Dear Colleagues

As we conclude the first quarter for 2016, it’s timely to look back on 2015 – a challenging year for the mining industry with major falls in commodity prices.

The gold price peaked at around US$1,300/oz in January, and fell to a low of US$1,050/oz at year end. In our region, the weakening Australian dollar provided some offset for the weaker US$ gold price, and this, combined with ongoing cost saving initiatives and efficiency improvements, resulted in the region generating good production and resulting cash flow. To weather such volatility requires significant fortitude and flexibility, and I’m proud to say that with your combined efforts, we were well positioned to do so.

Regional gold production increased 6% quarter on quarter to 263koz, due to higher production at St Ives and Agnew/Lawlers. Net cash flow for the last quarter of the year increased to US$86 million compared to US$64 million in the September quarter. For the full year our region delivered 987,992ozs and cash flow of AUS$327million (US$244million).

This strong result allowed us to fully repay our highly successful Yilgarn South acquisition, representing an exceptional payback period of only two years.

Our strong regional performance has supported Gold Fields in meeting its commitments of paying dividends and improving the balance sheet.

The increased exploration spend of $91million in the Australian region during 2015 will continue in 2016, as part of a three-year strategy to increase reserves and resources at our operations. As well as increasing current orebodies, we are also looking to develop new targets on prospective leases.

Over the past decade, our exploration efforts have largely resulted in us being able to replace what has been mined, and we believe there are reasonable prospects that this can be replicated in the future.

As we continue to pursue our goals in 2016, I ask you, again, to review and reinforce your daily commitment to safety. It is disappointing that our downward TRIFR trend was reversed in the last quarter of 2015, increasing to 18.56 from 14.21 in September.

Despite your commitment to Vital Behaviours and the other elements of our continuing focus on safety, our results are not where they should be. Please take the time to review the safety implications of every task you undertake – as well as those of your colleagues – on a daily basis, and we can achieve the safety performance we seek.

Richard Weston
Executive Vice President Australasia
Crisis averted

St Ives’ Crisis Management System was put to the test in December with a very realistic underground emergency scenario conducted on site.

Designed to real-time test the mine’s crisis/emergency systems and Emergency Response Team (ERT) capabilities, the scenario played out a vehicle fire in the Athena underground mine decline which blocked access.

Lasting three hours, the exercise simulated a tyre explosion, resulting in three casualties and the mine being filled with smoke.

Andrew Kozlowski, Unit Manager, Sustainable Development, said that the exercise involved a full turnout of the ERT to the incident.

“The Underground Mine Emergency Management Team, and the Site Crisis Management Team were activated,” said Andrew.

“The exercise was made as realistic as possible with actors calling in to the Crisis Management Room, and casualty volunteers with injury makeup were positioned underground,” he said.

Pleasingly, all levels of the Crisis Management System performed admirably, giving confidence in the site’s ability to manage a significant emergency.

Queens see the King

Every site needs someone to galvanise the troops – and at Darlot that’s Billie Cassar, Superintendent HR.

In January, Billie invited all the ladies at Darlot to go to dinner and The Lion King, to network and get to know each other better.

“I think it’s really important that we do this, particularly for those who work in different departments,” said Billie.

Enjoying the night out are: Back Row: Justine Walker, Phyllippa Wood, Leah Clark, Billie Cassar, Coralie Perrochan, Rhianna Farrell. Front Row: Susan Mills, Michelle House, Joanne Hall.
Research and innovation at Granny Smith

Andy McCarthy, Specialist: Occupational Hygiene, Granny Smith, has recently completed a long-term study on Diesel Particulate Matter (DPM) exposure at the mine.

DPM is the particulate fraction of exhaust emissions which are carbon based, and includes a wide range of organic vapours, volatile organic compounds and some metallic compounds, that are produced by the internal combustion process and emitted through the exhaust.

The study was part of Andy’s Master of Occupational Hygiene and Toxicology degree, and focused on assessing the effectiveness of Diesel Particulate Filters (DPF) in reducing personal exposure to DPM on underground diamond drillers.

Generating statistics using data collected over the course of two years enabled Andy to prove with 95% confidence that the exposure profile of the work group had been reduced to tolerable levels.

In December, Andy presented his findings at the Australian Institute of Occupational Hygienists (AIoH) Conference, with the audience at the conference taking great interest in his study.

“I believe that my study is the only one conducted independently from DPF manufacturers, providing an unbiased view of the use of DPF as part of an overall DPM management plan,” said Andy.

“DPM is a current area of focus of the Department of Mines and Petroleum, so the study was well-timed to contribute to the ongoing discussion,” he said.

DPM has been classified as a Group 1 carcinogen, which means that there is sufficient evidence to suggest that long-term exposure to it can cause lung cancer and possibly bladder cancer. Even short-term exposure can cause minor health effects such as eye and nose irritation, headaches, dizziness and nausea.

Obviously, we need to manage the exposure of our people to DPM to levels that are as low as reasonably practical,” said Andy. “We also have obligations under the OHS Act and our Gold Fields Values to provide a safe workplace for all our workers.

Underground diamond drillers were selected as the study group because they typically operate at lower points of the mine in secondary ventilation. The DPF used in the vehicles at Granny Smith were fitted with an oxidation catalyst and a filter, designed to reduce particulate and gas emissions from diesel engines.

“When raw exhaust from the engine contacts the catalyst, a chemical reaction is triggered,” explains Andy. “This reaction oxidises carbon monoxide and hydrocarbons, to carbon dioxide and water, which are emitted via the exhaust along with some other gases.”

The installation of DPF also has a positive impact from an emissions viewpoint, justifying the significant investment, both time and financial, by the Granny Smith Gold Mine. DPM management remains an ongoing activity for mine management in conjunction with OHS.

Andy’s paper is also being submitted for publishing in international occupational health journals. Congratulations, Andy!
East Ops ramp-up... quick smart

Most of us enjoy a professional challenge. This is especially true if we are surrounded by a strong, competent team which is delivering on our goals, and those of the organisation we work for.

In October 2015, Graeme Ovens, General Manager St Ives, released a memorandum to all St Ives employees: an increase in open pit mining rate from over 20 million tonnes to approximately 40 million tonnes was required to meet the 2016 budget plan.

This would involve mobilisation of a fleet of 11 dump trucks (Cat 789), three large excavators (Hitachi EX3600 and EX2600), ancillary plant and approximately 80 personnel (operations and maintenance), and be achieved through an equipment hire and labour supply agreement with Macmahon Holdings.

To meet budget, mining needed to begin no later than 22 November 2015 at Neptune Pit and 22 December at A5 Pit – together known as St Ives Open Pit “East Operations”. There was one month make it happen!

Adrian Ralph, Project Manager of the ramp-up, said that because of the tight timeframe, the focus from the beginning of the project was to ensure that all activities, on site and off site, were conducted in a safe, controlled and timely manner.

“People often rush and make mistakes under time pressure, but the reality was we had to do the right activities, the right way, the first time, to have any chance of meeting the target,” said Adrian.

At the inductions for new personnel, Graeme Ovens reiterated the Gold Fields mantra “If we cannot mine safely, we will not mine”. During both commissioning and mining, across a two-month period, many high potential activities were undertaken. Diligence on the part of Macmahon, with assistance and oversight from Gold Fields, ensured that these were undertaken safely.

Adrian said that, on a daily basis, the willingness of all those involved to go beyond the call of duty, be accountable, and make the project a success, was exceptional.

The combined extra hours and weekend phone calls fielded across all departments are a credit to the men and women who participated, and to the organisations they work for.

Due to hard work and alignment of action, mining at Neptune began on the milestone target date of 22 November, one month after the announcement memorandum, with a fleet of six trucks and two large excavators.

By the second project milestone date, 22 December, St Ives was four days into the mining of the A5 open pit, with the full fleet operational.

Congratulations to everyone who was a part of achieving this fantastic result.
Mark is Thunderstruck

As an Advanced Event Officer, with Event Health Services at St John Ambulance, Mark was posted to the AC/DC concert in November, to provide First Aid and refer cases to paramedics if required. “It was easily the loudest concert I’ve ever been to,” said Mark. “We had noise cancelling headphones which our radios worked through, and it was still loud.”

As an AC/DC fan, Mark said just being there was fantastic, but that the noise made doing his job rather difficult. “It was really hard just communicating with the area commanders, but taking face to face with patients was close to impossible,” he said.

The St John’s team as a whole was pretty busy throughout the 13 hour shift, including a few cases requiring priority ambulance transport, however Mark and his partner had a reasonably quiet night compared to some of the others.

“We were actually able to enjoy most of the concert, but did have a few incidents to deal with,” said Mark. “We treated a lady for a suspected lower leg fracture, and a young girl who badly injured a toe on the concrete stairs,” he said.

Mark’s volunteer involvement with St John Ambulance came about when he transferred from St Ives to Agnew and was no longer able to be involved in mines rescue, but retained his interest in emergency services.

“The main reason I chose St John was that I would actually get to use skills I had learned in a volunteer situation,” he said.

AC/DC was Mark’s first concert as an Event Officer, but he has previously given his time to car shows, pop up bars, test cricket, fun runs and drag/speedway racing, and would love to encourage others to consider doing the same.

“The main reason I chose St John was that I would actually get to use skills I had learned in a volunteer situation,” he said.

One six and four one-handed catches were the highlights of an Australia Day cricket match which boosted the tally of the Darlot Social Club in its efforts to raise funds for those affected by the recent fires south of Perth.

The match saw Underground triumph over Surface, but, more importantly, raised a further $550 to add to Darlot’s contribution to the Lord Mayor’s Distress Relief Fund – Waroona and District Fires.

Thanks to match sponsors Bowden Select and GM Mining Electrics, and business partners who generously chipped in for fundraising – Teak Industrial ($150), Industrial Protective Products ($500), Worksite Fitness ($100), Coastal Midwest Transport ($1,500) and Gold Fields Australia ($2,000).
Braydon and Hendrick with their families and Gold Fields Foundation members

Tertiary scholarships awarded

The Gold Fields Australian Foundation has continued its successful Indigenous Tertiary Scholarship Program in 2016, awarding additional scholarships to two very impressive candidates.

This year’s winners originate from the Eastern Goldfields region and have family links to both the Ngadju and Koara family groups.

Braydon Graham is enrolled in a Bachelor of Science Degree at the University of Western Australia, and hopes to work in the area of Environmental Sciences, focusing on heritage work and sustainable practices. Braydon’s interests have been inspired by his father and grandfather who also work in this field.

Hendrick Tucker has been accepted into a Bachelor of Arts – Games Art and Design, at Murdoch University. Whilst Hendrick’s degree has a gaming focus, the scope of his studies has a multitude of applications across a range of occupations including mining, architecture and engineering.

It is evident that these young men are driven to succeed in their chosen fields as well as committing to their responsibilities to both their families and communities.

Gold Fields Australia wishes them well in their endeavours and will provide ongoing financial and advisory support to both scholars via Scholarship Co-ordinator, Dr Philip Paioff.

Alex Munt, Chairman of the Gold Fields Australian Foundation with Braydon Graham (top) and Hendrick Tucker (bottom)
Foundation advances Indigenous health

As part of its commitment to our local communities, the Gold Fields Australian Foundation recently provided $50,000 to the Princess Margaret Hospital Foundation to fund the first stage of building a facial analysis database of Indigenous children’s faces from the Goldfields region.

The project will improve diagnosis and treatment of various rare diseases and medical conditions, by using 3D technology to develop a photographic database of Aboriginal children, to help doctors recognise specific medical conditions. This will reduce the time it takes for doctors to make a diagnosis or assist with treatment of facial trauma as a result of an accident.

Chairman of the Gold Fields Australian Foundation Alex Munt said that the Foundation was proud to be the cornerstone supporter of the project, which will improve access to medical care for Aboriginal children, focusing on Kalgoorlie and the Western Desert Region.

“We understand the challenges distance and access to services pose for those in remote communities,” said Alex.

“The project will reduce the need for an Indigenous child and family to have to travel from their remote community to a regional hospital or even Perth for diagnosis, providing great potential for enabling a quicker and cheaper diagnosis in a less invasive way,” he said.

Leader of the program, Princess Margaret Hospital Geneticist Dr Gareth Baynam, said there is a need for a portable, non-invasive, non-irradiating imaging solution that enables the equitable provision of services to a sector of our population that is currently suffering from a deplorable gap in health care.

“It’s fantastic to have the support of Gold Fields to help us leverage current capacity and community engagement to deliver innovative and more portable approaches,” said Dr Baynam.

Representatives from the Gold Fields Australian Foundation present the cheque to Princess Margaret Hospital. (L to R) Philip Woodhouse, Peter Baughan, Sheila Dunlop, Dr Gareth Baynam, Alex Munt, Kelvin Davis.
But that hasn’t stopped him achieving the coveted Black Singlet grading recently, which qualifies him as an instructor.

Thai boxing – or Muay Thai – is a martial art from Thailand, where hands, elbows, knees and legs can all be used against an opponent. It is essentially a form of kickboxing, and has seen a resurgence in popularity in recent times, along with many other martial arts.

Neil started Thai boxing 11 years ago, when a mate invited him to come down the local gym.

“Cricket season was over for the year, and I thought it would be fun to try something new,” said Neil. “I’m still friends with many of the guys I trained with that first night, and I’m so glad I gave it a go.”

Working FIFO has both helped Neil stay involved – he trains at the Leinster pulse-gym – but has also given him heaps of excuses.

“Having a coach set deadlines has really motivated me, and the great facilities in Leinster have made a big difference.”

Neil believes that his training has served as a fantastic outlet for managing stress, and that he’s learned a lot about himself in the process of working his way up the grading levels.

“Kickboxing clubs tend to focus on developing life-skills, fitness and self-esteem,” he said. “Most of my friends are associated with the local club, and they have always been there for me when I’ve had a rough patch.”

“We’re not necessarily the youngest or the fastest, but there’s a lot of heart in what we do. I find it inspiring to see guys of 60 going flat out, and all the juniors trying to keep up.”

Outside of work and Thai boxing, Neil also enjoys running and joining in with team sports on site.

“Congratulations, Neil!”

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**St Ives DEFS stars**

District Officer of DEFS, Greg Goodhill, has sent his thanks to five DEFS volunteers from St Ives, for their firefighting efforts during the devastating Waroona fires.

Greg praised the selfless efforts of (L to R) Wade Leeson, Brenton Salmon, Tim Doutch, Nicole Filling and Pat Willcocks.
Helping Leinster in hard times

In the past two years the community of Leinster has undergone a dramatic change. Full of life in the boom times, Leinster is now struggling in the downturn.

Leinster Community Day Care is a not-for-profit community based child care centre; they open and close their doors each day of the week simply for the benefit of the young children of the town. It is critical for the working Mums (and non-working Mums who need a break!) that the centre remains open.

In early 2015 the centre was in a grim financial situation, due to so many families departing town, and was facing the prospect of closure. Unable to generate additional income but still needing to pay the bills, the day care Management Committee members turned to local businesses for support. This is when the Gold Fields Australian Foundation stepped in and made a generous donation that has helped to keep the centre open.

The Management Committee, staff, parents and children of Leinster Community Day Care Centre extended their deepest thanks to Jason Sander, General Manager Agnew, and the Board members of Gold Fields Australian Foundation, with a presentation of children’s artworks and a Thank You plaque.

Gold Fields’ Perth office has recently welcomed Richard Butcher, as he takes up the role of Executive Vice President: Technical as part of the Gold Fields Executive Committee.

Reporting directly to Nick Holland, Richard will provide technical oversight and support to the Corporate Executive and Regional EVPs, and will assist in supporting the regions in optimising their current assets.

The EVP: Technical position was established after extensive discussion among ExCo and the Gold Fields Board, who are excited to welcome Richard to the Gold Fields team.

Richard was born in the UK and naturalised in Australia, and has 30 years’ experience in the global gold mining industry, having worked at Gencor, Anglo American and Barrick, amongst others.

Prior to joining Gold Fields, Richard was Head of Technical Services at Australia’s MMG, a subsidiary of the Chinese CMC/CMN Corporation. He was responsible for overseeing all technical functions, long-term planning and closure for MMG’s operations in Australasia, Africa and South America.

Welcome, Richard!
At Gold Fields we recognise that our employees make the difference.

With the right people working on the right tasks at the right time we can unlock our full potential. Poor, unfocused execution holds us back, and time and effort are wasted on non-productive work.

The result is that many employees don’t achieve their full potential or perform work that advances our business strategy. Together with the outcomes of the Climate Surveys, this realisation has set Gold Fields on a journey of implementing a new integrated HR System – the SuccessFactors Human Capital Management Solution.

SuccessFactors HCM Solution integrates the complete HR value chain including Recruitment, Learning & Development, Performance Management, Succession Planning and Talent Management to deliver business strategy alignment, team execution and maximise people performance.

This solution will enable the HR function to evolve from a transactional to transformational role, providing the necessary support for our company to successfully achieve our strategic objectives.

At the end of 2015, the Australasia Region (including FSE) introduced SuccessFactors Goals and Performance, taking the first step on this new journey by introducing this module to all employees that were on a Balanced Scorecard.

Going live at the end of the year came with its challenges. Scorecards needed to be downloaded, profiles uploaded, and training conducted using Lync and Skype. This was followed up by a number of face-to-face training sessions to ensure that our employees were adequately informed.

The training was successful and the majority of employees were excited to get going on their end of year performance ratings utilising this new user friendly management tool. We successfully ensured that more than 600 employees completed the end of year ratings including performance discussions, with very few issues and even managed to meet our deadline date.

A contributing factor to the success of the introduction of this module was the change strategy which included ongoing communication and the resulting buy-in from our employees.

The beginning of 2016 took us to the next level of the Goals and Performance module with employees contracting their Balanced Scorecards on this new system.

We eagerly await the go-live for the remainder of the SuccessFactors modules during 2016.

“SuccessFactors looks and feels much more familiar and easy going. It’s like we’ve emerged from the dark ages!”

Steve Radford, Geological Services Supervisor, St Ives

“My people just love working in SuccessFactors on planning, editing and approving our objectives/BSCs. I know we’ve been waiting a long time for a good system but it’s all so worth it now. Can’t wait for the other modules to go live – bring it on!”

Andrew Theelan, Manager Information Technology

That’s the spirit...

Getting into the Christmas Spirit in Gold Fields’ Perth office are: Back row: Emma Lwin, Payroll Administrator; Lindsay van Wyk, Contracts Advisor; Jade Robertshaw, Contracts Advisor; Susan York, Supervisor Accounts Payable; Jodi-Leigh Brentnall, Recruitment Advisor; Renae Shuttleworth, Accounts Payable Officer. Front Row: Phillip Warnes, Purchasing Officer; Songtam Lenz, Accounts Payable Officer; Jacqueline White, Information Systems Co-ordinator.
Golden Moments

And it’s a girl – Olivia Paige was born on 25 February 2016, to parents Ryan Davies, Leading Hand: Mechanical Mobile, New Holland, and his wife Nicola on 29 December 2015.

Baby boy Alfred was born to Mick Goy, Senior Environmental Assistant, Agnew, and wife Katty on 29 December 2015.

Jayden William joined parents Jamie O’Neill, Relief Charge Up Operator, New Holland, and his wife Rosie, on 7 March 2016, much to the delight of his brother Rhyder.


GIG Board of Directors and Committee of Management: Back (L to R) Richard Jones, Director; Richard Hayes, Chairperson, Bron Suchecki, Secretary. Front (L to R): Alex Munt, Treasurer; Richard Weston, Vice Chairperson; Norman Moore, Director; David Woodford, Director.

A united voice in gold

Gold Fields is a proud founding member of the Gold Industry Group (GIG), a new independent association dedicated to championing Australia’s gold industry with a united voice.

GIG was founded following the success of the Heart of Gold campaign with the vision to continue to promote the industry’s significant contributions and champion community initiatives, as well as raise awareness of gold as an investment, educate at a grass roots level and partner with organisations providing services to the sector.

At the end of last year the GIG Board of Directors was elected and Richard Weston was appointed Vice Chairperson.

“I’m delighted to actively lead GIG as Vice Chairperson, along with Directors from The Perth Mint, Norton Gold Fields and ABC Refinery, together with industry advocate Norman Moore, and our own Alex Munt,” said Richard.

“As the second largest gold producing country in the world, we have a great opportunity to increase the profile of gold as an industry, currency and commodity in Australia,” he said.

“I’m really excited to proactively champion our industry and I encourage our contractors to also get involved and join us.”

To become involved, you can sign up for the GIG monthly newsletter to keep up to date with latest member news, investor insights, events, competitions, industry news and community updates at www.goldindustrygroup.com.au/newsletter.

For more information visit www.goldindustrygroup.com.au or email info@goldindustrygroup.com.au and follow GIG on Facebook www.facebook.com/heartofgoldWA and Twitter @ausgoldindustry.
Blasts from the past

In celebration of the Gold Vine’s 20th issue, here are a few snippets from the newsletter’s first year in 2011!