



 **HARMONY™**

Creating value

**European Investor Metals & Mining Forum
June 2007
Graham Briggs – MD (Harmony International)**



- Founded in 1950
- Independent from Randgold in 1997
- 5th largest producer in the world
- Primary listing
 - JSE (share code: HAR)
- Other listings
 - LSE (HRM)
 - NYSE & Nasdaq (HMY)
 - Euronext Paris (HG)
 - Brussels (HMY)
 - OTC Berlin
- Highly liquid stock
- Operations and projects in SA, Australia, PNG and West Africa
- Annual total production 2.4Moz (FY06)
- Employs about 47 000 people

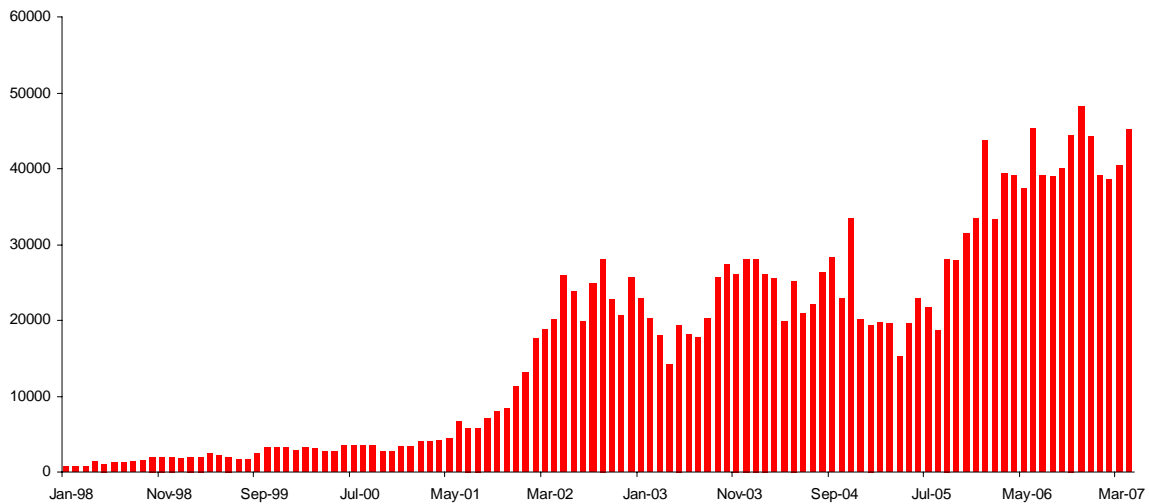




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\$6 billion market cap. company

Market capitalisation: 1 January 1998 – 31 May 2007

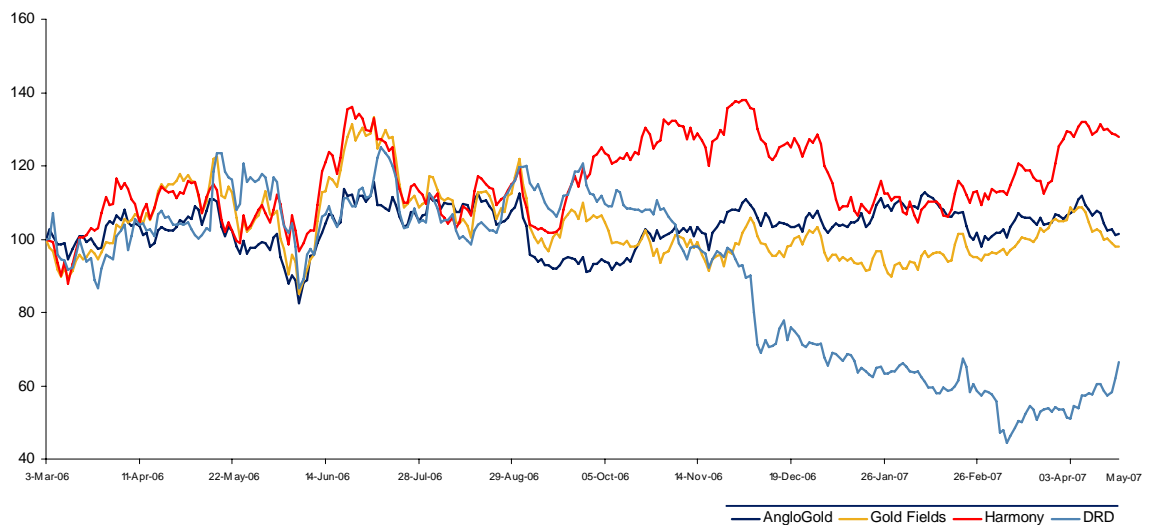


Market capitalisation R42bn at 31 May 2007 (share price 9580 cents)



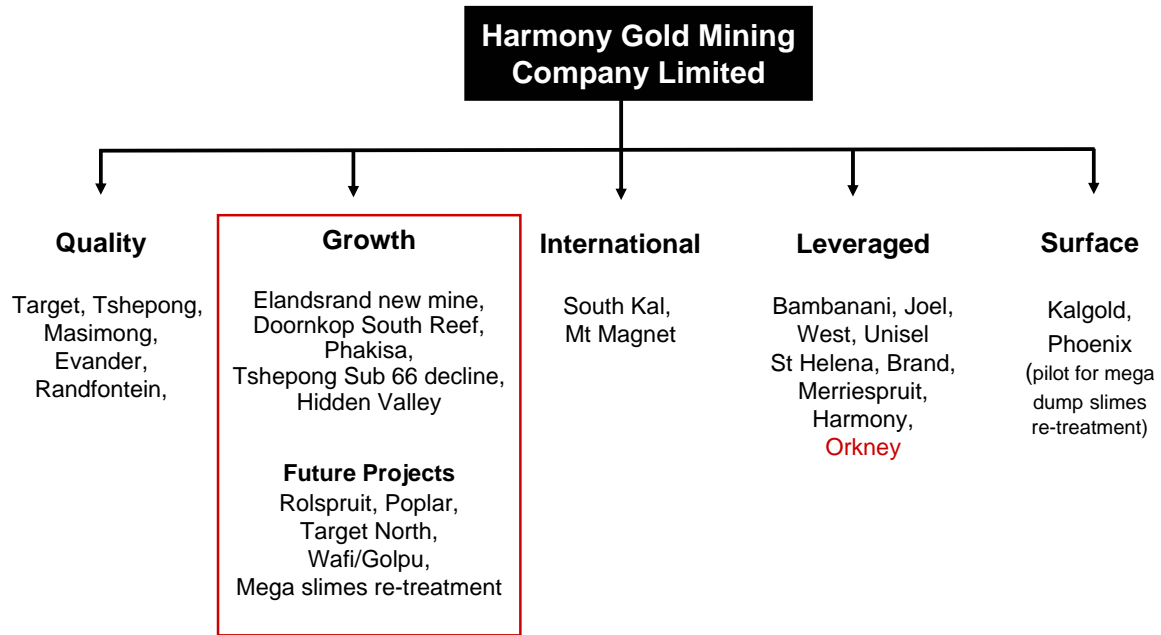
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Relative performance





Sustainable growth structure



The three pronged approach:

1. Organic growth
2. Acquisitions
3. Disposals



Financial evaluations @ R115 000/kg

- **Doornkop**
 - Current production: 52 000 oz
 - Full production: December 2009 - 340 000 oz
 - NPV at 7,5% - R1,2 billion
 - IRR +50%

- **Elandsrand new mine**
 - Current production: 60 000 oz
 - Full production: June 2010 – 444 000 oz
 - NPV at 7,5% - R2,9 billion
 - IRR 25.9%



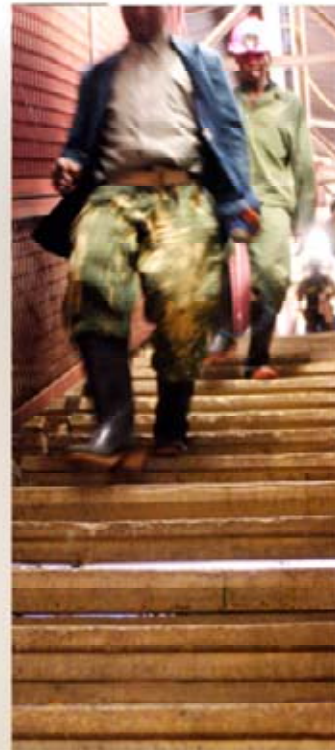
Financial evaluations @ R115 000/kg

- **Phakisa**

- Current production: 0 oz
- Full production: May 2010 – 280 000 oz
- NPV at 7,5% - R2.9 billion
- IRR 35%

- **Tshepong Sub 66 decline**

- Current production: 0 oz
- Full production: May 2008 – 135 000 oz
- NPV at 7.5% - R1.2 billion
- IRR 43%



Hidden Valley Financial evaluations @ A\$ 710/oz

Current production: 0 oz

Full production: November 2008 – 285 000 oz

NPV at 7.5% - A\$234 million

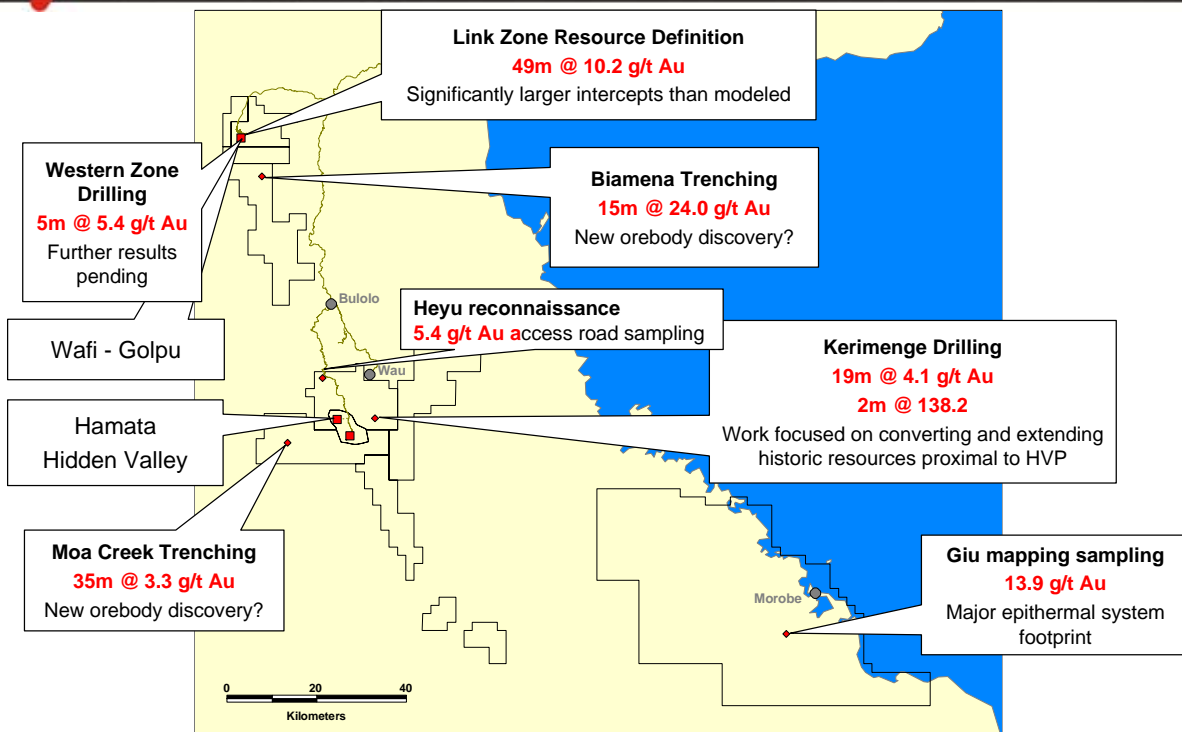
IRR 18%



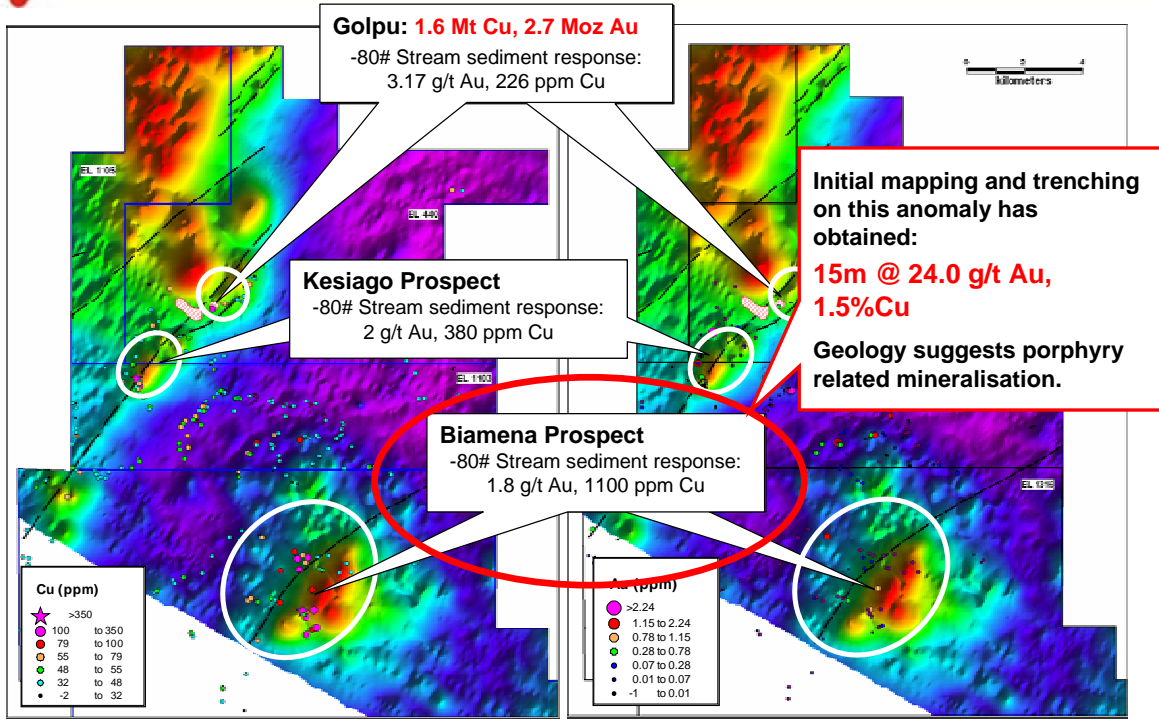
- Wafi/Golpu prospect is a wholly-owned Harmony subsidiary in Papua New Guinea
- Drill testing at four main prospecting zones (Zone A, Zone B, Link Zone and Western Zone)
- Latest update shows an increase in mineral resource at Golpu of:
 - 10% in copper
 - 11% in gold and
 - 17% in molybdenum



	Class	Million tonnes	Cu %	Au g/t	As ppm	Mo ppm	Cu Metal Kt	Au MOz
Porphyry ¹	Indicated	88	1.4	0.6	431	110	1,220	1.77
	Inferred	4	1.5	1.0	15	66	65	0.14
	Sub Total	92	1.4	0.7	412	108	1,285	1.91
Metasediment ²	Inferred	71	0.7	0.5	269	162	479	1.05
	Total	163	1.1	0.6	350	132	1,763	2.96

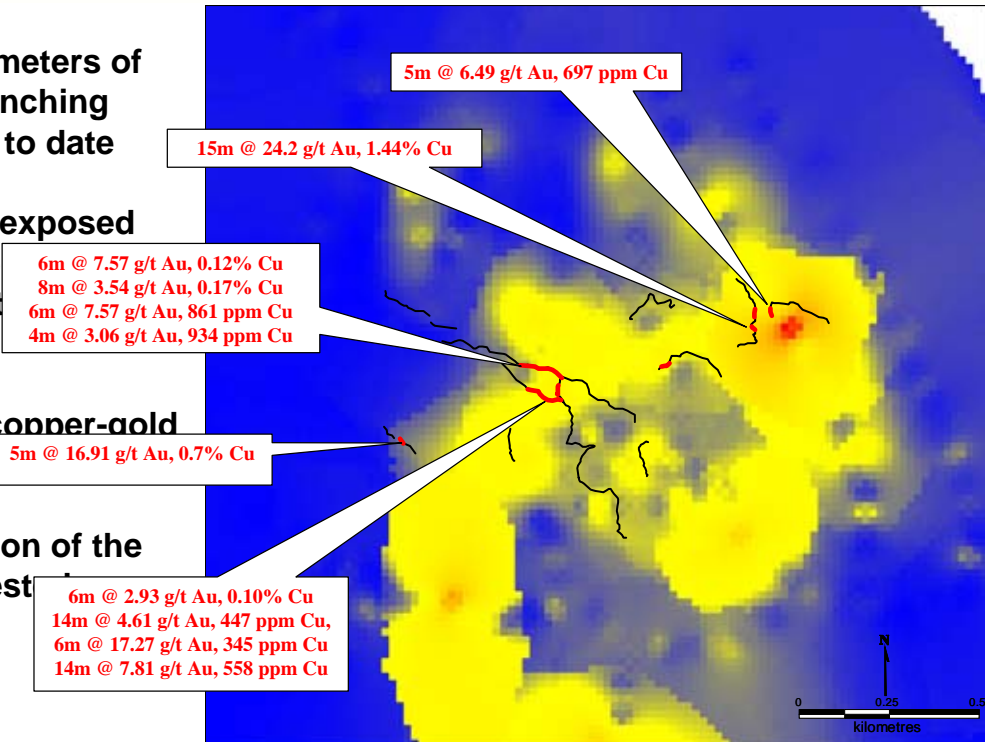


HARMONY Biamena another Golpu?



HARMONY Biamena Trench Locations

- 3 Line kilometers of surface trenching completed to date
- Trenching exposed gold & copper mineralisation outcrop.
- Porphyry copper-gold style alteration
- Small portion of the anomaly tested



- Surface drilling exploration programme approved
- Capital of R18 million for 2 holes with deflections
- Hole 1 – targeting the Mariasdalen fan area
 - Hole drilled to 1 740 metres
 - Planned final depth 2 800 metres
- Hole 2 – targeting the Siberia fan area
 - Hole drilled to 2 445 metres
 - Reef intersected
 - Awaiting assay results
 - First deflection currently being drilled



Understand uranium resources through an extensive drilling and data capturing exercise

- Currently proving reasonable expectation for economic extraction in line with SAMREC conventions
- Drilling and sampling practices overseen by independent third party
- From 56 tailings dams 11 prioritised for current drilling based on historical gold and uranium values:
 - 5 dams in Randfontein containing 360Mt – 5 190m drilled to date
 - 6 dams in Free State containing 280Mt – 3 835m drilled to date
 - Preliminary results expected end June 2007



Saaiplaas Mega-dump No 6



Cooke dump, the best of the 11?

Assumptions used in pre-feasibility study

Criteria	Units	Cooke Plant Slimes Dump	
		Gold	Uranium
Resources	Mt	83	
Head Grade	g/ton	0.225	215
Recovery Grade	g/ton	0.079 (35% recovery)	116 (54% recovery)
Throughput	t/month	500,000	500,000
Life	Years	14	14
Capex	R million	300 (Flotation plant)	1072
Opex	R/ton	4.5	80

Table summarizes the tonnage, recovery, operating cost, capital performance and benchmarking indicators for uranium and gold recovery. Numbers to be confirmed as part of pre-feasibility study



Cooke Dump Financials

There has been significant interest in Harmony's Cooke dump which is believed to contain up to 39 million pounds of uranium

Estimated value of Cooke dump at various spot prices:

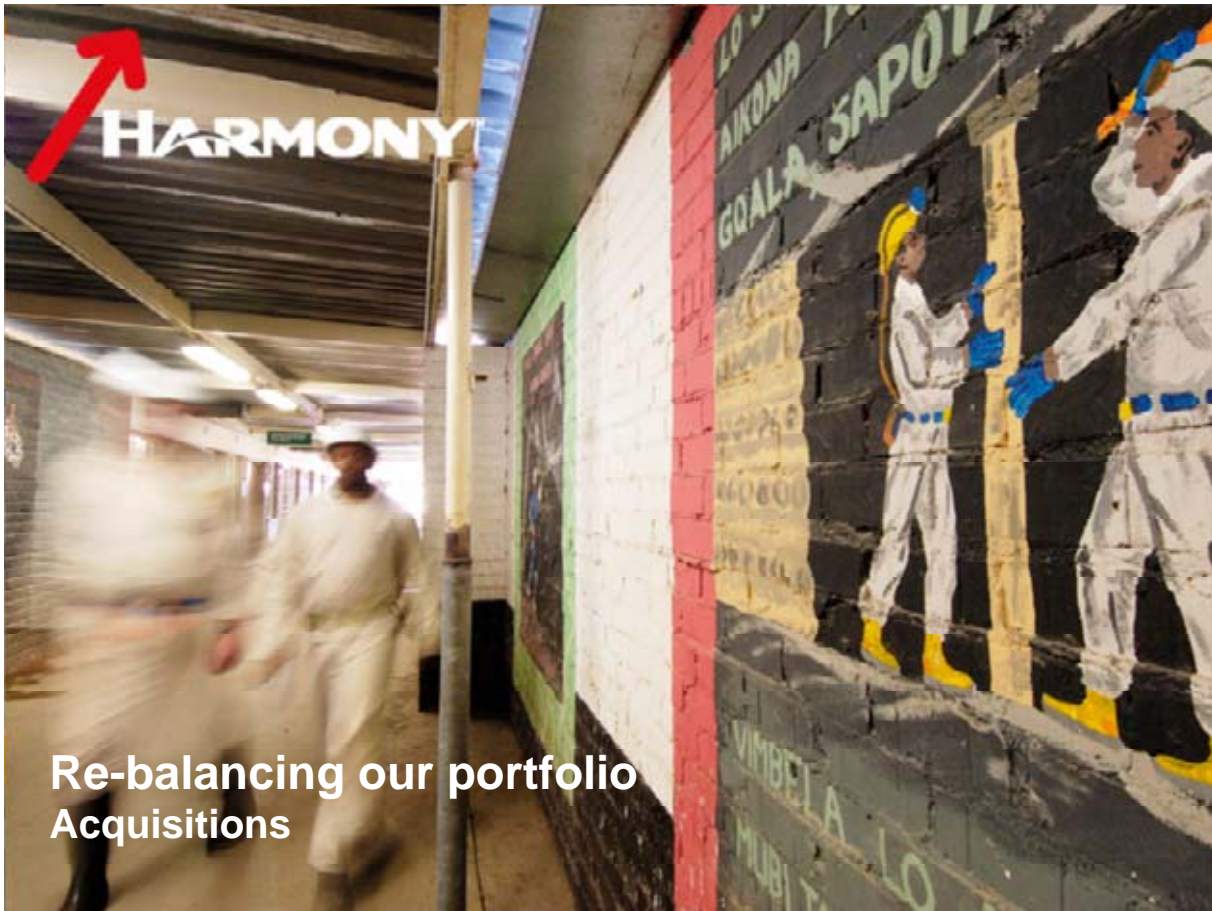
Criteria	Units	Uranium				Gold	
		R1003 (\$65/pound)	R1157 (\$75/pound)	R1389 (\$90/pound)	R1852 (\$120/pound)	R115 000	R151 000
NPV @ 10%	R million	629	1 415	2 600	4 965	Negative	16
IRR	%	24	43	83	309	-	12
Payback	Months	59	39	26	16	-	77

NPV of R5 bn at a discount rate of 10% and a pre tax IRR of 309%.



Capital expenditure (Rm)

	ACTUAL Mar 2007 Rm	FORECAST Jun 2007 Rm	ESTIMATED FY07/08 Rm	ESTIMATED FY07/08 US\$
OPERATIONAL CAPEX				
South African Operations	349	329	1 400	
Australasian Operations	62	77	240	
Total Operational Capex	411	406	1 640	235
PROJECT CAPEX				
Doornkop South Reef	65	50	210	
Elandsrand New Mine	38	34	70	
Tshepong North Decline	19	13	30	
Phakisa Shaft	62	52	90	
PNG	115	264	1 450	
Total Project Capex	299	413	1 850	265
TOTAL CAPEX	710	819	3 490	500



Re-balancing our portfolio
Acquisitions

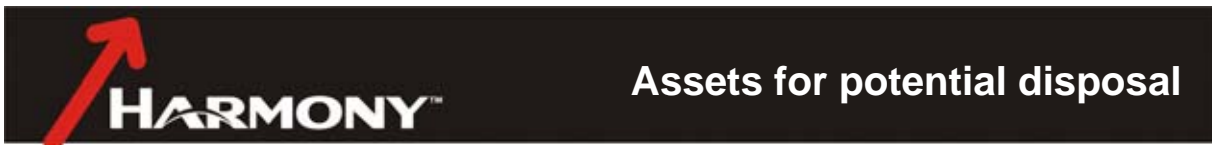


- Russia
 - MOU with Renova
- Africa
 - Highly prospective areas
- South African surface sources
 - Bulking up on sand and slimes re-treatment resources





Re-balancing our portfolio
Disposals



- Orkney operations
- Current closed shafts
- Western Australia
- Kalgold



- Sale of Orkney 1 – 7 shafts to Pamodzi Gold
 - R350 million cash
 - R200 million worth of Pamodzi shares
 - R250 million royalties
 - 3% of 1st 1Moz mined
 - 1.75% thereafter
 - 7.5% additional BEE credits

**Acquisitions:**

- Establish another growth focus area by 2011 (outside SA and PNG)
 - currently investigating Russia and Africa

Disposal:

- Reducing exposure to existing lower-quality, higher-cost or shorter-life assets
 - 500 000 of lower quality ounces to be disposed of by 2009
 - retain upside exposure to disposed ounces through gold royalties



Organic growth:

- Quality upgrade of portfolio continues with new mines coming on stream
 - 1.4 million of additional high quality ounces on stream by December 2010
 - finalise investment decisions for an additional one million gold equivalent ounces by December 2008
 - surface slimes
 - uranium
 - Wafi/Golpu

**QUESTIONS**