Analyst and Media Visit

Phakisa /Tshepong

26 May 2006

LOCATION

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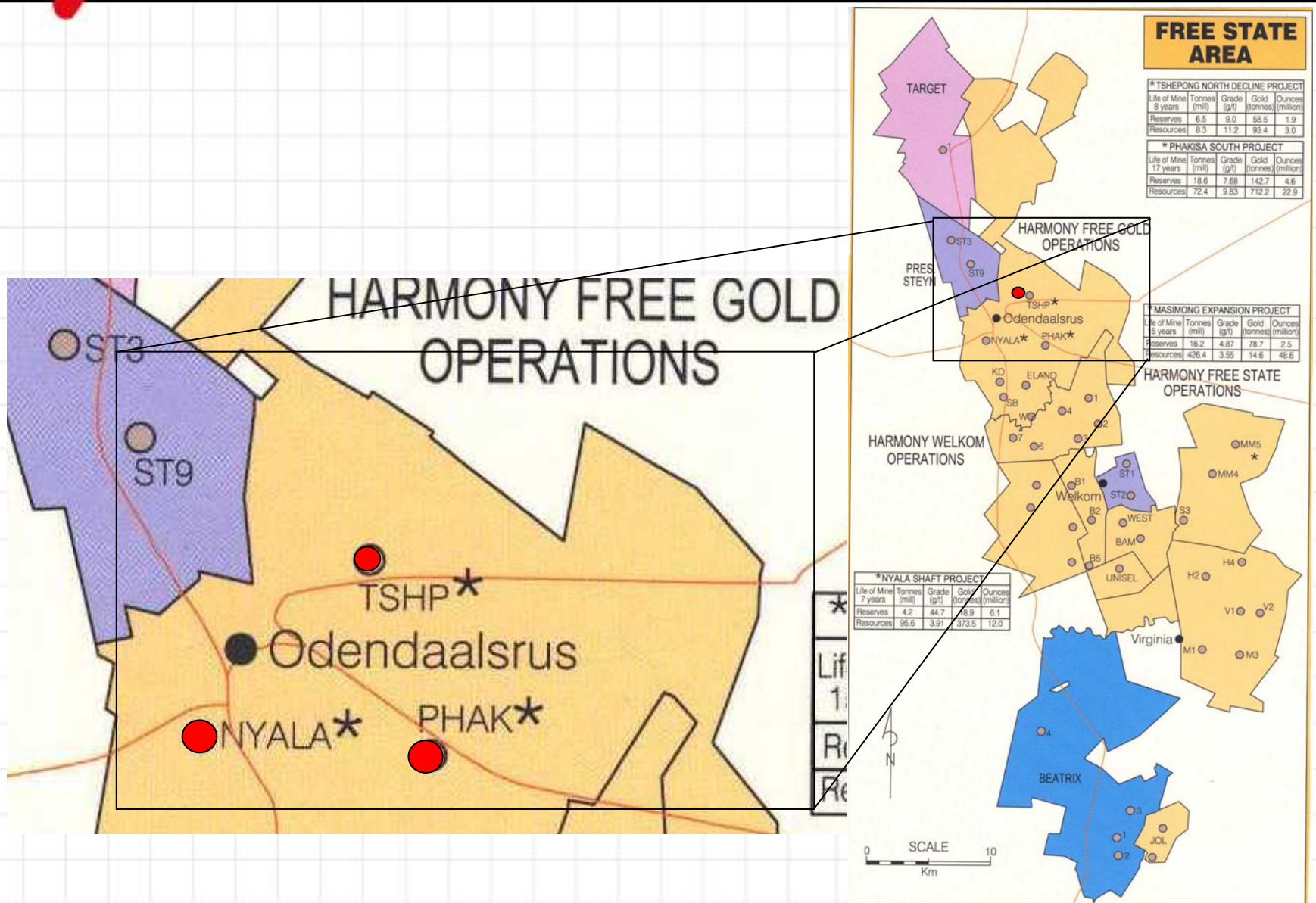


PHAKISA PROJECT

Project Team Vision

Safety:

Zero fatal incidents, overall improvement of safety performance of 5 % per year

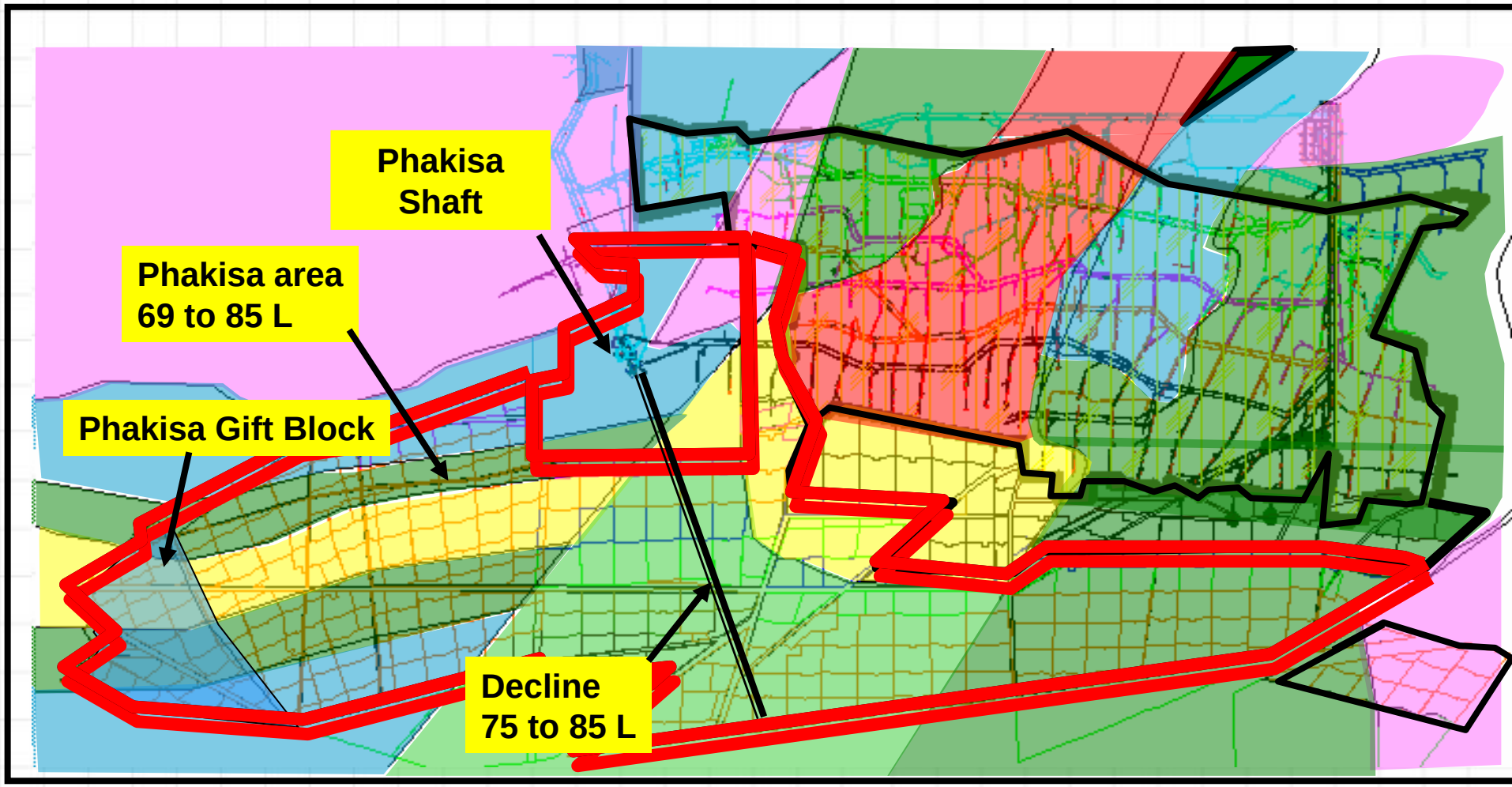
Project:

- Completion of the Phakisa project on time within budget to world class standard.
- Increase in SAMREC reserve ounces.
- To give value to our stake holders.(Employees parent company share holders, community & government)

Project Team Vision (continued)

- **Introduce new technology**
- **Implement a culture of people wellness**
  - Best training - (Self Directed Work Teams)
  - Safety & Health - (HIV awareness, safe behavior)
- **Implement new mine occupational hygiene conditions**
  - 26°c wet bulb temperatures on the face
  - Meeting the occupational hygiene milestones as set out by the D.M & E. (Noise induced hearing loss, silicosis prevention)

PHAKISA AREA



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Project Goal:

“To hoist 90 000 tons of ore per month

producing 648 kg

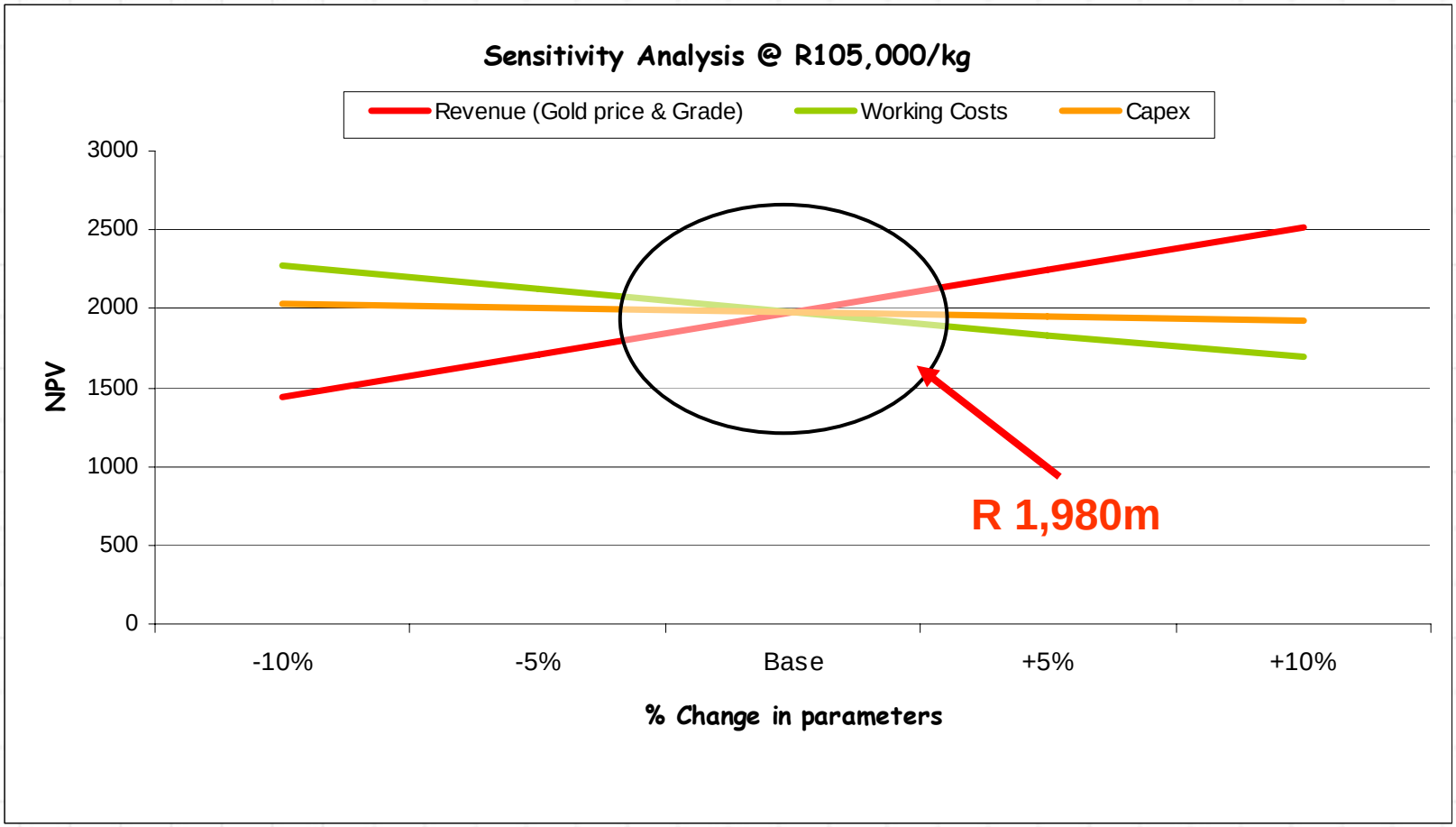
at R425 / ton (2005/6 m/terms) by May 2010”

PHAKISA PROJECT
COMPARISON OF NPV'S

Gold Price (kg)	NPV @ 7.5% (MILLIONS)	IRR
R 92 000	R 1,327m	26%
R 100 000	R 1,729m	30%
R 105 000	**R 1,980m**	**32%**
R 110 000	R 2,230m	34%
R 120 000	R 2,732m	38%

2005/6 Terms

FINANCIAL INDICATORS (R'MILLION)



Name Plate: - (Sept'05/06)

Production Parameters (Ave LOM)

R/Kg Au	R/Kg	59310
$/Oz @ R6.50:$1	$/Oz	284
R/ton	R/ton	425

Monthly Production (Ave @ Full Cap)

Kg	Kg	648
Oz	Oz	20833
Dry Tons Milled	t/mth	88916
Recovered Grade	g/ton	7.29
1st Gold Production		May 2008

Project Objectives

Project started July 2003

Schedule	**52% vs. 53% planned**
• First revenue	May 2008
• Full production	May 2010
• Completion of the Project	February 2009

Cost	**54% vs. 62% planned**
• Budget cost	R397.5m
• Final Estimated Cost	R 644.1m
• Spent to April 2006	R 347.8m
• Balance	R 296.3m

Annual Capital Expenditure Profile

Table (R million)

	2004	2005	2006	2007	2008	2009
Actual Sunk	117.3	115.9	114.5			
Forecast			49.6	143.1	87.2	16.5
Total	**117.3**	115.9	164.1	143.1	87.2	16.5

PHAKISA PROJECT END 2006

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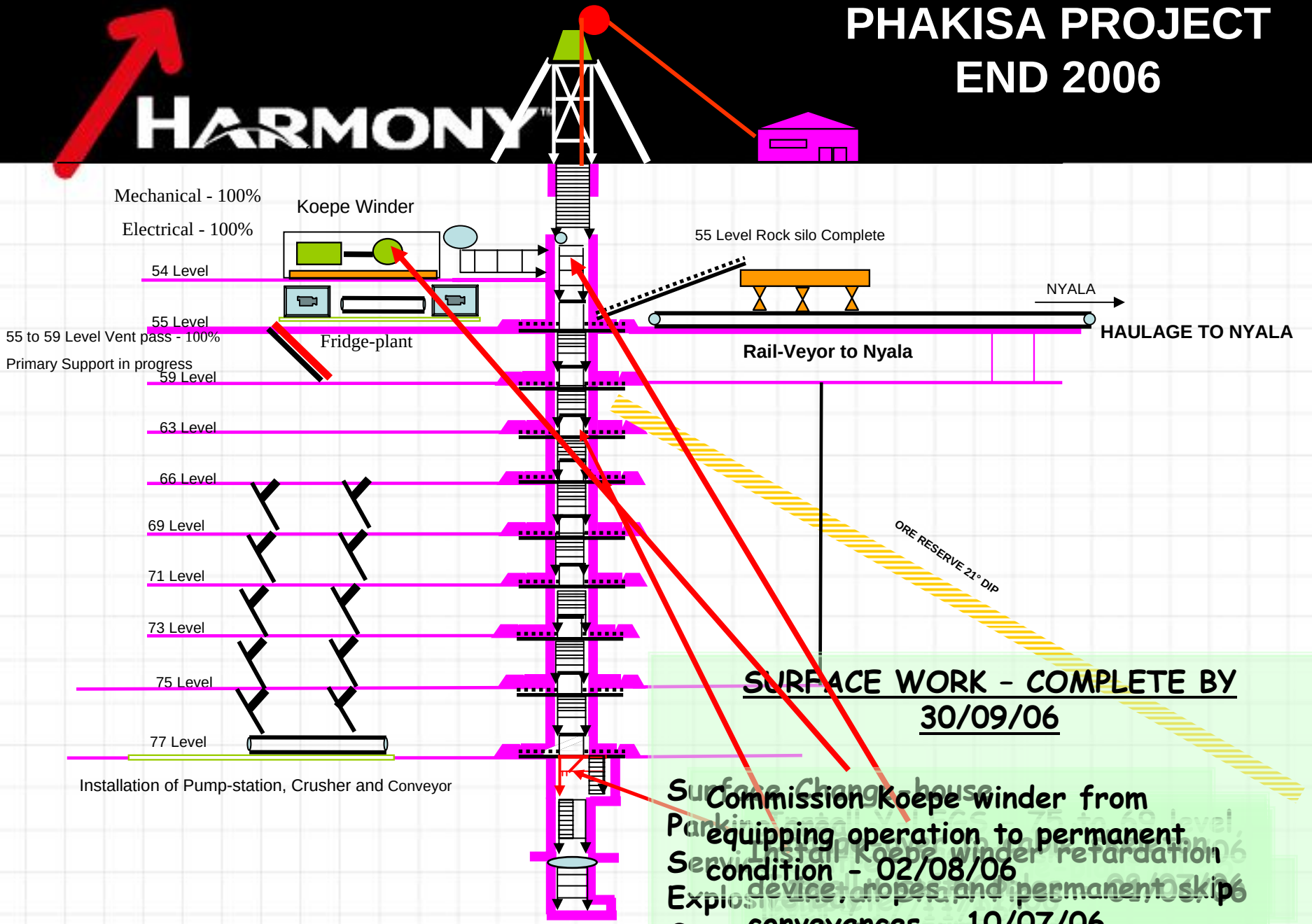
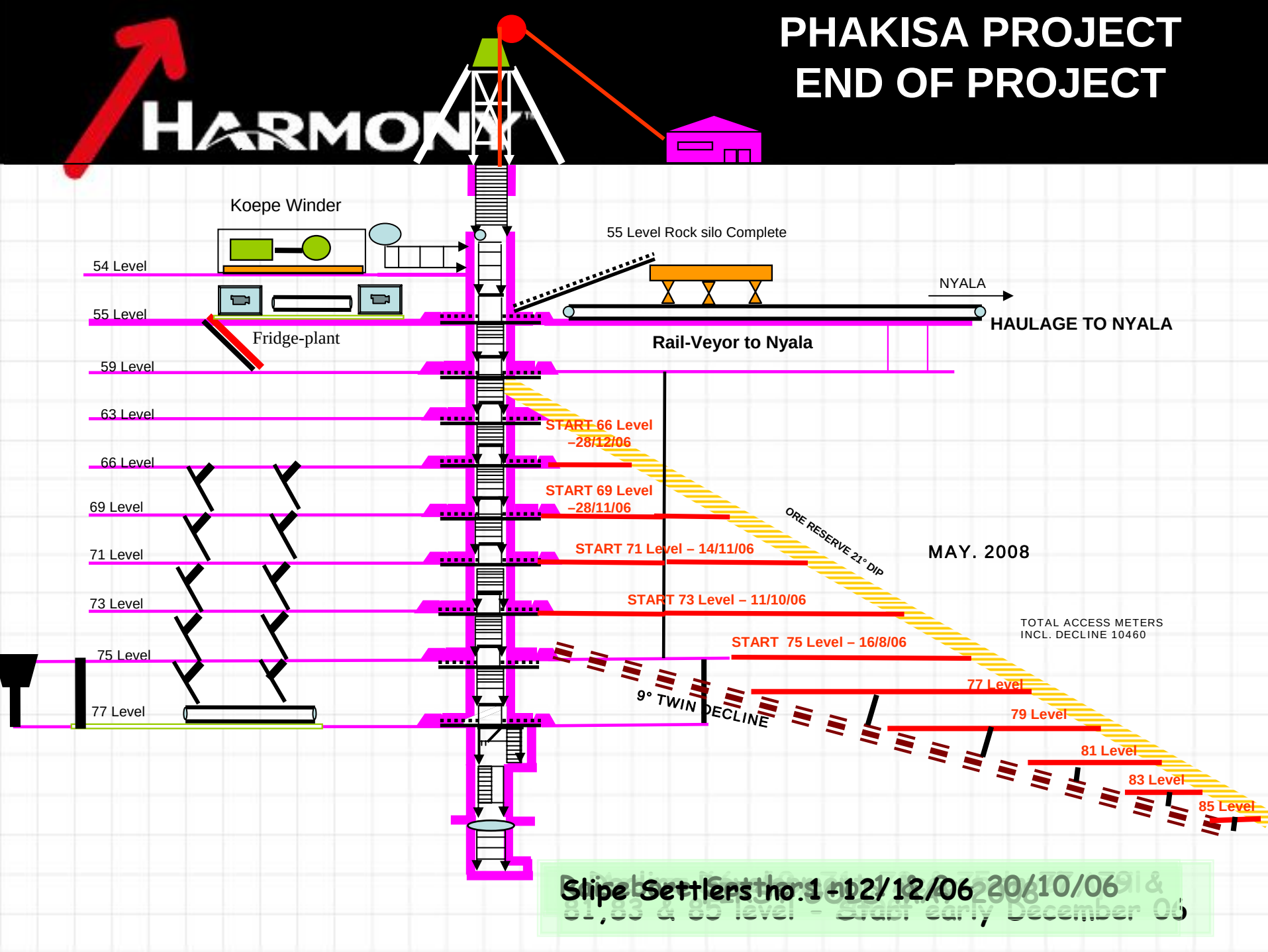


SURFACE WORK - COMPLETE BY 30/09/06

- Commission Koepe winder from equipping operation to permanent condition - 02/08/06
- Install Koepe winder retardation device, ropes and permanent skip conveyances - 10/07/06
- Surface Change-house
- Parking
- Service
- Explosives
- Stores and timber yard

26/06/06

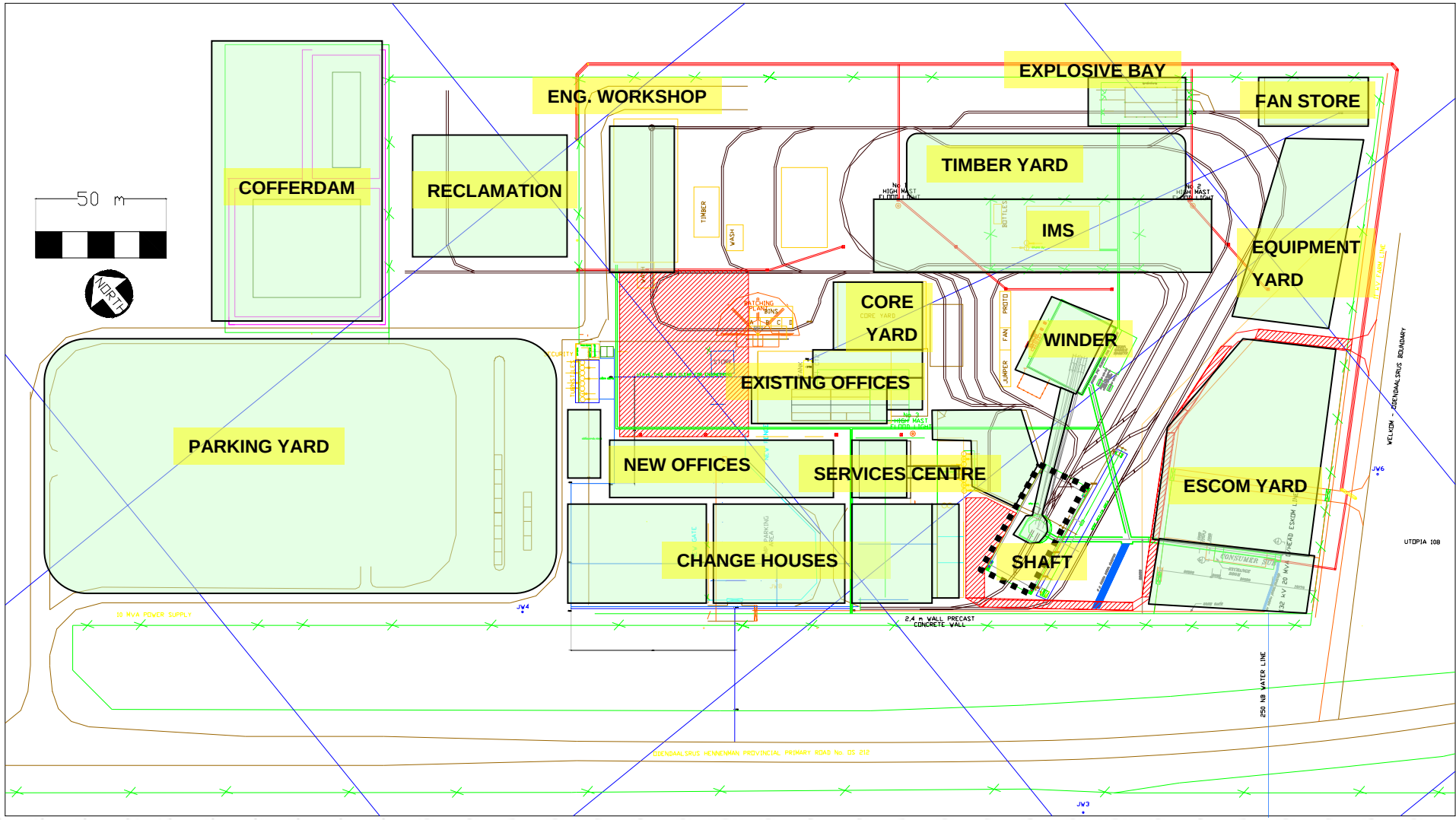
PHAKISA PROJECT
END OF PROJECT



Slipe Settlers no.1 - 12/12/06 20/10/06

PHAKISA SURFACE LAYOUT

PHAKISA PROJECT TECHNICAL



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HARMONY INNOVATION

BULK MATERIAL HANDLING SYSTEM 55 LEVEL

THE SOLUTION:

A WORLD-FIRST U/G

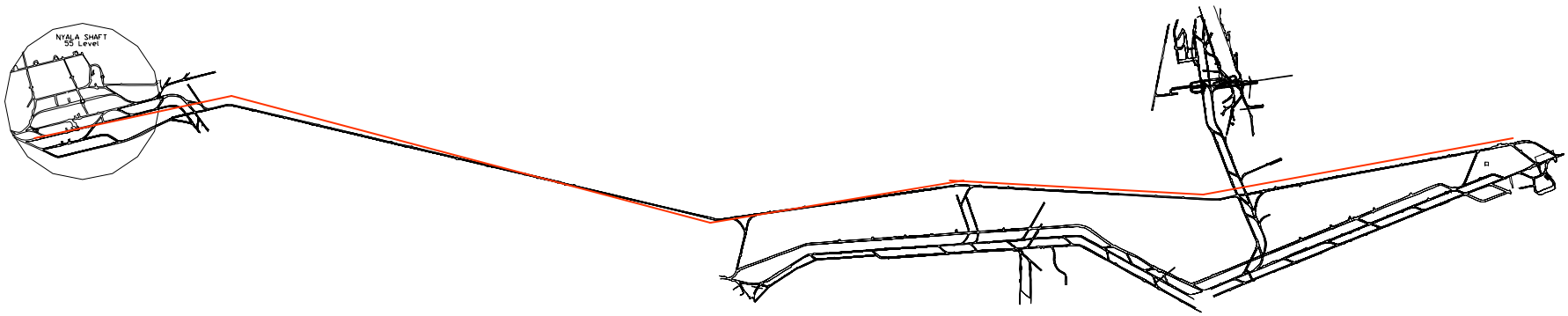
RAIL-VEYOR SYSTEM

LAYOUT OF TRAMMING HAULAGE ON 55 L

The tramway from Phakisa to Nyala is designed to support the production profile of

115 000 tons per month (Design capacity 135 000 tons per month, main constraint, man/material winder)

NYALA



3# - VENT SHAFT

Conventional bulk handling systems, locomotive or conveyors, not only deemed to be expensive to install and maintained, but was not practical to install at high risk profiles.

CHARACTERISTICS

- Safer – low fire and accident risks
- Combines the best features of a conveyor and rail systems.
- Conveys material as a conveyor with high flexibility and increased capacity possibility.
- Negotiate curves as a rail system.
- No extensive access development required for maintenance.
- Automated system with remote control.
- Tip, load and move faster than conventional rail and conveyor system

SUMMARY OF THE THREE SCENARIO'S

	Rail system	Conveyor system	Railveyor system
Initial Capital	R 31.186 m	R 30.620 m	R 21.116
Installation Period in months	25	18	12
Operating cost R/ton	R 5.68	R 3.58	R 2.51
Availability	70%	85%	98%
Flexibility (increase capacity)	0%	120%	250%
Efficiency (Load factor)	80%	100%	100%

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PHAKISA PROJECT
RAIL-VEYOR

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PHAKISA PROJECT
RAIL-VEYOR

External drive station @ 367m spacing

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PHAKISA PROJECT
RAIL-VEYOR

Train going up the tipping loop

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PHAKISA PROJECT
RAIL-VEYOR

Tipping at
3-5 m/s

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PHAKISA PROJECT
RAIL-VEYOR

Loading
at 3 m/s

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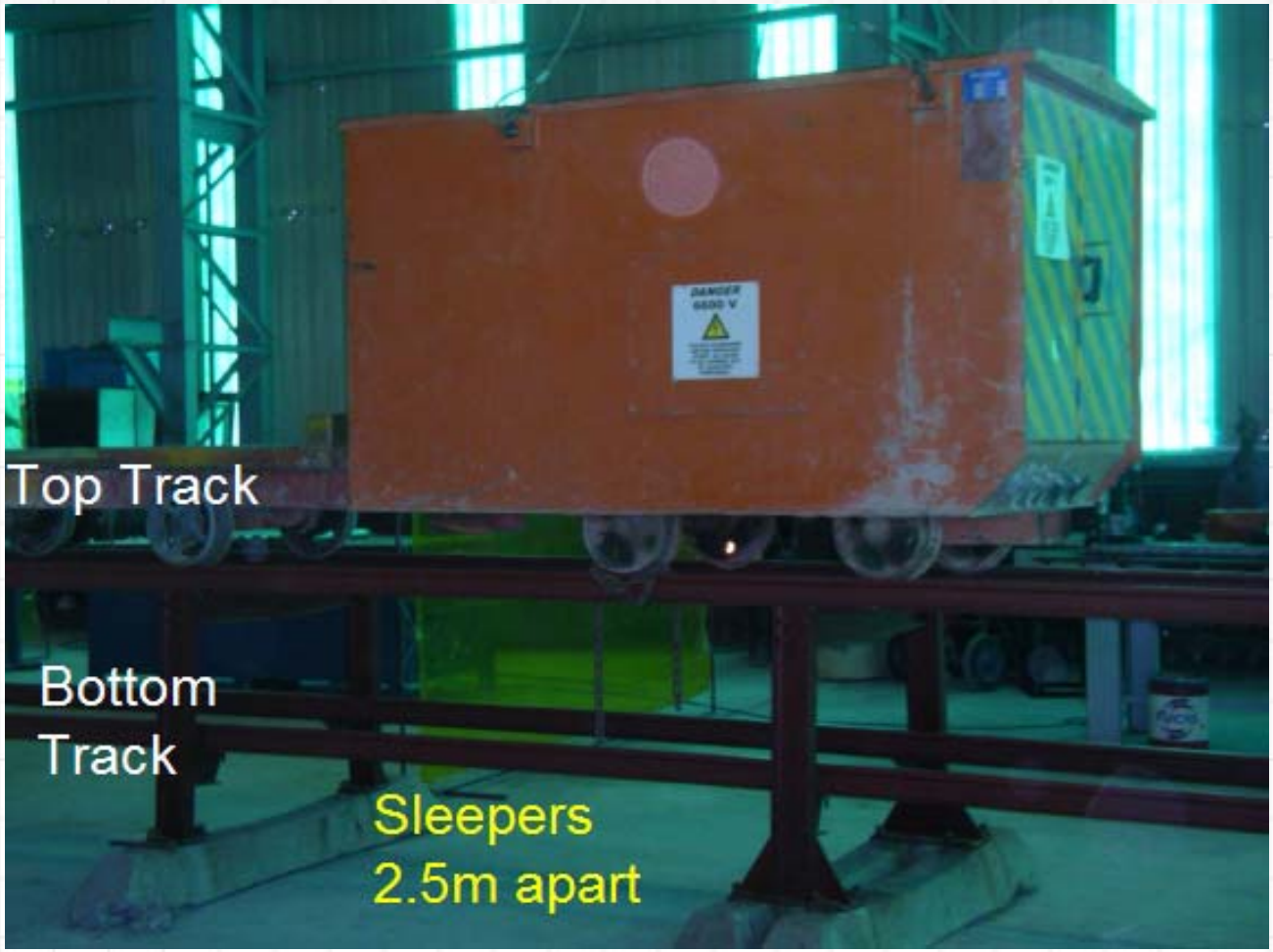
PHAKISA PROJECT
RAIL-VEYOR
Testing the double track



PHAKISA PROJECT INVESTIGATING NEW TECHNOLOGY

Other New Mine Technology includes:

- Electric Rockdrills for stoping
- New generation universal drill rigs for development
- Minimise the use of compressed air throughout the mine
- Maximise position efficiency of fridge plants
- Employ Vapour Mist or Fogger system for dust suppression
- Productivity improvement by reducing reject temperature to from 29° WB to 26° WB.
- Minimum 20 lux Lighting through out the mine, stoping & development
- Light weight Cap lamps
- All Loco's will comply with RBE Code of practice
- D-log and UD-slam to extend the peoples services centre to the work face with video and voice capabilities.
- High speed settler

PHAKISA PROJECT INVESTIGATING NEW TECHNOLOGY

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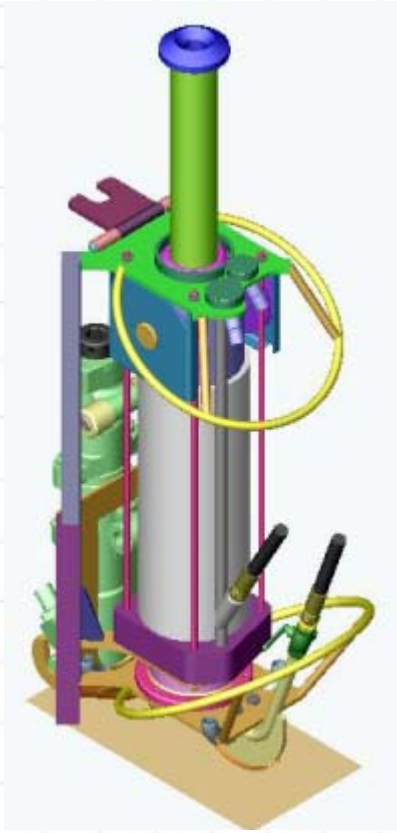
In Stope Roof Bolter



PHAKISA PROJECT INVESTIGATING NEW TECHNOLOGY

Roof Support Drill Rig

Development End Drill Rig

PHAKISA PROJECT INVESTIGATING NEW TECHNOLOGY

YEAR	PRODUCT
2005 – SABS Design Institute Award	Universal Rig

Power Pack

PHAKISA PROJECT INVESTIGATING NEW TECHNOLOGY

Tip cover with Fogger System for dust allaying

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PHAKISA PROJECT INVESTIGATING NEW TECHNOLOGY

New cordless LED cap lamp

PHAKISA PROJECT INVESTIGATING NEW TECHNOLOGY

Loco complying to RBE Code of Practice

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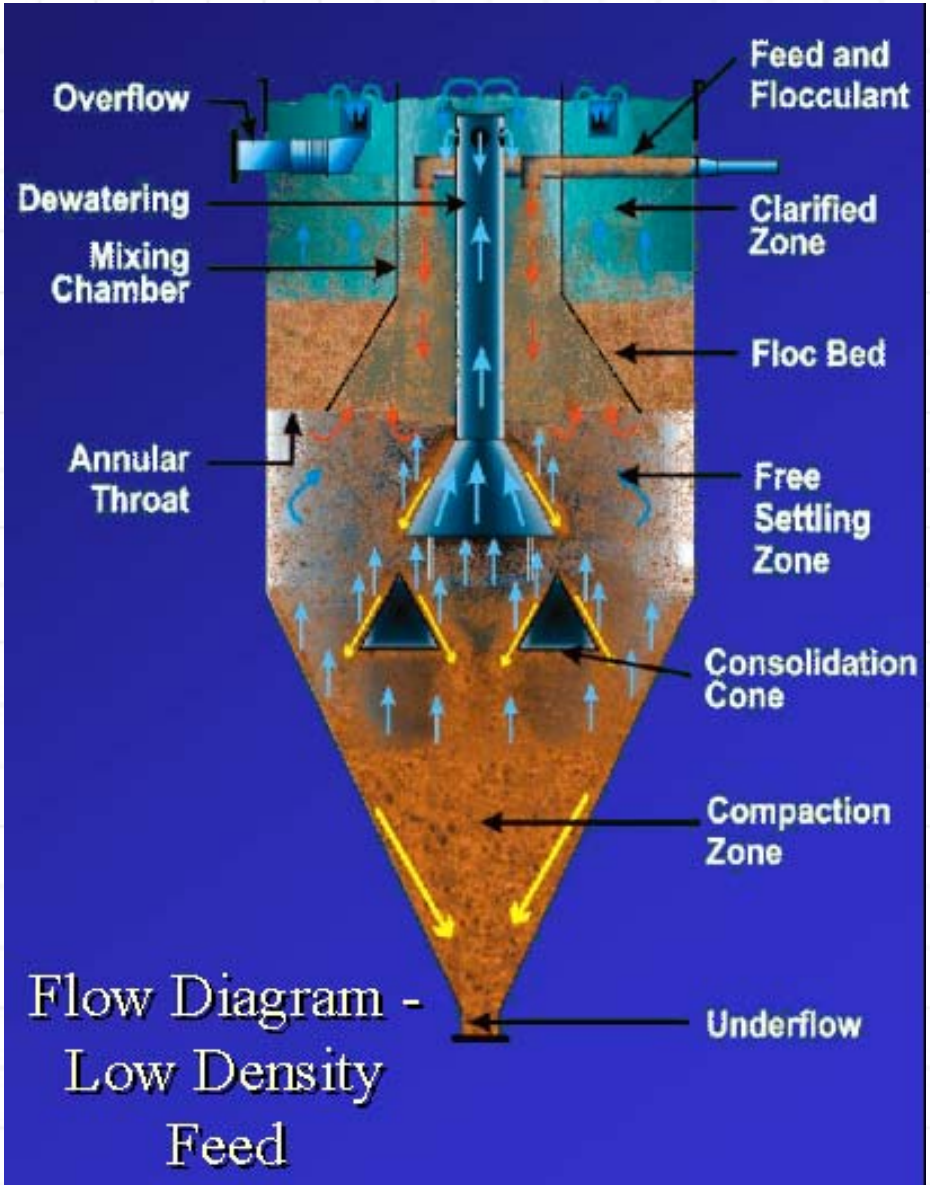
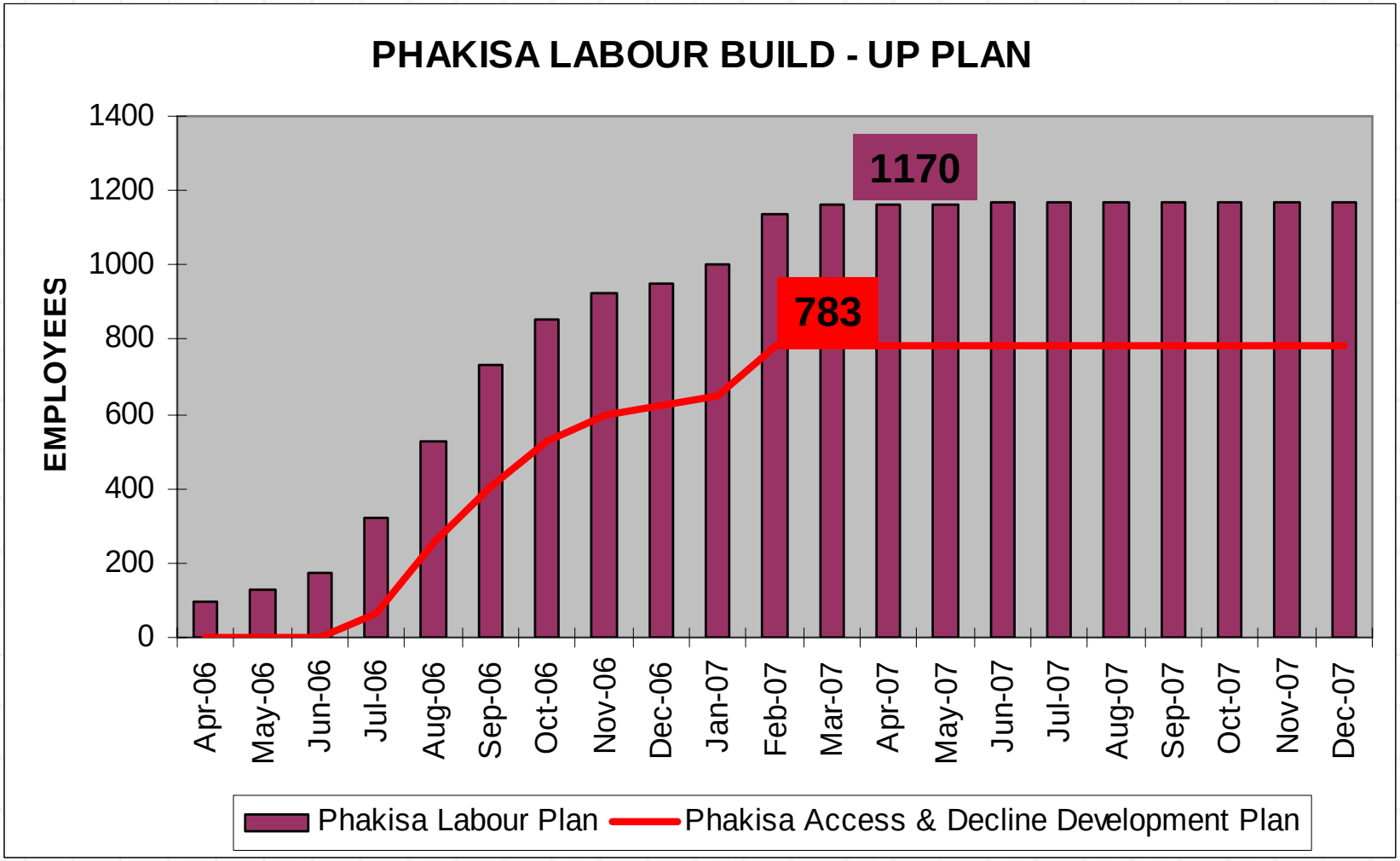
PHAKISA PROJECT INVESTIGATING NEW TECHNOLOGY



High Speed Settler

PHAKISA PROJECT LABOUR BUILDUP



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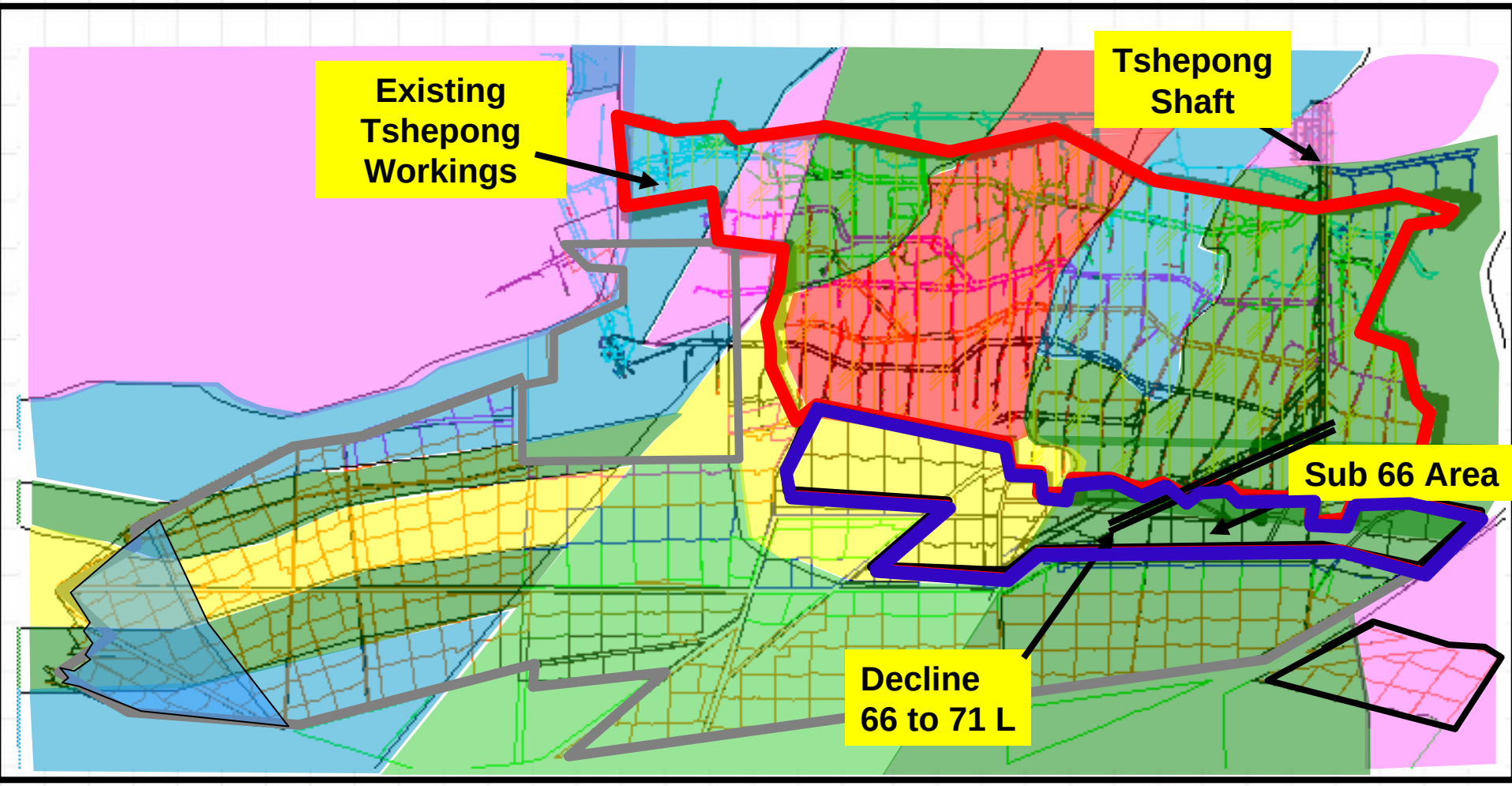
TSHEPONG SUB 66 PROJECT

Project Goal:

"To hoist 48 560 tons of ore per month producing 350kg at R433 / ton (2005/6 m/terms) by July 2008"

TSHEPONG SUB 66 AREA



Name Plate: - (Sept'05/06)

Production Parameters (Ave LOM)

R/Kg Au	R/Kg	60076
$/Oz @ R6.50:$1	$/Oz	287
R/ton	R/ton	433

Monthly Production (Ave @ Full Cap)

Kg	Kg	350
Oz	Oz	11253
Tons	t/mth	48560
Recovered Grade	g/ton	7.21
1st Gold Productions		August 2006

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Project Objectives

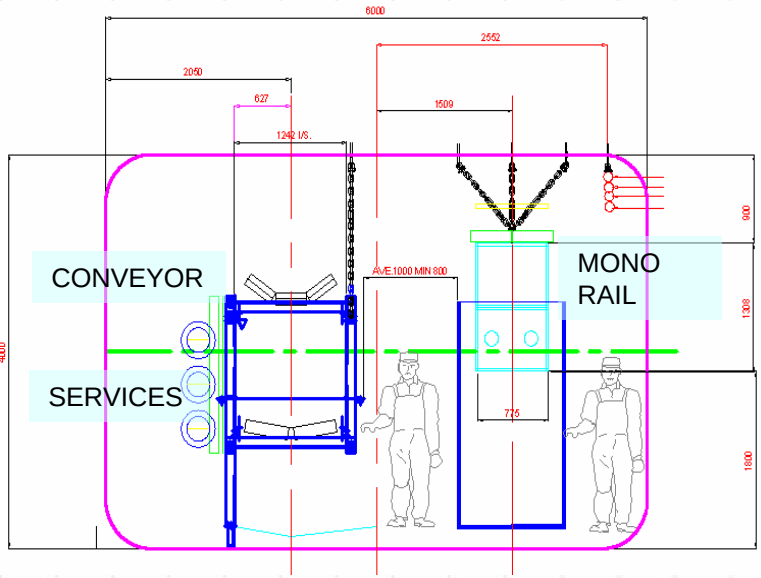
Project started April 2003

Schedule	**59% vs. 64% planned**
• First revenue	August 2006
• Full production	July 2008
• Completion of the Project	February 2008
• Completion of the Sinking the Decline	December 2006
Cost	**61% vs. 65% planned**
• Budget cost	R280.4m
• Final Estimated Cost	R 280.4m
• Spent to February 2006	R 173.6m
• Balance	R 106.7

Technical Description

- The twin decline system extends from 65 level to 72 level.
- Total length of 1164m
- Open mining levels 69 and 71.
- The Material decline - Belt conveyor and monorail system.
- The Chair-lift decline - Transportation of men.

CONFIGURATION
MATERIAL DECLINE



MATERIAL DECLINE 6 X 4
Contains the conveyor for rock handling and Mono-Train for material handling.

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FROM THE MONO-TRAIN CAB

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Macro schedule

Mining Development 55%

Decline Access development 82 % completed

69 L Access Development 66% completed

X/C 98 & 93 in progress, X/C 95 & 96 completed

71 L Access development 19% Completed

71 station and tipping x/c completed.

Raise development 16%

69 raise 95 73%, 69 raise 96 55%

Engineering 64%

Conveyor 70%

Monotrain system 70%

Water distribution 60%

Rock handling 45%

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Sub 66 2nd Access Haulage of 1.5 km Equipped with rail line

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Milestones for next year

Mining Development

Complete sinking the decline

Raise bore 69- 71 ore passes

Complete 69 L& 71 L Access Development

Completed 3 raise lines

Raise development

Completed 4 raise lines

Engineering

Complete Conveyor

Complete chairlift

Complete Water distribution 71 level

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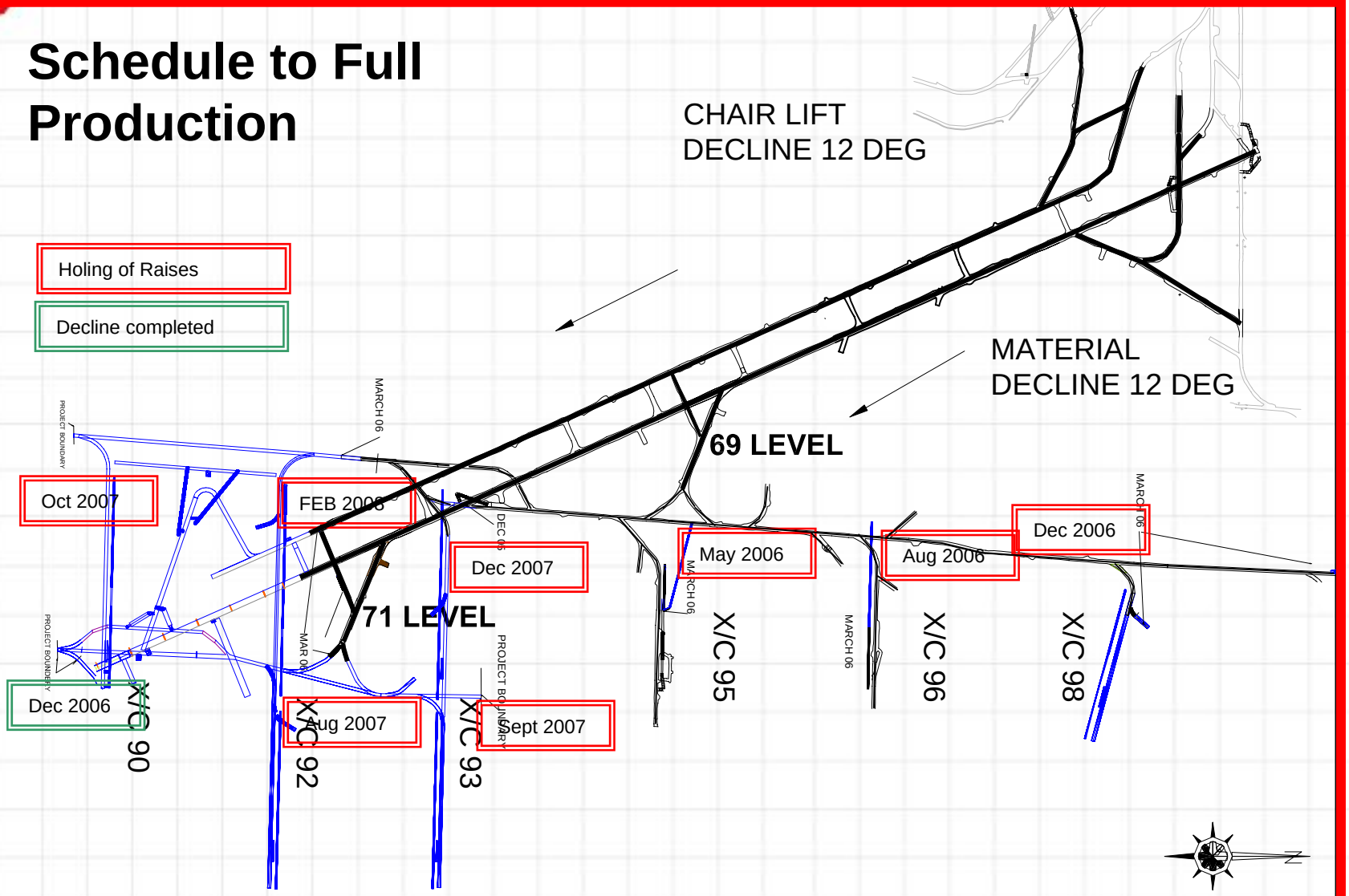
Schedule to Full Production



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Annual Capital Expenditure Profile

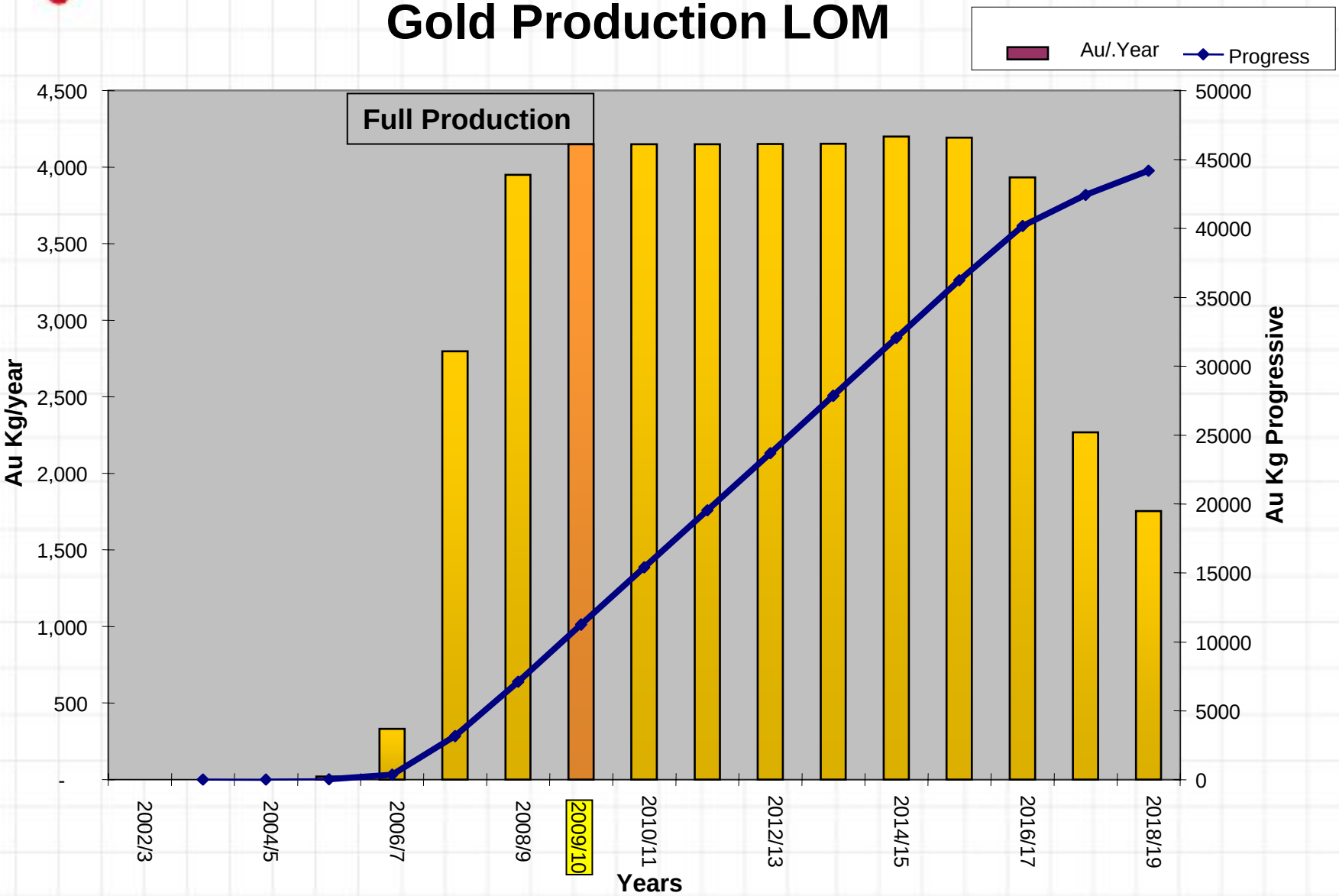
Table (R million)

	2003	2004	2005	2006	2007	2008
Actual Sunk	32.8	66.6	40.6	38.0		
Forecast				17.4	55.0	29.9
Total	32.8	66.6	40.6	55.4	55.0	29.9

No budget overrun is foreseen for the project, only a cash flow shift from 2006 to 2007

GOLD RECOVERED SUB 66 PROJECTS

Gold Production LOM

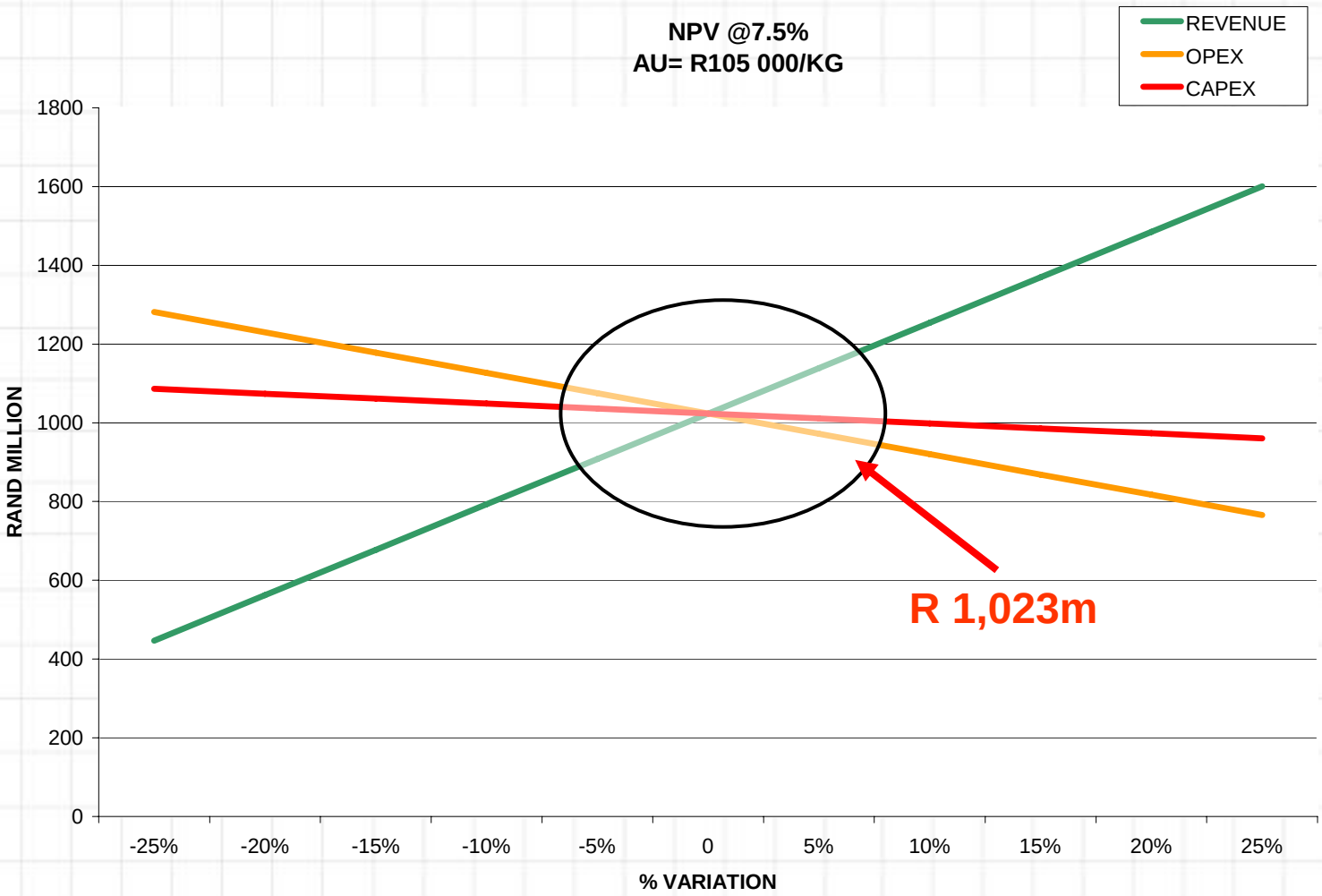


COMPARISON OF NPV'S

Gold Price (kg)	NPV @ 7.5% (MILLIONS)	IRR
R 92 000	R 738.27	32.4%
R 100 000	R 914.04	36.2%
R 105 000	**R 1 023.89**	**38.4%**
R 110 000	R 1 133.53	40.7%
R 120 000	R 1 353.24	44.3%

2005/6 Terms

FINANCIAL INDICATORS



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SYNERGY PHAKISA & TSHEPONG

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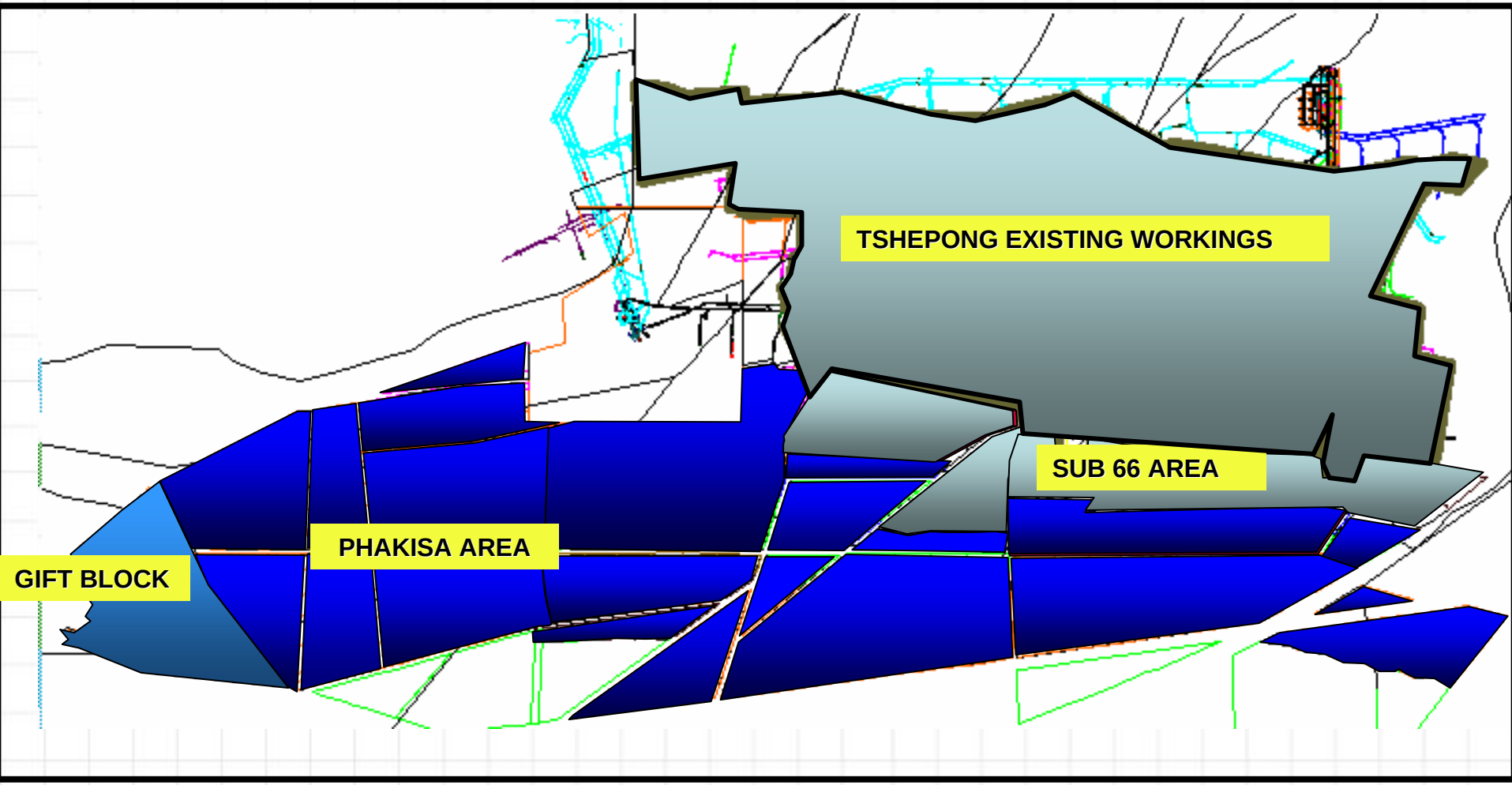
TSHEPONG/PHAKISA MINE

- Create a world class gold mine
- From a proven track record
- Known mining conditions
- Modern infrastructure
- Compared to other projects – low risk
- Production built-up – low risk and bankable

TSHEPONG & PHAKISA AREA COMBINED



TSHEPONG & PHAKISA
TOTAL RESOURCE & RESERVE

Resources

- **166.5m metric tons at 9.11g/t for 1516 tons gold**
- **183.5m short tons at 0.266oz/t for 48.7m oz gold**

Reserves

- **43.2m metric tons at 7.20g/t for 311 tons gold**
- **47.6m short tons at 0.210oz/t for 10.0m oz gold**

(Current @ R92 000/kg)

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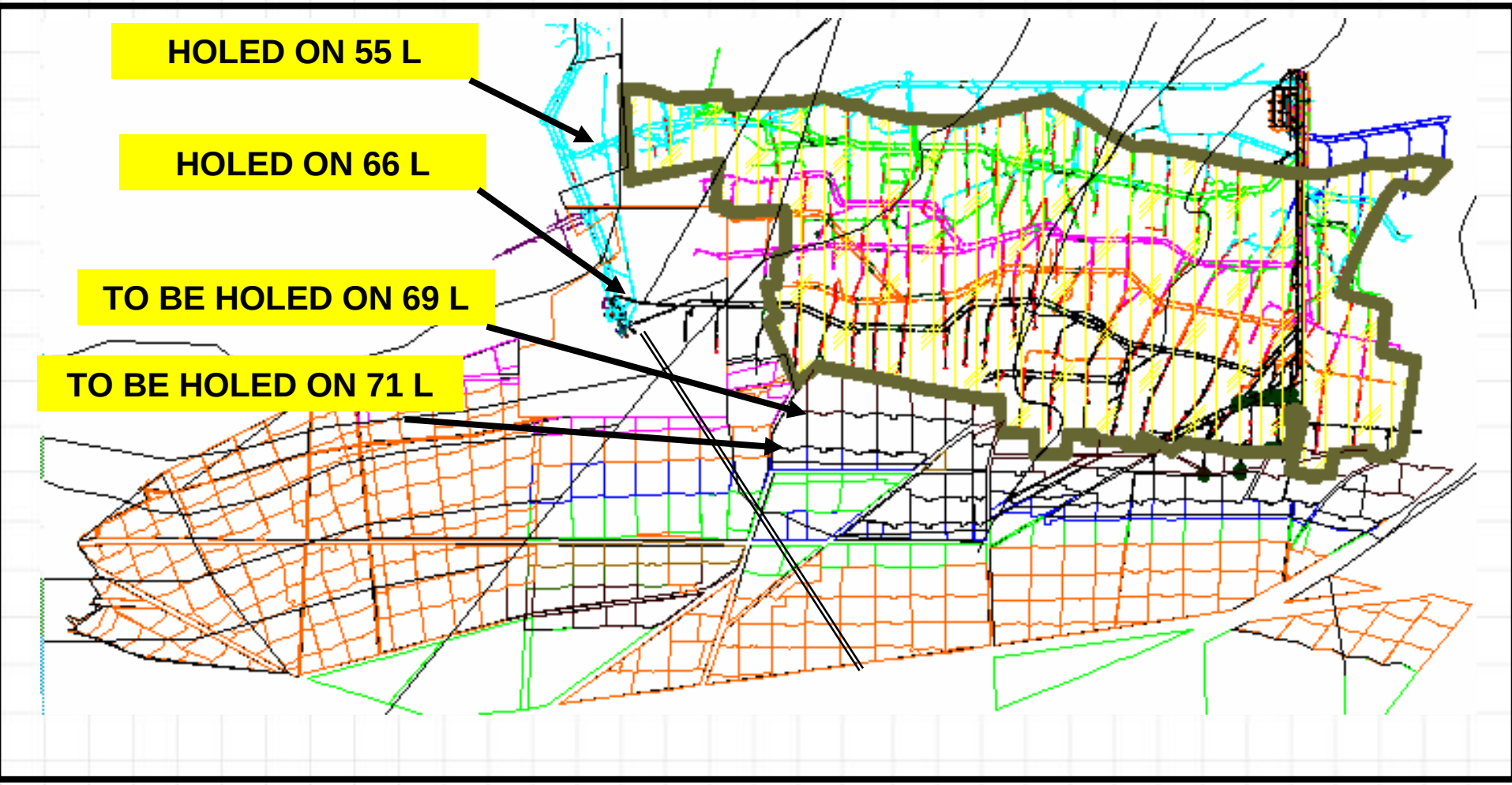
TSHEPONG & PHAKISA TOTAL PRODUCTION

Monthly Production

Tons Milled	**245 000**	
Rec. Grade	**7.07**	
Gold Produced (kg)	**1 733**	**(55 717oz)**
R/kg	**62 800**	
$/Oz @ R6.50:$1	**301**	
R/t	**445**	

Annual Ounces 668 600

TSHEPONG & PHAKISA CONNECTED



TSHEPONG & PHAKISA AREA COMBINED

Immediate opportunities .

- Dumping of water via 55 level to Nyala shaft
- Ventilating Tshepong east block from Phakisa
- Power back-up supply from Tshepong to Phakisa
- Sharing of infra structure i.e. Control room, equipment, management, skilled people, etc. (ecomomies of scale)
- Inter shaft rock transfer via 66, 69, 71 level.
- Reserve optimisation.

TSHEPONG & PHAKISA
POSSIBLE FUTURE EXPANSIONS

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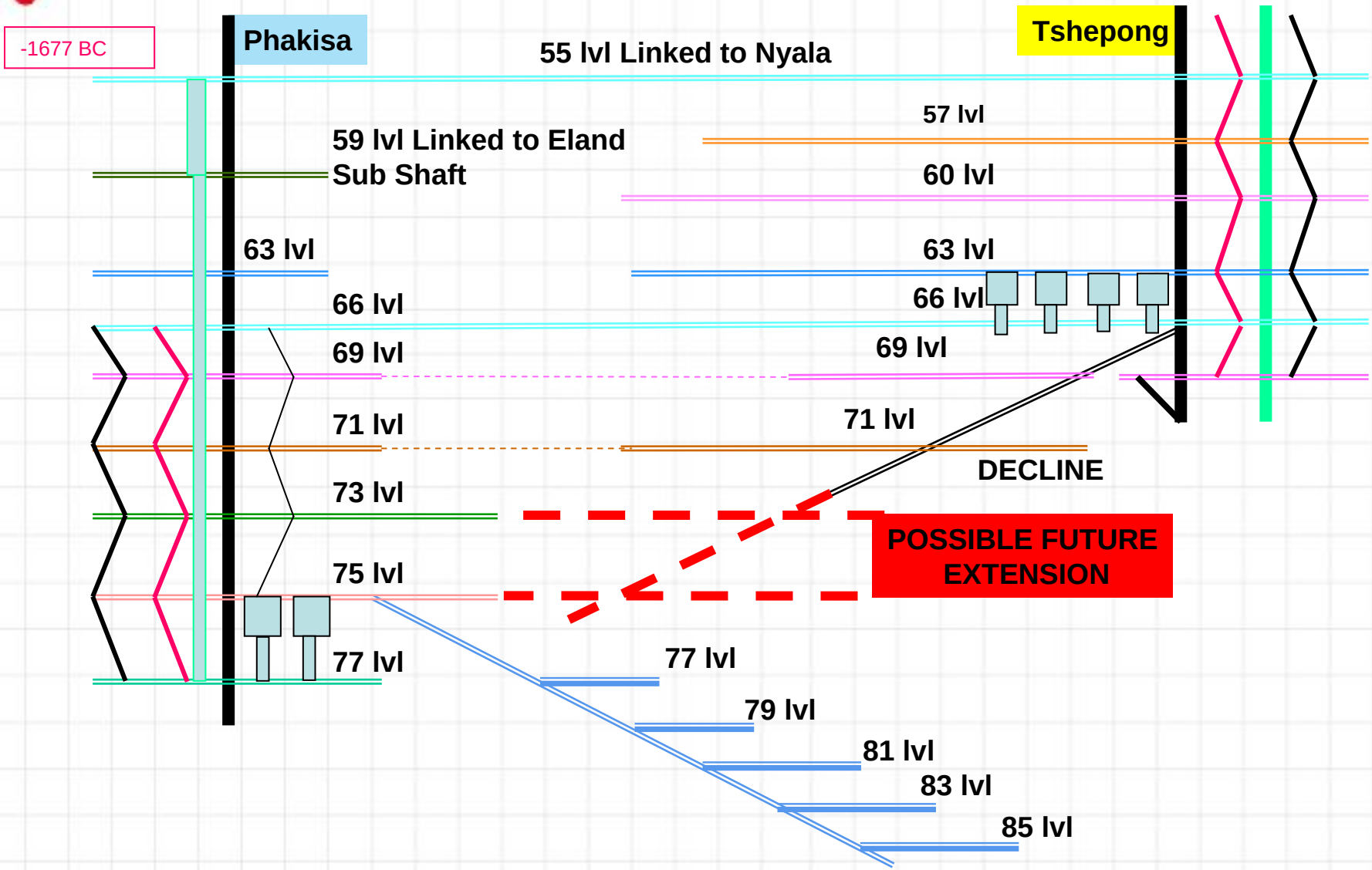
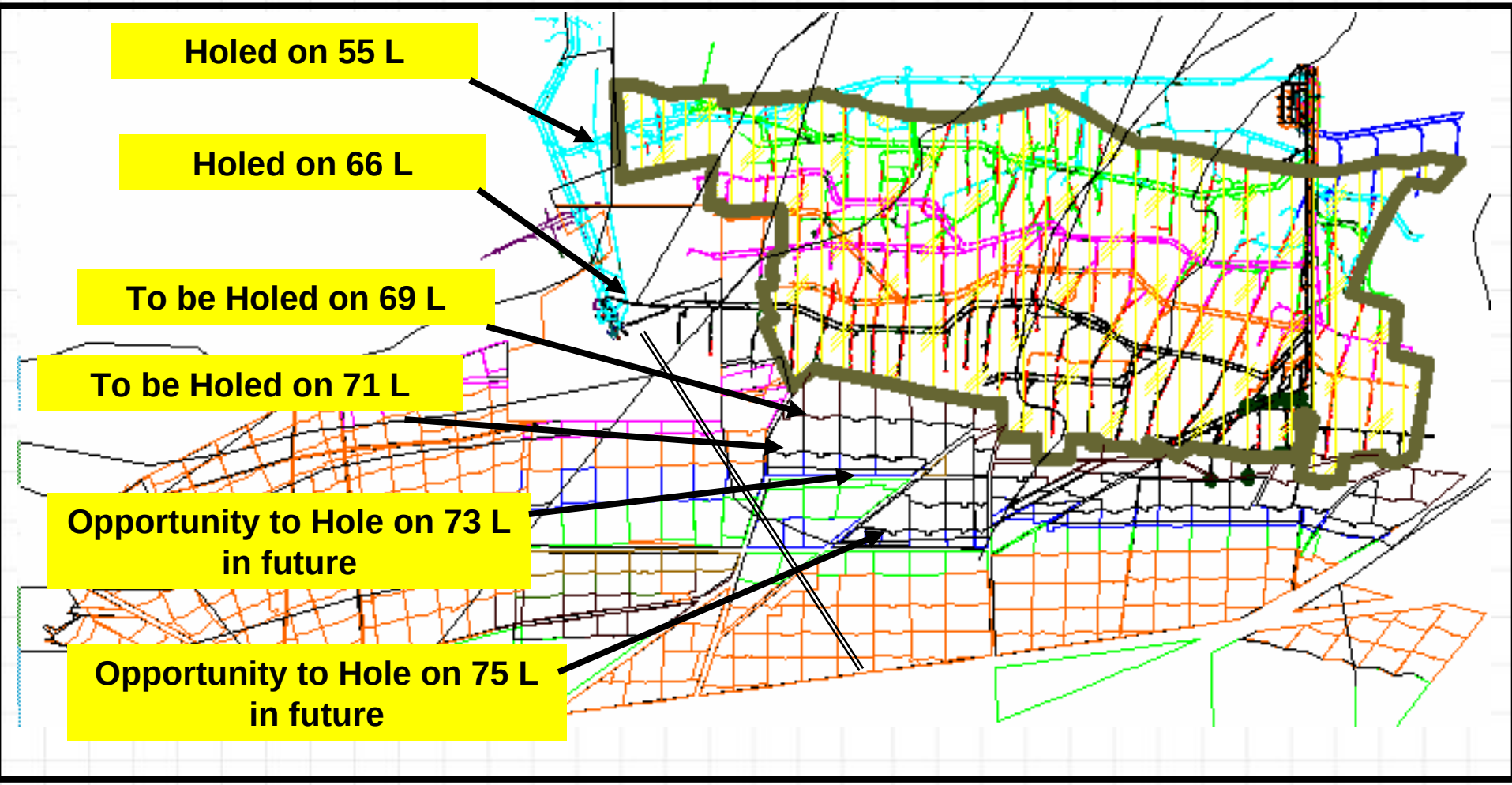


TSHEPONG & PHAKISA CONNECTED



Future Opportunities

- Improved Ventilation at lower levels.
- Possible rock transfer from Phakisa to Tshepong shaft, this will eliminate the 5 km tramming to Nyala.
- Production synergies.
- Exchange ground to improve the overall NPV.

TSHEPONG & PHAKISA EXCHANGE GROUND FOR EARLY GOLD

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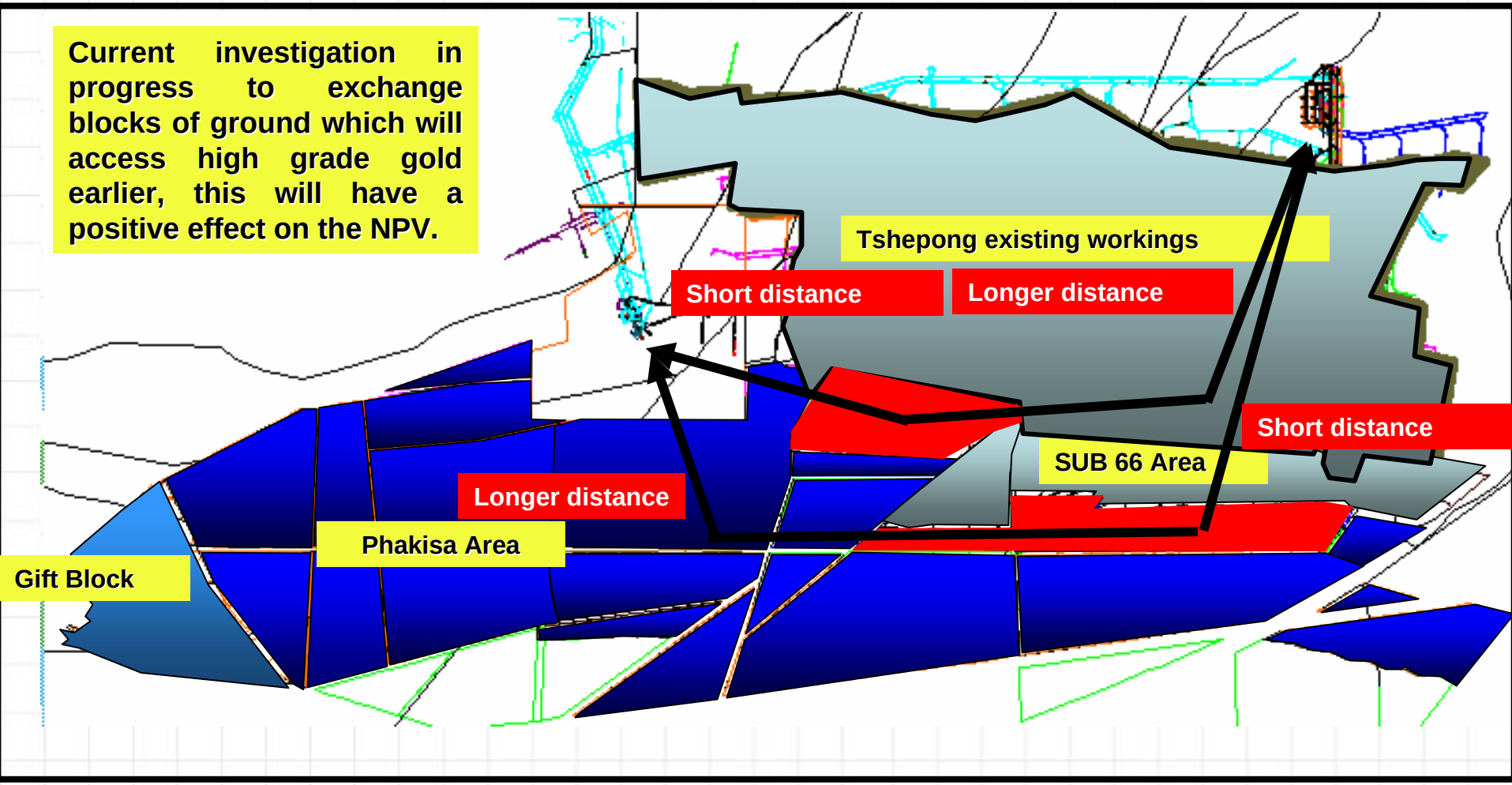
Current investigation in progress to exchange blocks of ground which will access high grade gold earlier, this will have a positive effect on the NPV.



PRIVATE SECURITIES LITIGATION REFORM ACT SAFE HARBOR STATEMENT

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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, 2002, 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.

Phakisa

&

Tshepong

QUESTIONS

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