



DRIVEN BY
EXCELLENCE

February/March 2017



SOLID INVESTMENT CASE



◆ Share price uplift (current share price heavily discounted vs book value of assets)



◆ Growth (only acquisitions that ensure shareholder returns)



◆ Strong balance sheet, which allows for dividends (paid from profits only)



◆ On track to produce in line with guidance (for a second consecutive year)



◆ Maintain increase in grade (mining closer to reserve grade)



◆ Safer and more predictable production

WHERE WE OPERATE

South Africa



Listed on JSE and NYSE

9 underground operations ■●

1 open pit mine ▲

Multiple surface sources ●

Papua New Guinea



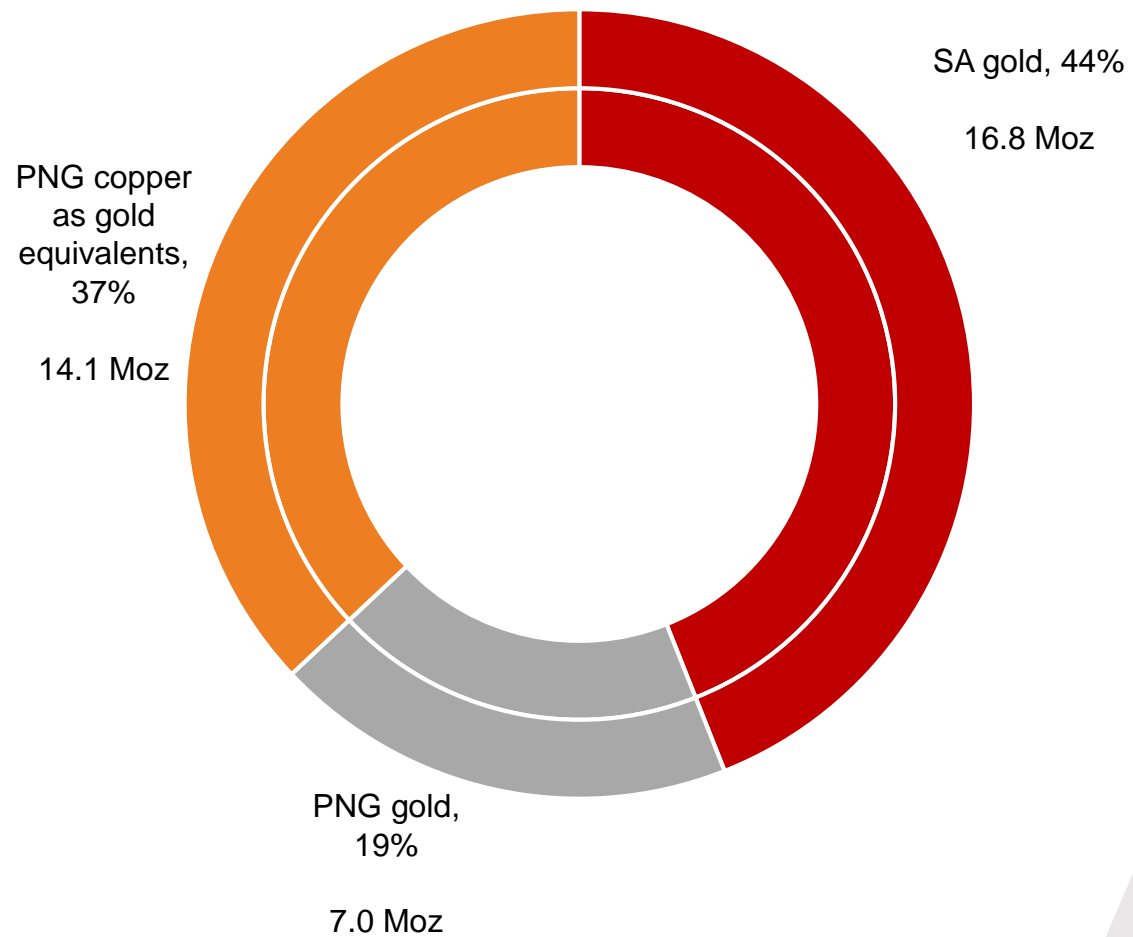
1 open pit mine ▲

Golpu project (50:50 JV) ●

Multiple exploration areas (50% and 100%)

Kili Teke discovery (100% owned) ■

QUALITY RESERVES (GOLD EQUIVALENT) SPLIT



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

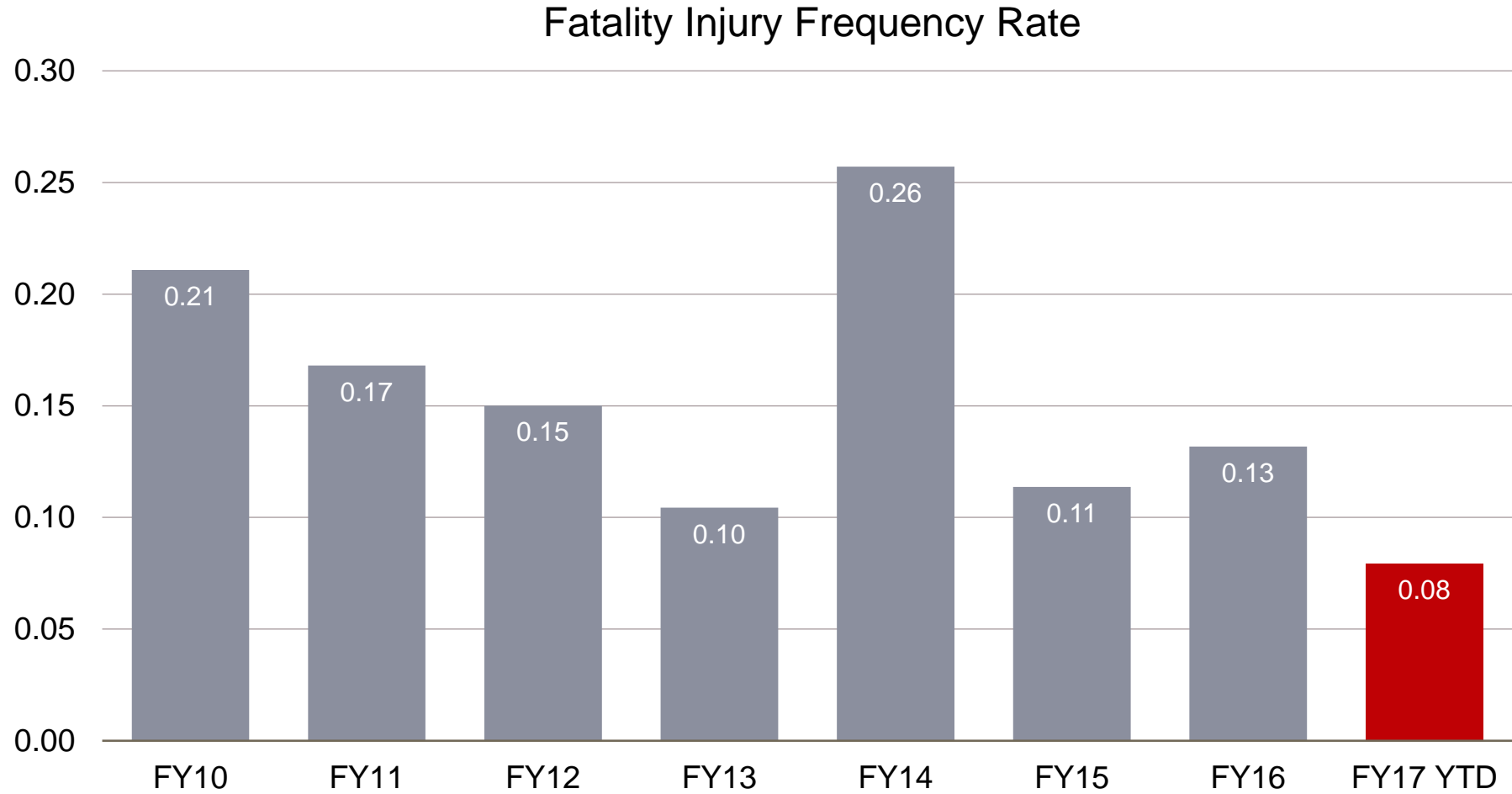
1. Refer www.harmony.co.za for detail, Gold equivalent based on US\$1150 oz Au, and US\$3.0 lb Cu 100% of Hidden Valley included



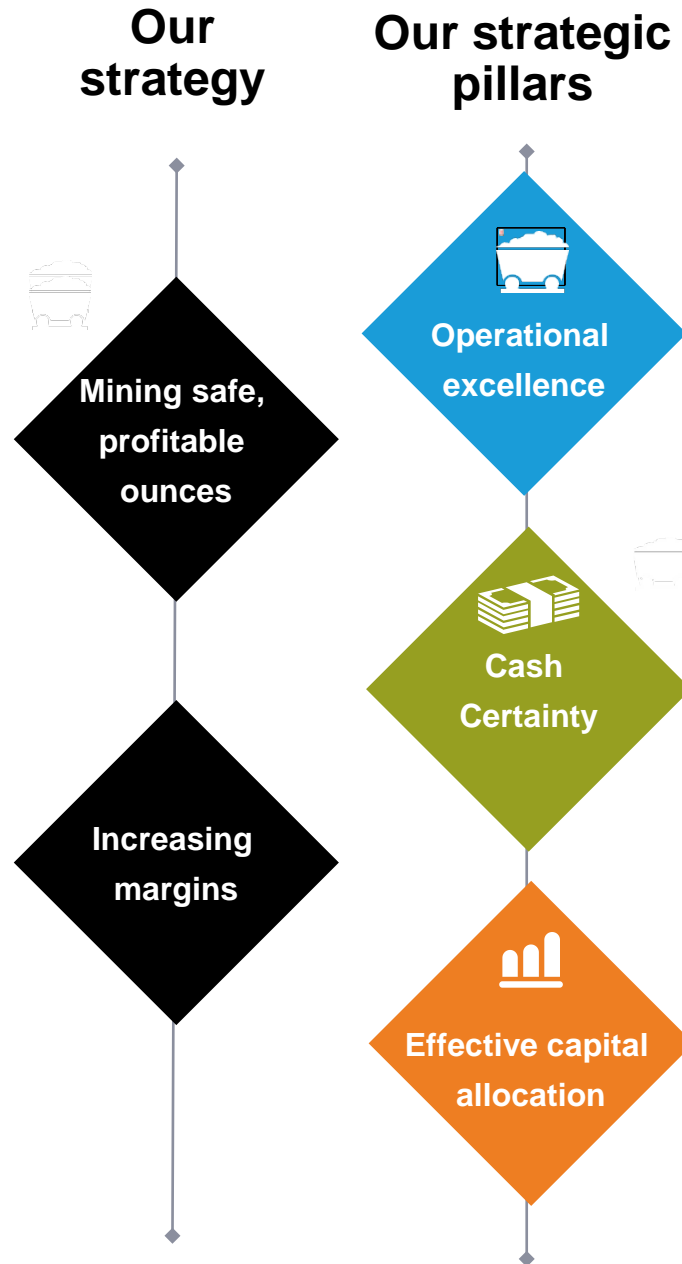
OUR STRATEGY



SAFETY FIRST - WORKING TOWARDS ZERO HARM



OUR STRATEGY

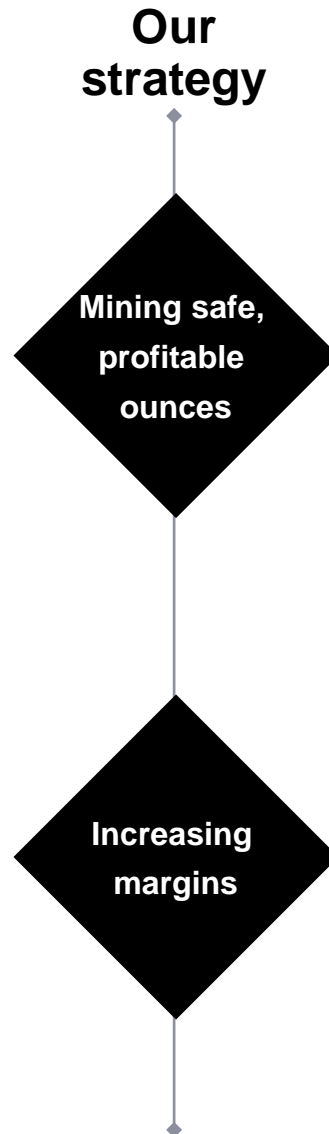


- ◆ Safety first - living our values
- ◆ Enabling environment
- ◆ Maintaining disciplined cost management
- ◆ Positioned high cost operations for profitability
- ◆ Disciplined mining
- ◆ Increasing productivity
- ◆ Grade management

- ◆ 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

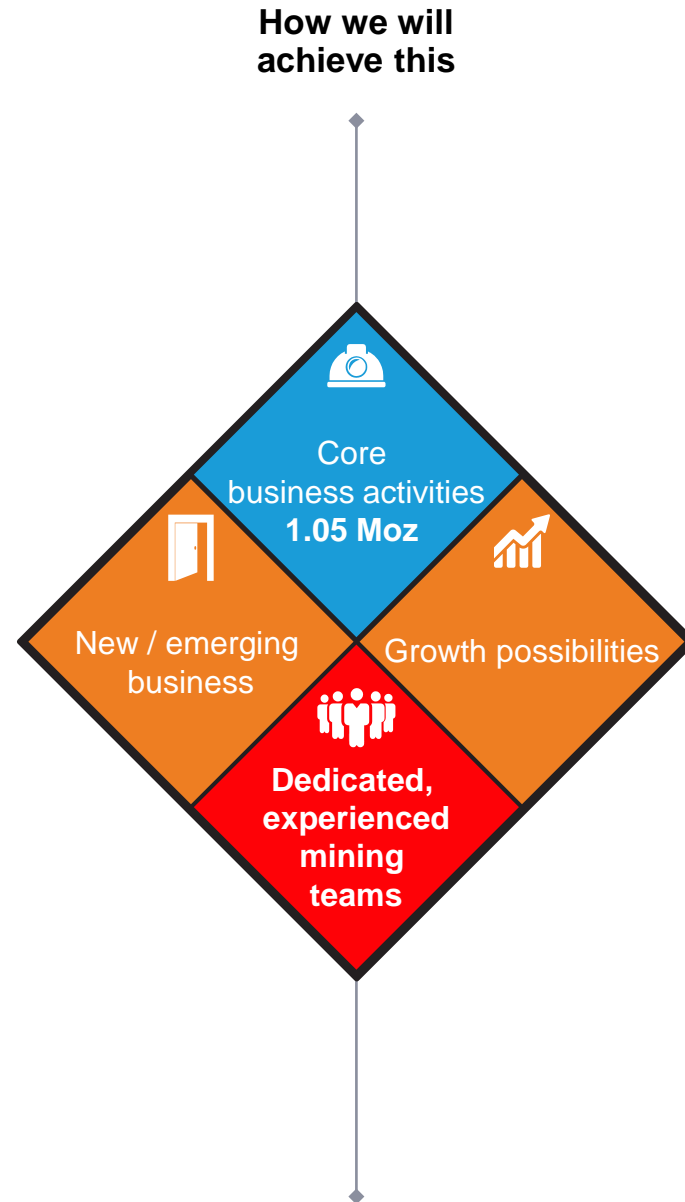
MEETING OUR STRATEGIC OBJECTIVES



- ◆ Safe mines are profitable mines – fatality rates improved ✓
- ◆ Majority of mines achieving or exceeding their plans ✓
- ◆ Grade management – no mining below cut off ✓
- ◆ Growth – organic, exploration, acquisitions ✓

- ◆ Remaining free cash flow positive ✓
- ◆ Hedging to protect our margins ✓
- ◆ Repaying debt ✓
- ◆ Strong balance sheet – creating flexibility ✓
- ◆ Prudent financial management ✓

ASPIRING TO GROW OVER 3 YEARS TO 1.5 MOZ AT LESS THAN US\$950/OZ



Not acquiring at all cost...

GRADE IS KING

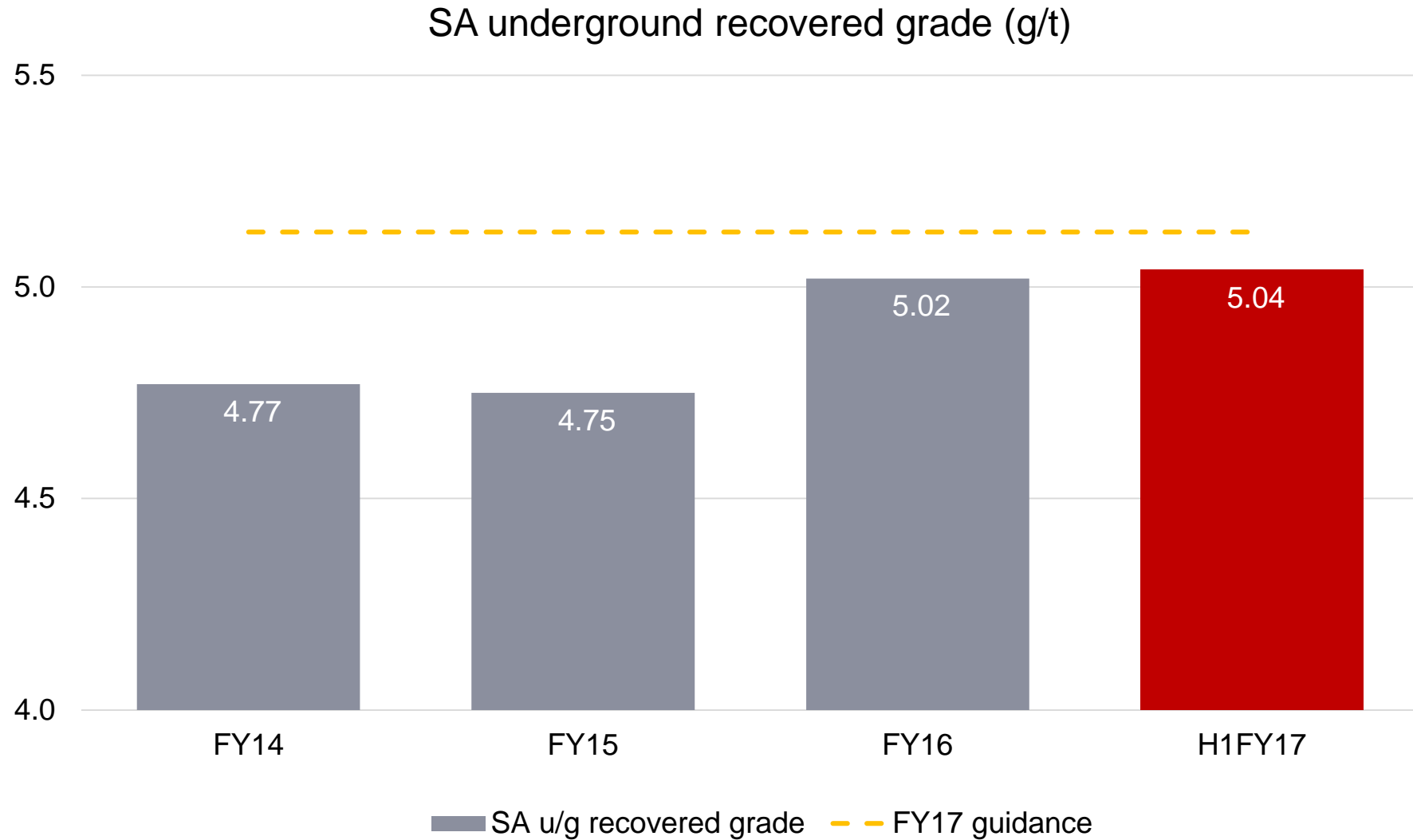
Harmony's grade code

- ◆ 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 Kusasalethu 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

GRADE CONTINUES UPWARD TREND

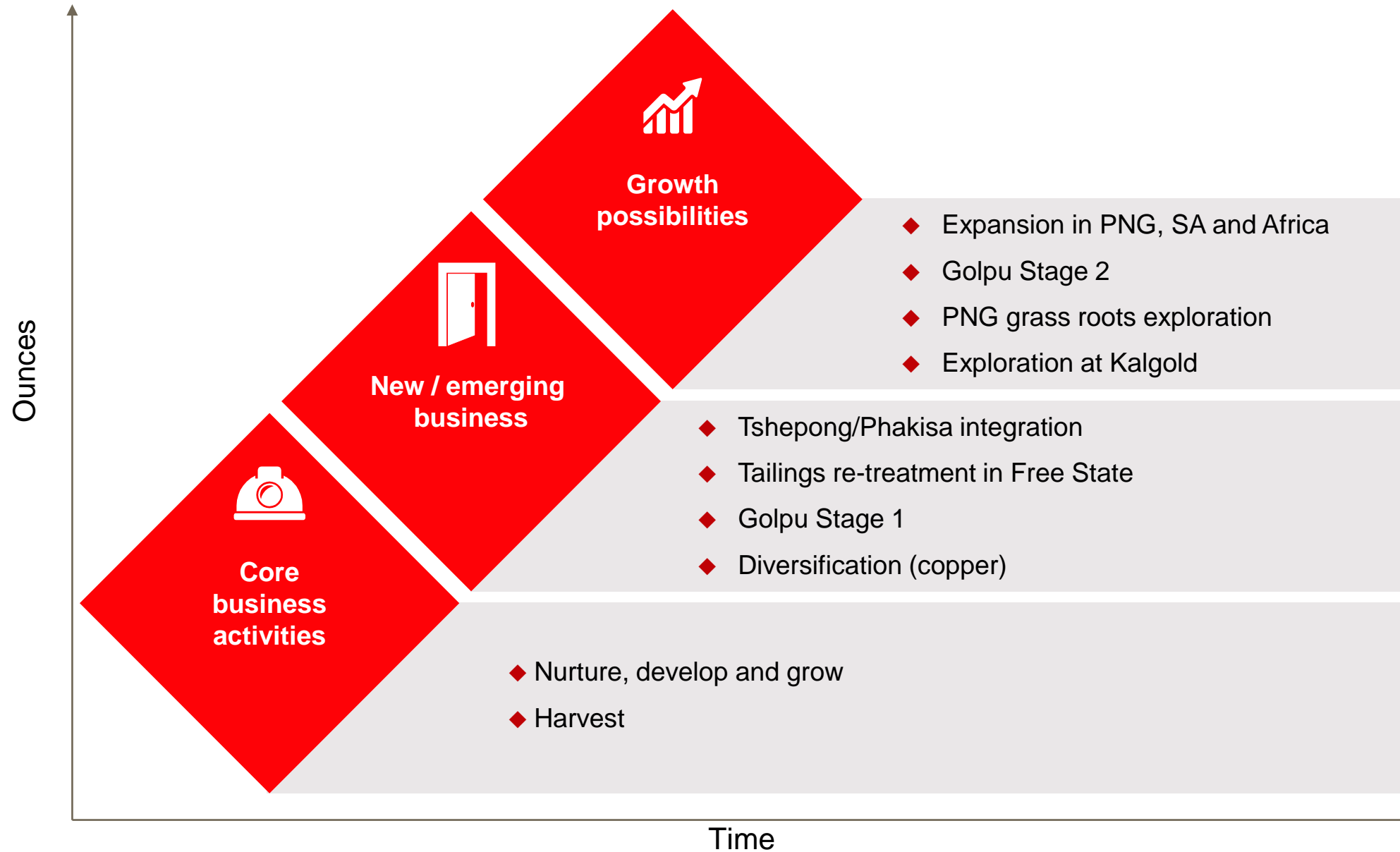




ENHANCING OUR
VALUE



GROWING FROM 1.1 MOZ TO 1.5 MOZ



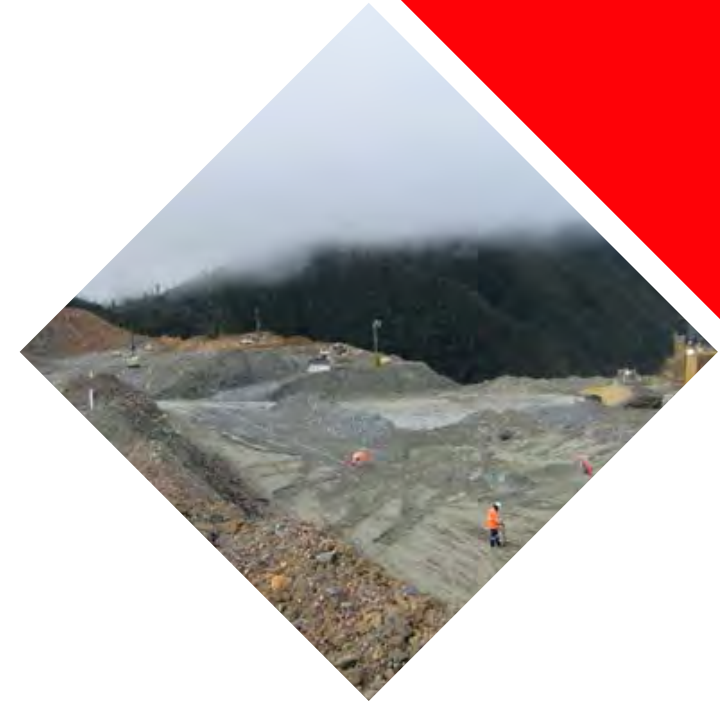
GROWING OUR OUNCES THROUGH ACQUISITION

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

HIDDEN VALLEY: POSITIONED TO GROW

- ◆ Progress in line with plan
- ◆ Familiar jurisdiction; established stakeholder relationships
- ◆ Waste stripping at Stage 5 has commenced
- ◆ Investment in additional and replacement mobile fleet
 - 9 additional mining trucks ordered
- ◆ Stockpile processing with Hamata ore to June 2017 followed by a five-month mill shut down
- ◆ Plant maintenance and upgrade projects planned during the shut down
- ◆ Additional 200 personnel recruited to operate and maintain additional mining equipment
- ◆ Near mine exploration programme commenced

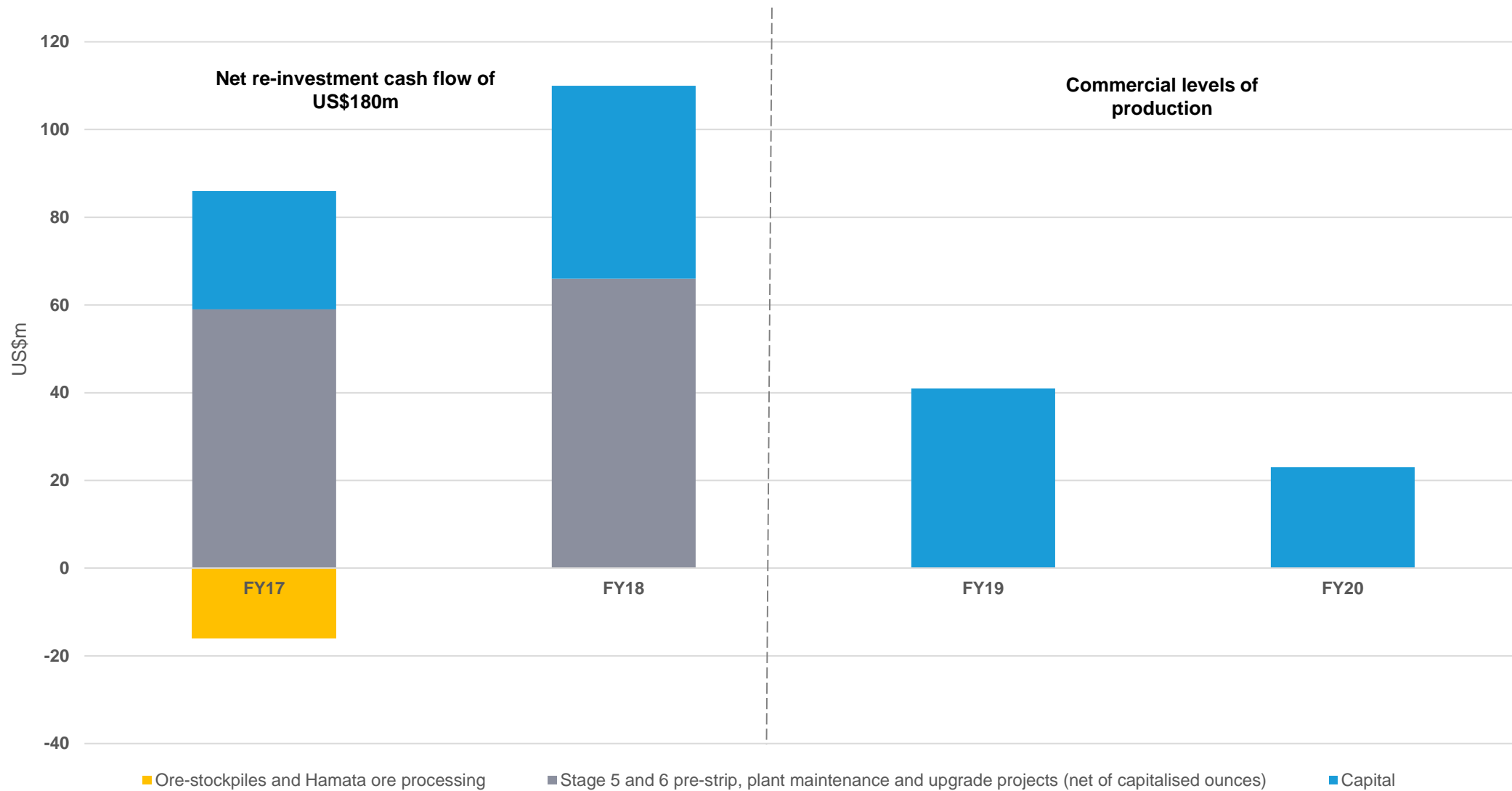


HIDDEN VALLEY: ACHIEVABLE PLAN

- ◆ Re-investment of net \$70m in FY17, \$110m in FY18 for net \$180m in total
- ◆ Commercial levels of production post pre-strip will be achieved in June quarter 2018
- ◆ - steady state production of about 180 000oz of gold and 3Moz of silver
- ◆ Life of mine production of 1.2Moz of gold (after re-investment 1Moz gold) and 18Moz of silver (after re-investment 16Moz silver)
- ◆ Recovered gold grade of between 1.4g/t to 1.5g/t and silver at approximately 20g/t to 23g/t
- ◆ Milling rate of approximately 4Mt per annum
- ◆ Mining rate ramps up to 28Mt per annum
- ◆ Life of mine all-in sustaining cash cost post re-investment (real) ranging from US\$850/oz to US\$950/oz on average



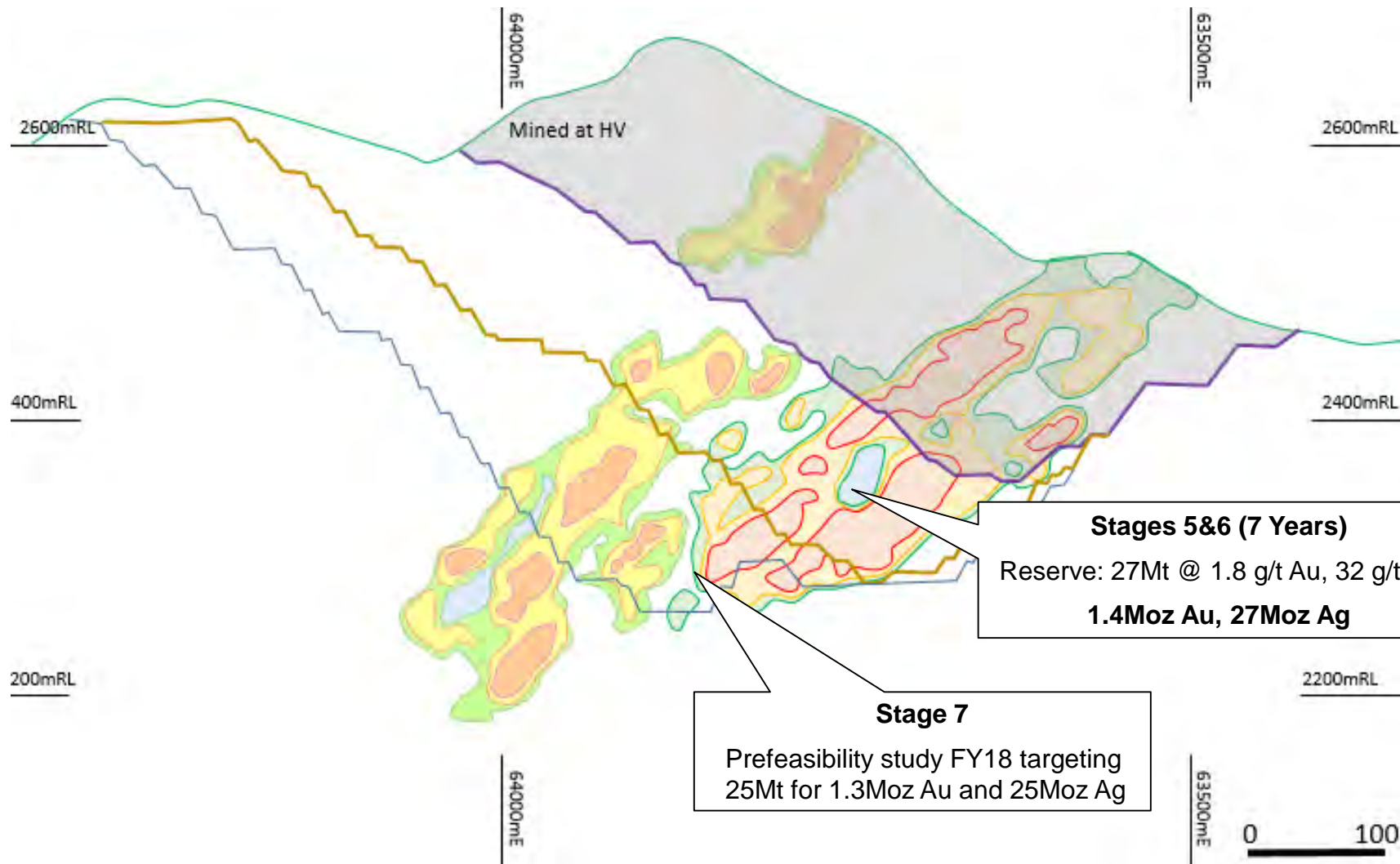
HIDDEN VALLEY NET RE-INVESTMENT EXPENDITURE AND CAPITAL



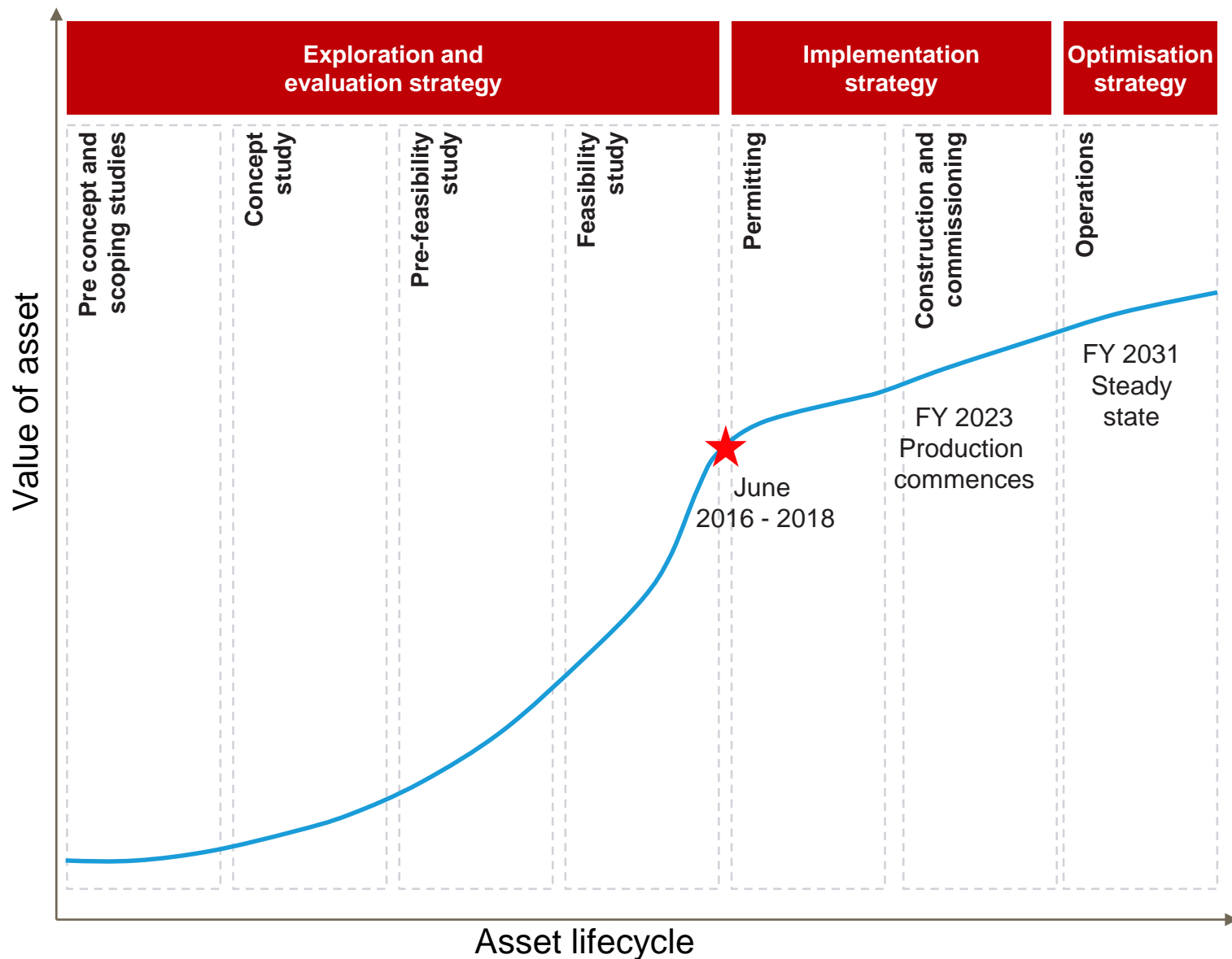
* Capital expenditure excludes capitalised stripping for Hidden Valley

POTENTIAL TO EXTEND LIFE OF MINE THROUGH SUCCESSIVE CUTBACKS

Hidden Valley

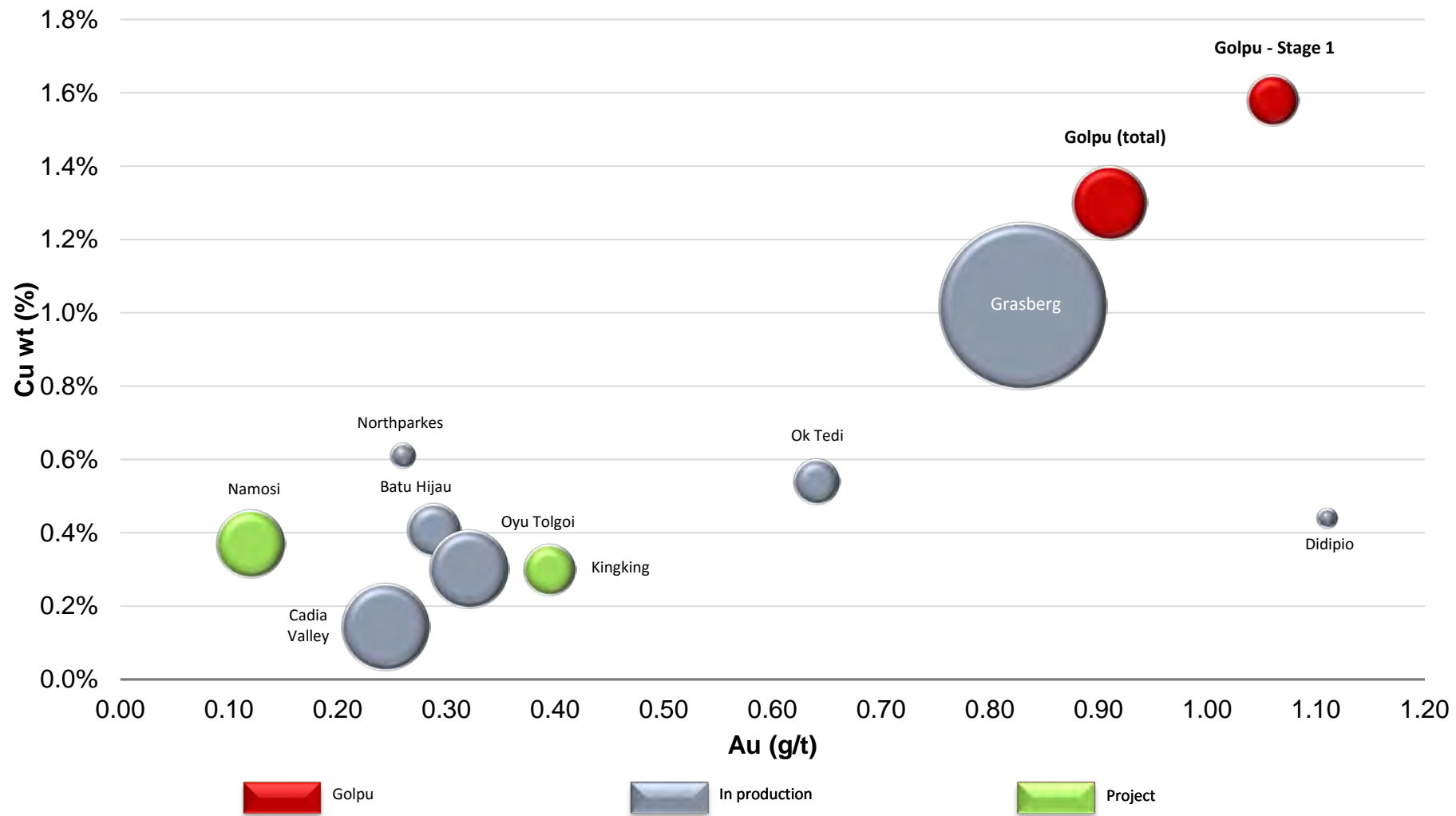


GOLPU: NEXT STEP TO REALISING VALUE



- ◆ 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

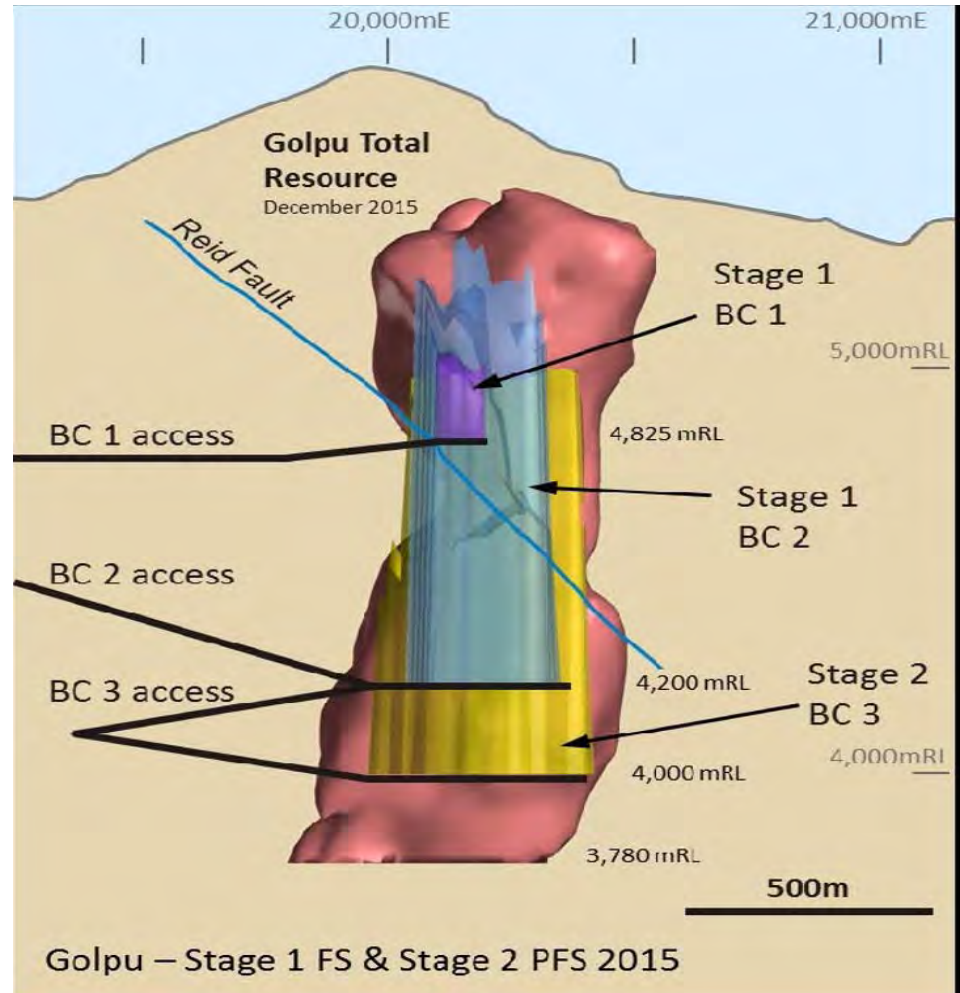
GOLPU (50% HELD) – A QUALITY HIGH GRADE RESERVE



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

GOLPU (50% HELD) - A POTENTIAL GAME CHANGER

- Feasibility study results announced in Feb 2016
 - robust returns on large block cave mine
 - staged development opportunities
- Financial metrics of Stage 1*:
 - net present value (NPV): US\$1.1bn
 - internal rate of return (IRR): ~16%
 - mine life 28 years
 - maximum negative free cash flow: US\$1.8bn
- Once in operation, sustaining production cost per pound will be 89 US cents



Schematic cross section of Golpu Porphyry

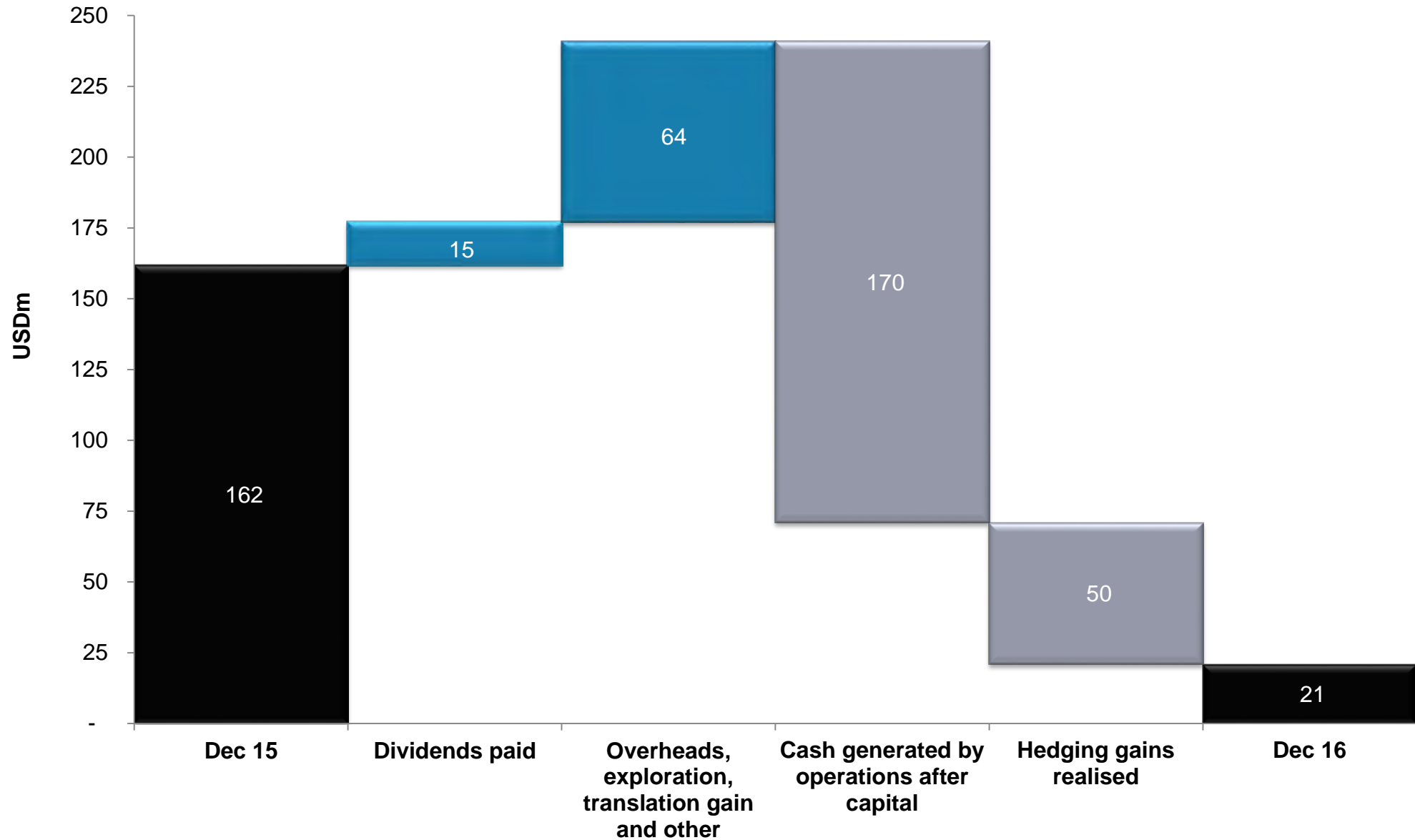
- 100% basis
- Cave wireframes are a representation of the shape of economic draw of mixed cave material from the Mineral Resource and not cave excavation shape

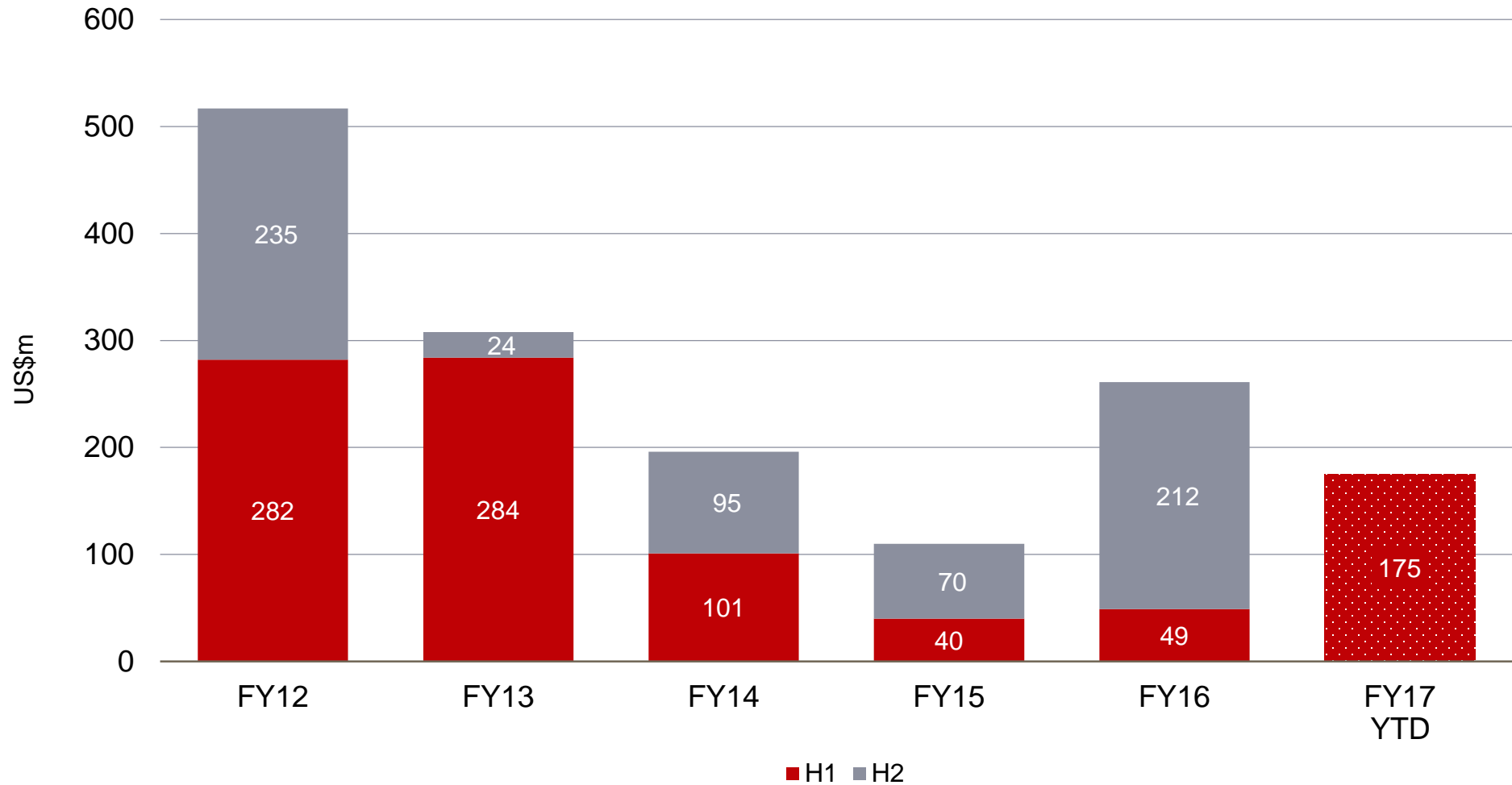


SECURING SUSTAINABLE CASH FLOWS



REDUCTION IN NET DEBT DURING THE PAST 12 MONTHS (US\$)

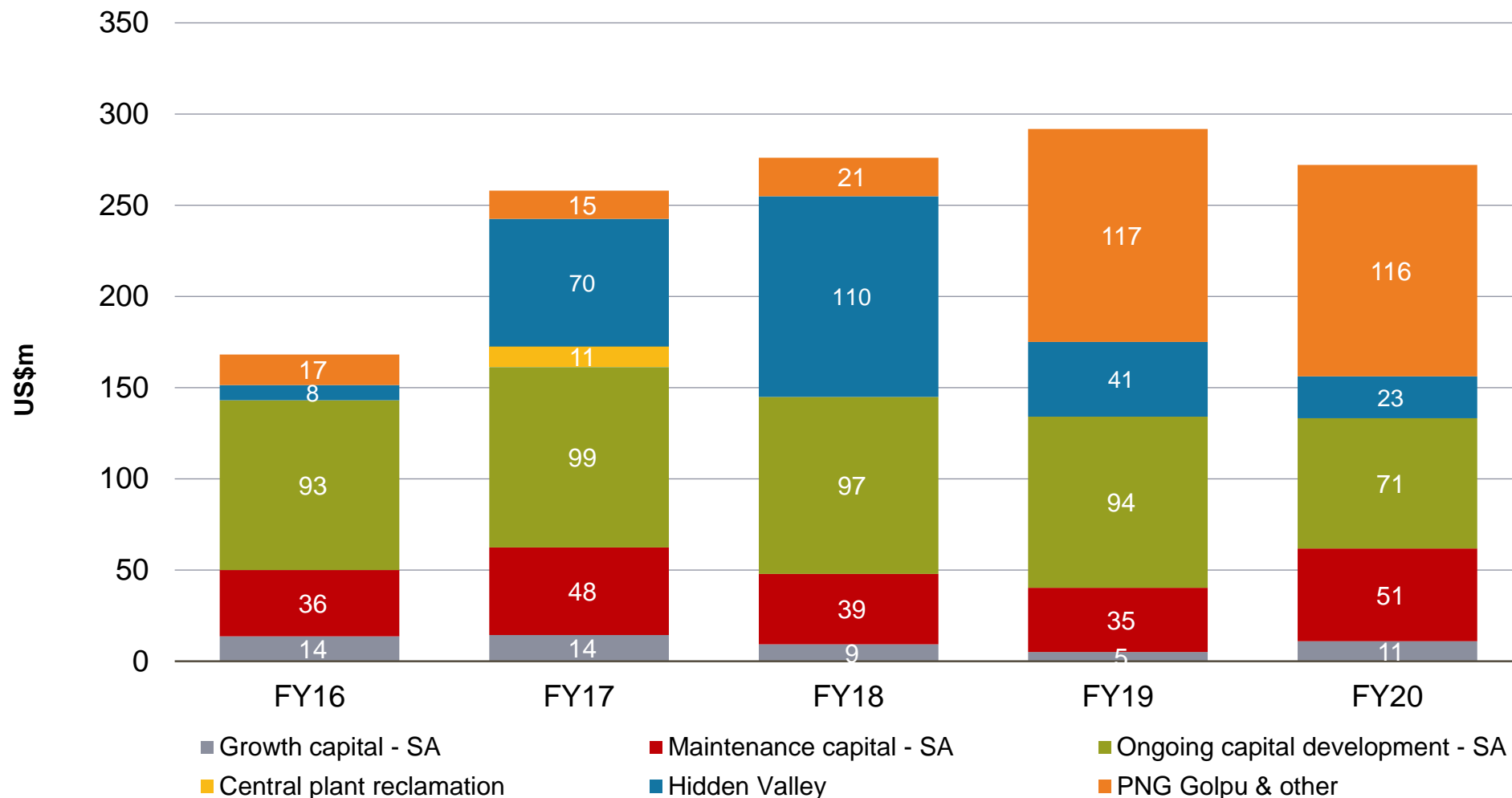


EBITDA* (US\$)

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

INVESTING IN OUR ORE BODIES (US\$)

Capital expenditure (US\$m)



- Capital expenditure in FY19 and FY20 excludes capitalised stripping for Hidden Valley
- FY17-20 converted at an exchange rate of US\$/R13.86
- Golpu capital – 50%

CAPITAL ALLOCATION...DIVIDENDS...GOLPU AND ACQUISITIONS...IN THAT ORDER

Golpu funding 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

Golpu funding 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.

6 MONTHS ON 6 MONTHS OPERATIONAL RESULTS

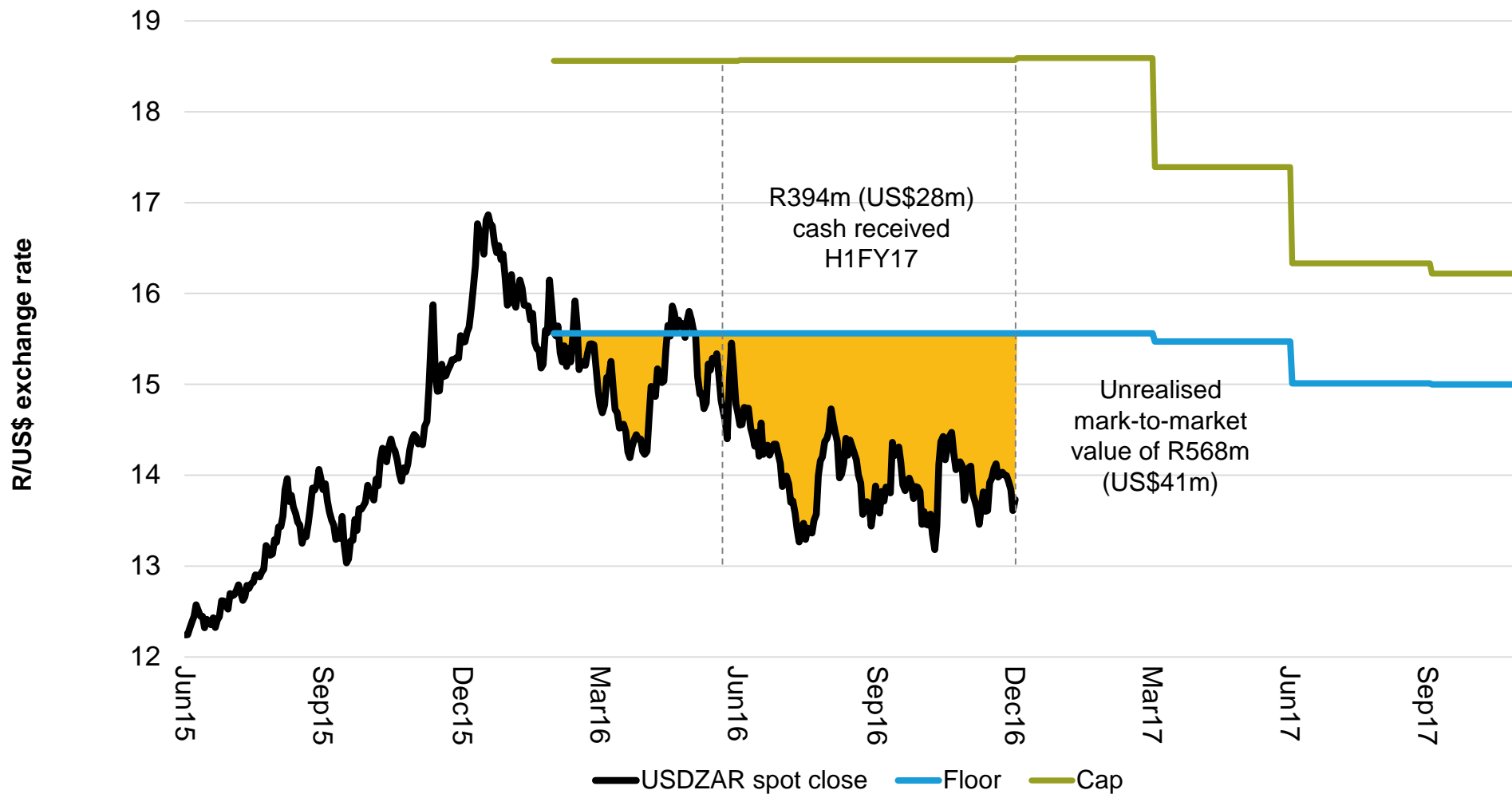
		December 2016 Six months	June 2016 Six months	% change
Gold produced	kg	17 227	15 974	8
	oz	553 862	513 576	8
Gold price	R/kg	585 908	605 476	(3)
	US\$/oz	1 303	1 223	7
Cash operating costs	R/kg	437 996	413 796	(6)
	US\$/oz	974	836	(17)
Underground recovered grade	g/t	5.04	4.88	3
Production profit	Rm	2 474	3 092	(20)
	US\$m	177	201	(12)
All-in sustaining costs ¹	R/kg	510 506	492 898	(4)
	US\$/oz	1 136	996	(14)
Average exchange rate	R/US\$	13.98	15.39	(9)

¹Six months ended June 2016 re-stated to include capitalised stripping for Kalgold

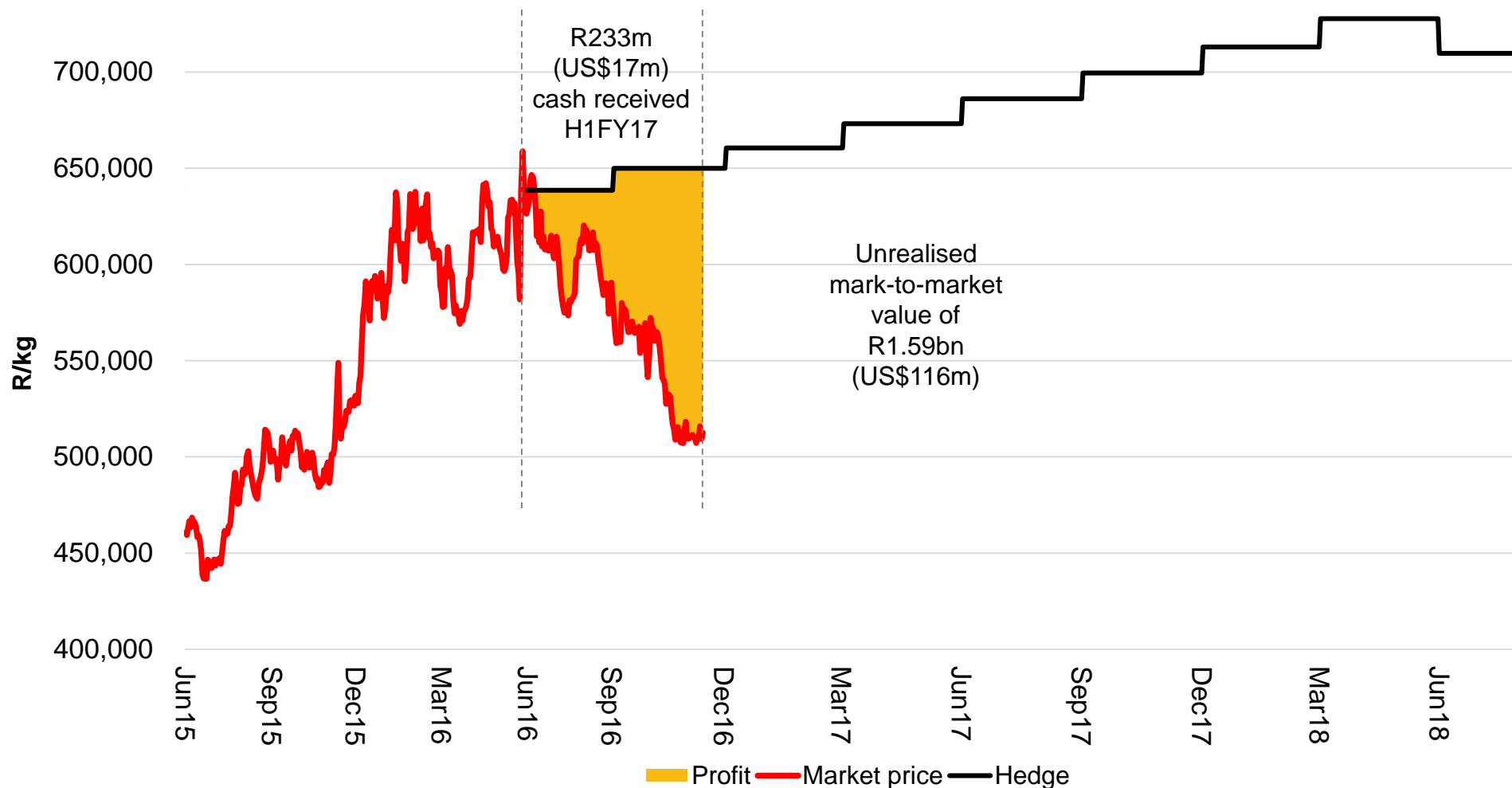
EXTRACT FROM INCOME STATEMENT H1FY17 vs H2FY16 – US\$

Extracts from income statement and operating results	December 2016 Six months (US\$m)	June 2016 Six months (US\$m)	% change
Revenue	706	625	13
Production costs	(529)	(424)	(25)
Excl. additional 50% of Hidden Valley	(517)	(424)	(22)
Additional 50% of Hidden Valley	(12)	-	>(100)
Production profit as per operating results	177	201	(12)
Amortisation and depreciation	(91)	(70)	(30)
Exploration expenditure	(10)	(6)	(67)
Foreign exchange gain	51	39	31
Gain on bargain purchase (on Hidden Valley transaction)	61	-	>100
Taxation	(34)	(40)	15
Net profit	111	89	25
Headline earnings	47	92	(49)
Average exchange rate	13.98	15.39	(9)

CURRENCY HEDGE (SPOT vs FLOOR and CAP)



GOLD HEDGE (AVERAGE HEDGE PRICE vs SPOT GOLD PRICE)

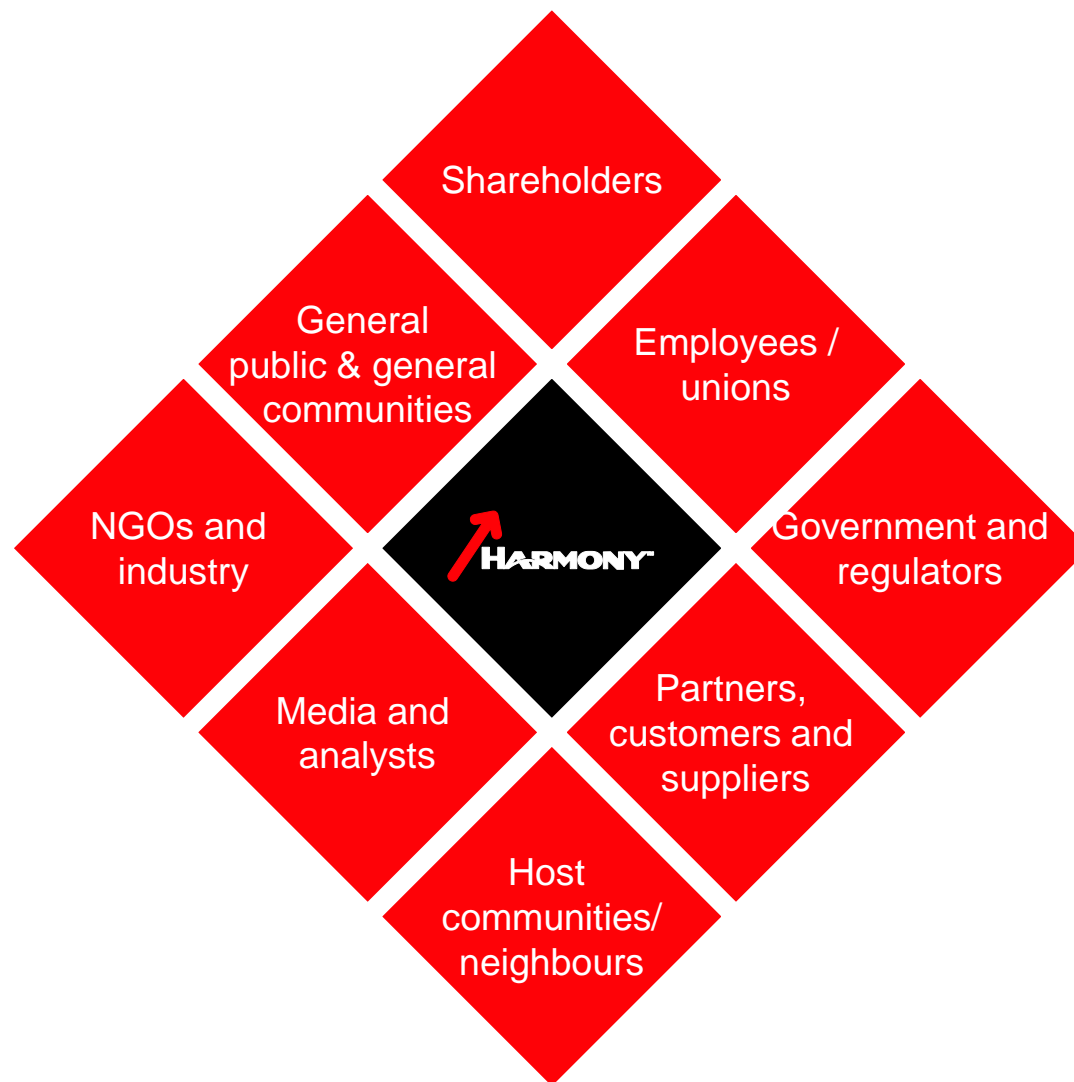




MAKING A LASTING
IMPACT



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 self-sustaining projects (i.e. Doornkop area)
 - Cultivation of vegetables
 - Manufacture of protective clothing, uniforms and curtains
 - Three digital hubs
 - Bee-keeping facility
- ◆ Sustainable development projects tailored to community needs



Sewing machines and facilities near Doornkop mine in Soweto

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



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	Actual grade (g/t) achieved H1FY17 (Dec-16)	FY17 grade guidance (g/t)
Tshepong	5.30	5.04	4.62	4.71	4.65
Phakisa	6.72	6.38	5.81	6.33	5.55
Bambanani	11.08	10.52	12.99	12.03	11.21
Target 1	4.69	4.45	4.58	3.00	4.82
Doornkop	5.14	4.88	4.33	4.16	4.41
Joel	4.91	4.66	4.20	4.84	4.36
Kusasaletu	7.06	6.70	5.78	6.75	6.86
Masimong	4.02	3.82	3.74	3.72	3.78
Unisel	4.27	4.05	4.02	4.37	3.82
Underground operations	5.55	5.27	5.02	5.04	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)

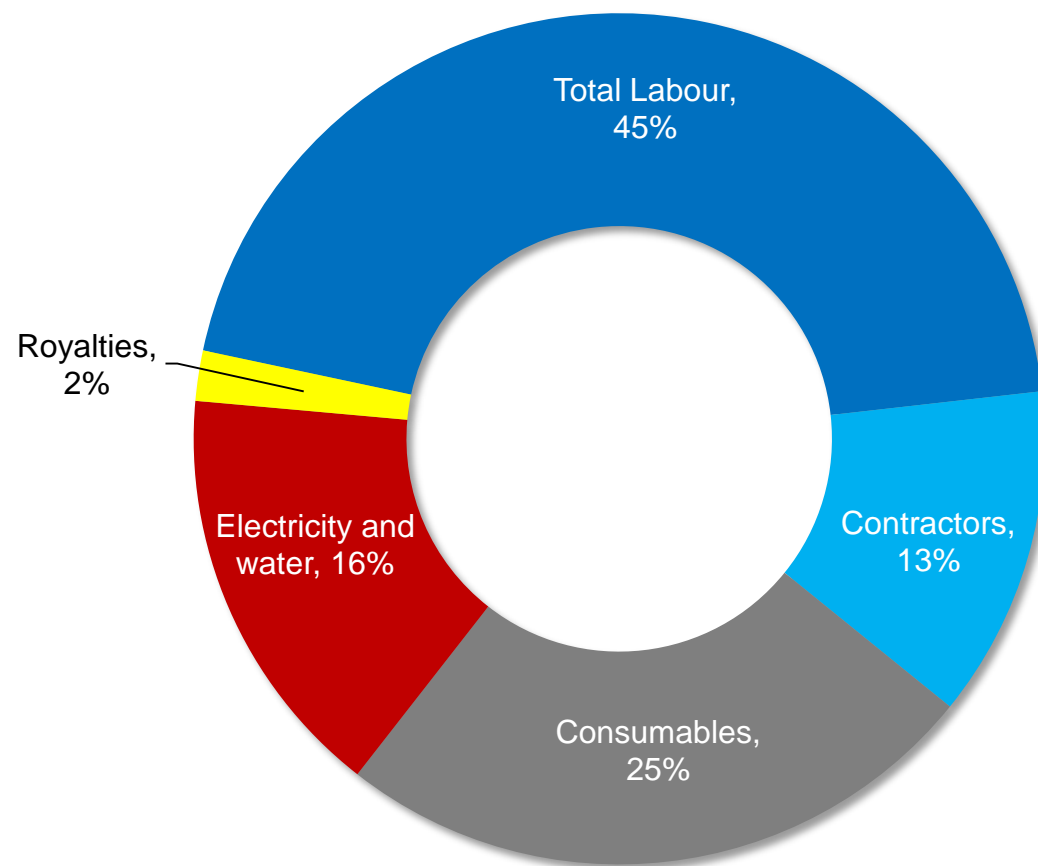
Operation	FY17 Avg guidance (US\$/oz)*	FY16 Actual (US\$/oz)
Tshepong	US\$1 100/oz	US\$940/oz
Phakisa	US\$1 080/oz	US\$936/oz
Bambanani	US\$780/oz	US\$654/oz
Target 1	US\$1 040/oz	US\$1 012/oz
Doornkop	US\$1 210/oz	US\$1 016/oz
Joel	US\$1 040/oz	US\$911/oz
Kusasaletu	US\$1 170/oz	US\$1 254/oz
Masimong	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

CLASSIFICATION OF CASH OPERATING COSTS EXCLUDING CAPITAL

Harmony H1FY17

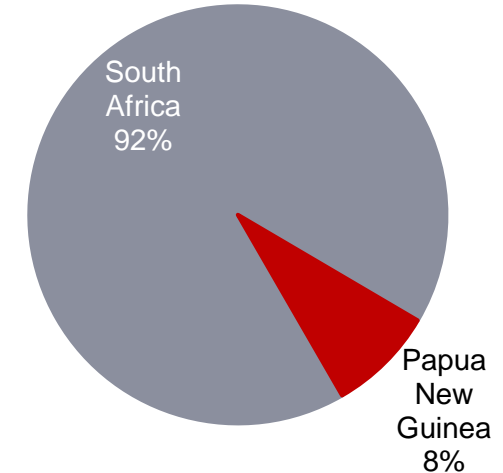


Note: In South Africa our costs are mostly Rand based, while in PNG the costs are equally based in PNG Kina, Australian dollar and the US dollar

SAFE MINES = PROFITABLE OUNCES

- Mineral reserves of 37.8Moz* and resources of 107.6Moz*
- World class mines in South Africa (SA) and Papua New Guinea (PNG)
 - ~1.05 Moz gold production guided for FY17
 - SA: 9 underground mines, one open pit operation, several surface sources
 - PNG: Hidden Valley, spectacular Golpu project (50% joint venture); 100% owned Kili Teke prospect and several other exploration tenements
- We employ approximately 30 000 employees and contractors
- Compliant with 2014 SA Mining Charter requirements – secure mining tenure
- Market cap of between US\$1.2 – 1.5bn

Gold production H1FY17



* Moz = million ounces



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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

