



QUARTER 4 and YEAR ENDED FY15

Graham Briggs

Frank Abbott

18 August 2015

www.harmony.co.za

Private Securities Litigation Reform Act Safe Harbour Statement



This presentation contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and 21E of the Securities Exchange Act of 1934, as amended, that are intended to be covered by the safe harbour created by such sections. These statements may be identified by words such as "expects", "looks forward to", "anticipates", "intends", "believes", "seeks", "estimates", "will", "project" or words of similar meaning. All statements other than those of historical facts included in this presentation are forward-looking statements, including, without limitation, (i) estimates of future earnings, and the sensitivity of earnings to the gold and other metals prices; (ii) estimates of future gold and other metals production and sales, (iii) estimates of future cash costs; (iv) estimates of future cash flows, and the sensitivity of cash flows to the gold and other metals prices; (v) statements regarding future debt repayments; (vi) estimates of future capital expenditures; and (vii) estimates of reserves, and statements regarding future exploration results and the replacement of reserves. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, gold and other metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, project cost overruns, as well as political, economic and operational risks in the countries in which we operate and governmental regulation and judicial outcomes. 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 Annual Report on Form 20-F for the year ended June 30, 2014 which is on file with the Securities and Exchange Commission, as well as the Company's other SEC filings. The Company does not undertake any obligation to release publicly any revisions to any "forward-looking statement" to reflect events or circumstances after the date of this presentation, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

- 1 Our strategy
- 2 Our operations
- 3 Financial results
- 4 FY16 guidance
- 5 Replacing ounces
- 6 Conclusion



OUR STRATEGY

- Our focus is on:
 - improving margins (safe, profitable ounces)
 - generating cash flow
 - repaying our debt
- Golpu key to future of Harmony
- Full value of underlying assets to be reflected in our share price



OUR OPERATIONS

Safety and health

- Best safety performance
- Pro-active, preventative model of health service delivery
 - decrease in absenteeism, hospitalisation and medical mortality
 - decrease in tuberculosis rates
 - awareness of HIV/Aids exceeds national average
- Participation in industry working group to address compensation and medical care relating to occupational lung disease

Operational

- Bambanani lowest cost underground mine in SA
- Kusasalethu, Masimong, Doornkop and Hidden Valley restructured for profitability
- Underground grade remained stable at 4.75g/t for the year
- Cost increases below inflation

Operational results for June 2015 (q-on-q)



		Jun 2015 quarter	Mar 2015 quarter	% change
Gold produced	kg	7 977	7 642	4
	oz	256 465	245 697	4
Gold price	R/kg	463 910	460 569	1
	US\$/oz	1 195	1 220	(2)
Cash operating costs	R/kg	389 671	377 901	(3)
	US\$/oz	1 003	1 001	-
Underground recovery grade	g/t	4.61	4.75	(3)
Production profit	Rm	627	643	(2)
	US\$m	52	55	(5)
All-in sustaining costs	R/kg	478 746	474 873	(1)
	US\$/oz	1 233	1 258	2
Average exchange rate	R/US\$	12.08	11.74	3

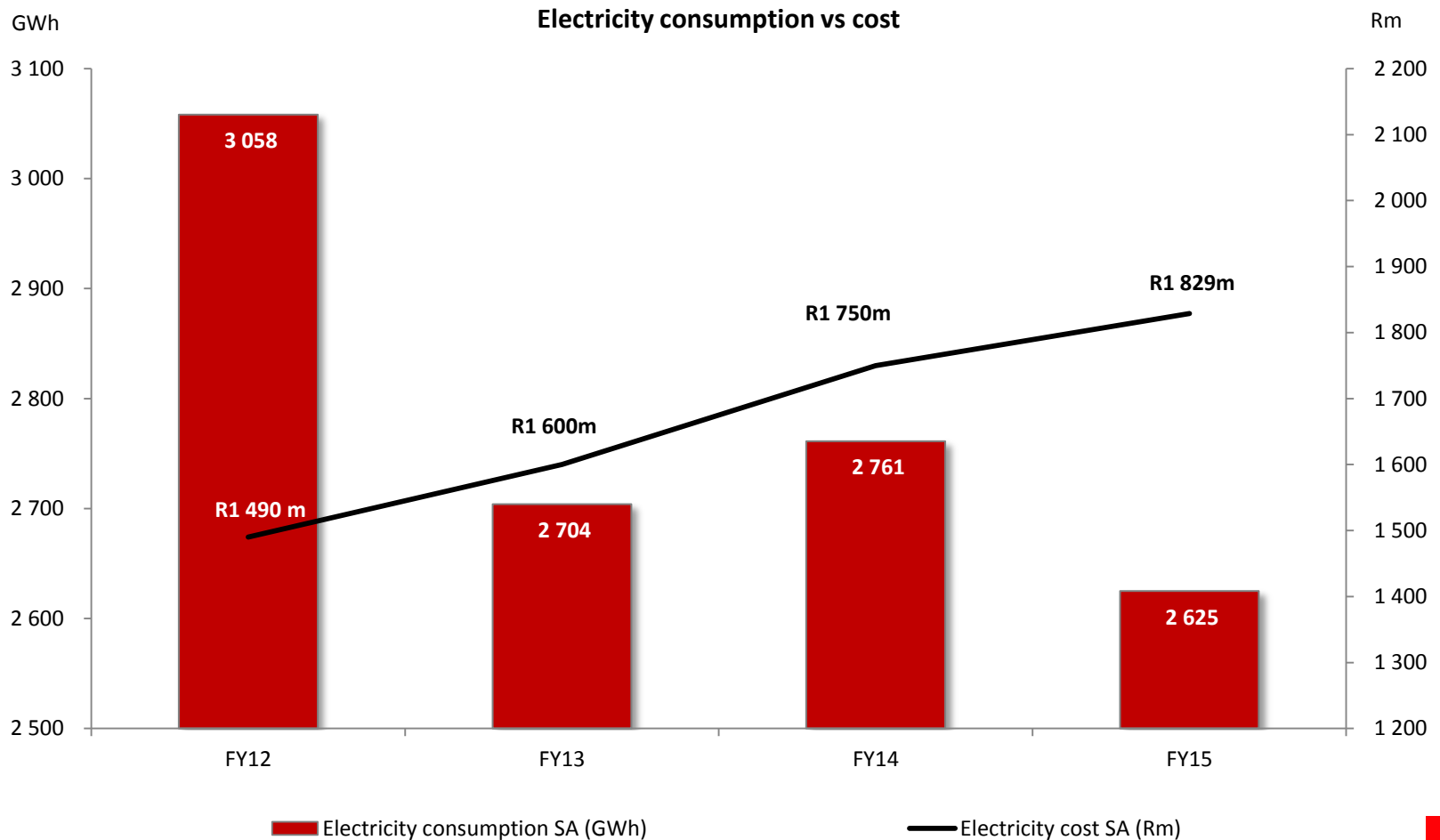
Operational results for FY15 (y-on-y)



		Year ended Jun-15	Year ended Jun-14	% change
Gold produced	kg	33 513	36 453	(8)
	oz	1 077 466	1 171 987	(8)
Gold price	R/kg	449 570	432 165	4
	US\$/oz	1 222	1 299	(6)
Cash operating costs	R/kg	369 203	328 931	(12)
	US\$/oz	1 003	988	(2)
Underground recovery grade	g/t	4.75	4.77	-
Production profit	Rm	2 803	3 794	(26)
	US\$m	245	367	(33)
All-in sustaining costs	R/kg	458 626	413 433	(11)
	US\$/oz	1 246	1 242	-
Average exchange rate	R/US\$	11.45	10.35	11

Fighting inflationary increases

- Eskom imposed 81% cumulative price increases from FY12
- In the past 4 years, we saved 14% on usage, limiting the increase in electricity costs to 23%



- Distinctly different approach than before
 - sustainability
 - job retention
 - economic realities of each company
- Lower gold price and increasing costs
- High increases place majority of our operations at risk
- Discussions on-going

FINANCIAL RESULTS



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



	Jun 2015 quarter (Rm)	Mar 2015 quarter (Rm)	% change
Extracts from income statement and operating results			
Revenue	3 860	3 428	13
Production costs	(3 233)	(2 785)	(16)
Cash operating costs	(3 108)	(2 888)	(8)
Inventory movements	(125)	103	>(100)
Production profit as per operating results	627	643	(2)
Amortisation and depreciation	(624)	(596)	(5)
Impairment of assets	(3 471)	-	(100)
Loss on scrapping of property, plant and equipment	(61)	-	(100)
Foreign exchange translation gain/(loss)	3	(128)	>100
Taxation	562	33	>100
Net loss	(3 152)	(263)	>(100)
Impairment and other adjustments (net of tax)	3 343	1	>100
Headline earnings/(loss)	191	(262)	>100

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



	Jun 2015 quarter (US\$m)	Mar 2015 quarter (US\$m)	% change
Extracts from income statement and operating results			
Revenue	320	292	10
Production costs	(268)	(237)	(13)
Cash operating costs	(258)	(246)	(5)
Inventory movements	(10)	9	>(100)
Production profit as per operating results	52	55	(5)
Amortisation and depreciation	(52)	(51)	(2)
Impairment of assets	(287)	-	(100)
Loss on scrapping of property, plant and equipment	(5)	-	(100)
Foreign exchange translation loss	-	(11)	100
Taxation	47	3	>100
Net loss	(261)	(22)	>(100)
Impairment and other adjustments (net of tax)	277	-	100
Headline earnings/(loss)	16	(22)	>100
Average exchange rate (R/US\$)	12.08	11.74	3

Extract from income statement (y-on-y) – Rand



	Year ended Jun-15 (Rm)	Year ended Jun-14 (Rm)	% change
Extracts from income statement and operating results			
Revenue	15 435	15 682	(2)
Production costs	(12 632)	(11 888)	(6)
Cash operating costs	(12 373)	(11 991)	(3)
Inventory movements	(259)	103	>(100)
Production profit as per operating results	2 803	3 794	(26)
Amortisation and depreciation	(2 472)	(2 143)	(15)
Impairment of assets	(3 471)	(1 439)	>(100)
Employment termination and restructuring costs	(251)	(274)	8
Exploration expenditure ¹	(263)	(458)	43
Loss on scrapping of property, plant and equipment	(491)	-	(100)
Foreign exchange translation loss	(367)	(190)	(93)
Taxation	704	279	>100
Net loss	(4 536)	(1 270)	>(100)
Impairment and other adjustments (net of tax)	3 715	1 384	>100
Headline (loss)/earnings	(821)	114	>(100)

¹ Golpu exploration costs capitalised as from the March 2015 quarter

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



	Year ended Jun-15 (US\$m)	Year ended Jun-14 (US\$m)	% change
Extracts from income statement and operating results			
Revenue	1 348	1 515	(11)
Production costs	(1 103)	(1 148)	4
Cash operating costs	(1 081)	(1 158)	7
Inventory movements	(22)	10	>(100)
Production profit as per operating results	245	367	(33)
Amortisation and depreciation	(216)	(207)	(4)
Impairment of assets	(303)	(135)	>(100)
Employment termination and restructuring costs	(22)	(26)	15
Exploration expenditure ¹	(23)	(44)	48
Loss on scrapping of property, plant and equipment	(43)	-	(100)
Foreign exchange translation loss	(32)	(18)	(78)
Taxation	61	27	>100
Net loss	(396)	(118)	>(100)
Impairment and other adjustments (net of tax)	324	130	>100
Headline (loss)/ earnings	(72)	12	>(100)
Average exchange rate (R/US\$)	11.45	10.35	11

¹ Golpu exploration costs capitalised as from the March 2015 quarter

- Total year-end impairment of R3 471 million (US\$303 million)
 - Hidden Valley: R2 114 million (US\$185 million) due to:
 - reduction in the US dollar gold and silver prices
 - high all-in sustaining costs
 - reduced life of mine
 - Doornkop: R1 036 million (US\$90 million)
 - new life of mine plan resulted in reduced recoverable value
 - Phakisa: R278 million (US\$24 million), due to:
 - continued impact of cost pressures on profitability
 - Freddie's 9: R43 million (US\$4 million)
 - removed from our mineral resources

Note: US\$ convenience translation at the average rate for the year ended 30 June 2015 of US\$/R11.45

	Year ended Jun 2015 (Rm)	Year ended Jun 2015 (US\$m)
Operational cash flow (excl. exploration and retrenchment)	2 394	209
Operational capital expenditure and other (excl. Golpu)	(2 606)	(228)
Operational cash utilised	(212)	(19)
Retrenchment expenditure	(251)	(22)
Investing in our future (Golpu and exploration)	(336)	(29)
Foreign exchange translation	(382)	(14)
Loan to Rand Refinery	(120)	(10)
Increase in net debt	(1 301)	(94)
Net debt balance	(2 332)	(192)

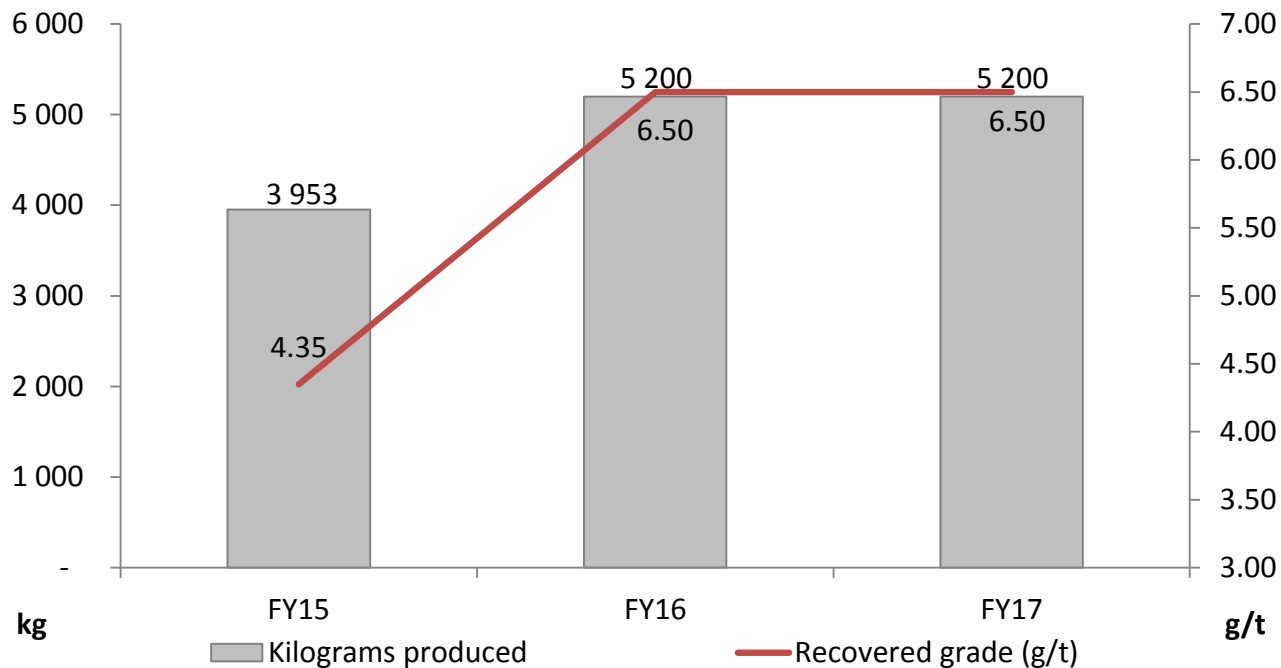


FY16 GUIDANCE

- Realistic plans
 - safe, production ounces our focus
- Planning assumptions
 - gold price of R450 000/kg
- Operational risks identified
 - bottlenecks removed
 - optimising development, equipping and ledging
 - majority of growth capital spent
- Rightsizing cost structure
- Bambanani will be biggest cash contributor
- Growth in production to come from Kusasalethu, Tshepong and Phakisa

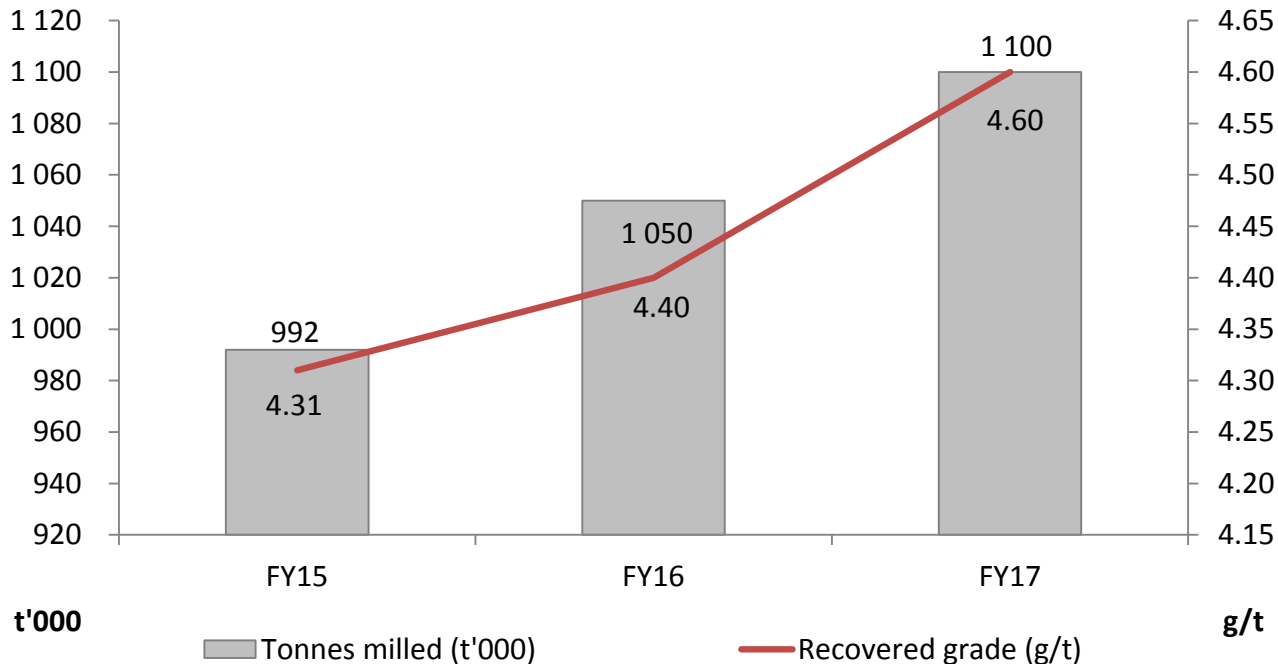
Key success factors

- Restructured to return to profitability
- Focus on mining high grade areas
- Reduction in electricity usage
- Splitting reef and waste tonnes



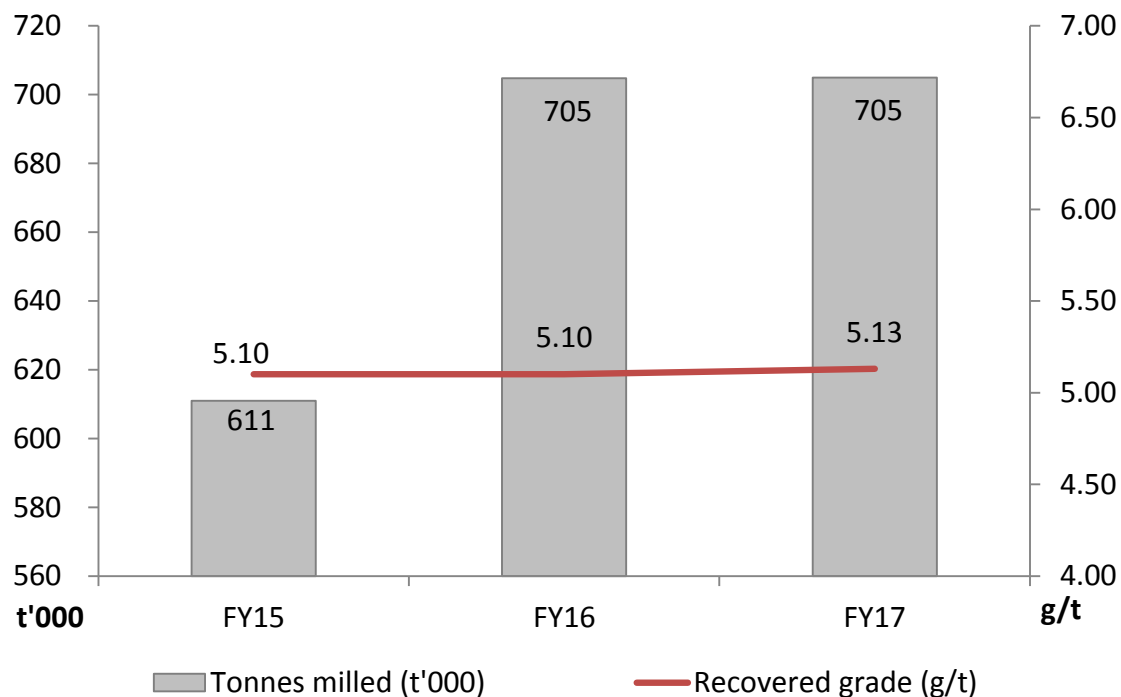
Key success factors

- Higher volumes and higher grade
- Consistent producer
- Equipping of panels on time to maintain mining flexibility
- Production build up in the sub 66 decline drives improvement in grade

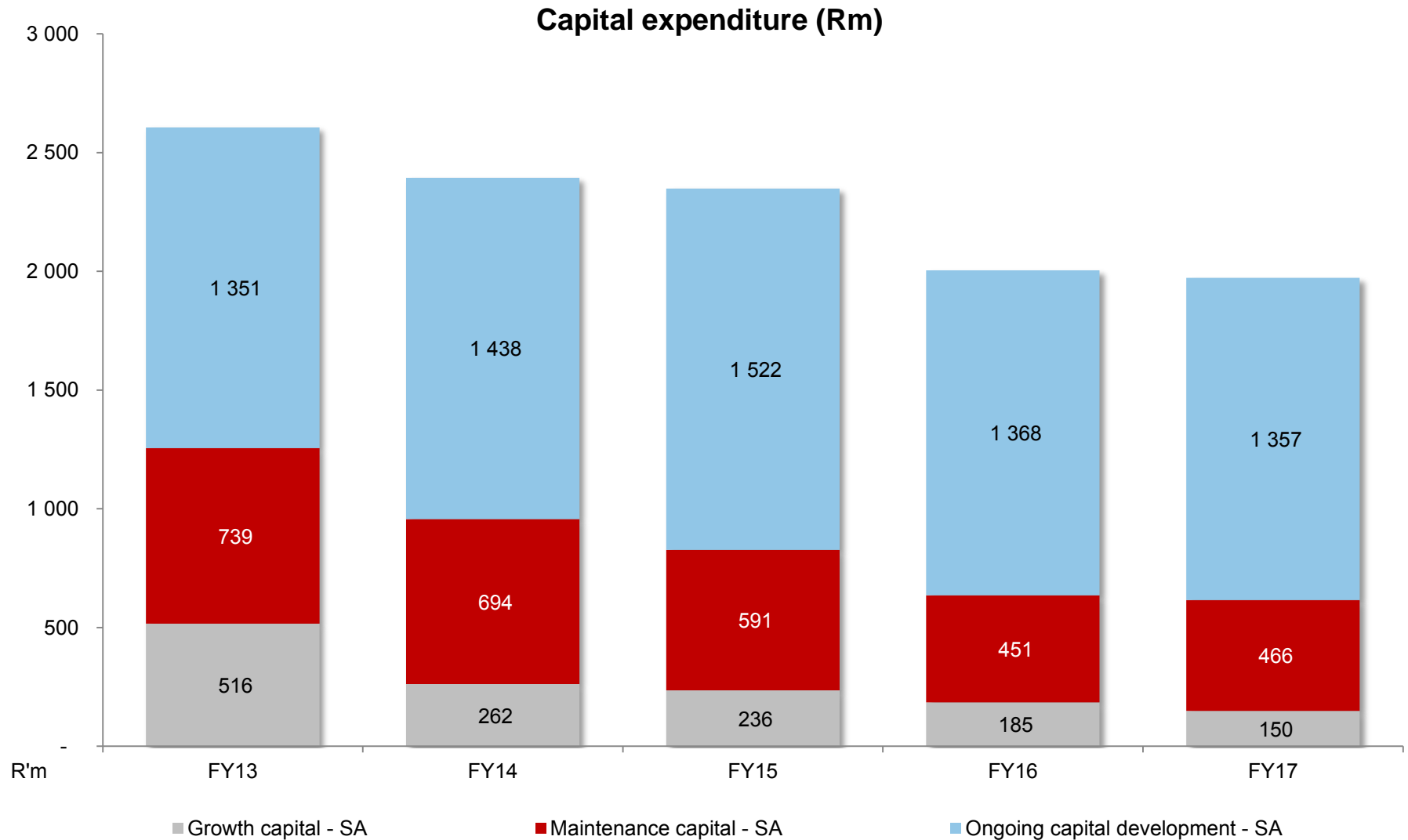


Key success factors

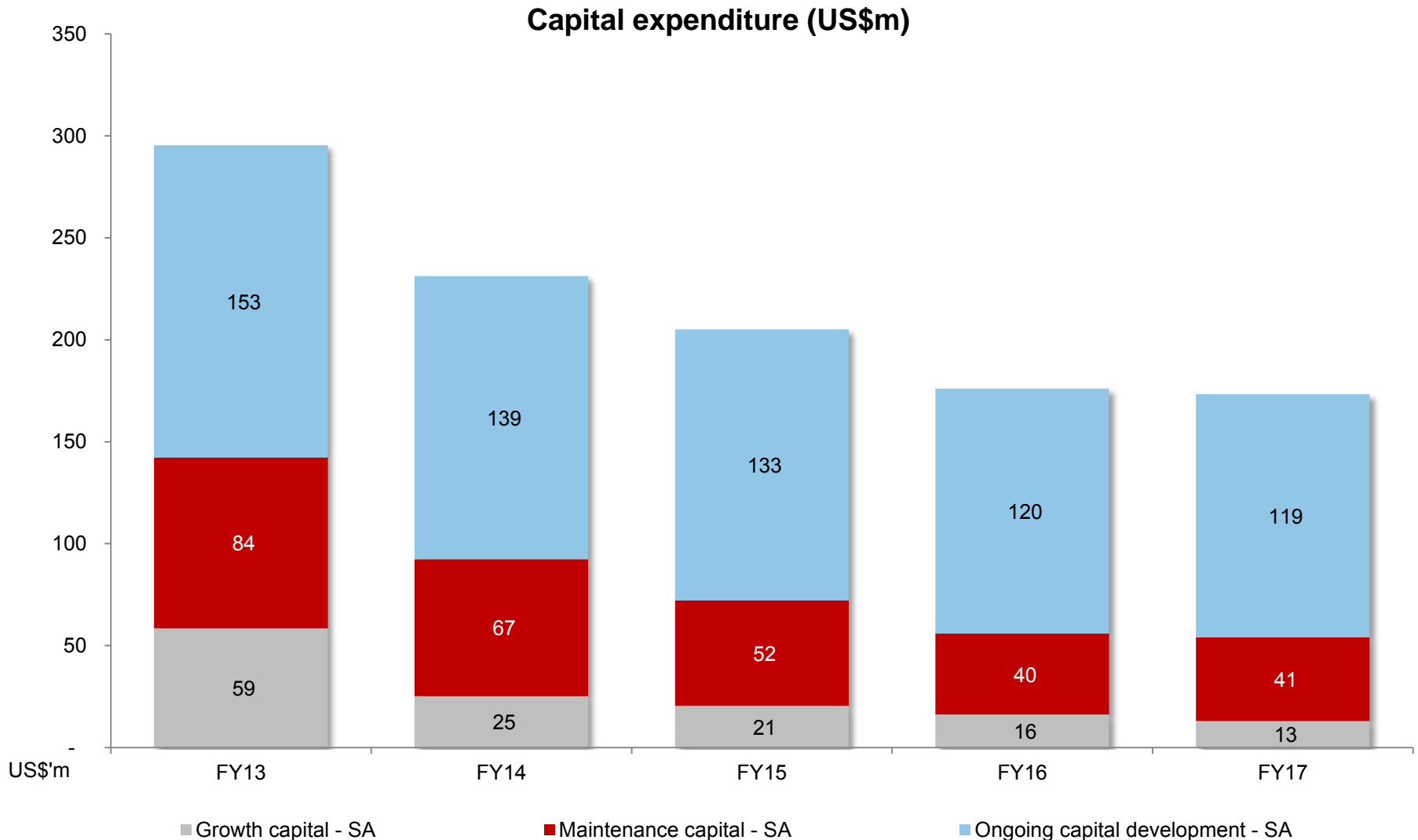
- Continue to achieve planned development targets to ensure production build up
- Increase in volume, grade will remain stable in FY16
- Peak production in FY17



Major capital spend in SA behind us



Major capital spend in SA behind us



FY16 guidance – aimed at increasing margins



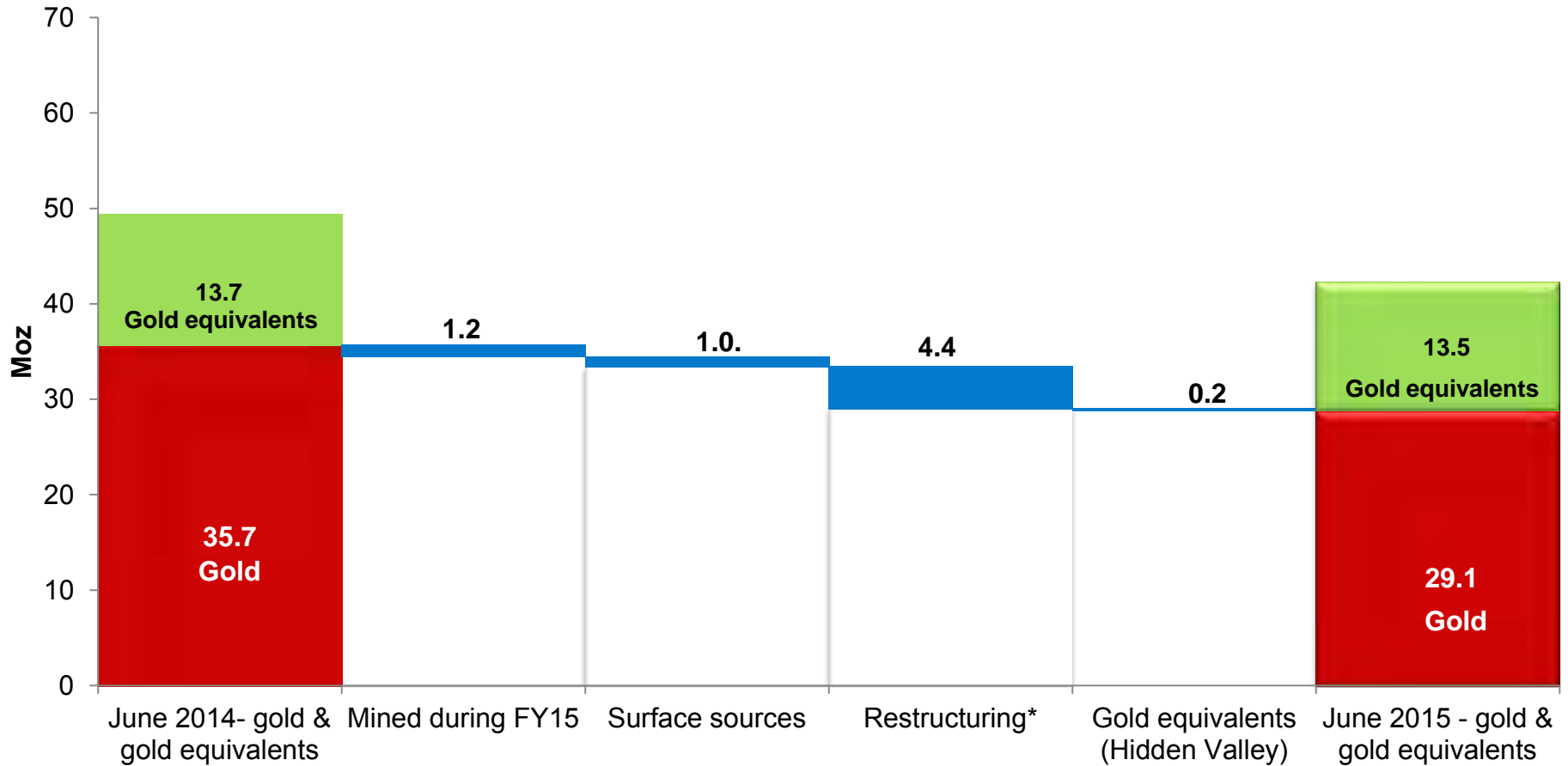
Operation	FY16 production (oz)	FY16 Cost and capital R/kg	FY16	Life of mine (years)
			Cost and capital US\$/oz	
Kusasaletu	170 000 - 190 000	410 000 - 440 000		25
Phakisa	90 000 - 110 000	450 000 - 490 000		11
Tshepong	120 000 - 140 000	425 000 - 450 000		20
Target 1	110 000 - 130 000	410 000 - 440 000		10
Bambanani	80 000- 100 000	260 000 - 300 000		6
Doornkop	70 000- 90 000	440 000 - 460 000		15
Masimong	65 000 - 80 000	420 000 - 455 000		3
Unisel	45 000 - 55 000	430 000 - 465 000		5
Joel	60 000 - 75 000	410 000 - 440 000		11
Underground operations	810 000 - 970 000	425 000 - 450 000		
Hidden Valley	80 000 - 95 000	395 000 - 425 000		3 - 6
Various surface	50 000 - 55 000	410 000 - 445 000		15+
Kalgold	30 000 - 40 000	420 000 - 450 000		14
Total	~ 1.1 Moz	~ R435 000/kg	~ US\$1 080*/oz	

*Exchange rate of US\$/R12.50

All about safe, profitable ounces



Mineral reserves reconciliation - FY14 vs FY15



* Hidden Valley, Kusasaletu, Masimong, Doornkop and the closure of Target 3

Mining our reserve grade

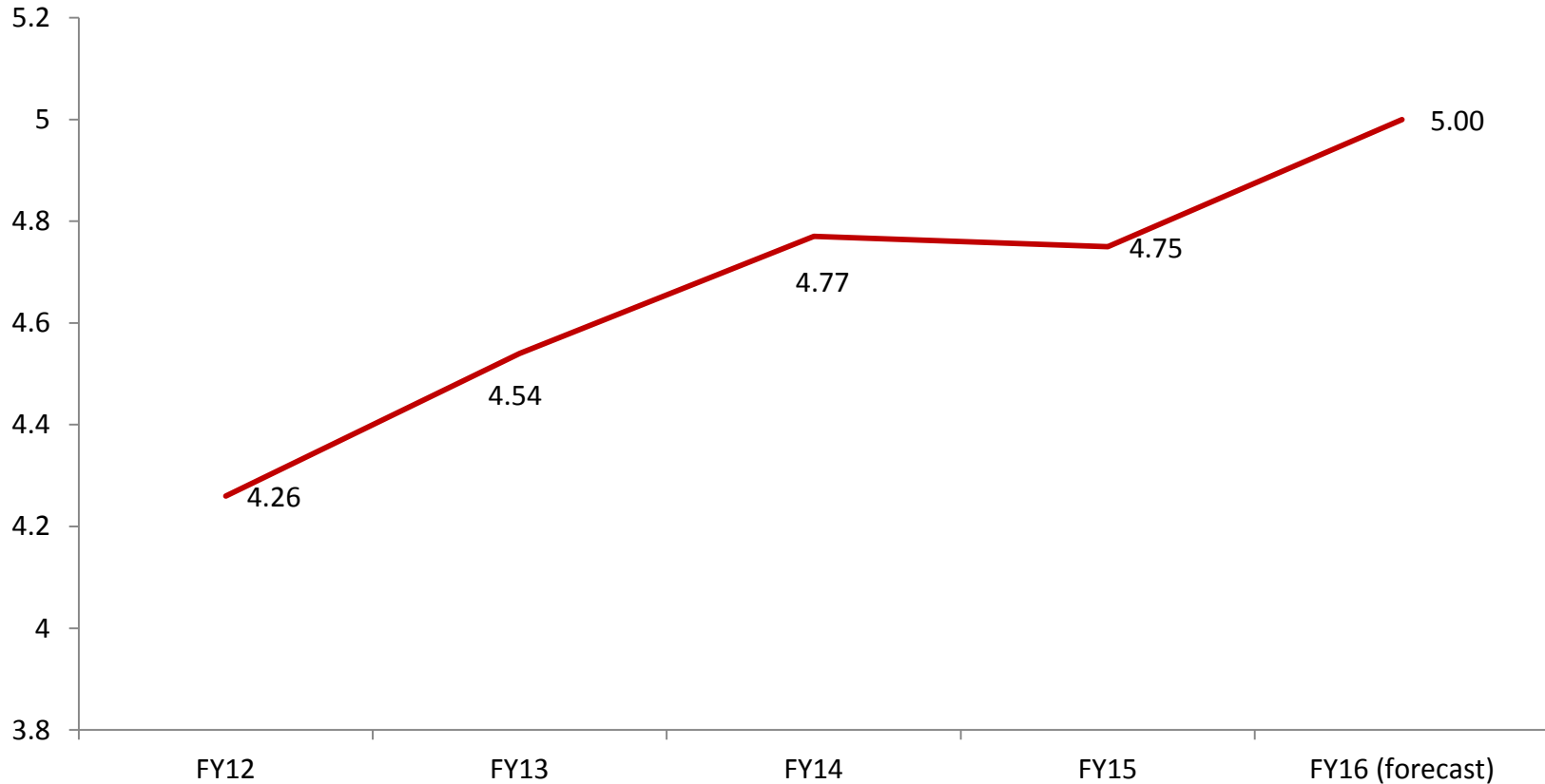
Operation	Reserve grade g/t	Adjusted reserve grade (-5%)	Actual grade (g/t) achieved in FY15	% of reserve grade achieved in FY15	Rating	FY16 grade guidance (g/t)
Kusasaletu	6.18	5.87	4.35	74%	✗ <input type="checkbox"/>	6.5
Phakisa	6.83	6.49	5.1	79%	✗ <input type="checkbox"/>	5.1
Tshepong	5.42	5.15	4.31	84%	✓ <input type="checkbox"/>	4.4
Target 1	5.29	5.03	5.11	102%	✓ <input type="checkbox"/>	4.6
Bambanani	11.33	10.76	12.7	118%	✓ <input type="checkbox"/>	11.5
Doornkop	5.16	4.90	4.42	90%	✓ <input type="checkbox"/>	4.4
Masimong	3.85	3.66	3.68	101%	✓ <input type="checkbox"/>	3.6
Unisel	4.48	4.26	4.06	95%	✓ <input type="checkbox"/>	3.9
Joel	5.24	4.98	4.1	82%	✓ <input type="checkbox"/>	4.2
Underground operations	5.82	5.53	4.75	86%	✓ <input type="checkbox"/>	~5.0

- ✗ Not achieved yet (below 80%)
- ✓ Close to target grade (80 to 90%)
- ✓ Achieved target grade (90% plus)

Continuous increase in grade



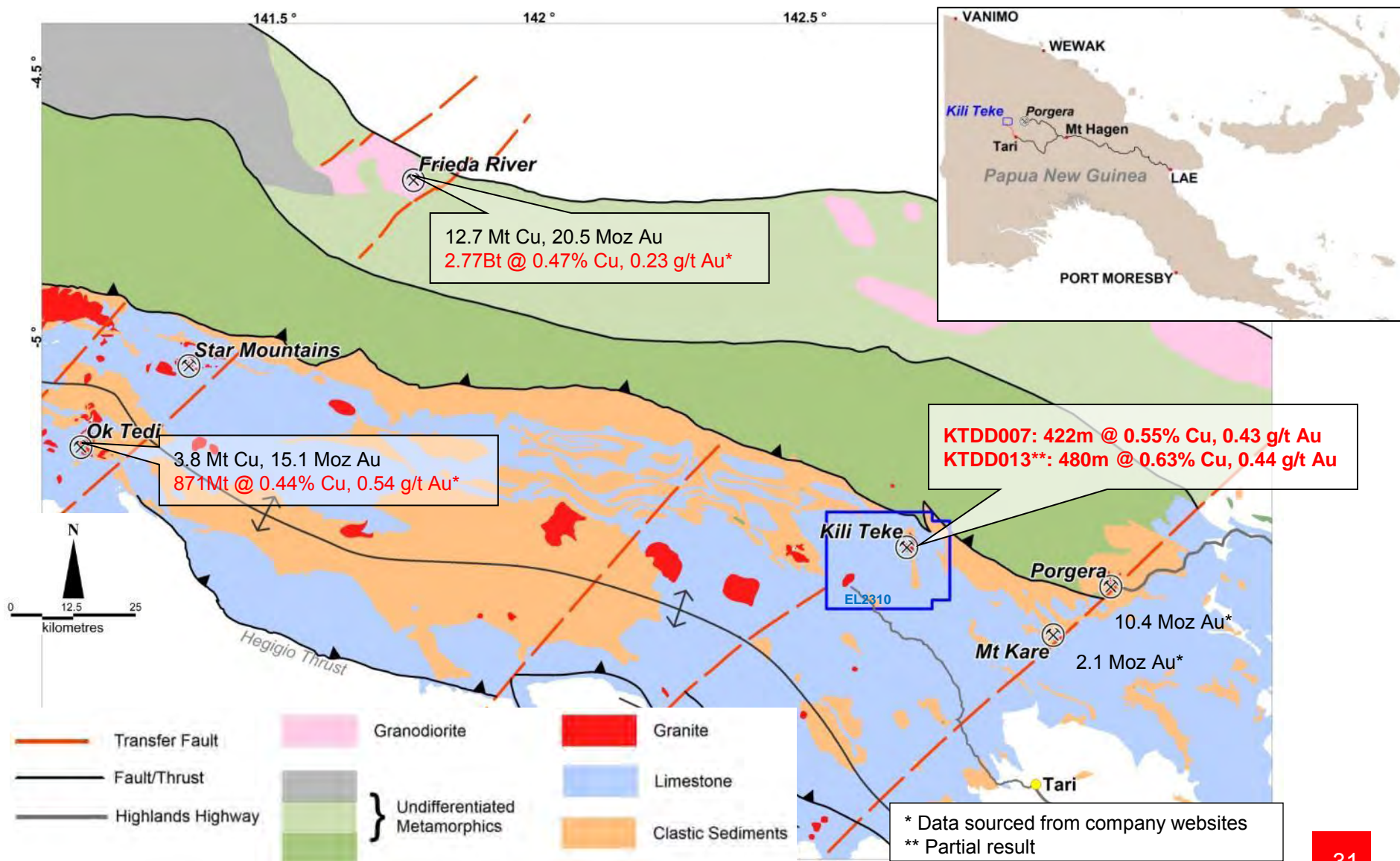
Underground recovered grade (g/t)





REPLACING OUNCES

Kili Teke in elephant country

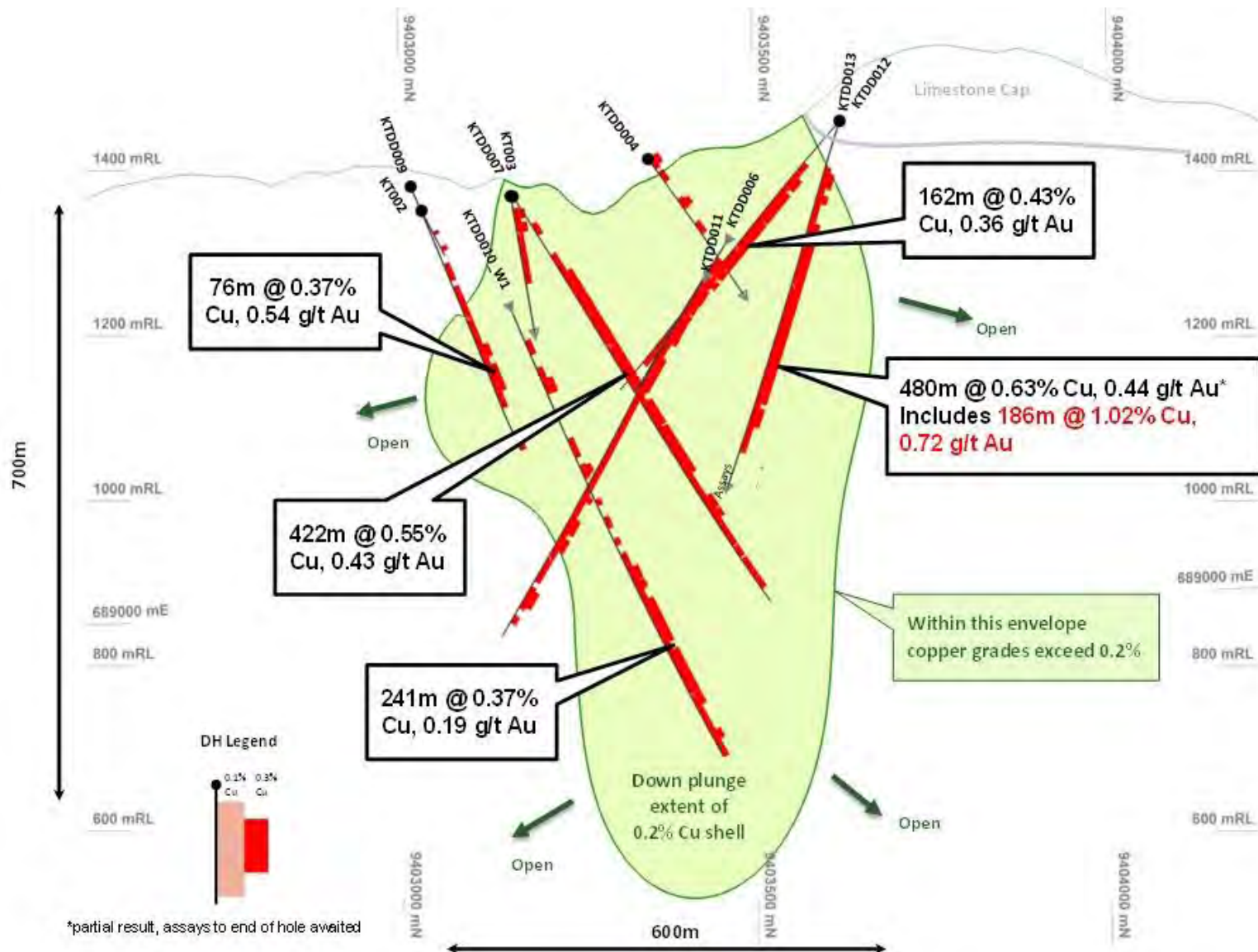


Kili Teke is a new exciting discovery



- Kili Teke compared to Golpu
 - 13 holes drilled at Kili Teke (~ 6 000 meters)
 - Golpu currently has over 500 drill holes (~ 300 000 meters)
 - Copper mineralisation at the Wafi gold prospect was discovered in the 95th hole (WR095)
 - Current Golpu resource stands at : 1.07 Bt @ 0.87% Cu, 0.59 g/t Au
(9.3 Mt Cu, 20.2 Moz Au)
- Initial intercepts at Kili Teke highly encouraging:
 - KTDD013: 480m @ 0.63% Cu, 0.44 g/t Au from 90m
including 186m @ 1.02% Cu, 0.72 g/t Au from 252m

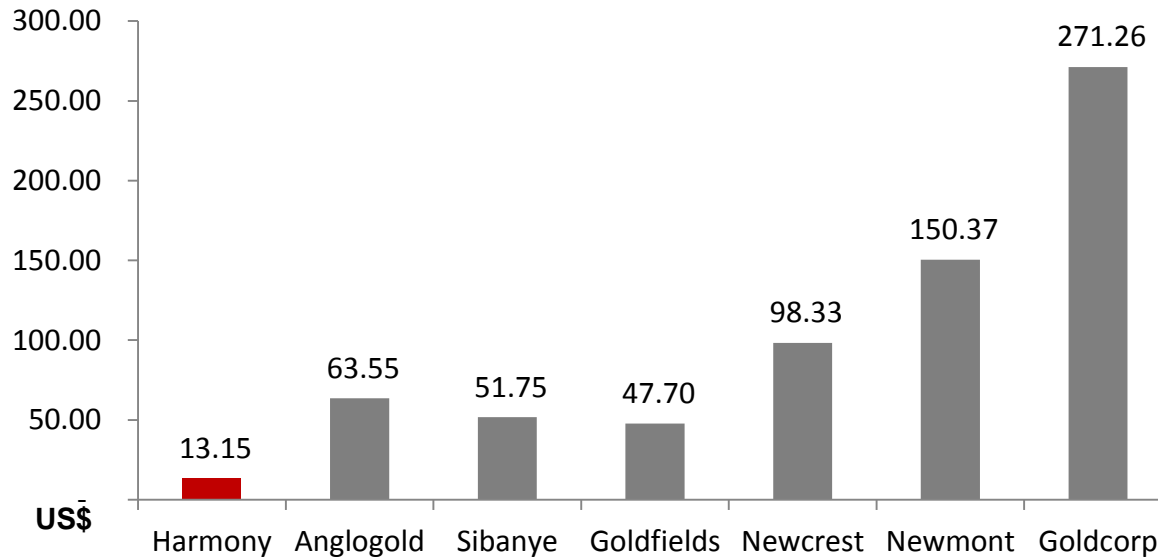
Kili Teke oblique long section



A photograph of an industrial worker in a green uniform and white hard hat working on a large, dark, cylindrical piece of machinery. The worker is positioned in the middle ground, reaching towards a control panel or component. The machinery is massive and has several horizontal bands with bolts. In the background, there are yellow structural beams and a clear blue sky. The overall scene is an industrial setting, likely a refinery or processing plant.

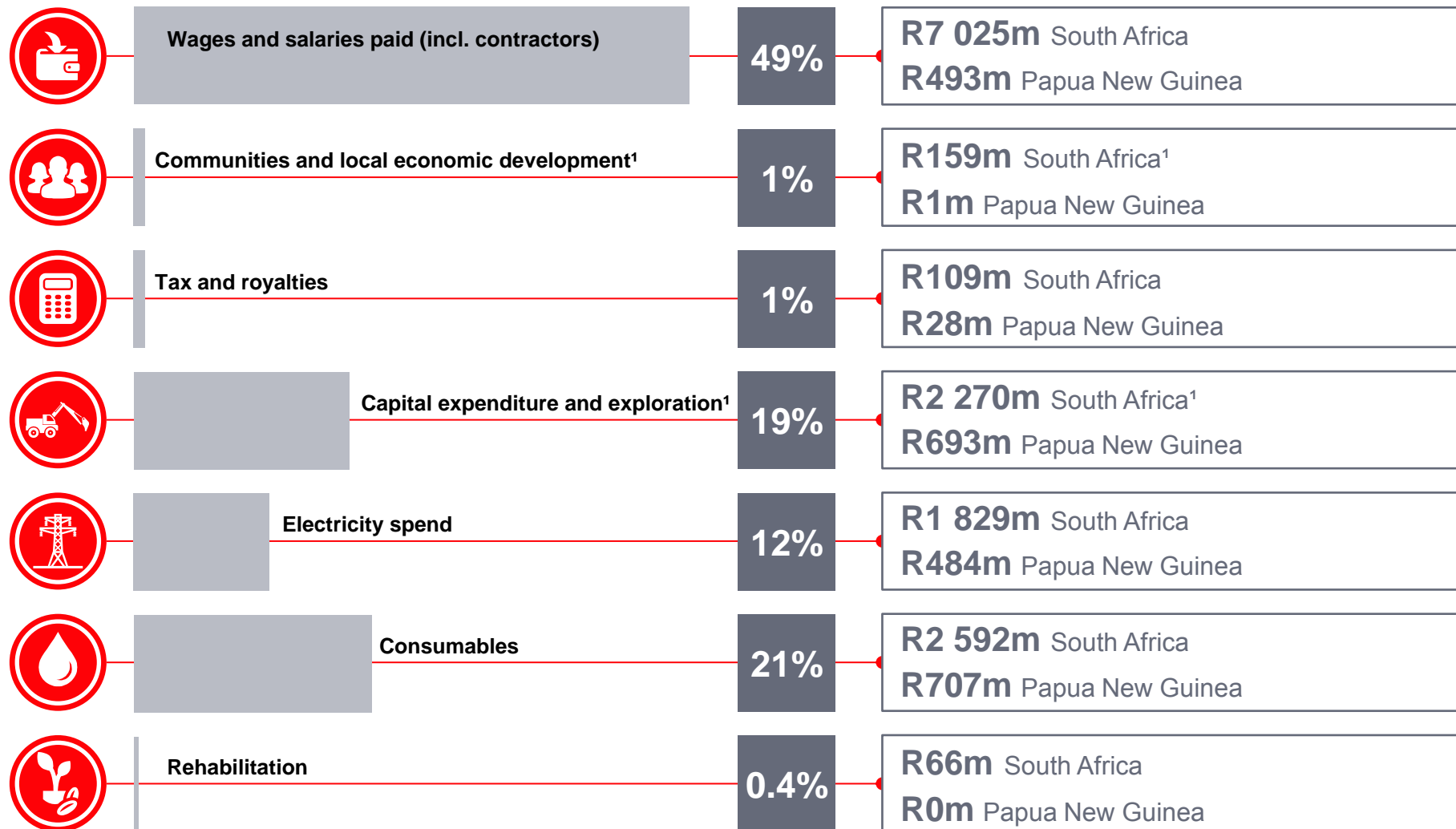
CONCLUSION

Market capitalisation per reserve ounce

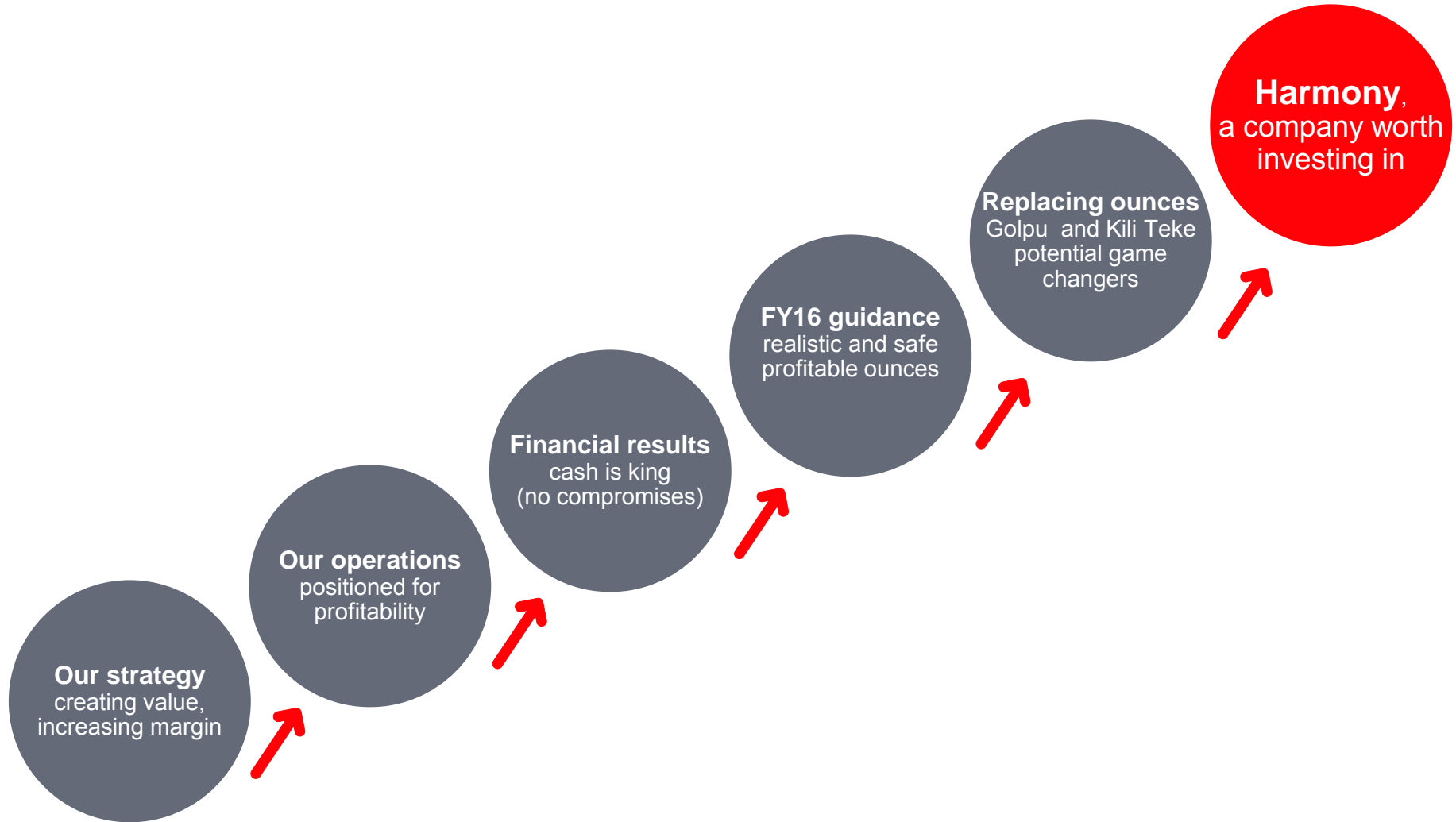


*Source: Company reports, Factset

Harmony adds value to SA and PNG



1. Capital of R89 million was spent on upgrading hostel accommodation in South Africa. This amount was included in our spend on communities and local economic development and excluded from capital expenditure



QUESTIONS?



CONTACT US

Email: HarmonyIR@harmony.co.za

www.harmony.co.za

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

JSE (HAR)
NYSE (HMY)