



BRIEFING BOOK 2019

NOVEMBER 2019

Harmony Gold Mining Company Limited

NYSE Ticker Code: HMY

JSE Ticker Code: HAR

INVESTMENT CASE



>1.45Moz producer

Responsible mining company with experienced, credible management team



Quality growth prospects

at attractive returns



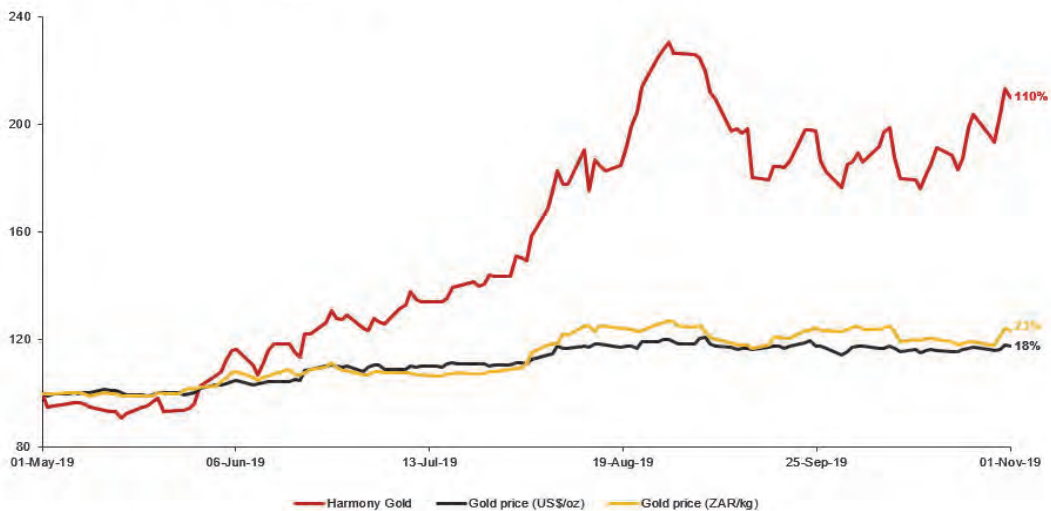
Leveraged to the gold price

and Rand hedge stock

HARMONY'S LEVERAGE TO SURGING GOLD PRICES

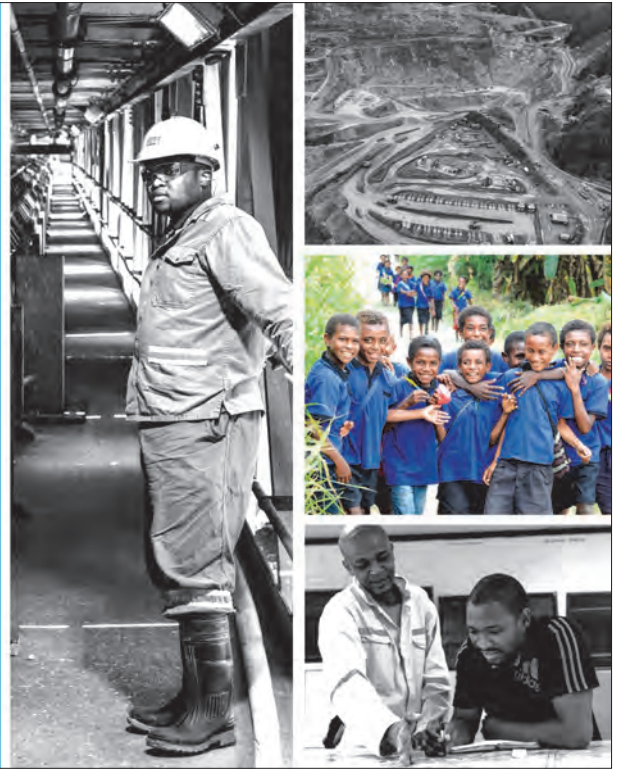


Price performance rebased to 100



Factset as of 01 November 2019

WHO WE ARE



HARMONY TODAY

JSE, NYSE listed (HAR; HMY)
 Experienced operator

- 69+ years

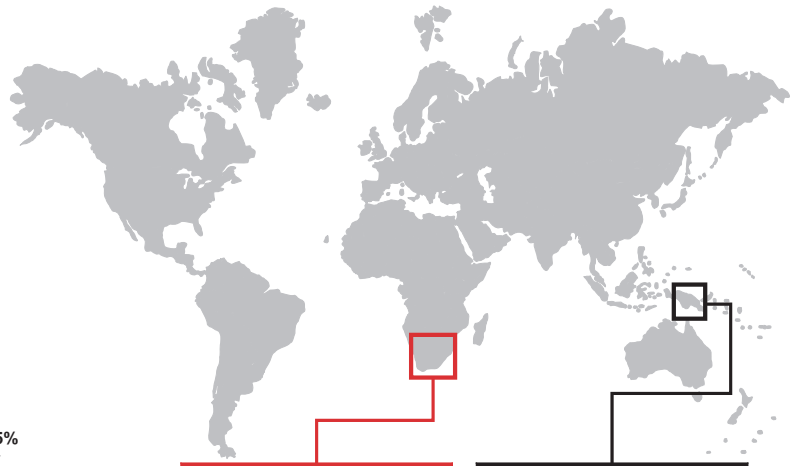
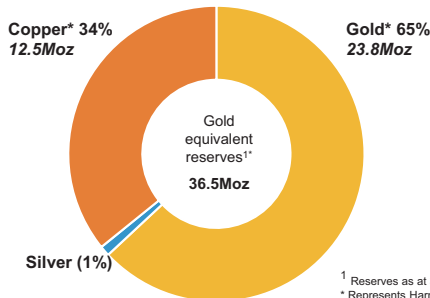
Market cap of close to US\$1.8bn

Mines in:

- South Africa
- Papua New Guinea

Total reserves (gold equivalent)

- gold >23 Moz
- copper >12 Moz



SOUTH AFRICA

Production split:

FY19 ~1.3Moz (86%)

- 9 underground operations
- 1 open pit mine
- 2 tailings retreatment operations

PAPUA NEW GUINEA

Production split:

FY19 ~200koz (14%)

- Hidden Valley (open pit mine)
- Wafi-Golpu project (50:50 JV)
- Multiple exploration areas

¹ Reserves as at 30 June 2019; copper and silver as gold equivalents based on: US\$1 290/oz Au, US\$3.00/lb Cu, US\$17.00/oz Ag
 * Represents Harmony's equity portion of 50% of Wafi-Golpu.

DELIVERY ON STRATEGY FY19 SINCE 2016

OUR STRATEGY

Safe, profitable ounces
Increasing margins

STRATEGIC PILLARS

01 OPERATIONAL EXCELLENCE

- journey to zero fatalities our safety priority
- performance in line with production guidance, four years in a row
 - 17% increase in gold production y-on-y
 - 7 consecutive years of grade improvement
- integration of Moab Khotsong, production ramp-up at Hidden Valley

02 CASH CERTAINTY

- successful commodity (c. 20% of production) and foreign exchange hedging
- hedging strategy: contributed US\$296 million since inception in January 2016
- notable net debt reduction
 - net debt/EBITDA at 0.9x

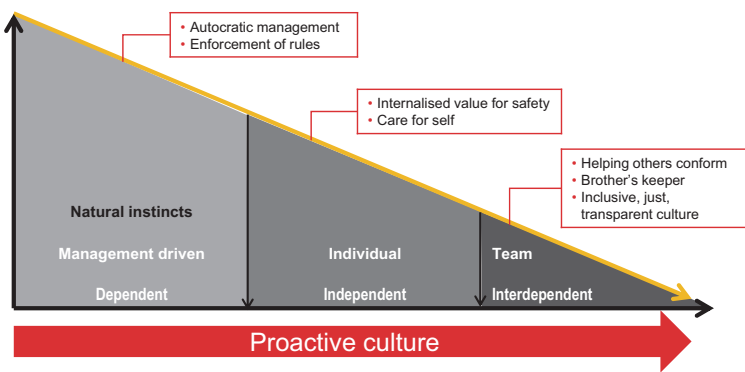
03 EFFECTIVE CAPITAL ALLOCATION

- Moab Khotsong, Hidden Valley prove investment case merits
 - generated R1 375 million (US\$97 million) in operating free cashflow

04 RESPONSIBLE STEWARDSHIP

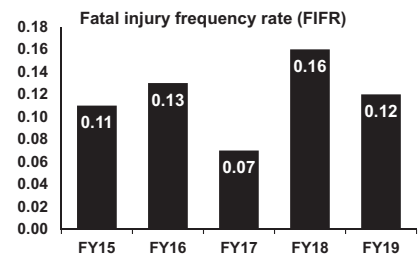
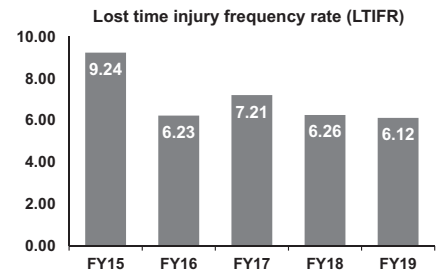
- FTSE4Good Index constituent
- Carbon Disclosure Project: A- climate change, B- water
- 2019 Bloomberg Gender-Equality Index constituent

SAFETY: TOWARDS AN INTERDEPENDENT CULTURE





Since FY16:

- four-layered, risk-based management approach
- modernised safety systems implemented
- proactive risk management training for leadership, line management
- focus on addressing behaviour to achieve zero fatalities goal



BEST-IN-CLASS ESG FRAMEWORK

US\$20 trillion of assets managed globally now incorporate ESG screening*

| Stakeholders | Materiality | Framework | Implementation |
|---|---|---|---|
| <p>King IV Licence to operate</p> <ul style="list-style-type: none"> Government Industry bodies Employees, unions Investors Business partners, suppliers Media, general public Host communities | <p>ISO 14001, 18001, 9000</p> <ul style="list-style-type: none"> Keep people safe and healthy Achieve business objectives Maintain workforce stability Manage impacts | <p>ICMM Corporate policy</p> <ol style="list-style-type: none"> Social and ethics committee policy oversight: <ul style="list-style-type: none"> public safety occupational health environmental management employee health, wellbeing corporate social responsibility human resources ethics Guidelines, standards <ul style="list-style-type: none"> support discipline-specific policies inform site-specific management systems Operating management <ul style="list-style-type: none"> management team, with discipline executives, responsible for policy implementation | <p>15 significant, material indicators assured annually</p> <p>Five-year focus on United Nations sustainable development goals</p>  <p>FTSE4Good</p>  <p>FTSE4Good</p> <p>Achievements since 2016 include:</p> <ul style="list-style-type: none"> reduction in power usage 54% increase in community development spend 45 shaft rehabilitations |

*Source: survey conducted by the Morgan Stanley Institute for Sustainable Investing, 2018



FY20 FOCUS AREAS

OUR STRATEGY | Safe, profitable ounces
Increasing margins

STRATEGIC PILLARS

01

OPERATIONAL EXCELLENCE

- improve safety
- increase productivity, efficiency
- produce 1.46Moz at an AISC of R579 000/kg

02

CASH CERTAINTY

- repay debt
- hedge to manage short-term volatility

03

EFFECTIVE CAPITAL ALLOCATION

- secure Wafi-Golpu permitting, funding
- pursue organic growth, safe value-accretive M&A opportunities

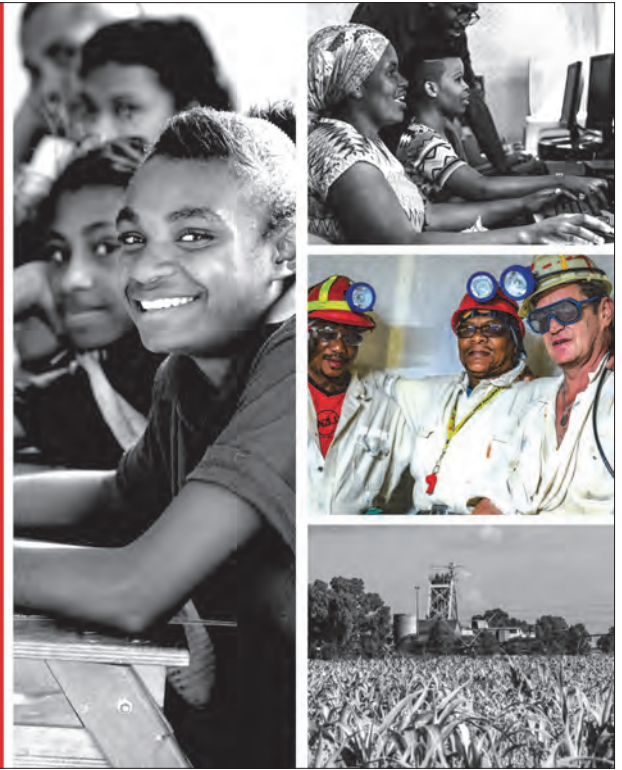
04

RESPONSIBLE STEWARDSHIP

- maintain strong stakeholder relationships
- continue responsible corporate citizenship, good governance, environmental management



THE GOLD MARKET



GOLD IS EXPECTED TO BE SUPPORTED BY FUNDAMENTALS

Key gold commodity drivers

Economic tailwinds

- Global data softening, volatility rising
- US Federal Reserve easing

Geopolitical concerns

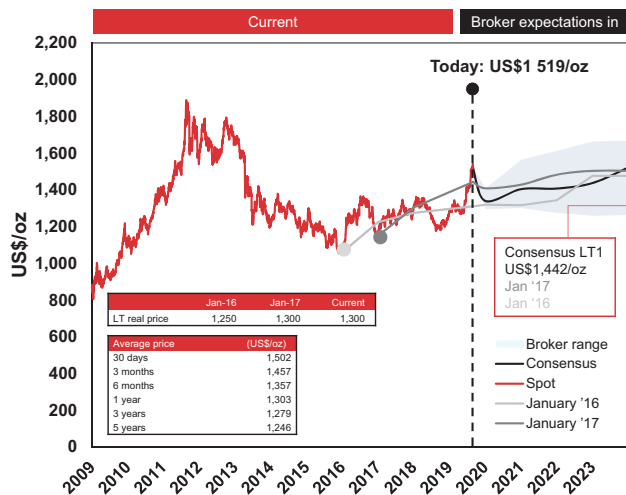
- Geopolitical tensions put pressure on growth
 - US/China trade war
 - US/Russia relations

Physical demand

- Increased demand from China, India as incomes rise
- Robust central bank demand expected, short and medium term

Supply issues

- Limited supply due to lower exploration success
 - Gold producer hedging
 - Cost inflation (fuel, wages, etc.)
 - Recycling



Source: Broker reports, FactSet as of 30 August 2019
 Note: ¹ Long-term prices are given in 2016 real terms, shown in graph inflated to 2024 nominal

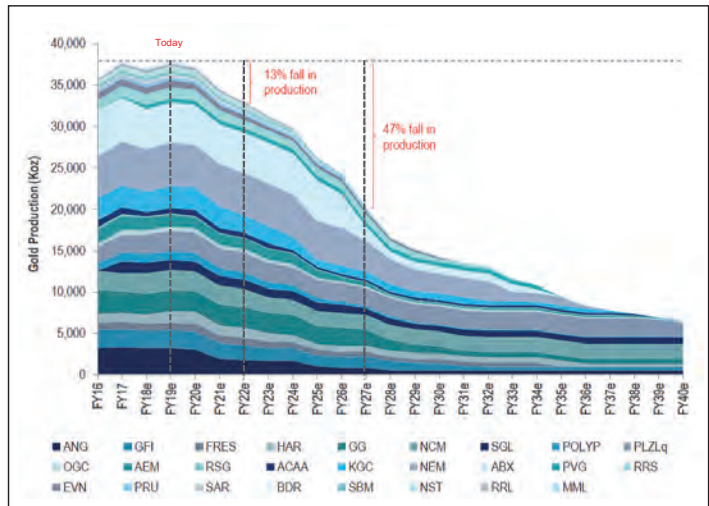
GOLD MINING INDUSTRY IS EVOLVING

Global gold mining industry

- Five to 10-year production cliff
 - years of under-investment in exploration, capital
- Undeveloped ore bodies are deep
- Mergers by majors have shaken up the industry
- Shareholders want higher returns

Harmony's advantage

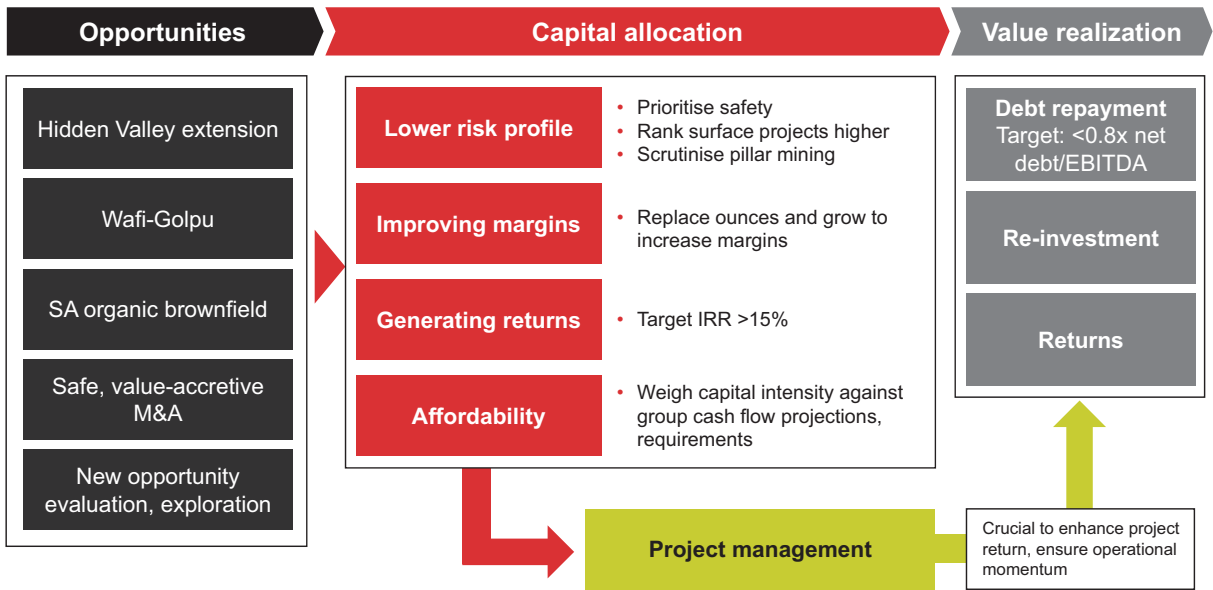
- Tier 1 project in our portfolio (Wafi-Golpu)
- Pipeline of organic projects
- Excellent stakeholder relations, unlocking future opportunities
- Large producer: >1.4Moz
 - highly geared in rising gold price environment



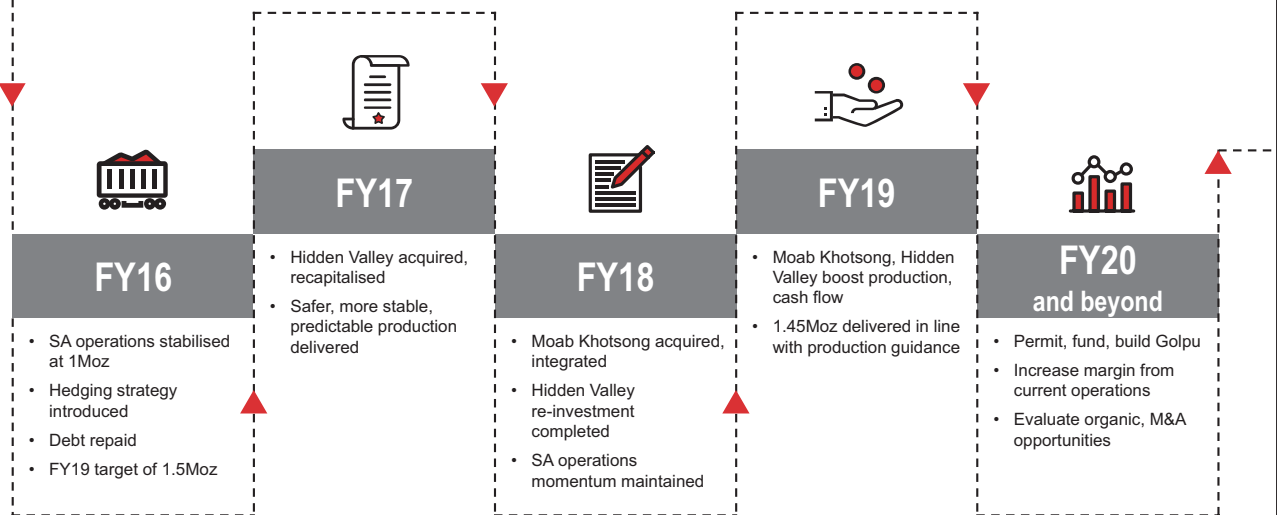
INCREASING OUR MARGINS



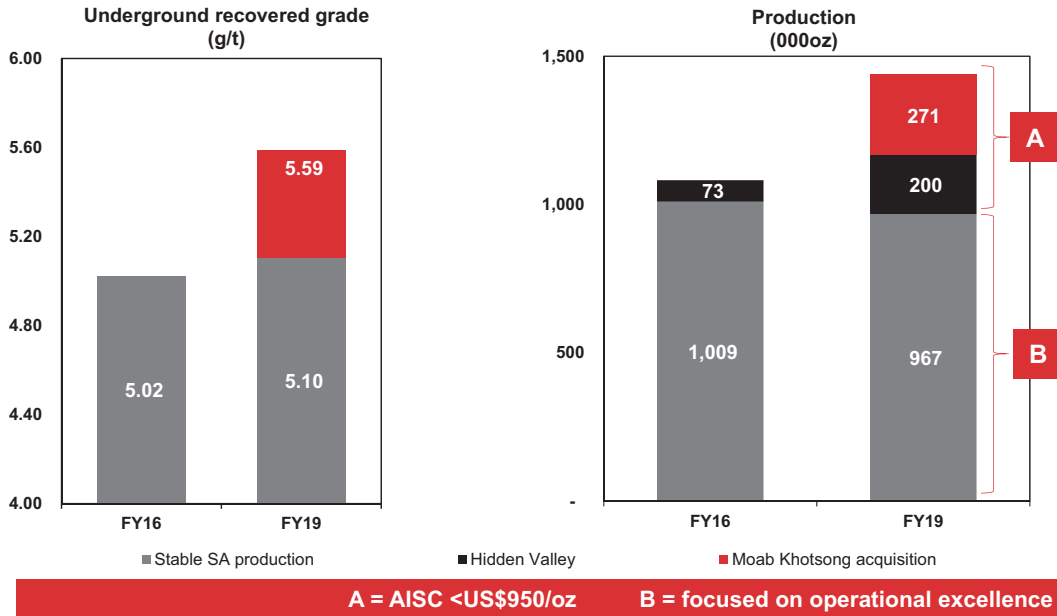
CAPITAL ALLOCATION AIMED AT INCREASING RETURNS



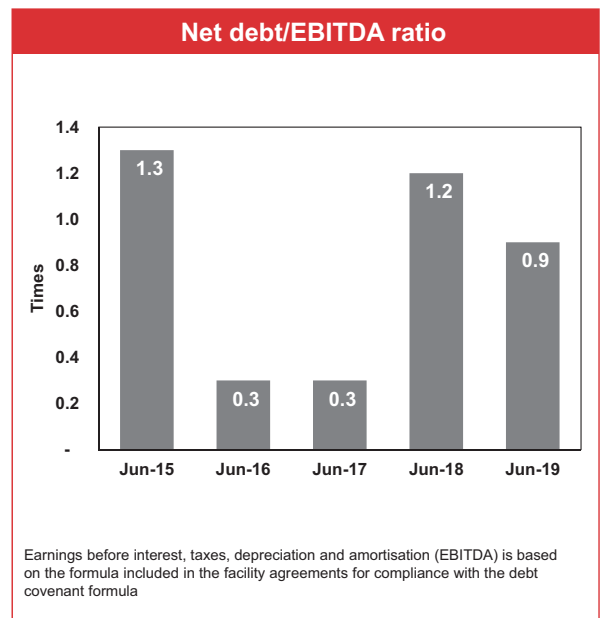
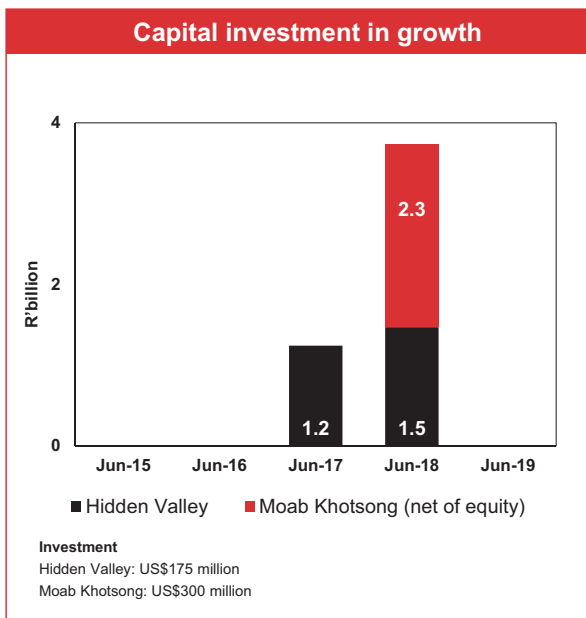
OUR JOURNEY TO INCREASED MARGINS



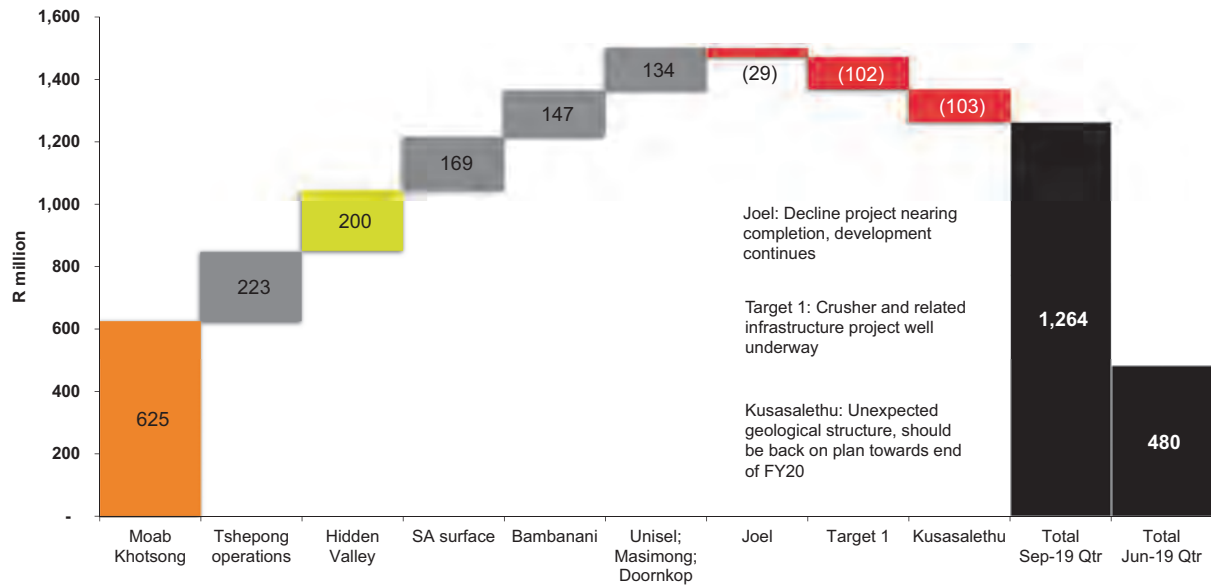
ASSET PORTFOLIO QUALITY IMPROVED



FUNDING QUALITY GROWTH



FOCUSED ON GENERATING FREE CASH FLOW (RAND) (FY19)



Operational free cash flow = Revenue – cash operating cost – capital expenditure +/- impact of run of mine (ROM) costs as per operational results

GREAT NOLIGWA PILLAR EXTRACTION PROJECT

- Safety a key aspect of the feasibility study process
- Harmony has pillar mining expertise
- Included as an incremental project to the Moab Khotsong life-of-mine plan – extends to 2028 (+2 years)

Key project metrics and assumptions:

| Metric | Approved feasibility study (real, pre-tax) |
|--|--|
| Tons milled | 1.2Mt |
| Recovery grade | 6.8g/t |
| Gold production | 8.29t (0.267Moz) |
| AISC (average) | <US\$950/oz |
| IRR (@ R585 000/kg) | 28% |
| Major capital (incl. capitalised gold revenue) | R410 million |
| Time to first gold production | 2.6 |
| Payback | 6.4 |

WAFI-GOLPU IS A TIER ONE ASSET

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 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

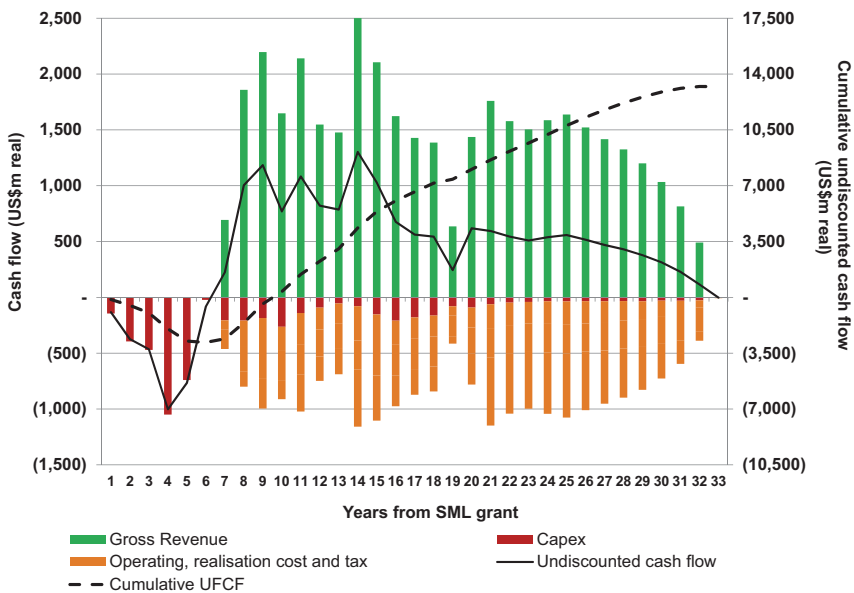
- Mine life of over 28 years

Permitting update

- Targeted permitting timelines have not been achieved
- Committed to re-commencing constructive negotiations with the newly appointed PNG government and stakeholders
- Updated timelines will be shared once available

* All figures are quoted on a 100% basis. The Wafi-Golpu project is held in a JV with Newcrest Mining Limited (Newcrest). 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 – SIGNIFICANT CASH FLOW GENERATION POTENTIAL*



- 5.5 years to early stage cash flow
- Initial capital expenditure approx. US\$2.8bn¹
- Steady state production: in excess of 1.2 million gold equivalent ounces per annum
- High average grades:
- Au = 0.90g/t, Cu = 1.27%

* All figures are quoted on a 100% basis. The Wafi-Golpu project is held in a JV with Newcrest Mining Limited (Newcrest). 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 at www.newcrest.com.au.
¹US\$2.8bn is based on real costs as at December Quarter 2017

OPERATIONAL AND FINANCIAL RESULTS FY19



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OPERATIONAL RESULTS – FY19 vs FY18

| | | FY19 | FY18 | % change |
|----------------------------|---------|-----------|-----------|----------|
| Gold produced | kg | 44 734 | 38 193 | 17 |
| | oz | 1 438 231 | 1 227 934 | 17 |
| Underground recovery grade | g/t | 5.59 | 5.48 | 2 |
| Gold price received | R/kg | 586 653 | 570 709 | 3 |
| | US\$/oz | 1 287 | 1 380 | (7) |
| Cash operating costs | R/kg | 439 722 | 421 260 | (4) |
| | US\$/oz | 965 | 1 018 | 5 |
| Production profit* | Rm | 6 588 | 5 356 | 23 |
| | US\$m | 465 | 416 | 12 |
| All-in sustaining costs | R/kg | 550 005 | 508 970 | (8) |
| | US\$/oz | 1 207 | 1 231 | 2 |
| Average exchange rate | R/US\$ | 14.18 | 12.85 | 10 |

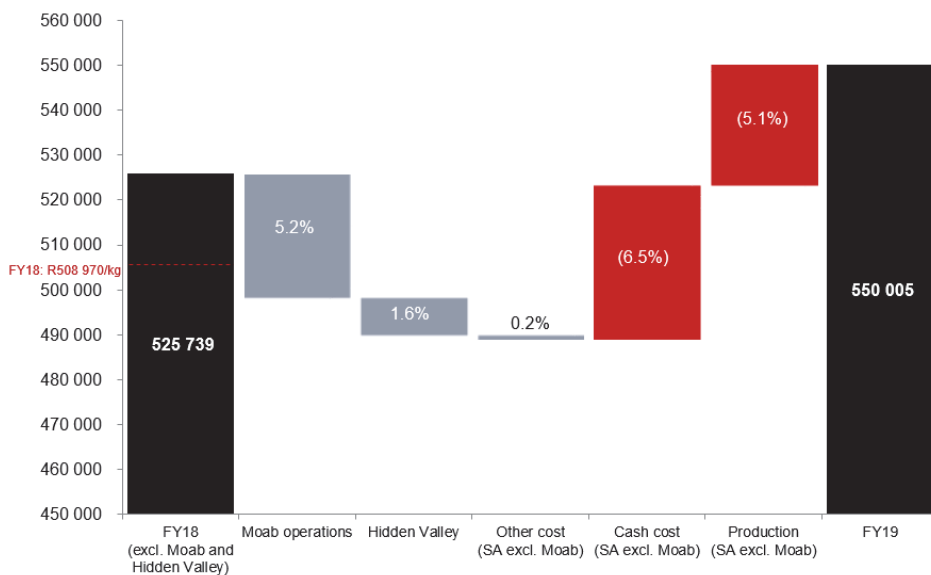
* Production profit as per operating results (revenue less production cost)

EXTRACT FROM THE INCOME STATEMENT (RAND) (FY19)

| | Year ended 30 June 2019 | Year ended 30 June 2018 | Change Rm | Change % |
|--|----------------------------|----------------------------|--------------|-------------|
| Production profit* | 6 588 | 5 356 | 1 232 | 23 |
| Hidden Valley | 2 229 | 175 | 2 054 | >100 |
| Moab Khotsong | 1 369 | 720 | 649 | 90 |
| SA operations | 2 990 | 4 461 | (1 471) | (33) |
| Impairment of assets | (3 898) | (5 336) | 1 438 | 27 |
| Amortisation and depreciation | (4 054) | (2 570) | (1 484) | (58) |
| Hidden Valley | (1 742) | (138) | (1 604) | (>100) |
| Moab Khotsong | (287) | (109) | (178) | (>100) |
| SA operations | (2 025) | (2 323) | 255 | (11) |
| Foreign currency impact | 385 | (570) | 955 | >100 |
| Gains on derivatives | 484 | 99 | 385 | >100 |
| Translation loss on US\$ credit facilities | (99) | (669) | 570 | 85 |
| Net loss | (2 607) | (4 473) | 1 866 | 42 |
| Average exchange rate | 14.18 | 12.85 | | 10 |

* Production profit as per operating results

FY19 ALL-IN SUSTAINING COST (R/kg)

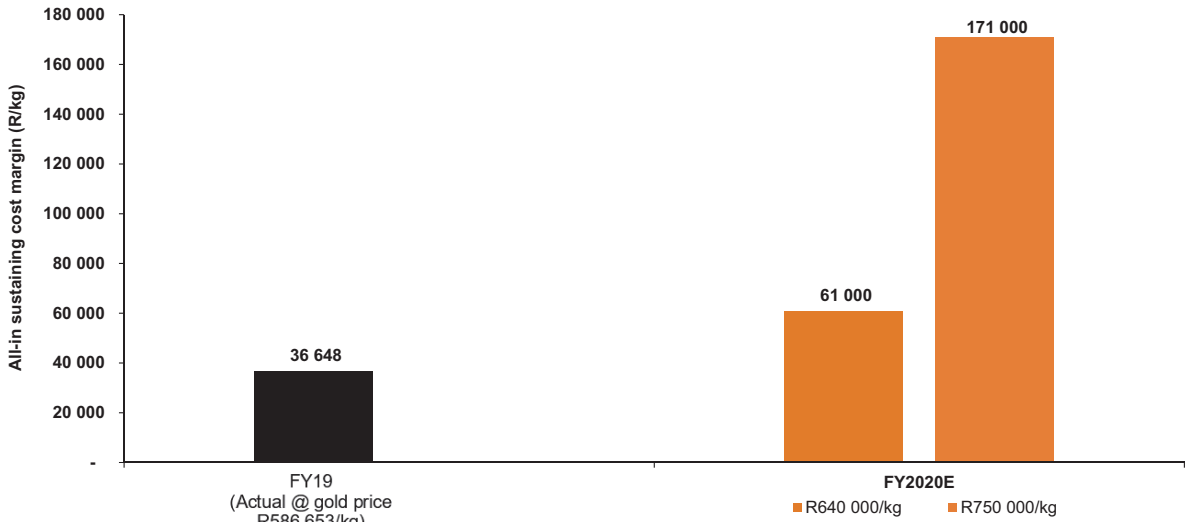


Managing costs in FY20:

- Improve safety performance
- Deliver on production plans
- Increase productivity of teams
- Increase in grade



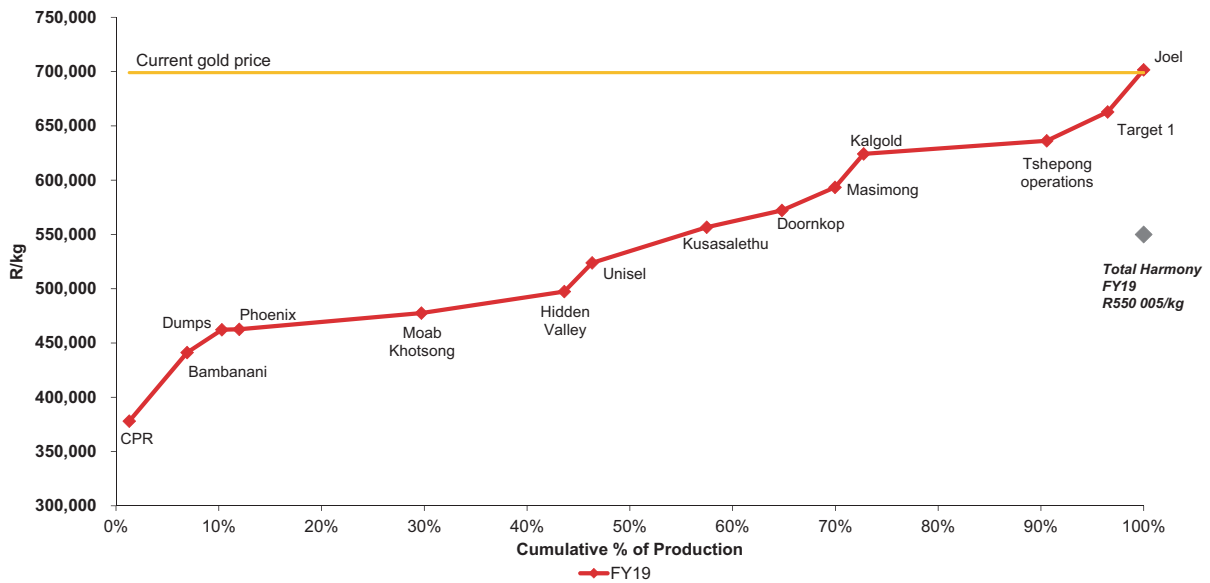
AISC MARGIN SCENARIOS AT VARYING GOLD PRICES (R/kg) (FY19)



FY2020E based on FY20 guidance assumptions: Gold production of 1.46Moz, AISC = R579 000/kg and incl. impact of gold hedge

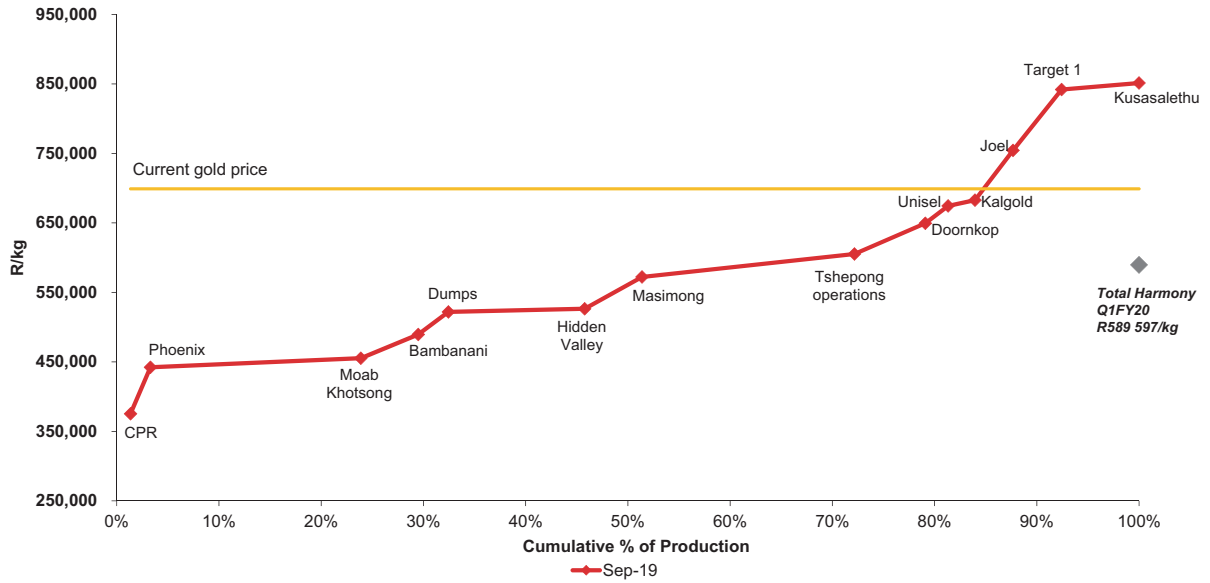


ALL-IN SUSTAINING COSTS (FY19) (R/KG)

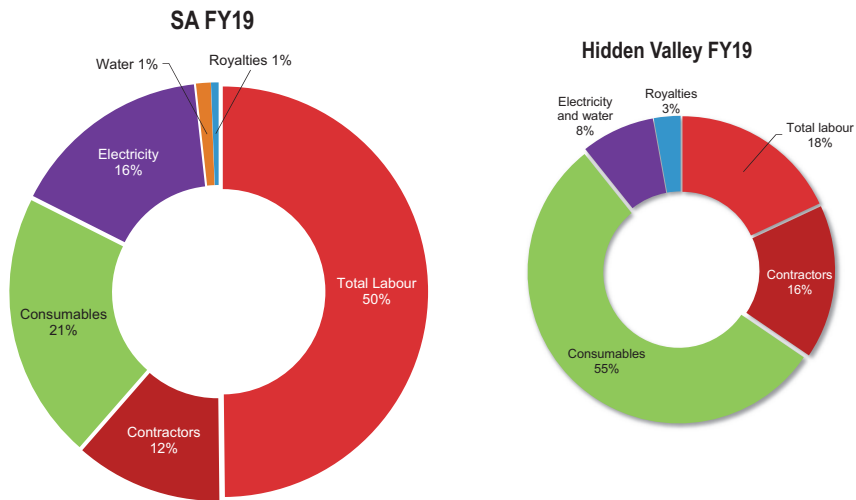


Note: Gold price as at 20 November 2019

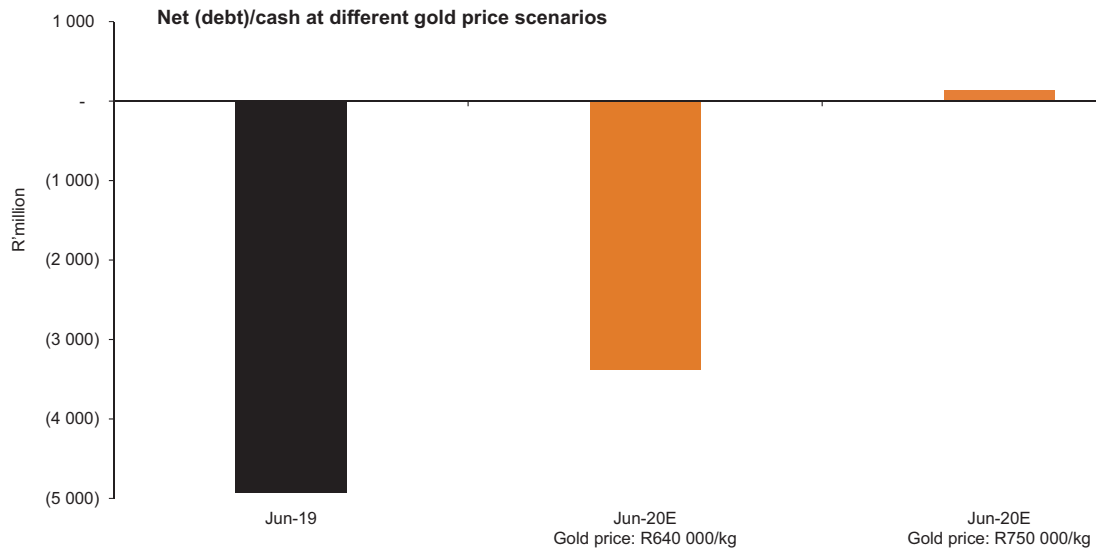
ALL-IN SUSTAINING COSTS (Q1FY20) (R/KG)



FY19 COST SPLIT



NET DEBT (FY19)



FY2020E based on FY20 guidance assumptions: Gold production of 1.46Moz, AISC = R579 000/kg and major capital of R539 million and incl. impact of gold hedge

NEW US\$400 MILLION SYNDICATED FACILITY

New US\$400 million facility has been signed between Harmony and a syndicate of lenders

- Replacing the existing US\$350 million facility
- The key terms and conditions of the facility:
 - US\$200 million term loan and US\$200 million revolving credit facility (RCF)
 - tenor of 3+1 years
 - margin for the term loan 3.05% and RCF 2.90%

HEDGING PROGRAMME AT 30 SEPTEMBER 2019

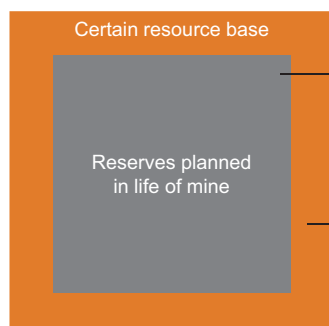
| | FY 2020 | | | FY2021 | | | | FY2022 | TOTAL | |
|--------------------------|-------------|-------|-------|--------|-------|-------|-------|--------|-------|-------|
| | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | | |
| Rand Gold | | | | | | | | | | |
| Forward Contracts | koz | 95 | 95 | 96 | 77 | 75 | 74 | 61 | 25 | 598 |
| | R'000/kg | 642 | 648 | 661 | 672 | 679 | 690 | 728 | 787 | 675 |
| Dollar Gold | | | | | | | | | | |
| Forward Contracts | koz | 12 | 12 | 12 | 12 | 9 | 7 | 4 | 2 | 70 |
| | US\$/oz | 1 363 | 1 357 | 1 370 | 1 413 | 1 417 | 1 456 | 1 477 | 1 532 | 1 400 |
| Total Gold | | | | | | | | | | |
| | koz | 107 | 107 | 108 | 89 | 84 | 81 | 65 | 27 | 668 |
| Currency Hedges | | | | | | | | | | |
| Rand Dollar | | | | | | | | | | |
| Zero Cost Collars | \$m | 79 | 76 | 74 | 64 | 59 | 52 | 29 | 5 | 438 |
| | Floor R/\$ | 14.63 | 14.82 | 14.99 | 15.30 | 15.32 | 15.46 | 15.62 | 15.91 | 15.09 |
| | Cap R/\$ | 15.44 | 15.66 | 15.85 | 16.22 | 16.38 | 16.54 | 16.76 | 17.31 | 16.03 |
| Forward Contracts | \$m | 45 | 64 | 60 | 61 | 35 | 24 | 6 | - | 295 |
| | R/US\$ | 15.13 | 15.28 | 15.44 | 15.89 | 15.82 | 15.96 | 16.23 | - | 15.49 |
| Total Rand Dollar | | | | | | | | | | |
| | \$m | 124 | 140 | 134 | 125 | 94 | 76 | 35 | 5 | 733 |
| Dollar Silver | | | | | | | | | | |
| Zero Cost Collars | koz | 300 | 300 | 300 | 240 | 220 | 210 | 180 | 140 | 189 |
| | Floor \$/oz | 17.06 | 17.06 | 17.06 | 17.38 | 17.93 | 18.07 | 18.32 | 18.43 | 17.54 |
| | Cap \$/oz | 18.43 | 18.43 | 18.43 | 18.79 | 19.38 | 19.53 | 19.82 | 19.95 | 18.95 |

Approved hedging limits: 25% currency (R/US\$) over a 24-month period; 23% gold over a 24-month period; 50% over a 24-months period.

IMPAIRMENT RECOGNISED (FY19)

| | FY19 | FY18 |
|--|---------|---------|
| Assumptions | | |
| <u>Gold price</u> | | |
| US\$/oz (long term) | 1 290 | 1 250 |
| R/kg (long term) | 585 000 | 535 000 |
| <u>Exchange rates</u> | | |
| R/US\$ (long term) | 14.11 | 13.30 |
| Impairment recognised (R'million) | 3 898 | 5 336 |

Recoverable amount



Overall net present value increased year on year

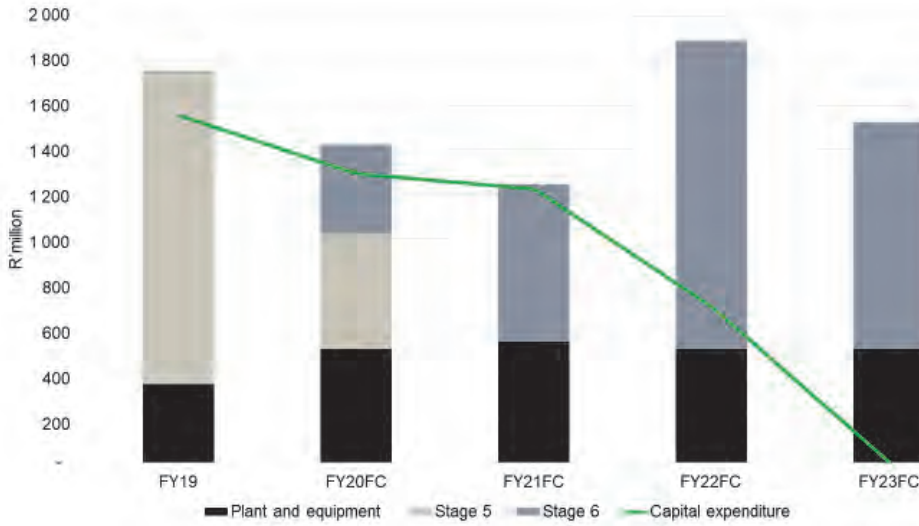
Conservative approach applied in valuation.

The revision of the areas included in certain of the resource base models resulted in lower grades which negatively impacted on the cash flows.

Impacted further by increased costs and capital expenditure on exploiting the resource base.



HIDDEN VALLEY DEPRECIATION (RAND)



Exchange rate assumption for FY20FC onwards: 1PGK = R4.2263 or 1US\$ = R14.11

FY20 GUIDANCE



FY20 COST AND GRADE GUIDANCE

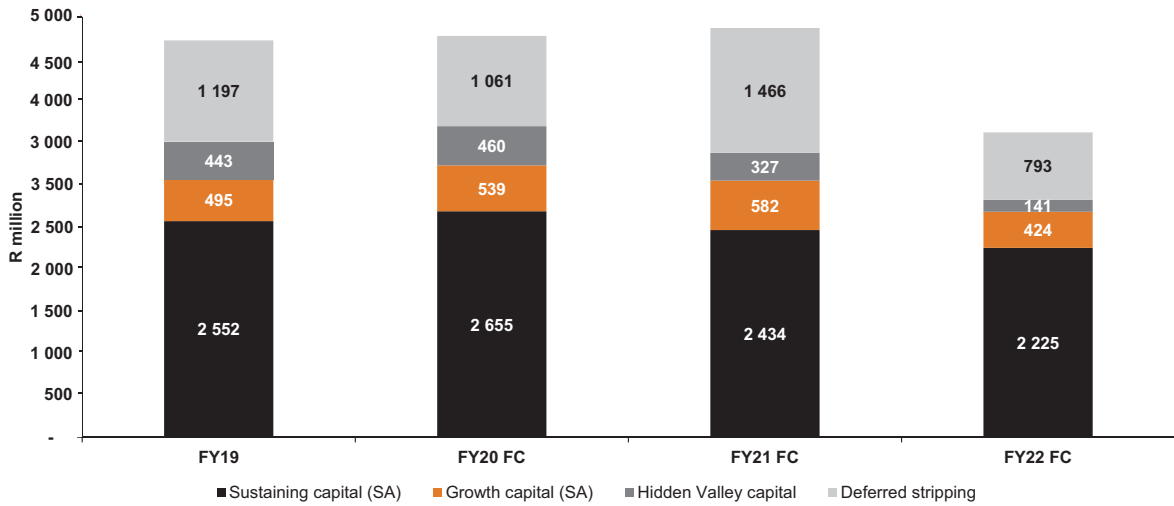
- Plan to produce ~1.46 Moz in FY20, at
 - an average underground recovered grade of ~5.96g/t, and
 - an all-in sustaining cost of R579 000/kg

| Operation | Reserve grade June 2019 (g/t) | Adjusted reserve grade June 2019 (-5%) | FY19 grade (g/t) | FY20 grade guidance (g/t) |
|-------------------------------|----------------------------------|--|---------------------|------------------------------|
| Tshepong operations | 5.68 | 5.40 | 4.94 | 5.61 |
| Moab Khotsong | 8.28 | 7.87 | 8.17 | 9.30 |
| Bambanani | 11.69 | 11.11 | 10.93 | 10.84 |
| Target 1 | 4.47 | 4.25 | 4.51 | 4.32 |
| Doornkop | 4.89 | 4.65 | 4.48 | 4.67 |
| Joel | 4.93 | 4.68 | 3.65 | 4.67 |
| Kusasaletu | 6.76 | 6.42 | 6.72 | 6.62 |
| Masimong | 4.33 | 4.11 | 3.84 | 4.13 |
| Unisel | 4.65 | 4.42 | 4.73 | 4.46 |
| Underground operations | 5.83 | 5.54 | 5.59 | ~5.96 |

FY20 PRODUCTION GUIDANCE (PER OPERATION)

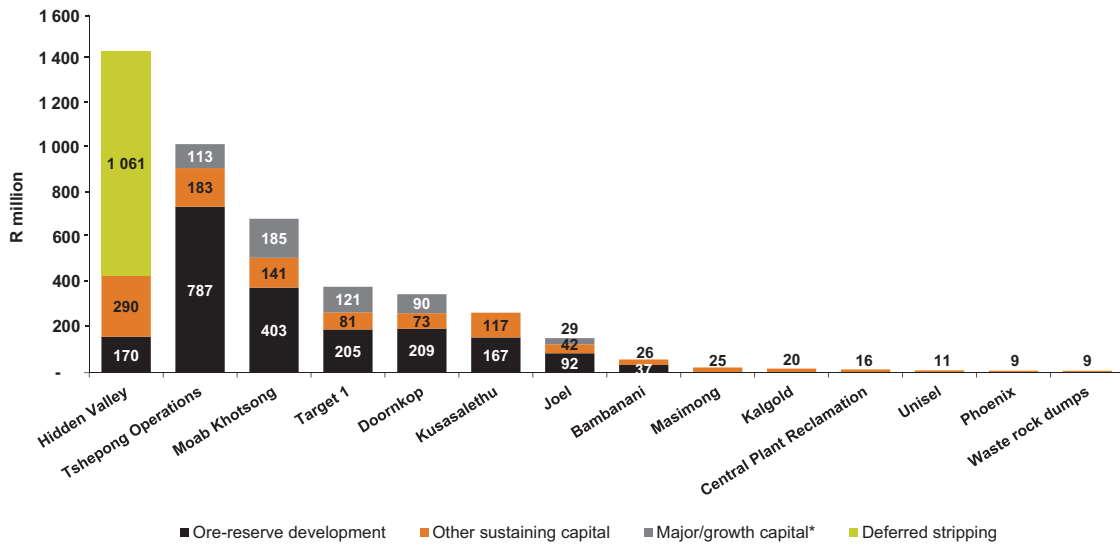
| Operation | FY19 production (oz) | FY20 guidance (oz) | Life of mine (years) |
|--|-------------------------|-----------------------|-------------------------|
| Tshepong operations | 256 146 | 290 000 | 19 |
| Moab Khotsong | 254 891 | 246 000 | 9 |
| Bambanani | 80 860 | 77 000 | 4 |
| Target 1 | 85 296 | 84 000 | 7 |
| Doornkop | 105 229 | 113 000 | 17 |
| Joel | 50 379 | 61 000 | 10 |
| Kusasaletu | 160 400 | 169 000 | 5 |
| Masimong | 74 237 | 69 000 | 1 |
| Unisel | 38 966 | 32 000 | 1 |
| Underground operations | 1 106 404 | 1 141 000 | |
| SA surface (tailings and waste rock dumps) | 91 629 | 87 000 | 14+ |
| Kalgold | 40 156 | 42 000 | 12 |
| Hidden Valley | 200 042 | 190 000 | 4 |
| Total | 1 438 231 | ~1.460 Moz | |

CAPITAL GUIDANCE* (RAND)



* Excluding Golpu (subject to granting of SML and board approval)

FY20 CAPITAL GUIDANCE PER OPERATION (RAND)



* Excluded from all-in sustaining cost

Excluding Golpu (subject to granting of special mining lease (SML) and board approval)

EMPLOYEE RELATIONS

Employee complement

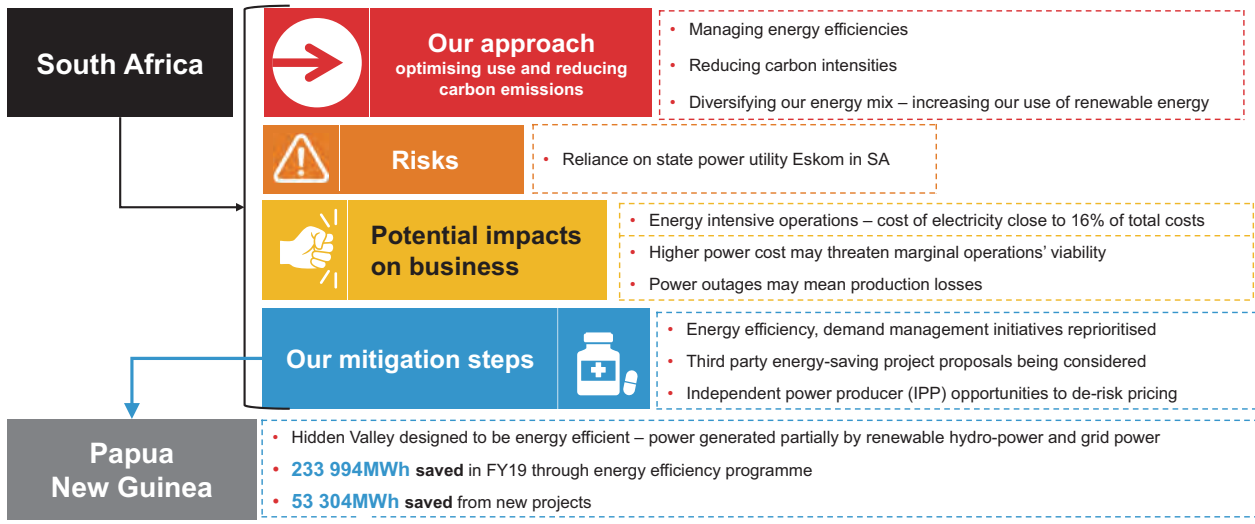
| Region | Permanent employees | | Contractors | | % of employees drawn from local communities | |
|-------------------------------|---------------------|---------------|--------------|--------------|---|------|
| | FY19 | FY18 | FY19 | FY18 | FY19 | FY18 |
| South Africa | 31 201 | 32 520 | 6 159 | 5 951 | 79 | 75 |
| Papua New Guinea ¹ | 1 675 | 1 397 | 738 | 818 | 96 | 96 |
| Harmony - total | 32 876 | 33 917 | 6 897 | 6 769 | | |

¹ Excludes employees of the Wafi-Golpu Joint Venture

| Diversity, gender equality | | Training, skills development | Union representation | |
|---|--|---|----------------------|--|
| In South Africa | In Papua New Guinea | In South Africa | In South Africa | In Papua New Guinea |
| <p>62% of management historically disadvantaged South Africans (FY18: 60%)</p> <p>Strategy rollout in FY19 to improve women representation</p> | <p>96% of employees are local (FY18: 96%)</p> <p>14% are women (FY18: 12%)</p> | <p>93% of the workforce trained, developed in FY19 (FY18: 92%)</p> <p>R484 million spent (FY18: R418 million)</p> | | <p>Employee representative committee</p> |



ENERGY MANAGEMENT



In-country progress

| South Africa | Papua New Guinea |
|--|---|
| <ul style="list-style-type: none"> Government's plan for Eskom (announced 29.10.19) | <ul style="list-style-type: none"> 25% reduction in diesel-generated power Improved supply from national grid |



PRIVATE SECURITIES LITIGATION REFORM ACT SAFE HARBOUR STATEMENT

FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements within the meaning of the safe harbour 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 annual report and the exhibits to this annual report, 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 annual report. 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 prices of gold and other metals prices ; estimates of future production and sales for gold and other metals ; estimates of future cash costs ; estimates of future cash flows, and the sensitivity of cash flows to the prices of gold and other metals; estimates of provision for silicosis settlement; estimates of future tax liabilities under the Carbon Tax Act; statements regarding future debt repayments; estimates of future capital expenditures; the success of our business strategy, exploration and 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 labour disruptions related to industrial action or health and safety incidents; 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; our ability to hire and retain senior management, sufficiently technically-skilled employees, as well as our ability to achieve sufficient representation of historically disadvantaged persons in management positions; our ability to comply with requirements that we operate in a sustainable manner and provide benefits to affected communities; potential liabilities related to occupational health diseases, changes in government regulation and the political environment, particularly tax and royalties, mining rights, health, safety, environmental regulation and business ownership including any interpretation thereof; court decisions affecting the mining industry, including, without limitation, regarding the interpretation of mining rights; our ability to protect our information technology and communication systems and the personal data we retain; risks related to the failure of internal controls; the outcome of pending or future litigation or regulatory proceedings; fluctuations in exchange rates and currency devaluations and other macroeconomic monetary policies; the adequacy of the Group's insurance coverage; any further downgrade of South Africa's credit rating and socio-economic or political instability in South Africa, Papua New Guinea and other countries in which we operate.
- The foregoing factors and others described under "Risk Factors" in our Integrated Annual Report (www.har.co.za) should not be construed as exhaustive. We undertake no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this annual report or to reflect the occurrence of unanticipated events, except as required by law. All subsequent written or oral forward-looking statements attributable to Harmony or any person acting on its behalf are qualified by the cautionary statements herein.





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