Focus on Value

GOLD FIELDS LIMITED ANNUAL REPORT 2001

GOLD FIELDS

Annual Report 2001

Company profile

Gold Fields Limited is one of the world's largest precious metals producers, with annual attributable gold production of about 3.66 million ounces, attributable mineral resources of 139 million ounces that includes mineral reserves of 79 million ounces. The company has operations in South Africa and Ghana (in West Africa) and gold and platinum group metals exploration activities in Africa, Australia, Europe, North America and South America.

Formed in 1998 through the combination of the gold assets of Gold Fields of South Africa Limited and Gencor Limited, the shares of the company are listed on the Johannesburg (GFI), Paris, London, Brussels and Swiss stock exchanges as well as on Nasdaq (GOLD) in the form of ADRs in the United States.

Gold Fields is the world's largest unhedged gold company, providing direct exposure to both the gold price and the underlying value and performance of the company. Its shareholders are based around the world, and increasingly in the United States, as the company offers value to traditional precious metals investors as well as to generalist and emerging market funds.

Forward looking statements

Certain statements in this document constitute "forward looking statements" within the meaning of the US Private Securities Litigation Reform Act of 1995. Such forward looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the company to be materially different from future results, performance or achievements expressed or implied by such forward looking statements. Such risks, uncertainties and other important factors include, among others: economic, business and political conditions in South Africa; decreases in the market price of gold; hazards associated with underground and surface gold mining; labour disruptions; changes in government regulations, particularly environmental regulations; changes in exchange rates, currency devaluations, inflation and other macroeconomic factors; and the impact of the AIDS crisis in South Africa. These forward looking statements speak only as of the date of this document. The company undertakes no obligation to update publicly or release any revisions to these forward looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events.

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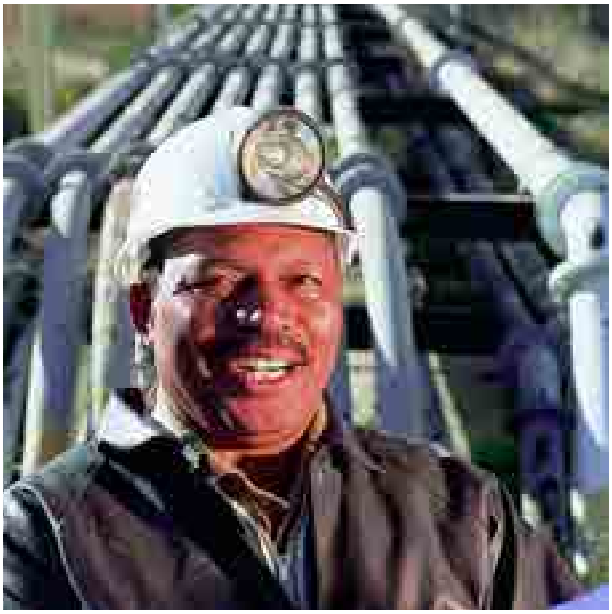


Cleopas Zeka, training officer at Driefontein 1 and 6 shafts.

Key features – 2001

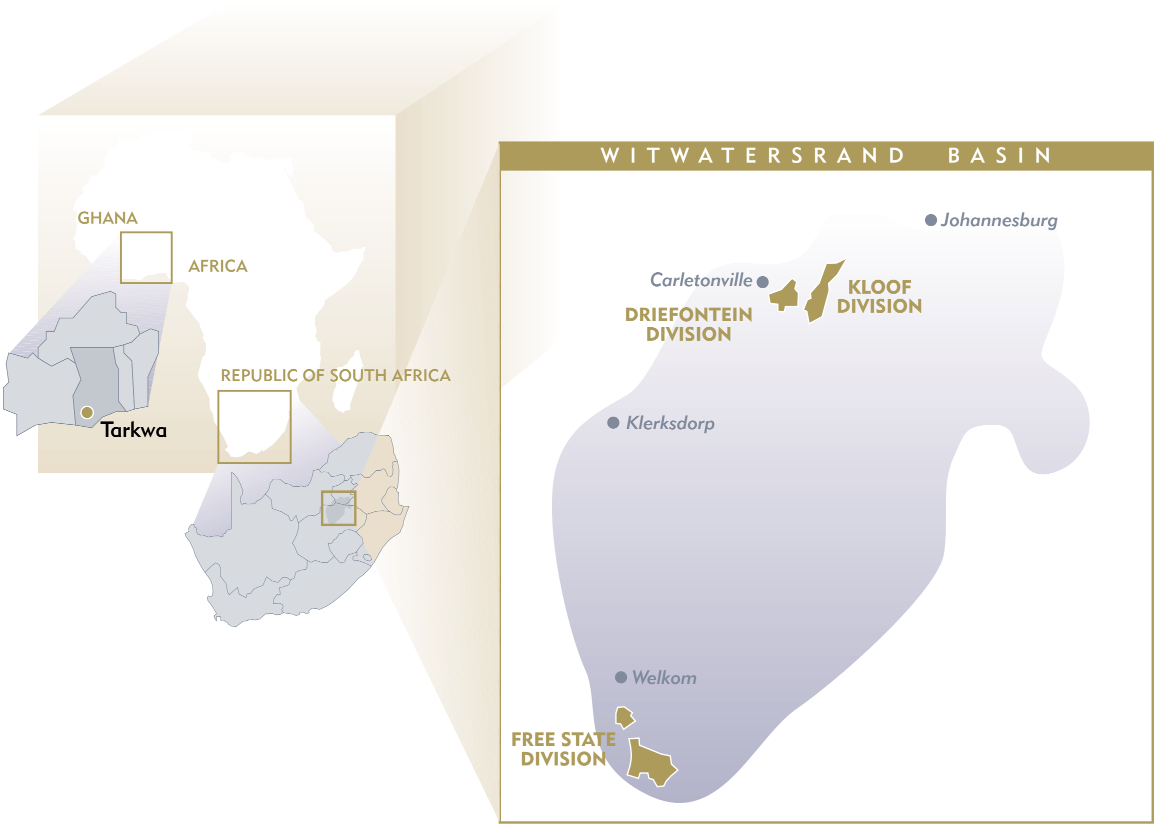
50 per cent increase in operating profit

Cash costs down to US$195 per ounce

Significant value-adding capital investment

Steady improvements in overall safety performance

Attributable gold production of 3.66 million ounces



HIGHLIGHTS

Figures in millions unless otherwise stated

United States Dollars			South African Rand	
Year ended 30 June 2000	**Year ended 30 June 2001**		**Year ended 30 June 2001**	Year ended 30 June 2000
1,114.4	**1,010.6**	Turnover	**7,690.6**	7,065.3
		Earnings/(loss) for the year		
111.2	**103.4**	Headline	**787.9**	704.7
102.7	**(119.2)**	Net	**(906.1)**	650.7
191.7	**207.8**	Net cash from operations	**1,595.8**	1,224.3
		Earnings/(loss) per share – cents		
25	**23**	Headline	**173**	156
23	**(26)**	Net	**(199)**	144
at 30 June 2000	**at 30 June 2001**		**at 30 June 2001**	at 30 June 2000
76.1	**23.5**	Cash	**190.0**	514.9
20.0	**–**	Long-term liability	**–**	135.4
56.1	**23.5**	Cash, net of long-term debt	**190.0**	379.5
1,213.4	**876.8**	Shareholders' equity	**7,075.6**	8,214.4
		Average Rand/US Dollar exchange rate for the year	**7.61**	6.34
		Operations		
		Gold production (million ounces)	**3.8**	3.9
		Cash costs (US$ per ounce)	**195**	216
		Gold produced per TEC (g/TEC)	**1.98**	1.96
		Square metres mined per TEC (m^2/TEC)	**3.9**	4.1

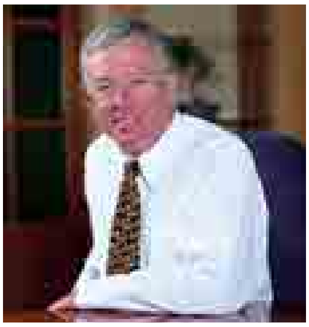
Key Value Driver #1

Improving SAFETY performance

Improving safety performance and a commitment to Full Compliance Initiative

Skills training underground at Beatrix followed up by competency assessment on the job.

Chairman's statement



Chris Thompson
Chairman and CEO

Results

Gold Fields Limited produced 3.66 million attributable ounces of gold for the year at an average cash cost of US$195 per ounce yielding headline earnings of R788 million (US$103 million). Asset write downs of R1,694 million (US$223 million) after tax, principally related to a reduction in the carrying value of the former Oryx property, reduced the bottom line to a loss of R906 million (US$119 million). Cash generated from operations before capital expenditure was R1,596 million (US$208 million).

Considering the decline in the average price of gold received from US$284 per ounce to US$269 per ounce, this year's operating performance was satisfactory as operating profit increased by 50 per cent from R829 million (US$131 million) to R1,246 million (US$164 million) and headline earnings increased by 12 per cent from R705 million to R788 million.

Some of this improvement can be attributed to the decline in the value of the Rand against the US Dollar from R6.34 to R7.61, but, considering the decline in grades, credit must also be given to our operating teams in containing the cash cost per kilogram produced at R47,710 per kilogram versus R44,036 per kilogram last year and in reducing the cost per ton milled by 13 per cent to R222 per ton. In view of South African inflation and declining ore grades, this achievement has been pleasing.

This is the second occasion on which we have had to reduce the carrying value of Oryx owing to its failure to turn the corner to profitability. Oryx, now known as Beatrix 4 shaft, has received a great deal of management attention over the last year. Despite an erratic level of payability in the orebody, reasonable grades and known pay shoots should allow this mine to be profitable. Much emphasis has been given to increasing the level of development in pay channels to improve flexibility and also to reducing throughput in line with available pay faces and infrastructure. Unquestionably, workforce attitudes at Oryx have contributed to the poor performance. The essential conditions for success, I believe, are now in place and if turn around is not achieved before the end of calendar 2001 some critical decisions will need to be made. Beatrix 4 shaft lost R106 million (US$14 million) for the year and in cash terms cost Gold Fields R77 million

(US$10 million). The carrying value has been reduced from R2,426 million (US$358 million) to R500 million (US$62 million).

Elsewhere in the Free State Division, Beatrix had another good year despite the appalling accident on 8 May 2001 in which 13 people lost their lives due to a flammable gas explosion. Beatrix (excluding 4 shaft) produced 498,000 ounces at a cash cost of US$171 per ounce for the year. St. Helena however, had a difficult time. This mine was started in 1946 and has produced over 850 tons of gold in its life. Significant gold resources remain at St. Helena, mostly at 10 shaft, but at current prices they are not economic. Much effort has gone into finding ways to extend the life of St. Helena, through combinations with neighbouring mines and other synergies, but with little success. Accordingly, in April a decision was taken to start a phased closure of the mine over the next two to three years. We are hopeful this can be done profitably.

The Driefontein operation had an improved year maintaining gold production above 10 tons per quarter despite lower grades milled. The mine achieved cash costs of US$183 per ounce compared to US$213 per ounce the previous year. Driefontein has a considerable inventory of above ground rock dumps that can be very profitably processed to produce gold at less than US$100 per ounce. Work is underway to reconfigure and upgrade the Driefontein plants which will allow the accelerated treatment of the dumps over the next few years. The effect will be to defer the decline in production expected as underground grades drop and production swings to the deeper southern reaches of the property.

Kloof and its sister operations at the former Libanon and Leeudoorn mines had a year of mixed fortunes. The decision to scale down the bulk of the underground operation at Libanon was put into effect in the first quarter and contributed to a reduction in output and an elimination of some of the losses from that mine. However, poor performance from Leeudoorn in the second half of the year and a series of difficulties at 3 shaft at the Kloof mine, more than offset any gains from the Libanon scaledown. The Kloof division produced 1.21 million ounces at US$204 per ounce. We look for a better performance from Kloof this year.

Tarkwa had another good year, substantially outperforming its budget and producing a total of 439,800 ounces (312,700 ounces attributable to Gold Fields), at a cash cost of US$155 per ounce. Tarkwa is now at a steady state and I expect it to maintain in excess of 500,000 ounces a year for the next two years at least, although cash costs will rise slightly, reflecting lower grades and rising strip ratios. A decision is still pending on whether to build a mill at Tarkwa to treat deeper ores as opposed to heap leaching them.

Safety

It was particularly disturbing to have a second flammable gas explosion at Beatrix killing 13 people almost a year after a similar accident at the mine killed seven people. The accident came as a shock to everyone at Gold Fields and has been a great setback to our safety efforts which had been making successful strides to improve safety performance. Page 14 of this report shows that over the last four years we have significantly reduced lost time and shifts lost injury rates, and, but for the Beatrix accident, would have significantly reduced our overall fatality rates. Seismicity at Kloof and Driefontein remain a continuing concern especially in those areas where pillars and remnants are being mined at depth. As production swings in future to a predominance of grid mining at Kloof and Driefontein we expect less damage from seismic events. Following the Beatrix disaster we announced our intention to establish the Gold Fields Education Fund which will provide for the primary and secondary education costs of dependant children who have lost their family breadwinner through a mining accident.

Health

Lack of a visionary plan or concerted action from the government in dealing with HIV/AIDS in South Africa has forced companies and other institutions to find their own solutions to the problem. Gold Fields has been at the forefront of these initiatives.

There are many misconceptions about AIDS in South Africa, all contributing to overdramatised perceptions of its likely impact.

Firstly, the overall prevalence for South Africa is between 11 and 12 per cent, not the 30 to 35 per cent often quoted in the media. Those high figures represent prevalence only in high risk, sexually active groups. Second is the perception that mineworkers are an extraordinarily high prevalence group and that this prevalence is caused by the migrant labour system. Prevalence on Gold Fields mines is calculated at 26.4 per cent, a figure similar to the generally accepted 27 per cent for all South African males in the 20 to 65 age group. Nor is the word migrant an appropriate description as we provide permanent employment to all employees, who have a choice between living in hostels or in the local communities. The annual work contract which underpinned the old migrant system was abolished in 1986 when the legislative constraints on permanent employment were lifted.

Gold Fields has for some time been anticipating the increased incidence of HIV. Our strategy focuses on prevention through training, awareness, and syndromic management of sexually transmitted diseases; it focuses on wellness programmes for those with HIV/AIDS through the provision of immune boosters and prophylaxis against TB and other opportunistic infections and thirdly, it focuses on the provision of home-based care for the terminally ill. We are also investigating the broad-scale use of anti-retroviral therapies.

Through the use of comprehensive actuarial models integrated into the detailed life of mine plans, we have been able to assess the impact of AIDS on the future of our operations. Without interventions, prevalence could rise to nearly 40 per cent and cost per ounce of gold produced could increase by US$10. However, both our prevention and wellness management strategies are working well and by preventing new infections and prolonging lives, we hope to reduce the impact to below US$5 per ounce at the peak of the incidence in about 2009.

Exploration

Our new look exploration team has been at work for two years now and is starting to show success. The most significant result has been the Arctic Platinum Partnership (APP), a joint venture with Outokumpu in Finland which has produced a significant

palladium-rich discovery in Central Finland. An extensive drilling program over the last 18 months has defined approximately 117 million tons of resource grading 1.58 grams per ton containing approximately 6 million ounces of platinum group metals. The ore zones, wide and open along strike, are permissive for the discovery of a much larger tonnage. The project is advantaged in that it is close to tide water and within 200 kilometres of a smelter owned by Outokumpu which is capable, with some modification, of handling platinum group concentrates.

Scoping studies for a project sized to produce more than 400,000 ounces a year of platinum group metals suggest sturdy economics at prices below US$350 per ounce for palladium and platinum. Much further work needs to be done on metallurgical testing and a detailed feasibility will not be available until September of 2002. Only then will a definitive picture emerge of this intriguing project.

Reserves

During the year the new head of our geology function initiated a complete re-examination of Gold Fields reserves and resources and in this report you will find a new and higher level of disclosure than in the past, as well as new figures.

The new figures have been upgraded in terms of consistency of methodology and practice between the mines, they incorporate the latest information with respect to new exploration and pay trends as well as costs, and are done at the equivalent of US$270 per ounce. The most fundamental change has been to differentiate reserves and resources that are above and below infrastructure. In the past disclosure had included a selective amount of reserves below infrastructure but not all. (Of course this distinction does not apply to Tarkwa, an open-pit operation).

On this basis Gold Fields has resources of 107 million ounces above infrastructure and 37 million below, for a total of 144 million ounces, little changed from last year. In the form of reserves there is a significant increase due to the inclusion of some 21.4 million ounces below infrastructure at Kloof and Driefontein which when combined with the reserves above infrastructure gives a total new reserve of 81 million ounces for the Group.

The re-appraisal exercise at Tarkwa was not complete as of the time we went to press. The figures shown are an updated version of last year's reserves. New figures will be released as they become available.

Strategy

Looking back over the year, the key event was the denial in October 2000 by the South African Finance Ministry of our proposed merger with Franco-Nevada Mining Corporation Limited. This was to be a trans-border transaction between a Canadian and South African company and would have created the largest unhedged gold producer in the world with the strongest balance sheet in the industry. Also, it would have liberated Gold Fields from the constraints it faces in its lack of ability to replace reserves in South Africa.

It was a merger, once understood by the investment community, that captured the imagination of all and the bitter disappointment that followed the turn-down by government contributed to increased negative investor sentiment about South Africa. It was a blow to me and to Gold Fields.

However, my mandate is to internationalise the company and despite the limitations introduced by the Franco ruling, I believe this is still possible. Our two-pronged strategy remains. First, we will continue to focus on improving costs and production at our existing operations in South Africa. This effort is being convincingly led by Ian Cockerill and our results this year reflect it. I expect further improvements in the years to come as this remains a core strategy. Second, to diversify and grow the company, we aim to discover and/or acquire new reserves wherever they exist; every indication is that the best geologic opportunities lie outside South Africa. Apart from the expansion of our Tarkwa operation little else has been achieved in this regard. This is not entirely by accident. Several acquisition opportunities to buy projects or companies have been considered or pursued. Ultimately, most have proved to offer little or no return as the market continued to price in expectations of a quick reversal to a US$300 gold price. Buying new operations which offer 3 per cent returns when the cost of finance is over 8 per cent is a guaranteed way to destroy shareholder value. Much higher returns have been available through investing in cost reduction in our existing operations, at lower risk. These investments, furthermore, did not add gold to an already oversupplied gold market.

I believe this refusal to chase low return propositions, coupled with improving operations and an unblemished balance sheet, have kept Gold Fields healthy and contributed to our strong stock out-performance over the last year when compared against our competition.

Interestingly, the outlook for this year is one of better pricing for gold projects, less competition from an industry struggling with debt and, perhaps, a better outlook for the gold market. This is indeed a time for Gold Fields to become more aggressive and we expect to be quite active this year on the international front.

During the year, Tokyo Sexwale, chairman of Northam Platinum and a director of a number of other South African companies, joined the board and immediately started to make material contributions. He replaces Emil Bührmann who resigned following the sale of the Rembrandt interest in Gold Fields to Anglo American plc.

Finally, on behalf of the board I wish to express our collective appreciation to all employees in Gold Fields. This has been another trying year characterised by declining gold prices and no new relief for the industry. Franco-Nevada was a big disappointment and the threat of being acquired by AngloGold was a source of concern to you all. That's largely behind us now. We still have our independence and some of the best assets in the business, and reason to be proud of what we have achieved so far.

This will surely be a better year for Gold Fields.

Chris Thompson

Key Value Driver #2

Increasing quality m^2 OUTPUT

Increasing quality square metre output through a Safe, Quality, Daily Blast programme

Albert Chitive and Gerhard Dreyer, working on a development drill rig at Kloof 4 shaft.

Group value-added statement

for the year ended 30 June 2001

	%	2001 Rand million	%	2000 Rand million
Value-added				
Turnover		**7,690.6**		7,065.3
Cost of materials and services		**2,821.5**		2,872.0
Value added by operations	**98.6**	**4,869.1**	98.1	4,193.3
Dividend and other investment income	**1.4**	**69.0**	1.9	82.8
	100.0	**4,938.1**	100.0	4,276.1
Value allocated				
Employees				
Salaries, wages and other benefits	**61.4**	**3,032.2**	68.3	2,920.6
Providers of capital	**10.0**	**492.1**	2.6	111.2
Dividends paid to shareholders	**9.7**	**477.7**	2.1	90.7
Interest paid	**0.3**	**14.4**	0.5	20.5
Government				
Taxation	**2.0**	**97.9**	4.5	193.8
Re-invested in the Group	**26.6**	**1,315.9**	24.6	1,050.5
Amortisation and depreciation	**12.4**	**614.9**	14.8	633.7
Deferred taxation	**(3.3)**	**(164.0)**	(5.4)	(232.3)
Impairment of mining assets	**43.0**	**2,121.2**	2.4	100.0
Write-down of investments	**1.2**	**60.5**	–	–
Minority shareholders' interest	**1.3**	**67.1**	(0.3)	(10.9)
Retained earnings for the year	**(28.0)**	**(1,383.8)**	13.1	560.0
	100.0	**4,938.1**	100.0	4,276.1

Key Value Driver #3

Increasing development for RESERVES

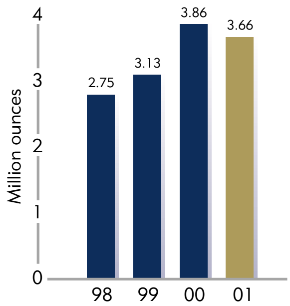
Increasing development for reserves

Surface training centre at Beatrix focusing on hazard identification for loco drivers.

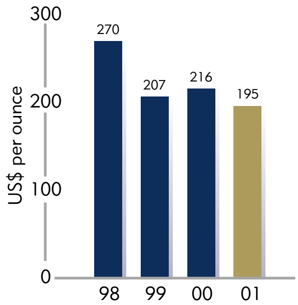
Managing Director's Report

Ian Cockerill
Managing Director

Gold production (attributable)



Cash costs



Review of the F2001

The financial year 2001 has brought with it many opportunities and challenges for Gold Fields and should be viewed as a year of consolidation, in which the foundations have been laid for enhanced future performance. Gold output was marginally lower due to planned production cutbacks at loss making shafts, the Rand price of gold received was higher, and good progress was made in cost control across the Group which resulted in a 50 per cent improvement in operating profit.

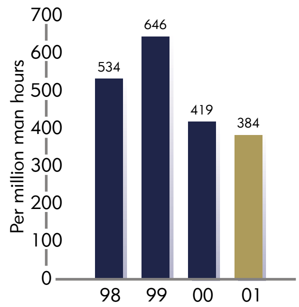
While overall safety statistics showed a pleasing improving trend, the year was marred by the tragic accident at Beatrix 2 shaft where 13 of our colleagues lost their lives. However, overall safety performance was enhanced by the introduction of our Full Compliance Initiative.

Continuing the theme of inward investment to reduce costs and elevate performance, good progress was made in the implementation of improved information, costing, capital control and planning systems. Ore reserve development was stepped up to increase ore reserve flexibility, metallurgical plants were modernised and several major capital projects were commissioned on schedule.

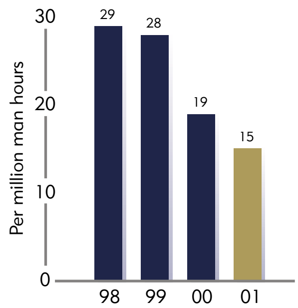
In last year's annual report, I shared with you some of the key value drivers to enhanced performance in the Group. The most important initiatives were:

- An improved safety performance, with the emphasis on inputs to safety and a commitment to the Full Compliance Initiative;
- Increasing quality square metre output, through a Safe, Quality, Daily Blast (SQDB) programme;
- Increasing development to achieve a minimum of two years' worth of reserves at each of our underground operations, with the exception of St Helena;
- Improving gold recoveries, both from underground and metallurgical processes;
- Enhanced information systems to assist line management in decision making, and
- Continued focus on controlling working costs and the efficient allocation of capital.

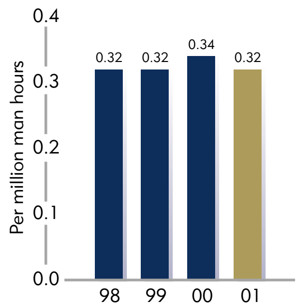
Shifts lost frequency rate



Lost time injury frequency rate



Fatal injury frequency rate



As you will see from the following comments, significant progress has been made in all of these areas, although there is still room for further improvement. However, what is encouraging is the enthusiasm that senior staff have shown towards these issues and the commitment displayed towards attaining these goals, and in the process fundamentally improving the prospects for the Group.

Improved safety

The 2001 financial year was a mixed one as far as safety is concerned. The year started off well, with improvements in all safety related statistics, but deteriorated in the final quarter, particularly after the previously mentioned accident at Beatrix. In all, 44 employees lost their lives in work related accidents on Gold Fields operations during the year. This is unacceptable to us and we, as a Group, are committed to working with our employees and all union representatives to eliminate fatalities and other accidents. Our condolences are extended to the family and friends of our deceased colleagues.

Nonetheless, it is encouraging to note the steady improvements that have been made:

- The Fatal Injury Frequency Rate (FIFR) decreased by 6 per cent to 0.32 fatalities per million man hours worked;
- The Lost Time Injury Frequency Rate (LTIFR) decreased by 21 per cent to 15 lost time injuries per million man hours worked and
- The Shifts Lost Frequency Rate (SLFR) decreased by 8 per cent to 384 shifts lost per million man hours.

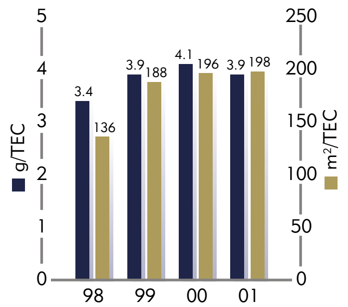
In addition it is pleasing to report that Driefontein, Kloof, Oryx, and Beatrix all achieved one million fatality free shifts during the year.

There is no doubt in my mind that the reason for these improvements can be traced back to the introduction of the Full Compliance programme across the Group, which began in June 2000, with the enthusiastic support of all unions, associations and employees. The Full Compliance Initiative aims to achieve:

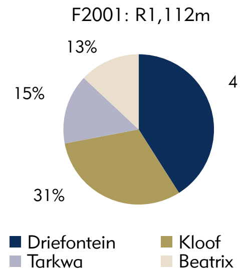
- The elimination of all fatal accidents on our mines
- A reduction in all accident rates by 50 per cent over a five year period, commencing June 2000 and
- Maintaining a safe and healthy working environment at all times through quality training, good practice and total employee commitment.

Despite the setbacks that we have faced throughout the year, including four multiple fatalities which collectively resulted in the loss of 21 lives, our commitment to safety and health improvements continues and is of the highest priority. While it is still early days, the introduction of the panel miner

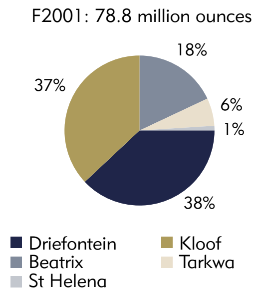
Productivity



Capital expenditure



Attributable reserves



concept has been shown to have a positive impact on safety performance. However, the year ahead will require a concentration on addressing safety structures, practices and training, within the framework of the Full Compliance Initiative, such that the positive safety trend can remain intact.

Noise induced hearing loss (NIHL), pulmonary tuberculosis (TB), and silicosis remain high risk occupational diseases. Submissions for compensation for NIHL have increased with a reduction in the legislated levels for compensation. Increased attention is being paid at all our operations to improving hearing conservation programmes to both prevent and reduce the impact of these more stringent limits. The group has a world class TB management programme which includes surveillance and treatment protocols to reduce the incidence and transmission of TB. The linkage of TB to HIV and ultimately AIDS is well known and the pioneering work carried out by Gold Fields personnel is being recognised as a role model for the rest of the industry in understanding the progression and real financial impact of this disease.

Operational performance

Attributable gold production for the year dropped to 3.66 million ounces from the previous year's 3.86 million ounces. Increased output from Tarkwa and Beatrix was offset by reductions elsewhere. Driefontein gold output dropped marginally despite significant increases in seismic activity at the higher grade 5 shaft west and 4 shaft east. The drop-off in underground production was ameliorated by a marked increase in the treatment of high margin surface material. At Kloof Division, the decision to close the loss-making sections of the old Libanon mine was taken within the first quarter of the year which resulted in a large reduction in underground tonnage and loss-making kilograms of gold. Oryx mine, now called Beatrix 4 shaft, performed poorly throughout the year and despite valiant efforts by management to turn the mine around, stubbornly resists all attempts to reach a sustainable level of profitability.

Productivity has always commanded careful attention within the group and this past year was no exception. I mentioned previously that F2001 was a year of consolidation and the impact of the closure of the more productive, yet marginal operations, on the Group's overall productivity statistics, meant that we did not display the levels of productivity growth we have come to expect. Whilst the quality parameter of grams per total employee costed (TEC) were marginally up this year to 198 grams/TEC, the volume measure of square metres broken/TEC was slightly down to 3.9 m^2/TEC. As the impact of the newer, more productive areas

of Driefontein and Kloof come into higher levels of production it is anticipated that the previous positive productivity trends will be re-established.

On the cost front good progress has been made in controlling excessive expenditures and line management are to be commended for their efforts. We achieved another decrease in Dollar cash costs from US$216 per ounce to US$195 per ounce, as a result of these cost-saving initiatives and the weakening Rand/Dollar exchange rate. Whilst overall Rand per ton milled costs were down, (R257 per ton to R222 per ton) on the back of large increases in surface material from both Tarkwa mine in Ghana and surface rock dump material from the South African operations, the cost per underground ton milled was essentially flat in nominal terms (R439 per ton to R449 per ton). Tarkwa, Beatrix (excluding Oryx) and Driefontein all produced gold at less than US$185 per ounce. Kloof was higher at US$204 per ounce but cash costs were disappointingly high at St Helena (US$307 per ounce) and Oryx (US$329 per ounce).

In line with our commitment to enhanced ore reserve flexibility, and the attainment of two years' worth of developed reserves, the Group completed 150,000 metres of development which includes 33,500 reef metres. This is a 7 per cent overall increase but importantly a 10 per cent increase in reef meterage.

To assist line management in more effectively managing their operations in a proactive manner it was recognised that an upgrade in information systems was necessary. To this end several projects have been initiated. These include cost benchmarking, a fully integrated human resources and payroll system, an improved Occupational Health and Safety database, and a new electronic planning platform called Cadsmine. The cost benchmarking programme, called Budget Plus, has been rolled out across the Group and the others are close to completion.

Operational restructuring

Significant operational restructuring took place over the past year in line with our commitment to quality rather than outright quantity of ounces. The Libanon mine was markedly reduced in size after an exhaustive review of ongoing viability conclusively showed that at current gold prices profits would have been unattainable. Consequently, several shafts were closed and where possible, personnel were absorbed into the rump of the Kloof Division. This downsizing also offered an opportunity to consolidate the three mine structure of Kloof, Leeudoorn and Libanon mines into one entity, called the Kloof Division. Disappointingly, Leeudoorn (now called Kloof 7 shaft) failed to reach agreement with organised labour on the extension of the full calendar operations on the mine. This has resulted in a net reduction in productive shifts which has only been partially ameliorated by the formation of additional stoping crews.

In the Free State a decision was taken to reduce output at Oryx mine to a level that was considered supportable by the ore reserve and to integrate the smaller entity into the Beatrix mine and call it Beatrix 4 shaft. This resulted in a reduction of personnel to approximately 3,000 by year end, with a planned output of 70,000 tons per month. In addition, the resultant spare mill capacity has been partially filled

Goodman Sobiso, hydropower cleaning at Kloof 4 shaft.

with low grade surface material trucked in from the adjacent Beatrix mine. It was further announced in April 2001 that St Helena had been put into a final closure mode after a distinguished history of producing over 850 tons of gold. This phased closure will take place over a two year period to permit an orderly cessation of operations and final rehabilitation.

In Ghana, the northern portion of the Teberebie mine, directly adjacent to Tarkwa, was purchased from Ashanti Goldfields. This US$5.0 million purchase enabled Tarkwa mine to immediately boost its crushing and treatment capacity as well as release additional value from Tarkwa resources that could now be treated, at lower cut-off grades, through the Teberebie facilities. This cost-effective acquisition has undoubtedly enabled Tarkwa mine to show significant operational improvements over the year, and will serve as a robust springboard for further potential acquisitions in this part of the world.

Efficient allocation of capital

All capital projects throughout the Group are progressing satisfactorily. At the beginning of the year all projects were re-assessed as to viability and prioritised according to overall value to the Group. The rationale behind this approach was to clean up the capital portfolio, establish a common basis for evaluating a collection of capital projects, improve internal controls over capital expenditure and to more effectively compare project progress against authorised physical and financial targets.

The Driefontein 5 shaft east project performed well with a build up in stoping volume. Increased footwall development, aimed at opening up additional stoping capacity on the 26 line, between 42 and 50 levels, started in the year and good progress has been made with three of the planned five levels hitting the reef horizon by the end of the year.

At the Kloof Division, the 4 sub-vertical shaft system progressed well with the commissioning of the hydropower infrastructure, the introduction of development drill rigs to speed up development and the commencement of down-dip stoping operations at the end of the year. Initial indications are that the new, closely spaced down-dip pillar mining method will generate appreciably higher levels of productivity in these ground conditions than more conventional methods.

At Beatrix, the new 3 shaft was successfully equipped, and hoisted its first rock at the end of January, on schedule and under budget. Access development towards the reef horizon has already commenced whilst the shaft infrastructure is complete. The successful completion of this shaft is essential to maintain a smooth production profile for Beatrix mine, while volumes are reducing at the older 2 shaft section.

Significant expenditure was incurred at metallurgical operations along the West Wits line with a view to improving overall metallurgical recoveries and reducing costs. After an extensive evaluation it was decided to upgrade the treatment sections of the Driefontein 1 and 2 plants and the Kloof main

plant from the old vacuum filter technology to the more efficient and cost effective Pumpcell technologies. Encouragingly, we are already seeing performances from these modifications attaining levels that were anticipated in their respective capital justifications.

Improving the human resource base

While recognising that our mines require huge technical and managerial inputs, to be fully successful demands the support of all our employees, from top to bottom. To adequately realise the potential of this critical resource base it is essential that we have a competent, well trained and motivated workforce. This necessitates an understanding of the skills requirement, current inventory, critical skills shortfall and having appropriate training programmes to address any deficiencies such that the 50,000 strong workforce can play their role in transforming and re-positioning the Group.

Across the employee spectrum we have revised role profiles to enhance productivity and facilitate career path planning. An area of particular focus has been identified as building capacity within frontline supervisors, and various programmes have been instituted to address this issue. Literacy is recognised as a prerequisite for employees to progress along a continuum of learning and to enhance career prospects. Our in-house Adult Basic Education and Training (ABET) curriculum has been revamped and more aggressively marketed throughout the workforce. Revisions to the programme making it more relevant to everyday working life have assisted with employee acceptance of the course. We have set ourselves a goal of having more than 50 per cent (currently 24 per cent) of the workforce functionally literate and numerate in English at level 3 by the end of 2005. The curriculum for level 1 has been completed and those for levels 2 and 3 will be completed before the end of this fiscal year.

Gold Fields' commitment to employment equity extends beyond just meeting legislative requirements. Our Employment Equity Plan, compiled in conjunction with employee representatives, has the following objectives:

- The elimination of discriminatory practices where they exist, and
- The implementation of measures aimed at the equitable representation of all people.

This will require the development and enhancement of the managerial and supervisory skills of previously disadvantaged employees with identified potential to enable them to advance up the organisational hierarchy. In terms of the Employment Equity Act, Gold Fields submitted a plan to the South African Department of Labour on 30 June 2000, outlining our policies pertaining to recruitment, training and other relevant issues around employment equity.

Taking care of the environment

Gold Fields' environmental management has gained substantial momentum during the year, with emphasis on the maintenance of high standards in policy and practice in line with international best practice.

Systematic implementation of environmental management systems in accordance with ISO 14001

Adult Basic Education (ABET) students at Kloof.

continued during the year. Significant progress has been achieved with the implementation of the system and various targets and objectives have been set for the use of consumptive resources and the minimisation of pollution potential. Environmental Management Plans are being developed to realise these targets and are in the process of being rolled out at an operational level.

The maintenance and expansion of environmental monitoring programmes continued during the year. All Group mines have environmental monitoring networks in place for water quality, air quality, noise and radiation exposure. These networks are managed as dynamic entities evolving with operational requirements, such as the continuous water quality monitoring stations that have been installed at strategic points on surface at the Driefontein and Free State Divisions.

Ongoing operational rehabilitation of tailings dams and other disturbed areas continued in line with best practice. The Environmental Management Programme Reports (EMPRs) are reviewed on an ongoing basis and have been integrated into an overall Environmental Management System.

Gold Fields also participated in and supported the changing focus of the Far West Rand Dolomitic Water Association, its associated research activities and its role within the local communities. These were prompted by the need for a shift in focus with regard to possible rewatering of dolomitic aquifers as mines on the West Rand close.

All closure cost determinations were revised during the year and were subject to external review. Closure costs have been integrated into life of mine plans to derive cash flows for operational, closure and post closure phases of the Group mines.

Gold Fields' environmental efforts were recognised during the year with Driefontein being awarded second place in the regional Excellence in Mining Environmental Management Awards and Oryx, of the Free State Division awarded third place.

Further highlights include the completion of two Environmental Impact Assessments (EIAs). In the Free State the EMPR was completely revised, and a social empowerment feasibility study around the creation of a hydroponic farm for retrenched mineworkers was completed. The Driefontein EIA related to the construction of a pollution containment dam to capture potentially contaminated water arising from the Driefontein 5 shaft.

Gold Fields personnel have been actively involved in a committee to draft a code of practice for cyanide, developed and publicised by the South African Chamber of Mines.

Key Value Driver #4

Improving GOLD recoveries

Improving gold recoveries, both from underground and metallurgical processes

Producing gold bars at Tarkwa.

REVIEW OF OPERATIONS

Gold Fields' operations are clustered into three divisions located on the world-renowned Wits Basin – Driefontein, Kloof and Free State – and Tarkwa mine in Ghana.

Driefontein

Driefontein, located near Carletonville in South Africa's North West Province, comprises seven shaft systems and three gold plants. The mine employs 18,900 people and produced 1.35 million ounces of gold during the year.

Safety: Driefontein recorded significant safety improvements for the second year in a row with the SLFR decreasing by 7 per cent to 386 per million man hours worked, LTIFR down by 21 per cent to 15 per million man hours worked and FIFR down by 34 per cent to 0.21 per million man hours worked. The core safety initiative being used to further improve these rates is the Full Compliance programme. Seismic activity in September 2000 resulted in two multiple fatality accidents in which four employees lost their lives. Management attention is focused on high seismic risk areas and efforts are directed at reducing this risk through new mining methods, effective strata control training and the monitoring and management of mining geometries.

Performance: Gold output reduced from 1.40 to 1.35 million ounces owing to significant ongoing seismic activity. The area mined was maintained, with underground yields having reduced to 9.4 g/t and surface yields to 2.1 g/t from 10.8 g/t and 2.3 g/t respectively. This resulted in an overall yield reduction of 1.4 g/t to 6.4 g/t. Efforts at the mine revolve around increasing quality volume and taking advantage of identified sources of gold in previously worked-out areas.

Nonetheless, Driefontein delivered an exceptional cash cost performance with cash costs having decreased by 14 per cent to US$183 per ounce. Productivity measured in terms of m^2 and g/TEC was flat for the year at 3.5 and 194 respectively. Capital expenditure trebled to R456 million (US$60 million) and was spent mainly on development of the 5 sub-vertical and 1 tertiary shaft systems.

Driefontein Division production statistics

			Year ended June 2001	Year ended June 2000	Year ended June 1999
Area mined		000m^2	**750**	759	736
Tons milled	– underground	000	**3,889**	3,614	3,920
	– surface	000	**2,662**	1,994	1,546
	– total	000	**6,551**	5,608	5,466
Yield	– underground	g/t	**9.4**	10.8	10.8
	– surface	g/t	**2.1**	2.3	2.8
	– total	g/t	**6.4**	7.8	8.5
Gold output	– underground	kg	**36,459**	38,954	42,194
	– surface	kg	**5,572**	4,543	4,293
	– total	kg	**42,031**	43,497	46,487
Gold output		000oz	**1,351**	1,398	1,495
Cash costs		US$/oz	**183**	213	199
Capital expenditure		Rm	**456.3**	155.9	318.9

A total of R34 million has been spent on the 1 and 2 plant Carbon-in-Pulp (CIP) conversion and central elution facility. These investments will reduce processing costs and improve plant efficiencies and recoveries.

The main anticipated capital projects for the year ahead are the 1 tertiary shaft at a cost of R168 million and 5E sub-vertical shaft at a cost of R127 million. Plans are underway to completely revamp the comminution sections of both 1 and 2 metallurgical plants through acquiring SAG mills at an estimated cost of R136 million. This project provides excellent returns through reducing the plant footprint, reducing operating costs and accelerating the treatment of rock dump material.

Outlook:

- Quality square metres is recognised as the primary value driver for Driefontein, and the SQDB concept will be driven through a lost blast and performance management system. This system identifies the basic cause for lost blasts and allows management to set up corrective action programmes to improve crew performance. In addition, mining cycles for different support systems have been designed and crews will be trained to achieve these cycles.
- Improved monitoring of seismicity and management of mining geometries, together with strata control training and more production coming from closely spaced dip pillar mining at 5E sub-vertical shaft will reduce the number of damaging events.
- A continuous auditing process to provide for more proactive interventions will be used to improve Mine Call Factor performance.
- Management is in discussion with employee representatives on increasing the utilisation of capital infrastructure and the orebody by considering additional shift arrangements.

Kloof

Kloof, located near Carletonville in South Africa's North West Province, comprises five shaft systems and three gold plants. The mine employs 17,000 people and produced 1.21 million ounces of gold in the current year. This complex of mines has been incorporated into a single operating division giving it an opportunity to exploit the Kloof orebody as a single entity.

Safety: Kloof reported improved safety rates as far as SLFR (down by 11 per cent to 424 per million man hours worked) and LTIFR (down by 31 per cent to 13 per million man hours worked) were concerned. Despite this, the mine's FIFR remained

Kloof Division production statistics

			Year ended June 2001	Year ended June 2000	Year ended June 1999
Area mined		000m²	**627**	773	795
Tons milled	– underground	000	**3,493**	3,936	4,190
	– surface	000	**439**	–	–
	– total	000	**3,932**	3,936	4,190
Yield	– underground	g/t	**10.7**	11.0	10.5
	– surface	g/t	**0.9**	–	–
	– total	g/t	**9.6**	11.0	10.5
Gold output	– underground	kg	**37,283**	43,394	43,965
	– surface	kg	**375**	–	–
	– total	kg	**37,658**	43,394	43,965
Gold output		000oz	**1,211**	1,395	1,414
Cash costs		US$/oz	**204**	214	205
Capital expenditure		Rm	**344.1**	211.9	210.1

Danny Ramshchit monitoring water quality at Driefontein 4 shaft.

unchanged at a rate of 0.29 per million man hours worked. Kloof also experienced a major seismic event in September 2000, where three people lost their lives.

Considerable attention is being focused on safety through the implementation of the Full Compliance Initiative. The drive to improve underground environmental conditions continues and the increasing production rate from the new closely spaced dip-pillar mining areas at 4 shaft will improve safety, but at the 3 and Main shaft workings the extraction of remnants and the mining of longwalls continues. In these mining areas seismic risk assessments are undertaken as required.

Performance: Gold production at Kloof decreased by 13 per cent to 1.21 million ounces, as a result of a 19 per cent decrease in area mined. The majority of the decrease in area mined was at the 8 and 9 shafts of Kloof (formerly Libanon) where a planned reduction of 49 per cent occurred from 282,713 m^2 to 144,677 m^2. Total yield decreased by 13 per cent to 9.6 g/t. Cash costs were reduced by a creditable 5 per cent to US$204 per ounce from US$214 per ounce the previous year. Productivity for the year was 3.1 m^2/TEC and 192 g/TEC.

During the year the massive mining project at 9 shaft (old Libanon section) was abandoned due to the losses being incurred. This had a domino effect on 8 shaft which was consequently downsized with the objective of reducing the quantity of unpay mining and concentrating on higher grade VCR pillars and Main reef areas.

As from February 2001, 7 shaft moved onto a modified eleven-shift fortnight after failing to agree to an extension of full calendar operations. Although additional panels were brought into operation, production has not as yet reached previous levels.

Capital expenditure during the year was up by 62 per cent to R344 million (US$45 million). The main capital expenditure projects during 2002 will be the 4 sub-vertical shaft (at a cost of R134 million), the 3D service shafts (R25 million), development on 37 and 39 levels to the 67 line both from both 7 shaft and 2 sub-vertical shaft (R17 million), the Eastern Boundary Exploration Drilling (R12 million) and gold plant upgrades (R25 million).

Outlook:

- A number of projects aimed at reducing costs are planned for the year ahead, including transferring the metallurgical plant from filtration to pump cell CIP technology. This will dramatically reduce maintenance costs and greatly improve the extraction process, reducing residue values. The continued focus on underground support patterns and support elements will also provide cost savings. An investigation into various pumping alternatives, with the objective of closing down infrastructure and reducing pumping costs, is also being conducted.
- A number of technological improvements will be implemented in the year ahead including development drill rigs, operated from power packs, to increase the rate of development. The successful use of hydropower development drill rigs and loaders at 4 shaft will be expanded in line with production requirements. The quantity of face scraper winches and aqua jet machines will be increased to improve stoping rates and face advance.

Free State

The Free State operations, located near the towns of Welkom and Virginia in South Africa's Free State Province, comprise Beatrix and St Helena. The Free State division employs 14,000 people and produced 783,000 ounces of gold in F2001. The Oryx mine was incorporated into Beatrix during the year and was renamed Beatrix 4 shaft.

Safety: Along with the tragic accident in May 2001 in which 13 employees lost their lives, safety rates at Beatrix mine (excluding 4 shaft) regressed during the year under review with the FIFR increasing by 36 per cent to 0.82 per million man hours worked and the SLFR up by 12 per cent to 229 per million man hours worked. However, the LTIFR decreased by 11 per cent to 8 per million man hours worked, one of the lowest levels in the industry. At 4 shaft (Oryx), the SLFR decreased slightly to 505 per million man hours worked, the LTIFR was down 27 per cent to 30 per million man hours worked and the FIFR reduced by 10 per cent to 0.11 per million man hours worked. At St Helena, the SLFR decreased by 29 per cent to 352 per million man hours worked, the LTIFR was down 24 per cent to 19 per million man hours worked and the FIFR was down 49 per cent to 0.24 per million man hours worked.

Safety improvements in the Free State will be achieved through ongoing commitment to the Full Compliance Initiative. Following the accident in May 2001 the Department of Minerals and Energy submitted a series of recommendations aimed at improving current established practices to avoid a similar incident in future. A Manager Mining is tasked on a full-time basis to make sure that these recommendations are implemented, and progress is measured on a weekly basis. Full commitment is given to a tripartite approach between management, government and the unions to put measures in place to ensure that a similar accident will not occur again.

Beatrix (incorporating Oryx)

Performance: Gold production at Beatrix (excluding 4 shaft) was maintained at 498,000 ounces despite a work stoppage for almost two weeks following the underground flammable gas explosion in May 2001. However, gold production from 4 shaft decreased by 19 per cent to 149,000 ounces, in line with expectations. Area mined (Beatrix and Oryx) was unchanged at 718,000 m^2, while the yield at Beatrix (excluding Oryx) was maintained at 5.5 g/t and fell at 4 shaft to 5.4 g/t. Cash costs at Beatrix were excellent at US$171 per ounce, down some 10 per cent on the

Beatrix production statistics

			Beatrix			Beatrix 4 shaft (Oryx)		
			Year ended June 2001	Year ended June 2000	Year ended June 1999	**Year ended June 2001**	Year ended June 2000	Year ended June 1999
Area mined		000m^2	**578**	575	559	**140**	146	232
Tons milled	– underground	000	**2,652**	2,581	2,658	**743**	717	1,071
	– surface	000	**162**	168	–	**114**	–	–
	– total	000	**2,814**	2,749	2,658	**857**	717	1,071
Yield	– underground	g/t	**5.8**	5.9	5.5	**6.1**	7.9	6.3
	– surface	g/t	**0.7**	0.5	–	**0.7**	–	–
	– total	g/t	**5.5**	5.6	5.5	**5.4**	7.9	6.3
Gold output	– underground	kg	**15,372**	15,268	14,578	**4,565**	5,682	6,798
	– surface	kg	**112**	84	–	**77**	–	–
	– total	kg	**15,484**	15,352	14,578	**4,642**	5,682	6,798
Gold output		000oz	**498**	494	469	**149**	183	219
Cash costs*		US$/oz	**171**	189	195	**329**	307	–
Capital expenditure		Rm	**147.7**	161.2	170.4	**1.0**	16.7	84.5

* Beatrix 4 shaft costs net of revenue were capitalised to June 1999.

previous year. However, at 4 shaft, cash costs of US$329 per ounce were incurred. Productivity measures for the year were 5.5 m^2/TEC and 155 g/TEC.

Capital expenditure during the year was minimal at 4 shaft and amounted to R148 million (US$19 million) at the rest of Beatrix. Overall capital expenditure will increase to R234 million in the new year as a result of the increased rate of development at 3 shaft (R146 million) and the construction of the new slimes dam (R32 million).

Considerable review and assessment has been directed into understanding the geological model at 4 shaft. It was concluded in December 2000 that the known orebody consists of a narrow west-to-east pay-shoot. A decision was made to rightsize the mine to that which the orebody can support and to fully utilise the metallurgical plant at 4 shaft through treating ores emanating from surface sources and the marginal mining project (Project M).

Outlook

- In line with the Group's objective of increasing quality production, the spare plant capacity at 4 shaft will play a major role in the new operational plan, as the main source of increased production will be derived from Project M, where lower grade ore will be mined on a marginal cost basis. The success at Beatrix has always been its proven ore reserve and maintaining this asset remains a priority. To optimise labour efficiencies, crews will be redeployed from 1, 2 and 4 shafts to 3 shaft and Project M. These crews will be equipped with the necessary skills as and when new technology is deployed.
- The newly gained access between 1 and 3 shafts will facilitate the transfer of some 60,000 tons per month of ore into the 3 shaft hoisting system and will eliminate the capacity constraints experienced at 1 shaft and more especially the number 1 decline. Commissioning of the 3 shaft surface fans will provide for enhanced environmental conditions throughout the 1 shaft area. Face mechanisation is being investigated to further improve efficiencies beyond the 6.8 m^2/TEC being achieved at 1 and 2 shafts.
- The performance at 4 shaft still continues to be less than satisfactory although the development values are encouraging at present. A full investigation into future activity at the shaft will be made before the end of calendar 2001.

St Helena

Performance: Gold output decreased by 23 per cent to 136,000 ounces, while area mined decreased by 15 per cent. The total yield decreased by 12 per cent to 4.6 g/t and cash costs increased

St Helena production statistics

			Year ended June 2001	Year ended June 2000	Year ended June 1999
Area mined		000m^2	**199**	235	214
Tons milled	– underground	000	**890**	1,056	1,074
	– surface	000	**35**	–	–
	– total	000	**925**	1,056	1,074
Yield	– underground	g/t	**4.7**	5.2	5.6
	– surface	g/t	**1.2**	–	–
	– total	g/t	**4.6**	5.2	5.6
Gold output	– underground	kg	**4,175**	5,475	6,019
	– surface	kg	**42**	–	–
	– total	kg	**4,217**	5,475	6,019
Gold output		000oz	**136**	176	194
Cash costs		US$/oz	**307**	271	258
Capital expenditure/(recoupment)		Rm	**2.2**	0.1	(0.8)

from US$271 per ounce to US$307 per ounce. Capex during the year amounted to R2 million (US$0.3 million). St Helena incurred losses for most of the year largely owing to a lack of proved reserves, a low Mine Call Factor specifically at 2 shaft, and a high cost structure. It is pleasing to note the turnaround performance for the final quarter of F2001 where the mine operated at break-even. Productivity figures for F2001 were 96 g/TEC and 4.5 m^2/TEC.

Capital requirements for the year ahead will be predominantly spent on completing the equipping of the service way from 18 to 15 level on 8 shaft (R2 million), and treating the remainder of 1, 2 and 3 slimes dams (R3 million).

Outlook:

- Operations at 10 shaft have been mothballed. This shaft is very sensitive to a change in the gold price, however, and should there be a significant increase in the gold price, the re-opening of the shaft would be considered.
- A programme for the liquidation of redundant assets, including residential property, has commenced which will contribute towards the unfunded portion of the rehabilitation obligation.
- The other St Helena shafts will be assessed on a monthly basis and, at a gold price below R70,000 per kilogram, indications are that St Helena will close down over a two year period.

Tarkwa

The Tarkwa mine, located in Ghana, is an open-pit heap leach operation. The mine employs 1,100 people (including contractors) and produced 440,000 ounces of gold for the year.

Safety: Tarkwa's excellent safety performance was marred by a single fatality during the year, the first since the surface mine came into operation in 1999. The result of this accident increased the FIFR from 0 to 0.2 per million man hours worked for F2001. It is pleasing to note that the SLFR reduced dramatically

Ghana Division production statistics

			Year ended June 2001	Year ended June 2000	Year ended June 1999
Area mined		000m^2	–	5.7	48.0
Tons treated	– underground	000	–	25	218
	– surface	000	**11,667**	7,992	4,806
	– total	000	**11,667**	8,017	5,024
Yield	– underground	g/t	–	10.3	8.1
	– surface	g/t	**1.2**	1.1	1.0
	– total	g/t	**1.2**	1.1	1.3
Gold output	– underground	kg	–	258	1,764
	– surface	kg	**13,680**	8,937	4,650
	– total	kg	**13,680**	9,195	6,414
Gold output		000oz	**440**	296	206
Cash costs		US$/oz	**155**	196	233
Capital expenditure		US$m	**21.1**	17.6	28.7

from 100 to 15 per million man hours worked, and the LTIFR from 9 to 1 per million man hours worked.

Performance: Gold output increased significantly by 49 per cent during the year to 440,000 ounces. Yield increased to 1.2 g/t and the tonnage throughput increased by 46 per cent to 11.7 million tons milled. The strip ratio for F2001 was 2:1 and a total of 23.4 million waste tons were mined. Cash costs decreased still further to US$155 per ounce from the US$196 per ounce achieved in F2000. Capex amounted to US$21 million, up 20 per cent on the previous year.

Early in F2001, Tarkwa acquired the northern portion of the assets of the old Teberebie mine and the Teberebie plant, now called the South facility, which was re-commissioned during December 2000. The additional crushing and pad capacity enabled a major increase in monthly production from 740,000 tons per month to above 1.2 million tons per month by January 2001. Output has continued to increase and for the June 2001 quarter the mine crushed an average of 1.25 million tons per month. Although recoveries from the South facility have, to date, been lower than expected it is anticipated that a breakthrough of gold lock-up will commence over the coming months.

Heap operations are performing well, and modest, but important enhancements are planned for the heaps at the South plant as well as the recovery plant at the North facility in the coming financial year.

Outlook:

- The mine has a number of initiatives underway that will assist with cost control and facilitate further cut-off reductions. These include a possible move away from contractor mining to owner-operated mining, at estimated lower unit costs. Long-term strategic studies are underway to determine optimal cost and recovery configurations and the possibility of input crushing is being considered. The mine has also commenced with an exploration drilling programme to determine the viability of the underground resources.
- In the coming financial year certain Ghanaian government-imposed cost increases, coupled with increased energy costs and the increased strip ratio will have an impact on the mine's cost performance. These cost increases could affect cash costs by some 14 per cent. Every effort is underway to improve efficiencies and volume throughput to counter these cost increases.

Key Value Driver #5

Developing & implementing INFO SYSTEMS

Enhancing information systems to assist line management in decision making

(Front to back) Steven Wild, Sharon Geleta and Logan Nair, working on the new integrated mine planning system at Driefontein.

Resources and reserves

Reporting code and definitions

Gold Fields Limited reports its Mineral Resources and Mineral Reserves according to the South African Code for Reporting Mineral Resources and Mineral Reserves (SAMREC Code[1]). This Code sets out minimum standards, recommendations and guidelines for public reporting of exploration results, mineral resources and reserves in South Africa. The Code has been adopted by the South African Institute of Mining and Metallurgy (SAIMM) and SAMREC member organisations and is incorporated in the JSE Securities Exchange South Africa rules regarding listing requirements and continuing obligations. The SAMREC Code is based on and is compatible with the Australasian Code for reporting identified Mineral Resources and Ore Reserves (JORC Code).

Mineral Resource tonnages and grades are estimated in-situ over a block width and include mineralisation below the selected cut-off to ensure that the Mineral Resources comprise blocks of adequate size and continuity. They are reported inclusive of those Mineral Resources upgraded to, and reported as Mineral Reserves.

Mineral Reserves are that portion of the resource which technical and economic studies have demonstrated can justify extraction at the time of determination. Estimates of tonnage and grade quoted as Mineral Reserves include allowances for all mining dilution and all other mining factors and consequently are reported as net tons and grades delivered to the mill.

[1] Full Code with definitions is available at http://www.saimm.co.za/.

Overview

In South Africa and Ghana, the Group has an on going exploration programme within and outside of the current mining authorisations to map the extent of economic horizons and provide information for strategic planning.

An extensive sampling programme has been initiated on all the surface rock dumps and slimes dams at the South African operations.

The rock dumps at Driefontein have returned economic values and are reflected in the present resource and reserve declaration. Sampling programmes at the remaining operations are in progress.

As at 30 June 2001, Gold Fields Limited operations have Mineral Resources of 144 million ounces and Mineral Reserves of 81 million ounces. South African operations on the Witwatersrand hold the principal part of the inventory and consistent with deep level mining operations, reserves and resources have been separated to show the potential above and below current infrastructure. Changes in the resources and reserves are primarily attributed to the write-down at Oryx and St. Helena, adjustments for the mining methods at Kloof and Driefontein and improved consistency of evaluation between Group mines in accordance with the Code.

Assessment criteria

The Group has proven expertise in exploration, geological modelling, evaluation, planning and reconciliation methodologies of surface, shallow and ultra deep mining operations. South African and international best practice is used.

South African operations

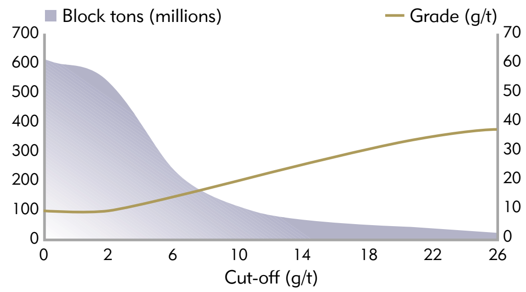
Kloof Division

The Kloof Division is the integration of the former Venterspost, Libanon, Leeudoorn and Kloof gold mines. It is primarily established on the Ventersdorp Contact Reef and the Middelvlei Reef. Mining on these two economic horizons have produced in excess of 65 million ounces since the establishment of the first shaft over the northern part of the lease area in 1934. The mining authorisation area extends for 27.5 kilometres on strike and 7.5 kilometres on dip. The focus of mining has gradually moved south with several shafts in the northern extent of the mining authorisation managed on a care and maintenance basis.

The Division's resources are reported within the mining authorisation, while the reserves are adjusted to show the split above and below current shaft infrastructure.

This decision has been taken, pending the outcome of a feasibility study that is currently in progress. The feasibility is essential in view of the time required to access the deeper levels of the orebody, significant capital expenditure necessary and to ensure that the dynamics of the orebody

KLOOF DIVISION
Grade tonnage curve



Kloof Division – Resources

	Tons (Mt)		Grade (g/t)		Gold ('000oz)	
Category	**2001**	2000	**2001**	2000	**2001**	2000
Measured	**34.1**	44.2	**15.8**	16.4	**17,374**	23,240
Indicated – Above infrastructure	**39.6**	36.6	**17.6**	16.1	**22,458**	18,971
Indicated – Below infrastructure	**32.3**	23.0	**18.5**	17.5	**19,190**	12,909
Total Indicated	**71.9**	59.6	**18.0**	16.6	**41,648**	31,880
Grand Total	**106.0**	103.8	**17.3**	16.5	**59,022**	55,120

Resources for 2001 include strike and dip stability pillars.
Resources estimated at a gold price of US$270/oz.
Resources for 2000 excluded strike and dip stability pillars.

Kloof Division – Reserves

	Tons (Mt)		Grade (g/t)		Gold ('000oz)	
Category	**2001**	2000	**2001**	2000	**2001**	2000
Proved	**22.2**	26.0	**13.0**	12.5	**9,270**	10,412
Probable – Above infrastructure	**23.1**	30.0	**13.4**	12.4	**9,976**	12,000
Probable – Below infrastructure	**25.8**	3.4	**12.3**	16.5	**10,194**	1,784
Grand total	**71.1**	59.4	**12.9**	12.7	**29,440**	24,196

Reserves estimated at a gold price of US$270/oz.

(channel width and grade distribution) are fully understood. It is apparent from the current mining operations that variations in the orebody exist as mining progressively advances with depth. A global analytical study on the channel width and grade distribution has been completed and elucidates on the necessary focal areas for the feasibility study.

The Group owns substantial mineral rights contiguous to the existing mining authorisation. These rights provide a natural strike and dip extension to the mining undertaken by the Division. Exploration over these rights commenced in 1982 and was suspended for the period between 1992 and 1998. A three-phased exploration programme, comprising 11 deep holes commenced in 1998 to the east of the Division and is currently in progress.

Driefontein Division

The Driefontein Division now incorporates the former East and West Driefontein gold mines. It is primarily established on the Ventersdorp Contact Reef and the Carbon Leader Reef with localised mining within distinct pay trends on the Middelvlei Reef. Mining on these economic horizons has produced in excess of 96 million ounces since the establishment of the first Driefontein shaft in 1945. The mining authorisation extends for 12.5 kilometres on strike and 8.5 kilometres on dip. The focus of mining has gradually moved south into the deeper portion of the Carbon Leader orebody. Shafts servicing the shallow reaches of the operations to the north are rapidly approaching the end of their lifespan.

Driefontein Division – Resources

	Tons (Mt)		Grade (g/t)		Gold ('000oz)	
Category	**2001**	2000	**2001**	2000	**2001**	2000
Measured	**33.0**	31.4	**14.2**	13.8	**15,041**	13,890
Indicated – Above infrastructure	**42.4**	66.8	**12.2**	10.2	**16,599**	21,938
Indicated – Below infrastructure	**49.6**	55.9	**11.4**	10.9	**18,182**	19,652
Total indicated	**92.0**	122.7	**11.8**	10.5	**34,781**	41,590
Total underground	**125.0**	154.1	**12.4**	11.2	**49,822**	55,480
Indicated surface	**–**	6.1	**–**	2.9	**–**	570
Measured surface	**15.2**	–	**1.6**	–	**795**	–
Grand total	**140.2**	160.2	**11.2**	10.9	**50,617**	56,050

Resources for 2001 include strike and dip stability pillars.
Resources estimated at a gold price of US$270/oz.
Resources for 2000 included strike and dip stability pillars.

Driefontein Division – Reserves

	Tons (Mt)		Grade (g/t)		Gold ('000oz)	
Category	**2001**	2000	**2001**	2000	**2001**	2000
Proved	**22.6**	29.1	**10.4**	11.9	**7,540**	11,163
Probable – Above infrastructure	**36.8**	34.3	**8.8**	9.8	**10,441**	10,843
Probable – Below infrastructure	**43.7**	–	**8.0**	–	**11,236**	–
Total underground	**103.1**	63.4	**8.8**	10.8	**29,217**	22,006
Probable surface	**–**	6.1	**–**	2.9	**–**	570
Proved surface	**15.2**	–	**1.6**	–	**795**	–
Grand total	**118.3**	69.5	**7.9**	10.1	**30,012**	22,576

Reserves estimated at a gold price of US$270/oz.

The Division's resources are reported within the mining authorisation, while the reserves are adjusted to show the split above and below current shaft infrastructure.

A feasibility study is in progress to determine the economic viability of mining below the current infrastructure. Exploration is restricted, within the mining authorisation, to platforms that exist from current development.

This project will also take cognisance of the opportunity available to the Division of its participation in mineral rights held to the south of the mine beyond its present mining authorisation.

Free State Division

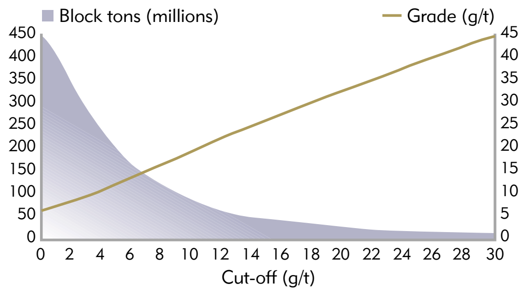
In F2000 the Free State Division comprised three separate operations (Beatrix, Oryx and St Helena). St Helena, Oryx and Beatrix mined the Basal, Leader, Kalkoenkrans and Beatrix reefs in varying proportions. These are the principal economic horizons within this part of the Witwatersrand Basin and the operations have cumulatively produced in excess of 35 million ounces since mining was initiated at St. Helena in 1946.

Subsequent to a significant geological and evaluation exercise at Oryx, the decision was taken to incorporate Oryx as an operating shaft of Beatrix.

The reduction of the resources and reserves at Beatrix reflect the integration of the Oryx Mine. The reserves at Oryx had been reduced from 6.9 million ounces in F2000 to 2.9 million ounces in F2001 prior to the incorporation.

The group has a substantial holding of Mineral Rights contiguous with the Beatrix operation. The rights cover 5,512 hectares and in the period 1978

DRIEFONTEIN DIVISION
Grade tonnage curve



Free State Division (Beatrix) – Resources

	Tons (Mt)		Grade (g/t)		Gold ('000oz)	
Category	**2001**	2000	**2001**	2000	**2001**	2000
Measured	**16.0**	15.2	**8.7**	8.9	**4,474**	4,350
Indicated	**37.4**	51.6	**8.8**	8.5	**10,574**	14,140
Total	**53.4**	66.8	**8.8**	8.6	**15,048**	18,490

Resources estimated at a gold price of US$270/oz.

Free State Division (Beatrix) – Reserves

	Tons (Mt)		Grade (g/t)		Gold ('000oz)	
Category	**2001**	2000	**2001**	2000	**2001**	2000
Proved	**20.0**	18.6	**6.5**	6.5	**4,191**	3,906
Probable	**47.8**	56.7	**6.5**	7.1	**10,021**	12,849
Total	**67.8**	75.3	**6.5**	6.9	**14,212**	16,755

Reserves estimated at a gold price of US$270/oz.

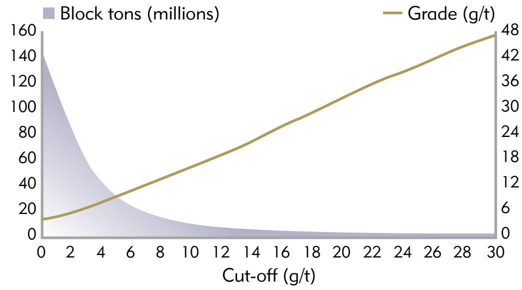
to 1997, 72 boreholes were drilled. A comprehensive geological and geostatistical assessment of all the information has been undertaken in the past two years and is near completion.

An application for the inclusion of the rights into a single mining authorisation has been made.

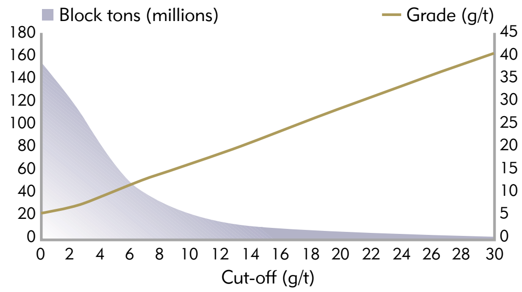
St Helena is the oldest of the operating mines within the Free State Division. It is essentially mining pillars and remnants. In addition, the operation is focused on reclaiming broken ore from previously mined areas. The F2001 resource and reserve statement exemplifies its position as a mature mine.

In the last year a substantial portion of its resource and reserve had been condemned for reasons that include geology, evaluation and mining. The current pillar and remnant mining strategy requires areas to be made accessible just in time for mining. The operation has a programme of preparing areas for mining and the current declared reserves are an indication of the recoverable gold available to the mine.

St Helena Gold Mine
Grade tonnage curve



Beatrix Gold Mine
Grade tonnage curve



Free State Division (St Helena) – Resources

	Tons (Mt)		Grade (g/t)		Gold ('000oz)	
Category	**2001**	2000	**2001**	2000	**2001**	2000
Measured	**4.3**	12.4	**15.6**	10.1	**2,141**	4,040
Indicated	**0.4**	4.9	**15.3**	10.5	**185**	1,670
Total	**4.7**	17.3	**15.5**	10.3	**2,326**	5,710

Resources estimated at a gold price of US$270/oz.

Free State Division (St Helena) – Reserves

	Tons (Mt)		Grade (g/t)		Gold ('000oz)	
Category	**2001**	2000	**2001**	2000	**2001**	2000
Proved	**2.0**	7.4	**5.0**	5.7	**320**	1,361
Probable	–	3.5	–	5.6	–	629
Total	**2.0**	10.9	**5.0**	5.7	**320**	1,990

Reserves estimated at a gold price of US$270/oz.

Ghana operations

Tarkwa

Tarkwa mine commenced surface mining of the auriferous reefs out of several open pits in 1998 and ceased underground operations during 1999. During F2001 the northern portion of Teberebie was acquired and its addition is reflected in the resource and reserve statement.

The transformation from an underground mine to a primary surface operation has led to a fundamental review of the evaluation methodology, geology and categorisation of resources.

New resource figures have been computed and at the time of print, were being audited by an independent third party.

Tarkwa – Resources

	Tons (Mt)		Grade (g/t)		Gold ('000oz)	
Category	**2001**	2000	**2001**	2000	**2001**	2000
Measured	**310.3**	255.7	**1.5**	1.5	**15,280**	12,362
Indicated	**28.4**	28.4	**1.9**	1.9	**1,700**	1,702
Inferred	**1.7**	1.7	**1.6**	1.6	**87**	87
Total	**340.4**	285.8	**1.6**	1.5	**17,067**	14,152

Resources are quoted above a cut-off of 0.5g/t.

Tarkwa – Reserves

	Tons (Mt)		Grade (g/t)		Gold ('000oz)	
Category	**2001**	2000	**2001**	2000	**2001**	2000
Proved	**72.7**	133.7	**1.5**	1.4	**3,440**	6,143
Probable	**58.5**	9.2	**1.8**	1.2	**3,422**	345
Total	**131.2**	142.9	**1.6**	1.4	**6,862**	6,488

Reserves estimated at a gold price of US$280/oz.

Mineral Reserve parameters

Mineral Reserves for the South African operations are calculated using a total cost paylimit, the previous five years' mining efficiencies and the current strategic plan.

Gold Price	Driefontein US$270/oz	Kloof US$270/oz	Beatrix US$270/oz	St. Helena US$270/oz	Beatrix 4# (Oryx) US$270/oz
Exchange rate (R: US$)	R8.063	R8.063	R8.063	R8.063	R8.063
Paylimit (cmg/t)	1540	1958	677	1150	1250
Mine Call Factor (%)	90	87	93	78	90
Block factor (%)	100	100	100	80	100
Shortfall (%)	12.4	14	9.5	10	10
Ave. block width (Measured/Indicated)(cms)	154/184	147/149	137/138	128/128	163/151
Mill Width (cms)	222	189	172	186	200
Average unpay applied (%)	20	28	26	30	30
Average value of unpay (cmg/t)	915	946	372	434	713
Plant recovery	97	97	97	97	96

Resources / Reserves

Driefontein

Category	Ton (Mt)	Grade (g/t)	Gold ('000 oz)	Category	Ton (Mt)	Grade (g/t)	Gold ('000 oz)
Measured	33.0	14.2	15,041	Proved	22.6	10.4	7,540
Indicated	42.4	12.2	16,599	Probable	36.8	8.8	10,441
Indicated below Infrastructure	49.6	11.4	18,182	Probable below Infrastructure	43.7	8.0	11,236
Total underground	125.0	12.4	49,822	Total underground	103.1	8.8	29,217
Measured surface	15.2	1.6	795	Proved surface	15.2	1.6	795
Grand total	140.2	11.2	50,617	Grand total	118.3	7.9	30,012

Kloof

Category	Ton (Mt)	Grade (g/t)	Gold ('000 oz)	Category	Ton (Mt)	Grade (g/t)	Gold ('000 oz)
Measured	34.1	15.8	17,374	Proved	22.2	13.0	9,270
Indicated	39.6	17.6	22,458	Probable	23.1	13.4	9,976
Indicated below Infrastructure	32.3	18.5	19,190	Probable below Infrastructure	25.8	12.3	10,194
Grand total	106.0	17.3	59,022	Grand total	71.1	12.9	29,440

Beatrix

Category	Ton (Mt)	Grade (g/t)	Gold ('000 oz)	Category	Ton (Mt)	Grade (g/t)	Gold ('000 oz)
Measured	16.0	8.7	4,474	Proved	20.0	6.5	4,191
Indicated	37.4	8.8	10,574	Probable	47.8	6.5	10,021
Grand total	53.4	8.8	15,048	Grand total	67.8	6.5	14,212

St. Helena

Category	Ton (Mt)	Grade (g/t)	Gold ('000 oz)	Category	Ton (Mt)	Grade (g/t)	Gold ('000 oz)
Measured	4.3	15.6	2,141	Proved	2.0	5.0	320
Indicated	0.4	15.3	185	Probable	–	–	–
Grand total	4.7	15.5	2,326	Grand total	2.0	5.0	320

SA operations

Category	Ton (Mt)	Grade (g/t)	Gold ('000 oz)	Category	Ton (Mt)	Grade (g/t)	Gold ('000 oz)
Measured	87.4	13.9	39,030	Proved	66.8	9.9	21,321
Indicated	119.8	12.9	49,816	Probable	107.7	8.8	30,438
Indicated below Infrastructure	81.9	14.2	37,372	Probable below Infrastructure	69.5	9.6	21,430
Total underground	289.1	13.6	126,218	Total underground	244.0	9.3	73,189
Measured surface	15.2	1.6	795	Proved surface	15.2	1.6	795
Grand total	304.3	13.0	127,013	Grand total	259.2	8.9	73,984

Ghana operations

Category	Ton (Mt)	Grade (g/t)	Gold ('000 oz)	Category	Ton (Mt)	Grade (g/t)	Gold ('000 oz)
Measured	310.3	1.5	15,280	Proved	72.7	1.5	3,440
Indicated	28.4	1.9	1,700	Probable	58.5	1.8	3,422
Inferred	1.7	1.6	87				
Total	340.4	1.6	17,067	Total	131.2	1.6	6,862

Total for GFL operations

Category	Ton (Mt)	Grade (g/t)	Gold ('000 oz)	Category	Ton (Mt)	Grade (g/t)	Gold ('000 oz)
Above infrastructure	562.8	5.9	106,708	Above infrastructure	320.9	5.8	59,416
Below infrastructure	81.9	14.2	37,372	Below infrastructure	69.5	9.6	21,430
Grand total	644.7	7.0	144,080	Grand total	390.4	6.4	80,846
Attributable			139,148				78,863

Sensitivity of Mineral Reserves to gold prices

To indicate the sensitivity of the Mineral Reserves to gold price, reserves at Gold Fields Limited South African operations are indicated at different gold prices in the table below.

Driefontein

	US$325/oz			US$300/oz			US$270/oz			US$245/oz		
Category	Tons (Mt)	Grade (g/t)	Gold ('000 oz)	Tons (Mt)	Grade (g/t)	Gold ('000 oz)	Tons (Mt)	Grade (g/t)	Gold ('000 oz)	Tons (Mt)	Grade (g/t)	Gold ('000 oz)
Proved	26.4	9.6	8,120	24.6	9.9	7,844	22.6	10.4	7,540	20.6	10.9	7,212
Proved surface	15.2	1.6	795	15.2	1.6	795	15.2	1.6	795	15.1	1.6	793
Probable	37.1	8.9	10,598	37.1	8.9	10,561	36.8	8.8	10,441	36.3	8.8	10,217
Probable below Infrastructure	48.3	8.1	12,610	43.7	8.0	11,236	43.7	8.0	11,236	43.7	8.0	11,236
Total	127.0	7.9	32,123	120.6	7.8	30,436	118.3	7.9	30,012	115.7	7.9	29,458
Kloof												
Proved	25.3	12.2	9,888	24.1	12.4	9,637	22.2	13.0	9,270	20.7	13.4	8,922
Probable	31.2	11.9	11,909	29.2	12.2	11,470	23.1	13.4	9,976	17.5	15.5	8,722
Probable below Infrastructure	36.0	10.8	12,465	29.9	11.7	11,273	25.8	12.3	10,194	16.9	14.0	7,625
Total	92.5	11.5	34,262	83.2	12.1	32,380	71.1	12.9	29,440	55.1	14.3	25,269
Beatrix												
Proved	25.6	5.9	4,868	23.4	6.2	4,646	20.0	6.5	4,191	17.9	6.8	3,941
Probable	74.9	5.3	12,831	66.6	5.6	12,074	47.8	6.5	10,021	36.7	6.7	7,953
Total	100.5	5.5	17,699	90.0	5.8	16,720	67.8	6.5	14,212	54.6	6.8	11,894
St Helena												
Proved	3.4	4.2	458	2.9	4.5	418	2.0	5.0	320	1.6	5.5	285
Total	3.4	4.2	458	2.9	4.5	418	2.0	5.0	320	1.6	5.5	285
Total	323.4	8.1	84,542	296.7	8.4	79,954	259.2	8.9	73,984	227.0	9.2	66,906

Reserves at Tarkwa mine are excluded from the above sensitivity.

Competent persons

The appointed competent persons for each division that have prepared the information for this report are: B Deminey – Free State, G Chapman – Kloof, K Robertson – Driefontein.

They have geological and mine survey backgrounds and are registered members of recognised statutory organisations. The Divisional Managing Directors have approved the mine plans and parameters.

The competent person, designated in terms of the SAMREC Code and taking corporate responsibility for the compilation and reporting of the Gold Fields' Mineral Resources and Mineral Reserves is Vishnu Pillay, MSc (Geology), Pr.Sci.Nat., MGSSA.

Note: Rounding off of figures in this report may result in minor computational discrepancies.

Arctic Platinum Partnership

On 24 July 2001 Gold Fields and Outokumpu announced a revised resource calculation at Arctic Platinum based upon an extensive winter drilling program. Presently, Gold Fields holds 30 per cent in this project and at projected expenditure levels will reach its planned ownership threshold of 51 per cent by calendar year end 2001. Declared resources have the potential of expanding from current levels; Konttijarvi from the discovery of a faulted and upthrown portion of the known resource in the northern part of the planned pit and Ahmavaara from a newly discovered flattening of the mineralisation to the east. A feasibility study has been initiated and is expected to be completed by the third quarter of 2002.

Summary of classified Arctic Platinum Resources*

July 2001 (0.5 g/t 2PGE+Au cut-off)

	Tonnes (Mt)		2PGE+ Au (g/t)		2PGE+ Au ('000oz)		Pd (g/t)		Pt (g/t)		Au (g/t)		Cu (%)		Ni (%)	
Category	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000
Konttijarvi																
Measured	11.7	1.6	2.13	3.41	0.8	0.2	1.60	2.58	0.43	0.66	0.10	0.17	0.15	0.17	0.07	0.09
Indicated	12.7	7.7	1.86	2.07	0.8	0.5	1.38	1.56	0.38	0.41	0.10	0.10	0.14	0.14	0.06	0.10
Inferred	19.0	14.3	1.80	1.98	1.1	0.9	1.33	1.46	0.37	0.42	0.10	0.11	0.15	0.14	0.06	0.09
Subtotal	43.4	23.6	1.91	2.11	2.7	1.6	1.42	1.57	0.39	0.43	0.10	0.11	0.15	0.14	0.06	0.09
Ahmavaara																
Measured	11.8		1.34		0.5		1.02		0.19		0.10		0.21		0.09	
Indicated	20.5		1.51		1.0		1.15		0.24		0.12		0.23		0.10	
Inferred	41.8	25.6	1.35	1.63	1.8	1.3	1.01	1.25	0.22	0.26	0.12	0.12	0.20	0.24	0.09	0.11
Subtotal	74.1	25.6	1.39	1.63	3.3	1.3	1.05	1.25	0.22	0.26	0.12	0.12	0.21	0.24	0.09	0.11
Combined																
Measured	23.5	1.6	1.73	3.41	1.3	0.2	1.31	2.58	0.31	0.66	0.10	0.17	0.18	0.17	0.08	0.09
Indicated	33.2	7.7	1.64	2.07	1.8	0.5	1.24	1.56	0.29	0.41	0.11	0.10	0.20	0.14	0.08	0.10
Inferred	60.8	39.9	1.49	1.76	2.9	2.2	1.11	1.33	0.27	0.32	0.11	0.12	0.18	0.20	0.08	0.10
Subtotal	117.5	49.2	1.58	1.86	6.0	2.9	1.19	1.40	0.28	0.34	0.11	0.12	0.19	0.19	0.08	0.10

Combined Konttijarvi – Ahmavaara Resources
Grade – Tonnage relationships

Cutoff Grade	Tonnes (Mt)	2PGE+ Au (g/t)	2PGE+ Au ('000oz)
2PGE + Au(g/t)	2001	2001	2001
0.5	117.5	1.58	6.0
0.7	101.6	1.74	5.7
0.8	93.3	1.82	5.5
0.9	85.4	1.91	5.2

* The Mineral Resource estimation study was undertaken by Snowden Mining Industry Consultants and the estimates have been classified in accordance with the JORC Code (September 1999). This Code is a recognised standard of Mineral Resource and Ore Reserve reporting.

View of headgear at Beatrix 3 shaft.

Conclusion

F2001 has once again been a tough year in the gold business and one in which our operational performance could be viewed as static. To do that would, however, overlook the underlying rightsizing, restructuring and consolidation that has taken place at our operations. We have continued our efforts at a sometimes slow and painful operational turnaround and focused on the key value drivers of our business in an effort to create value for our stakeholders.

An underlying theme of the year has been the positioning of this Group for the future. Extensive restructuring (with its associated additional costs and the expected time lags between operational cutbacks and cost reductions) have taken their toll.

Despite this, our costs are down again and our productivity efficiencies have been maintained. Value-adding capital expenditure increased significantly during the year, mainly to acquire the Teberebie operation at Tarkwa, developing new shafts at Beatrix, Driefontein and Kloof and in major metallurgical upgrades. Our on-reef development, which generates ore reserves and adds to mining flexibility, also increased significantly during the year, despite the cut backs and closure of a number of shafts. All of these initiatives, together with increased expenditure on our various operational and management systems as well as an increased focus on new technology development, provide us with a solid operational platform for the years ahead.

Ian Cockerill

Exploration and Business Development

Gold Fields is committed to becoming a world leader in developing precious metal mines and turning to account their mineral deposits. The Group has active projects on five continents including Africa, Europe, North America, South America and Australia, and continues to focus on further expanding the geographic diversity of its business.

Gold Fields' growth strategy is based on a balanced approach to new mining projects. Acquisitions will be considered at any stage on the development curve ranging from greenfields projects to operating mines. The past year's activities reflect a number of projects at various stages of development.

Of paramount importance in the growth strategy is the search for quality assets. In an extractive industry this translates into the total cost of production of the commodity. Gold Fields' goal is to be in the lowest quartile of the cost curve, which is based on the cost of the acquisition, cash operating costs, capital and general and administrative costs. With a focus on quality precious metal assets and our continuing geographic diversification, we will be in a position to deliver above average returns to shareholders.

Strategy

In addition to established offices in Denver, Santiago, Perth, Johannesburg and Accra, Gold Fields has opened a new office in Oxford to better service the European region. A total of 18 full time professional staff members are actively involved in searching for and evaluating new projects. Control is kept on staffing levels and overhead costs with the objective of maximising the proportion of expenditure on the projects themselves.

In line with the focus on quality assets, minimum target criteria have been developed.

- A minimum of 2 million ounces of reserves;
- Production rates of greater than 200,000 ounces per year;
- Cash costs of production half the commodity price (the reciprocal of two);
- Payback of capital investment in two years; and
- Double digit rate of return.

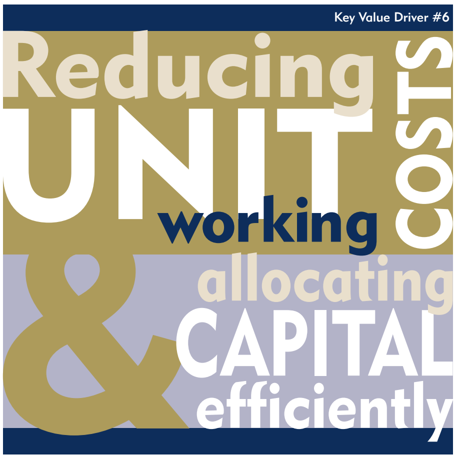
To be considered, any project must have the potential to meet all these requirements.

Projects

Much progress has been achieved on the Arctic Platinum Partnership with Outokumpu. More than 50,000 metres were drilled on five prospects and numerous exploration targets. Two prospects in the Portimo area, Kontijaarvi and Ahmavaara exceeded expectations with a combined resource increase to 6.0 million ounces of platinum, palladium and gold, an improvement of over 100 per cent over last year's resource estimate. In the ensuing year the program will be focused on bringing this project to a final feasibility study, expected in the third quarter of 2002.

With the demand for PGMs in the manufacture of catalytic converters in the automobile industry, Arctic Platinum could present an important new European source for these metals. Our partner, Outokumpu Oyj of Finland, is a world leader in the development of beneficiation plants for these metals. Work is currently in progress on establishing the possibility of converting or expanding one of their existing smelter facilities in order to treat these ores. This would have a beneficial impact on the projected operating costs of Arctic Platinum.

Both the Exploration and New Business divisions have been increasingly active in pursuing appropriate projects for gold exploration and acquisitions. The prolonged downturn in the gold price has provided the opportunity to acquire significant properties at more than reasonable prices.



Controlling working costs and allocating capital efficiently

Construction of the new pump facility at the Driefontein 1 plant.

Gold Fields Foundation

Keneiloe Mohafa – Corporate Social Investment Manager

The Gold Fields Foundation has been a part of the social and economic landscape of southern Africa for more than 20 years. The mission of the Foundation is to promote and facilitate sustainable socio-economic development by forging mutually beneficial partnerships with key stakeholders such as the private sector, government and in the broader community in the implementation of programmes.

Although the Foundation's efforts are aimed primarily at the areas in which the Group has its operations and from which it draws it employees, it does also invest in projects which have a national impact. The Foundation's capacity is directly linked to the fortunes of the Group, as it is funded at one rand per ounce produced and one half per cent of pre-tax profits. During the financial year the Foundation spent R17 million on its various projects.

The Foundation has four major thrusts – education, health care, community development and environmental education and conservation.

Education

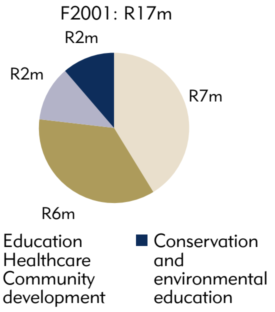
The Foundation's education initiatives encompass all levels, but with an emphasis on pre-school, primary and secondary education. Issues addressed include development of infrastructure, teacher skills and resources, primary health care (at schools) and various skills development programmes. The Palliative Medicine Care Institute offers education and training to medical staff with an emphasis on AIDS-related training, linking care and support.

The Foundation has a long history of support for tertiary educational institutions and, in recent years, this focus has shifted to the support of developmental projects at these institutions, such as the Gold Fields Environmental Education Programme at Rhodes University and the rural development programme through the School of Agriculture at the University of Venda.

Health care

The Foundation's current focus on primary health care includes HIV/AIDS, women's health issues, tuberculosis and infrastructure development. The rural health project linked to the Witwatersrand Medical School addresses tuberculosis and AIDS in the rural communities of South Africa. For many years the Foundation has been involved in training for

Contributions for the year



primary health care, first at its own nursing training centres and now at nursing training colleges. Funding initiatives include the Gold Fields Nursing College on the West Rand where diplomas are offered in community nursing and science, primary health care and advanced mining emergency care. An example of infrastructure development is the R1 million upgrade of the Paediatrics Oncology Unit at the Chris Hani Baragwanath Hospital, following a long association with that unit and hospital which dates back to the early 1980s.

Community development

The focus in community development is to improve the quality of lives of particularly rural people through grants and donations related to education, training, welfare, small business development and job creation. The empowerment of women and the youth is important. The Foundation supports the Friends of Mosvold Fund where local communities are trained in various medical and related fields.

Conservation

The Foundation also supports programmes that centre on building the capacity of the communities to participate in natural resource management and those which promote an integrated and sustainable approach to the environment. The Wildlife Environmental Society and the Tswaing Crater museum are examples of the Foundation's support in this area.

Board of Directors and Executive Committee

Executive Directors

Chairman and Chief Executive Officer

Christopher M T Thompson (53)
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 (46)
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 (42)
BComm, BAcc, Witwatersrand; CA(SA). Member of the Executive Committee. Appointed a director in February 1998.

Non-executive Directors

Deputy Chairman

Alan J Wright (59)
CA(SA). Chairman of the Audit Committee and a member of the Nominating Committee. Appointed a director in November 1997.

J Michael McMahon (54)
BSc (Mech Eng), Glasgow. Member of the Audit and Compensation committees. Chairman of Gencor Limited and Impala Platinum Holdings Limited. Appointed a director in December 1998.

Gordon R Parker (65)
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 (64)
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.

Tokyo M G Sexwale (47)
Certificate in Business Studies, University of Botswana, Lesotho and Swaziland. Member of the Health, Safety and Environment Committee and Nominating Committee. Chairman of Mvelaphanda Holdings Ltd, Northam Platinum Limited and Rand Mutual Assurance Limited. Director of Absa Group Limited, Trustee of the Business Trust. Appointed a director in January 2001.

Bernard R van Rooyen (67)
BA, LLB, Witwatersrand. Chairman of the Health, Safety and Environment Committee and member of the Audit Committee. Chairman of Trans Hex Group Limited, director of Banro Resource Corporation, 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 (53)
BComm, Rhodes; MA, Cambridge. Chairman of the Nominating Committee and member of the Compensation 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 (49)
BComm, LLB, Witwatersrand.
General Manager Human Resources

James W D Dowsley (43)
BSc (Min Eng), Witwatersrand.
General Manager Corporate Development

Craig J Nelsen (49)
BA (Geology), Montana; MSc (Geology), New Mexico.
Senior Vice President Exploration

Wayne D R Robinson (38)
BSc (Mech Eng), Durban; BSc (Min Eng), Witwatersrand.
Managing Director Driefontein Division

Dana Roets (39)
BSc (Min Eng), Pretoria; MBA, Cape Town.
Managing Director Free State Division

Howard Laycock (53)
BComm, Unisa.
Managing Director Kloof Division

Dick Graeme (59)
BSc (Geological Engineering), Arizona.
Managing Director Gold Fields Ghana Limited

Brendan I Walker (42)
BSc (Min Eng), Witwatersrand.
General Manager Technical Services

Arthur B Mashiatshidi (41)
BSc Economics, Wharton Business School, Pennsylvania; MBA, Cape Town.
Vice President Chairman's office

Corporate governance

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

The Group supports the objectives of and is currently considering the recommendations of the second King Report.

Board of directors

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.

In order for Gold Fields to conform more closely with international practice, a share option scheme will be proposed at the annual general meeting exclusively for the participation of non-executive directors. Should shareholders approve the plan to award the share options to non-executive directors as envisaged by the proposed plan, an independent committee comprising the chairman and two nominees representing significant shareholders of Gold Fields will administer the allocation of share options. The chairman will identify and approve the nominees to serve on this committee. Such nominees will not be board members.

The Board retains full and effective control over the Group.

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.

Executive Committee

The Executive Committee comprises the three executive directors, namely the Chairman and Chief Executive Officer as chairman of the Committee, the Managing Director and Chief Operating Officer, and the Executive Director Finance, as well as nine executive officers 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 names of the members of the committee appear on page 43.

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.

Nominating Committee

The Nominating Committee comprises C I von Christierson (Chairman), G R Parker, T M G Sexwale and A J Wright and has meetings scheduled on a quarterly basis. This committee is responsible for:

- developing the company's policy on 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.

Audit Committee

The Audit Committee, which comprises A J Wright (Chairman), B R van Rooyen and J M McMahon, monitors and reviews:

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

Compensation Committee

The Compensation Committee comprises G R Parker (Chairman), J M McMahon, C I von Christierson and P J Ryan. This committee has established the Group's compensation philosophy, the terms and conditions of employment of executive directors and other executives, including a short-term performance-linked bonus scheme and a long-term share incentive scheme. This committee meets on a quarterly basis.

Health safety and environment Committee

The Health, Safety and Environment Committee meets on a quarterly basis and comprises B R van Rooyen (Chairman), P J Ryan and T M G Sexwale. The committee's objectives include the elimination of all mining-related accidents, and ensures that the Group's operations are in compliance with all environmental regulations and establishes policy in respect of HIV/AIDS and health matters.

Internal control

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 Group's internal accounting controls and systems are designed to provide reasonable assurance as to the integrity 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.

Corporate code of conduct

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 beyond reproach. In addition, the Group operates a closed period prior to the publication of its quarterly and year end financial results during which period directors and officers of the Group may not deal in the shares of the company. Where appropriate, this is also extended to include other sensitive periods.

Risk management

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 minimise financial risk at 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.

The Group has recently appointed a Risk Manager to manage and co-ordinate risk management practices throughout the Group.

Employment equity

The Group has a formal employment equity plan which is aligned with the requirements of the Employment Equity Act and which has been approved by organised labour. The plan includes numerical targets to be achieved over a five year period and employment equity forums have been established at Group and operational level to monitor progress against the plan. A sub-committee of the Group Employment Equity Forum is actively dealing with discrimination issues.

Diversity training has commenced on most operations and approximately 50 per cent of all employees have received equity training. Progress is being made towards achieving equity targets, as set out in the table below.

Investor and shareholder relations

Regular presentations by Executive Directors are made to institutional investors, analysts and the media in South Africa, North America and Europe to communicate Group strategy and performance. Constant contact is maintained with these groups by the Group's Investor Relations departments based in South Africa and North America.

A corporate website (http:///www.goldfields.co.za) facilitates the dissemination of the latest Group financial and operational data as well as historical information.

Employment equity targets for designated persons
(All figures are percentages)

Occupational category	June 2000	June 2001 Actual	June 2001 Target	June 2005 Target
Senior management	8	9	10	20
Professionals	47	49	49	57
Technicians and associated professionals	37	39	40	50
Clerks	96	94	96	94
Service and sales workers	99	95	99	96
Craft and related trades	44	49	45	53
Plant and machine operators	100	100	99	97
Elementary occupations	100	100	99	97

Annual Financial Statements

Approval of the Annual Financial Statements

The financial statements for the year ended 30 June 2001, which appear on pages 50 to 53 and 60 to 90, have been approved by the directors on 27 August 2001.

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 year, 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 has 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 60 to 63 of this report.

C M T Thompson
Chairman and
Chief Executive Officer

N J Holland
Executive Director
Finance

27 August 2001

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 50 to 53 and 60 to 90 for the year ended 30 June 2001. 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 2001, the results of their operations, changes in equity 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
27 August 2001

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.

V D Mac Donald
Company Secretary

The directors have pleasure in submitting their report and the annual financial statements of the company and the Group for the year ended 30 June 2001.

Profile

Business of the company

Gold Fields Limited is one of the world's largest precious metals producers with mining operations conducted in South Africa and Ghana. In addition exploration for gold and other precious metals is conducted worldwide.

Financial results

The financial statements set out fully the financial results of the company and the Group. 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 54 to 59.

International accounting standards

The Gold Fields Group's annual financial statements comply with International Accounting Standards and South African Statements of Generally Accepted Accounting Practice.

Reporting in United States dollars

To assist international investors, the Group's annual financial statements have also been translated into United States dollars.

Share capital

Authorised

The company's authorised share capital of 1,000,000,000 shares of 50 cents remained unchanged during the year.

Issued

A total of 2,586,013 shares were issued in terms of the GF Management Incentive Scheme resulting in the total issued ordinary shares at 30 June 2001 increasing to 455,836,608 (2000: 453,250,595) ordinary shares of 50 cents each.

The unissued ordinary shares exclusive of the number of shares reserved for purposes of the incentive scheme, are under the control of the directors until the forthcoming annual general meeting. Shareholders will be asked to renew this authority at the annual general meeting. 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 JSE Securities Exchange SA. The proposed resolutions are set out in the notice convening the annual general meeting.

Repurchase of shares

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 permitting such acquisitions be passed at the forthcoming annual general meeting.

Shareholding in the company

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

Number of shares	000	%
Public	379,526	83.2
Non-public	76,311	16.8
Directors	369	0.1
Holding over 10%	75,942	16.7
Total	455,837	100.0

Anglo American plc holds 75.9 million shares in the company (16.7 per cent). The other significant shareholders in the Group are listed on page 93.

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 shares in the company.

Details of the scheme are as follows:

	Number of shares	Average option price (cps)
Outstanding at 1 July 2000	11,515,435	2,038
Granted during the year	491,000	2,485
Exercised and released	2,586,013	1,509
Forfeited	974,772	2,011
Outstanding at 30 June 2001	8,445,650	2,229
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 30 June 2001 relating to shares taken up by participants during the year, amounting to R34.9 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. At the forthcoming general meeting shareholders will be asked to approve a resolution increasing the number of shares available under the incentive scheme to 22,791,830, being approximately 5 per cent of the company's issued share capital as at 30 June 2001.

It is practice in certain jurisdictions, in particular in the United States of America, for companies to promote an identity of interests between the non-executive directors and shareholders by affording the non-executive directors an opportunity to acquire shares in the capital of the company. In view of this, the executive directors of Gold Fields propose that Gold Fields adopts a share plan for its non-executive directors at the annual general meeting and that shareholders vote in favour of the ordinary and special resolutions required to implement such plan.

The salient features of the aforesaid plan to be named "The GF Non-Executive Director Share Plan" accompanies the notice of annual general meeting included in this report. A copy of the plan will be available for inspection at the registered office of the company until the day before the annual general meeting.

Financial affairs

Dividend policy

The company's dividend policy is to declare an interim and a final dividend in respect of each financial year based on fifty per cent of the earnings for the year before taking account of investment opportunities.

Dividends for the year ended 30 June 2001

The company declared a dividend of 105 cents per share on 30 January 2001 which consisted of the deferred dividend in respect of the second half of the financial year ended 30 June 2000 of 52 cents per share, and an interim dividend of 53 cents per share for the first half of the financial year to 30 June 2001. The dividend was paid on 23 March 2001.

A final dividend of 40 cents per share has been declared payable to shareholders registered at the close of business on 17 August 2001. The dividend is declared in the currency of the Republic of South Africa.

Capital expenditure

Capital expenditure for the year amounted to R1,136.5 million (2000: R681.4 million). Estimated capital expenditure for the 2002 financial year is R1,093 million and will be funded from internal sources and to the extent necessary, borrowings.

Going concern

The financial statements have been prepared using appropriate accounting policies, supported by reasonable judgements and estimates. The directors have reasonable belief that the company and the Group has adequate resources to continue as a going concern for the foreseeable future.

Property

The register of property and mineral rights is available for inspection at the registered office of the company during normal business hours.

Post balance sheet events

No material events have occurred since the date of the financial statements and the date of approval thereof, the knowledge of which would affect the ability of the users of these statements to make proper evaluations and decisions.

Environmental obligations

The Group has made provision in the financial statements for pollution control, rehabilitation and closure costs amounting to R530.8 million (2000: R319.5 million). Cash contributions of R37.8 million (2000: R26.3 million) have been paid during the year to trust funds created to fund these provisions with the total amounts invested at the year end amounting to R180.6 million (2000:128.3 million).

Investments

Arctic Platinum Partnership

The Group surpassed a cumulative investment of US$5 million in the project during the year resulting in a 30 per cent interest being vested. A further US$6 million investment will result in the Group owning 49 per cent of the project and an additional US$2 million will increase the interest to 51 per cent. The cumulative investment in the project at 30 June 2001 was US$10 million. A scoping study has been completed which recommends proceeding towards a bankable feasibility study by September 2002. Once an interest of 51 per cent vests to Gold Fields, contributions to the project will be shared equally between Gold Fields and Outokumpu.

Project AuTek

The Group entered into Project AuTek, a pioneering initiative to pursue research and develop new product applications for gold and gold alloys. Project AuTek, which was first launched in June 2000, now has Gold Fields, AngloGold and Mintek as primary partners. The project has research affiliations with a number of institutions worldwide, including the Universities of Cape Town, Witwatersrand and the University of the North in South Africa, as well as the LERCSI in France and the University of Leiden in The Netherlands. The directors believe there is substantial potential for gold to replace existing products and to create new ones.

Directorate

Composition of the Board

The directors of the company at the date of this report are shown on page 43.

Mr W E Bührmann resigned on 12 December 2000 and Mr T M G Sexwale was appointed to the Board on 1 January 2001.

The directors retiring in terms of the Company's Articles of Association are Messrs J M Mc Mahon, G R Parker, P J Ryan and T M G Sexwale, and being eligible offer themselves for re-election. At the forthcoming annual general meeting members will be requested to consider the necessary resolutions.

Interest of directors

The interest of directors in the shares of the company were as follows and did not individually exceed 1 per cent of the issued share capital or voting control of the company.

	30 June	
	2001	2000
Beneficial	**368,889**	360,679
Non-beneficial	**10,833**	16,555

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

Directors' fees

In terms of the Articles of Association the fees for services as non-executive directors are determined by the company in general meeting. Directors' fees for services as directors are currently R50,000 per director with additional fees for meeting attendance and serving on the various committees of the company.

Directors' emoluments

The following table records the emoluments paid to each director during the year:

All figures in Rands	Board fees	Board committee fees	Salary	Bonuses and performance related payments	Pension scheme-contributions	**Total 2001**	Total 2000
Executive directors							
C M T Thompson (Chairman and Chief Executive Officer)			3,207,614	800,000	384,914	**4,392,528**	3,712,365
I D Cockerill (Managing Director)			2,083,589	500,000	372,041	**2,955,630**	1,714,944
T G Dale			–	–	–	**–**	570,000
N J Holland (Executive Director – Finance)			1,425,080	550,000	309,800	**2,284,880**	1,770,195
Non-executive directors							
A J Wright (Deputy Chairman)	85,000	81,000				**166,000**	155,000
J M McMahon	60,165	40,132				**100,297**	86,000
G R Parker	90,000	81,000				**171,000**	184,000
Dr P J Ryan	80,000	67,000				**147,000**	144,000
B R van Rooyen	85,000	191,000				**276,000**	231,000
T M G Sexwale	–	–				**–**	–
C I von Christierson	85,000	58,000				**143,000**	82,817
W E Bührmann	43,000	31,000				**74,000**	141,000
Total	528,165	549,132	6,716,283	1,850,000	1,066,755	**10,710,335**	8,791,321

		Executive directors			
		C M T Thompson	I D Cockerill	N J Holland	Total
Options held as at 1 July 2000					
Number		620,000	500,000	280,000	1,400,000
Average exercise price per share	– R	22.97	20.90	19.32	
Exercised during year					
Number		–	–	–	–
Average exercise price per share	– R	–	–	–	–
Average market price per share at date of exercise	– R	–	–	–	–
Pre-tax gain at date of exercise	– R value – R per share	–	–	–	–
Lapsed during year					
Number		–	–	–	–
Options held as at 30 June 2001		**620,000**	**500,000**	**280,000**	**1,400,000**

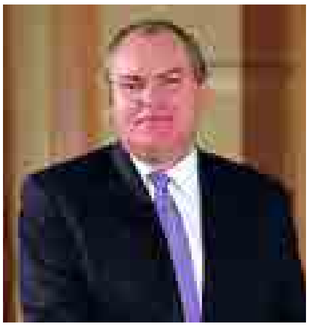
Administration

Mr V D MacDonald acted as Secretary to Gold Fields Limited. GFL Mining Services (Proprietary) Limited continues to act as administrative, financial and technical advisers to the company.

Mr N J Holland acted as public officer for the year under review.

Computershare Services Limited and Capital IRG plc are respectively, South African transfer secretaries and United Kingdom registrars of the company.

Management's discussion and analysis of the financial results



Nick Holland
Executive Director Finance

The financial results have been prepared in accordance with International Accounting Standards (IAS), consistent with the previous year, to facilitate easier comparison of Gold Fields' results with other international precious metals producers.

Results for the year

Headline earnings for the year ended 30 June 2001 were R788 million with headline earnings per share of 173 cents. This compares to headline earnings for the previous year of R705 million and headline earnings per share of 156 cents.

Due to significant asset impairments effected during the year, a net loss of R906 million was incurred for F2001 (199 cents per share) compared with a profit of R651 million in the previous year (144 cents per share).

These results are analysed as follows:

The Group achieved sales of 3.76 million ounces of gold (excluding revenue from 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 R7,691 million. This compares to sales of 3.92 million ounces of gold in the previous year, which generated revenue of R7,065 million. Revenue for the year thus increased by R626 million or 9 per cent despite the reduction in ounces of gold sold of 160,000 ounces or four per cent.

The downscaling of operations at the unprofitable 8 and 9 shafts at Kloof (old Libanon) resulted in production at these shafts reducing from 209,000 ounces in F2000 to 111,000 ounces in F2001. Lower face grades at Driefontein and the impact of the various seismic events in the West Wits region resulted in both Kloof and Driefontein reducing output by 184,000 ounces and 47,000 ounces respectively. Oryx and St Helena achieved

	F2001 Rm	F2000 Rm
Total cash costs	**5,550**	5,378
Add: Other costs		
General and administration	**271**	220
Rehabilitation	**23**	30
Gold in process change	**93**	54
Royalty	**(28)**	(16)
Operating costs	**5,909**	5,666
Amortisation and depreciation	**615**	634
Gold inventory change	**(79)**	(63)
Cost of sales	**6,445**	6,237

lower yields from their mining areas due to a lack of mining flexibility, further reducing gold produced for the year by 34,000 and 40,000 ounces of gold respectively. The decline in output from the South African operations was partially offset by the Tarkwa mine which increased gold production to 440,000 ounces from 296,000 ounces the previous year. This substantial increase arises from the completion of the Phase II expansion and the acquisition of the northern portion of Teberebie in September 2000.

The average gold price achieved reduced to US$269 per ounce in F2001 from US$284 per ounce in the previous year. The continued weakening of the SA Rand resulted in an average decrease from R6.34/US Dollar in F2000 to an average of R7.61/US Dollar in F2001. This resulted in the achieved rand per kilogram price increasing by 14 per cent to R65,835 per kilogram in the current year from R57,919 per kilogram in F2000. The higher rand per kilogram price received more than compensated for the lower unit sales thus resulting in the higher revenue for the year.

Cost of sales which consist of operating costs, change in gold inventories and amortisation and depreciation, increased from R6,237 million in F2000 to R6,445 million in F2001, an increase of 3.3 per cent year-on-year, analysed as follows:

Operating costs increased from R5,666 million in F2000 to R5,909 million in F2001 with the increase of R243 million reflecting the increased output at Tarkwa, where costs increased by R183 million. With tons treated at Tarkwa increasing from 8,017,000 tons to 11,667,000 tons, gold production increased by 49 per cent compared to the previous year. Operating costs for the South African operations increased from R5,240 million to R5,301 million year on year, an increase of only 1 per cent, which is evidence of the cost control being exercised.

The 4 sub-vertical shaft at Kloof mine is still undergoing initial development, with operating costs and revenue capitalised and thus excluded from the results. In accordance with this policy, expenditure capitalised net of revenue, increased from R126 million in the previous year to R137 million in the current year. The results of the 4 sub-vertical shaft will continue to be capitalised through F2002, during which year projected commercial levels of production are expected to be reached.

On a per unit basis, cash costs increased to R47,710 per kilogram from R44,036 per kilogram in the previous year whilst total production costs increased to R52,375 per kilogram from R48,941 per kilogram. However, due to the weakening of the Rand/US Dollar exchange rate, the dollar denominated cash cost decreased to US$195 per ounce from US$216 per ounce, with total production costs decreasing to US$214 per ounce compared to US$240 per ounce in the previous year.

General and administration costs increased by R51 million due to the increased contribution of US$2 per ounce to the World Gold Council with effect from 1 January 2001 and an increase in corporate costs from R96 million to R123 million mainly due to the re-establishment of the Group technical department.

Amortisation and depreciation is calculated based on gold production during the year using a gold price of R62,310 per kilogram. The current year's charge decreased to R615 million against R634 million previously and is due almost entirely to the lower output at the Group's South African operations (notably Kloof), offset by the increase at Tarkwa.

Operating profit for F2001 at R1,246 million increased by R418 million compared to the previous year, an increase of 50 per cent. The increase is due to the increase in the achieved rand per kilogram gold price as well as the continued efforts to reduce costs.

Other income at R118 million includes interest received of R64 million, dividends received from unlisted investments of R6 million and proceeds from a number of insurance claims of R39 million. R20 million of these claims related to the flammable gas explosion at Beatrix on 8 May 2001 and R19 million was attributable to the multiple seismic events at Kloof and Driefontein in September 2000. Offset against other income is an interest expense of R31 million of which R14 million relates to the project loan at Gold Fields Ghana Limited and R17 million to the Group's environmental liability.

The Group is fully provided on a net present value basis for the estimated cost of restoring the environmental disturbances. The environmental liability provision is revalued annually and increases relating to the change in present value and inflationary increases are charged to earnings. Rehabilitation assets created from the provision are classified as assets and amortised over the lives of the mines. The differential between the discount rate and the assumed inflation rate is classified as an interest expense in the income statement.

An amount of R47 million charged to the income statement relates to an increase in the provision for post retirement health care, which resulted from an actuarial valuation completed in June 2001 and has also been deducted from other income.

Exceptional items

Of the exceptional loss of R2,208 million, R2,121 million relates to a write-down of the carrying value of mining assets.

As a consequence of the Group continuously reassessing the appropriateness of the carrying value and recoverability of its mine assets, it was identified that the carrying value of Beatrix 4 shaft was not supported by underlying valuations. The valuation was performed assuming a gold price of US$265 per ounce at a Rand/US dollar exchange rate of R8.10. In addition the downscaling at St Helena and curtailment of operations at Kloof 8 and 9 shafts (formerly Libanon) resulted in an impairment of the carrying values. Total asset impairments after tax amounted to R1,694 million. These are analysed as follows:

Beatrix

Following a recent geological study at the Beatrix 4 shaft and an associated revision of the ore reserve, the latest life-of-mine plans indicate that future extraction of gold should be based on 2.9 million ounces as opposed to 6.9 million ounces as previously estimated. At this level of extraction and at a gold price of US$265 per ounce the life of mine plans did not support the carrying value of the shaft. Accordingly, an asset impairment of R1,926 million has been charged against earnings, which reduces the carrying value of the Beatrix 4 shaft asset to R500 million. Net of the deferred tax release the effect on the Group's earnings was a charge of R1,557 million.

St Helena

Arising from the decision announced in March 2001 to commence a phased shutdown of operations at St Helena, it was deemed prudent to write down the remaining assets of R64 million.

Kloof 8 and 9 shafts

Given the curtailment of operations at Kloof 8 and 9 shafts it has been decided to write off the remaining assets excluding the plant, which continues to be used to process surface material. As a consequence, Kloof 8 shaft below 23 level will be mined from the 1 sub-vertical shaft at Kloof. The result of the decision is a write-down of both Kloof 8 and 9 shafts of R131 million (R73 million after associated deferred tax release) leaving a residual value of R16 million which relates to the plant and other assets being used by Kloof.

Other amounts included under exceptional items are retrenchment costs of R38 million, costs related to the aborted merger with Franco-Nevada of R19 million and a write-down of investments of R60 million. This relates to listed investments being written down to market value at financial year-end being R44 million in respect of the holding of 30 per cent in Eldorado Gold Corporation, R12 million in respect of the 16 per cent holding in Brazilian International Gold Fields and a R4 million write down in respect of the 11 per cent interest in Acquest Minerals Corporation.

Hedging

Offset against these exceptional charges is a once-off gain related to the close out of the only remaining hedge position in the Group. In September 1999 Gold Fields closed out the majority of its hedge positions, excluding the forward sale commitment at Gold Fields Ghana, which was a requisite of the financial covenants of the Tarkwa project finance facility. The strong operating performance and positive cash flows generated by Tarkwa during the financial year culminated in a decision to retire the project debt at Tarkwa earlier than anticipated. As a result the remaining hedge position of Gold Fields Ghana consisting of 160,000 ounces was closed out on 16 February 2001 at an average spot price of US$256 per ounce realising a profit of R40 million (US$5.2 million).

The net impact of exceptional items after tax and minorities is a charge to income of R1,777 million compared to the previous year's charge of R173 million which included the impairment write down of Libanon, retrenchment costs and the net impact of the hedge repurchasing programme, which resulted in all hedge losses being accounted for in full.

Taxation

Although operating profit increased by R418 million when compared to the previous year, headline earnings only increased marginally to R788 million from R705 million in the previous year, an increase of R83 million. The marginal increase in headline earnings was mainly due to the deferred tax charge of R263 million excluding impairment of assets in the current year compared to the deferred tax credit of R169 million in the previous year which was substantially due to the restructuring of Beatrix and Oryx into a combined tax entity. In addition a provision for deferred tax at Gold Fields Ghana of R85 million was made in the current year whereas no provision was required in the prior year.

The deferred tax effect of the exceptional items includes R427 million which relates to the asset impairment write-downs and results in a net tax credit of R66 million as compared to a credit of R39 million in the previous year.

The South African mining tax charge of R56 million relates solely to Driefontein as Kloof was in the "tax tunnel" for the fiscal year and Beatrix and St Helena have unutilised tax losses and unredeemed capital expenditure. The total tax payment to the authorities was R183 million, with R146 million payable to the South African government. The tax losses and unredeemed capital expenditure allowances at Beatrix arose from the restructuring of Beatrix and Oryx (now Beatrix 4 shaft) into one tax entity in the previous year. The Oryx and Beatrix combined tax entity has tax losses of R156 million and unredeemed capital expenditure of R1,985 million available for offset against future income, whilst the St Helena mine has available estimated tax losses of R92 million and unredeemed capital expenditure of R29 million for offset against future income.

Foreign taxation comprises current taxation of R37 million which includes a royalty on profits, a reconstruction levy in Ghana based on 2.5 per cent of operating profit and a provision for deferred taxation of R85 million at Gold Fields Ghana Limited. The levy became effective on 1 January 2001.

Gold Fields Ghana Limited provided deferred tax on the arising of temporary differences for the first time due to the increased profitability of the operation, which also resulted in the estimated capital allowance available for offset against future income decreasing from US$165 million in F2000 to US$141 million F2001.

Dividend

The final dividend for the year to 30 June 2000, that was previously postponed as a result of the now terminated Franco-Nevada merger agreement, was included with the interim dividend for the year to 30 June 2001. This resulted in the payment of the final dividend for the year ended 30 June 2000 and an interim dividend for the year ended 30 June 2001 amounting to R478 million or 105 cents per share, distributed to shareholders on 23 March 2001.

A final dividend of 40 cents per share has been declared, payable to shareholders registered at the close of business on 17 August 2001. The dividend is declared in the currency of the Republic of South Africa.

Cash flow

Net cash flow from operations during the year was R1,596 million after payment of taxes of R183 million and an increase in working capital of R239 million. A significant portion of the increase in working capital related to the increase in production at Gold Fields Ghana with the attendant impact on the level of inventories (gold in process) and receivables. The dividend payment of R478 million, the substantial cash invested in capital expenditure of R1,137 million and the early retirement of the Gold Fields Ghana project loan facility of R225 million severely depleted the Group's cash resources resulting in a cash outflow of R325 million for the year to 30 June 2001. Cash at the end of the year was R190 million compared to R515 million at the beginning of the year. As a consequence of the early retirement of the Gold Fields Ghana project facility, the Group is entirely free of debt. The Group has R500 million in committed unutilised banking facilities.

Capital expenditure

Capital expenditure for the year of R1,137 million related mainly to the Group's key capital projects. The expenditure on capital during the year was as follows:

- R146 million on the Beatrix 3 shaft expansion project. The project remains on schedule and remaining capital expenditure is forecast at R464 million. Although a relatively small amount of gold is expected to be produced in F2002, all costs and revenue related thereto will be allocated to the income statement and thus not capitalised. The project is forecast for completion by F2006.

- R308 million on the 1 tertiary and 5 sub-vertical shafts at Driefontein with the remaining capital expenditure forecast at R876 million. The project remains on schedule with the date of intersecting of reef at the 1 tertiary shaft anticipated by the end of calendar 2003. Forecast completion is expected by 2006.
- R206 million on the 4 sub-vertical shaft at Kloof inclusive of capitalised revenue and development costs with remaining capital expenditure forecast at R725 million. The project is forecast for completion by F2006.
- US$9 million on the Teberebie acquisition and subsequent refurbishment at Gold Fields Ghana with remaining capital expenditure expected at a nominal US$1.5 million. In addition expenditure of US$4.5 million was incurred in the current year on the Phase I and Phase II projects. The Phase I and Phase II projects have been completed with total expenditure of US$162.5 million.

It is anticipated that the Group will have sufficient internal cash resources to fund the anticipated future costs of these projects.

Investments

As a result of surpassing a cumulative capitalised investment of US$5 million in the Arctic Platinum Partnership a 30 per cent interest became vested in Gold Fields Limited. The total amount invested to date is US$9.7 million and has been capitalised. A further US$3.3 million investment in terms of the project agreement will result in Gold Fields obtaining a vested interest of 51 per cent.

The carrying value of the Group's listed investments are periodically assessed against market value and net asset value where appropriate. As a consequence certain listed investments were marked to market at the financial year-end resulting in the carrying value of investments in Eldorado Gold Corporation being written down by R44 million, Brazilian International Gold Fields by R12 million and Acquest Minerals by R4 million. The significant listed investments at 30 June 2001 are:

- 3.8 million shares in Western Areas representing a 4 per cent interest.
- 0.3 million shares in Cliff Mining plc representing a 3 per cent interest.
- 2.8 million shares in Brazilian International Gold Fields representing a 16 per cent interest.
- 2.1 million shares in Acquest Minerals Corporation representing a holding of 11 per cent.

Provisions

Long-term provisions at R766 million include R531 million in respect of accrued environmental rehabilitation obligations and R235 million in respect of post retirement health care costs.

The amount provided for rehabilitation obligations represents the present value of closure, rehabilitation and other environmental obligations incurred up to 30 June 2001. The provision is updated annually to take into account inflation, the time value of money and any new environmental obligations as and when they are identified. The provision increased substantially from R320 million to R531 million as a result of two factors. Firstly, as a result of rehabilitation obligations assumed consequent upon the acquisition of the northern portion of Teberebie's assets, a provision of R60 million was raised. Secondly, the discount rate applied to determine present values of closure, rehabilitation and other obligations in respect of South African operations was decreased from 13 per cent in F2000 to 11 per cent in F2001 as it reflects more accurately current market rates, effectively increasing the provision by R105 million. The accounting treatment is consistent with the previous year and results in a charge against current year's earnings of R22 million for the inflation adjustment and R17 million being the differential between the discount rate applied and assumed inflation. The latter amount is classified as an interest expense.

The Group has established dedicated rehabilitation trust funds to finance final closure and rehabilitation costs. Contributions for the year under review amounted to R38 million and with the funds earning income of R15 million, the total amount invested in the trust funds increased from R128 million to R181 million, and this amount is reflected as a non-current asset in the financial statements. Annual contributions to the trust funds will be continued over the remaining lives of the mines and should ensure that sufficient funds will be available to discharge the Group's commitments for rehabilitation costs in the future.

The amount provided for post retirement health care relates to pensioners and dependants of ex-employees. This obligation will be funded over the lifetime of the qualifying pensioners and dependants of ex employees. The past service contractual obligation results from obligations for contributions to medical aid schemes for all continuation and widowed members. The Group has two medical funds, namely Aumed for the Free State and Medisense associated with the West Wits operations. There is no contractual liability with regard to active members of the Group's medical schemes as well as members on Aumed who retired after 31 August 1997 and members of Medisense who retired after 31 January 1999.

Beatrix call options

Included in the results of the current year is the effect of the close-out of 377,572 ounces of Rand gold call options held at Beatrix which realised a profit of R7 million. At financial year-end 50,818 ounces of the Beatrix Rand gold call options remain unexercised with a mark-to-market valuation gain of R0.7 million.

The Group's hedging policy as at 30 June 2001 is reflected on pages 62 and 81 of the annual report.

Net surplus

The net surplus generated for the year ended 30 June 2001, excluding amortisation, deferred taxation, exceptional items and the impact of financing and dividends but including capital expenditure, comprised:

	Rm	US$/oz
Revenue	7,691	269
Less costs:		
Cash costs	5,550	195
Group general and administration	271	9
Taxation	98	3
Net sundry income	(40)	(1)
Discretionary surplus	1,812	63
Capital expenditure (net of disposals)	1,114	39
Exploration	61	2
Other investments	76	3
Net surplus	561	19

Other initiatives

The Group is continuously exploring avenues to improve the quality of information produced as a means of more accurately identifying areas where the Group is outperforming expectations and other areas where results are below par. To this end a management information software package (Budget Plus) is currently being implemented across Group operations as an overlay on existing platforms. This has forced a common approach to be adopted with regard to all cost definitions thus making management information more meaningful. More importantly, this tool will allow for more objective measurement and identification of both good and poor performing areas down to the lowest level of accountability (ultimately individual panels) and allow for meaningful benchmarking of work areas across the Group. This process will facilitate the transfer of best practice across the Group.

Group shares

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 2001, being 780,000 shares per day on the JSE Securities Exchange SA and 420,000 shares per day on Nasdaq.

On an annualised basis, this trading activity amounts to 66 per cent of shares outstanding.

Nick Holland

Nick Holland

Executive Director Finance

27 August 2001

1. Basis of preparation

The financial statements are prepared according to the historical cost accounting basis.

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 are consistent with those applied in the previous year, except as stated in 1.1 below.

1.1 Change in accounting policy

The Group has adopted International Accounting Standard IAS 10 (revised) – Events occurring after balance sheet date with respect to accounting for dividends. The change in accounting policy has been adopted prospectively.

2. 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.

3. 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:

3.1 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.

3.2 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 shareholder's equity. These differences will be recognised in earnings upon realisation of the underlying operation.

4. Fixed assets

4.1 Mining assets

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

Expenditure incurred to evaluate and develop new orebodies, to define mineralisation in existing orebodies, 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.

4.2 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.

4.3 Land
Land is shown at cost and is not depreciated.

4.4 Amortisation and depreciation of mining assets
Mining assets, mine development and evaluation 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.

4.5 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.

4.6 Mining exploration
Expenditure on exploration activities, prior to evaluation is charged against income until the viability of the mining venture has been proven.

4.7 Impairment
The recoverability of the carrying value of long-term assets is reviewed by management 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 revised carrying amounts are amortised in line with the Group accounting policies.

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.

4.8 Leases
Operating leases are charged against income as incurred.

5. 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 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.

6. 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 prior to evaluation are charged against income until the viability of a new mining venture has been proven.

7. 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.

8. Financial instruments and hedging transactions

Financial instruments carried on the balance sheet include cash and cash equivalents, investments, trade receivables and trade payables. 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, if not designated as hedges.

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 loses on these hedge 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.

9. Cash and cash equivalents

Cash and 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.

10. 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.

11. Provisions

Provisions are recognised when the Group has a present obligation, legal or constructive resulting from past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

12. 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 are reviewed annually and adjusted as appropriate for changes in legislation or technology or other circumstances. Cost estimates are not reduced by the potential proceeds from the sale of assets or from plant clean-up at closure, 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.

13. Employee benefits

13.1 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 contributions funds are charged against income as incurred.

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

13.2 Post retirement health care costs

Medical cover is provided through a number of different schemes.

Post retirement health care 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.

14. 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.

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

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

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

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

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

15. Dividends declared

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

16. Segmental reporting

The Group is a gold mining company operating geographically in South Africa and in West Africa. The business segments comprise geographical operations based on locations and operating units.

17. Comparatives

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

Group income statements

for the year ended 30 June 2001

Figures in millions unless otherwise stated

United States Dollars 2000	United States Dollars 2001		Notes	South African Rand 2001	South African Rand 2000
1,114.4	**1,010.6**	Turnover	1	**7,690.6**	7,065.3
983.7	**846.9**	Cost of sales	2	**6,444.5**	6,236.7
130.7	**163.7**	Operating profit		**1,246.1**	828.6
18.5	**15.5**	Other income		**117.7**	117.1
(11.7)	**(8.0)**	Exploration		**(60.8)**	(74.3)
(42.6)	**(290.2)**	Exceptional items	3	**(2,208.1)**	(270.1)
94.9	**(119.0)**	(Loss)/profit before taxation	4	**(905.1)**	601.3
(6.1)	**(8.6)**	Mining and income tax	5	**(66.1)**	(38.5)
101.0	**(110.4)**	(Loss)/profit after taxation		**(839.0)**	639.8
(1.7)	**8.8**	Minority shareholders' interest		**67.1**	(10.9)
102.7	**(119.2)**	Net (loss)/earnings		**(906.1)**	650.7
111.2	**103.4**	Headline earnings	6.1	**787.9**	704.7
25	**23**	Headline earnings per share – cents	6.1	**173**	156
23	**(26)**	Net (loss)/earnings per share – cents	6.2	**(199)**	144

Group balance sheets

at 30 June 2001

Figures in millions unless otherwise stated

United States Dollars 2000	2001		Notes	South African Rand 2001	2000
		Assets			
1,875.9	**1,427.2**	**Non-current assets**		**11,517.4**	12,699.2
1,820.8	**1,372.6**	Fixed assets	8	**11,077.2**	12,326.8
36.1	**32.2**	Investments	9	**259.6**	244.1
19.0	**22.4**	Non-current asset	10	**180.6**	128.3
159.5	**130.1**	**Current assets**		**1,050.1**	1,079.7
47.3	**52.3**	Inventories	11	**421.7**	320.4
36.1	**54.3**	Accounts receivable		**438.4**	244.4
76.1	**23.5**	Cash and cash equivalents		**190.0**	514.9
2,035.4	**1,557.3**	**Total assets**		**12,567.5**	13,778.9
		Equity and liabilities			
1,243.4	**916.1**	**Capital and reserves**		**7,392.7**	8,417.6
1,213.4	**876.8**	Shareholders' equity per statement		**7,075.6**	8,214.4
30.0	**39.3**	Outside shareholders' interest	12	**317.1**	203.2
622.6	**514.0**	**Non-current liabilities**		**4,147.4**	4,215.0
522.2	**419.0**	Deferred taxation	13	**3,381.2**	3,535.3
20.0	**–**	Long-term liability	14	**–**	135.4
80.4	**95.0**	Long-term provisions	15	**766.2**	544.3
169.4	**127.2**	**Current liabilities**		**1,027.4**	1,146.3
145.4	**126.1**	Accounts payable	16	**1,018.1**	984.1
14.0	**1.1**	Taxation		**9.3**	94.5
10.0	**–**	Current portion of long-term liability	14	**–**	67.7
2,035.4	**1,557.3**	**Total equity and liabilities**		**12,567.5**	13,778.9

Group statements of changes in shareholders' equity

for the year ended 30 June 2001

Figures in millions unless otherwise stated

United States Dollars 2000	2001		Note	South African Rand 2001	2000
		Ordinary share capital			
		Authorised			
73.9	62.0	1,000,000,000 shares of 50 cents each		500.0	500.0
		Issued			
		455,836,608 (2000: 453,250,595) shares of 50 cents each			
37.1	**37.5**	Balance at beginning of the year		**226.6**	224.2
0.4	**0.2**	Issued during the year		**1.3**	2.4
37.5	**37.7**	**Balance at end of the year**		**227.9**	226.6
		Share premium			
1,191.7	**1,213.8**	Statutory balance at beginning of the year		**7,349.8**	7,209.4
22.1	**9.3**	Issued during the year		**71.1**	140.4
–	**(1.4)**	Written off during the year		**(10.6)**	–
1,213.8	**1,221.7**	Statutory balance at end of the year		**7,410.3**	7,349.8
(44.9)	**(37.2)**	Net merger adjustment		**(300.5)**	(303.8)
1,168.9	**1,184.5**	**Total share premium**		**7,109.8**	7,046.0
1,206.4	**1,222.2**	**Total share capital and premium**		**7,337.7**	7,272.6
		Retained earnings			
133.5	**221.9**	Balance at beginning of the year		**800.2**	240.2
102.7	**(119.2)**	Net (loss)/earnings		**(906.1)**	650.7
(14.3)	**(63.9)**	Dividends	7	**(477.7)**	(90.7)
221.9	**38.8**	**Balance at end of the year**		**(583.6)**	800.2
		Currency translation adjustment			
(85.3)	**(214.9)**	Balance at beginning of the year		**141.6**	51.8
–	**–**	Arising on translation of foreign entities during the year		**179.9**	89.8
(129.6)	**(169.3)**	Translation adjustment		**–**	–
(214.9)	**(384.2)**	**Balance at end of the year**		**321.5**	141.6
1,213.4	**876.8**	**Total shareholders' equity**		**7,075.6**	8,214.4

Group cash flow statements

for the year ended 30 June 2001

Figures in millions unless otherwise stated

United States Dollars 2000	United States Dollars 2001		Notes	South African Rand 2001	South African Rand 2000
155.1	**143.9**	**Cash flows from operating activities**		**1,118.1**	999.1
204.5	**259.8**	Cash generated by operations	17	**1,978.0**	1,295.4
11.4	**7.1**	Investment and interest income		**54.5**	72.7
8.7	**(31.4)**	Change in working capital	18	**(239.2)**	55.0
224.6	**235.5**	Cash generated by operating activities		**1,793.3**	1,423.1
(3.2)	**(1.9)**	Interest paid		**(14.4)**	(20.5)
(29.7)	**(25.8)**	Tax paid	19	**(183.1)**	(178.3)
191.7	**207.8**	Net cash from operations		**1,595.8**	1,224.3
(36.6)	**(63.9)**	Dividends paid	20	**(477.7)**	(225.2)
(121.6)	**(166.1)**	**Cash flows from investing activities**		**(1,264.5)**	(770.7)
(107.5)	**(149.3)**	Additions to fixed assets		**(1,136.5)**	(681.4)
3.8	**2.9**	Disposal of assets		**22.1**	23.7
(10.0)	**(9.9)**	Purchase of investments		**(75.7)**	(63.3)
(4.2)	**(5.0)**	Investment in environmental trust fund		**(37.8)**	(26.3)
(3.7)	**(4.8)**	Post retirement health care payments		**(36.6)**	(23.4)
4.9	**(23.9)**	**Cash flows from financing activities**		**(178.5)**	31.0
1.3	**0.9**	Increase in minority funding		**6.6**	8.1
14.0	**(30.0)**	Long-term loan (repaid)/raised		**(224.8)**	88.8
1.0	**5.2**	Shares issued		**39.7**	6.4
(11.4)	**–**	Short-term loans repaid		**–**	(72.3)
38.4	**(46.1)**	Net cash (utilised)/generated		**(324.9)**	259.4
(4.7)	**(6.5)**	Translation adjustment		**–**	–
42.4	**76.1**	Cash and cash equivalents at beginning of the year		**514.9**	255.5
76.1	**23.5**	Cash and cash equivalents at end of the year		**190.0**	514.9

Figures in millions unless otherwise stated

United States Dollars 2000	United States Dollars 2001			South African Rand 2001	South African Rand 2000
		1.	**Turnover**		
			Turnover from mining operations		
1,101.9	**1,010.6**		– Spot sales	**7,690.6**	6,986.3
12.5	**–**		– Hedging profit	**–**	79.0
1,114.4	**1,010.6**		Total turnover	**7,690.6**	7,065.3
		2.	**Cost of Sales**		
893.6	**776.5**		Operating costs	**5,908.9**	5,666.0
(9.9)	**(10.4)**		Gold inventory change	**(79.3)**	(63.0)
100.0	**80.8**		Amortisation and depreciation	**614.9**	633.7
983.7	**846.9**		Total cost of sales	**6,444.5**	6,236.7
		3.	**Exceptional items**		
–	**(2.5)**		Franco-Nevada merger costs	**(18.8)**	–
(10.5)	**–**		Hedge buy back costs	**–**	(66.3)
(15.8)	**(278.7)**		Impairment of mining assets	**(2,121.2)**	(100.0)
–	**(1.2)**		Legal fees – Oberholzer Irrigation water dispute	**(8.8)**	–
0.2	**0.1**		Profit on sale of investments	**0.3**	1.5
–	**5.2**		Profit on close out of hedges	**39.7**	–
(16.1)	**(5.0)**		Retrenchment costs	**(38.0)**	(101.8)
–	**(8.0)**		Write down of investments	**(60.5)**	–
(0.4)	**(0.1)**		Other	**(0.8)**	(3.5)
(42.6)	**(290.2)**		Total exceptional items	**(2,208.1)**	(270.1)
11.4	**58.2**		Taxation	**442.5**	72.0
4.0	**(1.5)**		Minorities shareholders' interest	**(11.5)**	25.2
(27.2)	**(233.5)**		Net exceptional items after taxation and minorities	**(1,777.1)**	(172.9)

Figures in millions unless otherwise stated

United States Dollars 2000	**2001**		**South African Rand 2001**	2000
		4. Included in (loss)/profit before taxation are the following:		
		Income		
3.4	**–**	Dividends received – listed investments	**–**	21.6
1.2	**0.7**	Dividends received – unlisted investments	**5.5**	7.7
6.8	**6.4**	Interest received	**49.0**	43.4
1.6	**1.9**	Interest received on environmental rehabilitation trust funds	**14.5**	10.1
		Expenses		
		Auditors' remuneration		
0.3	**0.3**	– audit fee	**2.2**	2.0
0.2	**–**	– prior year underprovision	**–**	1.1
		Environmental rehabilitation charges		
1.2	**2.9**	– inflation adjustment (included in cost of sales)	**22.2**	6.7
0.8	**2.2**	– interest adjustment	**17.1**	5.0
3.2	**1.9**	Interest paid	**14.4**	20.5
		Post retirement health care charges		
–	**6.2**	– increase in provisions	**47.2**	–
		5. Mining and income tax		
		The components of mining and income tax are the following:		
		South African taxation		
25.8	**7.4**	– mining tax	**55.7**	163.4
1.9	**0.7**	– non-mining tax	**5.5**	12.3
–	**–**	– company tax	**0.2**	–
0.1	**–**	– prior year adjustment	**(0.4)**	0.4
(29.5)	**23.4**	– deferred – normal	**178.6**	(186.8)
(7.3)	**(56.1)**	– deferred – impairment of assets	**(427.2)**	(46.0)
		Foreign taxation		
2.8	**4.8**	– current	**36.9**	17.7
0.1	**11.2**	– deferred	**84.6**	0.5
(6.1)	**(8.6)**	**Total mining and income tax**	**(66.1)**	(38.5)

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 operations consists primarily of interest received and is taxed at a rate of 38 per cent.

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

5.4 Company tax at Gold Fields Ghana Limited is determined at a rate of 32.5 per cent.

5.5 Deferred tax is provided at the expected future rate for mining operations arising from temporary differences between the book and tax values of assets and liabilities.

5.6 At 30 June 2001 the Group had the following amounts available for set-off against the future income:

- unredeemed capital expenditure at St Helena Gold Mines Limited of R1,984.8 million (2000: R1,858.9 million) at the Beatrix and Oryx combined tax entity and R28.9 million (2000: R1.3 million) at the St Helena mine is available to be offset against future income.
- estimated and assessed tax losses at St Helena Gold Mines Limited of R156.0 million (2000: R461.7 million) at the Beatrix and Oryx combined tax entity and R91.8 million (2000: R41.5 million) at St Helena mine are available to be offset against future income. For the Beatrix and Oryx combined tax entity a deferred tax asset has been recognised to the extent that it is recoverable from future income.
- tax losses at Orogen Investments SA (Luxembourg) of US$98.5 million (2000: US$89.2 million) are available to be offset against future income. No deferred tax asset is recognised in the balance sheet for this amount.
- estimated allowances at Gold Fields Ghana Limited of US$140.9 million (2000: US$165.4 million) are available to be offset against future income.

Figures in millions unless otherwise stated

United States Dollars 2000	United States Dollars 2001		South African Rand 2001	South African Rand 2000
		6. Earnings/(loss) per share		
25	**23**	**6.1 Headline earnings per share – cents**	**173**	156
		Headline earnings per share is calculated on the basis of the net earnings before impairment of mining assets attributable to ordinary shareholders of R787.9 million (2000: R704.7 million) and 454,450,391 (2000: 453,016,814) shares being the weighted average number of ordinary shares in issue during the year.		
		Net (loss)/earnings is reconciled to headline earnings as follows:		
102.7	**(119.2)**	Net (loss)/earnings attributable to ordinary shareholders	**(906.1)**	650.7
15.8	**278.7**	Impairment of mining assets	**2,121.2**	100.0
(7.3)	**(56.1)**	Taxation effect of impairment of mining assets	**(427.2)**	(46.0)
111.2	**103.4**	Headline earnings	**787.9**	704.7
23	**(26)**	**6.2 Net (loss)/earnings per share – cents**	**(199)**	144
		Net (loss)/earnings per share is calculated on the basis of the net loss attributable to ordinary shareholders of R906.1 million (2000: net earnings of R650.7 million) and 454,450,391 (2000: 453,016,814) shares being the weighted average number of ordinary shares in issue during the year.		
		6.3 Diluted (loss)/earnings per share – cents		
		No dilution figures are provided as the effect is immaterial.		
		7. Dividends		
14.3	**63.9**	Interim dividend of 105 cents per share (2000: 20 cents) declared on 30 January 2001 and paid on 23 March 2001.	**477.7**	90.7
14.3	**63.9**	Total dividends	**477.7**	90.7

Figures in millions unless otherwise stated

United States Dollars				South African Rand		
Land, mineral rights and rehabilitation assets	Mine development and infra-structure	Total		Total	Mine development and infra-structure	Land, mineral rights and rehabilitation assets
			8. Fixed assets			
			30 June 2001			
			Cost			
101.6	2,452.3	2,553.9	Balance at beginning of the year	17,290.6	16,602.3	688.3
0.5	156.7	157.2	Additions	1,196.3	1,192.6	3.7
13.8	–	13.8	Additions to rehabilitation assets	104.7	–	104.7
(1.0)	(2.5)	(3.5)	Disposals	(27.2)	(19.4)	(7.8)
–	(0.5)	(0.5)	Other	(4.0)	(4.0)	–
(16.5)	(374.4)	(390.9)	Translation adjustment	242.5	237.5	5.0
98.4	**2,231.6**	**2,330.0**	**Balance at end of the year**	**18,802.9**	**18,009.0**	**793.9**
			Accumulated depreciation			
9.5	723.6	733.1	Balance at beginning of the year	4,963.8	4,898.9	64.9
2.2	78.6	80.8	Charge for the year	614.9	597.8	17.1
–	(0.7)	(0.7)	Disposals	(5.1)	(5.1)	–
41.0	237.7	278.7	Impairment of mining assets	2,121.2	1,808.9	312.3
(0.1)	(0.3)	(0.4)	Other	(3.4)	(2.4)	(1.0)
(3.8)	(130.3)	(134.1)	Translation adjustment	34.3	33.6	0.7
48.8	**908.6**	**957.4**	**Balance at end of the year**	**7,725.7**	**7,331.7**	**394.0**
49.6	**1,323.0**	**1,372.6**	**Carrying value at end of the year**	**11,077.2**	**10,677.3**	**399.9**
			30 June 2000			
101.6	2,452.3	2,553.9	Cost	17,290.6	16,602.3	688.3
9.5	723.6	733.1	Accumulated depreciation	4 963.8	4 898.9	64.9
92.1	1,728.7	1,820.8	Carrying value at end of the year	12,326.8	11,703.4	623.4

Figures in millions unless otherwise stated

United States Dollars 2000	**2001**		South African Rand **2001**	2000
		9 Investments		
		Listed		
29.7	**22.5**	Market value	**181.4**	200.8
0.7	**(4.5)**	(Excess)/shortfall over book value	**(36.4)**	5.2
30.4	**18.0**	Book value	**145.0**	206.0
		Unlisted		
10.6	**18.4**	Directors' valuation	**149.0**	71.6
(6.1)	**(4.8)**	Excess over book value	**(39.1)**	(41.3)
4.5	**13.6**	Book value	**109.9**	30.3
34.9	**31.6**	Total listed and unlisted investments	**254.9**	236.3
1.2	**0.6**	Loans advanced	**4.7**	7.8
36.1	**32.2**	**Total investments**	**259.6**	244.1
		Details of major investments are given on page 88		
		10 Non-current asset		
		Gold Fields Mining Environmental Trust Fund		
15.2	**19.0**	Balance at beginning of the year	**128.3**	91.9
4.2	**5.0**	Contributions made during the year	**37.8**	26.3
1.6	**1.9**	Net income earned during the year	**14.5**	10.1
(2.0)	**(3.5)**	Translation adjustment	**–**	–
19.0	**22.4**	Balance at end of the year	**180.6**	128.3
		11 Inventories		
3.2	**–**	Bullion on hand	**–**	21.4
17.7	**31.3**	Gold in process	**252.7**	120.1
17.8	**13.2**	Consumable stores	**106.0**	120.4
8.6	**7.8**	Mineral rights	**63.0**	58.5
47.3	**52.3**	Total inventories	**421.7**	320.4

Figures in millions unless otherwise stated

United States Dollars 2000	United States Dollars 2001			South African Rand 2001	South African Rand 2000
		12	Outside shareholders' interest		
–	–		Capital	**0.2**	–
(0.9)	**7.6**		Reserves	**61.1**	(6.0)
30.9	**31.7**		Capital loans	**255.8**	209.2
30.0	**39.3**		**Total outside shareholders' interest**	**317.1**	203.2
			The capital loans are unsecured, interest free and have no fixed repayment terms.		
		13	Deferred taxation		
			The detailed components of the net deferred taxation liability which results from the differences between the amounts of assets and liabilities recognised for financial reporting and taxation purposes in different accounting periods are:		
566.6	**438.3**		Mining assets	**3,536.9**	3,835.9
1.0	–		Inventories	–	6.9
(28.4)	**(22.1)**		Provisions	**(178.6)**	(192.4)
(17.0)	**2.8**		Other	**22.9**	(115.1)
522.2	**419.0**		**Total deferred taxation**	**3,381.2**	3,535.3
622.7	**522.2**		Balance at beginning of the year	**3,535.3**	3,767.6
(36.7)	**(21.5)**		Transferred through the income statement	**(164.0)**	(232.3)
(63.8)	**(81.7)**		Translation adjustment	**9.9**	–
522.2	**419.0**		Balance at end of the year	**3,381.2**	3,535.3
		14	Long-term liability		
30.0	–		Consortium loan	–	203.1
			The secured loan facility of US$30.0 million was fully repaid during the year.		
30.0	–			–	203.1
(10.0)	–		Current portion included in current liabilities	–	(67.7)
20.0	–		**Total long-term liability**	–	135.4

Figures in millions unless otherwise stated

United States Dollars 2000	United States Dollars 2001		South African Rand 2001	South African Rand 2000
		15 Long-term provisions		
		15.1 Post-retirement health care costs		
41.1	**33.2**	Balance at beginning of the year	**224.8**	248.2
(3.7)	**(4.8)**	Payments during the year	**(36.6)**	(23.4)
-	**6.2**	Increase in provisions	**47.2**	–
(4.2)	**(5.4)**	Translation adjustments	**–**	–
33.2	**29.2**	Balance at end of the year	**235.4**	224.8
		The Group has certain liabilities to subsidise the contributions payable by certain pensioners and dependants of ex-employees on a pay-as-you-go basis. This obligation has been actuarially valued and the outstanding contributions will be funded over the lifetime of these pensioners and dependants.		
		The obligation has been valued using the projected unit credit funding method on past service liabilities. The valuation assumes a health care cost inflation rate of 11 per cent per annum and a discount rate of 13 per cent per annum.		
		15.2 Environmental rehabilitation costs		
50.9	**47.2**	Balance at beginning of the year	**319.5**	307.8
–	**7.9**	Provision assumed on acquisition of Teberebie	**59.8**	–
–	**13.8**	Change in discount rate	**104.7**	–
1.2	**2.9**	Inflation adjustment	**22.2**	6.7
0.8	**2.2**	Interest adjustment	**17.1**	5.0
-	**(0.4)**	Charges to provision	**(2.8)**	–
(5.7)	**(7.8)**	Translation adjustments	**10.3**	–
47.2	**65.8**	Balance at end of the year	**530.8**	319.5
		The Group contributes to a dedicated environmental rehabilitation trust fund to provide for the estimated cost of rehabilitation at the end of the mines' lives. At 30 June 2001 the balance in this fund was R180.6 million (2000: R128.3 million). Refer note 10.		
80.4	**95.0**	**Total long-term provisions**	**766.2**	544.3

Figures in millions unless otherwise stated

United States Dollars 2000	United States Dollars 2001		South African Rand 2001	South African Rand 2000
		16 Accounts payable		
55.4	**54.5**	Trade creditors	**439.9**	375.3
90.0	**71.6**	Accruals and other creditors	**578.2**	608.8
145.4	**126.1**	**Total accounts payable**	**1,018.1**	984.1
		17 Cash generated by operations		
102.7	**(119.2)**	**Net (loss)/earnings**	**(906.1)**	650.7
(6.1)	**(8.6)**	Taxation	**(66.1)**	(38.5)
3.2	**1.9**	Interest paid	**14.4**	20.5
(11.4)	**(7.1)**	Investment income	**(54.5)**	(72.7)
4.6	**0.7**	Dividends received	**5.5**	29.3
6.8	**6.4**	Interest received	**49.0**	43.4
(1.7)	**8.8**	Minority interest	**67.1**	(10.9)
86.7	**(124.2)**	**(Loss)/earnings before tax, interest, investment income and minority interest**	**(945.2)**	549.1
117.8	**384.0**	**Non-cash items:**	**2,923.2**	746.3
100.0	**80.8**	Amortisation and depreciation	**614.9**	633.7
15.8	**278.7**	Impairment of assets	**2,121.2**	100.0
–	**6.2**	Increase in post retirement health care liability	**47.2**	–
1.2	**2.9**	Inflation adjustment to rehabilitation liability	**22.2**	6.7
0.8	**2.2**	Interest adjustment to rehabilitation liability	**17.1**	5.0
0.2	**5.3**	Other	**40.4**	2.4
(0.2)	**(0.1)**	Profit on sale of investments	**(0.3)**	(1.5)
–	**8.0**	Write down of investments	**60.5**	–
204.5	**259.8**	**Total cash generated by operations**	**1,978.0**	1,295.4

Figures in millions unless otherwise stated

United States Dollars 2000	2001			South African Rand 2001	2000
		18	Change in working capital		
(16.3)	**(13.3)**		Inventories	**(101.3)**	(103.4)
21.6	**(22.6)**		Accounts receivable	**(171.9)**	137.1
3.4	**4.5**		Accounts payable	**34.0**	21.3
8.7	**(31.4)**		**Total change in working capital**	**(239.2)**	55.0
		19	Tax paid		
13.1	**14.0**		Amount owing at beginning of the year	**94.5**	79.0
30.6	**12.9**		SA and foreign current taxation	**97.9**	193.8
(14.0)	**(1.1)**		Amount owing at end of the year	**(9.3)**	(94.5)
29.7	**25.8**		**Total tax paid**	**183.1**	178.3
		20	Dividends paid		
22.3	**–**		Amount owing at beginning of the year	**–**	134.5
14.3	**63.9**		Dividends per statement of shareholders' equity	**477.7**	90.7
–	**–**		Amount owing at end of the year	**–**	–
36.6	**63.9**		**Total dividends paid**	**477.7**	225.2
		21	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 2000	United States Dollars 2001		South African Rand 2001	South African Rand 2000
		22 Retirement benefits		
		The Gold Fields Limited Corporate Pension Fund is a defined benefit scheme, which has 14 employee members. Membership to the scheme is closed. The scheme is valued at intervals of not less than three years using the projected unit credit method. This is the only defined benefit scheme in the Group.		
		The last actuarial valuation was carried out at 1 January 2000 and showed the fund to be fully funded.		
		All other employees are members of various defined contribution retirement schemes.		
		Contributions to the various retirement schemes are fully expensed during the year in which they are funded. The cost of providing retirement benefits for the year amounted to R182.8 million (2000: R188.6 million).		
		23 Commitments		
		Capital expenditure		
524.5	**364.7**	– authorised	**2,943.2**	3,550.9
13.9	**18.0**	– contracted for	**145.2**	94.4
2.1	**1.7**	Other guarantees	**14.1**	14.1
		Commitments will be funded from internal sources.		

24 Contingent liabilities

Gold Fields Ghana Limited and Driefontein Consolidated (Pty) Limited

The contingent liabilities previously reported for Gold Fields Ghana Limited and Driefontein Consolidated (Pty) Limited have been settled.

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.

25 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 does not issue 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.

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

No marginal facilities are engaged.

Foreign currency and commodity price risk

In the normal course of business the Group 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 Dollars). 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.

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. The Group does not currently hedge its exposure 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 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 requirements.

26 Fair value of financial instruments

26.1 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 2001 R million		30 June 2000 R million	
	Carrying amount	**Fair value**	Carrying amount	Fair value
Financial assets				
Cash and cash equivalents	**190.0**	**190.0**	514.9	514.9
Accounts receivable	**438.4**	**438.4**	244.4	244.4
Investments	**259.6**	**335.1**	244.1	280.2
Non-current asset	**180.6**	**180.6**	128.3	128.3
Financial liabilities				
Accounts payable	**1,018.1**	**1,018.1**	984.1	984.1
Long-term loan	**–**	**–**	203.1	203.1

	30 June 2001 US$ million		30 June 2000 US$ million	
	Carrying amount	**Fair value**	Carrying amount	Fair value
Financial assets				
Cash and cash equivalents	**23.5**	**23.5**	76.1	76.1
Accounts receivable	**54.3**	**54.3**	36.1	36.1
Investments	**32.2**	**41.5**	36.1	41.5
Non-current asset	**22.4**	**22.4**	19.0	19.0
Financial liabilities				
Accounts payable	**126.1**	**126.1**	145.4	145.4
Long-term loan	**–**	**–**	30.0	30.0

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 cash equivalents

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

Investments and non-current asset

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

Figures in millions unless otherwise stated

26 Fair value of financial instruments continued

26.2 Off-balance sheet financial instruments

Other financial instruments

Beatrix mine

Rand/Gold Call Options that provide upside participation.

	Quarter ended September
2001/2002	
Volume – oz	50,818
Strike price – R/oz	2,325.97
Strike price – $/oz	289.10

The fair value of these instruments at 30 June 2001 amounted to a gain of approximately R0.7 million.

Option contracts

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

27 Segment reporting

The segment information is shown under the financial summary in the segment report on pages 89 and 90.

Company income statement

for the year ended 30 June 2001

Figures in millions unless otherwise stated

		South African Rand	
	Notes	**2001**	2000
Other income		**1,021.5**	32.7
Exceptional item	1	**(84.3)**	(2.7)
Profit before taxation	2	**937.2**	30.0
Taxation	3	**1.2**	0.1
Net earnings		**936.0**	29.9

Company balance sheet

at 30 June 2001

Figures in millions unless otherwise stated

	Note	South African Rand 2001	2000
Assets			
Non-current asset			
Investments	5	**9,889.8**	9,394.2
Current asset			
Accounts receivable		**31.7**	7.1
Total assets		**9,921.5**	9,401.3
Equity and liabilities			
Capital and reserves			
Shareholders' equity per statement		**9,918.2**	9,398.1
Current liabilities		**3.3**	3.2
Accounts payable		**3.2**	3.1
Taxation		**0.1**	0.1
Total equity and liabilities		**9,921.5**	9,401.3

Company statement of changes in shareholders' equity

for the year ended 30 June 2001

Figures in millions unless otherwise stated

	Note	South African Rand 2001	2000
Ordinary share capital			
Authorised			
1,000,000,000 shares of 50 cents each		**500.0**	500.0
Issued			
455,836,608 (2000: 453,250,595) shares of 50 cents each			
Balance at beginning of the year		**226.6**	224.2
Issued during the year		**1.3**	2.4
Balance at end of the year		**227.9**	226.6
Share premium			
Balance at beginning of the year		**7,349.8**	7,209.4
Arising from issues during the year		**71.1**	140.4
Written off during the year		**(10.6)**	–
Balance at end of the year		**7,410.3**	7,349.8
Total share capital and premium		**7,638.2**	7,576.4
Retained earnings			
Balance at beginning of the year		**1,821.7**	1,882.5
Net earnings		**936.0**	29.9
Dividends	4	**(477.7)**	(90.7)
Balance at end of the year		**2,280.0**	1,821.7
Total shareholders' equity		**9,918.2**	9,398.1

Company cash flow statement

for the year ended 30 June 2001

Figures in millions unless otherwise stated

	Notes	South African Rand 2001	2000
Cash flows from operating activities		**540.2**	(192.5)
Cash generated from operations	6	**0.6**	0.4
Investment income		**1,020.9**	32.3
Change in working capital	7	**(2.4)**	–
Cash generated from operating activities		**1,019.1**	32.7
Tax paid	8	**(1.2)**	–
Net cash from operations		**1,017.9**	32.7
Dividends paid	9	**(477.7)**	(225.2)
Cash flows from investing activities		**(8.0)**	(3.0)
Purchase of investments		**(8.0)**	(3.0)
Cash flows from financing activities		**(532.2)**	157.8
Long-term loans (advanced)/received		**(571.9)**	151.4
Shares issued		**39.7**	6.4
Net cash outflow		**–**	(37.7)
Cash and cash equivalents at beginning of the year		**–**	37.7
Cash and cash equivalents at end of the year		**–**	–

Figures in millions unless otherwise stated

		South African Rand	
		2001	2000
1	**Exceptional item**		
	Write down of investments	**(84.3)**	(2.7)
	Total exceptional item	**(84.3)**	(2.7)
2	**Included in profit before taxation is the following:**		
	Income		
	Dividends received – unlisted investments	**1,020.9**	32.3
3	**Taxation**		
	South African normal taxation		
	– current	**0.2**	0.1
	– prior year underprovision	**1.0**	–
	Total taxation	**1.2**	0.1
4	**Dividends**		
	Interim dividend of 105 cents per share (2000: 20 cents) declared on 30 January 2001 and paid on 23 March 2001.	**477.7**	90.7
	Total dividends	**477.7**	90.7
5	**Investments**		
	Unlisted		
	Unlisted investments – book value	**13,954.5**	15,639.4
	Loans received	**(4,064.7)**	(6,245.2)
	Total investments	**9,889.8**	9,394.2
	Details of major investments are given on page 88.		
6	**Cash generated from operations**		
	Net earnings	**936.0**	29.9
	Taxation	**1.2**	0.1
	Investment income		
	Dividends received	**(1,020.9)**	(32.3)
	Loss before tax and investment income	**(83.7)**	(2.3)
	Non-cash items:		
	Write down of investments	**84.3**	2.7
	Total cash generated from operations	**0.6**	0.4

Figures in millions unless otherwise stated

		South African Rand	
		2001	2000
7	**Change in working capital**		
	Accounts receivable	**(2.5)**	–
	Accounts payable	**0.1**	–
	Total change in working capital	**(2.4)**	–
8	**Tax paid**		
	Amount owing at beginning of the year	**0.1**	22.2
	Transferred out in terms of rationalisation scheme	**–**	(22.2)
	SA normal taxation	**1.2**	0.1
	Amount owing at end of the year	**(0.1)**	(0.1)
	Total tax paid	**1.2**	–
9	**Dividends paid**		
	Amount owing at beginning of the year	**–**	134.5
	Dividends per statement of changes in shareholders' equity	**477.7**	90.7
	Total dividends paid	**477.7**	225.2

Major group investments – direct and indirect

for the year ended 30 June 2001

	Shares held		Group beneficial interest		Book value in holding company Shares		Loans	
	2001	2000	**2001 %**	2000 %	**2001 Rm**	2000 Rm	**2001 Rm**	2000 Rm
Principal subsidiaries								
Unlisted								
Beatrix Mines Limited[1]	**96,549,020**	96,549,020	**100**	100	**2,031.4**	2,031.4	**–**	–
Driefontein Consolidated (Pty) Limited[1]	**1,000**	1,000	**100**	100	**–**	–	**–**	–
GFL Mining Services Limited[1]	**235,676,386**	235,676,386	**100**	100	**7,331.7**	7,331.7	**(4,064.7)**	(6,245.2)
Gold Fields Guernsey Limited[2]	**4,002**	4,002	**100**	100	**–**	984.3	**–**	–
Gold Fields Ghana Limited[3]	**711**	711	**71.1**	71.1	**–**	–	**–**	–
Kloof Gold Mining Company Limited[1]	**138,600,000**	138,600,000	**100**	100	**3,289.0**	3,289.0	**–**	–
Orogen Holdings (BVI) Limited[4]	**100**	100	**100**	100	**–**	624.3	**–**	–
Oryx Gold Holdings Limited[1]	**244,311,285**	244,311,285	**100**	100	**1,057.9**	1,057.9	**–**	–
St Helena Gold Mines Limited[1]	**9,625,001**	9,625,000	**100**	100	**236.2**	228.6	**–**	–
Other					**8.3**	92.2	**–**	–
Total					**13,954.5**	15,639.4	**(4,064.7)**	(6,245.2)
Other investments								
Listed								
Aquest Minerals Corporation	**2,100,000**	2,100,000	**10.5**	10.5	**–**	–	**–**	–
Brazilian International Gold Fields	**2,800,887**	2,800,887	**15.6**	15.6	**–**	–	**–**	–
Cluff Mining plc	**288,000**	288,000	**3.0**	3.0	**–**	–	**–**	–
Eldorado Gold Corporation – shares	**30,479,959**	30,479,959	**29.8**	36.9	**–**	–	**–**	–
Eldorado Gold Corporation – warrants	**800,000**	800,000	**n/a**	n/a	**–**	–	**–**	–
Western Areas Gold Mining Company Limited	**3,748,785**	3,748,785	**4.1**	4.1	**–**	–	**–**	–

1 – Incorporated in the Republic of South Africa

2 – Incorporated in Guernsey

3 – Incorporated in Ghana

4 – Incorporated in the British Virgin Islands.

The interest of Gold Fields Limited in the aggregate amount of the after-taxation losses of its subsidiaries is R1,926.4 million (2000: profits of R618.1 million)

Note: Only major investments are listed individually.

SEGMENT REPORT

Financial summary – Rand million

Financial year ended 30 June 2001

	Driefontein Division	Kloof Division	Free State Division Beatrix	Free State Division St Helena	Tarkwa	Corporate and other	Group consolidated
Income statement for the year ended 30 June 2001							
Revenue	2,767.7	2,385.7	1,321.7	277.9	937.6	–	7,690.6
Operating costs	2,015.3	1,904.9	1,053.6	326.8	608.3	–	5,908.9
Gold inventory change	–	–	–	–	(79.3)	–	(79.3)
Operating profit/(loss)	752.4	480.8	268.1	(48.9)	408.6	–	1,861.0
Amortisation and depreciation	197.0	136.7	78.8	4.1	102.6	95.7	614.9
Net operating profit/(loss)	555.4	344.1	189.3	(53.0)	306.0	(95.7)	1,246.1
Other income/(expenditure)	5.9	11.0	47.7	(11.7)	3.5	0.5	56.9
Normal taxation	57.5	2.2	–	–	32.6	5.6	97.9
Deferred taxation	74.0	(24.8)	(261.1)	–	84.6	(36.7)	(164.0)
Exceptional items	(16.8)	(155.2)	(1,930.6)	(64.5)	39.7	(80.7)	(2,208.1)
Profit/(loss) after taxation	413.0	222.5	(1,432.5)	(129.2)	232.0	(144.8)	(839.0)
Balance sheet as at 30 June 2001							
Total assets	2,401.5	3,149.0	1,578.8	35.8	910.4	4,492.0	12,567.5
Total liabilities (excluding deferred taxation and outside shareholders' interest)	566.1	501.9	237.3	101.3	334.5	52.5	1,793.6
– deferred taxation	1,193.1	1,206.5	–	–	89.7	891.9	3,381.2
Capital expenditure (net)	456.3	344.1	148.7	2.2	160.7	2.4	1,114.4

Financial year ended 30 June 2000

	Driefontein Division	Kloof Division	Free State Division Beatrix	Free State Division St Helena	Tarkwa	Corporate and other	Group consolidated
Income statement for the year ended 30 June 2000							
Revenue	2,497.7	2,467.5	1,265.4	313.1	521.6	–	7,065.3
Operating costs	1,986.9	1,946.7	990.8	318.3	425.6	(2.3)	5,666.0
Gold inventory change	–	–	–	–	(63.0)	–	(63.0)
Operating profit/(loss)	510.8	520.8	274.6	(5.2)	159.0	2.3	1,462.3
Amortisation and depreciation	197.8	161.4	124.9	8.4	76.2	65.0	633.7
Net operating profit/(loss)	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 2001							
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' interest)	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 (net)	155.9	211.9	177.9	0.1	116.6	0.3	657.7

Segment report

Financial summary – US Dollars million

Financial year ended 30 June 2001

	Driefontein Division	Kloof Division	Free State Division Beatrix	St Helena	Tarkwa	Corporate and other	Group consolidated
Income statement for the year ended 30 June 2001							
Revenue	363.7	313.5	173.7	36.5	123.2	–	1,010.6
Operating costs	264.8	250.3	138.4	42.9	79.9	–	776.5
Gold inventory change	–	–	–	–	(10.4)	–	(10.4)
Operating profit/(loss)	98.9	63.2	35.2	(6.4)	53.7	–	244.5
Amortisation and depreciation	25.9	18.0	10.4	0.5	13.5	12.6	80.8
Net operating profit/(loss)	73.0	45.2	24.9	(7.0)	40.2	(12.6)	163.7
Other income/(expenditure)	0.8	1.4	6.3	(1.5)	0.5	0.1	7.5
Normal taxation	7.6	0.3	–	–	4.3	0.7	12.9
Deferred taxation	9.7	(3.3)	(34.3)	–	11.1	(4.8)	(21.6)
Exceptional items	(2.2)	(20.4)	(253.7)	(8.5)	5.2	(10.6)	(290.2)
Profit/(loss) after taxation	54.3	29.2	(188.2)	(17.0)	30.5	(19.0)	(110.2)
Balance sheet as at 30 June 2001							
Total assets	297.6	390.2	195.6	4.4	112.8	556.6	1,557.3
Total liabilities (excluding deferred taxation and outside shareholders' interest)	70.1	62.2	29.4	12.6	41.4	6.5	222.3
– deferred taxation	147.8	149.5	–	–	11.1	110.5	419.0
Capital expenditure (net)	60.0	45.2	19.5	0.3	21.1	0.3	146.4

US Dollar figures may not add as they are rounded independently.
Exchange rates applied:
Average for the year US$1 = R7.61
Rate at year end US$1 = R8.07

Financial year ended 30 June 2000

	Driefontein Division	Kloof Division	Free State Division Beatrix	St Helena	Tarkwa	Corporate and other	Group consolidated
Income statement for the year ended 30 June 2000							
Revenue	394.0	389.2	199.6	49.4	82.3	–	1,114.4
Operating costs	313.4	307.1	156.3	50.2	67.1	(0.4)	893.6
Gold inventory change	–	–	–	–	(9.9)	–	(9.9)
Operating profit/(loss)	80.6	82.1	43.3	(0.8)	25.1	0.4	230.6
Amortisation and depreciation	31.2	25.5	19.7	1.3	12.0	10.3	100.0
Net operating profit/(loss)	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' interest)	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 (net)	24.6	33.4	28.0	–	17.6	–	103.7

US Dollar 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
2001	6,551,000	6.4	42,031	1,351	183	413.0	54.3

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
2001	3,932,000	9.6	37,658	1,211	204	*222.5	*29.2

* Includes impairment write-down of R73 million (US$9.6 million).

Free State Division

Beatrix (includes Oryx as from F2000)

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	3,466,000	6.1	21,034	676	221	366.6	57.8
2001	3,671,000	5.5	20,126	647	206	*(1,432.5)	*(188.2)

Beatrix and Oryx became one tax entity as from Financial 2000.

*Includes impairment write-down of R1,557 million (US$205 million).

Oryx

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	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	–	n/a	0.9	0.2
1997	573,000	3.2	1,808	58	n/a	36.2	8.0
1998	908,000	5.4	4,934	159	n/a	34.5	7.1
1999	1,071,000	6.3	6,798	219	n/a	(839.6)	(138.8)

Included in Beatrix from F2000.

St Helena

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
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)
2001	925,000	4.6	4,217	136	307	*(129.2)	*(17.0)

*Includes impairment write-down of R64 million (US$8.5 million).

Tarkwa

Year to 30 June	Tons treated	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)
2001	11,667,000	1.2	13,680	440	155	232.0	30.5

Surface operation from F1999.

Shareholders' information

Analysis of shareholdings as at 30 June 2001

Shareholding		Individuals	Institutional investors	Nominee companies	Other corporate bodies	Total
1 – 5,000	Holders	17,068	580	609	30	18,287
	Shares	4,635,980	376,316	418,596	11,818	5,442,710
5,001 – 10,000	Holders	115	21	42	–	178
	Shares	796,738	146,315	296,936	–	1,239,989
10,001+	Holders	79	35	111	1	226
	Shares	58,250,987	74,303,594	316,580,487	18,841	449,153,909
Total	Holders	17,262	636	762	31	18,691
	Per cent	92.35	3.40	4.08	0.17	100
	Shares	63,683,705	74,826,225	317,296,019	30,659	455,836,608
	Per cent	13.97	16.41	69.61	0.01	100

Diary

Financial year-end	30 June
Annual general meeting	31 October 2001
Quarterly reports	January, April, August, October

Shareholder spread and beneficial ownership as at 30 June 2001

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	379,722	0.1
The Anglo American Corporation	75,942,379	16.7
Old Mutual Life Assurance Company of South Africa Limited	33,731,909	7.4
Allan Gray Investment Counsel	24,159,340	5.3
Liberty Life Association of South Africa Limited	22,791,830	5.0
Gensec Asset Management (Genbel Securities)	17,321,791	3.8
RMB Asset Management	15,954,281	3.5
Other shareholders	265,555,356	58.2

Notice of meeting

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 2001 at 11:00 to

- consider the financial statements for the year ended 30 June 2001;
- elect Messrs J M McMahon, G R Parker, P J Ryan, T M G Sexwale as directors;
- place the unissued shares under the control of the directors;
- increase the number of shares available for the GF Management Share Incentive Scheme from 13,451,600 to 22,791,830, being approximately 5 per cent of the company's issued ordinary share capital as at 30 June 2001;
- authorise the directors to issue shares for cash;
- consider and, if approved, pass the attached resolutions, as special resolutions with or without modification;
- consider and, if approved, pass the attached resolutions, as ordinary 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 or any holding company of the company's; 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 20 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 ten per cent above the weighted average of the market value for the securities for the five business days immediately preceding the date on which the transaction was agreed."

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 or any holding company of the company's 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 20 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 ten per cent above the weighted average of the market value for the securities for the five business days immediately preceding the date on which the transaction was agreed.

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 or any holding company of the company's 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 20 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 ten per cent above the weighted average of the market value for the securities for the five business days immediately preceding the date on which the transaction was agreed.

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 for a period of 12 months after the date of the notice of the annual general meeting;

- the company and the Group will be able, in the ordinary course of business, to pay its debts;
- the consolidated assets of the company and the Group, fairly valued will be in excess of the consolidated liabilities of the company;
- the company and the Group will have adequate capital and reserves;
- the working capital of the company and the Group will be adequate for at least 12 months' operations.

Special Resolution number 2

"Resolved that the share premium of the company presently comprising R7,347,308,088.10 is hereby reduced with effect from the date of passing of this special resolution number 2 by an amount of R34,937,719.78 so as to comprise R7,312,370,368.32.

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 R34,937,719.78 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 R34,937,719.78 to eliminate the amount not recoverable pursuant to the aforementioned transfer of participants from existing share incentives 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.

Special resolution number 3

"Resolved that, subject to the passing of ordinary resolution number 1 to be proposed at the annual general meeting at which this resolution is considered, the company be and is hereby authorised in terms of section 223 of the Companies Act 61 of 1973 as amended to grant options to subscribe for up to 2,279,183 unissued ordinary shares of R0.50 each in the capital of the company ("shares") to the non-executive directors of the company in accordance with the provisions of the GF Non-Executive Director Share Plan on the basis that no one non-executive director shall be granted options to subscribe for more than 455,836 shares."

Explanatory note on special resolution number 3

Special resolution number 3 is proposed in order to authorise the grant of options to subscribe for up to 2,279,183 unissued ordinary shares of R0.50 each in the company to the non-executive directors of the company in accordance with the provisions of the GF Non-Executive Director Share Plan. The effect of this special resolution will be that non-executive directors of the company will then be entitled to receive options to subscribe for shares in the company, on the basis set out in the GF Non-Executive Director Share Plan.

Ordinary resolution number 1

"Resolved that the company adopt The GF Non-Executive Director Share Plan ("the plan") in the form of the draft tabled at the annual general meeting at which this resolution is proposed and initialled by the Chairman for the purposes of identification and that a total of 2,279,183 unissued ordinary shares of R0.50 each in the capital of the company (being approximately 0.5 per cent of the company's issued share capital) be and are hereby placed under the control of the directors of the company who are specifically authorised in terms of section 221(2) of the Companies Act 61 of 1973 as amended to allot and issue all or any of such shares in accordance with the provisions of the plan."

Ordinary resolution number 2

"Resolved that, subject to the passing of ordinary resolution number 1 and the passing and registration of special resolution number 3 to be proposed at the annual general meeting at which this resolution is considered, any executive director of the company be and is hereby authorised to sign all such documents and do all such things as may be necessary for or incidental to the implementation of the aforesaid resolutions."

Ordinary resolution number 3

"Resolved that, the entire authorised but unissued share capital of the company from time to time be placed under the control of the directors of the company until the next annual general meeting with the authority to allot and issue all or part thereof in their discretion, subject to section 221 and 222 of the Companies Act, 61 of 1973, as amended and the listings requirements of the JSE Securities Exchange South Africa."

Ordinary resolution number 4

"Resolved that, pursuant to the articles of association of the company, the directors of the company be and are hereby authorised until the forthcoming annual general meeting of the company (whereupon this authority shall lapse unless it is renewed at the aforementioned annual general meeting, provided that it shall not extend beyond 15 (fifteen) months of the date of this meeting), to allot and issue ordinary shares for cash subject to the listings requirements of the JSE Securities Exchange South Africa ("JSE") and subject to the Companies Act, 61 of 1973, as amended on the following basis:

(a) the allotment and issue of ordinary shares of cash shall be made only to persons qualifying as public shareholders as defined in the listings requirements of the JSE and not to related parties;

(b) the number of ordinary shares issued for cash from time to time shall not in the aggregate in any one financial year of the company exceed 15 per cent (fifteen per cent) of the company's issued ordinary shares. The number of ordinary shares which may be issued for cash shall be based on the number of ordinary shares in issue at the date of the application, less any ordinary shares issued by the company during the current financial year, provided that any ordinary shares to be issued for cash pursuant to a rights issue (announced and irrevocable and underwritten) or acquisition (concluded up to the date of application) may be included as though they were shares in issue at the date of application;

(c) the maximum discount at which ordinary shares may be issued for cash is 10 per cent (ten per cent) of the weighted average traded price on the JSE of those ordinary shares over the 30 (thirty) days prior to the date that the price of the issue is determined or agreed by the directors of the company; and

(d) after the company has issued shares for cash which represents, on a cumulative basis within a financial year, 5 per cent (five per cent) or more of the number of shares in issue prior to that issue, the company shall publish an announcement containing full details of the issue, including the effect of the issue on the net asset value and earnings per share of the company."

In terms of the listings requirement of the JSE, a 75 per cent (seventy five per cent) majority is required of votes cast by the shareholders present or represented by proxy at the general meeting to approve the resolution regarding the waiver of pre-emptive rights.

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

V D MacDonald
Company Secretary

Johannesburg
27 August 2001

Salient features of the GF Non-Executive Director Share Plan ("plan")

What is set out below is merely a summary of the plan and does not purport to set out all of the provisions of the plan.

Number of ordinary shares to be made available for purposes of the plan

As at 30 June 2001 Gold Fields Limited ("Gold Fields") had a total of 455,836,608 ordinary shares of R0.50 each ("shares") in issue.

It is proposed that the aggregate number of shares which will be made available for the purposes of the plan, shall not exceed 2,279,183 ordinary shares being approximately 0.5 per cent of Gold Fields' issued share capital as at 30 June 2001. The aggregate number of shares which may be acquired by any one participant under the plan shall not exceed 455,836 shares being approximately 0.1 per cent of Gold Fields' issued share capital as at this date.

The aforesaid aggregates shall not be exceeded without the prior approval of Gold Fields shareholders in general meeting and the approval of the JSE Securities Exchange South Africa ("JSE").

Participants

Participants in the plan will be non-executive directors of Gold Fields selected by a committee called the Non-Executive Directors Remuneration Committee ("Exco"), which committee shall comprise the Chairman of Gold Fields together with two nominees of significant shareholders of Gold Fields identified as such by the Chairman in terms of the plan. No member of Exco will be a participant in the plan.

Manner of participation

If Exco so directs, the non-executives shall be afforded the opportunity to acquire options ("share options") to subscribe for shares. Each share option shall confer upon the holder thereof the right to subscribe for one ordinary share upon the terms and conditions summarised below.

The amount payable by a participant upon the exercise of a share option shall be the weighted average price at which shares are traded on the JSE on the trading day immediately preceding the date upon which Exco will have resolved to make such share option available.

Share options may not be exercised until after a period of more than twelve months shall have elapsed, in which event all or any lesser number (being a multiple of 100) of the relevant share options may be exercised; provided that Exco may permit the aforesaid date to be anticipated.

Share options will lapse if they remain unexercised after five years.

Termination of office

If an option holder ceases to hold office for any reason whatsoever he (or in the event of his death, his executors, beneficiaries or heirs) will be entitled, within thirty days (or in the event of his death within 180 days), to exercise all or a multiple of 100 of that number of his share options which he was entitled to exercise immediately prior to his ceasing to hold office failing which they shall automatically lapse. His remaining share options which were not capable of being exercised shall automatically lapse.

Exco may treat any participant more favourably on his ceasing to hold office than is set out above.

Notwithstanding the aforegoing if an option holder ceases to hold office because he becomes disqualified from being a non-executive director or in other similar circumstances all of his share options share automatically lapse.

General provisions

Provision is made for adjustments to the rights of participants in the event of a rights issue, a capitalisation issue, a subdivision or consolidation of shares, a reduction of share capital, the liquidation of Gold Fields, a reconstruction as a result of a scheme of arrangement or takeover or amalgamation of Gold Fields. Any adjustments to be made on the happening of the aforegoing events must be certified by Gold Fields' auditors as being reasonable to the participant.

Gold Fields is to apply for the listing of the shares issued to participants as soon as possible after their issue. All shares issued pursuant to the plan shall rank *pari passu* with the then issued ordinary share capital of the company. Voting rights attaching to shares may only be exercised by participants once they have been paid for and delivered to the participants concerned in accordance with the provisions of the plan.

There are provisions relating to the resolution of disputes and requiring appropriate disclosures in relation to the plan in the annual financial statements of Gold Fields.

Exco may amend the provisions of the plan; provided that no such amendment affecting the following matters shall be competent unless sanctioned by the JSE and the shareholders of Gold Fields in general meeting:

- the eligibility of participants under the plan;
- the total number of shares which may be acquired for the purpose of or pursuant to the plan;
- the maximum number of share options and shares which may be acquired by any participant in terms of the plan;
- the price payable by participants; and
- the voting, dividend, transfer and other rights attaching to share options and option shares in terms of the plan.

A copy of the rules of the plan shall be available for inspection at the registered office of Gold Fields during business hours from the date of posting the Annual Report until 30 October 2001.

The requisite resolutions outlined on page 95 to 96 of this Annual Report, will be considered by the shareholders at the annual general meeting for the adoption of the proposed new plan.

GOLD FIELDS

PROXY FORM

I/we (Name in block letters)

of (Address in block letters)

being a shareholder(s) of Gold Fields Limited

hereby appoint of

or, failing him, of

or, failing him, the chairman of the meeting as my/our proxy to attend, speak and, on a poll vote on my/our behalf at the annual general meeting of shareholders of Gold Fields Limited to be held on 31 October 2001 at 11:00, and at any adjournment thereof, and to vote or abstain from voting as follows on the resolutions to be proposed at such meeting:

	For	Against	Abstain
1. To elect			
1.1 Mr J M McMahon as a director.			
1.2 Mr G R Parker as a director.			
1.3 Dr P J Ryan as a director.			
1.4 Mr T M G Sexwale as a director.			
2. To place the unissued shares under the control of the directors.			
3. To authorise the directors to issue shares for cash.			
4. To increase the number of shares available for the GF Management Share Incentive Scheme from 13,451,600 to 22,791,830, being approximately 5 per cent of the company's issued ordinary share capital as at 30 June 2001.			
5. Authorise the company to acquire its own shares and shares in any holding company of the company and for any of the company's subsidiaries to acquire shares in the company.			
6. To approve the reduction in the share premium account.			
7. To adopt the GF Non-Executive Director Share Plan.			
8. To authorise the company to grant options to the Non-Executive directors to subscribe for unissued ordinary shares in the capital of the company.			
9. To authorise any Executive Director of the company to sign any documentation to implement Ordinary Resolution No 1 and Special Resolution No 3.			

A shareholder entitled to attend and vote at the meeting may appoint a proxy or proxies to attend, speak and on a poll, vote in his stead. A proxy need not be a shareholder of the company.

Every person present and entitled to vote at the annual general meeting as a shareholder or as a representative of a body corporate shall on a show of hands have one vote only, irrespective of the number of shares such person holds or represents, but in the event of a poll, every share shall have one vote.

Please indicate with an "X" in the appropriate spaces above how you wish your votes to be cast. If you return this form duly signed without any specific directions, the proxy will vote or abstain at his discretion.

Signed at on 2001

Signature

Assisted by me (where applicable)

This proxy form is not for use by holders of American Depositary Receipts issued by The Bank of New York

Proxy form

Notes

1. A signatory/ies to the Proxy Form may insert the name of a proxy or the name of an alternative proxy in the blank spaces provided with or without deleting "the chairman of the meeting", but any such deletion must be initialled by the signatory/ies. Any insertion or deletion not complying with the aforegoing will be deemed not to have been validly effected. The person present at the meeting whose name appears first on the list of names above, shall be the validly appointed proxy for the shareholder at the meeting.

2. A shareholder's instructions to the proxy must be indicated in the appropriate blocks provided. A shareholder or the proxy is not obliged to use all the votes exercisable by the shareholder or by the proxy or to cast all those votes in the same way, but the total of that shareholder's votes cast and in respect whereof abstention is directed, may not exceed the total of the votes exercisable by the shareholder or the proxy. Failure to comply with the above or to provide voting instructions or the giving of contradictory instructions will be deemed to authorise the proxy to vote or abstain from voting at the meeting as such proxy deems fit in respect of all that shareholder's votes exercisable at that meeting.

3. Any alteration or correction made to this Proxy Form must be initialled by the signatory/ies.

4. Documentary evidence establishing the authority of a person signing this Proxy Form in a representative capacity must be attached to this Proxy Form unless previously recorded by the company.

5. When there are joint holders of shares, any one holder may sign the Proxy Form.

6. A married woman still subject to her husband's marital power must be assisted by him (if applicable).

7. The completion and lodging of this Proxy Form will not preclude the shareholder who grants this proxy from attending the meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such member wish to do so.

8. Completed Proxy Forms should be returned to the registered office or the London secretaries or one of the transfer offices of the company at either of the addresses given below by no later than 11:00 local time (in the country concerned) on 30 October 2001.

Transfer offices

South Africa
Computershare Services Limited
Edura House
40 Commissioner Street
Johannesburg, 2001
PO Box 61051, Marshalltown, 2107
South Africa

United Kingdom
Capita IRG plc
Bourne House
34 Beckenham Road
Beckenham
Kent BR3 4TU
England

Administration and Corporate Information

Company registration number 1968/004880/06

Company Secretary

VD Mac Donald
Telephone: (+27)(11) 644 2406
Facsimile: (+27)(11) 484 0626
e-mail: vicm@goldfields.co.za

Registered Office

24 St Andrews Road
Parktown, 2193
PostNet Suite 252
Private Bag X30500
Houghton, 2041
South Africa
Telephone: (+27)(11) 644 2400
Facsimile: (+27)(11) 484 0626

London Office

St James's Corporate Services Limited
6 St James's Place
London SW1A 1NP
United Kingdom
Telephone: (+944)(20) 7499 3916
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American Depositary Receipt Banker

Bank of New York

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101 Barclay Street
New York, N.Y. 10286
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Transfer Secretaries

South Africa

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http://www.gold-fields.com

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