



LAE CHAMBER OF COMMERCE BREAKFAST BUSINESS BREAKFAST

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OCTOBER 2018



Private Securities Litigation Reform Act Safe Harbour Statement

FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements within the meaning of the safe harbor provided by Section 21E of the Exchange Act and Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), 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 forward-looking statements, including, among others, those relating to our future business prospects, revenues, and the potential benefit of acquisitions (including statements regarding growth and cost savings) wherever they may occur in this presentation and the exhibits, are necessarily 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 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; estimates of provision for silicosis settlement; statements regarding future debt repayments; estimates of future capital expenditures; the success of our business strategy, development activities and other initiatives; future financial position, plans, strategies, objectives, capital expenditures, projected costs and anticipated cost savings and financing plans; 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, as well as at existing operations; 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 and the availability, terms and deployment of capital; changes in government regulation and the political environment, particularly tax, mining rights, environmental regulation and business ownership including any interpretation thereof ; fluctuations in exchange rates and currency devaluations and other macroeconomic monetary policies; the adequacy of the Group’s insurance coverage; and socio-economic or political instability in South Africa, Papua New Guinea, Australia 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. The foregoing factors and others described under “Risk Factors” should not be construed as exhaustive.

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HARMONY TODAY

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**Delivering consistent,
predictable production**



Achieved production guidance for a third consecutive year

**Improved the quality of
asset portfolio**



Hidden Valley and Moab Khotsong add ~500koz
at average AISC below US\$950/oz

Improving margins



AISC unit costs improved from R517 000/kg in FY17
to R509 000/kg in FY18

ESTABLISHED OPERATIONS, QUALITY GROWTH OPPORTUNITIES



PAPUA NEW GUINEA

Production split

FY19E ~200koz (14%)

Hidden Valley (open pit mine)

Wafi-Golpu project (50:50 JV)

Multiple exploration areas

SOUTH AFRICA

Production split

FY19E ~1.3Moz (86%)

10 underground operations

1 open pit mine

2 Tailings retreatment operations

Corporate profile:

Listed on the JSE and NYSE

Market cap: ~approx. US\$950m to US\$1bn

Operating for over 68 years

JOURNEY OF EXCELLENCE

FY18

- Momentum maintained at SA operations
- Acquired and successfully integrated Moab Khotsong
- Re-capitalised Hidden Valley on schedule and within budget



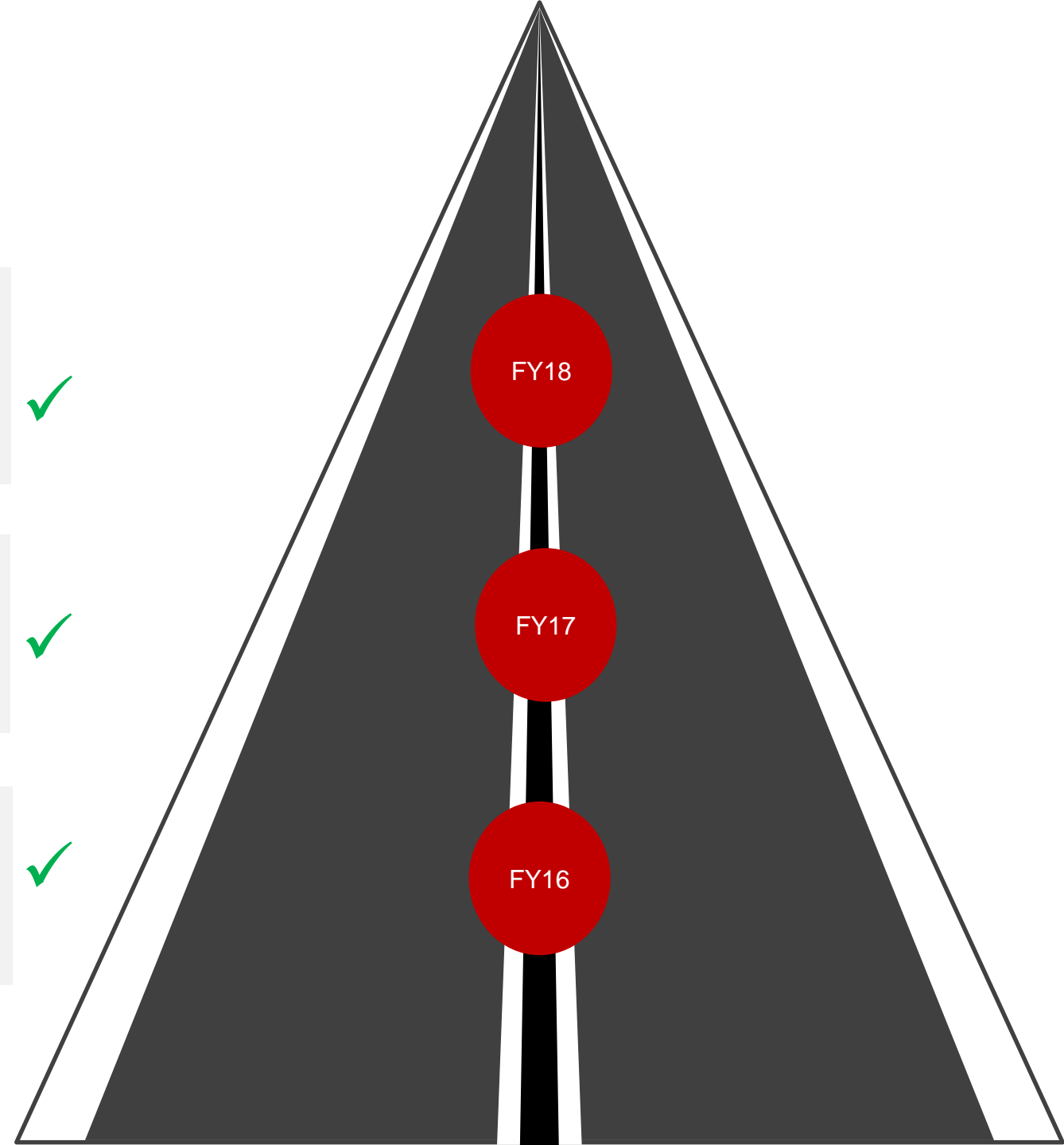
FY17

- Delivered safer, more stable and predictable production
- Acquired 100% of Hidden Valley and re-invested US\$180 million
- Repaid debt



FY16

- Embarked on stabilising SA operations at 1Moz
- Set out growth strategy of 1.5Moz, assets with AISC of US\$950/oz by FY19

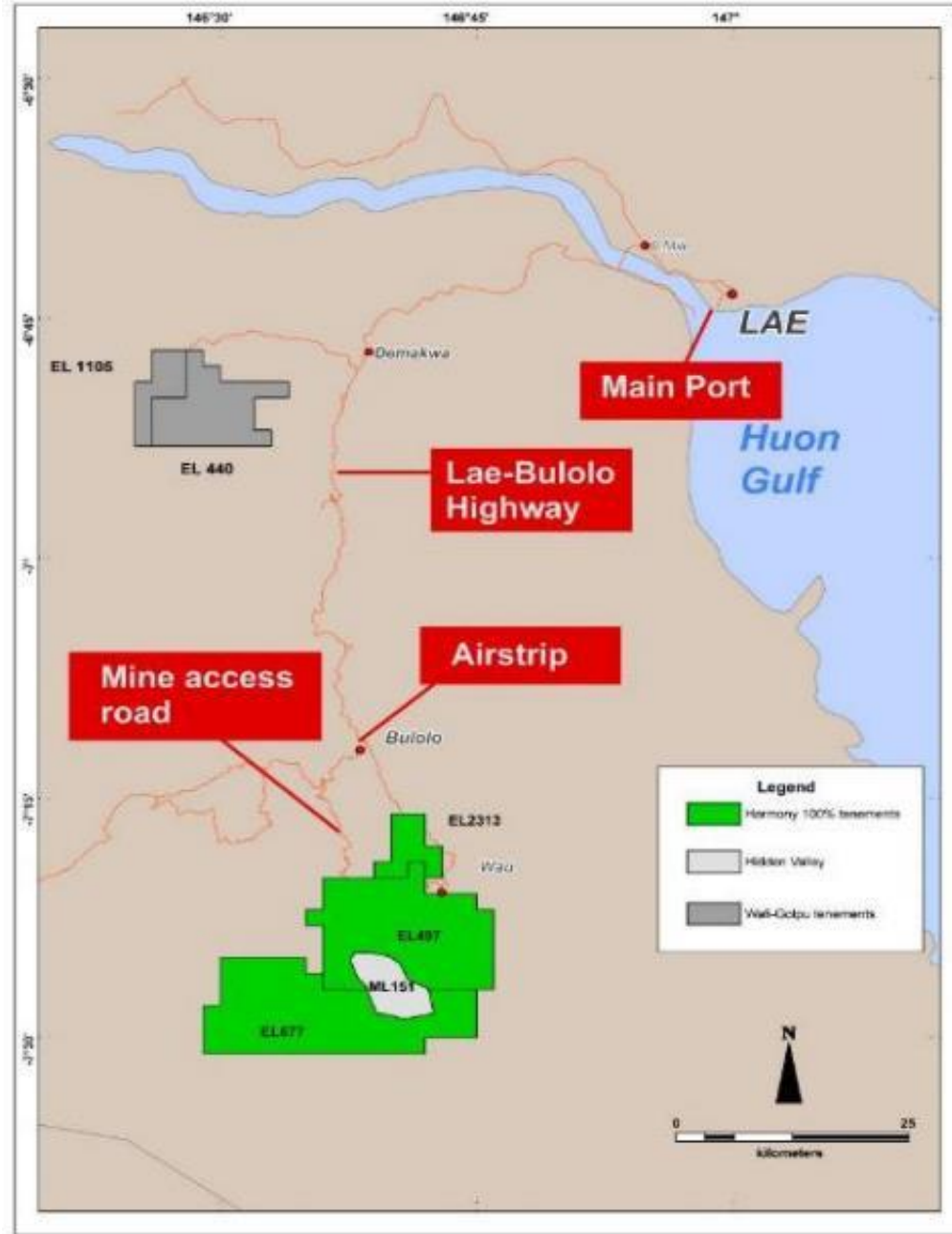




HIDDEN VALLEY UPDATE

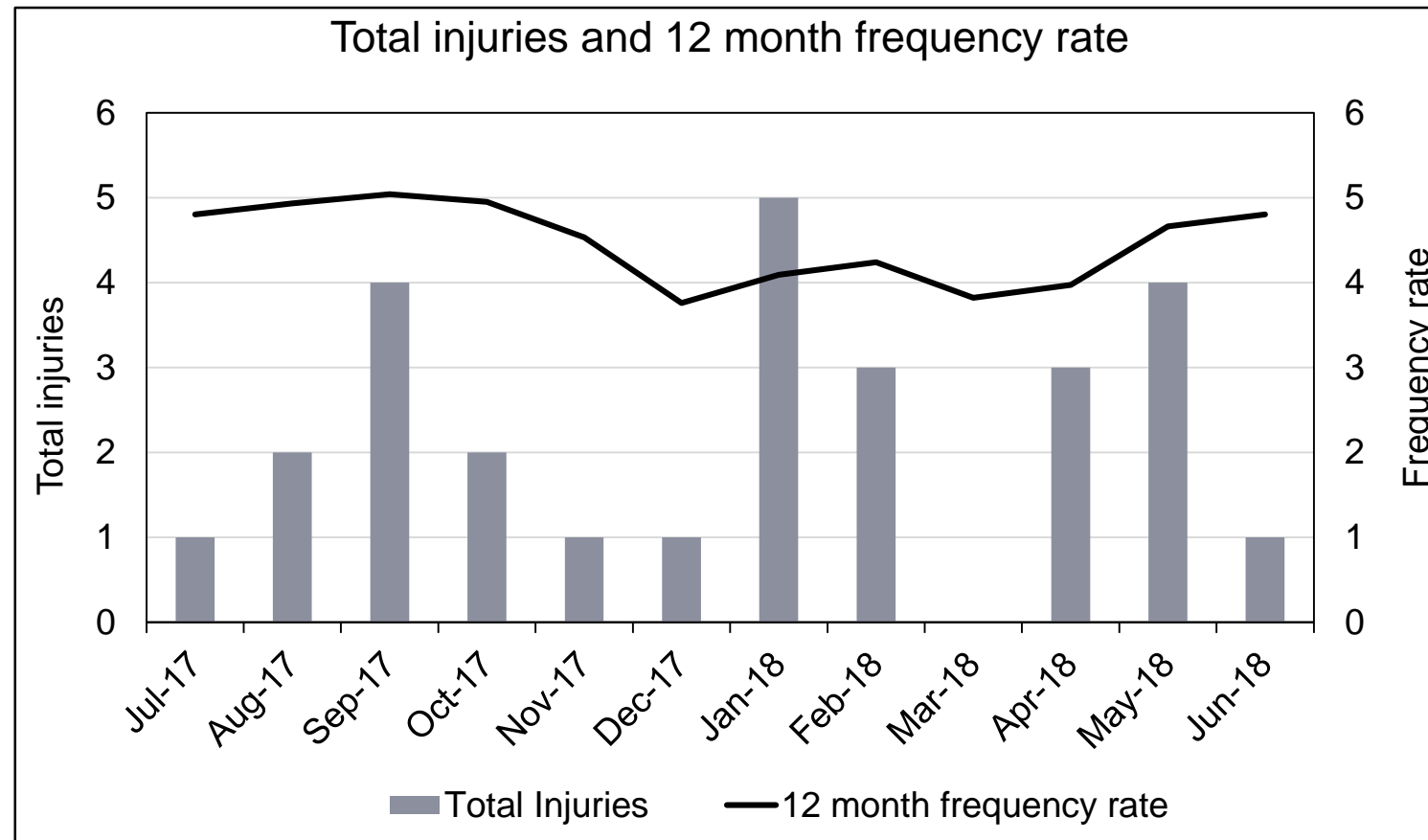
CHARLES DE VILLIERS EGM OPERATIONS

LOCATION



SAFETY PERFORMANCE

- No Lost Time Injuries since April 2017 – 8.4 million hours
- One million fatality free shifts achieved in December 2017
- One of the safest mines in Papua New Guinea



REINVESTMENT DELIVERED UNDER BUDGET AND IN TIME



Safe

Fatality free, no lost time injuries in FY18

Below budget

Budget: investment of US\$180 million
Actual: investment of US\$175 million



On schedule

Commercial levels of production achieved in the June 2018 month

Outlook in line with investment plan

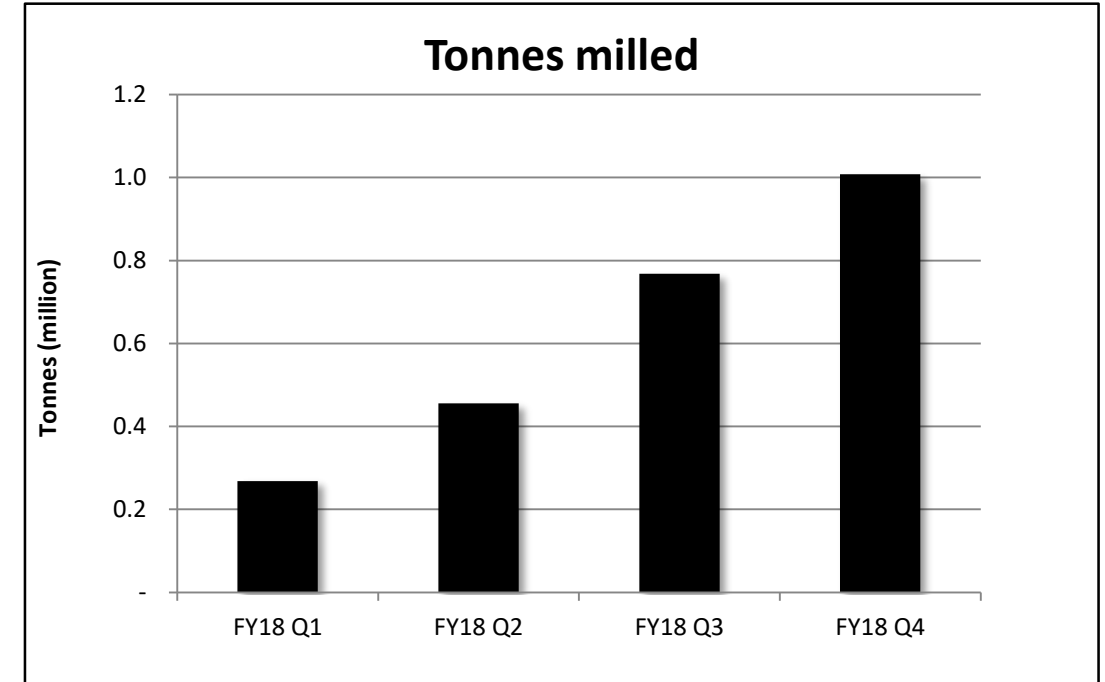
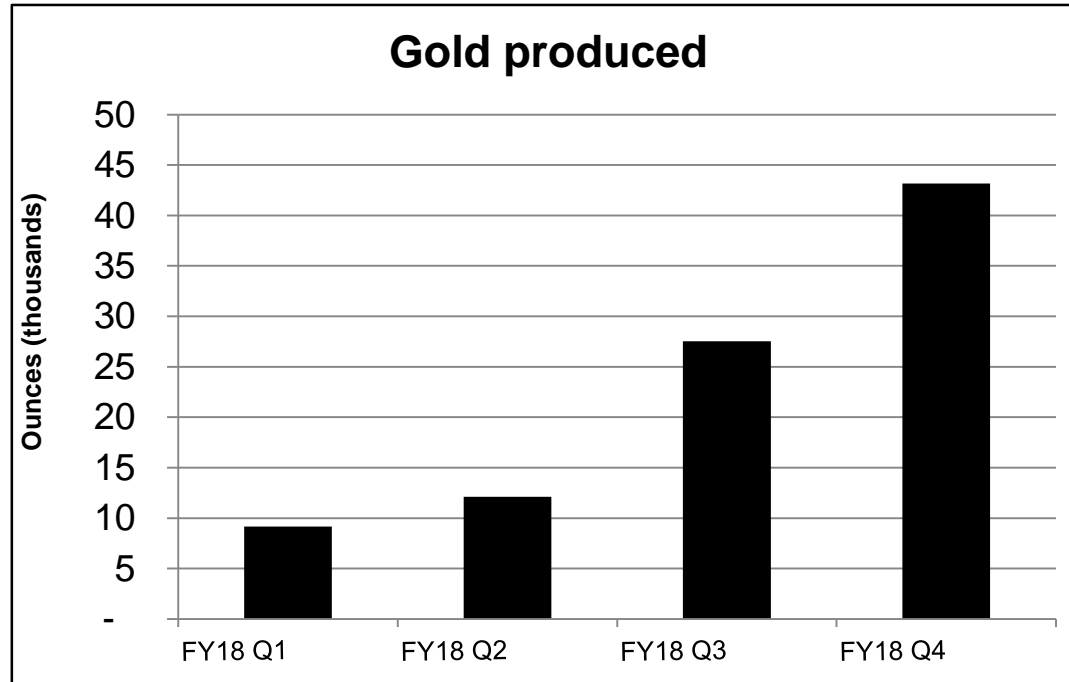
200 000oz at an average life-of-mine AISC below US\$950/oz

UPGRADE PROJECTS DURING SHUTDOWN

- Four projects safely completed on budget and ahead of schedule
 - Scats handling conveyer
 - Crusher circuit upgrade (wobbler screens)
 - Upgrade of run of mine area
 - Pontoon dewatering pump move (tailings storage facility) to final position
- Local contractors utilised
 - Kramer Ausenco (lead contractor)
 - Hornibrooks
 - Local labour hire companies



FY18 – OPERATIONAL EXCELLENCE



- A 24-hour milling rate record was set with 15,238 tonnes milled in November 2017;
- Annualised planned milling rate (4Mtpa) achieved in Q4;
- Monthly mining rate of 2,830,125 mined in October 2017;
- The overland conveyor delivered 324,403 tonnes during June 2018; and
- Annual tonnes mined record of 28 million tonnes – 6 million tonnes higher than previous record.

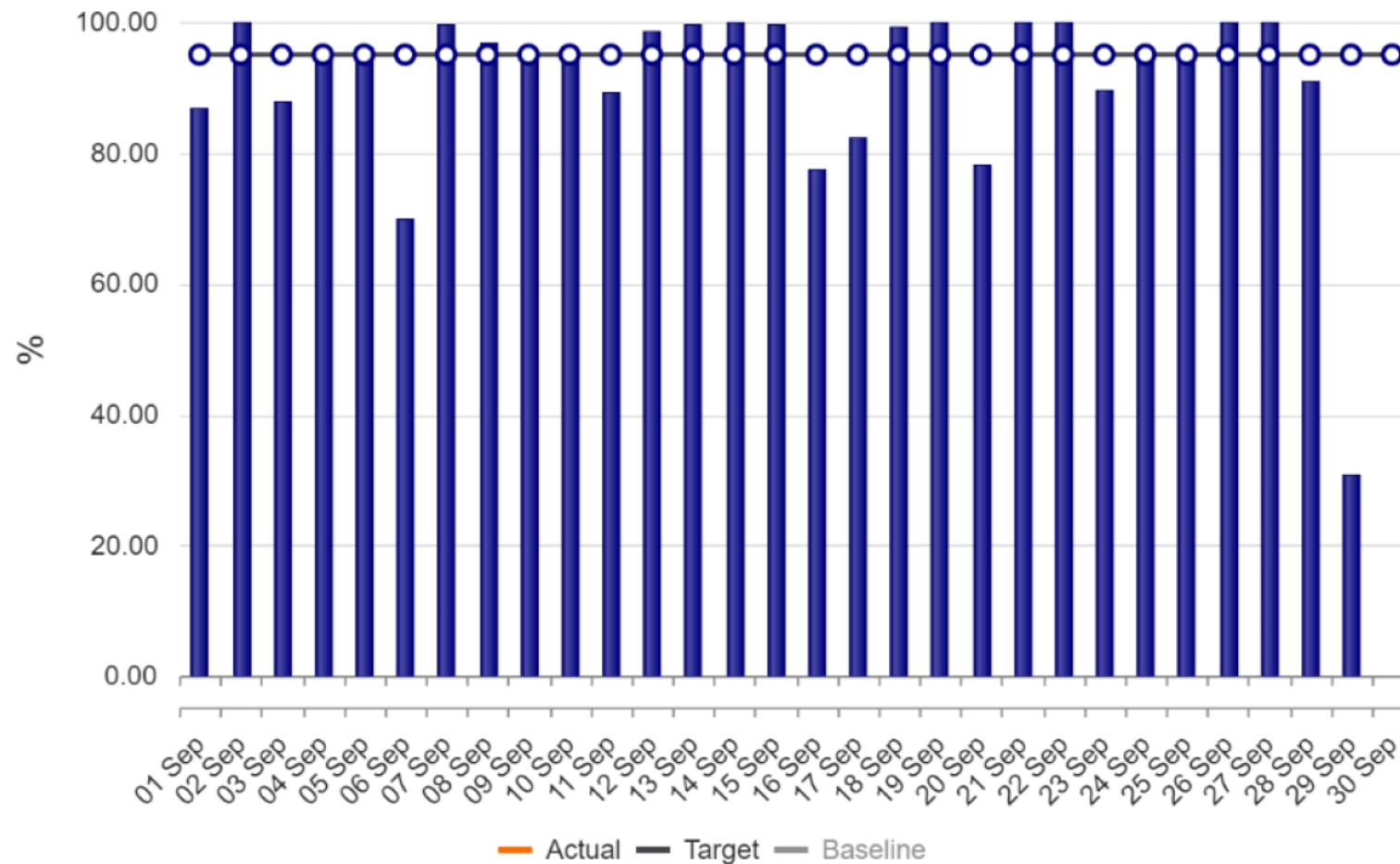
TAILINGS STORAGE FACILITY (TSF) AND WASTE ROCK DUMPS

- The only major TSF in Papua New Guinea
- Updated expansion design to international standards - ANCOLD
- Design reviewed independently and submitted to MRA last week
- Established an Independent Tailings Review Board of industry experts
- One of only a few mines in PNG that store waste rock in engineered waste rock dumps
- During the year construction of the Niekwiye waste dump toe was successfully completed on schedule
- This toe will support all waste rock (87 Mt) produced



PNG POWER

- 15MW demand – connected directly to Ramu grid
- Collaborative effort with PNG Power to upgrade Baiune sub station





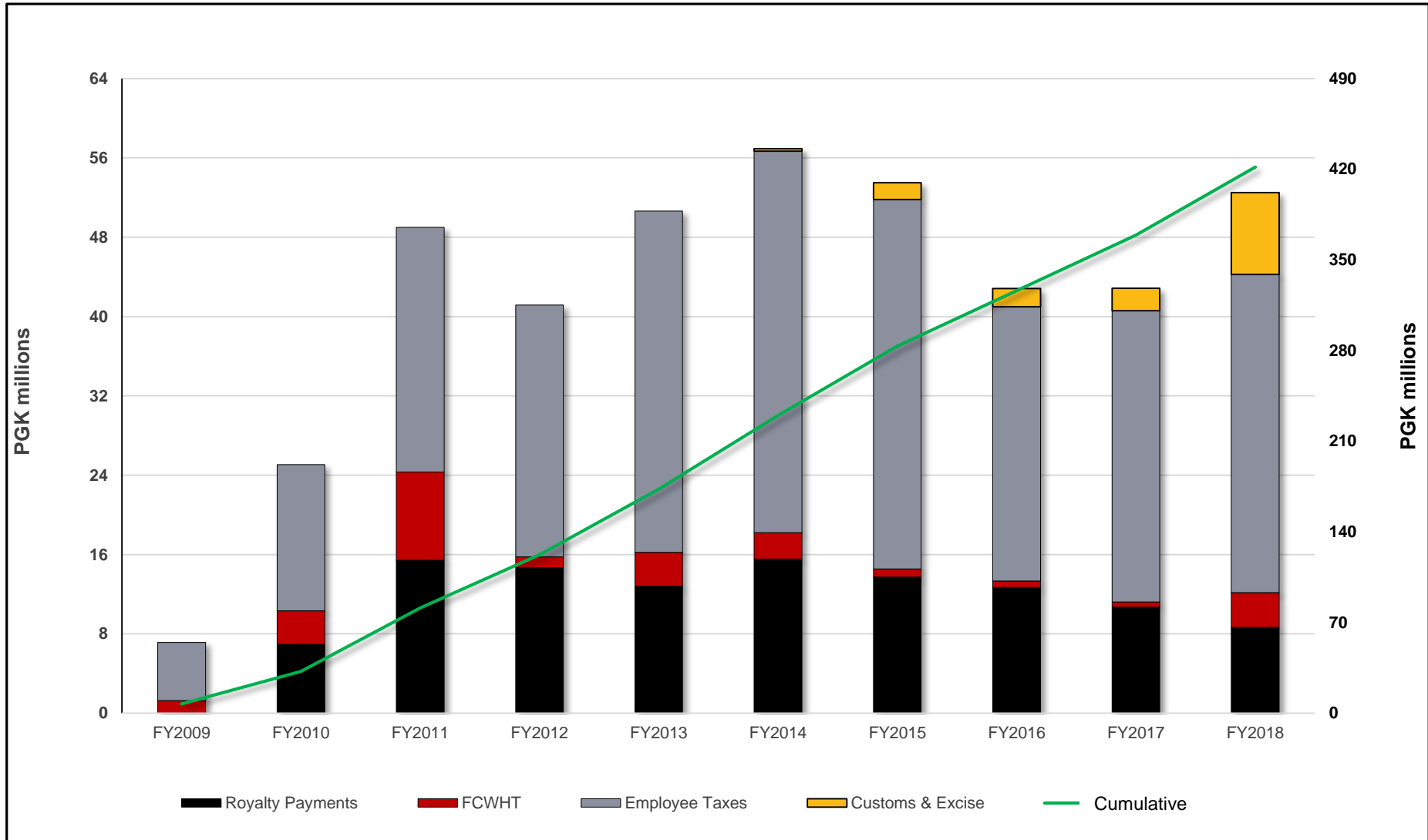
DIRECT CONTRIBUTION TO THE PNG ECONOMY

HIDDEN VALLEY CONTRIBUTES K591 MILLION TO REGIONAL ECONOMY

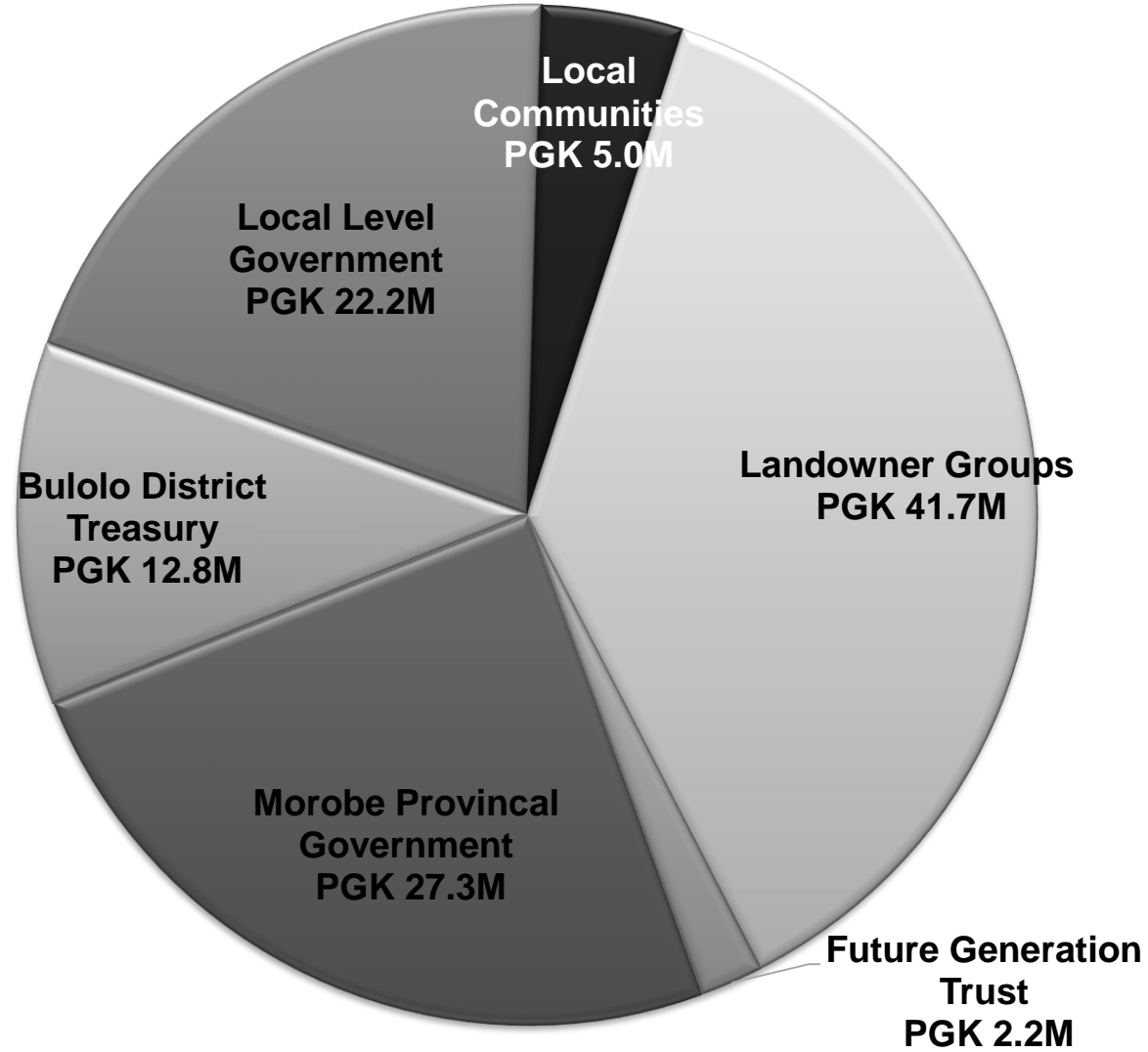
- Direct benefit streams (average annualised)
 - Total employee salaries(excluding tax) PGK 73M
 - Salary and wage tax PGK 35M
 - Royalties and production levy PGK 24M
 - Total Procurement (excluding PNG Power) PGK 404M
 - Power purchased from PNG Power (PNG) PGK 55M
 - **Total annual average contribution PGK 591M**

- Hidden Valley Mine on average converts US\$187m of foreign exchange per year into Kina to the benefit of the national economy

TAXES AND ROYALTIES PAID TO DATE TOTAL K421 MILLION



ROYALTY PAYMENTS K111 MILLION TO DATE

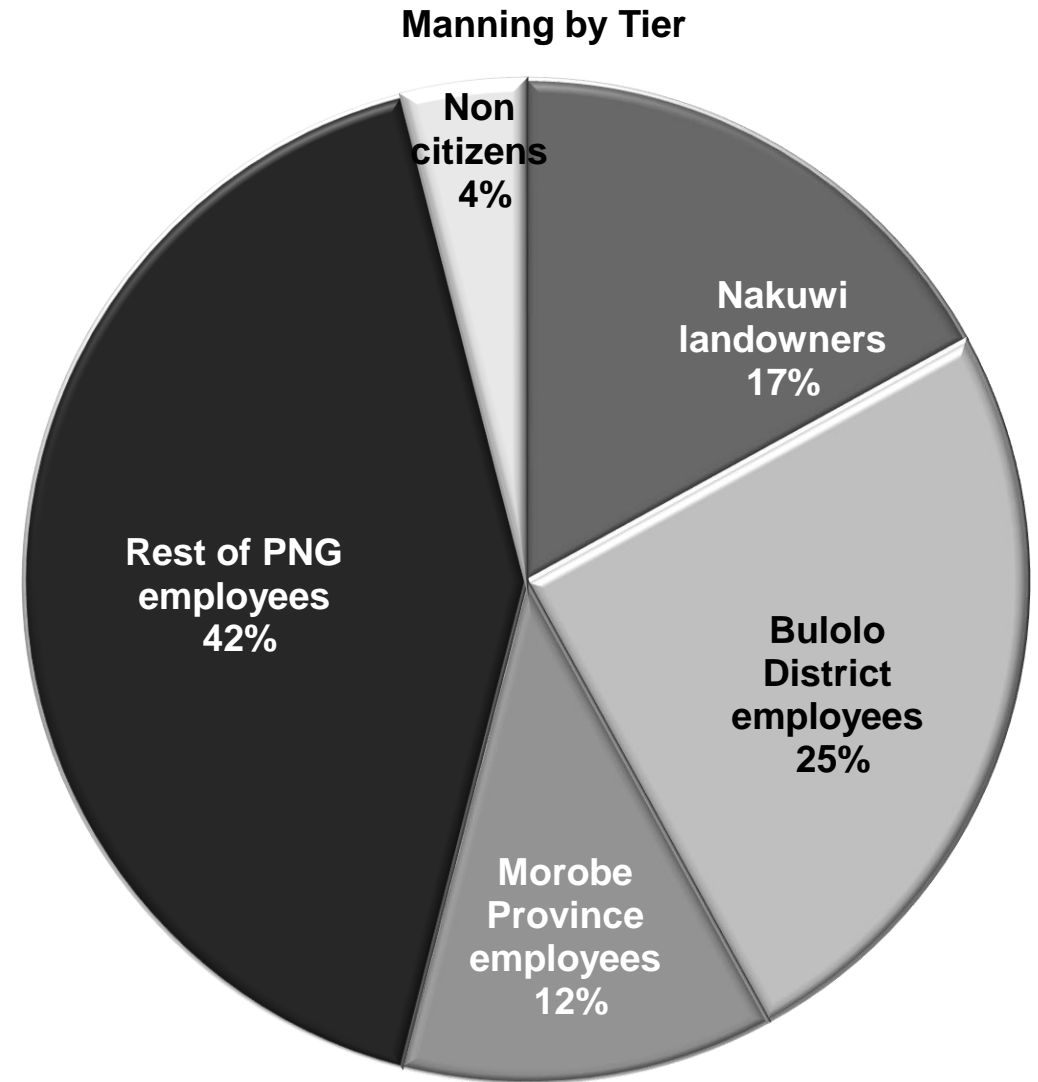




HIDDEN VALLEY EMPLOYMENT

HIDDEN VALLEY EMPLOYMENT

- Total direct employees: 1280 - 1320
- Total contractors: 550 - 700
- 72% Permanent workforce based in Morobe Province
- >95% PNG resourced



WORKFORCE TRAINING AND EDUCATION

- Significant recruitment from local areas – 96% of the heavy equipment operators are from the local communities
- A ‘green-hire’ program that recruits local employees to train them in the company safety requirements and then the technical skills through the on-site vehicle simulator
- 13% of workforce females
- Lines of progression established for employee development
- Targeted training and development programs established
- Hidden Valley registered with the National Institute of Technical Training Board (NITTB)
- Education assistance program for employees dependents





SOCIAL-ECONOMIC CONTRIBUTION

AGRICULTURE PROJECTS

- Improve the livelihoods of the communities through the creation of sustainable and scalable agricultural businesses
- Coffee was identified as the best agriculture development option
- The 18 month coffee pilot project engages key strategic partners:
 - Harmony
 - CIC – Coffee Industry Corporation
 - Outspan / Olam – Traders / Factory (Lae)
 - B4D – Coordinators
- Over 100 farmers identified to receive education and training as well as support in transporting products to markets
- Grower tool sets have been purchased
- Nursery to be established for seedling production



EDUCATION AND ORPHAN SUPPORT

- Tutu desk initiative - a portable tool to support students
- 1,000 Tutu desks distributed to 28 elementary schools covering all Biangai and Watut villages
- Haus Pikinini support for 26 orphans near Wau
- Employee school fee support



HEALTH SUPPORT:

- Continue to support district health programs including TB awareness
- Local health center engagement and audits are conducted
- Mattresses donated to health centers
- Typhoid education undertaken following recent outbreak
- Administered 700 polio vaccinations
- Community medical assistance – 3 recent cases of emergency medical assistance (obstetric nature)



BENEFIT SHARE AGREEMENT (BSA) – HIDDEN VALLEY TRUST

- Landowners converted 5% project equity option into a royalty
 - Signed by Hidden Valley, Morobe Provincial Government and Nakuwi Landowners Association in 2009
 - Primarily intended landowners to participate in the benefit sharing scheme through an established trust focussed on health, education, community infrastructure and landowner support activities
 - Total contributions to date amount to PGK12.2 million
-
- Hidden Valley acts as trustee to ensure and promote governance
 - BSA trustee approved 6 water supply projects at a budget of K681,698
 - Project managed and supervised by Hidden Valley and administrated by NKW
 - Total of 1,521 people positively impacted



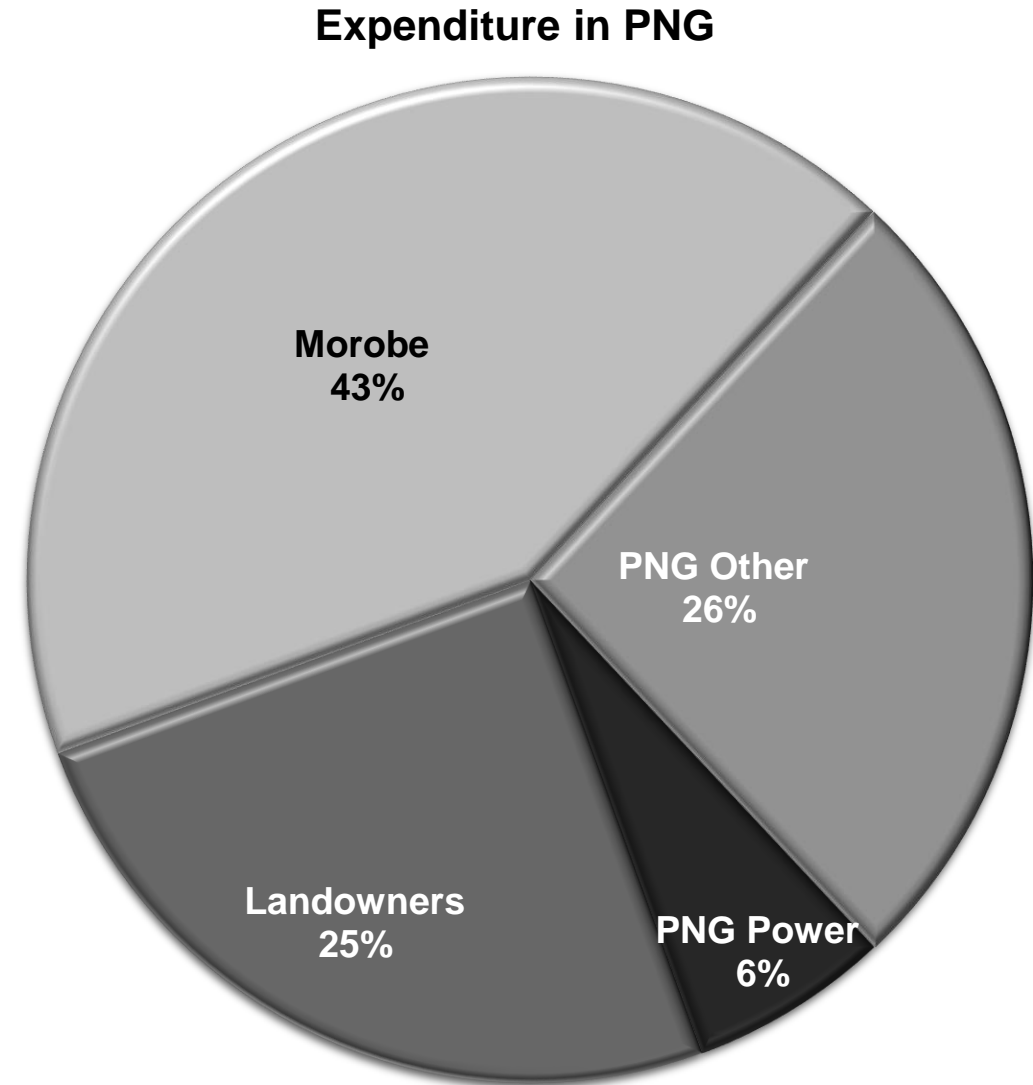
LANDOWNER BUSINESS DEVELOPMENT

- Nakuwi the recognised landowner association
- NKW Holdings Limited – owned by Nauti, Winima and Kwembu Investment companies – recognized in MOA as agreed local landowner company for contracting purposes
- NKW involved in a number of key mine support contracts
- Expenditure with landowner companies totalled in FY18 – PGK101 million including:
 - HVC JV PGK46 million – mining and construction
 - HVT JV PGK22 million – road logistics
 - NCS JV PGK22 million – catering and camp management
 - NKW PGK5 million – bus transport
- Approximately 500 contract employees with landowner and landowner JV companies



TOTAL PROCUREMENT IN PNG – K404 MILLION (FY18)

- For FY18, 54% of total expenditure spent in PNG





WAFI-GOLPU

WAFI-GOLPU* IS A GAME CHANGER FOR MOROBE

Large production profile

- Steady state production: in excess of 1.4 million gold equivalents ounces per annum

High grade = low unit cost production

- High average recovery grades: Au = 0.90g/t, Cu = 1.27%
- Lowest decile cost quartile copper production, Negative AISC of US\$2 128/oz in gold production terms

Significant free cash flow potential

- US\$9 billion free cash flow generated in first 10 years (post achieving commercial levels of production)

Large resource and long life

- Mine life of over 28 years

*Harmony has a 50% equity stake in the Wafi-Golpu project, held in a 50:50 JV with Newcrest Mining Limited. All figures are quoted on a 100% basis. For full Resource and Reserve declarations please refer to either www.harmony.co.za or to Newcrest's Annual Statement of Mineral Resources and Ore Reserves as at www.newcrest.com.au.

WAFI-GOLPU PERMITTING UPDATE

- Feasibility study update accompanying updated proposal for development submitted to MRA in March 2018
- Environmental (and social) impact study submitted to CEPA 25 June 2018
- The Wafi-Golpu Development Forum commenced during the week of the 9 July 2018

HARMONY IN PAPUA NEW GUINEA

- Harmony has been active in PNG for over 15 years, during which time we have developed one mine (Hidden Valley) and are seeking to develop a second (Wafi-Golpu)
- We have a significant portfolio of assets in PNG covering the whole mining value chain, from an operating mine in Hidden Valley to an exciting greenfields exploration prospect (Kili Teke)
- We have strong balance sheet to underpin progressing this portfolio up the value chain
- Our South African and PNG track record and experience will enable us to deliver our growth objectives
- We look forward to continuing to work with all stakeholders for mutual benefit



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