


South Operations
5 Aug 2008


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South Operations

Operations

- Tshepong
- Target
- Phakisa
- Bambanani
- Masimong
- Joel
- Virginia
 - M1
 - M3
 - H2
 - Brand 3
 - Unisel
- Phoenix




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South Operations


- **Improved Safety Quarter**
 - 20% improvement on safety indicators
 - One fatality at Brand 3
 - Target 3½ fatality free, 1,25million FFS

- **Quarter Main Features**
 - Bambanani resized
 - Joel & Masimong good improvements
 - Phakisa development improved



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Tshepong


- **June 2008 quarter**
 - 500 000 FFS

- Access labour from Conops worked down

- Sub 66 decline in built up phase

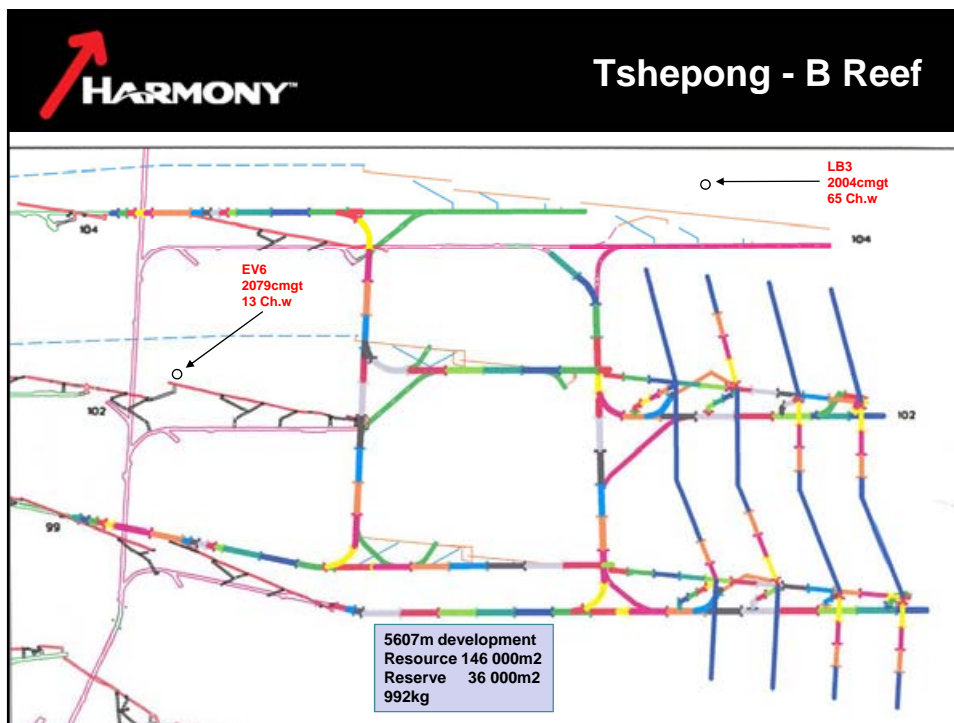
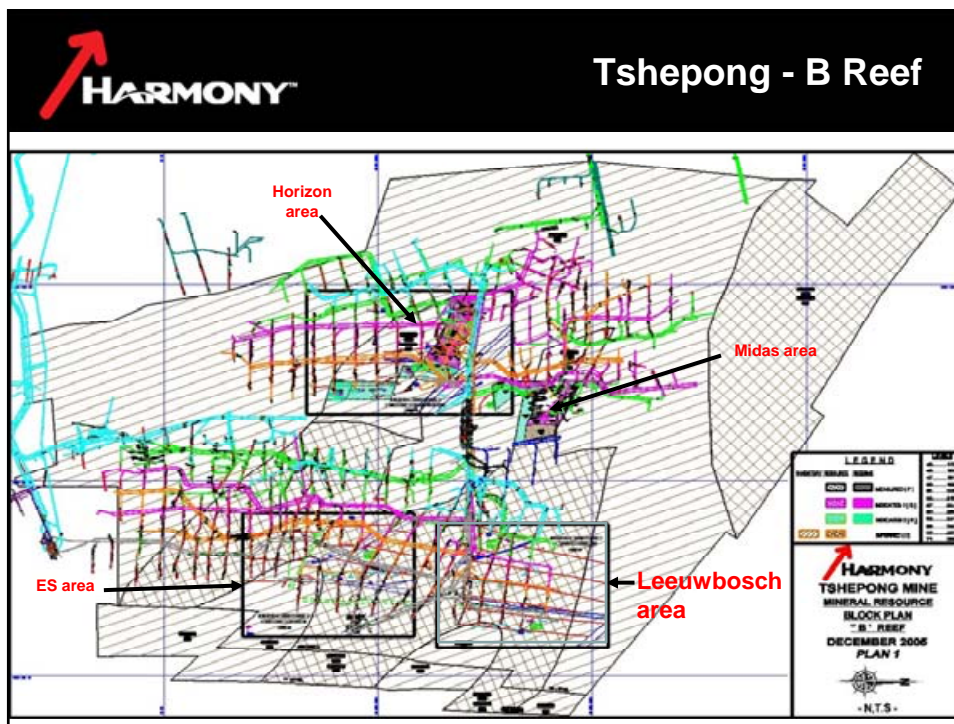
- Sub 71 decline approved and in progress

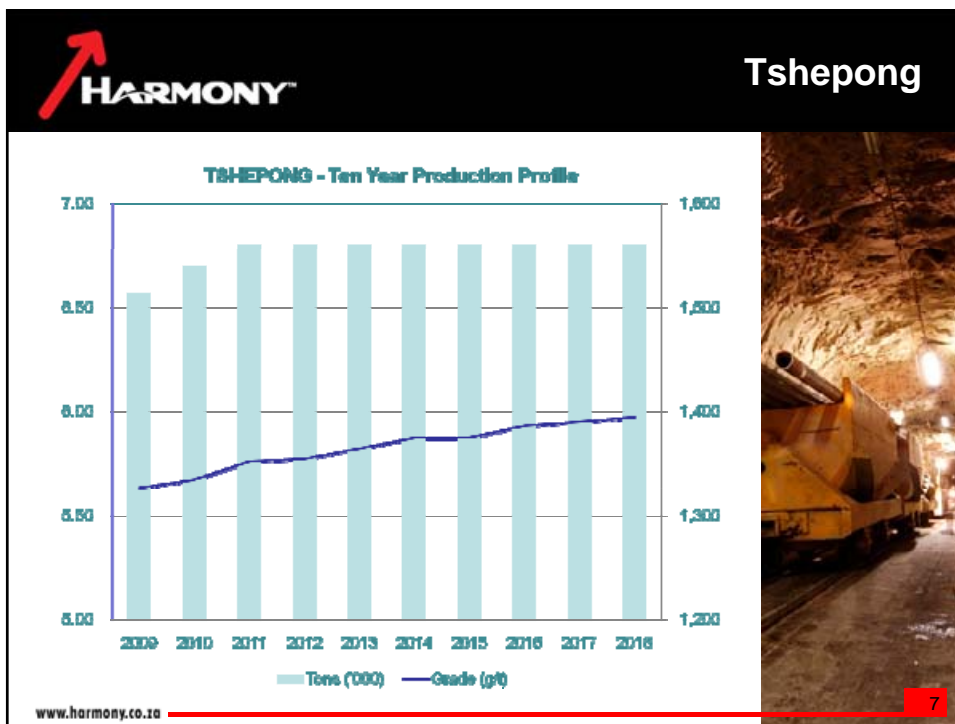
- B Reef prospecting project approved – R56m over 4yrs



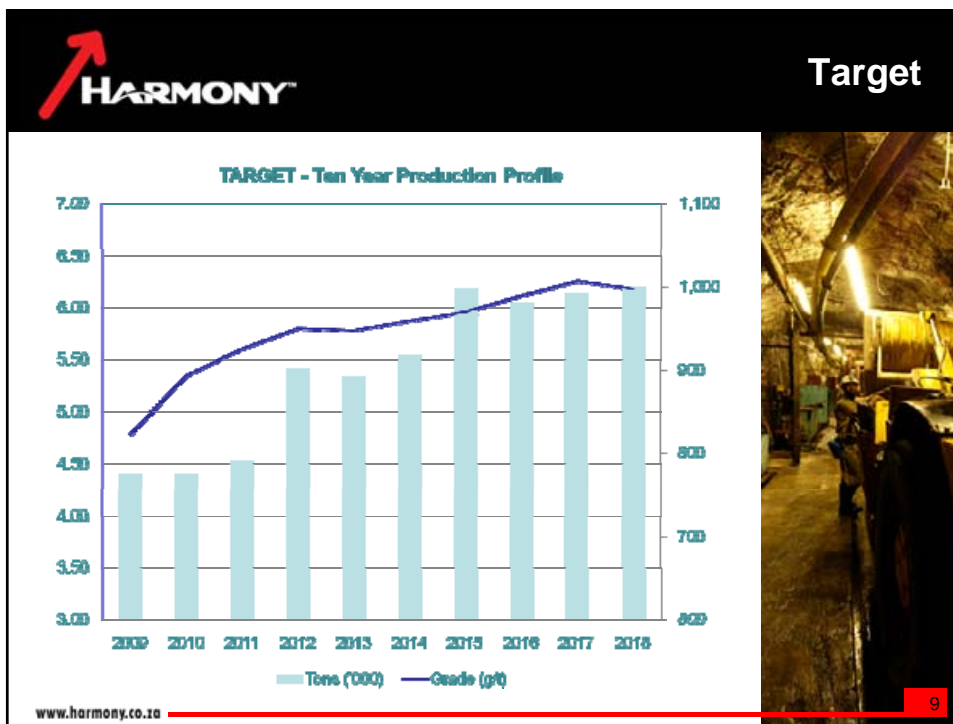
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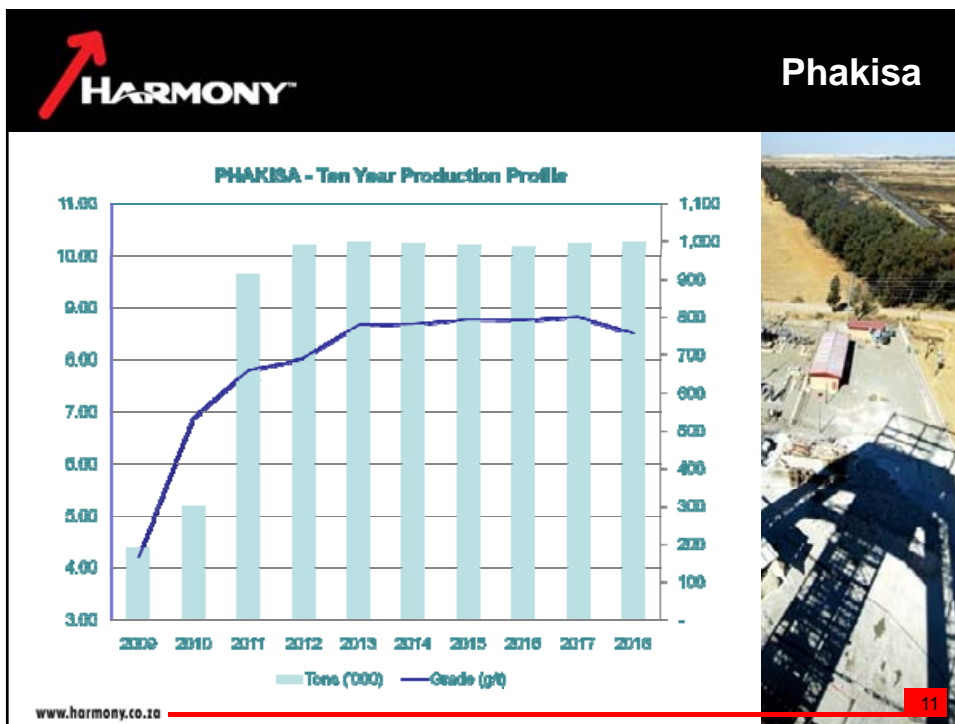
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- HARMONY** **Target**
- **June 2008 quarter**
 - 3½ years fatality free
 - **Infrastructure**
 - Flooding under control with temporary arrangement
 - Belt system problems sorted out
 - **Vehicle replacement program well on track**
 - **Ore Reserve Management**
 - Massive stope design addressed
 - New ORM manager appointed
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Phakisa

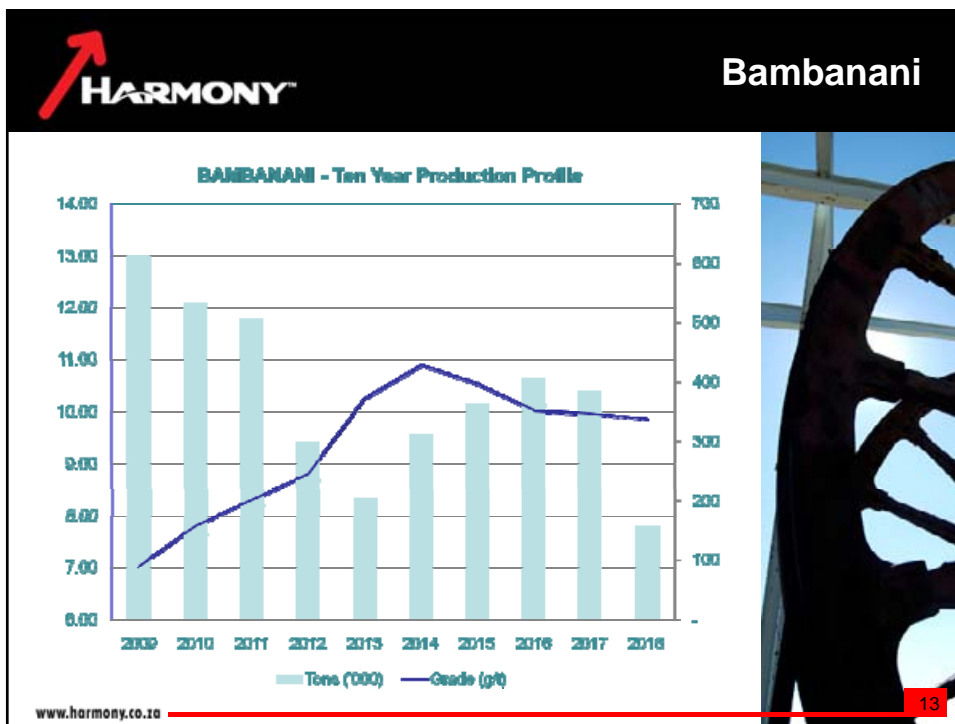
- **June 2008 quarter**
 - Good safety continues – 2.42 LTIFR
- Development meters improved over 40% qtr on qtr
- Flexibility will keep grade fluctuating over the next year
- Confidence in reserve still intact at 7.9g/t for 2010/11
- Project operability positive

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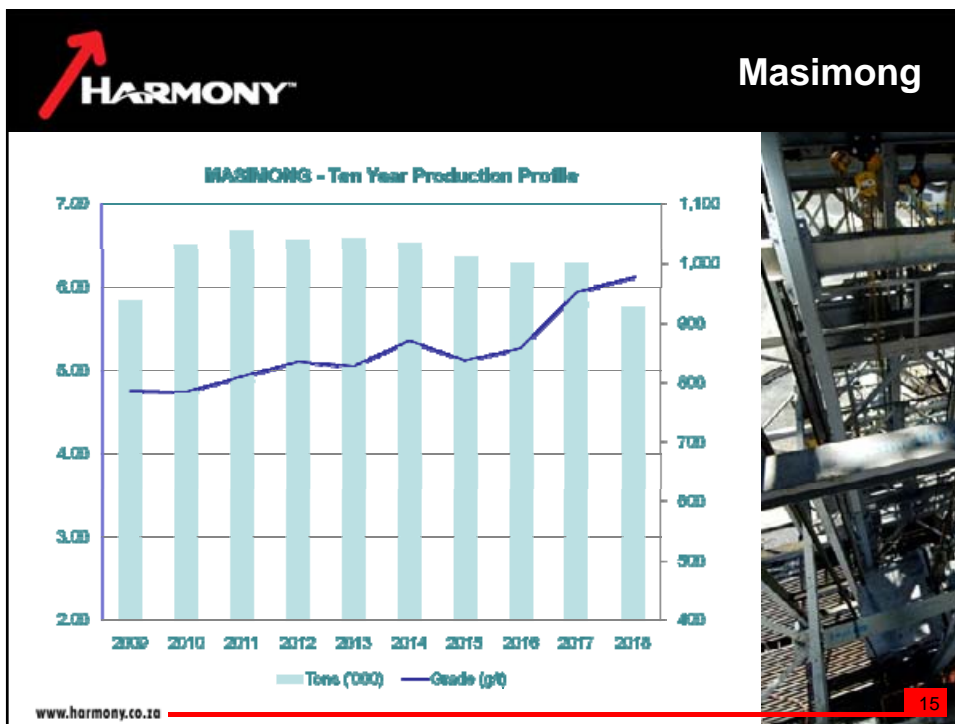


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- HARMONY** Bambanani
- **June 2008 quarter**
 - Good safety performance
 - Resized operation (50%) for quarter
 - Reduction in power of 27%
 - Access labour reduced from 2086 to 402
 - Shaft Pillar project design started
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- Masimong**
- **June 2008 quarter**
 - Safety maintained
 - Restructuring process complete
 - Transformation process
 - People intervention
 - Productivity improvement driven
 - 15 months process
 - Positive attitude on shaft
 - To date a success story
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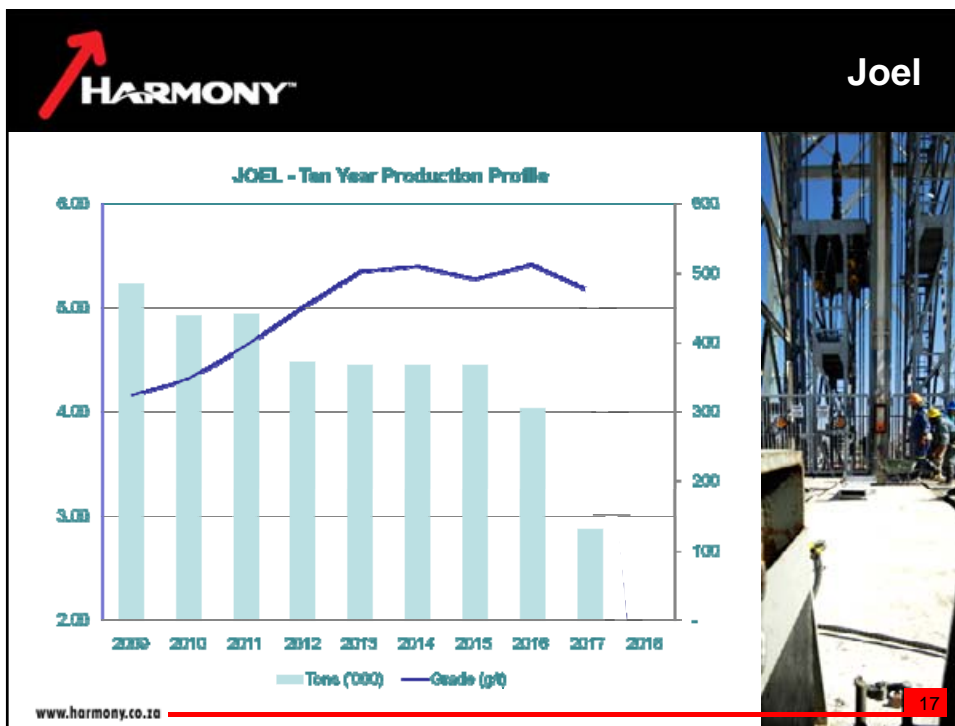


Joel

- **June 2008 quarter**
 - 3 months Lost Time Injury free
 - Best underground safety performer in company
- **Infrastructure**
 - Most of North shaft issues addressed
 - To be completed in next quarter
- Water intersection on 129 level hamper development

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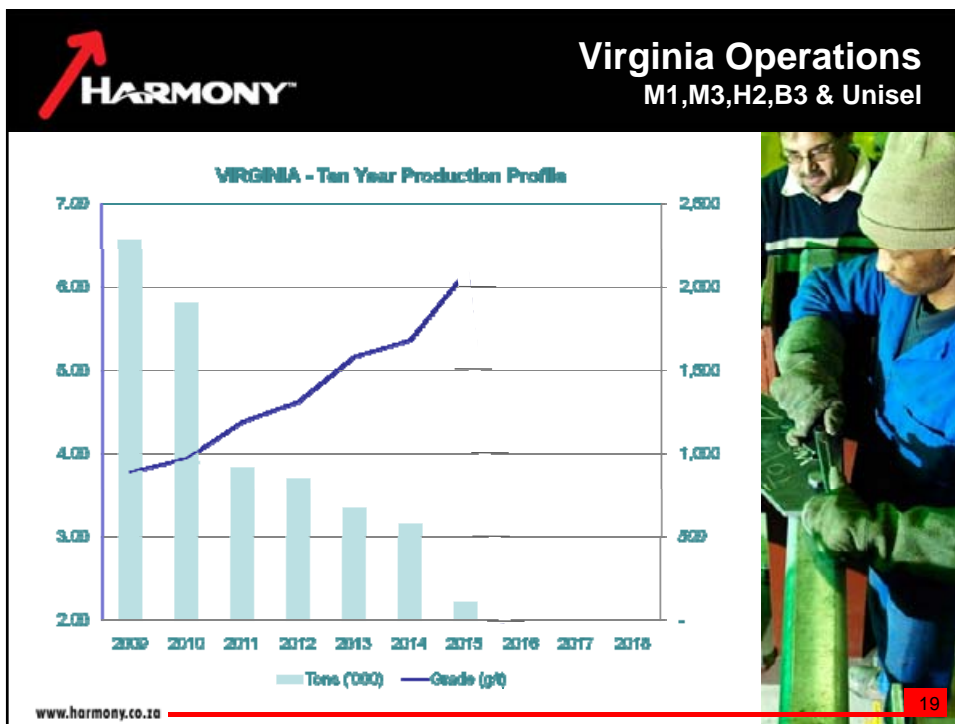


Virginia Operations
M1, M3, H2, B3 & Unisel

- **June 2008 quarter**
 - Fatality on Brand 3
 - 29% improvement in Lost Time Injury Free Rate
- Working interruptions from Union dispute on replacement labour
- M1 - good quarter with profitability well up
- Seismicity effected higher grade Basal Pillars – H2, Unisel

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- June 2008 quarter
- Consistent producer at 500 000tpm
- Cash Costs at an average R90 000/kg for 1½ years
- R160m profit from two years production
- Capital vote closed at R40m (R1m below plan)

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HARMONY Phoenix Slime Plant

Brand A

HT

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HARMONY Phoenix Slime Plant

PHOENIX - Ten Year Production Profile

Year	Tons ('000)	Grade (g/t)
2009	6,500	0.140
2010	6,500	0.140
2011	6,500	0.140
2012	6,500	0.140
2013	6,500	0.140
2014	6,500	0.140
2015	6,500	0.140
2016	6,500	0.140
2017	3,000	0.140
2018	3,000	0.140

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South Operations - Projects


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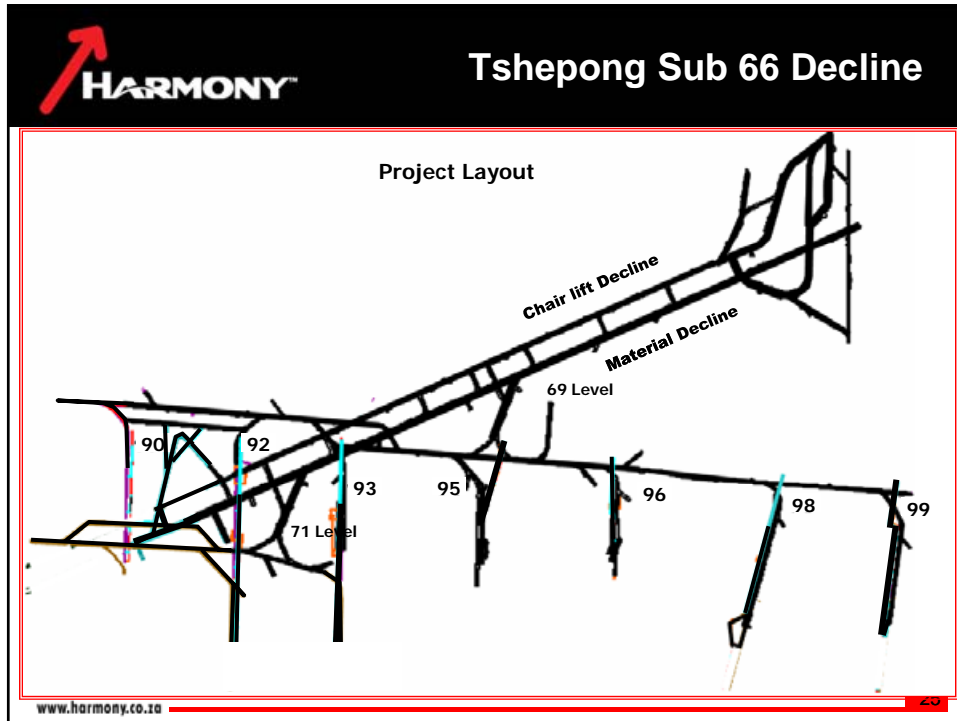
Tshepong Sub 66 Decline

- **Project Update**
 - Project 98% complete – belt level outstanding
 - Final capital estimate R291.8m (+4%)
 - Two year delay – contractor & ground conditions
 - Full production July 2010
 - Project Indicators:
 - Production 38 000tpm @ 6.8g/t
 - Cash Cost R688/t
 - 16 years life
- **Project Changes**
 - Ground swop with Phakisa
 - Lower grade
 - Increased area
 - NPV benefit to the company
 - Basis to extend decline, assisting Phakisa



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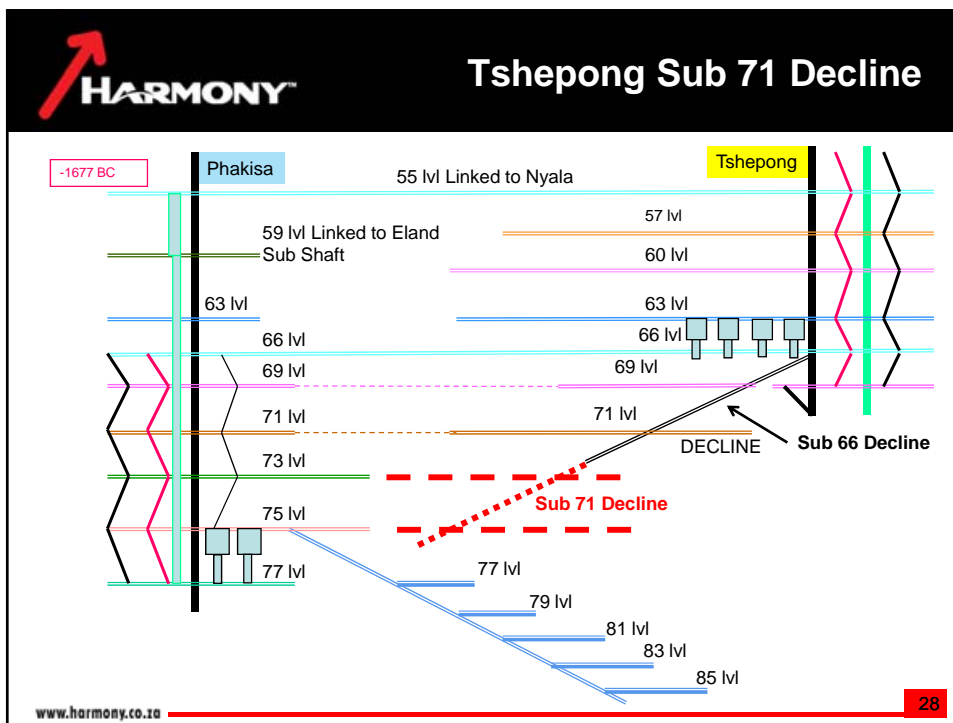
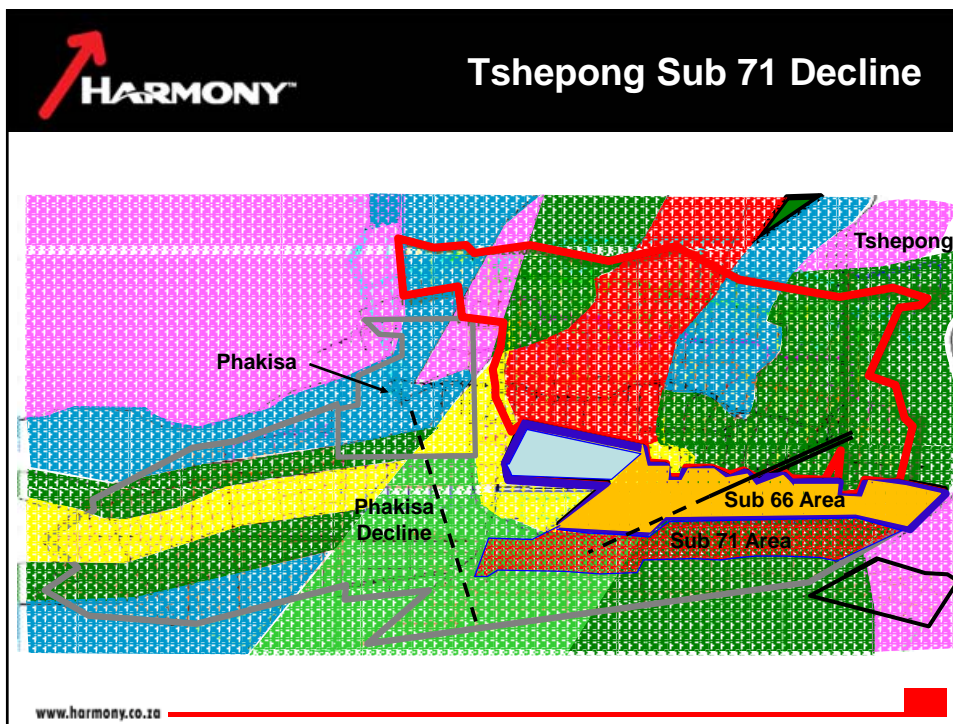


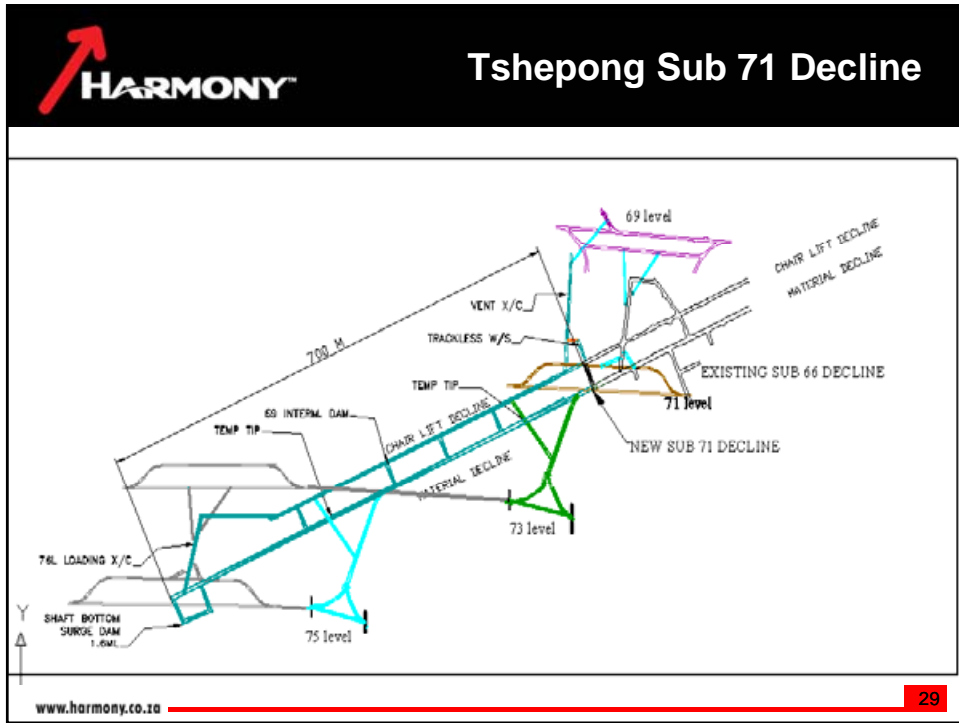
HARMONY Tshepong Sub 71 Decline

- **Project Update**
 - Extension of the Sub 66 decline
 - Two levels (73&75lvl's)
 - Ground swop with Phakisa
 - Capital estimate R132.4m
 - Capital Spent 15%
 - Project Schedule 29% complete
 - Project Completion – Feb 2011
 - Full production – Jul 2014
 - Project Indicators:
 - Production 28 000tpm @ 6.60g/t
 - Cash Cost R688/t
 - 13 years life

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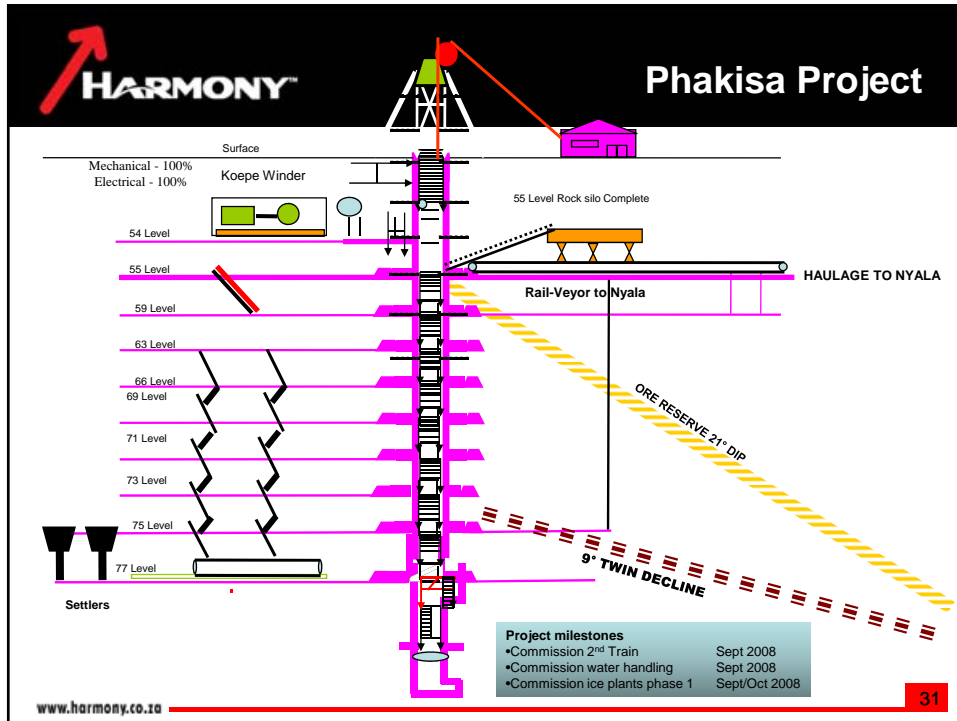




HARMONY Phakisa Project

- Project Update**
 - Project schedule 79% complete
 - Capital spent 60% (86%)
 - Final capital estimate R1 343 (44% COS from R934m)
 - Milestones:
 - Full Production Jun 2011
 - Complete decline Dec 2012
 - Project Indicators:
 - Production 83 000tpm @ 7.9g/t
 - Cash Cost R579/t
 - 22 years life
- Project Changes**
 - Non Conops plan and ground swop with Tshepong
 - Scope Changes - R407m
 - Escalation R149m - 37%
 - Commissioning Costs R171m - 42%
 - Design Changes R 87m - 21%


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HARMONY™ Target Block 3 Project

- **Project Update**
 - Decline approved
 - Project schedule 26% complete
 - Capital spent 16%
 - Final capital estimate R 583m
 - Ramp R229m
 - Decline R353m
 - Milestone:
 - Project Completion Dec 2010
 - Full production 2013
 - Project Indicators:
 - Production 31 000tpm @ 8.4g/t
 - Cash Cost R550/t
 - 21 years life

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 **Target Block 3 Project**



PHASE 2, BLOCK 3
CAPITAL FOODCOURT

Total Development Meters: 7500m

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 **Thank You**

Questions

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