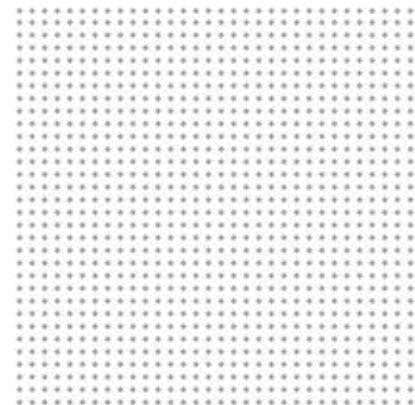
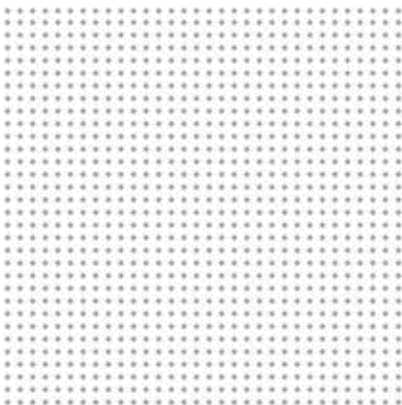


# INVESTOR BRIEF

Harmony Gold Mining Company Ltd  
JSE (HAR)  
NYSE (HMY)

March – May 2016



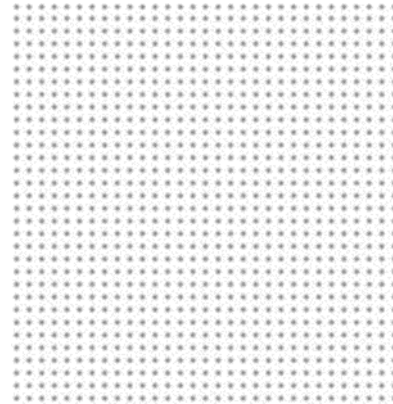
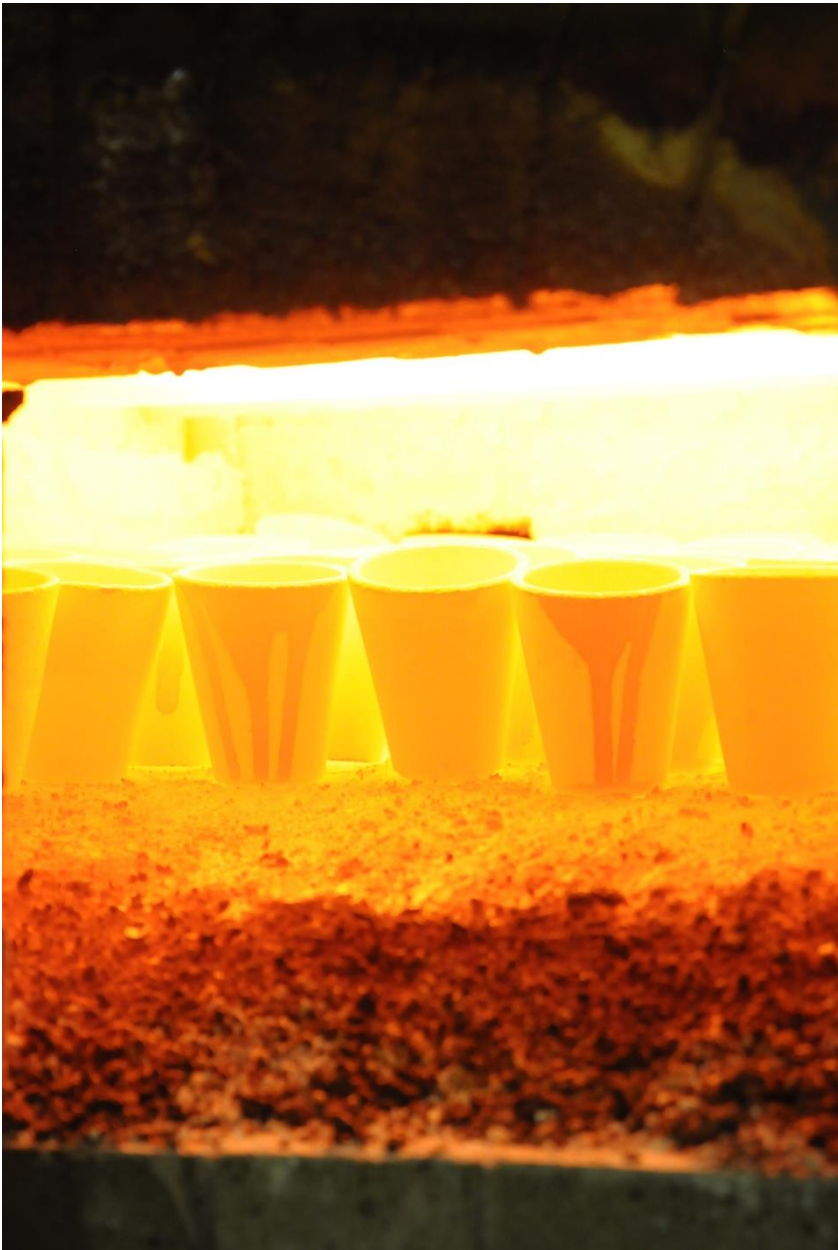
# Private Securities Litigation Reform Act Safe Harbour Statement



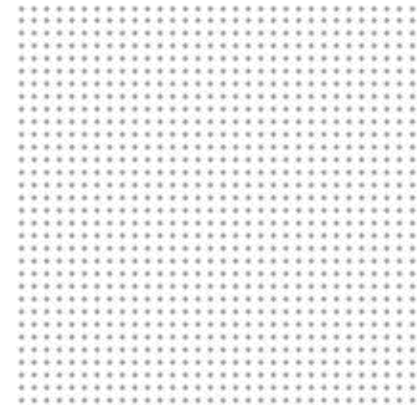
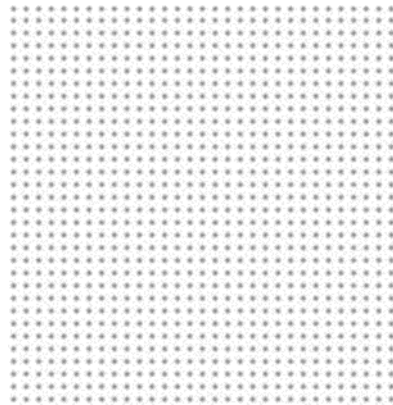
This presentation contains forward-looking statements within the meaning of the safe harbor provided by Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended, with respect to our financial condition, results of operations, business strategies, 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.



# **ABOUT HARMONY**

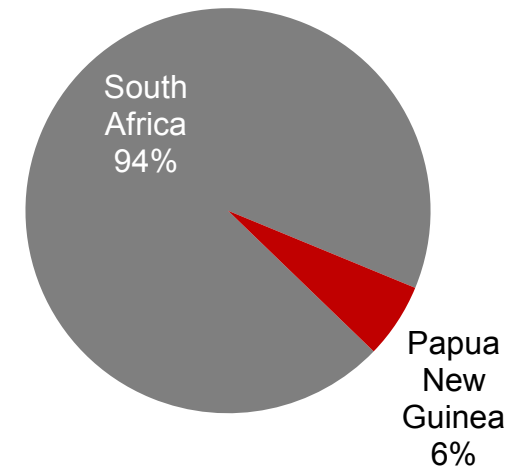


# We mine only safe, profitable ounces



- Our strategy is to create value by increasing our margins
- Safety is our key priority
- Exposure to South Africa, Papua New Guinea, gold and copper
- Mineral reserves of 42.6Moz\* and resources of 110.3Moz\*
- World class mines in South Africa (SA) and Papua New Guinea (PNG)
  - ~1.1 Moz gold production guided for FY16
  - SA: 9 underground mines, one open pit operation, several surface sources
  - PNG: 50% joint venture, which includes the spectacular Golpu project; 100% owned Kili Teke prospect and several other exploration tenements in PNG
- We employ more than 30 000 employees and contractors
- Compliant with 2014 SA Mining Charter requirements

Gold production Q2FY16

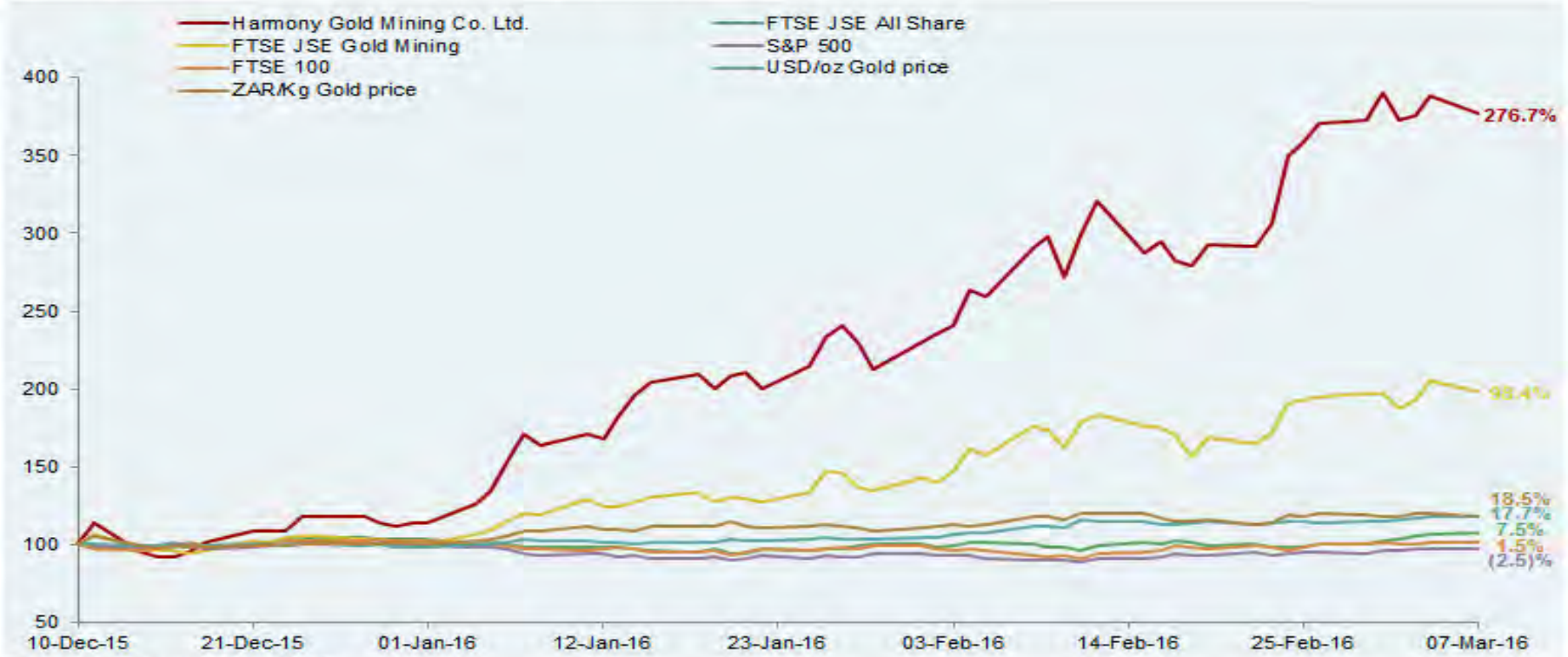


\* Moz = million ounces

# Outperforming all indices



Harmony share price performance since 10 December 2015 (rebased to 100)

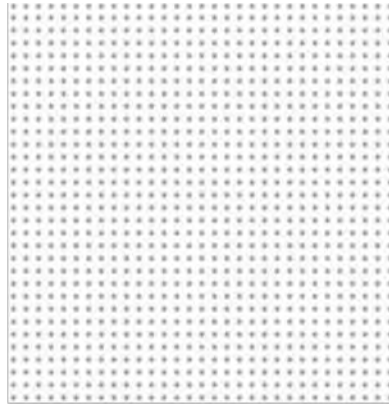


Source: Factset as on 7 March 2016

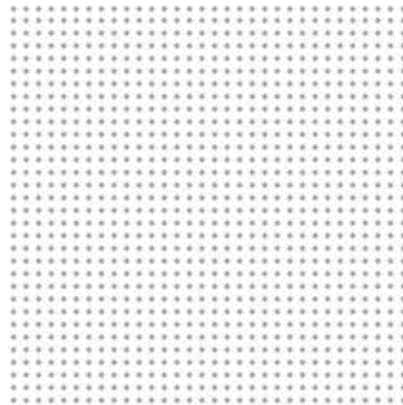
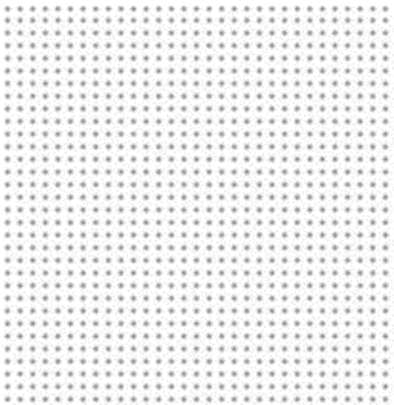
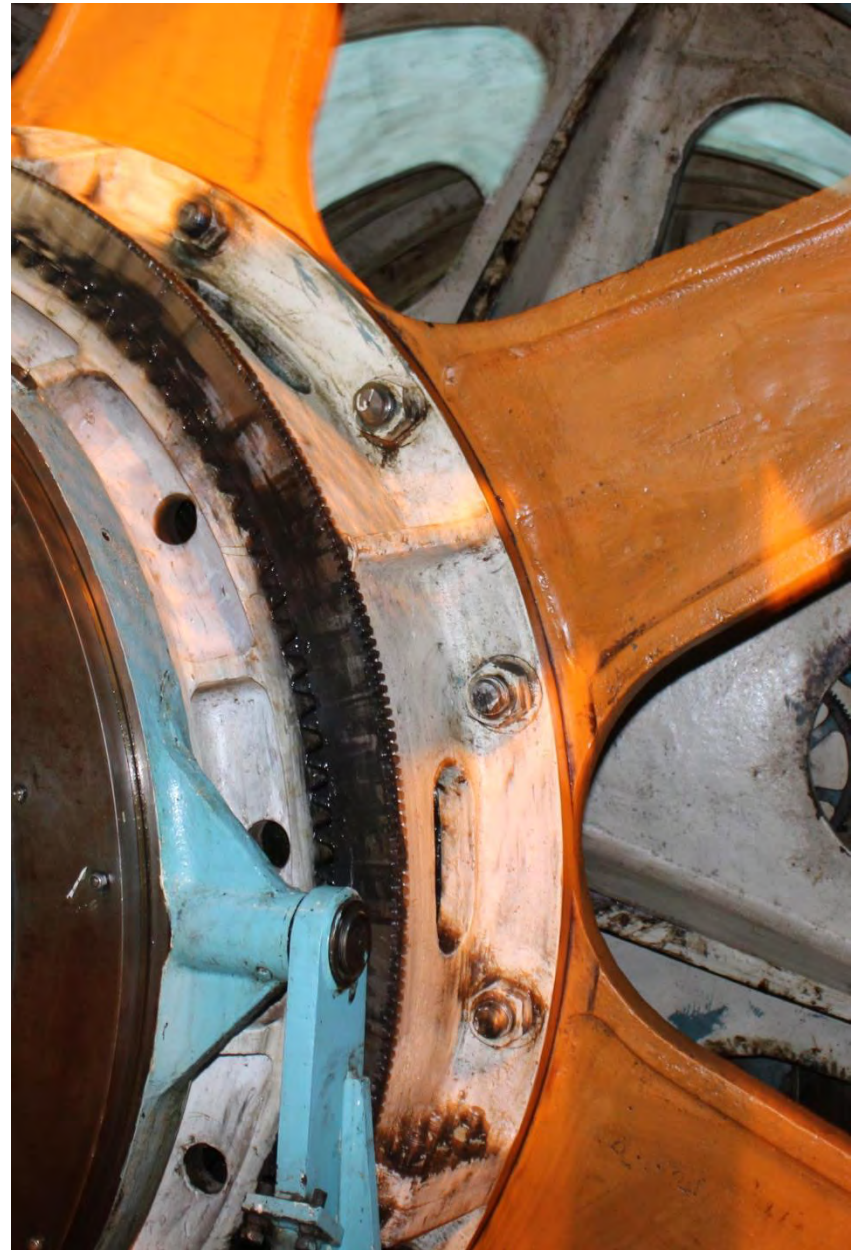
- Listed on the JSE (HAR) and NYSE (HMY)
- Market cap – R23 billion
- Share price – R 51.64
- Revenue – R15.4 billion in FY15
- Net debt – R2.5 billion<sup>1</sup>
- Enterprise value (EV) R9 329 million
- Market cap/Resource tonne – R11.28/tonne

Financial numbers are quoted as at 31 December 2015, while share price information represents closing data on 7 March 2016

<sup>1</sup> The net debt amount is as at 31 Dec 2015 and therefore excludes the US\$20m repaid during February 2016



# STRATEGY



# Profit drivers intact...underpinned by safety



# De-risking the company through healthy relationships





# Ticking all the boxes (as at 31 Dec 2015)



GRADE

**UP**  
**7%**  
Quarter on quarter



PRODUCTION

**UP**  
**2%**  
Quarter on quarter



ALL-IN  
SUSTAINING  
COSTS

**DOWN**  
**7%**  
Quarter on quarter

PRODUCTION  
PROFIT

**84%**  
Quarter on quarter

HEADLINE  
EARNINGS

**R74m**

NET  
DEBT  
REDUCED

AISC  
MARGIN  
**17%**

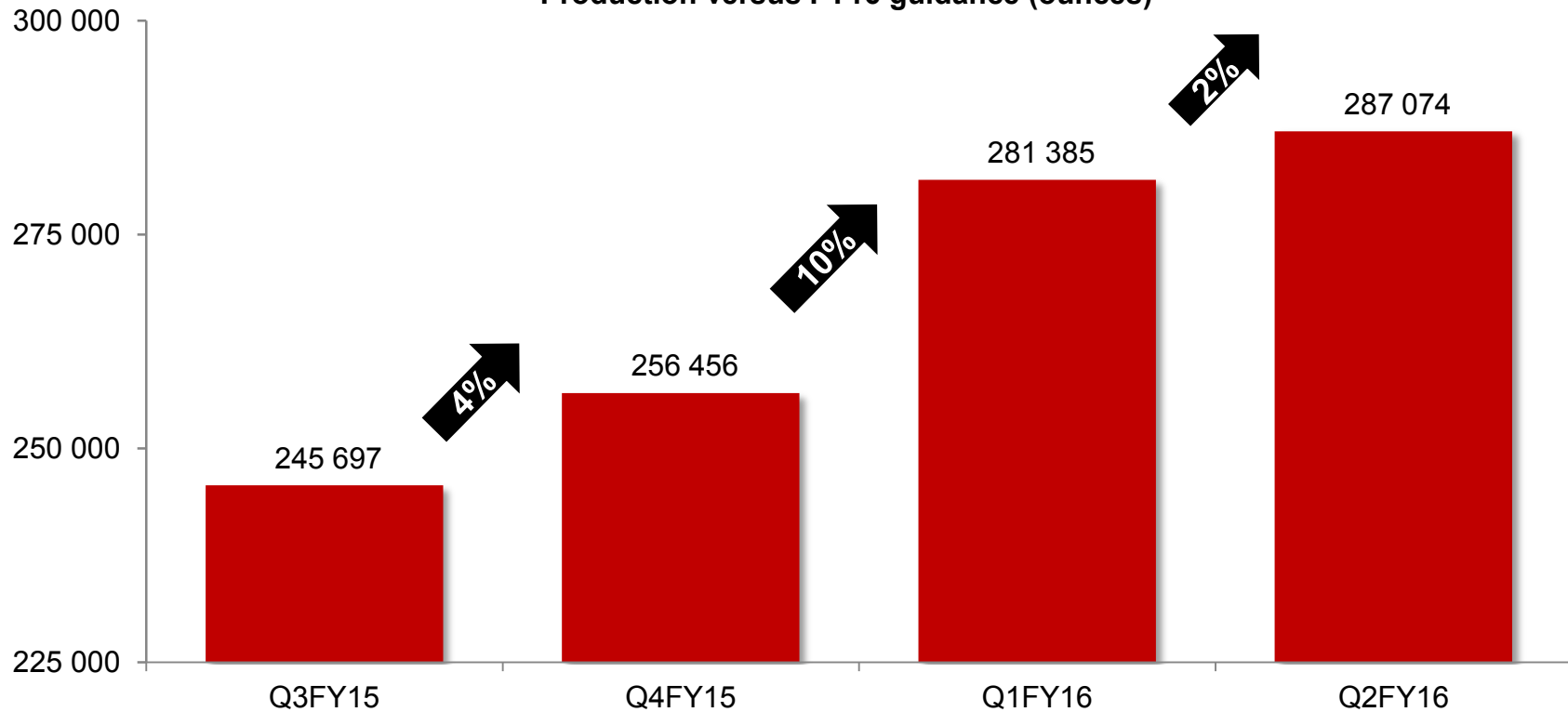
- Safety parameters improving; working towards zero harm
- 7% increase in underground recovered grade
- 2% increase in production
- AISC down by 7% at R434 834/kg (down 15% to US\$950/oz)
- 84% increase in production profit to R1.29 billion (up 68% to US\$91 million)
- Headline earnings of R74 million (US\$5 million)
- Net debt reduction of R127 million (US\$29 million)

# Production increased q-on-q

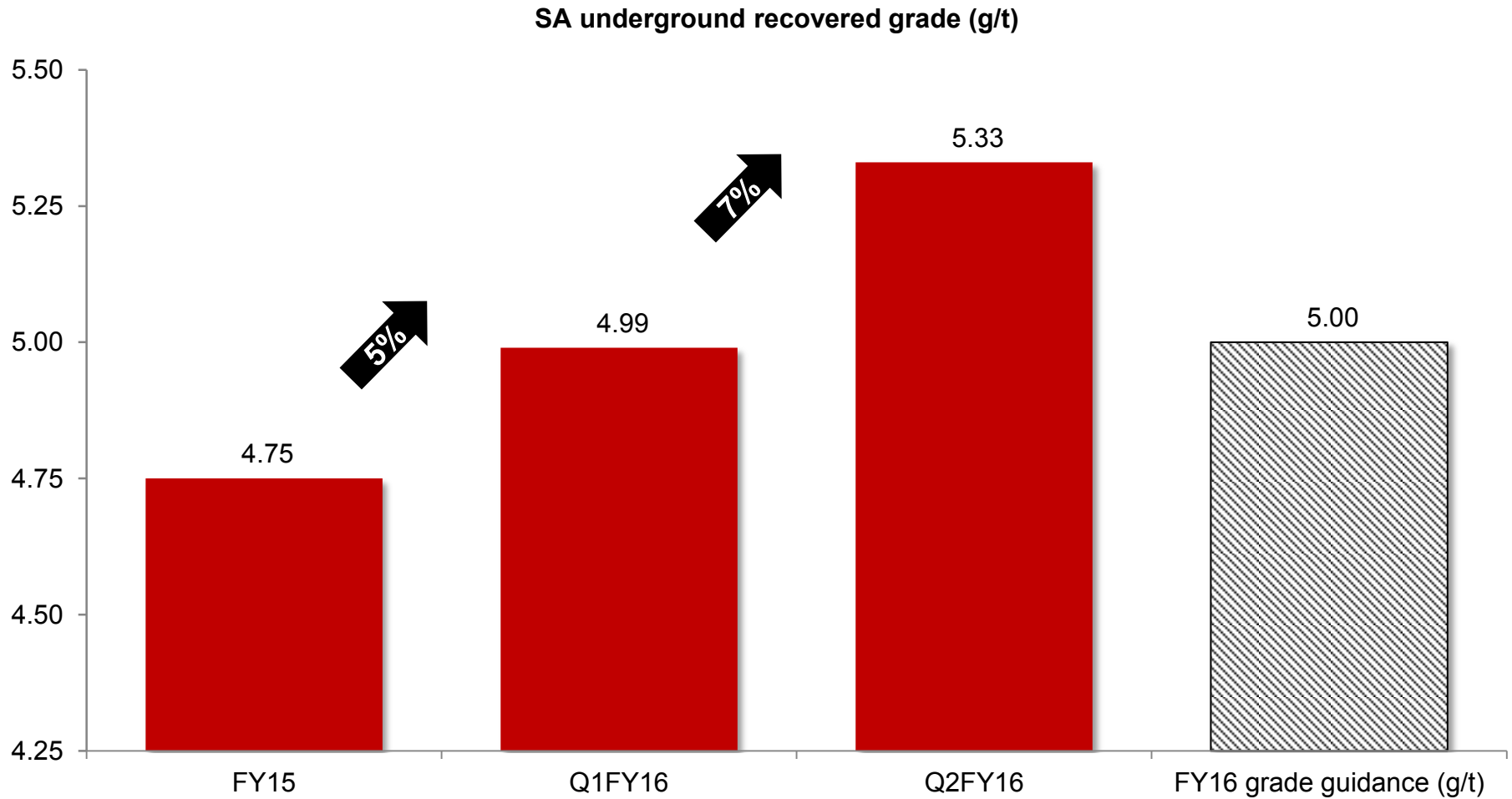


- Three consecutive quarters of increased production
- Exceeding annual guidance year to date

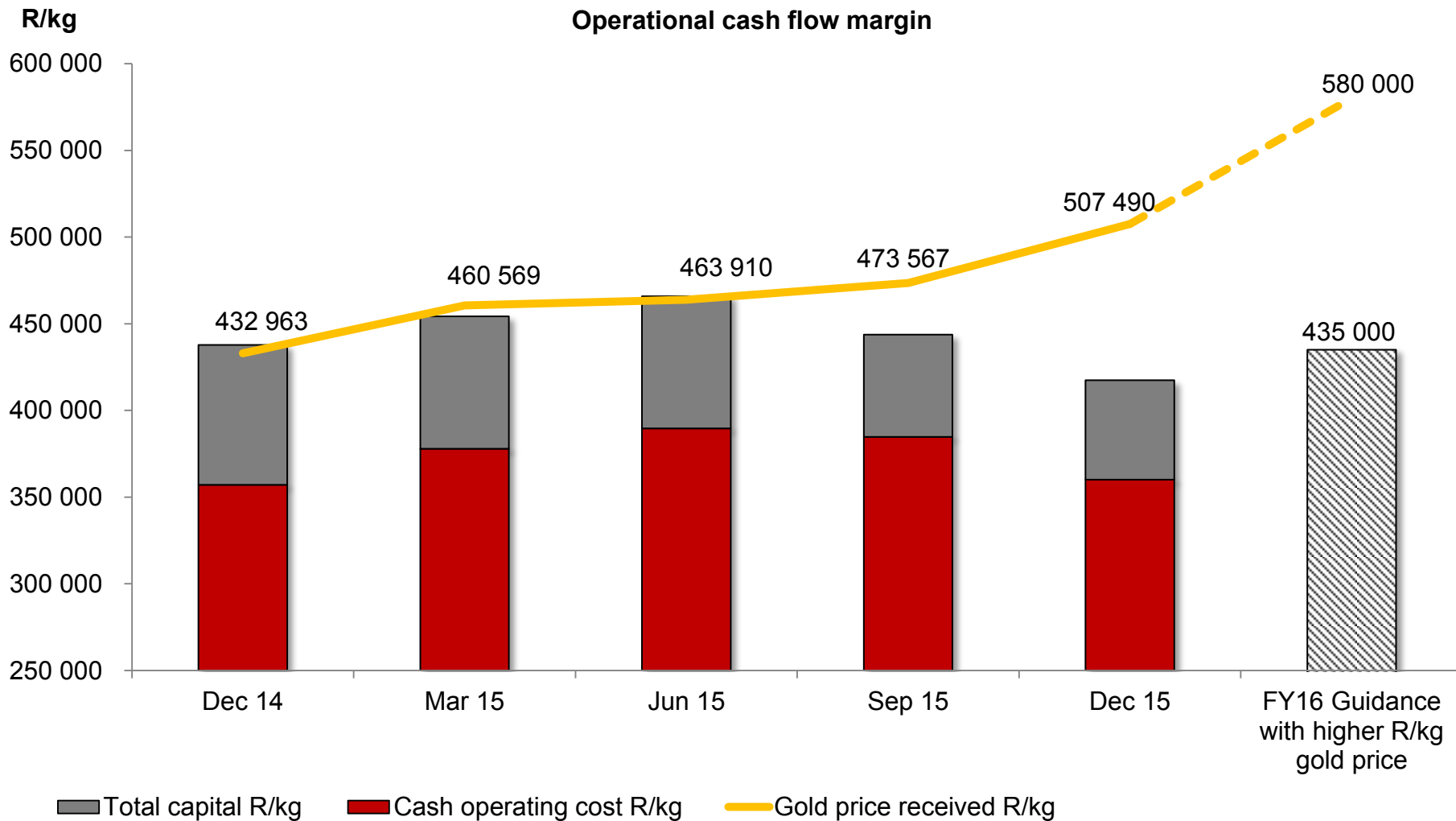
Production versus FY16 guidance (ounces)



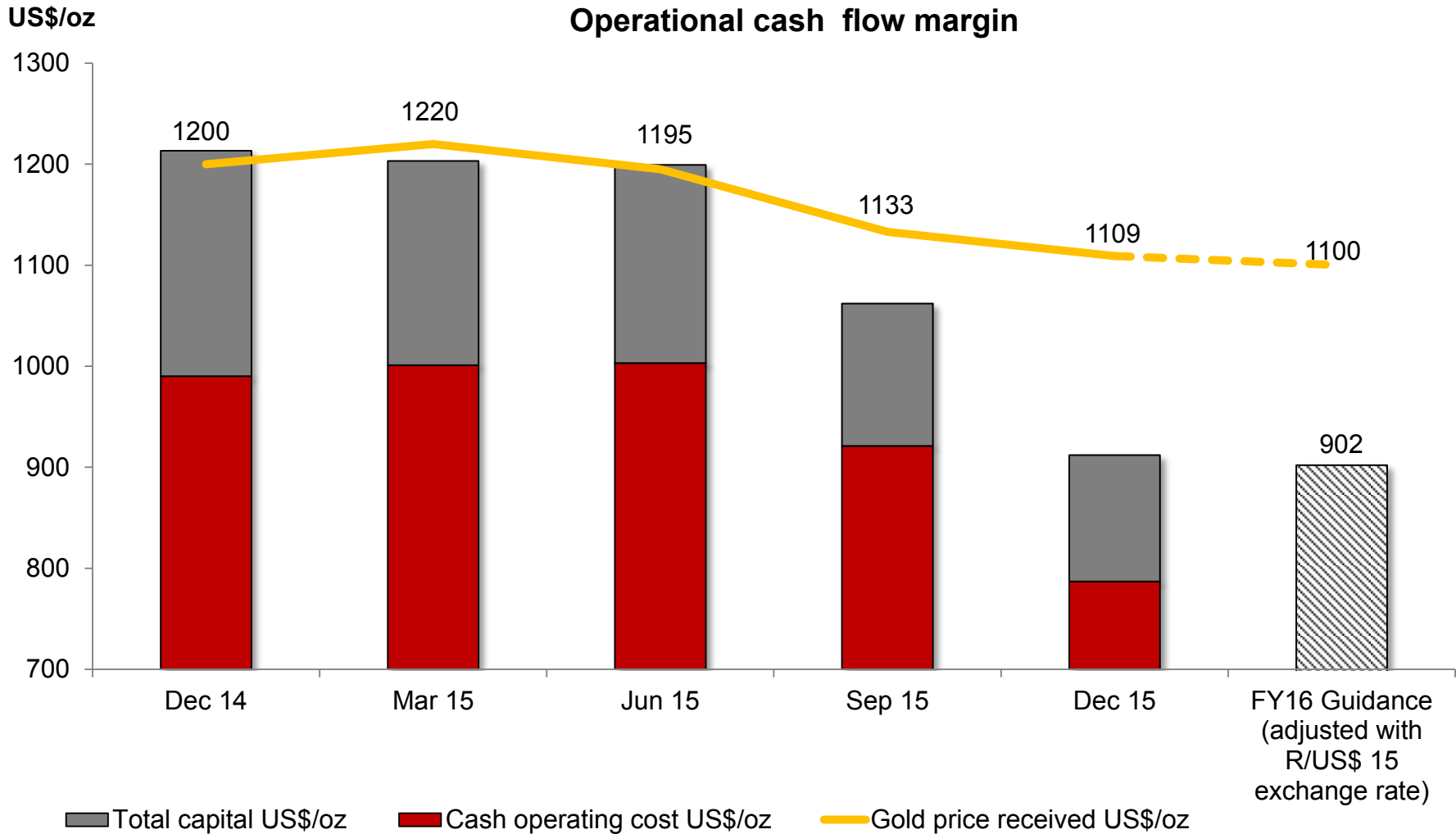
# Exceeding guided grade



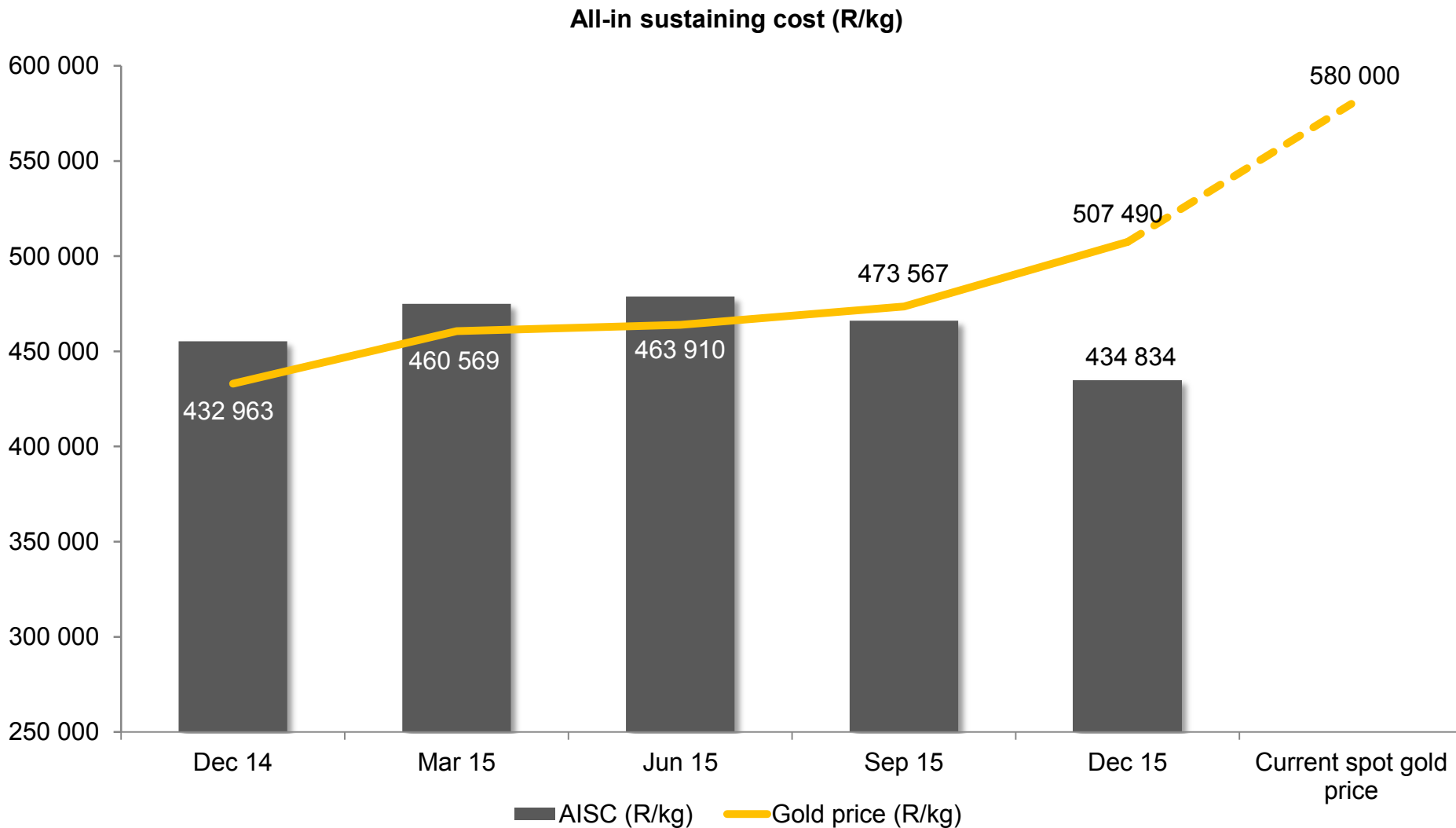
# Leveraged to benefit from higher R/kg gold price



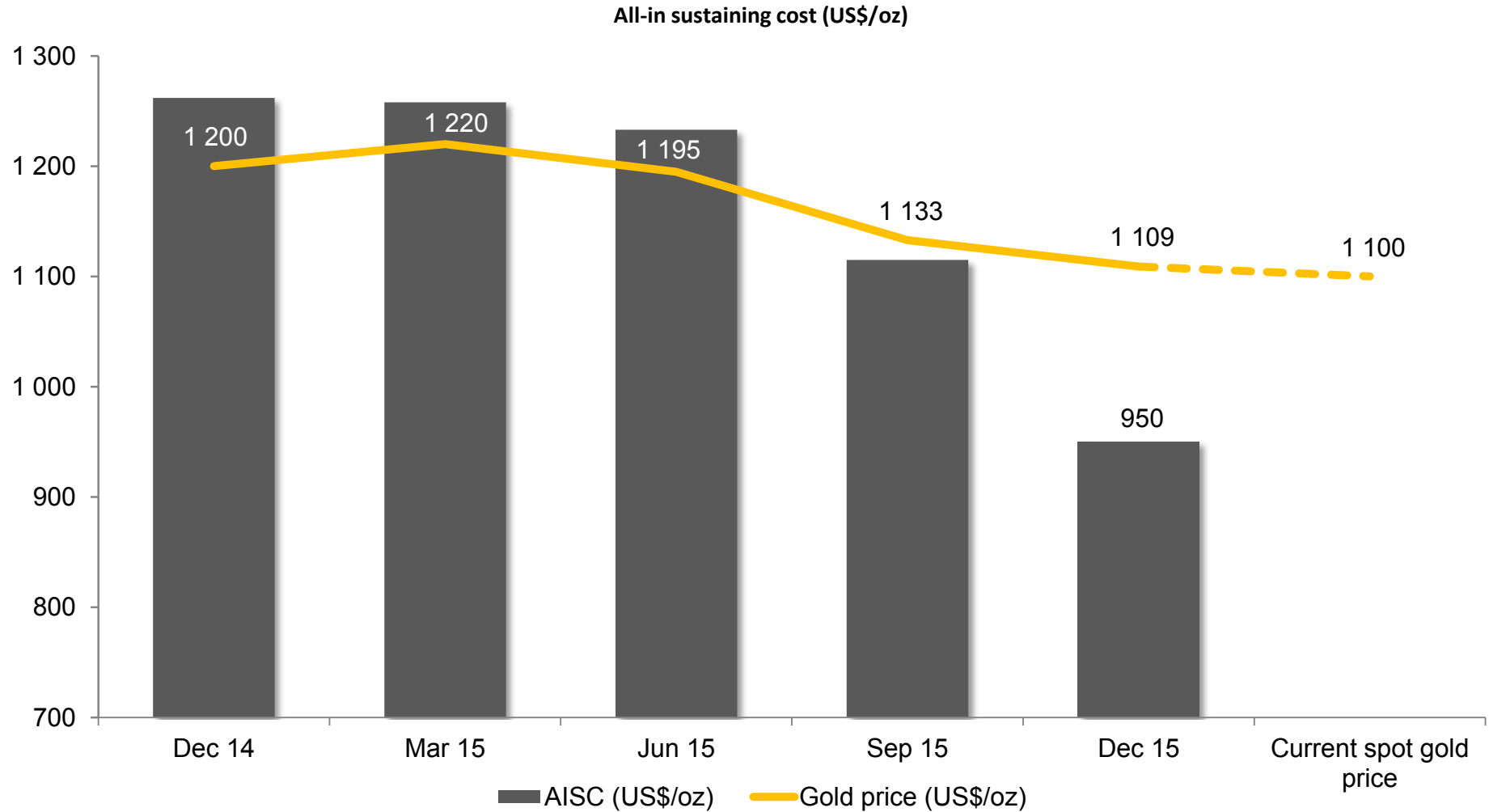
# Created a margin at current US\$/oz gold price



# Increase in all-in sustaining cost margin (R/kg)



# Increase in all-in sustaining cost margin (US\$/oz)





# Achieving our reserve grade



Operation	Reserve grade g/t	Adjusted reserve grade (-5%)	Actual grade (g/t) achieved in FY15	FY16 grade guidance (g/t)	Recovered grade (g/t) achieved in Q4FY15	Recovered grade (g/t) achieved in Q1FY16	Recovered grade (g/t) achieved in Q2FY16	% Quarter on quarter increase
Kusasaletu	6.18	5.87	4.35	6.5	3.89	4.49	6.25	39%
Phakisa	6.83	6.49	5.1	5.1	4.77	5.52	5.87	6%
Tshepong	5.42	5.15	4.31	4.4	4.43	4.69	4.43	-6%
Target 1	5.29	5.03	5.11	4.6	5.03	5.50	5.49	0%
Bambanani	11.33	10.76	12.7	11.5	13.03	14.67	13.82	-6%
Doornkop	5.16	4.90	4.42	4.4	4.48	4.05	4.73	17%
Masimong	3.85	3.66	3.68	3.6	3.48	3.85	3.79	-2%
Unisel	4.48	4.26	4.06	3.9	3.75	4.26	4.20	-1%
Joel	5.24	4.98	4.1	4.2	3.83	3.88	4.69	21%
<b>Underground operations</b>	<b>5.82</b>	<b>5.53</b>	<b>4.75</b>	<b>~5.0</b>	<b>4.61</b>	<b>4.99</b>	<b>5.33</b>	<b>7%</b>

# Production vs guidance



Operation	FY16 production (oz)	Average production guidance per quarter (oz)	Q1FY16 results	Q2FY16 results	Life of mine (years)
Kusasaletu	170 000 - 190 000	45 000	32 794	31 154	25
Phakisa	90 000 - 110 000	25 000	31 572	33 565	11
Tshepong	120 000 - 140 000	32 500	42 407	38 774	20
Target 1	110 000 - 130 000	30 000	32 344	34 787	10
Bambanani	80 000- 100 000	22 500	30 190	27 553	6
Doornkop	70 000- 90 000	20 000	21 380	22 795	15
Masimong	65 000 - 80 000	18 125	23 406	19 483	3
Unisel	45 000 - 55 000	12 500	15 336	14 854	5
Joel	60 000 - 75 000	16 875	17 361	20 962	11
<b>Underground operations</b>	<b>810 000 - 970 000</b>	<b>222 500</b>	<b>246 790</b>	<b>243 927</b>	
Hidden Valley	80 000 - 95 000	21 875	11 124	17 201	3 - 6
Various surface	50 000 - 55 000	13 125	14 822	16 236	15+
Kalgold	30 000 - 40 000	8 750	8 649	9 710	14
<b>Total</b>	<b>~ 1.1 Moz</b>	<b>~ 266 250</b>	<b>281 385</b>	<b>287 074</b>	

Note: Guided costs including capital of R435 000/kg (US\$1 080/oz using an exchange rate of US\$/R12.50)

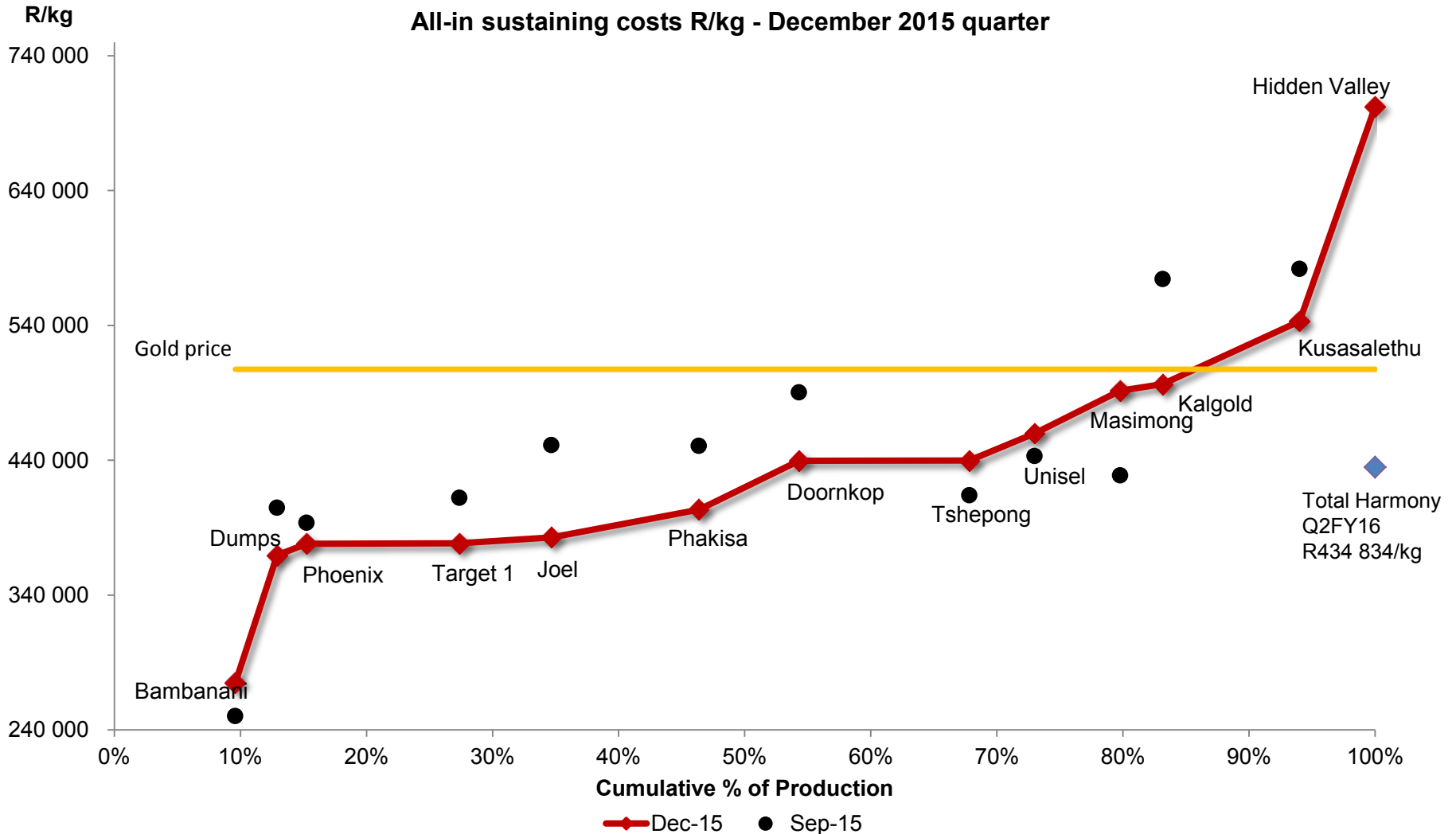
# Cost including capital vs guidance



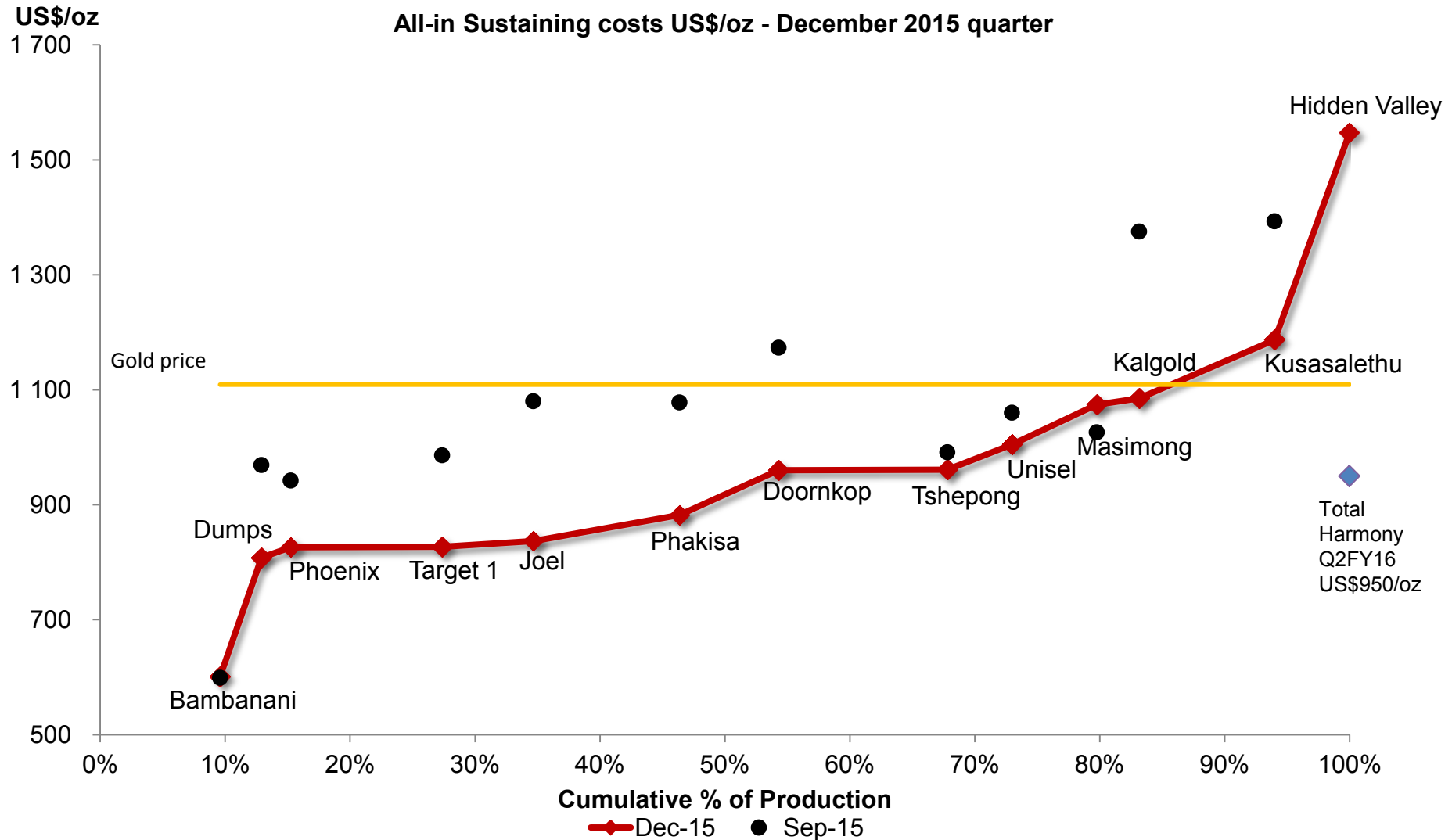
Operation	FY16 Cost and capital guidance	Q1FY16 results	Q2FY16 results	H1FY16 results
Kusasaletu	410 000 - 440 000	567 941	523 029	546 061
Phakisa	450 000 - 490 000	434 559	388 716	410 936
Tshepong	425 000 - 450 000	397 445	423 954	410 106
Target 1	410 000 - 440 000	393 674	362 106	377 316
Bambanani	260 000 - 300 000	247 833	263 953	255 525
Doornkop	440 000 - 460 000	479 226	420 068	448 699
Masimong	420 000 - 455 000	403 291	460 038	429 070
Unisel	430 000 - 465 000	421 036	434 885	427 850
Joel	410 000 - 440 000	488 350	411 092	446 091
<b>Underground operations</b>	<b>425 000 - 450 000</b>	<b>421 553</b>	<b>406 945</b>	<b>414 291</b>
Hidden Valley	395 000 - 425 000	916 017	585 847	715 516
Various surface	410 000 - 445 000	392 768	362 681	379 270
Kalgold	420 000 - 450 000	556 398	465 089	508 105
<b>Total</b>	<b>~ R435 000/kg</b>	<b>R443 730/kg</b>	<b>417368</b>	<b>430417</b>

Note: Guided costs including capital of R435 000/kg (US\$1 080/oz using an exchange rate of US\$/R12.50)

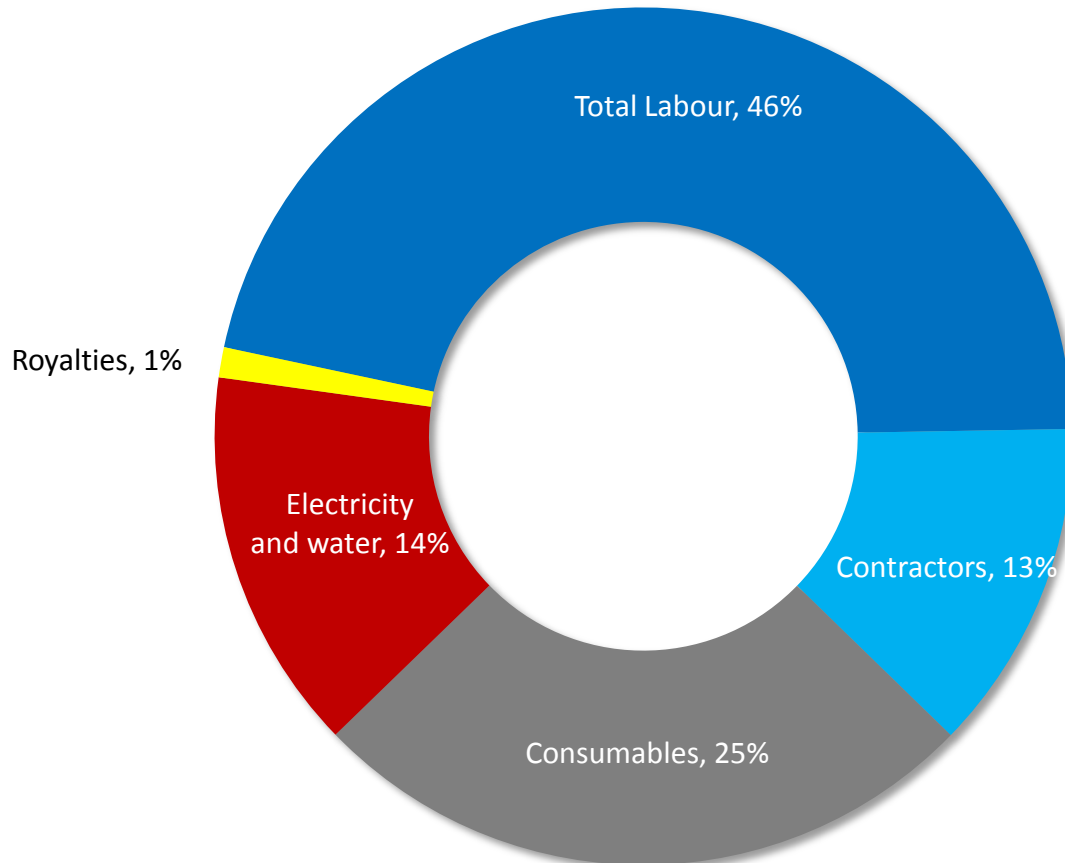
# AISC per operation (R/kg)



# AISC per operation (US\$/oz)

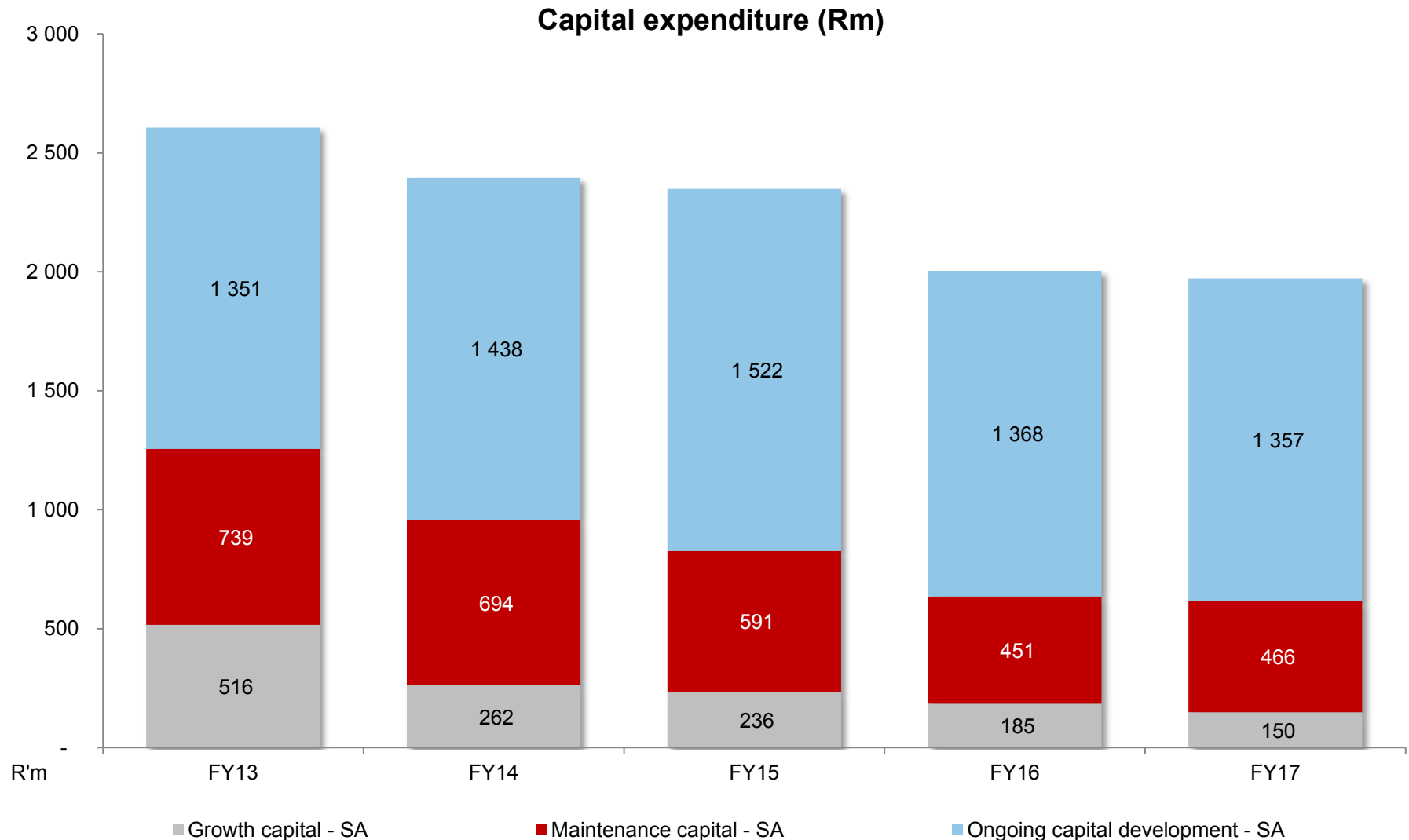


Total Harmony Q2FY16

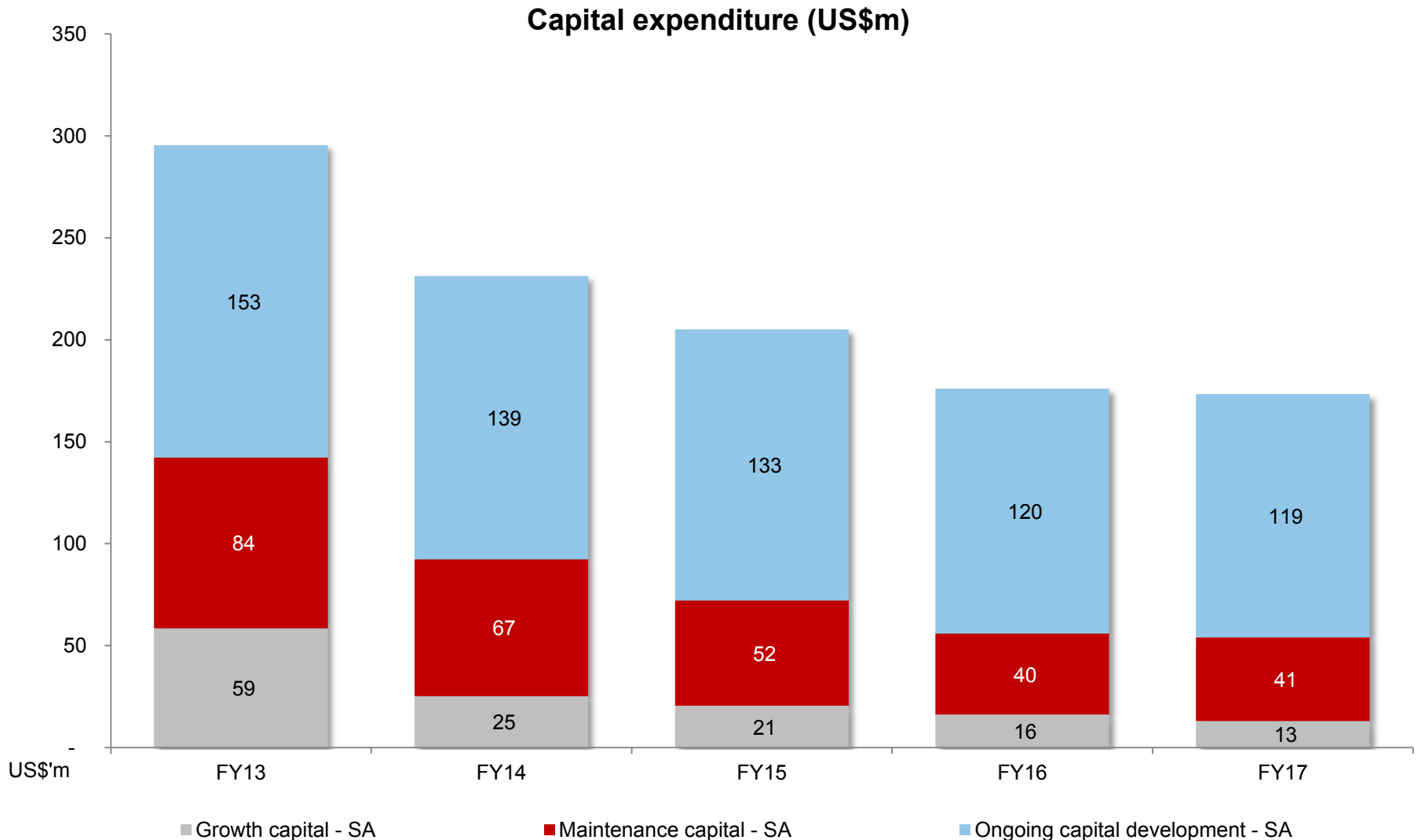


Note: In South Africa our costs are mostly Rand based, while in PNG the costs are equally based in PNG Kina, Australian dollar and the US dollar

# Major capital spend in SA behind us



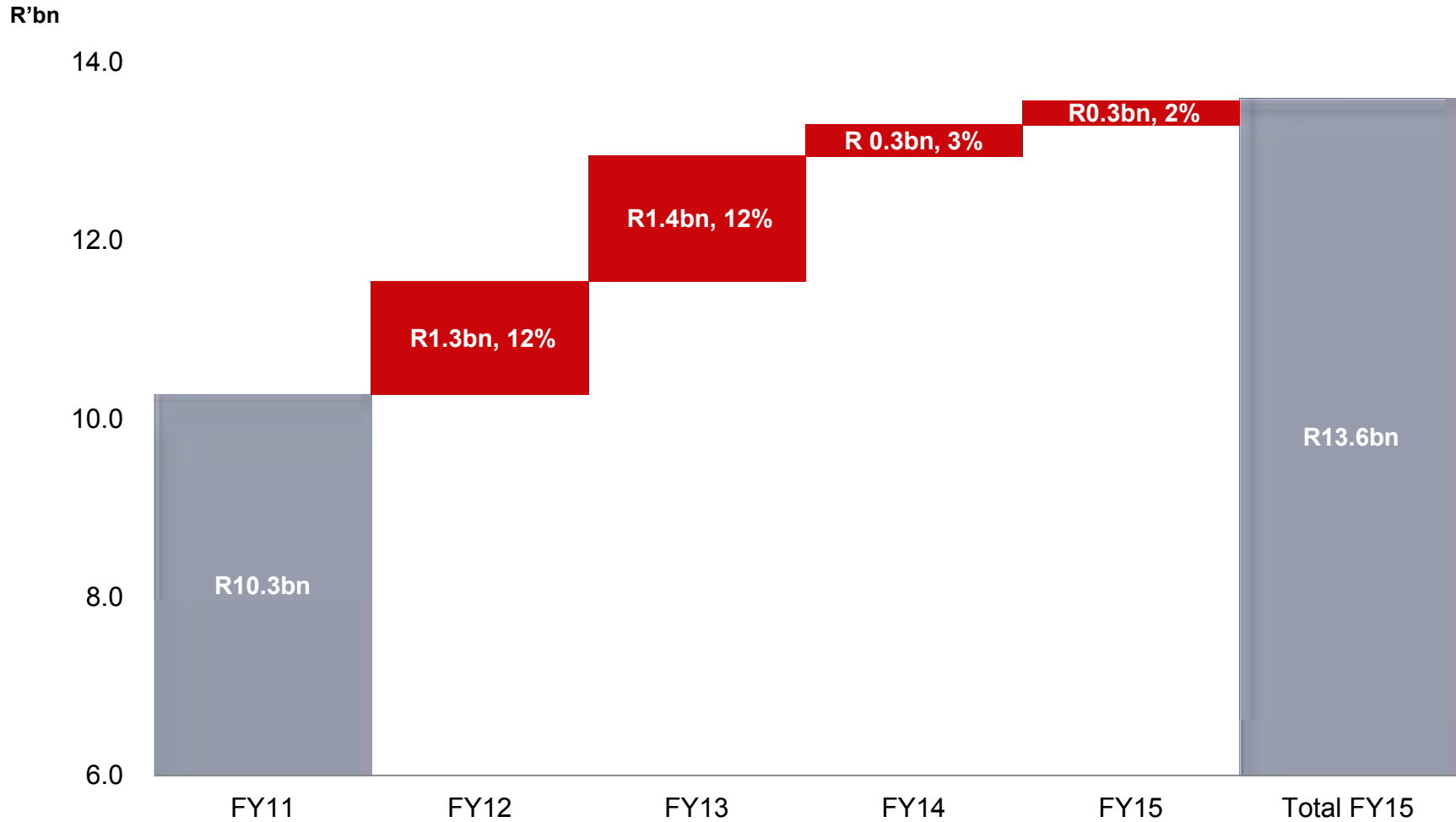
# Major capital spend in SA behind us





# Controlling costs

(SA total operating costs, including capital)

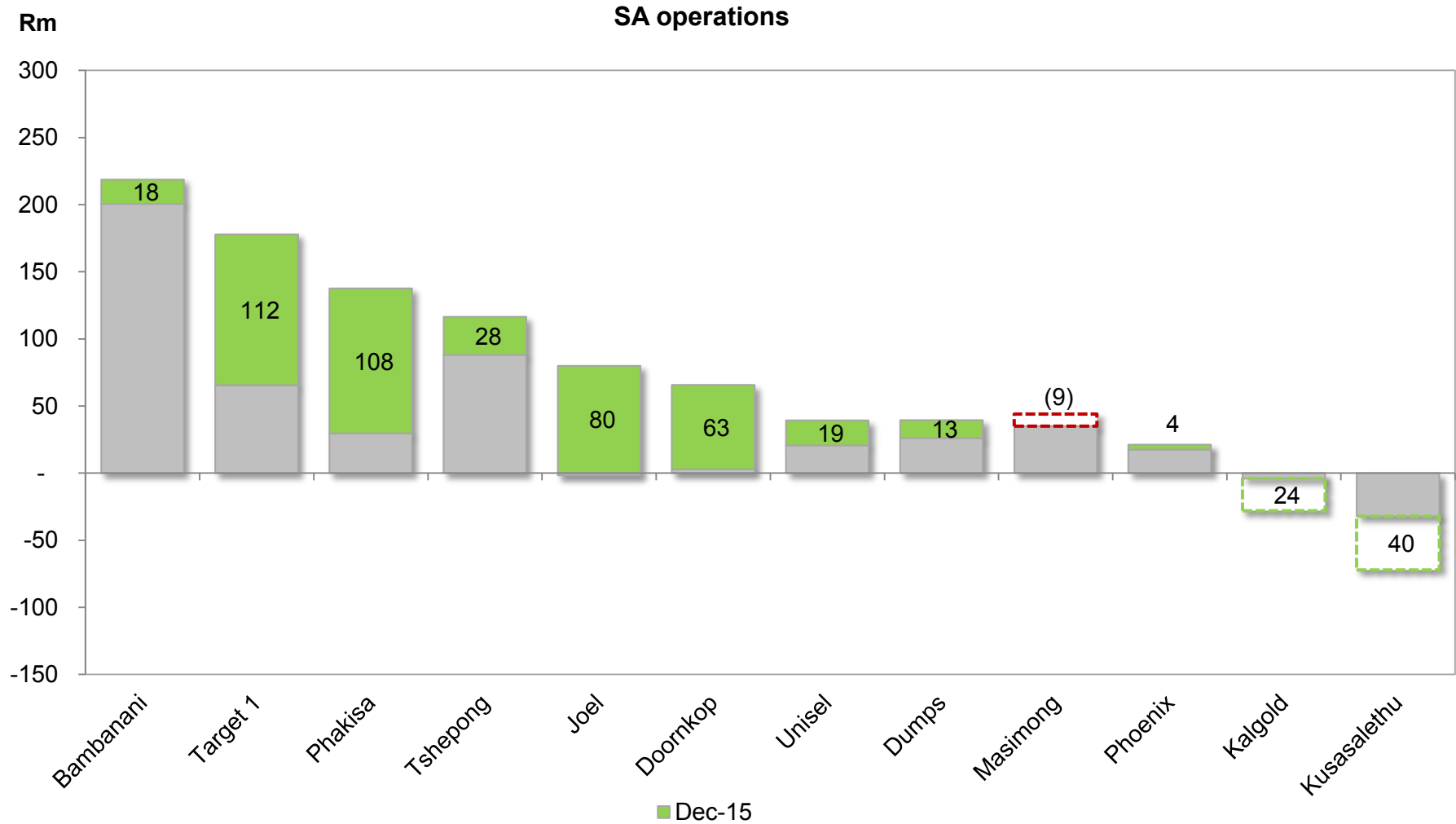




# SOLID FINANCIAL RESULTS



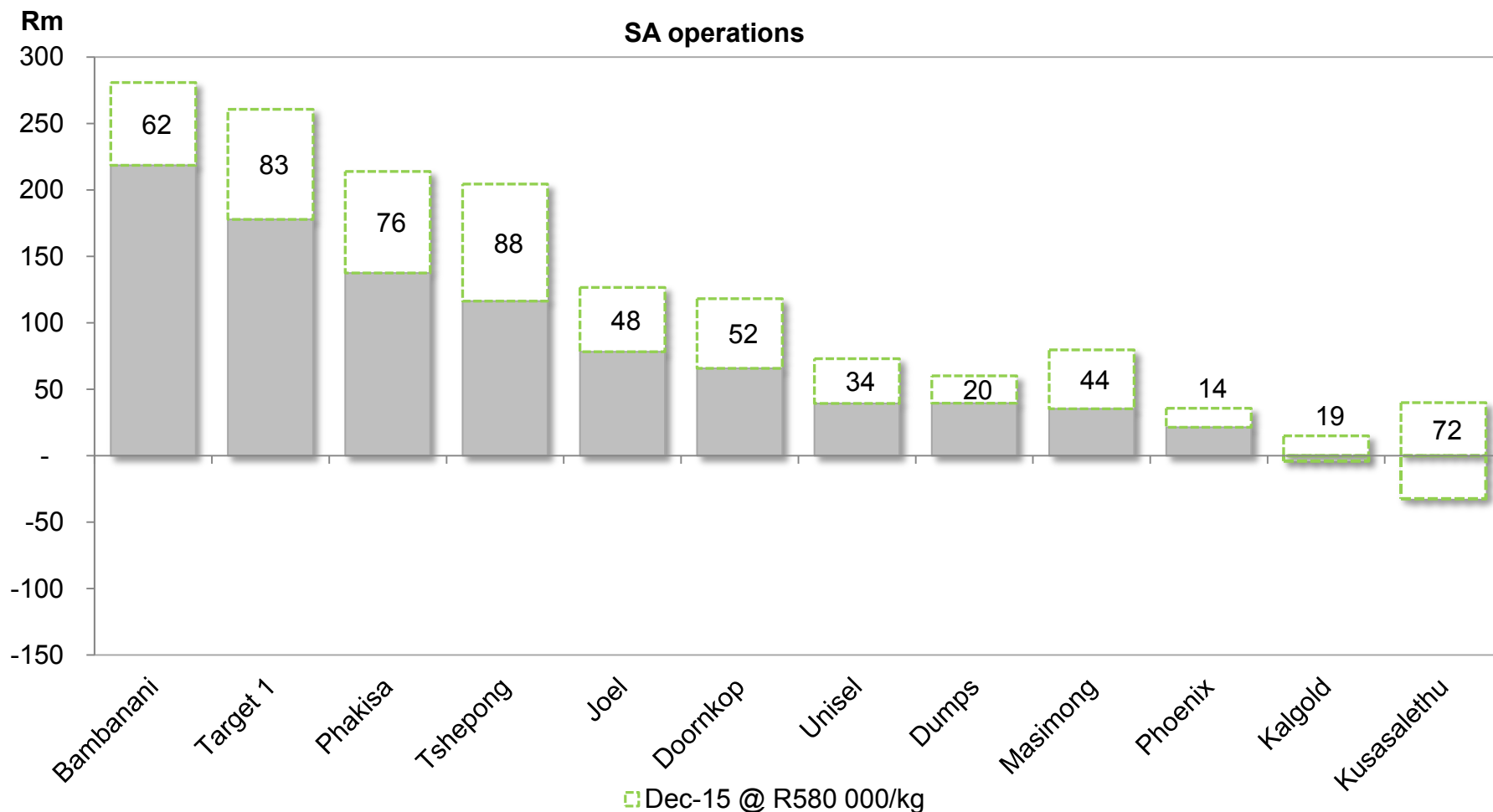
# Net free cash flow – Q2FY16



# Net free cash flow at current gold prices



December 2015 at R580 000/kg gold price



# Extract from income statement (q-on-q) – Rand



Extracts from income statement and operating results	Dec 2015 quarter (Rm)	Sep 2015 quarter (Rm)	% change
Revenue	4 567	4 140	10
Production costs	(3 275)	(3 439)	5
Cash operating costs	(3 216)	(3 368)	5
Inventory movements	(59)	(71)	17
Production profit as per operating results	1 292	701	84
Amortisation and depreciation	(531)	(555)	4
Exploration expenditure	(60)	(43)	(40)
Foreign exchange translation loss <sup>1</sup> #	(370)	(428)	14
Taxation	(56)	33	>(100)
<b>Net profit/(loss)</b>	<b>76</b>	<b>(521)</b>	<b>&gt;100</b>
<b>Headline earnings/(loss)</b>	<b>74</b>	<b>(523)</b>	<b>&gt;100</b>

<sup>1</sup> The Rand/US dollar closing exchange rate weakened from R13.87 to R15.62 in Q2FY16 and from R12.16 to R13.87 during Q1FY16

# Included as part of the "Other expenses (net)" line in the income statement

# Extract from income statement (q-on-q) – US\$



	Dec 2015 quarter (US\$m)	Sep 2015 quarter (US\$m)	% Change
Extracts from income statement and operating results			
Revenue	321	319	-
Production costs	(230)	(265)	13
Cash operating costs	(226)	(259)	13
Inventory movements	(4)	(6)	33
Production profit as per operating results	91	54	68
Amortisation and depreciation	(37)	(43)	14
Exploration expenditure	(4)	(3)	(33)
Foreign exchange translation loss <sup>1</sup> #	(26)	(33)	21
Taxation	(4)	3	>(100)
<b>Net profit/(loss)</b>	<b>5</b>	<b>(40)</b>	<b>&gt;100</b>
<b>Headline earnings/(loss)</b>	<b>5</b>	<b>(40)</b>	<b>&gt;100</b>
Average exchange rate (R/US\$)	14.24	13.00	10

<sup>1</sup> The Rand/US dollar closing exchange rate weakened from R13.87 to R15.62 in Q2FY16 and from R12.16 to R13.87 during Q1FY16

# Included as part of the "Other expenses (net)" line in the income statement

# Reduction in net debt (q-on-q) – Rand



Extracts from cash flow statement and balance sheet	Debt (Rm)	Cash (Rm)	Net debt (Rm)
<b>Opening balance 30 Sep 2015</b>	<b>(4 129)</b>	<b>1 487</b>	<b>(2 642)</b>
Net cash generated	(5)	506	<b>501</b>
Cash generated by operating activities	-	1 043	1 043
Cash utilised by investing activities	-	(568)	(568)
Foreign currency translation and other adjustments	(5)	31	26
Translation loss on US dollar loan <sup>1</sup>	(374)	-	<b>(374)</b>
Debt repaid <sup>2</sup>	1 117	(1 117)	-
<b>Closing balance 31 Dec 2015</b>	<b>(3 391)</b>	<b>876</b>	<b>(2 515)</b>
<b>Net change</b>	<b>738</b>	<b>(611)</b>	<b>127</b>

<sup>1</sup> The Rand/US dollar closing exchange rate weakened from R13.87 in Q1FY16 to R15.62 in Q2FY16

<sup>2</sup> Repayments consisted of US\$50 million on the US\$250 million Revolving Credit Facility and R400 million on the R1.3 billion Rand facility

# Reduction in net debt (q-on-q) – US\$



Extracts from cash flow statement and balance sheet	Debt (US\$m)	Cash (US\$m)	Net debt (US\$m)
<b>Opening balance 30 Sep 2015</b>	<b>(298)</b>	<b>107</b>	<b>(191)</b>
Net cash generated	-	33	<b>33</b>
Cash generated by operating activities	-	73	73
Cash utilized by investing activities	-	(40)	(40)
Translation adjustments	2	(6)	<b>(4)</b>
Debt repaid <sup>1</sup>	78	(78)	-
<b>Closing balance 31 Dec 2015</b>	<b>(218)</b>	<b>56</b>	<b>(162)</b>
<b>Net change</b>	<b>80</b>	<b>(51)</b>	<b>29</b>

<sup>1</sup> Repayments consisted of US\$50 million on the US\$250 million Revolving Credit Facility and R 400 million on the R1.3 billion Rand facility. Average exchange rate for Q2FY16: R14.24. Closing exchange rate for Q2FY16: R15.62.

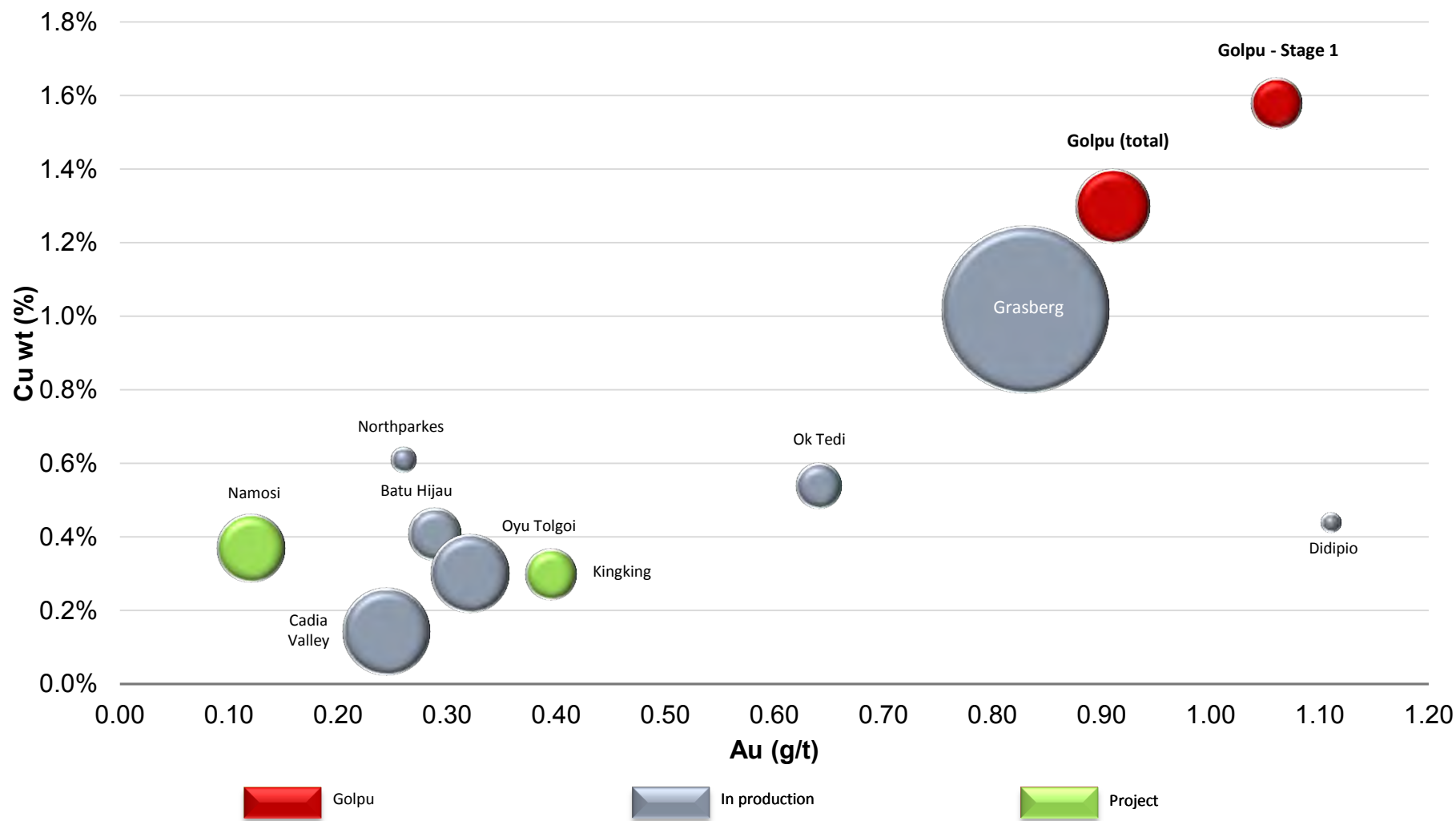




# CREATING FUTURE VALUE THROUGH EXPLORATION



# In good company – Golpu is a world-class reserve



Source: Rothschild  
Reserve grade depicted in graph with bubble size represents equivalent resource

## 2014: Stage 1 Prefeasibility

- Modular expandable solution
- Lower capital requirements

## 2014 to 2016: Rigorous and disciplined study process

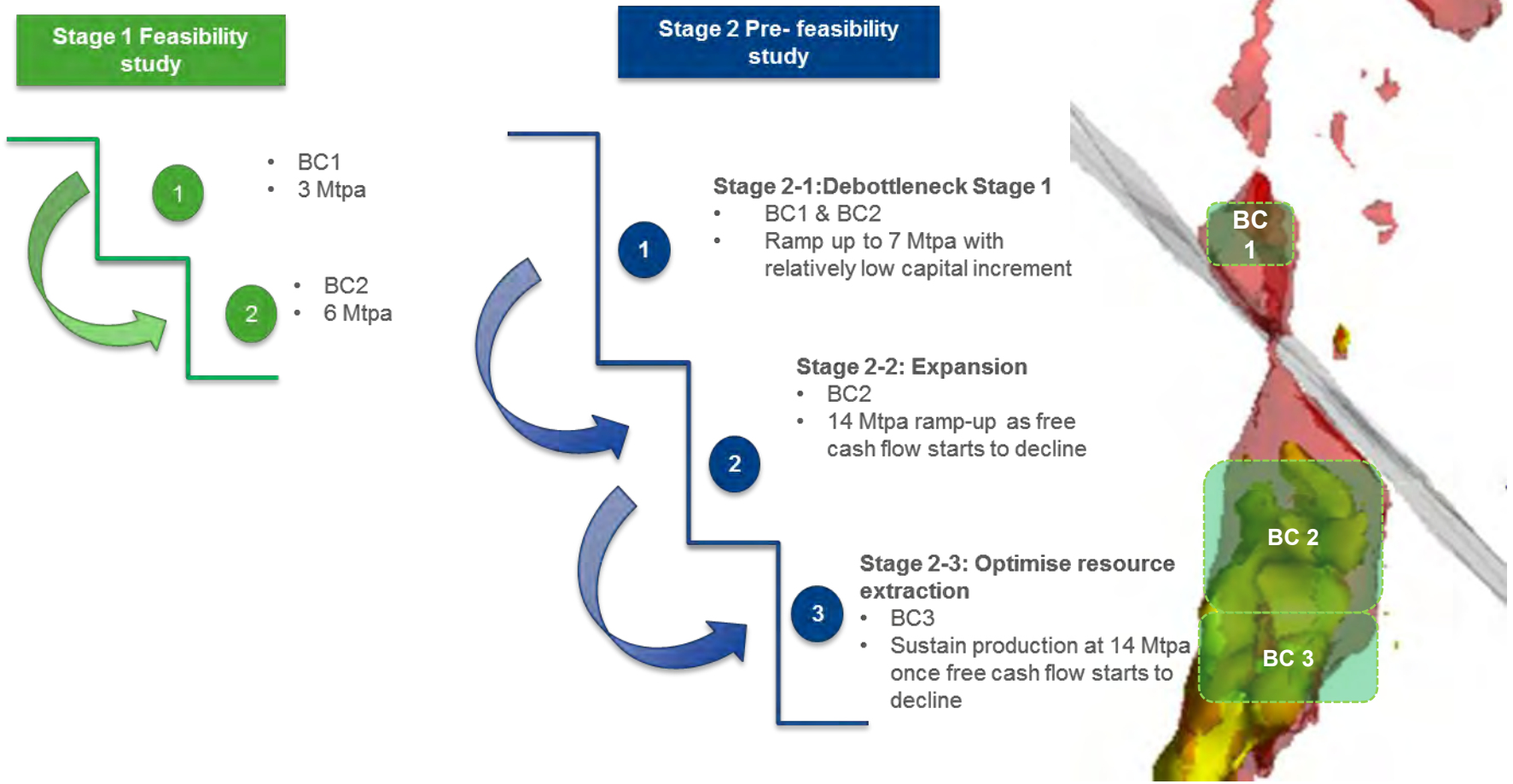
> 460 000 man hours

## 2016: Feasibility confirms economic outcomes of Stage 1 prefeasibility

- Positive NPV maintained
- Stage 2 prefeasibility provides optionality and flexibility for further growth

# Creating long term value

*These options are seen as evolutionary steps in the long-term life of mine plan of the project portfolio...*



BC1: Block cave 1  
BC2: Block cave 2  
BC3: Block cave 3

# Golpu Stage 1 feasibility results (100% basis)



## FEASIBILITY OUTCOMES OF STAGE 1

**149Mt ore**  
**2.2Mt Copper**  
**3.6 Moz gold**



**US\$2.6bn**  
 CAPITAL EXPENDITURE

BUT ONLY  
**US\$1.8bn**  
 MAXIMUM NEGATIVE FREE  
 CASH FLOW



**Processed at only**  
**US\$30.66/t**  
 with  
**US\$17.61/t**  
 realisation costs

Work on Stage 1 planned to start in FY19 when mining lease is granted. Stage 1 will start off as block cave 1 (BC1), followed by block cave 2 (BC2).

**Only**  
**US\$0.89/lb**  
 Sustaining production costs  
 once in operation

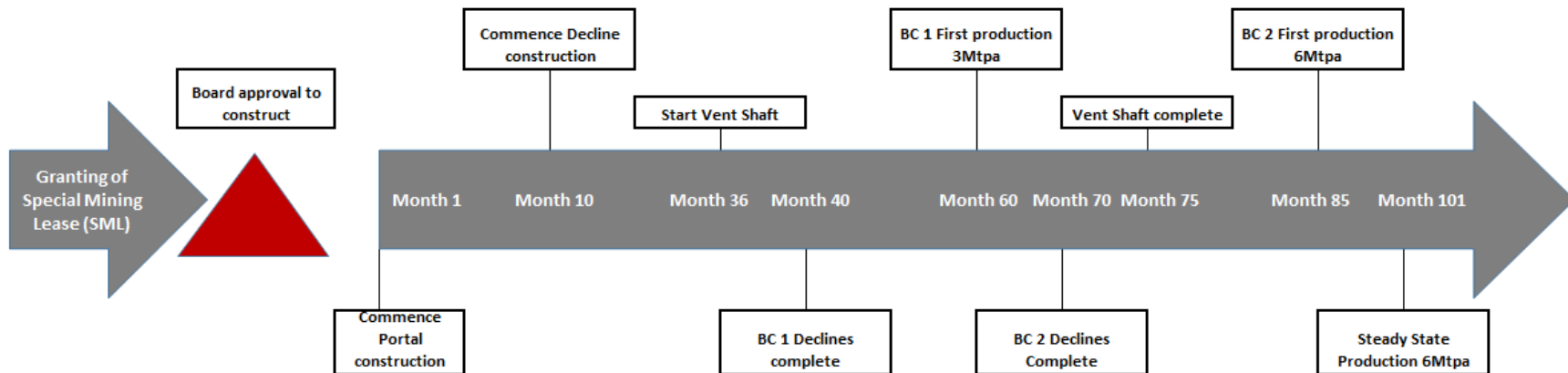
**50%**  
 Harmony's share  
 of Golpu

PNG government may  
 buy up to 30% before  
 mining licence is granted

**US\$1.1bn**  
 NPV

**16%**  
 IRR

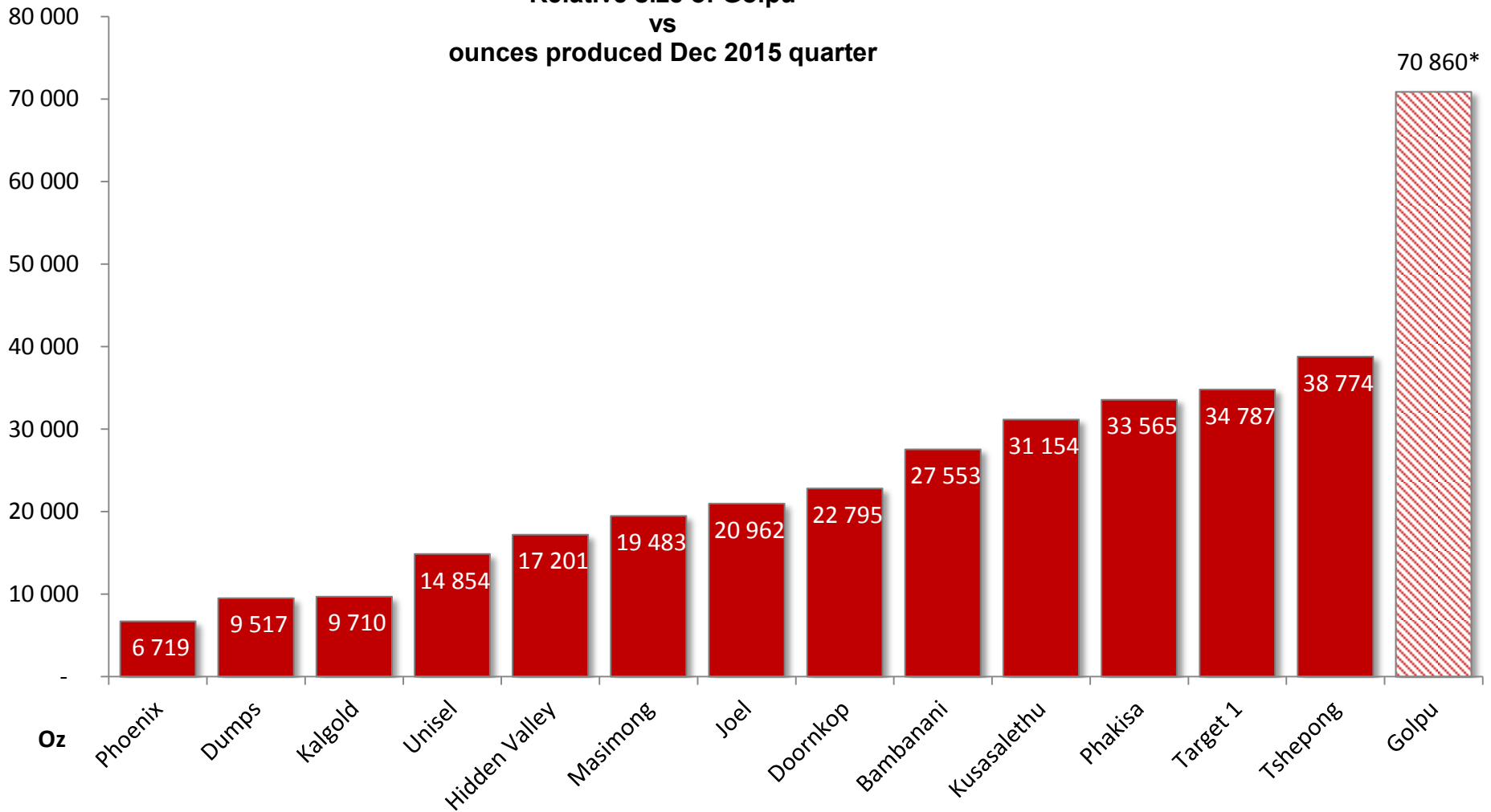
**28 years**  
 LIFE OF STAGE 1



# Golpu's quarterly production in context

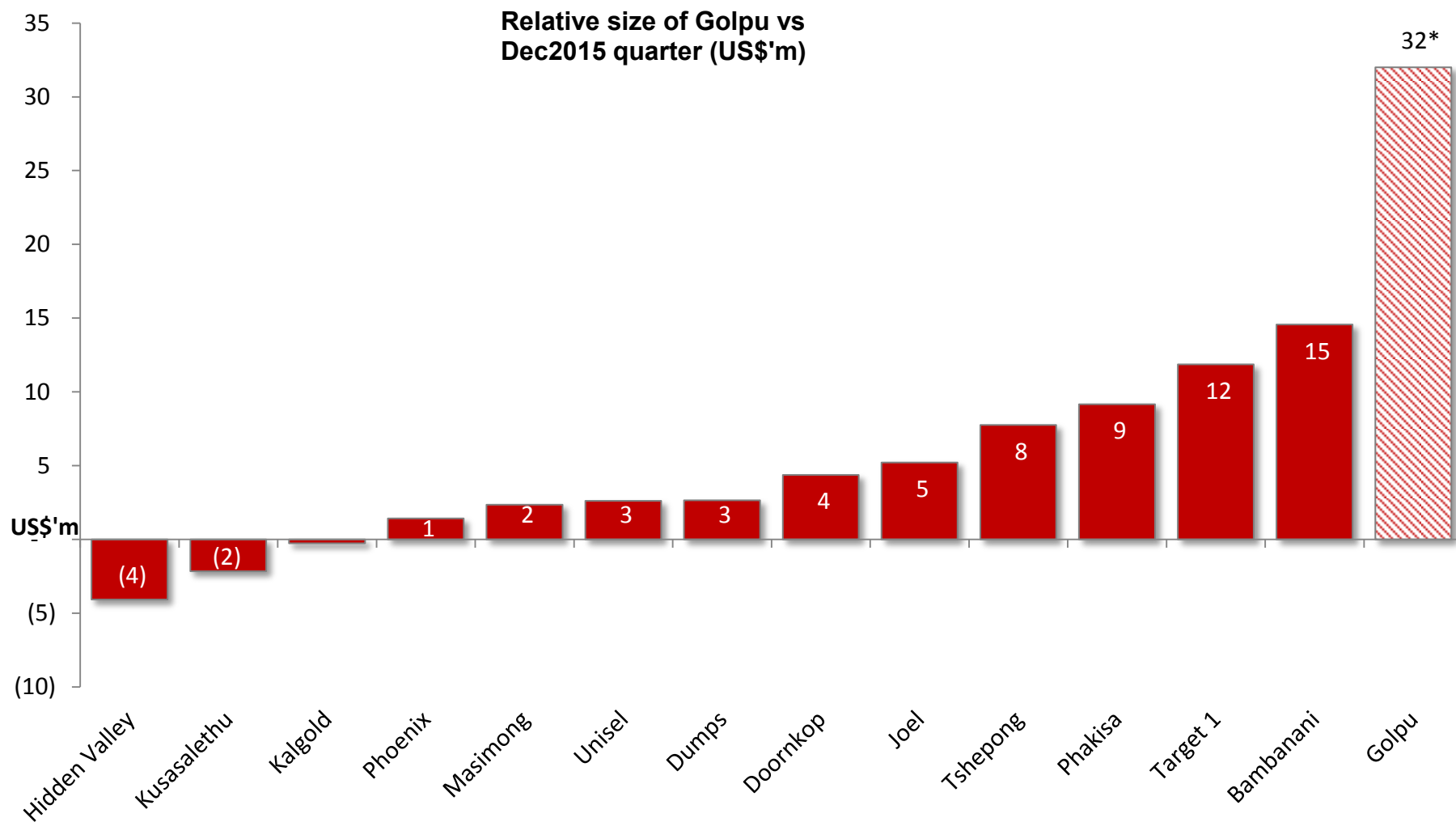


Relative size of Golpu  
vs  
ounces produced Dec 2015 quarter



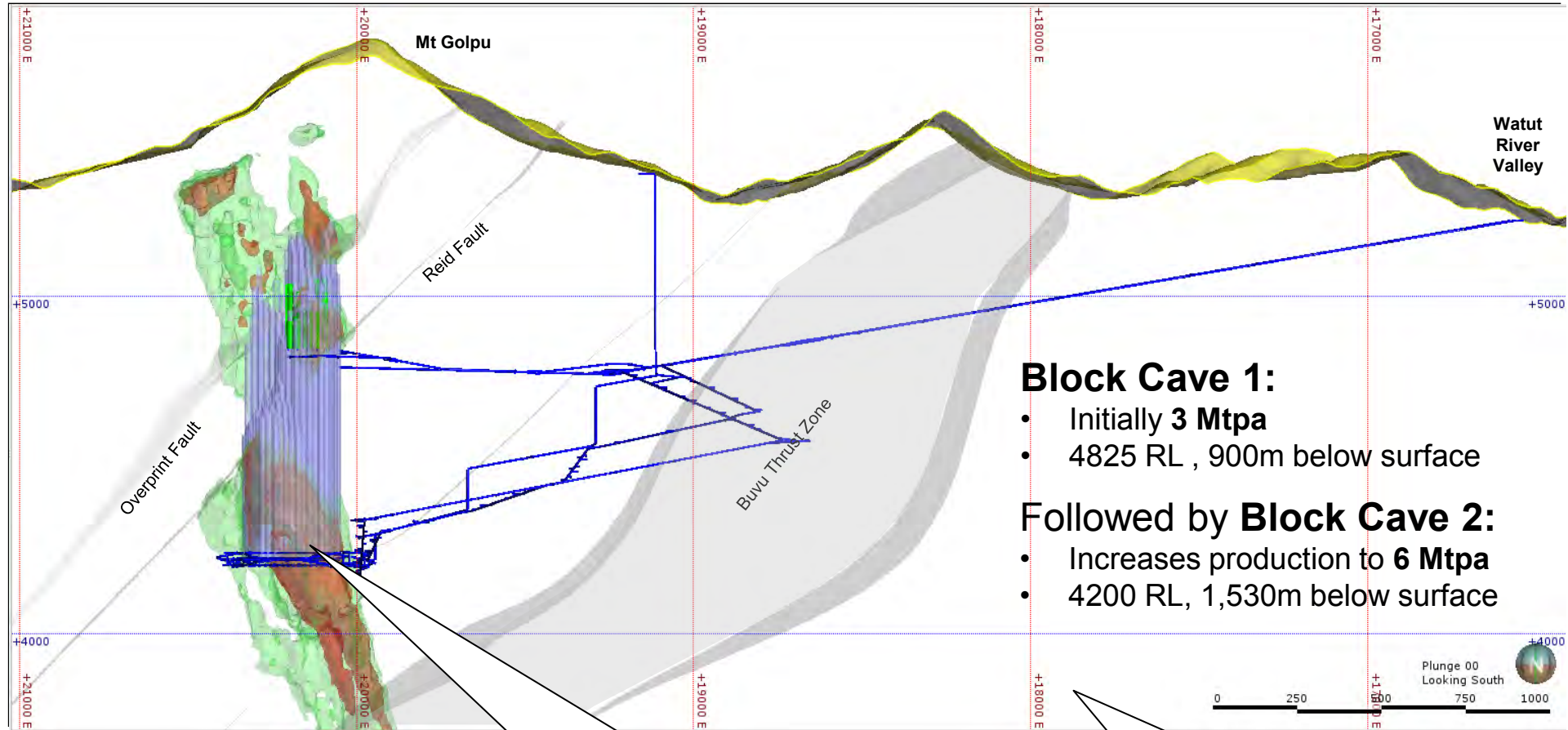
\*Gold equivalent average life of mine Stage 1 quarterly ounces produced. All assumptions as per study.

# Golpu's quarterly free cash flow contribution



\*Life of mine Stage 1 quarterly average free cash flow. All assumptions as per study.

# Stage 1 Project: establish BC1 and BC2



## Block Cave 1:

- Initially 3 Mtpa
- 4825 RL , 900m below surface

## Followed by Block Cave 2:

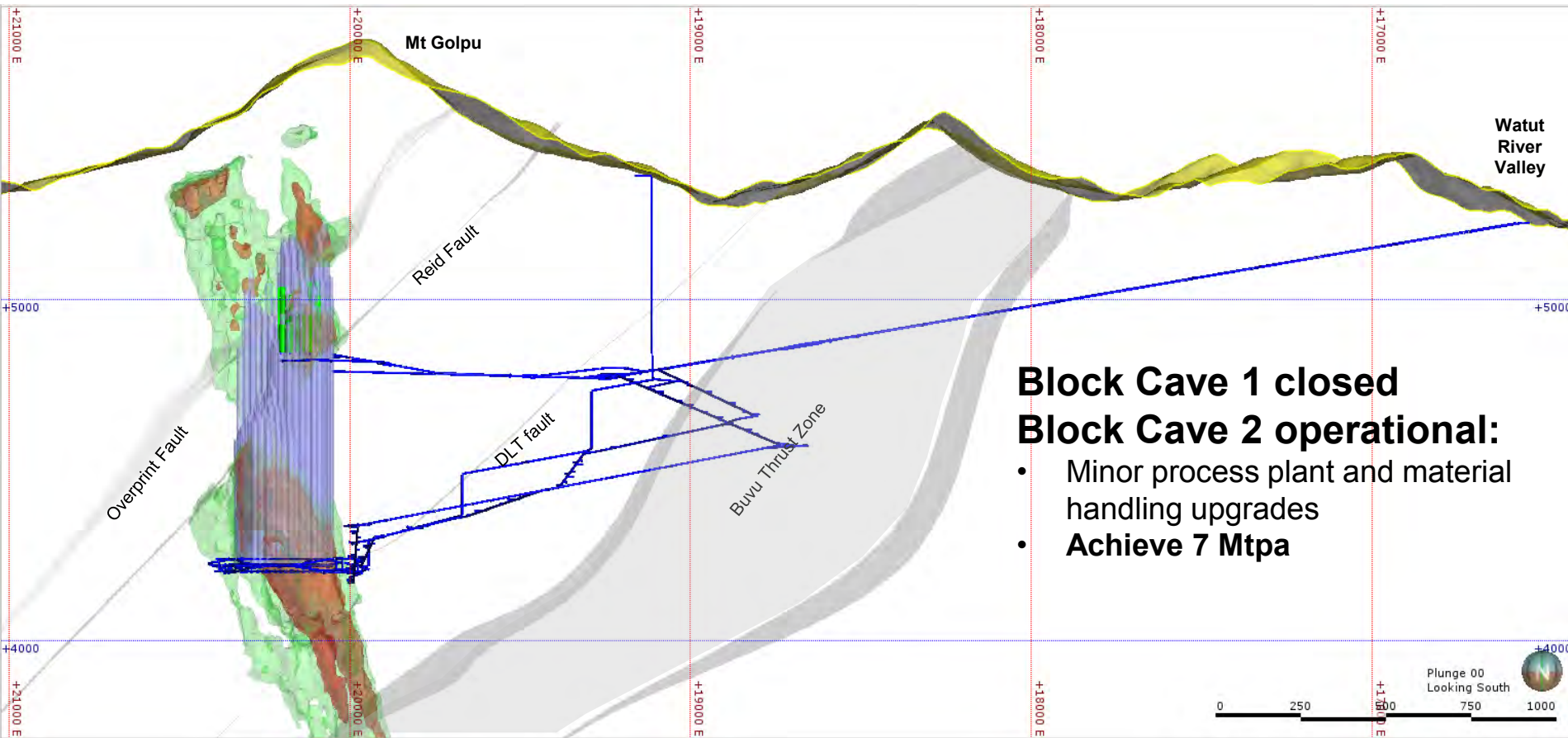
- Increases production to 6 Mtpa
- 4200 RL, 1,530m below surface

**Golpu orebody grade shells**  
1% Cu Envelope = Green  
2% Cu envelope = red

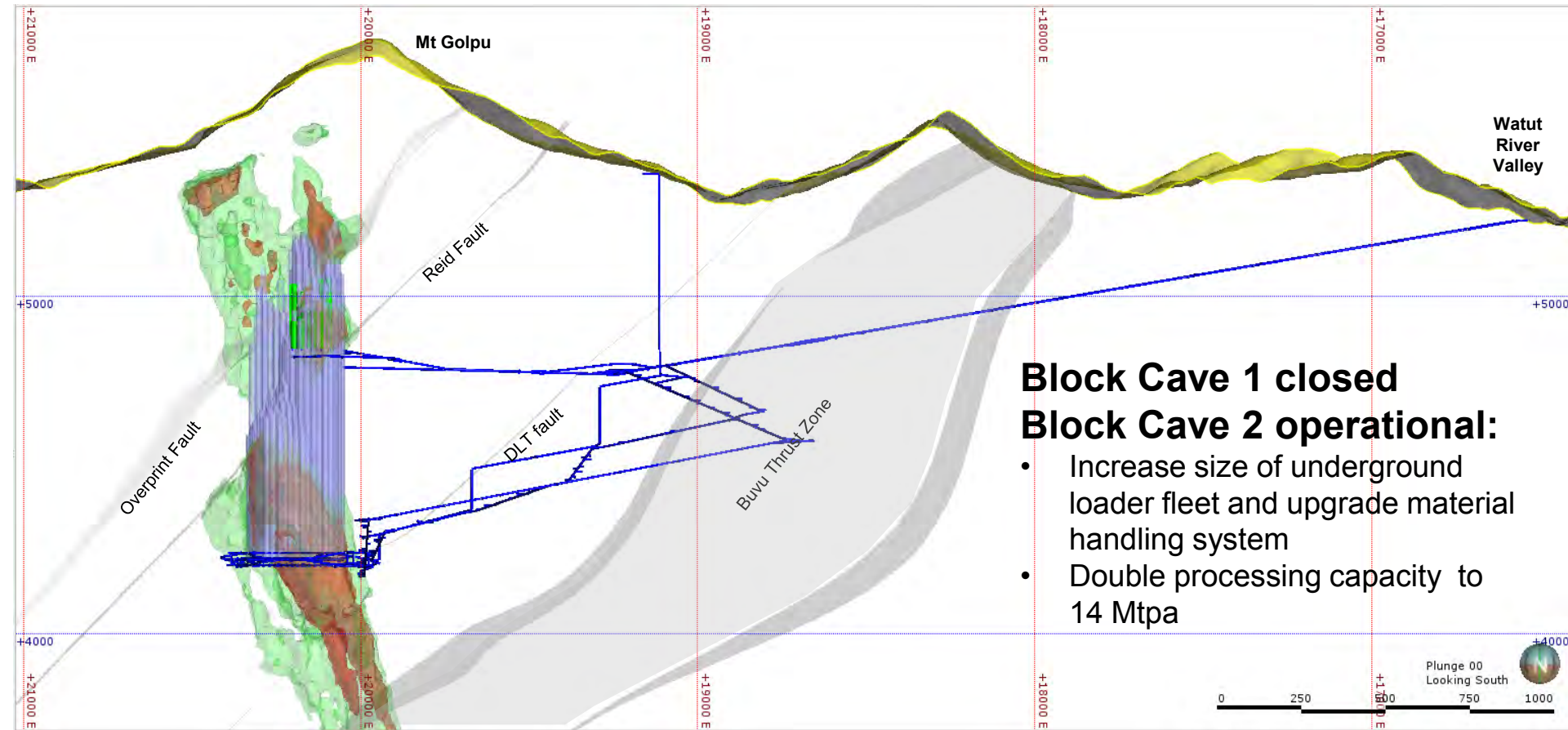
**Note scale:**  
1 kilometer squares



# Stage 2 Project: debottleneck Stage 1 BC 2 to 7Mtpa



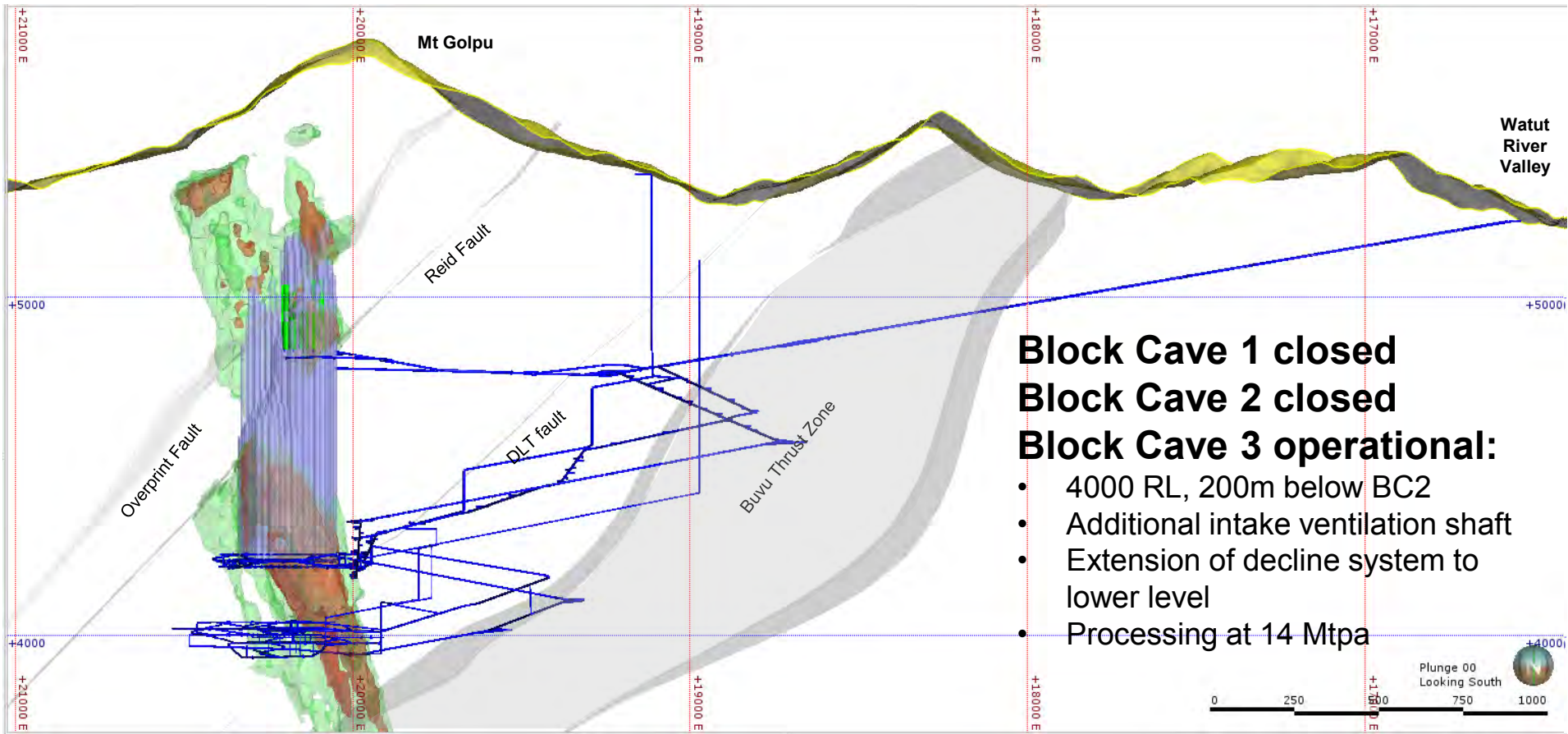
# Stage 2 Project: Step 2 – ramp-up BC 2 to 14Mtpa



## Block Cave 1 closed Block Cave 2 operational:

- Increase size of underground loader fleet and upgrade material handling system
- Double processing capacity to 14 Mtpa

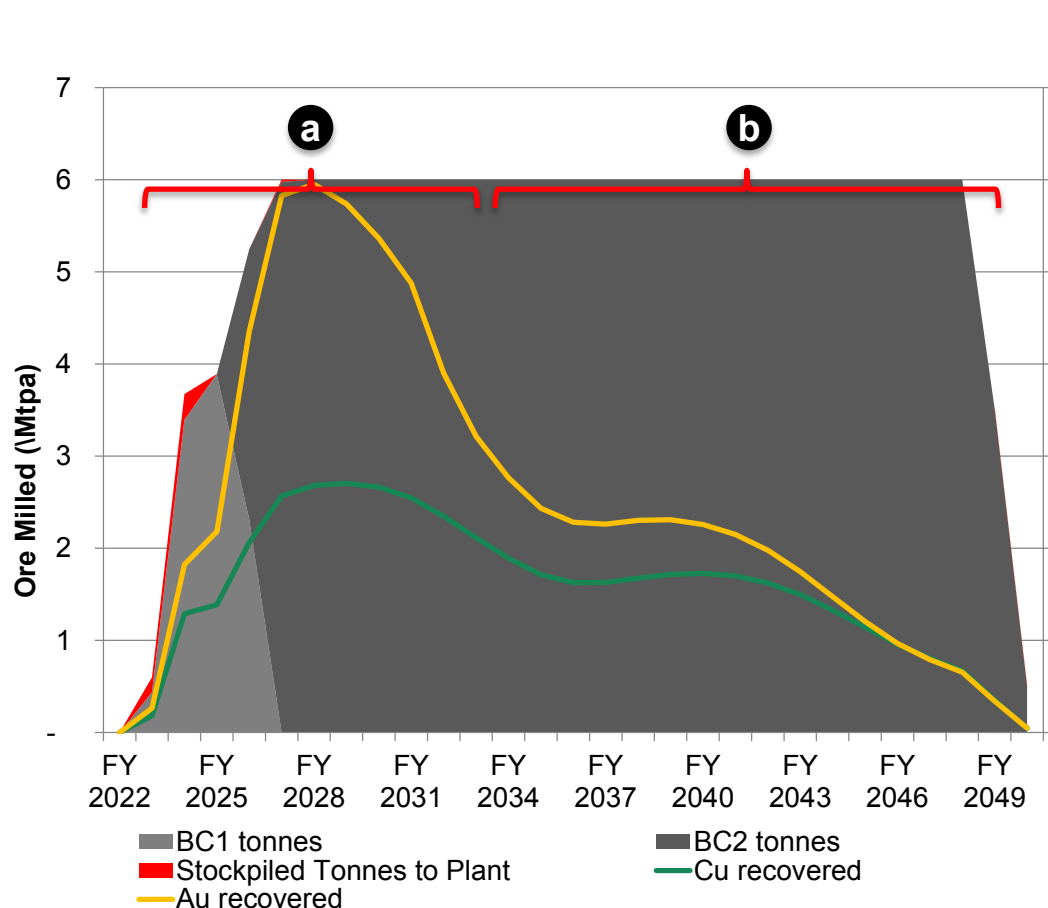
# Stage 2 Project: Step 3 - establish a third block cave



**Block Cave 1 closed**  
**Block Cave 2 closed**  
**Block Cave 3 operational:**

- 4000 RL, 200m below BC2
- Additional intake ventilation shaft
- Extension of decline system to lower level
- Processing at 14 Mtpa

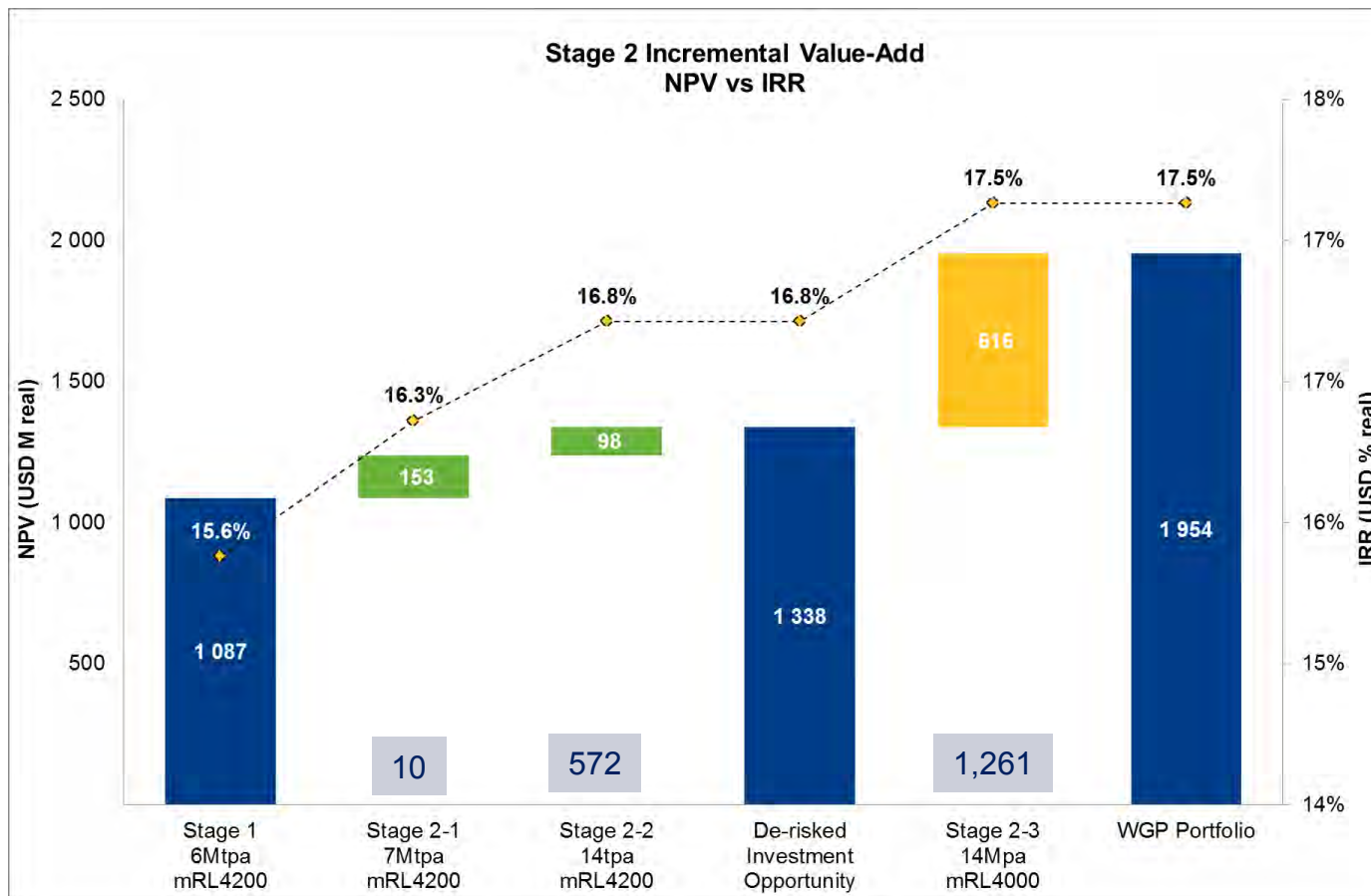
# Stage 1 production



Parameter	Units	LoM	Recovery	
			To FY33	FY34-50
Life of Mine	Yrs	28	11	17
Ore Mined	Mt	149	55	94
Cu Grade	%	1.58	2.15	1.25
Au Grade	g/t	1.06	1.59	0.76
Cu produced	Mt	2.2	1.1	1.1
Au produced	Moz	3.6	2.1	1.4
Cu produced	ktpa avg	80	102	65
Au produced	koz pa avg	128	198	82
Free Cash Flow	US\$M pa	249	361	178

All numbers reflected on a 100% basis

# Stage 2 adds further value



## Stage 2-1: Debottleneck Stage 1

- BC1 & BC2
- Ramp up to 7 Mtpa with relatively low capital increment

## Stage 2-2: Expansion

- BC2
- 14 Mtpa ramp-up as free cash flow starts to decline
- Change to deep sea tailings deposition

## Stage 2-3: Optimise resource extraction

- BC3
- Sustain production at 14 Mtpa once free cash flow starts to decline

Expansion capex (US\$M real)

All numbers reflected on a 100% basis

# Stage 2 key prefeasibility outcomes



Parameter	Units	Stage 2-1 (7 Mtpa)	Stage 2-2 (14Mtpa)	Stage2-3 (BC 3)
<b>Key Financial Metrics</b>				
NPV	US\$bn real	1.2	1.3	2.0
IRR	US\$ % real	16.3	16.8	17.5
Operating cost	US\$/t ore LoM	28.12	24.16	23.95
Project (expansion) capital spend	US\$M real	10	572	1,261
Sustaining and expansion capital	US\$M real	1,499	2,175	3,725
Cash cost (incl gold credit)	US\$/lb real LoM	0.55	0.44	0.60
Total production cost (cash cost + project and sustaining capital)	US\$/lb real LoM	1.37	1.39	1.23

All numbers reflected on a 100% basis, using same economic assumptions as Stage 1

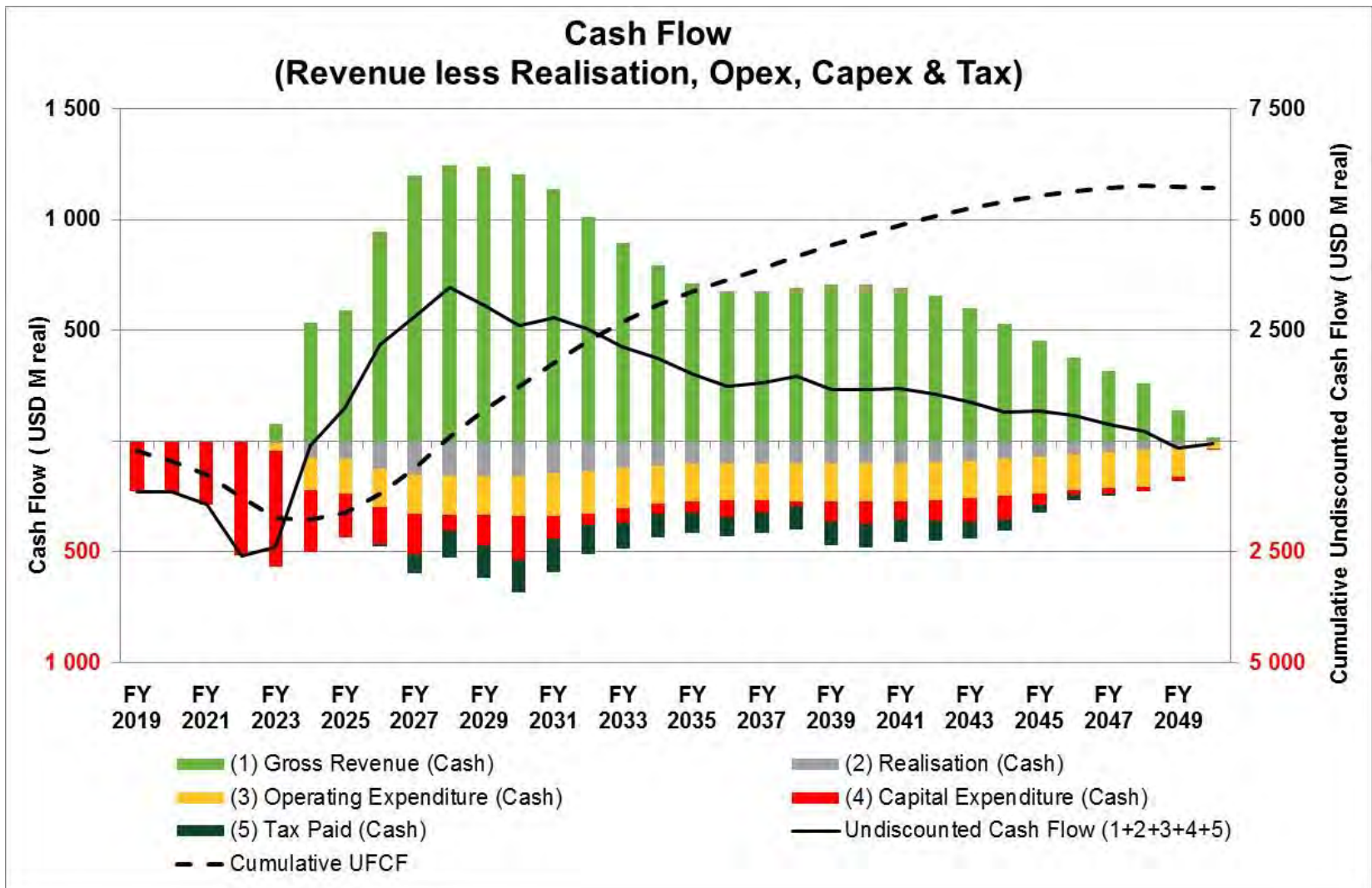
NPV: Net present value

IRR: Internal rate of return

LoM: Life of Mine

- Feasibility optimisation and de-risking studies for Stage 1 and 2; additional data gathering
- Submission of environmental impact statement
- Deep sea tailings placement studies
- Compilation and submission of Special Mining Lease application
- Stage 1 Project permitting negotiations
- Exercise of PNG government equity option
- Grant of special mining lease

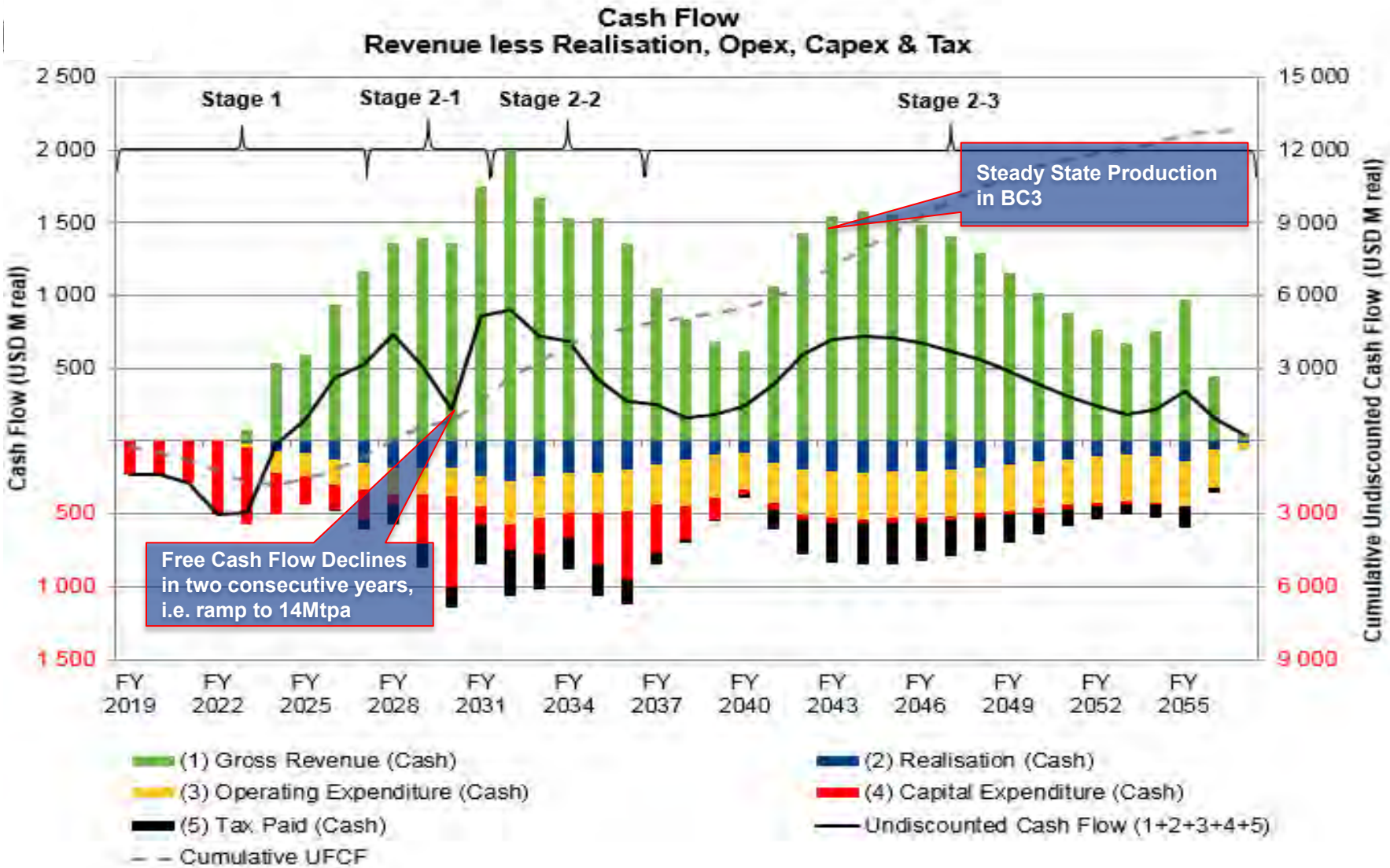
# Stage 1 - strong cash flows



All numbers reflected on a 100% basis



# Stage 2 - life of mine cash flows



No PNG Government buy-in (Harmony 50%)	
Year	Project cashflow (incl. capex)
	US\$m
FY17 and FY18	*
FY19	(115)
FY20	(115)
FY21	(145)
FY22	(260)
FY23	(240)
Total	(875)

External  
funding of  
US\$250m  
required

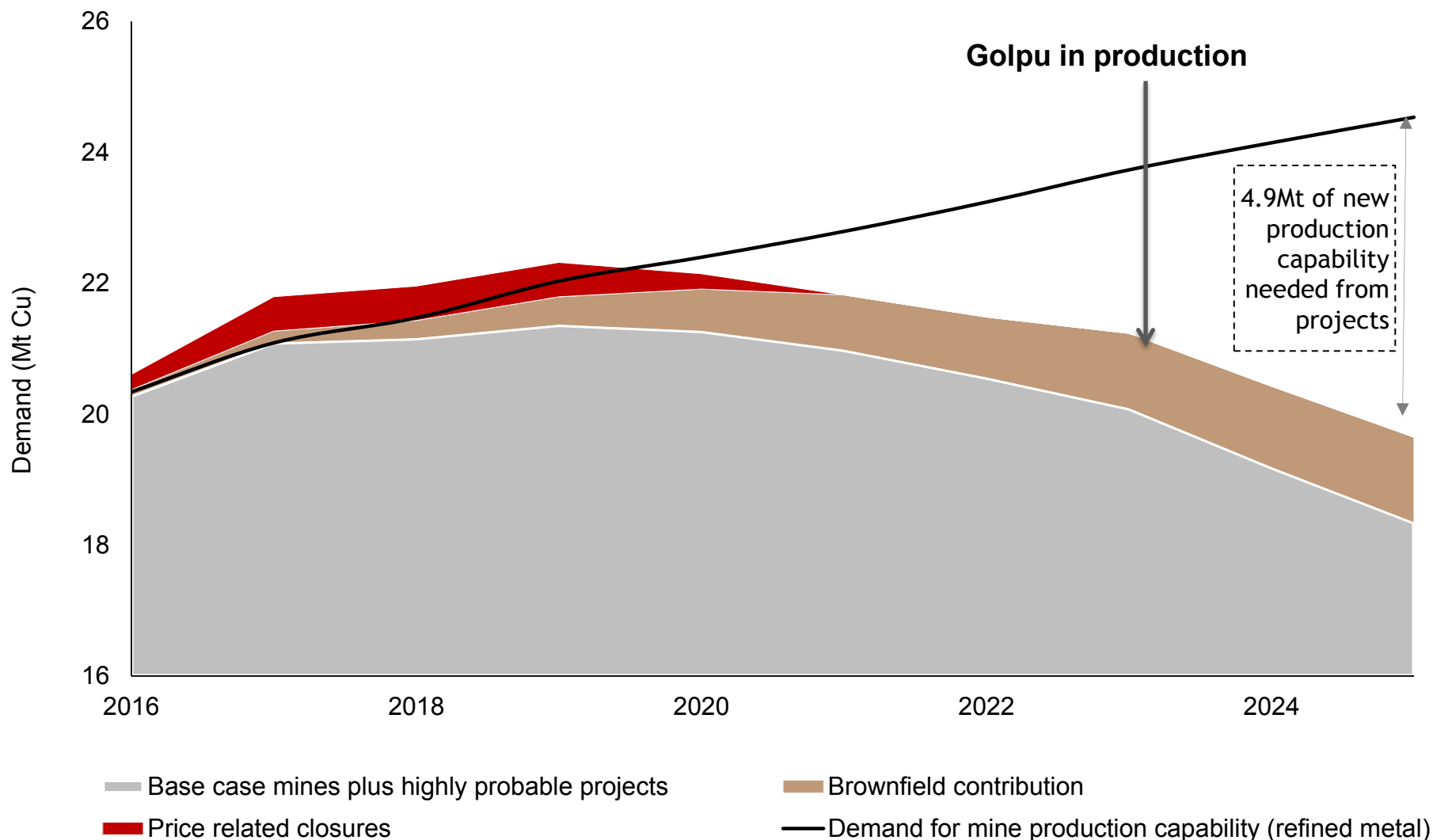
PNG Government buy-in (Harmony 35%)	
Year	Project cashflow (incl capex)
	US\$m
FY17 and FY18	*
FY19	37
FY20	(81)
FY21	(102)
FY22	(182)
FY23	(168)
Total	(496)

Grant of SML and PNG  
Government buys 30% for  
US\$235m

\*Insignificant expenditure up to granting of SML

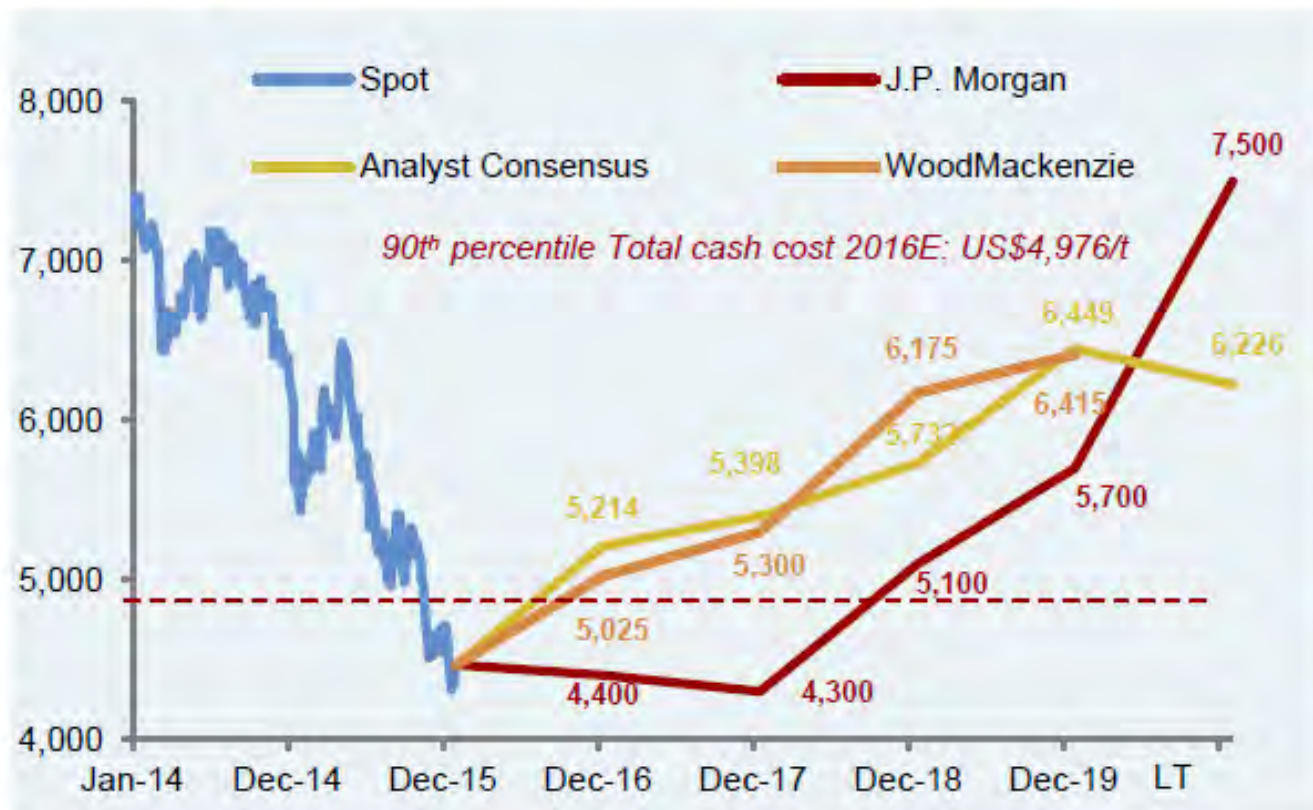
The above funding requirements are based on the project permitting timeline with on the ground activities only commencing post grant of a Special Mining Lease in FY19.

# Demand for mined copper



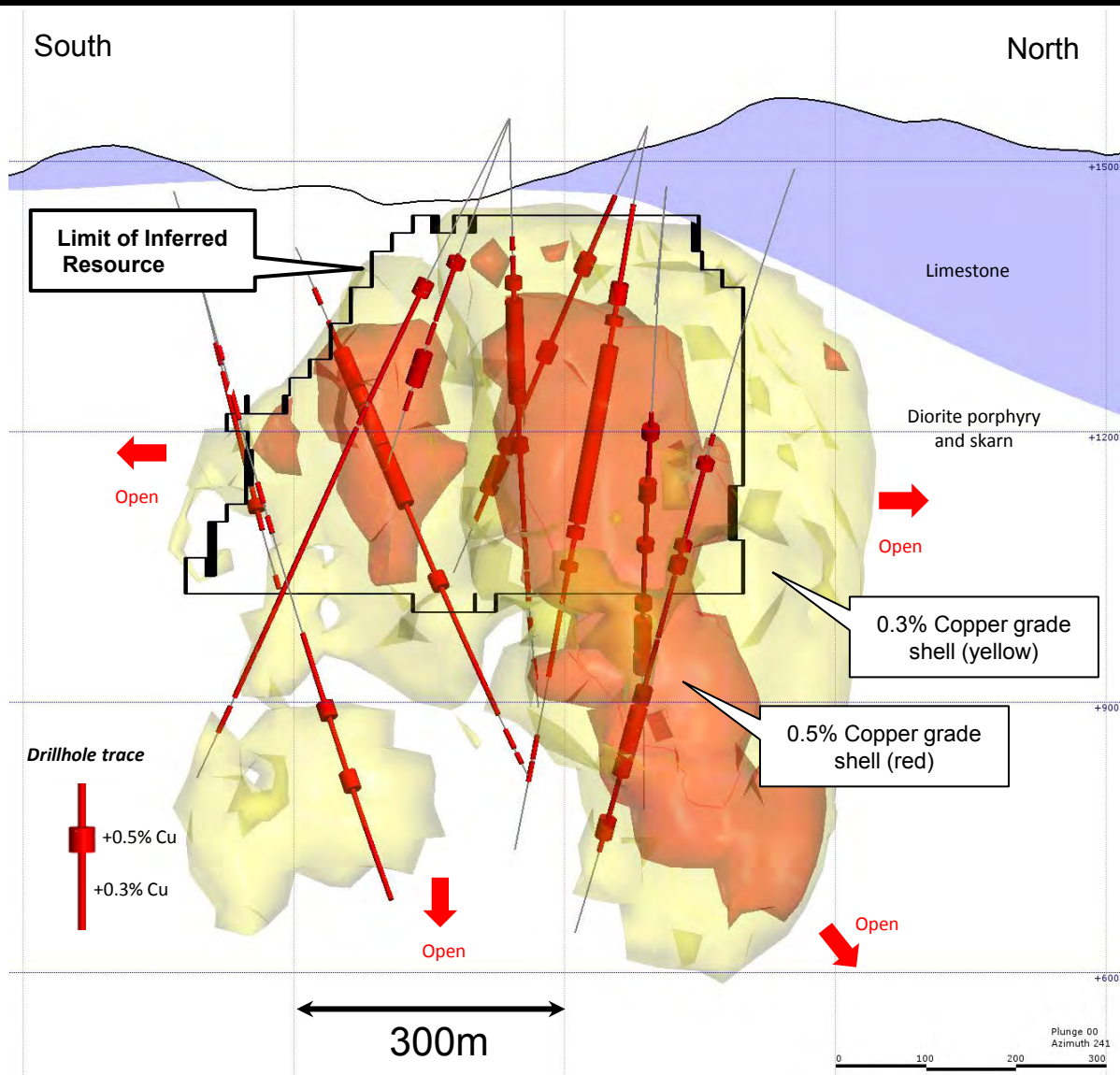
## Market and sector overview

### Copper price forecasts (nominal, US\$/t)



And there is more...

# Kili Teke - right address and geological setting



- **Maiden 4 Moz Au equivalent<sup>1</sup> Resource declared**

- 128 Mt @ 0.4% Cu, 0.3 g/t Au, 170 ppm Mo
- 506 Kt Cu, 1.2 Moz Au

- **Excellent upside:**

- Only a portion of the overall mineralised envelope defined to date
- Constrained at the 1000RL but intercepts remain open at depth
- Mineralisation remains open along strike to the north and south

- **Drilling accelerated for Q3**

- Additional rig commissioned

<sup>1</sup> Copper equivalent based on US\$1200/oz Au, US\$3.00/lb Cu, with 100% recovery for all metals.

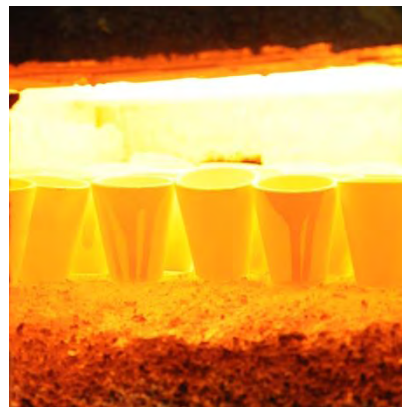
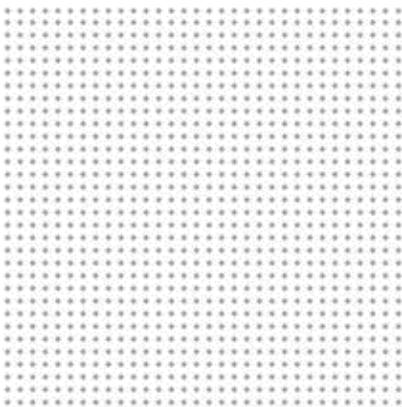


## OUR KEY VALUE DRIVERS

- 1 We are efficient miners
- 2 We are positioned for future growth and profitability
- 3 We are experienced explorers, mine developers and operators in emerging economies
- 4 Golpu will develop into a world-class copper-gold mine

## CONTACT US

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JSE (HAR)  
NYSE (HMY)