

GOLD FIELDS GHANA LIMITED

***ANNUAL REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2023***

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Michael Fraser (Appointed 1 January 2024)
Elliot Twum (Acting Managing Director) (Appointed 1
May 2024)
Martin Preece (Resigned 31 December 2023)
Joshua Mortoti (Resigned 25 March 2024)
Mawuli Ababio (Resigned 5 May 2024)
Rowena Fafa Amematekpor
Kofi Ansah
Kwasi Abeasi
Alhassan Andani

SECRETARY

Michael Edem Akafia
7 Dr. Amilcar Cabral Road
P. O. Box KA 30742
Airport Residential Area
Accra

INDEPENDENT AUDITOR

PricewaterhouseCoopers
Chartered Accountants
PwC Tower
A4 Rangoon Lane
Cantonments City
PMB CT42
Cantonments
Accra

REGISTERED OFFICE

7 Dr. Amilcar Cabral Road
P. O. Box KA 30742
Airport Residential Area
Accra

REGISTRATION NUMBER

47241

CORPORATE GOVERNANCE REPORT

Introduction

Gold Fields Ghana Limited, (“the Company”), is committed to upholding good corporate governance in all of its business dealings with relevant stakeholders. All board members are expected to act in a professional manner, thereby upholding the core values of integrity and enterprise with due respect to their fiduciary duties and responsibilities and in accordance with the Company’s code of ethics.

The directors

The Company has six (6) directors. The directors meet at periodic intervals or more frequently if required. Non-executive directors receive no additional compensation apart from their fees as directors. The non-executive directors are four (4) high calibre professionals.

The directors retain full and effective control over the Company. The directors have unrestricted access to the advice and services of the company secretary and the management team. The directors are entitled to seek independent professional advice concerning the affairs of the Company, if required, at the Company’s expense.

Health, safety and environment

The Company is committed to working towards the prevention of all mining accidents and protection of the environment. Health, safety and environmental performance are reviewed regularly at management meetings. At the operational level, management, health & safety staff and health & safety committees seek to enhance risk awareness, monitor performance on a regular basis and ensure that the Company’s operations are in compliance with all health, safety and environmental regulations. Employees and contractors undergo intensive induction courses, training and refresher courses. The Company has achieved and maintained ISO 14001, OHSAS 18001 and ICMI certification.

Internal control

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

The Company uses the Gold Fields Group Internal Audit Service to monitor the operation of the internal control system or specific parts thereof. The Company also obtains, where relevant, reports of internal control weaknesses identified by the external auditor in carrying out the audit of the financial statements. Corrective actions are taken to address deficiencies or weaknesses as and when they are identified.

Code of ethics

The Company has a code of ethics that applies to directors and employees. All directors and employees are required to maintain the highest ethical standards in ensuring that the Company’s business practices are conducted in a manner which, in all reasonable circumstances, is above reproach.

Risk management

The Company has adopted the risk management programme of the Gold Fields Group. The programme recognises that the organisation’s focus remains on the management of all risks that could significantly affect the achievement of the Company’s objectives, including those related to the assurance of a safe working environment, the protection of assets, the continued generation of shareholder value and the maximisation of the risk-reward relationship presented by strategic opportunities.

CORPORATE GOVERNANCE REPORT (continued)

Risk management (continued)

The risk management process presently employed recognises that sustainable growth of a business is inextricably linked to risk and that the most successful companies in the sector will be those that identify and manage their risks holistically and in time. This helps the Company to comply with its responsibilities to customers, shareholders, employees, suppliers and the communities within which it operates.

The risk assessment process is refined on an ongoing basis to promote the formulation of appropriate strategies and initiatives that address the dynamic nature of risk.

The Company also participates in surveys by external consultants to regularly review loss prevention strategies and elements of control employed to manage particular areas of pure operational risks.

The Company has insurance programmes directed to cover events that are severe in nature, although infrequent, and which are usually beyond the control of management.

REPORT OF THE DIRECTORS

The directors present their annual report together with the audited financial statements of the Company for the year ended 31 December 2023.

Statement of directors' responsibilities

The directors are responsible for the preparation of financial statements for each financial year that give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss and cash flows for that period. In preparing these financial statements, the directors have selected suitable accounting policies and applied them consistently, made judgements and estimates that are reasonable and prudent, followed International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and complied with the requirements of the Companies Act, 2019 (Act 992).

The directors are responsible for ensuring that the Company keeps proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company. The directors are also responsible for safeguarding the assets of the Company and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors have no plans or intentions, for example to dispose of the business or cease operations that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements. Nothing has come to the attention of the directors that indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.

Principal activities

The Company conducts gold mining operations at Tarkwa consisting of a large opencast mine. Processing of the gold bearing ore is through a carbon-in-leach plant (CIL). Exploration to identify further reserves for additional mining projects as well as the extension of existing ones is an ongoing process. There was no change in the business of the Company during the year.

Shareholders

Gold Fields Holdings Company Ltd., a company incorporated in South Africa, holds 90 percent of the issued shares of the Company. The ultimate holding company of this Company is Gold Fields Limited, a company incorporated in South Africa.

The Government of Ghana held 10 percent of the issued shares.

Financial statements review

The state of affairs of the Company for the year ended 31 December 2023 is as follows:

	GH¢'000	US\$'000
Profit before tax	4,138,066	353,989
Profit after tax	2,623,636	224,438
Total assets	17,658,715	1,476,480
Total liabilities	6,301,875	526,911
Total equity	<u>11,356,840</u>	<u>949,569</u>

REPORT OF THE DIRECTORS (continued)

Dividend

The directors recommended and paid a total dividend of US\$120 million to its shareholders in 2023. As a requirement of the Development Agreement between the Company and the Government of Ghana (GoG), the Company is expected to pay 5% of its net profit after tax to the Government of Ghana in any year where there is no dividend declaration. The Company did not provide for the guaranteed dividend which is payable to GoG because the company declared and paid dividend to the shareholders and GoG.

Particulars of entries in the Interests Register during the financial year

No director had an interest in contracts or proposed contracts with the Company during the year under review, hence there were no entries recorded in the interests register as required by sections 194(6), 195(1)(a) and 196 of the Companies Act 2019 (Act 992).

Corporate social responsibility

A total of US\$5.9 million; GH¢69.5 million (2022: US\$5.5 million; GH¢44.3 million) was spent under the Company's social responsibility programme with key focus on education, health and financial inclusion.

Capacity-building of directors to discharge their duties

Upon appointment to the Board, directors are enrolled in full, formal and tailored induction programmes, to enable them gain in-depth knowledge about the Company's operations, the risks and challenges faced, and the economic, legal and regulatory environment in which the Company operates. Strategic programmes and other reviews, together with other trainings provided during the year, ensure that directors continually upgrade their skills, knowledge and familiarity with the Company's operations. This also deepens insights about the industry and other developments to enable them effectively fulfil their role on the Board and committees of the Board.

Auditor

The Company's auditor, PricewaterhouseCoopers, has expressed willingness to continue in office in accordance with Section 139(5) of the Companies Act, 2019 (Act 992). Audit fees for the year ended 31 December 2023 was US\$381,816; GH¢4,463,358.

BY ORDER OF THE BOARD

Name of director: **ANDANI ALHASSAN** Name of director: **KWASI ABEASI**

Signature: 

Signature: 

Date: **16/07/2024**

TECHNICAL REPORT

1.1 OPERATIONAL RESULTS

Item	Units	Year ended 31 December 2023	Year ended 31 December 2022	Difference %
Ore mined	Tons	17,524,484	14,045,944	25%
Waste mined (operational)	Tons	34,883,675	30,163,429	16%
Total mined (operational)	Tons	52,408,159	44,209,373	19%
Total mined (capital)	Tons	37,837,396	43,421,457	-13%
Total mined (including capital)	Tons	90,245,554	87,630,830	3%
Waste: ore (strip) ratio	X:1	1.99	2.15	-7%
Waste: ore (strip) ratio (including capital)	X:1	4.15	5.24	-21%
Ore milled (CIL)	Tons	14,101,812	14,016,174	1%
Head grade CIL	g/t Au	1.25	1.21	3%
Gold produced CIL	Kg	17,140	16,534	4%
Total gold produced	Kg	17,140	16,534	4%
Total gold produced	Oz	551,075	531,595	4%
Gold sold	Kg	17,049	16,456	4%
Gold sold	Oz	548,123	529,057	4%

1.2 KEY FINANCIAL RESULTS

	Year ended 31 December 2023 US\$ (000)	Year ended 31 December 2022 US\$ (000)	Variance
Revenue	1,068,934	953,767	12%
Costs and expenses			
Total operating costs	424,333	391,088	9%
Amortisation and depreciation	200,810	220,586	(9%)
Net finance costs	12,231	12,070	1%
Government royalties	42,757	38,151	12%
Profit/(Loss) before tax	353,989	(22,711)	1,659%

All-in sustaining cost for the year ended 31 December 2023 is US\$1,293/oz (2022: US\$1,248/oz).

TECHNICAL REPORT (continued)

1.3 CAPITAL EXPENDITURE

EXPENDITURE	Year to December 2023	Project commencement date to 31 December 2023
	US\$'000	US\$'000
Capital work projects - closed out		
Buildings and infrastructure	3,605	42,142
Plant and machinery	3,828	44,749
Office furniture and equipment	4,974	58,145
Mine planning and development	32,605	381,147
Capital waste mining	166,062	1,941,236
Lease assets	10,651	124,508
Intangible assets	4,354	50,897
Sub total	226,079	2,642,824
Capital work in progress – current year		
Assets under construction	883	10,322
Sub total	883	10,322
Total	226,962	2,653,146

1.4 SAFETY

Two fatal injuries, two serious injuries (lost time injuries), one restricted work, two medically treated and seven minor injuries were recorded during the year.

The mine recorded a Fatality Incident Frequency Rate (FIFR) of 0.15, Serious Injury Frequency Rate (SIFR) of 0.15, Lost Time Injury Frequency Rate (LTIFR) of 0.15, and Restricted Work Injury Frequency Rate (RWIFR) of 0.08 and Medical Treatment Injury Frequency Rate (MTIFR) of 0.15. The Total Recordable Injury Frequency Rate (TRIFR) was 0.53 in 2023 compared to 0.08 in 2022.

No reported cases of noise-induced hearing loss or silicosis occurred during the year. The mine successfully completed ISO 45001:2018 recertification audit. 1600 employees and contractors were successfully trained and refreshed in Courageous Safety Leadership. The mine continued to implement safety measures to protect the workforce and to sustain the business.

1.5 ENVIRONMENT

The Company is committed to adherence to policies and responsible operating practices which promote the conservation and enhancement of the natural and social environments. In conjunction with this commitment, comprehensive environmental management systems and practices have been implemented at the Company's business units and ISO 14001 certification has been maintained for over twenty years, demonstrating compliance to the highest international standards for environmental protection. The Company has a valid ISO 14001:2015 and International Cyanide Management Code certificates.

A total of 13.70 hectares was rehabilitated to natural ground. This is an increase as compared to the 12.89 hectares rehabilitated in 2022. This is mainly because of land availability for the purpose of rehabilitation.

TECHNICAL REPORT (continued)

1.5 ENVIRONMENT (continued)

To reduce freshwater usage on the mine, efforts were intensified in 2023 to increase the use of supernatant water from the tailing's storage facilities for processing. About 92% of process water was reused and recycled for ore processing, recycling of wastewater at the heavy equipment and light vehicle workshop respectively for washing of vehicles was also enforced. This has helped reduce the pond sizes of the tailings storage facilities to ensure stability, improve safety and manage tailings supernatant.

Decommissioning of some facilities at South Heap Leach facilities, North Adsorption and Desorption (ADR Plant) and Tailings Storage Facility 3 (TSF 3) continued through 2023. Additional 2 ponds at the south facility were backed filled and revegetation completed for one of the ponds. Two major structures (motor control centre and gold room) at the North ADR plant were also decommissioned. Expansion of the coconut plantation at the TSF 3 decommissioned site was initiated and completed in the year under review. Care and maintenance of the decommissioned South Heap Leach facilities and TSF 3 will continue in 2024.

A review of the updated closure cost estimate (CCE) and Reclamation Plan was conducted by an external third-party (SRK Consulting). The final closure cost estimate of our unscheduled closure cost or Day of Assessment (DoA) stood at US\$82.47 million. This value has been audited and certified by PwC and has been accepted and signed off by the appropriate competent persons. Provision of US\$113.78million in bonds, short and medium-term deposits have been made against our environmental liability. An internal review of the Closure Cost Estimate will be conducted in 2024.

1.6 COMMUNITY AFFAIRS

Corporate Social Responsibility

The Gold Fields Ghana Foundation is the primary vehicle through which Gold Fields Ghana's operating mines (Gold Fields Ghana Limited and Abooso Gold Fields Limited) promote socio-economic development in its host communities. The priority sectors include Education, Health, Water and Sanitation, Agriculture, and Infrastructure Development.

The Foundation was established in 2004 and has the objective to provide funds for charitable projects and causes in our host communities and also in the Republic of Ghana. This is critical in ensuring that Gold Fields receives and retains regulatory approvals and social licenses to operate. We are also guided by a standard to ensure that we build strong and sustainable relationships with our host communities based on trust as well as open, honest, and frequent engagements.

The agreed Foundation Contribution formula is US\$1 per ounce of gold produced plus 1.5% of pre-tax profit. Donations are also received from the sale of scrap materials from the mine.

In the year under consideration, a total cash inflow of US\$ 6,313,572 was received from the Tarkwa Mine. The Foundation's spend on community development at the end of FY2023 was USD\$ 3,990,824.

TECHNICAL REPORT (continued)

1.6 COMMUNITY AFFAIRS (continued)

Below is a breakdown of spend by the Foundation in the year under review.

Area	Amount US\$	Percentage
Enterprise Development	121,767	3%
Infrastructure Investment	2,908,368	72.5%
Education	297,012	7%
Training	423,612	11%
Conservation and Environment	18,147	0.5%
Health and Well Being	32,698	1%
Charitable giving and gifts in-kind	189,219	5%
Total	3,990,823	100%

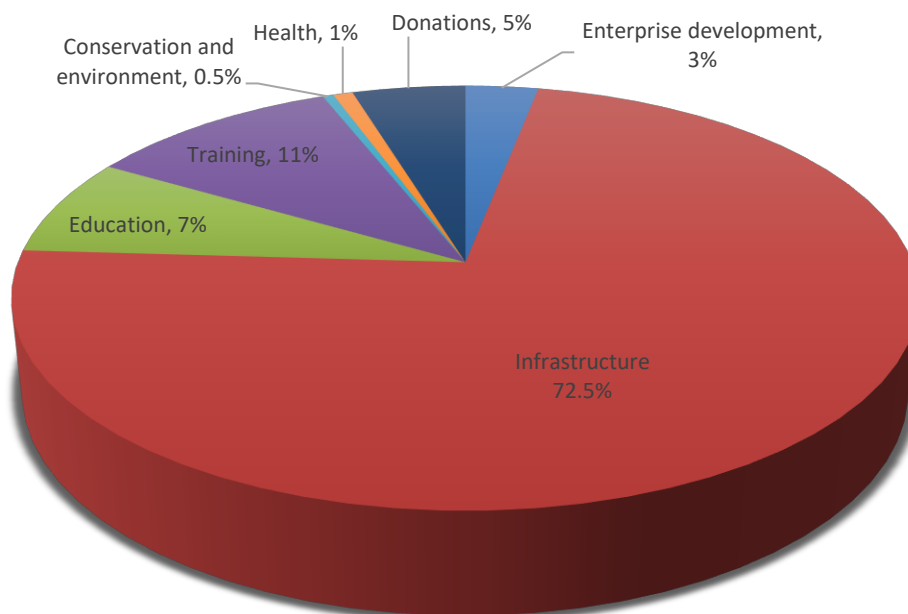


Chart showing Foundation spend by sector in FY2023.

TECHNICAL REPORT (continued)

1.6 COMMUNITY AFFAIRS (continued)

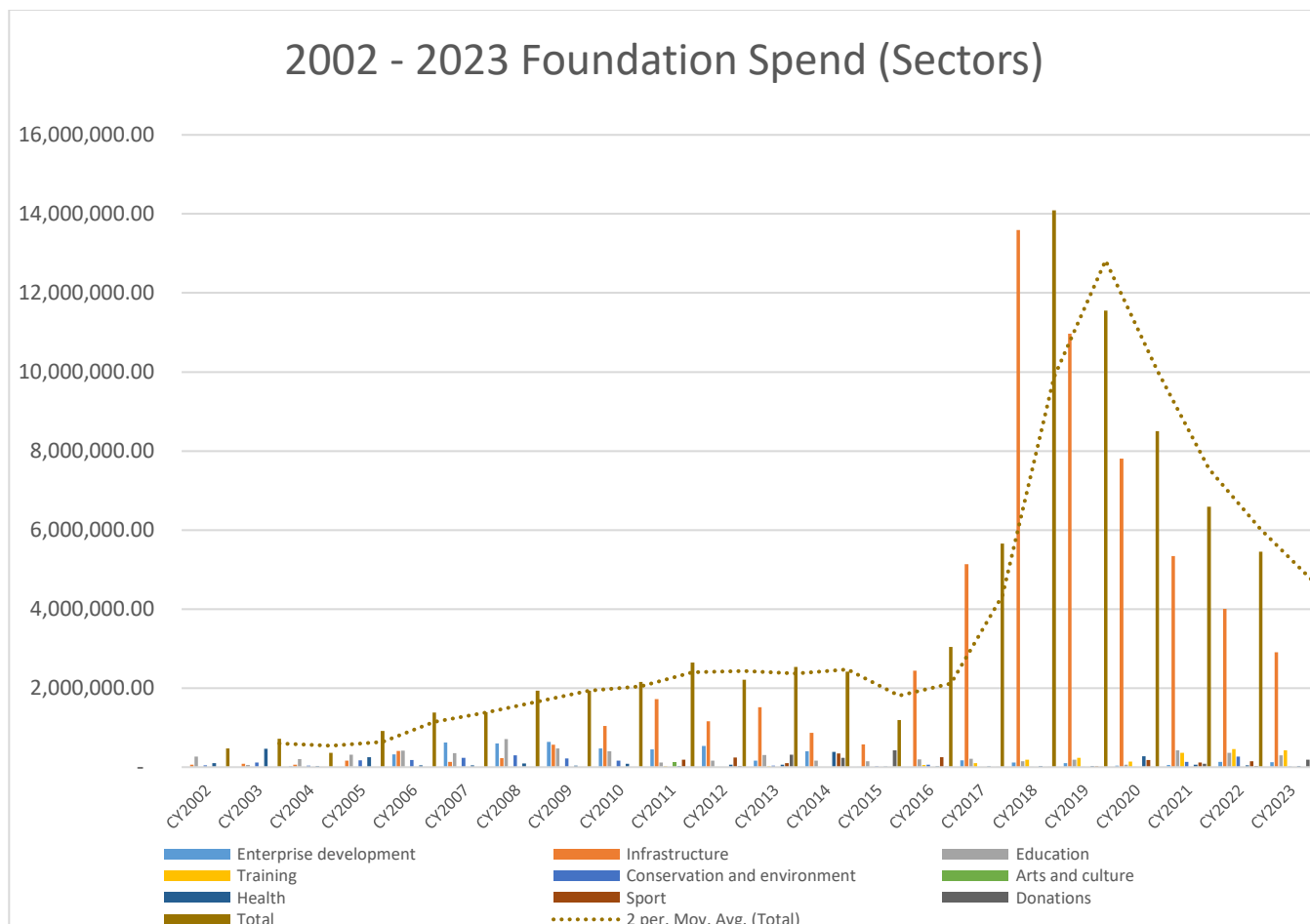
72.5% of the Foundation’s spend went into infrastructure development such as the upgrade of the Tarkwa and Abooso (T&A) Stadium and the rehabilitation of some community roads and bridges.

These projects include the construction of three bridges with a combined length of 110.5km connecting Awudua to Prestea, the rehabilitation of Samahu to Huniso road, as well as link roads in New Atuabo and Tebe. The construction of 50,000litre water tanks at Samahu and Wangarakrom were completed in collaboration with Global Communities, in the year under review.

As part of our contributions towards the development of human capital and skills base, seventy (70) host community graduates were enrolled on our two-year Graduate Training programme. Ten (10) community youth were also enrolled on the Precision Welding Training programme in partnership with the Design and Technology Institute (DTI). The Scholarship programme also saw the award of scholarships to 106 tertiary students.

Seventy-seven (77) new beneficiary farmers were supplied with CSIR approved seedlings under phase 2 of the Community Oil Palm Project (COPP).

The Foundation continued to leverage the expertise of some organizations such as CODE International, a Canadian NGO, to improve reading and literacy in basic schools in our host communities. From 2002 to the end of FY2023 over US\$ 81.1M has been invested in community development.



TECHNICAL REPORT (continued)

1.6 COMMUNITY AFFAIRS (continued)

Stakeholder Engagement

Stakeholder engagement is a serious, strategic imperative fundamental to the long-term sustainability of Gold Fields. As such, Gold Fields has a stakeholder engagement plan which guides its interaction with stakeholders in any given year.

In 2023, engagements were held with several stakeholder groups including:

- Host communities;
- Traditional leadership;
- Regulators;
- Media;
- Government officials; and
- Other institutions like the education and health services etc.

The Tarkwa Mine Community Consultative Committee (TMCCC) meeting is the major planned engagement that hosts all groups of stakeholders. These meetings were held in each quarter to provide an opportunity to discuss issues of mutual benefit to both the mine and its stakeholders. Feedback sessions were also held in the communities after these meetings.

The table below indicates the summary of engagements held at all levels of our stakeholders' profile in CY2023.

Summary	Q1	Q2	Q3	Q4	Total
Host Community	63	99	88	60	310
Government	8	1	12	9	30
Others (i.e., contractors, business partners)	17	5	15	4	41
Total	88	105	115	73	381

TECHNICAL REPORT (continued)

1.7 MINERAL RESOURCES AND RESERVES

1.7.1 Mineral resources

A gold price of US\$1,600 per ounce was used to estimate the resources for the financial year ended 31 December 2023.

Attributable Mineral resources and stockpiles (EMR) – by category

	Tonnes (Mt)		Grade (g/t)		Gold ('000 oz)	
	Year ended December 2023	Year ended December 2022	Year ended December 2023	Year ended December 2022	Year ended December 2023	Year ended December 2022
Surface: Open cut						
Measured	10.8	9.5	1.49	1.48	515	453
Indicated	67.6	51.8	1.33	1.35	2,885	2,240
Inferred	4.1	5.4	1.37	1.46	181	255
Total: Surface open cut	82.5	66.7	1.35	1.37	3,581	2,948
Surface low grade stockpile						
Measured	0.1	0.1	0.35	0.35	1	1
Spent Ore (south heap leach)						
Total: Surface low grade stockpile	0.1	0.1	0.35	0.35	1	1
Grand total	82.6	66.8	1.35	1.37	3,582	2,949

Attributable Mineral Resources and stockpiles (EMR) – by location

Area	Tonnes (Mt)		Grade (g/t)		Gold (Koz)	
	December 2023	December 2022	December 2023	December 2022	December 2023	December 2022
Akontansi	50.8	40.3	1.31	1.34	2,133	1,739
Pepe	12.5	10.4	1.19	1.20	481	400
Teberebie	11.5	10.4	1.48	1.49	549	496
Kotraverchy	7.2	5.4	1.68	1.68	390	291
Kobada	0.4	0.3	2.03	1.96	28	21.4
Total open pit	82.4	66.8	1.35	1.37	3,581	2,947
Stockpiles	0.1	0.1	0.35	0.35	1	1
Grand Total	82.6	66.8	1.35	1.37	3,582	2,948

TECHNICAL REPORT (continued)

1.7 MINERAL RESOURCES AND RESERVES (continued)

1.7.2 Mineral reserves

The Mineral Reserve estimation is based on Resource models with modifying factors applied and optimized to generate the optimal pit shell. The shell is then designed taking into consideration all assumptions including geotechnical. The estimation is done using a diluted block model.

A long-term gold price of US\$1,400 per ounce was used to estimate the Mineral Reserves for the year under review.

	Tons (Mt)		Grade (g/t)		Gold (000 oz)	
	Year ended December 2023	Year ended December 2022	Year ended December 2023	Year ended December 2022	Year ended December 2023	Year ended December 2022
Surface: Open cut						
Proved	26.9	33.6	1.26	1.26	1,087	1,357
Probable	58.8	66.4	1.21	1.19	2,282	2,549
Total: Surface open cut	85.7	100.0	1.22	1.22	3,369	3,906
Surface low grade stockpile						
Stockpiles	12.0	9.7	0.74	0.82	284	255
South Heap Leach	54.0	54.0	0.40	0.40	694	694
Total: Surface low grade stockpile	65.9	63.7	0.46	0.46	978	949
Grand total	151.6	163.7	0.89	0.92	4,347	4,855

Note: Numbers may not add up due to rounding. Resources and Reserves numbers are Attributable.

1.8 LABOUR

Total labour employed by the Company at the end of 2023 stood at 566 (2022: 672). A further 4,553 people were employed by contractors delivering other core and noncore services to the mine.

GENERAL MANAGER

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GOLD FIELDS GHANA LIMITED**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Gold Fields Ghana Limited (the "Company") as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and in the manner required by the Companies Act, 2019 (Act 992).

What we have audited

We have audited the financial statements of Gold Fields Ghana Limited for the year ended 31 December 2023.

The financial statements comprise:

- the statement of financial position as at 31 December 2023;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising a summary of material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (the Code) issued by the International Ethics Standards Board for Accountants and the independence requirements of section 143 of the Companies Act, 2019 (Act 992) that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities in accordance with the Code.

Other information

The directors are responsible for the other information. The other information comprises the Corporate Information, the Corporate Governance Report, the Report of the Directors and the Technical Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOLD FIELDS GHANA LIMITED (continued)

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards and in the manner required by the Companies Act, 2019 (Act 992), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence and have communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GOLD FIELDS GHANA LIMITED (continued)**

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The Companies Act, 2019 (Act 992) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) in our opinion proper books of account have been kept by the Company, so far as appears from our examination of those books; and
- iii) the Company's statement of financial position and the Company's statement of comprehensive income are in agreement with the books of account.

The engagement partner on the audit resulting in this independent auditor's report is George Kwesi Arhin (ICAG/P/1187).



PricewaterhouseCoopers (ICAG/F/2024/028)
Chartered Accountants
Accra, Ghana
17 July 2024



STATEMENT OF COMPREHENSIVE INCOME

(All amounts are in thousands)

Ghana Cedis				United States Dollars	
Year ended 31 December				Year ended 31 December	
2023	2022		Notes	2023	2022
12,495,645	8,207,264	Revenue	4	1,068,934	953,767
(7,307,808)	(5,263,517)	Direct costs	5	(625,143)	(611,674)
5,187,837	2,943,747	Gross profit		443,791	342,093
(765,401)	(472,713)	General and administrative expenses	6	(65,476)	(54,934)
(296,613)	(117,029)	Impairment loss on financial assets	24	(25,374)	(13,600)
-	(2,798,530)	Impairment loss non-current assets	12	-	(325,217)
155,226	352,960	Other income	7	13,279	41,017
4,281,049	(91,565)	Operating profit/(loss)		366,220	(10,641)
30,289	24,188	Finance income	8	2,591	2,811
(173,272)	(128,056)	Finance expense	9	(14,822)	(14,881)
(142,983)	(103,868)	Net finance costs		(12,231)	(12,070)
4,138,066	(195,433)	Profit/(loss) before tax		353,989	(22,711)
(1,514,430)	(86,638)	Income tax expense	10(a)	(129,551)	(10,068)
2,623,636	(282,071)	Profit/(loss) for the year		224,438	(32,779)
		Other comprehensive income			
		<i>Items that may be reclassified to profit or loss</i>			
1,542,375	4,379,204	Translation differences		-	-
4,166,011	4,097,133	Total comprehensive income - Loss		224,438	(32,779)

The notes on pages 21 to 73 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

(All amounts are in thousands)

Ghana Cedis			United States Dollar	
At 31 December			At 31 December	
2023	2022	Note	2023	2022
ASSETS				
Non-current assets				
9,577,082	7,916,141	Property, plant and equipment	800,759	778,610
53,571	2,641	Intangible assets	4,479	260
-	213,572	Related party loan receivable	-	21,006
1,121,346	953,238	Inventories	93,758	93,758
<u>138,977</u>	<u>82</u>	Rehabilitation asset	<u>11,620</u>	<u>9</u>
10,890,976	9,085,674		910,616	893,643
Current assets				
3,548,739	2,381,152	Inventories	296,717	234,204
148,471	241,053	Trade and other receivables	12,414	23,709
-	257,973	Other financial assets at amortised cost	-	25,374
265,134	371,471	Prepayments	22,168	36,537
914,833	698,755	Other assets	76,491	68,728
<u>1,890,562</u>	<u>617,497</u>	Cash and cash equivalents	<u>158,074</u>	<u>60,735</u>
<u>6,767,739</u>	<u>4,567,901</u>		<u>565,864</u>	<u>449,287</u>
17,658,715	13,653,575	Total assets	1,476,480	1,342,930
EQUITY AND LIABILITIES				
Shareholders' equity				
1	1	Stated capital	1	1
(129,376)	(1,350,233)	Retained earnings	897,594	793,156
173,586	164,600	Share-based reserve account	51,974	51,205
-	-	Other reserve	-	-
<u>11,312,629</u>	<u>9,770,254</u>	Translation reserve	<u>-</u>	<u>-</u>
11,356,840	8,584,622		949,569	844,362
Non-current liabilities				
1,930,759	1,640,191	Deferred tax liabilities	161,435	161,325
520,947	311,440	Provisions	43,556	30,632
<u>1,630,375</u>	<u>1,350,724</u>	Lease liability	<u>136,319</u>	<u>132,854</u>
<u>4,082,081</u>	<u>3,302,355</u>		<u>341,310</u>	<u>324,811</u>
Current liabilities				
1,915,161	1,427,502	Trade and other payables	160,130	140,405
165,287	147,076	Current tax liability	13,820	14,465
<u>139,346</u>	<u>192,020</u>	Lease liability	<u>11,651</u>	<u>18,887</u>
<u>2,219,794</u>	<u>1,766,598</u>		<u>185,601</u>	<u>173,757</u>
6,301,875	5,068,953	Total liabilities	526,911	498,568
17,658,715	13,653,575	Total equity and liabilities	1,476,480	1,342,930

The notes on pages 21 to 73 form an integral part of these financial statements.

The financial statements on pages 17 to 73 were approved and authorised for issue by the Board of Directors on^{16 July 2024}.....and signed on its behalf by:

Name of director: **ANDANI ABITASSAN**

Signature: 

Name of director **KWASI ABEASI**

Signature: 

STATEMENT OF CHANGES IN EQUITY

(All amounts are in thousands)

Ghana Cedis			United States Dollars	
Year ended 31 December			Year ended 31 December	
2023	2022		2023	2022
		Retained earnings		
<u>(1,350,233)</u>	<u>1,414,584</u>	Balance at beginning of year	<u>793,156</u>	<u>1,114,455</u>
2,623,636	(282,071)	Profit/(loss) for the year	224,438	(32,779)
—	—	Other comprehensive income	—	—
<u>2,623,636</u>	<u>(282,071)</u>	Total Comprehensive Income	<u>224,438</u>	<u>(32,779)</u>
		Transactions with owners of the Company:		
		Contributions and distributions		
<u>(1,402,779)</u>	<u>(2,482,746)</u>	Dividends	<u>(120,000)</u>	<u>(288,520)</u>
<u>(129,376)</u>	<u>(1,350,233)</u>	Balance at end of year	<u>897,594</u>	<u>793,156</u>
		Share based reserve account*		
164,600	162,154	Balance at beginning of year	51,205	50,921
<u>8,986</u>	<u>2,446</u>	Charge for the year	<u>769</u>	<u>284</u>
<u>173,586</u>	<u>164,600</u>	Balance at end of year	<u>51,974</u>	<u>51,205</u>
		Other reserve		
—	(75,460)	Balance at beginning of year	—	(12,988)
—	75,460	Guaranteed dividend released	—	12,988
—	—	Guaranteed dividend for the year	—	—
—	—	Balance at end of year	—	—
		Translation reserve*		
9,770,254	5,391,050	Balance at beginning of year	—	—
<u>1,542,375</u>	<u>4,379,204</u>	Translation difference for the year	—	—
<u>11,312,629</u>	<u>9,770,254</u>	Balance at end of year	—	—
		Stated capital		
<u>1</u>	<u>1</u>	Balance at beginning and end of year	<u>1</u>	<u>1</u>
<u>11,356,840</u>	<u>8,584,622</u>	Total shareholders' equity	<u>949,569</u>	<u>844,362</u>

*The translation and share-based reserves are non-distributable.

The notes on pages 21 to 73 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

(All amounts are in thousands)

Ghana Cedis			United States Dollars	
Year ended 31 December			Year ended 31 December	
2023	2022	Note	2023	2022
Cash flows from operating activities				
6,040,173	3,174,008	Cash generated from operations	565,827	502,183
(131,705)	(98,061)	Interest paid	(11,267)	(11,395)
30,289	24,188	Interest received	2,591	2,811
-	98,883	Cash received for derivatives	-	11,491
<u>(1,520,699)</u>	<u>(905,636)</u>	Tax paid	<u>(130,086)</u>	<u>(105,244)</u>
<u>4,418,058</u>	<u>2,293,382</u>	Net cash from operating activities	<u>427,065</u>	<u>399,846</u>
Cash flows from investing activities				
(2,571,500)	(1,970,350)	Purchase of property, plant and equipment (including prepayment additions to right-of-use asset)	(219,977)	(228,975)
<u>245,556</u>	<u>817,485</u>	Receipts from related party loan	<u>21,006</u>	<u>95,000</u>
<u>(2,325,944)</u>	<u>(1,152,865)</u>	Net cash used in investing activities	<u>(198,971)</u>	<u>(133,975)</u>
Cash flows from financing activities				
(125,725)	(66,111)	Lease principal repayments	(10,755)	(7,683)
<u>(1,402,779)</u>	<u>(2,482,745)</u>	Dividends paid	<u>(120,000)</u>	<u>(288,520)</u>
<u>(1,528,504)</u>	<u>(2,548,856)</u>	Net cash used in financing activities	<u>(130,755)</u>	<u>(296,203)</u>
<u>563,610</u>	<u>(1,408,339)</u>	Net decrease in cash and cash equivalents	<u>97,339</u>	<u>(30,332)</u>
Movements in cash and cash equivalents				
617,497	556,553	Cash and cash equivalents at 1 January	60,735	93,055
563,610	(1,408,339)	Net decrease in cash and cash equivalents	97,339	(30,332)
-	(17,098)	Effects of exchange rate changes on cash and cash equivalents	-	(1,988)
<u>709,455</u>	<u>1,486,381</u>	Effect of exchange translation	<u>-</u>	<u>-</u>
<u>1,890,562</u>	<u>617,497</u>	Cash and cash equivalents at 31 December	<u>158,074</u>	<u>60,735</u>

The notes on pages 21 to 73 form an integral part of these financial statements.

NOTES

1. Reporting Entity

Gold Fields Ghana Limited (“the Company”) is a limited liability company incorporated and domiciled in Ghana. The Company is authorised to carry out gold mining operations at Tarkwa consisting of a large opencast mine. Processing of the gold bearing ore is through a carbon-in-leach plant (CIL). Gold Fields Holdings Company Ltd., a company incorporated in South Africa, owns 90 percent of the issued shares while the Government of Ghana owns the remaining 10%.

2. Summary of material accounting policies

2.1. Basis of preparation

The material accounting policies adopted by the Company in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Statement of compliance

The financial statements have been prepared to comply with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB) (IFRS Accounting Standards) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) and in the manner required by the Companies Act, 2019 (Act 992).

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires directors to exercise judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

(b) Historical cost convention

The financial statements have been prepared under the historical cost convention except for share-based payments and certain financial assets and liabilities that are measured at fair value.

2.2. Change in accounting policies

(i) New and amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for the annual reporting period commencing 1 January 2023:

- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2
- Definition of Accounting Estimates – Amendments to IAS 8
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

The amendments above did not have any impact on the amounts recognised by the Company in prior periods and are not expected to significantly affect the current or future periods.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.2. Change in accounting policies (continued)

(ii) *New standards and interpretations not yet adopted by the Company*

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2023 reporting periods and have not been early adopted by the Company. Those that are likely to have an impact on the Company's financial statements when the standards become effective are set out below:

Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

In September 2022, the IASB finalised narrow-scope amendments to the requirements for sale and leaseback transactions in IFRS 16 Leases which explain how an entity accounts for a sale and leaseback after the date of the transaction. The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate. This standard is effective for financial periods beginning on or after 1 January 2024.

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

Amendments made to IAS 1 Presentation of Financial Statements in 2020 and 2022 clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting date. The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The disclosures include:

- the carrying amount of the liability,
- information about the covenants, and
- facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants.

The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity classifies the option as an equity instrument. However, conversion options that are classified as a liability must be considered when determining the current/non-current classification of a convertible note. The amendments must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Special transitional rules apply if an entity had early adopted the 2020 amendments regarding the classification of liabilities as current or non-current. This standard is effective for financial periods beginning on or after 1 January 2024.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.2. Change in accounting policies (continued)

(ii) *New standards and interpretations not yet adopted by the Company (continued)*

Supplier finance arrangements – Amendments to IAS 7 and IFRS 7

The IASB has issued new disclosure requirements about supplier financing arrangements ('SFAs'), after feedback to an IFRS Interpretations Committee agenda decision highlighted that the information required by IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures falls short of meeting user information needs. The objective of the new disclosures is to provide information about SFAs that enables investors to assess the effects on an entity's liabilities, cash flows and the exposure to liquidity risk. The new disclosures include information about the following:

- The terms and conditions of SFAs.
- The carrying amounts of financial liabilities that are part of SFAs and the line items in which those liabilities are presented.
- The carrying amount of the financial liabilities in (b) for which suppliers have already received payment from the finance providers.
- The range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements.
- Non-cash changes in the carrying amounts of financial liabilities in(b).
- Access to SFA facilities and concentration of liquidity risk with finance providers.

The IASB has provided transitional relief by not requiring comparative information in the first year, and also not requiring disclosure of specified opening balances. Further, the required disclosures are only applicable for annual periods during the first year of application. Therefore, the earliest that the new disclosures will have to be provided is in annual financial reports for December 2024 year-ends, unless an entity has a financial year of less than 12 months. This standard is effective for financial periods beginning on or after 1 January 2024.

2.3. Foreign currency translation

(i) *Functional and presentation currency*

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates which is the United States Dollar (US\$). The financial statements are presented in both United States Dollars and Ghana Cedi.

(ii) *Transactions and balances*

Foreign currency transactions are accounted for at the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in profit or loss, within 'finance expense'. All other foreign exchange gains and losses are presented in profit or loss on a net basis within general and administrative expenses.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.3. Foreign currency translation (continued)

(iii) Translation from functional currency to presentation currency

The financial statements have been translated to the Ghana cedi as follows:

- Each income and expense item presented in the statement of comprehensive income is translated from the functional currency to Ghana cedi at an average exchange rate for the year.
- Each asset and liability item presented in the statement of financial position is translated at the spot exchange rate at the reporting date.
- All resulting exchange differences are recognised as a separate component of equity (translation reserve) in other comprehensive income. This reserve is non-distributable.
- Stated capital is translated at the historical rate.

2.4. Revenue recognition

The Company recognises revenue when control over its gold and silver is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for the gold and silver. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the gold and silver before transferring them to the customer. Customers obtain control of gold and silver on the settlement date.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. There are no other promises in the current contract that are a separate performance obligation.

The price is determined by market forces. Revenue is measured based on the consideration specified in a contract with the customer. Revenue is recognised at a point in time. Revenue is derived from one external customer.

Financing components

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.5. Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In that case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(iii) Uncertain tax position

The Company examines where there is an uncertainty regarding the treatment of an item, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates. It considers each uncertain tax treatment separately or together as a group, depending on which approach better predicts the resolution of the uncertainty. The factors it considers include:

- how it prepares and supports the tax treatment; and
- the approach that it expects the tax authority to take during an examination.

If the Company concludes that it is probable that the tax authority will accept an uncertain tax treatment that has been taken or is expected to be taken on a tax return, it determines the accounting for income taxes consistently with that tax treatment. If it concludes that it is not probable that the treatment will be accepted, it reflects the

NOTES (continued)

2. Summary of material accounting policies (continued)

2.5. Income tax (continued)

(iii) Uncertain tax position (continued)

effect of the uncertainty in its income tax accounting in the period in which that determination is made (for example, by recognising an additional tax liability or applying a higher tax rate).

The Company measures the impact of the uncertainty using methods that best predicts the resolution of the uncertainty. The Company uses the most likely method where there are two possible outcomes, and the expected value method when there are a range of possible outcomes.

The Company assumes that the tax authority with the right to examine and challenge tax treatments will examine those treatments and have full knowledge of all related information. As a result, it does not consider detection risk in the recognition and measurement of uncertain tax treatments. The Company applies consistent judgements and estimates on current and deferred taxes. Changes in tax laws or the presence of new tax information by the tax authority is treated as a change in estimate in line with IAS 8 - Accounting policies, changes in accounting estimates and errors.

Judgements and estimates made to recognise and measure the effect of uncertain tax treatments are reassessed whenever circumstances change or when there is new information that affects those judgements. New information might include actions by the tax authority, evidence that the tax authority has taken a particular position in connection with a similar item, or the expiry of the tax authority's right to examine a particular tax treatment. The absence of any comment from the tax authority is unlikely to be, in isolation, a change in circumstances or new information that would lead to a change in estimate.

2.6. Property, plant and equipment

Mining assets, including mine development costs and mine plant facilities, are recorded at cost of acquisition less depreciation/amortisation and impairment losses.

Expenditure incurred to develop new ore bodies, to define mineralisation in existing ore bodies and to establish or expand productive capacity are capitalised until commercial levels of production are achieved. Expenditure incurred to maintain productive capacities, including pre-strip waste costs on mineable pit increments known as cutbacks, are capitalised to the extent that it improves access to an identifiable ore body.

All other property, plant and equipment is stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items as well as capitalised costs due to environmental disturbances.

Borrowing costs incurred in respect of assets requiring a substantial period of time to prepare for their intended future use are capitalised to the date that the assets are substantially completed or achieve commercial levels of production.

Depreciation of mining assets

Mining assets (mine planning and development cost, rehabilitation asset and capital waste) are depreciated over the life of the mine using the units-of-production method based on estimated proved and probable ore reserves.

Proved and probable ore reserves reflect estimated quantities of economically recoverable reserves, which can be recovered in future from known mineral deposits.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.6. Property, plant and equipment (continued)

The units of production method results in a depreciation charge proportional to the depletion of the economically recoverable mineral reserve. The life of mine as at the end of the year was 12 years (2022: 13 years).

Dump trucks and heavy machinery are depreciated over their remaining useful lives. The estimated useful lives of the heavy machinery for both current and prior years are as follows:

Dump trucks	60,000hrs
Excavator (Big)	48,000hrs
Excavator (Small)	36,000hrs
Drill rigs (Big)	42,000hrs
Drill rigs (Small)	30,000hrs

The Company allocates the amount initially recognised in respect of a mining asset to its significant parts and depreciates separately each part. Depreciation on mining assets is recognised in direct cost.

Depreciation of non-mining assets

Buildings, plant and machinery and office furniture and equipment are recorded at cost and depreciated on a straight-line basis over their expected useful lives, (but limited to the life of mine of 12 years as at the end December 2023, December 2022: 13 years) as follows for both current and prior years:

Buildings	12 years (2022:13 years)
Office furniture and equipment	5 years
Plant and machinery	5 years

Land is not depreciated.

The assets' residual values and useful lives are reviewed and adjusted if appropriate at each reporting date. Depreciation on non-mining assets is recognised in direct cost.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Asset under construction

Assets under construction are recognised at initial cost and depreciated from the date the asset is made available for use over its estimated useful life. Assets are transferred from asset under construction to an appropriate class of property, plant and equipment when available for use.

Derecognition

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected to flow to the Company from either their use or disposal. The gain or loss on disposal of an item of property, plant, and equipment is determined by comparing the proceeds from disposal with the carrying amount of the item of property, plant, and equipment, and is recognised within administrative expenses in profit or loss.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.7. Intangible assets

Acquired computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software. These costs are amortised on the basis of an expected useful life, which does not exceed three years, using the straight–line method.

Subsequent expenditure on software is capitalised only when it increases future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

2.8. Mineral and surface rights

Mineral and surface rights are recorded at cost of acquisition less amortisation and impairment losses. Where there is little likelihood of a mineral right being exploited, or the value of mineral rights has diminished below cost, a write down is effected.

These costs are amortised on the basis of an expected useful life, which does not exceed three years, using the straight – line method.

2.9. Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is an indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that is largely independent of the cash inflows of other assets or Cash Generating Units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less cost to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. The Company determines fair value less costs to sell in accordance with the policy described under Note 3(v) - ‘measurement of fair values’. An impairment loss is recognised in profit or loss if the carrying amount of an asset or CGU exceeds its recoverable amount.

An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation if no impairment loss had been recognised.

2.10. Trade and other receivables and prepayments

Trade receivables are amounts due from customers for bullion sales made in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.10. Trade and other receivables and prepayments (continued)

Details about the Company's impairment policies and the calculation of the loss allowance are provided in note 2.12 (iv). Other receivables generally arise from transactions outside the usual operating activities of the Company.

Prepayments are recognised at cost and amortised over the period of the service for which the payment was made.

2.11. Inventories

Inventories are valued at the lower of cost and net realisable value. Net realisable value is determined with reference to the estimated future sales price of the product based on prevailing spot metals prices at the reporting date, less estimated costs to complete production and bring the product to sale. Bullion on hand and recoverable metal inventory represents production on hand from the time of placement on heap leach pads or on ore stockpiles.

Cost is determined on the following bases:

- Gold in bar form is valued using the lower of weighted average production cost and net realisable value. Cost includes production, amortisation and related administration costs.
- Gold in process is valued from the time of placement on the heap leach pad or ore stockpile using the lower of weighted average production cost and net realisable value. Cost includes production, amortisation and related administration costs.
- Stockpiles are valued at the lower of cost (weighted average) or net realisable value. Stockpiles are measured by estimating the number of tons added and removed from the stockpile, the number of contained gold ounces based on assay data, and the estimated recovery percentage based on the expected processing method.
- Consumable stores are valued at weighted average cost, after appropriate provision for obsolete and slow-moving items.

2.12. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.12.1. Financial assets

(i) Initial recognition and measurement

A financial asset is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

A financial asset is classified and measured at:

NOTES (continued)

2. Summary of material accounting policies (continued)

2.12. Financial instruments (continued)

2.12.1. Financial assets (continued)

(ii) Classification and subsequent measurement (continued)

- Amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Fair value through other comprehensive income (“FVOCI”)

An financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held with a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Fair value through profit or loss (“FVTPL”)

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. A gain or loss on a financial instrument that is subsequently measured at FVTPL is recognised in other income in the period in which it arises. On initial recognition, the Company may irrevocably designate financial assets that otherwise meets the requirement to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

NOTES (continued)

2. Summary of material accounting policies (continued)

2.12. Financial instruments (continued)

2.12.1. Financial assets (continued)

(ii) Classification and subsequent measurement (continued)

Financial assets - Business model assessment (continued)

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets - Contractual cash flows of solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the sole payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Additionally, for a financial asset acquired at a discount or premium to its contractual par-amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

(iii) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers

NOTES (continued)

2. Summary of material accounting policies (continued)

2.12. Financial instruments (continued)

2.12.1. Financial assets (continued)

(iii) Derecognition (continued)

nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(iv) Impairment of financial assets

The Company recognises loss allowances for expected credit losses (“ECLs”) on financial assets measured at amortised cost. The Company assesses on a forward-looking basis the expected credit losses associated with its financial assets. The forward-looking information includes discount rate, inflation and credit risk information. The impairment methodology applied depends on whether there has been a significant increase in credit risk. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company’s historical experience and informed credit assessment and including forward-looking information. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses.

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Forward looking factors include inflation and foreign exchange rates.

For financial assets other than trade receivables, the Company applies the low credit risk simplification and the loss allowance determined during the year is limited to 12-month expect credit losses. At every reporting date, the Company evaluates whether the financial asset is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the financial asset. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.12. Financial instruments (continued)

2.12.2. Equity instruments

The Company measures all equity investments at fair value. Where management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in other income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

2.12.3. Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, or financial liabilities at amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and derivatives.

(ii) Classification and subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.12. Financial instruments (continued)

2.12.3. Financial liabilities (continued)

(ii) Classification and subsequent measurement (continued)

- Financial liabilities at amortised cost

After initial recognition, financial liabilities within this category are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

(iii) Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

2.12.4. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.13. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits. They are measured at amortised cost. Cash and cash equivalents exclude restricted cash, which is not available for use by the Company and therefore is not considered highly liquid — for example, cash set aside to cover environmental rehabilitation obligations.

2.14. Stated capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.15. Leases

The Company leases a power plant and buses.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

At inception of a contract, the Company assesses whether a contract is, or contains a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company recognises the right-of-use asset and a lease liability at the lease commencement date.

Assets and liabilities arising from a lease are initially measured on a present value basis. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. Subsequent to initial recognition, the right-of-use asset is accounted for in accordance with the accounting policy applicable to the asset.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate; as at the commencement date;
- amounts expected to be payable by the Company under residual value guarantees;
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

The lease liability is measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. It is re-measured when there is a change in future lease payments:

- If there is a change in Company's estimate of the amount expected to be payable under a residual value guarantee;
- If there is a revised in-substance fixed lease payment; or
- If there is a change in future lease payment resulting from a change in an index or a rate used to determine these payments.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.15. Leases (continued)

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value asset and lease contracts with a maturity period of one year or less. The Company recognises the lease payments associated with these leases as an expense or straight-line basis over the lease term. Low-value assets relate mainly to cell phones, computer equipment and photocopiers.

2.16. Provisions and contingent liabilities

Provisions

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

Provisions are measured at the present value of expenditures expected to be required to settle obligations using pre-tax rates that reflect current market assessments of the time value of money and risks specific to the obligation.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are only disclosed and not recognised as liabilities in the statement of financial position.

If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

2.17. Deferred stripping costs and waste normalisation

Costs relating to removing waste within the ore body is capitalised if it results in an improved access to an identifiable ore body. These costs are then accounted for in profit or loss using the waste normalisation method once the ore body has been exposed. The objective of this method is to provide that every ounce mined from the relevant pit bears its equal pro-rata share of the total in-pit waste removal cost. In-pit waste removal costs are expensed to profit or loss by determining the ratio of ounces mined in each period to total proved and probable reserve ounces expected to be recovered from the pit and applying this ratio to total waste removal costs incurred to gain access to the ore body.

2.18. Exploration and evaluation assets and expenditure

Expenditure on exploration activities within the existing ore body is capitalised and amortised on straight-line basis over the life of the ore body it relates to. Expenditure on all other exploration activities prior to evaluation is charged against profit or loss until the viability of the mining venture has been proven.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.19. Environmental rehabilitation obligation

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

Full provision is made based on the net present value of the estimated cost of restoring environmental disturbance that have occurred up to the reporting date. The unwinding of the obligation is accounted for within finance cost in profit or loss. For the associated rehabilitation asset, increases due to additional environmental disturbances are capitalised and amortised over the remaining life of the mine. Changes in estimates are capitalised or reversed against the relevant asset. Estimates are discounted at pre-tax rates that reflect current market assessments.

Annual increases or decreases in the provision relating to changes in the net present value of the provision and inflationary increases are capitalised into the cost of the related asset, except that the unwinding of the effect of discounting on the provision is recognised as a finance cost rather than being capitalised into the cost of the related asset.

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

2.20. Trade payables

Trade payables represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. Trade payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

2.21. Derivative financial instruments

Derivative financial instruments are initially recognised at fair value and subsequently remeasured to their fair value with changes therein recognised in profit or loss. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

2.22. Employee benefits

(i) Short term benefits

Short-term employee benefit obligations are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. The Company has no further payment obligations once the contributions have been paid.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.22. Employee benefits (continued)

(ii) *Defined contribution plans (continued)*

(a) *Provident fund*

The Company operates a provident fund. The provident fund is funded by payments from employees and the Company, with each party contributing 10% of the employees' basic salary. Contributions to the provident fund by the Company is charged to profit or loss as incurred.

(b) *Social Security*

The Company is required to contribute 13% of employees' basic salary to the Social Security and National Trust (SSNIT) under the terms of the National Pensions Act, 2008 (Act 766). The Company's obligation is limited to the relevant contributions, which have been recognised in the financial statements. The pension liabilities and obligations, however, rest with SSNIT.

(iii) *Share-based payments*

Gold Fields Limited ("the Group") operates an equity-settled compensation plan under the Gold Fields Limited 2012 share plan amended, which the Company participates in. Settlement is done by the Group. The fair value of the equity-settled instruments is measured by reference to the fair value of the equity instrument granted which in turn is determined using the modified Black Scholes and Monte Carlo simulation models on the date of grant.

Fair value is based on market prices of the equity-settled instruments granted, if available, taking into account the terms and conditions upon which those equity-settled instruments were granted. Fair value of equity-settled instruments granted is estimated using appropriate valuation models and appropriate assumptions at grant date. Non-market vesting conditions (service period prior to vesting) are not taken into account when estimating the fair value of the equity-settled instruments at grant date. Market conditions are taken into account in determining the fair value at grant date.

The fair value of the equity-settled instruments is recognised as an employee benefit expense over the vesting period based on the Group's estimate of the number of instruments that will eventually vest, with a corresponding increase in the share-based payment reserve. Vesting assumptions for non-market conditions are reviewed at each reporting date to ensure they reflect current expectations.

Where the terms of an equity-settled award are modified, the originally determined expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the participant as measured at the date of the modification.

(iv) *Long Term Incentive Plan*

The Company operates a long-term incentive plan. The Company's net obligation in respect of the long-term incentive plan is the amount of future benefit that employees have earned in return for their services in the current and prior periods. That benefit is estimated using appropriate assumptions and it is discounted to determine its present value at each reporting date. Re-measurements are recognised in profit or loss in the period in which they arise.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.22. Employee benefits (continued)

(v) *Termination benefits*

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. Termination benefits are expensed at the earlier of the date the Company can no longer withdraw the offer of those benefits or the date the Company recognises costs for a restructuring. Benefits falling due more than 12 months after the reporting date are discounted to present value.

2.23. Other assets

Other assets comprise mainly term deposits which are recognised at amortised cost less ECLs using the Company's business model for managing its financial assets.

2.24. Fair value measurement

The Company uses market observable data as far as possible when measuring the fair value of an asset or a liability. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which market observable prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premiums used in estimating discount rates and foreign currency exchange rates and expected price volatilities and correlations.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date. The Company uses widely recognised valuation models for determining the fair value of common and more simple financial instruments that use only observable market data and require little management judgment and estimation. Availability of observable market prices and model inputs reduces the need for management judgment and estimation and also reduces the uncertainty associated with determining fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.25. Dividend

Dividends and the related taxation thereon are recognised only when such dividends are declared. Dividend proposed which is yet to be approved by shareholders, is disclosed by way of notes. Cash flows from dividends paid are classified under financing activities in the statement of cash flows.

3. Critical accounting estimates, assumptions and judgements

The preparation of the financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income, expenses and accompanying disclosures.

Estimates and underlying assumptions are reviewed on an ongoing basis and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The more significant areas requiring the use of units of production estimates and assumptions relate to mineral reserves that form the basis of future cash flow estimates used for impairment assessments and units-of-production depreciation and amortisation calculations; environmental rehabilitation and closure obligations; estimates of recoverable gold; write-downs of inventory to net realisable value and the fair value and accounting treatment of derivative financial instruments and leases.

Information about assumptions and estimation uncertainties and critical judgements in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

i. Useful lives of property, plant and equipment

All mining assets are depreciated using the units-of-production method where the mine operating plan calls for production from proved and probable mineral reserves.

For mobile and other equipment, the straight-line method is applied over the estimated useful life of the asset which does not exceed the estimated mine life based on proved and probable mineral reserves as the useful lives of these assets are considered to be limited to the life of the relevant mine.

The calculation of the units-of-production rate of depreciation could be impacted to the extent that actual production in the future differs from current forecast production based on proved and probable mineral reserves. Production could be impacted by changes in any of the factors or assumptions used in estimating mineral reserves.

These factors include:

- Changes in proved and probable mineral reserves caused by variances in grade and volumes of mineral reserves, which may vary significantly from time to time;
- Differences between actual commodity prices and commodity price assumptions;
- Unforeseen operational issues at mine sites;
- Changes in capital, operating, mining, processing and reclamation costs, discount rates and foreign exchange rates; and
- The impact of changes in mineral reserves on the useful lives of assets depreciated on a straight-line basis, where those lives are limited to the life of the mine.

NOTES (continued)

3. Critical accounting estimates, assumptions and judgements (continued)

ii. Provision for environmental rehabilitation costs

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The Company recognises management's best estimate for asset retirement obligations in the period in which they are incurred. Actual costs incurred in future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life-of-mine estimates and discount rates could affect the carrying amount of this provision.

iii. Stockpiles, gold-in-process and product inventories

Costs that are incurred in or benefit the productive process are accumulated as stockpiles, gold-in-process, ore on leach pads and product inventories. Net realisable value tests are performed at least annually and represent the estimated future sales price of the product based on prevailing and long-term metal prices, less estimated costs to complete production and bring the product to sale. Subsequent price movements are also considered to determine whether they provide more information about conditions that were present at the reporting date.

Stockpiles are measured by estimating the number of tonnes added and removed from the stockpile, the number of contained gold ounces based on assay data and the estimated recovery percentage based on the expected processing method. Stockpile tonnages are verified by periodic surveys.

iv. Mineral reserves estimates

Mineral reserves are estimates of the amount of product that can be economically and legally extracted from the Company's properties.

In order to calculate the reserves, estimates and assumptions are required about a range of geological, technical and economic factors, including but not limited to quantities, grades, production techniques, recovery rates, production costs, transport costs, commodity demand, commodity prices and exchange rates. Estimating the quantity and grade of the mineral reserves requires the size, shape and depth of ore bodies to be determined by analysing geological data such as the logging and assaying of drill samples. This process may require complex and difficult geological judgments and calculations to interpret the data.

The Company is required to determine and report on its mineral reserves in accordance with the Company's guidelines. Estimates of mineral reserves may change from year to year due to changes in economic assumptions used to estimate ore reserves and due to additional geological data becoming available during the course of operations. Changes in reported proven and probable reserves may affect the Company's financial results and position in a number of ways, including the following:

- Asset carrying values may be affected due to changes in estimated cash flows;
- Depreciation and amortisation charges to profit or loss may change as these are calculated on the units-of-production method, or where the useful economic lives of assets change;
- Deferred stripping costs recorded in the statement of financial position or charged to profit or loss may change due to changes in stripping ratios or the units-of-production method of depreciation;
- Decommissioning site restoration and environmental provisions may change where changes in ore reserves affect expectations about the timing or cost of these activities; and
- The carrying value of deferred tax assets may change due to changes in estimates of the likely recovery of tax benefits.

NOTES (continued)

3. Critical accounting estimates, assumptions and judgements (continued)

v. *Measurement of fair values*

Some of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities.

The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS Accounting Standards, including the level in the fair value hierarchy in which such valuations should be classified.

vi. *Share-based payments*

The Company issues equity-settled share-based payments to certain employees and executive directors. These instruments are measured at fair value at grant date, using the Black-Scholes or Monte Carlo simulation valuation models, which require assumptions regarding the estimated term of the award, share price volatility and expected dividend yield. While management believes that these assumptions are appropriate, the use of different assumptions could have a material impact on the fair value of the award grant and the related recognition of share-based compensation expense in profit or loss.

These awards, relating to the ultimate holding company's shares, have characteristics significantly different from those of traded options and therefore fair values may also differ. Share-based estimates have been disclosed in Note 26 of the financial statements.

vii. *Leases*

The accounting for leases under IFRS 16 involves making various judgements and estimates. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

The Company initially estimates and recognises amounts expected to be payable under residual value guarantees as part of the lease liability. Typically, the expected residual value at lease commencement is equal to or higher than the guaranteed amount, and so the Company does not expect to pay anything under the guarantees.

NOTES (continued)

3. Critical accounting estimates, assumptions and judgements (continued)

viii. Income taxes

Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters are different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

Additionally, judgement is required in determining whether deferred tax assets are recognised on the statement of financial position. Deferred tax assets require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilise recognised deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realise the net deferred tax assets recorded at the reporting date could be impacted. Additionally, future changes in tax laws could limit the ability of the Company to obtain tax deductions in future periods.

ix. Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount exceeds its recoverable amount. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount was based on its fair value less cost of disposal ("FVLCD") calculated using a combination of the market (resource value) and the income approach (level 3 of the fair value hierarchy).

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units or "CGU"). The Company has one cash generating unit, which is the Tarkwa Mine. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

In determining the recoverable amount of each cash generating unit, the Company undertakes future cash flow calculations which are based on a number of critical estimates and assumptions, and reflect the life of mine ("LOM") operating and capital cost assumptions used in the Company's latest budget and LOM plans:

- Mine life including quantities of mineral Ore Reserves and Mineral Resources for which there is a high degree of confidence of economic extraction with given technology;
- Estimated production and sales levels;
- Estimate future commodity prices are based on brokers consensus forecast;
- Future costs of production;
- Future capital expenditure;
- Future exchange rates; and/or
- Discount rates based on the Company's estimated before tax weighted average cost of capital, adjusted when appropriate to take into account relevant risks such as development risk etc.

Variations to expected future cash flows, and timing thereof, could result in significant changes to the impairment test results, which in turn could impact future financial results. The expected future cash flows of the cash generating units are most sensitive to fluctuations in the discount rate. For the year ended 31 December 2023, the Company did not recognise an impairment on its mining assets (2022:US\$325.2 million).

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

Ghana Cedis			United States Dollars	
2023	2022		2023	2022
4. Revenue				
<u>12,495,645</u>	<u>8,207,264</u>	Revenue from mining operations - spot sales*	<u>1,068,934</u>	<u>953,767</u>
*Revenue from contracts with customers is recognised at a point in time.				
5. Direct costs				
5,079,205	3,343,072	Mining costs	434,499	388,499
(618,668)	(306,012)	Gold inventory change	(52,925)	(35,562)
499,826	328,291	Royalties	42,757	38,151
<u>2,347,445</u>	<u>1,898,166</u>	Amortisation and depreciation (Notes 12,13 & 14)	<u>200,810</u>	<u>220,586</u>
<u>7,307,808</u>	<u>5,263,517</u>		<u>625,143</u>	<u>611,674</u>
6. General and administrative expenses				
4,463	3,225	Audit fees and expenses	382	375
2,311	1,732	Directors' fees	198	201
129,797	96,807	Management fee	11,103	11,250
4,958	3,262	Medical expenses	424	379
46,348	33,122	Insurance	3,965	3,849
341	2,635	Donations	29	306
8,986	2,446	Share-based payments expense	769	284
57,615	52,361	Fees and licenses	4,928	6,085
9,662	7,333	Travel and transport	827	852
2,714	2,207	Bank charges	232	256
56,744	15,806	Training and development	4,854	1,837
89,121	26,110	Staff related costs	7,624	3,034
69,521	44,262	GFG Foundation	5,947	5,144
<u>282,818</u>	<u>181,405</u>	Sundry expenses	<u>24,194</u>	<u>21,082</u>
<u>765,401</u>	<u>472,713</u>		<u>65,476</u>	<u>54,934</u>

Staff costs amounting to US\$64.6 million; GH¢755.2 million (2022: US\$65million; GH¢563 million) and US\$7.6 million; GH¢89.1 million (2022: US\$3.0 million; GH¢26.1 million) are included in direct costs and general and administrative expenses respectively. Contributions to employee provident fund and state pension plans amounting to US\$5.5 million; GH¢64.3 million (2022: US\$5.6 million; GH¢48.2 million) are included in mining costs presented in direct cost.

The total value of share-based payments included in the general and administrative expenses was US\$0.8 million; GH¢8.99 million (2022: US\$0.2 million; GH¢2.45 million). Awards are conditional on the employee completing 3 years of service with the Company (vesting period). The value of awards granted is included in the share-based reserve account until they are exercised.

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

Ghana Cedis			United States Dollars	
2023	2022		2023	2022
		7. Other income		
248	487	Scrap sales	21	57
152,914	269,067	Exchange gains	13,081	31,267
-	81,732	Gain on derivative	-	9,498
<u>2,064</u>	<u>1,674</u>	Sundry income	<u>177</u>	<u>195</u>
<u>155,226</u>	<u>352,960</u>		<u>13,279</u>	<u>41,017</u>
		8. Finance income		
<u>30,289</u>	<u>24,188</u>	Interest income	<u>2,591</u>	<u>2,811</u>
		9. Finance expense		
130,845	96,405	Interest on lease liability	11,193	11,203
41,567	29,996	Unwinding of discount – environmental rehabilitation obligation	3,555	3,486
<u>860</u>	<u>1,655</u>	Other finance cost	<u>74</u>	<u>192</u>
<u>173,272</u>	<u>128,056</u>		<u>14,822</u>	<u>14,881</u>
		10. (a) Tax charge		
		The components of income tax expense are:		
1,513,146	951,524	Current tax charge	129,441	110,576
<u>1,284</u>	(864,886)	Deferred tax charge/(credit) (Note 10(c))	<u>110</u>	(100,508)
<u>1,514,430</u>	<u>86,638</u>	Total tax charge	<u>129,551</u>	<u>10,068</u>
		10. (b) Current tax liability		
147,076	54,624	Balance at the beginning of the year	14,465	9,133
1,513,154	951,524	Charge for the year	129,441	110,576
25,756	46,564	Translation adjustment	-	-
<u>(1,520,699)</u>	(905,636)	Tax paid	<u>(130,086)</u>	(105,244)
<u>165,287</u>	<u>147,076</u>	Balance at the end of the year	<u>13,820</u>	<u>14,465</u>

The above current tax liability is subject to agreement with the Ghana Revenue Authority.

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

Ghana Cedis			United States Dollars	
2023	2022		2023	2022
10. (c) Deferred tax				
1,640,191	1,565,997	Balance at beginning of the year	161,325	261,833
1,284	(864,886)	Charge/(credit) for the year	110	(100,508)
<u>289,284</u>	<u>939,080</u>	Translation adjustment	<u>-</u>	<u>-</u>
<u>1,930,759</u>	<u>1,640,191</u>	Balance at end of the year	<u>161,435</u>	<u>161,325</u>

The deferred tax liability arises from differences between the carrying values of assets and liabilities recognised for financial reporting and taxation purposes. Deferred tax is calculated using the applicable rate of 32.5% (31 December 2022: 32.5%).

Deferred tax liability (net) comprises the following:

Ghana Cedis			United States Dollars	
2023	2022		2023	2022
Deferred tax liability				
2,648,433	2,255,580	Accelerated tax depreciation	221,441	221,853
Deferred tax assets				
(89,749)	(78,510)	Environmental rehabilitation provision	(7,504)	(7,722)
<u>(627,925)</u>	<u>(536,879)</u>	Other provision	<u>(52,502)</u>	<u>(52,806)</u>
<u>1,930,759</u>	<u>1,640,191</u>	Deferred tax liability (net)	<u>161,435</u>	<u>161,325</u>

The movement in the deferred tax liability and assets during the year is as follows:

Ghana Cedis			United States Dollars	
2023	2022		2023	2022
Deferred tax liability				
(4,816)	(925,559)	Accelerated tax depreciation	(412)	(107,559)
Deferred tax assets				
2,548	26,950	Environmental rehabilitation provision	218	3,132
<u>3,554</u>	<u>33,723</u>	Other provisions	<u>304</u>	<u>3,919</u>
<u>1,286</u>	<u>(864,886)</u>	Deferred tax charge/(credit) for the year	<u>110</u>	<u>(100,508)</u>

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

Ghana Cedis			United States Dollars	
2023	2022		2023	2022
10. (d) Tax reconciliation				
The corporate tax on the profit before tax differs from the theoretical amount that would arise using the basic tax rate as follows:				
<u>4,138,066</u>	<u>(195,433)</u>	Profit/(loss) before tax	<u>353,989</u>	<u>(22,711)</u>
1,344,871	(63,514)	Prima facie tax calculated at a tax rate of 32.5% (2022: 32.5%)	115,046	(7,381)
169,559	54,944	Expenses not allowable for tax purposes	14,505	6,385
-	(48,541)	Realised finance gain (previously taxed)	-	(5,641)
-	33,397	Transfer pricing provision	-	3,881
-	<u>110,352</u>	Additional tax payment in arrears	-	<u>12,824</u>
<u>1,514,430</u>	<u>86,638</u>		<u>129,551</u>	<u>10,068</u>
11. Provisions				
415,022	241,564	Environmental rehabilitation obligations	34,700	23,759
<u>105,925</u>	<u>69,876</u>	Long term incentive	<u>8,856</u>	<u>6,873</u>
<u>520,947</u>	<u>311,440</u>		<u>43,556</u>	<u>30,632</u>
(a) Environmental rehabilitation obligations				
241,564	290,715	Balance at beginning of the year	23,759	48,607
41,554	29,996	Unwinding of discount	3,555	3,486
138,257	(202,043)	Additions/(reduction) during the year	11,827	(23,479)
(51,919)	(41,770)	Expenditure during the year	(4,441)	(4,855)
<u>45,565</u>	<u>164,666</u>	Translation adjustment	-	-
<u>415,022</u>	<u>241,564</u>	Balance at end of the year	<u>34,700</u>	<u>23,759</u>
(b) Long term incentive				
69,869	54,419	Balance at beginning of the year	6,873	9,099
77,398	(19,160)	Additions for the year	6,621	(2,226)
(54,206)	-	Payments for the year	(4,638)	-
<u>12,864</u>	<u>34,617</u>	Translation adjustment	-	-
<u>105,925</u>	<u>69,876</u>	Balance at end of the year	<u>8,856</u>	<u>6,873</u>

The environmental rehabilitation obligations decreased during the year due to increase in inflation and discount rates. Inflation and discount rates applied in 2023 are 7.3% and 15.9% respectively (2022: 2.40%, 14.97%).

The Company's net obligation in respect of the long-term incentive plan is the amount of future benefit that employees have earned in return for their services in the current and prior periods. That benefit is estimated using employees' years of service. Re-measurements are recognised in profit or loss in the period in which they arise.

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

12. (a) Property, plant and equipment

United States Dollars

	Land and buildings	Plant and machinery	Office furniture & equipment	MP&D in production	Capital waste	Right-of- use asset	Asset under construction	Total
Cost								
At 1 January 2023	8,093	386,297	15,163	576,199	1,593,119	149,971	44,571	2,773,413
Additions	250	416	151	14,471	166,062	10,651	34,961	226,962
Transfers	3,355	3,413	4,823	18,133	-	-	(34,079)	(4,355)
Impairment	-	-	-	-	-	-	-	-
Disposals	-	(824)	(563)	(33)	-	-	-	(1,420)
At 31 December 2023	<u>11,698</u>	<u>389,302</u>	<u>19,574</u>	<u>608,770</u>	<u>1,759,181</u>	<u>160,622</u>	<u>45,453</u>	<u>2,994,600</u>
Accumulated Depreciation								
At 1 January 2023	4,229	306,862	13,648	541,596	1,080,685	47,783	-	1,994,803
Charge for the year	651	9,794	1,285	19,880	156,892	11,956	-	200,458
Disposals	-	(824)	(563)	(33)	-	-	-	(1,420)
At 31 December 2023	<u>4,880</u>	<u>315,832</u>	<u>14,370</u>	<u>561,443</u>	<u>1,237,577</u>	<u>59,739</u>	<u>-</u>	<u>2,193,841</u>
Net book amount								
At 31 December 2023	<u>6,818</u>	<u>73,470</u>	<u>5,204</u>	<u>47,327</u>	<u>521,604</u>	<u>100,883</u>	<u>45,453</u>	<u>800,759</u>

Right-of-use assets relate to plant and machinery. Included in additions to right-of-use assets are prepaid leases of US\$3,666,000. The remaining additions to right-of-use assets are non-cash.

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

12. (a) Property, plant and equipment (continued)

Ghana Cedis

	Land and buildings	Plant and machinery	Office furniture & equipment	MP&D in production	Capital waste	Right-of- use asset	Asset under construction	Total
Cost								
At 1 January 2023	82,278	3,927,469	154,162	5,858,201	16,197,236	1,524,733	453,207	28,197,286
Additions	2,921	4,857	1,769	169,177	1,941,230	124,504	408,688	2,653,146
Transfers	39,216	39,893	56,377	211,970	-	-	(398,366)	(50,910)
Impairment	-	-	-	-	-	-	-	-
Disposals	-	(9,637)	(6,584)	(381)	-	-	-	(16,602)
Translation adjustment	<u>15,484</u>	<u>693,439</u>	<u>28,379</u>	<u>1,041,922</u>	<u>2,901,326</u>	<u>271,773</u>	<u>80,165</u>	<u>5,032,488</u>
At 31 December 2023	<u>139,899</u>	<u>4,656,021</u>	<u>234,103</u>	<u>7,280,889</u>	<u>21,039,792</u>	<u>1,921,010</u>	<u>543,694</u>	<u>35,815,408</u>
Accumulated Depreciation								
At 1 January 2023	42,991	3,186,464	140,776	5,437,768	10,987,344	485,802	-	20,281,145
Charge for the year	7,613	114,492	15,019	232,393	1,834,045	139,768	-	2,343,330
Disposals	-	(9,637)	(6,584)	(381)	-	-	-	(16,602)
Translation adjustment	<u>7,757</u>	<u>564,372</u>	<u>25,021</u>	<u>964,339</u>	<u>1,980,060</u>	<u>88,904</u>	<u>-</u>	<u>3,630,453</u>
At 31 December 2023	<u>58,361</u>	<u>3,855,691</u>	<u>174,232</u>	<u>6,634,119</u>	<u>14,801,449</u>	<u>714,474</u>	<u>-</u>	<u>26,238,326</u>
Net book amount								
At 31 December 2023	<u>81,538</u>	<u>800,330</u>	<u>59,871</u>	<u>646,770</u>	<u>6,238,343</u>	<u>1,206,536</u>	<u>543,694</u>	<u>9,577,082</u>

Right-of-use assets relate to plant and machinery. Included in additions to right-of-use assets are prepaid leases of GH¢42,857,000. The remaining additions to right-of-use assets are non-cash.

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

12. (a) Property, plant and equipment (continued)

United States Dollars

	Land and buildings	Plant and machinery	Office furniture & equipment	MP&D in production	Capital waste	Right-of- use asset	Asset under construction	Total
Cost								
At 1 January 2022	10,212	411,140	17,386	586,251	1,629,286	194,425	24,873	2,873,573
Additions	-	1,613	-	8,870	186,757	-	31,735	228,975
Transfers	-	6,598	1,476	3,862	-	-	(12,037)	(102)
Impairment	(2,119)	(31,830)	(1,107)	(22,783)	(222,924)	(44,454)	-	(325,217)
Disposals	<u>-</u>	<u>(1,224)</u>	<u>(2,591)</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,816)</u>
At 31 December 2022	<u>8,093</u>	<u>386,297</u>	<u>15,163</u>	<u>576,199</u>	<u>1,593,119</u>	<u>149,971</u>	<u>44,571</u>	<u>2,773,413</u>
Accumulated Depreciation								
At 1 January 2022	3,755	294,057	14,458	515,131	917,480	34,844	-	1,779,725
Charge for the year	474	14,029	1,781	26,466	163,205	12,939	-	218,894
Disposals	<u>-</u>	<u>(1,224)</u>	<u>(2,591)</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,816)</u>
At 31 December 2022	<u>4,229</u>	<u>306,862</u>	<u>13,648</u>	<u>541,596</u>	<u>1,080,685</u>	<u>47,783</u>	<u>-</u>	<u>1,994,803</u>
Net book amount								
At 31 December 2022	<u>3,864</u>	<u>79,435</u>	<u>1,515</u>	<u>34,603</u>	<u>512,434</u>	<u>102,188</u>	<u>44,571</u>	<u>778,610</u>

Right-of-use assets relate to plant and machinery. Additions to right-of-use assets are non-cash.

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

12. (a) Property, plant and equipment (continued)

Ghana Cedis

	Land and buildings	Plant and machinery	Office furniture & equipment	MP&D in production	Capital waste	Right-of- use asset	Asset under construction	Total
Cost								
At 1 January 2022	61,077	2,458,985	103,981	3,506,302	9,744,605	1,162,826	148,762	17,186,538
Additions	-	13,878	-	76,327	1,607,066	-	273,079	1,970,350
Transfers	-	56,774	12,698	33,232	-	-	(103,528)	(824)
Impairment	(18,237)	(273,899)	(9,526)	(196,050)	(1,918,283)	(382,535)	-	(2,798,530)
Disposals	-	(10,536)	(22,297)	(10)	-	-	-	(32,843)
Translation adjustment	<u>39,438</u>	<u>1,682,267</u>	<u>69,306</u>	<u>2,438,400</u>	<u>6,763,848</u>	<u>744,442</u>	<u>134,894</u>	<u>11,872,595</u>
At 31 December 2022	<u>82,278</u>	<u>3,927,469</u>	<u>154,162</u>	<u>5,858,201</u>	<u>16,197,236</u>	<u>1,524,733</u>	<u>453,207</u>	<u>28,197,286</u>
Accumulated Depreciation								
At 1 January 2022	22,456	1,798,715	87,658	3,039,754	5,487,367	208,392	-	10,644,342
Charge for the year	4,076	120,717	15,327	227,742	1,404,397	111,343	-	1,883,602
Disposals	-	(10,536)	(22,297)	(10)	-	-	-	(32,843)
Translation adjustment	<u>16,459</u>	<u>1,277,568</u>	<u>60,088</u>	<u>2,170,282</u>	<u>4,095,580</u>	<u>166,067</u>	<u>-</u>	<u>7,786,042</u>
At 31 December 2022	<u>42,991</u>	<u>3,186,464</u>	<u>140,776</u>	<u>5,437,768</u>	<u>10,987,344</u>	<u>485,802</u>	<u>-</u>	<u>20,281,145</u>
Net book amount								
At 31 December 2022	<u>39,287</u>	<u>741,005</u>	<u>13,386</u>	<u>420,433</u>	<u>5,209,892</u>	<u>1,038,931</u>	<u>453,207</u>	<u>7,916,141</u>

Right-of-use assets relate to plant and machinery. Additions to right-of-use assets are non-cash.

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

Ghana Cedis			United States Dollars	
2023	2022		2023	2022
		12. (b) Disposal of assets		
16,603	32,843	Cost	1,420	3,816
(16,603)	(32,843)	Accumulated depreciation	(1,420)	(3,816)
-	-	Carrying amount	-	-
-	-	Proceeds	-	-
-	-	Profit on disposal	-	-
-	-		-	-
		12. (c) Impairment of assets		
		Impairment charge	-	<u>325,217</u>
-	<u>2,798,530</u>		-	-

For the year ended 31 December 2022, the Company recognised an impairment of US\$325.2 million on its mining assets. The recoverable amount was based on its fair value less cost of disposal (“FVLCOD”) calculated using a combination of the market (resource value) and the income approach (level 3 of the fair value hierarchy).

The impairment is mainly due to the increase in the discount rate from 8.3% to 15.9% as a result of increases in the Ghana country risk premium and the risk free rate as well as inflationary cost pressures experienced in 2022. The total recoverable amount of the individual assets at 31 December 2022 is US\$812 million using the following assumptions based on the 2022 life-of-mine plan:

Gold price:

- 2023 – US\$1,740 per ounce;
- 2024 – US\$1,730 per ounce;
- 2025 – US\$1,700 per ounce;
- 2026 – US\$1,650 per ounce; and
- Long-term – US\$1,620 per ounce.

Other assumptions

- Resource price of US\$71 per ounce;
- Resource ounces of 24.5 million ounces;
- Life-of-mine: 13 years; and
- Discount rate of 15.9%.

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

Ghana Cedis			United States Dollars			
			13. Intangible asset			
Mineral and surface rights	Software	Total	Cost	Mineral and surface rights	Software	Total
132,232	33,693	165,925	At 1 January 2023	13,006	3,314	16,320
-	-	-	Additions	-	-	-
50,910	-	50,910	Transfers from work in progress	4,355	-	4,355
<u>24,496</u>	<u>5,942</u>	<u>30,438</u>	Translation adjustment	-	-	-
<u>207,638</u>	<u>39,635</u>	<u>247,273</u>	At 31 December 2023	<u>17,361</u>	<u>3,314</u>	<u>20,675</u>
			Accumulated amortisation			
129,591	33,693	163,284	At 1 January 2023	12,746	3,314	16,060
1,590	-	1,590	Charge for the year	136	-	136
<u>22,886</u>	<u>5,942</u>	<u>28,828</u>	Translation adjustment	-	-	-
<u>154,067</u>	<u>39,635</u>	<u>193,702</u>	At 31 December 2023	<u>12,882</u>	<u>3,314</u>	<u>16,196</u>
<u>53,571</u>	<u>-</u>	<u>53,571</u>	Net book amount	<u>4,479</u>	<u>-</u>	<u>4,479</u>
			Cost			
77,213	19,821	97,034	At 1 January 2022	12,910	3,314	16,224
-	-	-	Additions	-	-	-
824	-	824	Transfers from work in progress	96	-	96
<u>54,195</u>	<u>13,872</u>	<u>68,067</u>	Translation adjustment	-	-	-
<u>132,232</u>	<u>33,693</u>	<u>165,925</u>	At 31 December 2022	<u>13,006</u>	<u>3,314</u>	<u>16,320</u>
			Accumulated amortisation			
75,580	19,821	95,401	At 1 January 2022	12,637	3,314	15,951
938	-	938	Charge for the year	109	-	109
<u>53,073</u>	<u>13,872</u>	<u>66,945</u>	Translation adjustment	-	-	-
<u>129,591</u>	<u>33,693</u>	<u>163,284</u>	At 31 December 2022	<u>12,746</u>	<u>3,314</u>	<u>16,060</u>
<u>2,641</u>	<u>-</u>	<u>2,641</u>	Net book amount	<u>260</u>	<u>-</u>	<u>260</u>

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

Ghana Cedis			United States Dollars	
2023	2022		2023	2022
14. Rehabilitation asset				
82	90,969	At 1 January	9	15,210
138,257	(117,186)	Additions/(reductions)	11,827	(13,618)
(2,525)	(13,629)	Amortisation charge	(216)	(1,583)
<u>3,163</u>	<u>39,928</u>	Translation adjustment	<u>-</u>	<u>-</u>
<u>138,977</u>	<u>82</u>	At 31 December	<u>11,620</u>	<u>9</u>
15. Inventories				
3,584,882	2,509,375	Recoverable metal inventory	299,739	246,816
<u>1,085,203</u>	<u>825,015</u>	Mine stores	<u>90,736</u>	<u>81,146</u>
<u>4,670,085</u>	<u>3,334,390</u>		<u>390,475</u>	<u>327,962</u>
3,548,739	2,381,152	Current	296,717	234,204
<u>1,121,346</u>	<u>953,238</u>	Non-current – Heap leach stockpiles	<u>93,758</u>	<u>93,758</u>
<u>4,670,085</u>	<u>3,334,390</u>		<u>390,475</u>	<u>327,962</u>

Inventory provision recognised as an expense during the year ended 31 December 2023 amounted to US\$4.5 million; GH¢53 million (2022: US\$1.5 million; GH¢12.8 million). These were included in direct cost.

16. Prepayments

216,709	335,791	Trade prepayments	18,119	33,028
2,897	2,897	Duty exemption	242	285
35,807	23,989	General prepayments	2,994	2,359
<u>9,721</u>	<u>8,794</u>	Prepaid taxes	<u>813</u>	<u>865</u>
<u>265,134</u>	<u>371,471</u>		<u>22,168</u>	<u>36,537</u>

17(a) Trade and other receivables

14,746	128,900	Trade receivables – gold sales	1,233	12,678
43,999	39,399	Staff receivables	3,679	3,875
87,858	45,494	VAT recoverable	7,346	4,475
<u>1,868</u>	<u>27,260</u>	Related party receivables (Note 19)	<u>156</u>	<u>2,681</u>
<u>148,471</u>	<u>241,053</u>		<u>12,414</u>	<u>23,709</u>

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

Ghana Cedis		17(b) Other financial assets at amortised cost	United States Dollars	
2023	2022		2023	2022
562,563	145,455	Loan to mining contractor	47,037	47,037
20,775	14,947	Interest capitalized	1,737	1,737
162,656	117,029	Other contractor receivables	13,600	13,600
(745,993)	(252,987)	Impairment losses	(62,374)	(37,000)
<u>-</u>	<u>233,529</u>	Translation adjustment	<u>-</u>	<u>-</u>
<u>-</u>	<u>257,973</u>		<u>-</u>	<u>25,374</u>
-	257,973	Current	-	25,374
<u>-</u>	<u>-</u>	Non-current	<u>-</u>	<u>-</u>
<u>-</u>	<u>257,973</u>		<u>-</u>	<u>25,374</u>

Trade and other receivables

- a) Trade receivables mainly comprise balances due from refinery purchasing the gold. This is usually settled under one week after the transaction date. There has been no history of default on trade receivables.
- b) Staff receivables comprise housing, rent advance and interest-free loans. The maximum amount of staff indebtedness during the year did not exceed US\$4.3 million; GH¢51.1 million (December 2022: US\$3.9 million; GH¢39.4 million).
- c) Other receivables relate to advance payments to suppliers.

Other financial assets at amortised cost

- a) In 2020, the Company advanced a loan amounting to US\$47 million to one of its mining contractors, repayable over a period commencing in February 2021 and ending in October 2023. The loan bears interest at a rate of 3 months LIBOR plus 2% margin. However, in 2021, the loan was impaired by US\$23.4 million and was payable on demand. This is due to failure of the contractor to make contractual payment over an extended period. There was a further impairment of US\$25.4 million in 2023.
- b) Other contractor receivables are amounts due from mining contractors in relation to the takeover of mining assets and related mine stores inventory. Other contractor receivable has been impaired by US\$13.6 million as there is no reasonable expectation of payment. This is due to failure of the contractor to make contractual payments over an extended period.

Ghana Cedis			United States Dollars	
2023	2022		2023	2022
18. Trade and other payables				
335,215	163,049	Trade payables	28,028	16,037
416,797	406,953	Mining accruals	34,849	40,027
80,483	70,791	Ghana Revenue Authority	6,729	6,963
1,068,568	776,863	Accruals and other payables	89,345	76,410
<u>14,098</u>	<u>9,846</u>	Related party payables (Note 19)	<u>1,179</u>	<u>968</u>
<u>1,915,161</u>	<u>1,427,502</u>		<u>160,130</u>	<u>140,405</u>

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

18. Trade and other payables (continued)

- a) Mining accruals mainly comprise accruals made in respect of services rendered by contractors engaged in the Company's core mining operations.
- b) Payables to Ghana Revenue Authority comprise outstanding royalties, withholding tax and Employee Pay As You Earn (PAYE) tax.
- c) Accruals and other payables include all other accruals made in respect of outstanding supplier payments and other contractual liabilities that do not form part of trade payables.
- d) Dividends payable relate to dividends required to be prepaid to the Government of Ghana as per the Development Agreement between the Company and the Government of Ghana.

19. Related party disclosures

The parent company is Gold Fields Holdings Company Ltd., a company incorporated in South Africa. The ultimate holding company is Gold Fields Limited, a company incorporated in South Africa.

Gold Fields Group Services Pty Ltd., Gold Fields Holding Company (BVI) Limited, Gold Fields Geo Services (BVI) Ltd., Gold Fields Exploration Inc., Gold Fields Australia Pty Ltd., Gold Fields Orogen Holding (BVI) Ltd. and Abosso Goldfields Limited, are fellow subsidiaries of Gold Fields Limited, the ultimate holding company incorporated in South Africa, and are therefore entities related through common control.

The following transactions were carried out during the year with related parties:

Ghana Cedis			United States Dollars	
2023	2022		2023	2022
		Services rendered to related entity		
<u>46,525</u>	<u>80,994</u>	Abosso Goldfields Limited	<u>3,980</u>	<u>12,716</u>
		Purchases of goods and services		
84,050	65,915	Gold Fields Group Services Pty Ltd.	7,190	7,660
66,515	49,367	Gold Fields Australia Pty Ltd.	5,690	5,737
-	-	Gold Fields Geo Services (BVI) Ltd.	-	-
<u>923</u>	<u>955</u>	Gold Fields Orogen Holding (BVI) Ltd.	<u>79</u>	<u>111</u>
<u>151,488</u>	<u>116,238</u>		<u>12,959</u>	<u>13,508</u>

Gold Fields Group Services Pty Ltd., Gold Fields Ghana Holdings (BVI) Ltd., Gold Fields Orogen Holding (BVI) Ltd., Gold Fields Australia Pty Ltd. and Gold Fields Geo Services Ltd. provide on an agency basis management, procurement, insurance brokerage and technical services to the Company. These transactions are carried out at cost. Interest of LIBOR plus 1.75% is charged on unpaid balances over 60 days old. During the period, there were no outstanding balances over 60 days hence no interest was charged.

Gold Fields Ghana Limited (lender) entered into a loan agreement with Abosso Goldfields Limited (borrower) on 12 November 2013 for a loan amount of up to US\$230 million to be advanced as and when required by the borrower in writing.

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

19. Related party disclosures (continued)

The borrower shall repay the outstanding loan, together with any accrued interest thereon in full on the maturity date. The loan was advanced at a rate of LIBOR plus 2% per annum with an initial maturity date of 11 November 2016 which has been extended to 11 November 2024. During the year, US\$21 million was repaid by the borrower to bring the loan balance outstanding to Nil. Balances with related parties are disclosed below:

Ghana cedis			United States Dollars	
2023	2022		2023	2022
		Related party loan		
		Abosso Goldfields Limited		
		At 1 January	21,006	116,006
213,572	693,820	Interest accrued	-	1,861
-	16,012	Interest repayment	-	(1,861)
-	(16,012)	Principal Repayment	(21,006)	(95,000)
(245,556)	(817,485)	Translation adjustment	<u>-</u>	<u>-</u>
<u>31,984</u>	<u>337,237</u>			
<u>-</u>	<u>213,572</u>	At 31 December	<u>-</u>	<u>21,006</u>
		Related party receivables:		
		Abosso Goldfields Limited	-	2,681
-	27,260	Gold Fields Australia Pty Ltd.	<u>156</u>	<u>-</u>
<u>1,868</u>	<u>-</u>			
<u>1,868</u>	<u>27,260</u>	Abosso Goldfields Limited	<u>156</u>	<u>2,681</u>

These financial assets were assessed to have a low credit risk in line with original expectations. The expected credit loss was immaterial and has therefore not been recognised.

Ghana Cedis			United States Dollars	
2023	2022		2023	2022
		Related party payables:		
		Gold Fields Australia Pty Ltd.	-	870
-	8,840	Gold Fields Group Services Pty Limited	216	99
2,584	1,006	Abosso Goldfields Limited	<u>963</u>	<u>-</u>
<u>11,514</u>	<u>-</u>			
<u>14,098</u>	<u>9,846</u>		<u>1,179</u>	<u>968</u>

All the related party balances, with the exception of the related party loan, do not exceed 60 days as it will attract an interest of Interest of LIBOR plus 1.75%. These balances are payable on demand.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company (directly or indirectly) and comprise the Directors and Senior Management of Gold Fields Ghana Limited.

Ghana Cedis			United States Dollars	
2023	2022	Key management compensation:	2023	2022
46,039	40,705	Salaries and other benefits	3,938	4,730
1,918	1,200	Post-employment benefit (SSNIT)	164	139
19,562	25,365	Share based payments	<u>1,673</u>	<u>2,948</u>
<u>67,519</u>	<u>67,270</u>	Total	<u>5,775</u>	<u>7,817</u>

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

Ghana Cedis			United States Dollars	
2023	2022		2023	2022
20. Cash and cash equivalents				
231	110	Cash on hand	19	11
<u>1,890,331</u>	<u>617,387</u>	Cash at bank	<u>158,055</u>	<u>60,724</u>
<u>1,890,562</u>	<u>617,497</u>		<u>158,074</u>	<u>60,735</u>
21. Capital reserves				
Ordinary shares				
Authorised				
1,000 shares of no par value				
Issued				
1,000 (2021: 1,000) shares of no par value				
<u>1</u>	<u>1</u>	Balance at beginning and end of year	<u>1</u>	<u>1</u>

The issued shares are divided into 900 class “A” shares issued for cash consideration and 100 class “B” shares issued to the Government of Ghana under section 8(1) of the Minerals and Mining Law 1986 (PNDCL 153) for no cash consideration. There are no treasury shares. There are no calls or instalments unpaid. All shares have equal rights and there are no restrictions. The Ghana cedi value of the issued shares is GH¢2.50. For the purposes of this report the figure has been rounded to GH¢1 since all figures are reported in thousands.

Translation reserve:

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements from the functional currency to Ghana cedis.

Other reserve:

Other reserve relates to the guaranteed dividends paid to the Government of Ghana. The Development Agreement between the Company and the Government of Ghana requires that in years where the Company does not declare and pay dividends, the Company would have to pay to the Government of Ghana 5% of the Company’s profit after tax as an advance payment against dividends. At the end of the year, a total amount of US\$ NIL (December 2022: US\$ NIL) has been accrued. Any unpaid portion is included in trade and other payables.

Share-based reserve account:

Share-based reserves relate to the accumulated expenses in respect of the Company’s share-based payments scheme (Note 26).

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

22. Cash generated from operations

Ghana Cedis			United States Dollars	
2023	2022		2023	2022
4,138,066	(195,433)	Profit/(loss) before tax	353,989	(22,711)
		Adjustment for non-cash items and interests:		
2,347,445	1,898,166	Amortisation and depreciation	200,810	220,586
296,613	117,029	Impairment loss on other financial assets	25,374	13,600
-	2,798,530	Impairment of non-current assets	-	325,217
8,986	2,437	Share based payment expense	769	283
-	(81,732)	Gain on derivative	-	(9,498)
(30,289)	(24,188)	Finance income	(2,591)	(2,811)
173,272	128,056	Finance expense	14,822	14,881
		Changes in working capital:		
(1,335,695)	(1,620,358)	Increase in inventories	(62,513)	(41,378)
92,582	(30,281)	Decrease/(increase) in trade and other receivables	11,295	(3,519)
(216,078)	(322,346)	Increase in other assets	(7,763)	(5,793)
106,337	(177,013)	Decrease/(increase) in prepayments	14,369	(4,024)
(28,725)	(34,025)	Decrease in provisions	(2,459)	(3,954)
<u>487,659</u>	<u>715,166</u>	Increase in trade and other payables	<u>19,725</u>	<u>21,304</u>
<u>6,040,173</u>	<u>3,174,008</u>	Cash generated from operations	<u>565,827</u>	<u>502,183</u>

23. Contingent liabilities

The Company has contingent liabilities from claims by third parties as at 31 December 2022 which will not exceed US\$419,380, GH¢4,898,360 (2021: US\$252,604, GH¢2,566,026).

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

24. Financial risk management

The following table shows the carrying amounts of financial assets and financial liabilities. The carrying amounts of these financial assets and liabilities are a reasonable approximation of their fair values.

United States Dollars

	Financial assets at amortised cost	Derivative at fair value	Financial liabilities at amortised cost	Total
31 December 2023				
<i>Financial assets:</i>				
Trade and other receivables (excluding statutory receivables)	5,068	-	-	5,068
Other assets	76,491	-	-	76,491
Cash and cash equivalents	158,074	-	-	158,074
	<u>239,633</u>	<u>-</u>	<u>-</u>	<u>239,633</u>
<i>Financial liabilities:</i>				
Trade and other payables (excluding statutory payables)	-	-	153,401	153,401
Lease liabilities	-	-	147,970	147,970
	<u>-</u>	<u>-</u>	<u>301,371</u>	<u>301,371</u>
31 December 2022				
<i>Financial assets:</i>				
Trade and other receivables (excluding statutory receivables)	19,234	-	-	19,234
Other financial assets at amortised cost	25,374	-	-	25,374
Related party loan	21,006	-	-	21,006
Other assets	68,728	-	-	68,728
Cash and cash equivalents	60,735	-	-	60,735
	<u>195,077</u>	<u>-</u>	<u>-</u>	<u>195,077</u>
<i>Financial liabilities:</i>				
Trade and other payables (excluding statutory payables)	-	-	133,442	133,442
Lease liabilities	-	-	151,741	151,741
	<u>-</u>	<u>-</u>	<u>285,183</u>	<u>285,183</u>

The effect of fair value assessment on the related party loan is not deemed material to the financial statements.

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

24. Financial risk management (continued)

Ghana Cedis

	Financial assets at amortised cost	Derivatives at fair value	Financial liabilities at amortised cost	Total
31 December 2023				
<i>Financial assets:</i>				
Trade and other receivables (excluding statutory receivables)	60,613	-	-	60,613
Other assets	914,833	-	-	914,833
Cash and cash equivalents	1,890,562	-	-	1,890,562
	<u>2,866,008</u>	<u>-</u>	<u>-</u>	<u>2,866,008</u>
<i>Financial liabilities:</i>				
Trade and other payables (excluding statutory payables)	-	-	1,834,678	1,834,678
Lease liabilities	-	-	1,769,721	1,769,721
	<u>-</u>	<u>-</u>	<u>3,604,399</u>	<u>3,604,399</u>
31 December 2022				
<i>Financial assets:</i>				
Trade and other receivables (excluding statutory receivables)	195,559	-	-	195,559
Other financial assets at amortised cost	257,973	-	-	257,973
Related party loan	213,572	-	-	213,572
Other assets	698,755	-	-	698,755
Cash and cash equivalents	617,497	-	-	617,497
	<u>1,983,356</u>	<u>-</u>	<u>-</u>	<u>1,983,356</u>
<i>Financial liabilities:</i>				
Trade and other payables (excluding statutory payables)	-	-	1,356,711	1,356,711
Lease liabilities	-	-	1,542,744	1,542,744
	<u>-</u>	<u>-</u>	<u>2,899,455</u>	<u>2,899,455</u>

The effect of fair value assessment on the related party loan is not deemed material to the financial statements.

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

24. Financial risk management (continued)

In the normal course of its operations, the Company is exposed to commodity price, currency, interest rate, liquidity and credit risks. In order to manage these risks, the Company has developed a comprehensive risk management process to facilitate control and monitoring of these risks. Management of financial risk is centralised at the treasury department, which manages financial risk in accordance with the policies and procedures established by the Board of Directors and Executive Committee, in order to protect profit and cash flows.

The financial risk management objectives of the Company are defined as follows:

Market Risk:

Commodity price risk management: Commodity risk management takes place within limits and with counterparties approved in the Head Office's Treasury Framework.

Interest rate risk management: The objective is to identify opportunities to prudently manage interest rate exposures. The Company manages this risk by having a portfolio of variable rate loans receivable. The Company has no borrowings.

Currency risk management: The objective is to maximise the Company's profits by minimising currency fluctuations and exposures.

Credit Risk:

Counterparty exposure: The objective is to only deal with approved counterparties that are of sound financial standing and who have an official credit rating. The Company is limited to a maximum investment of between 4 and 5 per cent of the financial institutions' equity, which is dependent on the institutions' credit rating. This credit rating is Fitch Ratings' short-term credit rating for financial institutions.

Banking relations management: The objective is to maintain relationships with financial institutions licensed by relevant regulatory bodies and ensure that all contracts and agreements relating to risk management activities are co-ordinated and consistent throughout the Company and that where necessary all relevant regulatory and statutory requirements are complied with.

Liquidity Risk:

Liquidity risk management: The objective is to ensure that the Company can meet its short-term commitments through the effective and efficient use of credit facilities.

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

24. Financial risk management (continued)

Market Risk

(i) Commodity price sensitivity

Gold

The market price of gold has a significant effect on the results of operations of the Company, the ability of the Company to pay dividends and to undertake capital expenditures. A standard scenario that is considered on a monthly basis includes a parallel fall or rise in the market price. A change in the price of gold at the reporting date would have impacted equity and profit or loss by the amounts shown below:

	United States Dollars		Ghana Cedis	
	2023 Increase	2023 Decrease	2023 Increase	2023 Decrease
Gold price impact (5% movement)	62	(62)	737	(737)
	----- 62	----- (62)	----- 737	----- (737)
	====	====	====	====

	United States Dollars		Ghana Cedis	
	2022 Increase	2022 Decrease	2022 Increase	2022 Decrease
Gold price impact (5% movement)	634	(634)	6,445	(6,445)
	----- 634	----- (634)	----- 6,445	----- (6,445)
	====	====	====	====

Oil market price

The market price of oil has a significant effect on the results and costs of operations of the Company. The Company's operations consume large quantities of diesel in the running of the mining and milling equipment. Oil prices have historically fluctuated widely and are affected by numerous factors over which the Company does not have any control.

To the extent that it enters into derivative arrangements, Gold Fields seeks to use different counterparty banks consisting of local and international banks to spread risk. None of the counterparties is affiliated with, or related parties of Gold Fields.

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

24. Financial risk management (continued)

Market Risk (continued)

(ii) Foreign currency risk

In the normal course of business, the Company enters into transactions for the purchase of goods and services denominated in other currencies. In addition, the Company has assets and liabilities in a number of different currencies. As a result, the Company is subject to transaction and translation exposure from fluctuations in foreign currency exchange rates.

Currency risk only exists on account of financial instruments being denominated in a currency that is not the functional currency and being of a monetary nature. Differences resulting from the translation of financial statements into the Company's presentation currency are not taken into account.

Below is the sensitivity analysis of the Company's exposure to various currencies at the end of the period.

Exchange risk exposure

2023	AUD	CAD	EUR	GBP	GH¢	ZAR
Cash and cash equivalents	-	-	-	-	383,321	-
Related party balances	229	-	-	-	-	(3,954)
Trade payables	(114)	-	(719)	(172)	(44,283)	(7,655)
Statement of financial position exposure	<u>115</u>	<u>=</u>	<u>(719)</u>	<u>(172)</u>	<u>339,037</u>	<u>(11,609)</u>
2022	AUD	CAD	EUR	GBP	GH¢	ZAR
Cash and cash equivalents	-	-	-	-	351,465	-
Related party balances	(1,278)	-	-	-	-	(1,683)
Trade payables	<u>(227)</u>	-	<u>(12)</u>	<u>(20)</u>	<u>(23,441)</u>	<u>(3,703)</u>
Statement of financial position exposure	<u>(1,505)</u>	<u>=</u>	<u>(12)</u>	<u>(20)</u>	<u>328,024</u>	<u>(5,386)</u>

The following exchange rates were applied during the year

USD/unit of currency

	AUD	CAD	EUR	GBP	GHC	ZAR
Financial year 2023- average	0.6641	0.7410	1.0814	1.2431	0.0855	0.0542
Reporting date spot rate	0.6807	0.7546	1.1049	1.2708	0.0836	0.0539
Financial year 2022- average	0.6958	0.7686	1.0555	1.2365	0.1162	0.0613
Reporting date spot rate	0.6795	0.7389	1.0668	1.2050	0.0984	0.0590

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

24. Financial risk management (continued)

Market Risk (continued)

(ii) Foreign currency risk (continued)

Exchange risk exposure (continued)

Sensitivity Analysis

A strengthening/weakening of the USD, as indicated below, against the major currencies would have increased/(decreased) profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considers reasonably possible at the reporting date. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasted sales and purchases.

December 2023	AUD	CAD	EUR	GBP	GHC	ZAR
10% Strengthening	8	-	(80)	(22)	2,835	(63)
5% Strengthening	4	-	(40)	(11)	1,417	(31)
10% Weakening	(8)	-	80	22	(2,835)	63
5% Weakening	(4)	-	40	11	(1,417)	31

December 2022	AUD	CAD	EUR	GBP	GHC	ZAR
10% Strengthening	(102)	-	(1)	(2)	3,226	(32)
5% Strengthening	(51)	-	(1)	(1)	1,613	(16)
10% Weakening	102	-	1	2	(3,226)	32
5% Weakening	51	-	1	1	(1,613)	16

(iii) Interest rate risk

Fluctuations in interest rates impact the value of investments and financing activities, giving rise to interest rate risk. The interest rate risk arises from the related party loan receivable which has a variable interest rate.

The effect of a 10bp change in interest rates (2022: 10bp) at the reporting rate would impact profit or loss and equity as follows:

	United States Dollars		Ghana Cedis	
	2023 Increase	2023 Decrease	2023 Increase	2023 Decrease
Financial assets	-	-	-	-
	====	====	====	====
	2022 Increase	2022 Decrease	2022 Increase	2022 Decrease
Financial assets	91	(91)	923	(923)
	====	====	====	====

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

24. Financial risk management (continued)

Market Risk (continued)

(iii) Interest rate risk (continued)

LIBOR/SOFR developments

Developments in respect of the proposed reform/cessation of US dollar LIBOR and the impact thereof on the Company's LIBOR linked facilities are actively monitored by the Company. During 2023, the Company either replaced or transitioned all new facilities using LIBOR to SOFR. This did not have a material impact on the Company's finance cost.

Credit risk

Credit risk represents risk that an entity will suffer financial loss due to the other party of a financial instrument not discharging its obligation. The Company has reduced its exposure to credit risk by dealing with a number of counterparties considered to be of good credit quality. Debtors are regularly monitored and assessed and where necessary an adequate level of provision for impairment is maintained. No margined facilities are engaged. The combined maximum credit risk exposure of the Company is as follows:

Ghana Cedis			United States Dollars	
2023	2022		2023	2022
14,746	128,900	Trade receivables	1,233	12,678
1,868	27,260	Related party receivables	156	2,681
43,999	39,399	Staff receivables	3,679	3,875
-	257,973	Other financial assets at amortised cost	-	25,374
-	213,572	Related party loans	-	21,006
914,833	698,755	Other assets	76,491	68,728
<u>1,890,562</u>	<u>617,497</u>	Cash at bank	<u>158,074</u>	<u>60,735</u>
<u>2,866,008</u>	<u>1,983,356</u>	Total	<u>239,633</u>	<u>195,077</u>

Management uses the simplified method to determine expected credit losses for trade receivables. There is no history of default as these balances are usually settled under one week after the transaction date. Intercompany loans and other receivables are considered to have lower credit risk and the loss allowance determined during the year was limited to 12-month expect credit losses. There is no history of default and no forward-looking information have been identified by the directors that could materially impact the payment profile of these trade receivables, intercompany loans and other receivables. Hence no impairment loss was recognised.

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

24. Financial risk management (continued)

Credit risk (continued)

The other financial assets at amortised cost fall under stage 3 of the impairment model and thus were assessed using lifetime ECL approach as a result of an increase in credit risk since initial recognition. The ECL was based on the Company's understanding of the financial position of the contractor including consideration of the credit risk grade. The credit risk is managed through the Company's offsetting rights of invoices against the loan advanced to the contractor.

The movement in the allowance for impairment in respect of other financial assets at amortised cost during the year was as follows:

Ghana Cedis			United States Dollars	
2023	2022		2023	2022
252,987	135,958	At 1 January	37,000	23,400
296,613	117,029	Impairment loss recognised in the year	25,374	13,600
<u>196,393</u>	<u>-</u>	Translation adjustment	<u>-</u>	<u>-</u>
<u>745,993</u>	<u>252,987</u>	At 31 December	<u>62,374</u>	<u>37,000</u>

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial. Cash at bank is held with financial institutions licensed by relevant regulatory bodies.

Liquidity risk

In the ordinary course of business, the Company uses cash proceeds from its operations to fund working capital and capital expenditure requirements. The cash is managed to ensure that surplus funds are invested to maximise returns whilst ensuring that capital is safeguarded to the maximum extent possible by investing only with regulator-licensed financial institutions. The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date:

United States Dollars

	Within 1 year	Between 1 and 5 years	Over 5 years	Total
At 31 December 2023				
Trade payables	28,028	-	-	28,028
Mining accruals	34,849	-	-	34,849
Related party payables	1,179	-	-	1,179
Accruals and other payables	89,345	-	-	89,345
Lease liabilities	<u>11,651</u>	<u>58,438</u>	<u>103,839</u>	<u>202,398</u>
Total	<u>165,052</u>	<u>58,438</u>	<u>103,839</u>	<u>355,799</u>

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

24. Financial risk management (continued)

Liquidity risk (continued)

United States Dollars

	Within 1 year	Between 1 and 5 years	Over 5 years	Total
At 31 December 2022				
Trade payables	16,037	-	-	16,037
Mining accruals	40,027	-	-	40,027
Related party payables	968	-	-	968
Accruals and other payables	76,410	-	-	76,410
Lease liabilities	<u>18,887</u>	<u>96,598</u>	<u>114,496</u>	<u>229,981</u>
Total	<u>141,696</u>	<u>96,598</u>	<u>114,496</u>	<u>363,423</u>

Ghana Cedis

	Within 1 year	Between 1 and 5 years	Over 5 years	Total
At 31 December 2023				
Trade payables	335,215	-	-	335,215
Mining accruals	416,797	-	-	416,797
Related party payables	14,098	-	-	14,098
Accruals and other payables	1,068,568	-	-	1,068,568
Lease liabilities	<u>139,346</u>	<u>388,466</u>	<u>1,241,909</u>	<u>1,769,721</u>
Total	<u>1,974,024</u>	<u>388,466</u>	<u>1,241,909</u>	<u>3,604,399</u>

At 31 December 2022

Trade payables	163,049	-	-	163,049
Mining accruals	406,953	-	-	406,953
Related party payables	9,846	-	-	9,846
Accruals and other payables	776,863	-	-	776,863
Lease liabilities	<u>192,020</u>	<u>982,112</u>	<u>1,164,083</u>	<u>2,338,215</u>
Total	<u>1,548,731</u>	<u>982,112</u>	<u>1,164,083</u>	<u>3,694,926</u>

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

25. Capital management

The primary objective of managing the Company's capital is to ensure that there is sufficient capital available to support the funding requirements of the Company, including capital expenditure, in a way that:

- optimises the cost of capital;
- maximises shareholders' returns; and
- ensures that the Company remains in a sound financial position.

There were no changes to the Company's overall capital management approach during the current year. The Company monitors capital using a gearing ratio, which is defined as net debt (borrowings and lease liability less liquid investments and cash and cash equivalents) divided by shareholders' equity (as shown on the statement of financial position). While the Company does not set absolute limits on the ratio, it believes a ratio of between 10% and 25% is optimal.

The indicative gearing ratios are as shown below:

	United States Dollars	
	31 December 2023	31 December 2022
Lease liability	147,970	151,741
Cash and cash equivalents	<u>(158,074)</u>	<u>(60,735)</u>
Net debt	<u>(10,104)</u>	<u>91,006</u>
Total shareholders' equity	<u>949,569</u>	<u>844,362</u>
Gearing ratio (%)	<u>(1%)</u>	<u>10.7%</u>
	Ghana Cedis	
	31 December 2023	31 December 2022
Lease liability	1,769,721	1,542,744
Cash and cash equivalents	<u>(1,890,562)</u>	<u>(617,497)</u>
Net debt	<u>(120,841)</u>	<u>925,247</u>
Total shareholders' equity	<u>11,356,840</u>	<u>8,584,622</u>
Gearing ratio (%)	<u>(1%)</u>	<u>10.7%</u>

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

26. Share-based payments

The Company's ultimate parent granted equity-settled instruments comprising share awards and restricted shares to executive directors, certain officers and employees. During the year ended 31 December 2023, the Gold Fields Limited 2012 Share Plan as amended in 2016 was in place. Allocations under this plan were made during 2021, 2022 and 2023.

The following information is available for the plan:

	United States Dollars (million)		
	2023	2022	2021
(b)(ii) Gold Fields Limited 2012 Share Plan amended – Performance shares	0.8	0.3	2.1
Total included in profit or loss for the year	0.8	0.3	2.1

The movement in share-based payment reserve account is shown in the statement of changes in equity.

Gold Fields Limited 2012 Share Plan amended – awards after 1 March 2016

The following table summarises the movement of share awards under the Gold Fields Limited 2012 Share Plan as amended in 2016 during the years ended 31 December 2023 and 31 December 2022.

	2023	2022
	Performance Shares (“PS”)	Performance Shares (“PS”)
Outstanding at beginning of the year	257	633
Movement during the year		
Granted	88	37
Forfeited	(38)	(103)
Exercised and released	(101)	(310)
Outstanding at end of the year	206	257

None of the outstanding awards of 205,842.00 (2022: 257,092.00) above have vested.

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

27. Leases

(i) Amounts recognised in the statement of financial position

The lease contracts are for a period ranging from 6 months to 6 years but may have extension options. Extension and termination options are included in a number of property and equipment leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable by mutual agreement between the Company and the respective lessor.

Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

The balances arising from the Company's leasing activities are set out below:

Ghana Cedis			United States Dollars	
2023	2022		2023	2022
		<i>Right-of-use assets</i>		
1,615,352	1,466,438	Power Plant	135,064	144,237
174,823	18,085	Mining fleet	14,617	1,779
130,835	40,211	Buses	10,941	3,955
1,921,010	1,524,733		160,622	149,971

Right-of-use assets of the Company are included in 'Property, plant and equipment' in note 12.

Ghana Cedis			United States Dollars	
2023	2022		2023	2022
		<i>Lease liabilities</i>		
1,542,744	953,499	Balance at 1 January	151,741	159,424
81,648	-	Additions during the year (Note 12) (excluding lease prepayment)	6,984	-
130,845	96,405	Interest expense (Note 9)	11,193	11,203
(125,725)	(66,111)	Lease payments	(10,755)	(7,683)
(130,845)	(96,405)	Interest payments	(11,193)	(11,203)
271,054	655,356	Translation adjustment	-	-
1,769,721	1,542,744	Balance at 31 December	147,970	151,741
139,346	192,020	<i>Current portion of lease liabilities</i>	11,651	18,887
1,630,375	1,350,724	<i>Non-current portion of lease liabilities</i>	136,319	132,854
1,769,721	1,542,744		147,970	151,741

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

27. Leases

(ii) Amounts recognised in the statement of comprehensive income

Ghana Cedis			United States Dollars	
2023	2022	<i>Depreciation charge on right-of-use assets</i>	2023	2022
92,234	177,183	Power Plant	7,890	20,590
15,935	(65,840)	Mining fleet	1,363	(7,651)
<u>31,599</u>	-	Buses	<u>2,703</u>	-
<u>139,768</u>	<u>111,343</u>		<u>11,956</u>	<u>12,939</u>
<u>130,845</u>	<u>96,405</u>	Interest expense (included in finance costs)	<u>11,193</u>	<u>11,203</u>

No short term or low value leases were expensed in the statement of comprehensive income.

(iii) Amounts recognised in the statement of cash flows

The total cash outflow for leases in 2023 was US\$21.9 million; GH¢256.6 million (2022: 18.9 million; GH¢162.5 million).

Ghana Cedis		28. Other assets	United States Dollars	
2023	2022		2023	2022
<u>914,833</u>	<u>698,755</u>	Restricted amount	<u>76,491</u>	<u>68,728</u>

Gold Fields Ghana Limited has a Reclamation Security Agreement with the Environmental Protection Agency (EPA). Pursuant to this agreement and based on the Reclamation Plan and Decommissioning Study (RPCDS), a security guarantee of US\$113,271,103 (2022: US\$105,508,193) was posted with Environmental Protection Authority. This consists of a cash deposit of US\$76,491,103 (2022: US\$68,728,193) and bank guarantees of US\$36,780,000 (2022: US\$36,780,000) with Absa Bank Ghana Limited.

NOTES (continued)

(All amounts are in thousands unless otherwise stated)

29. Commitments

(i) *Capital Commitments*

The capital commitments as at 31 December 2023 is US\$17million; GH¢199million. (2022: US\$ Nil).

(ii) *Lease contracts*

United States Dollars

	Undiscounted Lease liabilities¹	Non-lease elements²	Fully variable lease payments³	Total
31 December 2023				
- within one year	11,651	19,160	355,522	386,333
- later than one and not later than five years	58,438	77,971	1,500,438	1,636,847
- later than five years	<u>132,309</u>	<u>131,065</u>	<u>994,961</u>	<u>1,258,335</u>
Total	<u>212,755</u>	<u>228,196</u>	<u>2,850,921</u>	<u>3,281,515</u>
31 December 2022	<u>229,981</u>	<u>115,333</u>	<u>2,426,006</u>	<u>2,771,320</u>

1. The undiscounted lease liabilities relate to the gross cash flows used to determine the lease liabilities in terms of *IFRS 16 Leases* and will not agree to the leases recognised in Note 27.
2. The non-lease elements are the amounts in the lease contracts that are not accounted for as part of the lease liabilities.
3. These are the total commitments per lease contracts where the payments have been determined to be fully variable, as a result no lease liability has been recorded.

30. Events after the reporting period

Events subsequent to the reporting date are reflected in the financial statements only to the extent that they relate to the year under consideration and the effect is material.

The directors recommended an interim dividend of a total of US\$125 million to its shareholders in January 2024 and May 2024.

Apart from the above, the directors are not aware of any material events that have occurred between the date of the statement of financial position and the date of this report that may require adjustment and, or disclosure in the financial statements.