

# Brief from Martin & Benford

22 October 2018

## South Deep Brief to staff on latest NUM demands



Dear Colleagues,

As you are aware, the NUM presented Gold Fields management with an additional memorandum of demands on 9 October 2018. Gold Fields CEO Nick Holland has responded formally to that memorandum; we want to share the most important messages from that response directly with you.

The most important point to make is that – no matter how stressful and difficult the current situation is – the Gold Fields and South Deep management teams are committed to treating every member of staff with respect and consideration. We appeal to all employees, and all union representatives, to do the same, at all times. We are working together for the future of South Deep – nothing can be more important than that.

The NUM's demands regarding the uplifting of the Section 189 process, the cancelling of contractor contracts, and the removal of management have all been addressed by South Deep many times over. The NUM leadership has all our responses on these matters. We are not going to go into these details again here – but we want to be clear that South Deep management will continue to be in charge of the current processes, and that every decision made in this regard has the full support of Gold Fields Group Management and the Board.

South Deep is confident that we are upholding the terms of our mining right – and this will not change. We always comply with all our obligations under the MPRDA, and we report regularly to the Department of Mineral Resources. The Department knows that we are fully compliant on these issues.

South Deep is committed to the best interests of all our stakeholders and shareholders when making decisions regarding the future of the mine. Listing South Deep separately on the Johannesburg Stock Exchange, will cut-off international shareholder funding that is vital to the survival of the mine. This is not something we will do.

The demand that we halt mechanised mining and return to the old ways of mining is also something that will not benefit anybody. If we were to do that, South Deep would, aside from the safety concerns



safety



integrity



respect



responsibility



innovation



delivery

associated with conventional mining, potentially produce even less Ore than it is producing now, and the mine would not be sustainable at all.

We have been engaging on a regular basis with all relevant stakeholders during this process. Finally, we want to appeal to all of you to work together to make sure that the mine has a long safe and sustainable future, which will benefit employees, communities and South Africa as a whole.



Martin Preece

EVP: South Africa



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VP and Head of Operations



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