



A LEADING SOUTH AFRICAN GOLD PRODUCER

Peter Steenkamp, CEO

19 October 2017



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.

AGENDA

1

A leading South African gold producer

2

Funding and approvals

3

Growing our SA gold portfolio

4

Conclusion

QUALITY ASSETS WITH UPSIDE ACQUIRED FOR US\$300 MILLION

Moab Khotsonq operations

1 Moab Khotsonq mine – low cost, high grade



- One of the largest and most profitable gold producers in South Africa
- FY17 production of 284koz at AISC of US\$937/oz
- High grade reserve: 1.7moz at 8.8g/t

2 Great Noligwa pillar extraction

Significant high grade resource - life of mine extension

3 Zaaiplaats project

High grade resource – quality long-term prospect

4 Mispah tailings facilities

Large tailings retreatment resource – low risk, low cost

Note: In addition, Harmony will acquire Nufcor (a 100%-owned uranium calcining facility), AngloGold Ashanti Limited's interest in the Margaret Water Company and related infrastructure and liabilities of the assets

VALUE ACCRETIVE ACQUISITION

1

Transaction expected to increase earnings and cash flow from year one

- Moab Khotsong operations generated free cash flow of R1.25 billion in FY17*
- Uplift in all key financial metrics**
 - 42% increase in operational EBITDA
 - 62% increase in SA operational free cash flow

2

Repositions Harmony – with increased quality ounces and improve margins

- Moab to be Harmony's most profitable mine, producing over 250 000 ounces per annum**
 - 65% above our existing average underground recovered grade
 - 12% increase in our overall underground recovered grade (including Moab Khotsong)
 - 25% increase in SA annual production
 - 20% lower than our average SA all-in-sustaining cost profile

* FY17 refers to Harmony's financial year ended 30 June 2017. Moab Khotsong's results reported by AngloGold Ashanti Limited (H2 December 2016 and H1 June 2017)

** If Moab Khotsong operations were to be included in Harmony's FY17 results

VALUE ACCRETIVE ACQUISITION cont'd

3

The assets are world class and well run. Focus on optimisation

- Reduce allocated overhead costs
- Unlock opportunities to expand reserves and extend life of mine
 - use Harmony's pillar experience to mine Great Noligwa pillars
 - Zaaiplaats – good optionality
 - Mispah tailings treatment – available capacity in line with Harmony's expertise

4

Reinforces Harmony's commitment to South Africa

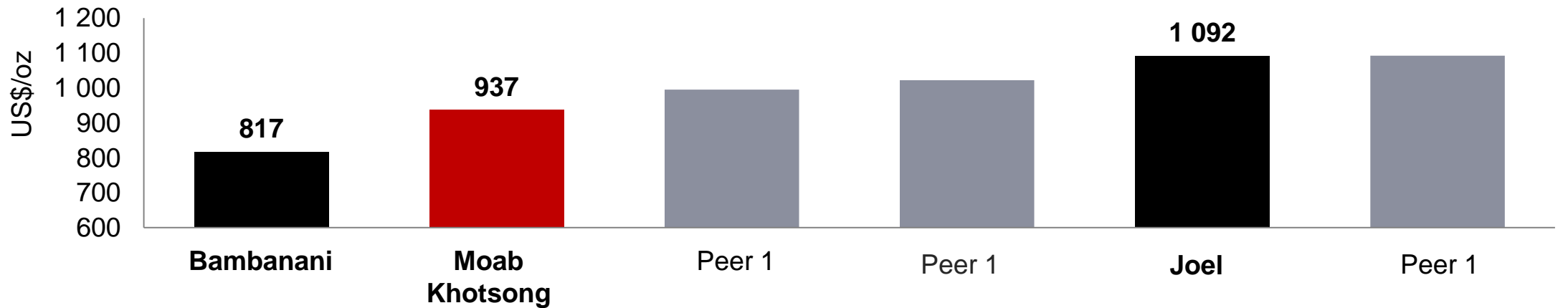
- Benefits all stakeholders
 - cash generative operations
 - contributes to the sustainability of the gold industry
 - preserving jobs
 - investing in the local communities
- Acquisition a catalyst for further quality growth opportunities

A LEADING GOLD PRODUCER IN SOUTH AFRICA

FY17* recovered grade – top 6 mines



FY17* lowest AISC – top 6 mines

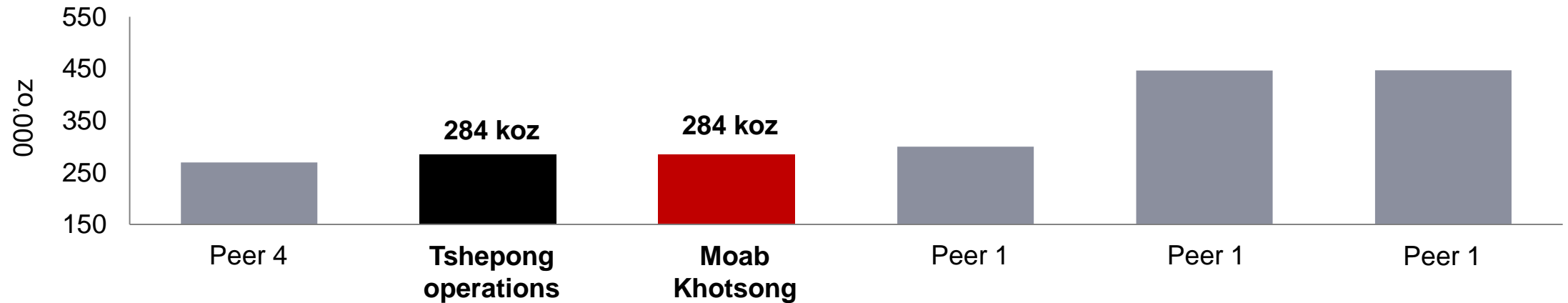


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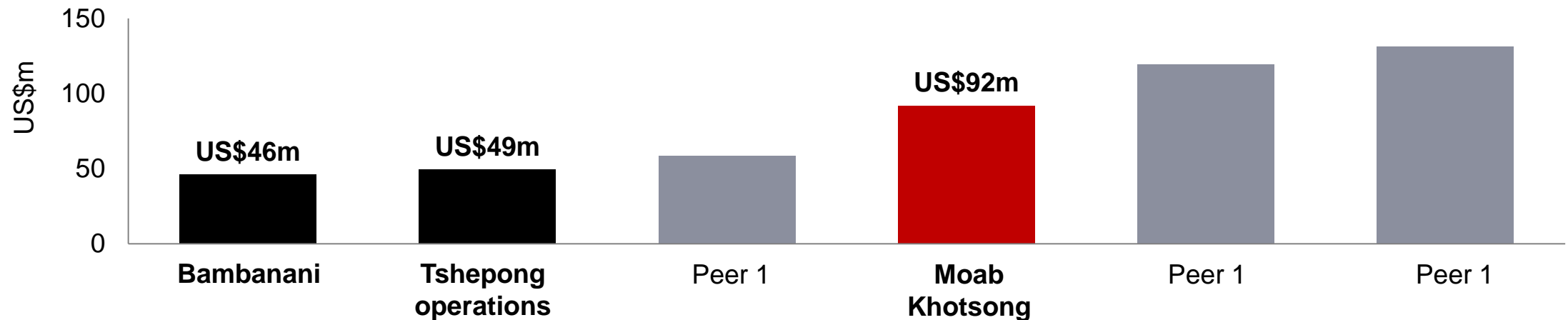
Note: Based on reported data from SA gold peers. SA underground assets only

A LEADING GOLD PRODUCER IN SOUTH AFRICA cont'd

FY17* gold production – top 6 mines



FY17* free cash flow¹ – top 6 mines

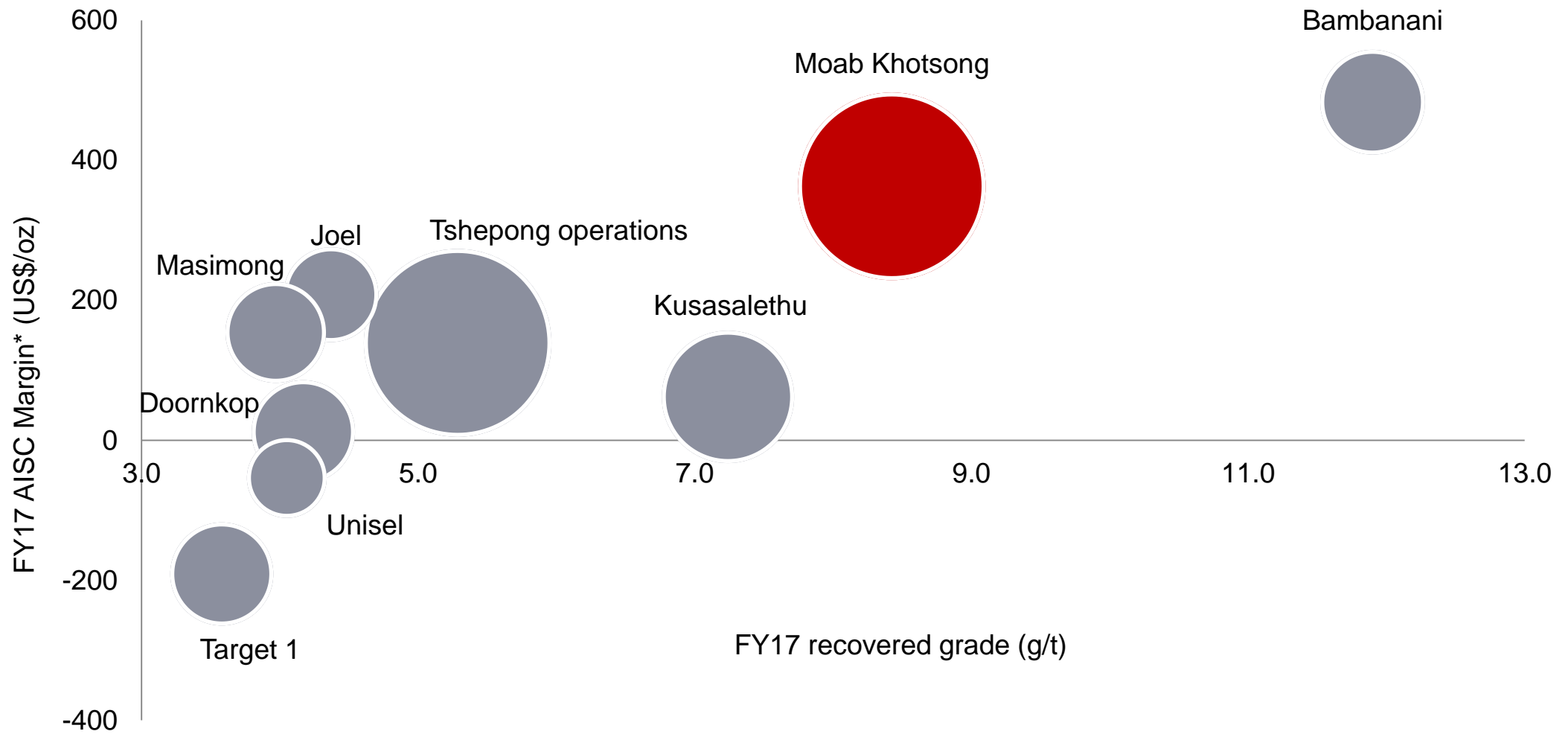


* FY17 refers to Harmony's financial year ended 30 June 2017

Note: Based on reported data from SA gold peers. SA underground assets only, unless otherwise stated

¹ Cash flows recalculated based on reported data from SA gold peers an approximate EBITDA less capital expenditure. Includes surface cash flows when not split out by peer

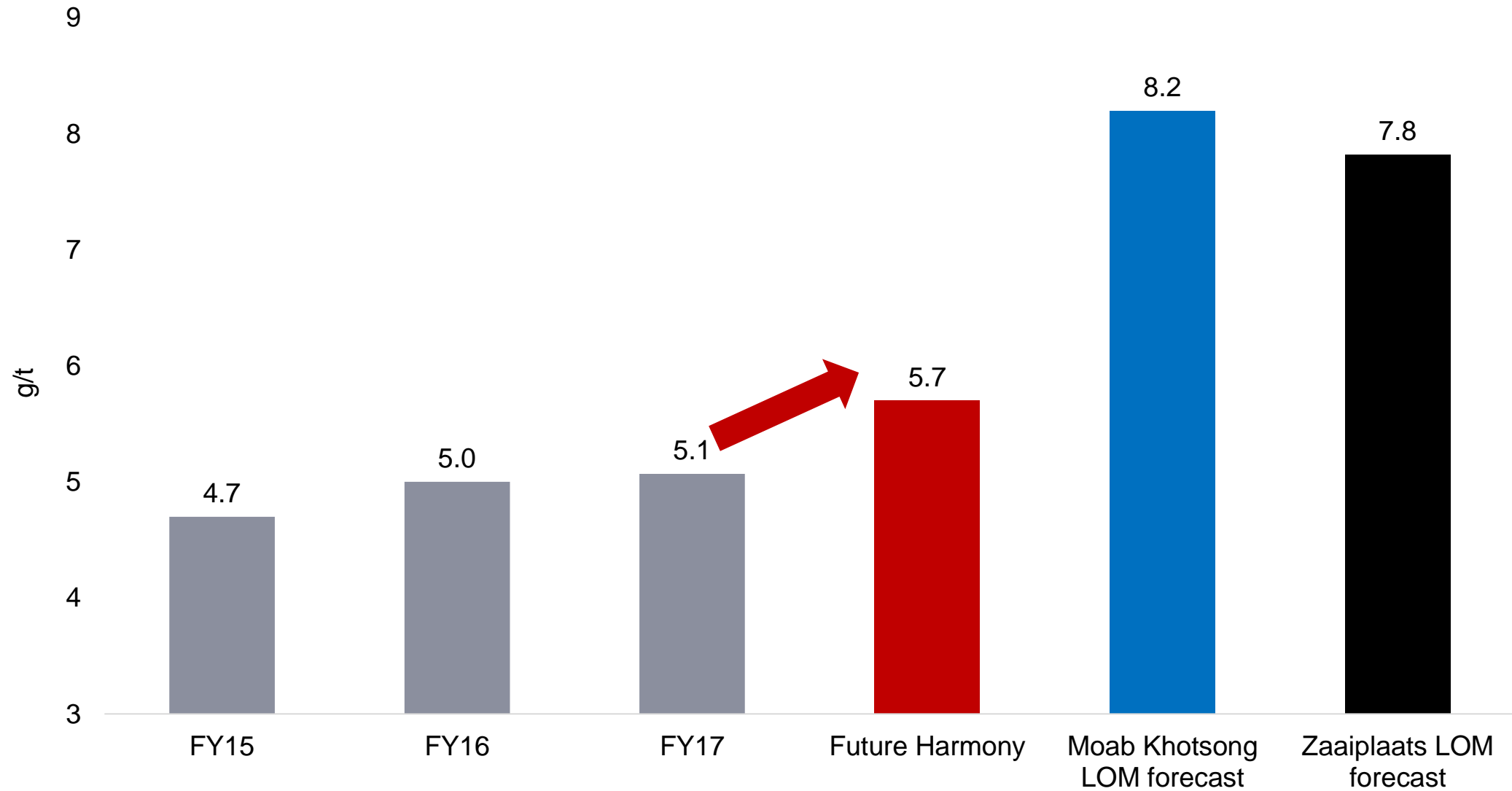
LOW COST, LARGE PRODUCER WILL INCREASE OUR MARGINS



Note: Bubble size equal to FY2017 production
 * Gold price of US\$1 300/oz

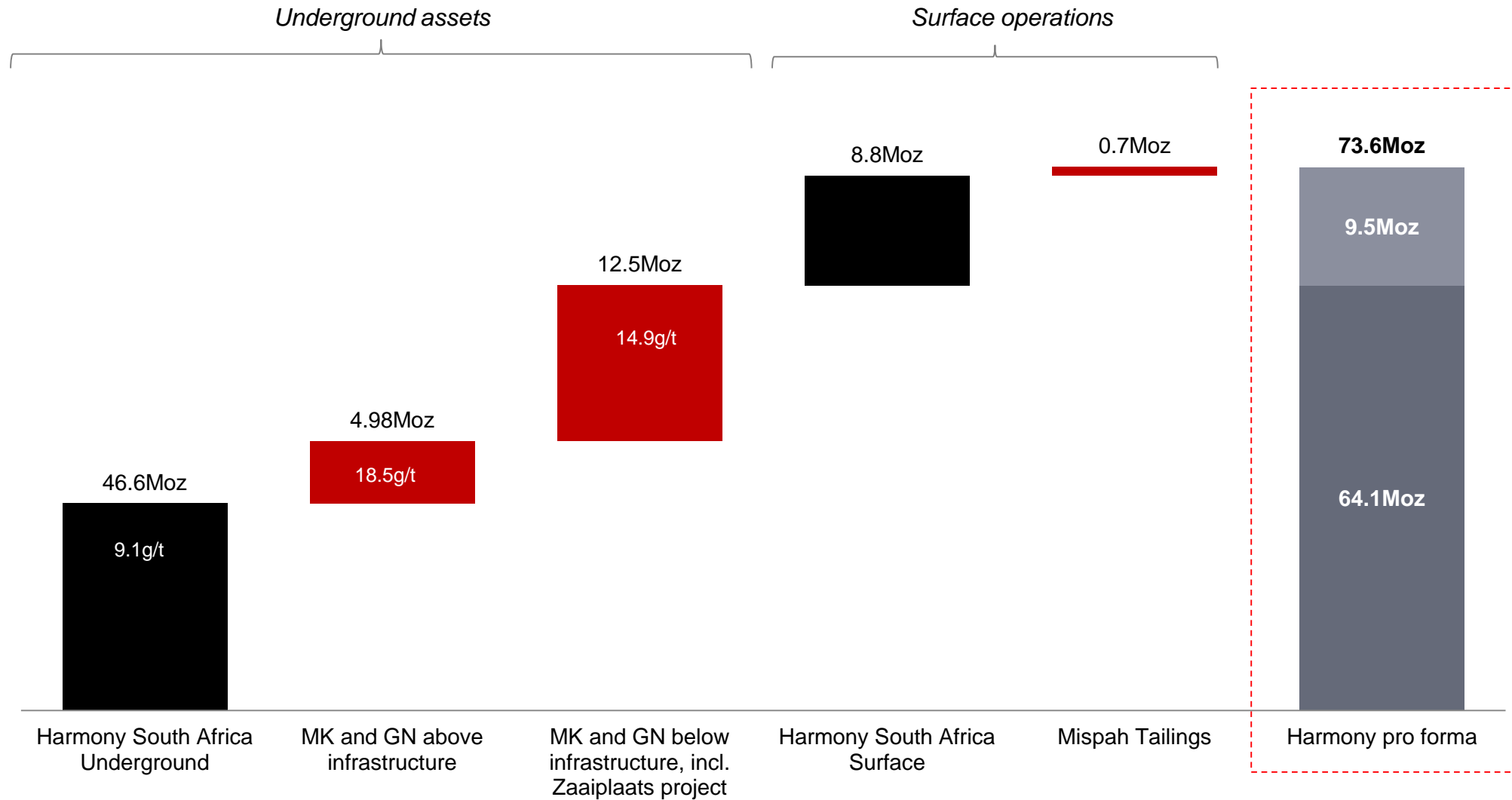
● Harmony SA underground mines ● Moab Khotsong

12% INCREASE IN OUR OVERALL UNDERGROUND RECOVERED GRADE



LOM: life of mine

38% INCREASE IN SA UNDERGROUND RESOURCE BASE



Note: Details per AngloGold Ashanti Limited's reserve and resource declaration at 31 December 2016 (www.anglogoldashanti.com) MK: Moab Khotsong, GN: Great Noligwa



FUNDING AND APPROVALS

FUNDING

- US\$300m cash purchase price, funded by:
 - US\$100m from existing bank facilities
 - US\$200m committed bridging finance:
 - reviewing alternatives to refinance the bridge, which includes a rights issue or private share placement to maximum of US\$200m

- Harmony's current debt facilities:

	Facility	Drawn down	Available
Syndicated facility	US\$350 million	US\$175 million	US\$175 million
ZAR revolving credit facility	R1 000 million	-	R1 000 million

APPROVALS REQUIRED

Shareholder approvals

- Category 1 acquisition requiring 50% shareholder approval (meeting expected Q1 calendar year 2018)
 - detailed CPR (focused on Moab Khotsong) will be included in the circular
- Two of our largest shareholders have indicated support for transaction

Regulatory approvals

- Competition Commission approval
- Section 11 approval from the Department of Mineral Resources (DMR)
- Transfer of KOSH Water Directive to Harmony

Closing

- Targeted closing H1 2018

BEE

- Harmony is fully empowered
- Committed to advancing transformation
- This transaction will be empowered through
 - employee share ownership plan
 - community trust
 - black industrialist



GROWING OUR SA GOLD PORTFOLIO

GROWING OUR SA GOLD PORTFOLIO



Harmony has a 67 year track record and experience in underground gold mining in South Africa



South African gold mining is profitable and cash generative



Established infrastructure and flat corporate structure allow us to optimise cash flows

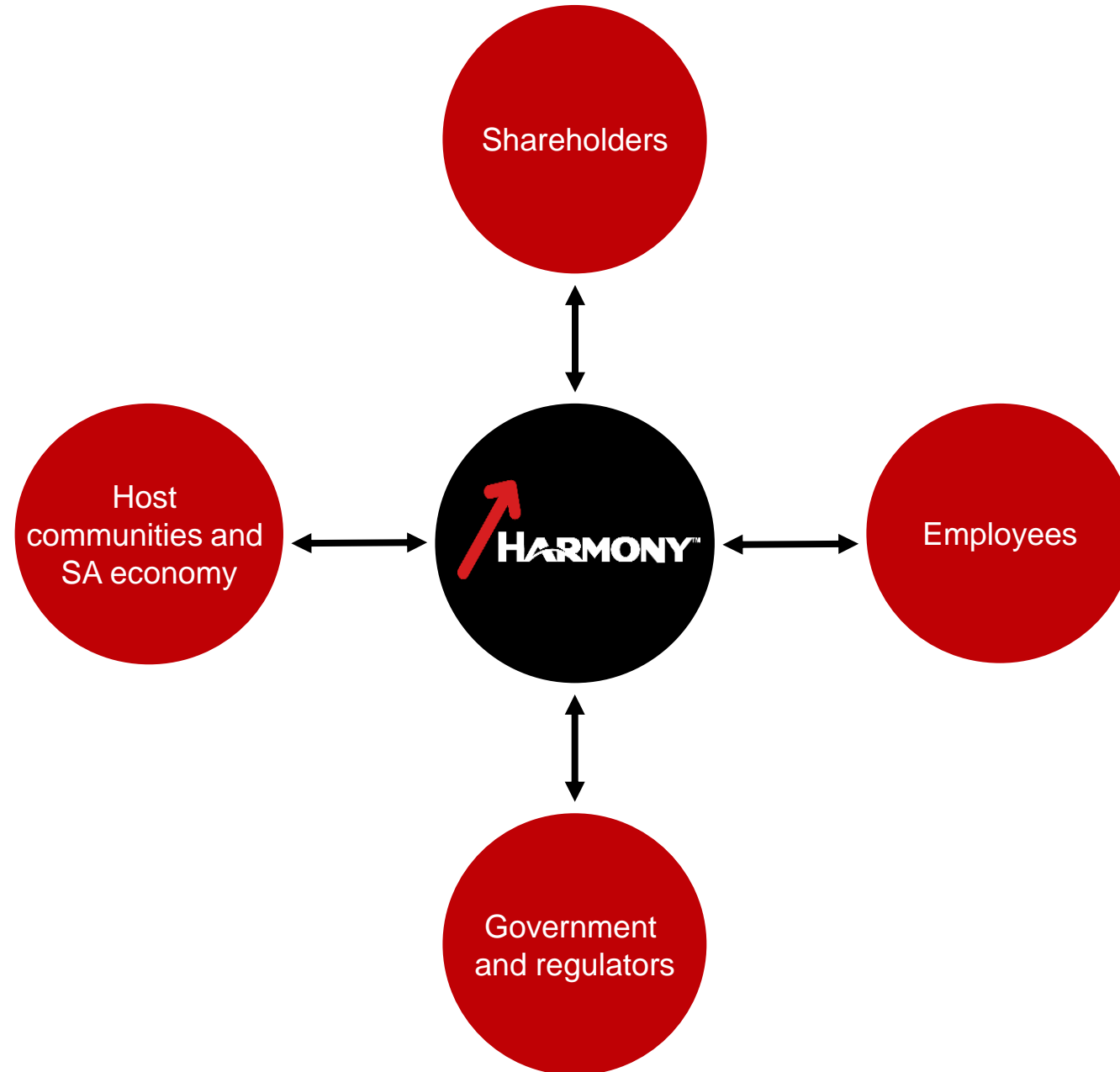


Current sector dynamics offer attractive opportunities



Strong and healthy relationships with all stakeholders

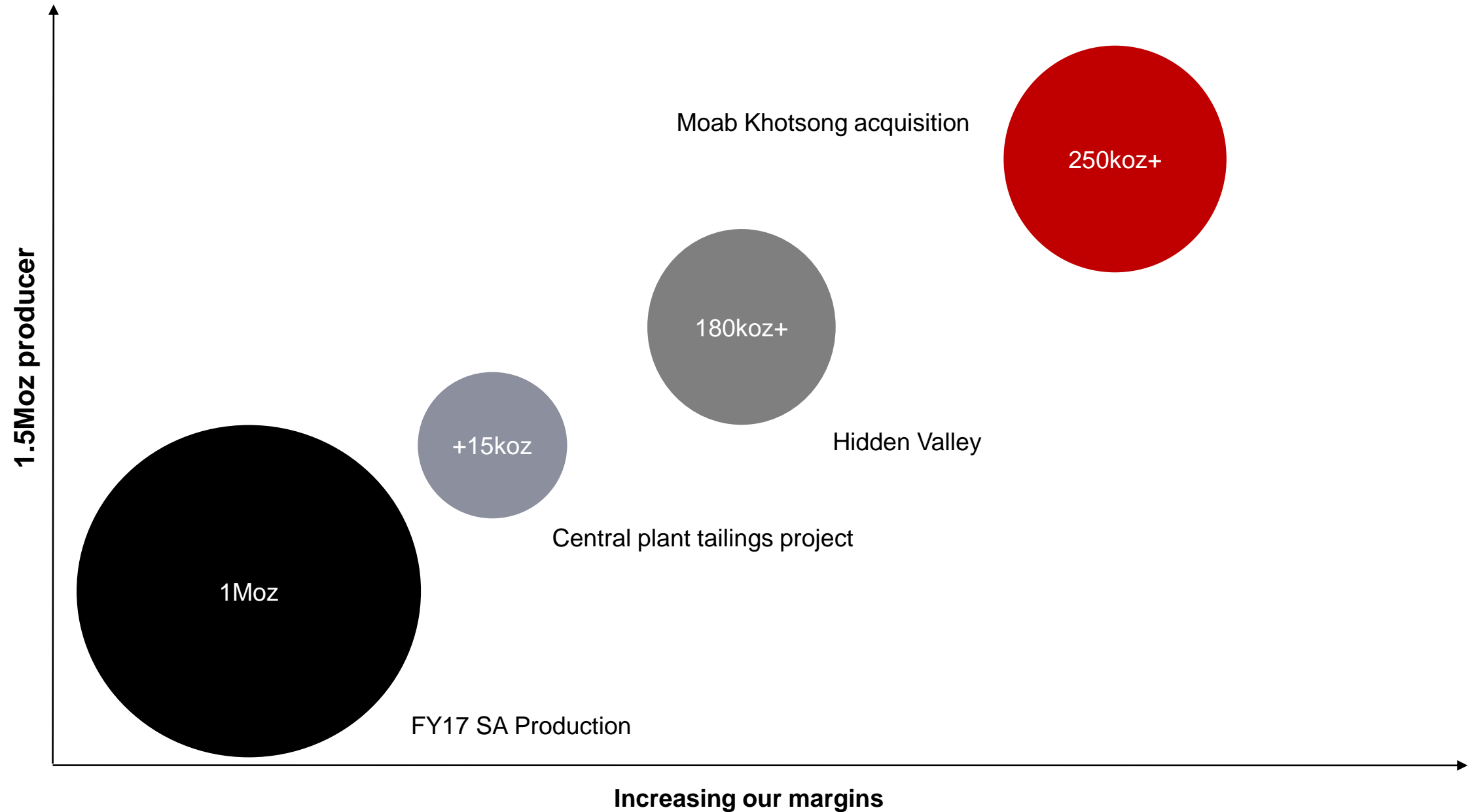
WIN-WIN FOR ALL





CONCLUSION

SAFE, PROFITABLE PRODUCER WITH STRONG MARGINS



COMPELLING INVESTMENT CASE



Financially sound

- Strong free cash flows
- Low net debt
- Ability to fund acquisitive or organic growth
- Pay a dividend



Safe, profitable
1.5Moz producer

- Increased grades
- All growth below AISC of \$950/oz



Real growth
opportunities

- Golpu – world class project
- Great Noligwa pillars
- Tailings treatment
- Zaaiplaats project
- Exploration



Offering share price
uplift

- Potential to re-rate
- Geared to Rand gold price



QUESTIONS



APPENDIX

A PORTFOLIO OF ASSETS WITH SIGNIFICANT UPSIDE POTENTIAL

1

Moab Khotsong mine



- Low cost, operating mine
- Significant high grade reserve: 1.7moz at 8.8g/t
- 5 year mine life
- FY17 production of 284koz
- Low cost operation
 - FY17 AISC of US\$937/oz

2

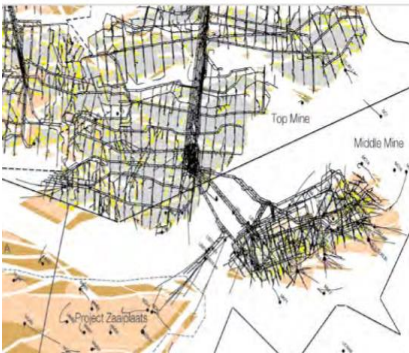
Great Nologwa pillar extraction



- Extension opportunity provided by Great Nologwa shaft pillar extraction
- Potential to significantly extend LOM
- High grade resource
- Low capital intensity
- Low operating costs
- Similar to Harmony's successful Bambanani pillar extraction

3

Zaaiplaats project (pre-feasibility)



- Substantial high-grade reserve and resource base
- 6.8Moz resource at 17.2g/t
- Provides attractive long-term optionality

4

Mispah tailings facilities (concept study)



- Opportunity to convert acquired plants to a tailings retreatment operation
- Over 70Mt resource at 0.30g/t grade
- Low technical risk, low capital requirements
- Harmony has a proven track record in converting Phoenix and Central Plant into tailings retreatment operations

Note: In addition, Harmony will acquire Nufcor (a 100%-owned uranium calcining facility), AngloGold Ashanti Limited's interest in the Margaret Water Company and related infrastructure and liabilities of the assets. Reserve and resource details per AngloGold Ashanti Limited's reserve and resource declaration at 31 December 2016 (www.anglogoldashanti.com)

MOAB KHOTSONG – LOW COST, HIGH GRADE



	Mt	g/t	kg	000oz
Gold reserves ¹	5.9	8.8	52,130	1.7
Gold resources ¹	8.4	18.51	154,896	4.98

	FY16	FY17
Production (koz)	251	284
Recovered grade (g/t)	8.6	8.4
AISC (US\$/oz)	961	937
Location	South Africa, (near Orkney and Klerksdorp)	
Mine setup	Single shaft operation	
Mining depth	c.3,100m	
Ore processed	Great Noligwa gold plant	
Life of mine	5 years	
Employees	~6 500	
Opportunities	<ul style="list-style-type: none"> • Life of mine extension • Optimisation and reduction overhead costs 	

Note: (1) Moab Khotsong and Great Noligwa mines above infrastructure reserves and resources. Details per AngloGold Ashanti Limited's reserve and resource declaration at 31 December 2016 (www.anglogoldashanti.com)



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