



**HARMONY™**

**“Operational turn around  
underway and growth projects  
on track”**

**February 2006**



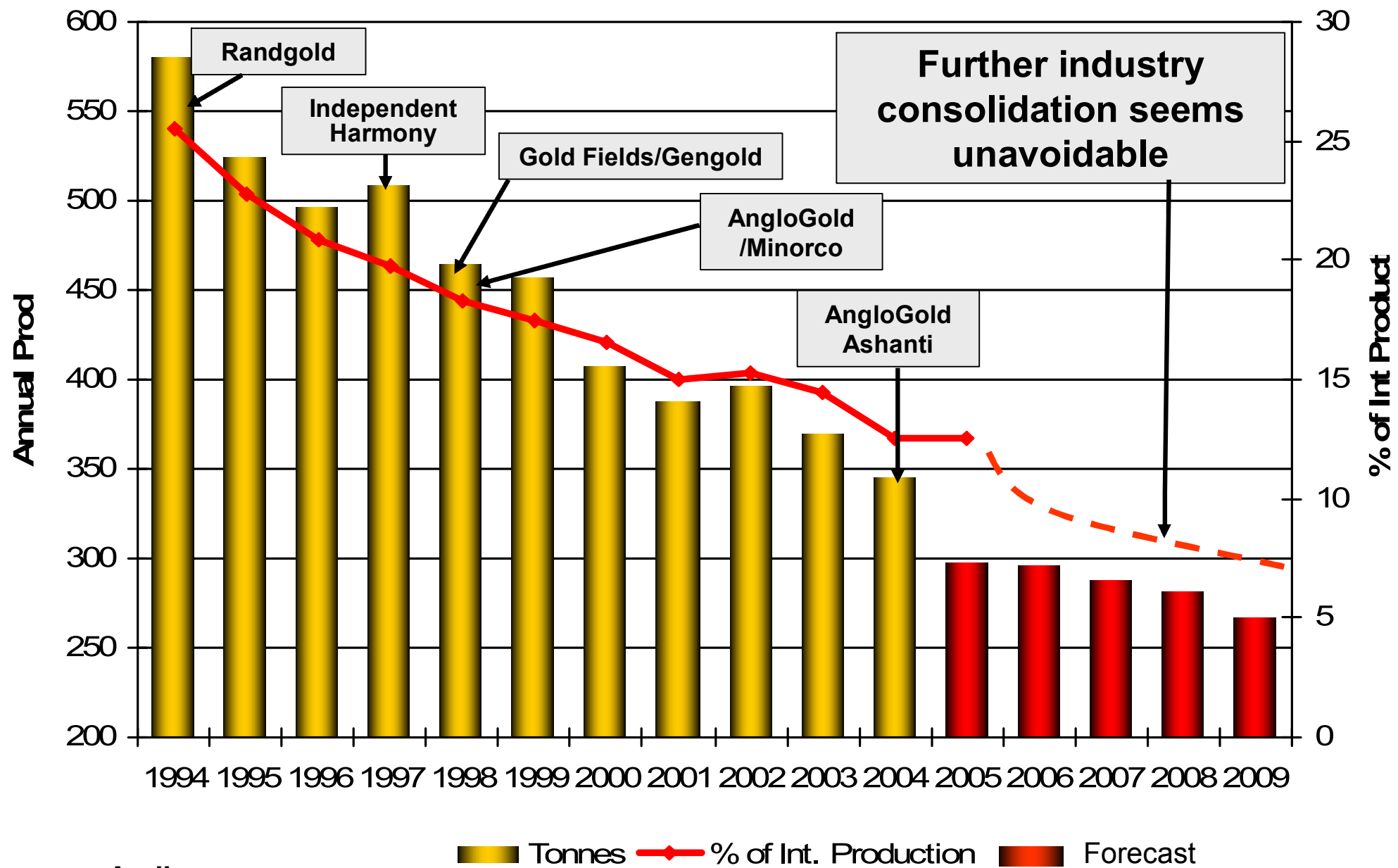
# PRIVATE SECURITIES LITIGATION REFORM ACT SAFE HARBOR STATEMENT

**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, 2004, 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.**

# SOUTH AFRICAN GOLD PRODUCTION IS DECLINING RAPIDLY



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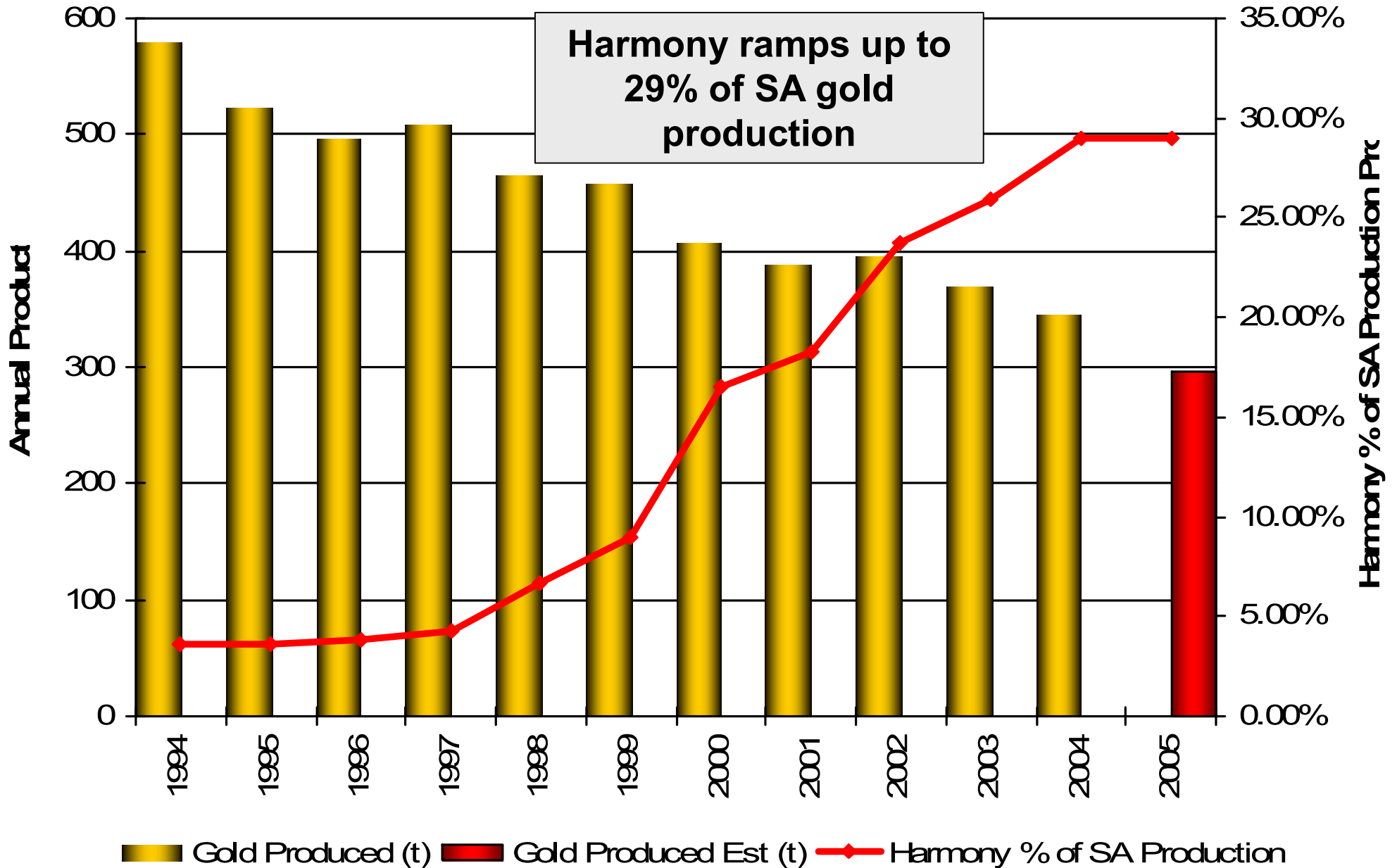


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## HARMONY GROWS IN A SHRINKING ENVIRONMENT



# SA GOLD INDUSTRY - 44 YEAR PERIOD 1961-2005

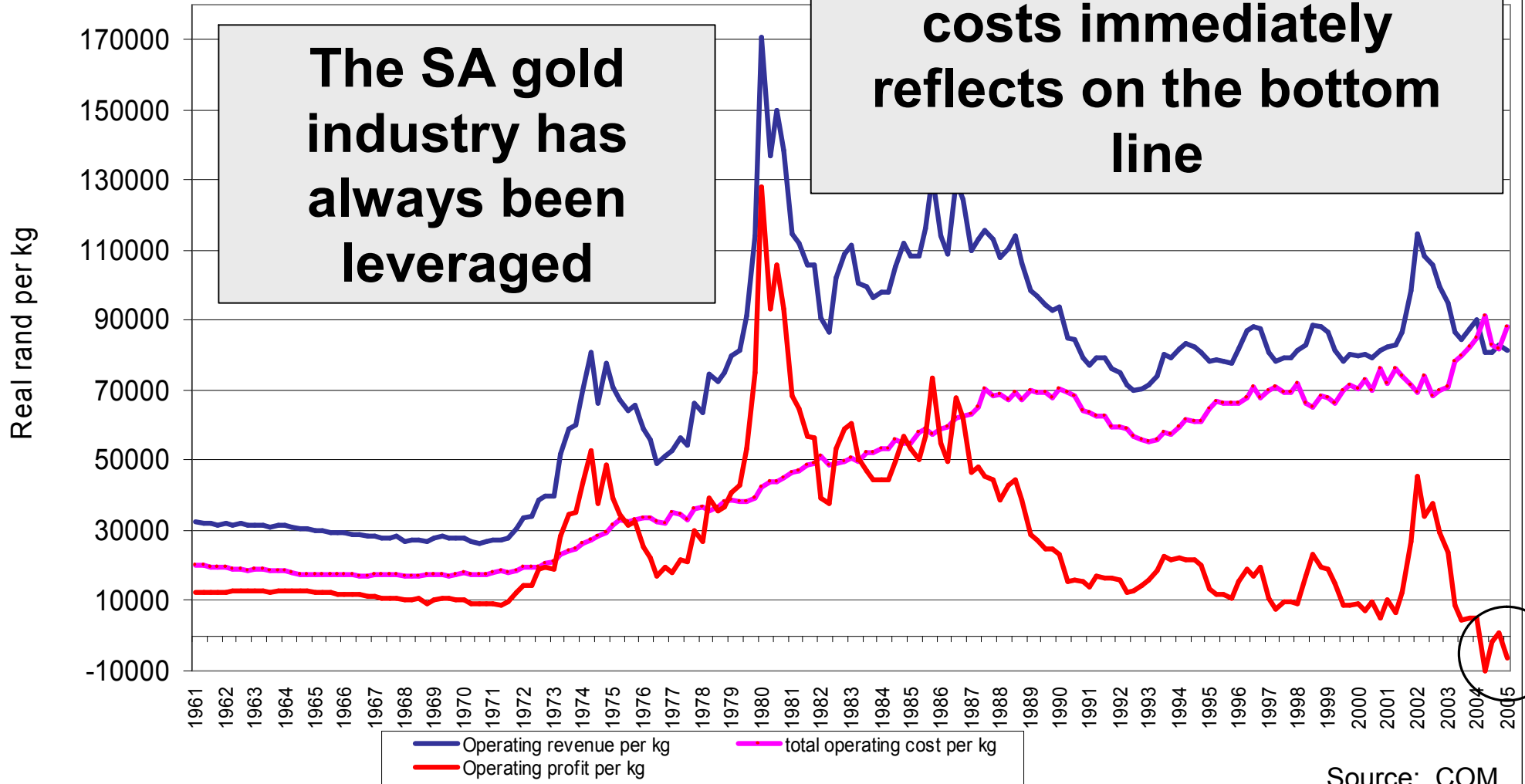


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Operating revenue, total operating costs and profit, all per kg in real first Quarter 2005 rand terms (PPI deflator)

**The SA gold industry has always been leveraged**

**A change in gold price or costs immediately reflects on the bottom line**



Source: COM

**WE HAVE DELIVERED ON:**

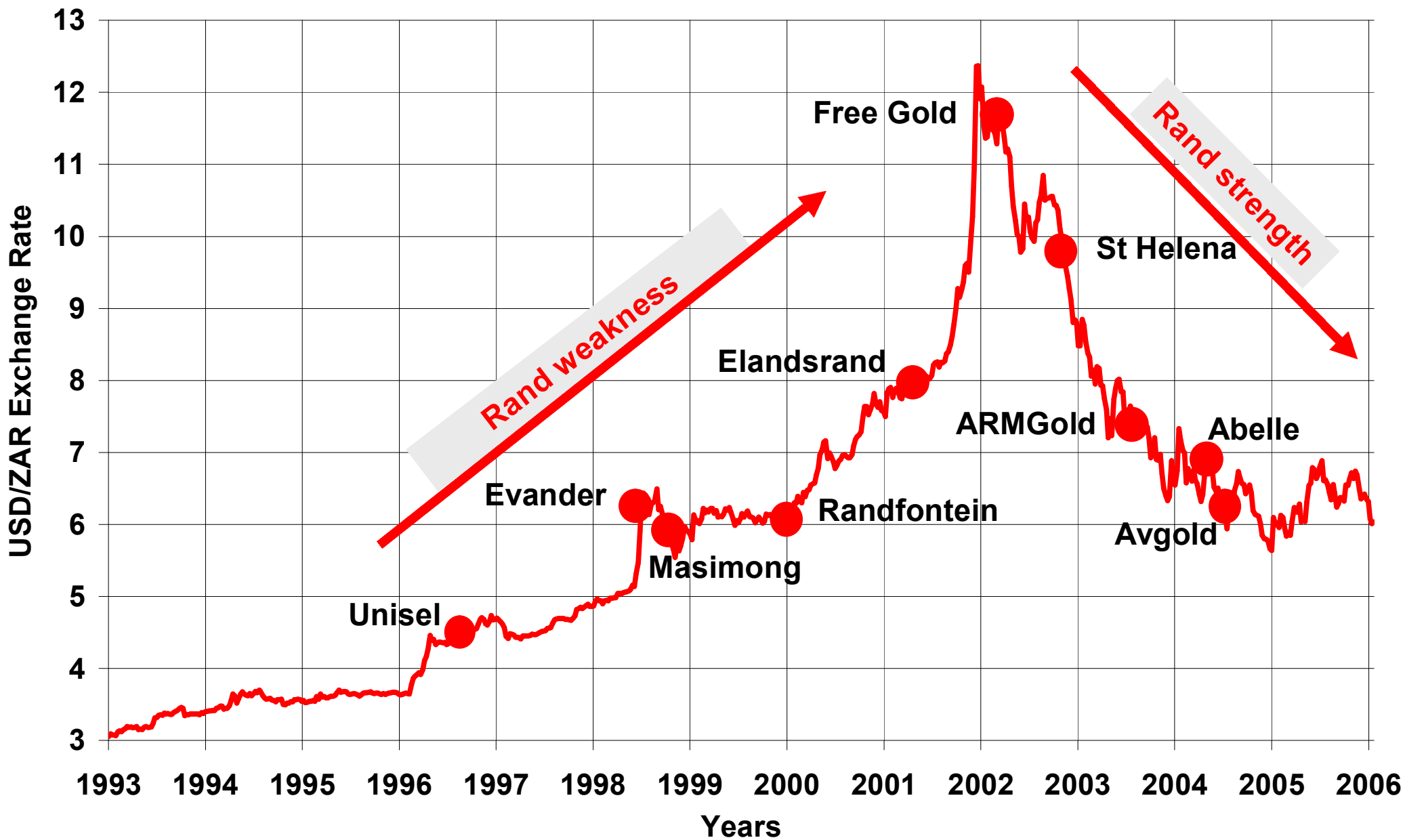
- **keeping our growth strategy intact – increasing production from 580 000 ounces to in excess of 2.6 million ounces per annum**
- **building an international gold mining company with exposure in South Africa, Australasia and South America**
- **building one of the best gold project pipelines in the world**
- **anticipating and pro-actively managing change in the South African political and economic operating environment**

**We have received new order mining licences for  
Evander, Elandsrand and Randfontein**



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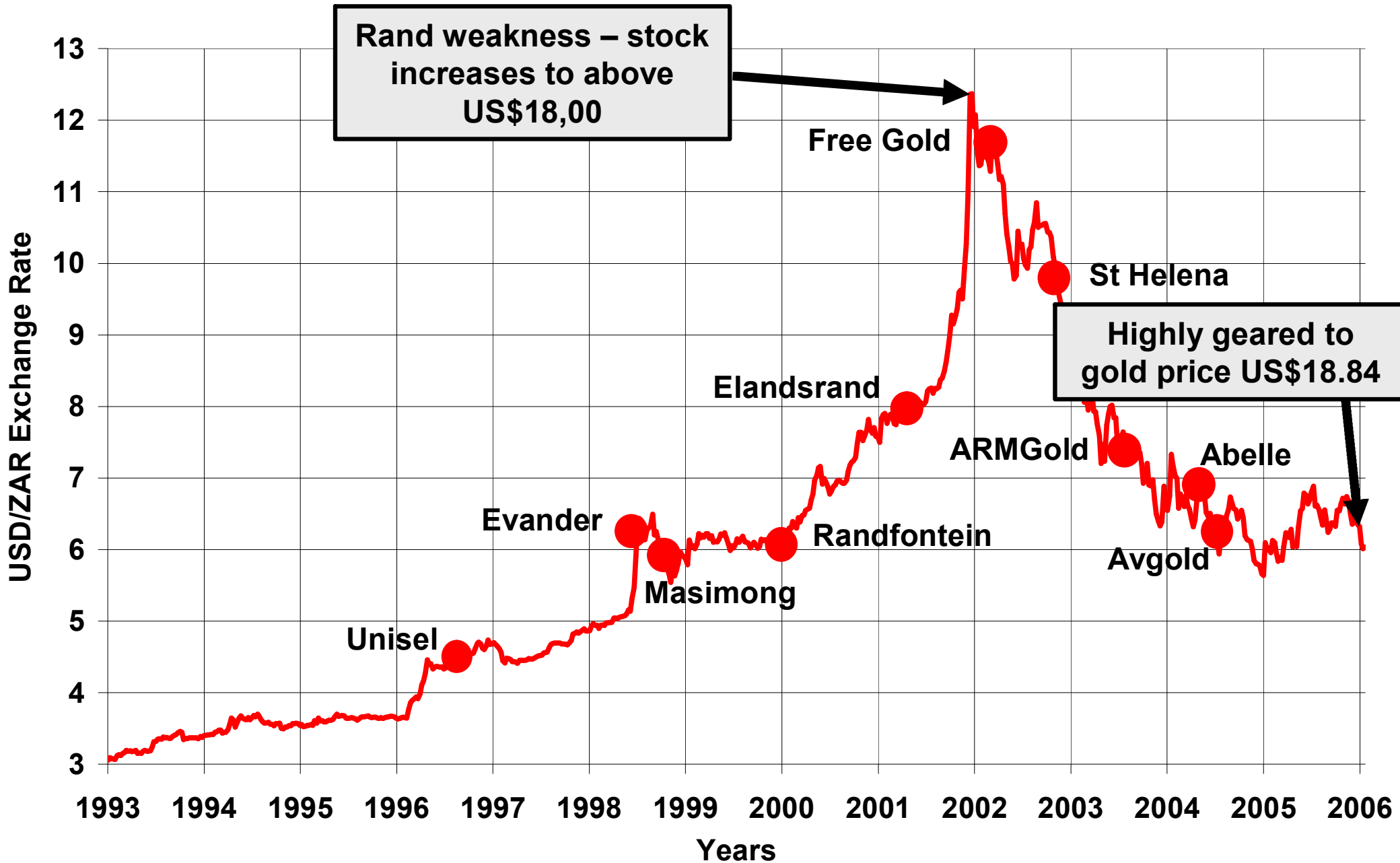
# OUR ACQUISITION TRAIL STICKING TO OUR STRATEGY





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# HOW RAND STRENGTH AFFECTS OUR STOCK PRICE



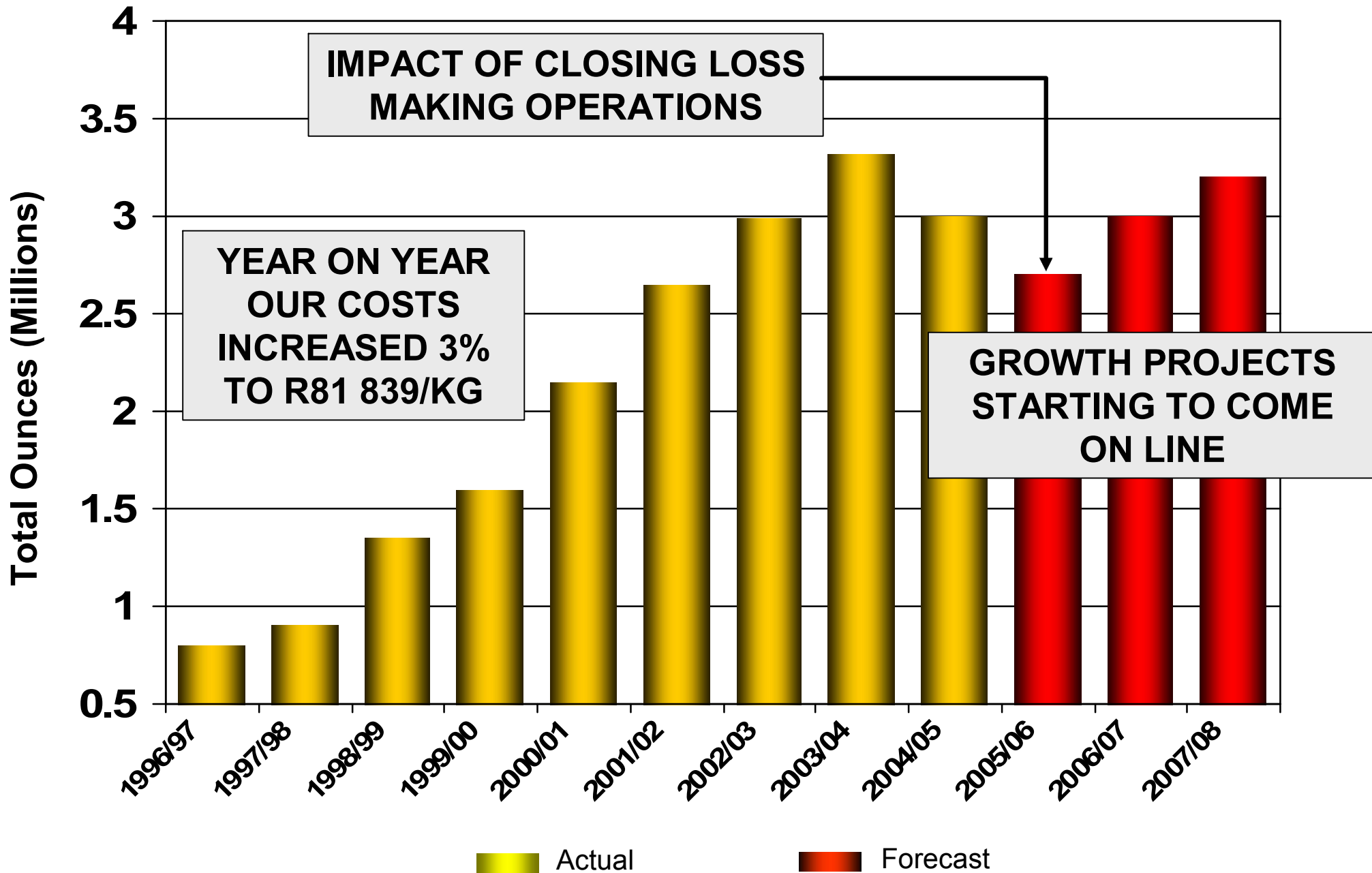


- **low R/kg gold price environment lead to restructuring**
- **implementation completed by September 2005**
- **costs out, re-skilling completed and competence improving**
- **re-building relationships**
- **CONOPS implementation to plan**
- **leaner Harmony set up for future expansion and improvements**
- **focus on productivity improvement**

# RESTRUCTURING OUR OPERATIONS HAS HAD AN IMPACT



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# LOW CAPITAL COST PER PRODUCTION OUNCE

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	2.3	345 000
<b>TOTAL</b>		<b>19 740</b>	<b>693</b>	<b>35</b>	<b>277</b>	<b>-</b>	<b>1 824 000</b>

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

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





# HIDDEN VALLEY PROJECT

A Great project, getting better



- **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**

# HIDDEN VALLEY ACCESS ROAD



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# HIDDEN VALLEY PARAMETERS

(to be updated April/May 06)

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

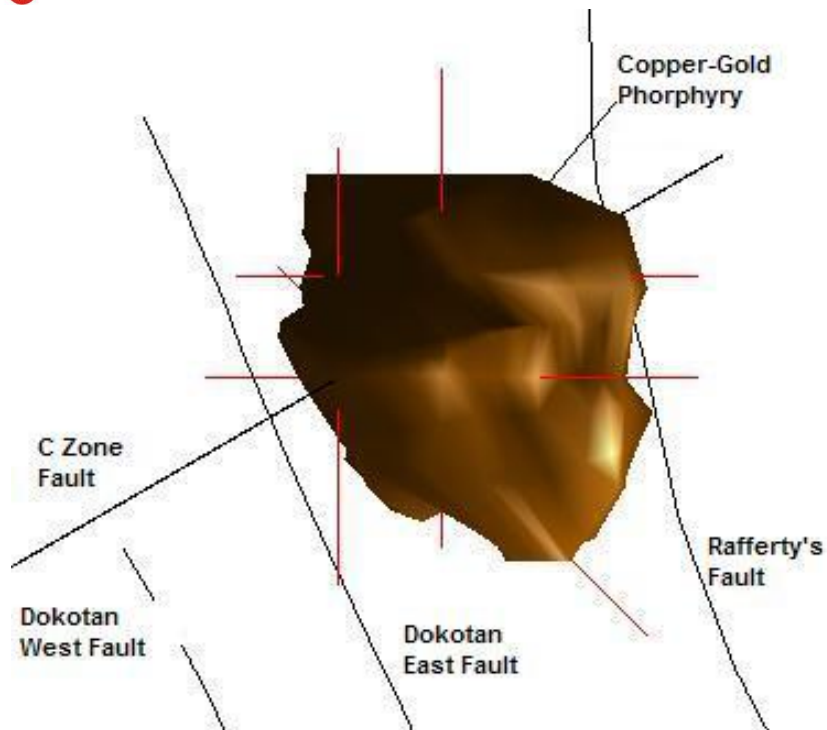




## HIDDEN VALLEY PARAMETERS (to be updated April/May 06)

<b>At US\$ 500/oz Au, US\$ 7.5/oz Ag,</b>		
	<b>Pre Tax Cash Flow</b>	<b>US\$ 480 mill</b>
	<b>Pre Tax NPV @ 7,5%</b>	<b>US\$ 225 mill</b>
	<b>Pre Tax IRR</b>	<b>28%</b>
<b>Cash Cost</b>	<b>(US\$/oz)</b>	<b>220</b>
<b>At US\$ 550/oz Au, US\$ 8.5/oz Ag,</b>		
	<b>Pre Tax Cash Flow</b>	<b>US\$ 650 mill</b>
	<b>Pre Tax NPV @ 7,5%</b>	<b>US\$ 325 mill</b>
	<b>Pre Tax IRR</b>	<b>36%</b>
<b>Cash Cost</b>	<b>(US\$/oz)</b>	<b>207</b>
<b>Capital</b>	<b>(US\$)</b>	<b>250</b>

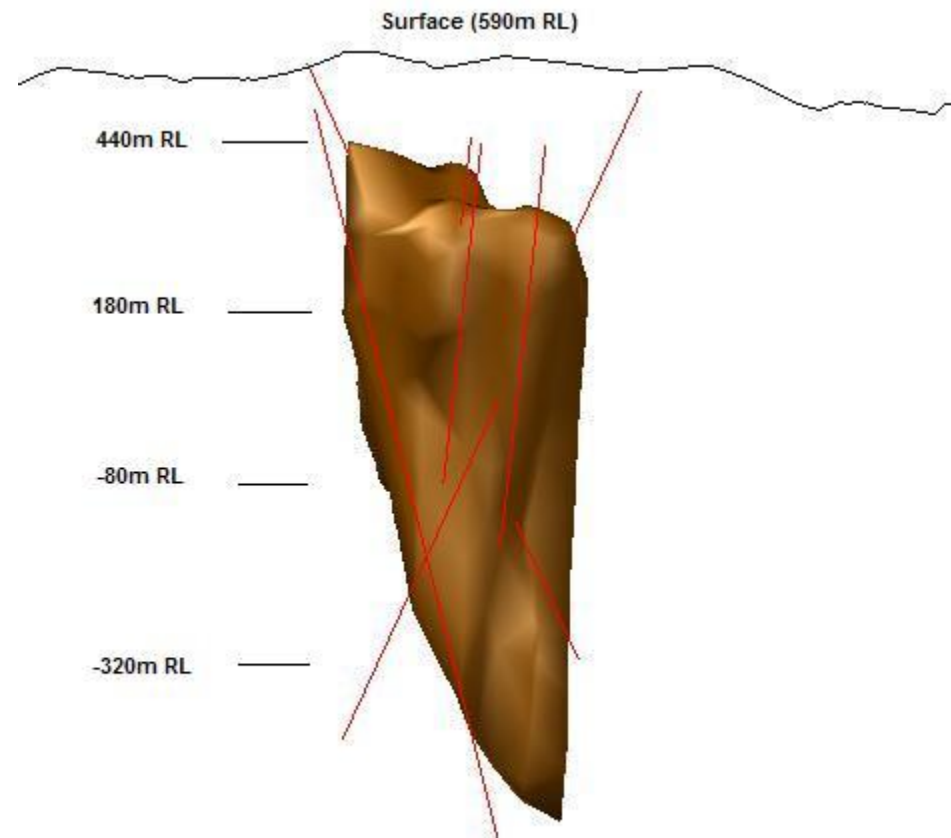
- a large gold and copper gold resource in close proximity
  - Golpu resource 95 M tonnes @ 1.45% Cu, and 0.65 g/t Au
    - 1.4 M tonnes contained copper
    - 2 Moz contained gold
  - Wafi Gold resource divided into 3 significant zones
    - Link Zone – 6 M tonnes @ 7g/t (1.3m oz Au)
    - Zone A – 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



**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

**Isometric view of copper gold porphyry and geotechnical drilling program**



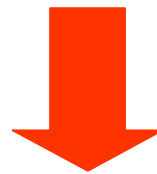
- **commencement of pre-feasibility at a cost of A\$8 million got underway in July 2005**
- **contracts have been awarded for:**
  - **diamond drilling**
  - **geotechnical consulting**
  - **environmental studies**
  - **upgrading of access road**
  - **metallurgical testwork**
- **pre-feasibility study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



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# WE REMAIN A UNIQUE VALUE PROPOSITION

- a leveraged, unhedged gold company producing 2,6 Moz per annum
- affordable quality projects to ensure long-term sustainability and growth in output to 3,5 Moz by 2009
- restructured for profitability under a low Rand gold price scenario
- short-term production growth through CONOPS
- significant leverage to rising gold price
- exposure to our exploration successes in PNG



**“REBUILDING THE GROWTH STORY”**