Key features

- Poised for international growth without limiting opportunities for reinvestment in South Africa
- Putting in place processes and structures to support a sustained operational turnaround
- Consolidation in South Africa, with a focus on inward investment to reduce operating costs, as well as productivity and profitability improvements on existing operations
- Developing a common vision and identity and aligning operational efforts with key value drivers
- Improved employee morale flowing from a supportive management style

Financial

Figures in millions unless otherwise stated

United States Dollars			South African Rand	
Year ended 30 June 1999	Year ended 30 June 2000		Year ended 30 June 2000	Year ended 30 June 1999
947.3	1,114.4	Revenue	7,065.3	5,731.2
		Earnings/(loss) for the period		
205.1	111.2	Before impairment of assets	704.7	1,240.8
(123.5)	102.7	After impairment of assets	650.7	(747.3)
182.4	191.7	Net cash from operations	1,224.3	1,104.2
		Net earnings/(loss) per share – cents		
63	25	Before impairment of assets	156	382
(38)	23	After impairment of assets	144	(230)
at 30 June 1999	at 30 June 2000		at 30 June 2000	at 30 June 1999
42.4	76.1	Cash	514.9	255.5
16.4	20.0	Long-term liabilities	135.4	99.1
26.0	56.1	Cash, net of long-term debt	379.5	156.4
1,226.1	1,213.4	Shareholders' equity	8,214.4	7,417.6
		Average Rand/US Dollar exchange rate for the year	6.34	6.05

Operations*

	Year ended 30 June 2000	Year ended 30 June 1999
Gold production (million ounces)	3.9	3.1
Cash costs (US$ per ounce)	216	207

* Attributable, all companies are wholly owned except Tarkwa at 71.1 per cent (70 per cent at 30 June 1999). In addition, the results for the 12 months ended 30 June 1999 exclude St Helena minorities of 45.8 per cent, Oryx, which was still in the development phase and was capitalised, and 62.2 per cent of Driefontein prior to 1 January 1999.

Attributable resources and reserves

	30 June 2000 US$285/oz (R62,310/kg)	30 June 1999 (R55,000/kg)
Resources*: Measured and Indicated (million ounces)	145	145
Reserves: Proved and Probable (million ounces)	70	73

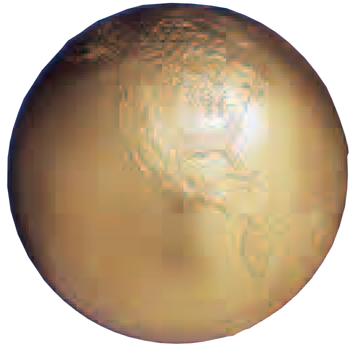
* Resources include reserves.

Dividends 2000

Year ended 30 June 2000

An interim dividend of 20 cents per share was declared on 1 February 2000 and paid on 24 March 2000. A term of the recently announced merger with Franco-Nevada Mining Corporation Limited is that neither group is to declare any dividends pending finalisation of the transaction. Accordingly, Gold Fields will not declare a final dividend for the year ended 30 June 2000. The intention is that the inaugural dividend of Gold Fields International will take account of this deferral.

Objectives for F2001



Health and safety

Implement the "Full Compliance Health and Safety Programme" on all mines to significantly reduce health risks and injury and accident rates to levels competitive with the best in the world.

Productivity

Improve, by at least five percent, the amount of gold produced and area mined by each employee.

Cost Management

Achieve a real reduction in the unit cost of production and produce gold for less than US$200 per ounce.

Earnings and cash flow

Remain cash positive and essentially debt free, fund replacement costs, invest substantially in internal and external growth opportunities and pay dividends.

Capital

Self-finance the current portfolio of capital projects, provided that the gold price ensures adequate shareholder returns.

Growth

Complete the proposed merger with Franco-Nevada Mining Corporation Limited and actively pursue the further consolidation of the global gold mining industry. Initiate Tarkwa phase III expansion and undertake pre-feasibility study on Arctic Platinum Project in Finland.

People

Continue to build employee morale, commitment and performance through the further development and implementation of employment equity, training and development, communication and leadership development programmes, as well as improved remuneration and incentive systems.

Geologists Samual Onumah and Marcus Brewster in discussion at the Tarkwa Atuabo pit at Gold Fields' Ghanaian operation in West Africa.

Value-added statement

for the year ended 30 June 2000

	2000 %	2000 Rand million	1999 %	1999 Rand million
Value added				
Turnover		7,065.3		5,731.2
Cost of materials and services		2,872.0		2,170.8
Value added by operations	98.1	4,193.3	94.5	3,560.4
Dividend and other income	1.9	82.8	5.5	207.7
	100.0	4,276.1	100.0	3,768.1
Value allocated				
Employees				
Salaries, wages and other benefits	68.3	2,920.6	58.6	2,208.3
Providers of capital	2.6	111.2	8.1	303.6
Dividends paid to shareholders	2.1	90.7	6.9	257.5
Interest paid	0.5	20.5	1.2	46.1
Government				
Taxation	4.5	193.8	4.8	181.8
Re-invested in the Group	24.6	1,050.5	28.5	1,074.4
Amortisation and depreciation	14.8	633.7	10.5	395.5
Deferred taxation	(5.4)	(232.3)	(26.8)	(1,008.0)
Impairment of assets and goodwill written-off	2.4	100.0	71.1	2,679.7
Minority shareholders' interest	(0.3)	(10.9)	0.4	12.0
Retained earnings for the year	13.1	560.0	(26.7)	(1,004.8)
	100.0	4,276.1	100.0	3,768.1

GOLD FIELDS IS COMMITTED TO BECOMING A WORLD LEADER IN THE DEVELOPMENT AND PRODUCTION OF PRECIOUS METAL MINES AND INCREASING THE GEOGRAPHIC DIVERSITY OF ITS PROPERTY HOLDINGS. WE ARE PRESENTLY FOCUSED ON GOLD AND PLATINUM GROUP ELEMENTS (PGES), WITH ACTIVE PROJECTS ON FIVE CONTINENTS – AFRICA, EUROPE, NORTH AMERICA, SOUTH AMERICA AND AUSTRALIA.

Gold Fields maintains a balanced view regarding its strategy for growth and new mining projects. We will consider acquisition of projects at any stage on the development curve from greenfields to operating mines.

The principal factor driving our search is the quality of assets. In an extractive industry this translates into the total cost of production of the commodity. Our goal is to be in the lowest quartile of breakeven costs defined as the sum of costs relating to acquisition, cash operating, capital, general and administrative costs. Focusing on these objectives, geographic diversification and quality will deliver above average returns to our shareholders.

Strategy

Our key focus during the year was the establishment and appropriate staffing of our regional offices in Denver, Colorado; Santiago, Chile; Perth, Australia and Accra, Ghana. These offices are currently staffed with 19 people whose full-time activities are dedicated to the hunt for new projects. Our goal is to keep our staffing levels and resultant overhead costs as low as possible, thereby maximising the proportion of project expenditures that are "in the ground".

We have developed minimum target criteria that we refer to as the "Rule of Twos". This includes:

- Minimum of two million ounces of reserve;
- Production rates of greater than 200,000 oz/year;
- Cash costs of production less than half the commodity price (the reciprocal of two); and
- Payback of capital investment in two years.

To be considered, any project must have the potential to meet all of these requirements.

Our team is set up to examine business opportunities at all stages of project development. We do this within two functional units – Exploration and Corporate New Business. Responsibilities are divided between the two groups at the feasibility study. If a project is in production or has completed a feasibility study, responsibility for its evaluation and development lies with Corporate New Business. The Exploration group evaluates and manages all other projects.

> Our goal is to diversify Gold Fields' mining assets globally with low cost acquisitions, joint ventures and business development opportunities.

Craig Nelsen, Senior Vice President Exploration

Projects

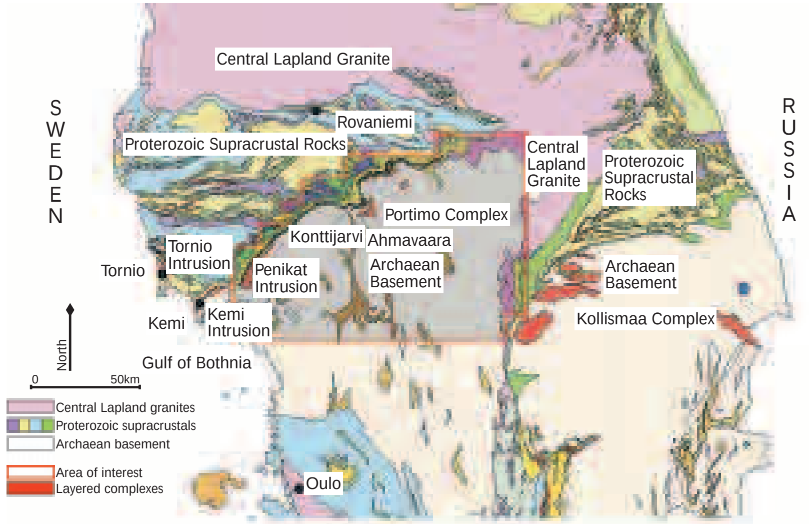
The year under review was very productive for Gold Fields in the acquisition of new projects. We started the year with two existing projects: Nabire Bakti in Indonesia and our joint venture lands in Venezuela. Both projects are still active and require minimum financial contributions. Another significant project was the acquisition of Teberebie in conjunction with Ashanti Goldfields. This project should add many operational synergies to the Tarkwa Mine and allow for production increases to more than 400,000 oz/annum in the future.

Many other operating mines and feasibility studies were examined and offers made during the year. Advanced project acquisitions is a very competitive area and we are focused on maximising the accretive effects to cash flow and earnings of any transaction.

The Exploration group had a very productive year evidenced by 11 different project acquisitions. Drilling totalling 26,200 metres was completed on five of these projects. Total project expenditure incurred on all 11 projects, exclusive of general and administration costs, was about US$5.0 million. This equates to an average of about US$185 per metre drilled, which is a very competitive benchmark.

The most significant prospect acquired by the company during the year was the 51 per cent optional earn-in to the Arctic Platinum Partnership with Outokumpu Mining Oy. Gold Fields will spend US$13 million over the next six years to earn its interest in the approximately 39,000 hectares of mineral concessions contained within a 9,325 km^2 area of mutual interest. Gold Fields is the operator of the partnership and is working closely with the technical and administrative staff of Outokumpu. The partnership agreement was signed in March 2000 and through the end of the fiscal year we spent nearly US$1.2 million and accomplished 6,100 metres of drilling.

The map on page 56 shows the location of the Partnership area of interest in Finland and the geology of the district. Mafic layered intrusions, similar in composition to the Bushveld Complex in South Africa or the Stillwater Complex in Montana, have been intruded along a major geologic feature that separates Proterozoic and Archean age rocks. Outokumpu developed seven resource targets prior to 1989 within two distinct intrusions, the Penikat complex to the southwest and the Portimo complex to the northeast. These two areas have distinctly different styles of mineralisation. At Penikat, three "reefs" have been defined from over 700 previously drilled holes. These reefs are conformable to igneous layering that strikes in a northeast direction and dips moderately to steeply to the northwest. Deposits at Penikat are geologically analogous to those of the Merensky Reef in the Bushveld layered complex or of the J-M Reef at the Stillwater Complex. At Portimo, however, known mineralisation occurs as disseminated Cu and Ni sulfides in the basal part of the layered complex or in the footwall of the intrusion. Four occurrences have been defined here and have been the principal focus of Arctic Platinum's initial evaluation.



The Penikat and Portimo Complexes in northern Finland showing the location of the Ahmavaara,Konttijarvi and Penikat Projects

Arctic Platinum has developed resource models at Ahmavaara and Konttijarvi (see table on page 57) and will be working toward a conceptual scoping study on the Portimo Complex occurrences by the end of November 2000. At Penikat, drilling is currently underway on the northern seven kilometres of the SJ Reef. We are aiming to define this resource to a depth of 500 metres by the end of March 2001. These results will indicate the scope of a feasibility study for all occurrences feeding into a centralised milling facility and, if warranted, a smelter to produce a PGE matte.

We are very excited about the addition of the Arctic Platinum Partnership from two perspectives. First, we think that these targets could develop into world class assets and represent a new and important diversification for the Company. Secondly our partner, Outokumpu Mining Oy, provides complementary skills in the area of mineral beneficiation and marketing. Their presence makes operations in Finland substantially more efficient than attempting to operate independently.

"The industry will look very different five years from now, with only a handful of major players in the market. Gold Fields intends to be one of those players."

Jimmy Dowsley, General Manager Corporate Development

Summary of Classified Arctic Platinum Mineral Resources

15 August 2000

Above 0.5g/t 2 PGE+Au cut-off

Konttijarvl

Category	Tonnes Mt	Pt g/t	Pd g/t	Au g/t	2PGE+Au g/t	NI %	Cu %	2PGE+Au M oz
Measured	1.6	0.66	2.58	0.17	3.41	0.09	0.17	0.2
Indicated	7.7	0.41	1.56	0.10	2.07	0.10	0.14	0.5
Inferred	14.3	0.42	1.46	0.11	1.98	0.09	0.14	0.9
Total	23.6	0.43	1.57	0.11	2.11	0.09	0.14	1.6

Ahmavaara

Inferred	25.6	0.26	1.25	0.12	1.63	0.11	0.24	1.3

Total

Total	49.2	0.34	1.40	0.12	1.86	0.10	0.19	2.9

AS A LEADING SOUTH AFRICAN PRECIOUS METALS PRODUCER, GOLD FIELDS TAKES ITS CORPORATE CITIZENSHIP SERIOUSLY AND RECOGNISES THAT ITS OPERATIONS ARE INEXTRICABLY LINKED TO THE BROADER COMMUNITY AND THE SOCIO-ECONOMIC ENVIRONMENT IN WHICH IT CONDUCTS ITS BUSINESS.

Recent forays and expansions in the international mining arena will not detract from the Group's commitment to the broader South African community. Under the direction of Chris Thompson, the Group's Chairman, The Gold Fields Foundation forges mutually beneficial partnerships with key stakeholders such as the private sector, government and NGOs in the implementation of development and upliftment programmes.

Recognising that many people in large parts of the country have limited access to education and healthcare, the Foundation's activities are focused on these critical aspects of development, with due regard also to community initiatives and environmental conservation.

Educational initiatives

In response to a request by former President Mandela, the Gold Fields Foundation was actively involved in the refurbishment of the Dalindyebo Secondary School in Qunu in the Eastern Cape Province, a region of the country which is still economically fairly depressed. With limited resources, this educational centre has consistently produced good results, and, following our intervention, the school now has access to running water.

Funding of educational facilities and initiatives is directed mainly towards the purchase of books, classroom refurbishment and the actual building of learning centres. The Outreach Project at the University of the Western Cape is a computer-based mathematics and science programme which provides supplementary educational facilities for learners at schools in the Western Cape. The success of the this project has spawned an offshoot initiative in Khayelitsha, near Cape Town.

Many of the Foundation's educational initiatives take account of the historical inadequacies at many tertiary institutions, where the Foundation has made a commitment to raising the standards of teaching and learning. The Gold Fields Teachers' Resource Centre on the West Rand is the product of a partnership between Gold Fields, the government and the Gauteng Department of Education. By providing an educational centre with state-of-the-art media and computer facilities, lecture and meeting rooms and laboratories, we believe we will have made some progress in raising the status of educators, and thereby contributing to the "teaching as the preferred profession" vision of the South African Minister of Education, Prof Kader Asmal.

> We are committed to ensuring that the Group makes a meaningful contribution to developing the country by helping communities to access resources to break the cycle of poverty.

Keneiloe Mohafa, Manager Corporate Social Investment

Raising the level of healthcare

Recognising the challenge to promote development in rural areas and taking into account that many of our employees' families have limited access to healthcare, we aim to help these remote communities by building clinics, refurbishing local hospitals and by creating home-based care programmes. This often saves long travel to hospitals and clinics. In the Eastern Cape, we have made a significant contribution to raising the level of healthcare by assisting the Bedford Orthopeadic hospital in acquiring an X-ray unit. This is the only orthopaedic unit in that region.

Primary healthcare clinics on the West Rand and projects such as those of Lesedi in the Free State were established with the primary objective of preventing HIV/AIDS infection among the mining communities by way of ensuring the prompt treatment of mineworkers with symptoms of sexually transmitted infections and providing health services to people at high risk.

Community development and environmental conservation

The thrust of this arm of the Foundation's activities is to improve the quality of life of all South Africans, particularly of those living in less privileged and more remote rural areas. The focus is on job creation, the development of small businesses and self-help programmes for women, the youth and other disadvantaged sectors of society. With a substantial contribution to the Medunsa Organisation for Disabled Entrepreneurs disabled people are assisted to regain financial independence and take control of their lives.

Environmental programmes are based on the premise that people are an integral part of their surrounding environments. For this reason these programmes are directed mainly at those activities which have a direct impact on communities. With this in mind communities at a grassroots level have been assisted to manage their environments more effectively through projects such as school-based environmental education and improved farming and food production projects. At the same time there is a focus on community capacity-building, boosting their ability to participate in natural resource management. Through the Rhodes University and other environmental NGOs the foundation supports training of teachers and other professionals in environmental education.

Executive Directors

Chairman and Chief Executive Officer

Christopher M T Thompson (52)

BA Rhodes; MSc Management Studies, Bradford. Chairman of the Executive Committee. Appointed a director in May 1998 and as Chairman and Chief Executive Officer in October 1998.

Managing Director and Chief Operating Officer

Ian D Cockerill (45)

BSc Geology Hons, London; MSc Mining, Royal School of Mines. Appointed a director and member of the Executive Committee in October 1999.

Executive Director Finance

Nicholas J Holland (41)

BComm, BAcc, Witwatersrand; CA(SA). Member of the Executive Committee. Appointed a director in February 1998.

Non-executive Directors

Deputy Chairman

Alan J Wright (58)

CA(SA). Chairman of the Audit Committee and a member of the Nominating Committee. Chairman of Northam Platinum Limited. Appointed a director in November 1997.

W Emil Bührmann (45)

BComm, Free State; CA(SA). Member of the Audit and Compensation Committees. Executive director of Rembrandt Group Limited. Appointed a director in May 1998.

J Michael McMahon (53)

BSc (Mech Eng), Glasgow. Member of the Audit and Health, Safety and Environment Committees. Chairman of Gencor Limited and Impala Platinum Holdings Limited. Appointed a director in December 1998.

Gordon R Parker (64)

BS, MS, Montana College of Mineral Science and Technology; MBA, Cape Town. Chairman of the Compensation Committee and member of the Nominating Committee. Director of The Williams Companies Inc., Caterpillar Inc. and Phelps Dodge Corporation. Previously Chairman, President and Chief Executive Officer, Newmont Mining Corporation. Appointed a director in May 1998.

Patrick J Ryan (63)

PhD Geology, Witwatersrand. Member of the Compensation and Health, Safety and Environment committees. Previously Executive Vice President, Mining Operations, Development and Exploration, Phelps Dodge Corporation. Appointed a director in May 1998.

Bernard R van Rooyen (66)
BA, LLB, Witwatersrand. Chairman of the Health, Safety and Environment Committee and member of the Nominating Committee. Chairman of Trans Hex Group Limited, President of Banro Resource Corporation, director of Mercantile Lisbon Bank Holdings Limited, Northam Platinum Limited, Rand Water and The Cementation Company (Africa) Limited. Appointed a director in May 1998.

Chris I von Christierson (52)
BComm, Rhodes; MA, Cambridge. Chairman of the Nominating Committee and member of the Health, Safety and Environment Committee. Chairman of Rio Narcea Gold Mines Limited, Chairman of Afri-Can Marine Minerals Corporation Limited and Director of Southern Prospecting (UK) Limited. Appointed a director in February 1999.

The Executive Committee

In addition to the executive directors the following officials are also members of the Executive Committee.

Michael J Adan (48)
General Manager Human Resources
BComm, LLB, Witwatersrand.

James W D Dowsley (42)
General Manager Corporate Development
BSc (Min Eng), Witwatersrand.

The Executive Committee (continued)

Craig J Nelsen (48)
Senior Vice President Exploration
BA (Geology), Montana; MSc (Geology), New Mexico.

Wayne D R Robinson (37)
Managing Director Driefontein Division
BSc (Mech Eng), Durban; BSc (Min Eng), Witwatersrand.

Dana Roets (38)
Managing Director Free State Division
BSc (Min Eng), Pretoria; MBA, Cape Town.

Howard Laycock (52)
Managing Director Kloof Division
BComm, Unisa.

Dick Graeme (58)
Managing Director Gold Fields Ghana Limited
BSc (Geological Engineering), Arizona.

Brendan I Walker (41)
General Manager Technical Services
BSc (Min Eng), Witwatersrand.

Arthur B Mashiatshidi (40)
Vice President Chairman's office
BSc Economics, Wharton Business School, Pennsylvania; MBA, Cape Town.

Gold Fields Limited subscribes to sound Corporate Governance and endorses the recommendations of the King Report regarding the Code of Corporate Practices and Conduct.

The Company has three executive and seven non-executive directors. The directors meet at quarterly intervals or more frequently if required. The non-executive directors retire on a rotational basis and, if eligible, stand for re-election at the annual general meeting. Non-executive directors derive no benefits from the Company for their services as directors other than their fees. The non-executive directors are high calibre professionals and sufficient in number for their independent views to carry significant weight in the board's deliberations and decisions. In view of the foregoing the position of Chairman and Chief Executive Officer has been combined.

The board retains full and effective control over the Company.

The directors have unrestricted access to the advice and services of the company secretary and the executive committee and are entitled to seek independent professional advice concerning the affairs of the Group at the Group's expense, should they believe that course of action would be in the best interest of the Group.

The board has established a number of standing committees on which only the non-executive directors serve. These committees operate with written terms of reference. The remuneration of non-executive directors for their services on the various committees has been approved by shareholders.

The **Executive Committee** comprises the three executive directors, namely the Chairman and Chief Executive Officer, the Managing Director and Chief Operating Officer, and the Executive Director Finance, as well as the nine senior officials of the Group. This committee meets regularly to review current operations in detail, develop strategy and policy proposals for consideration by the board and to implement its directives.

The **Nominating Committee**, established during the financial year comprises C I von Christierson (Chairman), G R Parker, B R van Rooyen and A J Wright and has meetings scheduled on a quarterly basis. This committee is responsible for:

- developing the Company's approach to corporate governance issues;
- evaluating nominations to the board of directors;
- identifying a successor to the Chairman and Chief Executive Officer; and
- considering the mandate of board committees, selection and rotation of committee members and chairmen.

The **Audit Committee**, which comprises A J Wright (Chairman), W E Bührmann and J M McMahon, monitors and reviews:

- the effectiveness of the Company's information systems and other systems of internal control;
- the effectiveness of the internal audit function;
- the reports of both the external and internal auditors;
- the annual report and specifically the annual financial statements included therein;
- the accounting policies of the Company and any proposed revisions thereto;
- the external audit findings, reports and fees and the approval thereof; and

- compliance with applicable legislation and the requirements of regulatory authorities.

The internal and external auditors have unrestricted access to the Audit Committee and its chairman, ensuring that their independence is in no way impaired. Meetings are held at least four times a year.

The Compensation Committee comprises G R Parker (Chairman), W E Bührmann and P J Ryan. This committee has established the Group's compensation philosophy, the terms and conditions of employment of executive directors and officers, including a short-term performance-linked bonus scheme and a long-term share incentive scheme. This committee meets quarterly.

The Health, Safety and Environment Committee meets on a quarterly basis and comprises B R van Rooyen (Chairman), J M McMahon, P J Ryan and C I von Christierson. One of the committee's primary objectives is the elimination of all mining-related accidents.

Internal control is maintained through the proper delegation of responsibility within a clearly defined approval framework, effective accounting procedures and adequate segregation of duties. The Company's internal accounting controls and systems are designed to provide reasonable assurance as to the integrity and reliability of the financial statements and to adequately safeguard, verify and maintain the accountability of its assets.

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

The Group has a Code of Ethics which applies to all directors and employees, who are required to maintain the highest ethical standards in ensuring that the Group's business practices are conducted in a manner which, in all reasonable circumstances, is above reproach. In addition, the Company operates a "closed period" prior to the publication of its quarterly and year end financial results during which period directors and officers of the Company may not deal in the shares of the Company. Where appropriate, this is also extended to include other "sensitive" periods.

The Management of Financial Risk is centralised at a Group treasury division that acts as the interface between Gold Fields' operations and counterparty banks. The primary function of the treasury division is to remove financial risk from the Gold Fields operations and to manage such risk on a centralised basis in accordance with policies and procedures set out by the board and the Executive Committee.

The primary objective of Gold Fields' Physical Risk Management is to minimise its business risk by safeguarding its assets and income earning capacity. The Group's philosophy is founded on the identification of risk, the introduction of the necessary control measures to reduce the risks identified to the lowest level possible and the procurement of insurance for those events that are severe in nature, although infrequent in occurrence, and which are usually beyond the control of management.

Figures in millions unless otherwise stated

Salient features *(for the year ended 30 June)*

Total managed mining operations*		2000	1999	1998
Area mined	– 000 m²	2,510	2,539	3,156
Tons milled	– 000	22,083	19,483	17,679
Underground	– 000	11,812	13,071	16,333
Surface	– 000	10,271	6,412	1,346
Yield	– g/t	5.6	6.4	7.4
Underground	– g/t	9.9	8.9	8.0
Surface	– g/t	1.3	1.4	1.0
Gold produced	– kg	122,595	124,261	131,113
	– 000 oz	3,942	3,995	4,215
Operating cost	– R/ton	257	274	311
Cash costs	– R/kg	44,036	41,132	42,392
	– US$/oz	216	207	270
Total production cost	– US$/oz	240	241	334
Productivity	– g/TEC	196	188	136
	– m²/TEC	4.1	3.9	3.4
Capital expenditure	– Rm	657.4	953.7	1,313.4

* Incorporates capitalised operations and includes Evander for 1998 which was sold at the end of F1998.
All unit costs refer to attributable operations

Abridged Group income statements *(for the period ended 30 June)*

	12 months 2000	12 months 1999	6 months 1998
Turnover	7,065.3	5,731.2	2,299.2
Cost of sales	6,236.7	4,720.8	2,275.9
Operating costs	5,666.0	4,303.5	2,073.5
Amortisation and depreciation	633.7	395.5	114.8
Gold inventory change	(63.0)	21.8	87.6
Operating profit	828.6	1,010.4	23.3
Other net income	42.8	134.8	26.3
Exceptional items	(270.1)	(2,706.7)	51.1
Normal taxation	193.8	181.8	39.2
Deferred taxation	(232.3)	(1,008.0)	(30.0)
Profit after taxation	639.8	(735.3)	91.5
Minority shareholders' interest	(10.9)	12.0	10.8
Net earnings/(loss)	650.7	(747.3)	80.7
Earnings/(loss) per share – cents per share	144	(230)	33

Figures in millions unless otherwise stated

Abridged Group balance sheets *(as at 30 June)*

	2000	1999	1998
Shareholders' equity	8,417.6	7,654.6	7,768.6
Deferred taxation	3,535.3	3,767.6	3,005.7
Long-term liabilities	135.4	99.1	355.2
Long-term provisions	544.3	556.0	208.3
	12,632.6	12,077.3	11,337.8
Represented by:			
Fixed assets and investments	12,570.9	12,386.4	11,292.0
Cash	514.9	255.5	605.9
Other net assets/(liabilities)	(453.2)	(564.6)	(560.1)
	12,632.6	12,077.3	11,337.8

Abridged Group cash flow statements *(for the period ended 30 June)*

	12 months 2000	12 months 1999	6 months 1998
Cash generated by operating activities	1,423.1	1,291.7	258.5
Interest paid	(20.5)	(46.1)	(9.6)
Tax paid	(178.3)	(141.4)	(16.7)
Net cash from operations	1,224.3	1,104.2	232.2
Dividends paid	(225.2)	(123.0)	(108.0)
Cash utilised in additions to fixed assets	(681.4)	(847.9)	(726.0)
Cash utilised in other investing activities	(89.3)	(221.5)	436.0
Cash flows from financing activities	31.0	(262.2)	169.0
Net cash generated for the period	259.4	(350.4)	3.2
Cash at the beginning of the period	255.5	605.9	602.7
Cash at the end of the period	514.9	255.5	605.9

Approval of the annual financial statements

The financial statements for the year ended 30 June 2000, which appear on pages 66 to 69 and 78 to 120, have been approved by the directors on 1 September 2000.

The directors are responsible for the fair presentation to shareholders of the affairs of the Company and of the Group as at the end of the financial year, and of the results for the period, as set out in the annual financial statements. The directors are responsible for the overall co-ordination of the preparation and presentation and for the approval of the financial statements. Responsibility for the initial preparation of these statements had been delegated to the officers of the Company and the Group.

The auditors are responsible for auditing and reporting on the financial statements in the course of executing their statutory duties. The financial statements have been prepared on a going concern basis, conform with applicable accounting standards and are presented applying consistent accounting policies supported by reasonable and prudent judgements and estimates. To discharge this responsibility, the Group maintains accounting and administrative control systems designed to provide reasonable assurance that assets are safeguarded and that transactions are executed and recorded in accordance with generally accepted business practices and procedures. The accounting policies of the Group are set out on pages 78 to 85 of this report.

C M T Thompson
Chairman and Chief Executive Officer

N J Holland
Executive Director Finance

1 September 2000

Report of the independent auditors

To the members of Gold Fields Limited

We have audited the annual financial statements and Group annual financial statements set out on pages 66 to 69 and 78 to 120 for the year ended 30 June 2000. These financial statements are the responsibility of the directors of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

We conducted our audit in accordance with generally accepted auditing standards in South Africa and in accordance with international auditing standards issued by the International Federation of Accountants. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements.
- assessing the accounting principles used and significant estimates made by management.
- evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

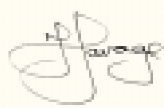
Audit opinion

In our opinion, the financial statements fairly present, in all material respects, the financial position of the Company and the Group at 30 June 2000 and the results of their operations and cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice, International Accounting Standards and in the manner required by the South African Companies Act.

PricewaterhouseCoopers Inc.
Chartered Accountants (SA)
Registered Accountants and Auditors
Johannesburg — 1 September 2000

Company secretary's confirmation

It is confirmed that the Company has lodged with the Registrar of Companies all such returns as are required to be lodged by a public company in terms of the Companies Act, and that all such returns are true, correct and up to date.



T K Savage
Company Secretary — 1 September 2000

The directors have pleasure in submitting their report for the financial year ended 30 June 2000. A synopsis of the financial results for the year is set out in the Management's Discussion and Analysis of the Financial Results on pages 70 to 77

St Helena transaction

As a result of the South African Revenue Services advising that it would regard Beatrix and Oryx as one mine for income tax purposes, Gold Fields made an offer to acquire the remaining 45.8 per cent interest in St Helena Gold Mines Limited. The St Helena minority shareholders accepted the offer which resulted in Gold Fields issuing 4,407,849 ordinary shares and St Helena Gold Mines Limited becoming a wholly owned subsidiary.

Gold Fields International

As announced on 13 June 2000, Gold Fields Limited and Franco-Nevada Mining Corporation Limited have agreed to merge to form Gold Fields International Limited. The merger will be effected by way of a scheme of arrangement proposed by Franco-Nevada between Gold Fields and its shareholders, in terms of which Gold Fields shareholders will receive 35 shares in Franco-Nevada for every 100 shares held. The merged company will have its primary listing on the Toronto Stock Exchange, with a secondary listing on the Johannesburg Stock Exchange and other listings on the New York, Paris, Brussels and Swiss stock exchanges. The merger is subject to a number of conditions precedent, the most significant of which is the approval of the South African Minister of Finance and the South African Reserve Bank. Upon receipt of these approvals documentation will be sent to shareholders for their approval of the associated scheme of arrangement.

Share capital

There was no change to the authorised share capital of the Company during the financial year. A total of 453,530 shares were issued in terms of the GF Management Incentive Scheme and these together with the 4,407,849 shares issued to the St Helena minorities resulted in the total issued ordinary shares at 30 June 2000 increasing to 453,250,595 (1999: 448,389,216) ordinary shares of 50 cents each.

The 533,751,335 unissued ordinary shares, exclusive of the number of shares reserved for purposes of the incentive scheme, are under the control of the directors. At the annual general meeting to be held on 31 October 2000 shareholders will be asked to renew the directors' control over these unissued shares. In addition, shareholders will also be requested to authorise the directors to issue the unissued shares for cash, other than by means of a rights offer. These resolutions are both subject to compliance with the rules of the Johannesburg Stock Exchange.

In terms of the Companies Act No 61 of 1973 it is possible for a company or its subsidiaries to acquire its own shares and those of its holding company. In order to provide flexibility, your directors recommend that resolutions authorising such acquisitions be passed at the annual general meeting on 31 October 2000.

Shareholding in the Company

The issued capital of the Company is held by public and non-public entities as follows:

	000	%
Public	406,739	88.6
Non-public	51,512	11.4
Directors	377	0.1
Holdings over 10%	51,135	11.3
Total	453,251	100.0

The GF Management Incentive Scheme

At the annual general meeting held on 10 November 1999 shareholders approved the adoption of the GF Management Incentive Scheme to substitute the scheme in place prior to the reverse takeover of Driefontein by Gold Fields in 1999. This scheme was introduced to provide an incentive for certain officers and employees of the Group to acquire the Company's shares.

Details of participation in this scheme are as follows:

	Number of shares	Average option price(cps)
Outstanding at 1 July 1999	11,681,080	1,974
Granted during the year	746,000	2,443
Exercised and released	453,530	1,389
Forfeited	458,115	1,713
Outstanding at 30 June 2000	11,515,435	2,038
The executive directors' participation, which is included in the above figures, is as follows	1,400,000	2,150

As a result of introducing the new Scheme consequent upon the Driefontein transaction, participants transferred from the old to the new Scheme on terms no less favourable to them than those applicable to them in terms of the old Scheme. In the transfer of participants from the old Scheme to the new Scheme there was a difference between the original strike prices and the prevailing market price at the time of transfer. It is proposed that the difference as at 1 September 2000, amounting to R10.6 million, be charged to the share premium account and a special resolution is included in the agenda of the annual general meeting for this purpose.

The directors are authorised to issue, allot and grant options to acquire up to a maximum of 13,451,600 ordinary shares in the unissued share capital of the Company in terms of the incentive scheme.

Going concern

The going concern basis has been adopted in preparing the annual financial statements. The directors have no reason to believe that the Company and the Group will not be a going concern for the ensuing year based on forecasts and available cash resources.

Financial results

The basis of the Company's financial reporting has been changed to comply with International Accounting Standards (IAS). The Company had anticipated this change in the basis of accounting and had prepared a reconciliation between the financial statements prepared in accordance with the appropriation method and those prepared in accordance with IAS, which was disclosed in the 1999 financial statements.

The accounting policies, income statements, balance sheets, cash flow statements and notes to the annual financial statements on pages 78 to 120 reflect the financial results of the Company and the Group.

Dividends

An interim dividend of 20 cents per share was declared on 1 February 2000 and paid on 24 March 2000. A term of the recently announced merger with Franco-Nevada Mining Corporation Limited is that neither group is to declare any dividends pending finalisation of the transaction. Accordingly, Gold Fields will not declare a final dividend for the year ended 30 June 2000. The intention is that the inaugural dividend of Gold Fields International will take account of this deferral.

Property

Registers of property and mineral rights are available for inspection by the shareholders at the registered office of the Company.

Environmental obligations

The Group has made provision in the financial statements for pollution control, rehabilitation and closure costs of R319.5 million (1999: R320.9 million). Cash contributions of R128.3 million (1999: R91.9 million) have been paid to trust funds created for funding these provisions.

Directorate

Interests of directors

The interests of directors in the shares of the Company were as follows and did not individually exceed one per cent of the issued share capital or voting control of the Company.

	30 June	
	2000	1999
Beneficial	360,679	357,545
Non-beneficial	16,555	18,122

The Company has not entered into any contracts of service, other than the service contracts with the executive directors of the Company.

Directors' remuneration

The directors' remuneration for the financial year under review was in aggregate as follows:

	30 June			
	2000	1999	2000	1999
	Non-executive		Executive	
(Rand million)				
Fees	1.2	1.0	–	–
Salaries	–	–	5.3	4.5
Other benefits	–	–	0.9	0.5
Performance bonuses	–	–	0.8	3.3

In addition, executive directors participate in the GF Management Incentive Scheme and were granted 1,400,000 options at an average strike price of R21.50 per share.

The directors of the Company at the date of this report are shown on pages 60 and 61.

T G Dale resigned from the board with effect from 17 September 1999 and I D Cockerill was appointed a director on 4 October 1999.

1. Basis of preparation

The financial statements are prepared on the historical cost basis. At the beginning of the financial year the Group changed the accounting basis in terms of which it prepares its financial statements from the "appropriation method" of accounting to compliance with International Accounting Standards (IAS). The principal effect of the change in accounting basis is set out in two below.

The following accounting policies adopted by the Group are in accordance with International Accounting Standards, South African Generally Accepted Accounting Practice and the South African Companies Act and, except as stated in two below, are consistent with the previous year.

2. Change in basis of accounting and change in accounting policy

The change in basis of accounting has been implemented to recognise the growing internationalisation of the South African economy and the necessity to align local accounting practices with those recognised and accepted by the international investment community.

The principal effects of this change are as follows:

- Previously, mining assets were not amortised, but expenditure on assets was appropriated to non-distributable reserves so that within the lives of the mines, the sum of such expenditure, together with issued share capital and share premium would equal accumulated net expenditure on mining assets. Mining assets are now amortised over the lives of the mines.
- Previously in South African mines, no account was taken of in-process gold. Gold in process is now valued at the average cost of production from the smelter onwards and is included in inventories.
- As mining assets were previously fully appropriated, no evaluation was required for the recoverability of mining assets. As these assets are now amortised over the lives of the mines, the carrying value is reviewed for impairment annually and if necessary, adjusted.
- Previously post retirement health care costs were funded on a pay-as-you go basis. Provisions are now recognised for the Group's estimated future obligation. Changes in the estimates are charged to the income statement and the carrying value adjusted if required.

The adoption of the policies set out above, gives rise to differences between the tax values of assets and liabilities and their carrying values for financial reporting purposes. A provision for deferred taxation on these temporary differences is now raised, which was not previously required.

2.1 Change in Basis of Accounting

The effect of the change in the basis of accounting from the appropriation method to IAS on profit after taxation is as follows:

	Rm 2000	Rm 1999
Amortisation and impairment of mining assets	(733.7)	(2,922.2)
Effect of recognising gold in process inventory	–	(21.8)
Deferred taxation effect	232.3	998.3
Other	33.5	(75.2)

The effect of the change in basis of accounting on retained earnings at the beginning of the year is as follows:

	Rm 2000	Rm 1999
Opening retained earnings as previously reported under the appropriation method	143.8	(287.1)
Reversal of appropriation for mining assets	8,415.5	7,839.6
Amortisation and impairment of mining assets	(6,478.6)	(3,556.4)
Effect of recognising gold in process inventory	–	21.8
Deferred taxation effect	(2,002.7)	(3,001.0)
Other	248.6	300.4
Opening retained earnings reported under the IAS basis	326.6	1,317.3

2.2 Change in Accounting Policy

The Group has adopted International Accounting Standard (IAS 37) – Provisions, Contingent Liabilities and Contingent Assets which was issued in July 1998 and is effective for financial statements covering periods beginning on or after 1 July 1999. This statement affects the way in which provisions for environmental obligations, comprising expenditure on pollution control, rehabilitation and closure costs, are accounted for. Previously, expenditure estimated to be incurred on long term environmental obligations was provided over the remaining lives of the mines through charges against profits.

In accordance with IAS 37 full provision has been made based on the net present value of the estimated cost of restoring the environmental disturbance that has occurred up to the balance sheet date. Where necessary a rehabilitation asset is recognised in respect of expected future closure costs and is amortised over the lives of the mines.

Annual increases in the provision, relating to the change in the net present value of the provision and inflationary increases are shown separately in the income statement. Increases due to additional environmental disturbances are capitalised and amortised over the remaining lives of the mines.

The effect of the implementation of IAS 37 is disclosed in note 8.

3. Consolidation

The Group financial statements consolidate the activities, assets and liabilities of the company, its subsidiaries and its proportionate interest in joint ventures. Operating results of subsidiaries and joint ventures acquired or disposed of are included in Group statements from the effective dates of acquisition or excluded from such statements as from the effective dates of disposal.

Inter-company transactions and balances are eliminated on consolidation. No provision is made for any potential taxation liability on the distribution of retained earnings by Group companies.

Any excess or shortfall between the purchase price and the fair value of the attributable net assets of subsidiaries at the date of acquisition is capitalised and amortised over the useful lives of the applicable underlying assets.

4. Foreign currencies

Foreign currency transactions are recorded at the exchange rate ruling at the date of the transaction. Assets and liabilities designated in foreign currencies are translated at the exchange rate ruling at year-end. Gains and losses arising from these translations are recognised in earnings.

The balance sheets and income statements of foreign subsidiaries are translated on the following basis:

4.1 Foreign operations

Foreign operations are regarded as entities that form an integral part of the operations of the Group.

Monetary items and items carried at market value are translated at the exchange rate ruling at year end. Other items are translated at historical rates. Income statement items are translated at the average rate of exchange for the year. Translation adjustments arising from changes in exchange rates are accounted for in earnings.

4.2 Foreign entities

Foreign entities are regarded as those entities that are considered to be self-sustaining.

Assets and liabilities are translated at the exchange rate ruling at year-end. Income statement items are translated at the average exchange rate for the year. Exchange differences on translation are accounted for in shareholders equity. These differences will be recognised in earnings upon realisation of the underlying operation.

5. Fixed assets

5.1 Mining assets

Mining assets, including mine development costs and mine plant facilities, are recorded at cost of acquisition.

Expenditure incurred to develop new ore bodies, to define mineralisation in existing ore bodies, to establish or expand productive capacity and expenditure designed to maintain productive capacities, are capitalised until commercial levels of production are achieved.

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 or achieve commercial levels of production.

5.2 Mineral and surface rights

Mineral and surface rights are recorded at cost of acquisition. When there is little likelihood of a mineral right being exploited, or the value of mineral rights have diminished below cost, a write-down is effected.

5.3 Land

Land is shown at cost and is not depreciated.

5.4 Amortisation and depreciation of mining assets

Mining assets, mine development costs, mineral and surface rights and mine plant facilities are amortised over the lives of the mines using the units of production method, based on estimated proved and probable ore reserves. Proved and probable ore reserves reflect estimated quantities of economically recoverable reserves, which can be recovered in future from known mineral deposits.

Other mining plant and equipment is depreciated on a straight-line basis over their estimated useful lives.

5.5 Depreciation of non-mining assets

Buildings and other non-mining assets are recorded at cost and depreciated on a straight-line basis over their expected useful lives.

5.6 Mining exploration

Expenditure on exploration activities is charged against income until the viability of the mining venture has been proven.

5.7 Mining asset evaluations

The recoverability of the carrying value of long-term mining assets is reviewed on a continuous basis, using mainly estimates of future discounted cash flows or realisable values. Where an impairment in value has occurred it is recognised in the income statement.

The estimates of future discounted cash flows are subject to risks and uncertainties including the future gold price and exchange rates. It is therefore reasonably possible that changes could occur which may affect the recoverability of the mining assets.

5.8 Leases

Operating leases are charged against income as incurred.

6. Deferred taxation

Deferred taxation is calculated on the comprehensive basis using the balance sheet approach. Deferred tax liabilities or assets are recognised by applying expected tax rates to the temporary differences existing at each balance sheet date between the tax values of assets and liabilities and their carrying amounts. These temporary differences are expected to result in taxable or deductible amounts in determining taxable profits for future periods when the carrying amount of the asset is recovered or the liability is settled.

The principal temporary differences arise from depreciation on fixed assets, provisions for post retirement benefits and tax losses carried forward. Deferred tax assets relating to the carry forward of unused tax losses are recognised to the extent it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

7. Investments

Listed and unlisted investments are stated at cost. Investments are written down against income when any permanent diminution in their carrying value occurs.

The value of listed investments is determined based on market prices ruling at the accounting date. The value of unlisted investments is determined by the directors using appropriate valuation techniques.

Advances to companies solely for exploration activities are charged against income until the viability of a new mining venture has been proven.

8. Inventories

Inventories are valued at the lower of cost or net realisable value. Bullion on hand and gold in process represents production on hand after the smelting process for South African operations and from the time of placement on heap leach pads for non-South African operations.

Cost is determined on the following basis:

- Gold on hand and gold in process is valued using the weighted average cost method at the relevant stage of production. Cost includes production, amortisation and related administration costs.
- Consumable stores are valued at average cost, after appropriate provision for redundant and slow-moving items.
- Mineral rights not linked to any specific operation are valued at the lower of cost or net realisable value.

9. Financial instruments and hedging transactions

Financial instruments carried on the balance sheet include cash and bank balances, money market instruments, investments, trade receivables, trade payables and borrowings. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

The Group is also party to financial instruments that reduce risk to foreign currency and gold price fluctuations that are not recognised in the financial statements at inception.

The Group's policy is to remain unhedged. However, hedges are sometimes undertaken on a project specific basis as follows:

- to protect cash flows at times of significant expenditure
- for specific debt servicing requirements, and
- to safeguard the viability of higher cost operations.

Financial instruments entered into to ensure a degree of price certainty and to guarantee a minimum revenue on a portion of the planned gold production are specifically designated as hedges. Gains and losses on contracts, which effectively establish minimum prices for future production are recognised in revenue on the delivery of the related hedged production. Derivatives which are not effective hedges at inception or cease to be effective hedges, are accounted for on a mark to market basis and the associated gains and losses are recognised in the results of the current period.

10. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and investments in money market instruments.

The carrying amount of cash and cash equivalents is stated at cost which approximates fair value.

11. Trade receivables

Trade receivables are carried at anticipated realisable value. Estimates are made for doubtful debts based on a review of all outstanding amounts at year-end. Irrecoverable amounts are written off during the year in which they are identified.

12. Long term 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.

13. Environmental obligations

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

Full provision is made based on the net present value of the estimated cost of restoring the environmental disturbance that has occurred up to the balance sheet date. Increases due to additional environmental disturbances are capitalised and amortised over the remaining lives of the mines.

Annual increases in the provision relating to the change in the net present value of the provision and inflationary increases are shown separately in the income statement.

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

Annual contributions are made to dedicated rehabilitation trust funds to fund the estimated cost of rehabilitation during and at the end of the life of the relevant mine. The funds contributed to these trust funds are included under non-current assets.

14. Pension and other post retirement obligations

14.1 Pension and provident funds

The Group operates a defined benefit pension plan and 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.

The expected costs of the defined benefit pension plan is assessed in accordance with the advice of independent actuaries. The cost of experience adjustments or planned amendments is charged to earnings over the expected average remaining service lives of the relevant employees. Any shortfalls are funded either immediately or as increased employer contributions to ensure the ongoing soundness of the fund.

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

These funds are governed by the Pension Fund Act of 1956.

14.2 Post retirement medical costs

Medical cover is provided through a number of different schemes.

The post-retirement medical obligation in respect of existing employees is recognised as an expense over the expected remaining service lives of the relevant employees.

The Group has an obligation to provide medical benefits to certain of its pensioners and dependents of ex-employees. These liabilities are unfunded and have been provided in full, calculated on an actuarial basis.

Periodic valuation of these obligations are carried out by independent actuaries using appropriate mortality tables, long-term estimates of increases in medical costs and appropriate discount rates.

15. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the amount of revenue can be reliably measured.

15.1 Revenue arising from gold and silver sales is recognised when the risks and rewards of ownership pass to the buyer.

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

15.3 Dividends are recognised when the right to receive payment is established and includes capitalisation dividends.

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

15.5 Gains and losses on hedging transactions are deferred until the corresponding hedged position has been brought to account.

16. Comparatives

Where necessary, comparatives have been restated to conform with changes in presentation in the current year.

17. Translation into United States Dollars

To assist international investors, a translation into the currency of the United States of America is provided. These translations are based on average rates of exchange for income statement items and on rates of exchange ruling at the year-end for assets and liabilities. The cash flow statement has been translated at average rates.

Group income statements

for the year ended 30 June 2000

Figures in millions unless otherwise stated

United States Dollars				South African Rand	
1999	2000		Notes	2000	1999
947.3	1,114.4	Turnover	1	7,065.3	5,731.2
780.3	983.7	Cost of sales	2	6,236.7	4,720.8
167.0	130.7	Operating profit		828.6	1,010.4
36.6	18.5	Other income		117.1	221.2
(14.3)	(11.7)	Business development		(74.3)	(86.4)
(447.4)	(42.6)	Exceptional items	3	(270.1)	(2,706.7)
(258.1)	94.9	Profit/(loss) before taxation	4	601.3	(1,561.5)
(136.6)	(6.1)	Mining and income tax	5	(38.5)	(826.2)
(121.5)	101.0	Profit/(loss) after taxation		639.8	(735.3)
2.0	(1.7)	Minority shareholders' interest		(10.9)	12.0
(123.5)	102.7	Net earnings/(loss)		650.7	(747.3)
(38)	23	Earnings/(loss) per share – cents	6.1	144	(230)
63	25	Earnings per share before impairment of assets – cents	6.2	156	382

GROUP BALANCE SHEETS

at 30 June 2000

Figures in millions unless otherwise stated

United States Dollars				South African Rand	
1999	2000		Notes	2000	1999
1,226.1	1,213.4	Shareholders' equity per statement		8,214.4	7,417.6
39.1	30.0	Outside shareholders' interest	9	203.2	237.0
622.7	522.2	Deferred taxation	10	3,535.3	3,767.6
16.4	20.0	Long-term liabilities	11	135.4	99.1
92.0	80.4	Long-term provisions	12	544.3	556.0
1,996.3	1,866.0			12,632.6	12,077.3
		Represented by:			
2,017.5	1,820.8	Fixed assets	13	12,326.8	12,206.0
29.8	36.1	Investments	14	244.1	180.4
15.2	19.0	Non-current asset	15	128.3	91.9
(66.2)	(9.9)	Net current liabilities		(66.6)	(401.0)
140.3	159.5	Current assets		1,079.7	847.6
35.9	47.3	Inventories	16	320.4	217.0
62.0	36.1	Accounts receivable		244.4	375.1
42.4	76.1	Cash resources		514.9	255.5
206.5	169.4	Current liabilities		1,146.3	1,248.6
159.1	145.4	Accounts payable	17	984.1	962.8
13.1	14.0	Taxation		94.5	79.0
–	10.0	Current portion of long-term loans	11	67.7	–
12.0	–	Short-term loans		–	72.3
22.3	–	Dividends payable		–	134.5
1,996.3	1,866.0			12,632.6	12,077.3

Group statements of shareholders' equity

for the year ended 30 June 2000

Figures in millions unless otherwise stated

United States Dollars 1999	United States Dollars 2000		Notes	South African Rand 2000	South African Rand 1999
1,177.9	1,206.4	Total share capital and premium (see next page)		7,272.6	7,125.6
		Retained earnings			
311.6	133.5	Balance at beginning of the year*		240.2	1 317.3
(123.5)	102.7	Total net earnings/(loss)		650.7	(747.3)
(42.6)	(14.3)	Dividends	7	(90.7)	(257.5)
(15.7)	–	Change in accounting policy	8	–	(94.9)
3.7	–	Transfer from other reserves		–	22.6
133.5	221.9	Balance at end of the year		800.2	240.2
		Currency translation adjustment			
(307.4)	(85.3)	Balance at beginning of the year		51.8	38.3
–	–	Arising on translation of foreign entities during the year		89.8	13.5
222.1	(129.6)	Translation adjustment		–	–
(85.3)	(214.9)	Balance at end of the year		141.6	51.8
1,226.1	1,213.4	Total shareholders' equity		8,214.4	7,417.6

* Opening retained earnings reported under the IAS basis (refer accounting policy note 2)	326.6
Effect of change in accounting policy (refer note 8)	(86.4)
	240.2

Figures in millions unless otherwise stated

United States Dollars 1999	United States Dollars 2000		South African Rand 2000	South African Rand 1999
		Ordinary share capital		
		Authorised		
		1,000,000,000 shares of 50 cents each		
		Issued		
		453,250,595 (1999: 448,389,216) shares of 50 cents each		
16.9	37.1	Balance at beginning of the year	224.2	102.0
20.2	0.4	Issued during the year	2.4	122.2
37.1	37.5	Balance at end of the year	226.6	224.2
		Share premium		
1,191.7	1,191.7	Statutory balance at beginning of the year	7,209.4	7,209.4
–	22.1	Issued during the year	140.4	–
1,191.7	1,213.8	Statutory balance at end of the year	7,349.8	7,209.4
(50.9)	(44.9)	Net merger adjustment	(303.8)	(308.0)
1,140.8	1,168.9	Total share premium	7,046.0	6,901.4
1,177.9	1,206.4	Total share capital and premium	7,272.6	7,125.6

GROUP CASH FLOW STATEMENTS

for the year ended 30 June 2000

Figures in millions unless otherwise stated

United States Dollars 1999	United States Dollars 2000		Notes	South African Rand 2000	South African Rand 1999
162.1	155.1	**Cash flows from operating activities**		999.1	981.2
183.1	204.5	Cash generated by operations	18	1,295.4	1,107.9
33.4	11.4	Investment and interest income		72.7	202.4
(3.0)	8.7	Change in working capital	19	55.0	(18.6)
213.5	224.6	Cash generated by operating activities		1,423.1	1,291.7
(7.6)	(3.2)	Interest paid		(20.5)	(46.1)
(23.5)	(29.7)	Tax paid	20	(178.3)	(141.4)
182.4	191.7	Net cash from operations		1,224.3	1,104.2
(20.3)	(36.6)	Dividends paid	21	(225.2)	(123.0)
(176.8)	(121.6)	**Cash utilised in investing activities**		(770.7)	(1,069.4)
(140.2)	(107.5)	Additions to fixed assets		(681.4)	(847.9)
11.8	3.8	Disposal of assets		23.7	71.2
170.9	–	Net effect of Driefontein merger		–	1,034.3
(6.5)	(10.0)	Purchase of investments		(63.3)	–
4.4	–	Net effect of disposal of Evander Gold Mines Limited		–	26.8
–	(4.2)	Investment in trust funds		(26.3)	(39.5)
(217.2)	–	Purchase of assets		–	(1,314.3)
–	(3.7)	Medical aid payments		(23.4)	–
(43.3)	4.9	**Cash flows from financing activities**		31.0	(262.2)
15.3	1.3	Increase in minority funding		8.1	92.4
(48.2)	14.0	Long-term loans raised/(repaid)		88.8	(291.6)
–	1.0	Shares issued		6.4	–
(10.4)	(11.4)	Short-term loans repaid		(72.3)	(63.0)
(58.0)	38.4	Net cash generated/(utilised)		259.4	(350.4)
(1.9)	(4.7)	Translation adjustment		–	–
102.3	42.4	Cash and short-term funds at beginning of the year		255.5	605.9
42.4	76.1	Cash and short-term funds at end of the year		514.9	255.5

Figures in millions unless otherwise stated

United States Dollars 1999	2000			South African Rand 2000	1999
		1.	**Turnover**		
			Turnover from mining operations		
938.3	1,101.9		– Spot sales	6,986.3	5,676.8
9.0	12.5		– Hedging profit	79.0	54.4
947.3	1,114.4		Total turnover	7,065.3	5,731.2
		2.	**Cost of Sales**		
711.3	893.6		Operating cost	5,666.0	4,303.5
3.6	(9.9)		Gold inventory change	(63.0)	21.8
65.4	100.0		Amortisation and depreciation	633.7	395.5
780.3	983.7		Total cost of sales	6,236.7	4,720.8
		3.	**Exceptional items**		
(60.8)	–		Driefontein – goodwill write-off	–	(368.0)
–	(10.5)		Hedge buy back costs	(66.3)	–
(382.1)	(15.8)		Impairment of assets	(100.0)	(2,311.7)
(4.2)	–		Net cost of Driefontein merger	–	(25.6)
9.8	–		Net sale of gold inventory	–	59.2
4.4	0.2		Profit on sale of investments	1.5	26.7
(2.5)	–		Provision for medical aid losses	–	(15.0)
(1.7)	–		Provision for pension fund deficit	–	(10.2)
(14.1)	(16.1)		Retrenchment costs	(101.8)	(85.2)
3.8	(0.4)		Other	(3.5)	23.1
(447.4)	(42.6)		Total exceptional items	(270.1)	(2,706.7)
116.4	11.4		Taxation	72.0	704.1
–	4.0		Minorities share of exceptional items	25.2	–
(331.0)	(27.2)		Net exceptional items after taxation and minorities	(172.9)	(2,002.6)

Figures in millions

United States Dollars				South African Rand	
1999	2000			2000	1999
		4.	**Included in profit/(loss) before taxation are the following:**		
			Income		
5.0	3.4		Dividends received – listed investments	21.6	30.5
–	1.2		Dividends received – unlisted investments	7.7	–
28.4	6.8		Interest received	43.4	171.9
0.9	1.6		Interest received on environmental rehabilitation trust funds	10.1	5.3
			Expenses		
			Auditors' remuneration		
0.5	0.3		– audit fee	2.0	2.8
–	0.2		– prior year underprovision	1.1	–
0.1	–		– other	–	0.6
			Environmental rehabilitation charges		
0.9	1.1		– inflation adjustment (included in cost of sales)	6.7	5.6
0.7	0.8		– interest adjustment	5.0	4.1
7.6	3.2		Interest paid	20.5	46.1

Figures in millions

United States Dollars				South African Rand	
1999	2000			2000	1999
		5.	**Mining and income tax**		
			The components of mining and income tax are the following:		
			South African taxation		
17.5	25.8		– mining tax	163.4	105.8
12.9	1.9		– non-mining tax	12.3	77.5
(0.5)	0.1		– prior year adjustment	0.4	(3.0)
10.5	(29.5)		– deferred – normal	(186.8)	64.2
(114.3)	(7.3)		– deferred – impairment of assets	(46.0)	(691.6)
(62.1)	–		– deferred – change in tax rate	–	(375.5)
			Foreign taxation		
0.2	2.8		– current	17.7	1.5
(0.8)	0.1		– deferred	0.5	(5.1)
(136.6)	(6.1)		Total mining and income tax	(38.5)	(826.2)

Figures in millions unless otherwise stated

5. Mining and income tax (continued)

5.1 Mining tax on mining income is determined according to a formula which takes into account the profit and revenue from mining operations.

Mining taxable income is determined after the deduction of all mining capital expenditure, with the proviso that this cannot result in an assessed loss. Capital expenditure amounts not deducted are carried forward as unredeemed capital expenditure to be deducted from future mining income. Depreciation is ignored for the purpose of calculating South African mining taxation.

The formula for determining South African mining tax is:

$Y = 46 - 230/X$

where 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.

5.2 Non-mining income of South African mining consists primarily of interest received and is taxed at a rate of 38 (1999: 38) per cent.

5.3 Company tax, for non-mining companies in the Group, is determined at a rate of 30 (1999: 30) per cent.

5.4 Deferred tax is provided at the expected future rate for temporary differences.

5.5 At 30 June 2000 the Group had the following amounts available for set-off against the future income:

- unredeemed capital expenditure at St Helena Gold Mines Limited available to be offset against future mining income of R1,858.9 million at the Beatrix and Oryx combined tax entity and R1.3 million at St Helena Mine. The F1999 comparative of R1,689.2 million at St Helena Gold Mines Limited comprised the Oryx and St Helena combined tax entity.
- estimated and assessed tax losses at St Helena Gold Mines Limited available to be offset against future income of R461.7 million at the Beatrix and Oryx combined tax entity and R41.5 million at St Helena Mine. The F1999 comparative of R790.3 million for St Helena Gold Mines Limited comprised the Oryx and St Helena combined tax entity.
- tax losses available to be offset against future income of R544.8million (1999: R526.9 million) at Orogen Investments SA (Luxembourg). No deferred tax asset is recognised in the balance sheet for this amount.
- estimated tax losses available to be offset against future income of US$144.3 million (1999: US$152.5 million) at Gold Fields Ghana Limited. No deferred tax asset is recognised in the balance sheet for this amount.

Figures in millions unless otherwise stated

United States Dollars 1999	2000			South African Rand 2000	1999
		6.	**Earnings/(loss) per share**		
(38)	23	6.1	Earnings/(loss) per share – cents	144	(230)
			Earnings/(loss) per share is calculated on the basis of the net earnings attributable to ordinary shareholders of R650.7 million (1999: loss of R747.3 million) and 453,016,814 (1999: 324,839,847) shares being the weighted average number of ordinary shares in issue during the year.		
			The exercise of all outstanding options would not result in a material dilution in earnings/(loss) per share.		
63	25	6.2	Earnings per share before impairment of assets – cents	156	382
			Earnings per share before impairment of assets is calculated on the basis of the net earnings before impairment of assets attributable to ordinary shareholders of R704.7 million (1999: R1,240.8 million) and 453,016,814 (1999: 324,839,847) shares being the weighted average number of ordinary shares in issue during the year.		
			Net earnings/(loss) is reconciled to earnings before impairment as follows:		
(123.5)	102.7		Net earnings/(loss) attributable to ordinary shareholders	650.7	(747.3)
442.9	15.8		Impairment of assets	100.0	2 679.7
(114.3)	(7.3)		Taxation effect of impairment of assets	(46.0)	(691.6)
205.1	111.2		Earnings before impairment of assets	704.7	1 240.8

Figures in millions unless otherwise stated

United States Dollars 1999	2000			South African Rand 2000	1999
		7.	**Dividends**		
20.3	14.3		Interim dividend of 20 cents per share (1999: 50 cents) declared on 3 February 2000 and paid on 24 March 2000.	90.7	123.0
22.3	–		Final dividend of Nil cents per share (1999: 30 cents)	–	134.5
42.6	14.3		Total dividends	90.7	257.5
		8.	**Change in accounting policy**		
			During the year the Group changed its accounting policy with respect to closedown and restoration costs. In order to comply with IAS 37, the Group accounts for closure and restoration on the full liability method rather than the incremental method whereby the Group accrued for rehabilitation costs by proportionately increasing the provision over the lives of the mines.		
			The comparative amounts have been appropriately restated. The effect of the change including related deferred tax, is as follows:		
0.9	1.1		Gross	7.2	5.2
0.8	(0.7)		Taxation	(4.5)	4.6
(0.2)	(0.2)		Outside shareholders' interest	(1.0)	(1.3)
1.5	0.2		Change to net earnings for the year	1.7	8.5
(15.7)	(14.2)		Change to opening retained earnings	(86.4)	(94.9)
(14.2)	(14.0)		Change to closing retained earnings	(84.7)	(86.4)

Figures in millions unless otherwise stated

United States Dollars 1999	2000			South African Rand 2000	1999
		9.	**Outside shareholders' interest**		
0.7	–		Capital	–	4.4
8.9	(0.9)		Reserves	(6.0)	54.0
29.5	30.9		Capital loans	209.2	178.6
39.1	30.0		Total outside shareholders' interest	203.2	237.0
			The capital loans are unsecured, interest free, and have no fixed repayment terms.		
		10.	**Deferred taxation**		
			The detailed components of the net deferred taxation liability which results from differences between the amounts of assets and liabilities recognised for financial reporting and taxation purposes in different accounting periods are:		
641.5	566.6		Mining assets	3,835.9	3,881.2
(1.4)	1.0		Inventories	6.9	(8.3)
(14.7)	(28.4)		Provisions	(192.4)	(88.7)
(2.7)	(17.0)		Other	(115.1)	(16.6)
622.7	522.2		Total deferred taxation	3,535.3	3,767.6
521.7	622.7		Balance at beginning of the year	3,767.6	3,088.7
(166.7)	(36.7)		Transferred through the income statement	(232.3)	(1,008.0)
278.9	–		Change in interest	–	1,686.9
(11.2)	(63.8)		Translation adjustment	–	–
622.7	522.2		Balance at end of the year	3,535.3	3,767.6

Figures in millions unless otherwise stated

United States Dollars				South African Rand	
1999	2000			2000	1999
		11.	**Long-term liabilities**		
16.0	30.0		Consortium loan	203.1	96.9
			Secured loan facility of US$30.0 million of which the full amount (1999: US$16.0 million) had been drawn down at 30 June 2000. The loan bears interest at LIBOR plus 1.75 per cent and is repayable in quarterly instalments of US$2.5 million commencing in September 2000 to June 2003.		
			The loan was raised to finance the development of the Tarkwa mine, and will be repaid out of foreign sourced revenues.		
			The Consortium banks are: – Chase Manhattan Bank, London Branch – Dresdner Kleinwort Benson – The Royal Bank of Scotland plc – Standard Bank London Limited		
0.4	–		Other	–	2.2
16.4	30.0			203.1	99.1
–	(10.0)		Current portion included in current liabilities	(67.7)	–
16.4	20.0		Total long-term liabilities	135.4	99.1

Figures in millions unless otherwise stated

United States Dollars 1999	United States Dollars 2000		South African Rand 2000	South African Rand 1999
		12. Long-term provisions		
41.1	33.2	12.1. Post-retirement health care costs	224.8	248.2
		The Group has certain liabilities to subsidise the contributions payable by certain pensioners and dependents of ex-employees on a pay-as-you-go basis. This obligation has been actuarially valued and the outstanding contributions will be funded over the lifetime of these pensioners and employees.		
		12.2. Environmental rehabilitation costs		
53.5	50.9	Balance at beginning of the year	307.8	316.9
(3.1)	–	Change in interest	–	(18.8)
0.9	1.2	Inflation adjustment	6.7	5.6
0.7	0.8	Interest adjustment	5.0	4.1
(1.1)	(5.7)	Translation adjustments	–	–
50.9	47.2	Balance at end of the year	319.5	307.8
		The Group contributes to a number of dedicated environmental rehabilitation trust funds to provide for the estimated cost of rehabilitation at the end of the mines' lives. The balance in these funds was R128.3 million (1999: R91.9 million). (Refer note 15).		
92.0	80.4	Total long-term provisions	544.3	556.0

Figures in millions unless otherwise stated

United States Dollars				South African Rand		
Land, mineral rights and rehabilitation asset	Mine development and infra-structure	Total		Total	Mine development and infra-structure	Land, mineral rights and rehabilitation asset
			13. Fixed assets			
			30 June 2000			
			Cost			
116.9	2,599.4	2,716.3	Balance at beginning of the year	16,433.8	15,726.8	707.0
1.0	106.5	107.5	Additions	681.4	675.1	6.3
(0.4)	(4.1)	(4.5)	Disposals	(28.2)	(25.8)	(2.4)
–	(15.8)	(15.8)	Impairment of assets	(100.0)	(100.0)	–
(3.6)	15.6	12.0	Other*	76.1	99.1	(23.0)
(12.3)	(263.9)	(276.2)	Translation adjustment	127.5	127.1	0.4
101.6	2,437.7	2,539.3	Balance at end of the year	17,190.6	16,502.3	688.3
			Accumulated depreciation			
6.7	692.1	698.8	Balance at beginning of the year	4,227.8	4,187.7	40.1
3.1	96.9	100.0	Charge for the year	633.7	614.0	19.7
–	(0.7)	(0.7)	Disposals	(4.5)	(4.5)	–
(1.0)	0.1	(0.9)	Other*	(5.9)	0.8	(6.7)
(0.9)	(77.8)	(78.7)	Translation adjustment	12.7	11.9	0.8
7.9	710.6	718.5	Balance at end of the year	4,863.8	4,809.9	53.9
93.7	1,727.1	1,820.8	Carrying value at end of the year	12,326.8	11,692.4	634.4
			30 June 1999			
116.9	2,599.4	2,716.3	Cost	16,433.8	15,726.8	707.0
6.7	692.1	698.8	Accumulated depreciation	4,227.8	4,187.7	40.1
110.2	1,907.3	2,017.5	Carrying value at end of the year	12,206.0	11,539.1	666.9

* Other includes excess purchase price for minorities in St Helena Gold Mines Limited.

Figures in millions unless otherwise stated

United States Dollars 1999	United States Dollars 2000		South African Rand 2000	South African Rand 1999
		14. Investments		
		Listed		
24.7	29.7	Market value	200.8	149.1
–	0.7	Shortfall to book value	5.2	–
24.7	30.4	Book value	206.0	149.1
		Unlisted		
9.4	10.6	Directors' valuation	71.6	56.9
(5.1)	(6.1)	Excess over book value	(41.3)	(30.9)
4.3	4.5	Book value	30.3	26.0
29.0	34.9	Total listed and unlisted investments	236.3	175.1
0.8	1.2	Loans advanced	7.8	5.3
29.8	36.1	Total investments	244.1	180.4
		Details of major investments are given on page 120		
		15. Non-current asset		
		Environmental rehabilitation trust funds		
		The balance in these funds were as follows:		
9.8	15.2	Balance at beginning of the year	91.9	57.8
(1.8)	–	Change in interest	–	(10.7)
6.5	4.2	Contribution made during the year	26.3	39.5
0.9	1.6	Net income earned during the year	10.1	5.3
(0.2)	(2.0)	Translation adjustment	–	–
15.2	19.0	Balance at end of the year	128.3	91.9

Figures in millions unless otherwise stated

United States Dollars 1999	2000			South African Rand 2000	1999
		16.	**Inventories**		
1.9	3.2		Bullion on hand	21.4	11.7
9.0	17.7		Gold in process	120.1	54.3
16.5	17.8		Consumable stores	120.4	99.5
8.5	8.6		Mineral rights	58.5	51.5
35.9	47.3		Total inventories	320.4	217.0
		17.	**Accounts payable**		
74.5	55.4		Trade creditors	375.3	450.8
84.6	90.0		Accruals and other creditors	608.8	512.0
159.1	145.4		Total accounts payable	984.1	962.8

Figures in millions unless otherwise stated

United States Dollars 1999	United States Dollars 2000			South African Rand 2000	South African Rand 1999
		18.	**Cash generated by operations**		
(123.5)	102.7		Earnings/(loss) attributable to ordinary shareholders	650.7	(747.3)
(136.6)	(6.1)		Taxation	(38.5)	(826.2)
7.6	3.2		Interest paid	20.5	46.1
(33.4)	(11.4)		Investment income	(72.7)	(202.4)
5.0	4.6		Dividends received	29.3	30.5
28.4	6.8		Interest received	43.4	171.9
2.0	(1.7)		Minority interest	(10.9)	12.0
(283.9)	86.7		Earnings/(loss) before tax, interest and investment income	549.1	(1,717.8)
467.0	117.8		Non-cash items:	746.3	2,825.7
65.4	100.0		Amortisation and depreciation	633.7	395.5
2.2	1.1		Exchange adjustment	7.2	13.5
442.9	15.8		Impairment of assets	100.0	2,679.7
(46.2)	–		Merger adjustment relating to the disposal of Evander	–	(279.6)
4.2	–		Net cost of Driefontein merger	–	25.6
3.6	1.1		Other	6.9	22.2
(4.4)	(0.2)		Profit on sale of investments	(1.5)	(26.7)
(22.1)	–		Provision for loss on disposal of mining operation	–	(133.8)
4.2	–		Provision for medical aid and pension fund shortfall	–	25.2
16.2	–		Provision for medical subsidies and contributions	–	97.9
1.0	–		Write down of mineral reserves	–	6.2
183.1	204.5		Total cash generated by operations	1,295.4	1,107.9

Figures in millions unless otherwise stated

United States Dollars				South African Rand	
1999	2000			2000	1999
		19.	**Change in working capital**		
10.4	(16.3)		Inventories	(103.4)	63.0
(24.1)	21.6		Accounts receivable	137.1	(146.3)
10.7	3.4		Accounts payable	21.3	64.7
(3.0)	8.7		Total change in working capital	55.0	(18.6)
		20.	**Tax paid**		
6.5	13.1		Amount owing at beginning of the year	79.0	38.6
30.1	30.6		SA and foreign current taxation	193.8	181.8
(13.1)	(14.0)		Amount owing at end of the year	(94.5)	(79.0)
23.5	29.7		Total tax paid	178.3	141.4
		21.	**Dividends paid**		
–	22.3		Amount owing at beginning of the year	134.5	–
42.6	14.3		Dividends per statement of shareholders' equity	90.7	257.5
(22.3)	–		Amount owing at end of the year	–	(134.5)
20.3	36.6		Total dividends paid	225.2	123.0
		22.	**Other non-cash information**		
			With effect from 1 July 1999, the Group purchased the remaining 45.8 per cent in St Helena Gold Mines Limited. The effects can be summarised as follows:		
–	21.0		Amount paid through the issue of shares	133.3	–
–	(8.2)		Net asset value attributable to outside shareholders	(52.1)	–
–	12.8		Excess attributable to mining assets	81.2	–

Figures in millions unless otherwise stated

United States Dollars 1999	2000			South African Rand 2000	1999
		23.	**Retirement benefits**		
			The Gold Fields Limited Corporate Pension Fund is a defined benefit scheme with 16 members. Membership to this scheme is closed. The scheme is valued at intervals of not less than three years using the projected unit credit method.		
			The last actuarial valuation was carried out as at 1 January 2000 and showed the fund to be fully funded. The shortfall of R10.2 million arising from the previous actuarial valuation was funded during the year.		
			Contributions to the various retirement schemes are fully expensed during the year in which they are funded. The cost of providing retirement benefits for the year amounted to R188.6 million (1999: R177.7 million).		
		24.	**Commitments**		
			Capital expenditure		
190.9	524.5		– authorised	3,550.9	1151.1
43.3	13.9		– contracted for	94.4	260.9
1.7	2.1		Other guarantees	14.1	10.2
			Commitments will be funded from internal sources.		

Figures in millions unless otherwise stated

25. Contingent liabilities

Gold Fields Ghana Limited

Certain construction work at the Tarkwa Gold mine in Ghana is the subject of a dispute involving Gold Fields Ghana Limited. In the opinion of the directors', the probability of the dispute resulting in a material liability for the Group is low. Should any liability arise, it will be funded from internal sources.

Driefontein Consolidated (Pty) Limited

The State is currently involved in the expropriation of certain properties in the Far West Rand. The Far West Rand Dolomitic Water Association together with Driefontein Consolidated has agreed to assume responsibility for these properties after expropriation and has paid the costs relating to the expropriation. However, an additional amount may be payable in the future due to the valuation of these properties being in dispute. In the opinion of the directors', the likelihood of a material liability arising is low.

Other

A number of other claims have been filed against the Group. In the opinion of the directors', it is unlikely that these claims, either individually or in aggregate, will result in a material liability for the Group.

26. Risk management activities

In the normal course of its operations, the Group is exposed to commodity price, currency, interest rate, liquidity 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. General corporate hedging unrelated to any specific project is not undertaken. The Group also does not issue or acquire derivative instruments for trading purposes.

Concentration of credit risk

The Group's financial instruments do not represent a concentration of credit risk as the Group deals with a number of major banks. Debtors are regularly monitored and assessed and where necessary an adequate level of provision is maintained.

26. Risk management activities (continued)

A formal process of allocating counterparty exposure and prudential limits is applied under the supervision of the Group's executive committee.

No margined facilities are engaged.

Foreign currency and commodity price risk

In the normal course of business the Group primarily enters into transactions for the sale of its gold, denominated in US Dollars. In addition, the Group has investments and liabilities in a number of different currencies (primarily US Dollar). As a result, the Group is subject to transaction and translation exposure from fluctuations in foreign currency exchange rates.

The Group does not currently hedge its exposure to foreign currency exchange rates.

The Group does not hedge its exposure to gold price fluctuation risk and sells at market spot prices. However, specific debt servicing requirements at Gold Fields Ghana Limited oblige the Group to secure minimum future gold prices.

Interest rate and liquidity risk

Fluctuations in interest rates impact on the value of short-term investment and financing activities, giving rise to interest rate 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 that surplus funds are invested to maximise returns whilst ensuring that capital is safeguarded for the maximum extent possible by investing only with top financial institutions.

Substantial contractual arrangements for committed borrowing facilities are maintained with several banking counterparties to meet the Group's normal and contingency funding.

Figures in millions unless otherwise stated

27. Fair value of financial instruments

27.1 On-balance sheet financial instruments

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

	30 June 2000 R million		30 June 1999 R million	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and equivalents	514.9	514.9	255.5	255.5
Accounts receivable	244.4	244.4	375.1	375.1
Investments	244.1	280.2	180.4	211.3
Non-current asset	128.3	128.3	91.9	91.9
Financial liabilities				
Accounts payable	984.1	984.1	962.8	962.8
Long-term loans (including current portion)	203.1	203.1	99.1	99.1

Figures in millions unless otherwise stated

27. Fair value of financial instruments

27.1 On-balance sheet financial instruments

	30 June 2000 US$ million		30 June 1999 US$ million	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and equivalents	76.1	76.1	42.4	42.4
Accounts receivable	36.1	36.1	62.0	62.0
Investments	36.1	41.5	29.8	34.9
Non-current asset	19.0	19.0	15.2	15.2
Financial liabilities				
Accounts payable	145.4	145.4	159.1	159.1
Long-term loans (including current portion)	30.0	30.0	16.4	16.4

The following methods and assumptions were used to estimate the fair value of each class of on-balance sheet financial instrument.

Accounts receivable, accounts payable and cash and equivalents

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

Investments and non-current asset

The fair value of publicly traded instruments is based on quoted market values. The carrying amount of all other instruments approximates fair value due to the nature of the instrument.

Long-term loans

The existing loan re-prices on a short term floating rate bases. The carrying amount is considered to approximate fair value.

Figures in millions unless otherwise stated

27. Fair value of financial instruments (continued)

27.2 Off-balance sheet financial instruments

Hedges

Historically hedges were established on a project specific basis to protect cash flows when significant capital projects were being undertaken or where the Group is obliged when specific debt servicing requirements exist. The following hedges are outstanding at 30 June 2000.

Tarkwa mine

US$/Gold outright forward sales

	Quarter ended				Financial
	September	December	March	June	year
2000/2001					
Volume – oz	40,000	40,000	40,000	33,333	153,333
Gold price – US$/oz	291	290	289	297	292
2001/2002					
Volume – oz	–	–	–	–	–
Gold price – US$/oz	–	–	–	–	–
2002/2003					
Volume – oz	6,667	–	–	–	6,667
Gold price – US$/oz	296	–	–	–	296

The fair value of these instruments at 30 June 2000 amounted to a loss of approximately R6.5 million.

Figures in millions unless otherwise stated

Other financial instruments

Beatrix mine
Rand/Gold Call Options that provide upside participation.

	Quarter ended				Financial
	September	December	March	June	year
2000/2001					
Volume – oz	85,678	85,678	85,678	85,678	342,712
Strike price – R/oz	2,144	2,189	2,235	2,281	2,212
Strike price – US$/oz*	317	323	330	337	327
2001/2002					
Volume – oz	85,678	–	–	–	85,678
Strike price – R/oz	2,329	–	–	–	2,329
Strike price – US$/oz*	344	–	–	–	344

GFL Mining Services Limited
Rand/Gold Call Options that provide upside participation

	Quarter ended				Financial
	September	December	March	June	year
2000/2001					
Volume – oz	15,000	–	–	–	15,000
Strike price – R/oz	1,970	–	–	–	1,970
Strike price – US$/oz*	291	–	–	–	291

*Converted at an exchange rate of US$1 = R6.77.

The fair value of these instruments at 30 June 2000 amounted to a gain of approximately R17.0 million.

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

Forward sales and option contracts
The fair value of forward sales and option contracts has been determined by reference to quoted market rates at year-end balance sheet dates.

28. Segment reporting
The segment information is shown under the financial summary in the segment report on pages 121 and 122.

Company income statement

for the year ended 30 June 2000

Figures in millions unless otherwise stated

		South African Rand	
	Notes	2000	1999
Turnover		–	2 583.3
Cost of sales		–	2 018.3
Operating profit		–	565.0
Other income		32.7	140.8
Exceptional items	2	(2.7)	(1 184.4)
Profit/(loss) before taxation	3	30.0	(478.6)
Mining and income tax	4	0.1	(486.9)
Net earnings		29.9	8.3

Company balance sheet

at 30 June 2000

Figures in millions unless otherwise stated

		South African Rand	
	Note	2000	1999
Shareholders' equity per statement		9,398.1	9,316.1
Deferred taxation		–	1,151.6
Long-term provisions		–	230.5
		9,398.1	10,698.2
Represented by:			
Fixed assets		–	2,700.5
Investments	6	9,394.2	8,220.6
Non current asset		–	47.5
Net current assets/(liabilities)		3.9	(270.4)
Current assets		7.1	155.9
Inventories		–	29.5
Accounts receivable		7.1	88.7
Cash resources		–	37.7
Current liabilities		3.2	426.3
Accounts payable		3.1	269.6
Taxation		0.1	22.2
Dividends payable		–	134.5
		9,398.1	10,698.2

Company statement of shareholders' equity

for the year ended 30 June 2000

Figures in millions unless otherwise stated

	Note	South African Rand 2000	South African Rand 1999
Total share capital and premium (see next page)		7 576.4	7 433.6
Retained earnings			
Balance at beginning of the year		1 882.5	2 180.9
Total net earnings		29.9	8.3
Dividends	5	(90.7)	(287.5)
Change in accounting policy		–	(41.8)
Transfer from other non-distributable reserves		–	22.6
Balance at end of the year		1 821.7	1 882.5
Other non-distributable reserves			
Balance at beginning of the year		–	22.6
Transfer to retained earnings		–	(22.6)
Balance at end of the year		–	–
Total shareholders' equity		9 398.1	9 316.1

Figures in millions unless otherwise stated

	South African Rand	
	2000	1999
Ordinary share capital		
Authorised		
1 000 000 000 shares of 50 cents each		
Issued		
453 250 595 (1999: 448 389 216) shares of 50 cents each		
Balance at beginning of the year	224.2	102.0
Issued during the year	2.4	122.2
Balance at end of the year	226.6	224.2
Share premium		
Balance at beginning of the year	7,209.4	7,209.4
Arising from issues during the year	140.4	–
Balance at end of the year	7,349.8	7,209.4
Total share capital and premium	7,576.4	7,433.6

Company cash flow statement

for the year ended 30 June 2000

Figures in millions unless otherwise stated

		South African Rand	
	Notes	2000	1999
Cash flows from operating activities		(192.5)	597.2
Cash generated by operations	7	0.4	733.4
Investment and interest income		32.3	123.9
Change in working capital		–	94.9
Cash generated by operating activities		32.7	952.2
Tax paid	8	–	(79.6)
Net cash from operations		32.7	872.6
Dividends paid	9	(225.2)	(275.4)
Cash utilised in investing activities		(3.0)	(343.9)
Additions to fixed assets		–	(317.8)
Investment in trust fund		–	(25.1)
Purchase of investments		(3.0)	(1.0)
Cash flows from financing activities		157.8	(881.9)
Long-term loans advanced by/(to) subsidiaries		151.4	(881.9)
Shares issued		6.4	0.0
Net cash utilised		(37.7)	(628.6)
Cash and short-term funds at beginning of the year		37.7	666.3
Cash and short-term funds at end of the year		–	37.7

Figures in millions unless otherwise stated

	South African Rand 2000
1. Comparative figures	
No comparative figures are presented in the notes as they are not comparable with the current year. During the year, the Company was restructured into an investment holding company by transferring its assets and liabilities to a subsidiary.	
2. Exceptional items	
Write down of investments	(2.7)
Total exceptional items	(2.7)
3. Included in profit before tax are the following:	
Income	
Dividends received – unlisted investments	32.3
4. Mining and income tax	
The components of the mining and income tax expense are the following:	
South African normal taxation	
– current	0.1
Total mining and income tax	0.1
5. Dividends	
Interim dividend of 20 cents per share declared on 3 February 2000 and paid on 24 March 2000.	90.7
Final dividend of Nil cents per share.	–
Total dividends	90.7

for the year ended 30 June 2000

Figures in millions unless otherwise stated

		South African Rand 2000
6.	**Investments**	
	Unlisted	
	Unlisted investments – book value	15,639.4
	Loans advanced	(6,245.2)
	Total investments	9,394.2
	Details of major investments are given on page 120	
7.	**Cash generated by operations**	
	Profit attributable to ordinary shareholders	29.9
	Taxation	0.1
	Investment income	
	Dividends received	(32.3)
	Loss before tax and investment income	(2.3)
	Non-cash items:	
	Write down of investments	2.7
	Total cash generated by operations	0.4

Figures in millions unless otherwise stated

		South African Rand 2000
8.	**Tax paid**	
	Amount owing at beginning of the year	22.2
	Transferred to subsidiary company (note 1)	(22.2)
	SA normal taxation – current	0.1
	Amount owing at end of the year	(0.1)
	Total tax paid	–
9.	**Dividends paid**	
	Amount owing at beginning of the year	134.5
	Dividends per statement of shareholders' equity	90.7
	Total dividends paid	225.2

MAJOR GROUP INVESTMENTS – DIRECT AND INDIRECT

	Shares held		Group beneficial interest		Book value in holding company Shares		Loans	
	2000	1999	2000 %	1999 %	2000 Rm	1999 Rm	2000 Rm	1999 Rm
Principal subsidiaries								
Unlisted								
Beatrix Mines Limited*	96,549,020	96,549,020	100	100	2,031.4	–	–	–
GFL Mining Services Limited*	235,676,386	235,676,386	100	100	7,331.7	7,331.7	(6,245.2)	881.9
Gold Fields Guernsey Limited**	4,002	4,002	100	100	984.3	–	–	–
Gold Fields Ghana Limited†	711	711	71.1	71.1	–	–	–	–
Kloof Gold Mining Company Limited*	138,600,000	138,600,000	100	100	3,289.0	–	–	–
Orogen Holdings (BVI) Limited††	100	100	100	100	624.3	–	–	–
Oryx Gold Holdings Limited*	244,311,285	244,311,285	100	100	1,057.9	–	–	–
St Helena Gold Mines Limited*	9,625,000	5,217,151	100	54.2	228.8	–	–	–
Other					92.2	7.0	–	–
					15,639.4	7,338.7	(6,245.2)	881.9

	Shares held		Group beneficial interest	
	2000	1999	2000 %	1999 %
Other investments				
Listed				
Aquest Minerals Corporation	2,100,000	–	10.5	–
Brazilian International Gold Fields CAD$	2,800,887	–	15.6	–
Cluff Mining PLC	288,000	–	3.0	–
Eldorado Gold Corporation				
– shares	30,479,959	28,879,959	36.9	39.6
– warrants	800,000	–	n/a	–
Randfontein Estates Gold Mining Company Limited				
– Options	–	487,342	–	n/a
Western Areas Gold Mining Company Limited	3,748,785	3,748,785	4.1	4.1

* Incorporated in the Republic of South Africa
** Incorporated in Guernsey.
† Incorporated in Ghana.
†† Incorporated in the British Virgin Isles.

The interest of Gold Fields Limited in the aggregate amount of after-taxation profits of its subsidiaries is 618.1 million (1999: losses of R755.6 million)

Note: Only major investments are listed individually.

Financial summary

Figures in R millions

	Driefontein Division	Kloof Division	Free State Division: Beatrix and Oryx mines	Free State Division: St Helena Mine	Tarkwa Mine	Corporate and other	Group consolidated
Income statement *for the year ended 30 June 2000*							
Revenue	2,497.7	2,467.5	926.2 339.2	313.1	521.6	–	7,065.3
Operating costs	1,986.9	1,946.7	617.9 372.9	318.3	425.6	(2.3)	5,666.0
Operating profit	510.8	520.8	308.3 (33.7)	(5.2)	96.0	2.3	1,399.3
Amortisation and depreciation	197.8	161.4	124.9	8.4	76.2	65.0	633.7
Gold inventory change	–	–	–	–	(63.0)	–	(63.0)
Net operating profit	313.0	359.4	149.7	(13.6)	82.8	(62.7)	828.6
Other income/(expenditure)	28.4	26.6	10.5	7.8	(17.4)	(13.1)	42.8
Normal taxation	111.8	59.7	–	–	15.5	6.8	193.8
Deferred taxation	(32.5)	(27.5)	(165.9)	(8.1)	0.4	1.3	(232.3)
Exceptional items	(32.6)	(154.1)	40.5	(45.0)	(87.1)	8.2	(270.1)
Profit/(loss) after taxation	229.5	199.7	366.6	(42.7)	(37.6)	(75.7)	639.8
Balance sheet as *at 30 June 2000*							
Total assets	1,889.5	3,413.4	3,250.9	132.1	624.9	4,468.1	13,778.9
Total liabilities (excluding deferred taxation and outside shareholders)	541.1	464.0	217.0	76.0	429.7	98.2	1,826.0
– Deferred taxation	1,119.0	1,231.3	261.2	–	–	923.8	3,535.3
Capital expenditure	155.9	211.9	161.2 16.7	0.1	111,6	0.3	657.7

Financial summary

Figures in US dollar millions

	Driefontein Division	Kloof Division	Free State Division: Beatrix and Oryx mines		Free State Division: St Helena Mine	Tarkwa Mine	Corporate and other	Group consolidated
Income statement *for the year ended 30 June 2000*								
Revenue	394.0	389.2	146.1	53.5	49.4	82.3	–	1,114.4
Operating costs	313.4	307.1	97.5	58.8	50.2	67.1	(0.4)	893.6
Operating profit	80.6	82.1	48.6	(5.3)	(0.8)	15.1	0.4	220.8
Amortisation and depreciation	31.2	25.5	19.7		1.3	12.0	10.3	100.0
Gold inventory change	–	–	–		–	(9.9)	–	(9.9)
Net operating profit	49.4	56.7	23.6		(2.1)	13.1	(9.9)	130.7
Other income/(expenditure)	4.5	4.2	1.7		1.2	(2.7)	(2.1)	6.8
Normal taxation	17.6	9.4	–		–	2.4	1.1	30.6
Deferred taxation	(5.1)	(4.3)	(26.2)		(1.3)	0.1	0.2	(36.7)
Exceptional items	(5.1)	(24.3)	6.4		(7.1)	(13.7)	1.3	(42.6)
Profit/(loss) after taxation	36.2	31.5	57.8		(6.7)	(5.9)	(11.9)	101.0
Balance sheet as *at 30 June 2000*								
Total assets	279.1	504.2	480.2		19.5	92.3	660.0	2,035.4
Total liabilities (excluding deferred taxation and outside shareholders)	79.9	68.5	32.1		11.2	63.5	14.5	269.8
– Deferred taxation	165.3	181.9	38.6		–	–	136.5	522.2
Capital expenditure	24.6	33.4	25.4	2.6	–	17.6	–	103.7

Figures may not add as they are rounded independently

Exchange rates applied: Average for the year US$1 = R6.34
Rate at year end US$1 = R6.77

Driefontein Division

Year to 30 June	Tons milled	Yield g/t	Gold produced kg	Gold produced '000 oz	Cash cost US$/oz	Net earnings SA Rm	Net earnings US$ m
1972 – 1994	148,365,000	17.9	2,656,796	85,418	n/a	n/a	n/a
1995	5,310,000	10.5	55,777	1,793	192	n/a	n/a
1996	5,023,000	9.5	47,842	1,538	235	n/a	n/a
1997	5,093,000	9.0	46,071	1,481	241	441.9	98.0
1998	5,167,000	9.3	47,927	1,541	236	881.8	180.5
1999	5,466,000	8.5	46,487	1,495	199	15.2	2.5
2000	5,608,000	7.8	43,497	1,398	213	229.5	36.2

Kloof Division

Year to 30 June	Tons milled	Yield g/t	Gold produced kg	Gold produced '000 oz	Cash cost US$/oz	Net earnings SA Rm	Net earnings US$ m
1968 – 1994	56,430,000	13.4	756,120	24,310	n/a	n/a	n/a
1995	5,077,000	9.2	46,673	1,501	260	n/a	n/a
1996	4,834,000	8.5	40,970	1,317	302	n/a	n/a
1997	4,721,000	8.1	38,187	1,228	308	99.2	21.9
1998	5,180,000	7.7	39,967	1,285	283	(365.4)	(75.0)
1999	4,190,000	10.5	43,965	1,414	205	490.6	81.1
2000	3,936,000	11.0	43,394	1,395	214	199.7	31.5

Kloof Mine

			Gold produced		Cash cost	Operating profit
Year to 30 June	Tons milled	Yield g/t	kg	'000 oz	US$/oz	SA Rm
1968 – 1994	49,464,000	14.4	712,019	22,892	n/a	6,918.8
1995	2,080,000	14.0	29,131	937	196	600.0
1996	1,894,000	13.4	25,461	819	229	476.7
1997	1,886,000	11.5	21,689	697	266	286.0
1998	1,933,000	12.1	23,421	753	261	124.6
1999	1,904,000	13.3	25,298	813	176	495.6
2000	1,907,000	14.6	27,761	892	177	534.9

Leeudoorn Mine

			Gold produced		Cash cost	Operating profit
Year to 30 June	Tons milled	Yield g/t	kg	'000 oz	US$/oz	SA Rm
1991 – 1994	3,410,000	7.2	24,492	787	n/a	73.9
1995	1,386,000	6.0	8,343	268	338	36.7
1996	1,325,000	5.2	6,842	220	441	(55.3)
1997	1,176,000	6.0	7,027	226	396	(42.3)
1998	1,013,000	7.1	7,164	230	363	(71.1)
1999	802,000	11.5	9,188	295	212	124.4
2000	842,000	10.9	9,143	294	220	94.3

Libanon Mine

Year to 30 June	Tons milled	Yield g/t	Gold produced kg	Gold produced '000 oz	Cash cost US$/oz	Operating profit SA Rm
1992–1994	3,556,000	5.5	19,609	630	n/a	(25.3)
1995	1,611,000	5.7	9,199	296	392	(20.6)
1996	1,615,000	5.4	8,667	279	416	(39.3)
1997	1,659,000	5.7	9,471	304	341	20.5
1998	1,587,000	5.9	9,381	302	343	(72.1)
1999	1,484,000	6.4	9,479	305	274	11.5
2000	1,187,000	5.5	6,490	209	358	(108.4)

Excludes the low grade waste tonnage milled to F1998.

Free State Division

Beatrix Mine

Year to 30 June	Tons milled	Yield g/t	Gold produced kg	Gold produced '000 oz	Cash cost US$/oz	Net earnings SA Rm	Net earnings US$ m
1985-1994	19,241,000	6.1	116,895	3 758	n/a	n/a	n/a
1995	2,219,000	6.2	13,781	443	199	n/a	n/a
1996	2,351,000	6.4	15,032	483	208	156.0	41.0
1997	2,492,000	6.1	15,257	491	207	208.9	46.2
1998	2,600,000	5.8	15,104	486	212	163.9	33.5
1999	2,658,000	5.5	14,578	469	195	217.7	36.0
2000	2,749,000	5.6	15,352	494	189	366.6	57.8

Beatrix and Oryx mines became one tax entity as from F2000.

Oryx Mine

			Gold produced		Cash cost	Net earnings	
Year to 30 June	Tons milled	Yield g/t	kg	'000 oz	US$/oz	SA Rm	US$ m
1981 – 1994	2,995,000	1.5	4,421	142	n/a	n/a	n/a
1995	105,000	2.0	212	7	n/a	n/a	n/a
1996	4,000	2.3	9	0	n/a	0.9	0.2
1997	573,000	3.2	1,808	58	capitalised	36.2	8.0
1998	908,000	5.4	4,934	159	capitalised	34.5	7.1
1999	1,071,000	6.3	6,798	219	capitalised	(839.6)	(138.8)
2000	717,000	7.9	5,682	183	307	included in Beatrix	

St Helena Mine

			Gold produced		Cash cost	Net earnings	
Year to 30 June	Tons milled	Yield g/t	kg	'000 oz	US$/oz	SA Rm	US$ m
1951 – 1994	78,962,000	10.3	812,020	26,107	n/a	n/a	n/a
1995	820,000	6.8	5,568	179	291	n/a	n/a
1996	735,000	6.1	4,477	144	398	(3.7)	(1.0)
1997	900,000	6.4	5,749	185	297	42.8	9.5
1998	1,180,000	6.1	7,250	233	247	30.8	6.3
1999	1,074,000	5.6	6,019	194	258	29.9	4.9
2000	1,056,000	5.2	5,475	176	271	(42.7)	(6.7)

Tarkwa Mine

Year to 30 June	Tons milled	Yield g/t	Gold produced kg	Gold produced '000 oz	Cash cost US$/oz	Net earnings SA Rm	Net earnings US$ m
1994	200,257	6.5	1,294	42	n/a	5.4	1.6
1995	208,252	6.1	1,276	41	326	3.6	1.0
1996	260,698	5.9	1,529	49	311	6.5	1.7
1997	243,352	6.5	1,570	50	320	3.2	0.7
1998	235,000	7.3	1,718	55	286	2.5	0.5
1999	5,024,000	1.3	6,414	206	233	(9.8)	(1.6)
2000	8,017,000	1.1	9,195	296	196	(37.6)	(5.9)

Surface operation from F1999.

THE YEAR ENDED 30 JUNE 2000 HAS BEEN HIGHLY EVENTFUL FOR GOLD FIELDS LIMITED. WHILST THE INDUSTRY HAS NOT ENJOYED A PARTICULARLY GOOD YEAR BECAUSE OF LOW GOLD PRICES AND LIMITED OPPORTUNITIES FOR GROWTH, GOLD FIELDS IS ABLE TO REPORT GOOD FINANCIAL RESULTS OWING TO THE IMPLEMENTATION OF ITS STRATEGIES OF CONSOLIDATION IN SOUTH AFRICA AND A FOCUS ON PRODUCTIVITY AND COST CONTAINMENT AT EXISTING MINES.

This is the first year that we have reported in accordance with International Accounting Standards (IAS) as our primary basis of accounting, in contrast with the previous practice of appropriation accounting.

Results

The Group's operations for the year produced 3.86 million attributable ounces of gold at an average cash cost of US$216/oz (R44,036/kg) yielding a net reportable profit of R651 million (US$103 million). Earnings per share were 144 SA cents (23 US cents). Cash generated from operations, before capital expenditure, was R1,224 million (US$192 million).

In considering the performance against the previous year, gold produced was 23 per cent higher at 3.86 million ounces, cash costs were higher (US$216/oz versus US$207/oz) and pre-tax operating profits, before amortisation and changes in gold inventory, were R1,399 million (US$221 million) in the current year versus R1,428 million (US$236 million) in the previous year. The gold price received was lower in US Dollars, US$284/oz versus US$287/oz, but in Rand terms was higher, R57,919/kg versus R56,090/kg, owing to a decline in the average value of the Rand from R6.05 to R6.34 to the US Dollar.

The net result for F1999 was a loss of R747 million (US$124 million) after the write-downs of the carrying values for Oryx and the No 9 and 10 shafts at Driefontein, and is therefore misleading for comparison purposes.

Considered in its totality, much of the bottom line improvement is attributable to the absence of write-downs, and the very low tax rate achieved because of the favourable tax rulings received with respect to Oryx and Beatrix during the year.

At the true operating level, the company is still concerned about rising cost per kilogram and rising cost per ton milled. Cost per underground ton milled for the group rose from R370 in 1999 to R439 in 2000, and cash costs per kilogram rose from R41,132 to R44,036. Since the appointment of Ian Cockerill in 1999 these costs have been under increasing focus and there has been an encouraging trend emerging as costs per underground ton milled

> For a North American gold stock of such extraordinary quality, Franco-Nevada represents a unique opportunity for Gold Fields to execute a fair and equitable merger.

Chris Thompson, Chairman and Chief Executive Officer

have steadied from R437/ton in the September quarter to R441/ton in the June quarter. I expect that this trend will continue to improve but point out that, because of the differing operating environments each quarter presents, the trend will not necessarily be linear nor consistent and occasionally quarterly results will vary from the trend.

The most pleasing performance in the group was from Tarkwa which produced 296,000 ounces for the year at a cash cost of US$196/oz. During the June quarter, Tarkwa was producing at an annualised rate of 324,000 ounces and cash costs of US$172/oz after a series of continual improvements. The appointment in October 1999 of Dick Graeme, an American with broad experience in heap leach operations, brought immediate results.

Driefontein Division had a good year in reducing its operating costs from R517 million in the September quarter to R456 million in the June quarter, while maintaining gold production at above 10 tons per quarter. Cash costs per ounce fell steadily from US$238 to US$200 during the year.

The impact of the rise in labour rates for the second year of the two-year wage agreement (starting in July) makes achieving greater cost efficiencies more imperative to keep costs per ounce under control.

The Kloof Mine operated satisfactorily, ending the year producing gold at a cash cost of US$165/oz in the June quarter, its best quarter since the creation of Gold Fields. However, the Kloof Division's overall results were marred by the poor performance of Libanon Mine and disappointment from Leeudoorn Mine.

At the Free State Division, Beatrix Mine had another very good year. Oryx Mine, suffering from the after-effects of a strike and the burden of poor original design, had a difficult year. Encouragingly, it was rewarded with continual improvements from quarter to quarter as production improved and unit costs came down. For the June quarter Oryx Mine generated a marginal cash profit with cash costs at US$269/oz. St Helena Mine disappointed with steeply rising unit costs and falling yields. The year ahead looks better.

> Better information on cost performance is assisting us to identify good costs and bad costs which will help improve the Group's profitability.

Nick Holland, Executive Director Finance

St Helena acquisition

The acquisition of the outstanding 46 per cent held by minorities of St Helena was completed during the year, through the issue of Gold Fields shares on a one-for-one basis. This made the company a wholly-owned subsidiary of Gold Fields Limited. The acquisition was made following the tax ruling obtained that allows the Oryx and Beatrix mines to be treated as one entity for tax purposes. The unredeemed capital balance and tax losses of Oryx Mine at 1 July 1999 was R2.48 billion, and this balance may be written off against future profits from Beatrix and Oryx mines, as it becomes available. Gold Fields' effective tax rate for the forseeable future will be materially reduced.

Strategy

South African underground gold mines, in general, and Gold Fields' mines, in particular, face problems in common, as a result of increasing maturity. Working places are becoming increasingly deeper and hotter, distances from the shaft to working stopes are growing and available time at the face is falling. Meanwhile average grades of available ore are in decline thus forcing increased selectivity on operations and upping development requirements. All of this adds up to increasing pressure on productivity just to maintain current profitability, let alone improve it. Together with an environment of national inflation and low gold prices it becomes doubly difficult.

As a new company, with a new managerial spirit, we believe that the unrealised potential to reduce costs in real terms is substantial. During the next few quarters, we expect to be experimenting with different mining methods and technologies as we explore better ways of doing things. A change over from longwall mining to sequential grid mining is the cornerstone of our strategy to reduce costs. Other changes, including increased mechanisation, are also being explored.

The company-wide investigation into opportunities to invest in cost reduction will continue during the year. The opportunity to replace the old metallurgical plants at Driefontein and Kloof with a new state-of-the-art plant, aimed at lowering operating costs and improving recoveries, is a good example of this.

“Gold Fields is taking a leadership role in the transformation of the gold industry and, locally and internationally, our actions clearly reflect a commitment to our African heritage.”

Arthur Mashiatshidi, Vice President in the Chairman's Office

Our information technology and cost control systems are also being upgraded, and a video conferencing system between all operations and offices is being installed to improve communications and reduce costs.

The appointment of Ian Cockerill has provided the company with an operator who has a profound understanding of deep level South African mining and a supportive management style that has elicited a positive response from his team. One of his early steps has been to critically re-examine our operational philosophy and revise it to focus on maximising the use of available assets and resources. Gold Fields' employee morale is rising as the threatening effects of the merger in 1998 have now worn off and the company is establishing an identity of its own that the workforce can relate to. All this will produce positive results in the future.

Franco-Nevada

On 13 June 2000 we announced an agreement providing for the merger of Gold Fields and Franco-Nevada Mining Corporation Limited, a highly successful Canadian company whose primary assets include royalty streams from some of the leading gold mines in the USA, Canada and Australia, as well as a strong cash position.

The terms of the merger call for a Scheme of Arrangement wherein each Gold Fields share will be exchanged for 0.35 of a Franco-Nevada share. South African shareholders will be able to trade their new shares on the Johannesburg Stock Exchange and foreign shareholders will be able to trade their new shares on a choice of the Toronto, New York, Paris, Brussels and Swiss exchanges.

The new company, which will be formed through a merger of equals, will be named Gold Fields International. Key approvals required are a 75 per cent majority of Gold Fields shareholders voting at a special meeting, as well as approval of the transaction by the South African Minister of Finance and the South African Reserve Bank.

The agreement further provides for a break fee of US$32 million, payable either way, in the event either party consummates a superior transaction with a third party or either board elects to oppose the transaction. It does not apply if the key approvals are not obtained.

The motivation for the merger is fundamental to the future of Gold Fields Limited. In the absence of such a transaction and for as long as exchange control limitations prevent the exploitation of Gold Fields' cash surpluses in the development of new mines outside the country, the Group will face a future limited largely to exploiting its South African assets, accompanied by declining reserves and production. It would be forced into a long-term harvest strategy.

I would view this outcome as a tragedy. Gold Fields is a world class gold mining company with the human and technical expertise to become a world leader. It can trace its ancestry back over 100 years. During the stigmatised apartheid years, because of sanctions and exchange control, South African companies were unable to compete on the world stage. In the vacuum so created, other new world-class gold companies such as Barrick, Newmont and Placer Dome have emerged. Today, in the new South Africa, there is little reason to disallow a South African company to venture out and pursue its ambition to become a global leader and to find, develop or acquire gold reserves elsewhere.

In one step, the Franco-Nevada transaction will transform Gold Fields into a global gold player with the strongest balance sheet in the industry and with cash means outside South Africa to acquire and/or develop new projects around the world. The new company will have a large, globally diversified group of shareholders, substantial liquidity and a listing on the prestigious New York Stock Exchange. Above 50 per cent of earnings and cash flow will come from South Africa and the balance from North America and elsewhere. With its strong cash position and cash flow Gold Fields International will be well positioned to become a dominant company through a continued growth by acquisition strategy.

Despite the new external emphasis, South African operations will remain the core of the new Gold Fields International. The South African operations are high quality and long life. Considerable upside remains for cost reduction and improved productivity, and we intend to pursue these vigorously. Recently, we approved a continuing R3 billion capital programme for the Witwatersrand Basin over the next five years. We expect to add to this during the next twelve months.

I strongly suspect that Gold Fields International will become a preferred global gold company for international investors and will, in a short period, achieve higher ratings for shareholders. The new company will maintain a strongly pro-gold stance, committed to developing the market for gold and opposed to the general practice of hedging. Both current boards believe in the need for continued consolidation in the industry and the need for the industry to manage itself better.

The South African environment

South Africa in the foreseeable future poses a number of unique challenges as a society and as a place to operate successful gold mines.

For the industry to preserve its own future and restore equilibrium it must adapt to the changed circumstances and develop and expand the market for gold.

Pouring d'oré bars at the Leeudoorn gold plant.

> Frequent and open communication with the investment community lies at the heart of our investor relations strategy.

Willie Jacobsz, Senior Manager Corporate Affairs and Investor Relations

First among these is the issue of HIV and AIDS. I have taken a direct interest in Gold Fields' response to the AIDS threat. There is no question that there is a growing incidence of HIV on our mines. We are comprehensively studying and modelling the likely impacts of HIV/AIDS on the Group. Because the passage from infection to eventual AIDS related death takes eight to ten years and because it takes several years for HIV prevalence rates to rise to serious levels, the overall mortality impact is spread over a fairly long period. This has both "good" and "bad" consequences. The "good" consequence of an AIDS mortality rate peaking at approximately three per cent over the next five years is that the Group can manage the losses quite easily. The "bad" consequence is that the low rate means that sexual behaviour modification is muted. The results of our analysis suggest that AIDS does not pose a fatal threat to our business. Costs will rise but we expect that the interventions we have in place and under consideration will keep the impact to reasonable levels – below US$10/oz in today's terms.

Health and safety on our mines is an issue to which Gold Fields has committed more and more time. It is pleasing to see that our efforts are bearing fruit. During the year the Group's Shifts Lost Frequency Rate dropped 35 per cent to 419 per million man hours worked, with Beatrix achieving the best rate of 237 per million man hours worked. The Lost Time Injury Frequency Rate has fallen 32 per cent to 19 per million man hours worked. These figures compare favourably with the industry averages in South Africa, and a reduction in these rates will, we hope, lead to lower fatality rates. It is with considerable regret and dissatisfaction that we look back on the 47 fatalities during the year and, in particular, the gas explosion which killed seven of our colleagues at Beatrix in May 2000. These tragic events serve to strengthen our resolve to totally eliminate fatalities on our mines. We believe that, given the commitment of all of our people, this is an appropriate goal.

A remarkable feature, which distinguishes the South African mining industry from those in Canada and Australia, is the absence of a junior mining sector. All the ingredients exist for a junior mining community to thrive – such as good geology, entrepreneurial skills, technology and a developed capital market and banking sector. The dominance of the major companies may in

> Our goal is to make Gold Fields a household name and the investment of choice when large institutional investors in North America choose to invest in gold.

Cheryl Martin, Vice President North American Investor Relations

the past have precluded it, but today the opportunity to develop a junior sector in conjunction with black empowerment and wealth creation is in the interests of the country and the industry and is seen by Gold Fields as an opportunity. The Bakubung Initiative, which focused on identifying the impediments to the development of a junior mining sector and which has proposed a number of excellent solutions, has received Gold Fields' support.

A likely outcome will be the formation of a focused venture capital-type fund targeted at providing capital and technical assistance to junior mining projects, not exclusively gold but all mineral commodities, and with an empowerment bias.

Exploration

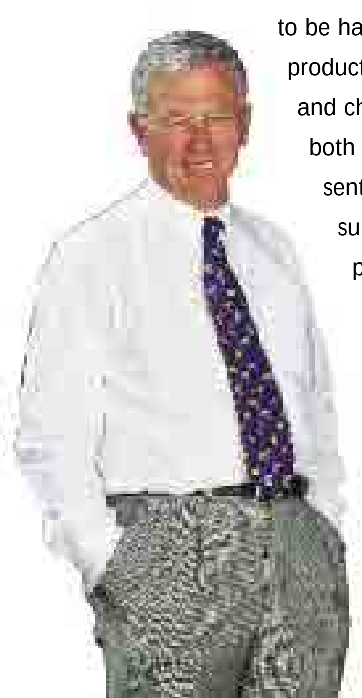
During the year Gold Fields spent R131 million on global exploration: R74 million was expensed and R57 million has been capitalised. Because of the sustained low gold price, junior exploration companies have been largely inactive, yielding few interesting projects available for earn-in.

Gold Fields' most promising project is the Arctic Platinum Partnership with Outokumpu in Finland. We can earn a 51 per cent interest by spending US$13 million on this complex of palladium rich platinum group elements (PGEs) occurrences in North Central Finland. Several discrete projects have been identified for drilling. Early results from the Ahrnavaara and Konttijarvi projects, both open pit prospects, are very encouraging, having shown an initial 2.9 million ounces of PGEs and gold in resource. The underground Penikat S.J. Reef project has encountered extremely high grades in reef structures of 1.25 to 1.50 metres in thickness. We anticipate an operation composed of a central milling facility, fed by large tonnage from open pits and augmented with high grades from other underground projects.

The gold market

The gold price remains disappointing and depressed. But for the decline in the value of the Rand, the South African industry would be facing a bleak outlook. At current prices, the entire industry is unable to replace reserves and the quality of the remaining reserves amongst global producers is deteriorating. The absence of junior exploration activity for the last five years means few reserves will come from the industry's traditional source. In the meantime, much of the world's producer group reports their reserves on the basis of a US$325 gold price. It would be illuminating to know what the world's true reserve is at US$275/oz and it is tempting to suspect the world's reserve base is declining quite rapidly without the mining community being fully aware of it. A lack of good data is the reason it cannot be confirmed.

For much of the past century, gold was the domain of central banks. In many parts of the globe it was illegal for individuals to own gold bullion. In others, if not illegal, ownership was made difficult. In this environment gold producers could hardly take ownership of their product. Today, and for the time being at least, the central banks appear to be handing the responsibility for our product back to us. Central bank sales and cheap lending programmes have both been an inspiration for negative sentiment about gold as well as a substantial source of additional physical gold into the market. For the industry to preserve its own future and restore equilibrium, it must adapt to the changed circumstances and develop and expand the market for gold.



The new Gold Fields International, post the Franco-Nevada merger, intends to take a role in exploring ways of developing a retail and institutional market for bullion products and to expand the market for jewellery. We also believe that a larger, more accurate statistical understanding of the gold market is needed and that a gold statistical agency, supported by all market participants, should be encouraged. Only then can the necessary insights to this mystical market be obtained.

Management changes

As mentioned previously, Ian Cockerill joined the company from AngloGold. He has assumed the role of Managing Director and Chief Operating Officer and has settled quickly and comfortably into his new role. He has made rapid changes to create a Technical Services Group at the corporate office which provides technical support to operations, thus increasing a function that had previously been depleted at Gold Fields.

Finally, on behalf of the board I would like to express my appreciation to our employees. Their dedication and commitment in this time of change and growth has laid the foundation on which we can build Gold Fields International. We look forward to an exciting, international future.

Chris Thompson
1 September 2000

The 2000 financial year, my first at Gold Fields, has been both challenging and encouraging. The building of a cohesive team continued following the combination of the Gencor and the Gold Fields of South Africa gold assets in 1998, with a great deal of effort focused on the merging of cultures, the development of a common identity and aligning our operational efforts with key value drivers.

At the beginning of the year we continued to operate under a poor gold price, trading at levels not seen for 20 years. The response was to ensure survival at the operations, yet maintaining the capacity to thrive under a more favourable gold price environment.

All our operations were reviewed to ensure they were adequately positioned to withstand a continued low price and, where necessary, correctly sized. This regrettably led to the reduction in both the workforce and capital expenditure programmes. Additional attention was also paid to working costs to ensure that wastage was kept to an absolute minimum and particular care was taken to ensure that mining quality took precedence over outright volume. It is pleasing to report that these initiatives have borne fruit for the period under review and augur well for future performance improvement throughout the group.

Several other challenges faced us during the past 12 months. An in-house audit, supplemented by an external review by consultants, was carried out to determine the constraints to improved performance and to identify and prioritise the key value drivers. Our safety performance had become somewhat static and was not showing the levels of improvement that are essential for a truly world-class organisation. The ore reserve situation was less than satisfactory at several key operations and required early attention if we were to avoid drastically curtailed mining flexibility over the next few years. Underground environmental conditions were not conducive to allowing the levels of operational efficiency that would permit greater performance and the planned levels of capital expenditure required a greater degree of in-house technical support.

The results of the review revealed the following key value drivers:

- Safety improvements could be achieved with a more disciplined approach to the inputs of safety and the commitment of the whole workforce.
- Increasing quality square metre output.
- Improving utilisation of spare shaft capacity and processing infrastructure.

> Our initiatives have borne fruit and augur well for future performance improvement throughout the Group.

Ian Cockerill, Managing Director and Chief Operating Officer

- Enhancing gold recovery from underground operations and surface plants.
- Reducing gold theft by installing additional gold plant surveillance measures.
- Continued reduction in unit working costs and the efficient allocation of capital.

The findings of this review have been factored into our current operational plans and will provide valuable input into this year's longer term strategic planning exercise. Over the next few years we will continue with the following broad-based initiatives:

- A marked increase in development will be pursued, particularly at the Driefontein No 5 sub-vertical and No 1 tertiary shafts, the Kloof No 4 sub-vertical shaft and Oryx, to achieve a minimum of two years' worth of developed reserves.
- Grid mining initiatives will continue to be implemented at Driefontein and Kloof to improve in-stope safety and productivity and enhance mining output and flexibility.
- Wherever possible, areas for inward investment to reduce working costs will be identified.
- Additional attention has been paid to the refrigeration and ventilation strategy throughout the Group, to ensure that optimum working conditions can be achieved for enhanced safety and productivity. Already a review has indicated the need for a significant upgrade at some operations and this process will continue.
- A "Full Compliance" safety and health initiative has been launched, with the support of all important role players in our operations.
- Supporting the "Full Compliance" initiative is the need for a comprehensive training and development programme for all of our employees. Currently Gold Fields spends approximately R140 million a year on training, a level of expenditure that we are likely to continue, so that our employees are able to reach their optimal potential.

- Supplementing, where necessary, our existing pool of technical and operational expertise so that we are able to meet the challenges ahead.
- Continuing with the very successful Safe Quality Daily Blast (SQDB) concept through which production teams are trained and motivated to achieve a safe daily blast at the stope face. Although still some way off from achieving this across the Group, encouraging progress has been made. During the year a new dimension was added to this concept in the form of, "Just one more safe, quality, daily blast", to link up with the findings of the review that added quality volume as a key value driving factor.

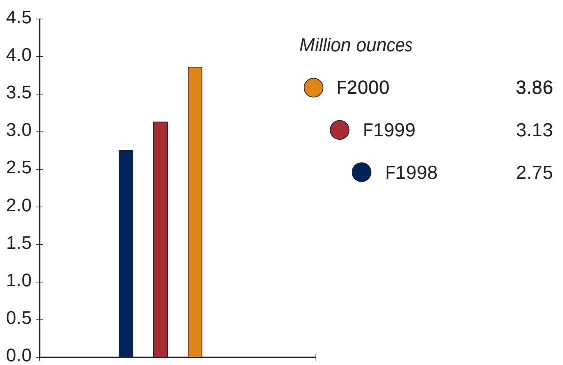
Gold output up again

Attributable gold production grew 23 per cent to 3.86 million ounces through increased output at the Tarkwa, Beatrix and Kloof mines as well as the inclusion of 100 per cent of Driefontein and the Oryx Mine, the latter of which is no longer being fully capitalised. Based on this year's operational performance, ongoing operational improvements and increased levels of development, Gold Fields is well positioned to maintain its output at approximately four million ounces per annum.

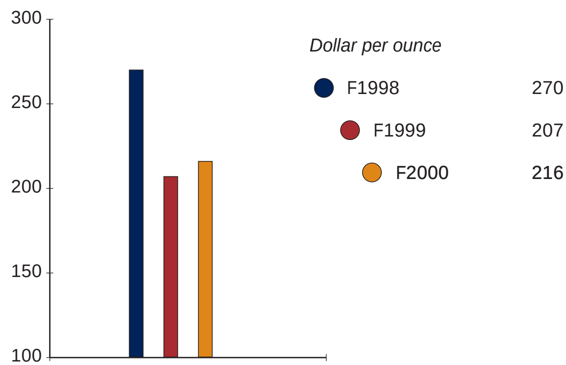
Cash costs under pressure

During the year Gold Fields achieved cash costs of US$216/oz largely through cost reduction programmes and the beneficial Rand/US Dollar exchange rate. The

Gold production – attributable



Cash costs



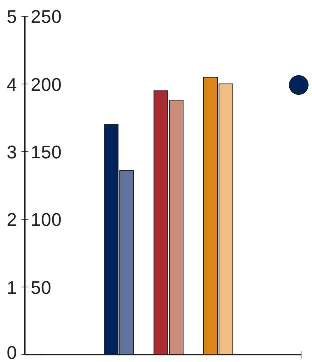
> "Our vision is to be an innovative, value-adding technical team, ensuring customer satisfaction through strategically directing the Group in technical excellence."

Brendan Walker, General Manager Technical Services

Beatrix and Kloof mines achieved cash costs of US$189/oz and US$177/oz respectively, whilst significant improvements were achieved at the Tarkwa Mine with cash costs down to US$196/oz. On the negative side, we have seen the Kloof Division's cash costs increase from US$205/oz to US$214/oz due to the lower than desired performance at Libanon Mine. Cash costs of US$307/oz at Oryx Mine will reduce in line with increased output. The mine achieved US$269/oz in the June 2000 quarter. Cash costs are expected to improve in the year ahead as productivity improvements and cost reduction programmes come to fruition.

The Group achieved cash costs of R44,036/kg (US$216/oz). It is anticipated that this figure will reduce in line with improvements in output at the Oryx and Leeudoorn mines and once the Libanon Mine has been restructured and the loss-making shafts closed.

Productivity



	m^2/TEC	g/TEC
F1998	3.4	136
F1999	3.9	188
F2000	4.1	196

Productivity improved

Two measures of productivity are utilised in the South African gold mining industry, namely, grams of gold per total employee costed (g/TEC) and square metres mined per total employee costed (m^2/TEC). Although m^2/TEC is a relevant measure in that it accounts for the quantity of ore broken per man per month, g/TEC is an equally important measure in that it considers the quality of ore reserve management and stoping which takes place.

In terms of both these measures, Gold Fields performed well in the year under review, with attributable g/TEC increasing by four per cent to 196 g/TEC and m^2/TEC increasing by five per cent to 4.1 m^2/TEC.

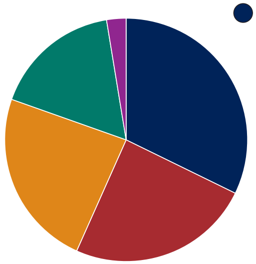
Capital expenditure reduced

Capital expenditure was constrained as a result of the low gold price and after having undertaken a thorough review of project viability. A new capital approval system was developed during the year and will ensure that all capital projects undergo scrutiny to ensure value addition to the Group. The bulk of our capital expenditure occurred at the Driefontein No 1 tertiary and No 5 sub-vertical shafts, the Kloof No 4 sub-vertical shaft, the Beatrix No 3 primary shaft and surface infrastructure at the Tarkwa Mine.

Conservative resource and reserve estimates

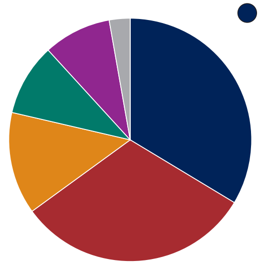
The Group's mineral resources and reserves have been restated at a gold price of US$285/oz (R62,310/kg) for the South African operations and US$300/oz for the Tarkwa Mine. Based upon these gold prices the Group has substantial attributable mineral resources of 145 million ounces, including mineral reserves of 70 million ounces.

Capital expenditure

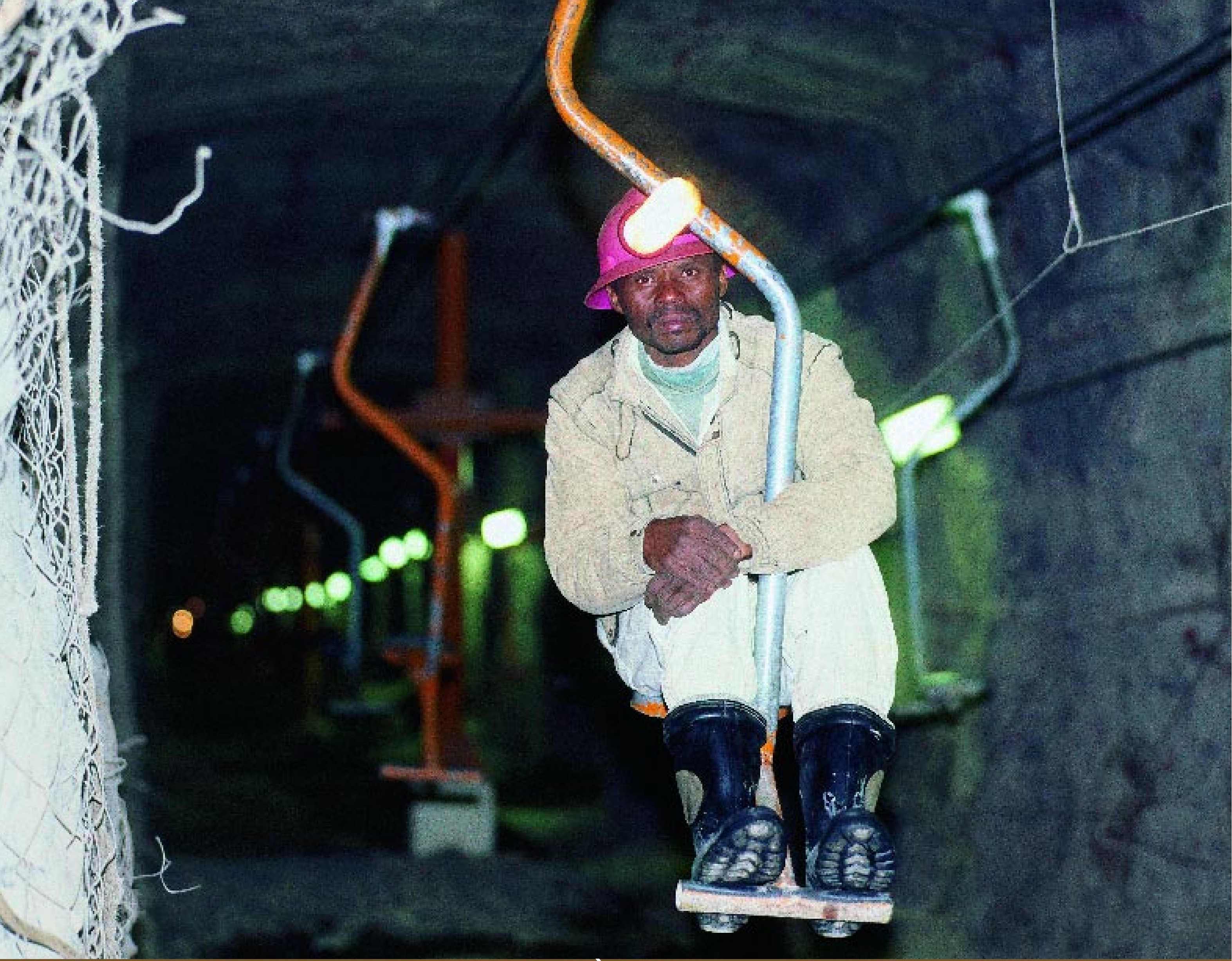


	F2000
R million	*658*
Kloof	212
Beatrix	161
Driefontein	156
Tarkwa	112
Oryx	17
St Helena	–

Attributable reserves



	F2000
Million ounces	*70.1*
Kloof	24.2
Driefontein	22.6
Beatrix	9.8
Oryx	6.9
Tarkwa	6.5
St Helena	2.0



Gold Fields' productivity performance during the year was good, with a four per cent increase to 196 g/TEC and five per cent increase to 4.1 m^2/TEC. Beatrix, in particular, has maintained its status as the gold mine with the highest productivity levels in the country.

Temba Chelepe using the underground transport system at Beatrix to reduce travelling time to and from working areas.

Improved safety

Increased attention to safety has shown a steady improvement in performance as measured by Lost Time Injury (LTIFR) and Shifts Lost Frequency Rates (SLFR). The LTIFR improved by 32 per cent to 19 lost time injuries per million man hours worked. SLFR improved by 35 per cent to 419 shifts lost per million man hours worked. It is with sadness and regret that we have to report that the Fatality Incidence Frequency Rate (FIFR) has regressed from 0.32 to 0.34 fatalities per million hours worked, despite the actual number of fatalities during the year having declined from 50 to 47. The FIFR was adversely affected by a single event at Beatrix Mine on 15 May 2000 in which seven of our colleagues regrettably lost their lives in an underground explosion. Our thoughts go out to all the family and friends of our departed colleagues and it is our sincere intention to substantially improve, all round, our safety performance.

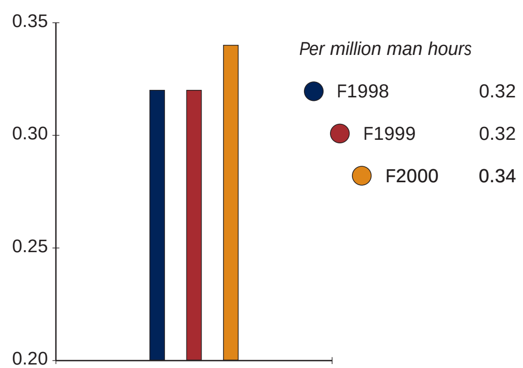
To this end, a new "Full Compliance" safety and health initiative was launched in June. The initiative, which has the support of representative unions and associations, aims to:

- Eliminate fatal accidents on Gold Fields' operations;
- Reduce other accidents by 50 per cent over a five year period; and
- Maintain a safe and healthy working environment.

The Driefontein Division won the 1999/2000 Chairman's Award for the best overall safety performance in the Group.

Occupational health remains an area of importance and focus, with the incidence of occupational lung disease and noise-induced hearing loss the main culprits affecting the health of employees. Statutory medical examinations were undertaken at all operations during the year in terms of the Mine Health and Safety Act (MHSA).

Fatal injury frequency rate



	Gold Fields			Australian metalliferous U/G			US U/G
	FIFR	LTIFR	SLFR	FIFR	LTIFR	SLFR	FIFR
F1999	0.32	28	646	0.39	16	195	0.25
F2000	0.34	19	419	0.17	12	100	0.29

FIFR – Fatal Injury Frequency Rate LTIFR – Lost Time Injury Frequency Rate SLFR – Shifts Lost Frequency Rate

Note: Ontario U/G Minerals: 1998-FIFR, 0.08 and LTIFR, 7; 1999-FIFR, 0.10 and LTIFR, 6.

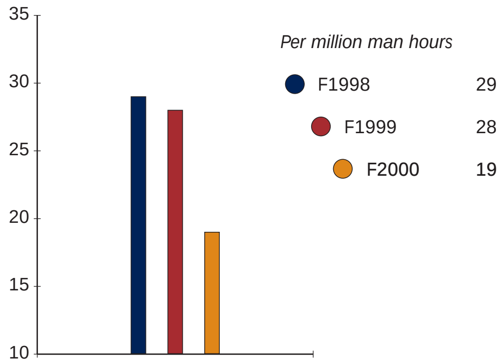
Safety and health remains a vitally important area of focus. A "Full Compliance" safety initiative was launched during the year with the aim of eliminating fatal accidents and reducing by 50 per cent all accidents on Gold Fields' operations.

Safe Quality Daily Blast (SQDB) Trainer Lefo Selai demonstrates the principles behind this philosophy.

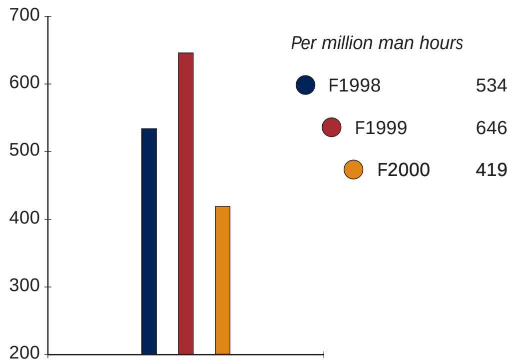
> Adherence to standards in health, safety and the environment have started paying off for Gold Fields.

Andries Leuschner, Senior Safety, Health and Environmental Consultant

Lost time injury frequency rate



Shifts lost frequency rate



Statutory medical examination in terms of the Mine Health and Safety Act (SA).

Initial	960
Periodic	42,668
Exit	4,594
Total	48,222

Taking care of the environment

Gold Fields' environmental management policies and practices are consistent with those of a global precious metals producer. We are making vigorous and continued efforts, both at the corporate and operational levels, to remain abreast of international thinking and developments in this critical area of our business.

“We believe in participation, communication and consultation with employees, their representatives and the state, on health and safety issues.”

Sendi Qunta, Group Safety Superintendent

Our focus is concentrated on:

- Clarification of environmental management targets;
  – We have introduced water quality objectives set by the Department of Water Affairs and Forestry (DWAF).
  – Radiation hazard assessments applied throughout the group are based on the regulatory dose limit of 0.25mSv/annum;
  – Dust control procedures have been negotiated with and agreed to by the Chief Air Pollution Control Officer.
- Increased levels of support to dedicated environmental managers at all Group mines;
- Continuing the ongoing programme of revegetation of tailings dams; and
- Conducting reviews of the approved Environmental Management Programme Reports (EMPRs) and maintaining their status as “living documents”. As a result of these reviews, the EMPR for St Helena Mine is being revised, and a combined EMPR for the Beatrix and Oryx mines in the Free State has been submitted to the regulatory authorities.

Inevitably, a critical area of our environmental management programme concerns the closure of operations. During the year our total mine closure liability was revised after having re-assessed closure costs on all of our operations. Following this review the accounting estimate of known closure costs has been revised to R320 million in present value terms. In determining this estimate a number of general environmental issues were taken into account, including:

- Realistic post closure management and monitoring costs;
- Adequate technical supervision of the closure process;
- Provision for possible future sinkhole development in the West Wits area; and
- Provision for post closure management of radiation issues.

The procedures that are in place and the developments that we have initiated place Gold Fields in a strong position to meet current and future environmental requirements in terms of financial provision, technical innovation and management practices.

In only two years this Group has transformed itself into a cohesive entity with a co-operative and consultative culture, achieved in the climate of a languishing gold price and a downsizing exercise. Yet the Group remains a significant employer in the South African context, with a labour force of some 55,000 people.

In this time, and particularly during the last year, we have seen the development of a new Gold Fields culture. There are still areas to be addressed, but we have made a good start in tapping the real potential of our people.

Areas of focus include:

- Continuous development of our people;
- Improving morale and motivation;
- Accelerating the transformation of the company;
- Increasing the representivity of previously disadvantaged employees;
- Understanding and managing the impact of the HIV/AIDS pandemic; and
- Improving relationships at all levels.

Our human resources strategy is a critical area for the company given that leadership and employee performance will be significant determinants of the success of our strategies for safety, production, productivity and enhanced cost control in the future. To achieve our potential we strive for far greater common purpose between the company and its employees.

Continual improvement and capacity building

To be an organisation committed to continuous improvement, with fully developed and committed employees and management, requires changes to the structures in which we operate and the re-design of traditional roles and functions. This process is underway throughout the Group. Our emphasis on capacity building is improving our competitiveness through increased productivity. A key component of this strategy is employee development through life-long learning, including Adult Basic Education and Training (ABET) as well as the development of a long-term employment equity plan. In addition to our extensive ABET efforts, which are provided on both a part and full time basis, Gold Fields has developed a "Basic Mining English programme" to bridge the gap to English literacy at our operations.

Currently about 550 people are employed on a full-time basis to provide and facilitate training and development throughout the group. Training is provided at 209 learning sites, including lecture rooms, simulated underground environments and training centres, at a cost of some R140 million per annum.

An emphasis on capacity building of people will improve Gold Fields' competitiveness. A key component of this is employee development through life-long learning, including Adult Basic Education and Training (ABET) as well as the development of a long-term employment equity plan.

Facilitator Silas Maakwe assists student Simon Munguambe at Driefontein's Training Centre.

"The fact that our people will ensure our competitive edge drives our determination to create and maintain a learning organisation."

Mike Adan, General Manager Human Resources

Management development is an important area of focus, particularly the implementation of management development programmes where succession planning and performance management, among other aspects, are addressed.

Employment Equity

Gold Fields' approach to employment equity in South Africa complies not only with relevant legislation but is also seen as a subset of a broader strategy of enhancing leadership and employee competencies. We aim to meet the requirements of stakeholders and ensure that the implementation of our plans make a significant impact on the make-up of the company.

The development of the Gold Fields Employment Equity Plan and Policy was undertaken during the year, with full consultation with all stakeholders and employee representatives through the Gold Fields Employment Equity Forum.

The Plan's objectives are to:

- Eliminate discriminatory practices where they exist; and
- Implement affirmative action measures aimed at the equitable representation of all our country's people at all occupational levels within the company.

The Gold Fields Employment Equity Report, which was approved by the Forum, has been submitted to the South African Government in compliance with the Employment Equity Act. The Report contains information relating to the composition of the South African workforce, as well as policies relating to recruitment, promotions, terminations, disciplinary actions and skills development, and steps taken to achieve employment equity.

Other aspects that have been addressed during the year include an employment equity training course, diversity workshops and communication briefs relating to employment equity. The Forum has conducted a discrimination analysis and issues identified are being addressed. Numerical targets have been submitted by each operation and are under review.

> "With best and proven practice we are committed to managing the incidence of HIV/AIDS cost-effectively and responsibly."

Stella Nonhlanhla Ntimbane, Group HIV/AIDS Programme Co-ordinator
and Andrè Bester, Group HIV/AIDS Project Leader

HIV/AIDS in the workplace

Developing an understanding of the impact of HIV/AIDS and the best way to manage this pandemic has also been an area of increased activity. With interventions in place to minimise the further spread of the virus on our operations, the focus has shifted to quantifying the impact of the pandemic on the group and developing strategies that will control or minimise this impact.

Awareness and education campaigns are ongoing with full employee and community involvement. Sexually transmitted disease monitoring has been stepped up, as has condom distribution. Counselling and wellness management programmes are also in place.

In terms of the impact on the Group, preliminary work has indicated that AIDS mortality rates will peak at approximately three per cent of the labour force per year over the next five years. The financial implications are being assessed and necessary interventions developed to manage this impact.

Current legislation prohibiting the testing for HIV by employers, although understandable in the broader human rights context, prevents proactive management of the disease and we believe that this needs to be reviewed by the South African Government.

Human resources strategy

Looking towards the future, there are two areas of strategic focus.

First, we need to foster our emerging new culture and broaden the building of trust between management, employees and employee representatives. This is being pursued through avenues such as the elimination of remaining discriminatory practices, widening channels of communication, the implementation of a more participative and effective communications strategy and a greater degree of co-ordination and participation in employee relations policies.

The second area of strategic focus is the ongoing capacity-building and change management initiatives that are moving Gold Fields towards a position of sustainable global competitiveness. Key features of this model includes the implementation of flatter and more effective management structures, as well as the development of a highly competent, motivated and productive workforce.

Gold Fields Limited has adopted the "South African Code for Reporting Mineral Resources and Mineral Reserves" (SAMREC Code), which came into effect in March 2000. The SAMREC Code is based on the September 1999 revision of the "Australasian Code for Reporting Identified Mineral Resources and Ore Reserves" (JORC code), and is internationally recognised.

The system is a strictly confidence-based resource categorisation and estimation procedure that classifies mineral resources and reserves. The various categories are defined as follows.

Mineral resources

A mineral resource is the estimated, in situ quantity and value of mineralisation where the nature and continuity of mineralisation are understood. Tonnage and grades quoted as mineral resources are in situ, estimated over a stoping width, and include only those portions considered potentially economic. Mineral resources are sub-divided based on sampling density and hence the confidence in their estimation. They are reported inclusive of those mineral resources upgraded to, and reported as, mineral reserves.

- Measured resources: The tonnage and grade estimated from underground workings and/or closely spaced drillholes which allow the continuity and nature of the reef to be established with a high degree of certainty.
- Indicated resources: The tonnage and grade estimated with a lower degree of certainty from more widely spaced information, usually using surface boreholes at a density of approximately 1 per 100 hectare.
- Inferred resources: Estimated on the basis of limited sampling, but where geological information gives a reasonable understanding of the continuity and distribution of the reef. Sampling is usually from widely spaced surface boreholes. These areas usually occur outside of the Mining Authorisation boundaries and are not generally reported.

Mineral reserves

A mineral reserve is that portion of the resource which technical and economic studies demonstrate can justify extraction at the time of the determination. Estimates of tonnage and grade quoted as mineral reserves include allowances for mining dilution and mining recovery factors. Mineral reserves are also sub-divided based on confidence.

> We intend to build up to two years of available, proved ore reserves at all our underground operations.

Jac Genis, Senior Consultant Mineral Resources

- Proved reserves: The portion of the measured resource that is technically and economically feasible to extract from the current mining infrastructure.
- Probable reserves: The portion of the measured resource that is likely to be technically and economically feasible to extract, as well as that portion of the indicated resource that is, or is likely to be, economically feasible to extract.

Competent person

The competent person, designated in terms of the SAMREC Code and taking corporate responsibility for the reporting of Gold Fields' mineral resources and mineral reserves is J H Genis, MSc (Geology), Pr.Sci.Nat., MGSSA. Senior Consultant; Mineral Resources.

Summary of resources and reserves at Gold Fields' operations

Summaries of the total Gold Fields Limited Mineral Resources and Mineral Reserves, split per mine, are shown below.

Measured, Indicated and Inferred Mineral Resources

	Category	Tons (Mt)		Grade (g/t)		Gold ('000 oz)	
		2000	1999	2000	1999	2000	1999
Driefontein Division	Measured	31.4	21.8	13.8	20.1	13,890	14,063
	Indicated	128.8	95.5	10.2	13.2	42,160	40,561
	Total	160.2	117.3	10.9	14.5	56,050	54,624
Kloof Division	Measured	44.2	33.5	16.4	21.0	23,240	22,649
	Indicated	59.6	48.1	16.6	21.4	31,880	33,049
	Total	103.8	81.6	16.5	21.2	55,120	55,698
Oryx Mine	Measured	6.0	5.9	9.3	16.7	1,790	3,209
	Indicated	24.6	14.9	8.9	15.4	7,070	7,421
	Total	30.6	20.8	9.0	15.8	8,860	10,630
Beatrix Mine	Measured	9.2	11.6	8.6	9.6	2,560	3,574
	Indicated	27.0	28.8	8.1	8.6	7,070	7,953
	Total	36.2	40.4	8.3	8.9	9,630	11,527
St Helena Mine	Measured	12.4	7.7	10.1	12.3	4,040	3,074
	Indicated	4.9	1.1	10.5	12.6	1,670	437
	Total	17.3	8.8	10.3	12.4	5,710	3,511
Tarkwa Mine	Measured	255.7	286.3	1.5	1.5	12,362	13,200
	Indicated	28.4	5.3	1.9	7.0	1,702	1,200
	Inferred	1.7		1.6		87	
	Total	285.8	291.6	1.5	1.5	14,152	14,400
Totals		633.9	560.5	7.3	8.3	149,522	150,390
Attributable						145,432	144,620

Notes: 1999 Mineral resources above a cut-off at R55,000/kg, except Beatrix, which was above a cutoff at a hedged gold price of R62,100/kg
2000 Mineral resources above a cut-off at US$285/oz (R62,310/kg) for SA operations.Tarkwa Mine resources above a cutoff of 0.5g/t
Mineral resources are reported inclusive of those mineral resources upgraded to, and reported as mineral reserves.
Mineral resources are quoted as in situ, estimated over a stoping width, and do NOT include allowances for mining dilutions or recovery factors.

- Mineral resources at Driefontein Division include resources below 50 level.
- Mineral resources at Kloof Division include resources below 39 level (Leeudoorn Mine) and 45 level (Kloof Mine).
- Tarkwa Mine Resources exclude Teberebie.

Proved and Probable Mineral Reserves

Mineral reserves in F1999 were quoted at a yield and as recoverable gold after the metallurgical process.

In F2000 the Mineral Reserves are quoted at head grade and as run of mine gold delivered to the plant. The 1999 and 2000 figures are thus not comparable.

		Tons (Mt)		Grade (g/t)	Yield (g/t)	Gold ('000 oz)	
		2000	1999	2000	1999	2000	1999
Driefontein Division	Proved	29.1	31.4	11.9	11.7	11,163	11,793
	Probable	40.4	37.0	8.8	9.7	11,413	11,481
	Total	69.5	68.4	10.1	10.6	22,576	23,274
Kloof Division	Proved	26.0	33.2	12.5	11.0	10,412	11,774
	Probable	33.4	39.4	12.8	11.6	13,784	14,728
	Total	59.4	72.6	12.7	11.4	24,196	26,502
Oryx Mine	Proved	5.7	9.5	7.4	9.7	1,349	2,953
	Probable	23.2	22.5	7.5	7.1	5,591	5,126
	Total	28.9	32.0	7.5	7.9	6,940	8,079
Beatrix Mine	Proved	12.9	17.4	6.2	6.0	2,557	3,398
	Probable	33.5	41.6	6.7	5.8	7,258	7,753
	Total	46.4	59.0	6.6	5.9	9,815	11,151
St Helena Mine	Proved	7.4	12.5	5.7	5.9	1,361	2,364
	Probable	3.5	1.7	5.6	7.3	629	402
	Total	10.9	14.2	5.7	6.0	1,990	2,766
Tarkwa Mine	Proved	133.7	80.9	1.4	1.1	6,143	2,923
	Probable	9.2		1.2		345	
	Total	142.9	80.9	1.4	1.1	6,488	2,923
Totals		358.0	327.1	6.3	7.1	72,005	74,695
Attributable						70,130	72,583

Notes: 1999 Mineral reserves above a paylimit at R55,000/kg, except Beatrix which was above a paylimit at a hedged gold price of R62,100/kg
2000 Mineral reserves above a paylimit at US$285/oz (R62,310/kg) for SA operations and US$300 for Tarkwa mine.
Grade (g/t) indicates grade delivered to plant. (ROM). Yield (g/t) indicates recovered gold after the metallurgical process.
Tarkwa Reserves exclude 0.41 million ounces probable reserve at Teberebie.

- Depletion of reserves due to mining amounted to 3.9 million ounces.
- Mineral resources below 50 level at Driefontein Division are excluded from mineral reserves until studies on the feasibility of mining below 50 level are complete.
- Mineral resources below 39 level at Leeudoorn Mine are excluded from mineral reserves of Kloof Division until the exploration drilling in the Eastern Boundary Area is complete and feasibility studies confirm that mining is viable.
- Mineral reserves at Beatrix Mine declined due to a higher paylimit as a result of the lower gold price compared to the previous hedged gold price, and a decrease in the forecast Mine Call Factor.
- Mineral reserves at Oryx Mine declined due to a higher paylimit and a reduction in the estimated average value for the orebody.

To indicate the sensitivity of the mineral reserves to gold price, the mineral reserves at the Witwatersrand operations are indicated at different gold prices in the table below:

Mineral reserves sensitivity to gold prices

	at US$250/oz (R54,600/kg)			at US$285/oz (R62,310/kg)			at US$300/oz (R65,600/kg)		
	Tons (Mt)	Yield (g/t)	Gold ('000 oz)	Tons (Mt)	Yield (g/t)	Gold ('000 oz)	Tons (Mt)	Yield (g/t)	Gold ('000 oz)
Driefontein Division	37.4	11.9	14,300	69.5	10.1	22,576	73.0	10.0	23,650
Kloof Division	49.5	13.8	22,000	59.4	12.7	24,196	68.0	12.1	26,500
Oryx Mine	25.3	7.8	6,320	28.9	7.5	6,940	30.4	7.2	7,037
Beatrix Mine	30.9	7.1	7,080	46.4	6.6	9,815	54.0	6.1	10,710
St Helena Mine	8.4	6.3	1,700	10.9	5.7	1,990	11.8	5.3	2,000
Totals	151.5	10.6	51,400	215.1	9.5	65,517	237.2	9.2	69,897

Notes: Reserves at Tarkwa Mine are excluded from the above sensitivity.
At US$300/oz (R65,600/kg) the resources below 50 level at Driefontein Division, and below 39 level at Leeudoorn Mine would probably be in the life of mine reserve, but are excluded in this sensitivity comparison.

The development of a new capital management system provides for the scrutiny of capital projects to ensure that value is added to the Group.

Equipping No 3 shaft at Beatrix in the Free State on schedule and within budget.

Gold Fields' operations are clustered into three divisions located on the world-renowned Wits Basin in South Africa, the Driefontein, Kloof and Free State divisions, as well as the Tarkwa Mine situated in Ghana.

Driefontein Division

The mine recorded significant improvements in safety during the period in terms of fatality rates which were down 20 per cent, LTIFR which was down 17 per cent and SLFR down by some 35 per cent.

Gold output declined marginally during the year to 1.4 million ounces as a result of lower face grades and the lack of mining flexibility experienced at the high grade No 4 East shaft and extensive seismicity in the western region of the mine. Area mined increased by three per cent and underground yields were maintained through reduced stoping widths. Surface gold production increased from 138,000 ounces to 146,000 ounces following the upgrading of the surface reclaim plant.

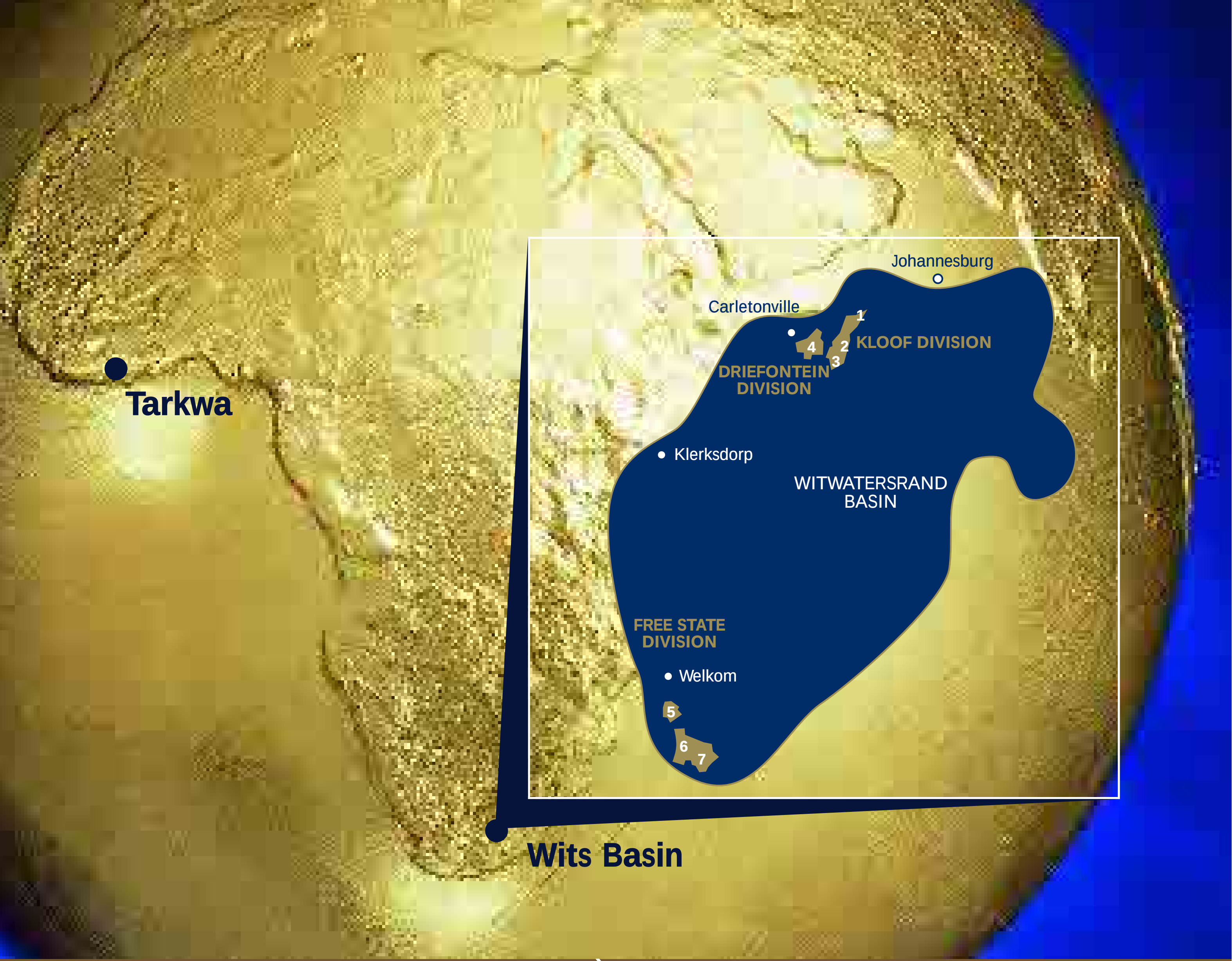
The decline in production, in turn, had a negative impact on cash costs, which rose by seven per cent from US$199/oz to US$213/oz. Cost per total ton milled increased by four per cent to R354/ton. Nonetheless, the planned productivity improvements were achieved, with m^2/TEC improving by 10 per cent to 3.4 m^2/TEC, mainly as a result of improved working practices and the implementation of sequential grid mining at the No 5 sub-vertical shaft.

Capital expenditure was reduced to R156 million, with the majority expended on development at the No 1 tertiary and No 5 sub-vertical shaft projects. Total development for the period declined to 36,190 metres, mainly as a result of lower capital development.

Year-on-year yield from underground was maintained at 10.8 g/t while the combined yield decreased by eight per cent to 7.8 g/t with the inclusion of surface operations.

Outlook

- The No 6 main shaft infrastructure will be closed as part of the strategy to optimise mining infrastructure ahead of the long term decline in gold production anticipated over the next two to five years, and the No 6 shaft workings will be accessed via the No 1 shaft complex. Gold from worked-out areas, either in the form of pillar mining or sweepings and vamping, will supplement normal production;



1 Libanon Mine
2 Kloof Mine
3 Leeudoorn Mine
4 Driefontein Division
5 Saint Helena Mine
6 Oryx Mine
7 Beatrix Mine

> Our focus on quality mining and the development of our people will secure our margins into the future.

Wayne Robinson, Managing Director Driefontein Division

Driefontein Division production statistics

			Year ended June 2000	Year ended June 1999
Area mined		000 m^2	759	736
Tons milled	– underground	000	3,614	3,920
	– surface	000	1,994	1,546
	– total	000	5,608	5,466
Yield	– underground	g/t	10.8	10.8
	– surface	g/t	2.3	2.8
	– total	g/t	7.8	8.5
Gold output	– underground	kg	38,954	42,194
	– surface	kg	4,543	4,293
	– total	kg	43,497	46,487
Gold output		000 oz	1,398	1,495
Cash costs		US$/oz	213	199
Capital expenditure		Rm	155.9	318.9

> Accelerating development at Kloof will improve our ore reserve flexibility.

Howard Laycock, Managing Director Kloof Division

- Increased output volumes are anticipated in the coming year from continued productivity improvements, as a result of ongoing education and training programmes and an increase in sequential grid mining over the traditional longwall mining;
- The mine is still vulnerable to seismicity, but this vulnerability is being assessed through a panel risk rating system, which has been implemented during the year, and offset by the sequential grid mining method;
- In terms of the longer-term metallurgical strategy, alternative plant technologies are currently being investigated, aimed at improving recoveries, lowering processing costs and reducing levels of gold theft;
- Development will be accelerated dramatically during the year to improve ore reserve flexibility;
- Increased sweepings and volumes are expected from worked-out areas, and surface tonnages from rock dumps are set to increase;
- Capital expenditure is forecast at R408 million, R306 million of which will be spent at the No 1 and No 5 sub-vertical shaft projects on development, ventilation and refrigeration requirements;
- Gold output is expected to increase during the year. The yield will be maintained and the planned productivity level for the year ahead is 4.0 m^2/TEC.

Kloof Division

The Kloof Division comprises the wholly owned Kloof, Leeudoorn and Libanon mines. During the year we recognised the need to restructure and operate these mines as a single entity along the lines of the Driefontein and Free State Division. This restructuring is now complete and the new management structure is in place to deliver improved safety, increased output, reduced costs and increased productivities.

The Kloof Division recorded excellent improvements in safety with a 43 per cent reduction in the number of shifts lost owing to injury. In addition, the division achieved a 32 per cent improvement in the LTIFR, whilst the fatality rate decreased by nine per cent.

Gold production at the Kloof Mine increased by 10 per cent to 892,000 ounces, whilst cash costs were maintained at US$177/oz. Productivity increased from

2.8 m^2/TEC to 3.1 m^2/TEC, primarily as a result of the SQDB efforts. There was a 20 per cent increase in metres developed during the period as the No 4 sub-vertical and No 3D sub-vertical shafts continued to advance as planned. R177 million was expended on capital projects required to maintain future production. Good progress was made with the introduction of sequential grid mining aimed at increased mining efficiencies, improved mining flexibility, managing the mining mix and decreasing pay limits. Yields for the year improved by 10 per cent to 14.6 g/t and a 12 per cent reduction in the pay limit was attained.

Gold output at Leeudoorn Mine remained virtually constant at 294,000 ounces as increased tonnage was offset by yields decreasing from 11.5 g/t to 10.9 g/t. Consequently, cash costs increased by four per cent from US$212/oz to US$220/oz, whilst productivities were maintained at 3.3 m^2/TEC. Leeudoorn Mine continued to make a positive contribution to the bottom line, although the mine is still hampered by a lack of ore reserve flexibility. The introduction of the scattered mining method has allowed for an increase in available reserves and has resulted in greater flexibility and better management of the mining mix.

Gold output at Libanon Mine decreased to 209,000 ounces as a result of the yield having decreased from 6.4 g/t to 5.5 g/t and tonnage throughput having decreased by 297,000 tons. The mine was restructured during the first half of

Kloof Division production statistics

		Year ended June 2000	Year ended June 1999
Area mined	000 m^2	773	795
Tons milled	000	3,936	4,190
Yield	g/t	11.0	10.5
Gold output	kg	43,394	43,965
Gold output	000 oz	1,395	1,414
Cash costs	US$/oz	214	205
Capital expenditure	Rm	211.9	210.1

A review to determine constraints to performance was conducted during the year. Key value drivers include increasing quality square metre output, the utilisation of spare shaft capacity and processing infrastructure, reduction in unit working costs and efficient allocation of capital, among others.

Manager Mining, John Hericourt at a secondary underground winder at Driefontein's, No 5 shaft.

the financial year and the workforce was reduced from 6,569 to 4,581 employees. Gold production was adversely affected by the lack of available pay face and seismicity in the high grade Ventersdorp Contact Reef (VCR) pillar section. Consequently, cash costs increased from US$274/oz to US$358/oz. Productivities increased from 4.0 m^2/TEC to 4.7 m^2/TEC during the year.

Outlook

- Gold output from the Kloof Division is to be maintained in the year ahead with lower yields being offset by increased volumes. At the Leeudoorn Mine there will be greater focus on effective on-reef development, ore resource management, increasing quality volumes and plans to increase mill throughput. The Kloof Division is vulnerable to seismicity, but appropriate panel risk techniques and the transition to sequential grid mining at Kloof Mine and scattered mining at Leeudoorn Mine is expected to mitigate this risk;
- A major drive towards the correct allocation of resources, both labour and equipment, has been embarked upon and strict cost controls should have a positive impact on pay limits. These initiatives should ensure that cash costs are maintained at current levels;
- Development rates are set to increase in line with sequential grid mining requirements at both the Kloof and Leeudoorn mines;
- Productivity is expected to improve from current levels and panel miner and production supervisor training and development will continue;
- For the coming year, the Kloof Mine will incur capital expenditure of R320 million mainly at the No 4 sub-vertical and the No 3D sub-vertical shafts. The bulk of this expenditure will be incurred on development, the implementation of hydropower and the improvement of underground environmental conditions. Capital expenditure of R69 million at Leeudoorn Mine is primarily focused on the surface borehole exploration programme in the Eastern Boundary Area and access development on 39 level. Minimal capital expenditure is planned for the Libanon Mine;
- Libanon Mine will be downscaled to reduce the drain on operating profits. This will involve the closing of loss-making shafts, a concentration of activities in the southern and central portions of the lease area and the incorporation of the restructured operation into Kloof Mine. Excess labour will, wherever possible, be redeployed throughout the rest of the Group.

> The change process is not only about saving costs, but about making money.

Dana Roets, Managing Director Free State Division

Free State Division

The Free State Division comprises the Beatrix, Oryx and St Helena mines.

Beatrix Mine

A tragic underground explosion on 15 May 2000 claimed the lives of seven of our colleagues and this had a detrimental impact upon the fatality rate on the mine.

During the year the fatality rate increased from 0.30 to 0.59 fatalities per million man hours worked while there was a 25 per cent decrease in the LTIFR and SLFRs. Beatrix has always been amongst the safest of the South African mines and considerable effort is being directed towards preventing a recurrence of the event.

Beatrix Mine has maintained its status as the gold mine with the highest productivity levels in the country and

Beatrix Mine production statistics

		Year ended June 2000	Year ended June 1999
Area mined	000 m^2	575	559
Tons milled	000	2,749	2,658
Yield	g/t	5.6	5.5
Gold output	kg	15,352	14,578
Gold output	000 oz	494	469
Cash costs	US$/oz	189	195
Capital expenditure	Rm	161.2	170.4

being at the lowest end of the cost curve. Gold output rose by five per cent during the year to 494,000 ounces due to increased throughput, whilst cash costs declined by three per cent to US$189/oz. The area mined increased by three per cent, resulting in a productivity increase of eight per cent to 7.0 m^2/TEC. Underground tons yielded 5.9 g/t, whilst some 168,000 surface tons at a yield of 0.5 g/t diluted the overall yield to 5.6 g/t. Low grade surface ore was treated over the Christmas and Easter breaks.

The overall capital project and installation of the hydropower plant and associated equipment at No 3 shaft is on schedule and within budget.

Outlook

- The underground yield will be maintained by increasing output from the No 1 shaft decline area and controlling the mining mix;
- Annual gold production and cash costs are expected to remain constant over the next year;
- Capital expenditure is forecast at R160 million, of which R132 million will be spent on the No 3 shaft project. Capital development to the reef horizon will commence during the third quarter of the coming financial year. The operational and layout design of the mining system at No 3 shaft will be finalised during the coming year with the primary aim being to double the current mine average of 7.0 m^2/TEC;
- A challenge for the year ahead is to increase productivity to 7.4 m^2/TEC.

Oryx Mine

Safety performance has improved substantially as measured by FIFR and LTIFRs with improvements of 33 per cent for each of these measures having been achieved. Oryx Mine achieved a FIFR of 0.1 per million man-hours worked, which was the lowest rate recorded for our South African operations. The SLFR decreased by 20 per cent during the year.

Gold output decreased to 183,000 ounces during the year as a result of a planned reduction but this was compounded by a two-week strike following a right-sizing exercise as a result of the reduction in output. At the same time a reduction in unpay mining resulted in a 25 per cent increase in yield to 7.9 g/t.

Oryx Mine has continued to incur losses but operating breakeven was achieved in the final quarter of F2000. Oryx Mine is being affected by the lack of ore reserve flexibility and, as a result, a decision has been taken to match output with the current ore reserve position, thereby continuing to make a profit, while increasing development to 2,000 metres per month. The aim is to achieve 24 months of available reserves within the next two years.

The capital programme has been scaled down with R16.7 million having been spent during the year under review.

> As we develop and align our strategic initiatives with key value drivers we will continue to improve in the years ahead.

Terence Goodlace, Group Strategic Planning Manager

Outlook

- The coming financial year will realise increased development rates and the anticipated holing of several payable raises thus increasing mining flexibility;
- In addition to the work done during the year, further efforts will be expended in developing a better understanding of the Oryx ore body and facilitate mine planning within the defined central pay shoot;
- Gold yields are expected to be in the region of 7.0 g/t, with annual gold production expected to increase marginally.

Oryx Mine production statistics

		Year ended June 2000	Year ended June 1999
Area mined	000 m^2	146	232
Tons milled	000	717	1,071
Yield	g/t	7.9	6.3
Gold output	kg	5,682	6,798
Gold output	000 oz	183	219
Cash costs*	US$/oz	307	–
Capital expenditure*	Rm	16.7	84.5

* Costs net of revenue were capitalised up to June 1999

St Helena Mine production statistics

		Year ended June 2000	Year ended June 1999
Area mined	000 m^2	235	214
Tons milled	000	1,056	1,074
Yield	g/t	5.2	5.6
Gold output	kg	5,475	6,019
Gold output	000 oz	176	194
Cash costs	US$/oz	271	258
Capital expenditure/(recoupment)	Rm	0.1	(0.8)

St Helena Mine

St Helena Mine has had a difficult year as far as safety performance is concerned. The fatality rate has increased from 0.30 to 0.47 fatalities per million man hours worked and the SLFR deteriorated by nine per cent. The LTIFR improved by 33 per cent year-on-year.

For the period under review, a two per cent decrease in tonnage milled and a seven per cent decline in the yield to 5.2 g/t led to gold production decreasing to 176,000 ounces.

St Helena encountered severe grade problems during the latter part of the year and is still grappling with ways to increase yield and hence gold output. Development at No 10 shaft has been increased to explore the area and open up new reserves. The concentration of mining was moved from the high grade, more carbonaceous basal reef areas at No 2 shaft to the lower risk, yet higher recovery percentage areas at No 8 shaft and No 10 shaft.

Cash costs increased by five per cent averaging US$271/oz for the year. Despite the mature nature of the operation, St Helena continued to achieve productivity rates of 5.5 m^2/TEC.

Outlook

- Development rates will increase substantially during the coming year in order to open up more mineable pay face. It is also planned to continue with a dedicated programme aimed at opening up large blocks of potential reserves, to generate more payable face and to improve mining flexibility;
- St Helena anticipates a marginal cash cost reduction through improved productivities and a further increase in tonnage in the coming year;
- Gold production is expected to improve over that achieved in F2000.

"We need to optimise the value of our assets by safely and responsibly incorporating every efficiency possible in the production of increasing amounts of low cost gold."

Dick Graeme, Managing Director Gold Fields Ghana Limited

Ghana Division

The Ghana Division comprises the Tarkwa Mine, owned by Gold Fields Ghana Limited in which Gold Fields holds a 71 per cent interest. Gold Fields manages the mine.

The Tarkwa Mine has had an exceptional year with gold output increasing by 44 per cent to 296,000 ounces during the year and cash costs being reduced to US$196/oz. Tarkwa exceeded all expectations in terms of tonnage throughput and cash costs. Capital expenditure amounted to US$17.6 million, mainly spent on extensions to the heap leach pads. A productivity level of 1,110 g/TEC was achieved.

Tarkwa was able to maintain the highest levels of safety standards, well within norms for international opencast mines.

Outlook

- During the year ahead output is expected to increase to more than 380,000 ounces as a result of the Teberebie acquisition. Through this acquisition Tarkwa will be able to increase tonnage throughput from the current average of 650,000 tons per month to 900,000 tons per month, whilst cash costs should be maintained below US$190/oz;
- A pre-feasibility study relating to a new carbon-in-leach processing facility, referred to as Phase III, which would lead to a further significant increase in output, has been concluded and a decision to commence with a full feasibility study will be made in the new financial year.

Ghana Division production statistics

		Year ended June 2000	Year ended June 1999
Tons treated	000	8,017	5,024
Yield	g/t	1.1	1.3
Gold output	kg	9,195	6,414
Gold output	000 oz	296	206
Cash costs	US$/oz	196	233
Capital expenditure	US$m	17.6	28.7

Bio-technology

Gold Fields is maintaining its position as the world leader in bio-technology for the treatment of refractory gold ores through its well-proven BIOX® process. An agreement was signed during the year to license the BIOX® technology to the Navoi Mining and Metallurgy Combinat for the Kokpatas project in Uzbekistan. Gold Fields will continue to actively market the technology to secure licensing opportunities to third parties and to use the technology as leverage into possible project equity opportunities.

Conclusion

While the past year has been full of challenges, the thorough reviews we have undertaken, the implementation of new systems covering working and capital cost control, the focus on key value drivers, enhanced planning practices and the recruitment of additional high calibre manpower will, I believe, better equip us for the period ahead. I feel it is also appropriate to pay tribute to all the operational, technical and administrative staff who have worked hard this year, under very difficult circumstances, to produce a sound performance and position themselves and Gold Fields for further improvements over the years ahead.

Ian Cockerill
1 September 2000

In-house technical support is being stepped up for the group to maximise efficiencies with a view to improving overall performance in a safe working environment.

Fusi Phatela installing distribution valves underneath underground backfill dams at Driefontein's No 5 shaft.

Management's discussion and analysis of the financial results

During the year under review the Group changed its primary basis of accounting from the appropriation method to the International Accounting Standards (IAS) method. The change in basis of accounting recognises the growing internationalisation of the South African economy and the necessity for the Group to align its accounting practices with those recognised and accepted by the international investment community. The change will facilitate easier comparison of Gold Fields' results with other international gold producers.

The main differences between IAS and the appropriation method used previously are as follows:

- Capital expenditure is amortised over the lives of the individual mines whereas it was previously appropriated from income.
- Provision is made for deferred taxation, as the adoption of the new accounting basis results in differences between tax values of assets and liabilities and their carrying value for financial reporting purposes. Previously no provision was made for deferred taxation in the statutory accounts as the appropriation of capital expenditure was considered to be a non-reversible tax benefit.
- The recoverability of mining assets is periodically evaluated and where the carrying value is considered to be impaired, an appropriate write-down is effected.
- Post retirement medical obligations are provided in full in the financial statements based on actuarial estimates whereas previously such obligations were funded on a "pay as you go" basis.

Results for the year

Net earnings for the year ended 30 June 2000 were R651 million, with earnings per share of 144 cents. The results are analysed as follows:

Gold sales of 3,922 million ounces were made (including Oryx which was regarded as an operating mine as from 1 July 1999 and excluding No 4 sub-vertical shaft at Kloof which is still undergoing initial development) which, together with silver revenue of R12 million, resulted in total revenue of R7,065 million. This compares with 3,285 million ounces of gold sales in the previous year, which generated total revenue of R5,731 million. This equates to an increase in revenue of R1,334 million, or 23 per cent over the previous year. The increase in revenue is due to a number of factors. Firstly, 100 per cent of Driefontein's results are included for the full year, whereas in the previous year results from Driefontein were proportionately accounted for at 38 per cent for the first half of the year. Secondly, Oryx Mine has been treated as an operating mine from 1 July 1999 whereas, in the prior year, the costs net of revenue were capitalised for the full year. In addition, due to the commissioning of Phase II during the year, Tarkwa Mine increased gold production by some 44 per cent compared to the previous year.

Revenue was negatively affected by a decline in the dollar gold price from US$287/oz in F1999 to US$284/oz in F2000. However, this was offset by a weakening in the Rand/US Dollar exchange rate from R6.05 in F1999 to R6.34 in F2000. The achieved rand per kilogram price of gold accordingly increased by 3.3 per cent from R56,090 to R57,919.

Cost of sales is analysed as follows:

	Rm
Cash costs	5,378
add: Other costs	
General and administration	220
Rehabilitation	30
Gold in process change	54
Royalty	(16)
Operating costs	5,666
Amortisation and depreciation	634
Gold inventory change	(63)
Cost of sales	6,237

Cost of sales, which comprises operating costs, change in gold inventories and amortisation and depreciation, increased from R4,721 million in F1999 to R6,237 million in F2000. This is due to an increase in operating costs from R4,304 million to R5,666 million and an increase in amortisation and depreciation from R396 million to R634 million. As with the increase in revenue, the increase in operating costs reflects the inclusion of 100 per cent of Driefontein's results for the full year, as opposed to the prior year, the treatment of Oryx as an operating mine for F2000 and the production build-up at Tarkwa.

A restatement of F1999's operating costs on a more comparable basis (inclusive of Oryx Mine and 100 per cent of Driefontein for the full year) yields pro-forma operating costs of R5,316 million, and this compared to the F2000 operating costs of R5,666 million, results in a 6.6 per cent increase. After normalising the effects of the production build-up at Tarkwa Mine, the operating cost increment is further reduced to 4.2 per cent year on year, evidence of sound cost containment during the year.

Operating costs and revenue exclude the results attributable to the No 4 sub-vertical shaft at Kloof Mine as this shaft is still undergoing initial development. Accordingly, expenditure net of revenue of R126 million was capitalised for the year. The corresponding amount capitalised for the previous year was R134 million. It is expected that the results attributable to this shaft will continue to be capitalised until commercial levels of production are reached, anticipated to be around mid F2002.

On a per unit basis cash costs increased to US$216/oz from US$207/oz in the previous year and total production costs remained virtually unchanged at US$240/oz.

The increase in amortisation and depreciation year on year is again due to 100 per cent of Driefontein's results being included for the full year combined with a shorter life, amortisation commencing at Oryx Mine as from 1 July 1999 and the increase in production at Tarkwa Mine. Amortisation was calculated based on gold produced during the year, using a gold price of R55,000/kg.

Operating profit for F2000 was thus R829 million compared to R1,010 million in the previous year. The decline is mainly due to a reduction in the US Dollar gold price achieved and the inclusion of Oryx Mine as an operating mine from the beginning of the financial year, all of which impacted on the operating margin in F2000. Oryx incurred a net operating loss of R114 million for F2000 after amortisation.

Other income at R117 million includes interest received of R54 million, dividends received of R29 million inclusive of R22 million from the Group's four per cent investment in Western Areas and an interest expense of R26 million of which R14 million relates to the project loan extended to Gold Fields Ghana Limited. The remaining R60 million includes revenue from scrap sales, rental income and sundry income. Interest received is some R124 million lower than the previous financial year as approximately R1.3 billion of cash was utilised to purchase AngloGold's interest in Driefontein in April 1999.

Corporate general and administration ("G & A") expenditure of R96 million represents under US$4/oz. The expenditure is considered cost effective by any comparison and is fully recovered from the operating mines and thus included in their operating costs.

Exceptional Items

Exceptional items of R270 million include a write-down of the carrying value of the Libanon mining assets by R100 million, retrenchment costs of R102 million and hedge buy back costs of R66 million.

The Group continuously reassesses the appropriateness of the carrying value and recoverability of its mine assets. As a consequence, the carrying values as at 30 June 2000 were compared with the net present values of the underlying operations using the latest Life of Mine plans, based on a gold price of US$300/oz and an exchange rate of R6.90. Applying this criteria, an impairment was identified at the Libanon operation and this, together with the continued operating losses incurred during the year, resulted in a decision to write down the carrying value of Libanon's mining assets by R100 million from R233 million to R133 million. Net of the deferred tax release, the effect on the income statement was a write-down of R54 million. The proposed downscaling of the operations should reduce the drain on profits.

A decision was made in September 1999 to close out all the Group's hedge positions with the exception of the forward sale commitments at Gold

Fields Ghana Limited which are required in terms of the financial covenants of the Tarkwa project finance facility. As a consequence, the repurchase of 1.7 million ounces of forward sale commitments and call obligations together with, where applicable, underlying Rand/US Dollar commitments was completed during the year. Of this 1.7 million ounces, 946,000 related to Beatrix, 341,000 to Oryx and 317,000 to Tarkwa. The net impact of the hedge repurchase programme on earnings for the year was a loss of approximately R66 million. Excluding the minority interests in Gold Fields Ghana Limited, the attributable loss incurred on the close out of the hedge position was R41 million. Although all losses were accounted for in full on close-out of the hedges, settlement of the underlying obligations is due on the original maturity dates of the underlying hedge positions. The remaining commitments in this regard are R49 million in respect of Gold Fields Ghana Limited, which is due for settlement during the period 31 May 2001 to 30 June 2003 and R18 million in respect of Oryx Mine which is due for settlement during the period 20 October 1999 to 30 October 2000.

The net impact of exceptional items after tax and minorities is a charge to income of R173 million against the previous year's charge of R2,003 million, which included the goodwill write-off arising from the reverse take-over of Driefontein, the write-off of Driefontein's No 9 and No 10 shaft complex, as well as the write-off of the Oryx mining assets.

Taxation

On 25 August 1999, the South African Revenue Services advised the Group that it would regard Oryx and Beatrix mines as one mine for income tax purposes. This ruling necessitated a restructuring of the Gold Fields Free State assets, whereby the remaining 45.8 per cent minority interest in St Helena was acquired in return for the issue of 4.4 million Gold Fields shares. This acquisition was deemed effective 1 July 1999. As a consequence of the restructuring, all of the Group's Free State assets are held in one legal entity, with St Helena having acquired the Beatrix Mine and associated mineral rights as well as the Oryx mineral rights. The effect of the tax ruling is that within the St Helena company, two tax ring fences exist, one for the Oryx and Beatrix mines and one for the St Helena mine. The South African normal tax charge for the year was favourably impacted by the above arrangement as assessed losses amounting to R383 million at Oryx Mine was utilised against Beatrix mine's income. It also enabled R162 million of prior year deferred taxation to be released at Beatrix mine, resulting in a net tax credit for the year of R38 million. The Oryx and Beatrix combined entity has assessed tax losses of R462 million and unredeemed capital expenditure of R1,858 million available for offset against future income whilst the St Helena Mine has available estimated tax losses of R41 million for offset against future income. By contrast, the Group's other operations, The Kloof and Driefontein divisions, are both tax paying entities and contributed R171 million in taxes to the fiscus during the year. The significant tax credit of R826 million in the prior year was distorted by a tax release on asset write-downs and by a R375 million deferred tax write-back due to a change in tax rates.

Net earnings for the year of R651 million (144 cents per share) contrasted with a loss in the previous year of R747 million (230 cents per share). Excluding the impact of asset write-downs in each year, comparable earnings were R705 million in F2000 (156 cents per share) and R1,241 million (382 cents per share) for the previous year. As referred to earlier, the major factors affecting the decline in earnings in F2000 were the reduction of operating margin caused by the lower achieved US$ gold price, the inclusion of Oryx Mine as an operating mine in F2000, the significant increase in amortisation, hedge buy back costs incurred in F2000 and the once-off benefit of a reduction in South African mining tax rates in the previous year.

A term of the recently announced merger with Franco-Nevada Mining Corporation Limited requires that neither group declare any dividends pending finalisation of the transaction. Accordingly, Gold Fields resolved not to declare a final dividend for the year ended 30 June 2000. The intention is that the inaugural dividend of Gold Fields International will take account of the deferral.

Cash flow

Net cash generated from operations during the year was R1,224 million after payment of taxes of R178 million. After dividend payments of R225 million and capital expenditure of R681 million the Group retained a positive cash flow of R259 million for the year. Group cash reserves at year end were R515 million compared to R256 million at the beginning of the year, after having retired all corporate short term loans of R72 million during the year.

The Tarkwa project finance facility was fully drawn down during the financial year to its facility limit of US$30 million. At the previous year end the amount drawn down was US$16 million. Other than the Tarkwa project finance facility, which is a non-recourse loan, the Group is free of debt. In addition, the Group has R400 million of committed banking facilities as well as access to R1.6 billion of uncommitted banking facilities.

Capital expenditure

Capital expenditure for the year of R681 million related mainly to the Group's significant capital programmes as follows:

- R139 million on the Beatrix No 3 shaft expansion project with cumulative expenditure to date of R690 million. Total capital expenditure is forecast at R1.3 billion with the shaft expected to reach commercial production in the 2001/2002 financial year. The increase in project cost over the original estimate is due to the capitalisation of development and the inclusion of additional environmental improvements.
- R137 million on Kloof No 4 sub-vertical shaft inclusive of capitalised development costs with cumulative expenditure to date of R735 million, and remaining capital expenditure forecast at R937 million. The project is expected to be completed in 2006.
- R81 million on the No 1 tertiary and No 5 sub-vertical shafts at Driefontein with cumulative expenditure to date of R1,666 million and remaining capital expenditure forecast at R1,184 million. The project is expected to be completed in 2006.
- US$16 million on the Phase 1 and Phase 2 projects at Gold Fields Ghana with cumulative expenditure to date at US$158 million. Remaining capital expenditure to complete the project is nominal at US$4 million.

It is anticipated that the funding for these programmes, forecast in nominal terms, will be from internal sources.

Other assets

Inventories increased by R103 million with gold in process contributing R66 million due to the increased production at Gold Fields Ghana.

Eldorado Gold Corporation, a Toronto listed gold junior in which the Group has a 37 per cent interest, completed an equity raising of C$8.55 million for exploration and development of existing properties, to fund capital expenditure and for general corporate purposes. The Group contributed C$1.44 million to such financing. Other significant listed investments are as follows:

- 3.8 million shares in Western Areas representing a four per cent interest.
- 0.3 million shares in Cluff Mining PLC representing a three per cent interest.
- 2.8 million shares in Brazilian International Gold Fields, a 16 per cent interest.
- 2.1 million shares in Acquest Minerals Corporation, a holding of 11 per cent.

Disposals

During the year the Gold Fields Security company disposed of all non-group security contracts as a going concern for a consideration of R1 million to Gray Security Limited. The company has accordingly been downsized and will in future provide security and protection services exclusively to the Group's mining operations, thus focusing on its core business and disposing of low margin non-core assets.

Provisions

Long-term provisions include R320 million in respect of accrued environmental rehabilitation obligations. The provision was restated as the Group changed its method of accounting for environmental obligations to comply with IAS 37 as described in note 8 of the Group annual financial statements. The amount provided represents the present value of closure, rehabilitation and other environmental obligations incurred to date. The provision is increased annually to take account of inflation, the time value of money and any new environmental obligations as and when they are identified.

The impact of the change in accounting policy on current year earnings is not material.

Contributions to dedicated rehabilitation trust funds established to finance closure and rehabilitation costs amounted to R26 million during the year. The total amount invested in the funds at 30 June 2000 amounted to R128 million, reflected as a non-current asset. Further annual contributions over the remaining lives of the mines should ensure that rehabilitation costs can be fully funded when the commitments fall due.

The Group's estimated liability at year end of post retirement costs being mainly in respect of pensioners and dependents of ex-employees amounted to R225 million. This obligation will be funded over the lifetime of the qualifying pensioners and dependents.

Hedging

When the hedge close-out was effected in September 1999 the Group retained 50,000 ounces of put options at Oryx Mine and 662,000 ounces of Rand gold call options previously acquired at Beatrix, thus providing the Group with upside participation to increases in the gold price. At financial year end, 428,390 ounces of the Beatrix call options remained unexercised with a mark to market valuation gain of R17 million. The profit made on close-out of certain of the options during the financial year was R5 million. Forward sale commitments outstanding at Gold Fields Ghana Limited at financial year end amounted to 160,000 ounces at an average strike price of US$292/oz and a mark to market valuation loss of R7 million.

The Group's hedging policy and hedging position as at 30 June 2000 are reflected on pages 110 to 111 of the annual report.

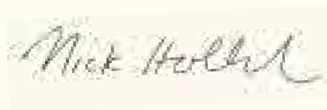
Net surplus

The net surplus generated for the year ended 30 June 2000, excluding amortisation, deferred taxation and exceptional items, but including capital expenditure, comprised:

	Rm	US$/oz
Revenue	7,065	284
Less costs:		
Cash costs	5,378	216
Group general and administration	220	9
Taxation	194	8
Net sundry income	(49)	(2)
Discretionary surplus	1,322	53
Capital expenditure (net of disposals)	658	26
New business development	74	3
Other investments	63	3
Net surplus	527	21

Other

Liquidity in the Group's shares continues at levels somewhat higher than the previous year with the average volumes of the shares traded over the year ending 30 June 2000, being 1,006,000 shares per day on the Johannesburg Stock Exchange and 302,000 shares per day on Nasdaq. On an annualised basis, this trading activity amounts to 75 per cent of shares outstanding. The increase in trade has been assisted by an increase in the free float to 89 per cent now that the Gold Fields Holdings pyramid structure has been collapsed, combined with the distribution by Gencor Limited of its 16 per cent holding in Gold Fields Limited to its shareholders earlier in the year.



Nick Holland

Executive Director Finance

1 September 2000

Shareholders' information

Analysis of shareholdings as at 30 June 2000

Shareholding		Individuals	Institutional investors	Nominee companies	Other corporate bodies	Total
1 – 5,000	Holders	23,934	782	828	39	25,583
	Shares	6,366,298	484,641	523,047	20,594	7,393,880
5,001 – 10,000	Holders	173	33	51	1	258
	Shares	1,178,393	239,881	362,510	8,235	1,789,019
10,001+	Holders	124	54	143	1	322
	Shares	20,972,655	52,984,901	370,228,281	18,250	444,204,087
Total	Holders	24,231	869	1,022	41	26,163
	Per cent	92.62	3.32	3.91	0.15	100
	Shares	28,379,955	53,709,423	371,113,838	47,379	453,250,595
	Per cent	6.26	11.85	81.88	0.01	100

Diary

Financial year-end	30 June
Annual general meeting	31 October 2000
Quarterly reports	January, April, August, October

Shareholder spread and beneficial ownership as at 30 June 2000

With the best knowledge of the directors and after reasonable enquiry, the spread of shareholders and those shareholders beneficially holding, directly or indirectly, in excess of three per cent of the issued shares, was as follows:

	Number of shares	Percentage holding
Directors	377,234	0.1
Rembrandt Group Limited	51,134,917	11.3
Old Mutual Life Assurance Company of South Africa Limited	38,591,373	8.5
Anglo American Corporation of South Africa Limited	26,781,391	5.9
Liberty Life Association of South Africa Limited	24,490,777	5.4
Genbel Securities Limited	19,651,704	4.3
RMB Asset Management	19,542,000	4.3
Other shareholders	272,681,199	60.2

Notice is hereby given that the annual general meeting of shareholders of Gold Fields Limited will be held at 24 St Andrews Road, Parktown, Johannesburg, on Wednesday, 31 October 2000 at 10:00 to

- consider the financial statements for the year ended 30 June 2000;
- elect directors;
- place the unissued shares under the control of the directors;
- authorise the directors to issue shares for cash;
- consider and, if approved, pass the following resolutions, as special resolutions with or without modification:

Special resolution number 1

"Resolved that the directors be authorised, up to and including the date of the following annual general meeting, to approve:

- the purchase of its own shares by the Company;
- any of the Company's subsidiaries acquiring shares in the Company; and
- the purchase of shares by the Company in any holding company of the Company;

Provided that:

- the general authority shall not extend beyond 15 months from the date of this resolution;
- the general authority to purchase be limited to a maximum of 10 per cent of the relevant company's issued share capital of that class at the time the authority is granted; and
- purchases must not be made at a price more than five per cent above the weighted average of the market value for the securities for the five business days immediately preceding the date of purchase."

Explanatory note on special resolution number 1

The special resolution is proposed to enable the directors, up to and including the date of the following annual general meeting, to approve the purchase of its own shares by the Company, for any of the Company's subsidiaries to acquire shares in the Company and the purchase of shares by the Company in any holding company of the Company's, provided that the general authority shall not extend beyond 15 months from the date of this resolution, the general authority to purchase be limited to a maximum of 10 per cent of the relevant Company's issued share capital of that class at the time the authority is granted and purchases will not be made at a price more than five per cent above the weighted average of the market value for the securities for the five business days immediately preceding the date of purchase.

The effect of the special resolution will be that the directors will, up to and including the date of the following annual general meeting, be entitled to approve the purchase by the Company of its own shares, any of the Company's subsidiaries will be able to acquire shares in the Company and the purchase of shares by the Company in any holding company of the Company, provided that the general authority shall not extend beyond 15 months from the date of this resolution, the general authority to purchase be limited to a maximum of 10 per cent of the relevant company's issued share capital of that class at the time the authority is granted and purchases will not be made at a price more than five per cent above the weighted average of the market value for the securities for the five business days immediately preceding the date of purchase.

It is the intention of the board of directors that they may use such authority should prevailing circumstances, including, inter alia, market conditions, in their opinion warrant it. This opinion, in considering the effect of such acquisition of shares, will ensure:

- the Company will be able, in the ordinary course of business, to pay its debt;
- the consolidated assets of the Company, fairly valued in accordance with Generally Accepted Accounting Practice, will be in excess of the consolidated liabilities of the Company;
- the Company will have adequate capital;
- the working capital of the Company will be adequate for at least 12 months' operations.

Special resolution number 2

"Resolved that the share premium of the Company presently comprising R7,357,956,717.70 be and is hereby reduced with effect from the date of passing of this special resolution number 2 by an amount of R10,648,629.60 so as to comprise R7,347,308,088.10."

Explanatory note on special resolution number 2

Special resolution number 2 is proposed in order to reduce the share premium of the Company by an amount of R10,648,629.60 which amount is equal to the difference between the strike price and the market price of shares in the capital of the Company arising on a transfer of participants from previous share incentive schemes to the GF Management Incentive Scheme, and which participants have taken delivery of shares to which they are entitled.

The effect of special resolution number 2 will be to reduce the Company's share premium by an amount of R10,648,629.60 to eliminate the amount not recoverable pursuant to the aforementioned transfer of participants from existing share incentive schemes. Such reduction will –

- have no effect on the Company's distributable reserves;
- have no impact on the earnings or profitability of the group;
- have no negative cash flow implications;
- not entail a payment of any amount to any shareholder or any other person;
- have a negligible (if any) effect on the net book asset value of the shares of the Company;
- not affect the Company's ability to settle its liabilities and to meet its commitments;
- not prejudice the Company, its shareholders or creditors.

A shareholder entitled to attend and vote at the meeting may appoint a proxy or proxies to attend, speak and vote in his stead. A proxy need not be a shareholder of the Company. Proxy forms must reach the registered office, or the London secretaries, or the Johannesburg or London transfer office of the Company at least 24 hours before the time of the meeting.

By order of the directors

T K Savage
Company Secretary
Johannesburg 1 September 2000

Company Secretary
Trevor K Savage

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