


## June quarter and 2007 financial year-end results

Graham Briggs  
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### 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 latest Annual Report on Form 20-F for the year ended June 30, 2006, 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.



## Graham Briggs profile

- BSc (Hons) Summa Cum Laude Geology
- 31 years mining experience
- Joined Harmony in 1996 as New Business Manager
  - Initiated successful acquisition strategy
  - Implemented ore reserve management system

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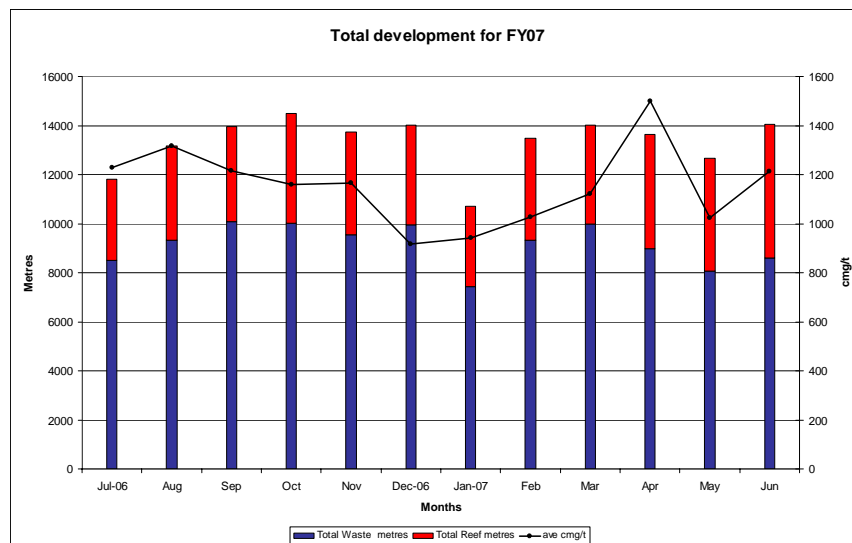
## Graham Briggs profile

- Fulfilled the following roles in Harmony
  - MD of Lydenburg Exploration
  - Vice president (operations) Harmony Gold (Canada) Inc
  - Operations director Free State
  - Executive manager organic growth
  - Technical director (Harmony Australia)
  - MD Harmony Australasia since 2005

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- Headline earnings for the year was 43 SA cents per share (-269 SA cents per share for FY06)
- First net profit in three years (R341 million)
- Development up by 35%; improved flexibility of operations
- Good progress on projects
  - Exploration in PNG; Wafi/Golpu pre-feasibility
  - Building mines Doornkop, Elandsrand, Hidden Valley, Phakisa and Tshepong sub 66 decline
- Improved safety

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		FY06	FY07
Gold produced	- kg	74 242	72 602
Revenue	- R/kg	108 268	147 580
Exchange rate	- USD/ZAR	6.36	7.20
Cash costs	- R/kg	88 629	112 407
Cash operating profit	- R (m)	1 459	2 554
Operating margin	- (%)	18.1	23.8
Cash earnings	- cents per share (SA)	371	642



## Working profit by segment year-on-year

	FY06 Rm	FY07 Rm
<b>South African operations</b>		
Quality assets	1 076.9	1 507.4
Growth projects	(1.8)	238.3
Leverage assets	155.8	441.4
Surface operations	65.5	174.8
<b>Total South African operations</b>	<b>1 296.4</b>	<b>2 361.9</b>
Australian operations	162.5	191.8
<b>Total Harmony</b>	<b>1 458.9</b>	<b>2 553.7</b>



## Group operating results – June Q

Rand/Metric

	Mar 2007	Jun 2007
Gold produced - kg	18 010	16 396
Revenue - R/kg	151 833	151 522
Exchange rate - USD/ZAR	7.24	7.09
Cash costs - R/kg	103 608	149 180
Cash operating profit - R (m)	869	39
Operating margin - (%)	31.8	1.6
Cash earnings/(loss) - cents per share (SA)	218	10



## Working profit by segment quarter-on-quarter

	Mar 2007 Rm	Jun 2007 Rm
<b>South African operations</b>		
Quality assets	496.5	72.6
Growth projects	54.5	62.1
Leverage assets	235.0	(138.5)
Surface operations	35.3	51.2
<b>Total South African operations</b>	<b>821.3</b>	<b>47.4</b>
Australian operations	47.2	(8.5)
<b>Total Harmony</b>	<b>868.5</b>	<b>38.9</b>



## Group operating results – FY07

US\$/Imperial

		FY06	FY07
Gold produced	- oz	2 386 925	2 334 198
Revenue	- US\$/oz	529	638
Exchange rate	- R/US\$	6.36	7.20
Cash costs	- \$/oz	433	486
Cash operating profit	- US\$ (m)	229	353
Operating margin	- (%)	18.2	23.8
Cash earnings	- cents per share (US)	58	89



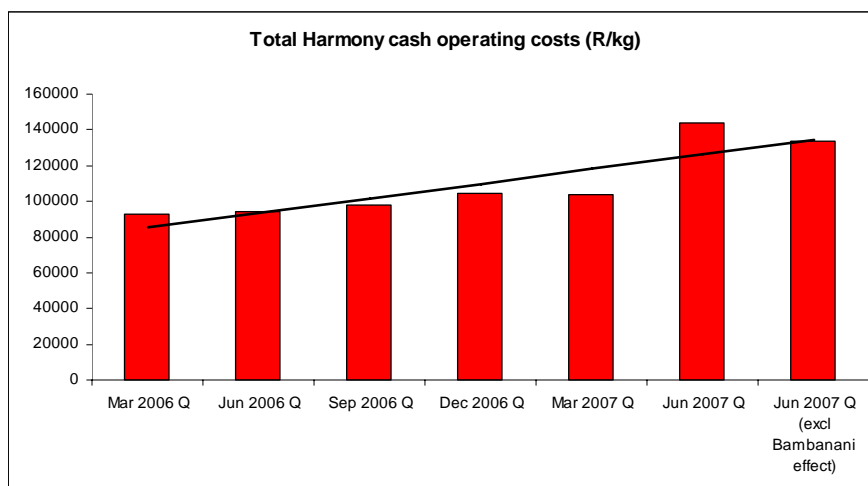
## Group operating results – June Q

US\$/Imperial

		Mar 2007	Jun 2007
Gold produced	- oz	579 032	527 141
Revenue	- US\$/oz	652	665
Exchange rate	- R/US\$	7.24	7.09
Cash costs	- \$/oz	445	655
Cash operating profit	- US\$ (m)	120	5
Operating margin	- (%)	31.8	1.5
Cash earnings	- cents per share (US)	30	1



## Cash operating costs from March Q 2006 to June Q 2007





## Quarter cost problem

- Introduction of new accounting system
- System 'live and stand-alone' from January 2007
- March Q – not all stores' cost of about R250 million reflected
- Discrepancy discovered in July 2007
- Internal review immediately conducted to address shortcomings and understand underlying issues

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## Quarter cost problem

- Employee training seen as key
- External consultants will do comprehensive audit of the system
- System should take six months to stabilize
- Will perform simultaneous manual checks
- External audit to be performed on accounting system after December 2007

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## Quarter on quarter cash operating profit variance analysis

Cash operating profit – Mar 2007 R 868.5 million

Variance attributed to change in:

- Volume (R101.5) million
- Working cost (R580.1) million
- Recovery grade (R143.6) million
- Gold price (R 4.4) million
  
- net variance (R829.6) million

Cash operating profit – Jun 2007 R 38.9million

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## Quality assets Operational results

		Mar 2007	Jun 2007	% VAR
U/g tonnes milled	('000)	1 496	1 535	2.6
U/g recovery grade	(g/t)	5.5	5.1	(7.3)
U/g kilograms produced	(kg)	8 158	7 745	(5.1)
U/g working costs	(R/kg)	91 055	141 949	(55.9)
U/g working costs	(R/t)	497	716	(44.1)

- Tshepong grade decreased by 13.6% to 5.4g/t (6.27g/t)
- Target reported lower grade of 5.15g/t (5.94g/t)
- R/kg costs for 6 months to Dec 06 – R89 936/kg; 6 months to Jun 07 – R115 841/kg



## Leveraged assets Operational results

		Mar 2007	Jun 2007	% VAR
U/g tonnes milled	('000)	1 277	1 031	(19.3)
U/g recovery grade	(g/t)	4.5	4.1	(8.0)
U/g kilograms produced	(kg)	5 740	4 261	(25.8)
U/g working costs	(R/kg)	111 291	184 161	(65.5)
U/g working costs	(R/t)	500	761	(52.2)

- Bambanani's tonnes 56.2% lower due to ore-pass blockage
- Joel milled 58 000 tonnes vs 119 000 tonnes quarter-on-quarter
- R/kg costs for 6 months to Dec 06 – R113 442/kg; 6 months to Jun 07 – R142 338/kg

		<b>Mar 2007</b>	<b>June 2007</b>	<b>% VAR</b>
U/g tonnes milled	('000)	379	378	(0.3)
U/g recovery grade	(g/t)	4.6	5.3	14.9
U/g kilograms produced	(kg)	1 757	2 013	14.6
U/g working costs	(R/kg)	121 289	119 800	1.2
U/g working costs	(R/t)	562	638	(13.5)

- Elandsrand's yield increased from 5.80g/t to 6.44g/t; cash operating costs decreased by 5.2%
- Doornkop grade 14.8% higher
- R/kg costs for 6 months to Dec 06 – R114 320/kg; 6 months to Jun 07 – R120 494/kg

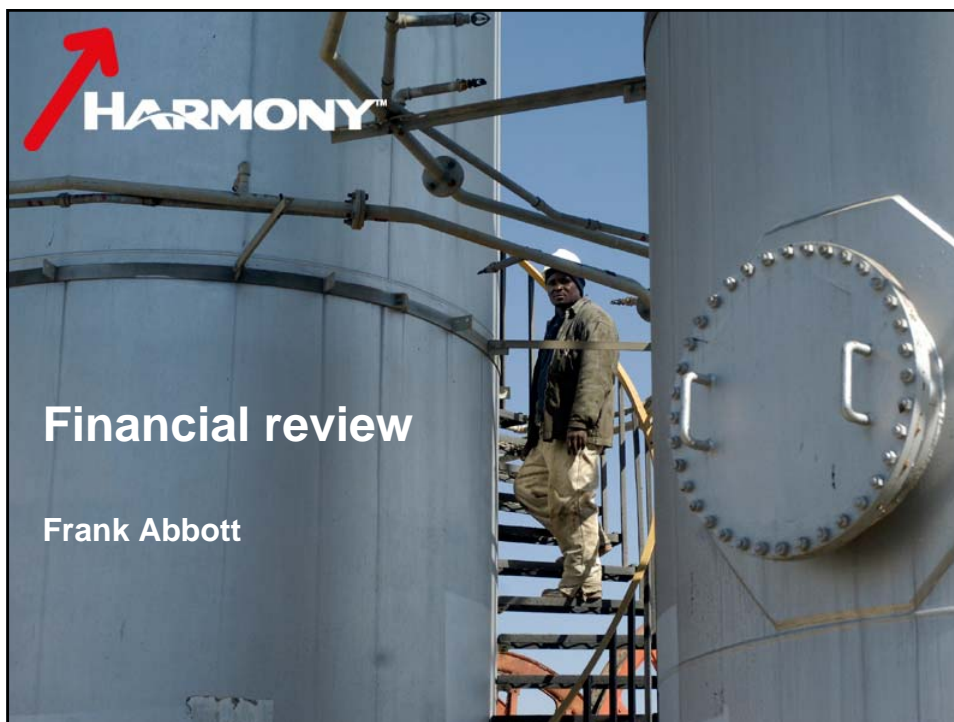
		<b>Mar 2007</b>	<b>Jun 2007</b>	<b>% VAR</b>
Surface tonnes milled	('000)	1 268	1 673	31.9
Surface recovery grade	(g/t)	0.59	0.56	(5.1)
Kilograms produced	(kg)	747	930	24.5
Working costs	(R/kg)	104 299	96 785	7.2
Working costs	(R/t)	61	54	11.5

- Kalgold grade improved significantly to 1.57g/t
- Surface tonnages increased by 31.9% to 1 673 000 tonnes

		<b>Mar 2007</b>	<b>Jun 2007</b>	<b>% VAR</b>
Tonnes milled	('000)	694	691	(0.4)
Recovery grade	(g/t)	2.3	2.1	(9.9)
U/g kilograms produced	(kg)	1 608	1 447	(10.0)
U/g working costs	(R/kg)	120 225	159 417	(32.6)
U/g working costs	(R/t)	279	334	(19.7)

- Mt Magnet experienced seismic event causing production delays and high costs
- Mt Magnet will be closed and is up for sale

- Agreement was signed with Dioro Exploration NL for the sale of South Kal Mine operations in Australia
- Consideration payable is:
  - AUD25 million (about R150 million) payable in cash
  - issue of the Consideration Shares to the value of AUD20 million (about R120 million).
- Sale of Kalgoorlie nickel tenements to 3rd party for AUD20 million
- Sale of nickel tenements to Australian Mines for AUD3 million



		Extracts from Income Statement FY06 vs FY07	
		30 Jun 2006 Reviewed R million	30 Jun 2007 Reviewed R million
Revenue	6 823	9 148	
Cash operating costs	(5 582)	(6 866)	
<b>Cash operating profit</b>	<b>1 241</b>	<b>2 282</b>	
Corporate administration and other expenditure	(174)	(249)	
Exploration expenditure	(71)	(194)	
Interest paid	(436)	(515)	
Interest received	201	197	
Impairment of assets	216	123	
Taxation	(137)	(249)	
(Loss)/profit from discontinued operations	25	(216)	
Loss from measurement to fair value less cost to sell	-	(391)	
<b>Net profit/(loss)</b>	<b>(525)</b>	<b>341</b>	
Headline earnings	(1 033)	172	



## Extracts from Income Statement March Q vs June Q

	31 Mar 2007 Reviewed R million	30 Jun 2007 Reviewed R million
Revenue	2 735	2 485
Cash operating costs	(1 866)	(2 446)
<b>Cash operating profit</b>	<b>869</b>	<b>39</b>
Corporate administration and other expenditure	(50)	(87)
Exploration expenditure	(68)	(70)
Interest paid	(106)	(236)
Interest received	36	87
Impairment of assets	-	(268)
Taxation	(113)	19
<b>Net profit/(loss)</b>	<b>247</b>	<b>(653)</b>
Headline earnings	233	(528)



## Balance Sheet as at 30 June 2007

	FY06 (Reviewed) R million	FY07 (Reviewed) R million
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>	<b>32 089</b>	<b>33 247</b>
<b>CURRENT ASSETS</b>	<b>2 065</b>	<b>3 582</b>
<b>TOTAL ASSETS</b>	<b>34 154</b>	<b>36 829</b>
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>	<b>23 203</b>	<b>23 586</b>
Borrowings	2 591	2 794
Net deferred taxation liabilities	4 275	5 000
Deferred financial instruments	631	-
Provisions for other liabilities and charges	983	1 250
<b>NON-CURRENT LIABILITIES</b>	<b>8 480</b>	<b>9 044</b>
<b>CURRENT LIABILITIES</b>	<b>2 471</b>	<b>4 199</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>34 154</b>	<b>36 829</b>

	30 June 2007 R million	27 August 2007 R million
Converted bond	1 700	1 700
AVR	202	202
Short-term loan	500	500
Long-term loan	1 302	-
<b>Sub total</b>	<b>3 704</b>	<b>2 402</b>
*ARM Empowerment trust	1 051	1 051
<b>Total</b>	<b>4 755</b>	<b>3 453</b>

\*R600 million liability is 3 x covered by ARM Shares

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- Cash flow from operations sufficient to fund operations and ongoing capital expenditure
  - FY07 cash operating profits predicted at R2.5 billion
- Evaluate all capex projects
  - Currently 5 major projects, evaluate planned expenditure and timing
- Evaluate funding options
  - Debt
  - Disposals (Uranium assets, Mt Magnet)
  - Possible partnership for Wafi/Golpu

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## Capex

OPERATIONAL CAPEX	ACTUAL Mar 2007 Rm	ACTUAL Jun 2007 Rm	
South African Operations	349	372	
Australasian Operations	62	51	
<b>Total Operational Capex</b>	<b>411</b>	<b>423</b>	
PROJECT CAPEX			CAPITAL INVESTED TO DATE
Doornkop South Reef	65	82	588
Elandsrand New Mine	38	18	565
Tshepong North Decline	19	24	258
Phakisa Shaft	62	54	564
Hidden Valley, PNG	115	279	621
<b>Total Project Capex</b>	<b>299</b>	<b>457</b>	<b>2 596</b>
<b>TOTAL CAPEX</b>	<b>710</b>	<b>880</b>	







## Our Executive Team



**Graham Briggs**  
*Acting Chief Executive*

Year joined Harmony: 1995  
Years in industry: 30+



**Frank Abbott**  
*Interim FD*

Year joined Harmony: 2007  
Years in industry: 26



**Alwyn Pretorius**  
*Executive, South African Operations*

Year joined Harmony: 2002  
Years in industry: 12



**Bob Atkinson**  
*Executive, Operations Director of Growth Projects*

Year joined Harmony: 1986  
Years in industry: 30+



**Marian van der Walt**  
*Legal & Compliance*

Year joined Harmony: 2003  
Years in industry: 5



**Mashego Mashego**  
*Executive, Human Resources*

Year joined Harmony: 2005  
Years in industry: 7



**Jackie Mathebula**  
*Executive, Corporate Affairs*

Year joined Harmony: 2002  
Years in industry: 5



**Johannes van Heerden**  
*Chief Financial Officer Harmony Australasia*

Year joined Harmony: 1998  
Years in industry: 9



**Abre van Vuuren**  
*Services*

Year joined Harmony: 1997  
Years in industry: 25



**Jaco Boshoff**  
*ORM*

Year joined Harmony: 1996  
Years in industry: 12



- We are working on:
  - Structuring the company to meet new targets and performance
  - Reducing unit operating costs materially by cutting overheads and unnecessary expenses
  - Reviewing Harmony's finances
  - Revisiting incentive schemes and bonuses to focus on the bottom-line profits
  - Reassessing Information system to provide for proper business decision

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- We have:
  - high calibre management,
  - excellent orebodies,
  - well-advanced growth projects
  
- We will focus on what makes Harmony a globally competitive company
- South African operations are not for sale
- We are confident of the future of Harmony

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# Questions

[www.harmony.co.za](http://www.harmony.co.za)

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