



HARMONY™

**“The right platform to rebuild
our growth story!”**

**Quarter ended
December 2005**



PRIVATE SECURITIES LITIGATION REFORM ACT SAFE HARBOR STATEMENT

This presentation contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and 21E of the Securities Exchange Act of 1934, as amended, that are intended to be covered by the safe harbour created by such sections. All statements other than those of historical facts included in this presentation are forward-looking statements including, without limitation, (i) estimates of future earnings, and the sensitivity of earnings to the gold and other metals prices; (ii) estimates of future gold and other metals production and sales, (iii) estimates of future cash costs; (iv) estimates of future cash flows, and the sensitivity of cash flows to the gold and other metals prices; (v) statements regarding future debt repayments; (vi) estimates of future capital expenditures; (vii) estimates of reserves, and statements regarding future exploration results and the replacement of reserves; and (viii) statements regarding modifications to the Company's hedge position. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, gold and other metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks in the countries in which we operate and governmental regulation and judicial outcomes. For a more detailed discussion of such risks and other factors, see the Company's Annual Report on Form 20-F for the year ended June 30, 2005, which is on file with the Securities and Exchange Commission, as well as the Company's other SEC filings. The Company does not undertake any obligation to release publicly any revisions to any "forward-looking statement" to reflect events or circumstances after the date of this presentation, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

- **increase in cash operating profit to R389 million up from R119 million in September 2005 (227%)**
- **cash operating costs decrease by 3% to R83 154/kg versus R85 718/kg in September 2005**
- **leveraged shafts return to profitability**
- **growth projects are on schedule**
- **NUM and management agree to re-establish co-operative relationships**

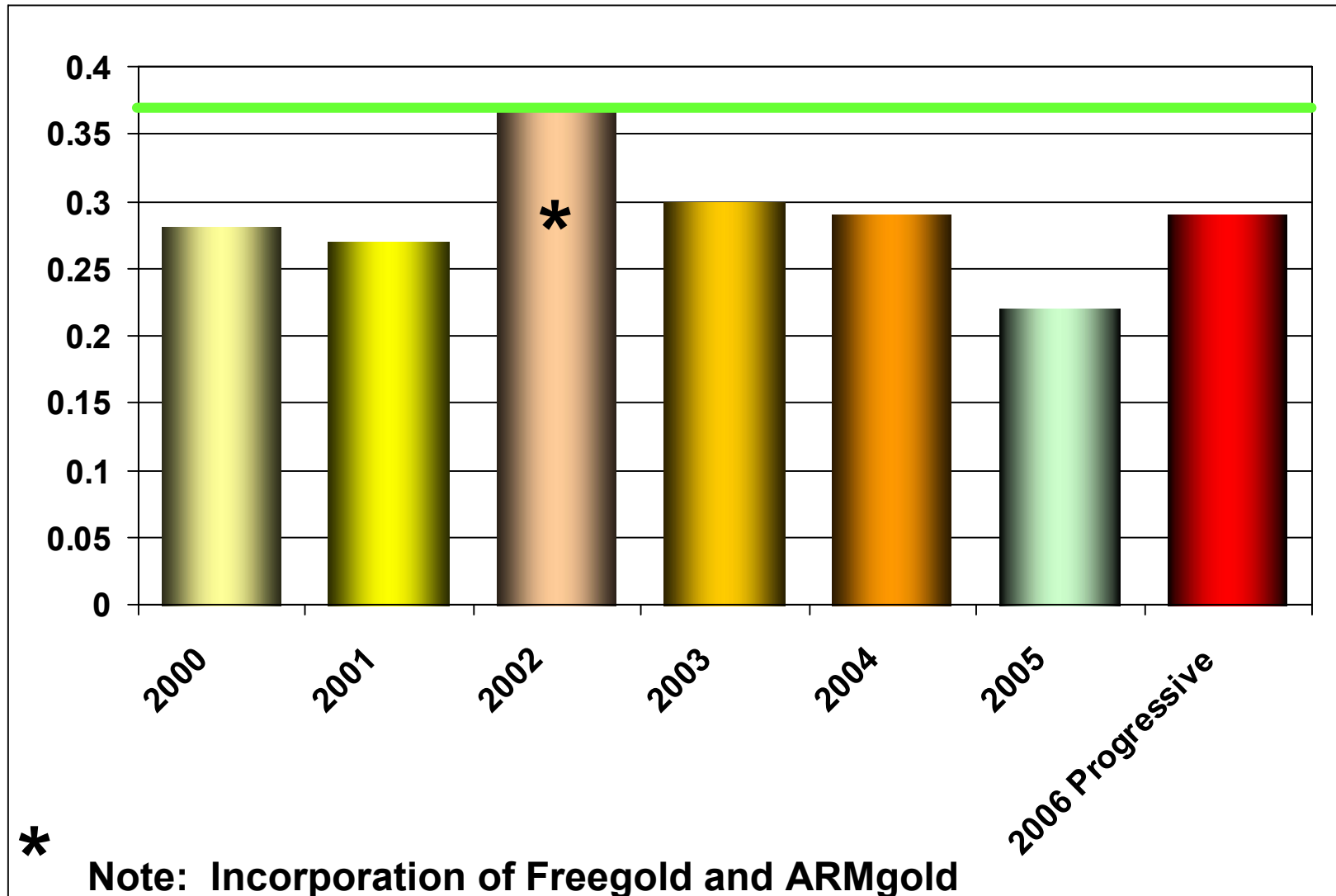
- **labour costs out of the system for Dec quarter**
- **impact of lower volumes on unit cost**
- **productivity coming from a low base**
- **orebody flexibility being addressed**
 - **CONOPS**
 - **Volume**
 - **Grade**



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OUR SAFETY RESULTS

Fatality injury rate (per million hours worked)





QUARTER ON QUARTER ANALYSIS

		DEC 2005	SEPT 2005	% Variance
Production	- kg	20 316	19 219	6
Production	- oz	653 171	617 902	6
Revenue	- R/kg	102 333	91 888	11
Revenue	- US\$/oz	487	440	11
Cash cost	- R/kg	83 154	85 718	3
Cash cost	- US\$/oz	396	410	3
Exchange rate	- USDZAR	6.53	6.50	0
U/g working costs	- R/tonne	462	464	0
Cash operating profit	- (R'm)	389	119	227
Cash earnings per share	- cents	99	30	230
Earnings/loss per share	- cents	6	(82)	



QUARTER ON QUARTER PROFIT COMPARISON

OPERATIONS	DEC 2005 (R'million)	SEPT 2005 (R'million)	VARIANCE (R'million)
Quality ounces	263.7	127.7	136.0
Growth projects	(2.5)	1.8	(4.3)
Leveraged ounces	76.0	(45.8)	121.8
Surface operations	10.9	5.5	5.4
Total South Africa	348.1	89.2	258.9
Australasian operations	41.3	29.6	11.7
Total	389.4	118.8	270.6



QUARTER ON QUARTER CASH OPERATING PROFIT VARIANCE ANALYSIS

Cash operating profit – Sept 2005 **R 118.8 million**

Value attributed to change in:

- volume **R 86.5 million**
- working cost **R (42.0) million**
- recovery grade **R 14.1 million**
- Rand gold price **R 212.0 million**
- Net variance** **R 270.6 million**

Cash operating profit – Dec 2005 **R 389.4 million**



RECONCILIATION OF HEADLINE EARNINGS

EARNINGS PER SHARE (SA Cents)	QUARTER ENDED DECEMBER 2005	QUARTER ENDED SEPTEMBER 2005
Cash earnings	99	30
Basic earnings/(loss)	6	(82)
Headline loss	(75)	(86)
Adjusted Headline loss*	(46)	(63)
Fully diluted earnings/(loss)	6	(82)

* Excludes all unrealised gains/(losses) on financial instruments as well as the tax implications

Headline earnings in cents per share	Quarter ended Dec 2005
Basic earnings	6
Profit on sale of mining assets	(3)
<u>Profit on disposal of Gold Fields investment</u>	<u>(78)</u>
Headline loss	(75)



OPERATIONAL RESULTS - QUALITY OUNCES

		Dec 2005	Sept 2005	% Variance
U/g tonnes milled	('000)	1 574	1 464	8
U/g recovered grade	(g/t)	6.10	5.96	2
U/g kilograms produced	(kg)	9 604	8 719	10
U/g working costs	(R/Kg)	74 725	76 896	3
U/g working costs	(R/tonne)	456	458	0

- **Tshepong successfully re-implemented CONOPS (tons + 11%)**

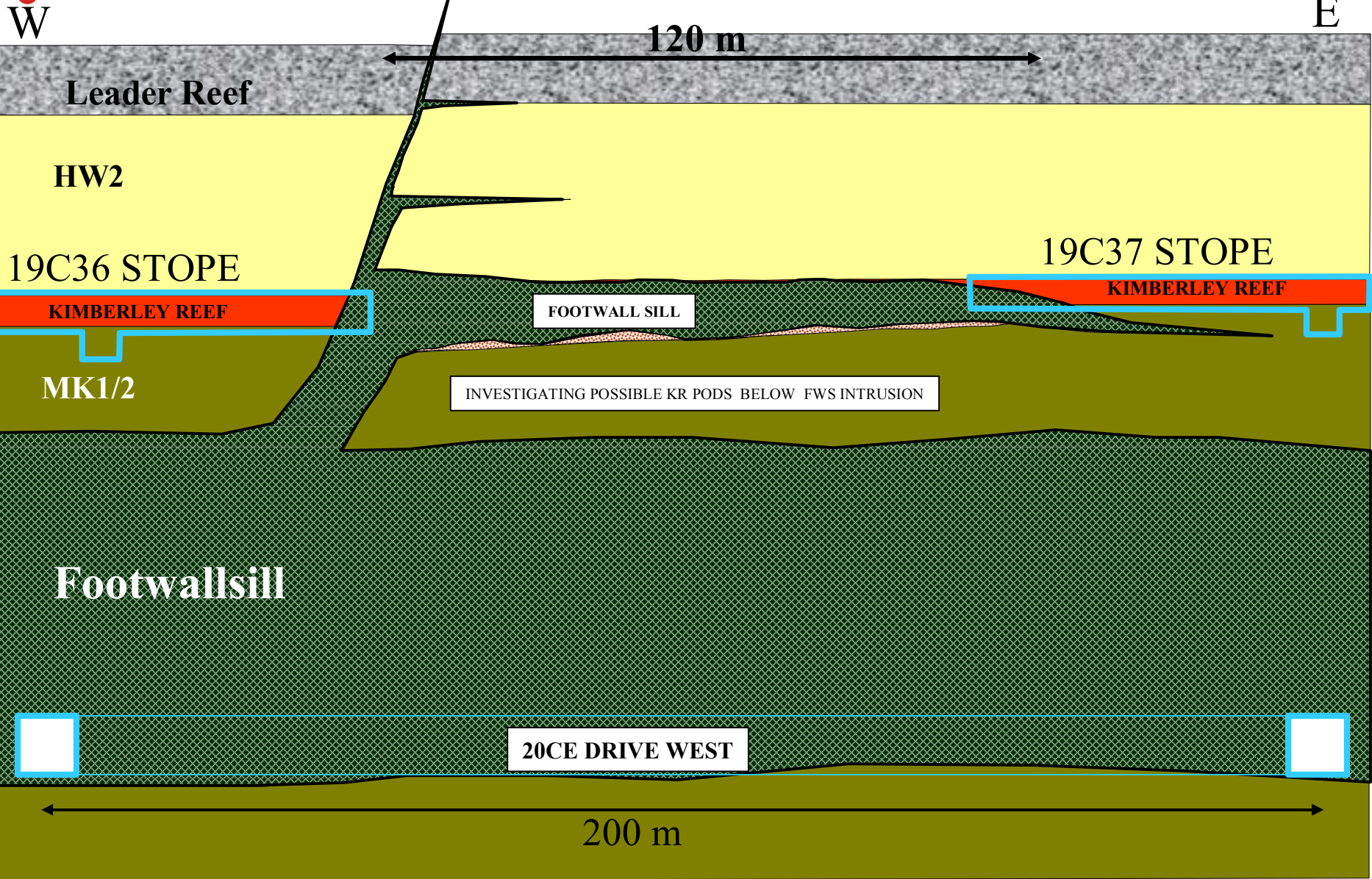
MARCH QUARTER

- **Target re-established orebody and equipment flexibility (tons +20%; grade +5%)**
- **Masimong (CONOPS and quality +15%)**
- **Evander – 7 Shaft grade and volume reduction (-20%)**



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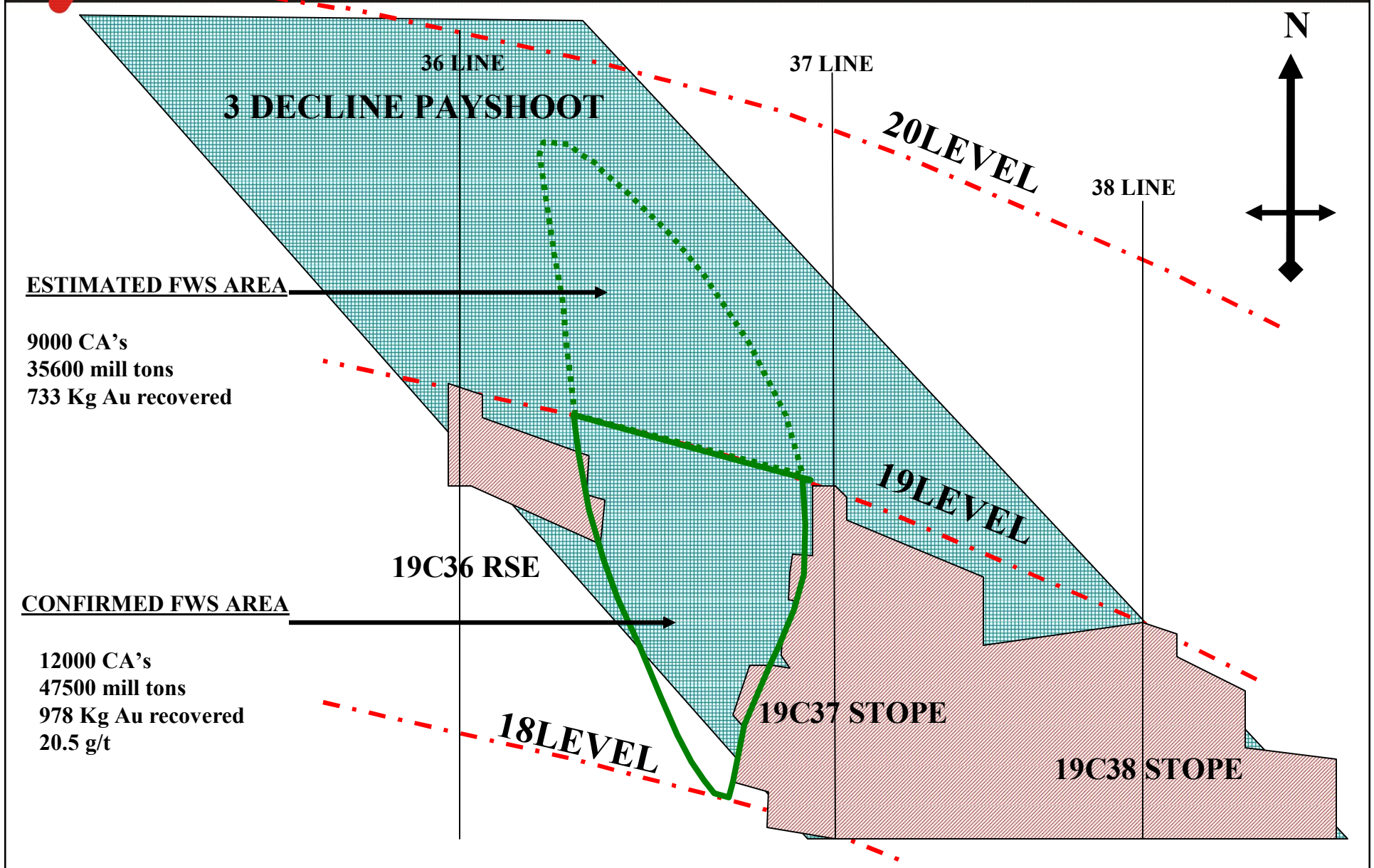
W-E SECTION ALONG STRIKE THROUGH 19C36 AND 19C37 ON 3 DECLINE EGM7#





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SCHEMATIC PLAN OF KIMBERLEY REEF AREA AFFECTED BY FOOTWALL-SILL OFFSHOOT EGM7#





OPERATIONAL RESULTS - GROWTH PROJECTS

	Dec 2005	Sept 2005	% Variance
U/g tonnes milled ('000)	312	315	(1)
U/g recovered grade (g/t)	5.63	6.33	(11)
U/g kilograms produced (kg)	1 756	1 995	(12)
U/g working costs (R/Kg)	104 188	91 253	(14)
U/g working costs (R/tonne)	586	578	(1)

- **mining mix \pm 20% from new mine**

MARCH QUARTER OUTLOOK

- **Elandsrand - 40 000 tons more
 - 20 000 tons from waste**
- **linking old and new orepasses**
- **longer term may remain due to quality of backfill**
- **sequential grid adapted to multiple sequential
grid (3 raises at same time)**



OPERATIONAL RESULTS – LEVERAGED OPERATIONS

	Dec 2005	Sept 2005	% Variance
U/g tonnes milled ('000)	1 252	1 218	3
U/g recovered grade (g/t)	4.88	4.42	10
U/g kilograms produced (kg)	6 113	5 380	14
U/g working costs (R/Kg)	90 074	100 158	10
U/g working costs (R/tonne)	440	442	0



LEVERAGED OUNCES HIGHLIGHTS AND CONCERNS

- **Bambanani (tons +18%;gold +57%;R/Kg -28%)**
- **Unisel (grade +5g/t)**
- **Harmony 2 (grade +5,5g/t)**

MARCH QUARTER OUTLOOK

- **Joel – North shaft commissioning mid February
(3 months late; +10% volume)**

Mainly gold price dependant



OPERATIONAL RESULTS - SURFACE OPERATIONS (INCLUDES KALGOLD)

	Dec 2005	Sept 2005	% Variance
Surface tonnes milled (000)	938	838	12
Surface recovery grade (g/t)	0.99	1.47	(33)
Kilograms produced (kg)	926	1 228	(25)
Working costs (R/kg)	89 849	87 029	(3)
Working costs (R/tonne)	89	128	30

- **eastern wall slippage May 2005**
- **mining focus moved to A-zone (lower grade)**

MARCH QUARTER OUTLOOK

- **strategic stockpile – A-zone limited**
- **higher gold price allows for 4th cut-back (Dec 2005 to Oct 2006)**
- **± R130 million profit @ R100 000/kg gold price**
- **contractor – 9,5% interim increase**



AUSTRALIAN OPERATIONS

	Dec 2005	Sept 2005	% Variance
Tonnes Milled ('000)	781	765	2
Recovered grade (g/t)	2.45	2.48	(1)
Ounces produced ('000)	1 917	1 897	1
Working costs (R/kg)	80 820	78 643	(3)
Working costs (US\$/oz)	198	195	(2)

- **St George underground build-up**
- **two years Lost Time Injury Free Shifts at Mount Marion**
- **further good exploration results for open pits at South Kal**
- **increase on contractor cost**

MARCH QUARTER OUTLOOK

- **hedge book restructuring continues**



CASH RECONCILIATION FOR THE PERIOD OCTOBER 2005 TO DECEMBER 2005

	R million
Cash and equivalents on 30 September 2005 (R'million)	970.8
Operational	(520.9)
Operating profit	389.4
Capex (net)	(287.7)
Development cost capitalised	(161.0)
Corporate / exploration expenditure	(104.1)
Employment termination & restructuring costs	(14.9)
Care & maintenance cost of non-operating shafts	(27.5)
Interest paid	(97.4)
Movement in working capital	(257.9)
Movement in accrued liabilities	10.5
Other items	29.7
Other	2 464.4
Net sundry revenue	52.2
Foreign exchange losses	(20.5)
Shares issued (net of expenses)	44.5
Avgold hedge payments (final instalment)	(72.8)
Proceeds on sale of Gdd Fields shares	2 441.7
Proceeds on sale of Sangold shares	19.3
Cash and equivalents on 31 December 2005	2 914.3

We have investments in:

	<u>R'millions</u>	
	<u>Dec '05</u>	<u>Sept '05</u>
• Trust Funds (mainly rehabilitation)	R1 214	R1 192
• Gold Fields	-	R2 536
• ARM	R 897	R 875
• Other	<u>R 80</u>	<u>R 106</u>
Total	<u>R2 191</u>	<u>R4 709</u>

The net profit of R305 million from the disposal of our investments in Gold Fields and Sangold is reflected in our income statement



WORLD CLASS GROWTH PROJECTS

PROJECT		LOM OUNCES ('000/OZ)	CAPITAL COST (US\$M)	US\$ COST/OZ	CASH COST\$/oz	g/t	oz/ANNUM
Masimong	(SA)	2 530	30	12	370	5,2	260 000
Phakisa	(SA)	3 960	99	25	275	7,3	250 000
Elandsrand	(SA)	6 220	123	20	241	8,9	509 000
Doornkop South Reef	(SA)	2 960	148	50	336	6,5	325 000
Tshepong	(SA)	1 470	43	29	287	7,2	135 000
Hidden Valley	(PNG)	2 600	250	96	220	2.2	345 000
TOTAL		19 740	693	35	277	-	1 824 000

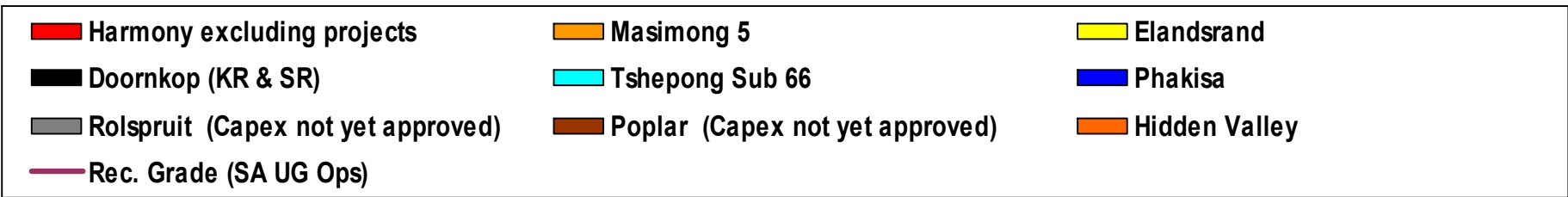
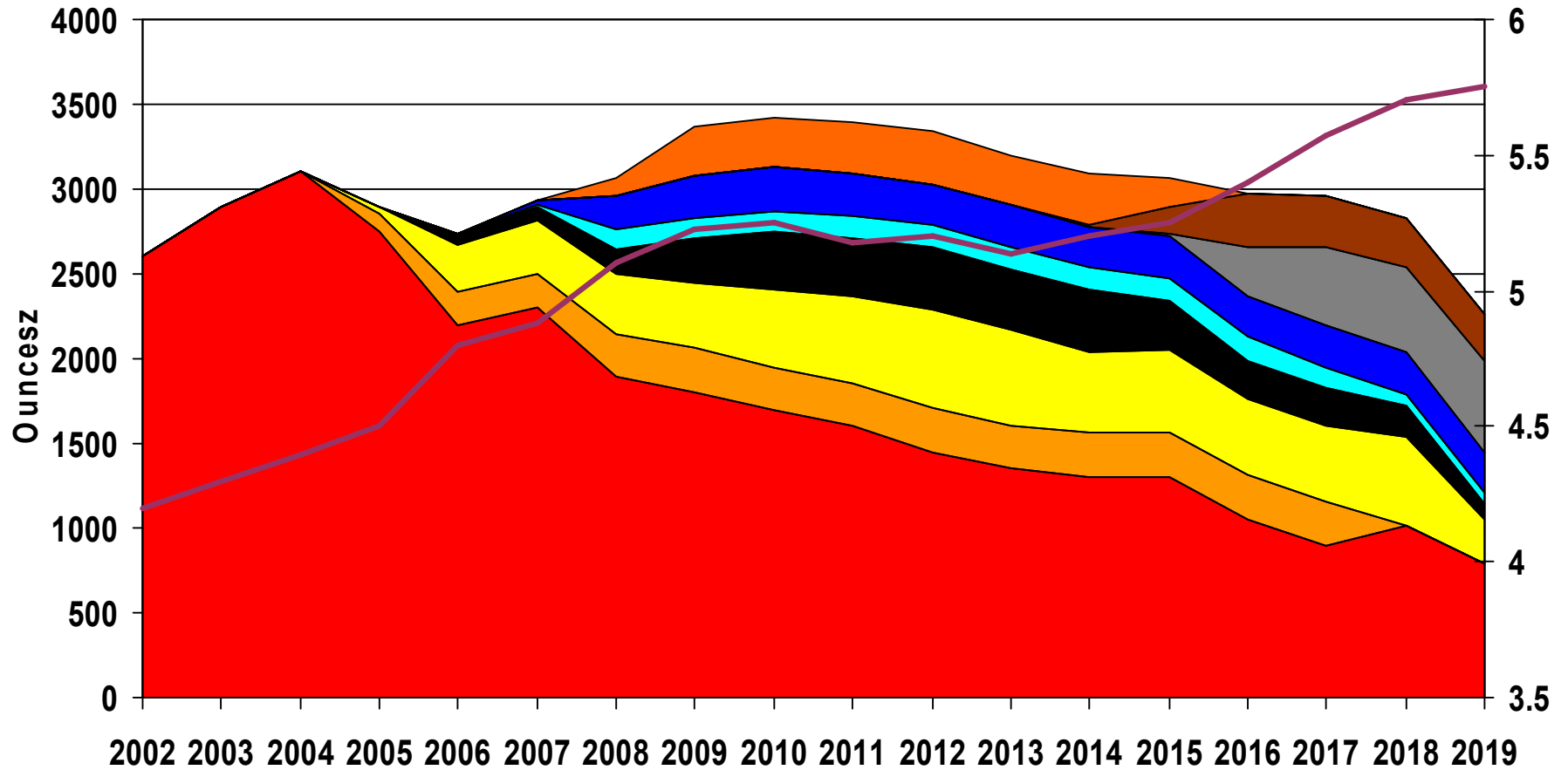
Based on R92 000/kg and R6,50/US\$

**WE ARE BUILDING SIX NEW MINES TO EXPLOIT
19.7 M/oz OF GOLD AT 1,8 M/oz P/A AT AN
AVERAGE CASH COST OF US\$277/oz**



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WORLD CLASS GROWTH PROJECTS





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**HIDDEN VALLEY PROJECT A
GREAT PROJECT, GETTING
BETTER**





HIDDEN VALLEY PROJECT PROGRESS

- **all required statutory approvals have been obtained**
- **draft Environmental Management Plan submitted during December 2005**
- **access road now at halfway point**
- **updating of feasibility document and project execution plan completed by May 06**
- **funding of mining fleet during March quarter and production slots reserved for machinery**
- **discussions to secure electricity from national power supplier in progress**



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HIDDEN VALLEY ACCESS ROAD





HIDDEN VALLEY PARAMETERS (TO BE UPDATED APRIL/MAY 06)

Ore (40.5 Mt)	(M tonne/yr)	4.2
Recovery Grade	(Au g/t)	2.21
Recovery Grade	(Ag g/t)	35.7
Gold production per annum	('000 oz)	285
Silver production per annum	('000 oz)	3 900
Equivalent gold production	('000 oz)	345
LOM gold production	('000 oz)	2 600
LOM silver production	('000 oz)	39 000
Mine construction period	(months)	26
LOM	(years)	9,7



HIDDEN VALLEY PARAMETERS

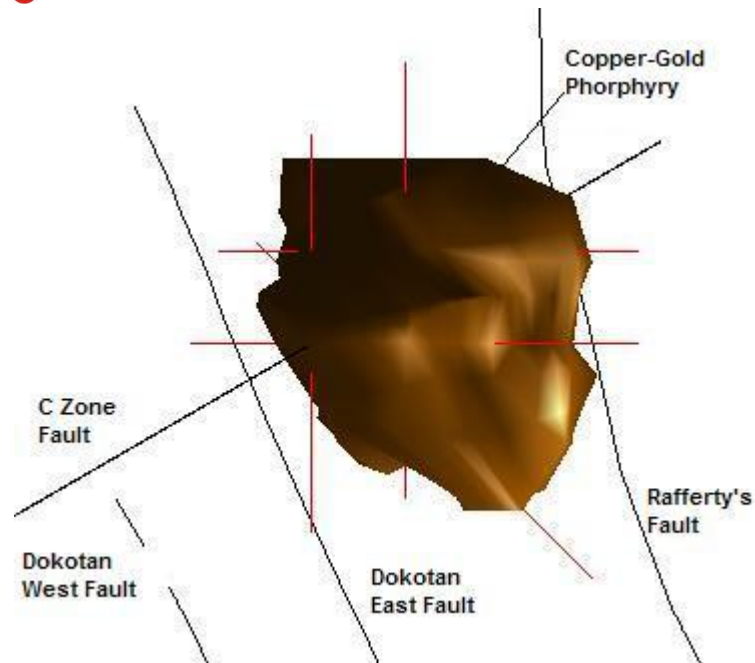
	At US\$ 500/oz Au, US\$ 7.5/oz Ag	At US\$ 550/oz Au, US\$ 8.5/oz Ag
Pre Tax Cash Flow	US\$ 480 M	US\$ 650 M
Pre Tax NPV @ 7,5%	US\$ 225 M	US\$ 325 M
Pre Tax IRR	28%	36%
Cash Cost	220	207

CAPEX of US\$ 250 M

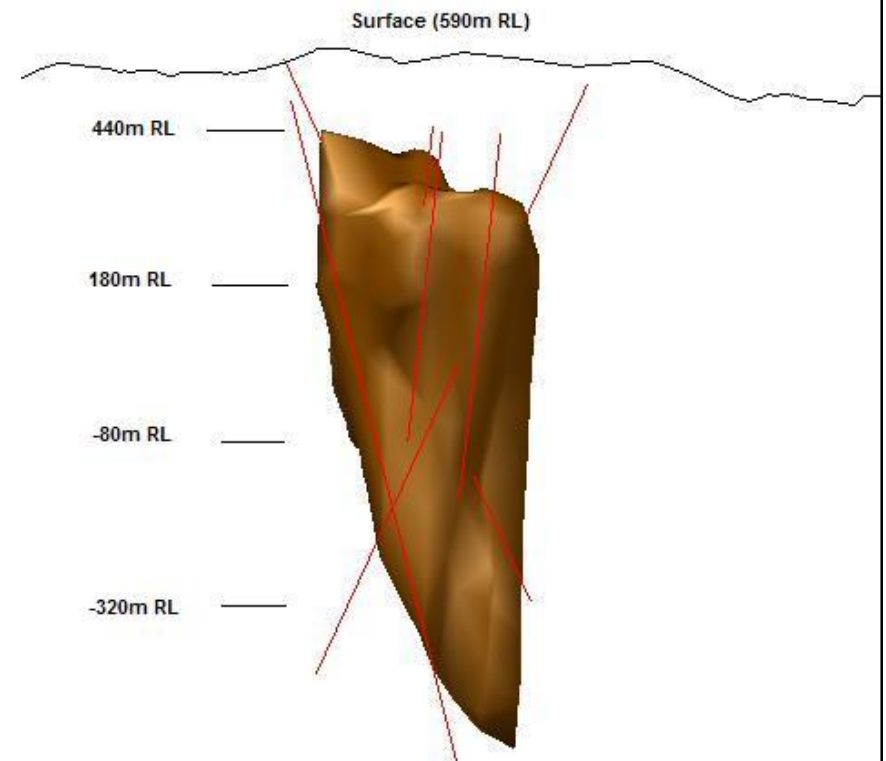


WAFI/GOLPU PRE-FEASABILITY PROJECT OVERVIEW

- a large gold and copper gold resource in close proximity
 - Golpu resource 95 M tonnes @ 1.45% Cu, and 0.65 g/t Au
 - 1.4 M tonnes contained copper
 - 2 Moz contained gold
 - Wafi Gold resource divided into 3 significant zones
 - Link Zone – 6 M tonnes @ 7g/t (1.3m oz Au)
 - Zone A – 39.8 M tonnes @ 2.45 g/t (3.1m oz Au)
 - Zone B – 18.9 M tonnes @ 1.72 g/t (1m oz Au)
- both resources are well drilled, with significant metallurgical test work already completed



Isometric view of copper gold porphyry and geotechnical drilling program



**Golpu plan view showing major
structures and geotechnical
drilling program planned holes**

- 6 holes, 6 000m total
- all holes test major structures and add resource confidence



WAFI-GOLPU PRE-FEASIBILITY STUDY GETS UNDERWAY

- **commencement of pre-feasibility at a cost of A\$8 million got underway in July 2005**
- **contracts have been awarded for:**
 - **diamond drilling**
 - **geotechnical consulting**
 - **environmental studies**
 - **upgrading of access road**
 - **metallurgical testwork**
- **pre-feasibility study scheduled for completion by December 2006**



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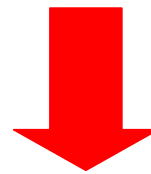
ADDRESSING YOUR CONCERNS ON MANAGEMENT CAPACITY





Our growth strategy remains in place:

- **we have taken the bitter medicine**
- **operational improvement starting to show**
- **growth projects all going ahead**
- **track record of acquisition**



Rebuilding the growth story



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Questions

Website

www.harmony.co.za