

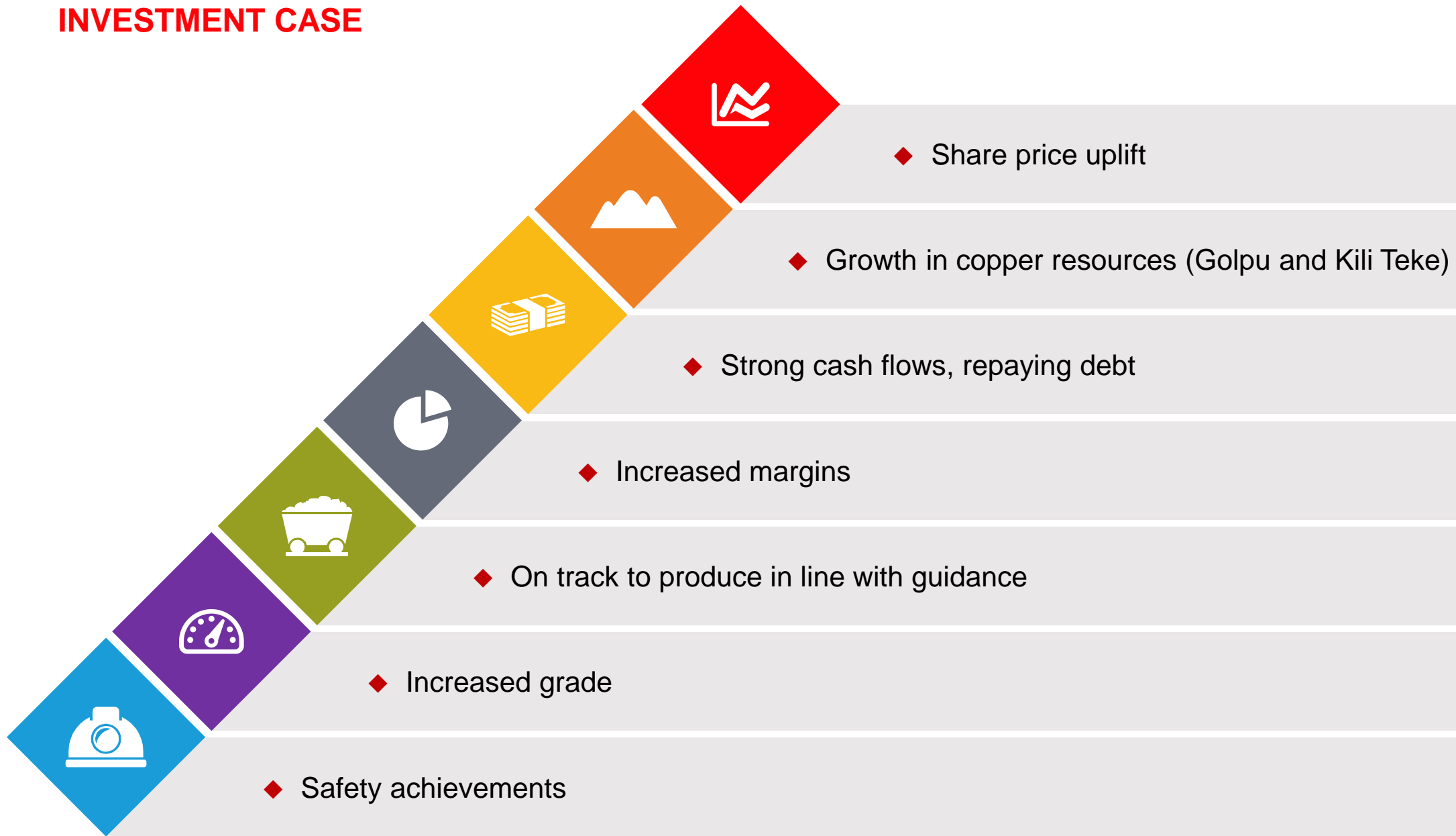


**DRIVEN BY
EXCELLENCE**

November 2016



INVESTMENT CASE



HARMONY'S VALUE UPLIFT

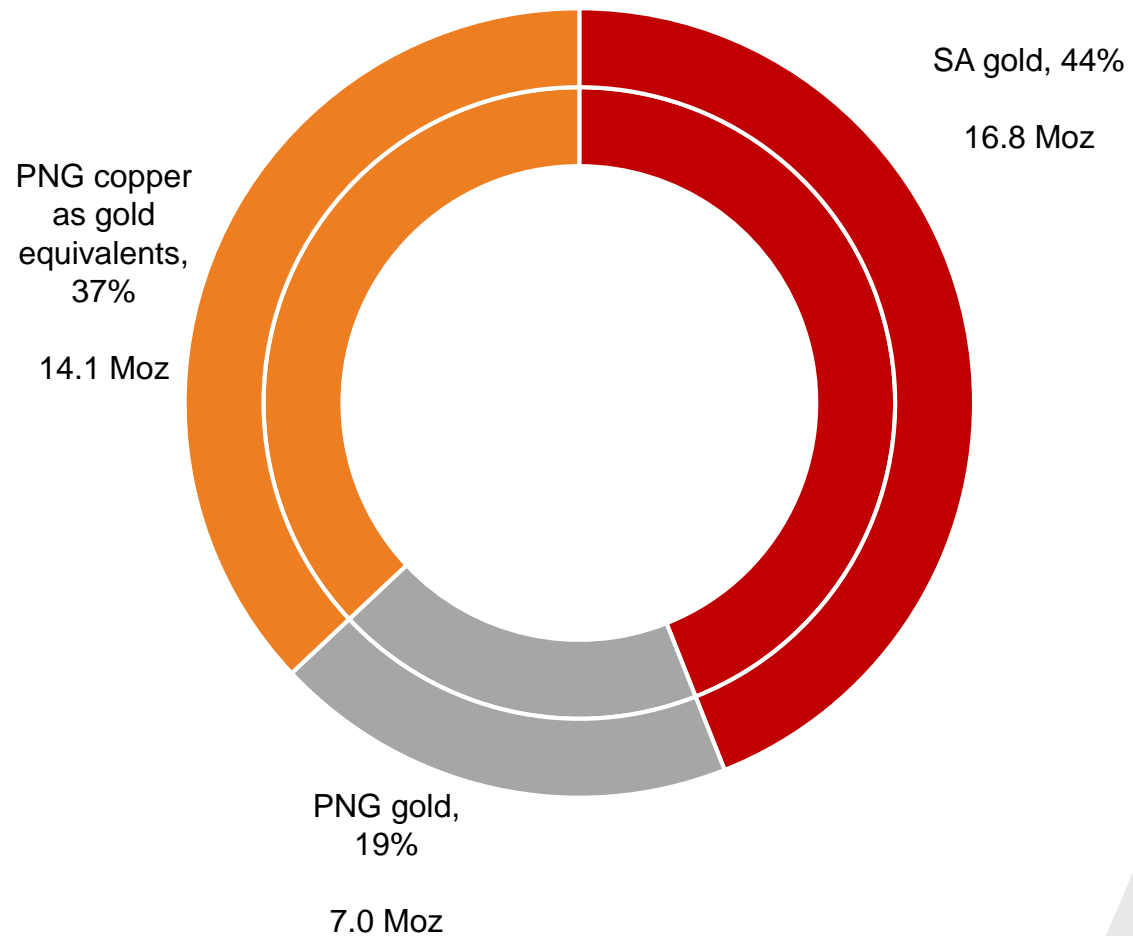
FY2016 results:

- 54% reduction in net debt to R1.08 billion (61% to US\$74 million)
- Net profit of R949 million (US\$66 million)
- Headline earnings per share (HEPS) of 221 SA cents (US\$15 cents)
- Dividend of 50 SA cents (4 US cents)
- Copper growth in PNG

Q1FY17 results:

- 6 out of 8 gold industry safety awards given to Harmony at annual MineSAFE event
- 10% increase in gold production
- Production profit of R1.4 billion (US\$97 million)
- R850 million (US\$60 million) free operational cash flow
- 51% decrease in net debt from R 1 083 million to R528 million (49% decrease from US\$74 million to US\$38 million)
- R5.25 billion recorded in revenue – highest ever (US\$374 million)
- Currency and gold hedges realise R240 million (US\$17 million) in profits
- Hidden Valley acquisition

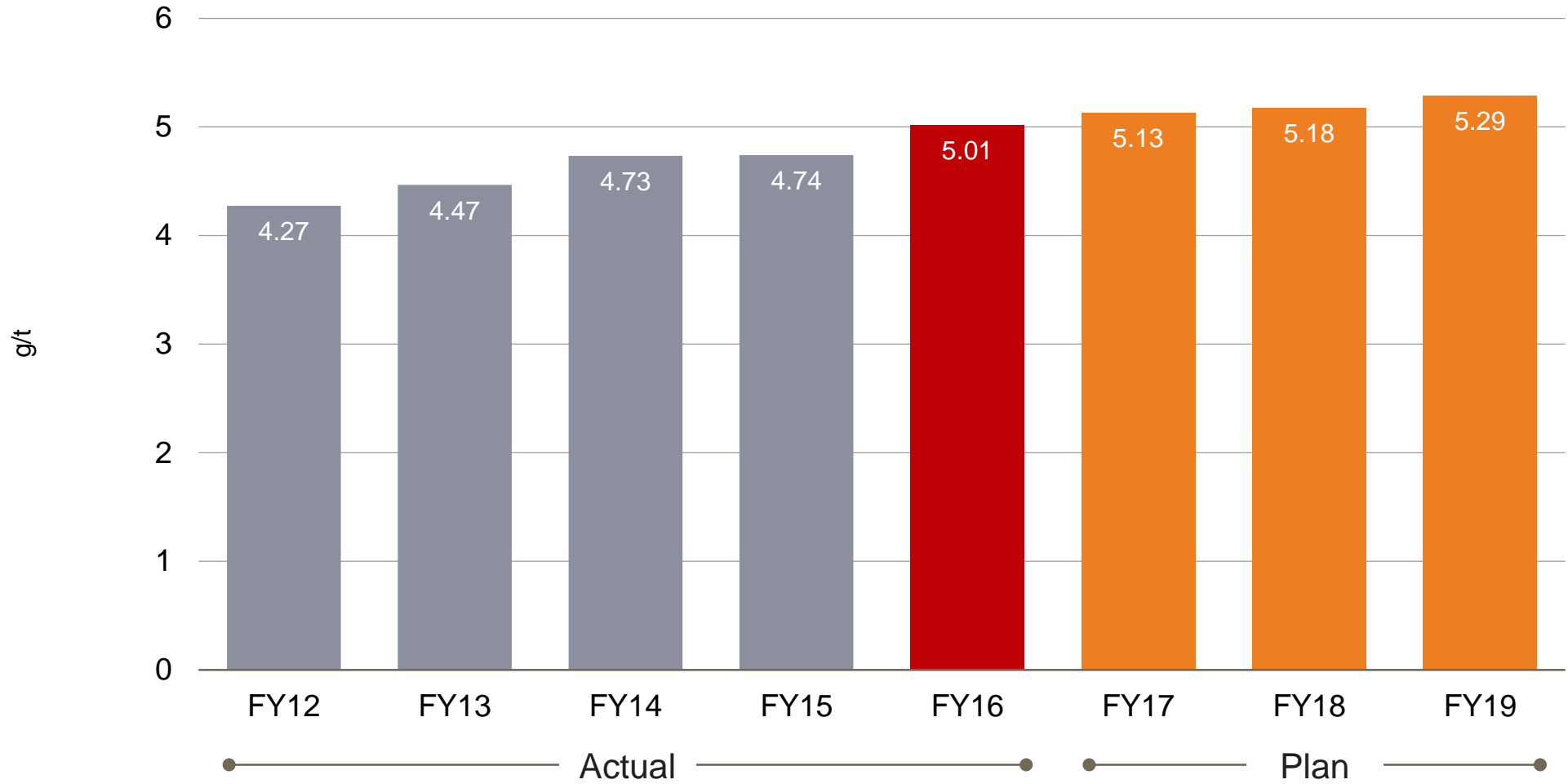
QUALITY RESERVES (GOLD EQUIVALENT) SPLIT



- ◆ Total reserves of 37.8 Moz¹
- ◆ Total resources of 107.6 Moz¹

1. Refer www.harmony.co.za for detail, Gold equivalent based on US\$1150 oz Au, and US\$3.0 lb Cu 100% of Hidden Valley included

UNDERGROUND RECOVERED GRADE INCREASING



GRADE IS KING

Harmony's grade code

- ◆ No mining below cut-off
- ◆ Mining to average reserve grade
- ◆ Only quality grade

Growth projects delivering good results

- ◆ Phakisa, Tshepong decline on track with grades
- ◆ Accessed higher grade areas through Doornkop and Kusasaletu deepening
- ◆ Mining the Bambanani high grade pillar
- ◆ Completion of Joel decline in FY17 will deliver additional higher grade ore
- ◆ Planned average mining grades are being achieved
- ◆ Medium to long term development strategies paying off



OUR STRATEGY



WHERE WE OPERATE

South Africa



Listed on JSE and NYSE

9 underground operations ■●

1 open pit mine ▲

Multiple surface sources ●

Papua New Guinea



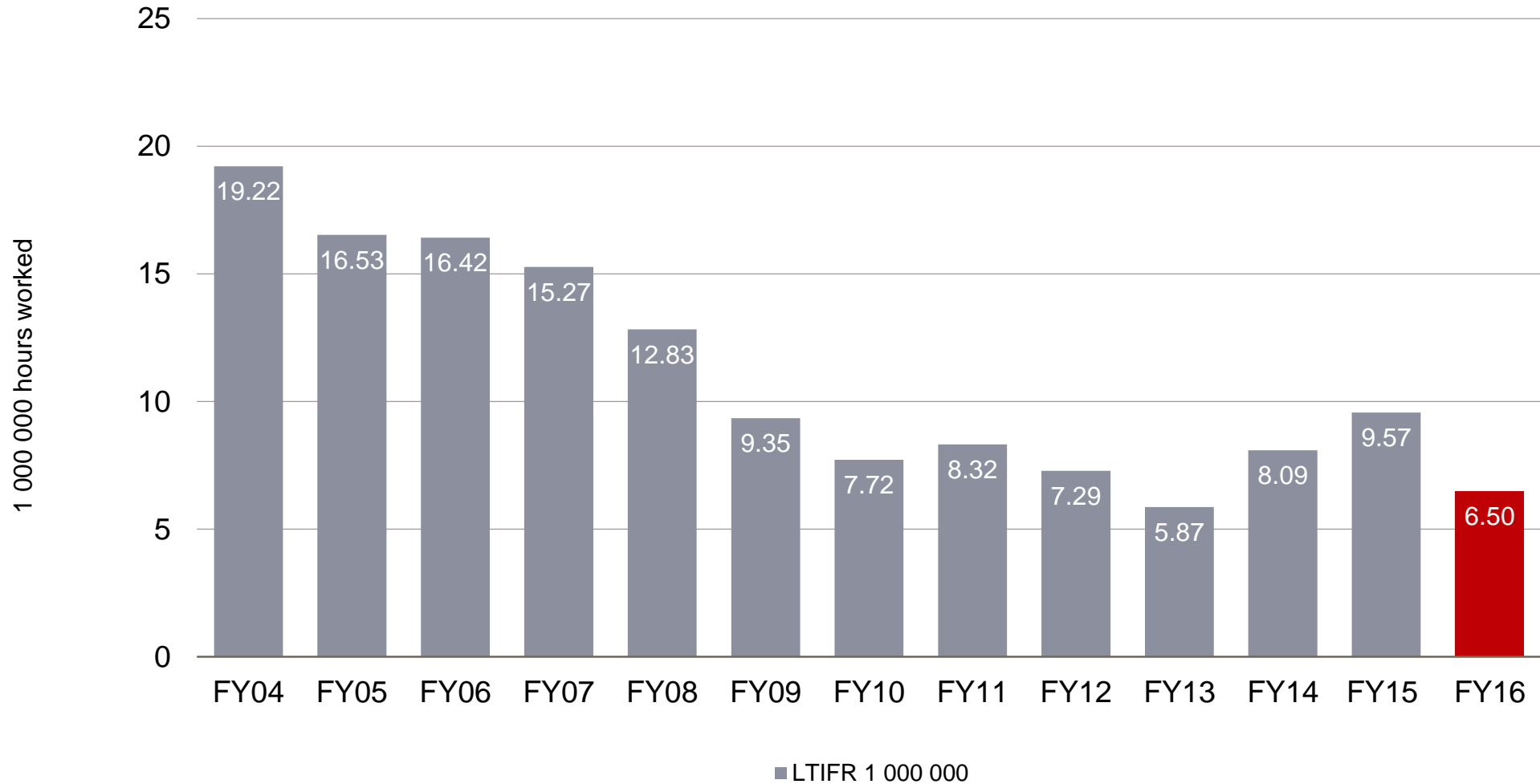
1 open pit mine ▲

Golpu project (50:50 JV) ●

Multiple exploration areas (50% and 100%)

Kili Teke discovery (100% owned) ■

SAFETY COMES FIRST (Y-ON-Y LOST TIME INJURY FREQUENCY RATE DECREASED)



OUR STRATEGY



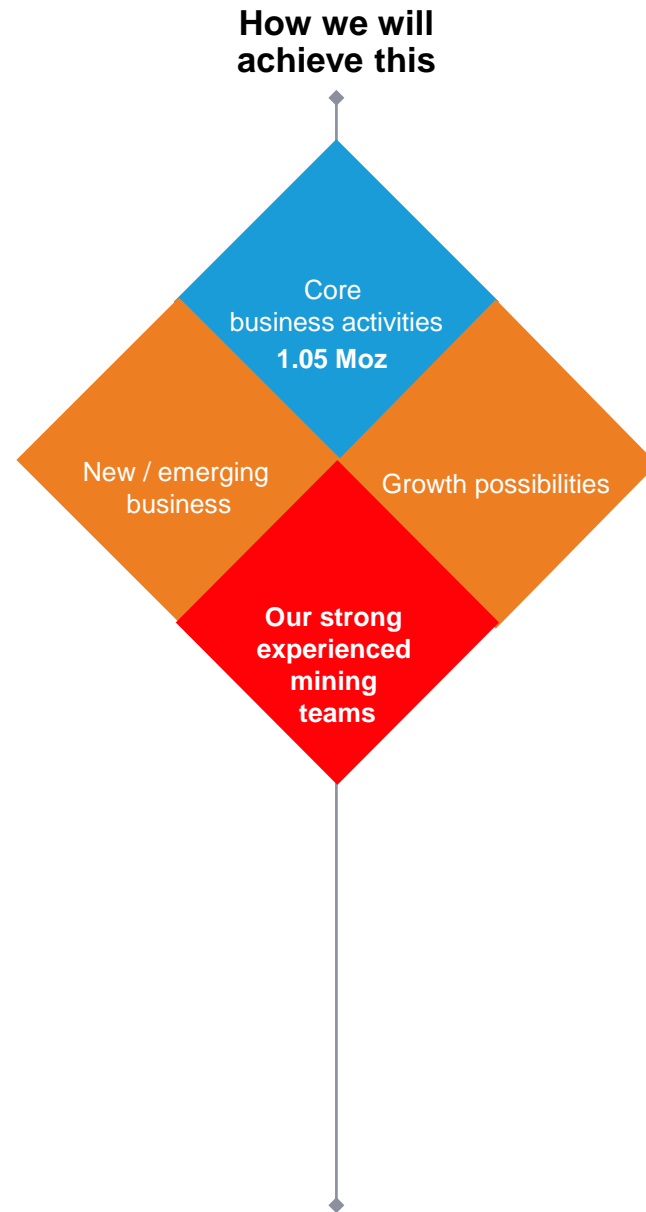
- ◆ Enabling environment
- ◆ Maintaining disciplined cost management
- ◆ Positioned high cost operations for profitability
- ◆ Disciplined mining
- ◆ Living our values
- ◆ Increasing productivity
- ◆ Grade management

- ◆ Achieving operational plans
- ◆ Hedging to protect our margins
- ◆ Strong balance sheet
- ◆ Dividends – paid out of profits

- ◆ Repaying debt a priority
- ◆ Growth through
 - organic growth
 - exploration
 - acquisitions

OUR ASPIRATION IS TO GROW....BUT NOT AT ALL COST

Producing
1.5 Moz
at less than US\$950/oz within a
THREE YEAR PERIOD



ACHIEVING IN LINE WITH OUR PLANS (Q-ON-Q)

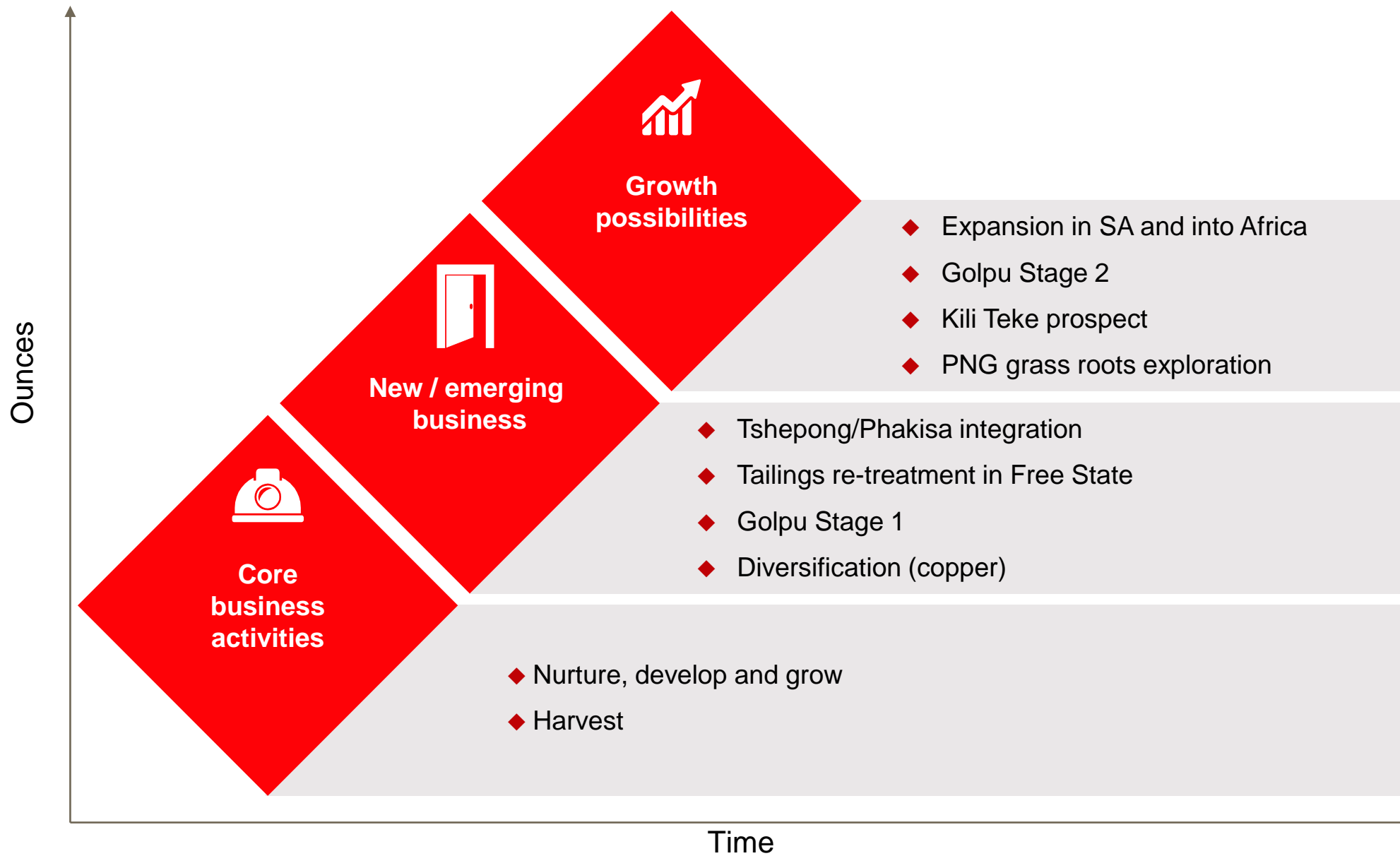
	Recovered grade (g/t)	Gold produced (kg)
Tshepong	✓	✓
Phakisa	✓	✓
Bambanani	✓	✓
Joel	✓	✓
Doornkop	✓	✓
Target 1	✗	✗
Kusasaletu	✓	✓
Masimong	✓	✓
Unisel	✓	✓
Phoenix	✓	✓
Dumps	✓	✓
Kalgold	✓	✓
Hidden Valley	✓	✓



**ENHANCING
OUR VALUE**



GROWING FROM 1.1 MOZ TO 1.5 MOZ



GROWING OUR OUNCES THROUGH ACQUISITION

Acquisition criteria

- ◆ Gold mines
- ◆ 1 - 2 Moz reserves
- ◆ More than 100 000 oz per annum
- ◆ Life of mine of 10 years
- ◆ Low cost, cash generative asset (all-in sustaining cost of less than US\$950/oz)
- ◆ South Africa, the rest of Africa, PNG

SUMMARY OF HIDDEN VALLEY ACQUISITION

- Acquired 50% Newcrest interest in Hidden Valley mine and exploration tenements for US\$1
 - U\$22.5m Newcrest payment towards closure liability
- 100% ownership of producing gold and silver mine
 - located in a proven gold province
- Attractive reserve life with near certain extension within the current open pit resource
- Established quality management team and stable workforce
- Underexplored surrounding tenement package with substantial prospectivity
- Identified opportunities to further reduce costs
- Mining friendly jurisdiction with good relationships with key stakeholders
 - strong community support

MAJORITY OF ACQUISITION CRITERIA MET

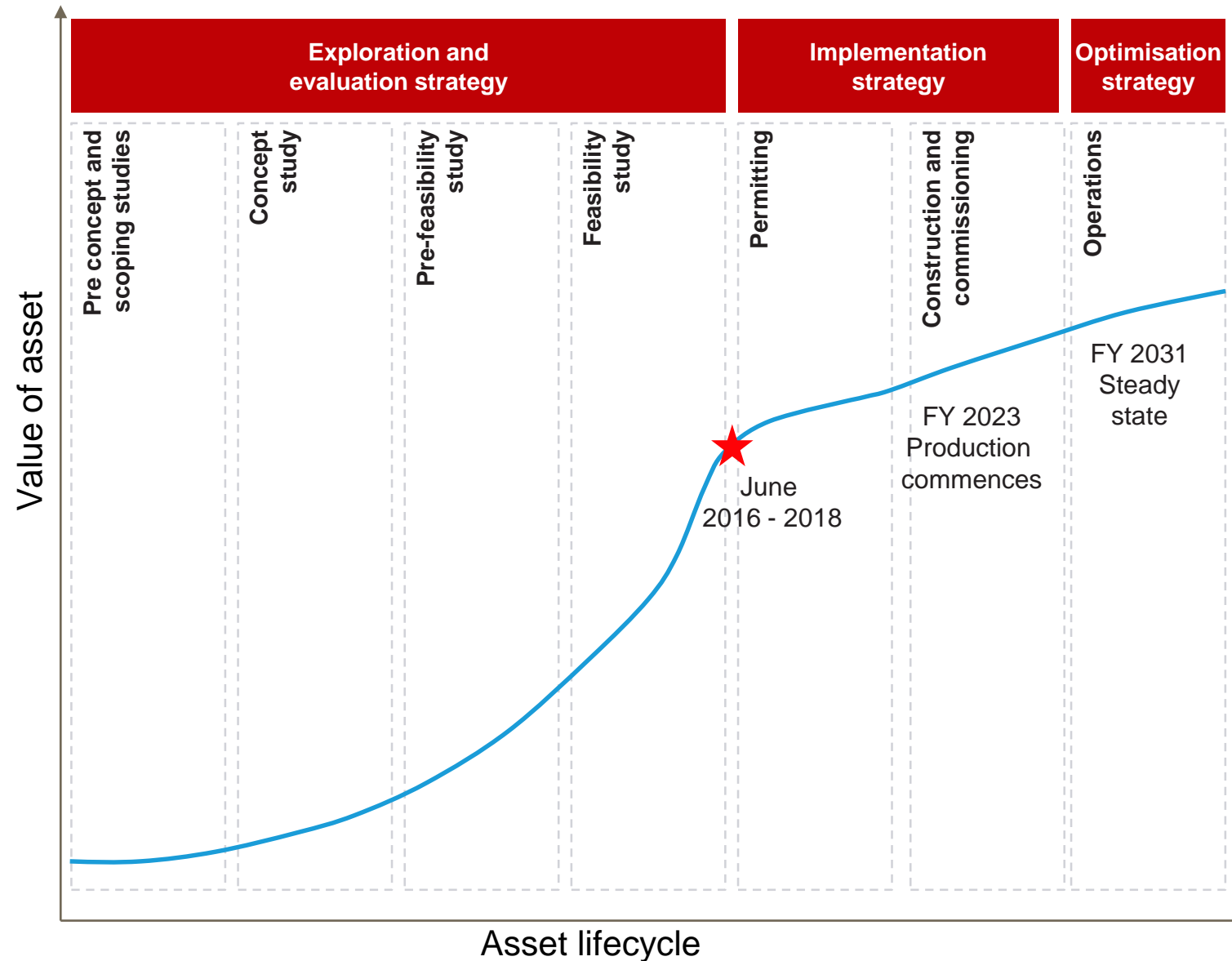
Return on capital exceeds our internal project hurdle rate of > 15% (using an 8% discount rate) under a variety of gold price scenarios

Criteria	Hidden Valley	
Gold and copper mines	Gold and silver	✓
Reserves 1– 2 Moz	1.4 Moz gold 27 Moz silver	✓
Production >100koz/a	180 000 oz avg	✓
Life of mine 10 years	7 years	X
AISC < US\$950/oz	Less than US\$950/oz	✓
SA, Africa, PNG	PNG	✓

HIDDEN VALLEY PLAN

- Planned production at steady state of about 180 000oz of gold and 3Moz of silver
- Life-of-mine production of 1.2Moz gold and 18Moz of silver
- Recovered grade of 1.4g/t to 1.5g/t and silver at approximately 20g/t to 23g/t
- Milling rate of about 4Mt per annum
- Mining rate ramps up to 28Mt per annum
- Resume waste stripping at Stage 5
- Investment in additional and replacement mobile fleet
- Process stockpiles and Hamata ore to June 2017 followed by a five-month mill shut down
- Progress maintenance and upgrade projects planned during the shut down
- Recruit personnel to operate and maintain additional fleet trucks

NEXT STEP TO REALISING VALUE OF GOLPU



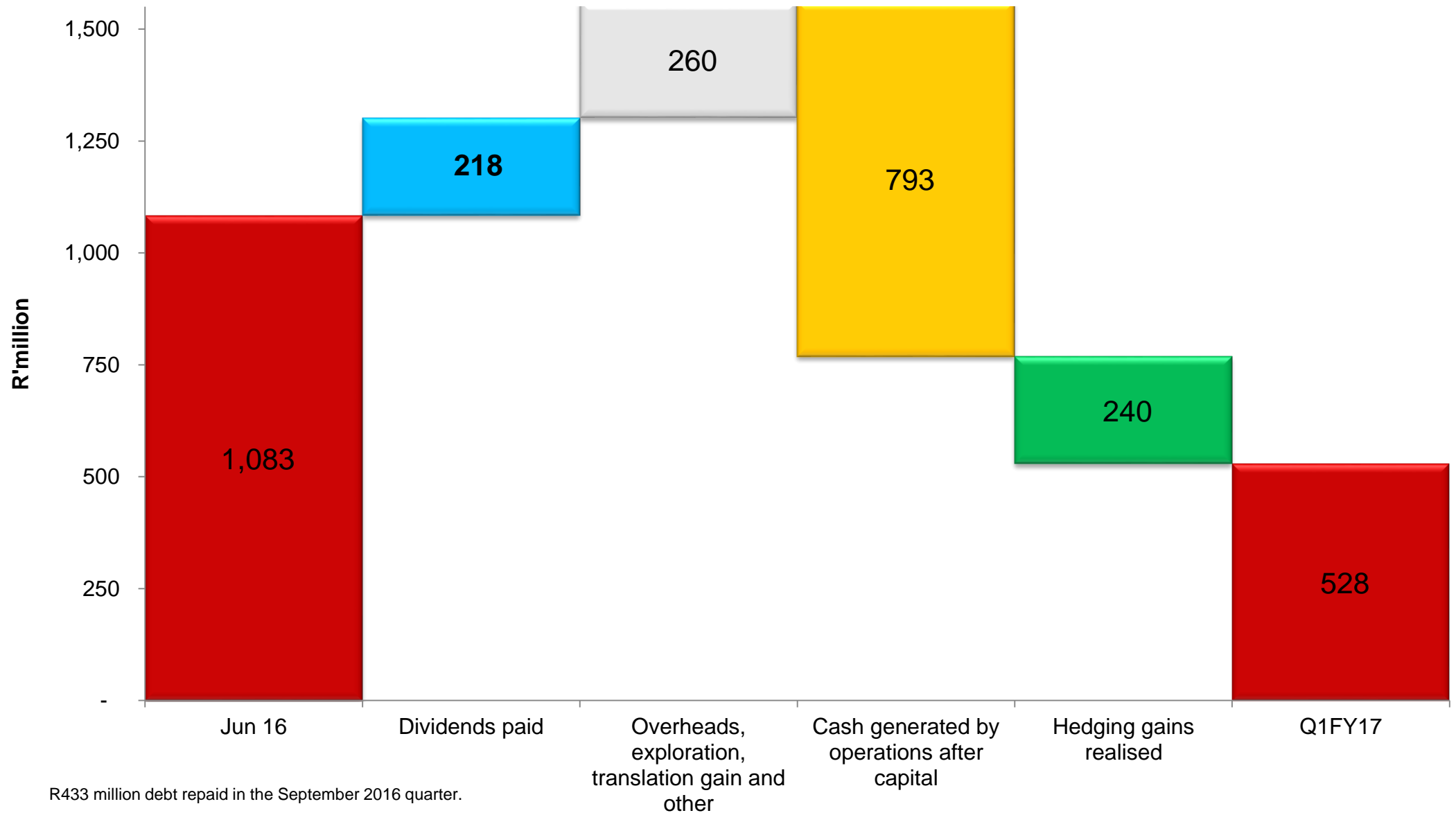
- ◆ Golpu is a large gold and copper resource
- ◆ The Special Mining Lease (SML) is expected to crystallise the value of this project
- ◆ Major capital expenditure postponed until SML is granted



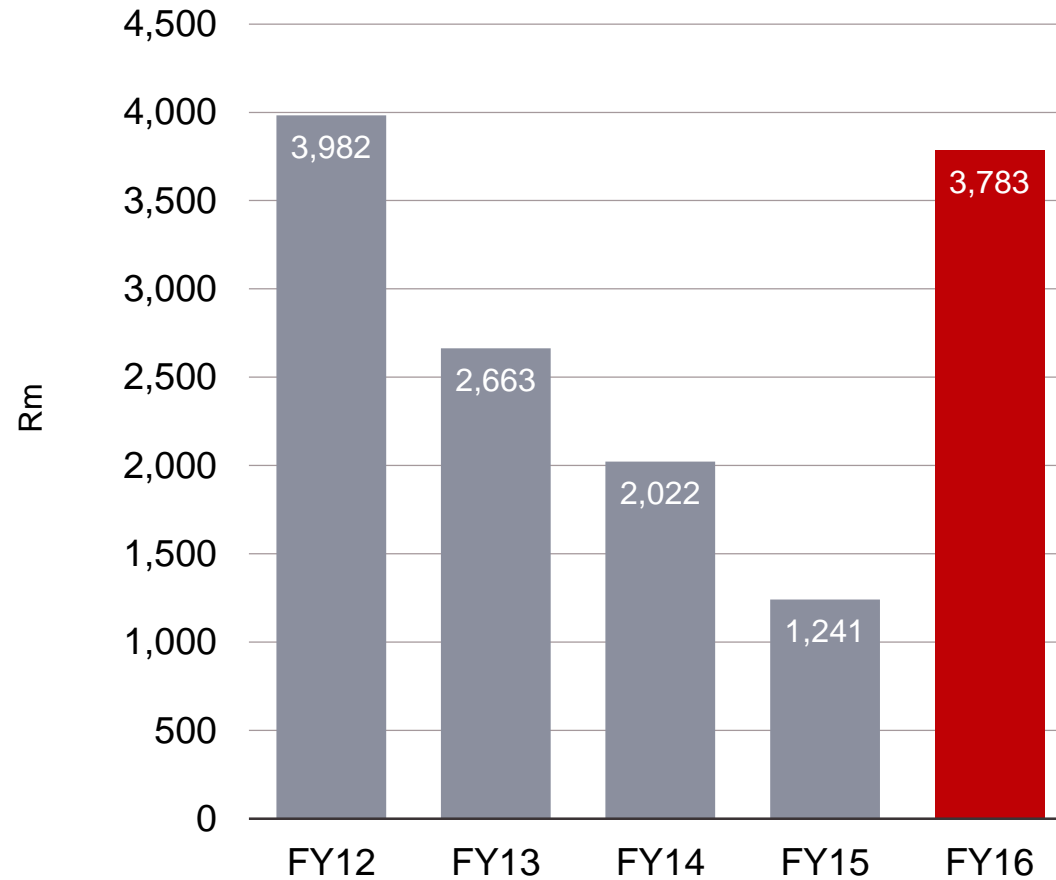
SECURING SUSTAINABLE CASH FLOWS



REDUCTION IN NET DEBT (Q-ON-Q)



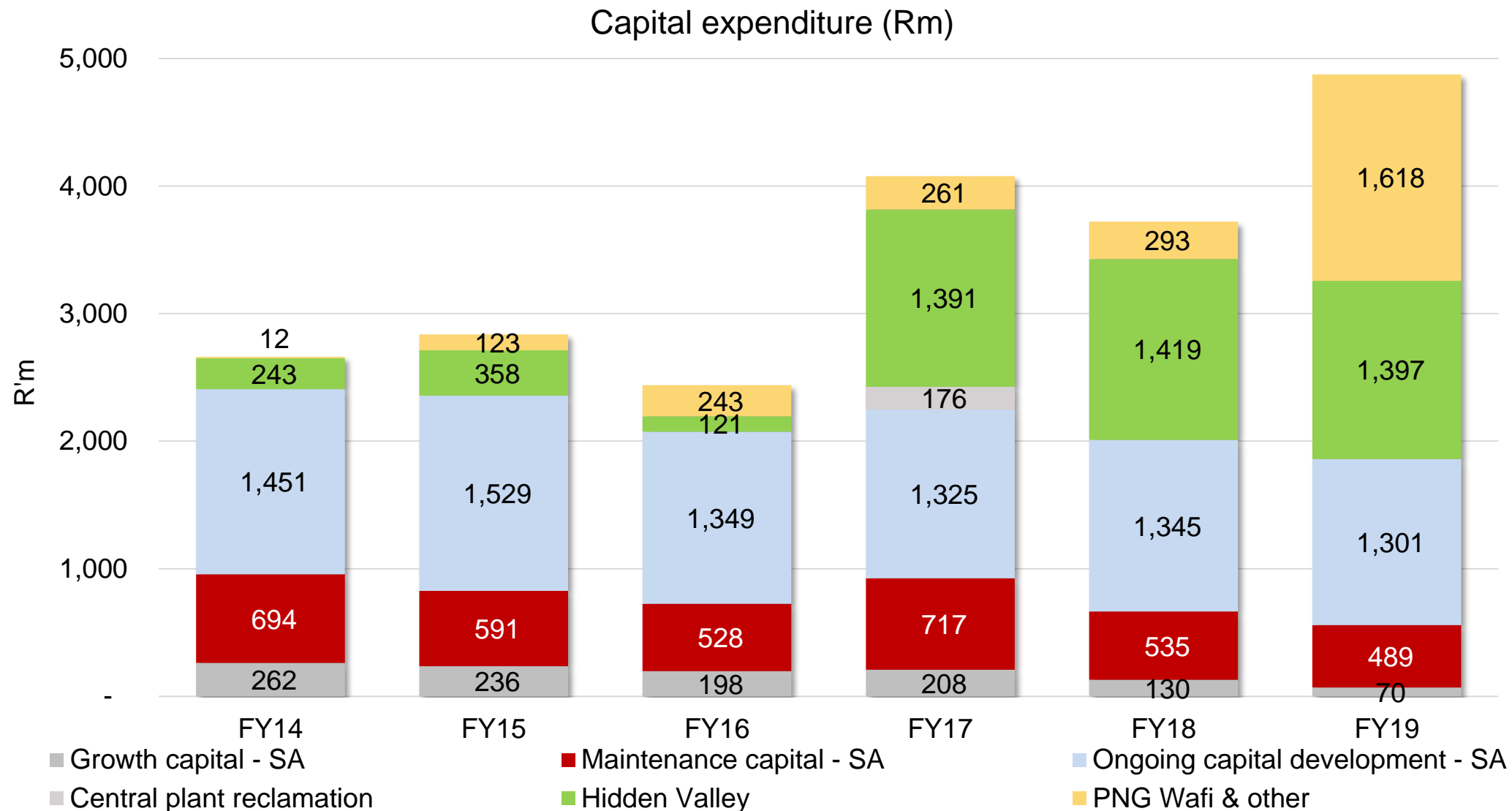
INCREASE IN EBITDA* (RAND) (FY16) (Y-ON-Y)



- ◆ Operations geared to take advantage of higher gold price
- ◆ Focus on grade and good cost management increased our margins

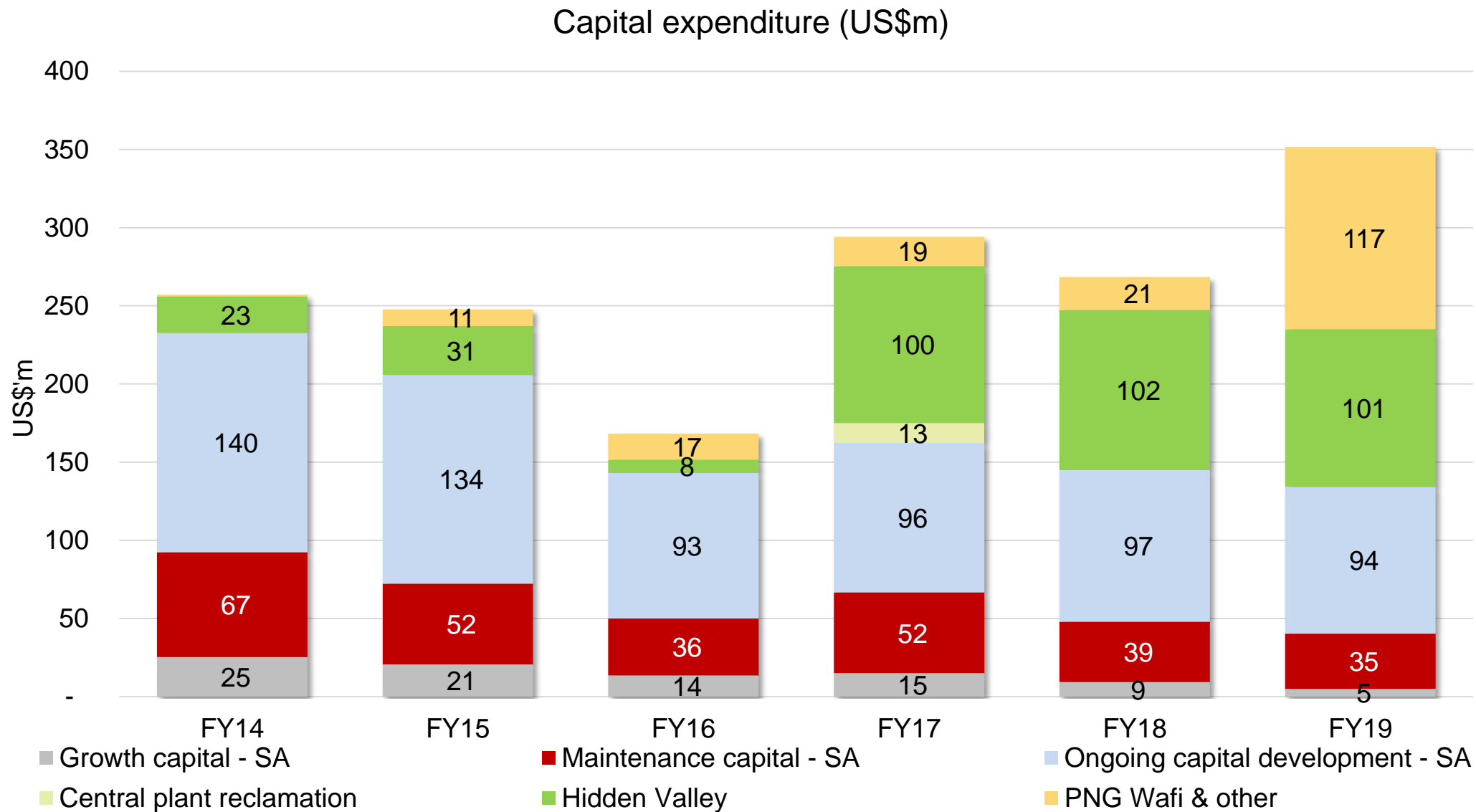
* EBITDA: excludes impairment and loss on scrapping of property, plant and equipment

MAJOR CAPITAL SPEND IN SOUTH AFRICA BEHIND US



Capex includes capitalised stripping

MAJOR CAPITAL SPEND IN SOUTH AFRICA BEHIND US



Capex includes capitalised stripping

* FY17-19 converted at an exchange rate of US\$/R13.86

EXTRACT FROM INCOME STATEMENT (Y-ON-Y) – US\$

	Year ended June 2016 (US\$m)	Year ended June 2015 (US\$m)	% change
Revenue	1 264	1 348	(6)
Production costs	(914)	(1 103)	17
Cash operating costs	(910)	(1 081)	16
Inventory movements	(4)	(22)	82
Production profit as per operating results	350	245	43
Amortisation and depreciation	(150)	(216)	31
Reversal of impairment of assets	3	(285)	>100
Exploration expenditure	(13)	(23)	43
Foreign exchange gain/(loss)	(13)	(32)	>100
Taxation	(44)	62	>(100)
Net profit/(loss)	64	(374)	>100
Headline earnings/(loss)	66	(68)	>100
Average exchange rate (R/US\$)	14.50	11.45	11

Y-ON-Y OPERATIONAL RESULTS

		Year ended June 2016	Year ended June 2015	% change
Gold produced	kg	33 655	33 513	-
	oz	1 082 035	1 077 466	-
Gold price	R/kg	544 984	449 570	21
	US\$/oz	1 169	1 222	(4)
Cash operating costs	R/kg	392 026	369 203	(6)
	US\$/oz	841	1 003	16
Underground recovery grade	g/t	5.02	4.75	6
Production profit	Rm	5 084	2 802	81
	US\$m	351	245	43
Total costs and capital	R/kg	455 929	442 895	(3)
	US\$/oz	978	1 203	19
All-in sustaining costs*	R/kg	467 526	453 044	(3)
	US\$/oz	1 003	1 231	19
Average exchange rate	R/US\$	14.50	11.45	27

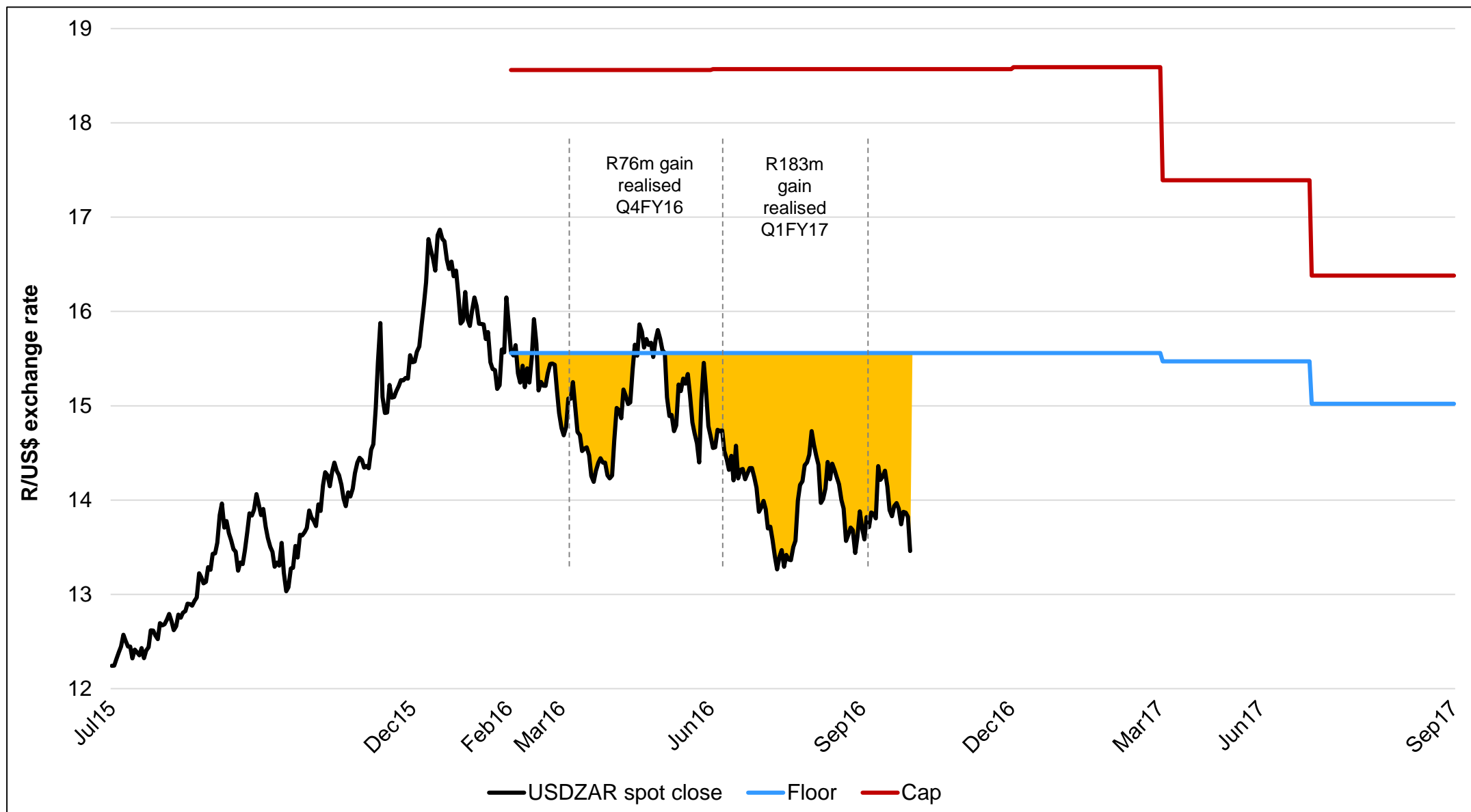
* Excludes share-based payment charge

QUARTER ENDED 30 SEPTEMBER 2016 OPERATIONAL RESULTS

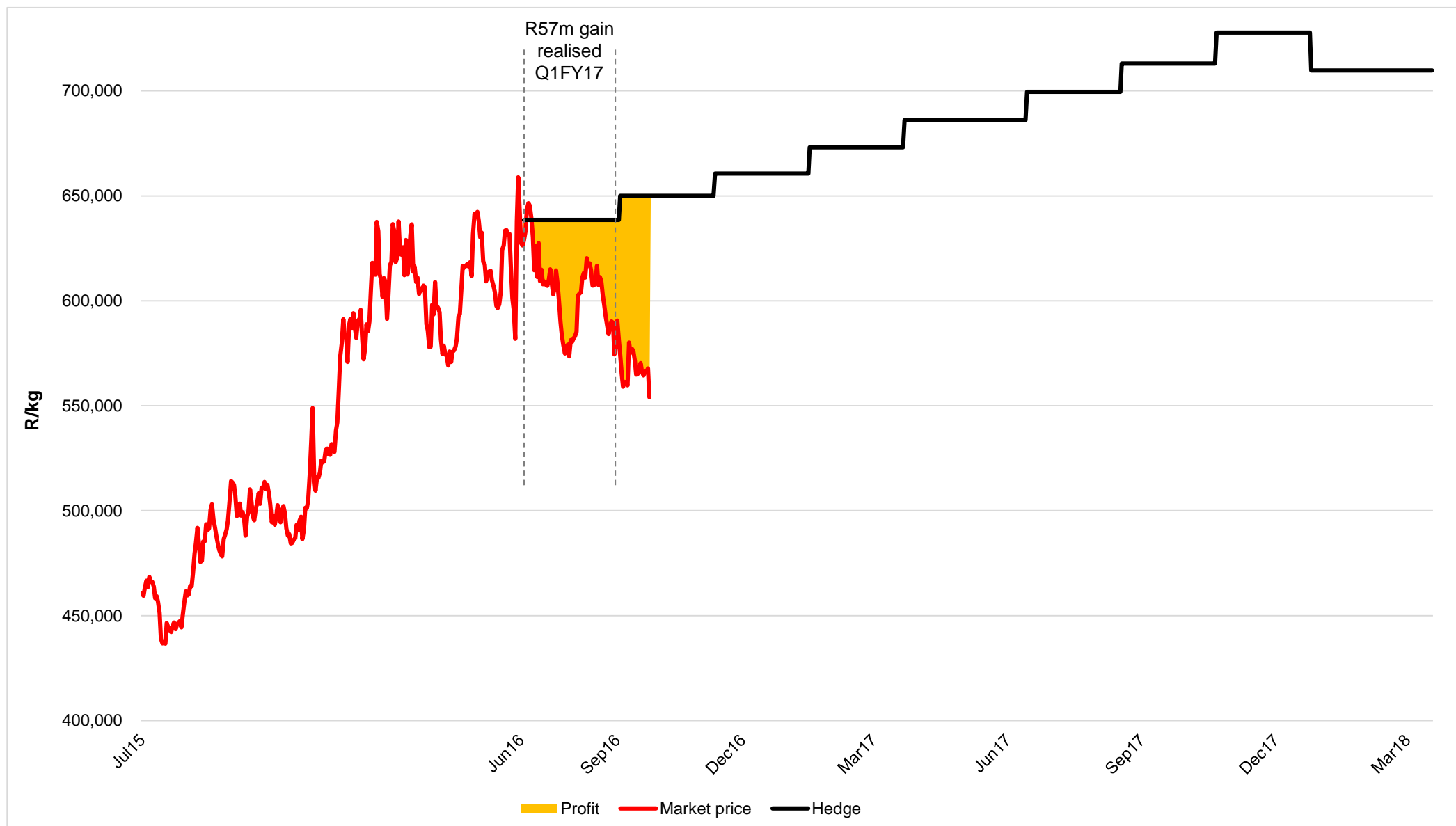
		Quarter ended September 2016 (Q1FY17)	Quarter ended June 2016 (Q4FY16)	% change
Gold produced	kg	8 630	7 800	10
	oz	277 461	253 349	10
Gold price	R/kg	605 224	608 316	(1)
	US\$/oz	1 339	1 262	6
Cash operating costs	R/kg	448 117	437 925	(2)
	US\$/oz	991	909	(9)
Underground recovery grade	g/t	5.01	4.75	6
Production profit	Rm	1 369	1 357	1
	US\$m	97	91	7
Total costs and capital	R/kg	515 776	512 829	(1)
	US\$/oz	1 141	1 064	(7)
All-in sustaining costs*	R/kg	516 116	521 738	1
	US\$/oz	1 142	1 083	(5)
Average exchange rate	R/US\$	14.06	14.99	(6)

* Excludes share-based payment charge

CURRENCY HEDGE (Spot vs floor and cap) (Q-ON-Q)



GOLD HEDGE (Q-ON-Q) (Average hedge price vs spot gold price)



SECURING OUR CASH FLOW – DETAILS OF HEDGES

Currency hedge

- ◆ Initiated and maintained a foreign exchange hedging programme
- ◆ Zero cost collars, establish a minimum (floor) and maximum (cap) Rand/US dollar exchange rate
- ◆ Nominal value of hedging contracts US\$500 million and spread over a 12 month period
- ◆ Mark-to-market at 30 June 2016 of R369 million positive
- ◆ If R/US\$ stays at R13.50 – potential gain of R1 billion to be realised

Gold hedging

- ◆ Create cash certainty
- ◆ Short-term gold forward sale contracts – 432 000oz over a 24 month period (~20% of production)
- ◆ Shareholders retain full upside exposure on the balance of Harmony's gold production



GUIDANCE



FY17 PRODUCTION GUIDANCE

Plan to produce ~1.05 Moz in FY17, at

- an average recovered grade of ~5.13g/t, and
- an all-in sustaining cost of ~\$1 100/oz (~R495 000/kg at an exchange rate of R14.00/US\$)

FY17 GRADE GUIDANCE

Operation	Reserve grade (g/t)	Adjusted reserve grade (-5%)	Actual grade (g/t) achieved in FY16	FY17 grade guidance (g/t)
Tshepong	5.30	5.04	4.62	4.65
Phakisa	6.72	6.38	5.81	5.55
Bambanani	11.08	10.52	12.99	11.21
Target 1	4.69	4.45	4.58	4.82
Doornkop	5.14	4.88	4.33	4.41
Joel	4.91	4.66	4.20	4.36
Kusasaletu	7.06	6.70	5.78	6.86
Masimong	4.02	3.82	3.74	3.78
Unisel	4.27	4.05	4.02	3.82
Underground operations	5.55	5.27	5.02	5.13

FY17 PRODUCTION GUIDANCE (per operation)

Operation	FY17 production (oz)	FY16 actual (oz)	Life of mine (years)
Tshepong	155 000	161 751	19
Phakisa	135 000	128 217	10
Bambanani	90 000	96 870	5
Target 1	110 000	108 895	10
Doornkop	85 000	87 772	17
Joel	67 500	73 239	11
Kusasaletu	140 000	124 198	5
Masimong	67 500	78 190	3
Unisel	55 000	54 785	6
Underground operations	905 000	913 917	
SA surface	97 500	95 553	14+
Hidden Valley	47 500	72 565	*
Total	~ 1.05 Moz	1 082 035	

* Acquired mine in full

FY17 AISC¹ GUIDANCE (US\$/OZ) (per operation)

Operation	FY17 Avg guidance (US\$/oz)*	FY16 Actual (US\$/oz)
Tshepong	US\$1 100/oz	US\$940/oz
Phakisa	US\$1 080/oz	US\$936/oz
Bambanani	US\$780/oz	US\$654/oz
Target 1	US\$1 040/oz	US\$1 012/oz
Doornkop	US\$1 210/oz	US\$1 016/oz
Joel	US\$1 040/oz	US\$911/oz
Kusasaletu	US\$1 170/oz	US\$1 254/oz
Masimong	US\$1 170/oz	US\$1 059/oz
Unisel	US\$1 130/oz	US\$1 064/oz
Underground operations	US\$1 080/oz	US\$983/oz
SA surface	US\$1 100/oz	US\$994/oz
Hidden Valley	US\$1 420/oz	US\$1 282/oz
Total	~US\$1 100/oz	US\$1 003/oz

* FY17 guidance converted @ R14.00/US\$

1- All-in sustaining cost (AISC) excludes share-based payment charges



MAKING A LASTING IMPACT

Making a lasting impact



DE-RISKING THE COMPANY THROUGH HEALTHY RELATIONSHIPS



UPLIFTING OUR COMMUNITIES IN SA AND PNG

- ◆ Improving living conditions in communities
- ◆ Structured community engagement process
 - Local employment
 - Community projects
 - Community facilities
 - Education support
 - Health patrols (PNG)
 - Law and order awareness (PNG)
- ◆ Sustainable development projects tailored to community needs



First potable water on tap at Kili Teke ridge

HOLISTIC APPROACH TO HEALTH



**1 000 more
people at work
per day**



Proactive

- ◆ Promotion and awareness of risks
- ◆ Prevention and assessment of risks
- ◆ Intervention (awareness programs)



Proximity

- ◆ Health hub at each operation
- ◆ Doctors on-site
- ◆ Doctors part of management team



Curative

- ◆ Treatment at the shafts
- ◆ Medication provided
- ◆ Hospitalisation at private hospitals
- ◆ Access to specialists

LEADER IN MINING REHABILITATION

- ◆ Rehabilitated 32 disused or closed shafts and a number of processing plant sites
- ◆ Created >200 jobs and utilised local procurement
- ◆ Promote economic sustainability in communities
 - commercial agricultural project in implementation in Welkom
 - vegetable hubs
- ◆ Commissioning the bio-energy plant
 - first gas end of August 2016
 - full production September 2016
 - phase 2 in design



PRIVATE SECURITIES LITIGATION REFORM ACT SAFE HARBOUR STATEMENT

This presentation contains forward-looking statements within the meaning of the safe harbor provided by Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended, with respect to our financial condition, results of operations, business strategies, operating efficiencies, competitive positions, growth opportunities for existing services, plans and objectives of management, markets for stock and other matters. These include all statements other than statements of historical fact, including, without limitation, any statements preceded by, followed by, or that include the words “targets”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipates”, “would”, “should”, “could”, “estimates”, “forecast”, “predict”, “continue” or similar expressions or the negative thereof.

These forward-looking statements, including, among others, those relating to our future business prospects, revenues and income, wherever they may occur in this report and the exhibits to this report, are essentially estimates reflecting the best judgment of our senior management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. As a consequence, these forward-looking statements should be considered in light of various important factors, including those set forth in this presentation. Important factors that could cause actual results to differ materially from estimates or projections contained in the forward-looking statements include, without limitation: overall economic and business conditions in South Africa, Papua New Guinea, Australia and elsewhere, estimates of future earnings, and the sensitivity of earnings to the gold and other metals prices, estimates of future gold and other metals production and sales, estimates of future cash costs, estimates of future cash flows, and the sensitivity of cash flows to the gold and other metals prices, statements regarding future debt repayments, estimates of future capital expenditures, the success of our business strategy, development activities and other initiatives, estimates of reserves statements regarding future exploration results and the replacement of reserves, the ability to achieve anticipated efficiencies and other cost savings in connection with past and future acquisitions, fluctuations in the market price of gold, the occurrence of hazards associated with underground and surface gold mining, the occurrence of labor disruptions, power cost increases as well as power stoppages, fluctuations and usage constraints, supply chain shortages and increases in the prices of production imports, availability, terms and deployment of capital, changes in government regulation, particularly mining rights and environmental regulation, fluctuations in exchange rates, the adequacy of the Group’s insurance coverage and socio-economic or political instability in South Africa and Papua New Guinea and other countries in which we operate.

For a more detailed discussion of such risks and other factors (such as availability of credit or other sources of financing), see the Company’s latest Integrated Annual Report and Form 20-F which is on file with the Securities and Exchange Commission, as well as the Company’s other Securities and Exchange Commission filings. The Company undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this presentation or to reflect the occurrence of unanticipated events, except as required by law.

OUR VALUES





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