Rand per $1.00:

Year ended June 30,	Average(1)	High	Low	Period end
2002	10.20	13.60	8.01	10.39
2003	8.87	10.90	7.18	7.51
2004	6.78	7.80	6.17	6.23
2005	6.20	6.92	5.62	6.67
2006	6.42	7.43	5.99	7.17
2007 (through October 31, 2006)	7.32	7.94	6.72	7.39

Note:

(1) The average of the noon buying rates on the last day of each full month during the relevant period.

Month ended	High	Low	Period end
May 31, 2006	6.71	6.00	6.71
June 30, 2006	7.43	6.63	7.17
July 31, 2006	7.23	6.83	6.92
August 31, 2006	7.20	6.72	7.20
September 29, 2006	7.76	7.16	7.76
October 31, 2006	7.94	7.39	7.39

The noon buying rate for the Rand on November 15, 2006 was Rand 7.26 per $1.00. Fluctuations in the exchange rate between the Rand and the U.S. dollar will affect the dollar equivalent of the price of the ordinary shares on the JSE Limited, which may affect the market price of the American Depositary Shares, or ADSs, on the New York Stock Exchange. These fluctuations will also affect the U.S. dollar amounts received by owners of ADSs on the conversion of any dividends paid in Rand on the ordinary shares.

RISK FACTORS

In addition to the other information included in this annual report, the considerations listed below could have a material adverse effect on Gold Fields' business, financial condition or results of operations, resulting in a decline in the trading price of Gold Fields' ordinary shares or ADSs. The risks set forth below comprise all material risks currently known to Gold Fields. However, there may be additional risks that Gold Fields does not currently know of or that Gold Fields currently deems immaterial based on the information available to it. These factors should be considered carefully, together with the information and financial data set forth in this document.

Changes in the market price for gold, which in the past has fluctuated widely, affect the profitability of Gold Fields' operations and the cash flows generated by those operations.

Substantially all of Gold Fields' revenues are derived from the sale of gold. Historically, the market price for gold has fluctuated widely and has been affected by numerous factors over which Gold Fields has no control, including:

- the demand for gold for industrial uses and for use in jewelry;
- actual, expected or rumored purchases and sales of gold bullion holdings by central banks or other large gold bullion holders or dealers;
- speculative trading activities in gold;
- the overall level of forward sales by other gold producers;
- the overall level and cost of production by other gold producers;
- international or regional political and economic events or trends;
- the strength of the U.S. dollar (the currency in which gold prices generally are quoted) and of other currencies;
- financial market expectations regarding the rate of inflation; and
- interest rates.

In addition, the current demand for and supply of gold affect the price of gold, but not necessarily in the same manner as current demand and supply affect the prices of other commodities. Since the potential supply of gold is large relative to mine production in any given year, normal variations in current production will not necessarily have a significant effect on the supply of gold or the gold price. Central banks, financial institutions and individuals historically have held large amounts of gold as a store of value, and production in any given year historically has constituted a small portion of the total potential supply of gold. Historically, gold has tended to retain its value in relative terms against basic goods in times of inflation and monetary crisis.

On March 8, 2004, 15 European central banks entered into a new gold sales agreement effective September 27, 2004, pursuant to which they restrict their annual sales of gold to specified limits. This agreement will be reviewed in five years. Although the new agreement calls for an increase in the amount of gold that can be sold by individual banks to 500 tons per year, the effect on the market in terms of total gold sales is unclear.

While the aggregate effect of these factors is impossible for Gold Fields to predict, if gold prices should fall below Gold Fields' cost of production and remain at such levels for any sustained period, Gold Fields may experience losses and may be forced to curtail or suspend some or all of its operations and/or reduce capital expenditure. In addition, Gold Fields might not be able to recover any losses it may incur during that period.

Because Gold Fields does not use commodity or derivative instruments to protect against low gold prices with respect to its production, Gold Fields is exposed to the impact of any significant drop in the gold price.

Unlike many other gold producers, as a general rule Gold Fields sells its gold production at market prices. Gold Fields generally does not enter into forward sales, derivatives or other hedging arrangements to establish a price in advance for the sale of its future gold production. In general, hedging reduces the risk of exposure to volatility in the gold price. Hedging also enables a gold producer to fix a future price for hedged gold that generally is higher than the then current spot price. To the extent that it does not generally use commodity or derivative instruments, Gold Fields will not be protected against decreases in the gold price, and if the gold price decreases significantly, Gold Fields runs the risk of reduced revenues in respect of gold production that is not hedged. See "Quantitative and Qualitative Disclosures About Market

Risk.”

Gold Fields’ reserves are estimates based on a number of assumptions, any changes to which may require Gold Fields to lower its estimated reserves.

The ore reserves stated in this annual report represent the amount of gold that Gold Fields calculated, as of December 31, 2005, could be mined, processed and sold at prices sufficient to recover Gold Fields’ estimated future total costs of production, remaining investment and anticipated additional capital expenditures. Ore reserves are estimates based on assumptions regarding, among other things, Gold Fields’ costs, expenditures, prices and exchange rates, many of which are beyond Gold Fields’ control. In the event that Gold Fields revises any of these assumptions in an adverse manner, Gold Fields may need to revise its ore reserves downwards. In particular, if Gold Fields’ production costs or capital expenditures increase, if gold prices decrease or if the Rand, Australian dollar or Bolivar strengthens against the U.S. dollar, a portion of Gold Fields’ ore reserves may become uneconomical to recover, forcing Gold Fields to lower its estimated reserves. Gold Fields’ reported attributable gold ore reserves were 62.8 million ounces for fiscal 2005 as compared to 63.1 million ounces as of December 31, 2005. See “Information on the Company—Reserves of Gold Fields as of December 31, 2005.”

To the extent that Gold Fields seeks to expand through acquisitions, it may experience problems in executing acquisitions or managing and integrating the acquisitions with its existing operations.

In order to expand its operations and reserve base, Gold Fields may seek to make acquisitions of selected precious metal producing companies or assets. Gold Fields’ success at making any acquisitions will depend on a number of factors, including, but not limited to:

- negotiating acceptable terms with the seller of the business to be acquired;
- obtaining approval from regulatory authorities in South Africa and the jurisdiction of the business to be acquired;
- assimilating the operations of an acquired business in a timely and efficient manner;
- maintaining Gold Fields’ financial and strategic focus while integrating the acquired business;
- implementing uniform standards, controls, procedures and policies at the acquired business; and
- to the extent that Gold Fields makes an acquisition outside of markets in which it has previously operated, conducting and managing operations in a new operating environment.

Any problems experienced by Gold Fields in connection with an acquisition as a result of one or more of these factors could have a material adverse effect on Gold Fields’ business, operating results and financial condition.

To the extent that Gold Fields seeks to expand through its exploration program, it may experience problems associated with mineral exploration or developing mining projects.

In order to expand its operations and reserve base, Gold Fields may rely on its exploration program for gold and platinum group metals and its ability to develop mining projects. Exploration for gold and other precious metals is speculative in nature, involves many risks and frequently is unsuccessful. Any exploration program entails risks relating to the location of economic orebodies, the development of appropriate metallurgical processes, the receipt of necessary governmental permits and regulatory approvals and the construction of mining and processing facilities at the mining site. Gold Fields’ exploration efforts may not result in the discovery of gold or platinum group metal mineralization and any mineralization discovered may not result in an increase of Gold Fields’ reserves. If orebodies are developed, it can take a number of years and substantial expenditures from the initial phases of drilling until production commences, during which time the economic feasibility of production may change. Gold Fields’ exploration program may not result in the replacement of current production with new reserves or result in any new commercial mining operations. Also, to the extent Gold Fields participates in the development of a project through a joint venture, there could be disagreements or divergent interests or goals among the joint venture parties which could jeopardize the success of the project.

In addition, significant capital investment is required to achieve commercial production from exploration efforts. There is no assurance that Gold Fields will have, or be able to raise, the required funds to engage in these activities or to meet its obligations with respect to the exploration properties in which it has or may acquire an interest.

Due to the nature of mining and the type of gold mines it operates, Gold Fields faces a material risk of liability, delays and increased production costs from environmental and industrial accidents and pollution.

The business of gold mining by its nature involves significant risks and hazards, including environmental hazards and industrial accidents. In particular, hazards associated with Gold Fields’ underground mining operations include:

- rock bursts;
- seismic events, particularly at the Driefontein and Kloof operations;
- underground fires and explosions, including those caused by flammable gas;
- cave-ins or falls of ground;
- discharges of gases and toxic substances;
- releases of radioactivity;
- flooding;
- sinkhole formation and ground subsidence; and
- other accidents and conditions resulting from drilling, blasting and removing and processing material from an underground mine.

Hazards associated with Gold Fields’ open pit mining operations include:

- flooding of the open pit;
- collapses of the open pit walls;
- accidents associated with the operation of large open pit mining and rock transportation equipment;

- accidents associated with the preparation and ignition of large-scale open pit blasting operations;
- production disruptions due to weather; and

- hazards associated with heap leach processing, such as groundwater and waterway contamination.

Hazards associated with Gold Fields’ rock dump and production stockpile mining and tailings disposal include:

- accidents associated with operating a rock dump and production stockpile and rock transportation equipment;
- production disruptions due to weather;
- collapses of tailings dams; and
- ground and surface water pollution, on and off site.

Gold Fields is at risk of experiencing any and all of these environmental or other industrial hazards. The occurrence of any of these hazards could delay production, increase production costs and result in liability for Gold Fields.

Gold Fields’ insurance coverage may prove inadequate to satisfy potential claims.

Gold Fields may become subject to liability for pollution, occupational illnesses or other hazards against which it has not insured or cannot insure, including those in respect of past mining activities. Gold Fields’ existing property and liability insurance contains exclusions and limitations on coverage. In fiscal 2003, in an effort to reduce costs, Gold Fields changed from business interruption insurance cover based on gross profit to cover based on fixed operating costs or standing charges only. Should Gold Fields suffer a major loss, future earnings could be affected. In addition, insurance may not continue to be available at economically acceptable premiums. As a result, in the future, Gold Fields’ insurance coverage may not cover the extent of claims against Gold Fields, including, but not limited to, claims for environmental or industrial accidents, occupational illnesses or pollution.

Because most of Gold Fields’ production costs are in Rand, Australian dollars and Bolivars, while gold is generally sold in U.S. dollars, Gold Fields’ operating results or financial condition could be materially harmed by an appreciation in the value of the Rand, Australian dollar or Bolivar.

Gold is sold throughout the world principally in U.S. dollars, but Gold Fields’ operating costs are incurred principally in Rand and Australian dollars. As a result, any significant and sustained appreciation of either of these currencies against the U.S. dollar may materially increase Gold Fields’ costs in U.S. dollar terms.

The Rand and the Australian dollar each appreciated against the U.S. dollar during calendar years 2002, 2003 and 2004, with the Rand appreciating by approximately 28.5%, 22.2% and 15.6% in 2002, 2003 and 2004. In 2005, the Rand depreciated by 12.1% against the U.S. dollar. The Australian dollar appreciated by approximately 9.8%, 24.5% and 3.7% in 2002, 2003 and 2004, respectively, and depreciated by 6.2% against the U.S. dollar in 2005. More recently, the Rand has depreciated against the U.S. dollar and may continue to depreciate but the Australian dollar has experienced a period of appreciation against the U.S. dollar. From January 1, 2006 until October 31, 2006, the Rand depreciated by 16.4%, and the Australian dollar appreciated by 4.6%, against the U.S. dollar(1) Although the Bolivar foreign exchange rate is currently fixed by the Venezuelan government and has been stable since March 2005 at VEB 2,150 to $1.00, historically the Bolivar usually devalues against the U.S. dollar. An appreciation trend for either

(1) Source for ZAR/USD and AUD/USD: Datastream

the Rand, Australian dollar or Bolivar could have a material adverse effect on Gold Fields’ operating results or financial condition, as the appreciation would result in an increase to Gold Fields’ costs in U.S. dollar terms. See “Quantitative and Qualitative Disclosures About Market Risk—Foreign Currency Sensitivity” and “Operating and Financial Review and Prospects—Venezuela—Exchange Rates.”

Economic or political instability in the countries or regions where Gold Fields’ operates may have an adverse effect on Gold Fields’ operations and profits.

Gold Fields has significant operations in South Africa, Ghana, Australia and Venezuela, and a significant development project in Peru. As a result, changes or instability to the economic or political environment in any of these countries or in neighboring countries could affect an investment in Gold Fields.

Several of these countries have, or have had in the recent past, high levels of inflation. Continued or increased inflation in any of the countries where it operates could increase the prices Gold Fields pays for products and services, including wages for its employees, which if not offset by increased gold prices or currency devaluations could have a material adverse effect on Gold Fields’ financial condition and results of operations.

Recently, South African inflation and unemployment have been high by comparison with developed countries, and foreign reserves have been relatively low. The prime lending rate has also been high in recent years by comparison with developed countries, although it has decreased substantially since it peaked at approximately 25.5% during 1998 and on October 31, 2006 the rate was 12.0%. Consequently, Gold Fields could face a high cost of capital should it borrow in South Africa.

In Venezuela, the rate of economic growth, the level of tax revenue, government spending and government borrowing and the supply of foreign currency are materially affected by oil prices and general conditions in the international petroleum markets, because of the dominance of the petroleum industry. Thus, a future downturn in the international petroleum market may have a material adverse effect on the Venezuelan economy which could, in turn, have a material adverse effect on Gold Fields’ financial condition and results of operations.

Large parts of the South African population do not have access to adequate education, healthcare, housing and other services, including water and electricity. Although the South African government has implemented laws aimed at alleviating and redressing the disadvantages suffered by citizens under previous governments and Gold Fields believes it is in compliance with its obligations under them and intends to remain so, in the future the South African government may implement new laws and policies, which in turn may have an adverse impact on Gold Fields’ operations and profits. In recent years, South Africa has experienced high levels of crime and unemployment. These problems may have impacted fixed inward investment into South Africa and have prompted emigration of skilled workers. As a result, Gold Fields may have difficulties attracting and retaining qualified employees.

There has been regional political and economic instability in the countries surrounding South Africa. Any similar political or economic instability in South Africa could have a negative impact on Gold Fields’ ability to manage and operate its South African operations.

Ghana has had periods of political instability and may be subject to instability again in the future. Since the present government came into power in 2000, it has passed legislation imposing a tax and import duty which has affected the mining industry. The Ghana Chamber of Mines, of which Gold Fields Ghana Limited and Abosso Goldfields Limited, subsidiaries of Gold Fields, are members, has expressed its concern to the government that these legislative measures have eroded the competitiveness of the fiscal regime affecting mining companies in Ghana. The current government or a future government might adopt additional changes to policies in the future, which could: (1) modify the regulatory or fiscal regime governing mining companies in Ghana, such as increasing the proportion of foreign currency earnings that mining companies are required to repatriate to Ghana or (2) otherwise make investments or foreign-owned operations in Ghana less attractive. Any departure from current policies by the government of Ghana could have a material adverse effect on Gold Fields' business, operating results and financial condition. See "Operating and Financial Review and Prospects—Income and Mining Taxes—Ghana."

In the past several years, Venezuela has experienced intense political and social turmoil involving groups that oppose and those that support the administration of President Hugo Chávez. Under the present administration, there have been several national strikes, which have been accompanied by increased capital flight, loss of bank deposits, reduced tax revenues and, at times, violence. The most recent of the strikes began in December 2002 and ended in February 2003, halting a substantial part of the operations of many Venezuelan state-owned companies, including the state-owned oil company, Petróleos de Venezuela, S.A., or PDVSA. The strike also resulted in work stoppages in the private sector. The strike lasted for two months and had a significant political, economic and social impact in Venezuela.

Venezuela's political instability has had serious effects on the performance of its economy, with a sharp drop in investment and a general recession in 2002. The work stoppage adversely affected PDVSA's ability to make royalty and tax payments to the Venezuelan government, which severely affected the government's public finances as the petroleum industry is central to and dominates the Venezuelan economy. The next presidential elections are scheduled for December 3, 2006, and the political and economic impact of these elections is uncertain. There can be no assurance that there will not be further economic or political instability in Venezuela, as a consequence of the election results or otherwise. Economic or political instability in Venezuela could have a material adverse effect on Gold Fields' financial condition and results of operations.

Presidential elections were held in Peru in June 2006. The losing candidate has indicated that he will not cooperate with the new administration and that he and his supporters will continue to oppose the policies of the government. It is not clear what form this opposition may take, but any protests against the government could lead to public strikes, demonstrations and civil disobedience, which could have a material adverse effect on the Peruvian economy and cause material disruption to Gold Fields activities in Peru. In addition, there has been local opposition to mine development projects in Peru. Notwithstanding the fact that Gold Fields is substantially exceeding commitments it had made to the communities, in mid-October 2006 there was an illegal blockade of the access road to the Cerro Corona Project site resulting in a temporary suspension of construction activities at the site for seven days. The blockade was accompanied by demands for increased employment from local communities and increased use of local contractors. In addition, the Cerro Corona site is located near the Yanacocha mine which is operated by another company. The Yanacocha mine has also been the subject of local protests, including ones that blocked the road between the Yanacocha mine complex and the City of Cajamarca, which also affected access to the Cerro Corona site, although they did not result in a suspension of construction activities. If Gold Fields experiences further opposition in connection with its operations in Peru, or if protests aimed at other mining operations affect operations at Cerro Corona, it could have a material adverse effect on Gold Fields' financial condition and results of operations.

Actual and potential shortages of production inputs may have an adverse effect on Gold Fields' operations and profits.

Gold Fields' results of operations may be affected by the availability and pricing of raw materials and other essential production inputs, including fuel, steel and cyanide and other reagents. The price of raw materials may be substantially affected by changes in global supply and demand, along with weather conditions, governmental controls and other factors. A sustained interruption on the supply of any of these materials would require Gold Fields to find substitute suppliers acceptable to the Company and could require it to pay higher prices for such materials. Any significant increase in the prices of these materials will increase the Company's operating costs and affect production considerations.

Gold Fields Ghana, among other mining companies in Ghana, was asked by its electricity supplier, the Volta River Authority, or VRA, on August 14, 2006 to immediately reduce its electricity demand by 25%. On August 28, 2006, Gold Fields was asked to reduce its demand by a further 25%. The VRA requested these reductions in electricity usage largely because of the low water reservoir level of the VRA's Akosombo generating facility and concerns about its ability to meet future supply and demand at present consumption levels. The Ghanaian Chamber of Mines is working closely with the VRA to maximize current power generating capacity and on installing additional capacity. Gold Fields Ghana has agreed to reduce its demand for electricity from the VRA at the Tarkwa and Damang operations and plans to use emergency diesel powered generators situated at both mines to make up the difference. Gold Fields estimates that its quarterly operating costs will rise by approximately US$4 million as a result of the need to use the diesel generators. The VRA has indicated that the requirement for reduced electricity demand will last until the water levels in the reservoir have reached appropriate levels. However, there can be no assurance that Gold Fields will not be asked to further reduce its demand or that there will not be new disruptions to the electricity supply. Moreover, for as long as Gold Fields has to use the diesel generators at its Tarkwa and Damang operations, it will have an increased exposure to fluctuations in the price of diesel fuel.

Giant tires, of the type used by Gold Fields for its large earthmoving equipment and trucks, are in increasingly short supply, and prices have risen recently and may continue to rise in the future. This shortage of tires for earthmoving vehicles is causing mining companies to review operating practices, to seek additional methods of preserving tire life and to examine alternative sources of tire supply. To the extent that Gold Fields is unable to procure an adequate supply of these tires, it may have to alter its mining plans, especially at its open pit operations, which could reduce its gold production and have a material adverse effect on Gold Fields' business, operating results and financial condition.

Gold Fields' financial flexibility could be materially constrained by South African exchange control regulations.

South Africa's exchange control regulations restrict the export of capital from South Africa, the Republic of Namibia, and the Kingdoms of Lesotho and Swaziland, known collectively as the Common Monetary Area. Transactions between South African residents (including companies) and non-residents of the Common Monetary Area are subject to exchange controls enforced by the South African Reserve Bank, or SARB. As a result, Gold Fields' ability to raise and deploy capital outside the Common Monetary Area is restricted.

Under South African exchange control regulations, Gold Fields must obtain approval from the SARB regarding any capital raising involving a currency other than the Rand. For example, in connection with its approval, it is possible that the SARB may impose conditions on Gold Fields' use of the proceeds of any such capital raising, such as limits on Gold Fields' ability to retain the proceeds of the capital raising outside South Africa or requirements that Gold Fields seek further SARB approval prior to applying any such funds to a specific use. These restrictions could hinder Gold Fields' financial and strategic flexibility, particularly its ability to fund acquisitions, capital expenditures and exploration projects outside South Africa. See "Information on the Company—Regulatory and Environmental Matters—South Africa—Exchange Controls."

An acquisition of shares in or assets of a South African company by a non-South African purchaser that is subject to exchange control regulations may not be granted regulatory approval.

In some circumstances, potential acquisitions of shares in or assets of South African companies by non-South African resident purchasers are subject to review by the SARB pursuant to South African exchange control regulations. In 2000, the South

African Treasury, or the Treasury, refused to approve an acquisition of Gold Fields by Franco-Nevada Mining Corporation Limited, a Canadian mining company. The Treasury may refuse to approve similar proposed acquisitions of Gold Fields in the future. As a result,

Gold Fields' management may be limited in its ability to consider strategic options and Gold Fields' shareholders may not be able to realize the premium over the current trading price of Gold Fields' ordinary shares which they might otherwise receive upon such an acquisition. See "Information on the Company—Regulatory and Environmental Matters—South Africa—Exchange Controls."

Exchange controls and devaluation of the VEB in Venezuela could have a material adverse effect on the financial condition of Gold Fields.

On January 21, 2003, the Venezuelan government suspended the trading of foreign currencies in Venezuela. On February 5, 2003, the Venezuelan government and the Venezuelan Central Bank, or Central Bank, adopted a series of exchange agreements, decrees and regulations establishing a new exchange control system. The exchange control system centralized the purchase and sale of foreign currencies in the Central Bank. The Ministry of Finance, together with the Central Bank, is in charge of setting the official exchange rate with respect to the U.S. dollar and other currencies. A commission, referred to as the Comisión de Administración de Divisas, or CADIVI, was created in 2003 for the administration, control and establishment of the new exchange control system, including Venezuela's official foreign exchange rate system.

Private sector entities must request approval from CADIVI for, among other things, the purchase of foreign currency for the remittance of dividends, capital gains and interest derived from foreign investments and for foreign currency payments derived from service and technology agreements, royalties and other payments derived from the use of industrial and intellectual property rights. In order to seek the approval, an entity must first be registered with the Registro de Usuarios del Sistema de Administración de Divisas, or RUSAD, and comply with a series of additional requirements. Obtaining approval from CADIVI can take a considerable amount of time, and there is no guarantee that CADIVI will approve any particular request. To the extent that Gold Fields does not receive approval of its requests to acquire foreign currency on a timely basis, or at all, it would be forced to obtain foreign currency in the unofficial market at less favorable exchange rates.

Under the exchange control system, CADIVI will approve the acquisition of foreign currency at the official exchange rate to repay foreign debt only if the debt is registered pursuant to regulations promulgated by CADIVI. Currently, there are only regulations for the registration of foreign bank debt. There are no regulations for the registration of foreign non-bank debt. Therefore, any non-bank debt, including loans from affiliated companies or shareholders, must be repaid using currency acquired at unofficial or parallel market exchange rates. If Gold Fields is not able to meet its borrowing requirements at its Venezuelan operations through the use of bank debt eligible for registration, it may be forced to repay any foreign debt using currency acquired at less favorable unofficial or parallel exchange rates, which could have a material adverse effect on its financial condition and results of operations.

In addition, under the current exchange control system in Venezuela, all foreign currency derived from the exports of goods, services or technology must be converted to Bolivars via the Central Bank at the official exchange rate. Therefore, to the extent Gold Fields exports its gold produced in Venezuela, all foreign currency derived from those sales must be converted into Bolivars at the official exchange rate. As a result, Gold Fields cannot use those revenues to meet payment obligations outside Venezuela unless it receives approval from CADIVI to re-convert them into foreign currency or it decides to re-convert them at the less favorable unofficial rate.

Since the establishment of the exchange control system in early 2003, the Bolivar no longer floats against the U.S. dollar. Instead, the exchange rate is fixed by the Central Bank. Since the initial rate was fixed, the Central Bank has reset the rate several times to devalue the Bolivar. If the devaluation tendency of the Bolivar continues, delays from CADIVI in granting authorizations to purchase U.S. dollars may mean that

Gold Fields has to convert Bolivars at lower exchange rates which could have an adverse effect on Gold Fields' financial position.

Promotora Minera de Venezuela (PMG) S.A., or PMG, the Gold Fields subsidiary which operates the Choco 10 mine, has not historically sold any foreign currency derived from its gold exports to the Central Bank, as until October 2006 its gold exports were used only for the direct repayment of foreign debt rather than being sold. These payments have been supported under several agreements entered into between PMG and other foreign affiliates of Gold Fields, while they were under the administration of Bolivar. On May 16, 2006, PMG presented an administrative opinion request to CADIVI, in order to verify the validity of the agreements and PMG's position that the value of those exports was not subject to repatriation or conversion under the current foreign exchange control system. A response is expected from the CADIVI in due course. If CADIVI does not agree with PMG's position, it could deny the validity of the agreements and condition PMG's future exports and access to foreign currency on the repatriation and conversion of the foreign currency attributable to those prior exports. In addition, pursuant to the Law Against Illicit Exchange Transactions, PMG could also be subject to fines ranging from one to two times the amount of the currency that PMG did not sell. See "Information on the Company—Regulatory and Environmental Matters—Venezuela—Exchange Controls."

Gold Fields' operations and financial condition may be adversely affected by labor disputes or changes in South African, Ghanaian, Australian and Venezuelan labor laws.

As of June 30, 2006, approximately 77% of Gold Fields' employees belonged to unions. Accordingly, Gold Fields is at risk of having its production stopped due to strikes called by unions and other labor disputes. In August 2005, Gold Fields experienced a 48-hour unexpected strike by approximately half the employees of the Tarkwa mine in Ghana. In South Africa, Gold Fields also experienced a one-day illegal strike on March 30, 2005, and a four-day industry-wide gold mining wage strike in August 2005. See "Directors, Senior Management and Employees—Employees—Labor Relations—South Africa" and "Directors, Senior Management and Employees—Employees—Labor Relations—Ghana." In South Africa, in addition to strikes, on occasion Gold Fields experiences work stoppages based on national trade union "stay away" days, regardless of the state of its relations with its workforce. Significant labor disruptions at any of Gold Fields' operations could have an adverse effect on Gold Fields' business, operating results and financial condition.

Gold Fields' operating environment may also be affected by certain labor laws. Since 1995, South African laws relating to labor have changed significantly in ways that affect Gold Fields' operations. Laws enacted since then impose monetary penalties for non-compliance with the administrative and the reporting requirements in respect of affirmative action policies, and there may be further changes in labor law in South Africa over the next few years, which may have an adverse effect on Gold Fields' business, operating results and financial condition.

Ghanaian law contains broad provisions requiring mining companies to recruit and train Ghanaian personnel and to use the services of Ghanaian companies. Any expansion of these provisions which increases labor costs in Ghana could have a material adverse effect on Gold Fields' mining operations in Ghana and, accordingly, on Gold Fields' business, operating results and financial condition.

The Venezuelan Organic Labor Law and related regulations and social benefits laws impose statutory duties and taxes on companies doing business in Venezuela. Most of the provisions of these laws establish minimum benefits and in practice most benefits are improved by collective bargaining agreements, or CBAs. On February 15, 2005, while under the control of Bolivar, PMG entered into a CBA, under which it provides benefits beyond those required by law for its employees, including payment for health and life insurance, a savings scheme and provision of transport. Gold Fields, as an employer engaged in mining activities, has potential liability arising from injuries to, or deaths of, workers, including workers employed

by its contractors. In recent years, the Venezuelan government has implemented stricter labor laws and increased worker rights and there can be no assurance that the Venezuelan government will not implement additional labor restrictions or further increase worker rights in the future. See "Directors, Senior Management and Employees—Employees—Labor Relations—Venezuela."

Gold Fields may suffer adverse consequences as a result of its reliance on outside contractors to conduct its operations in Ghana and Australia.

A significant portion of Gold Fields' operations at the Damang mine in Ghana and in Australia are currently conducted by outside contractors. As a result, Gold Fields' operations at those sites are subject to a number of risks, some of which are outside Gold Fields' control, including:

- negotiating agreements with contractors on acceptable terms;
- the inability to replace a contractor and its operating equipment in the event that either party terminates the agreement;
- reduced control over those aspects of operations which are the responsibility of the contractor;
- failure of a contractor to perform under its agreement with Gold Fields;
- interruption of operations in the event that a contractor ceases its business due to insolvency or other unforeseen events;
- failure of a contractor to comply with applicable legal and regulatory requirements, to the extent it is responsible for such compliance; and
- problems of a contractor with managing its workforce, labor unrest or other employment issues.

In addition, Gold Fields may incur liability to third parties as a result of the actions of its contractors. The occurrence of one or more of these risks could have a material adverse effect on Gold Fields' business, results of operations and financial condition. See "Directors, Senior Management and Employees—Employees—Labor Relations—Ghana" and "Directors, Senior Management and Employees—Employees—Labor Relations—Australia."

Gold Fields' South African operations may be adversely affected by increased labor costs at its mining operations in South Africa.

Wages and related labor costs accounted for approximately 55% of Gold Fields' total production costs in fiscal 2006. Accordingly, Gold Fields' costs may be materially affected by increases in wages and related labor costs, particularly with respect to Gold Fields' South African employees, who are unionized. Negotiations with South African unions concluded in August 2005 resulted in above inflation wage increases ranging from 6.0% to 7.0%, depending upon the category of employees. Under the agreement, wage increases for South African employees will be linked to inflation with a minimum increase of 5.5% or 6.0%, depending upon the category of employees. The next round of negotiation with the South African unions is expected to take place prior to June 2007, when the current agreement expires. See "Directors, Senior Management and Employees—Employees—Labor Relations—South Africa." If Gold Fields is unable to increase production levels or implement cost cutting measures to offset these increased wages and labor costs, these costs could have a material adverse effect on Gold Fields' mining operations in South Africa and, accordingly, on Gold Fields' business, operating results and financial condition. See "Directors, Senior Management and Employees—Employees—Labor Relations—South Africa."

HIV/AIDS poses risks to Gold Fields in terms of lost productivity and increased costs.

The prevalence of HIV/AIDS in South Africa, which is forecast to increase over the next decade, poses risks to Gold Fields in terms of potentially reduced productivity and increased medical and other costs. Gold Fields' current estimate is that the prevalence of HIV within the Company will peak in approximately 2010 and the prevalence of AIDS within the Company will peak in approximately 2013. This estimate of the potential impact of HIV/AIDS on operations and financial condition is based on a variety of existing data and certain assumptions, including the incidence of HIV infection among its employees, the progressive impact of HIV/AIDS on infected employees' health, and the medical and other costs associated with the infection, most of which involve factors beyond Gold Fields' control. Should Gold Fields' actual experience significantly differ from the assumptions on which its current estimate is based, the actual impact of HIV/AIDS on its business, operating results and financial condition could be significantly worse than Gold Fields expects. See "Directors, Senior Management and Employees—Employees—Health and Safety—Health—HIV/AIDS Program."

Gold Fields' operations in South Africa are subject to environmental regulations which could impose significant costs and burdens.

Gold Fields' South African operations are subject to various environmental laws and regulations including, for example, those relating to waste treatment, emissions and disposal, and must comply with permits or standards governing, among other things, tailings dams and waste disposal areas, water consumption, air emissions and water discharges. Gold Fields may, in the future, incur significant costs to comply with the South African environmental requirements imposed under existing or new legislation, regulations or permit requirements or to comply with changes in existing laws and regulations or the manner in which they are applied. Also, Gold Fields may be subject to litigation and other costs as a result of environmental rights granted to individuals under South Africa's Constitution or other sources of rights. These costs could have a material adverse effect on Gold Fields' business, operating results and financial condition.

South African mining companies are required by law to undertake rehabilitation works as part of their ongoing operations. In addition, during the operational life of their mines, they must make arrangements to fund the cost of mine closure and post-closure rehabilitation and monitoring once mining operations cease. Gold Fields fully provides for these environmental rehabilitation costs in its financial statements based on the present value of future costs and funds these costs by making contributions into an environmental trust fund, with amounts approved by the authorities. As of September 30, 2006, Gold Fields had contributed a total of approximately Rand 500.1 million, including accrued interest, to the fund.

On July 3, 2006, new environmental impact assessment regulations were promulgated under the National Environmental Management Act. To the extent that the new regulations are specifically directed at mining operations, they will only become effective in 2007. The new regulations introduce a fundamental change in this area of law for the mining sector. Previously the Department of Minerals and Energy had primary responsibility for authorizing the environmental impacts of mining operations, although other departments played a secondary role in approving certain aspects of mining-related activities. Under the new regulations, the Department of Environmental Affairs will play a greater role in the environmental impact assessment decision-making process. The new regulations introduce a more complex South African regime for environmental impact assessments that includes a two-tiered assessment process. When the new regulations become effective as to mining operations, they will impact on reconnaissance, exploration, prospecting and mining activities, as currently defined in the Minerals and Petroleum Resources Development Act. This will result in more stringent requirements in obtaining environmental approval for new mining activities and, potentially, in the case of recommissioning old operations, which could increase Gold Fields' costs for obtaining the approvals. In addition, to the extent that the new regulations may be interpreted as having any retroactive effect, Gold Fields may need to implement corrective actions or may

be faced with nominal fines. Other changes in legislation or regulations (or the approach to enforcement of them) or other unforeseen circumstances may materially and adversely affect Gold Fields' future environmental expenditures or the level and timing of Gold Fields' provisioning for these expenditures. See "Information on the Company—Regulatory and Environmental Matters—South Africa—Environmental."

Gold Fields' operations in South Africa are subject to health and safety regulations which could impose significant costs and burdens.

The present Mine Health and Safety Act 29 of 1996, or the Mine Health and Safety Act, came into effect in January 1997. The principal objective of the Mine Health and Safety Act is to improve health and safety at South African mines and, to this end, the Mine Health and Safety Act imposes various duties on Gold Fields at its mines, and grants the authorities broad powers to, among other things, close unsafe mines and order corrective action relating to health and safety matters. See "Information on the Company—Regulatory and Environmental Matters—South Africa—Health and Safety."

The Occupational Diseases in Mines and Works Act 78 of 1973, or the Occupational Diseases Act, governs the payment of compensation and medical costs related to certain illnesses contracted by persons employed in mines or at sites where activities ancillary to mining are conducted. Occupational healthcare services are made available by Gold Fields to employees from its existing facilities. Pursuant to changes in the Occupational Diseases Act, Gold Fields may experience an increase in the cost of these services, which could have an adverse effect on Gold Fields' business, operating results and financial condition. This increased cost, should it transpire, is currently indeterminate.

Gold Fields' mineral rights in South Africa have become subject to new legislation which could impose significant costs and burdens.

The New Minerals Act

The Mineral and Petroleum Resources Development Act 2002, or the New Minerals Act, came into effect on May 1, 2004. The New Minerals Act contains a provision requiring the Minister of Minerals and Energy, or the Minister, within six months of the relevant provision becoming operational, to develop a broad-based socio-economic empowerment charter for effecting entry of historically disadvantaged South Africans, or HDSAs, into the mining industry. The South African government appointed a task team which included representatives from mining companies, including Gold Fields, to develop a charter. On October 11, 2002, the Minister and representatives of certain mining companies and the National Union of Mineworkers signed a charter that reflects the consultation process called for by the New Minerals Act. This Mining Charter became effective on May 1, 2004.

The Mining Charter's stated objectives are to:

- promote equitable access to South Africa's mineral resources for all the people of South Africa;
- substantially and meaningfully expand opportunities for HDSAs, including women, to enter the mining and minerals industry and to benefit from the exploitation of South Africa's mineral resources;
- utilize the existing skills base for the empowerment of HDSAs;
- expand the skills base of HDSAs in order to serve the community;
- promote employment and advance the social and economic welfare of mining communities and areas supplying mining labor; and
- promote beneficiation of South Africa's mineral commodities beyond mining and processing, including the production of consumer products.

To achieve these objectives, the Mining Charter requires that mining companies achieve a 15% HDSA ownership of mining assets within five years and a 26% HDSA ownership of mining assets within 10 years by each mining company. Under the Mining Charter, the mining industry as a whole agrees to assist HDSA companies in securing finance to fund participation in an amount of Rand 100 billion over the first five years. Beyond the Rand 100 billion commitment, HDSA participation will be increased on a willing seller/willing buyer basis, at fair market value, where the mining companies are not at risk. In addition, the Mining Charter requires, among other things, that mining companies spell out plans for achieving employment equity at management level with a view to achieving a baseline of 40% HDSA participation in management and achieving a baseline of 10% participation by women in the mining industry, in each case within five years. When considering applications for the renewal of existing licenses, the government will take a "scorecard" approach, evaluating the commitments of stakeholders to the different facets of promoting the objectives of the Mining Charter. See "Information on the Company—Regulatory and Environmental Matters—South Africa—Mineral Rights—The New Minerals Act."

In order to comply with the terms of the charter, Gold Fields has adjusted the ownership structure of its South African mining assets. On March 8, 2004, the shareholders of Gold Fields approved a series of transactions, referred to in this discussion as the Mvelaphanda Transaction, involving the acquisition by Mvelaphanda Resources Limited of a 15% beneficial interest in the South African gold mining assets of Gold Fields for cash consideration of Rand 4,139 million. See "Operating and Financial Review and Prospects—Overview—General—Mvelaphanda Transaction." The Mvelaphanda Transaction is intended to meet the charter's requirement that mining companies achieve a 15% HDSA ownership within five years of the charter coming into effect. See "Information on the Company—Regulatory and Environmental Matters—South Africa—Mineral Rights—The New Minerals Act." There is no guarantee, however, that the Mvelaphanda Transaction will not have a negative effect on the value of Gold Fields' ordinary shares. In addition, any further adjustment to the ownership structure of Gold Fields' South African mining assets in order to meet the mining charter's 10-year HDSA ownership requirement of 26% could have a material adverse effect on the value of Gold Fields' ordinary shares and failing to comply with the charter's requirements could subject Gold Fields to negative consequences, the scope of which has not yet been fully determined. Gold Fields may also incur expenses to give effect to the charter's other requirements, and may need to incur additional indebtedness in order to comply with the industry-wide commitment to assist HDSAs in securing Rand 100 billion of financing during the first five years of the mining charter's effectiveness. Moreover, there is no guarantee that any steps Gold Fields has already taken or might take in the future will ensure the successful renewal of any or all of its existing mining rights or the granting of further new mining rights or that the terms of any renewals of its rights would not be significantly less favorable to Gold Fields than the terms of its current rights.

The Royalty Bill

On March 20, 2003, the draft Mineral and Petroleum Royalty Bill was released for public comment. After extensive consultation, the draft Mineral and Petroleum Bill was revised and this revised bill, or the Royalty Bill, was published on October 11, 2006, affording stakeholders a further opportunity to provide comments.

The Royalty Bill proposes to impose a royalty payable to the State which, in the case of gold mining companies, would be 3% in respect of the gross sales value of unrefined gold and 1.5% in respect of the gross value of refined gold. Gold is regarded as refined once it is processed to at least 99.5% purity and, accordingly, most companies in the South African mining sector, including Gold Fields, are likely to pay the refined rate. The Royalty Bill envisages that the royalty will become payable from May 1, 2009.

There is uncertainty as to what further amendments will be made to the Royalty Bill. If adopted, in either its current or a further revised form, the Royalty Bill could have a negative impact on Gold Fields' South African operations and therefore an adverse effect on its business, operating results and financial condition. See "Information on the Company—Regulatory and Environmental Matters—South Africa—Mineral Rights—The Royalty Bill."

Gold Fields' land and mineral rights in South Africa could be subject to land restitution claims which could impose significant costs and burdens.

Gold Fields' privately held land and mineral rights could be subject to land restitution claims under the Restitution of Land Rights Act 1994, or the Land Claims Act. Under this Act, any person who was dispossessed of rights in land in South Africa as a result of past racially discriminatory laws or practices without payment of just and equitable compensation is granted certain remedies, including the restoration of the land. Under the Land Claims Act, persons entitled to institute a land claim were required to lodge their claims by December 31, 1998. Gold Fields has not been notified of any land claims, but any claims of which it is notified in the future could have a material adverse effect on Gold Fields' right to the properties to which the claims relate and, as a result, on Gold Fields' business, operating results and financial condition. See "Information on the Company—Regulatory and Environmental Matters—South Africa—Land Claims."

The Restitution of Land Rights Amendment Act, or the Amendment Act, became law on February 4, 2004. Under the Land Claims Act, the Minister for Agriculture and Land Affairs, or the Land Minister, may not acquire ownership of land for restitution purposes without a court order unless an agreement has been reached between the affected parties. The Amendment Act, however, entitles the Land Minister to acquire ownership of land by way of expropriation in certain limited circumstances. Expropriation would be subject to provisions of legislation and the South African Constitution which provides, in general, for just and equitable compensation. There is, however, no guarantee that any of Gold Fields' privately held land rights could not become subject to acquisition by the state without Gold Fields' agreement, or that Gold Fields would be adequately compensated for the loss of its land rights, which could have a negative impact on Gold Fields' South African operations and therefore an adverse effect on its business, operating results and financial condition. See "Information on the Company—Regulatory and Environmental Matters—South Africa—Land Claims."

Gold Fields' operations in Ghana are subject to environmental regulations which could impose significant costs and burdens.

Gold Fields' Ghana operation is subject to various environmental laws and regulations. The Ghanaian environmental protection laws require, among other things, that Gold Fields register with the Ghanaian environmental authorities, and obtain environmental permits and certificates for the Ghana operation.

Ghanaian mining companies are required by law to rehabilitate land disturbed as a result of their mining operations pursuant to an environmental reclamation plan agreed with the Ghanaian environmental authorities. Gold Fields funds these environmental rehabilitation costs in part by posting a reclamation bond to secure estimated costs of rehabilitation. Changes in the required method of calculation for these bonds or an unforeseen circumstance which produces unexpected costs may materially and adversely affect Gold Fields' future environmental expenditures. See "Information on the Company—Regulatory and Environmental Matters—Ghana—Environmental."

Gold Fields' operations in Ghana are subject to health and safety regulations which could impose significant costs and burdens.

The Ghanaian health and safety regulations impose statutory duties on an owner of a mine to, among other things, take steps to ensure that the mine is managed and worked in a manner which provides for the safety and proper discipline of the mine workers. The regulations prescribe the measures to be taken to ensure the safety and health of the mine workers. Additionally, Gold Fields is required under the terms of its mining leases to comply with the reasonable instructions of the relevant authorities for securing the health and safety of persons working in or connected with the mine. A violation of the health and safety regulations or a failure to comply with the reasonable instructions of the relevant authorities could lead to, among other things, a temporary shutdown of all or a portion of the mine, a loss of the right to mine or the imposition of costly compliance procedures and, in the case of a violation of the regulations relating to health and safety, constitutes an offense under Ghanaian law. If Ghanaian health and safety authorities require Gold Fields to shut down all or a portion of its mines or to implement costly compliance measures, whether pursuant to existing or new health and safety laws and regulations, such measures could have a material adverse effect on Gold Fields' business, operating results and financial condition. See "Information on the Company—Regulatory and Environmental Matters—Ghana—Health and Safety."

Gold Fields, as the holder of the mining lease, has potential liability arising from injuries to, or deaths of, workers, including, in some cases, workers employed by its contractors. In Ghana, statutory workers' compensation is not the exclusive means for workers to claim compensation. Gold Fields' insurance for health and safety claims or the relevant workers' compensation arrangements may not be adequate to meet the costs which may arise upon any future health and safety claims.

Gold Fields' mineral rights in Ghana are currently subject to regulations, and may become subject to new regulations, which could impose significant costs and burdens.

In Ghana, the ownership of land on which there are mineral deposits is separate from the ownership of the minerals. All minerals in their natural state in or upon any land or water are, under Ghanaian law, the property of Ghana and vested in the President on behalf of the people of Ghana. Gold Fields' mining leases for the Tarkwa property have not yet been ratified by the Ghanaian Parliament, as required by law. To the extent that failure to ratify these leases adversely affects their validity, there may be a material adverse effect on Gold Fields' business, operating results and financial condition. In addition, the new Minerals and Mining Act, 2006 (Act 703), or the Minerals and Mining Act, was passed by the Ghanaian Parliament in fiscal 2006. The Minerals and Mining Act repealed the Minerals and Mining Law, 1986 (PNDCL 153) as amended, or the Minerals and Mining Law, although, as regards existing mineral rights, the Minerals and Mining Law continues to apply unless the minister responsible for mines provides otherwise by legislative instrument. Even if a mineral right is made subject to the Minerals and Mining Act, the Minerals and Mining Act provides that it shall not have the effect of increasing the holder's costs, or financial burden, for a period of five years. However, if in the future new amendments or provisions are passed under the Minerals and Mining Act or new laws are passed which impose significant new costs or burdens on Gold Fields' abilities to mine in Ghana or to obtain new mining leases for properties on which deposits are identified, this could have a material adverse effect on Gold Fields' business, operating results and financial condition. See "Information on the Company—Regulatory and Environmental Matters—Ghana—Mineral Rights."

Gold Fields' operations in Australia are subject to environmental regulations which could impose significant costs and burdens.

Gold Fields' Australian operations are subject to various laws and regulations relating to the protection of the environment, which are similar in scope to those of South Africa and Ghana. Gold Fields may, in the future, incur significant costs to comply with the Australian environmental requirements imposed under

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existing or new legislation, regulations or permit requirements or to comply with changes in existing laws and regulations or the manner in which they are applied. These costs may have a material adverse effect on Gold Fields' business, operating results and financial condition.

Australian mining companies are required by law to undertake rehabilitation works as part of their ongoing operation. Gold Fields makes provisions in its accounts for the estimated cost of environmental rehabilitation for its Australian mining properties. Gold Fields guarantees its environmental obligations by providing the Western Australian government with unconditional bank-guaranteed performance bonds to secure the estimated costs. These bonds do not cover remediation for events that were unforeseen at the time the bond was taken. Changes in the required method of calculation for these bond amounts or an unforeseen circumstance which produces unexpected costs may materially and adversely affect future environmental expenditures. See "Information on the Company—Regulatory and Environmental Matters—Australia—Environmental."

Gold Fields' operations in Australia are subject to health and safety regulations which could impose significant costs and burdens.

The Western Australian Mines Safety and Inspection Act 1994 (WA), or the Safety and Inspection Act, imposes a duty on a mine owner to provide and maintain a working environment which is safe for mine workers. The regulations prescribe specific measures to be taken and provide for inspectors to review the work site for hazards and violations of the health and safety laws. The Safety and Inspection Act was amended in April 2005 to provide, among other things, a new regime of penalties, broader powers for inspectors and new duties of care for employers. A violation of the health and safety laws or a failure to comply with the instructions of the relevant health and safety authorities could lead to, among other things, a temporary shutdown of all or a portion of the mine, a loss of the right to mine or the imposition of costly compliance procedures and penalties (including imprisonment). If health and safety authorities require Gold Fields to shut down all or a portion of the mine or to implement costly compliance measures, whether pursuant to existing or new health and safety laws and regulations, such measures could have a material adverse effect on Gold Fields' business, operating results and financial condition. See "Information on the Company—Regulatory and Environmental Matters—Australia—Health and Safety."

Gold Fields' tenements in Australia are subject to native title claims and include Aboriginal heritage sites which could impose significant costs and burdens.

Certain of Gold Fields' tenements are subject to native title claims, and there are Aboriginal heritage sites located on certain of Gold Fields' tenements. Native title and Aboriginal legislation protect the rights of Aboriginals in relation to the land in certain circumstances. Other tenements may become subject to native title claims if Gold Fields seeks to expand or otherwise change its interest in rights to those tenements. Native title claims could require costly negotiations with the claimants or could affect Gold Fields' access to or use of its tenements, and, as a result, have a material adverse effect on Gold Fields' business, operating results and financial condition.

Aboriginal heritage sites relate to distinct areas of land which have either ongoing ethnographic, archaeological or historic significance. Aboriginal heritage sites have been identified with respect to portions of some of Gold Fields' Australian mining tenements. Additional Aboriginal heritage sites may be identified on the same or additional tenements. Gold Fields may, in the future, incur significant costs as a result of changes in the interpretation of, or new laws regarding, native title and Aboriginal heritage, which may result in a material adverse effect on Gold Fields' business, operating results and financial condition. See "Information on the Company—Regulatory and Environmental Matters—Australia—Land Claims."

The Venezuelan government could take measures related to the conduct of business in general that could affect the Venezuelan economy and Gold Fields' operations in Venezuela.

The Venezuelan government has exercised, and continues to exercise, significant influence over many aspects of the Venezuelan economy. For example, private oil companies doing business in Venezuela, as independent operators contracted by PDVSA under operation agreements, are now obligated to operate their same oil fields through companies called "mixed" companies, which are jointly owned by the private companies and PDVSA and over which PDVSA owns a majority interest. There can be no assurance that a similar regime will not be introduced for gold mining companies.

The Venezuelan government has also emphasized compliance with tax laws by implementing Plan Evasión Cero, or Zero Evasion Plan, a pro-active plan to review companies' compliance with tax payments and formal obligations related to income taxes and value-added taxes. Under these reviews there has been an increase in the number of companies that have been subject to temporary business closures.

These and other regulations that have been enacted or may be enacted may have an adverse effect on Gold Fields' business, operating results and financial condition either directly, or by adversely affecting the Venezuelan economy.

Gold Fields' operations in Venezuela are subject to environmental regulations which could impose significant costs and burdens.

Gold Fields' operations in Venezuela are subject to various environmental laws and regulations. The Venezuelan environmental laws and regulations require, among other things, that Gold Fields obtain environmental permits for exploration and exploitation from the Ministry of the Environment and Natural Resources. See "Information on the Company—Regulatory and Environmental Matters—Venezuela—Environmental."

Venezuelan environmental regulations and the lease agreements for Gold Fields' mining concessions require the posting of a bond issued by a local bank or insurance company, in order to guarantee the execution of the measures necessary for the restoration of the area and the reduction of the impact of mining activities on the environment during the exploration and exploitation phases of a project. Changes in the required method of calculation for these bonds or an unforeseen circumstance which produces unexpected costs may materially and adversely affect Gold Fields' future environmental expenditure. In addition, lack of coordination between the Ministry of Mining and the Ministry of the Environment and Natural Resources has been known to cause undue delays in the granting of environmental permits. Should Gold Fields experience delays in obtaining necessary permits, it may suffer substantial burdens in undertaking planned exploration activities or mining operations.

Gold Fields' operations in Venezuela are subject to health and safety regulations which could impose significant costs and burdens.

A violation of the health and safety laws or a failure to comply with the instructions of the relevant health and safety authorities could lead to, among other things, a temporary shutdown of all or a portion of the mine, a loss of the right to mine and/or the imposition of costly compliance procedures and penalties (including onerous fines and criminal penalties such as imprisonment). If health and safety authorities require Gold Fields to shut down all or a portion of the mine or to implement costly compliance measures, whether pursuant to existing or new health and safety laws and regulations, those measures could have a material adverse effect on Gold Fields' business, operating results and financial condition.

In addition, on July 26, 2005, an amendment to the Organic Law of Prevention, Conditions and Work Environment was enacted in Venezuela, with the purpose of establishing institutions, rules and guidelines for policies and entities aimed at guaranteeing the safety, health and well-being of workers, regulating

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conditions for the promotion of a safe and healthy work environment, preventing work accidents and occupational diseases and regulating the rights and duties of workers and employers. This amendment establishes fines for violations of the relevant regulations and provides for incarceration of employers or their representatives from 8 to 10 years in case of death of a worker as a result of violation of regulations related to safety and healthy working conditions. See "Directors, Senior Management and Employees—Employees—Labor Relations—Health and Safety—Safety."

Gold Fields' mining rights in Venezuela are currently subject to regulation, and will become subject to new regulations, which could impose significant costs and restrictions.

The Venezuelan government traditionally has played a central role in the development of Venezuela's mining industry. Venezuelan governmental actions have had in the past, and could have in the future, significant effects on the financial condition and results of operations of companies engaged in mining in Venezuela. Pursuant to the Decree Law of Mines of 1999, or the Decree Law of Mines, all mineral deposits are the property of the Venezuelan State. The Decree Law of Mines also regulates the assignment of mining rights, as well as the activities ancillary to mining such as transport, commerce and exports of minerals, requiring authorizations or registration for most of these activities.

Pursuant to regulations of the Venezuelan Central Bank, companies mining gold are currently allowed to export a maximum of 85% of their production. The remainder may be sold only to the Venezuelan Central Bank and/or to companies which are registered at the Ministry of Mining as merchants of gold, diamonds or precious metals.

The Venezuelan government is promoting a reform of the existing mining law with two stated main purposes: (i) in the short term, to assume control of inoperative mining concessions and (ii) in the medium term, to assume control of mining operations. The proposed model is similar to the new guidelines applied to the oil sector in the case of operational agreements whereby non-Venezuelan companies operating oil fields under contract to PDVSA have been obligated to convert their independent operation agreements into "mixed" companies where PDVSA owns a controlling equity interest. In the future, it is possible that private entities will only be allowed to participate in mining projects through mixed companies where the government has majority equity participation. Although the current draft law contains a grandfathering provision pursuant to which concessions that are in good standing will be allowed to continue until their natural expiration, there can be no assurance that the draft law will be enacted in its current form. Any change to the mining law that changes Gold Fields' current rights to own and operate its mining concessions in Venezuela could have a material adverse effect on its business, operating results and financial condition. See "Information on the Company—Regulatory and Environmental Matters—Venezuela—Mineral Rights."

Gold Fields may not obtain the anticipated benefits of its proposed acquisition of the South Deep gold mine.

Gold Fields currently owns 34.7% of Western Areas Limited, or Western Areas, a South African company whose principal asset is a 50% interest in the South Deep gold mine, or South Deep. This stake includes 27 million Western Areas shares Gold Fields acquired from a subsidiary of JCI Limited, or JCI, on November 16, 2006 pursuant to an agreement entered into on September 11, 2006. Pursuant to the agreement, Gold Fields also entered into reciprocal put and call options to acquire additional Western Areas shares from subsidiaries of JCI which, if exercised, would increase Gold Fields' ownership of Western Areas to approximately 41%. On October 30, 2006, Gold Fields commenced an offer, or the Offer, for all the outstanding shares of Western Areas it did not already own, other than those that were the subject of its agreements with JCI. Gold Fields has also agreed to acquire the remaining 50% interest in South Deep from a subsidiary of Barrick Gold Corporation, or Barrick. See "Information on the Company—Recent Developments—Acquisition of South Deep." Gold Fields is acquiring South Deep because it believes South Deep is one of the most significant developing ore bodies in the world and that it

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makes commercial and operational sense for Gold Fields to own it and, in particular, if possible, to operate it as a single unit with Gold Fields' adjacent Kloof operation. Gold Fields believes that portions of the South Deep orebody could be accessed using the Kloof infrastructure which could potentially increase the rate at which the South Deep orebody is mined, as well as reduce the unit cost of mining at both Kloof and South Deep. As yet, however, no detailed design work has been done and there can be no assurance that accessing South Deep via Kloof would result in tangible benefit. Furthermore South Deep has not yet reached its design production capacity and has not completed much of the underground infrastructure necessary for production at that design capacity. There remains significant risk that completing this infrastructure could take longer and cost more than is currently estimated, which according to Western Areas as of June 2006 was Rand 3.50 billion through the end of 2012, comprising Rand 1.27 billion for projects and Rand 2.23 billion for infrastructure. Moreover, there is no assurance that the planned infrastructure, when completed, will be adequate to support the design production capacity. In addition, one of South Deep's two main shafts has been closed since May 2006 following damage caused by a falling skip and a fire that broke out on August 31, 2006, which has caused the temporary closure of portions of the mine. There can be no assurance that Gold Fields will not continue to encounter operational challenges and difficulties at South Deep that may require significant management time and/or expenditure to rectify. See "Information on the Company—Recent Developments—Acquisition of South Deep."

Following completion of the acquisition of South Deep, Gold Fields intends to assess the implications of accessing the South Deep orebody utilizing the Kloof infrastructure and the integration of the two operations. This will involve a pre-feasibility study to assess the options available followed by a detailed feasibility study on the favored option. Gold Fields expects that implementation of the favored option, when determined, will be challenging and will require a significant amount of management time and financial resources. In addition, it may take longer and/or cost more than expected and difficulties relating to the implementation which Gold Fields did not anticipate may arise. Any of these events could have an adverse impact on Gold Fields' business, results of operations and financial condition.

Western Areas' financial situation is hampered by a derivative structure that requires it to sell a large portion of its share of the gold production of South Deep at prices substantially below recent spot prices for gold.

In 2001, Western Areas entered into a long-dated derivative structure in respect of gold production from South Deep. The derivative structure, which is based on a series of bought and sold options on Western Areas' share of South Deep's gold production, took effect in the last quarter of 2001 and expires in mid-2014. According to Western Areas, it will have to deliver approximately 90% of its share of the gold production into the derivative structure for 2006 and, at current gold spot prices, some 58% in 2007, thereby reducing the opportunity to capitalize on the spot gold price. Western Areas also reported that as of September 30, 2006, the fair value of the instruments constituting the derivatives structure was US$(360,483,116), using a gold spot price of $598.60 and an exchange rate of Rand 7.7643 per US$1.00. The premium payable for the options purchased by Western Areas as part of the derivative structure was US$250 million, payable at various pre-determined dates in the future. Western Areas reported that at September 30, 2006, the discounted value of the premium payable was US$139,630,503. Under the terms of the relevant options, a change of control of Western Areas without the consent of the option counterparties constitutes an event of default which may entitle the option counterparties to close out the positions. Therefore, if Gold Fields acquires control of Western Areas, the option counterparties could require Western Areas to immediately settle the outstanding options and pay the present value of the premium. In addition, Gold Fields understands that other circumstances may exist that would allow the option counterparties to close out the options. If the option counterparties elect to close out the options at a time when Western Areas is a subsidiary of Gold Fields, it could have an adverse effect on Gold Fields' financial condition. Even if Western Areas is not required to immediately settle the outstanding options, it would receive only the option price for a significant portion of the production of South Deep and therefore

Gold Fields would not benefit from any higher gold spot price. See "Information on the Company—Recent Developments—Acquisition of South Deep."

Gold Fields may complete the offer for Western Areas at a level of acceptances which does not allow a compulsory acquisition by Gold Fields of the remaining Western Areas shares.

Under South African law, if holders of nine-tenths or more of the Western Areas shares Gold Fields has offered to acquire under the Offer accept the Offer, Gold Fields is entitled to compulsorily acquire the remaining shares subject to the Offer. Gold Fields has not established a minimum level of acceptances in respect of Western Areas shares that must be achieved before it is obligated to acquire any shares in respect of which the Offer has been validly accepted. As a result, Gold Fields cannot be certain of obtaining in excess of nine-tenths of the Western Areas shares it has offered to acquire. If Gold Fields is unable to compulsorily acquire Western Areas shares in respect of which valid acceptances are not received, Western Areas may need to remain a separately listed company on the JSE Limited, or the JSE, subject to the obligations applicable to listed companies. In addition, the existence of minority shareholders at Western Areas may make it more difficult or expensive to raise capital to fund development of South Deep.

The acquisition of Western Areas and South Deep may expose Gold Fields to unknown liabilities and risks.

Prior to agreeing to acquire Barrick's 50% interest in South Deep and commencing the Offer, Gold Fields was able to conduct due diligence only on South Deep. Since entering into the agreement with Barrick and commencing the Offer, Gold Fields has been conducting additional due diligence on both South Deep and Western Areas, but there can be no assurance that, after completion of the acquisition of Barrick's interest in South Deep and consummation of the Offer, Gold Fields will not be subject to unknown liabilities of, and risks associated with, South Deep or Western Areas, including liabilities and risks that may become evident only after Gold Fields becomes involved in the operational management of South Deep.

Gold Fields has not independently confirmed the reliability of the South Deep or Western Areas information included in this annual report.

In respect of information relating to South Deep or Western Areas presented in this annual report, Gold Fields relied upon publicly available information, including information publicly filed by Western Areas with the JSE and certain due diligence materials supplied by Western Areas and Barrick. Although Gold Fields has no knowledge that would indicate that any statements contained in this annual report based upon that information and those materials are inaccurate, incomplete or untrue, Gold Fields was not involved in the preparation of the information and materials and has not had the opportunity to perform due diligence on them and, therefore, cannot verify the accuracy, completeness or truth of the information or materials or any failure by Western Areas or Barrick to disclose events that may have occurred, but that are unknown to Gold Fields, that may affect the significance or accuracy of any such information.

Compliance with internal controls procedures and evaluations and attestation requirements will require significant efforts and resources and may result in the identification of significant deficiencies or material weaknesses.

Beginning in the fiscal year ending June 30, 2007, pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, Gold Fields will be required to furnish a report by its management on its internal control over financial reporting. The report will contain, among other matters, an assessment of the effectiveness of Gold Fields' internal control over financial reporting as of the end of the fiscal year, including a statement as to whether or not its internal control over financial reporting is effective. Gold Fields will also be required to have its independent auditors publicly disclose their conclusions regarding the evaluation. Gold Fields is establishing procedures in order to comply with Section 404 in the timeframe permitted and

expects that establishing procedures and ensuring compliance with these requirements will be a substantial and time-consuming process. If Gold Fields fails to complete these procedures and the required evaluation in a timely manner, or if its independent auditors cannot attest to its evaluation in a timely manner, Gold Fields could be subject to regulatory review and penalties which may result in a loss of public confidence in its internal controls. In addition, Gold Fields may uncover significant deficiencies or material weaknesses in its internal controls. Measures taken to remedy these issues may require significant efforts, dedicated time and expenses, as well as the commitment of significant managerial resources. Each of these circumstances may have an impact on Gold Fields' share price.

Investors in the United States may have difficulty bringing actions, and enforcing judgments, against Gold Fields, its directors and its executive officers based on the civil liabilities provisions of the federal securities laws or other laws of the United States or any state thereof.

Gold Fields is incorporated in South Africa. The majority of Gold Fields' directors and executive officers (and certain experts named herein) reside outside of the United States. Substantially all of the assets of these persons and substantially all of the assets of Gold Fields are located outside the United States. As a result, it may not be possible for investors to enforce against these persons or Gold Fields a judgment obtained in a United States court predicated upon the civil liability provisions of the federal securities or other laws of the United States or any state thereof. A foreign judgment is not directly enforceable in South Africa, but constitutes a cause of action which will be enforced by South African courts provided that:

- the court which pronounced the judgment had jurisdiction to entertain the case according to the principles recognized by South African law with reference to the jurisdiction of foreign courts;
- the judgment is final and conclusive (that is, it cannot be altered by the court which pronounced it);
- the judgment has not lapsed;
- the recognition and enforcement of the judgment by South African courts would not be contrary to public policy, including observance of the rules of natural justice which require that the documents initiating the United States proceeding were properly served on the defendant and that the defendant was given the right to be heard and represented by counsel in a free and fair trial before an impartial tribunal;
- the judgment was not obtained by fraudulent means;
- the judgment does not involve the enforcement of a penal or revenue law; and
- the enforcement of the judgment is not otherwise precluded by the provisions of the Protection of Businesses Act 99 of 1978, as amended, of the Republic of South Africa.

It is the policy of South African courts to award compensation for the loss or damage actually sustained by the person to whom the compensation is awarded. Although the award of punitive damages is generally unknown to the South African legal system, that does not mean that such awards are necessarily contrary to public policy. Whether a judgment is contrary to public policy depends on the facts of each case. Exorbitant, unconscionable or excessive awards will generally be contrary to public policy. South African courts cannot enter into the merits of a foreign judgment and cannot act as a court of appeal or review over the foreign court. South African courts will usually implement their own procedural laws and, where an action based on an international contract is brought before a South African court, the capacity of the parties to the contract will usually be determined in accordance with South African law. It is doubtful whether an original action based on United States federal securities laws may be brought before South African courts. A plaintiff who is not resident in South Africa may be required to provide security for costs in the event of proceedings being initiated in South Africa. Furthermore, the Rules of the High Court of

South Africa require that documents executed outside South Africa must be authenticated for the purpose of use in South Africa.

Investors may face liquidity risk in trading Gold Fields' ordinary shares on the JSE Limited.

Historically, trading volumes and liquidity of shares listed on the JSE have been low in comparison with other major markets. The ability of a holder to sell a substantial number of Gold Fields' ordinary shares on the JSE in a timely manner, especially in a large block trade, may be restricted by this limited liquidity. See "The Offer and Listing—The JSE Limited."

Gold Fields may not pay dividends or make similar payments to its shareholders in the future.

Gold Fields pays cash dividends only if funds are available for that purpose. Whether funds are available depends on a variety of factors, including the amount of cash available and Gold Fields' capital expenditures and other cash requirements existing at the time. Under South African law, Gold Fields will be entitled to pay a dividend or similar payment to its shareholders only if it meets the solvency and liquidity tests set out in the South African Companies Act and Gold Fields' Articles of Association. Cash dividends or other similar payments may not be paid in the future.

Gold Fields' non-South African shareholders face additional investment risk from currency exchange rate fluctuations since any dividends will be paid in Rand.

Dividends or distributions with respect to Gold Fields' ordinary shares have historically been paid in Rand. The U.S. dollar or other currency equivalent of any dividends or distributions with respect to Gold Fields' ordinary shares will be adversely affected by potential future reductions in the value of the Rand against the U.S. dollar or other currencies. In the future, it is possible that there will be changes in South African exchange control regulations, such that dividends paid out of trading profits will no longer be freely transferable outside South Africa to shareholders who are not residents of the Common Monetary Area. See "Additional Information—South African Exchange Control Limitations Affecting Security Holders."

Gold Fields' ordinary shares are subject to dilution upon the exercise of Gold Fields' outstanding share options and the Mvela Gold share exchange option.

As of October 31, 2006, Gold Fields had an aggregate of 1,000,000,000 ordinary shares authorized to be issued and as of that date an aggregate of 495,505,475 ordinary shares were issued and outstanding. Gold Fields currently has two securities option plans which are authorized to grant options in an amount of up to an aggregate of 25,071,013 ordinary shares. At their annual general meeting on November 17, 2005, Gold Fields' shareholders approved two new securities option plans which will replace the two existing plans. The first allocation of shares under The Gold Fields Limited 2005 Share Plan was made in March 2006, when 430,500 performance vesting restricted shares were awarded. In November 2005, 33,000 restricted shares were awarded to the non-executive directors under The Gold Fields Limited 2005 Non-Executive Share Plan.

Gold Fields' employees and directors had outstanding, as of November 15, 2006, options to purchase a total of 6,520,257 ordinary shares at exercise prices of between Rand 20.90 and Rand 154.65 that expire between December 24, 2006 and January 3, 2013 under The GF Management Incentive Scheme and 184,400 ordinary shares at exercise prices of between Rand 43.70 and Rand 110.03 that expire between February 6, 2007 and February 18, 2010 under The GF Non-Executive Director Share Plan. Gold Fields has outstanding, as of November 15, 2006, 952,275 share appreciation rights at a strike price of Rand 125.28, which expire on March 24, 2012, and 412,965 performance vesting restricted shares due to be settled on March 24, 2009, under The Gold Fields Limited 2005 Share Plan. As of the same date, Gold Fields had outstanding 33,000 restricted shares due to be settled on November 17, 2008 and 18,900