of ownership pass to the customer;

The change in timing of revenue recognition will result in revenue at the South African and Australian operations being recognised on settlement date (date when control passes) and not contract date (previous date when risks and rewards of ownership pass). There is no change to the revenue recognition at any of the other operations given that the date of control is the same date as when risks and rewards of ownership pass. The change in timing of revenue recognition for the South African and Australian operations will be that revenue will be recognised approximately two days later than it currently is recognised. As approximately 0.3% of 2017 revenue will now be recognised in 2018, the adoption of IFRS 15 will not have a material impact on the revenue of the Group; and

The Group will adopt IFRS 15 using the cumulative effect method, with the effect of initially applying this standard at the date of initial application (i.e. 1 January 2018). As a result, the Group will not apply the requirements of IFRS 15 to the comparative periods presented.

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ACCOUNTING POLICIES continued

Standard(s) Amendment(s) Interpretation(s)	Salient features of the changes
IFRS 16 *Leases*	This IFRS sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer (lessee) and the supplier (lessor); IFRS 16 replaces the previous leases Standard, IAS 17 *Leases*, and related Interpretations; IFRS 16 has one model for lessees which will result in almost all leases being included on the statement of financial position. No significant changes have been included for lessors; and Management has commenced compiling a list of all potential leases and is in the process of reviewing all such contracts in order to assess the impact the standard will have on the Group.

IFRIC 23 *Uncertainty over Income Tax Treatments*	This interpretation clarifies the accounting for income tax treatments that have yet to be accepted by tax authorities; IFRIC 23 specifically clarifies how to incorporate this uncertainty into the measurement of tax as reported in the financial statements; IFRIC 23 does not introduce any new disclosures but reinforces the need to comply with existing disclosure requirements about judgements made, assumptions and other estimates used and the potential impact of uncertainties that are not reflected The interpretation will not have a material impact on the Group.

** 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 in accordance with IFRS 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 and resources that are the basis of future cash flow estimates used for impairment assessments and units-of-production depreciation and amortisation calculations, asset impairments, production start date, estimates of recoverable gold and other materials in heap leach and stockpiles inventories, write-downs of inventory to net realisable value, provision for environmental rehabilitation costs, provision for silicosis settlement costs, income taxes, share-based payments, the fair value and accounting treatments of derivative financial instruments, contingencies and business combinations.

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.

Mineral reserves and resources estimates

Mineral reserves are estimates of the amount of product, inclusive of diluting materials and allowances for losses, which can be economically and legally extracted from the Group s properties, as determined by life-of-mine schedules or pre-feasibility studies.

Mineral resources are estimates, based on specific geological evidence and knowledge, including sampling, of the amount of product in situ, for which there is a reasonable prospect for eventual legal and economic extraction.

In order to calculate the reserves and resources, 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, capital expenditure, transport costs, commodity demand, commodity prices and exchange rates.

Estimating the quantity and grade of the mineral reserves and resources is based on exploration and sampling information gathered through appropriate techniques (primarily diamond drilling, reverse circulation drilling, air-core and sonic drilling), surface three-dimensional reflection seismics, ore body faces modelling, structural modelling, geological mapping, detailed ore zone wireframes and geostatistical estimation. 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 and resources in accordance with the South African Mineral Resource Committee (SAMREC) code on an annual basis.

Estimates of mineral reserves and resources may change from year to year due to the change in economic, regulatory, infrastructural or social assumptions used to estimate ore reserves and resources, and due to additional geological data becoming available.

Changes in reported proven and probable reserves may affect the Group s financial results and position in a number of ways, including the following:

- The recoverable amount used in the impairment calculations may be affected due to changes in estimated cash flows or timing thereof;
- Amortisation and depreciation charges to profit or loss may change as these are calculated on the units-of-production method, or where the useful economic lives of assets change;
- Provision for environmental rehabilitation costs 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.

Changes in reported measured and indicated resources may affect the Group s financial results and position in a number of ways, including the following:

- The recoverable amount used in the impairment calculations may be affected due to changes in estimated market value of resources exclusive of reserves; and
- Amortisation and depreciation charges for the mineral rights asset at the Australian operations may change as a result of the change in the portion of mineral rights asset being transferred from the non-depreciable component to the depreciable component.

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 currency 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 Group reviews and tests the carrying value of long-lived assets annually or when events or changes in circumstances suggest that the carrying amount may not be recoverable by comparing the recoverable amounts 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 recoverable amounts of each group of assets. The recoverable amounts of cash-generating units (CGU) and individual assets have been determined based on the higher of value-in-use and fair value less cost of disposal (FVLCOD) calculations. Expected future cash flows used to determine the value in use or FVLCOD 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 gold and copper prices, discount rates, foreign currency exchange rates, resource valuations (determined based on comparable market transactions), estimates of costs to produce reserves and future capital expenditure.

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ACCOUNTING POLICIES continued

An individual operating mine does not have an indefinite life 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 *Impairment of Assets*, the Group performs its annual impairment review of goodwill at each financial year-end.

The Group generally used FVLCOD to determine the recoverable amount of each CGU.

Significant assumptions used in the Group s impairment assessments (FVLCOD calculations) include:

	2017	**2016**
US$ Gold price per ounce year 1	**US$1,200**	US$1,100
US$ Gold price per ounce year 2	**US$1,300**	US$1,200
US$ Gold price per ounce year 3 onwards	**US$1,300**	US$1,300
Rand Gold price per kilogram year 1	**R525,000**	R500,000
Rand Gold price per kilogram year 2	**R525,000**	R550,000
Rand Gold price per kilogram year 3 onwards	**R525,000**	R600,000
A$ Gold price per ounce year 1	**A$1,600**	A$1,500
A$ Gold price per ounce year 2	**A$1,700**	A$1,600
A$ Gold price per ounce year 3 onwards	**A$1,700**	A$1,700

US$ Copper price per tonne year 1	**US$5,512**	US$5,512
US$ Copper price per tonne year 2	**US$6,171**	US$5,512
US$ Copper price per tonne year 3 onwards	**US$6,171**	US$6,171
Resource value per ounce (used to calculate the value beyond proved and probable reserves)		
South Africa (with infrastructure)	**US$17**	US$60
Ghana (with infrastructure)	**US$41**	US$60
Peru (with infrastructure)	**US$41**	US$60
Australia (without infrastructure)	**US$293**	US$60
Discount rates		
South Africa nominal	**13.5%**	13.5%
Ghana real	**9.7%**	9.7%
Peru real	**4.8%**	4.8%
Australia real	**3.8%**	3.8%
Inflation rate South Africa[1]	**5.5%**	5.5%
Long-term exchange rates		
ZAR/US$ year 1	**13.61**	14.14
ZAR/US$ year 2 (2016: year 2)	**13.16**	14.26
ZAR/US$ year 3 onwards	**13.16**	14.36
US$/A$ year 1	**0.75**	0.73
US$/A$ year 2 (2016: year 2)	**0.76**	0.75
US$/A$ year 3 onwards	**0.76**	0.76

[1] *Due to the availability of unredeemed capital for tax purposes over several years into the life of the South Deep mine, nominal cash flows are used for South Africa. In order to determine nominal cash flows in South Africa, costs are inflated by the current South African inflation rate. Cash flows for all other operations are in real terms and as a result are not inflated.*

The FVLCOD calculations are very sensitive to the gold price assumptions and an increase or decrease in the gold price could materially change the FVLCOD.

Should there be a significant decrease in the gold price, the Group would take actions to assess the implications on the life-of-mine plans, including the determination of reserves and resources and the appropriate cost structure for the CGUs.

The carrying amount of property, plant and equipment at 31 December 2017 was US$4,892.9 million (2016: US$4,524.6 million and 2015: US$4,295.6 million). The carrying value of goodwill at 31 December 2017 was US$76.6 million (2016: US$317.8 million and 2015: US$295.3 million).

An impairment of US$277.8 million (2016: US$nil and 2015: US$nil) was recognised in respect of the South Deep CGU at 31 December 2017.

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Production start date

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 either regarded as inventory or expensed, except for capitalisable costs related to mining asset additions or improvements, underground mine development, deferred stripping activities or ore reserve development.

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 on a monthly basis for short-term stockpiles, gold in process and product inventories and at least annually for long-term stockpiles 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. If any inventories are expected to be realised in the long term, estimated future sales prices are used for valuation purposes.

Stockpiles are measured by estimating the number of tonnes 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.

Although the quantities of recoverable metal are reconciled by comparing the grades of ore to the quantities of metals actually recovered (metallurgical balancing), the nature of the process inherently limits the ability to precisely monitor the recoverability levels. As a result, the metallurgical balancing process is constantly monitored and engineering estimates are refined based on actual results over time.

Variations between actual and estimated quantities resulting from changes in assumptions and estimates that do not result in write downs to net realisable value are accounted for on a prospective basis.

The carrying amount of total gold-in-process and stockpiles (non-current and current) at 31 December 2017 was US$305.4 million (2016: US$234.3 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 the provision of environmental rehabilitation costs 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.

Refer note 25.1 of the consolidated financial statements for details of key assumptions used to estimate the provision.

The carrying amounts of the provision for environmental rehabilitation costs at 31 December 2017 was US$281.5 million (2016: US$283.1 million).

Provision for silicosis settlement costs

The Group has an obligation in respect of a possible settlement of the silicosis class action claims and related costs. The Group recognises management s best estimate for the provision of silicosis settlement costs.

The ultimate outcome of the class action remains uncertain, with a possible failure to reach a settlement or to obtain the requisite court approval for a potential settlement. The provision is consequently subject to adjustment in the future, depending on the progress of the Working Group discussions, stakeholder engagements and the ongoing legal proceedings.

Refer notes 25.3 and 34 of the consolidated financial statements for further details.

The carrying amounts of the provision for silicosis settlement costs at 31 December 2017 was US$31.9 million (2016: US$nil).

ACCOUNTING POLICIES continued

Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the liability 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 future tax benefits 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 reporting 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.

Carrying values at 31 December 2017:

Deferred taxation liability: US$453.9 million (2016: US$458.6 million and 2015: US$482.2 million)
Deferred taxation asset: US$72.0 million (2016: US$48.7 million and 2015: US$54.1 million)
Taxation payable: US$77.5 million (2016: US$107.9 million)

Refer note 9 for details of unrecognised deferred tax assets.

Share-based payments

The Group issues equity-settled share-based payments to executive directors, certain officers and employees. The fair value of these instruments is measured at grant date, using the Black-Scholes and 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 granted and the related recognition of the share-based payments 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 from continuing operations for the year ended 31 December 2017 was US$26.8 million (2016: US$14.0 million and 2015: US$10.7 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 included in trade and other receivables at 31 December 2017 was US$25.0 million (2016: US$nil) and included in trade and other payables US$3.3 million (2016: US$nil).

Contingencies

By their nature, contingencies will only be resolved when one or more future events 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. Such contingencies include, but are not limited to environmental obligations, litigation, regulatory proceedings, tax matters and losses resulting from other events and developments.

When a loss is considered probable and reasonably estimable, a liability is recorded based on the best estimate of the ultimate loss. The likelihood of a loss with respect to a contingency can be difficult to predict and determining a meaningful estimate of the loss or a range of losses may not always be practicable based on the information available at the time and the potential effect of future events and decisions by third parties that will determine the ultimate resolution of the contingency. It is not uncommon for such matters to be resolved over many years, during which time relevant developments and new information is continuously evaluated to determine both the likelihood of any potential loss and whether it is possible to reasonably estimate a range of possible losses. When a loss is probable but a reasonable estimate cannot be made, disclosure is provided.

Refer note 34 for details on contingent liabilities.

Business combinations

Determination of whether a set of assets acquired and liabilities assumed constitute the acquisition of a business or asset may require the Group to make certain judgements as to whether or not the assets acquired and liabilities assumed include the inputs, processes and outputs necessary to constitute a business as defined in IFRS 3 *Business Combinations*. Based on an assessment of the relevant facts and circumstances, the Group concluded that the acquisition of the Gruyere Gold Project (refer note 15.2 for details of the acquisition) did not meet the criteria for accounting as a business combination and the transaction was accounted for as an acquisition of an asset at 31 December 2016.

2. CONSOLIDATION

2.1 Business combinations

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred for the acquisition of a business is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred, other than those associated with the issue of debt or equity securities. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest s proportionate share of the acquiree s net assets. Subsequently, the carrying amount of non-controlling interest is the amount of the interest at initial recognition plus the non-controlling interest s share of the subsequent changes in equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

If a transaction does not meet the definition of a business under IFRS, the transaction is recorded as an asset acquisition. Accordingly, the identifiable assets acquired and liabilities assumed are measured at the fair value of the consideration paid, based on their relative fair values at the acquisition date. Acquisition-related costs are included in the consideration paid and capitalised. Any contingent consideration payable that is dependent on the purchaser s future activity is not included in the consideration paid until the activity requiring the payment is performed. Any resulting future amounts payable are recognised in profit or loss when incurred. No goodwill and no deferred tax asset or liability arising from the assets acquired and liabilities assumed are recognised upon the acquisition of assets.

2.2 Subsidiaries

Subsidiaries are all entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group until the date on which control ceases.

Inter-company transactions, balances and unrealised gains and losses on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.3 Transactions with non-controlling interests

The Group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

2.4 Equity accounted investees

The Group s interests in equity accounted investees comprise interests in associates and joint ventures.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Joint ventures are arrangements in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

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ACCOUNTING POLICIES continued

Interests in associates and joint ventures are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group s share of the profit or loss and the other comprehensive income of equity accounted investees, until the date on which significant influence or joint control ceases.

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

The carrying value of an investment in associate and joint ventures 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 accumulated 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 cost of disposal. If an impairment in value has occurred it is recognised in profit or loss in the period in which the impairment arose.

2.5 Joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the use of assets and obligations for the liabilities of the arrangement. The Group accounts for activities under joint operations by recognising in relation to the joint operation, the assets it controls and the liabilities it incurs, the expenses it incurs and the revenue from the sale or use of its share of the joint operations output.

3. FOREIGN CURRENCIES

3.1 Functional and presentation currency

Items included in the financial statements of each of the Group 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 US Dollar.

3.2 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 profit or loss. Translation differences on available-for-sale equities are included in other comprehensive income.

3.3 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 reporting date (ZAR/US$: 12.58; US$/A$: 0.77 (2016: ZAR/US$: 14.03; US$/A$: 0.72 and 2015: ZAR/US$: 15.10; US$/A$: 0.73)). Equity items are translated at historical rates. The income and expenses are translated at the average exchange rate for the year (ZAR/US$: 13.33; US$/A$: 0.77 (2016: ZAR/US$: 14.70; US$/A$: 0.75 and 2015: ZAR/US$: 12.68; US$/A$: 0.75)), unless this average was not a reasonable approximation of the rates prevailing on the transaction dates, in which case these items were translated at the rate prevailing on the date of the transaction. Exchange differences on translation are accounted for in other comprehensive income. These differences will be recognised in profit or loss 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 other comprehensive income. When a foreign operation is sold, exchange differences that were recorded in other comprehensive income are recognised in profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

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 orebodies, to define mineralisation in existing orebodies and 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 orebodies 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.

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 has diminished below cost, an impairment loss is recognised in profit or loss in the year 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 to profit or loss 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;
- Stripping activity assets are amortised on a units-of-production method, based on the estimated proved and probable ore reserves of the ore body to which the assets relate; and
- The mineral rights asset at the Australian operations are divided at the respective operations into a depreciable and a non-depreciable component. The mineral rights asset is initially capitalised to the mineral rights asset as a non-depreciable component.

Subsequently, and on an annual basis, as part of the preparation of the updated reserve and resource statement and preparation of the updated life-of-mine plan, a portion of resources will typically be converted to reserves as a result of ongoing resource definition drilling, resultant geological model updates and subsequent mine planning. Based on this conversion of resources to reserves a portion of the historic cost is allocated from the non-depreciable component of the mineral rights asset to the depreciable component of the mineral rights asset. Therefore, the category of non-depreciable mineral rights asset is expected to reduce and will eventually be fully allocated within the depreciable component of the mineral rights asset.

Each operation typically comprises a number of mines and the depreciable component of the mineral rights asset is therefore allocated on a mine-by-mine basis at the operation and is transferred at this point to mine development and infrastructure and is then amortised over the estimated proved and probable ore reserves of the respective mine on the units-of-production method. The remaining non-depreciable component of the mineral rights asset is not amortised but, in combination with the depreciable component of the mineral rights asset and other assets included in the CGU, is evaluated for impairment when events and changes in circumstances indicate that the carrying amount may not be recoverable.

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 the lesser of their estimated useful lives or life-of-mine.

ACCOUNTING POLICIES continued

Correction of amortisation for Australian mineral rights asset

During the year ended 31 December 2017, the Group corrected the amortisation methodology for the mineral rights asset at the Australian operations to reduce the level of estimation uncertainty required in calculating amortisation. Prior to the correction of methodology, the total mineral rights asset capitalised at the Australian operations was amortised on a units-of-production basis over a useful life that exceeded proved and probable reserves. The revised amortisation methodology for the mineral rights assets is set out on page 144.

At 1 January 2017, as a result of this correction of methodology, management identified an understatement of the amortisation and depreciation charge in prior periods. The understatement has been corrected by restating each of the affected financial statement line items for prior periods (refer note 40 for further details).

The impact of the correction of the amortisation methodology resulted in an increase in amortisation of US$5.7 million for the 2017 year.

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%
Computers 33.3%
Furniture and equipment 10%

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

4.8 Mining exploration

Expenditure on advances solely for exploration activities is charged against profit or loss 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 values of long-term assets or CGUs of the Group are reviewed annually or whenever events or changes in circumstances indicate that such carrying values may not be recoverable. To determine whether a long-term asset or CGU may be impaired, the higher of value in use (defined as: the present value of future cash flows expected to be derived from an asset or CGU) or fair value less costs of disposal (defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date) is compared to the carrying value of the asset/CGU. Impairment losses are recognised in profit or loss.

A CGU 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 Gain or loss on disposal of property, plant and equipment

Any gain or loss on disposal of property, plant and equipment (calculated as the net proceeds from disposal less the carrying amount of the item) is recognised in profit or loss.

4.11 Leases

At the inception of an arrangement, the Group determines whether the arrangement contains a lease. Leases that transfer to the Group substantially all of the risks and rewards of ownership are classified as finance leases. All other leases are classified as operating leases and are not recognised in the statement of financial position.

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

4.12 Deferred stripping

Production stripping costs in a surface mine are capitalised to property, plant and equipment if, and only if, all of the following criteria are met:

- It is probable that the future economic benefit associated with the stripping activity will flow to the entity;
- The entity can identify the component of the ore body for which access has been improved; and
- The costs relating to the stripping activity associated with that component can be measured reliably.

If the above criteria are not met, the stripping costs are recognised directly in profit or loss.

The Group initially measures the stripping activity asset at cost, this being the accumulation of costs directly incurred to perform the stripping activity that improves access to the identified component of ore.

After initial recognition, the stripping activity asset is carried at cost less accumulated amortisation and accumulated impairment losses.

5. GOODWILL

Goodwill is stated at cost less accumulated impairment losses. Goodwill on acquisition of equity accounted investees is tested for impairment as part of the carrying amount of the investment in associate or joint venture whenever there is any objective evidence that the investment may be impaired. Goodwill on acquisition of a subsidiary is assessed annually 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 CGUs for the purpose of impairment testing. The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose.

6. TAXATION

Income tax comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is measured on taxable income at the applicable statutory rate substantively enacted at the reporting date.

Deferred taxation is provided on temporary differences existing at each reporting 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.

Deferred taxation is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and equity accounted investees except where the reversal of the temporary difference can be controlled and it is probable that the difference will not reverse in the foreseeable future.

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ACCOUNTING POLICIES continued

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Except for Tarkwa, no provision is made for any potential taxation liability on the distribution of retained earnings by Group companies as it is probable that the related taxable temporary differences will not reverse in the foreseeable future.

7. INVENTORIES

Inventories are valued at the lower of cost and net realisable value. Gold on hand represents production on hand after the smelting process.

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;
- Heap leach and stockpiles inventories are valued using weighted average cost. Cost includes production, amortisation and related administration costs. The cost of materials on the heap leach and stockpiles from

which metals are expected to be recovered in a period longer than 12 months is classified as non-current assets; 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 or the estimated future sales price of the product if it is expected to be realised in the long term.

8. FINANCIAL INSTRUMENTS

8.1 Non-derivative financial assets and liabilities

The Group classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets.

The Group classifies non-derivative financial liabilities into the other financial liabilities category.

The Group initially recognises loans and receivables on the date they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial asset when the contractual rights to the cash flows in a transaction in which substantially all the risks and rewards of the ownership of the financial asset are transferred. The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire. Any interest in such transferred financial asset that is created or retained by the Group is recognised as a separate asset or liability. The particular recognition and measurement methods adopted are disclosed in the individual policy statements associated with each item.

A financial asset not classified as fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset and the loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably. Objective evidence that financial assets are impaired includes default or delinquency by a debtor, indications that a debtor will enter bankruptcy, economic conditions that correlate with defaults or the disappearance of an active market for a security.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset s original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance against loans and receivables. When an event occurring after the impairment loss was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss. A significant or prolonged decline in the fair value of an available-for-sale financial asset below its cost is objective evidence of impairment. Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value adjustment reserve in other comprehensive income to profit or loss. Impairment losses charged to profit or loss on available-for-sale financial assets are not reversed.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a currently legally enforceable right to offset the amounts and intends to settle them on a net basis or to realise the asset and settle the liability simultaneously.

8.1.1 Investments

Investments comprise (1) investments in listed companies which are classified as available-for-sale and are accounted for at fair value, with unrealised gains and losses subsequent to initial recognition recognised in other comprehensive income and included in other reserves, and released to profit or loss when the investments are sold or impaired; and (2) investments in unlisted companies which are accounted for at cost and adjusted for impairment 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.

On disposal or impairment of available-for-sale financial assets, cumulative unrealised gains and losses previously recognised in other comprehensive income are included in determining the profit or loss on disposal, or the impairment charge relating to, that financial asset, respectively, which is recognised in profit or loss.

8.1.2 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 amortised cost which is deemed to be fair value as they have a short-term maturity.

Bank overdrafts are included within current liabilities in the statement of financial position and within cash and cash equivalents in the statement of cash flows.

8.1.3 Trade receivables

Trade receivables are initially recognised at fair value and subsequently carried at amortised cost less allowance for impairment, except for trade receivables from provisional copper and gold concentrate sales. 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.

The trade receivables from provisional copper and gold concentrate sales are carried at fair value through profit or loss and are marked-to-market at the end of each period until final settlement occurs, with changes in fair value classified as provisional price adjustments and included as a component of revenue.

8.1.4 Trade payables

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

8.1.5 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 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 reporting date.

Interest payable on borrowings is recognised in profit or loss over the term of the borrowings using the effective interest method.

Finance expense comprises interest on borrowings and environmental rehabilitation costs offset by interest capitalised on qualifying assets.

Cash flows from interest paid are classified under operating activities in the statement of cash flows.

8.2 Derivative financial instruments

The Group s general policy with regards to its exposure to the dollar gold price is to remain unhedged. 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 (1) a hedge of the fair value of a recognised asset or liability (fair value hedge), (2) a hedge of a forecast transaction or a firm commitment (cash flow hedge), (3) a hedge of a net investment in a foreign entity, or (4) 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 statement of financial position at fair value and subsequently remeasured at their fair value, unless they meet the criteria for the normal purchases normal sales exemption.

Provided the Group s derivative transactions do not qualify for hedge accounting, changes in the fair value of such derivatives are recognised immediately in profit or loss.

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ACCOUNTING POLICIES continued

8.3 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.

Embedded derivatives are separated from the host contract and accounted for separately if:

- The economic characteristics and risks of the host contract and the embedded derivative are not closely related;
- A separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and
- The combined instrument is not measured at fair value through profit or loss.

Subsequent reassessment is not performed unless there is a change in the terms of the contract that significantly modifies the cash flows.

9. PROVISIONS

Provisions are recognised when the Group has a present legal or constructive obligation 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.

10. PROVISION FOR ENVIRONMENTAL REHABILITATION COSTS

Long-term provisions for environmental rehabilitation costs are based on the Group s environmental management plans, in compliance with applicable environmental and regulatory requirements.

Rehabilitation work can include facility decommissioning and dismantling, removal or treatment of waste materials, site and land rehabilitation, including compliance with and monitoring of environmental regulations, security and other site-related costs required to perform the rehabilitation work and operations of equipment designed to reduce or eliminate environmental effects.

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 reporting date. The unwinding of the obligation is accounted for in profit or loss.

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, except where a reduction in the provision is greater than the remaining net book value of the related asset, in which case the value is reduced to nil and the remaining adjustment is recognised in profit or loss. In the case of closed sites, changes in estimates and assumptions are recognised in profit or loss. Estimates are discounted at the risk-free rate in the jurisdiction of the obligation.

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 the South African and Ghanaian operations, annual contributions are made to a dedicated rehabilitation trust fund and dedicated bank account, respectively, to fund the estimated cost of rehabilitation during and at the end of the life-of-mine. The amounts contributed to this trust fund/bank account are included under non-current assets. Interest earned on monies paid to rehabilitation trust fund/bank account is accrued on a time proportion basis and is recorded as interest income.

In respect of the South African, Ghanaian and Peruvian operations, bank and other guarantees are provided for funding of the environmental rehabilitation obligations.

11. EMPLOYEE BENEFITS

11.1 Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

11.2 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 recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

11.3 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 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 equity. 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.

11.4 Long-term incentive plan

The Group operates a long-term incentive plan.

The Group s net obligation in respect of the long-term incentive plan is the amount of future benefit that employees have earned in return for their services in the current and prior periods. That benefit is estimated using appropriate assumptions and is discounted to determine its present value at each reporting date. Re-measurements are recognised in profit or loss in the period in which they arise.

11.5 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. Termination benefits are expensed at the earlier of the date the Group can no longer withdraw the offer of those benefits or the date the Group recognises costs for a restructuring. Benefits falling due more than 12 months after the reporting date are discounted to present value.

12. SHARE CAPITAL

12.1 Ordinary share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

12.2 Repurchase and reissue of share capital

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are deducted from equity. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in share premium.

13. 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.

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

Copper and gold 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 and gold prices, and result in an embedded derivative in the trade 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.

14. INVESTMENT INCOME

Investment income comprises interest income on funds invested and dividend income from listed and unlisted investments.

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

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

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

Cash flows from dividends and interest received are classified under operating activities in the statement of cash flows.

15. DIVIDENDS DECLARED

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

Dividends withholding tax is a tax on shareholders receiving dividends and is applicable to all dividends paid. The Group withholds dividends tax on behalf of its shareholders at a rate of 20% on dividends paid. Amounts withheld are not recognised as part of the Group s tax charge but rather as part of the dividend paid recognised directly in equity.

Cash flows from dividends paid are classified under operating activities in the statement of cash flows.

16. EARNINGS PER SHARE

The Group presents basic and diluted earnings per share. Basic earnings per share is calculated based on the profit attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue during the period. Diluted earnings per share is determined by adjusting the profit attributable to ordinary shareholders, if applicable, and the weighted average number of ordinary shares in issue for ordinary shares that may be issued in the future.

17. NON-CURRENT ASSETS HELD FOR SALE

Non-current assets (or disposal groups) comprising assets and liabilities, are classified as held for sale if it is highly probable they will be recovered primarily through sale rather than 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. Once classified as held for sale or distribution, property, plant and equipment is no longer amortised or depreciated.

18. DISCONTINUED OPERATIONS

A discontinued operation is a component of the Group s business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- Represents a separate major line of business or geographic area of operations;
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- Is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale, if earlier.

When an operation is classified as a discontinued operation, the comparative income statement and statement of cash flows are re-presented as if the operation had been discontinued from the start of the comparative period.

19. SEGMENTAL REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker and is based on individual mining operations. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Committee that makes strategic decisions.

20. HEADLINE EARNINGS

Headline earnings is an additional earnings number that is permitted by IAS 33 *Earnings per Share* (IAS 33) as set out in the SAICA Circular 2/2015 (Circular). The starting point is earnings as determined in IAS 33, excluding separately identifiable remeasurements net of related tax (both current and deferred) and related non-controlling interest, other than re-measurements specifically included in headline earnings. A remeasurement is an amount recognised in profit or loss relating to any change (whether realised or unrealised) in the carrying amount of an asset or liability that arose after the initial recognition of such asset or liability. Included remeasurement items are included in Section C of the Circular.

CONSOLIDATED INCOME STATEMENT

for the year ended 31 December

Figures in millions unless otherwise stated	Notes	United States Dollar 2017	2016 Restated[1]	2015 Restated[1]
CONTINUING OPERATIONS				
Revenue	1	**2,761.8**	2,666.4	2,454.1
Cost of sales	2	**(2,105.1)**	(2,001.2)	(1,988.5)
Investment income	3	**5.6**	8.3	6.3
Finance expense	4	**(81.3)**	(78.1)	(82.9)
Gain/(loss) on financial instruments		**34.4**	14.4	(4.5)
Foreign exchange (loss)/gain		**(3.5)**	(6.4)	9.5
Other costs, net		**(19.0)**	(16.8)	(21.7)
Share-based payments	5	**(26.8)**	(14.0)	(10.7)
Long-term incentive plan	26	**(5.0)**	(10.5)	(5.1)
Exploration expense		**(109.8)**	(86.1)	(51.8)
Share of results of equity-accounted investees, net of taxation	15.1	**(1.3)**	(2.3)	(5.7)
Restructuring costs		**(9.2)**	(11.7)	(9.3)
Silicosis settlement costs	25.3	**(30.2)**		
Impairment, net of reversal of impairment of investments and assets	6	**(200.2)**	(76.5)	(206.9)
Profit on disposal of investments			2.3	0.1
Profit/(loss) on disposal of assets		**4.0**	48.0	(0.1)
Profit before royalties and taxation	7	**214.4**	435.8	82.8
Royalties	8	**(62.0)**	(78.4)	(73.9)
Profit before taxation		**152.4**	357.4	8.9
Mining and income taxation	9	**(173.2)**	(189.5)	(248.5)
(Loss)/profit from continuing operations		**(20.8)**	167.9	(239.6)
DISCONTINUED OPERATIONS				
Profit/(loss) from discontinued operations, net of taxation	12.1	**13.1**	1.2	(8.2)
(Loss)/profit for the year		**(7.7)**	169.1	(247.8)
(Loss)/profit attributable to:				

Owners of the parent		**(18.7)**	158.2	(247.3)
Continuing operations		**(31.8)**	157.0	(239.1)
Discontinued operations		**13.1**	1.2	(8.2)
Non-controlling interests		**11.0**	10.9	(0.5)
Continuing operations		**11.0**	10.9	(0.5)
		(7.7)	169.1	(247.8)
(Loss)/earnings per share attributable to owners of the parent:				
Basic (loss)/earnings per share from continuing operations cents	10.1	**(4)**	19	(31)
Basic earnings/(loss) per share from discontinued operations cents	10.2	**2**		(1)
Diluted basic (loss)/earnings per share from continuing operations cents	10.3	**(4)**	19	(31)
Diluted basic earnings/(loss) per share from discontinued operations cents	10.4	**2**		(1)

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

[1] *Refer note 40 for further details.*

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December

	United States Dollar		
Figures in millions unless otherwise stated	**2017**	**2016 Restated[1]**	**2015 Restated[1]**
(Loss)/profit for the year	**(7.7)**	169.1	(247.8)
Other comprehensive income, net of tax[2, 3]	**279.2**	121.4	(635.5)
Marked-to-market valuation of listed investments	**(0.7)**	(8.3)	0.4
Foreign currency translation adjustments	**279.9**	129.7	(635.9)
Total comprehensive income for the year	**271.5**	290.5	(883.3)
Attributable to:			
Owners of the parent	**260.5**	279.6	(882.8)
Non-controlling interests	**11.0**	10.9	(0.5)
	271.5	290.5	(883.3)

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

[1] *Refer note 40 for further details.*

[2] *All items can be subsequently reclassified to the income statement.*

[3] *Includes deferred tax of US$nil (2016: US$nil and 2015: US$nil).*

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 December

		United States Dollar	
Figures in millions unless otherwise stated	Notes	**2017**	**2016 Restated**[1]
ASSETS			
Non-current assets		**5,505.7**	5,258.8
Property, plant and equipment	13	**4,892.9**	4,524.6
Goodwill	14	**76.6**	317.8
Inventories	19	**132.8**	132.8
Equity-accounted investees	15.1	**171.3**	170.7
Investments	17	**104.6**	19.7
Environmental trust funds	18	**55.5**	44.5
Deferred taxation	23	**72.0**	48.7
Current assets		**1,114.4**	1,052.7
Inventories	19	**393.5**	329.4
Trade and other receivables	20	**201.9**	170.2
Cash and cash equivalents	21	**479.0**	526.7
Assets held for sale	12.2	**40.0**	26.4
Total assets		**6,620.1**	6,311.5
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent		**3,275.8**	3,050.7
Share capital	22	**3,622.5**	59.6
Share premium	22		3,562.9
Other reserves		**(1,817.8)**	(2,124.4)
Retained earnings		**1,471.1**	1,552.6
Non-controlling interests		**127.2**	122.6

Total equity		**3,403.0**	3,173.3
Non-current liabilities		**2,363.1**	2,278.8
Deferred taxation	23	**453.9**	458.6
Borrowings	24	**1,587.9**	1,504.9
Provisions	25	**321.3**	291.7
Long-term incentive plan	26		23.6
Current liabilities		**854.0**	859.4
Trade and other payables	27	**548.5**	543.3
Royalties payable	30	**16.3**	20.2
Taxation payable	31	**77.5**	107.9
Current portion of borrowings	24	**193.6**	188.0
Current portion of long-term incentive plan	26	**18.1**	
Total equity and liabilities		**6,620.1**	6,311.5

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

[1] *Refer note 40 for further details.*

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December

United States Dollar

s in s unless ise	**Number of ordinary shares in issue**	**Share capital**	**Accumulated other comprehensive income[2]**	**Other reserves[3]**	**Retained earnings**	**Equity attributable to owners of the parent**	**Non-controlling interests**	**e**
e at ember	**771,416,491**	**3,470.8**	**(1,766.8)**	**130.3**	**1,704.5**	**3,538.8**	**124.5**	**3,**
of ion of			0.9		(8.5)	**(7.6)**		
ed e at ember	**771,416,491**	**3,470.8**	**(1,765.9)**	**130.3**	**1,696.0**	**3,531.2**	**124.5**	**3,**
d loss year[1]					(247.3)	**(247.3)**	(0.5)	(
hensive			(635.5)			**(635.5)**		(
hensive			(635.5)		(247.3)	**(882.8)**	(0.5)	(

ctions vners of npany								
nds d					(15.1)	**(15.1)**	(12.1)	
based nts from ing ons				10.7		**10.7**		
based nts from inued ons				0.2		**0.2**		
e of ee share	5,177,671	0.2				**0.2**		
ed e at ember	**776,594,162**	**3,471.0**	**(2,401.4)**	**141.2**	**1,433.6**	**2,644.4**	**111.9**	**2,**
d profit year[1]					158.2	**158.2**	10.9	
hensive			121.4			**121.4**		
hensive			121.4		158.2	**279.6**	10.9	
ctions vners of npany								
nds d					(39.2)	**(39.2)**	(0.2)	
based nts from ing ons				14.0		**14.0**		
based nts from inued ons				0.4		**0.4**		
issued[4]	38,857,913	151.5				**151.5**		
e of ee share	5,154,870							
ed e at ember	**820,606,945**	**3,622.5**	**(2,280.0)**	**155.6**	**1,552.6**	**3,050.7**	**122.6**	**3,**

profit year					(18.7)	**(18.7)**	11.0	
hensive			279.2			**279.2**		
hensive			279.2		(18.7)	**260.5**	11.0	
ctions vners of npany								
nds d					(62.8)	**(62.8)**	(0.6)	
nds ed							(5.8)	
based nts from ing ons				26.8		**26.8**		
based nts from inued ons				0.6		**0.6**		
e of ee share	7,272							
e at ember	**820,614,217**	**3,622.5**	**(2,000.8)**	**183.0**	**1,471.1**	**3,275.8**	**127.2**	**3,**

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

[1] *Refer note 40 for further details.*

[2] *Accumulated other comprehensive income mainly comprises foreign currency translation.*

[3] *Other reserves include share-based payments and share of equity accounted investee s other comprehensive income. The aggregate of Accumulated other comprehensive income and Other reserves in the consolidated statement of changes in equity is disclosed in the Consolidated statement of financial position as other reserves.*

[4] *During 2016, Gold Fields completed a US$151.5 million (R2.3 billion) accelerated equity raising by way of a private placement to institutional investors.*

A total number of 38,857,913 new Gold Fields shares were placed at a price of R59.50 per share which represented a 6% discount to the 30-day volume weighted average traded price, for the period 17 March 2016 and a 0.7% discount to the 50-day moving average.

The net proceeds from the placement were used to refinance the US$1,510 million term loan and revolving credit facilities. The new facilities amount to US$1,290 million. Refer note 24 for further details.

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CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December

		United States Dollar		
Figures in millions unless otherwise stated	Notes	**2017**	**2016 Restated[1]**	**2015 Restated[1]**
Cash flows from operating activities		**762.4**	917.5	743.9
Cash generated by operations	28	**1,286.5**	1,245.4	982.6
Interest received		**5.1**	7.3	5.9
Change in working capital	29	**(69.4)**	(2.3)	43.3
Cash generated by operating activities		**1,222.2**	1,250.4	1,031.8
Interest paid		**(90.4)**	(81.7)	(86.8)
Royalties paid	30	**(66.0)**	(76.4)	(75.0)
Taxation paid	31	**(239.5)**	(155.6)	(117.2)
Net cash from operations		**826.3**	936.7	752.8
Dividends paid/advanced		**(70.7)**	(40.7)	(28.9)
Owners of the parent		**(62.8)**	(39.2)	(15.1)
Non-controlling interest holders		**(6.4)**	(0.2)	(12.1)
South Deep BEE dividend		**(1.5)**	(1.3)	(1.7)
Cash generated by continuing operations		**755.6**	896.0	723.9
Cash generated by discontinued operations		**6.8**	21.5	20.0
Cash flows from investing activities		**(908.6)**	(867.9)	(651.5)
Additions to property, plant and equipment		**(833.6)**	(628.5)	(614.1)
Proceeds on disposal of property, plant and equipment		**23.2**	2.3	3.1
Purchase of Gruyere Gold Project assets	15.2		(197.1)	
Purchase of investments		**(80.1)**	(12.7)	(3.0)
Proceeds on disposal of investments			4.4	
Proceeds on disposal of Darlot		**5.4**		
Environmental trust funds and rehabilitation payments		**(16.7)**	(14.8)	(17.5)
Cash utilised in continuing operations		**(901.8)**	(846.4)	(631.5)

Cash utilised in discontinued operations		**(6.8)**	(21.5)	(20.0)
Cash flows from financing activities		**84.2**	37.0	(88.3)
Shares issued			151.5	
Loans raised		**779.7**	1,298.7	506.0
Loans repaid		**(695.5)**	(1,413.2)	(594.3)
Cash generated by/(utilised in) continuing operations		**84.2**	37.0	(88.3)
Cash generated by discontinued operations				
Net cash (utilised)/generated		**(62.0)**	86.6	4.1
Effect of exchange rate fluctuation on cash held		**14.3**	0.1	(22.1)
Cash and cash equivalents at beginning of the year		**526.7**	440.0	458.0
Cash and cash equivalents at end of the year	21	**479.0**	526.7	440.0

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

[1] *The restatement is as a result of the discontinued operations.*

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 December

		United States Dollar	
Figures in millions unless otherwise stated	**2017**	**2016 Restated[1]**	**2015 Restated[1]**
1. REVENUE			
Revenue from mining operations	**2,761.8**	2,666.4	2,454.1
2. COST OF SALES			
Salaries and wages	**(414.7)**	(388.1)	(368.0)
Consumable stores	**(346.7)**	(346.3)	(380.7)
Utilities	**(150.1)**	(169.8)	(162.4)
Mine contractors	**(307.4)**	(308.4)	(284.9)
Other	**(207.6)**	(163.1)	(175.5)
Cost of sales before gold inventory change and amortisation and depreciation	**(1,426.5)**	(1,375.7)	(1,371.5)
Gold inventory change	**69.5**	45.9	(25.5)
Cost of sales before amortisation and depreciation	**(1,357.0)**	(1,329.8)	(1,397.0)
Amortisation and depreciation[2]	**(748.1)**	(671.4)	(591.5)
Total cost of sales	**(2,105.1)**	(2,001.2)	(1,988.5)
3. INVESTMENT INCOME			
Interest received environmental trust funds	**0.5**	1.0	0.4

Interest received cash balances	**5.1**	7.3	5.9
Total investment income	**5.6**	8.3	6.3

4. FINANCE EXPENSE

Interest expense environmental rehabilitation	**(12.1)**	(10.7)	(11.7)
Unwinding of discount on silicosis settlement costs	**(0.9)**		
Interest expense borrowings	**(91.2)**	(82.5)	(87.8)
Borrowing costs capitalised	**22.9**	15.1	16.6
Total finance expense	**(81.3)**	(78.1)	(82.9)

[1] *Refer note 40 for further details.*

[2] *The methodology for amortisation and depreciation at Cerro Corona was amended in 2017, changing to gold ounces produced from tonnes mined. Gold ounces are considered a better reflection of the pattern in which the mine s future economic benefits are expected to be consumed by the mine in line with the declining grade over the life-of-mine.*

The impact of the change in useful life at Cerro Corona resulted in an increase in amortisation and depreciation of US$24.5 million for the 2017 year.

The methodology for amortisation of the mineral rights asset at the Australian operations was corrected during the year. Refer note 40 for further details.

The impact of the correction of the amortisation methodology at the Australian operations resulted in an increase in amortisation of US$5.7 million for the 2017 year.

Given the nature of the inputs used to calculate the amortisation and depreciation, namely future production as well as proven and probable reserves, it is not practicable to estimate the future impact the change in useful life and correction in methodology will have on amortisation and depreciation.

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5. SHARE-BASED PAYMENTS

The Group granted equity-settled instruments comprising share options and restricted shares to executive directors, certain officers and employees. During the year ended 31 December 2017, the following share plans were in place: The Gold Fields Limited 2005 Share Plan, the Gold Fields Limited 2012 Share Plan and the Gold Fields Limited 2012 Share Plan as amended in 2016. During 2016, the Gold Fields Limited 2012 Share Plan as amended in 2016 was introduced to replace the long-term incentive plan (LTIP). Allocations under this plan were made during 2016 and 2017.

The following information is available for each plan:

	United States Dollar					
	2017		2016		2015	
Figures in millions unless otherwise stated	**Continuing operations**	**Discontinued operations**	**Continuing operations**	**Discontinued operations**	**Continuing operations**	**Discontinued operations**

(a) Gold Fields Limited 2005 Share Plan						
(b)(i) Gold Fields Limited 2012 Share Plan						
Performance shares			1.9		8.0	0.2
Bonus shares					2.7	
(b)(ii) Gold Fields Limited 2012 Share Plan amended						
Performance shares	**24.5**	**0.6**	12.1	0.4		
Retention shares	**2.1**					
Restricted/Matching shares	**0.2**					
Total included in profit or loss for the year	**26.8**	**0.6**	14.0	0.4	10.7	0.2

(a) 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 to replace the GF Management Incentive Scheme approved in 1999. The plan provided for two methods of participation, namely the Performance Allocated Share Appreciation Rights Method (SARS) and the Performance Vesting Restricted Share Method (PVRS). This plan sought to attract, retain, motivate and reward participating employees on a basis which sought to align the interests of such employees with those of the Company s shareholders. No further allocations of options under this plan are being made following the introduction of the Gold Fields Limited 2012 Share Plan (see below) and the plan will be closed once all options have been exercised or forfeited.

The following table summarises the movement of share options under the Gold Fields Limited 2005 Share Plan during the years ended 31 December 2017, 2016 and 2015:

	2017		**2016**		**2015**	
	Share appreciation rights (SARS)	**Average instrument price (US$)**	**Share appreciation rights (SARS)**	**Average instrument price (US$)**	**Share appreciation rights (SARS)**	**Average instrument price (US$)**
Outstanding at beginning of the year	**530,611**	**7.39**	1,025,178	6.03	1,818,261	7.89
Movement during the year:						
Forfeited	**(519,090)**	**7.75**	(494,567)	5.27	(793,083)	7.34
Outstanding at end of the year (vested)	**11,521**	**9.42**	530,611	7.39	1,025,178	6.03

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

continued

for the year ended 31 December

5. SHARE-BASED PAYMENTS (continued)

(b)(i) Gold Fields Limited 2012 Share Plan awards prior to 1 March 2016

At the Annual General Meeting on 14 May 2012 shareholders approved the adoption of the Gold Fields Limited 2012 Share Plan to replace the Gold Fields Limited 2005 Share Plan. The plan provided for two methods of participation, namely the Performance Share Method (PS) and the Bonus Share Method (BS). This plan sought to attract, retain, motivate and reward participating employees on a basis which sought to align the interests of such employees with those of the Company s shareholders. No further allocations of options under this plan are being made following the introduction of the Gold Fields Limited 2012 Share Plan amended awards after 1 March 2016 (see below) and the plan was closed.

The salient features of the plan were:

PS were offered to participants annually in March. Quarterly allocations of PS were also made in June, September and December on a pro rata basis to qualifying new employees. PS were performance-related shares, granted at zero cost (the shares are granted in exchange for the rendering of service by participants to the Group during the three-year restricted period prior to the share vesting period);

Based on the rules of the plan, the actual number of PS which would be settled to a participant three years after the original award date was determined by the Group s performance measured against the performance of seven other major gold mining companies (the peer group) based on the relative change in the Gold Fields share price compared to the basket of respective US Dollar share prices of the peer group. Furthermore, for PS awards to be settled to members of the Executive Committee, an internal Company performance target is required to be met before the external relative measure is applied. The internal target performance criterion has been set at 85% of the Group s planned gold production over the three-year measurement period as set out in the business plans of the Group approved by the Board. In the event that the internal 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 PS to be settled may be increased by up to 200% of the number of the initial target PS conditionally awarded, depending on the performance of the Company relative to the performance of the peer group, based on the relative change in the Gold Fields share price compared to the basket of respective US Dollar share prices of the peer group;
The performance of the Company that resulted in the settlement of shares was measured by the Company s share price performance relative to the share price performance of the following peer gold mining companies, collectively referred to as the peer group , over the three-year period:
AngloGold Ashanti;
Barrick Gold Corporation;
Goldcorp Incorporated;
Harmony Gold Mining Company;
Newmont Mining Corporation;
Newcrest Mining Limited; and
Kinross Gold Corporation.
The performance of the Company s shares against the shares of the peer group was measured for the three-year period running from the relevant award date;
BS were offered to participants annually in March; and
Based on the rules of the plan, the actual number of BS which would be settled in equal proportions to a participant over a nine-month and a 18-month period after the original award date was determined by the employee s annual cash bonus calculated with reference to actual performance against predetermined targets for the financial year ended immediately preceding the award date.

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5. SHARE-BASED PAYMENTS (continued)

(b)(i) Gold Fields Limited 2012 Share Plan awards prior to 1 March 2016 (continued)

The following table summarises the movement of share options under the Gold Fields Limited 2012 Share Plan during the years ended 31 December 2017, 2016 and 2015:

	2017	2016	2015	
	Performance shares (PS)	Performance shares (PS)	Performance shares (PS)	Bonus shares (BS)
	393,178	2,446,922	4,316,657	2,161,922

Outstanding at beginning of the year				
Movement during the year:				
Granted		393,178		
Exercised and released		(2,428,904)	(1,704,704)	(2,094,343)
Forfeited	**(393,178)**	(18,018)	(165,031)	(67,579)
Outstanding at end of the year		393,178	2,446,922	

(b)(ii) Gold Fields Limited 2012 Share Plan amended awards after 1 March 2016

At the Annual General Meeting on 18 May 2016, shareholders approved the adoption of the revised Gold Fields Limited 2012 Share Plan to replace the LTIP. The plan provides for four types of participation, namely Performance Shares (PS), Retention Shares (RS), Restricted Shares (RSS) and Matching Shares (MS). This plan is in plac 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 shareholders. Allocations of options under this plan were made during 2016 and 2017. Currently, the last vesting date is 28 February 2020.

The salient features of the plan were:

PS are offered to participants annually in March. PS are performance-related shares, granted at zero cost (the shares are granted in exchange for the rendering of service by participants to the Group during the three-year restricted period prior to the share vesting period);

Based on the rules of the plan, the actual number of PS which will be settled to a participant three years after the original award date is determined by the following performance conditions:

Performance condition	**Weighting**	**Threshold**	**Target**	**Stretch and cap**
Absolute total shareholder return (TSR)	33%	N/A No vesting below target	Compounded cost of equity in real terms over three-year performance period	Compounded cost of equity in real terms over three-year performance period +6% per annum
Relative TSR	33%	Median of the peer group	Linear vesting to apply between median and upper quartile performance and capped at upper quartile performance	
Free cash flow margin (FCFM)	34%	Average FCFM over performance period of 5% at a gold price of $1,300/oz margin to be adjusted relative to the actual gold price for the three-year period	Average FCFM over performance period of 15% at a gold price of $1,300/oz margin to be adjusted relative to the actual gold price	Average FCFM over performance period of 20% at a gold price of $1,300/oz margin to be adjusted relative to the actual gold price

for the three-year period	for the three-year period

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

continued

for the year ended 31 December

5. SHARE-BASED PAYMENTS (continued)

(b)(ii) Gold Fields Limited 2012 Share Plan amended awards after 1 March 2016 (continued)

The vesting profile will be as follows:

Performance condition	Threshold	Target	Stretch and cap
Absolute TSR[1, 4]	0%	100%	200%
Relative TSR[1, 3, 4]	0%	100%	200%
FCFM[2]	0%	100%	200%

[1] *Absolute TSR and relative TSR: Linear vesting will occur between target and stretch (no vesting occurs for performance below target).*

[2] *FCFM: Linear vesting will occur between threshold, target and stretch.*

[3] *The peer group consists of 10 companies: AngloGold Ashanti, Goldcorp, Barrick, Eldorado Gold, Randgold, Yamana, Agnico Eagle, Kinross, Newmont and Newcrest.*

[4] *TSR will be calculated as the compounded annual growth rate (CAGR) of the TSR index between the average of the 60 trading days up to the first day of the performance period and the average of the 60 trading days up to the last day of the performance period. TSR will be defined as the return on investing in ordinary shares in the Company at the start of the performance period, holding the shares and reinvesting the dividends received on the portfolio in Gold Fields shares over the performance period. The USD TSR index, provided by external service providers will be based on the US$ share price.*

RS can be awarded on an ad hoc basis to key employees where a retention risk has been identified. These will be subject to the vesting condition of service over a period of three years only;

RSS: In 2016, Gold Fields implemented a Minimum Shareholding Requirement (MSR) where executives are required to build and to hold a percentage of their salary in Gold Fields shares over a period of five years. Executives will be given the opportunity (as at the approval date of the MSR), prior to the annual bonus being communicated or the upcoming vesting date of the LTIP award or PS, to elect to receive all or a portion of their annual bonus or cash LTIP in restricted shares or to convert all or a portion of their unvested PS into restricted shares towards fulfilment of the MSR. These shares are subject to the holding period as set out below.

This holding period will mean that the restricted shares may not be sold or disposed of and that the beneficial interest must be retained therein until the earlier of:

Notice given by the executive, provided that such notice may only be given after five years from the start of the holding period;

Termination of employment of that employee, i.e. retirement, retrenchment, ill health, death, resignation or dismissal;

Abolishment of the MSR; or

In special circumstances such as proven financial hardship or compliance with the MSR, upon application by the employee and approval by the Remuneration Committee.

MS: To facilitate the introduction of the MSR policy and to compensate executives for participating in RSS and holding their shares for an additional five years, thus exposing themselves to further market volatility, the Company intends to make a matching award. This is intended to entail a conditional award of shares of one share for every three shares committed towards the MSR (matching shares), rounded to the nearest full share. The matching shares will vest on a date that corresponds with the end of the holding period of the shares committed towards the MSR provided the executive is still in the employment of the Company and has met the MSR requirements of the MSR policy, including having sustainably accumulated shares to reach the MSR over the five-year holding period.

At 31 December 2017, the maximum number of matching shares that could vest, based on shares already committed to MSR, at the end of five years was 403,027 (2016: 169,158) shares.

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5. SHARE-BASED PAYMENTS (continued)

(b)(ii) Gold Fields Limited 2012 Share Plan amended awards after 1 March 2016 (continued)

The following table summarises the movement of share options under the Gold Fields Limited 2012 Share Plan as amended in 2016 during the years ended 31 December 2017 and 2016:

	2017 Performance shares (PS)	2016 Performance shares (PS)
Outstanding at beginning of the year	**8,138,472**	
Movement during the year:		
Granted	**11,744,152**	8,196,037
Exercised and released	**(34,827)**	
Forfeited	**(1,568,667)**	(57,565)

Outstanding at end of the year	**18,279,130**	8,138,472

None of the outstanding options of 18,279,130 above have vested.

The fair value of equity instruments granted during the year ended 31 December 2017 and 2016 were valued using the Monte Carlo simulation model:

Monte Carlo simulation

Performance shares

This model is used to value the performance shares. The inputs to the model for options granted during the year were as follows:

	2017	**2016**
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)	**64.3%**	58.1%
expected term (years)	**3 years**	3 years
dividend yield[1]	**n/a**	n/a
weighted average three-year risk free interest rate (based on US interest rates)	**1.6%**	0.5%
weighted average fair value (United States dollars)	**4.2**	2.6

[1]There is no dividend yield applied to the Monte Carlo simulation model as the performance conditions follow a total shareholder return method.

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5. SHARE-BASED PAYMENTS (continued)
(b)(ii) Gold Fields Limited 2012 Share Plan amended awards after 1 March 2016 (continued)
Summary:

The following table summarises information relating to the options and equity-settled instruments under all plans outstanding at 31 December 2017, 2016 and 2015:

	2017			2016			2015		
nge of ercise ces for tstanding uity truments S$)	Number of instru-ments	Price (US$)	Contrac-tual life (years)	Number of instruments	Price (US$)	Contrac-tual life (years)	Number of instruments	Price (US$)	Contrac-tual life (years)
	18,279,130			8,531,650			2,446,922		

*										
8	6.06						448,296	5.03	0.22
7	7.84			3,835	6.79	0.50	33,641	5.86	0.60
5	9.62			515,255	7.37	0.34	531,720	6.84	1.35
3	11.40	**11,521**	**9.42**	11,521	8.44	1.00	11,521	7.84	2.01
tal tstanding end of the ar		**18,290,651**		9,062,261			3,472,100		
Restricted ares (PVRS) awarded no nsideration.									
eighted erage share ce during year on the hannesburg ock change S$)		**3.76**		4.29			3.55		

The compensation costs related to awards not yet recognised under the above plans at 31 December 2017, 2016 and 2015 amount to US$53.0 million, US$36.6 million and US$1.5 million, respectively, and are to be recognised over four years.

The directors were authorised to issue and allot all or any of such shares required for the plans, but in aggregate all plans may not exceed 41,076,635 of the total issued ordinary shares capital of the Company. An individual participant may also not be awarded an aggregate of shares from all or any such plans exceeding 4,107,663 of the Company s total issued ordinary share capital. The unexercised options and shares under all plans represented 2.2% of the total issued ordinary share capital at 31 December 2017.

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	United States Dollar		
Figures in millions unless otherwise stated	**2017**	**2016**	**2015**
6.			
IMPAIRMENT, NET OF REVERSAL OF IMPAIRMENT OF INVESTMENTS AND ASSETS			
Investments	**(3.7)**	(0.1)	(117.4)
Listed investments	**(0.5)**	(0.1)	(8.5)
Unlisted investments	**(3.2)**		
Equity accounted investees			
Hummingbird Resources Plc (Hummingbird[1])			(7.5)
Far Southeast Gold Resources Incorporated (FSE[2])			(101.4)
Property, plant and equipment	**81.3**	(76.4)	(81.5)
Reversal of impairment of Arctic Platinum (APP[3])	**39.0**		(39.0)
Reversal of impairment and impairment of property, plant and equipment other[4]	**42.3**	(76.4)	(42.5)

Goodwill	**(277.8)**		
South Deep goodwill[5]	**(277.8)**		
Inventories			(8.0)
Stockpiles and consumables[6]			(8.0)
Impairment, net of reversal of impairment of investments and assets	**(200.2)**	(76.5)	(206.9)

[1] *Following the identification of impairment indicators at 30 June 2015, the investment in Hummingbird was valued at its recoverable amount, which resulted in an impairment of US$7.5 million. The recoverable amount was based on the investment s fair value at the time, being its quoted market price (level 1 of the fair value hierarchy). The impairment is included in the Corporate and other segment.*

[2] *Following the identification of impairment indicators at 31 December 2015, FSE was valued at its recoverable amount which resulted in an impairment of US$101.4 million. The recoverable amount was based on the fair value less cost of disposal (FVLCOD) of the investment (level 2 of the fair value hierarchy). FVLCOD was indirectly derived from the market value of Lepanto Consolidated Mining Company, being the 60% shareholder of FSE. The impairment is included in the Corporate and other segment.*

[3] *Following the Group s decision during 2013 to dispose of non-core projects, APP was classified as held for sale and, accordingly, valued at the lower of fair value less cost of disposal or carrying value which resulted in impairments of US$89.7 million and US$3.2 million during 2013 and 2014, respectively. APP s carrying value at 31 December 2014 after the above impairments was US$40.0 million which was based on an offer received close to the 2014 year-end. During 2015, active marketing activities for the disposal of the project continued after the 2014 offer was not realised. During 2015, APP was further impaired by US$39.0 million, resulting in a carrying value of US$1.0 million at 31 December 2015. The impairment is included in the Corporate and other segment. At 31 December 2016, APP no longer met the definition of an asset held for sale and was reclassified to property, plant and equipment at a recoverable amount of US$1.0 million. During 2017, active marketing activities continued and as a result, a sale agreement was concluded comprising a purchase offer of US$40.0 million cash and a 2% net smelter refiner royalty on all metals. As a result, the impairment of US$39.0 million previously recorded, was reversed and APP was reclassified as an asset held for sale at 31 December 2017. Refer note 12 for further details.*

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	United States Dollar		
Figures in millions unless otherwise stated	**2017**	**2016**	**2015**
6. IMPAIRMENT, NET OF REVERSAL OF IMPAIRMENT OF INVESTMENTS AND ASSETS (continued)			
[4] *Reversal of impairment and impairment of property, plant and equipment is made up as follows:*			
Redundant assets at Cerro Corona (2015: Cerro Corona)	**(0.8)**		(6.7)
Reversal of cash-generating unit impairment at Cerro Corona (2016: impairment of $66.4 million)	**53.4**	(66.4)	

(The impairment in 2016 was due to the reduction in gold and copper reserves due to depletion, a decrease in the gold and copper price assumptions for 2017 and 2018, a lower resource price and an increase in the Peru tax rate. The reversal of the impairment in 2017 was due to a higher value-in-use following the completion of a pre-feasibility study in 2017, with the assistance of external specialists, extending the life-of-mine from 2023 to 2030 by optimising the tailings density and increasing the tailings capacity by using in-pit tailings after mining activities end. After taking into account one year amortisation, the reversal of impairment amounted to US$53.4 million (2016: The recoverable amount was based on its FVLCOD calculated using a combination of the market and the income approach (level 3 of the fair value hierarchy)). Refer to accounting policies on page 139 for assumptions).			
Damang assets held for sale		(7.6)	
(Following the Damang re-investment plan, a decision was taken to sell certain mining fleet assets and related spares. The sale of the assets is expected to be concluded during 2017. As a result, the assets were classified as held for sale (refer note 12) and valued at the lower of FVLCOD or carrying value which resulted in an impairment of US$7.6 million).			
Asset-specific impairment at Tarkwa	**(6.8)**		
(Relating to aged, high maintenance and low effectiveness mining fleet that is no longer used).			
Asset-specific impairment at Damang	**(3.5)**	(2.4)	(35.8)
(Relating to all assets at the Rex pit. Following a series of optimisations, the extensional drilling, completed in 2017, failed to deliver sufficient tonnages at viable grades to warrant further work (2016: inoperable mining fleet that is no longer used under the current life-of-mine plan, 2015: Immovable mining assets written off to nil that would no longer be used under the current life-of-mine plan)).			
Reversal of impairment and impairment of property, plant and equipment other	**42.3**	(76.4)	(42.5)

[5] *At 31 December 2017, the Group recognised an impairment of R3,495.0 billion (US$277.8 million) at South Deep. The recoverable amount was based on its FVLCOD calculated using a combination of the market and the income approach (level 3 of the fair value hierarchy). The impairment calculation was based on the 2017 life-of-mine plan using the following assumptions:*

Gold price of R525,000 per kilogram;

Resource price of US$17 per ounce at the Rand/Dollar exchange rate of R12.58;

Resource ounces of 29.0 million ounces;

Life-of-mine: 78 years; and

Discount rate: 13.5% nominal.

The impairment is due to a reduction in the gold price assumptions, a lower resource price and a deferral of production.

[6] *Net realisable value write-down of stockpiles at Damang.*

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Figures in millions unless otherwise stated	United States Dollar 2017	2016	2015
7. INCLUDED IN PROFIT BEFORE ROYALTIES AND TAXATION ARE THE FOLLOWING:			
Operating lease charges[1]	**(2.4)**	(2.8)	(2.7)
Regulatory legal fees[1]			(0.1)
Profit on buy-back of notes[1]		17.7	
Social contributions and sponsorships[1]	**(19.6)**	(19.3)	(12.2)
Global compliance costs[1]		(0.1)	(3.6)
Rehabilitation income continuing operations[1]	**13.5**	9.7	14.6
Rehabilitation income discontinued operations[1]		0.2	0.5
8. ROYALTIES			
South Africa	**(1.8)**	(1.8)	(1.2)

Foreign	**(60.2)**	(76.6)	(72.7)
Total royalties	**(62.0)**	(78.4)	(73.9)
Royalty rates			
South Africa (effective rate)[2]	**0.5%**	0.5%	0.5%
Australia[3]	**2.5%**	2.5%	2.5%
Ghana[4]	**3.0%**	5.0%	5.0%
Peru[5]	**4.6%**	6.4%	4.0%

[1] *Included under Other costs, net in the consolidated income statement.*

[2] *The Mineral and Petroleum Resource Royalty Act 2008 (Royalty Act) was promulgated on 24 November 2008 and became effective from 1 March 2010. The Royalty Act imposes a royalty on refined (mineral resources that have undergone a comprehensive level of beneficiation such as smelting and refining as defined in Schedule 1 of the Act) and unrefined (mineral resources that have undergone limited beneficiation as defined in Schedule 2 of the Act) minerals payable to the state. The royalty in respect of refined minerals (which include gold refined to 99.5% and above and platinum) is calculated by dividing earnings before interest and taxes (EBIT) by the product of 12.5 times gross revenue calculated as a percentage, plus an additional 0.5%. EBIT refers to taxable mining income (with certain exceptions such as no deduction for interest payable and foreign exchange losses) before assessed losses but after capital expenditure. A maximum royalty of 5% has been introduced on refined minerals. The effective rate of royalty tax payable for the year ended 31 December 2017 was 0.5% of mining revenue (2016: 0.5% and 2015: 0.5%) equalling the minimum charge per the formula.*

[3] *The Australian operations are subject to a 2.5% (2016: 2.5% and 2015: 2.5%) gold royalty on revenue as the mineral rights are owned by the state.*

[4] *Minerals are owned by the Republic of Ghana and held in trust by the President. During 2016, Gold Fields signed a Development Agreement (DA) with the Government of Ghana for both the Tarkwa and Damang mines. This agreement stated that the Ghanaian operations will be subject to a sliding scale for royalty rates, linked to the prevailing gold price (effective 1 January 2017). The sliding scale is as follows:*

Average gold price		
Low value	**High value**	**Royalty rate**
US$0.00	**US$1,299.99**	**3.0%**
US$1,300.00	**US$1,499.99**	**3.5%**
US$1,450.00	**US$2,299.99**	**4.1%**
US$2,300.00	**Unlimited**	**5.0%**

During 2016 and 2015, the Ghanaian operations were subject to a 5.0% gold royalty on revenue.

[5] *The Peruvian operations are subject to a mining royalty calculated on a sliding scale with rates ranging from 1% to 12% of the value of operating profit.*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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for the year ended 31 December

Figures in millions unless otherwise stated	United States Dollar 2017	2016 Restated[1]	2015 Restated[1]
9. MINING AND INCOME TAXATION			
The components of mining and income tax are the following:			
South African taxation			
non-mining tax	**(1.2)**	(1.0)	
company and capital gains taxation	**(1.1)**	(3.9)	(3.5)
prior year adjustment current taxation	**0.2**	0.3	0.5
deferred taxation	**12.1**	(9.5)	17.1
Foreign taxation			
current taxation	**(199.8)**	(193.3)	(138.7)
prior year adjustment current taxation	**(2.8)**	(6.3)	
deferred taxation	**19.4**	24.2	(118.7)
prior year adjustment deferred taxation			(5.2)
Total mining and income taxation	**(173.2)**	(189.5)	(248.5)

Major items causing the Group s income taxation to differ from the maximum South African statutory mining tax rate of 34.0% (2016: 34.0% and 2015: 34.0%) were:			
Taxation on profit before taxation at maximum South African statutory mining tax rate	**(51.8)**	(121.5)	(3.0)
Rate adjustment to reflect the actual realised company tax rates in South Africa and offshore	**19.2**	22.4	21.5
Non-deductible share-based payments	**(9.1)**	(4.8)	(3.6)
Non-deductible exploration expense	**(19.7)**	(15.2)	(7.7)
Deferred tax assets not recognised on impairment and reversal of impairment of investments[2]	**13.3**		(53.2)
Impairment of South Deep goodwill	**(94.5)**		
Non-deductible interest paid	**(24.2)**	(24.2)	(26.9)
Non-taxable profit on disposal of investments		0.8	
Non-taxable profit on buy-back of notes		6.0	
Share of results of equity-accounted investees, net of taxation	**(0.4)**	(0.8)	(1.9)
Net non-deductible expenditure and non-taxable income	**(5.3)**	(9.7)	(8.5)
Deferred tax raised on unremitted earnings at Tarkwa	**(9.5)**		
Deferred taxation movement on Peruvian Nuevo Sol devaluation against US Dollar[3]	**5.2**	(1.1)	(41.0)
Various Peruvian non-deductible expenses	**(5.3)**	(8.3)	(7.8)
Deferred tax assets not recognised at Cerro Corona and Damang[4]	**(12.9)**	(34.9)	(112.5)
Utilisation of tax losses not previously recognised at Damang	**7.1**		
Deferred tax assets recognised at Cerro Corona and Damang[5]	**19.8**		
Deferred tax release on change of tax rate (2016: Peruvian and Ghanaian operations and 2015: Peruvian operations)		8.6	4.5
Prior year adjustments	**(2.6)**	(6.0)	(4.4)
Other	**(2.5)**	(0.8)	(4.0)
Total mining and income taxation	**(173.2)**	(189.5)	(248.5)

[1] *Refer note 40 for further details.*

[2] *Deferred tax assets not recognised on impairment of investments relate to the impairment and reversal of impairment of FSE, Hummingbird and APP. Refer to note 6 for details of impairments.*

[3] *The functional currency of Cerro Corona is US Dollar, however, the Peruvian tax base is based on values in Peruvian Nuevo Sol.*

[4] *Deferred tax assets amounting to US$12.9 million (2016: US$34.9 million and 2015: US$112.5 million) were not recognised during the year at Cerro Corona and Damang to the extent that there is insufficient future taxable income available. At Cerro Corona, deferred tax assets amounting to US$12.9 million (2016: US$33.5 million and 2015: US$76.9 million) were not recognised during the year related to deductible temporary differences on additions to fixed assets in the current financial year that would only reverse after the end of the life-of-mine (LoM) of Cerro Corona. At Damang, deferred tax assets amounting to US$nil (2016: US$1.4 million and 2015: US$35.6 million) were not recognised during the year related to net deductible temporary differences reversing in the current financial year. In making this determination, the Group analysed, among*

others, forecasts of future earnings and the nature and timing of future deductions and benefits represented by deferred tax assets.

[5] *Due to year-end assessments, deferred tax assets amounting to US$17.3 million and US$2.5 million were recognised at Cerro Corona and Damang, respectively, to the extent that there is sufficient future taxable income available. During 2017, Cerro Corona completed a prefeasibility study extending the life-of-mine (LoM) from 2023 to 2030. A significant portion of the deductible temporary differences on fixed assets that were scheduled to reverse after the end of the LoM at Cerro Corona will now reverse over the extended LoM, resulting in the recognition of deferred tax assets amounting to US$17.3 million. At Damang, the LoM indicated that the mine would make taxable profits in the future that would support the write back of a portion of the deferred tax asset amounting to US$2.5 million. In making this determination, the Group analysed, among others, forecasts of future earnings and the nature and timing of future deductions and benefits represented by deferred tax assets.*

9. MINING AND INCOME TAXATION (continued)

	2017	2016	2015
South Africa current tax rates			
Mining tax[1]	**Y = 34 170/X**	Y = 34 170/X	Y = 34 170/X
Non-mining tax[2]	**28.0%**	28.0%	28.0%
Company tax rate	**28.0%**	28.0%	28.0%
International operations current tax rates			
Australia	**30.0%**	30.0%	30.0%
Ghana[3]	**32.5%**	32.5%	35.0%
Peru	**29.5%**	30.0%	30.0%

[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. Accounting depreciation is ignored for the purpose of calculating South African mining taxation. The effective mining tax rate for Gold Fields Operations Limited (GFO) and GFI Joint Venture Holdings Proprietary Limited (GFIJVH), owners of the South Deep mine, has been calculated at 30% (2016: 30% and 2015: 30%).

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 income.*

[3] *On 11 March 2016, Gold Fields signed a development agreement with the Government of Ghana for both the Tarkwa and Damang mines. This agreement resulted in a reduction in the corporate tax rate from 35.0% to 32.5%, effective 17 March 2016.*

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.

At 31 December 2017, the Group had the following estimated amounts available for set-off against future income (pre-tax):

	2017			**2016**		
Figures in millions unless otherwise stated	**Gross unredeemed capital expenditure US$ million**	**Gross tax losses US$ million**	**Gross deferred tax asset not recognised US$ million**	**Gross unredeemed capital expenditure US$ million**	**Gross tax losses US$ million**	**Gross deferred tax asset not recognised US$ million**
South Africa[1]						
Gold Fields Operations Limited	**716.4**	**192.5**		606.4	182.3	
GFI Joint Venture Holdings						

Proprietary Limited[2, 3]	**2,427.1**		**1,501.6**	1,929.2		1,132.6
	3,143.5	**192.5**	**1,501.6**	2,535.6	182.3	1,132.6
International operations						
Exploration entities[4]		**445.9**	**445.9**		388.8	388.8
Gold Fields Australia Proprietary Limited[5]					1.2	
Abosso Goldfields Limited[6]		**201.4**	**63.5**	88.8	68.7	157.5
		647.3	**509.4**	88.8	458.7	546.3

1 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 operate 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 and unredeemed capital expenditure have no expiration date.

2 The above R2,427.1 million (2016: R1,929.2 million) comprises US$925.5 million gross recognised capital allowance and US$1,501.6 million gross unrecognised capital allowance (2016: US$796.6 million gross recognised capital allowance and US$1,132.6 million gross unrecognised capital allowance).

3 During 2014, the South African Revenue Services (SARS) issued a Finalisation of Audit Letter (the Audit Letter) stating that SARS has disallowed US$182.2 million of GFIJVH s gross recognised capital allowance of US$925.5 million. Refer note 34 on Contingent Liabilities for further details.

4 The total tax losses of US$445.9 million (2016: US$388.8 million) comprise US$22.9 million (2016: US$10.9 million) tax losses that expire between one and two years, US$57.6 million (2016: US$58.9 million) tax losses that expire between two and five years, US$30.4 million (2016: US$41.2 million) tax losses that expire between five and 10 years, US$43.2 million (2016: US$40.6 million) tax losses that expire after 10 years and US$291.8 million (2016: US$237.2 million) tax losses that have no expiry date.

5 The tax losses are available to be utilised against income generated by the relevant tax entity and do not expire.

6 Tax losses may be carried forward for five years. These losses expire on a first-in-first-out basis. Tax losses of US$44.5 million (2016: US$46.3 million) expire in two years, tax losses of US$19.0 million (2016: US$nil) expire in three years, tax losses of US$91.7 million (2016: US$19.4 million) expire in four years and tax losses of US$46.2 million (2016: US$3.0 million) expire in five years.

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	United States Dollar		
gures in millions unless otherwise stated	2017	2016 Restated[1]	2015 Restated
. EARNINGS PER SHARE			
.1 Basic (loss)/earnings per share from continuing operations cents	**(4)**	19	(31
Basic (loss)/earnings per share is calculated by dividing the loss attributable to owners of the parent from continuing operations of US$31.8 million (2016: profit of US$157.0 million and 2015: loss of US$239.1 million) by the weighted average number of ordinary shares in issue during the year of 820,611,806 (2016: 809,889,990 and 2015: 774,763,151).			
.2 Basic earnings/(loss) per share from discontinued operations cents	**2**		(1
Basic earnings/(loss) per share is calculated by dividing the earnings attributable to owners of the parent from discontinued operations of US$13.1 million (2016: profit of US$1.2 million and 2015: loss of US$8.2 million) by the weighted average number of ordinary shares in issue during the year of 820,611,806			

(2016: 809,889,990 and 2015: 774,763,151).

.3 **Diluted basic (loss)/earnings per share from continuing operations**	**cents**	**(4)**	19	(31

Diluted basic (loss)/earnings per share is calculated on the basis of loss attributable to owners of the parent from continuing operations of US$31.8 million (2016: profit of US$157.0 million and 2015: loss of US$239.1 million) and 826,920,421 (2016: 810,082,191 and 2015: 774,763,151) shares being the diluted number of ordinary shares in issue during the year.

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	**820,611,806**	809,889,990	774,763,151
Share options in issue	**6,308,615**	192,201	
Diluted number of ordinary shares	**826,920,421**	810,082,191	774,763,151

.4 **Diluted basic earnings/(loss) per share from discontinued operations**	**cents**	**2**		(1

Diluted basic earnings/(loss) per share is calculated on the basis of earnings attributable to owners of the parent from discontinued operations of US$13.1 million (2016: profit of US$1.2 million and 2015: loss of US$8.2 million) and 826,920,421 (2016: 810,082,191 and 2015: 774,763,151) shares being the diluted number of ordinary shares in issue during the year.

[1] *Refer note 40 for further details.*

[2] *Share option adjustments of 1,804,321 were excluded from the dilutive number of ordinary shares as they were anti-dilutive.*

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		United States Dollar	
Figures in millions unless otherwise stated	**2017**	**2016 Restated[1]**	**2015 Restated[1]**
10. EARNINGS PER SHARE (continued)			
10.5 Headline earnings/(loss) per share from continuing operations cents	**26**	24	(5)
Headline earnings/(loss) per share is calculated on the basis of adjusted net earnings attributable to owners of the parent from continuing operations of US$212.3 million (2016: earnings of US$198.3 million and 2015: loss of US$36.4 million) and 820,611,806 (2016: 809,889,990 and 2015: 774,763,151) shares being the weighted average number of ordinary shares in issue during the year.	**(31.8)**	157.0	(239.1)

Net (loss)/profit attributable to owners of the parent from continuing operations is reconciled to headline earnings as follows:

Long-form headline earnings/(loss) reconciliation

	(Loss)/profit attributable to owners of the parent from continuing operations			
	Profit on disposal of investments, net		(2.3)	(0.1)
	Gross		(2.3)	(0.1)
	Taxation effect			
	(Profit)/loss on disposal of assets, net	**(2.6)**	(41.0)	0.5
	Gross	**(4.0)**	(48.0)	0.1
	Taxation effect	**1.2**	7.0	0.2
	Non-controlling interest effect	**0.2**		0.2
	Impairment, reversal of impairment and write-off of investments and assets and other, net	**246.7**	84.6	202.3
	Impairment, net of reversal of impairment of investments and assets	**200.2**	76.5	198.9
	Write-off of exploration and evaluation assets	**51.5**	41.4	29.1
	Taxation effect	**(4.3)**	(32.1)	(23.4)
	Non-controlling interest effect	**(0.7)**	(1.2)	(2.3)
	Headline earnings/(loss)	**212.3**	198.3	(36.4)
10.6	**Headline (loss)/earnings per share from discontinued operations cents**		1	
	Headline (loss)/earnings per share is calculated on the basis of adjusted net loss attributable to owners of the parent from discontinued operations of US$2.4 million (2016: earnings of US$5.5 million and 2015: earnings of US$3.0 million) and 820,611,806 (2016: 809,889,990 and 2015: 774,763,151) shares being the weighted average number of ordinary shares in issue during the year.			
	Net profit/(loss) attributable to owners of the parent from discontinued operations is reconciled to headline earnings as follows:			
	Long-form headline (loss)/earnings reconciliation			
	Profit/(loss) attributable to owners of the parent from discontinued operations	**13.1**	1.2	(8.2)
	Impairment and write-off of investments and assets and other, net	**(15.5)**	4.3	11.2
	Impairment of assets			14.2
	Gain on sale of discontinued operation	**(23.5)**		
	Write-off of exploration and evaluation assets	**1.5**	6.1	1.7
	Taxation effect	**6.5**	(1.8)	(4.7)
	Headline (loss)/earnings	**(2.4)**	5.5	3.0

[1] *Refer note 40 for further details.*

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		United States Dollar		
Figures in millions unless otherwise stated		2017	2016 Restated[1]	2015 Restated[1]
10.	**EARNINGS PER SHARE (continued)**			
10.7	**Diluted headline earnings/(loss) per share from continuing operations cents** Diluted headline earnings/(loss) per share is calculated on the basis of headline earnings attributable to owners of the parent continuing operations of US$212.3 million (2016: earnings of US$198.3 million and 2015: loss of US$36.4 million) and 826,920,421 (2016: 810,082,191 and 2015: 774,763,151) shares being the diluted number of ordinary shares in issue during the year.	**26**	24	(5)
10.8	**Diluted headline (loss)/earnings per share from discontinued operations cents** Diluted headline (loss)/earnings per share is calculated on the basis of headline loss attributable to owners of the parent discontinued operations of US$2.4 million (2016: earnings of US$5.5 million and 2015: earnings of US$3.0 million) and		1	

826,920,421 (2016: 810,082,191 and 2015: 774,763,151) shares being the diluted number of ordinary shares in issue during the year.

11. DIVIDENDS

2016 final dividend of 60 SA cents per share (2015: 21 SA cents and 2014: 20 SA cents) declared on 16 February 2017.	**37.5**	10.6	12.8
2017 interim dividend of 40 SA cents was declared during 2017 (2016: 50 SA cents and 2015: 4 SA cents).	**25.3**	28.6	2.3
A final dividend in respect of the financial year ended 31 December 2017 of 50 SA cents per share was approved by the Board of Directors on 13 February 2018. This dividend payable is not reflected in these financial statements.			
Dividends are subject to dividend withholding tax.			
Total dividends	**62.8**	39.2	15.1
Dividends per share cents	**8**	5	2

[1] *Refer note 40 for further details.*

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12.1 DISCONTINUED OPERATIONS

Gold Fields disposed of its Darlot mine to ASX-listed Red 5 Limited (Red 5) for a total consideration of A$18.5 million, comprising A$12.0 million in cash and 130 million Red 5 shares. The cash component was made up of an upfront amount of A$7.0 million and A$5.0 million deferred for up to 24 months. The deferred consideration could be taken as additional shares in Red 5 or as cash at Gold Fields election.

Red 5 undertook a rights issue to assist with the funding of the cash component and for general working capital purposes. Gold Fields used the A$7.0 million to underwrite the rights issue. Gold Fields received a total number of 116,875,821 Red 5 shares under the underwriting agreement for a consideration of A$5.8 million.

All conditions precedent in terms of the sales agreement were met on 2 October 2017 and as a result Gold Fields accounted for a profit on the sale of Darlot of A$30.8 million (US$23.5 million). Post the completion of the sale, Gold Fields had a 19.9% shareholding in Red 5. Gold Fields does not have significant influence over Red 5 as the shareholding is below 20% and there are no qualitative factors indicating that significant influence exists.

The financial results of Darlot have been presented as a discontinued operation in the consolidated financial statements and comparative income statements and statements of cash flows have been restated as if Darlot had been discontinued from the start of the comparative period.

United States Dollar

Figures in millions unless otherwise stated	2017	2016	2015
Below is a summary of the results of the discontinued operation for the year ended 31 December:			
Revenue	**49.0**	83.1	91.3
Cost of sales	**(50.7)**	(72.1)	(85.0)
Cost of sales before gold inventory change and amortisation and depreciation	**(46.3)**	(57.3)	(59.8)
Gold inventory change	**(0.9)**	(0.4)	0.6
Amortisation and depreciation	**(3.5)**	(14.4)	(25.8)
Other costs, net	**(1.9)**	(7.2)	(16.0)
(Loss)/profit before royalties and taxation	**(3.6)**	3.8	(9.7)
Royalties	**(1.1)**	(2.0)	(2.1)
(Loss)/profit before taxation	**(4.7)**	1.8	(11.8)
Mining and income taxation	**1.4**	(0.6)	3.6
(Loss)/profit for the year from operating activities	**(3.3)**	1.2	(8.2)
Gain on sale of discontinued operation	**23.5**		
Income tax on gain on sale of discontinued operation	**(7.1)**		
Profit/(loss) from discontinued operation, net of tax	**13.1**	1.2	(8.2)

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for the year ended 31 December

Figures in millions unless otherwise stated	2017 US$	2017 A$
12.1 DISCONTINUED OPERATIONS (continued)		
Below is a summary of assets and liabilities of the discontinued operation at 2 October 2017:		
Property, plant and equipment	**3.3**	4.3
Inventories	**7.2**	9.4
Trade and other receivables	**0.1**	0.1
Trade and other payables	**(8.7)**	(11.3)
Environmental rehabilitation costs provision	**(12.9)**	(16.9)
Net liabilities	**(11.0)**	(14.4)
Total consideration received less costs to sell[1]	**12.5**	16.4

Gain on sale of discontinued operations	**23.5**	30.8

[1] *Due to the discounting of the deferred consideration and the transaction costs incurred, the total consideration of A$16.4 million used in the determination of the gain on sale of discontinued operations is less than the A$18.5 million per the agreement.*

12.2 ASSETS HELD FOR SALE

	United States Dollar	
	2017	**2016**
Damang mining fleet and related spares[1]		26.4
APP[2]	**40.0**	
Total assets held for sale	**40.0**	26.4

[1] *Following the Damang re-investment plan, a decision was taken during 2016 to sell certain mining fleet assets and related spares. As a result, the assets were classified as held for sale at 31 December 2016 and valued at the lower of FVLCOD or carrying value which resulted in an impairment of US$7.6 million. The sale of the assets concluded during 2017.*

Mining fleet and related spares with carrying values of US$18.6 million and US$7.8 million, respectively, were reclassified to assets held for sale. Refer note 13 and 19 for further details.

[2] *At 31 December 2016, APP no longer met the definition of an asset held for sale and was reclassified to property, plant and equipment at a recoverable amount of US$1.0 million. During 2017, active marketing activities continued and as a result, a sale agreement was concluded comprising a purchase offer of US$40.0 million cash and a 2% net smelter refiner royalty on all metals. As a result, the impairment previously recorded, was reversed up to the value of the selling price and APP was reclassified as an asset held for sale at 31 December 2017. Refer note 6 for further details.*

APP is included as part of corporate and other in the segment note. Refer note 41 for further details.

31 December 2016			United States Dollar	31 December 2017		
Land, mineral rights and rehabilitation assets	Mine development, infrastructure and other assets[1]	Total	*Figures in millions unless otherwise stated*	Total	Mine development, infrastructure and other assets[1]	Land, mineral rights and rehabilitation assets
			13. PROPERTY, PLANT AND EQUIPMENT			

			Cost			
735.6	7,913.2	8,648.8	Balance at beginning of the year	**9,566.2**	**8,929.4**	**636.8**
(384.3)	384.3		Impact of correction of error[2]			
351.3	8,297.5	8,648.8	Restated balance at beginning of the year[3]	**9,566.2**	**8,929.4**	**636.8**
(10.6)	11.6	1.0	Reclassifications	**(20.5)**	**1.8**	**(22.3)**
1.3	627.2	628.5	Additions for continuing operations	**833.6**	**833.3**	**0.3**
	21.4	21.4	Additions for discontinued operations	**6.8**	**6.8**	
275.9		275.9	Gruyere Gold Project asset acquisition[4]			
	43.2	43.2	Reclassification (to)/from assets held for sale (refer note 12)	**(43.2)**	**(43.2)**	
	(79.1)	(79.1)	Reclassification to assets held for sale (refer note 12)			
	15.1	15.1	Borrowing costs capitalised[5]	**22.9**	**22.9**	
(3.1)	(157.3)	(160.4)	Disposals	**(215.1)**	**(202.5)**	**(12.6)**
			Disposal of subsidiary (refer note 12)	**(79.1)**	**(77.7)**	**(1.4)**
14.9		14.9	Changes in estimates of rehabilitation assets	**8.3**		**8.3**
	3.0	3.0	Other			
7.1	146.8	153.9	Translation adjustment	**480.8**	**415.6**	**65.2**
636.8	8,929.4	9,566.2	**Balance at end of the year**	**10,560.7**	**9,886.4**	**674.3**
			Accumulated depreciation and impairment			
301.3	4,035.1	4,336.4	Balance at beginning of the year	**5,041.6**	**5,014.8**	**26.8**
(281.9)	298.7	16.8				

			Impact of correction of error[2]			
19.4	4,333.8	4,353.2	Restated balance at beginning of the year[3]	**5,041.6**	**5,014.8**	**26.8**
	1.0	1.0	Reclassifications	**(20.5)**	**(20.5)**	
8.0	663.4	671.4	Charge for the year continuing operations	**748.1**	**732.4**	**15.7**
	14.4	14.4	Charge for the year discontinued operations	**3.5**	**3.3**	**0.2**
3.3	73.1	76.4	Impairment and reversal of impairment, net[6]	**(81.3)**	**(78.4)**	**(2.9)**
	41.4	41.4	Write-off of exploration and evaluation assets continuing operations[7]	**51.5**	**51.5**	
	6.1	6.1	Write-off of exploration and evaluation assets discontinued operations[7]	**1.5**	**1.5**	
	42.2	42.2	Reclassification (to)/from assets held for sale (refer note 12)	**(3.2)**	**(3.2)**	
	(60.5)	(60.5)	Reclassification to assets held for sale (refer note 12)			
(3.1)	(155.0)	(158.1)	Disposals	**(213.1)**	**(200.9)**	**(12.2)**
			Disposal of subsidiary (refer note 12)	**(75.8)**	**(74.5)**	**(1.3)**
(0.8)	54.9	54.1	Translation adjustment	**215.5**	**207.1**	**8.4**
26.8	5,014.8	5,041.6	**Balance at end of the year**	**5,667.8**	**5,633.1**	**34.7**
610.0	3,914.6	4,524.6	**Carrying value at end of the year[8]**	**4,892.9**	**4,253.3**	**639.6**

[1] *Included in the cost of mine development, infrastructure and other assets are exploration and evaluation assets amounting to US$10.8 million (2016: US$9.1 million).*

[2] *Based on conversion of resources to reserves a portion of the cost of the mineral rights asset at the Australian operations is allocated from the non-depreciable component of the mineral rights asset to a depreciable component, at this point the mineral rights asset is reclassified from land, mineral rights and rehabilitation assets to mine development, infrastructure and other assets on a mine-by-mine basis. This reclassification relates to the transfer from the non-depreciable to the depreciable component for all periods from acquisition of the mineral rights to the year ended 31 December 2015 given the correction in methodology of the mineral rights asset. On an annual basis transfers are reflected as reclassifications.*

[3] *Refer note 40 for further details.*

[4] *The additions of US$275.9 million (A$372.4 million) are made up of US$197.1 million (A$266.0 million) cash additions and US$78.8 million (A$106.4 million) non-cash additions. Refer note 15.2 for further details.*

[5] *Borrowing costs of US$22.9 million (2016: US$15.1 million) arising on Group general borrowings were capitalised during the period and comprised US$19.4 million (US$15.1 million) borrowing costs related to the qualifying projects at South Deep, US$2.1 million (2016: US$nil) borrowing costs related to the Damang reinvestment project and US$1.4 million (2016: US$nil) borrowing costs related to the Gruyere project. An average interest capitalisation rate of 5.3% (2016: 4.7%) was applied.*

[6] *The impairment reversal of US$81.3 million (2016: charge of US$76.4 million) is made up of US$11.1 million (2016: US$76.4 million) impairment of property, plant and equipment, offset by the reversal of APP impairment amounting to US$39.0 million (refer note 6 for details) and the reversal of the Cerro Corona cash-generating unit impairment of US$53.4 million (refer note 6 for further details).*

[7] *The write-off of exploration and evaluation assets is due to specific exploration programmes not yielding results to warrant further exploration at the Group s Australian operations and the US$51.5 million (2016: US$41.4 million) for continuing operations is included in the US$109.8 million (2016: US$86.1 million) Exploration expense in the consolidated income statement.*

[8] *Fleet assets and carbon-in-leach (CIL) plant in Ghana amounting to US$183.6 million (2016: US$95.5 million) have been pledged as security for the US$100 million senior secured revolving credit facility (refer note 24).*

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	United States Dollar	
Figures in millions unless otherwise stated	**2017**	**2016**
14. GOODWILL		
Balance at beginning of the year	**317.8**	295.3
Impairment	**(277.8)**	
Translation adjustment	**36.6**	22.5
Balance at end of the year	**76.6**	317.8

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

The total goodwill is allocated to South Deep, the cash-generating unit (CGU), where it is tested for impairment. At 31 December 2017, the Group recognised an impairment of R3,495.0 million (US$277.8 million) at South Deep. Refer note 6 for further details.

In line with the accounting policy, the recoverable amount was determined with reference to fair value less costs of disposal (FVLCOD). Management s estimates and assumptions used in the 31 December 2017 FVLCOD calculation include:

Long-term gold price of R525,000 per kilogram (US$1,300 per ounce) for the life-of-mine of 78 years (2016: R600,000 per kilogram (US$1,300 per ounce) for the life-of-mine of 79 years);
A nominal discount rate of 13.5% (2016: 13.5%);
Fair value of US$17 per resource ounce (2016: US$60.0 per resource ounce), used for resource with infrastructure to calculate the expected cash flows associated with value beyond proved and probable reserves;
Resource ounce of 29.0 million (2016: 26.0 million) ounces; and
The annual life-of-mine plan takes into account the following:
proved and probable ore reserves of South Deep;

cash flows are based on the life-of-mine plan which exceeds a period of five years; and

capital expenditure estimates over the life-of-mine plan.

Following the impairment loss recognised, the recoverable amount was equal to the carrying value of the South Deep CGU. Therefore, any adverse movement in a key assumption would lead to a further impairment.

Refer accounting policies on pages 138 to 139 for further discussion on the significant judgements and estimates associated with assessing the carrying value of property, plant and equipment and goodwill.

		United States Dollar		
Figures in millions unless otherwise stated		**2017**	**2016**	**2015**
15.1	**EQUITY-ACCOUNTED INVESTEES**			
	Investment in joint venture			
(a)	Far Southeast Gold Resources Incorporated (FSE)	**128.6**	128.6	
	Investments in associates			
(b)	Maverix Metals Incorporated (Maverix)	**42.7**	42.1	
(c)	Other			
	Total equity-accounted investees	**171.3**	170.7	
	Share of results of equity-accounted investees, net of taxation recognised in the consolidated income statement are made up as follows:			
(a)	Far Southeast Gold Resources Incorporated	**(1.6)**	(2.3)	(3.3)
(b)	Maverix Metals Incorporated	**0.3**		
(c)	Other			(2.4)

	(1.3)	(2.3)	(5.7)

(a) Far Southeast Gold Resources Incorporated (FSE)

Gold Fields interest in FSE, an unlisted entity, was 40% (2016: 40%) at 31 December 2017.

Gold Fields paid US$10.0 million in option fees to Lepanto Consolidated Mining Company (Lepanto) during the six months ended 31 December 2010. In addition, Gold Fields paid non-refundable down payments of US$66.0 million during the year ended 31 December 2011 and US$44.0 million during the six months ended 31 December 2010 to Liberty Express Assets in accordance with the agreement concluded whereby the Group has the option to acquire 60% of FSE. On 31 March 2012, Gold Fields acquired 40% of the issued share capital and voting rights of FSE by contributing an additional non-refundable down payment of US$110.0 million. Lepanto owns the remaining 60% shareholding in FSE.

The remaining 20% option is not likely to be exercised until such time as FSE obtains a Foreign Technical Assistance Agreement (FTAA) which allows for direct majority foreign ownership and control.

FSE has a 31 December year-end and has been equity accounted since 1 April 2012. FSE s equity accounting is based on results to 31 December 2017.

Investment in joint venture consists of:		
Unlisted shares at cost	**230.0**	230.0
Equity contribution	**79.3**	77.7
Cumulative impairment[1]	**(101.4)**	(101.4)
Share of accumulated losses brought forward	**(77.7)**	(75.4)
Share of loss after taxation[2]	**(1.6)**	(2.3)
Total investment in joint venture[3]	**128.6**	128.6

[1] *Refer note 6 for details of impairment.*

[2] *Gold Fields share of loss after taxation represents exploration and other costs, including work completed on a scoping study, which is fully funded by Gold Fields as part of their equity contribution.*

[3] *FSE is a company incorporated under the laws of the Philippines and owns the gold-copper Far Southeast exploration project (the FSE project). During the exploration phase of the FSE project and as long as the 20% option remains exercisable, the Group has joint control over the FSE project. The Group will only have the power to direct the activities of FSE once it exercises the option to acquire the additional 20% shareholding in FSE, which is only exercisable once an FTAA is obtained. FSE has no revenues or significant assets or liabilities. Assets included in FSE represent the rights to explore and eventually mine the FSE project.*

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	United States Dollar		
Figures in millions unless otherwise stated	**2017**	**2016**	**2015**
15.1 EQUITY ACCOUNTED INVESTEES (continued)			
(b) Maverix Metals Incorporated (Maverix)			
Gold Fields interest in Maverix, listed on the Toronto Stock Exchange, was 28% (2016: 32%) at 31 December 2017.			
On 23 December 2016, Gold Fields sold a portfolio of 11 producing and non-producing royalties to Maverix in exchange for 42.85 million common shares and 10.0 million common share purchase warrants of Maverix, realising a profit on disposal of US$48.0 million. The warrants are classified as derivative instruments and are included in investments (refer note 17).			
Maverix has a 31 December year-end and has been equity-accounted since 23 December 2016. Equity accounting for Maverix is based on the latest available published results to 30 September 2017.			

Investment in associate consists of:		
Listed shares at cost	**42.1**	42.1
Transaction costs capitalised	**0.3**	
Share of profit after taxation	**0.3**	
Investment in associate Maverix	**42.7**	42.1

The fair value of the investment in Maverix at 31 December 2017 is US$57.2 million (2016: US$42.1 million).

(c) Other		
Bezant Resources PLC (Bezant[1])		
Rusoro Mining Limited (Rusoro[2])		
Investment in associates Other		
Total investments in associates	**42.7**	42.1

[1] *During 2016, the Group s holding was diluted from 21.6% to 8.8% following the issue of new shares by Bezant. In line with the Group s accounting policy, this resulted in Bezant no longer being accounted for as an equity-accounted investee and was re-classified to available-for-sale financial investments.*

[2] *Represents a holding of 25.7% in Rusoro.*

The carrying value of Rusoro was written down to US$nil at 31 December 2010 due to losses incurred by the entity. The fair value, based on the quoted market price of the investment was US$7.7 million and US$23.9 million at 31 December 2017 and 31 December 2016, respectively. The unrecognised share of loss of Rusoro for the year amounted to US$2.0 million (2016: unrecognised shares of profits of US$18.7 million and 2015: unrecognised share of loss of US$3.6 million). The cumulative unrecognised share of losses of Rusoro amounted to US$196.0 million (2016: US$194.0 million).

On 22 August 2016, the Arbitration Tribunal, operating under the Additional Facility Rules of the World Bank s International Centre for the Settlement of Investment Disputes, awarded Rusoro damages of US$967.8 million plus pre and post-award interest which currently equates to in excess of US$1.2 billion in the arbitration brought by Rusoro against the Bolivarian Republic of Venezuela (Venezuela).

Venezuela has not complied with the arbitration award terms, which were issued on 22 August 2016. On 6 December 2017, Rusoro obtained a judgement against Venezuela in the Superior Court of Justice in Ontario, Canada, in excess of US$1.3 billion. The judgement, which was issued on default as a result of Venezuela s failure to appear before the Ontario court, arose out of Rusoro s ongoing dispute with Venezuela over the South American nation s seizure of its gold mining properties in the country. The Canadian judgement, which confirmed an arbitration award issued in Rusoro s favour in the same amount, was issued on 25 April 2017. Venezuela did not appeal or seek to vacate the judgement, and its time to do so expired.

Rusoro further filed a suit in the Supreme Court of the State of New York, seeking recognition of the Canadian judgement. Rusoro brought the New York lawsuit in addition to an action it filed in the US District Court for the District of Columbia, which seeks recognition of and the entry of judgement on the original arbitration award. A favourable ruling from either the New York or DC court will entitle Rusoro to use all legal procedures including broad discovery from both Venezuela and third parties that US law provides judgement *creditors. Any judgement issued in New York will also accrue interest at 9% per annum until the judgement is fully paid.*

Management has not recognised this amount due to the uncertainty over its recoverability.

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15.2 INTEREST IN JOINT OPERATION

On 13 December 2016, Gold Fields purchased 50% of the Gruyere Gold Project and entered into a 50:50 unincorporated joint operation with Gold Road Resources Limited (Gold Road) for the development and operation of the Gruyere Gold Project in Western Australia, which comprises the Gruyere gold deposit as well as additional resources including Central Bore and Attila/Alaric.

Gold Fields acquired 50% interest in the Gruyere Gold Project for a total purchase consideration of A$350.0 million payable in cash and a 1.5% royalty on Gold Fields share of production after total mine production exceeds 2 million ounces. The cash consideration is split with A$250.0 million payable on the effective date and A$100.0 million payable according to an agreed construction cash call schedule. Transaction costs of A$18.5 million (US$13.3 million) were incurred.

Below is a summary of Gold Fields share of the joint operation and includes inter-company transactions and balances:

	2017		2016	
Figures in millions unless otherwise stated	**US$**	**A$**	**US$**	**A$**

Statement of financial position				
Non-current assets				
Property, plant and equipment	**374.9**	**485.7**	268.6[1]	372.4[1]
Current assets	**7.2**	**9.3**	3.9	5.4
Cash and cash equivalents	**5.3**	**6.8**		
Prepayments	**1.9**	**2.5**	3.9	5.4
Total assets	**382.1**	**495.0**	272.5	377.8
Total equity				
Retained earnings	**(2.3)**	**(2.9)**		
Non-current liabilities	**11.8**	**15.2**	0.1	0.2
Deferred taxation	**4.2**	**5.4**	0.1	0.2
Long-term incentive plan	**7.6**	**9.8**		
Current liabilities	**372.6**	**482.7**	272.4	377.6
Related entity loans payable	**347.3**	**449.9**	191.7	265.8
Trade and other payables	**14.1**	**18.3**		
Deferred consideration	**11.2**	**14.5**	67.7	93.8
Stamp duty payable			13.0	18.0
Total equity and liabilities	**382.1**	**495.0**	272.5	377.8

[1] *The Gruyere Gold Project assets of A$372.4 million were capitalised at the exchange rate on the effective date of the transaction resulting in additions to property, plant and equipment of US$275.9 million (at 2016 closing exchange rate, the A$372.4 million assets amounted to US$268.6 million). The additions of US$275.9 million (A$372.4 million) are made up of US$197.1 million (A$266.0 million) cash additions and US$78.8 million (A$106.4 million) non-cash additions. Refer note 13.*

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Figures in millions unless otherwise stated	United States Dollar 2017	2016
16. FINANCIAL INSTRUMENTS		
Financial instruments are split per categories below and the accounting policies for financial instruments have been applied to these line items:		
(a) Financial assets		
Loans and receivables		
Environmental trust funds	**55.5**	44.5
Trade and other receivables	**45.3**	57.9
Cash and cash equivalents	**479.0**	526.7
Fair value through profit or loss		
Trade receivables from provisional copper and gold concentrate sales	**21.2**	10.6
Available for sale		
Investments	**99.1**	13.8
Derivative instruments		
Warrants	**5.5**	5.9
Gold and oil derivative contracts	**25.0**	

(b) Financial liabilities		
Other financial liabilities		
Borrowings	**1,781.5**	1,692.9
Trade and other payables	**451.0**	459.3
South Deep dividend	**6.4**	6.4
Derivative instruments		
Copper derivative contracts	**3.3**	

17.

INVESTMENTS

Listed		
Cost	**143.0**	62.9
Less: Accumulated impairments	**(45.5)**	(45.0)
Net unrealised loss on revaluation	**(8.1)**	(7.4)
Translation adjustment	**9.6**	
Carrying value	**99.0**	10.5
Market value	**99.0**	10.5
Unlisted		
Carrying value at cost	**0.1**	3.3
Derivative instruments		
Warrants[2]	**5.5**	5.9
Total investments[1]	**104.6**	19.7

[1]*All listed investments are classified as available for sale. Refer note 42 for details of major investments.*

[2]*Consists of 10.0 million common share purchase warrants of Maverix. Refer note 15.1 for further details.*

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Figures in millions unless otherwise stated	United States Dollar 2017	2016
18. ENVIRONMENTAL TRUST FUNDS		
Balance at beginning of the year	**44.5**	35.0
Contributions from continuing operations	**8.6**	7.5
Interest earned	**0.5**	1.0
Translation adjustment	**1.9**	1.0
Balance at end of the year	**55.5**	44.5

The trust funds consist of term deposits amounting to US$15.9 million (2016: US$11.3 million) in South Africa, as well as secured cash deposits amounting to US$39.6 million (2016: US$33.2 million) in Ghana.

These funds are intended to fund environmental rehabilitation obligations of the Group s South African and Ghanaian mines and are not available for general purposes of the Group. All income earned in these funds is re-invested or spent to meet these obligations. The funds are invested in money market and fixed deposits. The obligations which these funds are intended to fund are included in environmental rehabilitation costs under long-term provisions (Refer note 25.1).

19.	**INVENTORIES**		
	Gold-in-process and stockpiles	**305.4**	234.3
	Consumable stores[1]	**220.9**	227.9
	Total inventories[2]	**526.3**	462.2
	Heap leach and stockpiles inventories included in non-current assets[3]	**(132.8)**	(132.8)
	Total current inventories[4]	**393.5**	329.4
20.	**TRADE AND OTHER RECEIVABLES**		
	Trade receivables gold sales and copper concentrate	**46.6**	58.2
	Trade receivables other	**15.6**	4.5
	Gold and oil derivative contracts[5]	**25.0**	
	Deposits	**0.1**	0.3
	Payroll receivables	**11.6**	10.7
	Prepayments	**51.5**	50.1
	Value added tax and import duties	**45.9**	39.6
	Diesel rebate	**1.4**	1.3
	Other	**4.2**	5.5
	Total trade and other receivables	**201.9**	170.2
21.	**CASH AND CASH EQUIVALENTS**		
	Cash at bank and on hand	**479.0**	526.7
	Total cash and cash equivalents	**479.0**	526.7

[1] *Consumable stores with a fair value of US$7.8 million were reclassified to assets held for sale at 31 December 2016 and sold during 2017. Refer note 12.2 for further details.*

[2] *Refer note 6 for details on the net realisable value write-downs of inventories.*

[3] *Heap leach and stockpiles inventories will only be processed at the end of life-of-mine.*

[4] *The cost of consumable stores consumed during the year and included in cost of sales amounted to US$346.7 million (2016: US$346.3 million and 2015: US$380.7 million).*

[5] *Comprises US$5.1 million (2016: US$nil) relating to Australian oil derivative contracts, US$9.0 million (2016: US$nil) relating to Ghanaian oil derivative contracts and US$10.9 million (2016: US$nil) relating to gold derivative contracts at South Deep. Refer note 37 for further details.*

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22. SHARE CAPITAL

Authorised and issued

As approved by shareholders at the Annual General Meeting (AGM) on 24 May 2017, the 1,000,000,000 authorised shares of the Company at the time having a par value of 50 cents each were converted into 1,000,000,000 ordinary no par value shares. Furthermore, subsequent to the conversion to no par value shares, in terms of s36(2)(a) of the South African Companies Act, the 1,000,000,000 ordinary no par value shares were increased to 2,000,000,000 ordinary no par value shares.

The issued share capital of the Company at 31 December 2017 is 820,614,217 (2016: 820,606,945) ordinary no par value shares.

During 2016, Gold Fields successfully completed a US$151.5 million (R2.3 billion) accelerated equity raising by way of a private placement to institutional investors.

A total number of 38,857,913 new Gold Fields shares were placed at a price of R59.50 per share which represented a 6.0% discount to the 30-day volume weighted average traded price, for the period ended 17 March 2016 and a 0.7% discount to the 50-day moving average.

In terms of the general authority granted by shareholders at the AGM on 24 May 2017, the authorised but unissued ordinary share capital of the Company representing not more than 5% of the issued share capital of the Company from time to time 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 place under the control of the directors the authorised but unissued ordinary share capital of the Company representing not more than 5% of the issued share capital of the Company from time to time.

In terms of the JSE Listing 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 a special ordinary resolution to this effect at the forthcoming AGM.

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 AGM held on 24 May 2017. Currently, the number of ordinary shares that may be bought back in any one financial year may not exceed 20% of the issued ordinary share capital as of 24 May 2017. At the next AGM, 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.

Beneficial shareholders

The following beneficial shareholders hold 5% or more of the Company s listed ordinary shares:

Beneficial shareholder	Number of shares	% of issued ordinary shares
Government Employees Pension Fund	63,107,220	7.68
Market Vectors Junior Gold Mines ETF	48,899,163	5.95

Figures in millions unless otherwise stated	United States Dollar 2017	United States Dollar 2016 Restated[1]
23. 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:		
Liabilities		
Mining assets	**1,014.1**	966.3
Investment in environmental trust funds	**3.4**	2.8
Inventories	**12.1**	13.7
Unremitted earnings	**9.1**	
Other	**12.6**	3.5
Liabilities	**1,051.3**	986.3
Assets		

Provisions	**(108.4)**	(100.8)
Tax losses	**(69.1)**	(54.7)
Unredeemed capital expenditure	**(491.9)**	(420.9)
Assets	**(669.4)**	(576.4)
Net deferred taxation liabilities	**381.9**	409.9
Included in the statement of financial position as follows:		
Deferred taxation assets	**(72.0)**	(48.7)
Deferred taxation liabilities	**453.9**	458.6
Net deferred taxation liabilities	**381.9**	409.9
Balance at beginning of the year	**409.9**	428.1
Recognised in profit or loss continuing operations	**(31.5)**	(14.7)
Recognised in profit or loss discontinued operations	**3.4**	0.1
Translation adjustment	**0.1**	(3.6)
Balance at end of the year	**381.9**	409.9

[1] *Refer note 40 for further details.*

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24. BORROWINGS

The terms and conditions of outstanding loans are as follows:

		United States Dollar					
Figures in millions unless otherwise stated	Notes	**2017**	**2016**	**Borrower**	**Nominal interest rate**	**Commitment fee**	**Maturity date**
US$1 billion notes issue (the notes)[1]	(a)	**847.9**	846.4	Orogen	4.875%		7 October 2020
US$150 million revolving senior secured credit facility old[2]	(b)		82.0	La Cima	LIBOR plus 1.63%	0.65%	19 December 2017
US$150 million revolving senior secured credit facility new[2]	(c)	**83.5**		La Cima	LIBOR plus 1.20%	0.50%	19 September 2020
US$70 million revolving senior	(d)		45.0	Ghana	LIBOR plus 2.40%	1.00%	6 May 2017

secured credit facility[3]							
US$100 million revolving senior secured credit facility[3]	(e)	**45.0**		Ghana	LIBOR plus 2.95%	1.20%	21 June 2020
A$500 million syndicated revolving credit facility[4]	(f)	**231.5**		Gruyere	BBSY plus 2.35%	0.94%	24 May 2020
US$1,510 million term loan and revolving credit facilities[5]	(g)						
Facility A (US$75 million)				Orogen	LIBOR plus 2.45%		28 November 2015
Facility A (US$45 million)				Orogen	LIBOR plus 2.45%		
Facility B (US$720 million)				Orogen	LIBOR plus 2.25%	0.90%	
Facility C (US$670 million)				Orogen	LIBOR plus 2.00%	0.80%	
US$1,290 million term loan and revolving credit facilities[6]	(h)	**380.0**	658.5				
Facility A (US$380 million)		**380.0**	380.0	Orogen	LIBOR plus 2.50%		6 June 2019
Facility B (US$360 million)			278.5	Orogen	LIBOR plus 2.20%	0.77%	6 June 2020
Facility C (US$550 million)				Orogen	LIBOR plus 2.45%	0.86%	6 June 2021
R1,500 million Nedbank revolving credit facility[7]	(i)	**79.5**		GFIJVH/GFO	JIBAR plus 2.50%	0.85%	7 March 2018
Short-term Rand uncommitted credit facilities[8]	(j)	**114.1**	61.0				
Total borrowings		**1,781.5**	1,692.9				
Current borrowings		**(193.6)**	(188.0)				
Non-current borrowings		**1,587.9**	1,504.9				

[1] *The balance is net of unamortised transaction costs amounting to US$4.5 million (2016: US$6.0 million) which will unwind over the remaining period of the notes as an interest expense.*

The payment of all amounts due in respect of the Notes is unconditionally and irrevocably guaranteed by Gold Fields Limited (Gold Fields), Sibanye-Stillwater (up to 24 April 2015), Gold Fields Operations Limited (GFO) and Gold Fields Holdings Company (BVI) Limited (GF Holdings) (collectively the Guarantors), on a joint and several basis.

The notes and guarantees constitute direct, unsubordinated and unsecured obligations of Orogen and the Guarantors, respectively, and rank equally in right of payment among themselves and with all other existing and future unsubordinated and unsecured obligations of Orogen and the Guarantors, respectively.

Gold Fields Australasia Proprietary Limited (GFA) offered and accepted the purchase of an aggregate principal amount of notes equal to US$147.6 million at the purchase price of US$880 per US$1,000 in principal amount of notes. GFA intends to hold the notes acquired until their maturity on 7 October 2020. The purchase of the notes amounting to US$147.6 million was financed by drawing down under the US$1,510 million term loan and revolving credit facilities. The Group recognised a profit of US$17.7 million on the buy back of the notes.

[2] *Borrowings under the revolving senior secured credit facility are secured by first-ranking assignments of all rights, title and interest in all of La Cima s concentrate sale agreements. In addition, the offshore and onshore collection accounts of La Cima are subject to an account control agreement and a first-ranking charge in favour of the lenders. This facility is non-recourse to the rest of the Group. The old revolving senior secured credit facility matured in 2017 and was refinanced through the new revolving credit facility on 22 September 2017.*

[3] *Borrowings under the facility are guaranteed by Gold Fields Ghana Limited and Abosso Goldfields Limited. Borrowings under this facility are also secured by the registration of security over certain fleet vehicles owned by GF Ghana and Abosso (Secured Assets). In addition, the lenders are noted as first loss payees under the insurance contracts in respect of the Secured Assets and are assigned the rights under the maintenance contracts between certain suppliers of the Secured Assets. This facility is non-recourse to the rest of the Group. The US$70 million revolving senior secured credit facility matured in 2017 and was refinanced through the US$100 million revolving senior secured credit facility on 21 July 2017.*

Fleet assets and CIL plant in Ghana amounting to US$183.6 million (2016: US$95.5 million) have been pledged as security for this facility.

[4] *Borrowings under this facility are guaranteed by Gold Fields, GF Holdings, Orogen, GFO, GFIJVH and Gold Fields Ghana Holdings (BVI) Limited (GF Ghana).*

[5] *Borrowings under these facilities were guaranteed by Gold Fields, GF Holdings, Orogen, GFO and GFIJVH.*

These facilities were cancelled and refinanced through the US$1,290 million term loan and revolving credit facilities on 6 June 2016, resulting in the total amount available to be US$nil at 31 December 2016.

6 *Borrowings under this facility are guaranteed by Gold Fields, GF Holdings, Orogen, GFO, GFIJVH and Gold Fields Ghana Holdings (BVI) Limited (GF Ghana).*

7 *Borrowings under this facility are guaranteed by Gold Fields, GFO, GF Holdings, Orogen and GFIJVH.*

8 *The Group utilised uncommitted loan facilities from some of the major banks to fund the capital expenditure and working capital requirements of the South African operation. These facilities have no fixed terms, are short-term in nature and interest rates are market related. Borrowings under these facilities are guaranteed by Gold Fields.*

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Figures in millions unless otherwise stated	United States Dollar 2017	2016
24. BORROWINGS (continued)		
(a) US$1 billion notes issue		
Balance at beginning of the year	**846.4**	992.6
Buy-back of US$200 million notes		(129.9)
Profit on buy-back of notes		(17.7)
Unwinding of transaction costs	**1.5**	1.4
Balance at end of the year	**847.9**	846.4
(b) US$150 million revolving senior secured credit facility old		
Balance at beginning of the year	**82.0**	42.0
Loans advanced		40.0
Repayments	**(82.0)**	
Balance at end of the year		82.0
(c) US$150 million revolving senior secured credit facility new		
Balance at beginning of the year		

	Loans advanced	**83.5**	
	Balance at end of the year	**83.5**	
(d)	**US$70 million revolving senior secured credit facility**		
	Balance at beginning of the year	**45.0**	45.0
	Repayments	**(45.0)**	
	Balance at end of the year		45.0
(e)	**US$100 million revolving senior secured credit facility**		
	Balance at beginning of the year		
	Loans advanced	**45.0**	
	Balance at end of the year	**45.0**	
(f)	**A$500 million syndicated revolving credit facility**		
	Balance at beginning of the year		
	Loans advanced	**236.6**	
	Translation adjustment	**(5.1)**	
	Balance at end of the year	**231.5**	
(g)	**US$1,510 million term loan and revolving credit facilities**		
	Balance at beginning of the year		724.0
	Loans advanced		174.0
	Repayments		(898.0)
	Balance at end of the year		
(h)	**US$1,290 million term loan and revolving credit facilities**		
	Balance at beginning of the year	**658.5**	
	Loans advanced	**73.5**	707.5
	Repayments	**(352.0)**	(49.0)
	Balance at end of the year	**380.0**	658.5

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Figures in millions unless otherwise stated	United States Dollar	
	2017	**2016**
24. BORROWINGS (continued)		
(i) R1,500 million Nedbank revolving credit facility		
Balance at beginning of the year		
Loans advanced	**78.5**	20.8
Repayments		(21.3)
Translation adjustment	**1.0**	0.5
Balance at end of the year	**79.5**	
(j) Short-term Rand uncommitted credit facilities		
Balance at beginning of the year	**61.0**	16.7
Loans advanced	**262.6**	356.4
Repayments	**(216.5)**	(315.0)
Translation adjustment	**7.0**	2.9
Balance at end of the year	**114.1**	61.0
Total borrowings	**1,781.5**	1,692.9

The exposure of the Group s borrowings to interest rate changes and the contractual repricing dates at the reporting dates are as follows:

Variable rate with exposure to repricing (six months or less)	**933.6**	846.5
Fixed rate with no exposure to repricing (US$1 billion notes issue)	**847.9**	846.4
	1,781.5	1,692.9
The carrying amounts of the Group s borrowings are denominated in the following currencies:		
US Dollar	**1,356.4**	1,631.9
Australian Dollar	**231.5**	
Rand	**193.6**	61.0
	1,781.5	1,692.9
The Group has the following undrawn borrowing facilities:		
Committed	**1,452.7**	979.0
Uncommitted	**17.1**	56.6
	1,469.8	1,035.6
All of the above undrawn committed facilities have floating rates. The uncommitted facilities have no expiry dates and are open ended. Undrawn committed facilities have the following expiry dates:		
within one year	**39.7**	93.0
later than one year and not later than two years		106.9
later than two years and not later than three years	**863.0**	81.5
later than three years and not later than five years	**550.0**	697.6
	1,452.7	979.0

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		United States Dollar	
Figures in millions unless otherwise stated		**2017**	**2016**
25.	**PROVISIONS**		
25.1	**Environmental rehabilitation costs**	**281.5**	283.1
25.2	**South Deep dividend**	**6.4**	6.4
25.3	**Silicosis settlement costs**	**31.9**	
25.4	**Other**	**1.5**	2.2
	Total provisions	**321.3**	291.7
25.1	**Environmental rehabilitation costs**		
	Balance at beginning of the year	**283.1**	275.4
	Changes in estimates continuing operations[1]	**(5.4)**	4.9
	Changes in estimates discontinued operations[1]		0.1
	Interest expense continuing operations	**12.1**	10.7
	Interest expense discontinued operations	**0.2**	0.2
	Payments	**(8.1)**	(7.4)
	Disposal of subsidiary	**(12.9)**	

Translation adjustment	**12.5**	(0.8)
Balance at end of the year[2]	**281.5**	283.1
The provision is calculated using the following gross closure cost estimates:		
South Africa	**41.8**	37.1
Ghana	**98.1**	105.3
Australia	**179.2**	181.8
Peru	**61.9**	56.6
Total gross closure cost estimates	**381.0**	380.8

The provision is calculated using the following assumptions:	**Inflation rate**	**Discount rate**	
2017			
South Africa	**5.5%**		**9.8%**
Ghana	**2.2%**	**9.2%**	**9.3%**
Australia	**2.5%**	**2.6%**	**2.9%**
Peru	**2.2%**		**3.8%**
2016			
South Africa	5.5%		9.7%
Ghana	2.2%	9.7%	9.8%
Australia	2.5%	1.9%	3.0%
Peru	2.2%		3.7%

[1] *Changes in estimates are defined as changes in reserves and corresponding changes in life-of-mine as well as changes in laws and regulations governing environmental matters, closure cost estimates and discount rates.*

[2] *South African, Ghanaian, Australian and Peruvian mining companies are required by law to undertake rehabilitation as part of their ongoing operations. These environmental rehabilitation costs are funded as follows:*
Ghana reclamation bonds underwritten by banks and restricted cash (refer note 18);
South Africa contributions into environmental trust funds (refer note 18) and guarantees;
Australia mine rehabilitation fund levy; and
Peru bank guarantees.

Refer to note 37 for expected timing of cash outflows in respect of the gross closure cost estimates. Certain current rehabilitation costs are charged to this provision as and when incurred.

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Figures in millions unless otherwise stated	United States Dollar 2017	United States Dollar 2016
25. PROVISIONS (continued)		
25.2 South Deep dividend		
Total provision	**8.0**	7.8
Current portion included in trade and other payables	**(1.6)**	(1.4)
Balance at end of the year	**6.4**	6.4

During the six-month period ended 31 December 2010, a wholly owned subsidiary company of Gold Fields, Newshelf 899 Proprietary Limited, was created to acquire 100% of the South Deep net assets from Sibanye Gold. Sibanye Gold was a wholly owned subsidiary of Gold Fields at the time. The new company then issued 10 million Class B ordinary shares representing 10% of South Deep s net worth to a consortium of BEE partners. Class B ordinary shareholders are entitled to a dividend of R2 per share and can convert the Class B to Class A ordinary shares over a 20-year period from the effective date of the transaction, 6 December 2010. The Class B ordinary shares will convert one-third after 10 years and a third thereafter on each fifth year anniversary.

This transaction was made up of a preferred BEE dividend (R151.4 million) and an equity component (R673.4 million). The preferred dividend represents a liability of Gold Fields to the Class B ordinary shareholders and was valued at R151.4 million, of which R20.0 million or US$1.5 million was declared on 23 March 2017 (16 March 2016: R20.0 million or US$1.3 million) and R20.0 million or US$1.6 million (2016: R20.0 million or US$1.4 million) is classified as a short-term portion under trade and other payables.

25.3	**Silicosis settlement costs[1]**	
	Provision raised	**30.2**
	Unwinding of provision recognised as finance expense	**0.9**
	Translation	**0.8**
	Balance at end of the year	**31.9**

[1] *The principal health risks associated with Gold Fields mining operations in South Africa arise from occupational exposure to silica dust, noise, heat and certain hazardous chemicals. The most significant occupational diseases affecting Gold Fields workforce include lung diseases (such as silicosis, tuberculosis, a combination of the two and chronic obstructive airways disease (COAD) as well as noise-induced hearing loss (NIHL)).*

A consolidated application was brought against several South African mining companies, including Gold Fields, for certification of a class action on behalf of current or former mineworkers (and their dependants) who have allegedly contracted silicosis and/or tuberculosis while working for one or more of the mining companies listed in the application.

The Occupational Lung Disease Working Group was formed in fiscal 2014 to address issues relating to compensation and medical care for occupational lung disease in the South African gold mining industry.

The Working Group, made up of African Rainbow Minerals, Anglo American SA, AngloGold Ashanti, Gold Fields, Harmony and Sibanye-Stillwater, has had extensive engagements with a wide range of stakeholders since its formation, including government, organised labour, other mining companies and the legal representatives of claimants who have filed legal actions against the companies.

The members of the Working Group are among respondent companies in a number of legal proceedings related to occupational lung disease, including the class action referred to above. The Working Group is, however, of the view that achieving a comprehensive settlement which is fair to both past, present and future employees and sustainable for the sector, is preferable to protracted litigation.

This matter was previously disclosed as a contingent liability as the amount could not be estimated reliably. As a result of the ongoing work of the Working Group and engagements with affected stakeholders since 31 December 2016, it has now become possible for Gold Fields to reliably estimate its share in the estimated cost in relation to the Working Group of a possible settlement of the class action claims and related costs. As a result, Gold Fields has provided an amount of US$31.9 million (R401.6 million) for this obligation in the statement of financial position at 31 December 2017. The nominal amount of this provision is US$40.5 million (R509.0 million)

The assumptions that were made in the determination of the provision include silicosis prevalence rates, estimated settlement per claimant, benefit take-up rates and disease progression rates. A discount rate of 8.24% was used, based on government bonds with similar terms to the anticipated settlements.

The ultimate outcome of these matters remains uncertain, with a possible failure to reach a settlement or to obtain the requisite court approval for a potential settlement. The provision is consequently subject to adjustment in the future, depending on the progress of the Working Group discussions, stakeholder engagements and the ongoing legal proceedings (refer note 34 for further details).

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United States Dollar

Figures in millions unless otherwise stated		2017	2016 Restated[1]	2015 Restated[1]
26. LONG-TERM INCENTIVE PLAN				
Opening balance		**23.6**	12.6	
Charge to income statement	continuing operations	**5.0**	10.5	
Charge to income statement	discontinued operations	**0.1**	0.5	
Payments		**(11.5)**		
Translation adjustment		**0.9**		
Balance at end of the year		**18.1**	23.6	
Current portion of long-term incentive plan		**(18.1)**		
Non-current portion of long-term incentive plan			23.6	

On 1 March 2014, the Remuneration Committee approved the Gold Fields Limited Long-Term Incentive Plan (LTIP). The plan provides for executive directors, certain officers and employees to receive a cash award

conditional on the achievement of specified performance conditions relating to total shareholder return and free cash flow margin. The conditions are assessed over the performance cycle which runs over three calendar years. The expected timing of the cash outflows in respect of each grant is at the end of three years after the original award was made. The fair value of the free cash flow portion of the awards are valued based on the actual and expected achievement of the cash flow targets set out in the plan. No allocations were made under the LTIP in 2016 following the introduction of the Gold Fields Limited 2012 share plan as amended (refer note 5 for further details).

27. TRADE AND OTHER PAYABLES

Trade payables	**190.8**	169.3
Accruals and other payables	**238.8**	199.6
Payroll payables	**51.7**	46.3
Copper derivative contracts[2]	**3.3**	
Leave pay accrual	**42.5**	37.7
Interest payable on loans	**10.2**	9.7
Deferred consideration refer note 15.2	**11.2**	67.7
Stamp duty payable refer note 15.2		13.0
Total trade and other payables	**548.5**	543.3

28. CASH GENERATED BY OPERATIONS

(Loss)/profit from continuing operations	**(20.8)**	167.9	(239.6)
Mining and income taxation	**173.2**	189.5	248.5
Royalties	**62.0**	78.4	73.9
Interest expense	**91.2**	82.5	87.8
Interest received	**(5.1)**	(7.3)	(5.9)
Amortisation and depreciation	**748.1**	671.4	591.5
Interest expense environmental rehabilitation	**12.1**	10.7	11.7
Non-cash rehabilitation income	**(13.5)**	(9.7)	(14.6)
Interest received environmental trust funds	**(0.5)**	(1.0)	(0.4)
Impairment, net of reversal of impairment of investments and assets	**200.2**	76.5	206.9
Write-off of exploration and evaluation assets	**51.5**	41.4	29.1
(Profit)/loss on disposal of assets	**(4.0)**	(48.0)	0.1
Profit on disposal of investments		(2.3)	(0.1)
Share-based payments	**26.8**	14.0	10.7
Long-term incentive plan expense	**5.0**	10.5	5.1
Payment of long-term incentive plan	**(11.5)**		
Borrowing costs capitalised	**(22.9)**	(15.1)	(16.6)
Share of results of equity-accounted investees, net of taxation	**(0.3)**		2.4
Other	**(5.0)**	(14.0)	(7.9)
Total cash generated by operations	**1,286.5**	1,245.4	982.6

[1] *Refer note 40 for further details.*

[2] *This relates to the Peruvian copper derivative contracts. Refer note 37 for further details.*

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Figures in millions unless otherwise stated	United States Dollar 2017	2016 Restated[1]	2015 Restated[1]
29. CHANGE IN WORKING CAPITAL			
Inventories	**(55.1)**	(39.2)	47.5
Trade and other receivables	**(2.2)**	2.8	36.5
Trade and other payables	**(12.1)**	34.1	(40.7)
Total change in working capital	**(69.4)**	(2.3)	43.3
30. ROYALTIES PAID			
Amount owing at beginning of the year continuing operations	**(19.8)**	(17.8)	(19.9)
Royalties continuing operations	**(62.0)**	(78.4)	(73.9)
Amount owing at end of the year continuing operations	**16.3**	19.8	17.8
Translation	**(0.5)**		1.0
Total royalties paid continuing operations	**(66.0)**	(76.4)	(75.0)
31. TAXATION PAID			
Amount owing at beginning of the year continuing operations	**(107.9)**	(59.3)	(37.8)

SA and foreign current taxation continuing operations	**(204.7)**	(204.2)	(141.7)
Amount owing at end of the year continuing operations	**77.5**	107.9	59.3
Translation	**(4.4)**		3.0
Total taxation paid continuing operations	**(239.5)**	(155.6)	(117.2)

32. RETIREMENT BENEFITS

All employees are members of various defined contribution retirement schemes.

Contributions to the various retirement schemes are fully expensed during the period in which they are incurred. The cost of providing retirement benefits for the year amounted to US$33.7 million (2016: US$30.0 million and 2015: US$32.8 million).

33. COMMITMENTS

Capital expenditure		
Contracted for	**44.5**	46.2
Operating leases[2]		
within one year	**66.6**	42.5
later than one and not later than five years	**257.9**	229.9
later than five years	**448.0**	277.3

Guarantees

The Group provides environmental obligation guarantees with respect to its South African, Peruvian and Ghanaian operations. These guarantees amounted to US$112.1 million at 31 December 2017 (2016: US$100.1 million) (refer note 25.1).

[1] *Refer note 40 for further details.*

[2] *The operating lease commitments consists mainly of power purchase agreements entered into at Tarkwa, Damang, Granny Smith and Gruyere. Included in these amounts are payments for non-lease elements of the arrangement.*

34. CONTINGENT LIABILITIES

Randgold and Exploration summons

On 21 August 2008, Gold Fields Operations Limited, or GFO, formerly known as Western Areas Limited, a subsidiary of Gold Fields, 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 GFO was under the control of Brett Kebble, Roger Kebble and others, GFO assisted in the unlawful disposal of shares owned by R&E in Randgold Resources Limited, or Resources, and Afrikander Lease Limited, now Uranium One.

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 May 2017 (approximately R43.7 billion). The alternative claims will be computed based on the value of the shares as at the date of judgement (which is not yet calculable), plus dividend amounts that would have been received and based on the market value of the shares at the time they were allegedly misappropriated, plus dividends that would have been received (cumulatively equating to approximately R26.9 billion).

Simultaneously with delivering its plea, GFO joined certain third parties to the action (namely JCI Limited, JC Lamprecht, RAR Kebble and the deceased and insolvent estate of BK Kebble), in order to enable it to claim compensation against such third parties in the event that the plaintiffs are successful in one or more of their claims. In addition, notices in terms of section 2(2)(b) of the Apportionment of Damages Act, 1956 were served on various parties by GFO, in order to enable it to make a claim for a contribution against such parties in terms of the Apportionment of Damages Act, should the plaintiffs be successful in one or more of its claims.

A case manager has been appointed to manage the process to ensure that it progresses and that a trial date is allocated in due course.

GFO s assessment remains that it has sustainable defences to these claims and, accordingly, GFO s attorneys were instructed to vigorously defend the claims.

The ultimate outcome of the claims cannot presently be determined and, accordingly, no adjustment for any effects on the Company that may result from these claims, if any, has been made in the consolidated financial statements.

Silicosis

Class action

A consolidated application has been brought against several South African mining companies, including Gold Fields, for certification of a class action on behalf of current or former mineworkers (and their dependants) who have allegedly contracted silicosis and/or tuberculosis while working for one or more of the mining companies listed in the application.

In May 2016, the South African South Gauteng High Court ordered, among other things, the certification of a silicosis class and a tuberculosis class.

The High Court ruling did not represent a ruling on the merits of the cases brought against the mining companies. The Supreme Court of Appeal granted the mining companies leave to appeal against all aspects of the May 2016 judgement. The appeal hearing before the Supreme Court of Appeal was scheduled to be heard in March 2018.

On 10 January 2018, it was announced that attorneys representing all appellants and all respondents involved in the above appeal hearing before the Supreme Court of Appeal have written to the Registrar of the Supreme Court of Appeal asking that the appeal proceedings be postponed until further notice. The Supreme Court of Appeal has granted approval for the postponement. The joint letter written to the Registrar of the Supreme Court of Appeal explained that good faith settlement negotiations between the Occupational Lung Disease Working Group (see below) and claimants legal representatives have reached an advanced stage. In view of that, all parties consider it to be in the best interests of judicial economy and the efficient administration of justice that the matter be postponed.

Individual action

In addition to the class action above, an individual silicosis-related action has been instituted against Gold Fields and another mining company. In February 2018, the defendants (including Gold Fields) and the plaintiff entered into a confidential settlement agreement in full and final settlement of this matter.

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34. CONTINGENT LIABILITIES (continued)

Occupational Lung Disease Working Group

The Occupational Lung Disease Working Group was formed in fiscal 2014 to address issues relating to compensation and medical care for occupational lung disease in the South African gold mining industry.

The Working Group, made up of African Rainbow Minerals, Anglo American SA, AngloGold Ashanti, Gold Fields, Harmony and Sibanye-Stillwater, has had extensive engagements with a wide range of stakeholders since its formation, including government, organised labour, other mining companies and the legal representatives of claimants who have filed legal actions against the companies.

The members of the Working Group are among respondent companies in a number of legal proceedings related to occupational lung disease, including the class action referred to above. The Working Group is however of the view that achieving a comprehensive settlement which is both fair to past, present and future employees and sustainable for the sector, is preferable to protracted litigation.

The Working Group will continue with its efforts to find common ground with all stakeholders, including government, labour and the claimants legal representatives.

Financial provision

As at 30 June 2017, as a result of the ongoing work of the Working Group and engagements with affected stakeholders since 31 December 2016, Gold Fields provided an amount of US$30.2 million in the statement of financial position for its share of the estimated cost in relation to the Working Group of a possible settlement of the class action claims and related costs. The nominal value of this provision was US$40.5 million.

Gold Fields believes that this remains a reasonable estimate of its share of the estimated cost in relation to the Working Group of a possible settlement of the class action claims and related costs. The provision at 31 December 2017 of US$31.9 million increased due to the effect of unwinding and translation. The nominal value of this provision remains unchanged at US$40.5 million.

The ultimate outcome of these matters remains uncertain, with a possible failure to reach a settlement or to obtain the requisite court approval for a potential settlement. The provision is consequently subject to adjustment in the future, depending on the progress of the Working Group discussions, stakeholder engagements and the ongoing legal proceedings.

Acid mine drainage

Acid mine drainage (AMD) or acid rock drainage (ARD), collectively called acid drainage (AD) is formed when certain sulphide minerals in rocks are exposed to oxidising conditions (such as the presence of oxygen, combined with water). AD can occur under natural conditions or as a result of the sulphide minerals that are encountered and exposed to oxidation during mining or during storage in waste rock dumps, ore stockpiles or tailings dams. The acidic water that forms usually contains iron and other metals if they are contained in the host rock.

Gold Fields has identified incidences of AD, and the risk of potential short-term and long-term AD issues, specifically at its Cerro Corona, South Deep and Damang mines and, at currently immaterial levels, its Tarkwa and St Ives mines. The AD issues at Damang mine are confined to the Rex open pit.

Gold Fields commissioned additional technical studies during 2015 to identify the steps required to prevent or mitigate the potentially material AD impacts at its Cerro Corona, Damang and South Deep operations, but none of these studies have allowed Gold Fields to generate a reliable estimate of the total potential impact on the Group. Gold Fields mine closure cost estimates for 2017 contain costs for the aspects of AD management which the Group has reliably been able to estimate.

Gold Fields continues to investigate technical solutions at its South Deep, Cerro Corona and Damang mines to better inform appropriate short- and long-term mitigation strategies for AD management and to work towards a reasonable cost estimate of these potential issues. Further studies are planned for 2018.

No adjustment for any effects on the Group that may result from AD, if any, has been made in the consolidated financial statements other than through the Group s normal environmental rehabilitation costs provision (refer note 25.1).

34. CONTINGENT LIABILITIES (continued)

Native Claim

On 14 October 2016, the High Court denied a request which affirmed that while St. Ives rights as tenement holder and the Ngadju people s native title rights shall coexist, St. Ives rights shall prevail should there be any inconsistencies. This decision left no other opportunity for review or appeal and therefore, the matter is now considered closed in respect of Gold Fields.

South Deep tax dispute

The South Deep mine (South Deep) is jointly owned and operated by GFIJVH (50%) and GFO (50%).

At 31 December 2017, South Deep s gross deductible temporary differences amounted to US$1,834.4 million (R23,076.4 million), resulting in a deferred tax asset balance of US$550.4 million (R6,923.0 million) in addition to other taxable temporary differences. This amount is included in the consolidated deferred tax asset of US$72.0 million on Gold Fields statement of financial position. South Deep s gross deductible temporary differences comprises unredeemed capital expenditure balances of US$743.3 million (R9,350.3 million) (tax effect: US$223.0 million (R2,805.1 million)) at GFIJVH and US$716.4 million (R9,011.9 million) (tax effect: US$214.9 million (R2,703.6 million)) at GFO, a capital allowance balance (additional capital allowance) of US$182.2 million (R2,292.0 million) (tax effect: US$54.7 million (R687.6 million)) at GFIJVH and an assessed loss balance of US$192.5 million (R2,422.2 million) (tax effect: US$57.8 million (R726.7 million)) at GFO.

During the September 2014 quarter, the South African Revenue Services (SARS) issued a Finalisation of Audit Letter (the Audit Letter) stating that SARS has restated GFIJVH s Additional Capital Allowance balance reflected on its 2011 tax return from US$182.2 million (R2,292.0 million) to nil. The tax effect of this amount is US$54.7 million (R687.6 million), that being referred to above as the Additional Capital Allowance .

The Additional Capital Allowance was claimed by GFIJVH in terms of section 36(11)(c) of the South African Income Tax Act, 1962 (the Act). The Additional Capital Allowance provides an incentive for new mining development and only applies to unredeemed capital expenditure. The Additional Capital Allowance allows a 12% capital allowance over and above actual capital expenditure incurred on developing a deep level gold mine, as well as a further annual 12% allowance on the mine s unredeemed capital expenditure balance brought forward, until the year that the mine starts earning mining taxable income (i.e. when all tax losses and unredeemed capital expenditure have been fully utilised).

In order to qualify for the Additional Capital Allowance, South Deep must qualify as a post-1990 gold mine as defined in the Act. A post-1990 gold mine , according to the Act, is defined as a gold mine which, in the opinion of the Director-General: Mineral and Energy Affairs, is an independent workable proposition and in respect of which a mining authorisation for gold mining was issued for the first time after 14 March 1990 .

During 1999, the Director-General: Minerals and Energy Affairs (DME) and SARS confirmed, in writing, that GFIJVH is a post-1990 gold mine as defined, and therefore qualified for the Additional Capital Allowance. Relying on these representations, GFIJVH subsequently filed its tax returns on this basis, as was confirmed by the DME and SARS.

In the Audit Letter, SARS stated that both the DME and SARS erred in issuing the confirmations as mentioned above and that GFIJVH does not qualify as a post-1990 gold mine and therefore does not qualify for the Additional Capital Allowance.

The Group has taken legal advice on the matter and was advised by external Senior Counsel that SARS should not be allowed to disallow the claiming of the additional capital allowance. GFIJVH has in the meantime not only formally appealed against the position taken by SARS, but also filed an application in the High Court and will vigorously defend its position. No resolution was achieved during the year as the Tax Court allowed SARS to amend its grounds of assessment in the days leading up to the commencement of the trial. Consequently the Tax Court proceedings could not be completed in the time allotted for the hearing. The continuance of the Tax Court hearing is expected to take place during 2019.

The Group is currently reviewing all its legal remedies, which include approaching the High Court for a declaratory order.

Accordingly, no adjustment for any effects on the Group that may result from the proceedings, if any, has been made in the consolidated financial statements.

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35. EVENTS AFTER THE REPORTING DATE

Final dividend

On 14 February 2018, Gold Fields declared a final dividend of 50 SA cents per share.

Sale of Arctic Platinum Project (APP)

On 24 January 2018, Gold Fields sold APP to Finnish subsidiary of private equity fund CD Capital Natural Resources Fund III.

The purchase consideration comprises US$40.0 million cash and royalty (2% NSR (net smelter return) on all metals, with 1% capped at US$20.0 million and 1% uncapped).

The sale includes all of the project assets for APP including the Suhanko mining licence (and associated real estate), all other mining and exploration properties, project permits and all other project-related assets.

36. FAIR VALUE OF ASSETS AND LIABILITIES

The estimated fair values of the Group s financial assets and liabilities are:

Figures in millions unless otherwise stated	2017 Carrying amount US$ million	2017 Fair value US$ million	2016 Carrying amount US$ million	2016 Fair value US$ million
Financial assets				
Cash and cash equivalents	**479.0**	**479.0**	526.7	526.7
Trade and other receivables	**66.5**	**66.5**	68.5	68.5
Gold and oil derivative contracts	**25.0**	**25.0**		

Environmental trust fund	**55.5**	**55.5**	44.5	44.5
Investments	**104.6**	**104.6**	19.7	19.7
Financial liabilities				
Trade and other payables	**451.0**	**451.0**	459.3	459.3
Borrowings	**1,587.9**	**1,611.5**	1,504.9	1,496.7
Current portion of borrowings	**193.6**	**193.6**	188.0	188.0
Copper derivative contracts	**3.3**	**3.3**		
South Deep dividend	**6.4**	**6.4**	6.4	6.4

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

Trade and other receivables, trade and other payables and cash and cash equivalents

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

Investments

The fair value of publicly traded instruments (listed investments) is based on quoted market values. Unlisted investments are accounted for at cost with adjustments for write-downs where appropriate and the fair value approximates their carrying value. Derivative instruments are accounted for at fair value with adjustments to the fair value being recognised in profit or loss.

Environmental trust fund

The environmental trust fund is stated at fair value based on the nature of the fund s investments.

Borrowings and current portion of borrowings

The fair value of borrowings and current portion of borrowings, except for the US$1 billion notes issued at a fixed interest rate, approximates their carrying amount as the impact of credit risk is included in the measurement of carrying amounts. The fair value of the US$1 billion notes issue is based on listed market prices.

South Deep dividend

The carrying amount approximates the fair value.

Gold, oil and copper derivative contracts

The fair value of these contracts are determined by using available market contract values for each trading date s settlement volume.

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36. FAIR VALUE OF ASSETS AND LIABILITIES (continued)

The Group uses the following hierarchy for measuring the fair value of assets and liabilities at the reporting date:

Level 1: unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices in level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers during the years ended 31 December 2017 and 2016.

The following table sets out the Group s assets and liabilities measured at fair value by level within the fair value hierarchy at the reporting date:

2016				United States Dollar	2017			
Level 1	**Level 2**	**Level 3**	**Total**	*Figures in millions unless*	**Total**	**Level 1**	**Level 2**	**Level 3**

			otherwise stated			
			Assets measured at fair value			
	10.6	10.6	Trade receivables from provisional copper and gold concentrate sales	**21.2**		**21.2**
10.5		10.5	Listed investments	**99.0**	**99.0**	
	5.9	5.9	Derivative instruments	**5.5**		**5.5**
			Oil derivative contracts	**14.1**		**14.1**
			Gold derivative contracts	**10.9**		**10.9**
			Liabilities measured at fair value			
			Copper derivative contracts	**3.3**		**3.3**

Trade receivables from provisional copper and gold concentrate sales

Valued using quoted market prices based on the forward London Metal Exchange (LME) and, as such, is classified within level 2 of the fair value hierarchy.

Listed investments

Comprise equity investments in listed entities and are therefore valued using quoted market prices in active markets.

Derivative instruments

Derivative instruments are measured at fair value through profit or loss. The fair value is determined using a standard European call option format based on a standard option theory model.

Oil, gold and copper derivative contracts

The fair values of these contracts are determined by using available market contract values for each trading date s settlement volume.

37. 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 (Treasury), which acts as the interface between Gold Fields operations and counterparty banks. Treasury manages financial risk in accordance with the policies and procedures established by the Gold Fields Board of Directors and Executive Committee.

Gold Fields Board of Directors has approved dealing limits for money market, foreign exchange and commodity transactions, which Gold Fields Treasury 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 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 and cash resources.

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 counterparts that are of a sound financial standing and who have an official credit rating. The Group is limited to a maximum investment of 2.5% of the financial institutions equity, which is dependent on the institutions credit rating. The credit rating used is Fitch Ratings short-term credit rating for financial institutions.

Commodity price risk management: Commodity price risk management takes place within limits and with counterparts 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.

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37. 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.

Receivables are reviewed on a regular basis and an allowance for impairment is raised when they are not considered recoverable.

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

	United States Dollar	
Figures in millions unless otherwise stated	**2017**	**2016**

Environmental trust funds	**55.5**	44.5
Trade and other receivables	**66.5**	68.5
Cash and cash equivalents	**479.0**	526.7

Trade receivables comprise banking institutions purchasing gold bullion and refineries purchasing copper concentrate. These receivables are in a sound financial position and no impairment has been recognised.

Trade and other receivables above exclude VAT, import duties, prepayments, payroll receivables, derivative contracts and diesel rebates amounting to US$135.4 million (2016: US$101.7 million).

Receivables that are past due but not impaired total US$nil (2016: US$nil). At 31 December 2017, receivables of US$0.1 million (2016: US$0.2 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 above mentioned investment risk management and counterparty exposure risk management policies.

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37. RISK MANAGEMENT ACTIVITIES (continued)

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 while 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.

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

	United States Dollar			
Figures in millions unless otherwise stated	**Within**	**Between**	**After**	**Total**

	one year	one and five years	five years	
2017				
Trade and other payables	**451.0**			**451.0**
Copper derivative contracts	**3.3**			**3.3**
Borrowings[1]				
US$ borrowings[2]				
Capital		**1,360.9**		**1,360.9**
Interest	**61.3**	**87.8**		**149.1**
A$ borrowings[3]				
Capital		**231.5**		**231.5**
Interest	**9.5**	**13.9**		**23.4**
Rand borrowings[4]				
Capital	**193.6**			**193.6**
Interest	**10.8**			**10.8**
Environmental rehabilitation costs[5]	**6.5**	**24.8**	**349.7**	**381.0**
South Deep dividend	**1.6**	**5.3**	**5.8**	**12.7**
Total	**737.6**	**1,724.2**	**355.5**	**2,817.3**
2016				
Trade and other payables	459.3			459.3
Borrowings[1]				
US$ borrowings[2]				
Capital	127.0	1,510.9		1,637.9
Interest	64.6	145.1		209.7
Rand borrowings[4]				
Capital	61.0			61.0
Interest	5.1			5.1
Environmental rehabilitation costs[5]	3.6	29.8	347.4	380.8
South Deep dividend	1.4	5.2	6.2	12.8
Total	722.0	1,691.0	353.6	2,766.6

[1] *Spot Rate: R12.58 = US$1.00 (2016: R14.03 = US$1.00).*

[2] *US$ borrowings   Spot LIBOR (one month fix) rate adjusted by specific facility agreement: 1.5638% (2016: 0.75611% (one month fix)).*

[3] *AU$ borrowings   Spot Bank Bill Swap Bid Rate (BBSY) (one month fix) rate adjusted by specific facility agreement: 1.76%.*

[4] *ZAR borrowings   Spot JIBAR (one month fix) rate adjusted by specific facility agreement: 6.908% and bank overnight borrowing rate on uncommitted credit facilities: average of 8.3% (2016: 8.3%).*

[5] *Although environmental rehabilitation costs do not meet the definition of a financial liability, the Group included the gross closure cost estimate in the undiscounted cash flows as it represents a future cash outflow (refer note 25.1). In South Africa and Ghana, US$55.5 million (2016: US$44.5 million) of the environmental rehabilitation costs is funded through the environmental trust funds.*

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37. 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 reasonably possible changes of relevant risk variables on profit or 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 reasonably possible change in the risk variable to the balance of financial instruments at reporting date.

The amounts generated from the sensitivity analysis 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 Dollar. In addition, Gold Fields has investments and indebtedness in US Dollar, as well as South African Rand.

Gold Fields may from time to time establish currency financial instruments to protect underlying cash flows.

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

Although this exposes Gold Fields to transaction and translation exposure from fluctuations in foreign currency exchange rates, Gold Fields does not generally hedge its foreign currency 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 unsustainable levels.

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. The Group had no significant exposure to currency risk relating to financial instruments at 31 December 2017 and 2016. Differences resulting from the translation of financial statements into the Group s presentation currency are not taken into account.

Foreign currency hedging experience

On 25 February 2016, South Deep entered into US$/Rand forward exchange contracts for a total delivery of US$69.8 million starting at July 2016 to December 2016. The average forward rate achieved over the six-month period was R16.8273. The hedge was delivered into in July and in August and the balance closed out in September 2016. The average rate achieved on delivery and close out was R13.8010, resulting in a profit of R211.2 million (US$14.4 million). At 31 December 2017 and 2016, there were no material foreign currency contract positions.

37. RISK MANAGEMENT ACTIVITIES (continued)

Commodity price hedging policy

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 experience

The Group s policy is to remain unhedged to the gold and copper price. However, hedges are sometimes undertaken 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.

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.

Gold and copper

In November 2017, South Deep entered into zero-cost collars for the period January 2018 to December 2018 for 63,996 ounces of gold. The strike prices are R600,000 per kilogram on the floor and R665,621 per kilogram on the cap. At 31 December 2017, the mark-to-market value of the hedge was a positive US$10.9 million.

In April 2017 and June 2017, the Australian operations entered into a combination of zero-cost collars and forward sales transactions for the period July 2017 to December 2017 for 295,000 ounces of gold. The average strike prices on the collars were A$1,695.9 per ounce on the floor and A$1,754.2 per ounce on the cap. The average forward price was A$1,719.9 per ounce. At 31 December 2017, there were no open positions and the total realised gain was US$15.3 million.

In July 2017, Peru entered into zero-cost collars for the period August 2017 and December 2017 for 8,250 tonnes of copper. The average floor price was US$5,867 per tonne and the average cap was US$6,300 per tonne. In November 2017, further zero-cost collars were entered into for the period January 2018 to December 2018. A total volume of 29,400 tonnes was hedged, at an average floor price of US$6,600 per tonne and an average cap price of US$7,431 per tonne. At 31 December 2017, the mark-to-market value on the hedge was a negative US$3.3 million.

Oil

In May 2017 and June 2017, the Ghanaian operations entered into fixed price ICE Gasoil cash settled swap transactions for a total of 125.8 million litres of diesel for the period June 2017 to December 2019. The average swap price is US$457.2 per metric tonne (equivalent US$61.4 per barrel). At the time of the transactions, the average Brent swap equivalent over the tenor was US$49.8 per barrel. At 31 December 2017, the mark-to-market value on the hedge was a positive US$9.0 million.

In May 2017 and June 2017, the Australian operations entered into fixed price Singapore 10ppm Gasoil cash settled swap transactions for a total of 77.5 million litres of diesel for the period June 2017 to December 2019. The average swap price is US$61.15 per barrel. At the time of the transactions, the average Brent swap equivalent over the tenor was US$49.92 per barrel. At 31 December 2017, the mark-to-market value on the hedge was a positive US$5.1 million.

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37. 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 (sensitivity to equity security price). 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.

United States Dollar

Figures in millions unless otherwise stated	(Decrease)/increase in equity price			
	(10.0%)	**(5.0%)**	**5.0%**	**10.0%**
2017				
(Decrease)/increase in other comprehensive income[1]	**(9.9)**	**(5.0)**	**5.0**	**9.9**
2016				
(Decrease)/increase in other comprehensive income[1]	(1.1)	(0.5)	0.5	1.1

[1] *Spot rate: R12.58 = US$1.00 (2016: R14.03 = US$1.00).*

37. RISK MANAGEMENT ACTIVITIES (continued)

Interest rate 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 borrowings.

As of 31 December 2017, Gold Fields borrowings amounted to US$1,781.5 million (2016: US$1,692.9 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.

Interest rate sensitivity analysis

The portion of Gold Fields interest-bearing borrowings at year-end that is exposed to interest rate fluctuations is US$933.6 million (2016: US$846.5 million). These borrowings are normally rolled for periods between one and three months and are therefore exposed to the rate changes in this period. The remainder of the borrowings bear interest at a fixed rate.

US$508.5 million (2016: US$785.5 million) of the total borrowings at reporting date is exposed to changes in the LIBOR rate, US$79.5 million (2016: US$nil) is exposed to the JIBAR rate, US$114.1 million (2016: US$61.0 million) is exposed to the South African Prime (Prime) interest rate and US$231.5 million (2016: US$nil) is exposed to the BBSY rate. The relevant interest rates for each facility are described in note 24.

The table below summarises the effect of a change in finance expense on the Group s profit or loss had LIBOR, JIBAR, Prime and BBSY differed as indicated (sensitivity to interest rates). 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.

United States Dollar

	Change in interest expense for a nominal change in interest rates					
Figures in millions unless otherwise stated	**(1.5%)**	**(1.0%)**	**(0.5%)**	**0.5%**	**1.0%**	**1.5%**
2017						
Sensitivity to LIBOR interest rates	**(11.3)**	**(7.5)**	**(3.8)**	**3.8**	**7.5**	**11.3**
Sensitivity to BBSY interest rates[1]	**(0.8)**	**(0.5)**	**(0.3)**	**0.3**	**0.5**	**0.8**
Sensitivity to JIBAR and prime interest rates[2]	**(2.0)**	**(1.3)**	**(0.7)**	**0.7**	**1.3**	**2.0**
Change in finance expense	**(14.1)**	**(9.3)**	**(4.8)**	**4.8**	**9.3**	**14.1**
2016						
Sensitivity to LIBOR interest rates	(12.0)	(8.0)	(4.0)	4.0	8.0	12.0
Sensitivity to JIBAR and prime interest rates[2]	(0.6)	(0.4)	(0.2)	0.2	0.4	0.6
Change in finance expense	(12.6)	(8.4)	(4.2)	4.2	8.4	12.6

[1] *Average rate: A$0.77 = US$1.00 (2016: A$0.75: US$1.00).*

[2] *Average rate: R13.33 = US$1.00 (2016: R14.7 = US$1.00).*

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38. 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 the ratio of net debt to adjusted EBITDA. Adjusted EBITDA is defined as profit or loss for the year adjusted for interest, taxation, amortisation and depreciation and certain other costs. The definition of adjusted EBITDA is as defined in the US$1,290 million term loan and revolving credit facilities agreement. Net debt is defined as total borrowings less cash and cash equivalents. The Group s long-term target is a ratio of net debt to adjusted EBITDA of one times or lower. The bank covenants on external borrowings require a net debt to adjusted EBITDA ratio of 2.5 or below and the ratio is measured based on amounts in United States Dollar.

United States Dollar

Figures in millions unless otherwise stated	Notes	**2017**	**2016**
Borrowings		**1,781.5**	1,692.9
Less: Cash and cash equivalents		**479.0**	526.7
Net debt		**1,302.5**	1,166.2
Adjusted EBITDA		**1,263.7**	1,232.2
Net debt to adjusted EBITDA		**1.03**	0.95
Reconciliation of (loss)/profit for the year to adjusted EBITDA:			
(Loss)/profit for the year (continuing and discontinued operations)		**(7.7)**	169.1
Mining and income taxation from continuing operations		**173.2**	189.5
Mining and income taxation from discontinued operations	12.1	**(1.4)**	0.6
Royalties from continuing operations		**62.0**	78.4
Royalties from discontinued operations	12.1	**1.1**	2.0
Finance expense from continuing operations		**81.3**	78.1
Investment income from continuing operations		**(5.6)**	(8.3)
Gain on financial instruments from continuing operations		**(34.4)**	(14.4)
Foreign exchange loss from continuing operations		**3.5**	6.4
Amortisation and depreciation from continuing operations	2	**748.1**	671.4
Amortisation and depreciation from discontinued operations	2	**3.5**	14.4
Share-based payments from continuing operations		**26.8**	14.0
Long-term incentive plan from continuing operations		**5.0**	10.5
Restructuring costs from continuing operations		**9.2**	11.7
Silicosis settlement costs from continuing operations		**30.2**	
Impairment, net of reversal of impairment of investments and assets from continuing operations		**200.2**	76.5
Profit on disposal of investments from continuing operations			(2.3)
Profit on disposal of assets from continuing operations		**(4.0)**	(48.0)
Gain on sale of discontinued operation, net of taxation	12.1	**(16.4)**	
Share of results of equity-accounted investees, net of taxation		**1.3**	2.3
Rehabilitation income from continuing operations	7	**(13.5)**	(9.7)
Profit on buy-back of notes	7		(17.7)
Other		**1.3**	7.7
		1,263.7	1,232.2

	United States Dollar		
Figures in millions unless otherwise stated	**2017**	**2016**	**2015**

39. RELATED PARTIES

The subsidiaries, associates and joint venture of the Company are disclosed in note 42.

All transactions and balances with these related parties have been eliminated in accordance with and to the extent required by IFRS 10 *Consolidated Financial Statements*, IFRS 11 *Joint Arrangements* and IAS 28 *Investments in Associates and Joint Ventures.*

For the year ended 31 December 2017, US$1.2 million (2016: US$1.0 million and 2015: US$0.8 million) was paid in non-executive directors fees.

None of the directors and officers of Gold Fields or, to the knowledge of Gold Fields, their families, had any interest, direct or indirect, in any transaction during the last three fiscal periods 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.

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 three fiscal periods indebted to Gold Fields.

At 31 December 2017, the Executive Committee and non-executive directors beneficial interest in the issued and listed share capital of the Company was 0.2%% (2016: 0.2%). No one director s interest individually exceeds 1% of the issued share capital or voting control of the Company.

Key management remuneration (Executive Committee)			
Short-term employee benefits	**11.0**	11.4	10.7
Severance	**0.2**	1.6	
Pension scheme contribution	**0.5**	0.5	0.7
Share-based payments	**3.7**	1.4	2.3
Long-term incentive plan	**1.0**	1.1	1.1
	16.4	16.0	14.8

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40. CORRECTION OF METHODOLOGY

During the year ended 31 December 2017, the Group corrected the amortisation methodology for the mineral rights asset at the Australian operations to reduce the level of estimation required in calculating amortisation. Prior to the correction of the methodology, the total mineral rights asset capitalised at the Australian operation was depreciated on a units-of-production basis over a useful life that exceeded proved and probable reserves. The amortisation estimation methodology was corrected in order to divide the total mineral rights asset capitalised at the respective operations into a depreciable and a non-depreciable component. The mineral rights are initially capitalised to the mineral rights asset as a non-depreciable component. The depreciable component is amortised over the estimated proved and probable ore reserves on a units-of-production method. For further details, refer to accounting policies pages 144 to 145.

As a result of this correction of the methodology, management identified an understatement of the amortisation and depreciation charge relating to prior periods. In order to assess the impact of the understatement, the Group applied SEC Staff Accounting Bulletin (SAB) No 108, *Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements.* SAB No 108 states that registrants must quantify the impact of correcting all misstatements on all periods presented, including both the carryover (iron curtain method) and reversing (rollover method) effects of prior year misstatements on the current year financial statements, and by evaluating the misstatement measured under each method in light of quantitative and qualitative factors.

Under SAB No 108, prior year misstatements which, if corrected in the current year would be material to the current year, must be corrected by adjusting prior year financial statements, even though such correction previously was and continues to be immaterial to the prior year financial statements. Correcting prior year financial statements for such immaterial errors does not require previously issued or filed financial statements to be amended.

In accordance with SAB No 99 *Materiality*, the Group assessed the materiality of the understatement and concluded that it was not material to any of the Group s previously issued or filed financial statements taken as a whole. The cumulative understatement was material in 2017 if corrected in the current year.

The conclusions above in terms of SAB No 99 and No 108 are consistent with the requirements of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, as well as principles of IFRS. As a result, the immaterial misstatements were corrected by restating each of the affected financial statement line items for prior periods (all unaffected financial statement line items have been grouped together as other).

The following table summarises the cumulative impact of the correction of the amortisation methodology:

	Property, plant and equipment				Deferred tax balance[1]				Equity			
	St Ives	**Agnew**	**Granny Smith**	**Total**	**St Ives**	**Agnew**	**Granny Smith**	**Total**	**St Ives**	**Agnew**	**Granny Smith**	**Total**
Balance at 31 December 2014	**(19.6)**	**7.8**	**0.9**	**(10.9)**	**5.9**	**(2.3)**	**(0.3)**	**3.3**	**(13.7)**	**5.5**	**0.6**	**(7.6)**
Profit or loss	(11.7)	4.0	0.3	(7.4)	3.5	(1.2)	(0.1)	2.2	(8.2)	2.8	0.2	(5.2)
Translation	2.6	(1.0)	(0.1)	1.5	(0.8)	0.3	0.1	(0.4)	1.8	(0.7)		1.1
Balance at 31 December 2015	**(28.7)**	**10.8**	**1.1**	**(16.8)**	**8.6**	**(3.2)**	**(0.3)**	**5.1**	**(20.1)**	**7.6**	**0.8**	**(11.7)**
Profit or loss	(9.2)	2.5	0.1	(6.6)	2.8	(0.8)		2.0	(6.5)	1.7	0.1	(4.7)
Translation	0.3	(0.1)		0.2	(0.1)		(0.1)	(0.2)	0.3	(0.1)	(0.1)	0.1
Balance at 31 December 2016	**(37.6)**	**13.2**	**1.2**	**(23.2)**	**11.3**	**(4.0)**	**(0.4)**	**6.9**	**(26.3)**	**9.2**	**0.8**	**(16.3)**

[1] *For the purpose of this analysis, deferred tax has been calculated at 30%.*

40. CORRECTION OF METHODOLOGY (continued)

The following tables summarise the impact on the Group s consolidated financial statements:

(i) Consolidated income statement

	United States Dollar									
	31 December 2016					31 December 2015				
res in millions unless rwise stated	As previously reported	Adjustments	As restated before reclassification of discontinued	Discontinued operations reclassification	As restated	As previously reported	Adjustments	As restated before reclassification of discontinued	Discontinued operations reclassification	As restated

			operations					operations		
enue	2,749.5		2,749.5	(83.1)	2,666.4	2,545.4		2,545.4	(91.3)	2,454.1
of sales	(2,066.7)	(6.6)	(2,073.3)	72.1	(2,001.2)	(2,066.1)	(7.4)	(2,073.5)	85.0	(1,988.5)
rs	(317.0)		(317.0)	9.2	(307.8)	(474.8)		(474.8)	18.1	(456.7)
it before taxation	365.8	(6.6)	359.2	(1.8)	357.4	4.5	(7.4)	(2.9)	11.8	8.9
ing and income ion	(192.1)	2.0	(190.1)	0.6	(189.5)	(247.1)	2.2	(244.9)	(3.6)	(248.5)
it/(loss) from inuing operations	173.7	(4.6)	169.1	(1.2)	167.9	(242.6)	(5.2)	(247.8)	8.2	(239.6)
it/(loss) from ontinued operations, of taxation				1.2	1.2				(8.2)	(8.2)
it/(loss) for the year	173.7	(4.6)	169.1		169.1	(242.6)	(5.2)	(247.8)		(247.8)
it/(loss) attributable										
wners of the parent	162.8	(4.6)	158.2		158.2	(242.1)	(5.2)	(247.3)		(247.3)
-controlling interest ers	10.9		10.9		10.9	(0.5)		(0.5)		(0.5)
	173.7	(4.6)	169.1		169.1	(242.6)	(5.2)	(247.8)		(247.8)
nings/loss per share attributable to owners of the parent:										
c earnings/(loss) per e from continuing ations cents	20	(1)	19		19	(31)	(1)	(32)	1	(31)
ted earnings/(loss) per e from continuing ations cents	20	(1)	19		19	(31)	(1)	(32)	1	(31)
solidated statement of comprehensive income										
it/(loss) for the year	173.7	(4.6)	169.1		169.1	(242.6)	(5.2)	(247.8)		(247.8)
rs comprehensive me, net of tax	121.4		121.4		121.4	(636.6)	1.1	(635.5)		(635.5)
ign currency lation adjustments	129.7		129.7		129.7	(637.0)	1.1	(635.9)		(635.9)
rs	(8.3)		(8.3)		(8.3)	0.4		0.4		0.4
l comprehensive me for the year	295.1	(4.6)	290.5		290.5	(879.2)	(4.1)	(883.3)		(883.3)
ibutable to:										
wners of the parent	284.2	(4.6)	279.6		279.6	(878.7)	(4.1)	(882.8)		(882.8)
-controlling interest ers	10.9		10.9		10.9	(0.5)		(0.5)		(0.5)
	295.1	(4.6)	290.5		290.5	(879.2)	(4.1)	(883.3)		(883.3)

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40. CORRECTION OF METHODOLOGY (continued)

United States Dollar

Figures in millions unless otherwise stated	**31 December 2016** As previously reported	Adjustments	As restated before reclassification of discontinued operations	Discontinued operations reclassification	As restated	**1 January 2016** As previously reported	Adjustments	As restated before reclassification of discontinued operations	Discontinued operations reclassification	As restated
(iii) Consolidated statement of financial position										
ASSETS										
Property, plant and equipment	4,547.8	(23.2)	4,524.6		4,524.6	4,312.4	(16.8)	4,295.6		4,295.6
Others	1,786.9		1,786.9		1,786.9	1,565.3		1,565.3		1,565.3

Total assets	6,334.7	(23.2)	6,311.5	6,311.5	5,877.7	(16.8)	5,860.9	5,860.9
LIABILITIES								
Deferred taxation	465.5	(6.9)	458.6	458.6	487.3	(5.1)	482.2	482.2
Others	2,679.6		2,679.6	2,679.6	2,622.4		2,622.4	2,622.4
Total liabilities	3,145.1	(6.9)	3,138.2	3,138.2	3,109.7	(5.1)	3,104.6	3,104.6
EQUITY								
Retained earnings	1,570.9	(18.3)	1,552.6	1,552.6	1,447.3	(13.7)	1,433.6	1,433.6
Other reserves	(2,126.4)	2.0	(2,124.4)	(2,124.4)	(2,262.2)	2.0	(2,260.2)	(2,260.2)
Others	3,745.1		3,745.1	3,745.1	3,582.9		3,582.9	3,582.9
Total equity	3,189.6	(16.3)	3,173.3	3,173.3	2,768.0	(11.7)	2,756.3	2,756.3
Total equity and liabilities	6,334.7	(23.2)	6,311.5	6,311.5	5,877.7	(16.8)	5,860.9	5,860.9

(iv) Consolidated statement of cash flows

There is no impact on the total operating, investing or financing cash flows for the years ended 31 December 2016 and 2015 relating to the above adjustments. The consolidated statement of cash flows have been restated in respect of the discontinued operations reclassification.

41. SEGMENT REPORT

Financial summary

United States Dollar

	Peru	Australia									
Total Ghana	**Cerro Corona**	**St Ives**	**Agnew/ Lawlers**	**Granny Smith**	**Gruyere**	**Total Australia**	**Corporate and other**[2]	**Continuing operations**	**Darlot**	**Discon-tinued operations**	**Group**
891.1	**392.9**	457.3	302.6	363.8		**1,123.7**		**2,761.8**	49.0	**49.0**	**2,810.8**

(670.5)	(285.2)	(330.9)	(232.7)	(203.9)	(1.3)	(768.8)	(1.8)	(2,105.1)	(50.7)	(50.7)	(2,155.8)
(469.3)	(151.2)	(187.6)	(154.9)	(156.8)	(1.3)	(500.6)	0.9	(1,426.5)	(46.3)	(46.3)	(1,472.8)
41.1	(3.1)	29.0	4.5	(3.6)		29.9		69.5	(0.9)	(0.9)	68.6
(242.3)	(130.9)	(172.3)	(82.3)	(43.5)		(298.1)	(2.7)	(748.1)	(3.5)	(3.5)	(751.6)
(3.7)	(12.1)	18.0	6.4	4.6		29.0	(10.3)[3]	10.6	(0.2)	(0.2)	10.4
(6.1)	(3.6)	(2.2)	(1.7)	(2.1)		(6.0)	(7.6)	(26.8)	(0.6)	(0.6)	(27.4)
(1.2)	(0.7)	(0.7)	(0.5)	(0.6)		(1.8)	(1.3)	(5.0)	(0.1)	(0.1)	(5.1)
	(0.5)	(23.0)	(15.9)	(10.8)	(1.8)	(51.5)	(57.8)	(109.8)	(1.5)	(1.5)	(111.3)
(6.9)								(9.2)			(9.2)
							(30.2)	(30.2)			(30.2)
(10.3)	52.6						(242.5)	(200.2)			(200.2)
2.7		(0.2)	1.5			1.3	(0.3)	4.0			4.0
3.6		0.9	0.6	0.7		2.2	(1.0)	5.6	0.4	0.4	6.0
(10.3)	(4.7)	(2.8)	(1.0)	(1.0)		(4.8)	(49.1)	(81.3)			(81.3)
									23.5	23.5	23.5
(27.1)	(5.3)	[4]	[4]	[4]	[4]	(27.8)		(62.0)	(1.1)	(1.1)	(63.1)
(55.5)	(36.1)	[4]	[4]	[4]	[4]	(89.5)	(3.0)	(173.2)	(5.7)	(5.7)	(179.0)
(58.0)	(50.8)	[4]	[4]	[4]	[4]	(91.7)	(4.2)	(204.7)	(2.3)	(2.3)	(207.0)
2.5	14.7	[4]	[4]	[4]	[4]	2.2	1.2	31.5	(3.3)	(3.3)	28.0
105.8	97.4	[4]	[4]	[4]	[4]	206.1	(404.9)	(20.8)	13.1	13.1	(7.7)
95.3	96.9	[4]	[4]	[4]	[4]	206.1	(404.9)	(31.8)	13.1	13.1	(18.7)
10.5	0.5	[4]	[4]	[4]	[4]			11.0			11.0
1,950.1	774.0	693.7	500.0	392.0	34.9	1,620.6	982.9	6,548.1			6,548.1
362.3	188.7	138.2	71.5	78.1	32.9	320.7	539.4	2,763.2			2,763.2
280.0	80.8	[4]	[4]	[4]	[4]	87.0	(18.3)	381.9	[4]	[4]	381.9
312.8	34.0	156.2	73.7	87.0	81.1	398.0	6.4	833.6	6.8	6.8	840.4

The above is a geographical analysis presented by location of assets.

The Group s continuing operations are primarily involved in gold mining, exploration and related activities. Activities are conducted and investments held both inside and outside South Africa. The segment results have been prepared *and presented based on management s reporting format. Gold mining operations are managed and internally reported based on the following geographical areas: in South Africa, South Deep mine, in Ghana, Tarkwa and Damang mines, in Australia, St Ives, Agnew/Lawlers, Granny Smith and Gruyere Gold Project and in Peru, the Cerro Corona mine. While the Gruyere Gold Project does not meet the quantitative criteria for disclosure as a separate segment, it is expected to become a significant contributor to the Group s performance in future years as the project is being developed. The Group also has exploration interests which are included in the Corporate and other segment. Refer to accounting policies on segment reporting on page 151.*

The Group s discontinued operation was primarily involved in gold mining, exploration and related activities. Activities are conducted and investments held in Australia.

US Dollar figures may not add as they are rounded independently.

[1] *The income statement and statement of financial position 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 relating to the acquisition of South Deep (refer note 14). South Deep Gold mine, being an unincorporated joint venture, is not liable for taxation. Taxation included in South Deep is indicative, as tax is provided in the holding companies at a rate of 30%.*

[2] *Corporate and other represents the items to reconcile segment data to consolidated financial statement totals, including the elimination of intercompany transactions and balances as well as the Group s exploration interests. This does not represent a separate segment as it does not generate revenue. Included in Corporate and other is the adjustment made in respect of the purchase price allocation, including goodwill relating to the acquisition of South Deep.*

[3] *Other costs Corporate and other comprise share of loss of associates, net of taxation of US$1.3 million and the balance of US$9.0 million consists mainly of corporate related costs.*

[4] *The Australian operations are entitled to transfer and off-set profits and losses from one company to another, therefore it is not meaningful to split the royalties, income or deferred taxation.*

[5] *Capital expenditure for the year ended 31 December 2017.*

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

continued

for the year ended 31 December

41. SEGMENT REPORT RESTATED (continued)

Financial summary (continued)

United States Dollar

Australia								
Agnew/ Lawlers	Granny Smith	Gruyere	Total Australia	Corporate and other[2]	Continuing operations	Darlot	Discon-tinued operations	Group
285.4	355.8		**1,093.6**		**2,666.4**	83.1	**83.1**	**2,749.5**
(215.2)	(178.7)		**(729.7)**	(7.5)	**(2,001.2)**	(72.1)	**(72.1)**	**(2,073.4)**
(145.7)	(141.1)		**(479.6)**	1.1	**(1,375.7)**	(57.3)	**(57.3)**	**(1,433.0)**

)	5.1	7.4		**23.5**		**45.9**	(0.4)	**(0.4)**	**45.5**
)	(74.6)	(45.0)		**(273.6)**	(8.6)	**(671.4)**	(14.4)	**(14.4)**	**(685.9)**
	6.1	2.6		**22.3**	(23.1)[3]	**(8.8)**			**(8.8)**
)	(0.8)	(0.9)		**(2.9)**	(4.0)	**(14.0)**	(0.4)	**(0.4)**	**(14.4)**
)	(0.7)	(0.8)		**(2.3)**	(2.6)	**(10.5)**	(0.5)	**(0.5)**	**(11.0)**
)	(9.6)	(10.6)		**(41.3)**	(44.8)	**(86.1)**	(6.1)	**(6.1)**	**(92.2)**
		(1.2)		**(1.2)**	(0.4)	**(11.7)**			**(11.7)**
					(0.1)	**(76.5)**			**(76.5)**
	0.2	(0.3)		**(0.1)**	48.1	**48.0**			**48.0**
					5.4	**8.3**			**8.3**
)	(1.0)	(1.0)		**(4.7)**	(55.8)	**(78.1)**	(0.2)	**(0.2)**	**(78.3)**
4	4	4	4	**(27.3)**		**(78.4)**	(2.0)	**(2.0)**	**(80.4)**
4	4	4	4	**(92.8)**	(13.5)	**(189.5)**	(0.6)	**(0.6)**	**(190.1)**
4	4	4	4	**(95.2)**	(10.7)	**(204.2)**	(0.5)	**(0.5)**	**(204.7)**
4	4	4	4	**2.4**	(2.8)	**14.7**	(0.1)	**(0.1)**	**14.6**
4	4	4	4	**213.6**	(98.3)	**167.9**	1.2	**1.2**	**169.1**
4	4	4	4	**213.6**	(98.3)	**157.0**	1.2	**1.2**	**158.2**
4	4	4	4			**10.9**			**10.9**
	439.6	293.9	272.5	**1,590.7**	964.9	**6,252.8**	10.1	**10.1**	**6,262.8**
	66.3	63.1	272.4	**538.1**	446.3	**2,657.1**	22.5	**22.5**	**2,679.6**
4	4	4	4	**80.1**	(15.7)	**409.9**	4	**4**	**409.9**
)	70.0	90.3		**300.3**	1.3	**628.5**	21.4	**21.4**	**649.9**

The above is a geographical analysis presented by location of assets.

The Group s continuing operations are primarily involved in gold mining, exploration and related activities. Activities are conducted and investments held both inside and outside South Africa. The segment results have been prepared and presented based on management s reporting format. Gold mining operations are managed and internally reported based on the following geographical areas: in South Africa, South Deep mine, in Ghana, Tarkwa and Damang mines, in Australia, St Ives, Agnew/Lawlers, Granny Smith and Gruyere Gold Project and in Peru, the Cerro Corona mine. While the Gruyere Gold Project does not meet the quantitative criteria for disclosure as a separate segment, it is expected to become a significant contributor to the Group s performance in future years as the project is being developed. The Group also has exploration interests which are included in the Corporate and other segment. Refer to accounting policies on segment reporting on page 151.

The Group s discontinued operation was primarily involved in gold mining, exploration and related activities. Activities are conducted and investments held in Australia.

US Dollar figures may not add as they are rounded independently.

[1] *The income statement and statement of financial position 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 relating to the acquisition of South Deep (refer note 14). South Deep Gold mine, being an unincorporated joint venture, is not liable for taxation. Taxation included in South Deep is indicative, as tax is provided in the holding companies at a rate of 30%.*

[2] *Corporate and other represents the items to reconcile segment data to consolidated financial statement totals, including the elimination of intercompany transactions and balances as well as the Group s exploration interests. This does not represent a separate segment as it does not generate revenue. Included in Corporate and other is the adjustment made in respect of the purchase price allocation, including goodwill relating to the acquisition of South Deep.*

[3] *Other costs Corporate and other comprise share of loss of associates net of taxation of US$2.3 million, profit on disposal of investments of US$2.3 million and the balance of US$23.1 million consists mainly of corporate related costs.*

[4] *The Australian operations are entitled to transfer and off-set profits and losses from one company to another, therefore it is not meaningful to split the royalties, income or deferred taxation.*

[5] *Capital expenditure for the year ended 31 December 2016.*

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41. SEGMENT REPORT RESTATED (continued)
Financial summary (continued)
United States Dollar

Australia									
St Ives	Agnew/ Lawlers	Granny Smith	Total Australia	Corporate and other[2]	Continuing operations	Darlot	Discon-tinued Operations	Group
431.8	273.9	348.4	**1,054.1**		**2,454.1**	91.3	**91.3**	**2,545.4**
(341.9)	(199.5)	(195.1)	**(736.4)**	(0.6)	**(1,988.5)**	(85.0)	**(85.0)**	**(2,073.5)**

(195.0)	(142.6)	(135.9)	**(473.4)**	0.8	**(1,371.5)**	(59.8)	**(59.8)**	**(1,431.3)**
(25.3)	1.1	(5.4)	**(29.6)**		**(25.5)**	0.6	**0.6**	**(24.9)**
(121.6)	(58.0)	(53.8)	**(233.4)**	(1.4)	**(591.5)**	(25.8)	**(25.8)**	**(617.3)**
2.4	3.2	(1.8)	**3.8**	(11.8)[3]	**(22.4)**	0.3	**0.3**	**(22.0)**
(1.2)	(0.7)	(0.4)	**(2.3)**	(4.4)	**(10.7)**	(0.2)	**(0.2)**	**(10.9)**
(0.2)	(0.5)	(0.3)	**(1.0)**	(1.2)	**(5.1)**	(0.2)	**(0.2)**	**(5.3)**
(21.5)	(4.0)	(3.6)	**(29.1)**	(22.7)	**(51.8)**	(1.7)	**(1.7)**	**(53.5)**
(3.0)		(0.1)	**(3.1)**		**(9.3)**		**0.0**	**(9.3)**
				(156.4)	**(206.9)**	(14.2)	**(14.2)**	**(221.1)**
2.5	(1.0)		**1.5**	(0.1)	**(0.1)**			**(0.1)**
				4.0	**6.3**			**6.3**
(2.9)	(1.3)	(1.1)	**(5.3)**	(61.7)	**(82.9)**			**(82.9)**
[4]	[4]	[4]	**(25.8)**		**(73.9)**	(2.1)	**(2.1)**	**(76.0)**
			(77.6)	(13.2)	**(248.5)**	3.6	**3.6**	**(244.9)**
[4]	[4]	[4]	**(65.5)**	(7.8)	**(141.7)**	(1.2)	**(1.2)**	**(142.9)**
[4]	[4]	[4]	**(12.1)**	(5.4)	**(106.8)**	4.8	**4.8**	**(102.0)**
[4]	[4]	[4]	**178.8**	(268.1)	**(239.6)**	(8.2)	**(8.2)**	**(247.8)**
[4]	[4]	[4]	**178.8**	(268.1)	**(239.1)**	(8.2)	**(8.2)**	**(247.3)**
[4]	[4]	[4]			**(0.5)**			**(0.5)**
526.6	404.5	222.8	**1,153.9**	1,100.8	**5,797.7**	9.1	**9.1**	**5,806.8**
135.2	66.9	61.5	**263.6**	829.4	**2,599.2**	23.2	**23.2**	**2,622.4**
[4]	[4]	[4]	**82.5**	(17.5)	**428.1**	[4]	**[4]**	**428.1**
114.5	73.0	72.4	**259.9**	1.4	**614.1**	20.0	**20.0**	**634.1**

The above is a geographical analysis presented by location of assets.

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While the Gruyere Gold Project does not meet the quantitative criteria for disclosure as a separate segment, it is expected to become a significant contributor to the Group s performance in future years as the project is being developed. The Group also has exploration interests which are included in the Corporate and other segment. Refer to accounting policies on segment reporting on page 151.

The Group s discontinued operation was primarily involved in gold mining, exploration and related activities. Activities are conducted and investments held in Australia.

US Dollar figures may not add as they are rounded independently.

[1] *The income statement and statement of financial position 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 relating to the acquisition of South Deep (refer note 14). South Deep Gold mine, being an unincorporated joint venture, is not liable for taxation. Taxation included in South Deep is indicative, as tax is provided in the holding companies at a rate of 30%.*

[2] *Corporate and other represents the items to reconcile segment data to consolidated financial statement totals, including the elimination of intercompany transactions and balances as well as the Group s exploration interests. This does not represent a separate segment as it does not generate revenue. Included in Corporate and other is the adjustment made in respect of the purchase price allocation, including goodwill relating to the acquisition of South Deep.*

[3] *Other costs Corporate and other comprise share of loss of associates net of taxation of US$5.7 million, profit on disposal of investments of US$0.1 million and the balance of US$6.2 million consists mainly of corporate related costs.*

[4] *The Australian operations are entitled to transfer and off-set profits and losses from one company to another, therefore it is not meaningful to split the royalties, income or deferred taxation.*

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

continued

for the year ended 31 December

42. MAJOR GROUP INVESTMENTS DIRECT AND INDIRECT

						Carrying value in holding company			
		Shares held		Group beneficial interest		Shares		Loans[6]	
	Notes	2017	2016	2017 %	2016 %	2017 R million	2016 R million	2017 R million	2016 R million
SUBSIDIARIES									
Unlisted									
Abosso Goldfields Ltd[7]									
Class A shares	1	**49,734,000**	49,734,000	**90.0**	90.0				
Class B shares	1	**4,266,000**	4,266,000	**90.0**	90.0				
Agnew Gold Mining Company	2	**54,924,757**	54,924,757	**100.0**	100.0				

Pty Ltd									
Beatrix Mines Ltd	3	**96,549,020**	96,549,020	**100.0**	100.0	**206.8**	206.8		
Beatrix Mining Ventures Ltd	3	**9,625,001**	9,625,001	**100.0**	100.0	**120.4**	120.4	**(136.8)**	(136.8)
Darlot Mining Company Pty Ltd	2	**1**	1	**100.0**	100.0				
Driefontein Consolidated (Pty) Ltd	3	**1,000**	1,000	**100.0**	100.0			**(13.1)**	(13.1)
GFI Joint Venture Holdings (Pty) Ltd	3	**311,668,564**	311,668,564	**100.0**	100.0			**(0.4)**	(0.4)
GFL Mining Services Ltd	3	**235,676,387**	235,676,387	**100.0**	100.0	**18,790.5**	18,790.5	**(8,331.2)**	(8,004.2)
Gold Fields Ghana Ltd[8]	1	**900**	900	**90.0**	90.0				
Gold Fields Group Services (Pty) Ltd	3	**1**	1	**100.0**	100.0			**(224.8)**	355.5
Gold Fields Holdings Company (BVI) Ltd	5	**4,084**	4,084	**100.0**	100.0				
Gold Fields La Cima S.A.[9]	4	**1,426,050,205**	1,426,050,205	**99.5**	99.5				
Gold Fields Operations Ltd	3	**156,279,947**	156,279,947	**100.0**	100.0			**(0.4)**	(0.4)
Gold Fields Orogen Holdings (BVI) Ltd	5	**356**	356	**100.0**	100.0				
Gruyere Mining Company Pty Ltd	2	**1**	1	**100.0**	100.0				
GSM Mining Company Pty Ltd	2	**1**	1	**100.0**	100.0				
Kloof Gold Mining Company Ltd	3	**138,600,000**	138,600,000	**100.0**	100.0	**602.8**	602.8	**(610.2)**	(610.2)
Newshelf 899 (Pty) Ltd[10]	3	**90,000,000**	90,000,000	**100.0**	100.0	**23,210.9**	23,210.9		
St Ives Gold Mining Company Pty Ltd	2	**281,051,329**	281,051,329	**100.0**	100.0				
Total						**42,931.4**	42,931.4	**(9,316.9)**	(8,409.6)

[1] *Incorporated in Ghana.*

[2] *Incorporated in Australia.*

[3] *Incorporated in the Republic of South Africa.*

[4] *Incorporated in Peru.*

[5] *Incorporated in the British Virgin Islands.*

[6] *The loans are unsecured, interest free and have no fixed repayment terms.*

[7] *Abosso Goldfields Ltd (Abosso) owns the Damang operation in Ghana. The accumulated non-controlling interest of Abosso at 31 December 2017 amounts to US$5.8 million (2016: US$3.6 million). No dividends were paid to the non-controlling interest during 2017 or 2016. Refer to the segment reporting, note 41, for summarised financial information of Damang.*

[8] *Gold Fields Ghana Ltd (GFG) owns the Tarkwa operation in Ghana. The accumulated non-controlling interest of GFG at 31 December 2017 amounts to US$119.2 million (2016: US$116.6 million). A dividend of US$5.8 million was advanced to the non-controlling interest during 2017 (2016: US$nil). Refer to the segment reporting, note 41, for summarised financial information of Tarkwa.*

[9] *Gold Fields La Cima S.A. (La Cima) owns the Cerro Corona operation in Peru. The accumulated non-controlling interest of La Cima at 31 December 2017 amounts to US$2.4 million (2016: US$2.5 million). A dividend of US$0.6 million was paid to the non-controlling interest during 2017 (2016: US$0.2 million). Refer to the segment reporting, note 41, financial information of Cerro Corona.*

[10] *Refer note 25.2. Newshelf is the holding company of GFIJVH and GFO which own the South Deep mine. In terms of the South Deep BEE agreement, there is an agreed phase-in participation of BEE partners over 20 years. The BEE partners stake will ultimately be 10%, resulting in a 90% holding by Newshelf.*

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42. MAJOR GROUP INVESTMENTS DIRECT AND INDIRECT (continued)

	Shares held		Group beneficial interest	
	2017	2016	2017 %	2016 %
OTHER[1]				
Listed associates				
Maverix Metals Incorporated (Maverix)	**42,850,000**	42,850,000	**27.9**	32.3
Rusoro Mining Limited	**140,000,001**	140,000,001	**25.7**	25.7
Joint venture				
Far Southeast Gold Resources Incorporated	**1,737,699**	1,737,699	**40.0**	40.0

Listed equity investments				
Bezant Resources PLC	**17,945,922**	17,945,922	**2.9**	8.8
Cardinal Resources Limited	**42,818,182**	13,700,270	**11.5**	4.5
Cardinal Resources Limited (Options)	**38,220,051**	19,705,790	**33.0**[2]	17.0
Cascadero Copper Corporation	**2,025,000**	2,025,000	**1.1**	1.1
Clancy Exploration Limited	**17,764,783**	17,764,783	**0.6**	0.7
Consolidated Woodjam Copper Corporation	**12,848,016**	12,848,016	**17.2**	17.8
Fjordland Exploration Incorporated	**363,636**	1,818,182	**0.8**	1.8
Gold Road Resources Limited	**87,117,909**		**9.9**	
Hummingbird Resources PLC	**21,258,503**	21,258,503	**6.2**	6.2
Orsu Metals Corp	**2,613,491**	26,134,919	**7.3**	19.7
Radius Gold Incorporated	**3,625,124**	3,625,124	**4.2**	4.2
Red 5 Limited	**246,875,821**		**19.9**[3]	

[1] *Only major investments are listed individually.*

[2] *If the Group was to exercise all the Cardinal Resources options, the Group s effective interest would be below 20% and therefore does not have significant influence over Cardinal Resources Limited.*

[3] *An assessment has been performed and the Group does not have significant influence over Red 5 Limited.*

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OPERATING AND FINANCIAL INFORMATION BY MINE

for the year ended 31 December

SOUTH AFRICA REGION

	SOUTH DEEP						
			Gold produced			Net earnings	
	Tonnes milled	Yield* g/ton	Kilograms	000 ounces	Cash cost** US$/oz	SA Rand million	US$ million
Year to 30 June							
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)
2010	1,681,000	4.9	8,236	265	811	(81.0)	(10.7)
Six							

months to December 2010	1,101,000	4.1	4,547	146	939	(96.5)	(13.5)
Year to 31 December							
2011	2,440,000	3.5	8,491	273	1,073	146.4	20.3
2012	2,106,000	4.0	8,411	270	1,105	122.1	14.9
2013	2,347,000	4.0	9,397	302	1,045	(206.9)	(21.6)
2014	1,323,000	4.7	6,236	200	1,732	(897.7)	(83.0)
2015	1,496,000	4.1	6,160	198	1,559	(700.5)	(55.2)
2016	2,248,000	4.0	9,032	290	1,234	191.1	13.0
2017	2,081,000	4.2	8,748	281	1,400	(337.6)	(25.3)
Total	**20,535,000**	**4.2**	**86,988**	**2,797**			

For the seven months ended 30 June 2007, since acquisition control.

* *Combined surface and underground yield.*

** *All-in costs: as from 2014 per the new World Gold Council Standard issued on 27 June 2013.*

WEST AFRICA REGION

GHANA DIVISION
TARKWA MINE TOTAL MANAGED

	Tonnes treated	Yield g/ton	Gold produced Kilograms	Gold produced 000 ounces	Cash cost** US$/oz	Net earnings (before minorities) US$ million
Year to 30 June						
1994 2005	91,612,600	1.2	108,546	3,490	n/a	210.9
2006	21,487,000	1.0	22,060	709	292	97.8
2007	22,639,000	1.0	21,684	697	333	116.9
2008	22,035,000	0.9	20,095	646	430	147.8
2009	21,273,000	0.9	19,048	612	521	100.0
2010	22,716,000	1.0	22,415	721	536	187.9
Six months to December 2010	11,496,000	1.0	11,261	362	562	135.6

Year to 31 December						
2011	23,138,000	1.0	22,312	717	556	401.4
2012	22,910,000	1.0	22,358	719	673	263.7
2013	19,275,000	1.0	19,664	632	816	(16.2)
2014	13,553,000	1.3	17,363	558	1,068	83.7
2015	13,520,000	1.3	18,229	586	970	87.5
2016	13,608,000	1.3	17,669	568	959	116.9
2017	13,527,000	1.3	17,617	566	940	85.4
Total	**332,789,600**	**1.1**	**360,322**	**11,585**		

Surface operation from F1999.

*** All-in costs: as from 2014 per the new World Gold Council Standard issued on 27 June 2013.*

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DAMANG MINE total managed

	Tonnes treated	Yield g/ton	Gold produced Kilograms	Gold produced 000 ounces	Cash cost** US$/oz	Net earnings SA Rand million
Year to 30 June						
2002# 2005	17,279,000	1.8	30,994	996	n/a	76.1
2006	5,328,000	1.4	7,312	235	341	27.2
2007	5,269,000	1.1	5,843	188	473	16.0
2008	4,516,000	1.3	6,041	194	551	25.9
2009	4,991,000	1.2	6,233	200	660	9.0
2010	5,028,000	1.3	6,451	207	660	45.9

Six months to December						
2010	2,491,000	1.5	3,637	117	636	39.4
Year to 31 December						
2011	4,942,000	1.4	6,772	218	701	100.5
2012	4,416,000	1.2	5,174	166	918	36.3
2013	3,837,000	1.2	4,760	153	1,060	(118.3)
2014	4,044,000	1.4	5,527	178	1,175	3.4
2015	4,295,000	1.2	5,220	168	1,326	(89.3)
2016	4,268,000	1.1	4,594	148	1,254	(4.5)
2017	4,590,000	1.0	4,467	144	1,827	20.4
Total	**75,294,000**	**1.4**	**103,025**	**3,312**		

[#] *F2002 For the five months ended 30 June, since acquisition.*

*** All-in costs: as from 2014 per the new World Gold Council Standard issued on 27 June 2013.*

AUSTRALASIA REGION

AUSTRALIA DIVISION
St IVES MINE

	Tonnes treated	Yield g/ton	Gold produced Kilograms	Gold produced 000 ounces	Cash cost** US$/oz	Cash cost** A$/oz
Year to 30 June						
2002[#] 2005	21,960,000	2.7	59,838	1,924	254	379
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
2010	6,819,000	1.9	13,097	421	710	806
Six months to December						
2010	3,284,000	2.3	7,557	243	710	757
Year to 31 December						
2011	6,745,000	2.1	14,449	465	901	873
2012	7,038,000	2.0	13,992	450	931	899
2013	4,763,000	2.6	12,525	403	833	861
2014	4,553,000	2.5	11,246	362	1,164	1,289
2015	3,867,000	3.0	11,566	372	969	1,287
2016	4,046,000	2.8	11,290	363	949	1,273
2017	4,198,000	2.7	11,319	364	916	1,198

Total	**95,217,000**	**2.4**	**223,779**	**7,195**

F200-For the seven months ended 30 June, since acquisition.

*** All-in costs: as from 2014 per the new World Gold Council Standard issued on 27 June 2013.*

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The Gold Fields Annual Financial Report including Governance Report
2017

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OPERATING AND FINANCIAL INFORMATION BY MINE continued

for the year ended 31 December

	AGNEW MINE					
			Gold produced			
	Tonnes treated	Yield g/ton	Kilograms	000 ounces	Cash cost** US$/oz	Cash cost** A$/oz
Year to 30 June						
2002# 2005	4,299,000	4.6	19,911	640	236	357
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
2010	883,000	5.8	5,140	165	539	611
Six months to December						
2010	417,000	5.9	2,477	80	621	662

Year to 31 December						
2011	935,000	6.5	6,035	194	696	675
2012	943,000	5.8	5,494	177	827	799
2013	974,000	6.9	6,705	216	625	646
2014	1,246,000	6.8	8,419	271	990	1,096
2015	1,218,000	6.0	7,360	237	959	1,276
2016	1,176,000	6.1	7,134	229	971	1,301
2017	1,235,000	6.1	7,502	241	977	1,276
Total	**18,353,000**	**5.6**	**102,009**	**3,280**		

 # For the seven months ended 30 June, since acquisition.

*** All-in costs: as from 2014 per the new World Gold Council Standard issued on 27 June 2013.*

	DARLOT MINE					
			Gold produced			
	Tonnes treated	Yield g/ton	Kilograms	000 ounces	Cash cost** US$/oz	Cash cost** A$/oz
Year to 31 December						
2013 from Oct	158,000	3.9	613	20	1,025	1,059
2014	525,000	5.0	2,601	84	1,222	1,353
2015	457,000	5.3	2,440	78	1,057	1,403
2016	454,000	4.6	2,066	66	1,238	1,662
2017#	338,000	3.6	1,219	39	1,432	1,874
Total	**1,932,000**	**4.6**	**8,939**	**287**		

*** All-in costs: as from 2014 per the new World Gold Council Standard issued on 27 June 2013.*

 # Sale completed on 2 October 2017.

GRANNY SMITH MINE				
		Gold produced		

	Tonnes treated	Yield g/ton	Kilograms	000 ounces	Cash cost** US$/oz	Cash cost** A$/oz
Year to 31 December						
2013 from Oct	330,000	5.9	1,935	62	786	812
2014	1,472,000	6.7	9,804	315	809	896
2015	1,451,000	6.5	9,365	301	764	1,017
2016	1,446,000	6.1	8,827	284	834	1,119
2017	1,726,000	5.2	9,030	290	896	1,171
Total	**6,425,000**	**6.1**	**38,961**	**1,252**		

** *All-in costs: as from 2014 per the new World Gold Council Standard issued on 27 June 2013.*

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	ST IVES/AGNEW/LAWLERS/ DARLOT/GRANNY SMITH	
	Net earnings	
	US$ million	A$ million
Year to 30 June		
2002# 2005	181.2	296.2
2006	39.3	52.6
2007	41.5	52.8
2008	36.8	41.2
2009	69.8	94.3
2010	81.0	89.9
Six months to December 2010	60.9	64.9
Year to 31 December		

2011	189.6	183.8
2012	88.9	85.8
2013	(138.9)	(143.6)
2014	94.5	104.7
2015	175.5	233.3
2016	219.5	294.4
2017	219.2	266.8
Total	**1,358.8**	**1,717.1**

F2002 *For the seven months ended 30 June 2002, since acquisition.*

SOUTH AMERICA REGION

	PERU DIVISION CERRO CORONA TOTAL MANAGED					
			Gold produced note 1			
	Tonnes treated	Yield g/ton	Kilograms	000 ounces	Cash cost** US$/oz	Net earnings (before minorities) US$ million
Year to 30 June						
2009#	4,547,000	1.5	6,822	219	369	25.4
2010	6,141,000	2.0	12,243	394	348	90.8
Six months to December 2010	3,102,000	2.0	6,206	200	395	93.3
Year to 31 December						
2011	6,593,000	1.8	11,915	383	437	208.5
2012	6,513,000	1.6	10,641	342	492	217.6
2013	6,571,000	1.5	9,851	317	491	80.5
2014	6,797,000	1.5	10,156	327	702	66.5
2015	6,710,000	1.4	9,196	296	777	(93.4)
2016	6,977,000	1.2	8,405	270	762	(73.1)
2017	6,796,000	1.4	9,540	307	673	97.4
Total	**60,747,000**	**1.6**	**94,975**	**3,053**		

Transition from Project to Operation from September 2008.

Note 1 *Cerro Corona is a gold and copper mine. As such gold produced is based on gold equivalent ounces.*

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SHAREHOLDERS INFORMATION

Register date: 29 December 2017

Issued share capital: 821,532,707 shares

SHAREHOLDER SPREAD	Number of shareholders	%	Number of shares	%
1 1000 shares	11,349	84.11	1,545,499	0.19
1001 10 000 shares	1,301	9.64	4,232,444	0.52
10 001 100 000 shares	507	3.76	19,692,741	2.40
100 001 1 000 000 shares	263	1.95	84,183,929	10.25
Over 1 000 000 shares	73	0.54	711,878,094	86.65
Total	**13,493**	**100.00**	**821,532,707**	**100.00**

DISTRIBUTION OF SHAREHOLDERS	Number of	%	Number	%

	shareholders		of shares	
American Depositary Receipts	3	0.02	350 110 920	42.62
Banks	223	1.65	148,274,267	18.05
Brokers	95	0.70	33,416,785	4.07
Close Corporations	83	0.62	74,154	0.01
Control Account	1	0.01	933,958	0.11
Endowment Funds	21	0.16	1,486,967	0.18
Individuals	11,661	86.42	8,027,987	0.98
Insurance Companies	19	0.14	7,786,553	0.95
Investment Companies	22	0.16	5,993,245	0.73
Medical Aid Schemes	12	0.09	368,641	0.04
Mutual Funds	407	3.02	138,569,897	16.87
Nominees and Trusts	509	3.77	21,184,218	2.58
Other Corporations	53	0.39	888,343	0.11
Own Holdings	4	0.03	2,497,809	0.30
Pension Funds	193	1.43	87,503,493	10.65
Private Companies	180	1.33	855,979	0.10
Public Companies	6	0.04	34,097	0.00
Share Trust	1	0.01	13,525,394	1.65
Total	**13,493**	**100.00**	**821,532,707**	**100.00**

PUBLIC/NON-PUBLIC SHAREHOLDERS	Number of shareholders	%	Number of shares	%
Non-public shareholders	9	0.07	16,762,007	2.04
Directors of the Company	4	0.03	742,405	0.09
Share Trust	1	0.01	13,525,394	1.65
Own Holdings	4	0.03	2,497,809	0.30
Public Shareholders	**13,484**	**99.93**	**804,770,700**	**97.96**
Total	**13,493**	**100.00**	**821,532,707**	**100.000**

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BENEFICIAL SHAREHOLDERS HOLDING 3% OR MORE	Number of shares	%
Government Employees Pension Fund	63,107,220	7.68
Market Vectors Junior Gold Miners ETF	48,899,163	5.95
VanEck Vectors Gold Miners ETF	37,211,379	4.53
Total	**149,217,762**	**18.16**

FUND MANAGERS HOLDING 3% OR MORE	Number of shares	%
VanEck Global	87,422,717	10.64
Allan Gray Proprietary Limited	64,284,135	7.82
Public Investment Corporation	56,494,408	6.88
BlackRock Investment Mgt Index	48,058,418	5.85
Dimensional Fund Advisors	43,656,914	5.31

Vanguard Group	28,404,553	3.46
Total	**328,321,145**	**39.96**

FOREIGN CUSTODIAN HOLDING 3% OR MORE	**Number of shares**	**%**
State Street Bank & Trust Company	82,599,551	10.05
JPMorgan Chase Bank, National Association	34,611,923	4.21
Brown Brothers Harriman & Co	27,911,786	3.40
The Bank of New York Mellon	27,125,875	3.30
Total	**172,249,135**	**20.96**

GLOSSARY OF TERMS

ABET	Adult Basic Education and Training
AISC	All-in Sustaining Costs. AISC comprises On-Site Mining Costs (on a sales basis); On-Site General & Administrative costs; Royalties & Production Taxes; Realised Gains/Losses on Hedges due to operating costs; Community Costs related to current operations; Permitting Costs related to current operations; 3rd party smelting, refining and transport costs; Non-Cash Remuneration (Site-Based); Stock-piles/product inventory write down; Operational Stripping Costs; By-Product Credits; Corporate General & Administrative costs (including share-based remuneration); Reclamation & remediation accretion & amortisation (operating sites); Exploration and study costs (sustaining); and Capital exploration (sustaining)
AIC	All-in Costs. AIC is AISC plus Community Costs not related to current operations; Community Costs not related to current operations; Reclamation and remediation costs not related to current operations; Exploration and study costs (non-sustaining); Capital exploration (non-sustaining); Capitalised stripping & underground mine development

	(non-sustaining); and Capital expenditure (non-sustaining)
AS/NZ 4801	Australian occupational health and safety management standards
Backfill	Material generally sourced from processing plant 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	The hole into which a blasting charge is inserted in order to blast loose a quantity of rock
Borehole or drill hole	Hole bored or drilled in rock, usually to obtain representative samples (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 cross-cut
Bulk mining	Any large-scale, mechanised method of mining involving many thousands of tonnes of ore being blasted or caved and transported to a processing plant
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 (CIL)	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
Capital expenditure (or capex)	Specific project or ongoing expenditure for replacement or additional equipment, materials or infrastructure
Carbon-in-pulp (CIP)	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

Channel	Historic water course into which sediments consisting of gravel and sand are/have been deposited
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

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
Co-morbidity	Medical term for diseases that commonly co-exist, which increase the risk of morbidity
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 rocks comprising eroded subangular to rounded pebbles within a finer-grained matrix
Cross-cut	A horizontal underground drive developed perpendicular to the strike direction of the stratigraphy and reef

Cut-off grade	The lowest grade of mineralised ore, which determines whether or not it is economic to mine and send to the processing plant
Decline	An excavation from surface or subsurface, in the form of a tunnel, which is developed downwards
Depletion	The decrease in quantity of ore, in a deposit or property resulting from extraction or mining
Development	Is any tunnelling operation that is developed for either exploration, exploitation or both
Diamond drill	A rotary type of rock drill that cuts a core of rock by diamond bits and 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	Tabular, vertical or near vertical body of igneous rock formed by the intrusion of magma generally into planar structural zones of weakness
Elution	The chemical process of desorbing gold from activated carbon
Face	The end of a development end, drift, cross-cut or stope at which work is taking place
Facies	The characteristics of a rock unit defined by its composition, lithology, physical properties and geochemical parameters, usually reflecting the conditions of its origin
Fatality rate	Number of deaths normally expressed as a ratio per million man-hours worked
Fault	The surface or plane 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

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GLOSSARY OF TERMS continued

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 surface of the pulp in specially designed vessels. 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
Free cash flow margin	The free cash flow (FCF) margin is revenue less cash outflow divided by revenue expressed as a percentage
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, ie 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 or other metal contained within a unit weight of one metric tonne, generally expressed in grams per metric tonne (g/t) or percent metal per metric tonne (%)
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 geological features
ICVCT	Informed Consented Voluntary Counselling and Testing
Indicated Mineral Resources	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

Lock-up gold	Gold trapped as a temporary inventory within a processing plant, or sections thereof, typically milling circuits
LTIFR	Lost-Time Injury Frequency Rate, expressed in million man-hours worked
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 drill holes. 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
	The South African Mine Health and Safety Act, No 29 of 1996

Mine Health and Safety Act (MHSA)	
Mineralised	Rock in which minerals have been introduced
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
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
Net cash flow	Cash flow from operating activities less net capital expenditure and environmental payments
Normal fault	Fault in which the hanging wall moves downward relative to the footwall, under extensional tectonic conditions
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 sublinear 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, to a minimum of a pre-feasibility study for a project, 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

GLOSSARY OF TERMS continued

Project capital	Capital expenditure that is associated with specific projects
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, to a minimum of a pre-feasibility study for a project, 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	A general term for metalliferous mineral deposit (gold) within a geological zone or unit
Remuneration Report	The term **Executive Directors** refers to the CEO and the CFO, who are members of the Board of Gold Fields Limited The term **Executive Committee or Executives** refers to the Gold Fields Limited Executive Committee, which for purposes of King IV is the executive management of the Company. The Executive Committee is made up of the CEO, CFO, the Corporate Executive Vice

Presidents (EVPs) and the Regional EVPs

Corporate EVPs refers to those members of the Executive Committee who are based at the Corporate Office of the Company based in Sandton, Johannesburg, South Africa

Regional EVPs are those members of the Executive Committee who are heads of their respective regions, namely South Africa, West Africa, Americas and Australia

LTIP Long Term Incentive Plan

LTI Long Term Incentive

MSR Minimum Shareholding Requirements

STI Short Term Incentive Plan

RemCo Remuneration Committee

BSC Balance Scorecard

GRP Gross Remuneration Package

BRP Base Rate of Pay

MSR Minimum Shareholding Requirement

RexCo Regional Executive Committee

EVP Executive Vice President

ROE Rate of exchange

CEO Chief Executive Officer

CFO Chief Financial Officer

TSR Absolute and Relative Total Shareholder Return

FCFM Free Cash-Flow Margin

ExCo Executive Committee

NED Non-Executive Director

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) 2016 Edition
Seismic	Earthquake or earth vibration including those artificially induced by mining operations
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 location lithological composition, geophysical and geochemical and chronological order of sequence
Strike	Direction or trend of geological structures such as bedding or fault planes defined by the intersection with the horizontal plane and is always perpendicular to the dip direction

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Subvertical 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 subvertical shaft
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

Abbreviations and units

ABET	Adult Basic Education and Training
ADS	American Depository Shares
AIDS	Acquired Immune Deficiency Syndrome
ARC	Assessment and Rehabilitation Centres
ART	Antiretroviral therapy
A$	Australian Dollar
CBO	Community-based organisation
CIL	Carbon-in-leach
CIP	Carbon-in-pulp
CIS	Carbon-in-solution
DCF	Discounted cash flow
ETF	Exchange-traded fund
GFHS	Gold Fields Health Service
GFLC	Gold Fields La Cima
GRI	Global Reporting Initiative

HBC	Home-based care
HDSA	Historically disadvantaged South African
HIV	Human immunodeficiency virus
LoM plan	Life-of-mine plan
LTIFR	Lost-Time Injury Frequency Rate, quoted in million man-hours
MCF	Mine Call Factor
NGO	Non-governmental organisation
NUM	National Union of Mineworkers
NYSE	New York Stock Exchange
OHC	Occupational Health Centre
OT	Occupational therapy
PHC	Primary health clinic
PPI	Producer price index
SAMREC	South African code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves

GLOSSARY OF TERMS continued

SEC	United States Securities Exchange Commission
STI	Sexually transmitted infection
TB	Tuberculosis
TEC	Total employees costed
UASA	United Association of South Africa (a labour organisation)
VCT	Voluntary counselling and testing (for HIV)
cm	centimetre

cm.g/t	gold accumulation
g	gram
g/t	grams per metric tonne gold grade
ha	hectare
kg	kilogram
km	kilometre
koz	thousand ounces
kt	thousand metric tonnes
ktpa	thousand metric tonnes per annum
ktpm	thousand tonnes per month
m2	square metre
Moz	million ounces
oz	fine troy ounce equalling 31.10348 grams
R	South African Rand
R/kg	South African Rand per kilogram

Rm	million South African Rand
R/t	South African Rand per metric tonne
t	metric tonne
US$	United States Dollar
US$m	million United States Dollars
US$/oz	United States Dollar per ounce

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GLOSSARY OF TERMS SUSTAINABLE DEVELOPMENT

SUSTAINABLE DEVELOPMENT

United Nations Global Compact is a United Nations initiative to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The Global Compact is a principle-based framework for businesses, stating 10 principles in the areas of human rights, labour, the environment and anti-corruption. www.unglobalcompact.org

Global Reporting Initiative (GRI) produces one of the world s most prevalent standards for sustainability reporting. www.globalreporting.org

ICMM (International Council on Mining and Metals) CEO-led organisation of mining companies that seeks to continually entrench best practice with regard to sustainable development and to provide a platform for member companies to share experiences. www.icmm.com

HEALTH, SAFETY AND WELLBEING

Total Recordable Injury Frequency Rate (TRIFR) TRIFR = (Fatalities + Lost Time Injuries + Restricted Work Injuries + Medically Treated Injuries) x 1,000,000/number of man-hours worked.

A Lost Time Injury (LTI) is a work-related injury resulting in the employee or contractor being unable to attend work for a period of one or more days after the day of the injury. The employee or contractor is unable to perform any of his/her duties.

A Restricted Work Injury (RWI) is a work-related injury sustained by an employee or contractor which results in the employee or contractor being unable to perform one or more of their routine functions for a full working day, from the day after the injury occurred. The employee or contractor can still perform some of his/her duties.

A Medically Treated Injury (MTI) is a work-related injury sustained by an employee or contractor which does not incapacitate that employee and who, after having received medical treatment, is deemed fit to immediately resume his/her normal duties on the next calendar day, immediately following the treatment or re-treatment.

OHSAS 18001 An international voluntary standard for occupational health and safety management systems. As with other standards, it is based around the identification and control of risks and monitoring of the business performance against these.

Noise-Induced Hearing Loss (NIHL) is an increasingly prevalent disorder that results from exposure to high-intensity sound, especially over a long period of time.

Silicosis is a form of occupational lung disease caused by inhalation of crystalline silica dust, and is marked by inflammation and scarring in the form of nodular lesions in the upper lobes of the lungs.

Chronic Obstructive Airway Disease (COAD) refers to chronic bronchitis and emphysema, a pair of commonly co-existing diseases of the lungs in which the airways become narrowed.

Highly active antiretroviral therapy (HAART) Treatment of people infected with HIV, to suppress the growth of HIV, the retrovirus responsible for AIDS. The standard treatment consists of a combination of at least three drugs.

ENVIRONMENT

ISO 14001 an international voluntary standard for environmental management systems. This is one standard in the ISO 14000 series of international standards on environmental management.

Environmental incidents these are incidents that are classified in accordance with a system designed by Gold Fields (based on the GRI definition) that classifies the incident based on its severity. Incidents are classified as follows:

Not classified Incidents below the level 1 classification threshold and with no environmental impact: No classification or administrative action required, but it can be logged.
Level 1 environmental incident Incident that involves minonon-conformance that results in minimal or no environmental impact.
Level 2 environmental incident Incident that involves minonon-conformance that results in short-term, limited and non-ongoing adverse environmental impacts.

Level 3 environmental incident Incident that results in limited non-conformance or non-compliance. The non-compliance results in ongoing (as per the timeframes defined in Gold Fields Guidelines), but limited environmental impact.
Level 4 environmental incident Incident resulting in significant non-conformance or non-compliance with significant short-term or medium-term environmental impact. Such events are likely to be operation-threatening in isolation and cumulatively (i.e. if the incidents are repeated) is very likely to threaten a licence to operate or social licence to operate. In addition, such incidents also have the potential to cause reputational damage.
Level 5 environmental incident Incident that results in major non-conformance or non-compliance. The non-compliance or non-conformance results in either catastrophic short-term impact or medium to long-term environmental impact. Company or operation threatening implications and potential major damage to the Company s reputation are almost inevitable.

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Water withdrawal: The sum of all water drawn into the boundaries of Gold Fields from all sources (including surface water, ground water, rainwater, waste water from another organisation and municipal water supply) for any use/impact over the course of the calendar year.

Recycled water: Refers to the act of processing used water/waste water through the same or another cycle at the same facility. The water/waste water is treated before being recycled.

Reused water: Refers to water/waste water that is re-used without treatment at the same facility or at another of the reporting organisations facilities.

Acid mine drainage (AMD) or acid rock drainage (ARD), collectively called acid drainage (AD) is formed when certain sulphide minerals in rocks are exposed to oxidising conditions, such as the presence of oxygen, combined with water. AD can occur under natural conditions or as a result of the sulphide minerals that are encountered and exposed to oxidation during mining or during storage in waste rock dumps, ore stockpiles or tailings dams. The acidic water that forms usually contains iron and other metals if they are contained in the host rock.

SUPPLY CHAIN MANAGEMENT AND MATERIAL STEWARDSHIP

International Cyanide Management Code (ICMC) is a voluntary industry programme for the manufacture, transport and use of cyanide in gold production. It focuses on the safe management of cyanide and cyanidation mill tailings and leach solutions. Companies that adopt the Code must have their mining operations that use cyanide to recover gold audited by an independent third party to determine the status of Code implementation, and must use certified manufacturers and transporters.

SOCIAL RESPONSIBILITIES

Socio-economic development spend (SED) Payments made to communities and community investments that are not inherent to the functioning of the operation. This may include payments related to infrastructure, health and well-being, education and training, local environment, scholarships and donations. This definition is aligned to the World Gold Council (WGC) definition.

Host communities are identified by each operation for the purpose of securing our mining licences both legal and social. These communities are directly affected by and have an expectation regarding our activities.

Local Economic Development (LED) refers to initiatives and monies disbursed to uplift socio-economic conditions in the communities in which we operate, in particular job creation and enterprise development

AA1000SES is a generally applicable, open-source framework for improving the quality of the assessment, design, implementation and communication of stakeholder engagement.

OUR PEOPLE

HDSA Historically disadvantaged South Africans.

ENERGY AND CARBON MANAGEMENT

Greenhouse gas emission (GHG emission) Gas which absorbs outgoing terrestrial radiation, such as methane, CFCs and carbon dioxide.

Scope 1 carbon dioxide equivalent (CO_2e) emissions are those directly occurring from sources that are owned or controlled by the institution, including: on-site stationary combustion of fossil fuels; mobile combustion of fossil fuels by company-owned/controlled vehicles; and fugitive emissions. Fugitive emissions result from intentional or unintentional releases of GHGs.

Scope 2 CO_2e emissions are indirect emissions generated in the production of electricity consumed by the company.

Scope 3 CO_2e emissions are all the other indirect emissions that are a consequence of the activities of the institution, but occur from sources not owned or controlled by the institution such as commuting, air travel, waste disposal; embodied emissions from extraction, production and transportation of purchased goods; outsourced activities; contractor-owned vehicles; and line loss from electricity transmission and distribution.

Equivalent carbon dioxide (CO_2e) measures for describing how much global warming a given type and amount of greenhouse gas may cause, using the functionally equivalent amount or concentration of carbon dioxide (CO_2) as the reference.

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ADMINISTRATION AND CORPORATE INFORMATION

Corporate Secretary

Lucy Mokoka

Tel: +27 11 562 9719

Fax: +27 11 562 9829

e-mail: lucy.mokoka@goldfields.com

Registered office

JOHANNESBURG

Gold Fields Limited

150 Helen Road

Sandown

Sandton

2196

Postnet Suite 252

Private Bag X30500

Houghton

2041

Tel: +27 11 562 9700

Fax: +27 11 562 9829

Office of the United Kingdom secretaries

LONDON

St James s Corporate Services Limited

Suite 31, Second Floor

107 Cheapside

London

EC2V 6DN

United Kingdom

Tel: +44 20 7796 8644

Fax: +44 20 7796 8645

e-mail: general@corpserv.co.uk

American depository receipts transfer agent

Shareholder correspondence should be mailed to:

BNY Mellon Shareowner Services

PO Box 30170

College Station, TX 77842-3170

Overnight correspondence should be sent to:

BNY Mellon Shareowner Services

211 Quality Circle, Suite 210

College Station, TX 77845

e-mail: shrrelations@cpushareownerservices.com

Phone numbers

Tel: 888 269 2377 Domestic

Tel: 201 680 6825 Foreign

Sponsor

J.P. Morgan Equities South Africa Proprietary Limited

Gold Fields Limited

Incorporated in the Republic of South Africa

Registration number 1968/004880/06

Share code: GFI

Issuer code: GOGOF

ISIN ZAE 000018123

Investor enquiries

Avishkar Nagaser

Tel: +27 11 562 9775

Mobile: +27 82 312 8692

e-mail: avishkar.nagaser@goldfields.com

Thomas Mengel

Tel: +27 11 562 9849

Mobile: +27 72 493 5170

e-mail: thomas.mengel@goldfields.com

Media enquiries

Sven Lunsche

Tel: +27 11 562 9763

Mobile: +27 83 260 9279

e-mail: sven.lunsche@goldfields.com

Transfer secretaries

SOUTH AFRICA

Computershare Investor Services Proprietary Limited

Rosebank Towers

15 Biermann Avenue

Rosebank

Johannesburg

2196

PO Box 61051

Marshalltown

2107

Tel: +27 11 370 5000

Fax: +27 11 688 5248

UNITED KINGDOM

Link Asset Services

The Registry

34 Beckenham Road

Beckenham

Kent BR3 4TU

England

Tel: 0871 664 0300

Calls cost 12p per minute plus your phone company s access charge.

If you are outside the United Kingdom,

please call +44 371 664 0300.

Calls outside the United Kingdom will be charged at the applicable

international rate.

The helpline is open between 9:00am 5:30pm. Monday to Friday excluding public holidays in England and Wales.

e-mail: ssd@capita.co.uk

Website

WWW.GOLDFIELDS.COM

Listings

JSE / NYSE / GFI

SIX: GOLI

CA Carolus° *(Chairperson)* RP Menell° *(Deputy Chairperson)* NJ Holland* *(Chief Executive Officer)* PA Schmidt *(Chief Financial Officer)*

A Andani#° PJ Bacchus° TP Goodlace° C Letton ° DMJ Ncube° SP Reid ° YGH Suleman°

Australian * British # Ghanaian

° Independent Director Non-independent Director

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FURTHER INFORMATION

KEY INFORMATION

Selected Historical Consolidated Financial Data

The selected historical consolidated financial data for fiscal 2014 and fiscal 2013 and as of 31 December 2014 and 2013 has been derived from Gold Fields audited consolidated financial statements, which are not included in this annual report. The selected historical consolidated financial data presented below have been derived from consolidated financial statements which have been prepared in accordance with IFRS as issued by the International Accounting Standards Board. As a result of the Spin-off, the financial results of Sibanye-Stillwater, which include the KDC and Beatrix mines, have been presented as discontinued operations in the consolidated financial statements for fiscal 2013. In addition, given the disposal of the Darlot mine, the financial results of Darlot have been presented as discontinued operations in the consolidated financial statements for fiscal 2013 and 2014. See *Annual Financial Report Notes to the consolidated financial statements Note 12.1. Discontinued operations* . In addition, given the change in methodology relating to the amortisation of the mineral rights asset at the Australian operations, the financial information for 2013 and 2014 has been restated. See *Annual Financial Report Notes to the consolidated financial statements Note 40. Correction of methodology* . The Other Operating Data presented has been calculated as described in the footnotes to the table below:

Consolidated Income Statement Data

	Fiscal Period Ended 31 December				
	2017	**2016 Restated**	**2015 Restated**	**2014 Restated**	**2013 Restated**
	($ million, unless otherwise stated)				
Revenue	2,761.8	2,666.4	2,454.1	2,762.6	2,880.3
Cost of sales	(2,105.1)	(2,001.2)	(1,988.5)	(2,249.5)	(2,266.7)
Investment income	5.6	8.3	6.3	4.2	8.5
Finance expense	(81.3)	(78.1)	(82.9)	(98.2)	(69.3)
Gain/(loss) on financial instruments	34.4	14.4	(4.5)	(11.0)	(0.3)
Foreign exchange (loss)/gain	(3.5)	(6.4)	9.5	8.4	7.3
Other costs, net	(19.0)	(16.8)	(21.7)	(61.0)	(94.7)
Share-based payments	(26.8)	(14.0)	(10.7)	(25.5)	(40.5)
Long-term incentive plan	(5.0)	(10.5)	(5.1)	(8.3)	
Exploration expense	(109.8)	(86.1)	(51.8)	(45.4)	(113.6)
Share of results of equity-accounted investees net of taxation	(1.3)	(2.3)	(5.7)	(2.4)	(18.4)
Restructuring costs	(9.2)	(11.7)	(9.3)	(41.0)	(38.7)
Silicosis settlement costs	(30.2)				
Impairment, net of reversal of impairment of investments and assets	(200.2)	(76.5)	(206.9)	(26.7)	(728.3)
Profit on disposal of investments		2.3	0.1	0.5	17.8
Profit on disposal of Chucapaca				4.6	
Profit/(loss) on disposal of assets	4.0	48.0	(0.1)	(2.0)	1.6
Profit/(loss) before royalties and taxation	214.4	435.8	82.8	209.3	(455.0)
Royalties	(62.0)	(78.4)	(73.9)	(83.4)	(89.9)
Profit/(loss) before taxation	152.4	357.4	8.9	125.9	(544.9)
Mining and income taxation	(173.2)	(189.5)	(248.5)	(114.1)	(1.0)
(Loss)/profit from continuing operations	(20.8)	167.9	(239.6)	11.8	(545.9)
Profit/(loss) from discontinued operations, net of taxation	13.1	1.2	(8.2)	(2.1)	286.6
(Loss)/profit for the year	(7.7)	169.1	(247.8)	9.7	(259.3)

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	Fiscal Period Ended 31 December				
	2017	**2016 Restated**	**2015 Restated**	**2014 Restated**	**2013 Restated**
	($ million, unless otherwise stated)				
(Loss)/profit attributable to:					
Owners of the parent	(18.7)	158.2	(247.3)	2.1	(247.8)
Continuing operations	(31.8)	157.0	(239.1)	4.2	(534.4)
Discontinued operations	13.1	1.2	(8.2)	(2.1)	286.6
Non-controlling interests	11.0	10.9	(0.5)	7.6	(11.5)
Continuing operations	11.0	10.9	(0.5)	7.6	(11.5)
	(7.7)	169.1	(247.8)	9.7	(259.3)
(Loss)/earnings per share attributable to owners of the parent:					
Basic (loss)/earnings per share attributable to ordinary shareholders per share from continuing operations cents	(4)	19	(31)	1	(72)
Basic earnings/(loss) per share from discontinued operations cents	2		(1)		39
Diluted basic (loss)/earnings per share from continuing operations cents	(4)	19	(31)	1	(72)
Diluted basic earnings/(loss) per share from discontinued operations cents	2		(1)		39
Dividends per share (Rand)	1.00	0.71	0.24	0.42	0.75
Dividends per share ($)	0.08	0.05	0.02	0.04	0.08
Other Operating Data Continuing Operations					
All-in-sustaining costs net of by-product revenue per ounce of gold sold[1]	945	972	1,005	1,046	1,203
All-in-cost net of by-product revenue per ounce of gold sold[1]	1,081	998	1,025	1,081	1,313

Note:

(1) Gold Fields has calculated AISC net of by-product revenue per ounce of gold sold by dividing total AISC net of by-product revenue, as determined using the guidance provided by the WGC, by only gold ounces sold. Total AISC costs, as defined by the WGC, are cost of sales before gold inventory change and amortisation and depreciation (See *Annual Financial Report Notes to the consolidated financial statements Note 2. Cost of sales*) excluding amortisation and depreciation plus all costs not included therein relating to sustaining current production including sustaining capital expenditure. The value of by-product revenues (i.e. silver and copper) is deducted from cost of sales excluding amortisation and depreciation as it effectively reduces the cost of gold production. The AIC net of by-product revenue starts with AISC costs net of by-product revenue and adds additional costs which relate to the growth of the Group, including non-sustaining capital expenditure and exploration, evaluation and feasibility costs not associated with current operations. AISC costs and AIC are reported on a per ounce of gold basis, net of by-product revenues (as per the WGC definition), as well as on a per ounce of gold equivalent basis, gross of by-product revenues. Changes in total AISC and AIC per ounce are affected by operational performance, as well as changes in the currency exchange rate between the Rand and the Australian dollar compared with the U.S. dollar. Total AISC and all-in cost per ounce are not IFRS measures but are defined and reconciled to IFRS in management s discussion and analysis of the financial statements. Management, however, believes that total AISC cost and total all-in cost per ounce will be helpful to investors, governments, local communities and other stakeholders in understanding the economics of gold mining.

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Consolidated Statement of Financial Position Data

	Fiscal Period Ended 31 December				
	2017	**2016 Restated**	**2015 Restated**	**2014 Restated**	**2013 Restated**
	($ million, unless otherwise stated)				
ASSETS					
Non-Current assets	5,505.7	5,258.8	4,952.8	5,754.0	6,237.9
Property, plant and equipment	4,892.9	4,524.6	4,295.6	4,884.8	5,392.0
Goodwill	76.6	317.8	295.3	385.7	431.2
Inventories	132.8	132.8	132.8	132.8	93.8
Equity accounted investees	171.3	170.7	129.1	252.4	237.5
Investments	104.6	19.7	10.9	5.5	7.5
Environmental trust funds	55.5	44.5	35.0	30.4	23.9
Deferred taxation	72.0	48.7	54.1	62.4	51.9
Current assets	1,114.4	1,052.7	908.1	1,092.8	1,061.4
Inventories	393.5	329.4	298.2	368.3	404.5
Trade and other receivables	201.9	170.2	168.9	226.5	272.7
Cash and cash equivalents	479.0	526.7	440.0	458.0	325.0
Assets held for sale	40.0	26.4	1.0	40.0	59.2
Total assets	6,620.1	6,311.5	5,860.9	6,846.8	7,299.3
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent	3,275.8	3,050.7	2,644.4	3,531.2	3,853.7
Share capital	59.6	59.6	58.1	57.9	57.8
Share premium	3,562.9	3,562.9	3,412.9	3,412.9	3,412.9
Other reserves	(1,817.8)	(2,124.4)	(2,260.2)	(1,636.5)	(1,340.8)
Retained earnings	1,471.1	1,552.6	1,433.6	1,696.9	1,723.8
Non-controlling interest	127.2	122.6	111.9	124.5	193.8
Total equity	3,403.0	3,173.3	2,756.3	3,655.7	4,047.5
Non-current liabilities	2,363.1	2,278.8	2,540.5	2,478.0	2,628.3
Deferred taxation	453.9	458.6	482.2	383.7	400.3
Borrowings	1,587.9	1,504.9	1,761.6	1,765.7	1,933.6
Provisions	321.3	291.7	284.1	320.3	294.4
Long-term incentive plan		23.6	12.6	8.3	
Current liabilities	854.0	859.4	564.1	713.1	623.5
Trade and other payables	548.5	543.3	427.6	509.7	462.4
Royalties payable	16.3	20.2	18.5	20.4	23.1
Taxation payable	77.5	107.9	59.3	37.8	11.5
Current portion of borrowings	193.6	188.0	58.7	145.2	126.5
Current portion of long-term incentive plan	18.1				
Total equity and liabilities	6,620.1	6,311.5	5,860.9	6,846.8	7,299.3
Net Assets (excluding non-controlling interest) or equity attributable to owners of the parent	3,275.8	3,050.7	2,644.4	3,531.2	3,853.7
Net Debt	1,302.5	1,166.2	1,380.3	1,452.9	1,735.1
Number of ordinary shares as adjusted to reflect changes in capital structure (including treasury shares)	820,614,217	820,606,945	777,450,492	772,272,821	768,016,593

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Exchange Rates

The following tables set forth, for the periods indicated, the average, high and low exchange rates of Rand for U.S. Dollars, expressed in Rand per $1.00. All exchange rates are sourced from I-Net Bridge (Proprietary) Limited, or I-Net Bridge, being the average rate.

Year ended	Average
31 December 2013	9.60[(1)]
31 December 2014	10.82[(1)]
31 December 2015	12.68[(1)]
31 December 2016	14.70[(1)]
31 December 2017	13.33[(1)]
29 March 2018	11.84[(1)]

Note:

(1) The daily average of the closing rate during the relevant period as reported by I-Net Bridge.

Month ended	High	Low
31 October 2017	14.24	13.26
30 November 2017	14.46	13.65
31 December 2017	13.73	12.31
31 January 2018	12.47	11.83
28 February 2018	12.17	11.55
31 March 2018	12.11	11.60

The closing rate for the Rand on 29 March 2018, as reported by I-Net Bridge was Rand 11.84 per $1.00. Fluctuations in the exchange rate between the Rand and the U.S. dollar will affect the dollar equivalent of the price of the ordinary shares on the JSE, which may affect the market price of the American Depositary Shares, or ADSs, on the New York Stock Exchange, or NYSE. These fluctuations will also affect the U.S. dollar amounts received by owners of ADSs on the conversion of any dividends paid in Rand on the ordinary shares.

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RISK FACTORS

In addition to the other information included in this annual report, the considerations listed below could have a material adverse effect on Gold Fields business, financial condition or results of operations, resulting in a decline in the trading price of Gold Fields ordinary shares or ADSs. The risks set forth below comprise all material risks currently known to Gold Fields. These factors should be considered carefully, together with the information and financial data set forth in this document.

Gold Fields may experience unforeseen difficulties, delays or costs in implementing its business strategy and projects, including any strategic projects, cost-cutting initiatives, divestments and other initiatives and any such strategy or project may not result in the anticipated benefits.

The ability to grow the business will depend on the successful implementation of Gold Fields existing and proposed strategic initiatives, such as the ramping up of production at South Deep (which accounts for 70% of Gold Fields mineral reserves as at 31 December 2017), the reinvestment of Damang, the development of the Gruyere Gold project, or the Gruyere Gold Project or Gruyere, as well as the achievement of a 15% free cash flow margin, or FCF Margin, at a gold price of U.S.$1,300 per ounce. See *Integrated Annual Report Leadership CEO Report Strategy overview* . The Gruyere Project and the Salares Norte Project are exposed to all of the risks described below in *To the extent that Gold Fields seeks to add to or replace its reserve base through exploration, it may experience problems associated with mineral exploration or developing mining projects* .

The successful implementation of the Company s strategic initiatives depends upon many factors, including those outside its control. For example, the successful achievement of a 15% FCF Margin at a gold price of U.S.$1,300 per ounce will depend on, among other things, prevailing market prices for input costs.

Gold Fields may also prove unable to deliver on production targets and other strategic initiatives. Unforeseen difficulties, delays or costs may adversely affect the successful implementation of Gold Fields business strategy and projects, and such strategy and projects may not result in the anticipated benefits. For example, Gold Fields is in the process of implementing an operational and ramp up plan at South Deep intended to improve productivity at the mine, which includes the alignment of the mine s planning process with realistic productivity levels, the implementation of business improvement projects and the implementation of revised support strategies, mining sequence and pillar configuration changes. The implementation of this operational and ramp up plan is complex and there can be no assurance that the implementation of the plan will achieve the result intended or that it will not result in delays, increased costs or other issues. In addition, the reinvestment in the Damang mine may not yield the extension of reserves or life of mine expected. Any such difficulties, delays or costs could prevent Gold Fields from fully implementing its business strategy, which could have a material adverse effect on its business, operating results and financial condition.

Gold Fields is in the process of implementing initiatives, notably in relation to its Damang mine, Gruyere Project and ASX-listed Cardinal Resources Limited, or Cardinal Resources which include its strategic restructuring, including the reduction of marginal mining, cost-efficiency initiatives, increased brownfield exploration, production planning, cost-cutting and divestments. Any future contribution of these measures to profitability will be influenced by the actual benefits and savings achieved and by Gold Fields ability to sustain these ongoing efforts. A restructuring process commenced during fiscal 2017 at managerial level, with 26% of the management team being retrenched and a number of other positions being regraded. Since October 2017, management has also held extensive engagements with the National Union of Mineworkers, or the NUM, and the United Association of South Africa, or UASA, South Deep s two registered trade unions, regarding the importance of a turnaround process at South Deep. Strategic restructuring and cost-cutting initiatives may involve various risks, including, for example, labour unrest and operating licence withdrawal. The risk is elevated in South Africa, given Gold Fields mining rights obligations. See *Gold Fields mineral rights are subject to legislation, which could impose significant costs and burdens and which impose certain ownership requirements, the interpretation of which are the subject of dispute* .

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In addition, these initiatives may not be implemented as planned; turn out to be less effective than anticipated; only become effective later than anticipated; or not be effective at all. Depending on the nature of the outcomes of the initiatives, they, individually or in combination, may have a material adverse effect on Gold Fields business, operating results and financial condition.

As part of its strategy, Gold Fields has stated that it intends to dispose of certain of its exploration and development assets. With respect to these and any other dispositions, Gold Fields may not be able to obtain prices that it expects for assets it seeks to dispose of or to complete the contemplated disposals in the timeframe contemplated or at all.

Any of the above could have a negative impact on Gold Fields business, operating results and financial condition.

Changes in the market price for gold, and to a lesser extent copper, which in the past have fluctuated widely, affect the profitability of Gold Fields operations and the cash flows generated by those operations.

Gold Fields revenues are primarily derived from the sale of gold that it produces. The Group s policy is to remain unhedged to the gold price, though hedges are sometimes undertaken to protect cash flows at times of significant expenditure, for specific debt servicing requirements and to safeguard the viability of higher cost operations. As a result, it is exposed to changes in the gold price, which could lead to reduced revenue should the gold price decline. After falling 45% between September 2011 and December 2015, when it hit a low of U.S.$1,060 per ounce, the gold price recovered in fiscal 2017, ending the year at U.S.$1,300 per ounce. As at 29 March 2018, it was U.S.$1,324 per ounce, as trading in the metal remains volatile amid global political and economic uncertainties. See *Annual Financial Report Notes to the consolidated financial statements Note 37. Risk management activities* . The market price for gold has historically been volatile and is affected by numerous factors over which Gold Fields has no control, such as general supply and demand, speculative trading activity and global economic drivers.

Further, over the period from 2011 to 2017, the gold price has declined from an average price of U.S.$1,571 per ounce to an average price of U.S.$1,255 per ounce. Should the gold price decline below Gold Fields production costs, it may experience losses and should this situation continue for an extended period, Gold Fields may be forced to curtail or suspend some or all of its growth projects, operations and/or reduce operational capital expenditures. Gold Fields might not be able to recover any losses it incurred during, or after, such events. A sustained period of significant gold price volatility may also adversely affect Gold Fields ability to undertake new capital projects or continue with existing operations or make other long-term strategic decisions. The use of lower gold prices in reserve calculations and life of mine plans could also result in material impairments of Gold Fields investment in mining properties or a reduction in its reserve estimates and corresponding restatements of its reserves and increased amortisation, reclamation and closure charges.

In Peru, copper accounts for a significant proportion of the revenues at Gold Fields Cerro Corona mine, although copper is not a major element of Gold Fields overall revenues. Over the period from 2011 to 2017, the price of copper has declined from an average price of U.S.$8,836 per tonne to an average price of U.S.$6,131 per tonne. A variety of factors have and may depress global copper prices and a decline in copper prices, which have also fluctuated widely, would adversely affect the revenues, profit and cash flows of the Cerro Corona mine.

Because gold is sold in U.S. dollars, while a significant portion of Gold Fields production costs are in Australian dollars, Rand and other non-U.S. dollar currencies, Gold Fields operating results and financial condition could be materially harmed by a material change in the value of these non-U.S. dollar currencies.

Gold is sold throughout the world in U.S. dollars. Gold Fields costs of production are incurred principally in U.S. dollars, Australian dollars, Rand and other currencies. Recent volatility in the Rand (including significant depreciation of the Rand against the U.S. dollar in fiscal 2014 and 2015 before strengthening again in fiscal 2016

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and 2017) and the Australian dollar against the U.S. dollar (including depreciation in fiscal 2014 and 2015, volatility throughout fiscal 2016 followed by a recovery in fiscal 2017) made our reported costs in South Africa and Australia and results of operations less predictable than when exchange rates are more stable. As a result, any significant and sustained appreciation of any of these non-U.S. dollar currencies against the U.S. dollar may materially increase Gold Fields costs in U.S. dollar terms, and increase costs in Rand or Australian dollar terms, which could materially adversely affect Gold Fields business, operating results and financial condition.

Conversely, inflation in any of the countries in which it operates could increase the prices Gold Fields pays for products and services and could have a material adverse effect on Gold Fields business, operating results and financial condition if not offset by increased gold prices.

Gold Fields mineral reserves are estimates based on a number of assumptions, which, if changed, may require Gold Fields to lower its estimated mineral reserves.

The mineral reserves stated in this annual report are estimates based on assumptions regarding, among other things, Gold Fields costs, expenditures, commodity prices, exchange rates, geology models, geological criteria, mining methods, mining equipment and metallurgical and mining recovery assumptions, which may prove inaccurate due to a number of factors, many of which are beyond Gold Fields control. In the event that Gold Fields adversely revises any of the assumptions that underlie its mineral reserves reporting, Gold Fields may need to revise its mineral reserves downwards. See *Reserves of Gold Fields as at 31 December 2017* .

During fiscal 2015 and 2016, Gold Fields completed a strategic review of South Deep and delivered a revised plan, or the Rebase Plan, to the market in February 2017. The Rebase Plan defined the updated Mineral Reserve and life of mine, or LoM, plan for South Deep and incorporated all recent revisions and improvements in mine design, production scheduling and geotechnical parameters. The Rebase Plan required a diagnostic of the full value chain, from design to skills training, conducted by management and external consultants. The review highlighted opportunities for improvement and South Deep s own technical abilities were strengthened along with on-boarding various technical experts as part of developing a technically assured and deliverable mine plan. South Deep is now targeting steady-state annual production of approximately 480,000 ounces by fiscal 2022 at an AIC of U.S.$936 per ounce. Although the Rebase Plan has resulted in improvements at South Deep, there can be no assurance that the ongoing implementation of the Rebase Plan will not result in lower than expected long-term steady state production volumes, cost fluctuations, reduced reported ore reserves and life of mine, or other associated issues at South Deep, which could have a material adverse effect on Gold Fields business, operating results and financial condition. See *Reserves of Gold Fields as at 31 December 2017 Methodology* .

To the extent that Gold Fields seeks to add to or replace its reserve base through exploration, it may experience problems associated with mineral exploration or developing mining projects.

Gold Fields reserve base is depleted annually through its production activities. In fiscal 2017, two out of Gold Fields seven non-South African mines reported lower ore reserves after taking depletion into account.

In order to replace its mineral reserves at its international operations or expand its operations and reserve base, Gold Fields expects to rely, in part, on exploration for gold, and other metals associated with gold, as well as its ability to develop mining projects. Exploration for gold and other metals associated with gold is speculative in nature, involves many risks and is frequently unsuccessful. To the extent that ore bodies are to be developed, it can take a number of years and substantial expenditures from the initial phases of drilling until production commences, during which time the economic feasibility of production may change. In addition, to the extent Gold Fields participates in the development of a project through a joint venture or any other multi-party commercial structure, such as the Gruyere Gold Project in Western Australia in which Gold Fields holds a 50% interest, there could be disagreements, legal or otherwise, or divergent interests or goals among the parties, which could jeopardise the success of the project. There can be no assurances that Gold Fields will be able to replace its reserves through exploration, development or otherwise and, if Gold Fields is unable to replace its reserves, this could have a material adverse effect on its business, operating results and financial condition.

Furthermore, significant capital investment is required to achieve commercial production from exploration efforts. There is no assurance that Gold Fields will have, or be able to raise, the required funds to engage in these activities or to meet its obligations with respect to the exploration properties in which it has or may acquire an interest.

To the extent that Gold Fields makes acquisitions or enter into joint ventures, it may experience problems in executing the acquisitions or joint ventures or managing and integrating the acquisitions or joint ventures with its existing operations.

In order to maintain or expand its operations and reserve base, Gold Fields may seek to enter into joint ventures or to make acquisitions of selected precious metal producing companies or assets. For example, on 1 October 2013, Gold Fields completed the acquisition of the Granny Smith, Darlot and Lawlers gold mines, or the Yilgarn South Assets, in Western Australia from Barrick Gold Corporation, or Barrick. In November 2016, Gold Fields entered into a 50:50 unincorporated joint venture with Gold Road Resources, or Gold Road, for the development and operation of the Gruyere Project in Western Australia. See *Additional Information on the Company Gold Fields Mining Operations Projects Gruyere Project* . Any such acquisition or joint venture may change the scale of the Company s business and operations and may expose it to new geographic, geological, political, social, operating, financial, legal, regulatory and contractual risks. There can be no assurance that any acquisition or joint venture will achieve the results intended, and, as such, could have a material adverse effect on Gold Fields business, operating results and financial condition.

Gold Fields mineral rights are subject to legislation, which could impose significant costs and burdens and which impose certain ownership requirements, the interpretation of which are the subject of dispute.

Gold Fields right to own and exploit mineral reserves and deposits is governed by the laws and regulations of the jurisdictions in which the mineral properties are located. Currently, a significant portion of Gold Fields reserves and deposits are located in countries where mining rights could be suspended or cancelled should it breach its obligations in respect of the acquisition and exploitation of these rights.

In all of the countries where Gold Fields operates, the formulation or implementation of governmental policies on certain issues may be unpredictable. This may include changes in laws relating to mineral rights and ownership of mining assets and the right to prospect and mine, and, in extreme cases, nationalisation, expropriation or nullification of existing rights, concessions, licences, permits, agreements and contracts.

The Mining Charter and the Amended Mining Charter

For example, Gold Fields operations in South Africa are subject to legislation regulating the exploitation of mineral resources through the granting of rights required to prospect and mine for minerals. This includes broad-based black economic empowerment, or BBBEE, legislation designed to effect the entry of historically disadvantaged South Africans, or HDSAs, into the mining industry and to increase their participation in the South African economy.

Gold Fields South African operation is subject to the Mineral and Petroleum Resources and Development Act, or the MPRDA, which came into effect on 1 May 2004 and transferred ownership of mineral resources to the South African people, with the South African government acting as custodian in order to, among other things, promote equitable access to the nation s mineral resources by South Africans, expand opportunities for HDSAs who wish to participate in the South African mining industry and advance social and economic development. As custodian, the South African government exercises regulatory control over the exploitation of mineral resources

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and does so by exercising the power to grant, including, subject to terms and conditions, the rights required to prospect and mine for minerals. The MPRDA required mining companies to apply for the right to mine and/or prospect and to apply for the conversion of old order prospecting rights and mining rights to new order prospecting rights and mining rights. In order to qualify for these rights, applicants need to satisfy the South African government that the granting of such a right will advance the open-ended broad-based socio-economic empowerment requirements of the Mining Charter published pursuant to the MPRDA, or the Mining Charter. The MPRDA also required that mining companies submit social and labour plans, or SLPs, which set out their commitments relating to human resource development, labour planning and socio-economic development planning to the DMR. In order to give content to the broad-based socio-economic empowerment requirements to the mining industry, the DMR published the Mining Charter, which became effective on 1 May 2004. The Mining Charter required 15% HDSA ownership by 2009 and 26% HDSA ownership by 2014, or the 2014 Deadline.

In 2010, the DMR introduced the Amended Mining Charter containing guidelines envisaging, among other things, that mining companies should achieve a minimum of 40% HDSA demographic representation by 2014 at executive management (board) level, senior management (executive committee) level, core and critical skills, middle management level and junior management level.

In fiscal 2014, with the 2014 Deadline in view, the DMR initiated a process of assessing mining companies , including Gold Fields , compliance with the Mining Charter and the Amended Mining Charter. This review process raised a number of concerns among mining companies due to its inflexible approach towards the assessment of compliance with the Mining Charter and the Amended Mining Charter.

On 31 March 2015, the DMR released to the public an interim report of the consolidated results of the assessment, which showed relatively general compliance with the non-ownership requirements of the Mining Charter and the Amended Mining Charter. However, the DMR did not report the results of compliance with the HDSA ownership guidelines of the Mining Charter and the Amended Mining Charter and noted that there is no consensus on certain applicable principles.

On the same date, the Chamber of Mines, or the Chamber, reported that the DMR believes that empowerment transactions by mining companies concluded after 2004, where the HDSA ownership level has fallen due to HDSA disposal of shares or for other reasons, should not be included in the calculation of HDSA ownership for the purposes of, among other things, the 26% HDSA ownership guidelines under the Mining Charter. The position of the Chamber (including Gold Fields) is that such empowerment transactions should be included in the calculation of HDSA ownership.

The DMR and the Chamber agreed to approach the South African courts jointly to seek a declaratory order that will provide a ruling on the relevant legislation and the status of the Mining Charter and the Amended Mining Charter, including clarity on the status of previous empowerment transactions concluded by mining companies and a determination on whether the ownership element of the Mining Charter and the Amended Mining Charter should be a continuous compliance requirement for the duration of the mining right as argued by the DMR, or a once-off requirement as argued by the Chamber, or the once empowered always empowered principle. The Chamber and the DMR filed papers in court and the matter, or the Main Application, was placed on the roll to be heard on 15 March 2016. In February 2016, an application was filed by a third party, Malan Scholes Inc., to consolidate the Main Application with its own application for a declaratory order on the empowerment aspects of the Mining Charter and the Amended Mining Charter, or the Scholes Application. The Chamber opposed the consolidation of these applications on the basis that, among other things, the right to relief in the respective applications does not depend substantially on the same questions of law and/or fact. On 3 May 2016, the court refused to consolidate the two applications. The court dismissed the Scholes Application on 30 June 2017. The court reserved judgment in the Main Application after hearings on 9 and 10 November 2017.

If the DMR were to prevail in the Main Application and the once empowered always empowered principle is rejected, mining companies, including Gold Fields, may be required to undertake further

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empowerment transactions in order to increase their HDSA ownership, which would result in the dilution of existing shareholders and could have a negative impact on the financial indebtedness of Gold Fields. In such event, mining companies may be required to maintain a minimum HDSA ownership level indefinitely.

The New Mining Charter

While it remains to be seen whether the Chamber will prevail in the Main Application, on 15 June 2017, the DMR published a new mining charter, or the New Mining Charter, which came into effect on the same day. The Chamber launched an urgent application, or the Interdict Application, in the High Court of South Africa, Gauteng Division, Pretoria, or the Gauteng Division High Court, to interdict the implementation of the New Mining Charter, pending an application by the Chamber, or the Chamber Application, to set the New Mining Charter aside on the basis that it was unilaterally developed and imposed on the industry and that the process that was followed by the DMR in developing the New Mining Charter had been seriously flawed. The Interdict Application was due to be heard in court on 14 September 2017. However, the Minister and the Chamber reached an agreement on 13 September 2017 under which the Minister undertook to suspend the New Mining Charter pending the outcome of the Chamber Application. This undertaking was noted by the Gauteng Division High Court on 14 September 2017. The Chamber Application, which was set to be heard on 19, 20 and 21 February 2018, has been postponed indefinitely by agreement between the DMR and the Chamber on the basis that the Chamber has entered into a new round of discussions with the newly elected President of South Africa, Cyril Ramaphosa, and the new Minister of Mines, Gwede Mantashe. On 19 February 2018, the Gauteng Division High Court ordered that the DMR and the Chamber must also involve communities affected by mining activities in these new discussions over the New Mining Charter. The involvement of communities in these discussions may delay the process of agreeing on a new Mining Charter. For the time being, existing holders must continue to comply with the provisions of the Mining Charter and are not required to implement any aspect of the suspended New Mining Charter.

In the event that the negotiations on the New Mining Charter fail and the court upholds the New Mining Charter in its current form (if the Chamber Application is again placed on the roll to be heard) then existing and new holders of mining rights will need to comply with the New Mining Charter, which may require, among other things, further issuance of Gold Fields shares to comply with the new ownership requirements, limitation on procurement and other activities, changes to management and the payment of additional fees and levies as set out in the New Mining Charter.

Any adjustment to the ownership structure of Gold Fields mining assets in order to meet BBBEE requirements could have a material adverse effect on the value of Gold Fields securities. Further, Gold Fields may in the future incur significant costs or have to issue additional ordinary shares as a result of changes in the interpretation of existing laws and guidelines or the imposition of new laws relating to HDSA ownership requirements, which may have a material adverse effect on Gold Field s business, operating results and financial condition.

The MPRDA

The MPRDA requires, among other things, that mining companies submit social and labour plans, or SLPs, which set out their commitments relating to human resource development, labour planning and socio-economic development planning to the DMR. In April 2013, Gold Fields submitted a new SLP for South Deep, or the 2013 SLP, to replace its original SLP submitted in 2010. Although the 2013 SLP was never approved by the DMR, South Deep was annually measured on the 2013 SLP by the DMR. The 2013 SLP expired in December 2017 and, in compliance with its mining license conditions, Gold Fields submitted a new SLP for the 2018 to 2022 period in December 2017, or the 2017 SLP. Gold Fields is awaiting the DMR s approval of the 2017 SLP.

In terms of section 47 of the MPRDA, the Minister of Mineral Resources may suspend or cancel the existing mining rights, or under section 23(3) of the MPRDA, refuse to grant applications for new mining rights by

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mining companies, including Gold Fields, should such holders of mining rights be deemed not to be in compliance with the requirements of the MPRDA as read with South Africa s mining industry empowerment requirements. However, it is this very issue which also forms part of the Main Application. If the Minister were to determine that Gold Fields is not in compliance with the requirements of the MPRDA and its empowerment requirements, Gold Fields may be required to engage in remedial steps, including changes to management and actions that require shareholder approval.

There is currently uncertainty whether mining companies are, in addition to its required compliance with the MPRDA, required to comply with the BBBEE Act, 2003, or BBBEE Act, and the BBBEE Codes, which apply generally to other industries in South Africa. The MPRDA does not require mining companies to comply with the BBBEE Act and the BBBEE Codes but the Minister of Mineral Resources has expressed a desire to align the New Mining Charter with the BBBEE Act and the more onerous BBBEE Codes. The current version of the New Mining Charter reflects the Minister s latest attempts at alignment notwithstanding the questionable need to do so. Accordingly, if brought into effect in its current form, the New Mining Charter could potentially create further uncertainty. For further information, see *Environmental and Regulatory Matters South Africa The BBBEE Act and the BBBEE Amendment Act* .

If the DMR were to determine that Gold Fields is not in compliance with the MPRDA, for any reason, including HDSA ownership, Gold Fields may challenge such a decision in court. Any such court action may be expensive and there is no guarantee that Gold Fields challenge would be successful.

There is no guarantee that any steps Gold Fields has already taken or might take in the future will ensure the retention of its existing mining rights, the successful renewal of its existing mining rights, the granting of applications for new mining rights or that the terms of renewals of its rights would not be significantly less favourable than the terms of its current rights. Any further adjustment to the ownership structure of Gold Fields South African mining assets in order to meet BBBEE requirements could have a material adverse effect on the value of Gold Fields securities.

An amendment bill to the MPRDA, namely the MPRDB, was passed by both the National Assembly and the National Council of Provinces, or NCOP, on 27 March 2014. In January 2015, the President referred the MPRDB back to Parliament for reconsideration and on 1 November 2016, the Portfolio Committee on Mineral Resources tabled non-substantial revisions to the MPRDB in the National Assembly and a slightly revised version of the MPRDB was passed by the National Assembly and referred to the NCOP. On 3 March 2017, the National Assembly passed certain minor amendments to the MPRDB. The National Assembly has referred the MPRDB to the NCOP where the Select Committee has received comments on the draft legislation. The chairperson of the Select Committee had targeted January or February of 2018 to pass the legislation. On 16 February 2018, President Ramaphosa announced that the MPRDB was at an advanced stage in Parliament. There is a large degree of uncertainty regarding the changes that will be brought about should the MPRDB be made law. Among other things, the MPRDB seeks to require the consent of the Minister of Mineral Resources for the transfer of any interest in an unlisted company or any controlling interest in a listed company where such companies hold a prospecting right or mining right and to give the Minister of Mineral Resources broad discretionary powers to prescribe the levels required for beneficiation in promoting the beneficiation of minerals.

Ghana

Gold Fields Ghana has two major mining leases in respect of its mining operations, namely the Tarkwa property lease and the Teberebie property lease. There are three mining leases under the Tarkwa property lease, all of which were granted in 1997 and will expire in 2027, and two mining leases under the Teberebie property lease, which were granted between 1988 and 1992, and expire in 2018. The Minerals Commission has approved Gold Fields Ghana s application for an extension of the Teberebie leases to 2036 and has made recommendations

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to the Minister of Land and Natural Resources to grant the extension. Gold Fields Ghana has fully paid for the fees associated with the extension. Abosso holds the mining lease in respect of the Damang mine which was granted in 1995 and expires in 2025, as well as the mining lease in respect of the Lima South pit that was granted in 2006 and expired in 2017 but remains valid until the application for the extension of the term is determined. On 18 December 2017, the Ghanaian Minerals Commission made a favourable recommendation to the Minister of Lands and Natural Resources for the extension of the Lima South lease for ten years. The Minerals Commission is awaiting the approval of the Minister for Lands and Natural Resources. For further information, see *Environmental and Regulatory Matters Ghana Mineral Rights* .

Failure by Gold Fields to comply with mineral rights legislation or to renew mining leases in any of the jurisdictions in which it operates may cause it to lose the right to mine, fail to acquire new rights to mine and may have a material adverse effect on Gold Fields business, operating results and financial condition.

Further, Gold Fields may, in the future, incur significant costs as a result of changes in the interpretation of existing laws and guidelines or the imposition of new laws, whether relating to the mining industry or otherwise, which may have a material adverse effect on Gold Fields business, operating results and financial condition.

Gold Fields is subject to various regulatory costs, such as mining taxes and royalties, changes to which may have a material adverse effect on Gold Fields operations and profits.

In recent years, governments, communities, non-governmental organisations, or NGOs, and trade unions in several jurisdictions have sought and, in some cases, have implemented greater cost imposts on the mining industry, including through the imposition of additional taxes and royalties. Such resource nationalism, whether in the form of cost imposts, interference in project management, mandatory social investment requirements, local content requirements or creeping expropriation could impact the global mining industry and Gold Fields business, operating results and financial condition.

In December 2017, during the African National Congress s, or ANC, national conference, the ANC resolved that as a matter of policy, the ANC should pursue the expropriation of land without compensation, provided that such expropriation is carried out without destabilising the agricultural sector, endangering food security or undermining economic growth and job creation. On 27 February 2018, the National Assembly assigned the Constitutional Review Committee, or CRC, to review section 25 of South Africa s Constitution and other relevant clauses to make it possible for the state to expropriate land in the public interest without compensation. The CRC has a deadline until 30 August 2018 to report their findings to the National Assembly. At this stage, it is not clear what recommendations the CRC may make. In the event that the CRC recommends a Constitutional amendment in favour of expropriation, various procedural milestones would need to occur, including a bill amending section 25 of the Constitution approved by a majority of the National Assembly as well as six of the nine provinces of the NCOP and signed by the President, among others.

The MPRDA provides a statutory right of access for the mining right holder to the mining area for the purposes of conducting mining operations and does not require the holder to own the land on which it conducts operations. Once a mining right is granted, a landowner cannot refuse a lawful mining right holder the right to conduct its mining operations. In addition, the landowner is not entitled to compensation from the mining right holder for the use of the land for mining operations conducted in terms of the MPRDA.

In South Africa, the ANC has adopted two recommended approaches to interacting with the mining industry. While the ANC has rejected the possibility of mine nationalisation for now, the first approach contemplates, among other things, greater state intervention in the mining industry, including the revision of existing royalties, the imposition of new taxes and an increase in the South African government s holdings in mining companies. The second approach contemplates the South African government taking a more active role in the mining sector, including through the introduction of a state mining company to be involved in new projects either through partnerships or individually.

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The adopted policies may impose additional restrictions, obligations, operational costs, taxes or royalty payments on gold mining companies, including Gold Fields, any of which could have a material adverse effect on Gold Fields business, operating results and financial condition.

In South Africa, the President has appointed the Davis Tax Committee to look into and review the current mining tax regime. The committee s first interim report on mining, which was released for public comment on 13 August 2015, proposed no changes to the royalty regime but recommended the discontinuation of the upfront capital expenditure write-off regime in favour of an accelerated capital expenditure depreciation regime. In addition, the report recommended retaining the so called gold formula for existing gold mines only, as new gold mines would be unlikely to be established in circumstances where profits are marginal or where gold mines would conduct mining of the type intended to be encouraged by the formula. The committee also recommended the phasing out of additional capital allowances available to gold mines in order to bring the gold mining corporate income tax regime in line with the tax system applicable to all taxpayers. For a description of the gold formula, see *Annual Financial Report Management s Discussion and Analysis of the Financial Statements Income and Mining Taxes South Africa* . On 12 December 2016, following a period of public comment, the committee issued its second and final report to the Minister of Finance, which largely reaffirmed its initial recommendations. The final reports were published on 13 November 2017. The South African National Treasury will continue to consider the committee s final recommendations. It is not clear at this stage which, if any, of the recommendations will be adopted as legislation.

In Ghana, the ownership of land on which there are mineral deposits is separate from the ownership of the minerals. On 1 January 2017, in line with the development agreement concluded between Gold Fields and the government of Ghana, or the Development Agreement, Gold Fields royalty rate changed from a flat 5% of revenue to a sliding scale royalty based on the price of gold, starting at a rate of 3% on a gold price below U.S.$1,300 per ounce. The Development Agreement also resulted in a reduction in the corporate tax rate from 35% to 32.5%, effective 17 March 2016. The government of Ghana has a right to obtain a 10% free-carried interest in mining leases. In addition, stool/land rents of approximately U.S.$3 to U.S.$3.2 per acre are (depending on the exchange rate) payable to the government of Ghana. See *Environmental and Regulatory Matters Ghana Mineral Rights* .

In Peru, the general corporate income tax rate was increased from 28% to 29.5% with effect from 1 January 2017. In turn, the dividends income tax rate applicable to non-resident shareholders has reduced from 6.8% to 5%. Since July 2012, mining companies have also been required to pay an annual supervisory contribution to the Supervisory Body of Investment in Energy and Mining (*Organismo Supervisor de la Inversión en Energía y Minería*), or the OSINERGMIN, as well as to the Assessment and Environment Supervising Agency (*Organismo de Evaluación y Fiscalización Ambiental*), or the OEFA. See *Environmental and Regulatory Matters Peru Mining Royalty and Other Special Mining Taxes and Charges* . In 2017, the legal stability agreements executed by each GFLC and Gold Fields Corona (BVI) Limited, or GFC, with the Peruvian government in 2007 expired. These agreements locked-in certain existing specific legal regimes for both companies such as the income tax regime, among others. With regards to GFC, its legal stability agreement was applicable to dividend or profit distribution and also protected GFC from the imposition of any new taxes other than income tax that affects dividends or profits.

In addition, a consultation law was enacted on 7 September 2011, requiring the government to consult with indigenous or native populations on legislative or administrative proposals that may have an impact on their collective rights. See *Environmental and Regulatory Matters Peru Mining Royalty and Other Special Mining Taxes and Charges* .

Australia operates a state based royalty regime, and a federal income tax regime. Each of Gold Fields Australian mines are in the State of Western Australia, which imposes a 2.5% royalty on the value of gold produced. In the 2017 State Budget, the Western Australian government announced an increase to the mineral royalty rate for gold to 3.75%. This proposal was met with significant co-ordinated opposition by the gold

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industry, and was not successfully passed by the Legislative Council in either the first or second attempt by the State Government. The risk however remains that the State Government will seek to re-introduce this increase.

The Australian federal government levies a corporate income tax at the rate of 30%, or 27.5% for base rate entities. Additionally, integrity measures have been introduced in Parliament to ensure that from 1 July 2017, the lower corporate tax rate will be limited to only those companies with no more than 80% passive income. Furthermore, there is currently a proposal to reduce the corporate tax rate to 25% over time. However, as the government does not have the support of the opposition and cross bench parties, it is considered unlikely that this change will occur in the near time, if at all.

The impositions of additional restrictions, obligations, operational costs, taxes or royalty payments could have a material adverse effect on Gold Fields business, operating results and financial condition.

Mining companies are increasingly required to operate in a sustainable manner and to provide benefits to affected communities. Failure to comply with these requirements can result in legal suits, additional operational costs, investor divestment and loss of social licence to operate , which could adversely impact Gold Fields business, operating results and financial condition.

Many mining companies face increasing pressure over their social licence to operate which can be understood as the acceptance of the activities of these companies by stakeholders. While formal permission to operate is ultimately granted by host governments, many mining activities require social permission from host communities and influential stakeholders to carry out operations effectively and profitably.

These businesses are under pressure to demonstrate that, while they seek a satisfactory return on investment for shareholders, the environment, human rights and other key sustainability issues are responsibly managed and stakeholders, such as employees, host communities and the governments of the countries in which they operate, also benefit from their commercial activities. The potential consequences of these pressures and the adverse publicity in cases where companies are believed not to be creating sufficient social and economic benefit or are perceived to not be responsibly managing other sustainability issues may result in additional operating costs, higher capital expenditures, reputational damage, active community opposition (possibly resulting in delays, disruptions and stoppages), allegations of human rights abuses, legal suits, regulatory intervention and investor withdrawal.

In order to maintain its social licence to operate, Gold Fields may need to design or redesign parts of its mining operations to minimise their impact on such communities and the environment, either by changing mining plans to avoid such impact, by modifying operations, changing planned capital expenditures or by relocating the affected people to an agreed location. Responsive measures may require Gold Fields to take costly and time consuming remedial measures, including the full restoration of livelihoods of those impacted. In addition, Gold Fields is obliged to comply with the terms and conditions of all the mining rights it holds in South Africa. In this regard, the SLP provisions of our mining rights must make provision for local economic development, among other obligations. See *Gold Fields mineral rights are subject to legislation, which could impose significant costs and burdens and which impose certain ownership requirements, the interpretation of which are the subject of dispute The MPRDA* . Gold Fields also undertakes social and economic development spending in Australia, Ghana and Peru, both voluntarily and as a condition of its mining rights. See *Integrated Annual Report Licence and Reputation Stakeholder Relations Community value creation* . In addition, as Gold Fields has a long history of mining operations in certain regions or has purchased operations which have a long history, issues may arise regarding historical as well as potential future environmental or health impacts in those areas.

Delays in projects attributable to a lack of community support or other community-related disruptions or delays can translate directly into a decrease in the value of a project or into an inability to bring the project to, or maintain, production. The cost of measures and other issues relating to the sustainable development of mining operations has placed significant demands on our resources, and could increase capital and operating costs and have a material adverse impact on Gold Fields reputation, business, operating results and financial condition.

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Economic, political or social instability in the countries or regions where Gold Fields operates may have a material adverse effect on Gold Fields operations and profits.

In fiscal 2017, 13%, 32%, 42% and 13% of Gold Fields gold-equivalent production was in South Africa, Ghana, Australia and Peru, respectively. Changes or instability in the economic, political or social environment in any of these countries or in neighbouring countries could affect an investment in Gold Fields.

High levels of unemployment and a shortage of critical skills in South Africa, despite increased government expenditure on education and training, remain issues and deterrents to foreign investment. The volatile and uncertain labour and political environments, which severely impacts the local economy and investor confidence, has led, and may lead, to further downgrades in national credit ratings, making investment more expensive and difficult to secure. See *Gold Fields operations and profits have been and may be adversely affected by union activity and new and existing labour laws* and *A further downgrade of South Africa s credit rating may have an adverse effect on Gold Fields ability to secure financing* . This may restrict Gold Fields future access to international financing and could have a material adverse effect on Gold Fields business, operating results and financial condition.

Furthermore, while the South African government has stated that it does not intend to nationalise mining assets or mining companies, certain political parties have stated publicly and in the media that the government should embark on a programme of nationalisation. Any threats of, or actual proceedings to, nationalise any of Gold Fields assets, could halt or curtail operations, resulting in a material adverse effect on Gold Fields business, operating results and financial condition and could cause the value of Gold Fields securities to decline rapidly and dramatically, possibly causing investors to lose the entirety of their respective investments.

In February 2018, Jacob Zuma resigned as President of South Africa and was replaced by Cyril Ramaphosa. Additionally, state elections for the government of Western Australia (the state in which Gold Fields Australian interests are located) were held on 11 March 2017 which resulted in a change to a labour party controlled government. In addition, on 23 March 2018, Pedro Pablo Kuczynski resigned as Peru s president following allegations of corruption, and was replaced by Martin Vizcarra on 23 March 2018. It is not certain what if any political, economic or social impacts the newly elected or appointed governments will have on South Africa, Australia or Peru, respectively, or on Gold Fields specifically. For example, the new government in Western Australia attempted to increase the royalty on gold from 2.5% to 3.75%, however the minority party along with independent members of the legislative council ultimately disallowed the increase.

There has also been regional social and community-related instability in the area around Gold Fields mining operations in Peru, where political developments in fiscal 2014 resulted in the election of local and regional officeholders who have taken public positions opposed to mining operations. In addition, engagement with community stakeholders, including in Peru and South Africa, can pose challenges to local management and any inability to properly manage these relationships may have a negative impact on our production or associated costs. There is also the potential for social instability or protests regarding mining activity in the communities near Gold Fields South Deep and Tarkwa mines relating to, among other things, community investment, environmental concerns, service delivery by local government or other issues. Occurrence of any of the above mentioned developments could result in Gold Fields experiencing opposition or disruptions in connection with any of its operations. Such opposition or disruptions at any of Gold Fields operations, in particular if it has an adverse impact or costs or causes any stoppages (including as a result of any protests aimed at other mining operations that affect operations) could have a material adverse effect on Gold Fields business, operating results and financial condition.

A further downgrade of South Africa s credit rating may have an adverse effect on Gold Fields ability to secure financing.

Prior to 2018, the challenges facing the mining industry and other sectors, among other factors, had resulted in the downgrading of South Africa s sovereign credit rating to non-investment grade, or junk, by Standard & Poor s and Fitch Ratings. On 23 November 2017, Standard & Poor s further downgraded South Africa s

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sovereign credit rating to BB with a stable outlook due to, among other things, declining consumption on a per capita basis, economic growth performance that is among the weakest of emerging market sovereigns and income inequality that is among the highest in the world. On 23 November 2017, Fitch Ratings reaffirmed its South Africa s sovereign credit rating of BB+ with a negative outlook. On 9 June 2017, Moody s downgraded South Africa s sovereign credit rating to Baa3 with a negative outlook. On 23 March 2018, Moody s affirmed its Baa3 sovereign credit rating for South Africa and upgraded its outlook to stable, liting the beginning of reform under president Ramaphosa.

Further downgrading of South Africa s sovereign credit rating to non-investment grade status by Standard & Poor s, Moody s or Fitch Ratings may adversely affect the South African gold mining industry and Gold Fields business, operating results and financial condition by making it more difficult to obtain external financing or could result in any such financing being available only at greater cost or on more restrictive terms than might otherwise be available. The recent downgrades of South Africa s sovereign credit rating could also have a material adverse effect on the South African economy as many pension funds and other large investors are required by internal rules to sell bonds once two separate agencies rate them as non-investment grade. Any such negative impact on the South African economy may adversely affect the South African gold mining industry and Gold Fields business, operating results and financial condition.

Gold Fields operations are subject to water use licences, which could impose significant costs and burdens.

Gold Fields operations are subject to water use licences and regulations that govern each operation s water usage and that require, among other things, mining operations to achieve and maintain certain water quality limits regarding all water discharges. Gold Fields is required to comply with these regulations under its permits and licences and any failure to do so could result in the curtailment or halting of production at the affected locations.

Gold Fields continues to use measures to remove underground water to permit the routine safe functioning of South Deep. South Deep was issued with a water use licence in November 2011. Certain conditions and other aspects of the approved licence were identified as requiring modification and an application to address these was submitted to the Department of Water Affairs and Sanitation, or DWS, in February 2012. A further amended water use licence application was submitted to the DWS in November 2013, primarily to reflect the results of a re-assessment of expected water use requirements and a changing water balance. No response was received from the DWS in relation to the 2013 amendment. In November 2014, an agreement was reached with the DWS to withdraw the 2013 amendment and to submit an updated amendment application in May 2015. The May 2015 amendment application reflects the proposed changes to the approved 2011 water use licence conditions. In addition, the updated amendment reflects a variety of water management projects and initiatives that were implemented during fiscal 2014 and that are planned for implementation during fiscal 2015 and beyond. A presentation was provided to the DWS in March 2015 to appraise them of the proposed structure and content of the new amendment, prior to the re-submission in May 2015. Gold Fields continued to make representations to the DWS during fiscal 2016 and is currently waiting to receive an approved amended licence. Following a visit to the mine to verify water usage in fiscal 2017, the DWS requested additional information in February 2018 in preparation to present the licence to the licensing committee. The existing approved licence will remain in place while the application is processed by the DWS.

In 2015, South Deep concluded a water supply agreement with Sibanye-Stillwater to supply water from Sibanye-Stillwater s Ezulwini mine, via the Leeuspruit stream. The plan to secure water to support South Deep during production ramp-up could also be negatively impacted by Sibanye s announcement on 31 August 2016 that it will be closing the Ezulwini (Cooke 4) mine. Sibanye-Stillwater has submitted a final assessment report to the regulator in October 2017. South Deep is an interested and affected party in the process, as there may be a number of adverse impacts on the mine, should pumping of mine water cease at Cooke 4 if Sibanye-Stillwater were to get the required approvals. South Deep, which is opposed to the cessation of pumping, is continuing to engage with Sibanye-Stillwater and other stakeholders to find an appropriate and effective solution and has appointed consulting engineers to develop alternative water treatment options.

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South Deep has implemented a water and environmental management strategy in an effort to satisfy the conditions of its water use licence and other relevant water and environmental regulatory requirements. However, there can be no assurance that Gold Fields will be able to meet all of its water and environmental regulatory requirements, primarily due to the inherent uncertainties related to certain requirements of the legislation, which are subject to ongoing discussions between government and the mining industry through the Chamber.

Any failure on Gold Fields part to achieve or maintain compliance with the requirements of its water use licences with respect to any of its operations could result in Gold Fields being subject to substantial claims, penalties, fees and expenses; significant delays in operations; or the loss of the relevant water use licence, which could curtail or halt production at the affected operation.

Further, any constraint on the water supply to South Deep could result in delays or constraints on the ramp up of that operation. Any of the above could have a material adverse effect on Gold Fields business, operating results and financial condition.

Gold Fields has experienced and may experience further acid mine drainage related pollution, which may compromise its ability to comply with legislative requirements or results in additional operating or closure cost liabilities.

Acid mine drainage, and acid rock drainage, or ARD (collectively called acid drainage, or AD), are caused when certain sulphide minerals in rocks are exposed to oxidising conditions (such as the presence of oxygen, combined with water). AD can occur under natural conditions or as a result of the sulphide minerals that are encountered and exposed to oxidation during mining or during storage in waste rock dumps, ore stockpiles or tailings dams. The acidic water that forms usually contains iron and other metals if they are contained in the host rock.

AD generation, and the risk of potential long-term AD issues, specifically at Gold Fields Cerro Corona, Damang and South Deep mines, is ongoing. Immaterial levels of surface AD generation also occur at Gold Fields Tarkwa and St. Ives mines. The AD issues at Damang are confined to the Rex open pit. Any AD which is currently generated is contained on Gold Fields property at all operations where it occurs and is managed as part of each mine s operational water management strategy. The relevant regulatory authorities are also kept appraised of the Group s efforts to manage AD through various submissions and other communications.

Gold Fields continues to investigate technical solutions at its South Deep, Damang and Cerro Corona mines to better inform appropriate strategies for long-term AD management (mainly post-closure), as well as to work towards a reliable cost estimate of these potential issues. None of these studies have allowed Gold Fields to generate a reliable estimate of the total potential impact on the Group. In addition, there can be no assurance that Gold Fields will be successful in preventing or managing long-term potential AD issues at these operations.

Gold Fields mine closure cost estimate (namely environmental rehabilitation costs provisions) for fiscal 2017 contains the aspects of AD management (namely tailings facilities, waste rock dumps, ore stockpiles and other surface infrastructure), which management has been able to reliably estimate. However, there could be no guarantee that Gold Fields current cost estimate, including the cost of post-closure water treatment, reflects all relevant factors and as such, the actual closure costs may be higher.

No adjustment for any effects on the Company that may result from potentially material (mainly post- closure) AD impacts at South Deep, Damang and Cerro Corona, has been made in the consolidated financial statements, other than through the Group s normal environmental rehabilitation costs provisions.

The existence of material long-term AD issues at any of Gold Fields operations could cause it to fail to comply with its water use licence requirements and could expose Gold Fields to fines, mine closures, production curtailment, additional operating costs and other liabilities, any of which could have a material adverse effect on Gold Fields business, production, operating results and financial condition.

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Gold Fields operations are subject to environmental and health and safety regulations, which could impose additional costs and compliance requirements and Gold Fields may face claims and liability for breaches, or alleged breaches, of such regulations and other applicable laws.

Gold Fields operations are subject to various environmental and health and safety laws, regulations, permitting requirements and standards. For example, Gold Fields is required to secure estimated mine closure liabilities. The funding methods used to make provision for the required portion of the mine closure cost liabilities, in accordance with in-country legislation, are as follows:

South Africa: contributions to environmental trust funds and guarantees;

Ghana: reclamation bonds underwritten by banks, and restricted cash;

Australia: due to legislative changes in Western Australia becoming effective in July 2014, an annual levy to the State of 1% of the total mine closure liability which goes into a State-administered fund known as the Mine Rehabilitation Fund is used to rehabilitate legacy sites or sites that have been prematurely closed or abandoned. As a consequence, Gold Fields Australian operations now self-fund all mine closure liabilities; and

Peru: bank guarantees.

Gold Fields may in the future incur significant costs to comply with such environmental and health and safety requirements imposed under existing or new legislation, regulations or permit requirements or to comply with changes in existing laws and regulations or the manner in which they are applied. Gold Fields may also be subject to litigation and other costs as well as actions by authorities relating to environmental and health and safety matters, including mine closures, the suspension of operations and prosecution for industrial accidents as well as significant penalties and fines for non-compliance. These costs could have a material adverse effect on Gold Fields business, results of operations and financial condition. See *Environmental and Regulatory Matters* .

In 2014, the Peruvian government established a three-year moratorium on the application of fines and other punitive sanctions against persons and entities operating in Peru, prioritising instead the imposition of corrective measures. This moratorium expired on 13 July 2017. The expiry of the moratorium increases the chances that Gold Fields Peruvian operations could be subject to greater focus by regulators on compliance with its environmental obligations.

The principal health risks associated with Gold Fields mining operations in South Africa arise from occupational exposure and potential community environmental exposure to silica dust, noise and certain hazardous substances, including toxic gases and radioactive particulates. The most significant occupational diseases affecting Gold Fields workforce include lung diseases (such as silicosis, tuberculosis, a combination of the two and chronic obstructive airways disease, or COAD) as well as noise-induced hearing loss, or NIHL. Employees have sought and may continue to seek compensation for certain illnesses, such as silicosis, from their employer under workers compensation and also, at the same time, in civil actions under common law (either as individuals or as a class) as is the case with the silicosis individual and class action lawsuits. Such actions may also arise in connection with the alleged incidence of such diseases in communities proximate to Gold Fields mines.

A consolidated application has been brought against several South African mining companies, including Gold Fields, for certification of a class action on behalf of current or former mineworkers (and their dependants) who have allegedly contracted silicosis and/or tuberculosis while working for one or more of the mining companies listed in the application. In May 2016, the South African South Gauteng High Court ordered, among other things, the certification of a silicosis class and a tuberculosis class. The High Court ruling did not represent a ruling on the merits of the cases brought against the mining companies. The Supreme Court of Appeal granted the mining companies leave to appeal against all aspects of the May 2016 judgment. The appeal hearing before the Supreme Court of Appeal was scheduled to be heard in March 2018.

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On 10 January 2018, it was announced that attorneys representing all appellants and all respondents involved in the above appeal hearing before the Supreme Court of Appeal have written to the Registrar of the Supreme Court of Appeal asking that the appeal proceedings be postponed until further notice. The Supreme Court of Appeal has granted approval for the postponement. The joint letter written to the Registrar of the Supreme Court of Appeal explained that good faith settlement negotiations between the Occupational Lung Disease Working Group (see below) and claimants legal representatives have reached an advanced stage. In view of that, all parties consider it to be in the best interests of judicial economy and the efficient administration of justice that the matter be postponed.

In addition to the class action, an individual silicosis-related action was instituted against Gold Fields and another mining company. In February 2018, the defendants (including Gold Fields) and the plaintiff entered into a confidential settlement agreement in full and final settlement of this matter.

The Occupational Lung Disease Working Group, or the Working Group, was formed in fiscal 2014 to address issues relating to compensation and medical care for occupational lung disease in the South African gold mining industry. The Working Group, made up of African Rainbow Minerals, Anglo American SA, AngloGold Ashanti, Gold Fields, Harmony and Sibanye-Stillwater, has had extensive engagements with a wide range of stakeholders since its formation, including government, organised labour, other mining companies and the legal representatives of claimants who have filed legal actions against the companies.

The members of the Working Group are among respondent companies in a number of legal proceedings related to occupational lung disease, including the class action referred to above. The Working Group is however of the view that achieving a comprehensive settlement which is both fair to past, present and future employees and sustainable for the sector, is preferable to protracted litigation. The Working Group will continue with its efforts to find common ground with all stakeholders, including government, labour and the claimants legal representatives.

As at 30 June 2017, as a result of the ongoing work of the Working Group and engagements with affected stakeholders since 31 December 2016, Gold Fields provided an amount of U.S.$30 million in the statement of financial position for its share of the estimated cost in relation to the Working Group of a possible settlement of the class action claims and related costs. The nominal value of this provision was U.S.$40 million.

Gold Fields believe that this remains a reasonable estimate of its share of the estimated cost in relation to the Working Group of a possible settlement of the class action claims and related costs. The provision at 31 December 2017 of U.S.$32 million increased due to effects of unwinding and translation. The nominal value of this provision remains unchanged at U.S.$40 million.

The ultimate outcome of these matters remains uncertain, with a possible failure to reach a settlement or to obtain the requisite court approval for a potential settlement. The provision is consequently subject to adjustment in the future, depending on the progress of the Working Group discussions, stakeholder engagements and the ongoing legal proceedings. See *Annual Financial Report Notes to the consolidated financial statements Note 34. Contingent liabilities*. If a comprehensive settlement is not reached and if a significant number of such claims were suitably established against it, the payment of compensation for the claims could have a material adverse effect on Gold Fields business, reputation, results of operations and financial condition. In addition, Gold Fields may incur significant additional costs arising out of these issues, including costs relating to the payment of fees, increased levies or other contributions in respect of compensatory or other funds established and expenditures arising out of its efforts to remediate these matters or to resolve any outstanding claims or other potential action.

South Africa s deputy Minister of Mineral Resources has stated that the ministry may increase sanctions, including closures, for mines in which fatalities occur because of violations of health and safety rules. The DMR can and does issue, in the ordinary course of its operations, instructions, including Section 54 orders, following

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safety incidents or accidents to partially or completely halt operations at affected mines. It is also Gold Fields policy to halt production at its operations when serious accidents occur in order to rectify dangerous situations and, if necessary, retrain workers. In fiscal 2017, 15 Section 54 stoppages were issued following visits by the DMR due to either perceived or actual unsafe working conditions, inadequate safety procedures or untrained personnel, with an estimated 24 days of production lost as a result of the Section 54 stoppages. In addition, there can be no assurance that the unions will not take industrial action in response to such accidents which could lead to losses in Gold Fields production. Any additional stoppages in production, or increased costs associated with such incidents, could have a material adverse effect on Gold Fields business, operating results and financial condition. Such incidents may also negatively affect Gold Fields reputation with, among others, employees and unions, South African regulators and regulators in other jurisdictions in which Gold Fields operates.

In Western Australia, significant increases in monetary and criminal penalties for breaches of existing workplace health and safety legislation are expected to be confirmed in fiscal 2018. In addition, new workplace health and safety laws are expected to come into force in 2019. The new measures will likely impose more extensive workplace health and safety obligations on Gold Fields operations in Western Australia, including introducing personal responsibility on directors and officers to ensure the Company is complying with its health and safety obligations. Breaches of any such obligations by the Company or its directors or officers may result in criminal liabilities.

Gold Fields could incur significant costs as a result of pending or threatened litigation, which could have a material adverse effect on Gold Fields business, operating results and financial condition. See *Annual Financial Report Notes to the consolidated financial statements Note 34. Contingent liabilities* . Further, any new regulations, potential litigation or any changes to the health and safety laws which increase the burden of compliance or the penalties for non-compliance may cause Gold Fields to incur further significant costs and could have a material adverse effect on Gold Fields business, operating results and financial condition. See *Environmental and Regulatory Matters* .

Regulation of greenhouse gas emissions and climate change issues may materially adversely affect Gold Fields operations.

Energy is a significant input and cost to Gold Fields mining and processing operations, with its principal energy sources being electricity, purchased petroleum products, and natural gas. A number of governments or governmental bodies, including the United Nations Framework Convention on Climate Change, have introduced or are contemplating regulatory changes in response to the potential impact of climate change. Many of these contemplate restricting emissions of greenhouse gases in jurisdictions in which Gold Fields operates.

The South African government plans to introduce a carbon tax. The carbon tax was intended to come into effect from 1 January 2015 but, in order to align the framework of the proposed carbon tax with the desired reduction outcomes, the implementation of the carbon tax was postponed. The National Treasury, published for comment a draft carbon tax bill, or the Draft Carbon Tax Bill, with a view to the implementation of the tax by January 2017. A new draft bill was adopted in August 2017 and the South African parliament released the draft bill in December 2017 for comment and the bill is expected to be enacted before the end of fiscal 2018. The South African government proposed to implement the tax from 1 January 2019 to meet its nationally determined contributions under the 2016 Paris Agreement of the United Nations Framework Convention on Climate Change. The National Treasury has stated that the carbon tax will be designed to ensure that it has no net impact on the electricity price. In June 2016, the National Treasury published the draft carbon offset regulations, or the Draft Carbon Offset Regulations. Carbon offsets are one of the allowances that carbon tax-liable entities can employ to reduce their tax-related exposure. In addition, the Department of Environmental Affairs, or the DEA, is currently working on draft legislation that will impose so-called carbon budgets on entities in identified high-emitting industries, including mining, which are intended to operate as statutory limits for carbon dioxide equivalent emissions, or CO_2e, emissions in excess of which may entail a fine or other punitive measures. In terms of the current Draft Carbon Tax Bill, companies that participate in the carbon budget system will be eligible for a 5%

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allowance under the carbon tax. While many aspects of the proposed carbon tax remain uncertain, the direct financial implications of government s proposed carbon tax for Gold Fields, for carbon emissions emanating from fuel consumption at South Deep, at an anticipated rate of R120 per tonne of CO_2e, would have been between approximately R0.3 million and R0.4 million for fiscal 2017. The potential net effect of proposed allowances is to permit the reduction of a carbon tax liability by 60% to 95% In other words, Gold Fields final liability will be significantly informed by the extent it is able to make use of the full suite of allowances that are built into the carbon tax design. See *Environmental and Regulatory Matters South Africa Environmental* .

The Australian government has committed to reduce Australia s greenhouse gas emissions to 26% to 28% on a national basis by 2030, as compared with the emission levels from 2005. The government has indicated that it will consider Australia s emissions reduction policies in detail between 2017 and 2018, in consultation with businesses and communities.

In addition, a number of other regulatory initiatives are underway in countries in which Gold Fields operates that seek to reduce or limit industrial greenhouse gas emissions. These regulatory initiatives will be either voluntary or mandatory and are likely to impact Gold Fields operations directly or by affecting the cost of doing business, for example by increasing the costs of its suppliers or customers. Inconsistency of regulations particularly between developed and developing countries may affect both Gold Fields decision to pursue opportunities in certain countries and its costs of operations. Furthermore, additional, new and/or different regulations in this area, such as the imposition of stricter limits than those currently contemplated, could be enacted, all of which could have a material adverse effect on Gold Field s business, financial condition, results of operations and prospects. Assessments of the potential impact of future climate change regulation are uncertain, given the wide scope of potential regulatory change in countries in which Gold Fields operates.

Furthermore, the potential physical impacts of climate change on Gold Fields operations are uncertain and may adversely impact the business, operating results and financial condition of Gold Fields operations.

Our high debt levels pose risks to our viability and may make us more vulnerable to adverse economic and competitive conditions, as well as other adverse developments.

Gold Fields carries significant debt relative to its shareholder equity. As of 31 December 2017, Gold Fields consolidated debt was U.S.$1.78 billion. U.S.$0.57 billion of Gold Fields consolidated debt securities becomes due over the 24 months following 31 December 2017.

Gold Fields significant levels of debt can adversely affect it in several respects, including:

- limiting its ability to access the capital markets;
- exposing it to the risk of credit rating downgrades, which would raise its borrowing costs and could limit its access to capital;
- hindering its flexibility to plan for or react to changing market, industry or economic conditions;
- making it more vulnerable to economic or industry downturns, including interest rate increases;
- increasing the risk that it will need to sell assets, possibly on unfavourable terms, to meet payment obligations;
- increasing the risk that it may not meet the financial covenants contained in its debt agreements or timely make all required debt payments; or
- affecting its ability to service the interest on its debt.

The effects of each of these factors could be intensified if Gold Fields increases its borrowings. Any failure to make required debt payments could, among other things, adversely affect Gold Fields ability to conduct operations or raise capital, which could have a material adverse effect on Gold Fields business, operating results or financial condition.

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Gold Fields operations and profits have been and may be adversely affected by union activity and new and existing labour laws.

Over recent periods, there has been an increase in union activity in some of the countries in which Gold Fields operates. Any union activity that affects Gold Fields could have a material adverse impact on its operations, production and financial performance.

In South Africa, a recent increase in labour unrest has resulted in more frequent industrial disputes and extended negotiations that have negatively affected South Africa s sovereign debt rating and subsequently the credit ratings of a number of the country s leading mining companies, including Gold Fields. Negotiations on a new agreement between Gold Fields and the registered trade unions of South Deep, which is due in fiscal 2018, commenced. While the outcome of Gold Fields wage negotiations with the unions in fiscal 2015 was relatively positive and resulted in a three year wage agreement with the NUM and UASA, the unions have exhibited limited flexibility to adjust working conditions that currently compromise the delivery of our business objectives. At South Deep, delivery of the mine s Rebase Plan requires more flexible shift arrangements and a more highly-skilled workforce. After almost two years of negotiations with the unions, there was limited progress in these areas, which has contributed to underperformance against Rebase Plan targets and mounting financial losses. Management was left with little option but to initiate a major restructuring process at South Deep in 2018. This restructuring exercise will undoubtedly have a major impact on wage negotiations in South Africa, where Gold Fields is seeking long-term salary and working condition agreements with organised labour. Considering the restructuring process at South Deep, there can be no guarantee that future negotiations, including the negotiations scheduled for fiscal 2018, will not be accompanied by further strikes, work stoppages or other disruptions.

Furthermore, guidelines and targets have been provided to facilitate compliance with the open-ended broad- based socio-economic empowerment requirements espoused in Section 2 of the MPRDA and in the broad-based socio-economic empowerment charter for the South African mining and minerals industry known as the Mining Charter, as well as the amendments to that charter that took effect from 13 September 2010, or the Amended Mining Charter. The Amended Mining Charter, contains guidelines which provide that all mining companies must achieve, among other things, 26% ownership by HDSAs of mining assets and a minimum of 40% HDSA demographic representation at the executive management, senior management, middle management, junior management and core and critical skills levels (subject to offsets) in order to comply with the empowerment requirements of the MPRDA. See *Gold Fields mineral rights are subject to legislation, which could impose significant costs and burdens and which impose certain ownership requirements, the interpretation of which are the subject of dispute* . The ongoing implementation and enforcement of these requirements, including as a result of any changes thereto following the announced review, may be contentious.

Gold Fields operations in Ghana and Peru have recently been, and may in the future be, impacted by increased union activities and new labour laws. In particular, there can be no guarantee that labour unions in either country will not undertake strikes or go-slow actions impacting the Group s operations or those of other related industries or suppliers, or that changes in local regulations will not result in increased costs and penalties being incurred by the Group.

In Ghana, in April 2013, employees represented by the Ghana Mineworkers Union, or GMWU, the Professional Managerial Staff Union and the Branch Union at both Tarkwa and Damang undertook illegal industrial action, resulting in the temporary suspension of production at both operations. The strike lasted six days and ended after Gold Fields and the GMWU reached a settlement. Subsequently, the wage negotiations with the unions in fiscal 2015 and fiscal 2016 were completed and wage agreements for fiscal 2016 and fiscal 2017 were signed, with a 10% basic salary increase for fiscal 2016 (to be backdated) and a 6% increase for fiscal 2017. Nevertheless, in light of the recent labour unrest there can be no guarantee that negotiations in the future will not be difficult or accompanied by further strikes, work stoppages or other labour actions. In fiscal 2017, the GMWU brought a suit against Gold Fields and the Ghanaian attorney general over the decision to adopt contract mining at Tarkwa, which included plans for the retrenchment of approximately 1,346 employees. On 2 March 2018, the High Court dismissed an interlocutory injunction application brought by the GMWU to prevent Gold

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Fields from carrying out the retrenchment before the matter is determined by the court. The GMWU has appealed the ruling of the High Court and also filed an application for stay of execution pending the appeal. This application for stay of execution must first be determined by the High Court after which it may be appealed to the Court of Appeal. A hearing on the application was scheduled before the High Court on 14 March 2018, but the hearing did not take place as the case was not on the cause list. It is not clear at this point what liabilities, if any, Gold Fields may have in the event that the Court of Appeal overturns the High Court s dismissal and the GMWU ultimately prevails in a case against Gold Fields in the High Court. Further, in Ghana, union calls for above-inflation wage increases have gradually undermined the business model. Management is seeking to restructure the operations which will have a major impact on wage negotiations in Ghana, where Gold Fields is seeking long-term salary and working condition agreements with organised labour. These negotiations are set to commence in March 2018.

In Peru, the Group may see increased union activity over the course of fiscal 2018 due to scheduled union negotiations in June 2019, as unions will likely seek more favourable and/or additional benefits in the next round of negotiations. In January 2017, Gold Fields executed a three-year agreement with Cerro Corona s union that provided for a S/. 220 annual wage increase in fiscal 2017 which is equivalent to a 5.3% annual wage increase on average for this group of employees, 5.5% increase in fiscal 2018 and 5.8% increase in fiscal 2019. See *Environmental and Regulatory Matters Peru* .

In Australia, Gold Fields has an enterprise agreement with their employees, which expires on 9 April 2018. If Gold Fields fails to renew the enterprise agreement with the relevant trade unions or if a new agreement is not established and approved by the Fair Work Commission, Gold Fields may be at risk of industrial action, including strike activity.

In the event that Gold Fields experiences further industrial relations related interruptions at any of its operations or in other industries that impact its operations, or increased employment-related costs due to union or employee activity, these may have a material adverse effect on its business, production levels, operating costs, production targets, operating results, financial condition, reputation and future prospects. In addition, lower levels of mining activity can have a longer term impact on production levels and operating costs, which may affect operating life. Mining conditions can deteriorate during extended periods without production, such as during and after strikes, and Gold Fields will not re-commence mining until health and safety conditions are considered appropriate to do so.

Existing labour laws (including those that impose obligations on Gold Fields regarding worker rights) and any new or amended labour laws may increase Gold Fields labour costs and have a material adverse effect on Gold Fields business, operating results and financial condition.

Power cost increases may adversely affect Gold Fields business, operating results and financial condition.

Gold Fields South Deep mining operation depends upon electrical power generated by the state-owned power provider, Eskom Limited, or Eskom. See *Annual Financial Report Management s Discussion and Analysis of the Financial Statements Overview Costs* . Eskom holds a monopoly on power supply in the South African market, supplying nearly 95% of the country s electricity needs. Eskom tariffs are regulated by the National Energy Regulator of South Africa, or NERSA. Although Eskom applied to NERSA for a 19.9% average increase in electricity tariffs for Eskom s 2018 to 2019 financial year, NERSA granted Eskom a 5.23% electricity tariff increase for this period. Eskom has indicated that it intends to challenge NERSA s decision not to grant the requested 19.9% tariff increase. Eskom is expected to submit to NERSA requests for three regulatory clearance account applications for the 2014-2015, 2015-2016 and 2016-2017 fiscal years, amounting to nearly R66 billion. Should all three applications be granted and liquidated in one year, this could result in approximately a 34% tariff increase. Should Gold Fields experience further power tariff increases, its business, operating results and financial condition may be adversely impacted.

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In Australia, Gold Fields St. Ives and Agnew/Lawlers mines contract for the supply of electricity with BHP Nickel-West under a power purchasing agreement. Granny Smith receives its entire electricity supply from a new gas-fired power station, sourcing gas from a nearby gas pipeline, which has been constructed for the nearby Tropicana mine to supply gas to its operations. Access to this pipeline is facilitated through a newly constructed gas power station, which provides a 24 megawatt power generating system to Granny Smith. If any of Gold Fields Australian operations were to lose their supply, replacement of this supply may entail a significant increase in costs due to the volatile Western Australian gas market. Any such increase in costs could have a material adverse impact on Gold Fields business and operating results.

The electricity policy of Western Australia relates to reforming access to the south west and the north west interconnected systems. The policies have not been finalised and any impact on access and pricing is not yet known.

The Australian government has announced that it will seek to work towards a National Energy Guarantee which mandates reliability and emissions standards for generators operating in the national electricity market. Although the National Energy Guarantee is not envisaged to apply in Western Australia, that does not rule out that Western Australia s electricity industry as being excluded from contributing to Australia s emission reduction goals. However, the Western Australian government has not yet set out a policy with regards to the National Energy Guarantee.

In Ghana, both Tarkwa and Damang concluded tariff negotiations for 2014 and 2015 with their respective power suppliers (the state electricity supplier, the VRA, supplies power to Tarkwa and the ECG provides power to Damang). The ECG s tariff for the period 1 January 2014 to 31 December 2014 was US$0.22/kWh, from 1 January 2015 to 31 July 2015 was US$0.23/kWh, from 1 February 2016 to 31 December 2016 was US$0.23/kWh and 1 January to 31 December 2017 was US$0.23/kWh. Following negotiations with management, ECG agreed to decrease its tariffs to US$0.20/kWh from 1 August 2015 to 31 January 2016. Tarkwa has agreed tariffs with VRA with a base tariff of US$0.17/kWh with effect from 1 January 2015 using a tariff model which inputs actual variables (including the generation mix and input prices) of the previous quarter to determine the tariff for the current quarter. The average VRA tariff for 2016 was US$0.16/kWh and for 2017 was US$ 0.167/kWh.

In order to reduce their reliance on power supplied by VRA and ECG, Tarkwa and Damang entered into a power purchasing agreement with independent power producer Genser, or the Genser PPA. Under the Genser PPA, Genser agreed to commission a gas power generation facility at Tarkwa and Damang. This power supply is expected to eventually replace all or a significant proportion of Tarkwa and Damang s current supply from the VRA and ECG. Genser has installed three 11MW turbines at Tarkwa and five 5.5MW turbines at Damang. An additional 11MW turbine is planned to be installed at Tarkwa to meet full demand, with commissioning scheduled for February 2018.

For the period of 2016 to 2017, the Public Utilities Regulatory Commission in Ghana has increased tariffs by 3.1% ($0.0489/kWh). On 5 April 2017, the Energy Sector Levies (Amendment) ACT, 2017 (ACT 946) revised imposed levies with reduction in the public lighting and National Electrification Levy of 3% and 2% respectively charged on electricity consumption by all categories of customers. Genser will require a period of time to stabilise its operational performance and during this phase there is a risk of incurring periods of downtime which, if extended, would require Damang and Tarkwa to revert back to state-owned utilities for their power supply.

Any further increase in the electricity price could have a material adverse effect on the Group s business and operating results. See *Environmental and Regulatory Matters* .

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Power stoppages, fluctuations and usage constraints may force Gold Fields to halt or curtail operations.

Although the electricity supply in South Africa has recently improved, with Eskom having gone more than 24 months without load shedding, Eskom has experienced load shedding as recently as fiscal 2015. In addition, although Eskom applied for a 19.9% electricity tariff increase for Eskom s 2018 to 2019 financial year, NERSA approved a 5.23% increase for this period. Eskom has expressed concern that this increase may not be adequate to prevent future electricity interruptions.

Gold Fields has a voluntary load curtailment agreement with Eskom. While no load shedding was requested by Eskom in 2017, under this agreement, Gold Fields is required to reduce demand by up to 25% of load, depending on the severity of the shortage, for a specified period of time during which the national grid is unable to maintain its load. Any further disruption or decrease in the electrical power supply available to Gold Fields South Deep operation could have a material adverse effect on its business, operating results and financial condition.

While the VRA has not imposed any power cuts in Gold Fields Ghanaian operations since August 2006, frequent power interruptions have occurred in the power supplied by the ECG in 2017. While Gold Fields has taken steps to source power from an independent power producer through on-site gas turbines to complement its self-generated sources, any gas supply chain-related risk specific to the regions where Gold Fields operates could affect Gold Fields business, operating results and financial condition.

Should Gold Fields continue to experience power fluctuations or usage constraints at any of its operations, then its business, operating results and financial condition may be materially adversely impacted.

An actual or alleged breach or breaches in governance processes, or fraud, bribery and corruption may lead to public and private censure, regulatory penalties, loss of licences or permits and impact negatively upon our empowerment status and may damage Gold Fields reputation.

Gold Fields operates globally in multiple jurisdictions and with numerous and complex frameworks, and its governance and compliance processes may not prevent potential breaches of law or accounting or other governance practices. Gold Fields operating and ethical codes, among other standards and guidance, may not prevent instances of fraudulent behaviour and dishonesty, nor guarantee compliance with legal and regulatory requirements.

For example, new legislation in Peru effective as of January 1, 2018 created administrative liabilities for companies in connection with crimes of transnational active bribery and active bribery of domestic public officials or servants. In addition, pursuant to the new legislation, companies must establish a criminal compliance system, which Gold Fields has already implemented.

To the extent that Gold Fields suffers from any actual or alleged breach or breaches of relevant laws (including South African anti-bribery and corruption legislation or the U.S. Foreign Corrupt Practices Act of 1977, or the FCPA) under any circumstances, they may lead to investigations and examinations, regulatory and civil fines, litigation, public and private censure, loss of operating licences or permits and impact negatively upon our empowerment status and may damage Gold Fields reputation. The occurrence of any of these events could have a material adverse effect on Gold Fields business, operating results and financial condition.

Due to the nature of mining and the extensive environmental footprint of the operations, environmental and industrial accidents and pollution may result in operational disruptions such as stoppages which could result in increased production costs as well as financial and regulatory liabilities.

Gold mining by its nature involves significant risks and hazards, including environmental hazards and industrial and mining accidents. These may include, for example, seismic events, fires, cave-ins and blockages,

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flooding, discharges of gases and toxic substances, contamination of water, air or soil resources, radioactivity and other accidents or conditions resulting from mining activities including, among other things, blasting and the transport, storage and handling of hazardous materials.

The occurrence of any of these hazards or risks could delay or halt production, increase production costs and result in financial and regulatory liability for Gold Fields (including as a result of the occurrence of hazards that took place at the Spin-off operations when they were owned by Gold Fields), which could have a material adverse effect on Gold Fields business, operating results and financial condition.

Due to ageing infrastructure at our operations, unplanned breakdowns and stoppages may result in production delays, increased costs and industrial accidents.

Once a shaft or a processing plant has reached the end of its intended lifespan, more than normal maintenance and care is required. Some of Gold Fields infrastructure in South Africa, Ghana and Australia falls into this category. Ageing infrastructure may also cause the Group to be unable to maintain throughput at its operations in Peru. Although Gold Fields has comprehensive strategies in place to address these issues, including maintenance and process plant optimisation projects, incidents resulting in production delays, increased costs or industrial accidents may occur. Such incidents may have a material adverse effect on Gold Fields business, operating results and financial condition.

If Gold Fields loses senior management or is unable to hire and retain sufficient technically skilled employees or sufficient HDSA representation in management positions, its business may be materially adversely affected.

Gold Fields ability to operate or expand effectively depends largely on the experience, skills and performance of its senior management team and technically skilled employees. However, the mining industry, including Gold Fields, continues to experience a global shortage of qualified senior management and technically skilled employees. In particular, there is a shortage of mechanised mining skills in the South African gold mining industry. Gold Fields may be unable to hire or retain appropriate senior management, technically skilled employees or other management personnel, or may have to pay higher levels of remuneration than it currently intends in order to do so. Additionally, as a condition of our mining rights at South Deep, Gold Fields must ensure that there is sufficient HDSA participation in our management and core and critical skills, and failure to do so could result in fines or the loss or suspension of our mining rights. If Gold Fields is not able to hire and retain appropriate management and technically skilled personnel or is unable to obtain sufficient HDSA representation in management positions or if there are not sufficient succession plans in place, this could have a material adverse effect on its business (including production levels), operating results and financial position.

Actual and potential supply chain shortages and increases in the prices of production inputs may have a material adverse effect on Gold Fields operations and profits.

Gold Fields operating results may be affected by the availability and pricing of raw materials and other essential production inputs, including fuel, steel and cyanide and other reagents. The price and quality of raw materials may be substantially affected by changes in global supply and demand, along with weather conditions, governmental controls and other factors. A sustained interruption in the supply of any of these materials would require Gold Fields to find acceptable substitute suppliers and could require it to pay higher prices for such materials. Any significant increase in the prices of these materials will increase the Company s operating costs and affect production considerations.

The price of oil has been volatile, fluctuating between U.S.$47.52 and U.S.$65.78 per barrel of Brent Crude in 2017. As of 29 March 2018, the price of oil was at U.S.$69.34 per barrel of Brent Crude.

In May 2017 and June 2017, the Ghanaian operations entered into fixed price ICE Gasoil cash settled swap transaction for a total of 125.8 million litres of diesel for the period June 2017 to December 2019. The average swap price is U.S.$457.2 per metric tonne (equivalent U.S.$61.4 per barrel). At the time of the transactions, the average Brent swap equivalent over the tenor was U.S.$49.8 per barrel. At 31 December 2017, the mark-to-market value on the hedge was a positive US$9 million.

In May 2017 and June 2017, the Australian operations entered into fixed price Singapore 10ppm Gasoil cash settled swap transactions for a total of 77.5 million litres of diesel for the period June 2017 to December 2019. The average swap price is U.S.$61.15 per barrel. At the time of the transactions, the average Brent swap equivalent over the tenor was U.S.$49.92 per barrel. At 31 December 2017, the mark-to-market value on the hedge was a positive U.S.$5 million.

There can be no assurance that the use of hedging techniques will always be to our benefit. Hedging instruments that protect against the market price volatility of commodities, in this case oil, may prevent us from realising the full benefit from subsequent decreases in market prices with respect to oil, which would cause us to record a mark-to-market loss, thus decreasing our profits. Hedging contracts also are subject to the risk that the other party may be unable or unwilling to perform its obligations under these contracts. Any significant non-performance could have a material adverse effect on our financial condition, results of operations and cash flows.

Furthermore, the price of steel has also been volatile. Steel is used in the manufacture of most forms of fixed and mobile mining equipment, which is a relatively large contributor to the operating costs and capital expenditure of a mine.

Fluctuations in oil and steel prices may have a significant impact on operating costs and capital expenditure estimates and, in the absence of other economic fluctuations, could result in significant changes in the total expenditure estimates for new mining projects or render certain projects non-viable.

Gold Fields insurance coverage may not adequately satisfy all potential claims in the future.

Gold Fields has an insurance programme, however, it may become subject to liability against which it has not insured, cannot insure or has insufficiently insured, including those in respect of past mining activities. Gold Fields existing property and liability insurance contains exclusions and limitations on coverage. For example, should Gold Fields be subject to any regulatory or criminal fines or penalties, these amounts would not be covered under its insurance programme. Should Gold Fields suffer a major loss, future earnings could be affected. In addition, Gold Fields insurance does not cover loss of profits. Further, insurance may not continue to be available at economically acceptable premiums. As a result, in the future, Gold Fields insurance coverage may not cover the extent of claims against it or any cross-claims made.

Gold Fields financial flexibility could be materially constrained by South African exchange control regulations.

South Africa s exchange control regulations, or the Exchange Control Regulations, restrict the export of capital from South Africa, the Republic of Namibia, and the Kingdoms of Lesotho and Swaziland, known collectively as the Common Monetary Area, or the CMA. Transactions between South African residents (including companies) and non-residents of the CMA are subject to exchange controls enforced by the South African Reserve Bank, or SARB. As a result, Gold Fields ability to raise and deploy capital outside the CMA is restricted. These restrictions could hinder Gold Fields financial and strategic flexibility, particularly its ability to fund acquisitions, capital expenditures and exploration projects outside South Africa. See *Environmental and Regulatory Matters South Africa Exchange Controls* .

Gold Fields may suffer material adverse consequences as a result of its reliance on outside contractors to conduct some of its operations.

A portion of Gold Fields operations in South Africa, Ghana, Australia and Peru are currently conducted by outside contractors. As a result, Gold Fields operations at those sites are subject to a number of risks, some of

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which are outside Gold Fields control, including contract risk, execution risk, litigation risk, regulatory risk and labour risk.

In addition, Gold Fields may incur liability to third parties as a result of the actions of its contractors. The occurrence of one or more of these risks could have a material adverse effect on Gold Fields business, operating results and financial condition. See *Integrated Annual Report Safe operational delivery Fit-for-purpose workforce Engagement with organised labour* .

Theft of gold and copper bearing materials and production inputs, as well as illegal and artisanal mining, occur on some of Gold Fields properties, are difficult to control, can disrupt Gold Fields business and can expose Gold Fields to liability.

A number of Gold Fields properties have experienced illegal and artisanal mining activities and theft of gold and copper bearing materials and copper cables (which may be by employees or third parties). The activities of illegal and artisanal miners could lead to depletion of mineral reserves, potentially affecting the economic viability of mining certain areas and shortening the lives of the operations as well as causing possible operational disruption, project delays, disputes with illegal miners and communities, pollution or damage to property for which Gold Fields could potentially be held responsible, leading to fines or other costs. Rising gold and copper prices may result in an increase in gold and copper thefts. The occurrence of any of these events could have a material adverse effect on Gold Fields business, operating results and financial condition.

Some of Gold Fields tenements in Australia are subject to native title claims and include Aboriginal heritage sites, which could impose significant costs and burdens.

Native title and Aboriginal cultural heritage legislation protects the claims and determined rights of Aboriginal people in relation to the land and waters throughout Australia in certain circumstances. Native title claims could require costly negotiations with the registered claimants and could have implications for Gold Fields access to or use of its tenements and, as a result, have a material adverse effect on Gold Fields business, operating results and financial condition. Similarly, there are risks that if Aboriginal cultural heritage sites are damaged or materially altered as a result of current or future operations, Gold Fields could be subject to criminal and/or civil penalties under relevant legislation. See *Environmental and Regulatory Matters Australia Land Claims* .

Compensation may be payable to native title claimants in respect of Gold Fields Australian operations

The Native Title Act 1993 (Cth) allows native title holders to seek compensation for the extinguishment or impairment of their native title which occurred following the commencement of the Racial Discrimination Act (1975) (Cth). The commonwealth, states and territories are generally responsible for any native title compensation for acts (such as the granting of land and mining tenures) attributable to them. However, this liability may be passed on to third parties either contractually or by legislation. In Western Australia, section 125A of the Mining Act 1978 (WA) seeks to allocate liability for any native title compensation payable for the extinguishing effects of a mining tenement, to the holder of the tenement at the time when the determination of compensation is made. This liability is allocated to the last holder of tenements that are no longer current. The application of section 125A, including in relation to mining tenements granted prior to the commencement of the Native Title Act, has not been tested by the Australian courts.

To the extent that it is ultimately determined that section 125A applies to some or all of Gold Field s mining tenements in Western Australia, Gold Fields may be liable for any native title compensation determined in relation to those tenements. Until a sufficient body of compensation claims have worked their way through the Australian courts, the allocation quantum and timing of this liability will be uncertain. An increasing number of compensation claims is expected following the Federal Court s decision in 2016 to award compensation of approximately A$3 million to native title holders in Timber Creek in the Northern Territory. Gold Fields is

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monitoring this issue and will assess any potential risks associated with this once settled calculation methodologies emerge.

HIV/AIDS, tuberculosis and other contagious diseases pose risks to Gold Fields in terms of lost productivity and increased costs.

The prevalence of HIV/AIDS in South Africa poses risks to Gold Fields in terms of potentially reduced productivity and increased medical and other costs. Compounding this are the concomitant infections, such as tuberculosis, that can accompany HIV illness, particularly at the end stages, and cause additional healthcare- related costs. If there is a significant increase in the incidence of HIV/AIDS infection and related diseases among the workforce, this may have a material adverse effect on Gold Fields business, operating results and financial condition. See *Integrated Annual Report Safe operational delivery Health HIV/AIDS* .

Additionally, the spread of contagious diseases such as respiratory diseases are exacerbated by communal housing and close quarters. The spread of such diseases could impact employees productivity, treatment costs and, therefore, operational costs.

Gold Fields utilises information technology and communications systems, the failure of which could significantly impact its operations and business.

Gold Fields utilises and is reliant on various information technology and communications systems, in particular SAP, payroll and time and attendance applications. Damage or interruption to Gold Fields information technology and communications systems, whether due to accidents, human error, natural events or malicious acts, may lead to important data being irretrievably lost or damaged, thereby adversely affecting Gold Fields business, prospects and operating results.

These systems may be subject to security breaches (e.g. cyber-crime or activists) or other incidents that can result in misappropriation of funds, increased health and safety risks to people, disruption to our operations, environmental damage, loss of intellectual property, disclosure of commercially or personally sensitive information, legal or regulatory breaches and liability, other costs and reputational damage. While no material losses related to cyber security breaches have been discovered, given the increasing sophistication and evolving nature of this threat, Gold Fields cannot rule out the possibility of them occurring in the future. An extended failure of critical system components, caused by accidental, or malicious actions, including those resulting from a cyber security attack, could result in a significant environmental incident, commercial loss or interruption to operations.

Shareholders outside South Africa may not be able to participate in future issues of securities (including ordinary shares) carried out by or on behalf of Gold Fields.

Securities laws of certain jurisdictions may restrict Gold Fields ability to allow participation by certain shareholders in future issues of securities (including ordinary shares) carried out by or on behalf of Gold Fields. In particular, holders of Gold Fields securities who are located in the United States (including those who hold ordinary shares or ADSs) may not be able to participate in securities offerings by or on behalf of Gold Fields unless a registration statement under the Securities Act is effective with respect to such securities or an exemption from the registration requirements of the Securities Act is available thereunder.

Securities laws of certain other jurisdictions may also restrict Gold Fields ability to allow the participation of all holders in such jurisdictions in future issues of securities carried out by Gold Fields. Holders who have a registered address or are resident in, or who are citizens of, countries other than South Africa should consult their professional advisers as to whether they require any governmental or other consents or approvals or need to observe any other formalities to enable them to participate in any offering of Gold Fields securities.

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Investors in the United States and other jurisdictions outside South Africa may have difficulty bringing actions, and enforcing judgments, against Gold Fields, its directors and its executive officers based on the civil liabilities provisions of the federal securities laws or other laws of the United States or any state thereof or under the laws of other jurisdictions outside South Africa.

Gold Fields is incorporated in South Africa. All of Gold Fields directors and executive officers reside outside of the United States. Substantially all of the assets of these persons and substantially all of the assets of Gold Fields are located outside the United States. As a result, it may not be possible for investors to enforce against these persons or Gold Fields a judgment obtained in a United States court predicated upon the civil liability provisions of the federal securities or other laws of the United States or any state thereof. In addition, investors in other jurisdictions outside South Africa may face similar difficulties.

Investors should be aware that it is the policy of South African courts to award compensation for the loss or damage actually sustained by the person to whom the compensation is awarded. Although the award of punitive damages is generally unknown to the South African legal system, it does not mean that such awards are necessarily contrary to public policy. South African courts cannot enter into the merits of a foreign judgment and cannot act as a court of appeal or review over the foreign court where the recognition and enforcement of a foreign judgement is sought. South African courts will usually implement their own procedural laws. It is doubtful whether an original action based on United States federal securities laws or the laws of other jurisdictions outside South Africa may be brought before South African courts. Further, a plaintiff who is not resident in South Africa may be required to provide security for costs in the event of proceedings being initiated in South Africa. In addition, the Rules of the High Court of South Africa require that documents executed outside South Africa must be authenticated for the purpose of use in South Africa.

Investors should also be aware that a foreign judgment is not directly enforceable in South Africa, but constitutes a cause of action which will be enforced by South African courts only if certain conditions are met.

Investors may face liquidity risk in trading Gold Fields ordinary shares on JSE Limited.

Historically, trading volumes and liquidity of shares listed on the JSE have been low in comparison with other major markets. The ability of a holder to sell a substantial number of Gold Fields ordinary shares on the JSE in a timely manner, especially in a large block trade, may be restricted by this limited liquidity.

Gold Fields may not pay dividends or make similar payments to its shareholders in the future and any dividend payment may be subject to withholding tax.

Gold Fields pays cash dividends only if funds are available for that purpose. Whether funds are available depends on a variety of factors, including the amount of cash available and Gold Fields capital expenditures (on both existing infrastructure as well as on exploration and other projects) and other cash requirements existing at the time. Under South African law, Gold Fields will be entitled to pay a dividend or similar payment to its shareholders only if it meets the solvency and liquidity tests set out in the Companies Act No. 71 of 2008, or the Companies Act, and Gold Fields Memorandum of Incorporation, or MOI. Given these factors and the Board of Directors discretion to declare cash dividends or other similar payments, dividends may not be paid in the future. It should be noted that a 20% withholding tax on dividends declared by South African resident companies to non-resident shareholders or non-resident ADS holders was introduced with effect from 22 February 2017. See *Additional Information Taxation Certain South African Tax Considerations Tax on Dividends* .

Gold Fields non-South African shareholders face additional investment risk from currency exchange rate fluctuations since any dividends will be paid in Rand.

Dividends or distributions with respect to Gold Fields ordinary shares have historically been paid in Rand. The U.S. dollar or other currency equivalent of future dividends or distributions with respect to Gold Fields ordinary shares, if any, will be adversely affected by potential future reductions in the value of the Rand against

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the U.S. dollar or other currencies. In the future, it is possible that there will be changes in South African exchange control regulations, such that dividends paid out of trading profits will not be freely transferable outside South Africa to shareholders who are not residents of the CMA. See *Additional Information South African Exchange Control Limitations Affecting Security Holders* .

Gold Fields ordinary shares are subject to dilution upon the exercise of Gold Fields outstanding share options.

Shareholders equity interests in Gold Fields will be diluted to the extent of future exercises or settlements of rights under the Gold Fields 2012 Share Plan, or the 2012 Plan, the Gold Fields 2005 Share Plan, or the 2005 Plan, the revised Gold Fields Limited 2012 share plan, or the revised Gold Fields Limited 2012 Share Plan, and any additional rights. See *Annual Financial Report Remuneration Report Remuneration policy Long-term incentive (LTI) plan* and *Annual Financial Report Notes to the consolidated financial statements Note 5. Share-based payments* . Gold Fields shares are also subject to dilution in the event that the Board is required to issue new shares in compliance with BBBEE legislation.

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ADDITIONAL INFORMATION ON THE COMPANY

Organisational Structure[(1)(2)]

Gold Fields is a holding company with its significant ownership interests organised as set forth below.

Group Structure

Notes:

(1) As of 29 March 2018, unless otherwise stated, all subsidiaries are, directly or indirectly, wholly-owned by Gold Fields.
(2) Not all other subsidiaries and investments are wholly-owned.

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Gold Fields is a limited public company incorporated in South Africa, with a registered office located at 150 Helen Road, Sandown, Sandton, 2196, South Africa, telephone number +27-11-562-9700. Gold Fields was incorporated and registered as a public limited company in South Africa under registration number 1968/004880/06 on 3 May 1968 and operates under Gold Fields Limited. Gold Fields is the ultimate holding company of the Gold Fields group.

Gold Fields Mining Operations

Gold Fields has seven producing mines located in South Africa, Ghana, Australia and Peru, as well as developing an open pit mine in Western Australia, in a joint venture with Gold Road. Gold Fields conducts underground and surface mining operations at St. Ives, underground-only operations at Agnew/Lawlers, Granny Smith and South Deep and surface-only open pit mining at Damang, Tarkwa and Cerro Corona. Some processing of surface rock dump material occurs at Damang, while some tailings material is processed at South Deep. Material processed from production stockpiles occurs at Tarkwa, Agnew, Granny Smith and St. Ives. Gold Fields sold the Darlot mine in Australia to Red 5 Limited for A$18.5 million effective 2 October 2017.

South African Operations

Gold Fields South African region consists of the South Deep mine. South Deep remains a strategic imperative for Gold Fields, and is projected to deliver long-term, cash-generative production to the Group once it achieves steady state full production. The successful delivery of South Deep, which accounts for 70% of the Group s Mineral Reserves, is critical for Gold Fields long-term, sustainable growth.

South Deep Mine

Introduction

South Deep is situated 45 kilometres south-west of Johannesburg, in the Gauteng Province of South Africa. South Deep has historically been a capital project and a developing mine where the majority of the permanent infrastructure to support expanded production has now been installed. South Deep is now advancing into the production ramp up phase which is expected to result in a long term steady state production profile being achieved in approximately five years and beyond. South Deep uses trackless mechanised mining methods comprising an array of techniques and mobile machines to achieve the most efficient extraction system for any given area in the ore body. South Deep operates under a mining lease with a total area of approximately 4,268 hectares.

South Deep is engaged in underground mining and its primary infrastructure comprises one metallurgical plant and two operating shaft systems, the older South Shaft complex and the newer Twin Shaft complex. The South Shaft complex includes a main shaft and three sub-vertical (SV) shafts, two of which are operational. The Twin Shaft complex consists of a single-barrel main shaft for hoisting personnel, rock materials and an adjacent bratticed ventilation shaft, used for both extracting used air and hoisting rock. The South Shaft complex operates to a depth of 2,650 metres below surface and the Twin Shaft complex operates to a depth of 2,995 metres below surface. South Deep s workings are at depth and therefore require significant cooling infrastructure. The South Deep operation has access to the national electricity grid, water, and road infrastructure and is located near regional urban centres where it can obtain needed supplies and services.

History

The current South Deep operations derive from the Barrick Western Areas Joint Venture, which Gold Fields acquired in a series of transactions in the second half of fiscal 2007. The Barrick Western Areas Joint Venture was named the South Deep Joint Venture.

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Geology

South Deep is a deep-level underground gold mine located along the northern and western margins of the Witwatersrand Basin, which have been the primary contributors to South Africa s production of a significant portion of the world s recorded gold output since 1886.

The Witwatersrand Basin comprises a 6,000 metre vertical thickness of sedimentary rocks, extending laterally for some 350 kilometres northeast to southwest by some 1,200 kilometres northwest to southeast, generally dipping at shallow angles toward the centre of the basin. The basin outcrops at its northern extent near Johannesburg, but to the west, south and east it is overlaid by up to 4,000 metres of volcanic and sedimentary rocks. The Witwatersrand Basin is Archaean in age, meaning the sedimentary rocks are of the order of 2.8 billion years old.

Gold mineralisation occurs within laterally extensive quartz pebble conglomerate horizons called reefs, which are developed above unconformable surfaces near the basin margin. As a result of faulting and primary controls on mineralisation processes, the goldfields are not continuous and are characterised by the presence or dominance of different reef units. The reefs are generally less than two metres in thickness and are widely considered to represent laterally extensive braided fluvial deposits or unconfined flow deposits, which formed along the flanks of alluvial fan systems around the edge of an inland sea. Dykes and sills of diabase or dolerite composition are developed within the Witwatersrand Basin and are associated with several intrusive and extrusive events.

Gold generally occurs in native form, often associated with pyrite, carbon and uranium. Pyrite and gold within the reefs display a variety of forms, some obviously indicative of detrital transport within the depositional system and others suggesting crystallisation within the reef itself.

The most fundamental controls of gold distribution are the primary sedimentary features such as facies variation and channel directions. Consequently, the modelling of sedimentary features within the reefs and the correlation of payable grades within certain facies is key to in situ reserve estimation as well as effective reef definition drilling programmes, operational mine planning and grade control.

Gold mineralisation at South Deep is hosted by conglomerates of the Upper Elsburg reefs and the Ventersdorp Contact Reef, or VCR. The Upper Elsburg reefs sub-crop against the VCR in a north-easterly trend, which defines their western limits. To the east of the sub-crop, the Upper Elsburg reefs are preserved in an easterly diverging sedimentary wedge attaining a total thickness of approximately 120 metres, which is subdivided into the lower Individuals and the overlying Massives. To the west of the sub-crop, only the VCR is preserved.

The stratigraphic units at South Deep generally dip southward at approximately 12 to 15 degrees and the gold-bearing reefs occur at depths of 1,500 metres to 3,500 metres below surface.

Production at South Deep is currently derived from the Upper Elsburg Reefs. In general terms, the Upper Elsburg succession represents an easterly prograding sedimentary sequence, with the Massives containing higher gold grades and showing more proximal sedimentological attributes in the eastern sector of the mining authorisation than the underlying Individuals. The sedimentary parameters of the Upper Elsburg reef units influence the overall tenor of the reefs with gold grade displaying a gradual, general decrease toward the east, away from the sub crop.

The North-South trending normal West Rand and Panvlakte faults, which converge on the Western side of the lease area, are the most significant large-scale faults in the area and form the western limit to gold mineralisation for the mine.

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West Africa Operations

The West Africa operations comprise the Tarkwa and Damang gold mines in Ghana. Gold Fields Ghana, which holds the interest in the Tarkwa mine, and Abosso, which owns the interest in the Damang mine, are 90% owned by Gold Fields and 10% by the Ghanaian government.

For a discussion on the energy supply in Gold Fields Ghana, see *Risk Factors Power cost increases may adversely affect Gold Fields business, operating results and financial condition* .

Tarkwa Mine

Introduction

The Tarkwa mine is located in southwestern Ghana, about 300 kilometres by road, west of Accra. The Tarkwa mine consists of several open pit operations on the original Tarkwa property and the adjacent southern portion of the property, which was formerly referred to as the Teberebie property and was acquired by Gold Fields in August 2000. Gold Fields added a SAG mill, a ball mill and a CIL plant.

The Tarkwa mine operates under mining leases with a total area of approximately 20,825 hectares, the entirety of which are surface operations. The Tarkwa mine has access to the national electricity grid, water, road and railway infrastructure, although rail service has been non-operational for many years. Most supplies are trucked in from either the nearest seaport, which is approximately 90 kilometres away by road in Takoradi, or from Tema, near Accra, which is approximately 300 kilometres away by road.

History

Investment in large-scale mining in the Tarkwa area commenced in the last quarter of the nineteenth century. In 1993, Gold Fields of South Africa took over an area previously operated by the State Gold Mining Corporation, or SGMC. SGMC had, in turn, acquired the property from private companies owned by European investors. Mining operations by Gold Fields commenced in 1997 following initial drilling, feasibility studies and project development (which included the removal of overburden and the resettlement of approximately 22,000 people).

Geology

Gold mineralisation at Tarkwa is hosted by Proterozoic Tarkwaian metasediments, which overlie but do not conform to a Birimian greenstone belt sequence. Gold mineralisation is concentrated in conglomerate reefs and has some similarities to deposits in the Witwatersrand Basin in South Africa. The deposit comprises a succession of stacked, tabular palaeoplacer units consisting of quartz pebble conglomerates. Approximately 10 such separate economic units occur in the concession area within a sedimentary package ranging from 40 metres to 110 metres in thickness. Low-grade to barren quartzite units are interlayered between the separate reef units.

Damang Mine

Introduction

The Damang deposits are located in the Wassa West District in southwestern Ghana approximately 330 kilometres by road west of Accra and approximately 30 kilometres by road northeast of the Tarkwa mine.

The mine exploits hydrothermal-style gold deposits in addition to Witwatersrand-style palaeoplacer gold. The Damang mine consists of an open pit operation with a SAG and ball mill and CIL processing plant. Damang operates under a mining lease with a total area of approximately 23,666 hectares. The Damang mine has access to the national electricity grid and water and road infrastructure. Most supplies are brought in by road from the nearest seaport, Takoradi, which is approximately 135 kilometres away, or from Accra, which is approximately 360 kilometres away by road.

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History

Mining on the Abosso concession began with underground mining in the early twentieth century. Surface mining at Damang commenced in August 1997 and Gold Fields assumed control of operations on 23 January 2002. Historically, the underground mine was in operation from 1878 until 1956.

Geology

Damang is located on the Damang Anticline, which is marked by Tarkwaian metasediments on the east and west limbs, around a core of Birimian metasediments and volcanics. Gold in the Tarkwaian metasediments and volcanics is predominantly found in the conglomerates of the Banket Formation and is similar to the Witwatersrand in South Africa; however, at Damang, hydrothermal processes have enriched this palaeoplacer and the adjacent metasediments within the Banket formation. Within the region, the contact between the Birimian and Tarkwaian metasediments and volcanics is commonly marked by zones of intense shearing and is host to a number of significant shear hosted gold deposits, including Prestea, Bogoso, and Obuasi.

Palaeoplacer mineralisation occurs on the west limb of the anticline at Abosso, Chida, and Tomento, and on the east limb of the anticline at the Kwesie, Lima South, and Bonsa North locations. Hydrothermal enrichment of the Tarkwaian palaeoplacer and metasediments also occur at the Rex, Amoanda, and Nyame areas on the west limb and the Damang and Bonsa areas on the east limb.

Australasia Operations

St. Ives

Introduction

St. Ives is located 80 kilometres south of Kalgoorlie and 20 kilometres south of Kambalda, straddling Lake Lefroy in Western Australia. It holds exploration licences, prospecting licences and mining leases covering a total area of approximately 140,640 hectares. St. Ives is both a surface and underground operation, with a number of open pits, one operating underground mine and a metallurgical CIP plant. The St. Ives operation obtains electricity pursuant to a contract with BHP Nickel West that expires in January 2023 and has access to water, rail, air and road infrastructure. Consumables and supplies are trucked in locally from both Perth and Kalgoorlie.

History

Gold mining began in the St. Ives area in 1897, with intermittent production until Resources Ltd, or WMC, commenced gold mining operations at St. Ives in 1980. Gold Fields acquired the St. Ives gold mining operation from WMC in November 2001.

Geology

The gold deposits of St. Ives are located at the southern end of the Norseman-Wiluna greenstone belt of the West Australian Goldfields Province. In the St. Ives area, the belt consists of Kalgoorlie Group volcanic rocks, Black Flag group felsic volcanic rocks and sediments and a variety of intrusive and overlying post-tectonic sediments. The area is structurally complex, with metamorphism ranging from lower greenschist and lower amphibolite facies. Shear hosted gold mineralisation has been discovered in all stratigraphic units. Deposit styles and ore controls are varied ranging from minor structures, including vein arrays, breccia zones and central, to quartz-rich and mylonitic parts of shear zones.

Agnew/Lawlers

Introduction

Agnew/Lawlers is located 23 kilometres west of Leinster, approximately 375 kilometres north of Kalgoorlie and 630 kilometres northwest of Perth, Western Australia. Together, Agnew and Lawlers hold exploration licences, prospecting licences and mining leases covering a total area of approximately 88,344 hectares.

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Agnew/Lawlers has one metallurgical plant in operation and is serviced by sealed road infrastructure to the mine gate. Supplies are generally trucked in from Perth or Kalgoorlie. Agnew/Lawlers is largely a fly-in fly-out operation with local services, including air transport with a sealed runway and accommodation, provided pursuant to an arrangement with a nearby major mining company. Agnew/Lawlers has access to electricity pursuant to a contract with the same major mining company as St. Ives which expires in May 2019. The bulk of the water is supplied from the mining operations and recovered from the in-pit tailings facility and previously mined pits.

History

Gold was discovered at Agnew in 1895 and production was intermittent until WMC acquired the operation in the early 1980s and constructed the current mill in 1986. Since that time, numerous open pits and underground operations have been mined. During 2001, Gold Fields acquired Agnew from WMC.

Gold was discovered around the same time at Lawlers. In 1984, Forsayth NL purchased the Great Eastern lease and constructed the Lawlers processing plant, or the Lawlers Mill. Mechanised open pit mining commenced in 1986. The New Holland underground mine opened in 1998 and in 2001 Barrick acquired Lawlers as part of its merger with Homestake. In 2013, Gold Fields purchased Lawlers from Barrick and the Lawlers Mill was placed on care and maintenance.

Geology

The Agnew and Lawlers gold deposits are located within the northwest portion of the Norseman-Wiluna greenstone belt of the Western Australian Goldfields. This greenstone belt consists of an older sequence of ultramafic flows, gabbros, basalts, felsic volcanics and related sedimentary rocks. The rocks are folded about the large, moderately north plunging Lawlers Anticline. The Agnew deposits are located on the western limb of this anticline, and major deposits discovered to date lie on sheared contacts between stratigraphic units. The anticline is cut by north-northeast trending faults such as the Waroonga and East Murchison Unit shear zones. The Lawlers deposits occur along the eastern limb of the Lawlers Anticline with the main Genesis-New Holland deposit located within the Scotty Creek Sediments west of Waroonga.

Granny Smith

Introduction

Granny Smith is located 27 kilometres southwest of the town of Laverton in the Northern Goldfields of Western Australia and is accessible via the Mt. Weld Road. Laverton has sealed a road to Perth, 950 kilometres to the southwest, and Kalgoorlie, 400 kilometres to the south.

Granny Smith holds exploration licences, prospecting licences and mining leases covering a total area of approximately 97,145 hectares.

The operation runs on a fly-in fly-out basis with variable rosters. A well-maintained unsealed airstrip located approximately eight kilometres northeast of the camp provides air access from Perth for the majority of employees. Flights are made four days per week and the average flight time is approximately 1.5 hours.

History

The Granny Smith deposits were discovered in 1987. In 1989, mining at Granny Smith commenced in the Granny Smith pit and continued in subsequent years, with the development of a series of open pits. In 1998 the Wallaby deposit was discovered 11 kilometres southwest of Granny Smith. In November 2001, the first Wallaby ore was delivered to the mill.

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The Wallaby Open Pit was mined from October 2001 until December 2006. Underground mining at Wallaby commenced in December 2005 and is ongoing. As noted above, Gold Fields acquired the mine in October 2013.

Geology

Granny Smith is located in the Eastern Yilgarn Craton. At a regional scale, the geological terrain around the Laverton area is dominated by the Mt. Margaret Dome in the northwest and the Kirgella Dome in the southeast. These domes are flanked to the east and west by north-northwest-striking shear zones, and the central zone between the two domes is dominated by north to north-northeast-striking sigmoidal shear zones. These distinctly different strikes to the shear zones developed early in the tectonic evolution of the area and resulted in a favourable architecture for late-stage orogenic gold mineralisation.

Darlot

On 2 October 2017, Gold Fields completed the sale of the Darlot mine to Red 5 Limited for A$18.5 million, as part of the Gold Fields strategic rationalisation of its mining and asset portfolio.

Introduction

Darlot is located in the Eastern Yilgarn Craton, approximately 55 kilometres southeast of Leinster and some 700 kilometres northeast of Perth in Western Australia. It held exploration licenses, prospecting licenses and mining leases covering a total area of approximately 29,219 hectares at the time of the sale. Darlot is an underground operation. The Darlot operation obtains electricity pursuant to a contract with an electricity generating contractor that expires in March 2020 and has access to water, rail, air and road infrastructure. Consumables and supplies are trucked in locally from both Perth and Kalgoorlie.

History

Gold was first discovered in the Lake Darlot region in an alluvial field in late 1894, which triggered a gold rush that lasted until 1913.

Modern exploration commenced in the late 1970s and focused on a re-evaluation of historical mining camps, and extensions and repetitions of known mineralised veins.

During August 1996, while diamond drilling a step-out program, a drill hole intersected a 33 metre section at a grade of 8.0g/t Au. This discovery drill hole for the Centenary orebody was approximately 1.2 kilometres east of the Darlot open pit. Underground development to the Centenary orebody from Darlot was initiated during December 1996 and by December 1998 stoping activities commenced. The Centenary orebody thereafter became the primary production source. Gold Fields acquired the mine in October 2013 and sold it to Red 5 Limited for A$18.5 million on 3 August 2017.

Geology

Darlot is located in the eastern portion of the Yilgarn Craton in Western Australia. The Yilgarn Craton is Archean-aged and comprises north-northwesterly trending greenstone belts and granitic intrusions. The Darlot Centenary deposit is located within the Mount Margaret mineral field which lies to the southern end of the Yandal Greenstone Belt.

The Centenary orebody is located approximately 1.2 kilometres east of the Darlot open pit and has been defined from approximately 150 to 700 metres below surface. Gold mineralisation occurs within sub-horizontal to 20 degrees westerly dipping stacked quartz veins bounded to the west by the Oval Fault and to the east by the Lords Fault.

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Americas Operations

Prior to fiscal 2013, Gold Fields owned a 98.5% economic interest in the Cerro Corona mine through its shareholding in La Cima. Gold Fields increased its economic interest in La Cima to 99.53% through a reduction in capital carried out in December 2013.

Cerro Corona

Introduction

The Cerro Corona mine became operational by the end of the third quarter of fiscal 2008. It forms part of a porphyry copper-gold deposit situated within the Hualgayoc Mining District in northern Peru. It is located in the highest part of the Western Cordillera of the Andes, in northern Peru, close to the headwaters of the Atlantic continental basin. Cerro Corona is located approximately 80 kilometres by road north of the City of Cajamarca. La Cima holds mining concessions covering a total area of approximately 4,365 hectares and Cerro Corona is being developed over an area of approximately 1,300 hectares, the rights to which are held by Gold Fields. Cerro Corona s electricity is supplied through a long-term contract with a Peruvian power supplier and transported through the national power transmission system and a 34 kilometre transmission line constructed by the project. Cerro Corona s water requirements are provided primarily by retention of rainfall and pit dewatering; water is continuously recycled.

History

In December 2003, Gold Fields, through a subsidiary, signed a definitive agreement to purchase an 80.7% economic and 92% voting interest in the Cerro Corona mine from a Peruvian family-owned company, Sociedad Minera Corona S.A. The agreement called for a reorganisation whereby the assets of Cerro Corona were transferred to La Cima, in July 2004. Following the approval of an environmental impact assessment, or EIA, on 2 December 2005, Gold Fields completed the purchase of the 92% voting interest (80.7% economic interest) in La Cima in January 2006, for a total consideration of U.S.$40.5 million. La Cima subsequently obtained all requisite additional permits to construct the mine. Construction commenced in May 2006.

Geology

The Cerro Corona gold-copper deposit is hosted by a 600- to 700-metre diameter sub-vertical cylindrical- shaped quartz diorite porphyry stock emplaced into mid-Cretaceous limestone and marls and siliclastic rocks. Within the porphyry, gold-copper mineralisation is primarily hosted by extensive zones of stockwork veining. There are at least two phases of diorite placement, only one of which is mineralised. The non-mineralised diorite is generally regarded as the last phase, and is referred to as barren core. The latest re-modelling suggests that the Cerro Corona porphyry is probably composed of four or five satellite stocks with the last two being barren. The intrusive has been emplaced at the intersection of Andean-parallel and Andeannormal (transandean) structures. Supergene oxidation and leaching processes at Cerro Corona have led to the development of a weak to moderate copper enrichment blanket, allowing for the subdivision of the deposit, from the surface downward, into an oxide zone, a mixed oxide-sulphide zone, a secondary enriched (supergene) sulphide zone and a primary (hypogene) sulphide zone.

Projects

Gruyere Project

Introduction

The Gruyere deposit is situated within the Yamarna Terrane of the eastern Yilgarn region of Western Australia. Gruyere is located approximately 200 kilometres east of Laverton and 1,000 kilometres north-east of Perth. It holds exploration and prospecting licences, and mining and miscellaneous leases covering a total area of

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approximately 201,068 hectares. Gruyere is planned to be an open pit operation and is currently under construction. The Gruyere Gold Project is 50% owned by Gold Fields after forming a joint venture with Gold Road in November 2016. The joint venture includes several prospective areas beyond the Gruyere main deposit and further resources have already been identified, within the Yamarna Terrane, namely Attila and Alaric.

Early works at Gruyere started in December 2016. Construction has now been in progress for more than 12 months. The Gruyere Gold Project remains on schedule to pour first gold at the end of the first quarter of 2019. Mining activities are scheduled to commence in the December 2018 quarter, utilising a fleet of 225-tonne payload dump trucks, 400-tonne excavators, production blast hole drills and support equipment to move approximately 31 million tonnes of material a year.

Civil works have continued to make good progress with the Bulk Earthworks, completing several key components of the contract, including the Gruyere main access road spanning 28 kilometres, sealed airstrip and clearing for the Stage 1 Pit and Tailings Storage Facility, during the fourth quarter of 2017. The engineering, procurement and construction contractor had poured 4,200 cubic metres of concrete in the process plant area, including the largest single pour to date of 750 cubic metres for the primary crusher raft slab. A further 10,500 cubic metres of concrete is to be poured before the process plant is complete. Construction of the seven carbon in leach tanks are progressing to schedule.

Final approval from the WA Department of Mines, Industry Regulation and Safety for the construction of the 198 kilometre Yamarna Gas Pipeline was approved in the fourth quarter of 2017. Construction of the pipeline is expected to be completed in the June 2018 quarter. Civil and structural works, installation of the generators and gas turbine engines have also begun at the 45 MW Gruyere power station.

Water supply boreholes from the Yeo bore field, which will serve as the main water source for the Gruyere process plant, have now been drilled. Installation of the 95 kilometre water pipeline connecting the bore field to the process plant is scheduled to commence in the March 2018 quarter. Construction of the electricity supply power lines to service the bore field has progressed significantly.

Consumables and supplies are trucked in via the Gruyere main access road, which connects the site with the Mt Shenton Yamarna Road, and ultimately, Perth and Kalgoorlie. Personnel transportation is via the new all-weather Gruyere airstrip which was completed in the second half of fiscal 2017.

History

Gold Road discovered the mineralisation at Gruyere in August 2013 with interface rotary air blast drilling. A total of 87,066 metres have been drilled from 470 holes on the project (357 reverse circulation, or RC, holes for 41,264 metres, 73 holes with RC pre-collars for 14,694 metres RC and 16,506 metres diamond core tail, and 40 full diamond drill holes for 14,603 metres) were drilled as part of the feasibility study. A further six diamond drill holes were completed in 2017 to test the down dip extension below the Gruyere resources pit and convert inferred areas. These boreholes were of nominally lower grade than anticipated but assisted in some resource conversion and a nominal reduction in the overall resources declared.

Geology

The Gruyere deposit is located on a flexure point of the regional-scale Dorothy Hills Shear Zone within the Dorothy Hills Greenstone Belt, where the shear zone changes from a northerly direction to a north-northwest direction. Orogenic gold mineralisation is hosted within the steep easterly dipping Gruyere porphyry, a medium-grained quartz monzonite porphyry that has intruded the country rocks, elongated in the direction of the shear zone, or the Gruyere Porphyry. The host Gruyere Porphyry averages 90 metres in horizontal width through the deposit with a maximum width of 190 metres in the centre of the deposit and tapering to around 5 metres to 10 metres width at the northern and southern extremities. The entire Gruyere Porphyry is variably altered and gold grade is related to variations in style and intensity of alteration, structure, veining and sulphide species.

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Salares Norte Project

Introduction

The Salares Norte project is 100% owned by Gold Fields and is focused on a gold-silver deposit in the Atacama region of northern Chile, with elevations between 4,200 metres and 4,900 metres above sea level. The nearest town is Diego de Almagro, about 190 kilometres by road to the west of the project. Mineralization is contained within a high-sulphidation epithermal system, offering high-grade oxides. The project is located within a core 1,800 hectare concession area. Gold Fields has an option to purchase one adjoining concession that would add a further 1,200 hectares.

History

The Group spent U.S.$53 million on feasibility study work and further drilling in fiscal 2017, following on from pre-feasibility study work and drilling in fiscal 2016 (U.S.$39 million), and U.S.$17 million spent in fiscal 2015. More than 150 kilometres of drilling has been completed to date. The project has progressed to include both the Brecha Principal and Agua Amarga deposits in an interim feasibility study, with an extended feasibility study expected to be completed by the end of fiscal 2018.

In December 2016, Gold Fields updated the project s resources for the Brecha Principal area (at pre-feasibility status) as well as the nearby Agua Amarga deposit (scoping study status). Preliminary indications suggested Salares Norte could be an open pit mine, while metallurgical test work suggested that hybrid carbon-in-leach processing could deliver recovery rates of around 91% for gold. On completion and review of the interim feasibility work, including advancement of an optimised mine plan for the combined Brecha Principal and Agua Amarga deposits, the Salares Norte project will be in a position to assess the viability of reporting a maiden reserve.

Importantly, a land easement for 30 years and water rights for the project were both granted in December 2016.

Salares Norte has completed its environmental and social baseline and is currently finalising the EIA report to be presented to the authorities within the next two months to support the project schedule. The environmental work comprises biological and bio-diversity studies, including the protection of the endangered short-tailed chinchilla in the area. The research has been completed and as a part of the EIA, Salares Norte will present the Chile s Ministry of Environment with options on how to protect the chinchilla, including possible relocation to a protected area within the concession. The research work undertaken at Salares Norte will also be used to inform a nationwide study on the conservation and management of the species.

The social baseline at Salares Norte has been expanded. While there are no indigenous claims or presence on the concession or the dedicated access routes, Salares Norte has embarked on an extensive engagement program with impacted communities, including investments in community projects.

Geology

The Salares Norte Project is located in the northern part of the Maricunga Belt, an area with a predominance of Cenozoic volcanic rocks, comprised of eroded strato-volcanos, volcanic domes and pyroclastic rocks. Mineralisation at Salares Norte is contained in a high-sulphidation epithermal system, hosted mainly by a breccia complex along the contact of two volcanic domes of andesitic and dacitic composition. Mineral resources have been delineated by drilling in two separate deposits, Brecha Principal and Agua Amarga, which are located about 500 metres apart. Most of the mineralisation known to date is oxidised. The sulphide mineralisation contains mainly pyrite.

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Insurance

Gold Fields has insurance policies to protect against catastrophic events which could have significant adverse effects on its operations and profitability, subject to the availability and cost of such insurance. Gold Fields maintains its philosophy of placing coverage with secure underwriters that offer programmes to suit Gold Fields specific needs.

Gold Fields has global insurance policies covering general liability, accidental loss or material damage to its property, business interruption in the form of fixed operating costs or standing charges and other losses. Gold Fields does not insure all potential losses associated with its operations as some insurance premiums are prohibitively expensive, some risks are considered too remote to insure and some types of insurance cover are not available. For example, Gold Fields does not insure against the loss of profits. Should an event occur for which there is no or limited insurance cover, this could affect Gold Fields cash flows and profitability.

Management believes that the scope and amount of insurance coverage is adequate, taking into account the probability and potential severity of each identified risk. Gold Fields insurance coverage is consistent with customary practice for a gold mining company of its size with multinational operations. See *Risk Factors Gold Fields insurance coverage may not adequately satisfy all potential claims in the future*.

Property

As of 31 December 2017, Gold Fields held rights over the following mining and exploration areas/tenements, including those held as joint ventures:

Gold Fields operative mining areas as of 31 December 2017

Operation	**Size** *(hectares)*
South Africa	
South Deep	4,268
Ghana	
Tarkwa	20,825
Damang	23,666
Australia(1)	
St. Ives	140,640
Agnew/Lawlers	88,344
Granny Smith	97,145
Darlot	
Gruyere	201,068
Peru	
Cerro Corona	4,365

Note:

(1) Tenement areas include: prospecting, exploration, mining, miscellaneous and non-managed or JV. The sale of Darlot to Red 5 Limited was completed on 2 October 2017.

Gold Fields leases its corporate headquarters in Sandton.

The MPRDA vests the right to prospect and mine in the Republic of South Africa with administration by the government of South Africa. During May 2010, the DMR approved the conversion of the South Deep old order mining rights and converted the same into a new order mining right on 13 July 2010, including an additional area called Uncle Harry s . Gold Fields also owns most of the properties in respect of its South African mining

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operations, and where it does not own such property, it does so in accordance with applicable mining and property laws. In addition, Gold Fields owns prospecting and surface rights contiguous to its operations in South Africa. As required under the MPRDA, Gold Fields has registered its surface rights utilised for mining purposes. Gold Fields has received prospecting rights on properties which it has identified as being able to contribute, now or in the future, to its business and will apply to convert those prospecting rights to mining rights under the MPRDA, when appropriate. These rights, historically known as the Fochville East, Kalbasfontein, WA4 and Wildebeestkuil prospecting rights, are in the process of being consolidated and will be known as the South Deep Contiguous Areas. See *Risk Factors Gold Fields mineral rights are subject to legislation, which could impose significant costs and burdens and which impose certain ownership requirements, the interpretation of which are the subject of dispute The MPRDA* .

Gold Fields West Africa operations comprise two legally registered entities, namely Gold Fields Ghana and Abosso. Gold Fields Ghana obtained the mining rights for the Tarkwa property from the government of Ghana in 1993. In August 2000, with the consent of the government of Ghana, Gold Fields Ghana was assigned the mining rights for the northern portion of the Teberebie property. The Tarkwa rights expire in 2027, while the Teberebie rights expire in 2018. The Minerals Commission has approved Gold Fields Ghana s application for an extension of the Teberebie leases to 2036 and has made recommendations to the Minister of Land and Natural Resources to grant the extension. Gold Fields Ghana has fully paid for the fees associated with the extension. Abosso holds the right to mine at the Damang property under the Damang and Lima South mining leases from the government of Ghana. The Damang lease expires in 2025. The Lima South lease expired in 2017 but remains valid until the application for the extension of the term is determined and a licence renewal plus fees have been submitted for its extension. Abosso is currently awaiting feedback from the Ghanaian Minerals Commission, the Minister of Land and Natural Resources is expected to grant the extension. Gold Fields may exploit all surface and underground gold at all three sites until the rights expire, provided that Gold Fields pays the government of Ghana a quarterly royalty. See *Environmental and Regulatory Matters Ghana Mineral Rights* .

In Western Australia, land that is the subject of mining rights is leased from the state. West Australian mining leases have an initial term of 21 years with one automatic 21-year renewal period and thereafter an indefinite number of 21-year renewals with government approval. In relation to gold produced from the mining leases at St. Ives, Agnew/Lawlers, Granny Smith and Darlot (until its sale), Gold Fields pays an annual royalty to the state of 2.5% of revenue.

In Peru, exploration and extraction activities can only be performed in duly authorised areas. Authorisation is granted by the Peruvian government when a mining concession is issued. Mining concessions expire if the titleholder does not exploit the concessions for a period of 15 years, unless the titleholder demonstrates to the authorities that this was through no fault of its own, in which case the authorities may allow the titleholder to begin to exploit the concession within the next 5 years that follow. The titleholder must comply with specific obligations, such as paying annual fees of U.S.$3.00 per hectare, meeting minimum investment requirements, paying a monthly royalty according to the value of the produced concentrates and other requirements. The mining concessions owned by Cerro Corona cover an area of 4,365 hectares, while the surface rights cover 1,291 hectares. See *Environmental and Regulatory Matters Peru Mining Concessions* .

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The maps presented below show the location of Gold Fields operations.

South Africa Operation

General location of the material assets South Deep Gold Mine

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West Africa Operations

General location of the material assets Tarkwa Gold Mine

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General location of the material assets Damang Gold Mine

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Australian Operations[1]

General location of the material assets St. Ives Gold Mine

Note:

(1) The sale of Darlot to Red 5 Limited was completed on 2 October 2017.

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General location of the material assets Agnew/Lawlers Gold Mine

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General location of the material assets Granny Smith Gold Mine

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General location of the material assets Gruyere Project

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Americas Operations

General location of the material assets Cerro Corona Gold Mine

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Glossary of Mining Terms

The following explanations are not intended as technical definitions, but rather are intended to assist the reader in understanding some of the terms used in this annual report.

Adjusted EBITDA means profit or loss for the year adjusted for interest, taxation, amortisation and depreciation and certain other costs. The definition of adjusted EBITDA is as defined in the U.S.$1,290 million term loan and revolving credit facilities agreement. Refer note 38 to the consolidated financial statements for the calculation of adjusted EBITDA.

Adjusted free cash flow and adjusted free cash flow margin or **Free cash flow** or **FCF Margin** means AIC adjusted for non-cash share-based payments, non-cash long-term employee benefits, exploration, feasibility and evaluation costs outside of existing operations, non-sustaining capital expenditure for growth projects only, realised gains or losses on revenue hedges and taxation paid (excluding royalties).

Adjusted free cash flow margin is adjusted free cash flow divided by revenue adjusted for by-product revenue.

The adjusted FCF Margin is calculated as follows:

Revenue (gold only = revenue as per the income statement less by-product revenue as per AIC)	xxx
Less: Cash outflow	(xxx)
AIC	(xxx)
Adjusted for	
Share-based payments (as non-cash)	xx
Long-term employee benefits (non-cash)	xx
Exploration, feasibility and evaluation costs outside of existing operations	xx
Non-sustaining capital expenditure	xx
Revenue hedges	xx
Tax paid (excluding royalties)	(xx)
Free cash flow	xx
Free cash flow margin	x%
Gold sold only ounces	xxx

All-in costs or **AIC** means all-in sustaining costs plus additional costs relating to growth, including non-sustaining capital expenditure and exploration, evaluation and feasibility costs not associated with current operations. For the calculation of all-in costs, see *Annual Financial Report Management s Discussion and Analysis of the Financial Statements* .

All-in sustaining costs or **AISC** means operating costs excluding amortisation and depreciation, plus all costs not included therein relating to sustaining current production including sustaining capital expenditure. For the calculation of all-in sustaining costs, see *Annual Financial Report Management s Discussion and Analysis of the Financial Statements* .

Backfill means material, generally sourced from tailings or waste rock, used to refill mined-out areas to improve and maintain ground stability, minimise waste dilution and maximise extraction of the ore body, as well as typically mitigating the effects of seismicity.

Brownfield means exploration conducted in areas where mineral deposits have already previously been discovered and is also termed near mine.

Carbon in leach , or **CIL** means a process similar to CIP (described below) except that the ore slurries are not leached with cyanide prior to carbon loading. Instead, cyanide leaching and precious metals adsorption onto the activated carbon occur simultaneously.

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Carbon in pulp, or **CIP** means a common process used to extract gold from cyanide leach slurries. The process consists of carbon granules suspended in the slurry and flowing counter-current to the process slurry in multiple-staged agitated tanks. The process slurry, which has been leached with cyanide prior to the CIP process, contains soluble gold. The soluble gold is absorbed onto the carbon granules that is subsequently separated from the slurry by screening. The gold is then recovered from the carbon by electrowinning onto steel wool cathodes or by a similar process.

Cleaning means the process of removing broken rock from a mine.

Comminution means the breaking, crushing or grinding of ore by mechanical means.

Cut-off grade means the lowest grade of mineralised material considered economic and is used in the calculation of the ore reserves in a given deposit; it distinguishes the material within the ore body that is to be extracted, treated and sold from the remaining material.

Decline or **incline** means a sloping underground opening or ramp for machine access from the surface to an underground mine or from level to level in an underground mine. Declines and inclines are often driven in a spiral to access different elevations in the mine.

Depletion means the decrease in quantity of ore in a deposit or property resulting from extraction or production.

Development means activities (including shaft sinking and on-reef and off-reef tunnelling) required to gain access to and to establish infrastructure in preparation for mining activities and to maintain a planned production level.

Dilution means the mixing of waste rock, and potentially mineralised material below the cut-off grade, with the ore, resulting in a decrease in the overall grade.

Dissolution means the process whereby a metal is dissolved and becomes amenable to separation from the gangue material.

Electrowinning means the process of removing mineral from solution by the action of electric currents, known as electrolysis.

Elution means removal of the gold from the activated carbon by washing with a solvent. **Exploration** means activities associated with ascertaining the existence, location, extent or quality of mineralisation, including economic and technical evaluations of mineralisation.

Exploration means activities associated with ascertaining the existence, location, extent and the economic viability of a deposit.

Flotation means the process whereby certain chemicals are added to the material fed to the leach circuit in order to float the desired minerals to produce a concentrate of the mineral to be processed. This process can be carried out in column flotation cells.

Gangue means commercially valueless or waste material remaining after ore extraction from rock.

Gold reserves means the gold contained within proved and probable reserves on the basis of recoverable material (reported as mill delivered tonnes and head grade).

Grade means the quantity of metal per unit mass of ore expressed as a percentage or, for gold, as grams of gold per tonne of ore.

Grinding means reducing rock to the consistency of fine sand by crushing and abrading in a rotating steel grinding mill.

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Head grade means the grade of the ore as delivered to the metallurgical plant.

Heap leaching means a relatively low-cost technique for extracting metals from ore by percolating leaching solutions through heaps of crushed ore placed on impervious pads. Generally used on low-grade ores.

Hypogene means ore or mineral deposits formed by ascending fluids occurring deep below the earth s surface, which tend to form deposits of primary minerals, as opposed to supergene processes that occur at or near the surface, and tend to form secondary minerals.

In situ means within unbroken rock or still in the ground.

Kriging means a geostatistical estimation technique used in the evaluation of ore reserves.

Leaching means dissolution of gold from the crushed and milled material, including reclaimed slime, for absorption and concentration onto the activated carbon.

Level means the horizontal tunnels of an underground mine used to access the workings or ore body.

Life of mine, or **LoM** means the expected remaining years of production, based on production schedules and ore reserves.

London afternoon fixing price means the afternoon fixing by the new electronic London Bullion Market Association, or LBMA price-discovery process. The price continues to be set twice daily, at 10:30 and 15:00 London time.

Mark-to-market means the current fair value of a derivative based on current market prices, or to calculate the current fair value of a derivative based on current market prices, as the case may be.

Measures means conversion factors from metric units to U.S. units are provided below.

Metric unit	**U.S. equivalent**
1 tonne (1t)	1.10231 short tons
1 gram (1 g)	0.03215 ounces
1 gram per tonne (1 g/t)	0.02917 ounces per short ton
1 kilogram per tonne (1 kg/t)	29.16642 ounces per short ton
1 kilometre (1 km)	0.62137 miles
1 metre (1 m)	3.28084 feet
1 centimetre (1 cm)	0.39370 inches
1 millimetre (1 mm)	0.03937 inches
1 hectare (1 ha)	2.47104 acres

Metallurgical plant means a processing plant used to treat ore and extract the contained minerals.

Metallurgical recovery factor means the proportion of metal in the ore delivered to the mill that is recovered by the metallurgical process or processes.

Metallurgy means, in the context of this document, the science of extracting metals from ores and preparing them for sale.

Mill delivered tonnes means a quantity, expressed in tonnes, of ore delivered to the metallurgical plant.

Milling, or **mill** means the comminution of the ore, although the term has come to cover the broad range of machinery inside the treatment plant where the mineral is separated from the ore.

Mine call factor means the ratio, expressed as a percentage, of the specific product accounted for at the mill (including residue), compared to the specific product contained in an ore body calculated based on an operation s measuring and valuation methods.

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Mineralisation means the presence of a target mineral in a mass of host rock.

MPa means a unit measurement of stress or pressure within the earth s crust used to profile tectonic stress, which can impact ground stability and ground support requirements in underground mining.

Net cash flow is defined as net cash flow from operations less the South Deep dividend, net capital expenditure (additions to property, plant and equipment less proceeds on disposal of property, plant and equipment), and environmental trust fund and rehabilitation payments, as per the consolidated statements of cash flows which is a non-IFRS measure. An investor should not consider this item in isolation or as an alternative to cash flow from operating activities, cash and cash equivalents or any other measure presented in accordance with IFRS. The definition for the calculation of net cash flow may vary significantly between companies, and by itself does not necessarily provide a basis for comparison with other companies. The following table sets out a reconciliation of Gold Fields net cash flow from operations in accordance with IFRS (refer to the consolidated statement of cash flows) to net cash flows . For a reconciliation, see *Annual Financial Report Management s Discussion and Analysis of the Financial Statements* .

Net cash flow from operations[(1)]	xx
Less:	
South Deep dividend[(1)]	xx
Additions to property, plant and equipment[(1)]	xx
Proceeds on disposal of property, plant and equipment[(1)]	xx
Environmental and rehabilitation payments[(1)]	xx
Net cash flow	xx

Note:

(1) As per the consolidated statement of cash flows.

Net debt means total borrowings less cash and cash equivalents (refer note 38 to the consolidated financial statements).

Net smelter return , or **NSR** means the volume of refined mineral sold during the relevant period multiplied by the average spot mineral price and the average exchange rate for the period, less refining, transport and insurance costs.

Open pit means mining where the ore is extracted from a surface pit. The geometry of the pit may vary with the characteristics of the ore body.

Ore means a mixture of material containing minerals from which at least one of the minerals can be mined and processed at an economic profit.

Ore body means a well-defined mass of material of sufficient mineral content to make extraction economically viable.

Ore grade means the average amount of mineral contained in a tonne of mineral-bearing ore expressed in grams per tonne, or percent per tonne.

Ore reserves , or **reserves** means that part of a mineral deposit which could be economically and legally extracted or produced at the time of the reserve determination.

Ounce means one troy ounce, which equals 31.1035 grams.

Overburden means the soil and rock that must be removed in order to expose an ore body.

Paste filling means a technique whereby cemented paste fill is placed in mined out voids to improve and maintain ground stability, minimise waste dilution and maximise extraction of the ore.

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Palaeochannel means a remnant of an ancient buried river system. Under appropriate conditions such systems have the potential to contain gold-bearing placer deposits.

Porphyry means an igneous rock of any composition that contains larger, well-formed mineral grains in a finer-grained groundmass.

Probable reserves means reserves for which quantity and grade and/or quality are computed from information similar to that used for Proved reserves, but the sites for inspection, sampling, and measurement are farther apart or are otherwise less adequately spaced. The degree of assurance, although lower than that for Proved reserves, is high enough to assume continuity between points of observation.

Production stockpile means the selective accumulation of unprocessed ore which is actively managed as part of the current mining and processing operations.

Prospect means to investigate a site with insufficient data available on mineralisation to determine if minerals are economically recoverable.

Prospecting right means permission to explore an area for minerals.

Proved reserves means reserves for which: (1) the quantity is computed from dimensions revealed in outcrops, trenches, workings or boreholes; (2) the grade and/or quality are computed from the results of detailed sampling; and (3) the sites for inspection, sampling and measurement are spaced so closely and the geologic character is so well defined that size, shape, depth and mineral content of reserves are well-established.

Reef means a gold-bearing sedimentary horizon, normally a conglomerate band, which may contain economic levels of gold.

Refining means the final stage of metal production in which final impurities are removed from the molten metal by introducing air and fluxes. The impurities are removed as gases or slag.

Rehabilitation means the process of restoring mined land to a condition approximating its original state.

Rock dump means the historical accumulation of waste or low grade material derived in the course of mining which could be processed in order to take advantage of spare processing capacity.

Run of Mine , or **RoM** when used with regard to grade, is a term to describe the average grade of the ore mined.

Sampling means taking small pieces of rock at intervals along exposed mineralisation for assay (to determine the mineral content).

Seismicity means a sudden movement within a given volume of rock that radiates detectable seismic waves. The amplitude and frequency of seismic waves radiated from such a source depend, in general, on the strength and state of stress of the rock, the size of the source of seismic radiation, and the magnitude and the rate at which the rock moves during the fracturing process.

Semi-autogenous grinding , or **SAG mill** , means a piece of machinery used to crush and grind ore which uses a mixture of steel balls and the ore itself to achieve comminution. The mill is shaped like a cylinder causing the grinding media and the ore itself to impact upon the ore.

Shaft means a vertical underground opening providing principal access to the underground workings for transporting personnel, equipment, supplies, ore and waste. A shaft is also used for ventilation and as an auxiliary exit. It may be equipped with a surface hoist system that lowers and raises conveyances for men, materials and ore in the shaft. A shaft generally has more than one conveyancing compartment.

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Slimes means the finer fraction or tailings discharged from a processing plant after the valuable minerals have been recovered.

Slurry means a fluid comprising fine solids suspended in a solution (generally water containing additives).

Smelting means thermal processing whereby mineral is liberated from molten beneficiated ore or concentrate, with impurities separating as lighter slag.

Spot price means the current price of a metal for immediate delivery.

Stockpile means a store of unprocessed ore.

Stope means the underground excavation within the ore body where the main mineral production takes place.

Stratigraphic means the study of rock layers (strata) and layering (stratification) and is primarily used in the study of sedimentary and layered volcanic rocks. Stratigraphic modelling is often important in profiling the regional and local geology that has played a controlling role in mineralisation and ore body generation.

Stripping means the process of removing overburden (waste material) to expose the ore for mining.

Sulphide means a mineral characterised by the linkages of sulphur with a metal or semi-metal, such as pyrite (iron sulphide). Also a zone in which sulphide minerals occur.

Supergene means ores or ore minerals formed where descending surface water oxidises the primary (hypogene) mineralised rock and redistributes the ore minerals, often concentrating them in zones. Supergene enrichment occurs at the base of the oxidised portion of the ore deposit.

Tailings means finely ground rock from which the bulk of valuable minerals have been extracted by metallurgical processes.

Tailings storage facility or **TSF** typically means an earth-fill embankment dam used to store by-products or tailing from mining operations after separating the ore from the gangue.

Tonne means one tonne is equal to 1,000 kilogrammes (also known as a metric tonne).

Tonnage means the quantity of material where the tonne is an appropriate unit of measure. Typically used to measure reserves of mineral-bearing material, or quantities of ore and waste material mined, transported or milled.

Waste means rock mined with an insufficient mineral content to justify processing.

Yield means the actual grade of ore realised after the mining and treatment process.

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RESERVES OF GOLD FIELDS AS AT 31 DECEMBER 2017

Methodology

While there are some differences between the definition of the South African Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves, or the SAMREC Code, and that of the SEC s Industry Guide 7, only the reserves at each of Gold Fields operations, growth and advanced exploration projects as at 31 December 2017 which qualify as reserves for purposes of the SEC s Industry Guide 7 are presented in the table below. See *Additional Information on the Company Glossary of Mining Terms* . In accordance with the requirements imposed by the JSE, Gold Fields reports its reserves using the terms and definitions of the SAMREC Code (2016 edition). Mineral or ore reserves, as defined under the SAMREC Code, are divided into categories of proved and probable reserves and are expressed in terms of tonnes to be processed at mill feed head grades, allowing for estimated mining dilution, ore loss, mining recovery and other modifying factors.

All of Gold Fields operations report reserves using cut-off grades or net smelter return cut-offs, or NSR, in the case of multi-metal deposits. Cut-off grade is the grade that distinguishes the economic material within an ore body that is to be extracted and treated from the remaining material. Cut-off grade is typically calculated using an appropriate metal price plus the development, stoping, processing, general and administration and sustaining capital costs to derive a total cost per tonne. NSR cut-off is the net revenue (total revenue less production costs) that the owner of a mining property receives from the sale of the mine s metal products. Costs include transportation and refining costs. Modifying factors applied in estimating reserves are primarily based on historical empirical information, but commonly incorporate adjustments for planned operational improvements. Tonnage and grade may include some mineralisation below the selected cut-off grade to ensure that the reserve comprises blocks of adequate size and continuity to facilitate practical mining. Reserves also take into account operating cost levels as well as necessary capital and sustaining capital provisions required at each operation, and are supported by detailed engineered life of mine plans.

South Africa

South Deep s Rebase Plan (resetting of the production build-up and production steady state, compared to the acquisition build-up plan), which forms the basis for the South Deep s mineral reserves, will continue to be refined and enhanced as other rebasing project outcomes are delivered and as the mine evolves to steady state production. This plan incorporates all recent improvements in mine design, geotechnical parameters as well as infrastructure required to support the production plan.

At South Deep, the estimation of reserves is based on surface drilling, underground infill and grade control diamond drilling, surface three-dimensional reflection seismics, ore body facies modelling, structural modelling, underground mapping, detailed ore zone wireframes and geostatistical estimation. The reefs, which are sedimentary in nature are laterally continuous with long-range predictability, and reflect extensive intra-basinal fluvial deposits. Initially exploration is by drilling from the surface on an approximately 500 metre to 2,000 metre grid. Once underground access is available, diamond drilling is undertaken on an approximate 30 metre to 90 metre grid, to provide the necessary ore body definition to support detailed mine design and production scheduling.

The following sets out the drill spacing ranges used to classify the different categories of reserves at South Deep.

Reserve Classification	Sample Spacing Range Min/Max	Maximum Distance Data is Projected
	(metres)	
Proved	0 to 60	90
Probable	60 to 650	650

For proved reserves, the planned grade control diamond drilling must be designed at an approximate 50 metre by 50 metre grid spacing, depending on the accessibility for the diamond drill rigs. The high profile destress mining consists of 5.5 metre high cuts that are generally mined horizontally at 17 to 20 metre vertical intervals, and it reduces the in situ rock stress from approximately 80 MPa to 30 to 40 MPa to facilitate bulk mechanised mining. Estimation is constrained within both geologically homogenous structural and defined facies zones, and is generally derived from either ordinary or simple kriged small-scale grids.

For probable reserves, the estimates access a significant number of samples on spacing greater than the spacing for development and stoping bordering these areas. In addition, borehole spacing s ranging from tens to hundreds of metres are used in conjunction with 3D seismic survey results that confirm certain structural reef elevations and key stratigraphic surfaces. Reserves classified as probable are generally adjacent to those classified as proved. Estimation is constrained within homogenous structural and facies zones, and is derived using a localised direct conditioning technique (used to derive recoverable block estimates) based on simple kriging.

The primary assumptions of continuity of the geologically homogenous zones are driven by the geological model, which is updated when new information arises. Any changes to the model are subject to peer and internal technical corporate review and external independent consultant review when deemed necessary. Historically, mining at South African deep-level gold mines has shown significant geological continuity, so that new mines were started based on limited surface borehole information. Customarily, geological models are primarily based on the definition of different sedimentary facies within each conglomerate horizon. These facies are extrapolated along palaeocurrent and grade trends into new, undeveloped areas taking into account inherent proximal to distal depositional relationships and any surface borehole data in those areas. Normally these facies are continuous, supported by extensive historical sample databases, and can be incorporated in the kriging of large blocks.

Ghana

For the Tarkwa open pit operation, estimation of probable reserves is based on a combination of an initial 100- or 200-metre grid of diamond and reverse circulation drilling and proved reserves are typically based on drilling a 12.5 metre to 25 metre grid of reverse circulation drill holes. For the Damang open pit operation, estimation of probable reserves is based on a 40 metre to 80 metre grid of combined reverse circulation and diamond drilling and proved reserves on a five metre by eight metre grid up to a 20 metre grid, depending on the orebody type. Advance grade control drilling is employed in certain areas to provide detailed estimation to greater depths than normal grade control drilling where information is required to confirm structural and grade trends.

Diamond drilling provides continuous (solid) core from diamond drill bits, using water and chemicals for lubrication. Consequently, diamond drilling provides greater resolution of geological parameters such as lithologies, alterations, mineralisation, rock hardness and structures.

In surface drilling programmes, reverse circulation drilling provides chip samples from percussion hammers powered by compressed air. The chips are transferred to surface up a central tube with the rods to eliminate contamination from the outer hole. Sampling is generally conducted at intervals relevant to the block model and mining dimensions. Reverse circulation drilling is generally quicker and less expensive than diamond drilling. However, there is a depth limitation to reverse circulation drilling and consequently all deep holes are conducted by diamond drilling.

Generally, exploration and infill drilling programmes will consist of a mix of reverse circulation and diamond drilling in order to provide the necessary geological resolution, as well as bulk analytical data for evaluation, geotechnical and geometallurgical purposes. Grade control drilling programmes use reverse circulation.

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Australia

At the Australian operations, the estimation of reserves for both underground and open pit operations is based on exploration and sampling information gathered through appropriate techniques, primarily from diamond drilling, reverse circulation drilling, air-core and sonic drilling techniques. The locations of sample points are spaced close enough to deduce or confirm geological and grade continuity. Generally, drilling is undertaken on grids, which range between 20 metres by 25 metres for proved reserves and up to 40 metres by 60 metres typically for probable reserves, although this may vary depending on the continuity of the ore body. Due to the variety and diversity of mineralisation at the Australian operations, sample spacing may also vary depending on each particular ore type.

Peru

For the Cerro Corona operation, estimation is based on diamond drill and reverse circulation holes. The spacing of holes at Cerro Corona is generally on a grid ranging from 40 metres to 60 metres for probable reserves with some areas approximating a 25 metre grid where geology becomes more complex. The blast hole rock chips are used as grade control samples and are drilled on an average 5.5 metre by 4.8 metre grid.

Reserve Statement

As at 31 December 2017, Gold Fields had aggregate attributable proved and probable reserves of approximately 49.0 million ounces of gold and 764 million pounds of copper, as set forth in the following tables:

	Gold ore reserve statement as at 31 December 2017(1)									
	Proved reserves			Probable reserves			Total reserves			Attributable gold production in fiscal 2017(2)
	Tonnes *(million)*	Head Grade *(g/t)*	Gold *(M oz)*	Tonnes *(million)*	Head Grade *(g/t)*	Gold *(M oz)*	Tonnes *(million)*	Head Grade *(g/t)*	Gold *(M oz)*	*(M oz)*
Underground (UG) South Africa										
South Deep(3)(4)	12.72	5.8	2.381	184.54	5.3	31.642	197.25	5.4	34.023	0.26
Australia										
St. Ives	0.20	5.3	0.033	3.49	5.2	0.580	3.69	5.2	0.613	0.06
Granny Smith	1.50	5.0	0.239	10.87	5.6	1.951	12.36	5.5	2.191	0.29
Darlot										0.04
Agnew(5)	0.02	4.9	0.004	2.63	5.9	0.497	2.6	5.9	0.501	0.24
Total Underground	14.43	5.7	2.657	201.5	5.4	34.640	215.96	5.4	37.327	0.89
Surface (Production Stockpile)										
South Africa										
South Deep										
Ghana										
Tarkwa(5)	11.02	0.8	0.273	53.98	0.4	0.694	65.00	0.5	0.967	
Damang(5)	1.31	0.8	0.034				1.31	0.8	0.034	
Australia										
St. Ives(5)	3.46	1.2	0.139				3.46	1.2	0.139	
Granny Smith	0.07	5.6	0.012				0.07	5.6	0.012	
Darlot										
Agnew	0.09	4.3	0.012				0.09	4.3	0.012	
Peru										
Cerro Corona	3.80	0.8	0.100				3.80	0.8	0.100	

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	Gold ore reserve statement as at 31 December 2017[1]									
	Proved reserves			Probable reserves			Total reserves			Attributable gold production in fiscal 2017[2]
	Tonnes	Head Grade	Gold	Tonnes	Head Grade	Gold	Tonnes	Head Grade	Gold	
	(million)	*(g/t)*	*(M oz)*	*(million)*	*(g/t)*	*(M oz)*	*(million)*	*(g/t)*	*(M oz)*	*(M oz)*
Surface (Open Pit) Ghana										
Tarkwa[4]	36.42	1.3	1.479	73.81	1.2	2.869	110.23	1.2	4.348	0.51
Damang[4]	5.68	1.4	0.256	21.75	1.8	1.265	27.43	1.7	1.521	0.13
Australia										
St. Ives[4]	0.94	2.6	0.079	11.34	2.0	0.738	12.27	2.1	0.817	0.30
Gruyere Project	7.62	1.1	0.271	41.06	1.2	1.600	48.68	1.2	1.871	
Granny Smith										
Darlot										
Agnew				0.30	2.9	0.028	0.30	2.9	0.028	
Peru										
Cerro Corona	52.12	0.8	1.331	29.86	0.5	0.497	81.98	0.7	1.828	0.16
Total Surface	122.52	1.0	3.986	232.3	1.0	7.691	354.6	1.0	11.677	1.10
Grand Total	136.95	1.5	6.643	433.62	3.0	42.361	570.57	2.7	49.005	2.00
Totals by Mine										
South Deep	12.72	5.8	2.381	184.54	5.3	31.642	197.25	5.4	34.023	0.26
Tarkwa	47.44	1.1	1.752	127.79	0.9	3.563	175.23	0.9	5.315	0.51
Damang	6.99	1.3	0.290	21.75	1.8	1.265	28.74	1.7	1.555	0.13
St. Ives	4.59	1.7	0.251	14.83	2.8	1.318	19.42	2.5	1.568	0.36
Granny Smith	1.56	5.0	0.251	10.87	5.6	1.951	12.43	5.5	2.203	0.29
Darlot										0.04
Agnew	0.11	4.4	0.016	2.92	5.6	0.525	3.04	5.5	0.541	0.24
Gruyere Project	7.62	1.1	0.271	41.06	1.2	1.600	48.68	1.2	1.871	
Cerro Corona	55.92	0.8	1.431	29.86	0.5	0.497	85.79	0.7	1.928	0.16
Grand Total	136.95	1.5	6.643	433.62	3.0	42.361	570.57	2.7	49.005	2.00

Notes:

(1) (a) Quoted as mill delivered metric tonnes and Run of Mine, or RoM, grades, inclusive of all mining dilutions and gold losses except mill recovery. Metallurgical recovery factors have not been applied to the reserve figures. The approximate metallurgical recovery factors are as follows: (i) South Deep 96.5%; (ii) Tarkwa 97%; (iii) Damang 91%; (iv) St. Ives 69% to 96%; (v) Agnew 92.4%; (vi) Granny Smith 92.8%; and (vii) Gruyere 91%; (viii) Cerro Corona 69% for gold and 87% for copper. The metallurgical recovery is the ratio, expressed as a percentage, of the mass of the specific mineral product actually recovered from ore treated at the plant to its total specific mineral content before treatment. The South African operations have a consistent metallurgical recovery, while the recoveries on the international operations vary according to the mix of the source material and method of treatment.

(b) The metal prices used for the 2018 LoM plans were as follows: For the Ghana operations, ore reserve figures are based on an optimised pit at a gold price of U.S.$1,200 per ounce. For the Australian operations, ore reserve figures are based on a gold price of A$1,600 per ounce (at an exchange rate of A$1.33 per U.S.$1.00). Open pit ore reserves at the Australian operations are similarly based on optimised pits and the underground operations on appropriate mine design and extraction schedules. At South Deep, a gold price of R525,000 per kilogram (at an exchange rate of R13.6 per U.S.$1.00) was applied in valuing the ore reserve. The gold price used for reserves approximates the three year trailing average (U.S.$1,222oz), calculated on a monthly basis, of the London afternoon fixing price of gold. For the Cerro Corona gold reserves, the optimised pit is based on a gold price of U.S.1,200 per ounce and a copper price of U.S.$2.8 per pound. The reserves used a copper price of U.S.$2.5 per pound for fiscal 2018 and 2019 and U.S.$2 per pound from fiscal 2020 onwards. Due to the nature of the deposit and the importance of net smelter returns, the gold and copper prices need to be considered together.

(c) Dilution relates to planned and unplanned waste and/or low-grade material being mined and delivered to the mill. Ranges are given for those operations that have multiple ore body styles and mining methodologies. The mine dilution factors are as follows: (i) South Deep 8.8%; (ii) Tarkwa 30cm hanging wall and 20 cm footwall; (iii) Damang 17% to 25%; (iv) St. Ives 15% to 50% (open pits) and 12% to 25% (underground); (v) Agnew/Lawlers 20%; (vi) Granny Smith 15%; (vii) Gruyere 5% and (viii) Cerro Corona 0%.

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(d) The mining recovery factor relates to the proportion or percentage of ore mined from the defined ore body at the gold price used for the declaration of reserves. This percentage will vary from mining area to mining area and reflects planned and scheduled reserves against total potentially available reserves (at the gold price used for the declaration of reserves), with all modifying factors, mining constraints and pillar discounts applied. The mining recovery factors are as follows: (i) Tarkwa 100%; (ii) Damang 95%; (iii) St. Ives 97% to 98% (open pits) and 90% to 97% (underground); (iv) Agnew/Lawlers 80% to 93%; (v) Granny Smith 91%; (vi) South Deep 96%; (vii) Gruyere 99.6% and (viii) Cerro Corona 98%.

(e) The cut-off grade may vary per shaft, open pit or underground mine, depending on the respective costs, depletion schedule, ore type and dilution. The following are the average or range of values applied in the planning process: (i) South Deep 3.9 to 4.2 g/t; (ii) Tarkwa 0.44 g/t for mill feed; (iii) Damang 0.72 g/t to 0.77 g/t for fresh ore and 0.55 g/t to 0.59 g/t for oxide ore; (iv) St. Ives 0.4 g/t for mill feed open pit, and 2.6 g/t to 3.0 g/t for mill feed underground; (v) Agnew/Lawlers 2.5 g/t to 3.4 g/t mill feed underground; (vi) Granny Smith 2.4 to 3.1 g/t; (vii) Gruyere 0.34 to 0.42 g/t and (viii) Cerro Corona U.S.$14.75 to 18.0/t variable net smelter return (combined copper and gold).

(f) Totals may not sum due to rounding. Where this occurs, it is not deemed significant.

(g) An ounces-based Mine Call Factor based primarily on historic performance but also on realistic planned improvements where appropriate is applied to the reserves. The following Mine Call Factors have been applied: Damang 95%, Tarkwa 98%, with Agnew/Lawlers, Granny Smith, St. Ives, Gruyere, South Deep and Cerro Corona at 100%.

(2) Actual gold/copper produced after metallurgical recovery.

(3) Based on life of mine ownership share due to step-up of minority interest over time.

(4) In line with other international operations, all South Deep reserves are classed as above infrastructure, as the reserves will be accessed by means of ongoing declines from current infrastructure.

(5) Includes some gold produced from stockpile material, which cannot be separately measured.

The following table sets forth the proved and probable copper reserves of the Cerro Corona mine as at 31 December 2017 that are attributable to Gold Fields.

Copper ore reserve statement as at 31 December 2017[1][2]

	Proved reserves			Probable reserves			Total reserves			Attributable copper production in fiscal 2017[2]
	Tonnes *(million)*	Grade *(%)*	Cu *(M lb)*	Tonnes *(million)*	Grade *(%)*	Cu *(M lb)*	Tonnes *(million)*	Grade *(%)*	Cu *(M lb)*	*(M lb)*
Surface (Open Pit & Stockpiles)										
Peru										
Cerro Corona	55.9	0.4	515	29.9	0.4	248	85.8	0.40	764	66

Notes:

(1) Metallurgical recovery factors have not been applied to the reserve figures. The approximate metallurgical factor for copper at Cerro Corona is 87%.

(2) For the copper reserves, the optimised pit is based on a gold price of $1,200 per ounce and a copper price of $2.80 per pound, which, due to the nature of the deposit, need to be considered together.

Gold and copper price sensitivity

The amount of gold mineralisation that Gold Fields can economically extract, and therefore can classify as reserves, is sensitive to fluctuations in the price of gold. The following table indicates Gold Fields attributable reserves at different gold prices that are 10% above and below the base case presented in the gold reserve statement table above. The reserve sensitivities are, however, not based on detailed depletion schedules and should be considered on a relative and indicative basis only.

	-10%	Base *(Moz)*	+10%
South Deep[1]	33.17	34.02	35.39
Tarkwa	4.24	5.47	6.00
Damang	1.20	1.56	1.80
St. Ives[2]	1.27	1.57	1.62
Agnew/Lawlers[2]	0.50	0.54	0.63
Granny Smith[2]	2.11	2.20	2.28
Cerro Corona	1.80	1.84	1.86

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Notes:

(1) The equivalent gold prices used for the sensitivities in South Africa are R470,000/kg, R525.000/kg and R580,000/kg.
(2) The equivalent gold prices used for the sensitivities in Australia are A$1,440/oz, A$1,600/oz and A1,760/oz.
The London afternoon fixing price for gold on 29 March 2018 was U.S.$1,324.00 per ounce. Gold Fields attributable gold reserves increased from 48.1 million ounces at 31 December 2016 to 49.0 million ounces at 31 December 2017, due to discovery, ore body extensions, resource to reserve conversion, resource to reserve conversion, resource modelling, mine design enhancements, mine design enhancements and the LoM extension at Cerro Corona, which was partially offset by depletion.

The London Metal Exchange, or LME, cash settlement price for copper on 29 March 2018 was U.S.$6,685.00 per tonne.

Gold Fields methodology for determining its reserves is subject to change and is based upon estimates and assumptions made by management regarding a number of factors as noted above under Methodology . Accordingly, the sensitivity analysis of Gold Fields reserves provided above should not be relied upon as indicative of what the estimate of Gold Fields reserves would actually be or have been at the gold or copper prices indicated, or at any other gold or copper price, nor should it be relied upon as a basis for estimating Gold Fields ore reserves based on the current gold or copper price or what Gold Fields reserves will be at any time in the future. See *Risk Factors Gold Fields mineral reserves are estimates based on a number of assumptions, which, if changed, may require Gold Fields to lower its estimated reserves* .

Description of Mining Business

The discussion below provides a general overview of the mining business as it applies to Gold Fields.

Exploration

Exploration activities are focused on replacing production depletion and on growth in ore reserves to maintain operational flexibility and sustainability. The Group focuses on the extension of existing ore bodies and the discovery and delineation of new ore bodies both at existing sites and at undeveloped sites. Once a potential ore body has been discovered, exploration is extended and intensified in conjunction with comprehensive infill drilling, in order to enable clearer definition of the ore body and its technical and economic characteristics to profile the potential portions to be mined. Geological, geochemical, geophysical, geostatistical, geotechnical and geo-metallurgical techniques are constantly refined to improve effectiveness and the economic viability of prospecting and mining activities.

Mining

Gold Fields currently mines only gold, with copper and silver as by-products. The mining process comprises two principal activities: (i) developing access to the ore body; and (ii) extracting the ore body once accessed. These two processes apply to both surface and underground mines.

Underground Mining

Developing access to the ore body

For Gold Fields South African underground mine, primary access to the ore body is provided through vertical shaft systems, while access is through single or multiple decline haulages extended from surface portals at the Australian operations.

Horizontal and decline development at various intervals of the shaft or main decline, known as levels, extend laterally and provide access to the ore horizon. Ore drives open up the ore body for mining.

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Extracting the ore body

Once an ore body has been accessed and opened up for mining, production activities consisting of drilling, blasting, supporting and cleaning are carried out on a daily basis. All mines are fully mechanised.

At South Deep, the broken ore is loaded from the stope face into trucks using mechanical loaders and hauled along decline corridors to ore pass systems which connect the corridors to the cross cuts below. The ore is then transported by rail or conveyor and tipped into the shaft transfer system, after which it is hoisted to the surface. Mining methods employed include de-stress mining (to provide the appropriate geotechnical conditions for subsequent stoping), long hole open stoping (for reef targets greater than 15 metres in height) and drifting and benching (for reef targets less than 15 metres in height). The mining voids generated once the ore is removed are filled with treated tailings product termed backfill, which provide ground support for the mined out areas.

At the Australian underground operations, the broken ore is loaded straight from the stope face into trucks, using mechanical loaders, and hauled to the surface by underground dump trucks via the decline. Application of backfill to the mined out areas is based on local conditions and is not always required in shallow underground mining areas.

Open Pit Mining

Opening up the ore body

In open pit mining, access to the ore body is achieved by stripping the overburden in benches of fixed height to expose the ore below. This is most typically achieved by drilling and blasting an area, loading the broken rock with excavators into dump trucks and hauling the rock and/or soil to dumps. The overburden material is placed on designated waste rock dumps.

Extracting the ore body

Extraction of the ore body in open pit mining involves the same activity as in stripping the overburden. Lines are established on the pit floor demarcating ore from waste material and the rock is then drilled and blasted. Post blasting, the ore is loaded into dump trucks and hauled to the crusher at the metallurgical plant or stockpile, while the waste is hauled to waste rock dumps.

Rock Dump and Production Stockpile Mining

Gold Fields mines surface rock dumps and production stockpiles using mechanised earth-moving equipment.

Mine Planning and Management

Operational and planning management on the mines receives support from regional technical support functions as well as corporate management. The current philosophy is one of top-down/bottom-up management, with the operational and commercial objectives at each mine defined by the personnel at the mine based on parameters, objectives and guidelines provided by Gold Fields corporate office. This is based on the premise that the people on the ground have the best understanding of the local business and what is realistically achievable.

Each operation identifies a preferred strategic option, which, once approved by Gold Fields Executive Committee, or the Executive Committee, is used to inform how the detailed one year operational plan is configured, which is rolled out into a life of mine plan, prior to the commencement of each fiscal year. The plans are based on financial parameters determined by the Executive Committee. See *Annual Financial Report Corporate Governance Report Board committees Executive Committee*. The operational plan is presented to the Executive Committee, which takes it to the Board for approval before the commencement of each fiscal year. The planning process is anchored by a Group planning calendar, and is sequential and based upon geological models, evaluation models, resource models, metal prices, mine design, depletion schedules and, ultimately, financial analysis. Capital planning is formalised pursuant to Gold Fields capital spending planning process. Projects are categorised and reviewed in terms of total expenditure, return on investment, net present value and impact on AIC per ounce and all projects involving amounts exceeding R360 million (South Africa), A$40 million (Australia) and U.S.$40 million (Ghana/Peru) are submitted to the Board for approval. Material changes to the plans have to be referred back to the Executive Committee and the Board.

Capital Expenditure

Gold Fields spent U.S.$833.6 million, U.S.$628.5 million and U.S.$614.1 million in capital expenditure during fiscal 2017, 2016 and 2015, respectively. The major expenditure items in fiscal 2017 were U.S.$82.4 million on the development and equipping of the South Deep mine, U.S.$39.9 million on development and infrastructure of the Waroonga and New Holland underground complexes at Agnew/Lawlers, U.S.$96.1 million on capital waste stripping and U.S.$19.9 million on construction of the tailings storage facility at Damang, U.S.$16.2 million on the tailings storage facility at Cerro Corona, U.S.$59.6 million on development of the Wallaby underground mine at Granny Smith, U.S.$124.3 million on capital waste stripping at Tarkwa and U.S.$107.4 million on underground and open pit development at St. Ives. The major expenditure items in 2016 were U.S.$77.9 million on the development and equipping of the South Deep mine, U.S.$39.6 million on development and infrastructure of the Waroonga and New Holland underground complexes at Agnew/Lawlers, U.S.$25.8 million on capital waste stripping at Damang, U.S.$16.4 million on the tailings storage facility at Cerro Corona, U.S.$32.3 million on development of the Wallaby underground mine at Granny Smith, U.S.$126.2 million on capital waste stripping at Tarkwa and U.S.$88.7 million on underground and open pit development at St. Ives. The major expenditure items in fiscal 2015 were U.S.$66.9 million on the development and equipping of the South Deep mine, U.S.$46.1 million on development and infrastructure of the Waroonga and New Holland underground complexes at Agnew/Lawlers, U.S.$45.4 million on new mining equipment at Tarkwa, U.S.$29.3 million on the tailings storage facility at Cerro Corona, U.S.$28.7 million on development of the Wallaby underground mine at Granny Smith and U.S.$18.5 million on HME componentisation at Tarkwa. For more information regarding Gold Fields capital expenditure, see *Annual Financial Report Management s Discussion and Analysis of the Financial Statements Capital Expenditures* , *Annual Financial Report Management s Discussion and Analysis of the Financial Statements Liquidity and Capital Resources Years Ended 31 December 2017 and 31 December 2016* and *Annual Financial Report Management s Discussion and Analysis of the Financial Statements Liquidity and Capital Resources Years Ended 31 December 2016 and 31 December 2015* .

Processing

Gold Fields has seven active gold processing facilities (one in South Africa, two in Ghana, three in Australia and one in Peru). A typical processing plant includes two stages: comminution (crushing and grinding the ore) and then gold recovery (typically flotation, leaching, carbon adsorption, carbon stripping/EW and/or smelting).

Comminution

Comminution is the process of crushing and breaking up the ore to expose and liberate the gold and make it available for treatment. Conventionally, this process occurs in multi-stage crushing and milling circuits, which include the use of jaw and gyratory or cone crushers followed by rod, semi-autogenous grinding, or SAG, and/or ball mills. For the milling step most of Gold Fields processing plants utilise both SAG and ball mills where the ore itself and steel balls are used as the primary grinding media. Through the comminution process, ore is ground to a pre-determined size before proceeding to the gold recovery stage.

Gold Recovery

In most of the Gold Fields processing plants, gold is extracted into solution by leaching with cyanide in agitated slurry tanks. The gold is then adsorbed onto activated carbon from the solution using either the carbon in leach, or CIL, process or the carbon in pulp, or CIP, process. The activated carbon is removed from the tanks, eluted in pressurised columns and the gold then recovered by electrowinning.

Most of the Gold Fields plants also utilise gravity recovery circuits that use a centrifugal concentrator to recover coarse free gold based on density differences. This gravity gold recovery step is usually undertaken within the grinding stage of the processing plant before the ore progresses to CIL or CIP.

As the final recovery step, the gold recovered by the electrowinning cells is smelted in a furnace to produce gold doré bars. These gold bars are transported to a refinery that is responsible for further refining.

At Cerro Corona, gold/copper concentrate is recovered using a standard flotation process. The concentrate is shipped to a third-party smelter for further processing. The Cerro Corona processing plant therefore does not have a CIL or CIP circuit.

Refining and Marketing

South Africa

On 16 October 2013, Gold Fields Operations Limited, or GFO, and GFI Joint Venture Holdings Proprietary Limited, or GFIJVH, acting jointly in their capacities as participants in an unincorporated joint venture, which owns and operates the South Deep mine, known as the South Deep Joint Venture, entered into a new refining agreement with Rand Refinery Proprietary Limited, or Rand Refinery. Rand Refinery is a non-listed private company in which Gold Fields holds a 2.8% interest, with the remaining interests held by other South African gold producers.

This new refining agreement superseded and replaced any and all previous refining agreements between the South Deep Joint Venture and Rand Refinery. Pursuant to this refining agreement, Rand Refinery undertook, among other things, to (i) refine all unrefined gold produced by South Deep, (ii) on each delivery date of unrefined gold to Rand Refinery, notify Gold Fields treasury department in writing of the estimated gold and/or silver content of the unrefined gold so delivered, expressed in troy ounces and (iii) retain the refined gold and the refined silver for the South Deep Joint Venture pending written instructions from Gold Fields treasury department that the refined gold and/or refined silver have been sold and may be delivered to the buyer in accordance with the buyer s instructions. Rand Refinery assumes responsibility for the unrefined gold upon arrival of the unrefined gold at the Rand Refinery premises in Johannesburg, South Africa. Rand Refinery invoices the South Deep Joint Venture with the refining charges, who then arranges for direct settlement to Rand Refinery. The refining agreement will continue indefinitely until either party terminates it upon at least 12 months written notice.

Gold Fields treasury department sells all the refined gold produced by South Deep to authorised counterparties at a price benchmarked against the LBMA Gold PM Auction Price, or the LBMA Gold PM Auction Price.

Silver is accumulated and sold on a quarterly basis by Gold Fields treasury to either Rand Refinery, or to an authorised counterpart at a price benchmarked against the LBMA silver price.

Ghana

Up until 12 January 2015, all gold produced by Gold Fields at the Tarkwa and Damang mines in Ghana was refined by Rand Refinery.

With effect from 12 January 2015, gold produced at the Tarkwa and Damang mines is refined by MKS (Switzerland) S.A., or MKS, pursuant to refining agreements entered into by Gold Fields Ghana (in respect of the

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Tarkwa mine) and Abosso (in respect of the Damang mine) with MKS. Under these agreements, MKS collects the gold from either the Tarkwa or Damang mine and transports it either to its Switzerland refinery or to its Indian refinery, or the Designated Refinery, where the gold is then refined. The MKS refinery in India will be the default Designated Refinery unless either party provides the other party with notice to the effect that a shipment of gold must be transported to MKS s refinery in Switzerland, provided that MKS shall only be entitled to provide Gold Fields Ghana (Tarkwa operation) and Abosso (Damang operation) with such notice if (i) the arrival date of the gold at the refinery will fall on a day other than a business day in India or during a period of weak physical demand for gold in India; or (ii) the Indian import regulations for the gold have materially and adversely changed.

Once the gold has been refined, the Tarkwa and Damang operations shall be entitled to (i) sell the refined gold through Gold Fields treasury department, acting as agent for and on their behalf; or (ii) require MKS to purchase the refined gold; or (iii) request a prepayment in respect of the refined gold. All sales are benchmarked against the afternoon LBMA Gold PM Auction Price. The LBMA, which is an electronic price-discovery process, replaced the London gold price fixing mechanism on 20 March 2015. The LBMA sets the price twice daily, at 10:30 and 15:00 London time. The LBMA Gold Price is operated and administered by an independent third-party provider, ICE Benchmark Administration, or the IBA, who were chosen following consultation with market participants. IBA provides the price platform, methodology as well as the overall administration and governance for the LBMA Gold Price. The IBA s platform provides an electronic, auction-based, tradeable, auditable and fully IOSCO-compliant solution for the London bullion market. MKS assumes responsibility for the gold upon collection at either the Tarkwa or Damang mine.

Silver is accumulated and sold on a quarterly basis to MKS, at the LBMA silver price on the date of sale.

The MKS refining agreements expire on 31 March 2018, with automatic month to month renewal, at which time the contract may either be extended for a further period as agreed, or terminated by either party with a 30 day notice advice.

Australia

In Australia, all gold produced by St. Ives, Agnew/Lawlers, Darlot (which was sold on 3 August 2017 and is no longer part of Gold Fields) and Granny Smith, each an Australian operating company, is refined by the Western Australian Mint. The Western Australian Mint applies competitive charges for the collection, transport and refining services. The Western Australian Mint takes responsibility for the unrefined gold at collection from each of the operations where they engage a sub-contractor, Brinks Australia. Brinks delivers the unrefined gold to the Western Australian Mint in Perth, Australia, where it is refined and the refined ounces of gold and silver are credited to the relevant metal accounts held by each Australian Operating Company with the Western Australian Mint. The arrangement with the Western Australian Mint continues indefinitely until terminated by either party upon 90 days written notice.

Gold Fields treasury department in the corporate office in Johannesburg, South Africa sells all the refined gold produced by the Australian Operating Companies. On collection of the unrefined gold from an Australian Operating Company s mine site, the relevant Australian Operating Company will notify Gold Fields treasury department of the estimated refined gold content, expressed in troy ounces, available for sale. After such confirmation, Gold Fields treasury department will sell the refined gold to authorised counterparties at a price benchmarked against the LBMA Gold PM Auction Price. All silver is sold to the Western Australian Mint at the LBMA silver price on the last business day of each month.

Peru

Gold Fields La Cima S.A., or La Cima, has three principal long-term contracts for the sale of approximately 90% of concentrate from the Cerro Corona mine, one with a Japanese refinery, one with a German-Bulgarian refinery and one with a global commodities trading entity. Under these contracts, La Cima is to sell approximately 30% of the concentrate to each company and to use reasonable efforts to spread the deliveries evenly throughout the year. All production in excess of the amounts sold under long-term contracts is sold on the spot market.

Risk is transferred to the client when the concentrate is loaded at the port of Salaverry, Peru for international sales (cost, insurance and freight, or CIF, intercom) sales or at a Salaverry warehouse for local sales (based on ex works, or EXW, or carriage paid to, or CPT, incoterms). Pricing for copper under each of the contracts is based on the daily LME settlement price for copper. Pricing for gold under each of the contracts is based on the daily average of the LBMA morning and afternoon fixing price. La Cima expects to re-negotiate its three principal long-term contracts, being that such contracts are scheduled to expire between 2018 and 2020. As it has done previously, La Cima intends to commit a high portion of its future production, and keep a small portion to the spot market.

The Gold Mining Industry

Background

Gold is a dense, relatively soft and rare precious metal which occurs in natural form as nuggets or grains in ore, underground veins and alluvial deposits. Gold mining operations include both underground and open pit operations with gold currently able to be commercially extracted from ore grades in amounts as low as 0.5 grams/metric tonne (open pit). The majority of gold production is used for jewellery production and for investment purposes, in the latter case because some investors view it as a store of value against inflation. In addition, certain physical properties of gold, including its malleability, ductility, electric conductivity, resistance to corrosion and reflectivity, make it the metal of choice in a number of industrial applications.

Global Markets

Demand

See *Integrated Annual Report* *Our business* *Our operating environment* .

Supply

Supply of gold consists of new production from mining, the recycling of gold scrap and releases from existing stocks of bullion. Mine production represents the most important source of supply. Management believes that long-term gold supply issues will act to support a recovery in the gold price. According to the WGC, total gold supply declined by 4% in fiscal 2017, due to normalisation in gold recycling activity following growth in fiscal 2016. Total mine production for fiscal 2017 was 3,269 tonnes, rising fractionally compared to fiscal 2016 production.

This trend is set to continue. The Gold Fields Mineral Services Ltd. consultancy predicts a further drop in mine production in 2016, due to lower production at more mature mines, a decline in average grades at most gold operations and a lack of new mines coming on stream. Many analysts believe peak mine production was reached in 2015, coinciding with a high in gold discoveries in the mid-1990s and assuming an average 20-year development cycle. Goldman Sachs has stated that there may be only 20 years of known mineable reserves of gold left.

Price

The market for gold is relatively liquid compared to other commodity markets, with London being the world s largest gold trading market. Gold is also actively traded via futures and forward contracts. The price of

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gold has historically been significantly affected by macroeconomic factors, such as inflation, exchange rates, reserves policy and by global political and economic events, rather than simple supply/demand dynamics. Gold is often purchased as a store of value in periods of price inflation and weakening currency. The price of gold has historically been less volatile than that of most other commodities. In 2015, the price of gold fell by 10% but recovered by 8.5% in 2016 and improved further by 1% in 2017. The closing gold price on 31 December 2017 was U.S.$1,303 per ounce. In 2017, the spot gold price was as high as U.S.$1,346 and as low as U.S.$1,151.

Top Producers

Based on fiscal 2017 production, the first, second, third and fourth largest gold producers in the world were Newmont, Barrick, AngloGold Ashanti and Kinross, respectively. According to publicly available sources, at 31 December 2017, Newmont had 12 operations in five countries, Barrick had 9 operations in seven countries, AngloGold Ashanti had 13 operations in nine countries and Kinross had 9 operations in five countries. In fiscal 2017, Gold Fields was the seventh largest gold producer in the world.

Guidance for 2018

Gold Fields strategic review for fiscal 2018 takes into account a largely unchanged gold price and our budgets have been built around an anticipated average price of U.S.$1,200/oz. The investment in our business is a priority for fiscal 2018, which includes U.S.$36 million for South Deep, U.S.$105 million for Damang, U.S.$145 million for Gruyere and U.S.$83 million for Salares Norte. As a result, our AIC cost guidance for fiscal 2018 is U.S.$1,190/oz U.S.$1,210/oz compared to U.S.$1,088/oz in fiscal 2017. The guidance for AISC is U.S.$990/oz U.S.$1,010/oz compared to U.S.$955/oz in fiscal 2017.

Capital expenditure for the year is forecast to fall to U.S.$835 million (fiscal 2017: U.S.$840 million). Our production guidance for the year is 2.08 to 2.10 million attributable ounces, compared with the 2.16 million attributable ounces achieved in fiscal 2017. Notable contributions for fiscal 2018 are:

- Further rise in production at South Deep from 281,300 oz in fiscal 2016 to 321,000 oz;
- A rise in Damang s production to 160,000 oz from 143,600 oz in fiscal 2017;
- Stable production profiles at St. Ives;
- A decline in gold-equivalent production at Cerro Corona from 306.700 oz in fiscal 2017 to 280,000 oz in fiscal 2018;
- A decline in production at Tarkwa from 566,400 oz in fiscal 2017 to 520,000 oz in fiscal 2018; and
- A decline in Agnew and Granny Smith s production from 241,200 oz in fiscal 2017 to 230,00 oz in fiscal 2018 and 290,300 oz in fiscal 2017 and 275,000 oz in fiscal 2018, respectively.

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ENVIRONMENTAL AND REGULATORY MATTERS

South Africa

Environmental

Gold Fields South African operations are subject to various laws relevant to its activities that relate to the protection of the environment. South Africa s Constitution grants the people of South Africa the right to an environment that is not harmful to human health or wellbeing and to the protection of that environment for the benefit of present and future generations through reasonable legislative and other measures. The South African Constitution and the National Environmental Management Act, No. 107 of 1998, or NEMA, as well as various other related pieces of legislation enacted, grant legal standing to a wide range of interest groups to bring legal proceedings to enforce their environmental rights, which are enforceable against private entities as well as the South African government.

South African environmental legislation commonly requires businesses whose operations may have an impact on the environment to obtain permits, authorisations and other approvals for those operations. The applicable environmental legislation also imposes general compliance requirements and incorporates the polluter pays principle. On 2 September 2014, a number of amendments to the environmental laws were published. Such amendments were aimed at, among other things, resolving the problem of fragmented regulation of the mining industry, by creating what is known as the One Environmental System and as of 8 December 2014, environmental authorisations are required for prospecting/mining operations and related activities. The DMR is now the competent authority to grant environmental authorisations under NEMA. However, the competent officials at the DEA remain the appellate authority. Directors may be held liable under provisions of the NEMA for any environmental degradation and/or the remediation thereof.

The Minerals and Petroleum Resources Development Amendment Bill was published on 27 December 2012 for public comment. A second version of this Bill was published in June 2013 and although the parliamentary process is complete, the Bill has yet to be published as an Amendment Act as the President has referred it back to parliament because in his view, certain of its provisions were not in accordance with the Constitution of South Africa. See *Mineral Rights* . This Bill contains further proposed amendments to allow for a smooth transition to the One Environmental System . Another proposed amendment to the MPRDA is for the holder of a mining right, previous holder of an old order right, or previous owner of works that has ceased to exist to remain liable for any latent or residual environmental liability, pollution, ecological degradation, the pumping and treatment of extraneous water which may become known in the future, notwithstanding the issuance of a closure certificate in terms of the MPRDA. The NEMA has been amended to provide that every holder, holder of an old order right or owner of works will remain responsible for any environmental liability, pollution or ecological degradation, the pumping and treatment of polluted or extraneous water and the management and sustainable closure thereof, notwithstanding the issuing of a closure certificate.

South African mining companies are required by law to undertake rehabilitation work as part of their ongoing operations in accordance with an approved EMP, which supports a mine closure plan. Gold Fields funds these environmental rehabilitation costs as part of its operating cash flows, and its long-term closure costs are funded by making cash contributions into an environmental trust fund with the difference between the closure provision made to date and the final closure cost estimate funded through insurance guarantees. These costs are collectively referred to as the financial provision . The Regulations Pertaining to the Financial Provision for Prospecting, Exploration, Mining or Production Operations, or the Financial Provision Regulations, which were published in terms of NEMA on 20 November 2015 and amended by the Minister of Environmental Affairs on 26 October 2016, are currently in dispute as new regulations were published on 10 November 2017 for public comment. These regulations apply to holders of converted old order mining rights and require such holders to review and align their approved financial provision by undertaking a review of the provisioning in accordance with the Financial Provision Regulations by February 2019. In addition, the regulations require the addition of CPI plus 2% and value added tax, or VAT, to the financial provision calculation, which would substantially

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increase the financial provision from the baseline. A key challenge the regulations pose in their current form (to the industry as a whole) is the potential for duplicate funding in that mining companies will continue to fund on-going rehabilitation activities through operating costs but will also provide for on-going concurrent rehabilitation and environmental management costs in the financial provision fund. Further, permit holders, after 20 November 2015, will no longer use trust funds as vehicles for financial provision for annual rehabilitation, final rehabilitation, decommissioning and closure. Holders who made use of a trust fund as a financial provision vehicle to obtain environmental authorisation would need, in the next annual review and adjustment, to amend any trust fund and update as required by the regulations to get a mining or prospecting right. Also, given the wording of the existing and draft trust deed, it might not be possible to withdraw the excess funds from the trust to be used for financial guarantees. These regulations provide for an interim period to comply which expires in February 2019.

In line with the achievement of the One Environmental System , the National Water Act, No. 36 of 1998, or the NWA, was also amended on 2 June 2014 and came into effect on 2 September 2014. The NWA requires the Minister of Water and Sanitation to align and integrate the process for consideration of a water use licence with the timeframes and processes additional to applications for prospecting and mining rights under the MPRDA, as well as environmental authorisations of the NEMA. The NWA includes a provision to the effect that a person aggrieved in regard to a decision made on an application for a water use licence (particularly for prospecting or mining) can appeal directly to the Minister of Water and Sanitation.

Further, under the NWA, all water in the hydrological cycle is under the custodianship of the South African government held in trust for the people of South Africa and water users have been required to re-register their water uses under the NWA. In addition, the NWA governs waste and waste water discharges that may affect a water resource. The South African government uses various policy instruments and mechanisms, such as the water use licence regime and the proposed waste discharge charge system, to ensure compliance with prescribed standards and water management practices according to the user pays and polluter pays principles, and to shift some of the treatment and clean-up cost back to the polluters. Gold Fields continues to use all reasonable and practical measures to remove underground water to permit the routine safe functioning of South Deep. South Deep was issued with a water use licence in November 2011 by the DWS. Certain conditions and other aspects of the approved licence were identified as requiring modification and an application to address these was submitted to the DWS in February 2012. A further amended water use licence application was submitted to the DWS in November 2013, primarily to reflect the results of a re-assessment of expected water use requirements and a changing water balance. No response was received from the DWS in relation to the 2013 amendment. In November 2014, an agreement was reached with the DWS to withdraw the 2013 amendment and to submit an updated amendment application in May 2015. The May 2015 amendment application reflects the proposed changes to the approved 2011 water use licence conditions. In addition, the updated amendment reflects a variety of water management projects and initiatives that were implemented during fiscal 2014 and that are planned for implementation during fiscal 2015 and beyond. A presentation was provided to the DWS in March 2015 to appraise them of the proposed structure and content of the new amendment, prior to the re-submission in May 2015. Gold Fields continued to make representations to the DWS during fiscal 2016 and is currently waiting to receive an approved amended licence. Following a visit to the mine to verify water usage in fiscal 2017, the DWS requested additional information in February 2018 in preparation to present the licence to the licensing committee. The existing approved licence will remain in place while the application is processed by the DWS.

Under the National Environmental Management Air Quality Act, No. 39 of 2004, or Air Quality Act, the South African government has established minimum emission standards for certain activities which result in air emissions and for which atmospheric emissions licences, or AELs, must be held. The Amended Minimum Emissions Standards related to the list of activities resulting in atmospheric emissions, or Listed Activities, were released by the Minister of Water and Environmental Affairs and came into operation on 22 November 2013. Existing plants were required to comply with the Minimum Emissions Standards by 1 April 2015. Newly granted AELs under the Air Quality Act will incorporate the Minimum Emissions Standards as conditions. Non-compliance with the Minimum Emissions Standards is an offence under the Air Quality Act. South Deep

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mine undertakes activities which result in atmospheric emissions, as provided for by the Air Quality Act, and holds a registration certificate authorising such activities under previous legislation. An air quality licence was issued to South Deep in January 2017 by the Rand West City Local Municipality, authorising South Deep to undertake smelting activities under the National Environmental Air Quality Act. Gold Fields developed an Air Quality Plan Management Plan in 2015 in an effort to ensure it complies with the applicable requirements of the Air Quality Act, including the new minimum emissions standards.

The introduction of a carbon tax has been pending since 2011. On 15 December 2017, the second draft carbon tax bill, B-2017, was published for introduction in parliament, as well as public comment and convening of public hearings by parliament. Public comments must be submitted by 9 March 2018, and public hearings have not yet commenced The carbon tax design requires the calculation of liability to be based on the volume of fossil fuel input which results in Scope 1 greenhouse gas emissions, and for such liability to commence at a marginal rate of R120 per tonne of CO_2e, increasing by the consumer prices index, or CPI, plus 10% per annum until 2022 and by the CPI thereafter. The design also anticipates tax-free exemptions for gold mining ranging between 60% and 90%, with various allowances that would permit a tax liable entity to further mitigate its liability. Accordingly, the effective tax rate will vary between R12 and R48 per tonne of CO_2e. Such allowances include an increased tax-free threshold for trade exposed sectors, recognition of emission reduction efforts, additional allowance for participating in the national carbon budgeting system and the use of carbon offsets against a carbon tax liability. If South Deep is liable to pay carbon tax, it is expected to qualify for at least 80% of the allowances. As such, its exposure is expected to be initially calculated (in the first year of carbon tax exposure) on 20% of the mine s Scope 1 emissions which have been estimated to be 8,560 tonnes of CO_2e in fiscal 2017. Based on these emissions, the potential tax liability in 2019 is estimated at approximately U.S.$17,600. The South African government has undertaken that the tax will have no net impact on the electricity price before 2020.

The National Environmental Management Waste Act, No. 59 of 2008, or the Waste Act, commenced on 1 July 1 2009, with the exception of certain sections relating to contaminated land which came into force on 2 May2014. Responsible waste management has become a priority for the DEA. Gold Fields is currently in compliance with the in compliance with the Waste Act. South Deep has one waste disposal facility which is currently dormant. The site consists of different waste streams, including waste that has radiation levels that are slightly above background levels, being the naturally occurring levels in geology. There is now a duty to rehabilitate this dormant site. South Deep has included the site in the rehabilitation plan and rehabilitation is expected to commence during fiscal 2018. South Deep applied on 13 January 2015 for a waste licence in respect of two facilities: a waste transfer station and a salvage yard, and in April 2017, the Gold Fields received a confirmation of compliance to the licensing requirements in terms of the transitional arrangements.

On 2 June 2014, amendments to the Waste Act were published, which had the effect that as of 8 December 2014, residue deposits and residue stockpiles would be brought within the Waste Act s scope of operation. Accordingly, as of 8 December 2014, in terms of the One Environmental System , residue stockpiles and residue deposits are now subject to regulation under the Waste Act and waste management licences for activities relating to their establishment and reclamation will need to be obtained, subject to the transitional provisions in the amendments which were published in 24 July 2015. Such licences will need to be obtained from the DMR, which is the competent authority to issue such licences for mining operations. The Regulations regarding the Planning and Management of Residue Stockpiles and Residue Deposits which were published on 24 July 2015 are also likely to have a financial impact on the management of these facilities, since they impose various classifications and associated liner requirements for new residue stockpiles and deposits. This is a fundamental shift in regulation as the Waste Act previously excluded residue deposits and residue stockpiles from its ambit. The 2013 Amendment Bill to the MPRDA also proposes the amendment of the definition of residue stockpiles to include historic mines and dumps created before the implementation of the MPRDA, which is still to come in effect.

Gold Fields undertakes activities which are regulated by the National Nuclear Regulator Act, No. 47 of 1999, or the NNR Act. The NNR Act requires Gold Fields to obtain authorisation from the National Nuclear

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Regulator, or NNR, and undertake activities in accordance with the conditions of such authorisations. Prior to the Spin-off, Gold Fields South African mining operations possessed and maintained Certificates of Registration issued by the NNR. After the Spin-off, South Deep continues to possess and maintain its Certificate of Registration, or CoR, as required under the NNR Act.

Although South Africa has a comprehensive environmental regulatory framework, enforcement of environmental law has traditionally been poor. The DEA and the DWS have indicated that enforcement will improve and that Environmental Management Inspectors will be provided with greater resources going forward. As of 8 December 2014, under the One Environmental System , separate Environmental Management Inspectors were appointed under the DMR to regulate environmental compliance of the mining industry.

Health and Safety

The principal objective of the South African Mine Health and Safety Act No. 29 of 1996, or the Mine Health and Safety Act, is to provide for the protection of the health and safety of employees and other persons at mines. The Mine Health and Safety Act requires employers and others to ensure their operating and non-operating mines provide a safe and healthy working environment, as far as reasonably practicable. The Mine Health and Safety Act provides for penalties and a system of administrative fines for non-compliance with the provisions thereof. The Mine Health and Safety Act further provides for employee participation through the establishment of health and safety committees and by requiring the appointment of health and safety representatives. It also provides for an employee s right to refuse dangerous work. Finally, it describes the powers and functions of the Mine Health and Safety Inspectorate, or MHSI (which inspectorate is part of the DMR and the process of enforcement). The Mine Health and Safety Act authorises the MHSI to restrict or stop work at any mine and require an employer to take steps to minimise health and safety risks at any mine. Under the Mine Health and Safety Act, an employer is obliged, among other things, to ensure, as far as reasonably practicable, that its mines are designed, constructed and equipped to provide conditions for safe operation and a healthy working environment. The employer is also required to ensure, as far as reasonably practicable, that its mines are commissioned, operated, maintained and decommissioned in such a way that employees can perform their work without endangering their health and safety or that of any other person. Every employer must ensure, as far as reasonably practicable, that persons who are not employees, but who may be directly affected by the activities at a mine, are not exposed to any hazards to their health and safety.

Any person, which may include an employer, who fails to comply with a provision of the Mine Health and Safety Act commits an offence and may be charged and, if successfully prosecuted, fined or imprisoned, or both. In addition, inspectors from the MHSI have the right to halt any part, or all, of the operations of a mine in the event of any circumstances, which the inspector has reason to believe endangers the health and safety of any person at the mine. The MHSI also has the power to impose administrative fines upon an employer in the event of a breach of the Mine Health and Safety Act. The maximum administrative fine that may be imposed is R1 million per offence.

The principal health risks associated with Gold Fields mining operations in South Africa arise from occupational exposure and community environmental exposure to silica dust, noise, heat and certain hazardous substances, including toxic gases, water, soil or air contamination and radioactive particulates. The most significant occupational diseases affecting Gold Fields workforce include lung diseases (such as silicosis, tuberculosis, a combination of the two and COAD) as well as NIHL. The Occupational Diseases in Mines and Works Act, No. 78 of 1973 (South Africa), or the ODMWA, governs the payment of compensation and medical costs related to certain illnesses, such as silicosis, contracted by persons employed in mines or at sites where activities ancillary to mining are conducted. See *Risk Factors Gold Fields operations are subject to environmental and health and safety regulations, which could impose additional costs and compliance requirements and Gold Fields may face claims and liability for breaches, or alleged breaches, of such regulations and other applicable laws* .

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In 2011, the South African Constitutional Court ruled that a claim for compensation under ODMWA does not prevent the employee from seeking to recover damages from the employer as a civil action under common law. While issues, such as negligence and causation, need to be proved by the claimant on a case-by-case basis, such a ruling could expose Gold Fields to claims related to occupational hazards and diseases (including silicosis or other ailments alleged to arise due to exposure to hazardous materials and substances), which may be in the form of an individual claim, a class action or similar group claim. Although risks associated with alleged occupational exposure are likely to be greater, such actions may also arise in connection with the alleged incidence of such diseases in communities proximate to Gold Fields mines.

A consolidated application has been brought against several South African mining companies, including Gold Fields, for certification of a class action on behalf of current or former mineworkers (and their dependants) who have allegedly contracted silicosis and/or tuberculosis while working for one or more of the mining companies listed in the application. In May 2016, the South African South Gauteng High Court ordered, among other things, the certification of a silicosis class and a tuberculosis class. The High Court ruling did not represent a ruling on the merits of the cases brought against the mining companies. The Supreme Court of Appeal granted the mining companies leave to appeal against all aspects of the May 2016 judgment. The appeal hearing before the Supreme Court of Appeal was scheduled to be heard in March 2018.

On 10 January 2018, it was announced that attorneys representing all appellants and all respondents involved in the above appeal hearing before the Supreme Court of Appeal have written to the Registrar of the Supreme Court of Appeal asking that the appeal proceedings be postponed until further notice. The Supreme Court of Appeal has granted approval for the postponement. The joint letter written to the Registrar of the Supreme Court of Appeal explained that good faith settlement negotiations between the Occupational Lung Disease Working Group (see below) and claimants legal representatives have reached an advanced stage. In view of that, all parties consider it to be in the best interests of judicial economy and the efficient administration of justice that the matter be postponed. In addition to the class action, an individual silicosis-related action was instituted against Gold Fields and another mining company.

The Occupational Lung Disease Working Group, or the Working Group, was formed in fiscal 2014 to address issues relating to compensation and medical care for occupational lung disease in the South African gold mining industry. The Working Group, made up of African Rainbow Minerals, Anglo American SA, AngloGold Ashanti, Gold Fields, Harmony and Sibanye-Stillwater, has had extensive engagements with a wide range of stakeholders since its formation, including government, organised labour, other mining companies and the legal representatives of claimants who have filed legal actions against the companies.

The members of the Working Group are among respondent companies in a number of legal proceedings related to occupational lung disease, including the class action referred to above. The Working Group however of the view that achieving a comprehensive settlement which is both fair to past, present and future employees and sustainable for the sector, is preferable to protracted litigation. The Working Group will continue with its efforts to find common ground with all stakeholders, including government, labour and the claimants legal representatives.

As at 30 June 2017, as a result of the ongoing work of the Working Group and engagements with affected stakeholders since 31 December 2016, Gold Fields provided an amount of U.S.$30 million in the statement of financial position for its share of the estimated cost in relation to the Working Group of a possible settlement of the class action claims and related costs. The nominal value of this provision was U.S.$40 million.

Gold Fields believe that this remains a reasonable estimate of its share of the estimated cost in relation to the Working Group of a possible settlement of the class action claims and related costs. As a result, Gold Fields provision for this obligation will remain unchanged at an amount of U.S.$30 million as at 31 December 2017. The nominal value of this provision will similarly remain unchanged at U.S.$40 million.

The ultimate outcome of these matters remains uncertain, with a possible failure to reach a settlement or to obtain the requisite court approval for a potential settlement. The provision is consequently subject to adjustment in the future, depending on the progress of the Working Group discussions, stakeholder engagements and the ongoing legal proceedings. See *Integrated Annual Report Safe operational delivery Health Silicosis and tuberculosis* and *Annual Financial Report Notes to the consolidated financial statements Note 34. Contingent liabilities*.

Mineral Rights

The MPRDA

See *Risk Factors Gold Fields mineral rights are subject to legislation, which could impose significant costs and burdens and which impose certain ownership requirements, the interpretation of which are the subject of dispute The MPRDA*.

The New Mining Charter

See *Risk Factors Gold Fields mineral rights are subject to legislation, which could impose significant costs and burdens and which impose certain ownership requirements, the interpretation of which are the subject of dispute The New Mining Charter*.

The BBBEE Act and the BBBEE Amendment Act

The BBBEE Act established a national policy on broad-based black economic empowerment with the objective of increasing the participation of HDSAs in the economy. The BBBEE Act provides for various measures to promote black economic empowerment, including empowering the Minister of Trade and Industry to issue the BBBEE Codes with which organs of state and public entities and parties interacting with them or obtaining rights and licences from them would be required to comply. There has been some debate as to whether or to what extent the mining industry was subject to the BBBEE Act and the policies and codes provided for thereunder. On 24 October 2014, the BBBEE Amendment Act No. 46 of 2013 was brought into operation. The BBBEE Amendment Act inserts a new provision in the BBBEE Act, whereby the BBBEE Act would trump the provisions of any other law in South Africa which conflicts with the provisions of the BBBEE Act, provided such conflicting law was in force immediately prior to the effective date of the BBBEE Amendment Act. The BBBEE Amendment Act also stipulates that this provision would only be effective one year after the BBBEE Amendment Act is brought into effect. This provision came into effect on 24 October 2015 and on 27 October 2015, the Minister for Trade and Industry published a government gazette notice declaring an exemption in favour of the DMR from applying the requirements contained in section 10(1) of the BBBEE Act for a period of 12 months, ending 27 October 2016. The Minister of Trade and Industry has not published any further notices since this date to provide clarity on his position but the exemption and its expiry can be read as confirmation that the South African Department of Trade and Industry sees the BBBEE codes as applicable to the Mining Industry. In any event, it is not clear whether the DMR is likely to continue implementing the Mining Charter in its current form or whether it will apply the BBBEE Act or whether it would follow the BBBEE Codes.

This raises the question of whether the BBBEE Act and the BBBEE Codes may overrule the Mining Charter in the future. There is no clarity on this point at this stage. The revised Broad-Based Black Economic Empowerment Codes of Good Practice, or the Revised BEE Codes, became available for voluntary use on 11 October 2013 and became effective on 1 May 2015. Both the BBBEE Amendment Act and the Revised BEE Codes expressly stipulate that, where an economic sector in South Africa has a sector code, or Sector Code, in place for BEE purposes, companies in that sector must comply with the Sector Code. For purposes of the BBBEE Act, the Mining Charter is not a Sector Code. On 17 February 2016, the Minister of Trade and Industry published a gazette notice which repealed or confirmed the validity of a number of Sector Codes. The omission of the Mining Charter from the notice can be interpreted as confirmation that the Mining Charter is not contemplated as a Sector Code. This supports the interpretation that the BBBEE Act did not intend to trump the Mining Charter. While it remains to be seen how this will be interpreted, it appears that the BBBEE Act and the BBBEE Codes

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will not overrule the Mining Charter in the future. Although the Mining Charter is not a Sector Code, Gold Fields regularly reviews its status against the provisions and obligations of the Revised BEE Code, or Codes, to internally measure what its compliance would be if it were subject to the Codes. To date, we believe we would be compliant with the Codes; however, there is no certainty as to whether the current obligations would supersede the Mining Charter or whether there will be alignment with the revised Mining Charter III. See *Risk Factors Gold Fields mineral rights are subject to legislation, which could impose significant costs and burdens and which impose certain ownership requirements, the interpretation of which are the subject of dispute*.

The current version of the New Draft Mining Charter does not align the Mining Charter with the BBBEE Act, 2003, or BBBEE Act, and the BBBEE Codes, which apply generally to other industries in South Africa. Accordingly, if brought into effect in its current form, the New Draft Mining Charter could potentially create further uncertainty. See *Risk Factors Gold Fields mineral rights are subject to legislation, which could impose significant costs and burdens and which impose certain ownership requirements, the interpretation of which are the subject of dispute*.

The Royalty Act

The Mineral and Petroleum Resources Royalty Act, No. 28 of 2008, or the Royalty Act, imposes a royalty on refined and unrefined minerals payable to the South African government.

The royalty in respect of refined minerals (which include gold and platinum) is calculated by dividing earnings before interest and taxes, or EBIT, by the product of 12.5 times gross revenue calculated as a percentage, plus an additional 0.5% EBIT refers to taxable mining income (with certain exceptions such as no deduction for interest payable and foreign exchange losses) before assessed losses but after capital expenditure. A maximum royalty of 5% of revenue has been introduced for refined minerals. Gold Fields currently pays a royalty based on the refined minerals royalty calculation as applied to its gross revenue.

The Minister of Finance has appointed the Davis Tax Review Committee to look into and review the current mining tax regime. The Committee s First Interim Report on Mining, which was released for public comment on 13 August 2015, proposed no changes to the royalty regime but recommended the discontinuation of the upfront capital expenditure write-off regime in favour of an accelerated capital expenditure depreciation regime. In addition, the report recommended retaining the so called gold formula for existing gold mines only, as new gold mines would be unlikely to be established in circumstances where profits are marginal or where gold mines would conduct mining of the type intended to be encouraged by the formula. An alternative recommendation was to phase out the gold formula for all mines over a reasonable period of time. The Committee also recommended to phase out the additional capital allowances available to gold mines in order to bring the gold mining corporate income tax regime in line with the tax system applicable to all taxpayers.

Exchange Controls

South African law provides for Exchange Control Regulations which, among other things, restrict the outward flow of capital from the CMA. The Exchange Control Regulations, which are administered by the Financial Surveillance Department of the SARB, are applied throughout the CMA and regulate international transactions involving South African residents, including companies. The South African government has committed itself to gradually relaxing exchange controls and various relaxations have occurred in recent years.

SARB approval is required for Gold Fields and its South African subsidiaries to receive and/or repay loans to non-residents of the CMA.

Funds raised outside of the CMA by Gold Fields non-South African resident subsidiaries (whether through debt or equity) can be used for overseas expansion, subject to any conditions imposed by the SARB. Gold Fields

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and its South African subsidiaries would, however, require SARB approval in order to provide guarantees for the obligations of any of Gold Fields subsidiaries with regard to funds obtained from non-residents of the CMA. Debt raised outside the CMA by Gold Fields non-South African subsidiaries must be repaid or serviced by those foreign subsidiaries. Absent SARB approval, income earned in South Africa by Gold Fields and its South African subsidiaries cannot be used to repay or service such foreign debts. Unless specific SARB approval has been obtained, income earned by one of Gold Fields foreign subsidiaries cannot be used to finance the operations of another foreign subsidiary.

Transfers of funds from South Africa for the purchase of shares in offshore entities or for the creation or expansion of business ventures offshore require exchange control approval. However, if the investment is a new outward foreign direct investment where the total cost does not exceed R1 billion per company per calendar year, the investment application may, without specific SARB approval, be processed by an authorised dealer, subject to all existing criteria and reporting obligations.

Gold Fields must obtain approval from the SARB regarding any capital raising involving a currency other than the Rand. In connection with its approval, it is possible that the SARB may impose conditions on Gold Fields use of the proceeds of any such capital raising, such as limits on Gold Fields ability to retain the proceeds of the capital raising outside South Africa or requirements that Gold Fields seeks further SARB approval prior to applying any such funds to a specific use.

Ghana

Environmental

The laws and regulations relating to the environment in Ghana have their roots in the 1992 Constitution which charges both the state and others with a duty to take appropriate measures to protect and safeguard the natural environment. Mining companies are required, under the Minerals and Mining Act, Environmental Assessment Regulations 1999 (LI 1652) and Water Use Regulations 2001 (LI 1692), to obtain all necessary approvals from the Environmental Protection Agency, or Ghanaian EPA, a body set up under the Environmental Protection Agency Act 1994 (Act 490), and, where applicable, the Water Resources Commission and/or the Ghanaian Minerals Commission before undertaking mining operations. There are further requirements under the Minerals and Mining (Health, Safety and Technical) Regulations, 2012 L.I 2182 to obtain the necessary permits from the Inspectorate Division of the Ghanaian Minerals Commission for the operation of mines. The Minerals and Mining Act also requires that mining operations in Ghana comply with all laws for the protection of the environment. Non-compliance with the provisions of these laws could result in the imposition of fines and in some cases a term of imprisonment.

Under the relevant environmental laws and regulations, mining operations are required to undergo an EIA process and obtain approval for an environmental permit prior to commencing operations. EMPs are first submitted to the Ghanaian EPA 18 months after the initial issuance of the permit and then every three years thereafter. The plan must include details of the likely impacts of the operation on the environment and local communities, as well as a comprehensive plan and timetable for actions to lessen and remediate adverse impacts. Approval of the management plan results in the issuance of an environmental certificate.

The laws also require mining operations to rehabilitate land disturbed as a result of mining operations pursuant to an environmental reclamation plan agreed with the Ghanaian regulatory authorities. The reclamation plan includes two cost estimates, namely the cost of rehabilitating the mining area for the life of the mine as well as the cost of rehabilitating the mine as at the date of the reclamation plan. These estimates are reviewed annually and updated every two years. The Environmental Assessment Regulations, 1999 (LI 1652) requires each mining company to post a reclamation bond. The terms of each reclamation bond are determined by a Reclamation Security Agreement between that company and the Ghanaian EPA. Mining companies are typically required to secure a percentage (typically between 50% and 100%) of the current estimated rehabilitation costs by posting

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reclamation bonds underwritten by banks and restricted cash. Gold Fields Ghana and Abosso maintain reclamation bonds underwritten by banks and restricted cash in order to secure a percentage of their total mine closure liability.

During fiscal 2017, the construction of TSF 5 at Tarkwa continued after approval was received from the Ghanaian Minerals Commission. In response to a request of the Ghanaian EPA, the mine will submit a compensation plan for residents of the nearby Abekoase community.

Health and Safety

A mining company is statutorily obliged to, among other things, take steps to ensure that the mine is managed in accordance with applicable legislation, including the Minerals and Mining (Health, Safety and Technical) Regulations, 2012 (L.I 2182), to ensure the safety and wellbeing of its employees. Additionally, both the Tarkwa and Damang mines are required, under the terms of their respective mining leases, to comply with the reasonable instructions of the Chief Inspector of Mines regarding health and safety at the mines. A violation of the provisions of the health and safety regulations or failure to comply with the reasonable instructions of the Chief Inspector of Mines could lead to, among other things, a shutdown of all or a portion of the mine or the imposition of more stringent compliance procedures. The Tarkwa and Damang mines have potential liability arising from injuries to, or deaths of, workers, including, in some cases, workers employed by their contractors. Although Ghanaian law provides statutory workers compensation for injuries or fatalities to workers, it is not the exclusive means by which workers or their personal representatives may claim compensation. Both companies allotted insurance for health and safety claims and the relevant workers compensation may not fully cover them in respect of all liability arising from any future health and safety claims, since employees may still resort to other claims through the Ghanaian courts and/or legal system.

Mineral Rights

Gold Fields Ghana has two major mining leases in respect of its mining operations, namely the Tarkwa property lease and the Teberebie property lease. There are three mining leases under the Tarkwa property lease, all of which were granted in 1997 and will expire in 2027, and two mining leases under the Teberebie property lease, which were granted between 1988 and 1992, and expire in 2018. Under the provisions of the Minerals and Mining Law, 1986 (PNDCL 153), or the Minerals and Mining Law, and the terms of the mining leases, all of the mining leases under the Tarkwa and Teberebie properties are renewable by agreement between Gold Fields Ghana and the government of Ghana. The Minerals Commission has approved Gold Fields Ghana s application for an extension of the Teberebie leases to 2036 and has made recommendations to the Minister of Land and Natural Resources to grant the extension. Gold Fields Ghana has fully paid for the fees associated with the extension.

Abosso holds the mining lease in respect of the Damang mine which was granted in 1995 and expires in 2025, as well as the mining lease in respect of the Lima South pit that was granted in 2006 and expired in 2017 but remains valid until the application for the extension of the term is determined. As with the Tarkwa and Teberebie mining leases, these leases are renewable under their terms and the provisions of the Minerals and Mining Law by agreement between Abosso and the government of Ghana. Gold Fields submitted an application for renewal of Lima South in the last quarter of 2016. On 18 December 2018, the Ghanaian Minerals Commission made a favourable recommendation to the Minister of Lands and Natural Resources for the extension of the La Lima South lease for ten years. The Minerals Commission is awaiting the approval of the Minister for Lands and Natural Resources.

The Minerals and Mining Act, 2006 (Act 703), or the Minerals and Mining Act, came into force on 31 March 2006. Although the Minerals and Mining Act repealed the Minerals and Mining Law, and the amendments to it, the Minerals and Mining Act provides that leases, permits and licences granted or issued under the repealed laws will continue under those laws unless the Minister responsible for minerals provides otherwise by regulation. It also provides that the Minister responsible for minerals shall grant the extension of the term of a lease on conditions specified in writing as long as the holder of mineral rights has materially complied with its obligations under the Act. Management believes that all of Gold Fields operations in Ghana are materially compliant with the relevant legislative requirements. Therefore, unless and until any new regulations are passed in respect of Gold Fields mineral rights, the Minerals and Mining Law will continue to apply to Gold Fields current operations in Ghana.

The major provisions of the Minerals and Mining Act include:

- the government of Ghana s right to a free carried interest in mineral operations of 10% and the right to a special share (discussed below); and

- mining companies which have invested or intend to invest at least U.S.$500 million (as Gold Fields has) may benefit from stability and development agreements, relating to both existing and new operations, which will serve to protect holders of current and future mining leases for a period not exceeding 15 years against changes in laws and regulations generally and, in particular, relating to customs and other duties, levels of payment of taxes, royalties and exchange control provisions, transfer of capital and dividend remittances. A development agreement may contain further provisions relating to the mineral operations and environmental issues. Each stability and development agreement is subject to the ratification of parliament.

In 2010, the Minerals and Mining Act was amended to provide for a fixed royalty rate of 5% of the total revenue earned from minerals obtained, with effect from 17 March 2010. Although payment of the royalty rate became effective in March 2010, Gold Fields did not begin submitting the required payment until 1 April 2011 due to a moratorium on the tax burden for mining leases in place prior to commencement of the Mineral and Mining Act, which ended on 31 March 2011.

The Ghanaian parliament passed an act that, effective 9 March 2012, increased taxes on mining companies. These changes included introducing a separate tax category for companies engaged in mining, which raised the applicable corporate tax rate from 25% to 35% and reduced the capital allowance regime from 80% for the first year with reductions to a uniform regime of 20% over five years. Under a new Income Tax Act enacted in 2015 (Act 896), unutilised capital allowance cannot be deferred if not used in the tax year. Further, a draft bill was proposed which sought to impose a windfall profit tax of 10% of the cash balance of a company engaged in mining activities. The planned windfall tax has, however, been on hold indefinitely since January 2014.

On 17 March 2016, the parliament of Ghana ratified development agreements between Gold Fields Ghana, Abosso and the government of Ghana. Parliamentary proceedings leading to the ratification were officially published on parliament s website on 21 March 2016. The development agreements provide for, among other things, a fixed corporate tax rate of 32.5%, beginning on 17 March 2016, and exemption from certain import duties. In addition, from 1 January 2017, Gold Fields pays royalties on a sliding scale, replacing the fixed rate, which it paid prior to 1 January 2017.

Under the development agreements, Gold Fields committed to pay compensation for assets used at Tarkwa since the divestiture of the Ghanaian State Gold Mining Company and, in years where a dividend is not declared and paid, to make a payment of 5% of profits after tax in the relevant year to the government (which will be offset against the eventual dividend payment).

Government Option to Acquire Shares of Mining Companies

Under Ghanaian law, the government is entitled to a 10% interest in any Ghanaian company which holds a mining lease in Ghana, without the payment of consideration for the shares therein. The government of Ghana has already received this 10% interest in each of Gold Fields Ghana and Abosso. The government also has the option, under the Minerals and Mining Law, of acquiring an additional 20% interest in the share capital of

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mining companies whose rights were granted under the Minerals and Mining Law at a price agreed upon by the parties, at the fair market value at the time the option is exercised, or as may be determined by international arbitration. The government of Ghana exercised this option in respect of Gold Fields Ghana and subsequently transferred the interest back to Gold Fields. The government of Ghana retains this option to purchase an additional 20% of the share capital of Abosso. As far as management is aware, the government of Ghana has not exercised this option for any other gold mining company in the past, other than Gold Fields Ghana.

Under the Minerals and Mining Law, which continues to apply to Gold Fields Ghana s operations, and under the Minerals and Mining Act, the government has a further option to acquire a special share in a mining company for no consideration or in exchange for such consideration as the government and that company shall agree. This interest, when acquired, constitutes a special share which gives the government the right to attend and speak at any general meeting of shareholders, but does not entitle the government to any voting rights. The special share does not entitle the government to distributions of profits of the company which issues it to the government. The written consent of the government is required to make any amendment to a company s regulations relating to the government s option to acquire a special share. Although the government of Ghana has agreed not to exercise this option in respect of Gold Fields Ghana, it has retained this option for Abosso.

Exchange Controls

Under Ghana s mining laws, the Bank of Ghana or the Minister for Finance may permit the holder of a mining lease to retain a percentage of its foreign exchange earnings for certain expenses in bank accounts in Ghana. Under a foreign exchange retention account agreement with the government of Ghana, and in line with the Development Agreement, Gold Fields Ghana & Abosso are required to repatriate 30% of its revenues derived from the Tarkwa mine to Ghana and use the repatriated revenues in Ghana or maintain them in a Ghanaian bank account.

The Bank of Ghana issued notices on 4 February 2014 and 13 June 2014 that imposed further restrictions on the operation of Foreign Exchange Accounts and Foreign Currency Accounts. However, on 8 August 2014, it reversed virtually all the restrictions that it had imposed through these notices.

Electricity Costs

The Ghanaian government introduced the Energy Sector Levies (Amendment) Act 2017 (Act 946) in March 2017, which reduced the national electricity levy from 5% per kilowatt hour to 2% per kilowatt hour and the public lighting levy from 5% per kilowatt hour to 3% per kilowatt per hour of electricity. Following this cost-increase, Gold Fields entered into the Genser PPA with Genser Energy to supply power at Damang and Tarkwa.

Australia

Environmental

Gold Fields gold operations in Australia are primarily subject to the environmental laws and regulations of the State of Western Australia which require, among other things, that Gold Fields obtains necessary environmental approvals, environmental licences, works approvals and mining approvals to implement and carry out its mining operations. In addition, under the Environment Protection and Biodiversity Conservation Act 1999 (Cth), or the EPBC Act, it may be necessary to obtain separate approval from the federal government if any new project (including some expansions of existing facilities) has, will have or is likely to have, a significant impact on matters of national environmental significance under the EPBC Act (known as a controlled action).

At the state level, Gold Fields is subject to the Environmental Protection Act 1986 (WA), or EP Act, under which it is obliged to prevent and abate pollution and environmental harm. The EP Act also prescribes sanctions and penalties for a range of environmental offences, including orders which may effectively suspend certain operations or activities.

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Under Part IV of the EP Act, a proposal that is likely to have a significant effect on the environment must be referred to the Western Australian Environmental Protection Authority, or the Western Australian EPA, which undertakes the EIA of the proposal. An EIA is a systematic and orderly evaluation of a new proposal (including an expansion of an existing development) and its impact on the environment. The assessment includes considering ways in which the proposal, if implemented, could avoid or reduce any impact on the environment. After completing its assessment of a proposal, the Western Australian EPA prepares a report for the Western Australian Minister for the Environment who must decide whether or not to approve the proposal and, if approved, what conditions are appropriate to regulate the implementation of the proposal.

In addition to this approval, under Part V of the EP Act, a works approval and environmental licence must be obtained from the Department of Water and Environmental Regulation, or DWER, for the construction and operation of facilities with significant potential to cause pollution, such as the ore processing facility, tailings storage facility, landfill and waste water treatment plant.

Gold Fields is also required to obtain a water licence from the DWER to extract water for its mining activities.

Prior to the commencement or expansion of any mining operations, Gold Fields is also required to prepare a mining proposal in accordance with published guidance material and submit the mining proposal to the Department of Mining, Industry Regulation and Safety, or DMIRS, for approval under the Mining Act 1978 (WA), or Mining Act. Once approved by the DMIRS, the requirement to comply with the mining proposal becomes a condition of the mining tenement.

Gold Fields is required to prepare and submit an Annual Environmental Report to the DWER and DMIRS under the conditions attached to its environmental approvals, licences and mining tenements.

During the operational life of its mines, Gold Fields is required by law to prepare a Mine Closure Plan which is to make provisions for the ongoing rehabilitation of its mines and to provide for the cost of post-closure rehabilitation and monitoring once mining operations cease. Under the Mining Act, Gold Fields has previously been required to guarantee its environmental obligations by providing the Western Australian government with unconditional bank-guaranteed performance bonds. From 1 July 2014, Gold Fields has been required to pay an annual levy into a mining rehabilitation fund administered by the DMIRS instead of providing performance bonds. The annual levy payable by Gold Fields is 1% of an estimate of the cost per hectare to rehabilitate the disturbed land.

The funds held by the DMIRS in the mining rehabilitation fund are used to rehabilitate abandoned mines, and are not refundable or reimbursable to the contributing entities for their own rehabilitation liabilities.

Under the National Greenhouse and Energy Reporting scheme, Gold Fields Australia has operational control over the four Australian operations which have combined emissions exceeding 50kt CO_2e each fiscal year. Accordingly, Gold Field Australia is required to report as the registered controlling corporation for the purposes of the scheme.

In December 2014, the Emissions Reduction Fund, or the ERF, came into effect. The ERF is a voluntary scheme that aims to provide financial incentives for emitters to reduce, abate or sequester greenhouse gas emissions. Gold Fields registered the Granny Smith Gas Power Station Project with the ERF for carbon abatement in May 2015 under the Industrial Fuel and Energy Efficiency Method. Gold Fields entered a reverse auction with the Clean Energy Regulator in April 2016 under the Emissions Reduction Fund in order to sell the project s carbon abatement to the Australian government. This bid was successful and on 5 May 2016, Gold Fields entered into a contract with the Emissions Reduction Fund for the sale of its abatement credits.

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Health and Safety

The Mines Safety and Inspection Act 1994 (WA), or the Safety and Inspection Act, and the *Mines Safety and Inspection Regulations 1995* (WA) together regulate the duties of employers and employees in the mining industry with regard to occupational health and safety and outline offences and penalties for breach. Resources Safety, a division of the DMIRS, administers this legislation. Under the approach utilised by Resources Safety, it is the responsibility of each employer to manage safety (i.e. a general duty of care exists in mines located in Western Australia). A violation of the safety laws or failure to comply with the instructions of the relevant health and safety authorities is a criminal offence that could lead to, among other things, a temporary shutdown of all or a portion of the mine, a loss of the right to mine, or the imposition of costly compliance procedures and/or financial penalties.

The *Work Health and Safety Bill 2014* (WA), or the WHS Bill (which is based on the federal *Model Work Health and Safety Act*), had been drafted in respect of general industry and was open for public consultation until January 2015. While further modifications were required as a result of the consultation process, all work on the legislation was suspended pending the outcome of the March 2017 state election. The newly elected state Government has since announced that it will develop a new Work Health and Safety Bill, which will apply to all industries, and which will replace the existing provisions of the occupational safety legislation, together with the Safety and Inspection Act and its counterpart in the petroleum industry. The new legislation will be supported by a number of industry specific regulations, including those specific to the resources industry. The new legislation is currently undergoing an extensive consultation process, and is expected to be introduced in the state Parliament in mid-2019.

Mineral Rights

In Australia, the ownership of land is separate from the ownership of most minerals (including gold), which are the property of the states and are thus regulated by the state governments. The Mining Act is the principal piece of legislation governing exploration and mining on land in Western Australia. Licences and leases for, among other things, prospecting, exploration and mining must be obtained pursuant to the requirements of the Mining Act before the relevant activity can begin.

Prospecting licences, exploration licences and mining leases are subject to prescribed minimum annual expenditure commitments. Royalties are payable to the state based on the amount of ore produced or obtained from a mining tenement. A quarterly production report must be filed and royalties are calculated *ad valorem* at a fixed rate of 2.5% of royalty value in respect of gold, and at other rates (depending on the relevant mineral) in respect of ore produced or obtained from a mining tenement. The royalty value of gold is the amount of gold produced during each month in a relevant quarter multiplied by the average gold spot price for that month. Despite the discussion above, no royalty is payable in respect of the first 2,500 ounces of gold metal produced during a financial year from gold-bearing material produced or obtained from the same gold royalty project.

Land Claims

In 1992, the High Court of Australia recognised a form of native title which protects the rights of indigenous people in relation to land and water in certain circumstances. As a result of this decision, the Native Title *Act 1993* (Cth), or Native Title Act, was enacted to recognise and protect existing native title by providing a mechanism for the determination of native title claims and a statutory right for Aboriginal groups or persons to negotiate, object, and/or be consulted when, among other things, there is an expansion of, or change to, the rights and interests in the land which affect native title and which constitute a future act under the Native Title Act.

The existence of these claims does not necessarily prevent continued mining under existing tenements. Tenements granted prior to 1 January 1994 are not future acts and do not need to comply with the aforementioned consultation or negotiation procedures.

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As a general rule, tenements granted (or in some cases re-granted) after 1 January 1994 need to comply with this process. However, in Western Australia, some tenements were granted without complying with this consultation or negotiation process on the basis of then prevailing Western Australian legislation. This legislation was subsequently found to be invalid as it conflicted with the Native Title Act which is Commonwealth legislation. Subsequent legislation was passed (*Titles Validation Amendment Act 1999* (WA)) validating the grant of tenements between 1 January 1994 and 23 December 1996, provided certain conditions were met under the Native Title Act.

Certain of Gold Fields tenements are currently subject to native title claims and a determination of native title. However, most of Gold Fields tenements were granted prior to 1 January 1994. Where tenements were granted between 1 January 1994 and 23 December 1996, Gold Fields believes it has complied with the conditions set out by the Native Title Act for those tenements to be validly granted. On those tenements granted after 23 December 1996, Gold Fields has either entered into (or will enter into) agreements with the claimant parties which provide the Company with security of tenure, or utilised a valid exemption from the consultation and negotiation process under the Native Title Act. Therefore, any existing or future grant of native title over any of these tenements will not have a material effect on Gold Fields tenure during the operation of these agreements. See *Annual Financial Report Notes to the consolidated financial statements Note 34. Contingent liabilities* .

Peru

Regulatory

The regulatory framework governing the development of mining activities in Peru mainly consists of the General Mining Act (*Ley General de Minería*), or the LGM, and regulations relating to mining procedures, health and safety, environmental protection, and mining investment and guarantees. Mining activities as defined by the LGM include surveying, prospecting, exploration, exploitation, general workings, beneficiation, trading and transportation of ore.

In addition to general taxation, mining companies are also subject to a special tax regime established in 2011 through the amendment of the Mining Royalty Law and enactment of the Special Mining Tax Law and the Special Mining Charge Law.

Regulatory and Supervisory Entities

In general terms, the principal regulator of mining activities in Peru is the Ministry of Energy and Mines, or MEM, through its General Bureau of Mining (*Dirección General de Minería*), or DGM, and its General Bureau of Mining and Environmental Affairs (*Dirección General de Asuntos Ambientales Mineros*).

Additionally, since 28 December 2015, the National Environmental Certification Service for Sustainable Investment, or SENACE, has been authorised to review and approve the EIA studies of projects that have a national or multi-regional influence, and that may generate significant environmental impacts.

Other relevant regulatory institutions include the INGEMMET, the OSINERGMIN, the OEFA, the National Water Authority, the Ministry of Culture and the National Superintendence of Labour Inspection, or SUNAFIL.

Concessions

In accordance with the LGM, mining activities (except surveying, prospecting and trading) must be performed exclusively under the concession system. A concession confers upon its holder the exclusive right to develop a specific mining activity within a defined area. The LGM establishes four types of concessions:

Mining Concessions

A mining concession is a real property interest independent and separate from surface land located within the coordinates of the concession. Holders of mining concessions or of any pending claims for mining

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concessions must comply with payment of an annual mining good standing fee, or Mining Good Standing Fee, of U.S.$3.00 per year per hectare in order to maintain the concessions in good standing. The payment starts from the year in which the claim was filed and must be paid for as long as the concessions are held. Holders of mining concessions are also required to meet minimum annual production targets prescribed by law, which will have to be demonstrated in the Annual Consolidated Statement filed with the MEM. Titleholders are entitled to group multiple concessions into Administrative Economic Units to comply with the minimum production requirement, provided certain conditions are met. In the case of mining concessions obtained prior to October 2008, the minimum annual production target for concessions to mine metals is equivalent to U.S.$100.00 per hectare per year.

In the case of mining concessions obtained starting in October 2008, the minimum annual production target for metallic concessions is equivalent to one Fiscal Payment Unit, or UIT, per hectare per year. The UIT is fixed on a yearly basis and is set to equal S/.4,050, or approximately U.S.$1,227, in 2017. La Cima owns mining concessions acquired before and after October 2008 and therefore is subject to both production target requirements. La Cima is currently in compliance with both requirements.

Beneficiation Concessions

Beneficiation or process concessions confer the right to extract or concentrate the valuable substances of an aggregate of minerals and/or to smelt, purify or refine metals through a set of physical, chemical and/or physicochemical processes. As with mining concessions, holders of beneficiation concessions are required to pay the Mining Good Standing Fee, which is calculated on the basis of the production capacity of the processing plant. La Cima was granted a permit for a processing plant with a capacity of 18,600 tonnes per day by the Ministry of Energy and Mines which was later modified to increase the capacity of the processing plant to 22,320 tonnes per day. The current installed capacity of the processing plant is 19,920 tonnes per day. In fiscal 2017, La Cima paid a S/40,168, or approximately U.S.$12,552, Mining Good Standing Fee in connection with its beneficiation concessions.

General Working Concessions

General workings concessions confer the right to render ancillary services to two or more mining concession holders. The following are considered ancillary services: ventilation, drainage, hoisting or extraction in favour of two or more concessions of different concessionaires.

Ore Transportation Concessions

Ore transportation concessions confer the right to instal and operate a system for the continuous massive transportation of mineral products between one or more mining centres and a port or beneficiation plant, or a refinery, or along one or more stretches of these routes. The ore transportation system must be non-conventional, such as conveyor belts, pipelines or cable cars, among others. Conventional transportation systems are authorised by the Ministry of Transport and Communications.

Mining Royalty and Other Special Mining Taxes and Charges

In addition to general taxation, mining companies are subject to a special tax regime established, in its current form, in September 2011. With respect to the general taxation regime, relevant changes have been introduced with effect from 1 January 2017 to corporate and dividends income tax rates. For fiscal 2017, the corporate tax rate has been increased from 28% to 29.5%. In turn, the dividends tax rate applicable to non-resident shareholders of Peruvian companies has reduced from 6.8% to 5%.

The special tax regime is structured around the Mining Royalty Law, the Special Mining Tax Law and the Special Mining Charge Law. The Mining Royalty Law established payment of a mining royalty by owners of mining concessions for the exploitation of metallic and non-metallic resources. This mining royalty was originally calculated on the basis of revenues obtained from the sales of minerals. However, in September 2011, an amendment to the Mining Royalty Law was approved establishing that, as of October 2011, the mining royalty will be determined by applying a sliding scale rate (ranging from 1% to 12%, previously 1% to 3% of sales) based on the quarterly operating profits of mining companies. Mining royalties are deductible for income tax purposes.

Also, in September 2011, the Special Mining Tax Law and the Special Mining Charge Law were enacted. The Special Mining Tax is payable by mining companies that have not executed a Mining Tax Stability Agreement with the MEM. The Special Mining Tax is calculated by applying a sliding scale of rates (ranging from 2% to 8.4%) based on the quarterly operating profits of the mining company and is deductible for income tax purposes. This Special Mining Tax applies to La Cima as the company has not executed a Mining Tax Stability Agreement with the MEM. While the Company has not executed a Mining Tax Stability Agreement, Gold Fields concluded an Investor Stability Agreement, or ISA, with the Private Investment Promotion Agency, or PROINVERSION, which was valid for 10 years and expired in October 2017.

The Special Mining Charge is similar to the Special Mining Tax but applies to mining companies that have executed a Mining Tax Stability Agreement with the MEM and the sliding scale of rates range from 4% to 13.12% based on the quarterly operating profits of mining companies. The Special Mining Charge does not apply to La Cima.

In addition to the above, beginning with their annual income in calendar 2012, mining companies must contribute an amount equivalent to 0.5% of their annual income before taxes to fund the Complementary Retirement Fund for Mining, Metal and Iron and Steel.

Also, since July 2012, mining companies are required to pay an annual supervisory contribution to the Organismo Supervisor de la Inversión en Energía y Minería, or OSINERGMIN, and the Organismo de Evaluación y Fiscalización Ambiental, or OEFA, to fund safety and environmental supervisions. OSINERGMIN is the national regulatory and supervisory agency in energy and mining activities on safety issues and OEFA is the national agency for environmental assessment and control. The rates for these contribution are set by supreme decree. The sum of both contributions may not exceed an amount equivalent to 1% of the total value of annual invoicing for concentrate sales, after deducting VAT. For fiscal 2017, the contributions to OSINERGMIN and OEFA were equivalent to 0.15% and 0.11% of the annual invoicing, respectively. In fiscal 2017, La Cima paid a total of approximately U.S.$1.03 million in such contributions. La Cima has paid these contributions under protest and has filed two constitutional actions against OSINERGMIN and OEFA questioning the constitutionality and legality of these contributions. These actions are still in progress.

Environmental

The environmental impact of mining activities in Peru is regulated by the Regulations on Environmental Protection and Management for Mining Exploitation, Beneficiation, General Labour, Transportation and Storage Activities, which entered into force on 14 March 2015 with the publication of the relevant terms of reference.

According to the above regulations, the following environmental instruments are required to be produced in order to perform mining activities:

Environmental Impact Declaration, or DIA, and Semi-Detailed Environmental Impact Assessment, or SD-EIA: DIAs and SD-EIAs are required for mining exploration projects, according to the magnitude and impact that the activities intended to be carried out may have on the environment. DIAs and SD-EIAs contain detailed environmental and social information on the area where exploration activities will be carried out, on the project and works to be performed, and on the measures that will be taken to control and mitigate any environmental impacts caused. The initiation of exploration activities needs to have been previously authorised by the DGM. A SD-EIA or DIA is required for such authorisation to be obtained.

EIA: EIAs are required for new projects, expansions or changes of existing operations and projects moving from the exploration stage to development. EIAs must evaluate the physical, biological, socio-economic and cultural impacts on the environment resulting from the operation of mining projects.

According to Ministerial Resolution N° 120-2014-MEM/DM modifications of mining projects which entail non-significant environmental impacts are required to submit to the authority a Supporting Technical Report, or STRs, which is a simplified EIA. The period for evaluation and approval of STRs by the authority is considerably shorter than an EIA. The number of STRs is restricted to three per mining unit but only for those STRs related to the main mining components (pits, tailings storage facilities, waste rock storage facilities, concentrator plant, among others).

A law regulating mine closures requires mining companies to ensure the availability of the resources necessary for the execution of an adequate mine closure plan, including a mine closure cost estimate, in order to prevent, minimise and control the risks to and negative effects on health, personal safety and the environment that may be generated or may continue after the cessation of mining operations. Furthermore, the law obligates holders of mining concessions to furnish guarantees in favour of the MEM to ensure that they will carry out their mine closure plans in accordance with the environmental protection regulations and to ensure that the MEM has the necessary funds to execute the mine closure plan in the event of non-compliance by the holder of the mining concession. Mine concession holders may satisfy these requirements by providing to the MEM stand-by letters of credit (bank guarantees) to cover the amount of any mine closure plan. La Cima s mine closure plan for Cerro Corona was approved in 2008 and subsequently amended in 2010, 2011, 2013, 2014 and 2017. This mine closure plan is guaranteed by a bond letter of U.S.$45.4 million, issued by Credit Bank Peru.

Water Quality Standards

In December 2015, the Ministry of Environment passed Supreme Decree N° 15-2015-MINAM, or the Supreme Decree, which modified the Environmental Quality Standards, or the ECA, applicable to water courses. The Supreme Decree is binding from the date of its publication. This regulation established less stringent new parameters in physical and chemical, inorganic, organic, microbiological and parasitological compounds, compared to the previously approved ECA. Under the Supreme Decree, holders of mining activities that are conducting environmental studies had to report to the MEM by 17 February 2016 on whether such instruments complied with the amended ECA, or if they required an adjustment.

In line with this requirement, Gold Fields La Cima, or GFLC, reported that its environmental study needed to be adjusted to the amended ECA; and submitted a response plan to the MEM on 14 March 2017. On December 29, 2017, the MEM approved the citizen participation plan contained in the Cerro Corona s response plan with regards to the ECA 2015. The citizen participation plan, which is aimed at informing the settlers of the area about Cerro Corona s response plan is being implemented by GFLC. There is no legal requirement that the community issues a document for approval of the response plan.

The plan will be evaluated by the MEM and the approved plan must be implemented by GFLC to comply with the ECA within three years of approval, and GFLC estimates that the response plan will be approved in the second quarter of fiscal 2018. In the response plan, GFLC proposed management activities to be conducted during the remaining operational period of Cerro Corona, as no specific comments can be made relating to the post closure water treatment plans due to the uncertainties discussed below. In the specific case of GFLC, the response plan relates to the mine s operational stage only and neither considers nor proposes actions for the closure and post-closure phases. Detailed mine closure activities, including post closure water treatment plans, have to be submitted two years before mine closure, as required by Peruvian legislation. Based on the current life of mine for GFLC, the detailed mine closure plan will be submitted in 2021.

Management has been unable to reliably estimate the post closure water liability at Cerro Corona due to the fact that there are still elements with inherent uncertainty at this point in time, primarily due to the final pit lake

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elevation not being defined yet, given that the geotechnical and hydrogeological models are still under development.

The current draft for post-closure water management involves collecting all impacted water in the open pit, where lime might be added as a pre-treatment to precipitate a portion of the contained metals and soften the water. Adding lime will make the water easier to treat using membrane or other technology to reduce the concentration of sulphates to the limit of 1000 parts per million. However, this approach requires long-term water management.

Alternatives for post-closure water management under consideration include:

- Pit water treatment;
- Treatment of the pit walls (potentially the largest source of water) to reduce the metal load and eventually avoid long-term water treatment;
- Partial backfilling of the pit to construct a lined pond in the pit where runoff and other poor quality water can be separated from groundwater to allow treatment of a smaller quantity of water;
- Measures to mitigate individual springs (which GFLC believes have been impacted by stockpiles that might be relocated); and
- Alternative treatment methods requiring less energy/reagents at lower cost.

Other permits and Regulations

Another issue at Cerro Corona, though unrelated to the pit lake issue described above, is that on 23 May 2014, La Cima received formal authorisation from the Manuel Vasquez Association to relocate the Tomas Spring and to start the permit application process regarding the relocation. On 6 March 2015, La Cima obtained authorisation to relocate the water source of the Tomas Spring, which is located inside the final footprint of the tailings storage facility for Cerro Corona, to a higher elevation above the final footprint, in order to continue with the planned expansion of the facility. The construction programme and mitigation measures have been implemented. The Tomas Spring was sealed and its water catchment relocated to a higher elevation called TCB-25. The remaining flow of Las Tomas Spring under the seal has been diverted outside the footprint of the TSF to La Hierba creek.

Other matters subject to regulation include, but are not limited to, transportation of ore or hazardous substances, water use and discharges, power use and generation, use and storage of explosives, housing and other facilities for workers, reclamation, labour standards and mine safety and occupational health.

Soil Quality Standards

In April 2013, the government of Peru approved soil quality standards for all industries, including extractive industries. These standards established that all companies that generate an impact on soil as a consequence of their activities must submit a report to the MEM by April 2015 with the characterisation of soil quality in their areas of influence and, if applicable, a remediation plan within two years from the date of approval of such report. On 10 April 2015, after submitting a report to the MEM with the results of soil sampling in Cerro Corona and nearby areas, La Cima obtained the MEM s approval of the report in December 2017. In addition, La Cima was not required to continue with the next steps established by the soil quality standards regulation.

Environmental Sanctioning Regime

In July 2014, Law 30230 was enacted to promote investment. Among the measures introduced by Law 30230 included the establishment of a three year moratorium on the imposition of environmental fines by OEFA, which was in force until 13 July 2017.

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During this moratorium, OEFA prioritised the imposition of corrective measures and was only entitled to impose environmental sanctions in the following exceptional cases: (i) very serious offences that generate a real and severe damage to human life and health; (ii) activities carried out without a proper environmental instrument, or without the required licences, or in prohibited areas; (iii) commission of the same infringement within a period of six months.

Social Matters

According to the Environmental Act, every individual is entitled to take part in a responsible manner in decision-making processes related to, and in the establishment and application of, environmental policies and measures, including those related to environmental components, adopted at each government level.

Citizen Participation: The mining industry in Peru is governed by citizen participation regulations that provide for the responsible participation of individuals in the definition and application of measures, actions and decisions made by competent authorities regarding sustainable operation of mining activities in the country. Mining operators must establish citizen participation mechanisms throughout the life of their projects, from initial exploration to mine closure. The legislation contemplates different types of mechanisms for citizen participation. These include public hearings, informational workshops, opinion surveys, suggestion boxes, technical panels, roundtables, participatory monitoring and permanent office information services, among others.

Right to Prior Consultation: On 7 September 2011, the Peruvian government approved the Law of Prior Consultation to Indigenous or Tribal Populations recognised in Convention 169 of the International Labour Organisation. This law establishes that the Peruvian government must consult in advance with indigenous or tribal populations on legislative or administrative measures (including pending claims for mining concessions) that may directly affect the collective rights related to their physical existence, cultural identity, quality of life or development. This duty of consultation is owed by the Peruvian government, not Gold Fields or investors. While the final decision to move forward with legislative or administrative measures on which consultation is sought rests with the Peruvian government, even in the absence of agreement, the Peruvian government has an obligation to take all necessary measures to ensure that the collective rights of indigenous or tribal populations are protected.

DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

Directors

Name	Age	Position	Term Expires[1]
Cheryl A. Carolus	59	Non-executive Chair	May 2018
Nicholas J. Holland	59	Executive Director and Chief Executive Officer	May 2020
Paul A. Schmidt	50	Executive Director and Chief Financial Officer	May 2019
Alhassan Andani	56	Non-executive Director	May 2019
Peter J. Bacchus	48	Non-executive Director	May 2019
Terence P. Goodlace	58	Non-executive Director	May 2020
Carmen Letton	52	Non-executive Director	May 2019
Richard P. Menell	62	Non-executive Director and Deputy Chair	May 2018
Donald M. J. Ncube[2]	70	Non-executive Director	May 2018
Steven P. Reid	62	Non-executive Director	May 2018
Yunus G.H. Suleman	60	Non-executive Director	May 2020

Notes:

(1) Terms expire on the date of the annual general meeting in that year for newly appointed directors and for the other directors, within a three year period after their first election.

(2) Expected to retire from the Board at the May 2018 annual general meeting.

Executive Directors

Nicholas J. Holland *BCom, BAcc, Witwatersrand; CA (SA)*

Executive Director and Chief Executive Officer. 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 1997. On 15 April 2002, his title changed to Chief Financial Officer until 30 April 2008. Mr. Holland has more than 38 years experience in financial management and over 28 years of experience in the mining industry. Prior to joining Gold Fields, he was Financial Director and Senior Manager of Corporate Finance of Gencor Limited and a Director of Rand Refinery from 12 July 2000 until 30 September 2008. He remained an alternate director until February 2013.

Paul A. Schmidt *BCom, Witwatersrand; BCompt (Hons), UNISA; CA (SA)*

Executive Director and Chief Financial Officer. Mr. Schmidt was appointed Chief Financial Officer on 1 January 2009 and joined the Board on 6 November 2009. Prior to this, Mr. Schmidt was acting Chief Financial Officer from 1 May 2008. Prior to this appointment, Mr. Schmidt was financial controller for Gold Fields from 1 April 2003. He has more than 22 years experience in the mining industry. Mr. Schmidt holds no other directorships.

Non-Executive Directors

Cheryl A. Carolus *BA Law; Bachelor of Education, University of the Western Cape; Honorary Doctorate in Law, University of Cape Town*

Chair of the Board. Ms. Carolus has been a director of Gold Fields since 10 March 2009. She was appointed Non-executive Chair effective 14 February 2013. Ms. Carolus is an Executive Chairperson of Peotona Group Holdings, which has diverse interests in mining. In 2009, she was appointed Chairperson of the Board of South African Airways and served on a number of listed and unlisted companies, including De Beers and Investec. Ms. Carolus has previously held senior leadership positions in the liberation movement in South Africa and in the

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ANC. She has served as Deputy Secretary General under Nelson Mandela, and helped to negotiate the new South African constitution and coordinate the drafting of post-apartheid ANC policy. She served as South Africa s High Commissioner to the United Kingdom from 1998 to 2001 and was the CEO of SA Tourism from 2001 to 2004. She was Chairperson of South African National Parks Board for six years and currently serves on the boards of other public and private companies and not-for-profit organizations, including the International Crisis Group, Soul City, World Wildlife Fund (South Africa and internationally), The British Museum (appointed by HM Queen Elizabeth), and is Chair Person of the SA Constitution Hill Education Trust. She also works with NGOs focused on young people at risk and conflict prevention. She was awarded an honorary doctorate in law from the University of Cape Town in 2004 for her contribution to freedom and human rights. She was awarded the French National Order of Merit by Elisabeth Barbier, the French Ambassador to South Africa, on 8 March 2014.

Richard P. Menell *BA (Hons), MA (Natural Sciences, Geology), Trinity College, Cambridge, United Kingdom; M.Sc. (Mineral Exploration and Management), Stanford University, California, United States of America*

Mr. Menell was appointed Deputy Chair of the Board in August 2015 and has been a Director of Gold Fields since October 8, 2008. He has over 37 years experience in the mining industry. 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., Executive Chairman of Anglovaal Mining Limited and Avgold Limited, Chairman of Bateman Engineering and Deputy Chairman of Harmony Gold Limited and African Rainbow Minerals. He is currently a director of Weir Group Plc and Rockwell Diamonds Inc., and Senior Advisor to Credit Suisse Securities Johannesburg, a director of Rockwell Diamonds Inc., the National Business Initiative and the Tourism Enterprise Partnership. Mr. Menell is a Trustee of Brand South Africa and a Council Member of Business Leadership South Africa. He is also Chairman of the City Year South Africa Citizen Service Organization, the Carrick Foundation and the Palaeontological Scientific Trust. Mr. Menell became a director of Sibanye-Stillwater with effect from 1 January 2013.

Peter J. Bacchus *MA Economics, Cambridge University*

Mr. Bacchus was appointed as a director of Gold Fields with effect from 1 September 2016. Mr. Bacchus is chairman of the independent merchant banking boutique, Bacchus Capital Advisers. He has acted as the global head of Mining and Metals, and is joint head of European Investment Banking at Investment Bank Jefferies, a position he held until 2016. Before this he served as global head of Mining and Metals at Morgan Stanley, and prior to that, he was head of Investment Banking, Industrials and Natural Resources at Citigroup. Mr. Bacchus has spent 25 years in investment and corporate banking with a focus on the global natural resources sector and is a member of the Institute of Chartered Accountants, England and Wales. He is also a non-executive director of UK-listed mining group NordGold and a trustee of Space for Giants, an African-focused conservation charity.

Alhassan Andani *BSc Agriculture, University of Ghana; MA Banking and Finance, Finafrica Institute, Italy*

Mr. Andani was appointed as a director of Gold Fields on 1 August 2016. He is currently Chief Executive and Executive Director of Stanbic Bank Ghana; the Board Chairman of the Ghana CSIR (Council for Scientific & Industrial Research) and a director of SOS Villages Ghana and has held other corporate directorships in the past.

Carmen Letton PhD in Mineral Economics (UQ) and Degree in Engineering (Mining WASM)

Dr. Letton s has been appointed to the Board effective 1 May 2017. She is a mining engineer and mineral economist (PhD) with 31 years of global mining exposure, working for major and mid-tier mining houses in senior management and leadership roles, with experience in operations, corporate strategy development, engineering, asset and business development, continuous improvement, mergers and acquisitions. Currently, Dr. Letton is the Head, Open Pit Mining for the Technical and Sustainability Group in Anglo American, based in

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Australia. Dr. Letton has experience in large and medium sized projects in both the Australian and International mining environment; challenging operations leadership, complex technical roles; expertise in due diligence, corporate governance, risk management, corporate strategy and asset development. Core skills and accountabilities include operations executive general management and leadership of all key mine engineering faculties and associated technical services areas (Mine Engineering, Metallurgy, Geology).

Yunus G.H. Suleman *BCom, University of Kwa-Zulu Natal; BCompt (Hons), University of South Africa, CA (SA)*

Mr. Suleman was appointed as a director of Gold Fields with effect from 1 September 2016. Mr. Suleman serves as an independent non-executive director of Liberty Holdings Ltd, Liberty Group Limited, Tiger Brands Limited and Albaraka Bank Limited, and is the Global Treasurer of the World Memon Organization. He was previously Chair of KPMG South Africa and Chairman of Enactus SA.

Terence P. Goodlace *MA Business Administration, University of Wales; BCom, University of South Africa; NDip Witwatersrand Technikon*

Mr. Goodlace was appointed as a director of Gold Fields with effect from 1 July 2016. Mr. Goodlace s mining career commenced in 1977, spanning nearly 40 years of working with different organisations. He has previously served as both an Executive Vice-President and the Chief Operating Officer for Gold Fields, having returned to the Company to serve as an independent non-executive director. He has experience serving as chief executive officer at Impala Platinum Holdings Limited and Metorex Limited. He served on the Impala Platinum Holdings Limited board for two years as an independent non-executive director and four and a half years as an executive director. He spent three years as an executive director of Metorex Limited. Mr. Goodlace is currently a non-executive director at Kumba Iron, and in 2017, he was appointed onto the South African Mining Extraction Research, Development and Innovation steering committee, which has been set up by the Council for Scientific and Industrial Research to advance new mining technologies.

Donald M. J. Ncube *BA Economics and Political Science, Fort Hare University; Post Graduate Diploma in Labor Relations, Strathclyde University, Scotland; Graduate MSc Manpower Studies, University of Manchester, United Kingdom; Diploma in Financial Management; Honorary Doctorate in Commerce, University of the Transkei*

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 the executive chairman of Badimo Gas (Pty) Ltd and Afro Energy.

Steven P. Reid *Bachelor of Applied Science in Mineral Engineering (Mining), South Australian Institute of Technology; MBA, Trium Global Executive NYU/LSE/HEC; Directors Education Program, Institute of Corporate Directors*

Mr. Reid was appointed as a director of Gold Fields on 1 February 2016. He has over 41 years international mining experience and has held senior leadership roles in numerous countries. He has served as a director of Silver Standard Resources since January 2013 and a director of Eldorado Gold since May 2013. He served as chief operating officer of Goldcorp from January 2007 until his retirement in September 2012, and was Goldcorp s executive vice president in Canada and the USA. Before joining Goldcorp, Steven spent 13 years at Placer Dome in numerous corporate, mine-management and operating roles. He also held leadership positions at Kingsgate Consolidated and Newcrest Mining, where he was responsible for the Asian and Australian operations.

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Executive Committee

Alfred Baku *(51) MSc (Mining Engineering), University of Mines and Technology, Statutory Mines Manager certificate, Ghana Mines Department of Minerals Commission, Executive Education, University of Virginia, Darden School of Business, USA and member of the Australian Institute of Mining Metallurgy (AusIMM)*

Mr. Baku has over two decades of mining experience, mostly in senior management positions at Gold Fields. Prior to joining Gold Fields, Alfred worked in Australia for Billiton and Ranger Minerals in production and mine planning engineering capacities. He joined the Damang Mine in 2002 as mine manager and a member of the senior management team. Alfred was appointed General Manager of the Damang Mine in 2008, General Manager of the Tarkwa Mine in 2010, and subsequently, Vice President of Operations for both mines. In 2013, Alfred was promoted to Senior Vice President for West Africa, becoming a member of the Group s Executive Committee. In February 2014, he became Executive Vice President and head of West Africa. As the Vice President of the Ghana Chamber of Mines Executive Council, Mr. Baku serves on the Advisory Board of the Ministry of Lands and Natural Resources. He is also a member of the Australasian Institute of Mining and Metallurgy.

Richard J Butcher *(54) Diploma Coal Mining Engineering Advanced Rock Engineering Certificate Graduate Diploma in Mining Engineering (Mineral economics) MSc (Eng) Mining Engineering & CEng (UK) / FAusIMM (CP) WA First Class (Mine Managers) Cert No: 766 General Managers Course Cert AGSM / UNSW*

Executive Vice President: Technical. Mr. Butcher has over 35 years experience in the mining industry, including 15 years experience in the gold sector, which has been obtained globally with companies that include Gencor, Anglo-American and Barrick. He was previously head of technical services at MMG, the overseas arm of the Chinese CMC/CMN Corporation. Mr. Butcher s position involves being discipline head for all technical functions, long-term planning and closure for the Group s operations in Australasia, Africa and South America.

Naseem A. Chohan *(57) BE (Electronic), University of Limerick*

Executive Vice President: Sustainable Development. Mr. Chohan was appointed to the position of Senior Vice President: Sustainable Development on 13 September 2010. Mr. Chohan was previously self-employed as a consultant to various companies and, prior to that, spent 25 years at De Beers. When he left De Beers in 2009, he was acting as Group Consultant, Sustainability and ECOHS (Environment, Community, Occupational Health and Hygiene and Safety).

Taryn L. Harmse *(45) BCom & LLB, University of Johannesburg, Advanced Corporate Law, University of Witwatersrand*

Executive Vice-President: Group General Counsel. Ms. Harmse was appointed Executive Vice-President: Group General Counsel on 1 May 2014. Ms. Harmse was appointed as Assistant General Counsel and Company Secretary on 1 August 2013, and resigned from the position of Company Secretary on 15 September 2014. She previously served as Assistant General Counsel and Vice President, Group Legal. Before joining Gold Fields, Ms. Harmse worked at Linklaters LLP in London for a number of years having completed her articles at Hofmeyr Herbstein Gihwala (now Cliffe Dekker Hofmeyr). She was admitted as an attorney to the High Court of South Africa in 2000.

Stuart J. Mathews *(57) Master of Science (Geology) from University of Canterbury, New Zealand*

Executive Vice-President: Australasia. Stuart Mathews is an international mining professional with 26 years experience having worked in Australia (Queensland, NSW, WA), Mexico and New Zealand. He has progressed through geology ranks to Geology Manager level and in the last 13 years worked in project development and general operations management to COO level. Stuart joined Gold Fields in mid-2013 initially at St. Ives, and then General Manager at Granny Smith Mine after which he became Vice President Operations: Australia. From 1 February 2017 Stuart took over the position of Executive Vice President: Australasia.

***Brett J. Mattison** (40) BComm (Hons) Law, BAcc, University of Stellenbosch; Masters in Law, Higher Tax Diploma, University of Johannesburg; Exec. MBA (PLD), Harvard Business School*

Executive Vice-President: Strategy, Planning and Corporate Development. Mr. Mattison was appointed Executive Vice-President: Strategy, Planning and Corporate Development effective 1 May 2013. He began his career with Gold Fields in 2001 as part of the Global Legal team providing commercial, legal and tax structuring advice in relation to various global transactions. He subsequently joined the Corporate Development team in 2005 where he worked for six years in South Africa, Peru and Australia until 2010. In late 2010, Mr. Mattison was appointed as the Country Manager of the Philippines tasked with the mandate of setting up Gold Fields activities in the Philippines. Most recently, he has been in the role of Vice President of Special Projects tasked with setting out the groundwork for the Gold Fields strategy sessions.

***Avishkar Nagaser** (34) BBusSc Finance and Economics, University of KwaZulu-Natal*

Executive Vice President: Investor Relations and Corporate Affairs. Mr. Nagaser joined Gold Fields as Executive Vice President: Investor Relations and Corporate Affairs in January 2015. Before joining Gold Fields, he was with Merrill Lynch from 2012 to 2014 and Macquarie from 2007 to 2012, where he held the position of gold and platinum equity research analyst.

***Martin Preece** (53) Tech in Mining, Witwatersrand Technicon, South Africa; Executive Development Programme, Gordon Institute of Business Science (GIBS); Accelerated Development Programme, London Business School*

Executive Vice President: South Africa. Martin joined Gold Fields as Executive Vice President: South Africa in May 2017. He previously held the position of Chief Operating Officer at De Beers South Africa. Martin has 33 years of mining experience, starting his career as a learner miner and held a number of operational and technical roles before taking up mine manager positions at various operations both locally and internationally. After moving to group level at De Beers he held positions as mine strategist and business development manager before becoming Chief Operating Officer.

***Luis A. Rivera** (52) Bachelor Degree in Geology, the Title of Geological Engineer, both by the Universidad de San Marcos*

Executive Vice-President of the Americas Region for Gold Fields La Cima S.A. Mr. Rivera joined Gold Fields in October 2016. Prior to joining Gold Fields, Mr. Rivera was, since 2014, the General Manager and Vice-President of Operations for Las Bambas and before that, since 2013, was the General Manager of Copper Operations for Glencore Peru and, since 2012, Executive General Manager for all Xstrata Copper Operations in Peru. His career also includes 5 years as General Manager of the large Copper Tintaya and Antapaccay operations, as well as 11 years of experience in the Xstrata Copper Operations of Minera Alumbrera, a large gold copper operation in North Argentina, where he became Tech Services Manager after servicing as Chief Engineer and Senior Geologist. Mr. Rivera has over 29 years experience in the copper and gold mining industry, in large open pit copper project and operations in Peru and Argentina, including his direct involvement and leadership in the merge & acquisition of Falconbridge Inc. and BHP Tintaya S.A. by Xstrata Copper as well as the sale of Las Bambas Project by Glencore to the Chinese JV led by MMG.

Former Executive Committee Members

***Lee-Ann N. Samuel** (40) BA Psychology and Honors Political Science, University of Johannesburg, Global Remuneration Practitioner (GRP), WorldatWork, USA*

Executive Vice President: People and Organizational Effectiveness. Mrs. Samuel joined Gold Fields in 2009 as Vice President, Group Remuneration and Employee Benefits, and, effective 1 March 2013, she was promoted to Executive Vice President: People and Organizational Effectiveness. Mrs. Samuel has 16 years of Human Resources experience in financial services, mining and telecommunications. Prior to joining Gold Fields,

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Mrs. Samuel worked as Head of People Development at Telkom Media, a subsidiary of Telkom, for three years. Her overall responsibility is to provide strategic direction for the Human Resources discipline at Gold Fields, including the development of Human Resource policies to ensure alignment with the strategy for the Group, as well as external trends and demands impacting on HR. Mrs. Samuel resigned from Gold Fields with effect from 30 July 2017.

***Ernesto Balarezo** (50) MSc Industrial Management, BSc Industrial Engineering, Texas A&M University, Management Studies, Wharton School of Business, Management Studies, Harvard University*

Executive Vice President: America. Mr. Balarezo joined Gold Fields effective 11 March 2013 as Executive Vice President: America. He has 23 years of professional experience at industrial and mining companies with a focus on finance and operations. Prior to joining Gold Fields, Mr. Balarezo was the Vice-President: Operations of Hochschild Mining plc, or Hochschild. In this capacity, he was responsible for overseeing the Hochschild group s six silver and gold mining operations in Peru, Argentina and Mexico, as well as its growth projects. He had 9,000 employees under his management. He joined Hochschild in 2007 as General Manager of the Mexican operation before being promoted to General Manager for Peru in 2008 and Vice President of Operations in 2010. Prior to Hochschild, Ernesto worked at other subsidiaries of the Hochschild group since 1997, including at Hochschild s cement subsidiary, Cementos Pacasmayo, as deputy CEO. Mr. Balarezo resigned from Gold Fields with effect from 30 June 2016.

***Nico J. Muller** (50), BSC Mining Engineering, University of Pretoria*

Executive Vice President: South Africa. Mr. Muller joined Gold Fields as Executive Vice President: South Africa on 1 October 2014. Prior to joining Gold Fields, he was with Royal Bafokeng Platinum where he held the position of Chief Operating Officer since January 2009. He has extensive technical mechanized mining experience, having held various positions in the mining industry while employed at De Beers, Avgold and Two Rivers Platinum. Mr. Muller resigned from Gold Fields with effect from 3 March 2017.

***Richard M. Weston** (65) FAIMM, CPEng, IEA. MSc Mining Geomechanics, UNSW; GDM, UCQ; BE (Civil), Sydney University*

Executive Vice President: Head of Australasia. Mr. Weston was appointed to the position of Executive Vice President, Head of Australasia on 1 May 2010. He was formerly Senior Vice-President, Operations for Coeur d Alene Mines Corporation, a gold and silver mining company based in Idaho in the United States. Before joining Coeur, he led the site team responsible for the development of Barrick Australia s Cowal gold project and, prior to that, he headed operations at Rio Tinto Australia s ERA Ranger and Jabiluka uranium mines in the Northern Territory. Mr. Weston retired from Gold Fields with effect from 28 February 2017.

Company Secretary

***Lucy M. M. Mokoka** (46) BJuris, University of Durban-Westville and LLB degree, University of Pretoria*

Company Secretary. Ms. Lucy Mokoka was appointed Company Secretary of Gold Fields on 16 September 2014. Prior to joining Gold Fields, Ms. Mokoka was General Manager: Company Secretary, for MTN South Africa (Pty) Ltd from 1 October 2010 to 15 September 2014 and Director: Company Secretarial at the Standard Bank between January 2009 and December 2009. Ms. Mokoka is an admitted attorney and has held various roles as a Company Secretary and Legal Advisor. Her career includes roles as Company Secretary for Ithala Limited, Tongaat-Hulett and Standard Bank. She has also acted as legal advisor to the South African Revenue Service and the State Attorney s office.

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Employees

The total number of employees, excluding employees of outside contractors who are not on Gold Fields payroll, as of the end of fiscal 2016 and fiscal 2015 at each of the operations owned by Gold Fields as of those dates was:

	As of 31 December[1][2][3]	
	2016	**2015**
Americas	390[4]	380[4]
Australia	1,550[4]	1,550[4]
South Africa	3,900[5]	3,700[5]
West Africa	2,900[5]	3,400[5]
Corporate Office	120[4]	90[4]
Total	9,000[5]	9,100[5]

Notes:

(1) For the total number of employees as of the end of fiscal 2017, see *Integrated Annual Report Safe operational delivery Fit-for-purpose workforce Workforce profile* .

(2) The employee numbers presented do not include contractors who are not on the payroll. For the number of contractors at Gold Fields operations as of the end of fiscal 2017, see *Integrated Annual Report Safe operational delivery Fit-For-Purpose Workforce Workforce profile* .

(3) Table may not sum due to rounding.

(4) Rounded to the nearest ten.

(5) Rounded to the nearest hundred.

TRIFR, Fatalities and Fatal Injury Frequency Rate

In fiscal 2017, Gold Fields continued to focus on implementing its Group Safety Reporting Guideline, which is based on ICMM guidelines. Since fiscal 2013, Gold Fields has aligned its health and safety metrics with those of the ICMM, headed by the TRIFR. As Gold Fields peer companies tend to use the TRIFR metric, this alignment assists with benchmarking of Group performance against the wider sector.

The following tables set out the TRIFR data for Gold Fields mining operations for the periods indicated. The tables also provide the number of fatalities and fatal injury frequency rate data for Gold Fields South African, West African, Australian and Americas operation.

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West Africa

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Australia

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South America

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MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

Major Shareholders

To the knowledge of management: (1) Gold Fields is not directly or indirectly owned or controlled (a) by another corporation or (b) by any foreign government; and (2) there are no arrangements the operation of which may at a subsequent date result in a change in control of Gold Fields. To the knowledge of Gold Fields management, there is no controlling shareholder of Gold Fields.

A list of the individuals and organisations holding, to the knowledge of management, directly or indirectly, 5% or more of its issued share capital as of 23 February 2018 is set forth below.

	Ordinary shares	Percentage
Beneficial owner		
Government Employees Pension Fund	66,710,217	8.12%
Market Vectors Junior Gold Miners ETF	48,675,430	5.92%

To the knowledge of management, none of the above shareholders hold voting rights which are different from those held by Gold Fields other shareholders.

The table below shows the significant changes in the percentage of ownership by Gold Fields major shareholders, to the knowledge of Gold Fields management, during the past three fiscal years.

	31 December, 2017	Beneficial ownership as of 31 December, 2016 (%)	31 December, 2015
Beneficial owner			
Government Employees Pension Fund	7.68	7.84	9.09
Market Vectors Junior Gold Miners ETF	5.95		6.50
Van Eck Vectors Gold Miners ETF	4.53	5.94	
Blackrock Global Funds World Gold Fund		3.30	2.18

As of 29 March 2018, the issued share capital of Gold Fields consisted of 821,532,707 ordinary shares.

As of 23 February 2018, 407 record holders of Gold Fields ordinary shares, holding an aggregate of 416,859,568 ordinary shares (50.74%), including shares underlying Gold Fields ADRs, were listed as having addresses in the United States.

Related Party Transactions

Between 1 January 2018 to 29 March 2018, none of the directors, officers or major shareholders of Gold Fields or, to the knowledge of Gold Fields management, their families, had any interest, direct or indirect, in any transaction or in any proposed transaction which has affected or will materially affect Gold Fields or its investment interests or subsidiaries. Refer note 39 to the consolidated financial statements for related party disclosure as required by IFRS, including for fiscal 2017.

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THE LISTING

JSE Trading History

The tables below show the high and low closing prices in Rand and the average daily volume of trading activity on the JSE for Gold Fields ordinary shares for the last five fiscal years.

The following table sets out ordinary share trading information on a yearly basis for the last five fiscal years, as reported by I-Net Bridge, a South African financial information service:

Year ended	Ordinary Share Price High	Ordinary Share Price Low	Average daily trading volume
	(Rand per ordinary share)		*(number of ordinary shares)*
31 December 2013	109.85	31.40	3,524,334
31 December 2014	53.09	32.35	2,211,070
31 December 2015	67.45	31.00	2,337,302
31 December 2016	91.30	38.78	3,378,480
31 December 2017	60.94	37.60	2,707,626
through 29 March 2018	56.49	43.58	2,019,200

The following table sets out ordinary share trading information on a quarterly basis for the periods indicated, as reported by I-Net Bridge:

Quarter ended	Ordinary Share Price High	Ordinary Share Price Low	Average daily trading volume
	(Rand per ordinary share)		*(number of ordinary shares)*
31 March 2016	69.50	43.50	3,438,054
30 June 2016	72.20	55.42	2,979,195
30 September 2016	91.30	67.87	3,086,390
31 December 2016	66.88	38.78	4,017,030
31 March 2017	50.04	37.60	3,477,821
30 June 2017	57.08	42.23	3,116,891
30 September 2017	60.94	43.66	2,316,794
31 December 2017	59.85	48.87	1,933,247
31 March 2018	56.49	43.58	2,109,200

The following table sets out ordinary share trading information on a monthly basis for each of the last six months, as reported by I-Net Bridge:

Month ended	Ordinary Share Price High	Ordinary Share Price Low	Average daily trading volume
	(Rand per ordinary share)		*(number of ordinary shares)*
31 October 2017	59.85	53.03	1,751,773
30 November 2017	59.16	54.62	1,923,993
31 December 2017	58.89	48.87	2,154,090
31 January 2018	56.49	49.25	1,578,825
28 February 2018	52.78	43.75	2,336,866

31 March 2018	49.95	43.58	2,185,946

On 29 March 2018, the closing price of the ordinary shares on the JSE was R47.98.

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New York Stock Exchange Trading History

The tables below show the high and low closing prices in U.S. dollars and the average daily volume of trading activity on the NYSE for the last five fiscal years.

The following table sets out ADS trading information on a yearly basis for the last five fiscal years, as reported by Bloomberg:

Year ended	**ADS Price**		**Average daily trading volume**
	High	**Low**	*(number of ADSs)*
	($ per ADS)		
31 December 2013	12.49	3.02	5,566,292
31 December 2014	4.84	3.00	4,970,039
31 December 2015	5.97	2.08	5,214,476
31 December 2016	6.45	2.64	6,421,988
31 December 2017	4.68	2.95	6,358,268
through 29 March 2018	4.42	3.73	4,153,165

The following table sets out ADS trading information on a quarterly basis for the periods indicated, as reported by Bloomberg:

Quarter ended	**ADS Price**		**Average daily trading volume**
	High	**Low**	*(number of ADSs)*
	($ per ADS)		
31 March 2016	4.56	2.86	7,257,014
30 June 2016	4.91	3.50	5,542,144
30 September 2016	6.45	4.75	5,548,086
31 December 2016	4.80	2.64	6,379,179
31 March 2017	3.67	2.95	7,263,275
30 June 2017	4.07	3.10	8,994,266
30 September 2017	4.68	3.41	4,754,769
31 December 2017	4.31	3.71	4,435,129
31 March 2018	4.42	3.73	4,153,165

The following table sets out ADS trading information on a monthly basis for each of the last six months, as reported by Bloomberg:

Month ended	**Ordinary Share Price**		**Average daily trading volume**
	High	**Low**	*(number of ordinary shares)*
	(Rand per ordinary share)		
31 October 2017	4.31	3.91	4,555,264
30 November 2017	4.23	3.84	4,081,666
31 December 2017	4.31	3.71	4,674,116
31 January 2018	4.42	4.08	3,590,973
28 February 2018	4.31	3.82	4,779,628
31 March 2018	4.27	3.73	4,148,556

On 29 March 2018, the closing price of Gold Fields ADSs quoted on the NYSE was U.S.$4.02

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ADDITIONAL INFORMATION

Memorandum of Incorporation

General

Gold Fields is a public company registered in South Africa under the Companies Act, which limits the liability of its shareholders, and is governed by its memorandum of incorporation, the Companies Act and the JSE Listings Requirements. Gold Fields registration number is 1968/004880/06.

On 8 April 2009, South Africa passed the Companies Act, which came into force on 1 May 2011. At the annual general meeting held on 14 May 2012, Gold Fields adopted a new memorandum of incorporation, or the Gold Fields MOI, to replace its memorandum of association and articles of association adopted under the previous Companies Act, or the Companies Act 61 of 1973. Gold Fields amended the Gold Fields MOI at its annual general meetings on 9 May 2013 and on 24 May 2017. The amended Gold Fields MOI conforms to the requirements of the Companies Act and the amended JSE Listings Requirements.

Clause 4 of the Gold Fields MOI provides that Gold Fields has the powers and capacity of a natural person and is not subject to any special conditions.

Dividends and Payments to Shareholders

Gold Fields may make distributions (including the payment of dividends) from time to time in accordance with provisions of the Companies Act, the JSE Listings Requirements and the Gold Fields MOI. In terms of the Companies Act, a company may only make a distribution (including the payment of any dividend) if:

- it reasonably appears that the company will satisfy the solvency and liquidity test immediately after completing the proposed distribution;
- the board of the company, by resolution, has acknowledged that it has applied the solvency and liquidity test and reasonably concluded that the company will satisfy the solvency and liquidity test immediately after completing the proposed distribution.

In terms of the Companies Act, a company satisfies the solvency and liquidity test at a particular time if, considering all reasonably foreseeable financial circumstances of the company at that time:

- the assets of the company, fairly valued, equal or exceed the liabilities of the company, as fairly valued; and
- it appears that the company will be able to pay its debts as they become due in the ordinary course of business for a period of:
  - 12 months after the date on which the test is considered; or
  - in the case of a distribution (including the payment of dividends), 12 months following that distribution.

Subject to the above requirements, the directors of Gold Fields may from time to time declare a dividend or any other distribution to shareholders in proportion to the number of shares held by them.

The Company must hold all monies due to the shareholders in trust indefinitely, subject to the laws of prescription. The Company shall be entitled at any time to delegate its obligations in respect of unclaimed dividends, or other unclaimed distributions, to any one of the Company s bankers.

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Voting Rights

Every shareholder of Gold Fields, or representative of a shareholder, who is present at a shareholders meeting has one vote on a show of hands, irrespective of the number of shares he or she holds or represents, provided that a representative of a shareholder shall, irrespective of the number of shareholders he or she represents, have only one vote. At a shareholders meeting, a resolution put to the vote shall be decided on a show of hands, unless a poll is demanded by not less than five persons having the right to vote on that matter, a person or persons entitled to exercise not less than one tenth of the total voting rights entitled to vote on that matter or the chairperson. Every Gold Fields shareholder is, on a poll, entitled to one vote per ordinary share held. Neither the Companies Act nor the Gold Fields MOI provide for cumulative voting.

A shareholder entitled to attend and vote at a shareholders meeting shall be entitled to appoint a proxy to attend, participate in, speak and vote at such shareholders meeting in the place of such shareholder. The proxy need not be a shareholder. However, the proxy may not delegate the authority granted to him or her as a proxy.

Issue of Additional Shares

In accordance with the provisions of the JSE Listings Requirements and the Gold Fields MOI, the Board shall not have the power to issue authorised shares other than:

- the issue of capitalisation shares or the offer of a cash payment in lieu of awarding capitalisation shares;
- issues in respect of a rights offer; and
- issues which do not require the approval of shareholders in terms of the Companies Act or the JSE Listings Requirements,

without shareholder approval.

In accordance with the provisions of the Companies Act:

- an issue of shares must be approved by a special resolution of the shareholders of a company if the shares are issued to a director or officer of the company or any other person related or inter-related to the company, save for certain exceptions, including an issue pursuant to an employee share scheme; and
- an issue of shares in a transaction requires approval of the shareholders by special resolution if the voting power of the shares that are issued as a result of the transaction will be equal to or exceed 30% of the voting power of all the shares held by shareholders immediately before the transaction.

Issues for Cash

In accordance with the provisions of the JSE Listings Requirements and the Gold Fields MOI, shareholders may either convey a:

- special authority to issue shares for cash on terms that are specifically approved by shareholders in a shareholders meeting in respect of a particular issue, or a Specific Issue for Cash; or
- general authority to issue shares for cash on terms generally approved by shareholders in a shareholders meeting by granting the Board the authority to issue a specified number of securities for cash, which authority will be valid until the next annual general

meeting or for fifteen months from the date on which the resolution was passed, whichever period is shorter, or a General Issue for Cash.

In terms of the JSE Listings Requirements, a company may only undertake:

- a Specific Issue for Cash or a General Issue for Cash on the basis that a 75% majority of votes cast by shareholders at a shareholders meeting must approve the granting of such authority to the directors;

- a General Issue for Cash is subject to satisfactory compliance with certain requirements, including:

- the shares that are the subject of a General Issue for Cash may not exceed 15% of the company s listed shares; and

- the maximum discount at which shares may be issued is 10% of the weighted average traded price of such shares measured over the 30 business days prior to the date that the price of the issue is agreed between the company and the party subscribing for the shares.

Pre-emptive Rights

The Companies Act, the JSE Listings Requirements and the Gold Fields MOI require that any new issue of shares by Gold Fields must first be offered to existing shareholders in proportion to their shareholding in the Company, unless, among other things, the issuance to new shareholders is:

- the necessary shareholder approvals have been obtained;

- a capitalisation issue, an issue for an acquisition of assets (including another company) or an amalgamation or merger is to be undertaken; or

- the shares are to be issued in terms of option or conversion rights.

Transfer of Shares

The transfer of any Gold Fields certificated shares will be implemented in accordance with the provisions of the Companies Act, using the then common form of transfer. Dematerialised shares, which have been traded on the JSE, are transferred on the STRATE system and delivered five business days after each trade. The transferor of any share is deemed to remain the holder of that share until the name of the transferee is entered in Gold Fields register for that share. Since Gold Fields shares are traded through STRATE, only shares that have been dematerialised may be traded on the JSE. Accordingly, Gold Fields shareholders who hold shares in certificated form will need to dematerialise their shares in order to trade on the JSE.

Disclosure of Beneficial Interest in Shares

The Companies Act requires a registered holder of Gold Fields shares who is not the beneficial owner of such shares to disclose to Gold Fields, within five business days of the end of every month during which a change has occurred in the beneficial ownership, the identity of the beneficial owner and the number and class of securities held on behalf of the beneficial owner. Moreover, Gold Fields may, by notice in writing, require a person who is a registered shareholder, or whom Gold Fields knows or has reasonable cause to believe has a beneficial interest in Gold Fields ordinary shares, to confirm or deny whether or not such person holds the ordinary shares or beneficial interest and, if the ordinary shares are held for another person, to disclose to Gold Fields the identity of the person on whose behalf the ordinary shares are held. Gold Fields may also require the person to give particulars of the extent of the beneficial interest held during the three years preceding the date of the notice. Gold Fields is obliged to establish and maintain a register of the disclosures described above and to publish in its annual financial statements a list of the persons who hold a beneficial interest equal to or in excess of 5% of the total number of ordinary shares issued by Gold Fields, together with the extent of those beneficial interests.

General Meetings of Shareholders

The shareholders and/or directors may convene Gold Fields shareholders meetings in accordance with the requirements of the Companies Act and the Gold Fields MOI. Gold Fields is obliged to hold an annual general meeting for each fiscal year prior to 15 months after the date of the last annual general meeting.

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Shareholders meetings, including annual general meetings, require at least 15 business days notice in writing of the place, day and time of the meeting to shareholders.

Business may be transacted at any shareholders meeting only while a quorum of shareholders is present. The quorum for the commencement of a shareholders meeting shall be sufficient persons present to exercise, in aggregate, at least 25% of all the voting rights that are entitled to be exercised, but the shareholders meeting may not begin unless, in addition, at least three shareholders entitled to vote are present at the meeting.

The annual general meeting deals with and disposes of all matters prescribed by the Gold Fields MOI and the Companies Act, including:

- the presentation of the directors report, the audited financial statements for the immediately preceding financial year and the audit committee report;
- the election of directors; and
- the appointment of an auditor and an audit committee.

Accounting Records and Financial Statements

Gold Fields is required to keep the accounting records and books of accounts as are necessary to present the state of affairs of the Company and to explain the financial position of the company as prescribed by the Companies Act.

The directors shall from time to time determine at what times and places and under what conditions, subject to the requirements of the Companies Act, shareholders are entitled to inspect and take copies of certain documents, including the Gold Fields MOI, accounting records required to be maintained by the Company and annual financial statements. Apart from the shareholders, no other person shall be entitled to inspect any of the documents of the Company (other than the share register) unless expressly authorised by the directors or in accordance with the Promotion of Access to Information Act, No 2 of 2000, as amended.

The directors of Gold Fields will cause to be prepared annual financial statements and an annual report as required by the Companies Act and the JSE Listings Requirements. Gold Fields will send by mail to the registered address of every shareholder a copy of the annual report and annual financial statements. Not later than three months after the first six months of its financial year, Gold Fields will mail to every shareholder an interim report for the previous six month period.

Amendments to Gold Fields Memorandum of Incorporation

The Gold Fields shareholders may, by the passing of a special resolution in accordance with the provisions of the Companies Act and the Gold Fields MOI, amend the Gold Fields MOI, including:

- the creation of any class of shares;
- the variation of any preferences, rights, limitations and other terms attaching to any class of shares;
- the conversion of one class of shares into one or more other classes;
- an increase in Gold Fields authorised share capital;

a consolidation of Gold Fields equity securities;

a sub-division of Gold Fields equity securities; and/or

the change of Gold Fields name.

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Variation of Rights

All or any of the rights, privileges or conditions attached to Gold Fields ordinary shares may be varied by a special resolution of Gold Fields passed in accordance with the provisions of the Companies Act and the Gold Fields MOI.

Distribution of Assets on Liquidation

In the event of a voluntary or compulsory liquidation, dissolution or winding-up, the assets remaining after payment of all the debts and liabilities of Gold Fields, including the costs of liquidation, shall be dealt with by a liquidator who may, with the sanction of a special resolution, among other things, divide among the shareholders any part of the assets of Gold Fields, and may vest any part of the assets of Gold Fields as the liquidator deems fit in trust for the benefit of shareholders. The division of assets is not required to be done in accordance with the legal rights of shareholders of Gold Fields. In particular, any class may be given preferential or special rights or may be partly or fully excluded.

Employee Share Scheme

The Companies Act permits the establishment of employee share schemes, whether by means of a trust or otherwise, for the purpose of offering participation therein solely to employees, including salaried directors, officers and other persons closely involved in the business of the company or a subsidiary of the company, either by means of the issue of shares in the company or by the grant of options for shares in the company.

Purchase of Shares

Gold Fields or any subsidiary of Gold Fields may, if authorised by special resolution by way of a general approval, acquire ordinary shares in the capital of Gold Fields in accordance with the Companies Act and the JSE Listings Requirements, provided among other things that:

- the number of its own ordinary shares acquired by Gold Fields in any one financial year shall not exceed 20% of the ordinary shares in issue at the date on which this resolution is passed;

- this authority shall lapse on the earlier of the date of the next annual general meeting or the date 15 months after the date on which the special resolution is passed;

- the Board has resolved to authorise the acquisition and that Gold Fields and its subsidiaries, or the Group, will satisfy the solvency and liquidity test immediately after the acquisition and that since the test was done there have been no material changes to the financial position of the Group;

- the price paid per ordinary share may not be greater than 10% above the weighted average of the market value of the ordinary shares for the five business days immediately preceding the date on which an acquisition is made;

- the number of shares acquired by subsidiaries of Gold Fields shall not exceed 10% in the aggregate of the number of issued shares in Gold Fields.

Borrowing Powers

In terms of the provisions of Section 19(1) of the Companies Act, read together with Clause 4 of the Gold Fields MOI, the borrowing powers of the Company are unlimited.

Non-South African Shareholders

There are no limitations imposed by South African law or by the Memorandum of Incorporation of Gold Fields on the rights of non-South African shareholders to hold or vote Gold Fields ordinary shares.

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Rights of Minority Shareholders and Directors Duties

The Companies Act provides instances in which a minority shareholder may seek relief from the courts if he, she or it has been unfairly prejudiced by the company.

In South Africa, a director of a company, when acting in that capacity, must exercise the powers and perform the functions of a director:

- in good faith and for a proper purpose;
- in the best interests of the company; and
- with the degree of care, skill and diligence that may reasonably be expected of a person:
  - carrying out the same functions in relation to the company as those carried out by that director; and
  - having the general knowledge, skill and experience of that director.

Recent Developments

Ghana Credit Facility

The Ghana Credit Facility was amended and restated with effect from 23 March 2018. See *Material Contracts Ghana Credit Facility* .

Asanko Gold Joint Venture

On 29 March 2018, Gold Fields announced that it has, through a wholly owned subsidiary, entered into a definitive agreement subject to certain customary conditions to form a 50:50 incorporated joint venture with Asanko Gold, Inc., or Asanko. Under the terms of the agreement, Gold Fields subsidiary will acquire a 50% stake in Asanko Gold Ghana Limited, or AGG, which holds a 90% interest in the Asanko Gold Mine, its associated properties and exploration rights in Ghana, or AGM. The AGM is a multi-deposit complex, with two main deposits, Nkran and Esaase, and nine known satellite deposits. The purchase consideration comprises an upfront payment of U.S.$165 million on closing of the transaction and a deferred payment of U.S.$20 million. In addition, Gold Fields subsidiary agreed to subscribe to a 9.9% share placement in Asanko by way of a private placement of 22,354,657 Asanko shares at a price of approximately U.S.$0.79, for a total consideration of U.S.$17.6 million. The subscription is not conditional on completion of the joint venture transaction.

Material Contracts

Additional Black Economic Empowerment Transactions

On 5 August 2010, Gold Fields announced a series of empowerment transactions to meet its 2014 Black Economic Empowerment equity ownership requirements. On 2 November 2010, the shareholders of Gold Fields approved these transactions at the General Meeting which included the establishment of an ESOP, the issue of approximately 600,000 Gold Fields shares to a BBBEE consortium, or BEECO, and BEECO s subscription for a 10% holding in South Deep with a phase in participation over 20 years. On 19 November 2010, Gold Fields issued 13,525,394 shares to the ESOP, housed and administered by the Gold Fields Thusano Share Trust, thereby commencing the implementation of the ESOP transaction. The remaining empowerment transactions have been completed.

Ghana Credit Facility

Gold Fields Ghana and Abosso entered into a senior secured revolving credit facility agreement dated 22 December 2010, as amended and restated on 6 May 2014, pursuant to which The Standard Bank of South

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Africa Limited, or Standard Bank, agreed to make available to Gold Fields Ghana and Abosso, or the Ghana Borrowers, a senior secured revolving credit facility in a maximum aggregate principal amount of U.S.$70 million, or the Ghana Credit Facility.

With effect from 12 June 2017, the Ghana Borrowers, Standard Bank, the Security Agent and others agreed to further amend and restate the terms of the Ghana Credit Facility by, among other things, increasing the facility amount to U.S.$100 million and charging additional assets by way of security in favour of the Security Agent.

With effect from 23 March 2018, the Ghana Borrowers, Standard Bank, the Security Agent and others again amended and restated the terms of the Ghana Credit Facility by, among other things, the Security Agent releasing the Ghana Borrowers from the security granted over certain fleet vehicles and other secured assets to secure the Ghana Borrowers obligations under the Ghana Credit Facility.

Under the Ghana Credit Facility each Ghana Borrower must apply all amounts borrowed by it under the facility towards general corporate purposes, working capital purposes and/or capital expenditure purposes. Borrowings under this facility are guaranteed by the Ghana Borrowers.

The Ghana Credit Facility bears interest at LIBOR plus a margin of 3.95% per annum. The Ghana Borrowers are required to pay a quarterly commitment fee of 1.60% per annum.

The final maturity date of the Ghana Facility is 12 June 2020.

The outstanding borrowings under the Ghana Credit Facility on 31 December 2017 and 31 December 2016 were U.S.$45 million and U.S.$45.0 million, respectively.

La Cima Credit Facility

On 19 September 2017, La Cima entered into a U.S.$150 million revolving senior secured credit facility agreement with, among others, Banco de Crédito del Perú and Scotiabank Perú S.A.A., or the La Cima Credit Facility, to refinance the revolving senior secured credit facility agreement dated 16 December 2014 between, among others, La Cima, Scotiabank Europe plc as mandated lead arranger and original lender and The Bank of Nova Scotia as agent.

Under the La Cima Credit Facility, the borrower shall apply all amounts borrowed by it under the Facility to finance the working capital requirements of the borrower; and/or for the general corporate purposes of the borrower. The final maturity date of this facility is 19 September 2020.

The facility bears interest at LIBOR plus a margin of 1.20% per annum. The Borrowers are required to pay a quarterly commitment fee of 0.50% per annum.

Borrowings under the La Cima Credit Facility are secured by first-ranking assignments of all rights, title and interest in all of the borrower s concentrate sale agreements. In addition, the sale agreements shall include irrevocable payment instructions to the purchasers to, at all times, pay all proceeds under such sale agreements into secured collection accounts, or Collection Accounts. The Collection Accounts will be subject to a first ranking charge in favour of the lenders. This facility is non-recourse to the rest of the Gold Fields Group.

The outstanding balance under La Cima Credit Facility at 31 December 2017 was U.S.$83.5 million.

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R1.0 billion Rand Revolving Credit Facilities

In 2013, GFO and GFIJVH entered into two revolving credit facilities with Standard Bank and RMB, respectively. The purpose of these facilities is to fund capital expenditure and general corporate and working capital requirements of the Gold Fields group.

The salient terms of these facilities could be summarised as follows:

- a R500.0 million (U.S.$39.7 million) revolving credit facility entered into by the borrowers and Standard Bank on 20 December 2013, bearing interest at JIBAR plus a margin of 2.75% per annum, with a semi-annual commitment fee of 1.05% per annum on the undrawn and uncanceled amounts of the facility, or the Standard Bank RCF; and

- a R500.0 million (U.S.$ 39.7 million) revolving credit facility entered into by the borrowers and RMB on 19 June 2013, bearing interest at JIBAR plus a margin of 2.50% per annum, with a semi-annual commitment fee of 1% per annum on the undrawn and uncanceled amounts of the facility, or the RMB RCF.

Borrowings under these facilities were guaranteed by Gold Fields, GFO, GFIJVH, Orogen, and Gold Fields Holdings Company (BVI) Limited, or GF Holdings.

The RMB RCF and the Standard Bank RCF matured on 19 June 2016 and 20 December 2016, respectively.

U.S.$1 billion Notes Issue

On 30 September 2010, Gold Fields Orogen Holding (BVI) Limited, or Orogen, announced the issue of U.S.$1,000,000,000 4.875% guaranteed notes due 7 October 2020, issued 7 October 2010. Gold Fields, GFO, GF Holdings and Sibanye Gold Limited, or the Guarantors, on a joint and several basis, unconditionally and irrevocably guaranteed the payment of all amounts due in respect of the U.S.$1 billion Notes. The U.S.$1 billion Notes and guarantees constitute direct, unsubordinated and unsecured obligations of Orogen and the Guarantors, respectively, and rank equally in right of payment among themselves and with all other existing and future unsubordinated and unsecured obligations of Orogen and the Guarantors, respectively. With effect from 24 April 2015, the noteholders released Sibanye Gold Limited as a Guarantor pursuant to a consent solicitation process.

Gold Fields used the net proceeds of the offering of the U.S.$1 billion Notes to repay certain existing indebtedness of the Group and for general corporate purposes.

On 19 February 2016, a wholly-owned subsidiary of Gold Fields, announced an offer to purchase U.S.$200.0 million of the U.S.$1 billion Notes at discounts of 17% to the original value. Gold Fields accepted for purchase an aggregate principal amount of the U.S.$1 billion Notes equal to U.S.$147.6 million at a purchase price of U.S.$880 per U.S.$1,000 in principal amount of the U.S.$1 billion Notes. Gold Fields intends to hold the U.S.$1 billion Notes acquired until their maturity date on 7 October 2020. The outstanding balance under this facility on 31 December 2017 was U.S.$847.9 million compared to U.S.$846.4 million on 31 December 2016.

U.S.$1,510 million Term Loan and Revolving Credit Facility

Orogen, GFO and GFIJVH entered into a term loan and revolving credit facility agreement dated 28 November 2012, as amended and restated on 30 January 2013 and as further amended and restated on 22 July 2013, or the Original U.S.$ Facility. Pursuant to the Original U.S.$ Facility a syndicated bank group, agreed to make available to the borrowers certain credit facilities in the aggregate amount of U.S.$1.44 billion.

On 18 June 2014, the Original U.S.$ Facility was again amended and restated, or the U.S.$1,510 million Term Loan and Revolving Credit Facility. Under this facility, the lenders have made a U.S.$120 million term loan (Facility A) and two revolving credit facilities of U.S.$720 million (Facility B) and U.S.$670 million (Facility C) each available to the borrowers.

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The outstanding balance under the U.S.$1,510 million Term Loan and Revolving Credit Facility at 31 December 2015 was U.S.$724.0 million.

Borrowings under the U.S.$1,510 million Term Loan and Revolving Credit Facility were guaranteed by Gold Fields, GF Holdings, Orogen, GFO and GFIJVH.

On 13 June 2016, the outstanding balance of U.S.$630.0 million under the U.S.$1,510 million Term Loan and Revolving Credit Facility was refinanced by the U.S.$1,290,000,000 Credit Facilities Agreement, as detailed below. The U.S.$1,510 million Term Loan and Revolving Credit Facility was also cancelled on 13 June 2016.

R1,500 million Nedbank Revolving Credit Facility

On 1 March 2013, Nedbank Limited (acting through its Nedbank Corporate and Investment Banking Division), or Nedbank, GFIJVH and GFO entered into a R1,500 million Revolving Credit Facility, or the 2013 Nedbank Facility. The purpose of the 2013 Nedbank Facility was to fund capital expenditure and general corporate and working capital requirements of the Gold Fields group. The 2013 Nedbank Facility matured on 7 March 2018.

The 2013 Nedbank Facility bears interest at JIBAR plus a margin of 2.50% per annum. The borrowers are required to pay a commitment fee of 0.85% per annum every six months.

Borrowings under the 2013 Nedbank Facility are guaranteed by Gold Fields, GFO, GFIJVH, Orogen, GF Holdings, GF Ghana and Gruyere Holdings Pty Ltd, or Gruyere.

The outstanding borrowings under the 2013 Nedbank Facility at 31 December 2017 and 31 December 2016 were was R1,000 million (U.S.$79.5 million) and nil, respectively.

Nedbank, GFIJVH and GFO are currently negotiating a new R1,500 million revolving credit facility for purposes of funding capital expenditure and general corporate and working capital requirements of the Gold Fields group.

U.S.$1,290 million Credit Facilities Agreement

On 6 June 2016, The Bank of Tokyo-Mitsubishi UFJ, Ltd., GFIJVH, GFO, Orogen, Gold Fields Ghana Holdings (BVI) Limited, or GF Ghana, and certain wholly owned subsidiaries of Gold Fields entered into a U.S.$1,290 million Credit Facilities Agreement, or the U.S.$1,290 million Credit Facilities Agreement. The U.S.$1,290 million Credit Facilities Agreement comprises of a:

- U.S.$380 million Term Loan (Facility A) maturing 6 June 2019;
- U.S.$360 million RCF (Facility B) maturing 6 June 2020; and
- U.S.$550 million RCF (Facility C) maturing 6 June 2021;

The facility bears interest at LIBOR plus a margin as follows:

- the margin in relation to each Facility A Loan is 2.50 per cent. per annum;
- the margin in relation to each Facility B Loan is 2.20 per cent. per annum; and

the margin in relation to each Facility C Loan is 2.45 per cent. per annum;

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based on the current long-term credit rating of Gold Fields. The margin shall be adjusted to the following percentages dependent on the long-term credit rating assigned from to time to Gold Fields by either Moody s or Standard & Poor s:

Rating (Standard & Poor s)	Rating (Moody s)	Facility A Margin p.a.	Facility B Margin p.a.	Facility C Margin p.a.
BBB	Baa2	1.75 %	1.45 %	1.70 %
BBB-	Baa3	2.00 %	1.70 %	1.95 %
BB+	Ba1	2.50 %	2.20 %	2.45 %
BB	Ba2	3.00 %	2.70 %	2.95 %
BB-	Ba3	3.50 %	3.20 %	3.45 %

The borrowers are required to pay a quarterly commitment fee of 35% of the applicable margin per annum on the undrawn and uncanceled amounts of the facilities.

The borrowers must apply all amounts borrowed by them under the U.S.$1,290 million Credit Facilities Agreement towards, firstly, (i) repayment of the U.S.$1,510 million Term Loan and Revolving Credit Facility and thereafter (ii) their general corporate and working capital purposes.

Borrowings under the U.S.$1,290 million Credit Facilities Agreement are guaranteed by Gold Fields, Orogen, GF Holdings, GF Ghana, Gruyere Holdings Pty Ltd, or Gruyere Holdings, GFO and GFIJVH.

The outstanding borrowings under the U.S.$1,290 million Credit Facilities Agreement at 31 December 2017 and 31 December 2016 were U.S.$380.0 million and U.S.$658.5 million, respectively.

R500 million ABSA Bank Revolving Credit Facility

Effective 31 March 2017, ABSA Bank Limited, GFIJVH, GFO and certain wholly owned subsidiaries of Gold Fields entered into a R500 million Revolving Credit Facility. The purpose of the facility is to fund capital expenditure and general corporate and working capital requirements of the Gold Fields group. The tenor of the facility is six years. The final maturity date of this facility is 31 March 2020.

The facility bears interest at JIBAR plus a margin of 2.55% per annum based on the current long-term credit rating of Gold Fields.

The margin shall be adjusted to the following percentages dependent on the long-term credit rating assigned from to time to Gold Fields by either Moody s or Standard & Poor s:

Rating	Margin *(%)*
BBB-/Baa3	2.05
BB+/Ba1	2.55
BB/Ba2	3.05

The borrowers are required to pay a commitment fee of 0.8925% per annum on the undrawn portion of the facility every six months.

Borrowings under the facility are guaranteed by Gold Fields, Orogen, GF Holdings, GF Ghana, Gruyere Holdings, GFO and GFIJVH.

This facility was undrawn as at 31 December 2017.

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R500 million Standard Bank Revolving Credit Facility

Effective 31 March 2017, Standard Bank, GFIJVH, GFO and certain wholly owned subsidiaries of Gold Fields entered into a R500 million Revolving Credit Facility. The purpose of the facility is to fund capital expenditure and general corporate and working capital requirements of the Gold Fields group. The tenor of the facility is six years. The final maturity date of this facility is 31 March 2020.

The facility bears interest at JIBAR plus a margin of 2.75% per annum.

The borrowers are required to pay a commitment fee of 1.05% per annum on the undrawn portion of the facility every six months.

Borrowings under the facility are guaranteed by Gold Fields, Orogen, GF Holdings, GF Ghana, Gruyere Holdings, GFO and GFIJVH.

This facility was undrawn as at 31 December 2017.

Other Short-Term Credit Facilities

The Group utilised uncommitted loan facilities from some of the major banks to fund the capital expenditure and working capital requirements of the South African operations.

These facilities have no fixed terms, are short-term in nature and interest rates are market related. Borrowings under these facilities are guaranteed by Gold Fields.

The outstanding borrowings of Gold Fields under these facilities at 31 December 2017 were U.S.$114.1 million, compared to U.S.$61.0 million on 31 December 2016.

Management and Other Compensatory Plans and Arrangements

See *Annual Financial Report Remuneration Report Remuneration policy Long-term incentive (LTI) plan* , *Annual Financial Report Remuneration Report Remuneration policy Executive Minimum Shareholding Requirements (MSR) policy* and *Annual Financial Report Notes to the consolidated financial statements Note 5. Share-based payments* .

Gruyere Sale Agreement

On 7 November 2016, Gold Fields entered into a sale agreement with Gold Road Resources Limited for the acquisition of a 50% interest in the Gruyere Gold Project in Western Australia, or the Gruyere Sale Agreement. The acquisition of the Gruyere Gold Project asset by Gold Fields was completed on 13 December 2016, for total consideration comprising A$350 million in cash and a royalty. In terms of the cash consideration, A$250 million will be paid to Gold Road at completion and A$100 million is payable towards Gold Road s share of the Gruyere development and construction costs under an agreed joint venture construction cash call schedule. The royalty under the Gruyere Sale Agreement is 1.5% net smelter return royalty on Gold Fields share of production after the total mine production at Gruyere exceeds 2Moz.

Gruyere Gold Project Joint Venture Agreement dated 6 December 2016, between Gruyere Mining Company Pty Ltd, Gold Road Resources Limited and others

Following completion of the acquisition under the Gruyere Sale Agreement, Gold Fields and Gold Road formed an unincorporated joint venture in respect of the development, construction and operation of the Gruyere Gold Project under a joint venture agreement dated 6 December 2016. The joint venture is initially on a 50:50 basis and provides that each party is responsible for its pro rata share of project expenditure. Gold Fields took over management of the project from Gold Road on 1 February 2017.

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Gruyere Syndicated Facility

On 24 May 2017, Gruyere, a syndicated group of lenders and certain wholly owned subsidiaries of Gold Fields entered into a A$500 million revolving loan facility, or the Gruyere Syndicated Facility. The purpose of the facility is to fund the repayment of certain intercompany loans incurred in connection with the acquisition of Gold Fields 50% participating interest in the Gruyere Gold Project, meeting capital calls under the Gruyere Gold JV Agreement, funding capital expenditure in respect of the Gruyere Gold Project and the general corporate and working capital purposes of the Gold Fields group.

The final maturity date of this facility is 24 May 2020.

The facility bears interest at the Australian Bank Bill Swap Reference Rate plus a margin of 2.35% per annum. The Margin shall however be adjusted to the percentage rate set out opposite the relevant long term credit rating assigned to Gold Fields in the table below if a revised long term credit rating assigned to Gold Fields by either Moody s or Standard & Poor s is published or withdrawn.

Rating	**Margin** *(%)*
Standard & Poor s / Moody s	
BBB / Baa2	1.75
BBB- / Baa3	2.00
BB+ / Ba1	2.35
BB / Ba2	2.60
BB- / Ba3	3.00

The borrowers are required to pay a quarterly commitment fee of 40% of the applicable Margin per annum on the undrawn portion of the facility.

Borrowings under the facility are guaranteed by Gold Fields, Orogen, GF Holdings, GF Ghana, GFO and GFIJVH.

The outstanding borrowings under the Gruyere Syndicated Facility at 31 December 2017 was A$300.0 million.

Gruyere Bank Guarantee Facility

On 24 May 2017, Gruyere, Australia and New Zealand Banking Group Limited, Commonwealth Bank of Australia, Westpac Banking Corporation and certain wholly owned subsidiaries of Gold Fields entered into a bank guarantee facility, or the Gruyere Bank Guarantee Facility.

Under the Gruyere Bank Guarantee Facility, the borrower shall use a bank guarantee towards providing credit support in connection with the Development Agreement and Electricity Supply Agreement with regard to the Gruyere Gold Project.

The final maturity date of this facility is 24 May 2018.

Gruyere paid the issuing banks an establishment fee of A$225,000. In addition, Gruyere shall pay a quarterly bank guarantee fee at a rate of 0.60% per annum on the outstanding amount of each bank guarantee.

Gruyere s obligations under the Gruyere Bank Guarantee Facility are guaranteed by Gold Fields, Orogen, GF Holdings, GF Ghana, GFO and GFIJVH.

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Deposit Agreement

Gold Fields has an American Depositary Receipt facility. In connection with this facility, Gold Fields is party to a Deposit Agreement, dated as of 2 February 1998, as amended and restated as of 21 May 2002 among Gold Fields, The Bank of New York (now known as The Bank of New York Mellon, or BNYM), as Depositary, and all owners and holders from time to time of American Depositary Receipts issued thereunder.

This summary is subject to and qualified in its entirety by reference to the Deposit Agreement, including the form of ADRs attached thereto. Terms used in this section and not otherwise defined will have the meanings set forth in the Deposit Agreement. Copies of the Deposit Agreement are available for inspection at the Corporate Trust Office of the Depositary, located at 101 Barclay Street, New York, New York 10286. The Depositary s principal executive office is located at One Wall Street, New York, New York 10286.

American Depositary Receipts

Each Gold Fields ADS represents ownership interests in one Gold Fields ordinary share and the rights attributable to one Gold Fields ordinary share that Gold Fields will deposit with one of the custodians, which currently are Standard Bank of South Africa, First National Bank of South Africa and Société Générale. Each Gold Fields ADR also represents securities, cash or other property deposited with BNYM but not distributed to holders of Gold Fields ADRs.

As BNYM will actually be the holder of the underlying ordinary shares, Gold Fields will not treat you as one of its shareholders. As a holder of ADSs, you will have ADR holder rights. A Deposit Agreement among Gold Fields, BNYM and you, as a Gold Fields ADR holder, sets out the ADR holders rights and obligations of BNYM, as depositary. New York state law governs the Deposit Agreement and the ADRs evidencing the Gold Fields ADSs.

You may hold ADRs either directly or indirectly through your broker or financial institution. If you hold ADRs directly, you are an ADR holder. This description assumes you hold your ADRs directly. If you hold the ADRs indirectly, you must rely on the procedures of your broker or financial institution to assert the rights of ADR holders described in this section. You should consult with your broker or financial institution to find out what those procedures are.

Share Dividends and Other Distributions

How will you receive dividends and other distributions on the ordinary shares?

BNYM will pay to you the cash dividends or other distributions it or the custodian receives on the ordinary shares or other deposited securities, after deducting its fees and expenses. You will receive these distributions in proportion to the number of ordinary shares your Gold Fields ADSs represent.

Cash

BNYM will convert any cash dividend or distribution Gold Fields pays on the ordinary shares, other than any dividend or distribution paid in U.S. dollars, into U.S. dollars. If that is not possible on a reasonable basis, or

if any approval from any government is needed and cannot be obtained, the Deposit Agreement allows BNYM to distribute the foreign currency only to those ADS holders to whom it is possible to do so or to hold the foreign currency it cannot convert for the account of the ADS holders who have not been paid. It will not invest the foreign currency and it will not be liable for any interest.

Before making a distribution, BNYM will deduct any withholding taxes that must be paid under applicable laws. It will distribute only whole U.S. dollars and U.S. cents and will round any fractional amounts to the nearest whole cent. If the exchange rates fluctuate during a time when BNYM cannot convert the foreign currency, you may lose some or all of the value of the distribution.

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Ordinary shares

BNYM will distribute new ADRs representing any ordinary shares Gold Fields distributes as a dividend or free distribution, if Gold Fields requests that BNYM make this distribution and if Gold Fields furnishes BNYM promptly with satisfactory evidence that it is legal to do so. BNYM will only distribute whole ADRs. It will sell ordinary shares, which would require it to issue a fractional ADS and distribute the net proceeds to the holders entitled to those ordinary shares. If BNYM does not distribute additional cash or ADSs, each ADS will also represent the new ordinary shares.

Right to purchase additional ordinary shares

If Gold Fields offers holders of securities any rights, including rights to subscribe for additional ordinary shares, BNYM may take actions necessary to make these rights available to you. Gold Fields must first instruct BNYM to do so and furnish it with satisfactory evidence that it is legal to do so. If Gold Fields does not furnish this evidence and/or give these instructions, and BNYM determines that it is practical to sell the rights, BNYM may sell the rights and allocate the net proceeds to holders accounts. BNYM may allow rights that are not distributed or sold to lapse. In that case, you will receive no value for them.

If BNYM makes rights available to you, upon instruction from you it will exercise the rights and purchase the ordinary shares on your behalf. BNYM will then deposit the ordinary shares and deliver ADSs to you. It will only exercise rights if you pay BNYM the exercise price and any charges the rights require you to pay. U.S. securities laws may restrict the sale, deposit, cancellation and transfer of the ADSs issued after exercise of rights. In this case, BNYM may deliver the ADSs under a separate restricted deposit agreement, which will contain the same provisions as the Deposit Agreement, except for changes needed to put the restrictions in place. BNYM will not offer you rights unless those rights and the securities to which the rights relate are either exempt from registration or have been registered under the Securities Act with respect to a distribution to you.

Other distributions

BNYM will send to you anything else Gold Fields distributes on deposited securities by any means BNYM thinks is legal, fair and practical. If it cannot make the distribution in that way, BNYM may decide to sell what Gold Fields distributed for example by public or private sale and distribute the net proceeds, in the same way as it does with cash, or it may decide to hold what Gold Fields distributed, in which case the ADRs will also represent the newly distributed property.

BNYM is not responsible if it decides that it is unlawful or impractical to make a distribution available to any ADR holder. Gold Fields will have no obligation to take any other action to permit the distribution of ADSs, ordinary shares, rights or anything else to ADS holders. This means that you may not receive the distribution Gold Fields makes on its ordinary shares or any value for them if it is illegal or impractical for Gold Fields to make them available to you.

Deposit, Withdrawal and Cancellation

How does the Depositary issue ADSs?

BNYM will deliver the ADSs that you are entitled to receive in the offer against deposit of the underlying ordinary shares. BNYM will deliver additional ADSs if you or your broker deposit ordinary shares with the custodian. You must also deliver evidence satisfactory to BNYM of any necessary approvals of the governmental agency in South Africa, if any, which is responsible for regulating currency exchange at that time. If required by BNYM, you must in addition deliver an agreement transferring your rights as a shareholder to receive dividends or other property. Upon payment of its fees and of any taxes or charges, BNYM will register the appropriate number of ADSs in the names you request and will deliver the ADRs at its Corporate Trust Office to the persons you request.

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How do ADS holders cancel an ADS and obtain ordinary shares?

You may submit a written request to withdraw ordinary shares and turn in your ADRs evidencing your ADSs at the Corporate Trust Office of BNYM. Upon payment of its fees and of any taxes or charges, such as stamp taxes or stock transfer taxes, BNYM will deliver the deposited securities underlying the ADSs to an account designated by you at the office of the custodian. At your request, risk and expense, BNYM may deliver at its Corporate Trust Office any dividends or distributions with respect to the deposited securities represented by the ADSs, or any proceeds from the sale of any dividends, distributions or rights, which may be held by BNYM.

Record Dates

Whenever any distribution of cash or rights, change in the number of ordinary shares represented by ADSs or notice of a meeting of holders of ordinary shares or ADSs is made, BNYM will fix a record date for the determination of the owners entitled to receive the benefits, rights or notice.

Voting of Deposited Securities

How do you vote?

If you are an ADS holder on a record date fixed by BNYM, you may exercise the voting rights of the same class of securities as the ordinary shares represented by your ADSs, but only if Gold Fields asks BNYM to ask for your instructions. Otherwise, you will not be able to exercise your right to vote unless you withdraw the ordinary shares.

However, you may not know about the meeting enough in advance to withdraw the ordinary shares. If Gold Fields asks for your instructions, BNYM will notify you of the upcoming meeting and arrange to deliver certain materials to you. The materials will (1) include all information included with the meeting notice sent by Gold Fields to BNYM, (2) explain how you may instruct BNYM to vote the ordinary shares or other deposited securities underlying your ADSs as you direct if you vote by mail or by proxy and (3) include a voting instruction card and any other information required under South African law that Gold Fields and BNYM will prepare. For instructions to be valid, BNYM must receive them on or before the date specified in the instructions. BNYM will try, to the extent practical, subject to applicable law and the provisions of the by-laws of Gold

Fields, to vote or have its agents vote the underlying shares as you instruct. BNYM will only vote, or attempt to vote, as you instruct. However, if BNYM does not receive your voting instructions, it will give a proxy to vote your ordinary shares to a designated representative of Gold Fields, unless Gold Fields informs BNYM that either: (1) it does not want the proxy issued, (2) substantial opposition exists or (3) the matter materially and adversely affects the rights of holders of ordinary shares.

Gold Fields cannot assure that you will receive the voting materials in time to ensure that you can instruct BNYM to vote your ordinary shares. In addition, BNYM and its agents are not responsible for failing to carry out voting instructions or for the manner of carrying out voting instructions. This means that you may not be able to exercise your right to vote and there may be nothing you can do if your ordinary shares are not voted as you requested.

Inspection of Transfer Books

BNYM will keep books for the registration and transfer of ADRs. These books will be open at all reasonable times for inspection by you, provided that you are inspecting the books for a purpose related to Gold Fields or the Deposit Agreement or the ADRs.

Reports and Other Communications

BNYM will make available for your inspection at its Corporate Trust Office any reports or communications, including any proxy material, received from Gold Fields, as long as these materials are received by BNYM as the holder of the deposited securities and generally available to Gold Fields shareholders. At Gold Fields written request, BNYM will also send copies of reports, notices and communications to you.

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Fees and Expenses

BNYM, as Depositary, will charge any party depositing or withdrawing ordinary shares or any party surrendering ADRs or to whom ADRs are issued:

For:	Gold Fields ADS holders must pay:
each issuance of a Gold Fields ADS, including as a result of a distribution of ordinary shares or rights or other property or upon exercise of a warrant to purchase an ADS	$5.00 or less per 100 Gold Fields ADSs or portion thereof
each distribution of securities distributed to holders of Gold Fields ordinary shares which are distributed by BNYM to Gold Fields ADR holders	any fees that would be payable if the securities had been ordinary shares and those ordinary shares had been deposited for the issuance of ADSs
each cancellation of a Gold Fields ADS, including if the Deposit Agreement terminates	$5.00 or less per 100 Gold Fields ADSs or portion thereof
each cash distribution pursuant to the Deposit Agreement	not more than $0.02 per ADS (or portion thereof)
annual depositary services	not more than $0.02 per ADS (or portion thereof) paid annually, provided that this fee will not be charged if the $0.02 fee for cash distributions described above was charged during the calendar year
transfer and registration of ordinary shares on the Gold Fields share register from your name to the name BNYM or its agent when you deposit or withdraw ordinary shares	registration or transfer fees
conversion of foreign currency to U.S. dollars	expenses of BNYM
cable, telex and facsimile transmission expenses, if expressly provided in the Deposit Agreement	expenses of BNYM
as necessary	certain taxes and governmental charges BNYM or the custodian has to pay on any Gold Fields ADS or ordinary share underlying a Gold Fields ADS

In fiscal 2017, BNYM paid U.S.$0.95 million to Gold Fields as reimbursement for costs incurred over the year in connection with the ADR program.

Payment of Taxes

You will be responsible for any taxes or other governmental charges payable on your ADRs or on the deposited securities underlying your ADRs. BNYM may deduct the amount of any taxes owed from any payments to you. It may also restrict or refuse the transfer of your Gold Fields ADSs or restrict or refuse the withdrawal of your underlying deposited securities until you pay any taxes owed on your Gold Fields ADSs or underlying securities. It may also sell deposited securities to pay any taxes owed. You will remain liable if the proceeds of the sale are not enough to pay the taxes. If BNYM sells deposited securities, it will, if appropriate, reduce the number of Gold Fields ADSs held by you to reflect the sale and pay to you any proceeds, or send to you any property, remaining after it has paid the taxes.

Reclassifications, Recapitalisations and Mergers

If Gold Fields:

- changes the par value of any of the Gold Fields ordinary shares;

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- reclassifies, splits or consolidates any of the Gold Fields ordinary shares;

- distributes securities on any of the Gold Fields ordinary shares that are not distributed to you; or

- recapitalises, reorganises, merges, consolidates, sells its assets, or takes any similar action, then:

the cash, ordinary shares or other securities received by BNYM will become new deposited securities under the Deposit Agreement, and each Gold Fields ADS will automatically represent the right to receive a proportional interest in the new deposited securities; and BNYM may and will, if Gold Fields asks it to, distribute some or all of the cash, ordinary shares or other securities it received. It may also issue new Gold Fields ADSs or ask you to surrender your outstanding Gold Fields ADSs in exchange for new Gold Fields ADSs identifying the new deposited securities.

Amendment and Termination of the Deposit Agreement

How may the Deposit Agreement be amended?

Gold Fields may agree with BNYM to amend the Deposit Agreement and the Gold Fields ADRs without your consent for any reason. If the amendment adds or increases fees or charges, except for taxes and governmental charges, or prejudices an important right of Gold Fields ADS holders, it will only become effective

30 days after BNYM notifies you of the amendment. At the time an amendment becomes effective, you are considered, by continuing to hold your ADSs, to agree to the amendment and to be bound by the agreement as amended. However, no amendment will impair your right to receive the deposited securities in exchange for your Gold Fields ADSs.

How may the Deposit Agreement be terminated?

BNYM will terminate the Deposit Agreement if Gold Fields asks it to do so, in which case it must notify you at least 30 days before termination. BNYM may also terminate the agreement after notifying you if BNYM informs Gold Fields that it would like to resign and Gold Fields does not appoint a new depositary bank within 90 days.

If any Gold Fields ADSs remain outstanding after termination, BNYM will stop registering the transfer of Gold Fields ADSs, will stop distributing dividends to Gold Fields ADS holders, and will not give any further notices or do anything else under the Deposit Agreement other than:

- collect dividends and distributions on the deposited securities;

- sell rights and other property offered to holders of deposited securities; and

- deliver ordinary shares and other deposited securities upon cancellation of Gold Fields ADSs.

At any time after one year after termination of the Deposit Agreement, BNYM may sell any remaining deposited securities by public or private sale. After that, BNYM will hold the money it received on the sale, as well as any cash it is holding under the Deposit Agreement, for the pro rata benefit of the Gold Fields ADS holders that have not surrendered their Gold Fields ADSs. It will not invest the money and has no liability for interest. BNYM s only obligations will be to account for the money and cash. After termination, Gold Fields only obligations will be with respect to indemnification of, and to pay specified amounts to, BNYM.

Your Right to Receive the Ordinary Shares Underlying Your Gold Fields ADSs

You have the right to cancel your Gold Fields ADSs and withdraw the underlying ordinary shares at any time except:

due to temporary delays caused by BNYM or Gold Fields closing its transfer books, the transfer of ordinary shares being blocked in connection with voting at a shareholders meeting, or Gold Fields paying dividends;

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- when you or other ADR holders seeking to withdraw ordinary shares owe money to pay fees, taxes and similar charges; or

- when it is necessary to prohibit withdrawals in order to comply with any laws or governmental regulations that apply to Gold Fields ADSs or to the withdrawal of ordinary shares or other deposited securities.

This right of withdrawal may not be limited by any provision of the Deposit Agreement.

Limitations on Obligations and Liability to Gold Fields ADS Holders

The Deposit Agreement expressly limits the obligations of Gold Fields and BNYM. It also limits the liability of Gold Fields and BNYM. Gold Fields and BNYM:

- are only obliged to take the actions specifically set forth in the Deposit Agreement without negligence or bad faith;

- are not liable if either of them is prevented or delayed by law, any provision of the Gold Fields by-laws or circumstances beyond their control from performing their obligations under the agreement;

- re not liable if either of them exercises, or fails to exercise, discretion permitted under the agreement;

- have no obligation to become involved in a lawsuit or proceeding related to the ADSs or the Deposit Agreement on your behalf or on behalf of any other party unless they are indemnified to their satisfaction; and

- may rely upon any advice of or information from any legal counsel, accountants, any person depositing ordinary shares, any Gold Fields ADS holder or any other person whom they believe in good faith is competent to give them that advice or information.

In the Deposit Agreement, Gold Fields and BNYM agree to indemnify each other under specified circumstances.

Requirements for Depositary Actions

Before BNYM will deliver or register the transfer of a Gold Fields ADS, make a distribution on a Gold Fields ADS, or permit withdrawal of ordinary shares, BNYM may require:

- payment of taxes, including stock transfer taxes or other governmental charges, and transfer or registration fees charged by third parties for the transfer of any ordinary shares or other deposited securities, as well as the fees and expenses of BNYM;

- production of satisfactory proof of the identity of the person presenting ordinary shares for deposit or Gold Fields ADSs upon withdrawal, and of the genuineness of any signature; and

- compliance with regulations BNYM may establish consistent with the Deposit Agreement, including presentation of transfer documents.

BNYM may refuse to deliver, transfer, or register transfer of Gold Fields ADSs generally when the transfer books of BNYM are closed or at any time if BNYM or Gold Fields thinks it advisable to do so.

Pre-Release of Gold Fields ADSs

In certain circumstances, subject to the provisions of the Deposit Agreement, BNYM may deliver Gold Fields ADSs before deposit of the underlying ordinary shares. This is called a pre-release of Gold Fields ADSs. BNYM may also deliver ordinary shares prior to the receipt and cancellation of pre-released Gold Fields ADSs

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(even if those Gold Fields ADSs are cancelled before the pre-release transaction has been closed out). A pre-release is closed out as soon as the underlying ordinary shares are delivered to BNYM. BNYM may receive Gold Fields ADSs instead of the ordinary shares to close out a pre-release. BNYM may pre-release Gold Fields ADSs only under the following conditions:

- before or at the time of the pre-release, the person to whom the pre-release is being made must represent to BNYM in writing that it or its customer, as the case may be, owns the ordinary shares or Gold Fields ADSs to be deposited;
- the pre-release must be fully collateralised with cash or collateral that BNYM considers appropriate; and
- BNYM must be able to close out the pre-release on not more than five business days notice.

The pre-release will be subject to whatever indemnities and credit regulations BNYM considers appropriate. In addition, BNYM will limit the number of Gold Fields ADSs that may be outstanding at any time as a result of pre-release.

Governing Law

The Deposit Agreement is governed by the law of the State of New York.

South African Exchange Control Limitations Affecting Security Holders

The discussion below relates to exchange controls in force as of the date of this annual report. These controls are subject to change at any time without notice. It is not possible to predict whether existing exchange controls will be abolished, continued or amended by the South African government in the future. Investors are urged to consult a professional adviser as to the exchange control implications of their particular investments.

Acquisitions of shares or assets of South African companies by non-South African purchasers solely for a cash consideration equal to the fair value of the shares, will generally be permitted by the SARB pursuant to South African exchange control regulations. An acquisition of shares or assets of a South African company by a non-South African purchaser may be refused by the SARB in other circumstances, such as:

- where the consideration for the acquisition is shares in a non-South African company; or
- where the acquisition is financed by a loan from a South African lender.

Denial of SARB approval for an acquisition of shares or assets of a South African company may result in the transaction not being able to be completed. Subject to this limitation, there are no restrictions on equity investments in South African companies and a foreign investor may invest freely in the ordinary shares and ADSs of Gold Fields.

There are no exchange control restrictions on the remittance in full of dividends declared out of trading profits to non-residents of the CMA (comprising South Africa, the Kingdoms of Lesotho and Swaziland and the Republic of Namibia) by Gold Fields.

Under South African exchange control regulations, the ordinary shares and ADSs of Gold Fields are freely transferable outside South Africa between persons who are not residents of the CMA. Additionally, where ordinary shares are sold on the JSE on behalf of shareholders of Gold Fields who are not residents of the CMA, the proceeds of such sales will be freely exchangeable into foreign currency and remitted to them.

Any share certificates held by non-resident Gold Fields shareholders will be endorsed with the words non-resident. The same endorsement, however, will not be applicable to ADSs of Gold Fields held by non-resident shareholders.

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Taxation

Certain South African Tax Considerations

The discussion in this section sets forth the material South African tax consequences of the purchase, ownership and disposition of Gold Fields ordinary shares or ADSs under current South African law. Changes in the law may alter the tax treatment of Gold Fields ordinary shares or ADSs, possibly on a retroactive basis.

The following summary is not a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of Gold Fields ordinary shares or ADSs and does not cover tax consequences that depend upon your particular tax circumstances. In particular, the following summary addresses tax consequences for holders of ordinary shares or ADSs who are not residents of, or who do not carry on business in, South Africa and who hold ordinary shares or ADSs as capital assets (that is, for investment purposes). For the purposes of the income tax treaty between South Africa and the United States, or the Treaty, and South African tax law, a United States resident that owns Gold Fields ADSs will be treated as the owner of the Gold Fields ordinary shares represented by such ADSs. Gold Fields recommends that you consult your own tax adviser about the consequences of holding Gold Fields ordinary shares or ADSs, as applicable, in your particular situation.

Tax on Dividends

It should be noted that a 20% dividend tax is levied on dividends declared by South African resident companies to non-resident shareholders or non-resident ADS holders, which was increased from 15% with effect from 22 February 2017.

Generally, under the Treaty, the dividend tax is reduced to:

- 5% of the gross amount of the dividends if the beneficial owner of the shares is a company holding directly at least 10% of the voting stock of the South African resident company paying the dividends; and

- 15% of the gross amount of the dividends in all other cases.

Income Tax and Capital Gains Tax

Non-resident holders of ordinary shares or ADSs will not be subject to income or capital gains tax in South Africa, with respect to the disposal of those ordinary shares or ADSs, on the basis that 80% or more of the market value of the Shares do not relate to immovable property held in South Africa, unless the non-resident carried on business through a permanent establishment in South Africa, and the profits are realised in the ordinary course of the business carried on by the permanent establishment in South Africa.

Securities Transfer Tax

No Securities Transfer Tax, or STT, is payable in South Africa with respect to the issue of a security.

STT is charged at a rate of 0.25% on the taxable amount of the transfer of every security issued by a company or a close corporation incorporated in South Africa, or a company incorporated outside South Africa but listed on an exchange in South Africa, subject to certain exemptions.

The word transfer is broadly defined and includes the transfer, sale, assignment or cession or disposal in any other manner of a security. The cancellation or redemption of a security is also regarded as a transfer unless the company is being liquidated. However, the issue of a security that does not result in a change in beneficial ownership is not regarded as a transfer.

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STT is levied on the taxable amount of a security. The taxable amount of a listed security is the greater of:

- the consideration for the security declared by the transferee; or
- the closing price of that security.

The taxable amount of an unlisted security is the greater of:

- the consideration given for the acquisition of the security; or
- the market value of the unlisted security.

In the case of a transfer of a listed security, either the member or the participant or the person to whom the security is transferred is liable for the tax. The tax must be paid within a period of 14 days from the transfer. The liability for tax with respect to the transfer of listed securities lies with the party facilitating the transfer or the recipient of the security.

The liability for STT with respect to the transfer of unlisted securities is that of the company that issued the unlisted security. The STT must be paid by the company issuing the unlisted security within two months from the date of the transfer of such security.

U.S. Federal Income Tax Considerations

The following discussion summarises the material U.S. federal income tax consequences of the ownership and disposition of ordinary shares and ADSs by a U.S. Holder. As used herein, the term U.S. Holder means a beneficial owner of ordinary shares or ADSs that is for U.S. federal income tax purposes:

- a citizen or resident of the United States;
- a corporation created or organised under the laws of the United States, any state within the United States or the District of Columbia;
- an estate the income of which is subject to U.S. federal income tax without regard to its source; or
- a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has validly elected to be treated as a domestic trust for U.S. federal income tax purposes.

This summary only applies to U.S. Holders that hold ordinary shares or ADSs as capital assets. This summary is based upon:

- the current federal income tax laws of the United States, including the Internal Revenue Code of 1986, as amended, or the Code, its legislative history, and existing and proposed regulations thereunder;
- current U.S. Internal Revenue Service, or IRS, practice and applicable U.S. court decisions; and

the income tax treaty between the United States and South Africa
all as of the date hereof and all subject to change at any time, possibly with retroactive effect.

This summary assumes that the obligations of the Depositary under the Deposit Agreement and any related agreements will be performed in accordance with their terms.

This summary is of a general nature and does not address all U.S. federal income tax consequences that may be relevant to you in light of your particular situation (including consequences under the alternative minimum tax

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or the net investment income tax), and does not address state, local, non-U.S. or other tax laws (such as estate and gift tax laws). For example, this summary does not apply to:

- investors that own (directly, indirectly or by attribution) 5% or more of Gold Fields stock by vote or value;
- financial institutions;
- insurance companies;
- individual retirement accounts and other tax-deferred accounts;
- tax-exempt organisations;
- dealers in securities or currencies;
- investors that hold ordinary shares or ADSs as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes;
- investors whose functional currency is not the U.S. dollar;
- persons that have ceased to be U.S. citizens or lawful permanent residents of the United States;
- investors holding the ordinary shares or ADSs in connection with a trade or business conducted outside the United States; and
- U.S. citizens or lawful permanent residents living abroad.

The U.S. federal income tax treatment of a partner in an entity or arrangement treated as a partnership for U.S. federal income tax purposes that holds ordinary shares or ADSs will depend upon the status of the partner and the activities of the partnership. If you are an entity or arrangement treated as a partnership for U.S. federal income tax purposes, you should consult your tax adviser concerning the U.S. federal income tax consequences to you and your partners of the acquisition, ownership and disposition of ordinary shares or ADSs by you.

Gold Fields does not believe that it was a PFIC within the meaning of Section 1297 of the Code for its 2017 taxable year and does not expect to be a PFIC for its current taxable year or in the foreseeable future. However, Gold Fields possible status as a PFIC must be determined annually and therefore may be subject to change. If Gold Fields were to be treated as a PFIC, U.S. Holders of ordinary shares or ADSs would be required (i) to pay a special U.S. addition to tax on certain distributions and gains on sale and (ii) to pay tax on any gain from the sale of ordinary shares or ADSs at ordinary income (rather than capital gains) rates in addition to paying the special addition to tax on this gain. Additionally, dividends paid by Gold Fields would not be eligible for the special reduced rate of tax for non-corporate U.S. Holders described below under Taxation of Dividends . The remainder of this discussion assumes that Gold Fields is not a PFIC for U.S. federal income tax purposes. You should consult your own tax advisers regarding the potential application of the PFIC regime.

The summary of U.S. federal income tax consequences set out below is for general information only. You are urged to consult your tax advisers as to the particular tax consequences to you of acquiring, owning and disposing of the ordinary shares or ADSs, including your

eligibility for the benefits of the income tax treaty between the United States and South Africa, the applicability and effect of state, local, non-U.S. and other tax laws and possible changes in tax law.

U.S. Holders of ADSs

For U.S. federal income tax purposes, a U.S. Holder of ADSs generally will be treated as the owner of the corresponding number of underlying ordinary shares held by the Depositary for the ADSs, and references to ordinary shares in the following discussion refer also to ADSs representing the ordinary shares.

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Deposits and withdrawals of ordinary shares by U.S. Holders in exchange for ADSs will not result in the realisation of gain or loss for U.S. federal income tax purposes. Your tax basis in withdrawn ordinary shares will be the same as your tax basis in the ADSs surrendered, and your holding period for the ordinary shares will include the holding period of the ADSs.

However, the U.S. Treasury has expressed concern that U.S. holders of depositary receipts (such as U.S. Holders of Gold Fields ADSs) may be claiming foreign tax credits in situations where an intermediary in the chain of ownership between such holders and the issuer of the security underlying the depositary receipts, or a party to whom depositary receipts or deposited shares are delivered by the depositary prior to the receipt by the depositary of the corresponding securities, has taken actions inconsistent with the ownership of the underlying security by the person claiming the credit, such as a disposition of such security. Such actions may also be inconsistent with the claiming of the reduced tax rates that may be applicable to certain dividends received by certain non-corporate holders, as described below. Accordingly, (i) the ability to offset any South African taxes and (ii) the availability of the reduced tax rates for any dividends received by certain non-corporate U.S. Holders, each as described below, could be affected by actions taken by such parties or intermediaries.

Taxation of Dividends

Distributions paid out of Gold Fields current or accumulated earnings and profits (as determined for U.S. federal income tax purposes), before reduction for any South African withholding tax paid by Gold Fields with respect thereto, will generally be taxable to you as foreign source dividend income, and will not be eligible for the dividends received deduction allowed to corporations. Distributions that exceed Gold Fields current and accumulated earnings and profits will be treated as a non-taxable return of capital to the extent of your basis in the ordinary shares and thereafter as capital gain. However, Gold Fields does not maintain calculations of its earnings and profits in accordance with U.S. federal income tax accounting principles. You should therefore assume that any distribution by Gold Fields with respect to the ordinary shares will be reported as ordinary dividend income. You should consult your own tax advisers with respect to the appropriate U.S. federal income tax treatment of any distribution received from Gold Fields. For purposes of determining limitations on any foreign tax credits, dividends paid by Gold Fields will generally constitute passive income.

Dividends paid by Gold Fields generally will be taxable to non-corporate U.S. Holders at the reduced rate normally applicable to long-term capital gains, provided that either (i) Gold Fields qualifies for the benefits of the income tax treaty between the United States and South Africa, or (ii) the ADSs are considered to be readily tradable on the NYSE, in each case, and certain other requirements are met.

For U.S. federal income tax purposes, the amount of any dividend paid in Rand will be included in income in a U.S. dollar amount calculated by reference to the exchange rate in effect on the date the dividends are received by you (in the case of ordinary shares) or the Depositary (in the case of ADSs) regardless of whether they are converted into U.S. dollars at that time. If you or the Depositary, as the case may be, convert dividends received in Rand into U.S. dollars on the day they are received, you generally will not be required to recognise foreign currency gain or loss in respect of this dividend income.

Effect of South African Withholding Taxes

As discussed in Certain South African Tax Considerations Withholding Tax on Dividends, under current law, South Africa imposes a withholding tax of 20% on dividends paid by Gold Fields. A U.S. Holder will generally be entitled, subject to certain limitations, to a foreign tax credit against its U.S. federal income tax liability, or a deduction in computing its U.S. federal taxable income, for South African income taxes withheld by Gold Fields.

U.S. Holders that receive payments subject to this withholding tax will be treated, for U.S. federal income tax purposes, as having received the amount of South African taxes withheld by Gold Fields, and as then having

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paid over the withheld taxes to the South African taxing authorities. As a result of this rule, the amount of dividend income included in gross income for U.S. federal income tax purposes by a U.S. Holder with respect to a payment of dividends may be greater than the amount of cash actually received (or receivable) by the U.S. Holder from Gold Fields with respect to the payment.

The rules governing foreign tax credits are complex. You should consult your tax adviser concerning the foreign tax credit implications of the payment of South African withholding taxes.

Taxation of a Sale or Other Disposition

Upon a sale or other disposition of ordinary shares or ADSs, other than an exchange of ADSs for ordinary shares and vice versa, you will generally recognise capital gain or loss for U.S. federal income tax purposes equal to the difference between the amount realised and your adjusted tax basis in the ordinary shares or ADSs, in each case as determined in U.S. dollars. This capital gain or loss will be long-term capital gain or loss if your holding period in the ordinary shares or ADSs exceeds one year. However, regardless of your actual holding period, any loss may be treated as long-term capital loss to the extent you receive a dividend that qualifies for the reduced rate described above under Taxation of Dividends and also exceeds 10% of your basis in the ordinary shares. Any gain or loss will generally be U.S. source. You should consult your tax adviser about how to account for proceeds received on the sale or other disposition of ordinary shares that are not paid in U.S. dollars.

To the extent you incur Securities Transfer Tax in connection with a transfer or withdrawal of ordinary shares as described under Certain South African Tax Considerations Securities Transfer Tax above, such securities transfer tax will not be a creditable tax for U.S. foreign tax credit purposes.

Backup Withholding and Information Reporting

Payments of dividends and other proceeds with respect to ordinary shares or ADSs by U.S. persons will be reported to you and to the IRS as may be required under applicable regulations. Backup withholding may apply to these payments if you fail to provide an accurate taxpayer identification number or certification of exempt status or fail to report all interest and dividends required to be shown on your U.S. federal income tax returns. Some holders are not subject to backup withholding. You should consult your tax adviser about these rules and any other reporting obligations that may apply to the ownership and disposition of the ordinary shares, including requirements relating to the holding of certain specified foreign financial assets .

Documents on Display

Gold Fields files annual and special reports and other information with the SEC. You may read and copy any reports or other information on file at the SEC s public reference room at the following location:

100 F Street, N.E.

Washington, D.C. 20549

Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. The SEC filings are also available to the public from commercial document retrieval services. Gold Fields SEC filings may also be obtained electronically via the EDGAR system on the website maintained by the SEC at http://www.sec.gov.

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CONTROLS AND PROCEDURES

(a) Disclosure Controls and Procedures

Gold Fields has carried out an evaluation, under the supervision and with the participation of management, including the Chief Executive Officer and Chief Financial Officer of Gold Fields, of the effectiveness of the design and operation of Gold Fields disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e)) as of the end of the period covered by this annual report. Based upon that evaluation, Gold Fields Chief Executive Officer and Chief Financial Officer concluded that, as of December 31, 2017, Gold Fields disclosure controls and procedures were effective.

(b) Management s Report on Internal Control over Financial Reporting:

Gold Fields management is responsible for establishing and maintaining adequate internal control over financial reporting. The Securities Exchange Act of 1934 defines internal control over financial reporting in Rule 13a-15(f) and 15d-15(f) as a process designed by, or under the supervision of, the company s principal executive and principal financial officers, and effected by the company s board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles, and includes those policies and procedures that:

pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company;

provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company s assets that could have a material effect on the consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Gold Fields management assessed the effectiveness of its internal control over financial reporting as of December 31, 2017. In making this assessment, Gold Fields management used the criteria established in Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, or COSO. Based upon its assessment, Gold Fields management concluded that, as of December 31, 2017, its internal control over financial reporting is effective based upon those criteria.

KPMG Inc., or KPMG, an independent registered public accounting firm that audited the consolidated financial statements included in this annual report on Form 20-F, has issued an attestation report on management s assessment of Gold Fields internal control over financial reporting as of December 31, 2017.

(c) Attestation Report of the Registered Public Accounting Firm:

See *Annual Financial Report Report of Independent Registered Public Accounting Firm* .

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(d) Changes in Internal Control Over Financial Reporting

Except for the remediation of the material weakness discussed below, there has been no change in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during fiscal 2017 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

During our most recent fiscal year, management identified a material weakness in internal control over financial reporting related to the inappropriate continued application of the accounting methodology to amortise the mineral rights asset at the Australian operations (mineral rights). The controls which gave rise to the material weakness were not operating effectively as of December 31, 2016 and during the 2017 fiscal year but were remediated as of December 31, 2017.

Management did not have an effective control over the review of the appropriateness of the significant accounting policy related to the amortisation of the mineral rights in terms of International Financial Reporting Standards (IFRS). To apply the accounting policy required a reliable estimate to be made of endowment ounces included in the useful life used to amortise the mineral rights.

Management did not establish an effective process to monitor the inputs required to establish a reliable estimate of the endowment ounces used to measure the amortisation of mineral rights. Management did not design and implement effective controls at an appropriate level of precision to assess the accuracy of the estimated quantities of endowment ounces in order to identify a potentially material misstatement of amortisation of the mineral rights. Management did not establish processes and controls that were responsive to assessing the reliable estimation of the endowment ounces in order to meet the guidance over the reliability requirements of IFRS.

The root cause for this material weakness was that management did not critically evaluate and review the criteria necessary to apply the significant accounting policy each year. Management did not review the application of the recurring accounting policy relating to the amortisation of mineral rights to ensure that the controls in place to reliably estimate the endowment ounces were appropriate. The material weakness around the selection of accounting methodology in respect of the mineral rights related to the risk assessment component of Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework, specifically Principle 6.

These control deficiencies resulted in immaterial misstatements to the carrying amount of the mineral rights and the amortisation and depreciation charge in respect of previous years consolidated financial statements that was corrected retrospectively as described in note 40 to the consolidated financial statements as at December 31, 2017. These control deficiencies created a reasonable possibility that a material misstatement to the consolidated financial statements would not be prevented or detected on a timely basis, and therefore management concluded that the deficiencies represented a material weakness in the Company s internal control over financial reporting in the current and 2016 fiscal years.

As of December 31, 2017, management revised its accounting policy and selected an accounting methodology to reduce the estimation uncertainty in the amortisation of the mineral rights at the Australian operations. The key inputs in the amortisation calculations are the cost of the mineral rights, ounces mined and reserves and resources.

As these inputs are used in other estimates and judgements, the reliability of estimating the inputs are subject to existing processes and controls which were operating effectively during 2017 and as of December 31, 2017. Specifically, the design, implementation and effectiveness of the controls over reserves and resources and ounces mined did not change during 2017 or as a result of remediating the control deficiency. As the endowment ounces are no longer used in the amortisation methodology, the control to test the reasonable estimation thereof was eliminated.

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Management has enhanced the diligence with which they perform the controls over the annual review of the appropriateness and relevance of all significant accounting policies. The controls relating to the selection and continued application of significant accounting policies were tested as of December 31, 2017 and management has concluded, through this testing, that these controls are operating effectively. Based on these efforts, the identified material weakness relating to internal controls over the inappropriate continued application of accounting policies has been remediated as of December 31, 2017.

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AUDIT COMMITTEE FINANCIAL EXPERT

The Board of Directors has determined that Gold Fields Audit Committee does not have an audit committee financial expert , as defined in the rules promulgated by the Securities and Exchange Commission. Although a person with such qualifications does not serve on 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. Gold Fields 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. For biographical information on each member of the Audit Committee, see *Annual Financial Report Corporate Governance Report Directors* and *Integrated Annual Report Licence and Reputation Summarised Corporate Governance Board and Board sub-committees* .

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PRINCIPAL ACCOUNTANT FEES AND SERVICES

KPMG served as Gold Fields principal accountant. Set forth below are the fees for audit and other services rendered by KPMG for fiscal 2017, 2016 and 2015.

	Year ended 31 December		
	2017	2016	2015
		(U.S.$ million)	
Audit fees	2.7	2.4	2.7
Audit-related fees	0.1	0.3	0.2
Tax fees	(1)	0.1	(1)
All other fees			0.1
Total	2.8	2.8	3.0

Note:

(1) Nominal amount due to rounding to U.S.$ million.

Audit fees include fees for audit services rendered for Gold Fields annual consolidated financial statements filed with regulatory organisations.

Audit-related fees include fees for related services by the principal accountant that are reasonably related to the performance of the audit or review of the registrant s financial statements.

Tax fees include fees for tax compliance, tax advice, tax planning and other tax-related services.

All other fees consist of fees for all other services not included in any of the other categories noted above. All of the above fees were pre-approved by the Audit Committee.

Audit Committee s Policies and Procedures

In accordance with the Securities and Exchange Commission rules regarding auditor independence, the Audit Committee has established Policies and Procedures for Audit and Non-Audit Services Provided by an Independent Auditor. The rules apply to Gold Fields and its consolidated subsidiaries engaging any accounting firms for audit services and the auditor who audits the accounts filed with the Securities and Exchange Commission, or the external auditor, for permissible non-audit services.

When engaging the external auditor for permissible non-audit services (audit-related services, tax services, and all other services), pre-approval is obtained prior to the commencement of the services.

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CORPORATE GOVERNANCE

Gold Fields home country corporate governance practices are regulated by the Listing Requirements of the JSE, or the JSE Listing Requirements. The following is a summary of the significant ways in which Gold Fields home country corporate governance standards and its corporate governance practices differ from those followed by domestic companies under the NYSE Listing Standards.

The NYSE Listing Standards require that the non-management directors of U.S. listed companies meet at regularly scheduled non-executive sessions without management. The JSE Listing Requirements do not require such meetings of listed company non-executive directors. Gold Fields non-management directors do however meet regularly without management.

The NYSE Listing Standards require U.S. listed companies to have a nominating/corporate governance committee composed entirely of independent directors. The JSE Listing Requirements also require the appointment of such a committee, and stipulate that all members of this committee must be non-executive directors, the majority of whom must be independent. Gold Fields has a Nominating and Governance Committee which currently comprises three non-executive directors, all of whom are independent under the NYSE Listing Standards and the JSE Listing Requirements which is chaired by the Chairman of Gold Fields, as required by the JSE Listing Requirements.

The NYSE Listing Standards require U.S. listed companies to have a compensation committee composed entirely of independent directors. The JSE Listing Requirements merely require the appointment of such a committee. Gold Fields has appointed a Remuneration Committee, currently comprising five board members, all of whom are independent under both the JSE Listing Requirements and the NYSE Listing Standards.

The NYSE Listings Standards require U.S. listed companies to have an audit committee composed entirely of independent directors. The South African Companies Act requires that the audit committee be approved by shareholders on an annual basis at a company s annual general meeting. The JSE Listings Requirements also require an audit committee composed entirely of independent directors. Gold Fields has appointed an Audit Committee, currently comprised of five board members, all of whom are non-executive and independent, as defined under both the JSE Listings Requirements and the NYSE Listing Requirements.

EXHIBITS

The following instruments and documents are included as Exhibits to this annual report.

No.	Exhibit
1.1	Memorandum of Association of Gold Fields (incorporated by reference to Exhibit 1.1 to the registration statement on Form 20-F (File No. 1-31318), filed by Gold Fields with the Securities and Exchange Commission on 6 May 2002)(P)
1.2	Articles of Association of Gold Fields (incorporated by reference to Exhibit 1.2 to the registration statement on Form 20-F (File No. 1-31318), filed by Gold Fields with the Securities and Exchange Commission on 6 May 2002)(P)
1.3	Amended Articles of Association of Gold Fields (incorporated by reference to Exhibit 1.3 to the annual report on Form 20-F (File No. 1-31318), filed by Gold Fields with the Securities and Exchange Commission on 7 December 2007)
1.4	Amended Memorandum of Incorporation of Gold Fields
2.1	Memorandum of Incorporation of Gold Fields (included in Exhibits 1.1 and 1.2)(P)
2.2	Deposit Agreement among Gold Fields, Gold Fields Limited (f/k/a/Driefontein Consolidated Limited), The Bank of New York, as depositary, and the owners and beneficial owners from time to time of American Depositary Receipts, dated as of 2 February 1998, as amended and restated as of 21 May 2002 (incorporated by reference to Exhibit 2.3 to the annual report on Form 20-F (File No. 1-31318), filed by Gold Fields with the Securities and Exchange Commission on 24 October 2002)(P)
2.3	Form of American Depositary Receipt (included in Exhibit 2.2)(P)
2.4	Amended Memorandum of Incorporation of Gold Fields (included in Exhibit 1.3)
2.5	Trust Deed among Orogen, as issuer; Gold Fields Limited, GFIMSA, GFO, and GFH, as guarantors; and Citicorp Trustee Company Limited, as trustee, dated 7 October 2010 in relation to the U.S.$1 billion Note Issue (incorporated by reference to Exhibit 2.8 to the annual report on Form 20-F (File No. 1-31318), filed by Gold Fields with the Securities and Exchange Commission on 2 December 2010)
2.6	Supplemental Trust Deed among Orogen, as issuer; Gold Fields, GFO, and GFH, as guarantors; Sibanye Gold Limited and Citicorp Trustee Company Limited, as trustee, dated 24 April 2015 in relation to the U.S.$1 billion Note Issue (incorporated by reference to Exhibit 2.6 to the annual report on Form 20-F (File No. 1-31318), filed by Gold Fields with the Securities and Exchange Commission on 13 April 2016)
2.7	Amended Memorandum of Incorporation of Gold Fields, adopted by Special Resolution on 14 May 2012 (incorporated by reference to Exhibit 2.6 to the annual report on Form 20-F (File No. 1-31318), filed by Gold Fields with the Securities and Exchange Commission on 14 May 2013)
4.1	The Gold Fields Limited 2005 Non-Executive Share Plan, adopted 17 November 2005 (incorporated by reference to Exhibit 4.24 to the annual report on Form 20-F (File No. 1-31318), filed by Gold Fields with the Securities and Exchange Commission on 22 December 2005)
4.2	The Gold Fields Limited 2005 Share Plan, adopted 17 November 2005 (incorporated by reference to Exhibit 4.25 to the annual report on Form 20-F (File No. 1-31318), filed by Gold Fields with the Securities and Exchange Commission on 22 December 2005)

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No.	Exhibit
4.3	The Gold Fields Limited 2012 Share Plan, dated 14 May 2012 (incorporated by reference to Exhibit 4.6 to the annual report on Form 20-F (File No. 1-31318), filed by Gold Fields with the Securities and Exchange Commission on 14 May 2013)
4.4	Agreement between Nicholas J. Holland and Gold Fields Group Services (Pty) Ltd, dated 6 March 2009 and effective 1 March 2009 (incorporated by reference to Exhibit 4.29 to the annual report on Form 20-F (File No. 1-31318), filed by Gold Fields with the Securities and Exchange Commission on 3 December 2009)
4.5	Agreement between Nicholas J. Holland and Gold Fields Ghana Holdings (BVI) Limited, dated 9 March 2009 and effective 1 March 2009 (incorporated by reference to Exhibit 4.30 to the annual report on Form 20-F (File No. 1-31318), filed by Gold Fields with the Securities and Exchange Commission on 3 December 2009)
4.6	Agreement between Nicholas J. Holland and Gold Fields Orogen Holding Company (BVI), dated 6 March 2009 and effective 1 March 2009 (incorporated by reference to Exhibit 4.31 to the annual report on Form 20-F (File No. 1-31318), filed by Gold Fields with the Securities and Exchange Commission on 3 December 2009)
4.7	Agreement between Nicholas J. Holland and Gold Fields Group Services (Pty) Ltd, dated 9 April 2010 and effective 1 April 2010 (incorporated by reference to Exhibit 4.29 to the annual report on Form 20-F (File No. 1-31318), filed by Gold Fields with the Securities and Exchange Commission on 2 December 2010)
4.8	Agreement between Nicholas J. Holland and Gold Fields Ghana Holdings (BVI) Limited, dated 9 April 2010 and effective 1 April 2010 (incorporated by reference to Exhibit 4.30 to the annual report on Form 20-F (File No. 1-31318), filed by Gold Fields with the Securities and Exchange Commission on 2 December 2010)
4.9	Agreement between Nicholas J. Holland and Gold Fields Orogen Holding Company (BVI), dated 9 April 2010 and effective 1 April 2010 (incorporated by reference to Exhibit 4.31 to the annual report on Form 20-F (File No. 1-31318), filed by Gold Fields with the Securities and Exchange Commission on 2 December 2010)
4.10	U.S.$200 million Revolving Senior Secured Credit Facility Agreement between The Bank of Nova Scotia, Scotiabank Peru S.A.A., Scotiabank Europe Plc and La Cima, dated 16 December 2014 (incorporated by reference to Exhibit 4.10 to the annual report on Form 20-F (File No. 1-31318), filed by Gold Fields with the Securities and Exchange Commission on 14 April 2015)
4.11	Revolving Credit Facility Agreement among Nedbank Limited, GFI Joint Venture Holdings (Proprietary) Limited, GFO and the Original Guarantors (listed in Schedule 1), dated 1 March 2013 (incorporated by reference to Exhibit 4.28 to the annual report on Form 20-F (File No. 1-31318), filed by Gold Fields with the Securities and Exchange Commission on 14 May 2013)
4.12	Agreement between Paul A. Schmidt and Gold Fields Group Services (Pty) Ltd, dated 24 November 2009 and effective 6 November 2009 (incorporated by reference to Exhibit 4.33 to the annual report on Form 20-F (File No. 1 -31318), filed by Gold Fields with the Securities and Exchange Commission on 3 December 2009)
4.13	Agreement between Paul A. Schmidt and Gold Fields Ghana Holdings (BVI) Limited, dated 24 November 2009 and effective 6 November 2009 (incorporated by reference to Exhibit 4.34 to the annual report on Form 20-F (File No. 1 -31318), filed by Gold Fields with the Securities and Exchange Commission on 3 December 2009)

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No.	Exhibit
4.14	Agreement between Paul A. Schmidt and Gold Fields Orogen Holding Company (BVI), dated 24 November 2009 and effective 6 November 2009 (incorporated by reference to Exhibit 4.35 to the annual report on Form 20-F (File No. 1 -31318), filed by Gold Fields with the Securities and Exchange Commission on 3 December 2009)
4.15	First Addendum to the Employment Contract made and entered into between Gold Fields Group Services (Pty) Ltd and Paul A. Schmidt, dated 1 April 2010 (incorporated by reference to Exhibit 4.40 to the annual report on Form 20-F (File No. 1 -31318), filed by Gold Fields with the Securities and Exchange Commission on 2 December 2010)
4.16	First Addendum to the Employment Contract made and entered into between Gold Fields Ghana Holdings (BVI) Limited and Paul A. Schmidt, dated 1 April 2010 (incorporated by reference to Exhibit 4.41 to the annual report on Form 20-F (File No. 1 -31318), filed by Gold Fields with the Securities and Exchange Commission on 2 December 2010)
4.17	First Addendum to the Employment Contract made and entered into between Gold Fields Orogen Holding Company (BVI) and Paul A. Schmidt, dated 1 April 2010 (incorporated by reference to Exhibit 4.42 to the annual report on Form 20-F (File No. 1 -31318), filed by Gold Fields with the Securities and Exchange Commission on 2 December 2010)
4.18	U.S.$1,290,000,000 Credit Facilities Agreement between The Bank of Tokyo-Mitsubishi UFJ, Ltd., GFI Joint Venture Holdings Proprietary Limited, Gold Fields Operations Limited, Gold Fields Orogen Holding (BVI) Limited, Gold Fields Ghana Holdings (BVI) Limited and the Original Guarantors (listed in Schedule 1), dated 6 June 2016 (incorporated by reference to Exhibit 4.18 to the annual report on Form 20-F (File No. 1-31318), filed by Gold Fields with the Securities Exchange Commission on 5 April 2017)
4.19	The Sale Agreement Gruyere Project between Gold Road Resources Limited, Gruyere Mining Company Pty Ltd and Gold Fields Australia Pty Ltd dated 6 November 2016 (incorporated by reference to Exhibit 4.19 to the annual report on Form 20-F (File No. 1-31318), filed by Gold Fields with the Securities Exchange Commission on 5 April 2017)
4.20	Gruyere Project Joint Venture Agreement between Gruyere Mining Company Pty Ltd, Gold Road Resources Limited and others dated 6 December 2016 (incorporated by reference to Exhibit 4.20 to the annual report on Form 20-F (File No. 1-31318), filed by Gold Fields with the Securities Exchange Commission on 5 April 2017)
4.21	Rand 500,000,000 Revolving Credit Facility Agreement between ABSA Bank Limited, GFI Joint Venture Holdings Proprietary Limited, Gold Fields Operations Limited and the Original Guarantors (listed in Schedule 1), dated 27 March 2017 (incorporated by reference to Exhibit 4.21 to the annual report on Form 20-F (File No. 1-31318), filed by Gold Fields with the Securities Exchange Commission on 5 April 2017)
4.22	Rand 500,000,000 Revolving Credit Facility Agreement between The Standard Bank of South Africa Limited, GFI Joint Venture Holdings Proprietary Limited, Gold Fields Operations Limited and the Original Guarantors (listed in Schedule 1), dated 27 March 2017 (incorporated by reference to Exhibit 4.22 to the annual report on Form 20-F (File No. 1-31318), filed by Gold Fields with the Securities Exchange Commission on 5 April 2017)
4.23	Gruyere Syndicated Facility between Gold Fields Limited, Gruyere Holdings Pty Ltd, certain wholly owned subsidiaries of Gold Fields, the Financial Institutions listed in Part II of Schedule 1, the Financial Institutions listed in Part III of Schedule 1 and the Commonwealth Bank of Australia, dated 24 May 2017

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SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorised the undersigned to sign this annual report on its behalf.

GOLD FIELDS LIMITED

/s/ Nicholas J. Holland
Name: Nicholas J. Holland
Title: Chief Executive Officer
Date: 4 April 2018