

Harmony Gold Mining Company Limited
 ("Harmony" or "Company")
 Incorporated in the Republic of South Africa
 Registration number: 2015/038232/06
 JSE share code: HAR
 NYSE share code: HMY
 ISIN: ZAE00015228

Q4 FY15 RESULTS FOR THE FOURTH QUARTER AND YEAR ENDED 30 JUNE 2015

KEY FEATURES

Quarter on quarter

- Gold production increased by 4% to 7 977kg (256 465oz)
- Gold sold increased by 12% to 8 321kg (267 823oz)
- All-in sustaining costs remained stable at R478 746/kg (down 2% at US\$1 233/oz)
- Headline earnings per share increased from loss of 60 SA cents to profit of 44 SA cents (From 5 US cents loss to 4 US cents profit)

Year on year

- Gold production decreased by 8% to 33 513kg (1.08moz)
- Closure of unprofitable Targets 3
- Kusasaletlu, Hidden Valley and Doornkop restructured for profitability
- Underground recovered grade stable year-on-year at 4.75g/t
- All-in sustaining costs increased by 11% from R413 433/kg to R458 626/kg (stable at US\$1 246)
- Operational capital expenditure reduced by 2% from R2.52bn (US\$243m) to R2.47bn (US\$236m)
- Net loss of R4.5 billion (US\$396 million) recorded in FY15
- Impairment of R3.5 billion (US\$303 million)(1)
- Headline loss per share of 189 SA cents (17 US cents)

(1) US\$ convenience translation for year ended 30 June 2015 is US\$/R11.45

| | Quarter | Quarter | Q-on-Q | Year ended | Year ended | Variance | |
|------------------------------------|-------------|------------|----------|------------|------------|-----------|--------|
| | June 2015 | March 2015 | variance | June 2015 | June 2014 | % | |
| Gold produced | - kg | 2015 | 2015 | 4 | 31 511 | 36 453 | (8) |
| Cash operating costs | - R/kg | 256 465 | 245 697 | 4 | 1 077 466 | 1 171 987 | (8) |
| Gold sold | - US\$/oz | 389 671 | 377 901 | (3) | 369 201 | 328 931 | (12) |
| Underground grade | - g/t | 1 003 | 1 001 | - | 1 003 | 988 | (2) |
| Total costs and capital | - R/kg | 267 523 | 239 330 | 12 | 1 103 791 | 1 166 682 | (5) |
| All-in sustaining costs | - R/kg | 465 923 | 454 211 | (3) | 442 895 | 397 964 | (11) |
| Gold price received | - US\$/oz | 1 200 | 1 200 | - | 1 200 | 1 186 | (1) |
| Production profit | - R million | 478 746 | 474 873 | (1) | 458 626 | 413 433 | (11) |
| Basic loss per share | - R/kg | 1 233 | 1 258 | 2 | 1 246 | 1 242 | 4 |
| Headline earnings/(loss) | - R million | 463 910 | 460 569 | (2) | 1 449 570 | 432 165 | (4) |
| Headline earnings/(loss) per share | - R million | 1 195 | 1 200 | (1) | 2 802 | 3 794 | (26) |
| Exchange rate | - R/US\$ | 627 | 643 | (5) | 1 245 | 1 187 | (5) |
| | - US\$/R | (725) | (61) | >(100) | (1 044) | (293) | >(100) |
| | - R/US\$ | (60) | (5) | >(100) | (81) | (2) | >(100) |
| | - R/US\$ | 191 | (262) | >(100) | (821) | 114 | >(100) |
| | - R/US\$ | 16 | (22) | >(100) | (72) | 12 | >(100) |
| | - R/US\$ | 44 | (60) | >(100) | (189) | 26 | >(100) |
| | - R/US\$ | 4 | (5) | >(100) | (17) | 2 | >(100) |
| | - R/US\$ | 12.08 | 11.74 | 3 | 11.45 | 10.35 | 11 |

HARMONY'S ANNUAL REPORTS

Harmony's Integrated Annual Report, the Sustainable Development Information which serves as supplemental information to the Integrated Annual Report and its annual report filed on a Form 20F with the United States Securities and Exchange Commission for the financial year ended 30 June 2015 will be available on our website (www.harmony.co.za/investors) on 23 October 2015.

Mineral resource and reserve information as at 30 June 2015 is included in this report.

CONTACT DETAILS

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P T Motsepe* Chairman
 M Motloba* Deputy Chairman
 G P Briggs Chief Executive Officer
 F Abbott Financial Director
 M E Nxashe Executive Director
 F F "De Buck" Lead independent director
 J A Chissano(1), K Dicks*, Dr D S S Lushaba*,
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ADR(2) Depository

Deutsche Bank Trust Company Americas
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 Pack 3110 Station
 PO Box 2050, New York, NY 10222-2050
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ADR(2): American Depository Receipts

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Trading Symbols

JSE Limited: HAR
 New York Stock Exchange, Inc: HMY
 Berlin Stock Exchange: HMY1

Registration number

1950/038232/06
 Incorporated in the Republic of South Africa
 ISIN
 ZAE00015228

FORWARD-LOOKING STATEMENTS

This quarterly report contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 with respect to Harmony's 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. Statements in this quarter that are not historical facts are "forward-looking statements" for the purpose of the safe harbour provided by section 21E of the U.S. Securities Exchange Act of 1934, as amended, and Section 27A of the U.S. Securities Act of 1933, as amended. Forward-looking statements are statements that are not historical facts. These statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, products and services, and statements regarding future performance. Forward-looking statements are generally identified by the words "expect", "anticipates", "believes", "intends", "estimates" and similar expressions. These statements are only predictions. All forward-looking statements involve a number of risks, uncertainties and other factors and we cannot assure you that such statements will prove to be correct. Risks, uncertainties and other factors could cause actual events or results to differ from those expressed or implied by the forward-looking statements. These forward-looking statements, including, among others, those relating to the future business prospects, revenues and income of Harmony, wherever they may occur in this quarterly report and the exhibits to this quarterly report, are necessarily estimates reflecting the best judgment of the senior management of Harmony 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 quarterly 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 the countries in which we operate; the ability to achieve anticipated efficiencies and other cost savings in connection with past and future acquisitions; increases or decreases in the market price of gold; the occurrence of hazards associated with underground and surface gold mining; the occurrence of labour disruptions; availability, terms and deployment of capital; changes in government regulations, particularly mining rights, and environmental regulations; fluctuations in exchange rates; currency devaluations and other macro-economic monetary policies; and socio-economic instability in the countries in which we operate.

SHAREHOLDER INFORMATION

Issued ordinary share capital at 30 June 2015 436 187 133
 Issued ordinary share capital at 31 March 2015 436 094 323
 Issued ordinary share capital at 30 June 2014 435 822 447

Market capitalisation

At 30 June 2015 (ZARm) 6 800
 At 30 June 2015 (US\$m) 761
 At 31 March 2015 (ZARm) 9 219
 At 31 March 2015 (US\$m) 1061
 At 30 June 2014 (ZARm) 13 576
 At 30 June 2014 (US\$m) 1 276

Harmony ordinary shares and ADR prices

12-month high (1 July 2014 - 30 June 2015) 38.50
 For ordinary shares
 12-month low (1 July 2014 - 30 June 2015) 15.32
 For ordinary shares
 12-month high (1 July 2014 - 30 June 2015) for ADRs 3.29
 12-month low (1 July 2014 - 30 June 2015) for ADRs 1.31-1.33

Free float

100%

ADR ratio

1:1

JSE Limited

Range for quarter (1 April - 30 June 2015) R24.34 - R15.59
 Closing prices

Average daily volume for the quarter (1 April - 30 June 2015) 1 677 721 shares

Range for quarter (1 January - 31 March 2015) R20.47 - R35.50
 Closing prices

Average daily volume for the quarter (1 January - 31 March 2015) 1 473 990 shares

Range for year (1 July 2014 - 30 June 2015)

| | |
|--|---------------------|
| closing prices) | R35.50 – R15.59 |
| Average daily volume for the year (1 July 2014 – 30 June 2015) | 1 700 854 shares |
| Range for year (1 July 2013 – 30 June 2014 closing prices) | R24.48 – R42.47 |
| Average daily volume for the year (1 July 2013 – 30 June 2014) | 1 216 789 shares |
| New York Stock Exchange including other US trading platforms | HWY |
| Range for quarter (1 April – 30 June 2015 closing prices) | US\$2.07 – US\$1.32 |
| Average daily volume for the quarter (1 April – 30 June 2015) | 2 212 229 |
| Range for quarter (1 January – 31 March 2015 closing prices) | US\$1.69 – US\$1.14 |
| Average daily volume for the quarter (1 January – 31 March 2015) | 3 473 101 |
| Range for year (1 July 2014 – 30 June 2015 closing prices) | US\$3.29 – US\$1.31 |
| Average daily volume for the year (1 July 2014 – 30 June 2015) | 2 989 247 |
| Range for year (1 July 2013 – 30 June 2014 closing prices) | US\$2.36 – US\$4.33 |
| Average daily volume for the year (1 July 2013 – 30 June 2014) | 2 923 933 |
| Investors' calendar | |
| Release of Harmony's Integrated Annual Report of FY15 | 23 October 2015 |
| Q1 FY16 presentation (webcast and conference calls only) | 5 November 2015 |
| Annual general meeting | 20 November 2015 |
| Q2 FY16 live presentation from Johannesburg | 4 February 2016 |
| Q3 FY16 presentation (webcast and conference calls only) | 9 May 2016 |
| Q4 FY16 live presentation from Johannesburg | 17 August 2016 |

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

Although there are a number of uncertainties that we have to deal with, Harmony's board and management will continue to manage what we can – production and costs. We have restructured under-performing operations, cut corporate costs, curtailed our capital expenditure and reduced our labour numbers. Our strategy remains unchanged: being a value focused company – one that creates value through increasing margins and generating the cash necessary to develop Golpu in Papua New Guinea.

To ensure that the value of all of our assets are accounted for in our share price and to create a viable investment case, we are assessing ways of funding Golpu and unlocking the true value of each of our assets. This will ensure positive shareholder returns in the long term.

We are in the process of developing a magnificent copper-gold project, Golpu, in Papua New Guinea. Our exploration team has enjoyed and continues to enjoy considerable success in locating copper-gold mineralisation. Towards the end of July 2015 we announced the superb exploration drilling programme from K111 Teke – a porphyry style mineralisation with significant copper-gold intercepts. More upside potential exists as Harmony continues to explore. In a world where new discoveries are rare, we are encouraged by the prospect that K111 Teke could well develop into another major copper-gold discovery.

1 SAFETY

I am pleased to report a significant improvement in the company's safety performance with Harmony recording its first ever fatality-free quarter in the second quarter of FY15. Safety performance in terms of all parameters measured improved during the year.

We are not content with our performance though, as nine lives were tragically lost at our mines during the year under review. The colleagues we mourn are Mwanjelwa Cebani, a rockdrill operator at Doornkop, Mosouu Ntsheleng, a team leader at Kusasalethu, and Marisela-Lumbe. This is a rock drill operator from Babanani, who were involved in fatal falls of ground; Mwanoo Florisa Muso from Tshepong, Michael Chobong from Masimong and Maxwell Mwa from Hidden Valley who were involved in transport accidents; Bernardo Ernesto Cuambe, an engineering assistant at Unisei, who was involved in a headgear accident; and security officers, Solito Jacob Bobojanes and Hlopheko who succumbed to gas and smoke inhalation from a self-made heating device inside their security cubicle at Brand 1 ventilation shaft. To their families, their friends and their colleagues, I send our most sincere condolences.

Following each incident in which an injury occurs – whether fatal or not – an incident report detailing "lessons learnt" is circulated to all operations to enable them to scrutinise their own systems and procedures. This enables them to pro-actively identify potential shortcomings and to take remedial action where necessary to prevent a recurrence of any such incident.

Emphasis on health and safety campaigns has been reinforced, via communication initiatives and regular visits underground by senior management. To achieve zero harm, visible felt leadership is enforced at all levels, based on our commitment to safety as a priority that is embedded in our organisational culture. Initiatives implemented at the operations encourage safer behaviour throughout the company. Zero harm has not only become our mantra, but an objective that can be achieved.

2 OPERATIONAL RESULTS

Quarter on quarter Gold production for the June 2015 quarter increased by 4% to 7 877 kilograms (Mar 15: 7 642kg) with significant improvements from Tshepong and Target 1.

Gold production increased at the following operations when compared to the March 2015 quarter:

- Tshepong's (+252kg) 20% increase in tonnes milled (42 000t) in the June 2015 quarter, combined with an 8% improvement in the recovery grade to 4.43g/t (Mar 15: 4.12g/t) resulted in a 29% increase in kilograms produced;
- Target 1 (+118kg) milled 13 000 tonnes (7%) more than in the March 2015 quarter, whilst the recovered grade increased by 6% to 5.03g/t (Mar 15: 4.73g/t) for the quarter under review, resulting in a 14% increase in gold production;
- Hidden Valley (+54kg) increased gold production by 8% when compared to the March 2015 quarter mainly due to a 12% increase in the recovered grade to 3.64g/t (Mar 15: 3.26g/t) for the June 2015 quarter. The increase in recovered grade was partially offset by a 4% decrease in tonnes milled.

The increase in gold production was however partially offset by decreases at the following operations:

- Phakisa (-30kg) milled 5 000 tonnes (3%) less than in the March 2015 quarter, resulting in a 4% decrease in gold produced;
- Joel (-30kg) recorded a 14% decrease in the recovered grade at 3.83g/t (Mar 15: 4.43g/t). This was however partially offset by a 9% increase in tonnes milled resulting in a 2% decrease in gold produced;
- Unisei (-27kg) recorded a 7% decrease in gold production as a result of a 7% decrease in the recovered grade to 3.7g/t (Mar 15: 4.03g/t).

Production profit decreased by 2% to R627 million, in the June 2015 quarter, gold sold increased by 12% and revenue increased by 13% quarter on quarter.

During the June 2015 quarter the US dollar gold price received decreased by 2% to US\$1 195/oz (Mar 15: US\$1 220/oz), offset by a weakening of the rand against the dollar.

Cash operating costs for the June 2015 quarter were 8% higher quarter on quarter. Total capital expenditure for the June 2015 quarter increased by only 3% to R728 million (Mar 15: R710 million).

The all-in sustaining costs remained fairly steady with a 1% increase in the June 2015 quarter to R478 746/kg, compared to R474 873/kg in the March 2015 quarter.

Year on year Gold production for FY15 decreased by 8% to 33 513 kilograms, compared to 36 453 kilograms in FY14.

There was an increase in production at the following operations:

- Babanani (+332kg) increased tonnes milled by 11% (23 000t) for FY15; combined with a 2% increase in the recovery grade to 3.70g/t (FY14: 3.60g/t) and gold production increased by 13%;
- Phakisa (+142kg) increased tonnes milled by 6% during FY15 to 611 000 tonnes.

Gold production decreased at the following operations:

- Kusasalethu (-741kg) milled 235 000 tonnes (21%) less than in FY14. Production at the shaft was hampered by safety stoppages, underground fires and illegal mining activities during FY15;
- Target 1's (-609kg) recovered grade returned to expected levels in FY15 at 5.19g/t (FY14: 5.83g/t) and was the main reason for the 15% decrease in gold production;
- Hidden Valley's (-349kg) tonnes milled decreased by 9% (176 000t) in FY15. Production was affected by a tear in the overland conveyor belt towards the end of the December 2014 quarter, as well as planned maintenance at the metallurgical plant in the first half of 2015;
- Masimong (-255kg) recorded a 9% decrease in the recovery grade at 3.68g/t for FY15, compared to 4.06g/t in FY14;
- Suspended operations: Target 3 (-930kg) was placed on care and maintenance during FY15 and produced its last gold in the December 2014 quarter. Steyn 2 (-392kg) was closed in FY14 and produced no gold in FY15.

3 FINANCIAL RESULTS

Year on year Production profit for FY15 decreased to R2.8 billion compared to R3.8 billion in FY14. This was mainly due to the 8% decrease in gold production, as well as a 6% increase in operating costs for FY15.

Gold price received The rand gold price received increased by 4% to R469 570/kg in FY15, compared to R452 185/kg in FY14. The increase was due to a weakening of the rand against the US dollar from US\$810.35 to US\$811.45.

All-in sustaining costs increased by 11% in FY15 to R458 626/kg, compared to R413 433/kg in FY14, largely due to the under-performance of some of our operations.

Revenue

Revenue decreased by 2% as a result of the 5% decrease in gold sold to 24 332kg in FY15, more than offset by a 4% increase in the Rand gold price received at R449 570/kg in FY15.

Production costs

Production costs increased by 6% to R12.6 billion in FY15. Cost containment remained a priority in FY15. Cash operating costs only increased by 3% despite inflationary pressure. Increases above inflation in electricity costs. Production costs for the year include R260 million as a result of the reduction in gold inventory during the year.

Other items in costs of sales

Other items included in costs of sales for the year ended 30 June 2015 include employment termination and restructuring costs of R251 million mainly relating to restructuring at Kusasalethu, Masimong, Hidden Valley, management retrenchments and closure of Target 3.

Loss on scrapping of property, plant and equipment

Loss on scrapping of property, plant and equipment of R493 million recorded in FY15, of which R430 million relates to the life-of-mine optimisation process finalised in December 2014. The optimisation resulted in the abandoning of shaft levels and raise lines at Kusasalethu and Masimong.

Borrowings

At year-end total borrowings comprised R400 million drawdown on the Nedbank Facility as well as US\$250 million on the US revolving credit facility.

Quarter on quarter

Impairment of assets

The impairment of R3 471 million in the June 2015 quarter consists of an impairment of R2 114 million in respect of Hidden Valley, R1 036 million on Doornkop, R278 million on Phakisa and R43 million on Freddie's 9.

The impairments are due to the restructuring of operations for profitability and in response to low commodity prices and high operating costs, which resulted in a reduced life of mine.

Deferred taxation

A deferred tax credit of R558 million was recorded following the net decrease in the deferred tax rates year on year for the South African companies, and impairments recognised on property, plant and equipment.

Net loss

The net loss for the June 2015 quarter was R3 152 million, mainly due to the impairment of R3 471 million recorded compared to a net loss of R263 million in the March 2015 quarter.

Headline earnings per share

Headline earnings per share increased to 44 SA cents from a loss of 60 SA cents in the March 2015 quarter.

4 EMPLOYEE RELATIONS

4.1 Restructuring

On 19 May 2015, Harmony started a 60 day consultation process with organised labour at its Doornkop mine in terms of section 189A of the Labour Relations Act, 66 of 1995 (LRA) with a view to find ways to return the mine to profitability or to place the mine on care and maintenance. Following several meetings with organised labour, Harmony and the unions have agreed to a new operational plan for Doornkop that will return the mine to profitability, thus saving a significant number of jobs.

Doornkop mine's newly agreed plan provides for more than 3 100 employees (including contractors), with only 526 employees (including contractors) being affected. The majority of these employees have been transferred to other operations. Of the 526, about 183 people have either been re-skilled for redeployment elsewhere in Harmony or elected to accept a voluntary severance package.

At Masimong, with its marginal grades, the mine has been restructured for profitability by reducing development rates and concentrating on higher-grade areas. This strategy will reduce the mine's remaining operational life expectancy to about two years and, while this is short, they are expected to be two profitable years, a total of 373 people were affected, of which 223 were transferred to other operations and 74 accepted voluntary severance packages.

At the Hidden Valley mine our focus has been on cutting costs by revising the mine plan to encompass a lower stripping ratio and on tighter control of the mine's operations. On 18 June 2015, a road accident occurred at Hidden Valley, fatally injuring one employee. The mine has been closed for two weeks while intensive safety audits are taking place. This is likely to impact the production of the first quarter of FY16.

4.2 Wage negotiations

The 2015 round of wage negotiations in the gold sector began on 23 June 2015 between the Chamber of Mines, representing five gold companies, and the four trade unions: Association of Mine Workers and Construction Union (AMCU), National Union of Mine Workers (NUM), UASA and Solidarity. The approach to this year's wage negotiations has been distinctly different in the hope that the negotiated outcome is cognisant of the economic realities of the individual gold producers negotiating under the auspices of the Chamber of Mines. Discussions are ongoing.

5 GOLPU

The Conservation and Environment Protection Authority of Papua New Guinea has granted a Level 28 environmental permit in respect of proposed advanced exploration and feasibility support activities. Owners' representatives are engaging with this authority on the detail of the permit conditions.

Revised block cave footprint designs and preliminary production schedules have been completed as part of the stage 1 feasibility study. Work has commenced on the stage 2 prefeasibility study.

The owners' representatives continue to engage with the government's negotiating team to finalise a pre-existing development agreement terms sheet for endorsement by the National Executive Committee.

6 EXPLORATION

Kili Teke (PNG – 100% held by Harmony)

The mineralised footprint (defined by the 0.2% copper envelope) currently stands at 800m long, 200m wide and 700m deep, and remains open along strike and at depth. Geological results from KTD002 and KTD003 (186m³ OCu, 0.72g/t Au from 25m), together with KTD007 (200t @ 0.74% Cu, 0.27g/t Au @ 13m) are extremely encouraging as they reflect high grade zones developing within the mineralised envelope.

The project is a major new greenfield copper-gold discovery and drilling to convert the prospect into a new copper-gold resource continues. Kili Teke could well be another Golpu.

Graham Briggs

Chief Executive Officer

SUMMARY UPDATE OF HARMONY'S MINERAL RESOURCES AND MINERAL RESERVES AS AT 30 JUNE 2015

Harmony's statement of mineral resources and mineral reserves as at 30 June 2015 is compliant with the South African Code for the Reporting of Mineral Resources and Mineral Reserves (SAMREC) and the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC).

This report provides a summary of the update, while the detailed statement of the mineral resources and mineral reserves will be published in the Integrated Reports on 23 October 2015, which will be available at www.harmony.co.za/investors. It should be noted that the mineral resources are reported inclusive of the mineral reserves.

Harmony use certain terms in the summary such as "measured", "indicated" and "inferred" resources, which the United States Securities and Exchange Commission (SEC) guidelines strictly prohibit US-registered companies from including in their filings with the SEC. US investors are urged to consider the disclosure in this regard in our Form 20-F which will be available on 23 October 2015.

South African underground operations

The company's mineral resources at the South African underground operations as at 30 June 2015 are 60.6 Moz (217.2 Mt at 8.68 g/t) A decrease of 27% year on year from the 83.3 Moz declared as at 30 June 2014. This decrease is due to depletion by mining during the year, the exclusion of Freddie's No 9 shaft and downscaling at Masimong. The company's mineral reserves at the South African underground operations as at 30 June 2015 are 15.0 Moz (80.3 Mt at 5.82 g/t), a decrease of 25% year on year from the 19.9 Moz declared as at 30 June 2014. The decrease is due to depletion by mining during the year, placing of Target No 3 on care and maintenance and changes to the life of mine (LOM) profile at various operations.

South African surface operations including Kalgold

The company's mineral resources at the South African surface operations as at 30 June 2015 are 9.5 Moz (1082.3 Mt at 0.27g/t). A decrease of 1% year on year from the 9.6 Moz declared as at 30 June 2014. This decrease is due to depletion by mining and exclusion of surface sources at Joel. The company's mineral reserves at the South African surface operations as at 30 June 2015 are 7.1 Moz (833.9 Mt at 0.26 g/t), a decrease of 12% year on year from the 8.0 Moz declared at 30 June 2014. The decrease is due to depletion by mining and exclusion of surface sources at Joel.

Papua New Guinea (PNG) operations

The company's mineral resources at the PNG operations as at 30 June 2015 are 40.2 Moz, a decrease of 2% year on year from the 40.9 Moz declared as at 30 June 2014. This decrease is due to depletion by mining during the year, and changes to open pit spatial constraint. The company's mineral reserves at the PNG operations as at 30 June 2015 are 20.5 Moz, a decrease of 5% year on year from the 21.5 Moz declared as at 30 June 2014. The decrease is due to depletion by mining during the year, and changes to the life of mine (LOM) profile at Hidden Valley operation. The reserves that we declared for Golpu are based on the prefeasibility study completed in 2012.

During December 2014 Harmony released an updated prefeasibility study with respect to the Golpu project. Please refer to our website (<https://www.harmony.co.za/our-business/exploration/golpu-updated-prefeasibility-results>) for details. There will be an update to the reserves of Golpu once the feasibility study for stage 1 and the prefeasibility study for stage 2 have been completed. The studies are expected to be completed in January 2016.

Total Harmony

The company's attributable gold equivalent mineral resources are declared as 110.3 Moz as at 30 June 2015, a 18% decrease year on year from the 133.8 Moz declared on 30 June 2014.

The gold contained in the mineral resources in South Africa represent 63.5% of the company total, the PNG operations represent 36.5% of Harmony's total gold and gold equivalent mineral resources as at 30 June 2015.

As at 30 June 2015, Harmony's attributable gold and gold equivalent mineral reserves amounted to 42.6Moz of gold, a 14% decrease from the 49.5Moz declared at 30 June 2014.

The gold reserve ounces in South Africa represent 51.9% while the PNG gold and gold equivalent ounces represent 48.1% of Harmony's total mineral reserves as at 30 June 2015.

In converting the mineral resources to mineral reserves, the following commodity prices and exchange rates were applied:

- A gold price of US\$1 230/oz
- An exchange rate of US\$/ZAR11.38
- The above parameters resulted in a rand gold price of R430 000/kg for the South African assets
- The Hidden valley mine and Golpu project in the Mroble Mining Joint Venture used commodity prices of US\$1 250/oz Au, US\$20/oz Ag, US\$10/lb Mo and US\$5.10/lb Cu at an exchange rate of US\$0.85 per AS
- Gold equivalent ounces are calculated assuming US\$1 400/oz Au, US\$10.10/lb Cu and US\$23.00/oz Ag, and assuming a 100% recovery for all metals. These are the same assumptions as those used in the 2012 prefeasibility study for the calculation of gold equivalent ounces

Harmony's South African mineral resources and reserves were reviewed by SRK Consulting Engineers and scientists for compliance with SAMREC

The mineral resources and reserves of the Papua New Guinea assets were reviewed by AMC Consultants Pty Ltd for compliance with the standards set out in JORC.

Note:
Au= gold; Cu = copper; Ag = silver; Mo = Molybdenum; Moz= million ounces

TABLE OF MINERAL RESOURCES AND MINERAL RESERVES AS AT 30 JUNE 2015

| Resources: gold & gold equivalents | Measured | | Indicated | | Inferred | | Total | Gold | |
|--|-------------|------------|-------------|------------|-------------|------------|-------|-------------|------------|
| | Tonnes (Mt) | g/t '000oz | Tonnes (Mt) | g/t '000oz | Tonnes (Mt) | g/t '000oz | | Tonnes (Mt) | g/t '000oz |
| SA underground | 318.0 | 9.52 | 21 911 | 76.5 | 8 45 | 20 792 | 69.1 | 8.96 | 17 905 |
| SA surface incl katpold | 358.0 | 0.29 | 3 350 | 652.2 | 0.24 | 5 336 | 72.0 | 0.42 | 9 668 |
| Total South Africa | 429.6 | | 25 261 | 728.7 | | 26 128 | 141.1 | | 18 573 |
| Hidden valley | 1.6 | 1.11 | 56 | 40.1 | 1.60 | 2 039 | 1.2 | 1.37 | 6 48 |
| Wafi-golpu system* | 1.6 | | 56 | 40.1 | 0.74 | 1 881 | 140.0 | | 5 29 |
| Total Papua New Guinea | 431.2 | | 25 316 | 425.3 | | 13 639 | 141.1 | | 11 701 |
| Total gold reserves | 1.4 | | 16 | 466.7 | | 19 121 | 129.7 | | 11 967.2 |
| Hidden valley - gold equivalent ounces* | 1.4 | | 16 | 466.7 | | 19 121 | 129.7 | | 11 967.2 |
| Wafi-golpu - gold equivalent ounces* | 1.4 | | 16 | 466.7 | | 19 121 | 129.7 | | 11 967.2 |
| Total gold equivalent resources** | 431.2 | | 25 332 | 1 253.7 | | 59 747 | 282.3 | | 25 215 |
| Total Harmony gold & gold equivalent resources** | 431.2 | | 25 332 | 1 253.7 | | 59 747 | 282.3 | | 25 215 |

* Represents Harmony's 50% portion
** In instances where individual deposits may contain multiple valuable commodities with a reasonable expectation of being recovered (for example gold and copper in a single deposit) Harmony computes a gold equivalent to more easily assess the value of the deposit against gold-only mines. Harmony does this by calculating the value of each of the deposits commodities, then dividing the product by the price of gold. For example, the gold equivalent ounces for the copper portion of a deposit would be calculated as follows: (copper pounds x copper price per pound)/gold price per ounce. All gold equivalent calculations are done using metal prices and parameters as stipulated above.

Competent person's declaration
In South Africa, Harmony employs an ore reserve manager at each of its operations who takes responsibility for the compilation and reporting of mineral resources and mineral reserves at their operations.

In Papua New Guinea, competent persons are appointed for the mineral resources and mineral reserves for specific projects and operations.

The mineral resources and mineral reserves in this report are based on information compiled by the following competent persons:

- Resources and reserves South Africa:
Jaco Boshoff, BSc (Hons), MSc, MBA, Pr. Sci. Nat, MSAIMM, who has 20 years' relevant experience and is registered with the South African Council for Natural Scientific Professions (SACNASP) and a member of the South African Institute of Mining and Metallurgy (SAIMM).

Mr Boshoff is the Harmony Lead Competent Person.
- Resources and reserves Papua New Guinea:
Gregory Job, BSc, MSc, who has 27 years' relevant experience and is a member of the Australian Institute of Mining and Metallurgy (AusIMM).

Mr Boshoff and Mr Job are full-time employees of Harmony Gold Mining Company Limited.
These competent persons consent to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Jaco Boshoff Greg Job
30 June 2015 30 June 2015
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Facsimile: +61 3 9662 3662
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Telephone: +61 2 9431 8662;
Facsimile: + 61 2 9431 8677
email: aiig@aiig.org.au/
http://www.aiig.org.au/

Legal entitlement to the minerals being reported upon
The Harmony South Africa operations operate under new order mining rights in terms of the Minerals and Petroleum Resources Development Act of 2002 (Act No. 28, of 2002) (MPRDA). In PNG Harmony operates under the independent state of Papua New Guinea Mining Act 1992. All required operating permits have been obtained, and are in good standing. The legal tenure of each operation and project has been verified to the satisfaction of the accountable Competent Person.

OPERATING RESULTS - QUARTER ON QUARTER (RAND/METRIC) (US\$/IMPERIAL)

| Three months ended | South Africa | | | | | | | | | | Surface production | | | | | | | | | |
|--------------------------------|--------------|----------|---------|---------|---------|---------|---------|---------|---------|-----------|--------------------|---------|---------|---------|-----------|----------|-----------|-----------|--|--|
| | Jun-15 | Jul-15 | Aug-15 | Jun-15 | Jul-15 | Aug-15 | Jun-15 | Jul-15 | Aug-15 | Jun-15 | Jul-15 | Aug-15 | Jun-15 | Jul-15 | Aug-15 | Jun-15 | Jul-15 | Aug-15 | | |
| Ore milled - t'000 | 197 | 156 | 158 | 211 | 144 | 177 | 188 | 139 | 139 | 36 | 1 425 | 1 581 | 1 500 | 751 | 346 | 2 597 | 2 586 | 4 021 | | |
| Gold produced - kg | 915 | 149 | 720 | 1 123 | 322 | 845 | 759 | 337 | 360 | 6 339 | 6 572 | 2 077 | 2 007 | 2 009 | 2 599 | 866 | 6 218 | 739 | | |
| Gold produced - oz | 29 219 | 4 448 | 23 470 | 36 045 | 10 104 | 30 382 | 24 748 | 11 748 | 11 387 | 201 794 | 211 394 | 6 653 | 6 430 | 8 327 | 21 432 | 232 706 | 23 685 | 25 642 | | |
| Yield - g/tonne | 29 868 | 20 898 | 24 435 | 27 939 | 16 976 | 26 589 | 24 049 | 18 101 | 12 442 | 201 297 | 6 539 | 9 137 | 8 681 | 22 377 | 223 674 | 22 377 | 223 674 | 22 023 | | |
| Cash operating costs - R/kg | 4 775 | 4 417 | 4 811 | 4 142 | 3 467 | 3 344 | 3 112 | 3 377 | 3 464 | 3 690 | 4 589 | 3 305 | 3 114 | 3 300 | 3 178 | 3 257 | 3 397 | 453 | | |
| cash operating costs - \$/oz | 453 214 | 407 286 | 377 879 | 438 522 | 436 331 | 336 706 | 227 365 | 311 538 | 431 292 | 379 620 | 340 902 | 394 122 | 386 496 | 375 565 | 379 214 | 364 561 | 377 001 | 377 001 | | |
| cash operating costs - R/tonne | 1 201 | 1 079 | 1 001 | 1 162 | 1 156 | 892 | 805 | 1 133 | 1 133 | 1 066 | 993 | 1 044 | 1 024 | 995 | 1 005 | 966 | 1 001 | 696 | | |
| cash operating costs - \$/oz | 1 164 | 1 045 | 1 039 | 1 160 | 1 156 | 860 | 783 | 1 123 | 1 123 | 1 067 | 968 | 1 010 | 984 | 966 | 972 | 942 | 972 | 642 | | |
| gold sold - kg | 2 137 | 1 697 | 1 818 | 1 806 | 1 600 | 1 591 | 3 095 | 1 381 | 1 755 | 6 899 | 6 899 | 208 | 174 | 6 172 | 6 172 | 6 172 | 6 172 | 6 172 | | |
| gold sold - oz | 976 | 625 | 645 | 625 | 505 | 505 | 974 | 423 | 600 | 312 | 312 | 93 | 54 | 243 | 243 | 243 | 243 | 243 | | |
| Revenue (R'000) | 31 379 | 20 094 | 24 274 | 27 778 | 16 847 | 26 814 | 23 886 | 15 014 | 17 446 | 121 806 | 6 687 | 8 117 | 8 009 | 21 733 | 24 836 | 24 836 | 24 836 | 24 836 | | |
| Revenue (R'000) | 489 752 | 312 460 | 351 832 | 540 323 | 236 344 | 484 403 | 370 676 | 216 451 | 177 009 | 2 841 875 | 89 524 | 89 852 | 126 033 | 315 409 | 3 157 284 | 271 190 | 3 157 284 | 3 157 284 | | |
| cash operating costs (R'000) | 434 744 | 270 779 | 296 685 | 412 661 | 244 018 | 311 774 | 242 640 | 196 680 | 165 374 | 5 139 123 | 77 817 | 75 025 | 101 583 | 254 455 | 7 773 384 | 334 824 | 7 773 384 | 108 002 | | |
| cash operating costs (R'000) | 421 036 | 264 136 | 287 188 | 381 076 | 230 384 | 278 456 | 170 069 | 175 396 | 166 458 | 2 376 799 | 69 544 | 87 495 | 104 354 | 261 393 | 6 238 192 | 249 724 | 6 238 192 | 289 671 | | |
| Inventory movement (R'000) | 22 301 | (12 984) | (5 112) | 425 | (3 966) | (1 941) | (2 702) | 1 921 | 983 | (39 739) | (4 494) | (2 923) | 5 203 | (3 077) | (7 423) | (47 162) | (53 113) | (102 675) | | |
| operating costs (R'000) | 487 888 | 274 630 | 310 148 | 424 728 | 235 082 | 314 600 | 242 395 | 195 262 | 172 315 | 2 844 488 | 77 677 | 74 608 | 107 587 | 281 343 | 2 801 629 | 312 628 | 2 801 629 | 312 628 | | |
| Production profit (R'000) | 443 337 | 251 752 | 281 676 | 381 481 | 230 018 | 276 515 | 162 645 | 146 367 | 167 249 | 3 107 060 | 65 350 | 84 573 | 104 047 | 253 970 | 2 591 030 | 134 211 | 2 591 030 | 134 211 | | |
| Production profit (R'000) | 2 850 | 1 630 | 1 704 | 1 784 | 1 221 | 1 125 | 2 164 | 918 | 1 308 | 55 240 | 19 091 | 15 337 | 19 677 | 61 555 | 611 555 | 15 642 | 611 555 | 15 642 | | |
| Production profit (\$'000) | 5 855 | 35 102 | 36 287 | 46 404 | 11 522 | 106 888 | 179 834 | 70 064 | 9 760 | 504 813 | 24 174 | 11 279 | 21 986 | 61 439 | 566 534 | 36 979 | 566 534 | 36 979 | | |
| Production profit (\$'000) | 1 044 | 673 | 728 | 1 160 | 251 | 892 | 400 | 184 | 246 | 11 887 | 49 | 116 | 127 | 676 | 676 | 676 | 676 | 676 | | |
| Capital expenditure (R'000) | 113 497 | 57 999 | 5 646 | 29 739 | 72 392 | 34 981 | 22 316 | 4 928 | 20 831 | 45 995 | 2 058 | 1 302 | 1 873 | 14 239 | 266 238 | 47 465 | 266 238 | 47 465 | | |
| capital expenditure (\$'000) | 102 713 | 58 958 | 93 945 | 69 942 | 42 363 | 73 714 | 23 860 | 4 928 | 18 501 | 54 916 | 1 450 | 1 592 | 1 519 | 16 361 | 542 477 | 40 685 | 542 477 | 40 685 | | |
| cash operating costs - R/kg | 599 400 | 4 972 | 5 349 | 4 932 | 4 026 | 6 945 | 1 836 | 3 378 | 6 572 | 45 209 | 93 | 116 | 1 009 | 1 200 | 46 229 | 3 930 | 46 229 | 3 930 | | |
| cash operating costs - \$/oz | 563 777 | 497 529 | 501 491 | 519 008 | 516 945 | 425 842 | 259 263 | 386 012 | 483 331 | 466 418 | 381 126 | 381 136 | 410 359 | 439 567 | 457 190 | 517 465 | 457 190 | 517 465 | | |

The accompanying notes are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (RAND)

| Figures in million | Note | Quarter ended | | Year ended | | |
|--|------|--------------------------|---------------------------|------------------------------------|-------------------------|------------------------|
| | | 30 June 2015 (Unaudited) | 31 March 2015 (Unaudited) | 30 June 2014 (Unaudited) Restated* | 30 June 2015 (Reviewed) | 30 June 2014 (Audited) |
| Cash generated by operating activities | | 568 | 353 | 443 | 1 928 | 2 247 |
| Interest and dividends received | | 15 | 21 | 47 | 147 | 139 |
| Interest paid | | (48) | (14) | (32) | (108) | (121) |
| Income and mining taxes (paid)/refunded | | (5) | 26 | 11 | 85 | 3 |
| Cash generated by operating activities | | 540 | 386 | 489 | 2 006 | 2 268 |
| Cash flow from investing activities | | | | | | |
| (Increase)/decrease in restricted cash | | (4) | 12 | (3) | 8 | (6) |
| Decrease/(increase) in restricted investments | | 11 | 19 | (24) | 31 | (24) |
| Proceeds on disposal of investments | | - | - | 51 | - | 51 |
| Loan to associate | | - | - | - | (120) | - |
| Net additions to property, plant and equipment | 10 | (718) | (710) | (699) | (2 827) | (2 661) |
| Cash utilised by investing activities | | (713) | (679) | (675) | (2 908) | (2 640) |
| Cash flow from financing activities | | | | | | |
| Borrowings raised | | 541 | 400 | - | 941 | 612 |
| Borrowings repaid | | (11) | (782) | - | (793) | (468) |
| Cash generated/(utilised) by financing activities | | 530 | (382) | - | 148 | 144 |
| Foreign currency translation adjustments | | 7 | 2 | - | 18 | (32) |
| Net increase/(decrease) in cash and cash equivalents | | 366 | (673) | (179) | (762) | (260) |
| Cash and cash equivalents - beginning of period | | 701 | 1 374 | 2 008 | 1 829 | 2 089 |
| Cash and cash equivalents - end of period | | 1 067 | 701 | 1 829 | 1 067 | 1 829 |

* For the June 2014 quarter: cash generated by operating activities previously reported as R470 million restated to R489 million. Cash utilised by investing activities previously reported as R656 million restated to R675 million. This is mainly related to the change in accounting policy for IFRIC 20, which became effective 1 July 2013.

The accompanying notes are an integral part of these condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30 June 2015 (Rand)

1. Accounting policies
 Basis of accounting
 The condensed consolidated financial statements for the year ended 30 June 2015 have been prepared in accordance with IAS 34, Interim Financial Reporting, and IAS 1, Presentation of Financial Statements, as issued by the International Accounting Standards Board (IASB). The condensed consolidated financial statements also conform to the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council, and in the manner required by the Companies Act of South Africa. They should be read in conjunction with the annual financial statements for the year ended 30 June 2014, which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB). The accounting policies are consistent with those described in the annual financial statements, except for the adoption of applicable revised and/or new standards issued by the International Accounting Standards Board.

The following accounting standards, amendments to standards and new interpretations have been adopted with effect from 1 July 2014 and had no impact on the financial results of the group:
 IFRSs Annual Improvements 2010 - 2012 Cycle
 IAS 32 Amendment - Presentation of Financial Assets and Financial Liabilities
 IAS 36 Amendment - Impairment of Assets - Recoverable amount disclosures for non-financial assets
 IFRIC 21 Levies

2. Cost of sales

| Figures in million | Quarter ended | | Year ended | |
|---|--------------------------|---------------------------|--------------------------|-------------------------|
| | 30 June 2015 (Unaudited) | 31 March 2015 (Unaudited) | 30 June 2014 (Unaudited) | 30 June 2015 (Reviewed) |
| Production costs - excluding royalty | 3 217 | 2 759 | 2 851 | 12 537 |
| Royalty expense | 16 | 26 | 25 | 95 |
| Amortisation and depreciation | 624 | 596 | 576 | 2 472 |
| Impairment of assets(1) | 3 471 | 15 | 1 410 | 3 471 |
| Rehabilitation (credits)/expenditure(2) | (41) | 15 | (9) | 63 |
| Care and maintenance cost of restructured shafts(3) | 49 | 20 | 13 | 106 |
| Employment termination and restructuring costs/(credits)(4) | 24 | (3) | 40 | 251 |
| Share-based payments | 80 | (1) | 44 | 208 |
| Other(5) | (80) | (1) | 1 | (81) |
| Total cost of sales | 7 132 | 3 444 | 4 911 | 19 008 |

(1) The impairment in the June 2015 quarter consists of an impairment of R2.11 billion on Hidden Valley, R1.04 billion on Doornkop, R278 million on Phakisa and R43 million on Freddie's 9. The June 2014 quarter impairment consists of an impairment of R1.38 billion on Phakisa, R7 million on Steyn 2 and R21 million on St Helena. Refer to note 6 for further details.
 (2) Included in the total for the June 2015 quarter is a credit of R61 million relating to the change in estimate following the annual reassessment.
 (3) Including R20 million relating to the second la vee shaft exploration.
 (4) The March 2015 quarter total includes a credit for Kusasalethu following the conclusion of the Section 189A process during the quarter.
 (5) Included in the total for the June 2015 quarter is a credit of R87 million relating to the reduction in employees qualifying for post-retirement benefits.

3. Exploration expenditure
 The Harmony board approved the updated Golpu project prefeasibility study in December 2014. The approval and the progression to the final feasibility study stage demonstrates the technical and commercial viability of the Golpu project. As a result Harmony started capitalising project exploration and evaluation expenditure for the Golpu project in the March 2015 quarter.
 4. Taxation
 A deferred tax credit of R558 million was recorded in the June 2015 quarter following the net decrease in the deferred tax rates year on year for the South African companies and impairments recognised on property, plant and equipment. Included in the total is a debit of R64 million for the derecognition of the Australian deferred tax asset (see note 6).

5. Earnings/(Loss) per share

| Figures in million | Quarter ended | | Year ended | |
|---|--------------------------|---------------------------|--------------------------|-------------------------|
| | 30 June 2015 (Unaudited) | 31 March 2015 (Unaudited) | 30 June 2014 (Unaudited) | 30 June 2015 (Reviewed) |
| Weighted average number of shares (million) | 435.0 | 434.4 | 433.9 | 434.4 |
| Weighted average number of diluted shares (million) | 438.2 | 439.5 | 435.2 | 438.1 |
| Total earnings/(loss) per share (cents): | | | | |
| Basic loss | (725) | (61) | (282) | (1 044) |
| Diluted loss | (725) | (61) | (282) | (1 044) |
| Headline earnings/(loss) | 44 | (60) | 30 | (189) |
| Diluted headline earnings/(loss) | 44 | (60) | 30 | (189) |
| Figures in million | | | | |
| Reconciliation of headline earnings/(loss): | | | | |
| Net loss | (3 152) | (263) | (1 223) | (4 536) |
| Adjusted for: | | | | |
| Profit on disposal of investments(1) | (4) | - | (14) | (4) |
| Impairment of assets | 8 471 | - | 1 410 | 3 471 |
| Taxation effect on impairment of assets | (169) | - | (20) | (169) |
| (Profit)/loss on sale of property, plant and equipment | 1 | - | 1 | (30) |
| Taxation effect of (loss)/profit on sale of property, plant and equipment | (1) | - | 6 | (1) |
| Loss on scrapping of property, plant and equipment | 61 | - | - | 491 |
| Taxation effect on loss scrapping of property, plant and equipment | (9) | - | - | (67) |
| Headline earnings/(loss) | 91 | (262) | 129 | (621) |

(1) There is no taxation effect on these items.
 6. Property, plant and equipment
 (a) Impairment
 One of the most significant assumptions that influence the life-of-mine plans and therefore impairment is the expected gold price. During this year's planning and testing, gold price and exchange rate assumptions as per the table below were used. Post-tax real discount rates ranging between 2.0% and 0.3% (2014: 2.0% and 1.5%), depending on the asset, were used to determine the recoverable amounts (generally fair value less costs to sell).

| Short term | 2016 | | 2017 | | 2018 | |
|--------------------------|--------|--------|--------|--------|--------|--------|
| | Year 1 | Year 2 | Year 1 | Year 2 | Year 1 | Year 2 |
| US\$ gold price | 1 150 | 1 150 | 1 150 | 1 150 | 1 150 | 1 150 |
| US\$ silver price | 14.00 | 14.50 | 14.50 | 14.50 | 14.50 | 14.50 |
| Exchange rate (R/US\$) | 12.17 | 11.86 | 11.86 | 11.86 | 11.86 | 11.86 |
| Exchange rate (PGK/US\$) | 2.75 | 2.75 | 2.75 | 2.75 | 2.75 | 2.80 |

For South African operations, values of US\$40.86, US\$23.35 and US\$5.84 per ounce were used for measured, indicated and inferred resources, respectively. For Hidden Valley, values of US\$35.00 and US\$6.00 per ounce were used for indicated and inferred resources, respectively.

During the 2015 year, an impairment of R2.11 billion was recognised on Hidden Valley following a change in the life-of-mine plan during the annual planning process. Low commodity prices and high all-in sustaining costs resulted in a shortening in the life-of-mine of the operation. The revised plan also made the recoverability of the deferred tax asset for Australia unlikely, and as a result it was derecognised.

Following the decision to restructure Doornkop in May 2015, a revised life-of-mine plan was completed. The new plan resulted in a lower recoverable amount and an impairment of R1.04 billion was recognised.

Other impairments included R278 million on Phakisa as cost pressures continue to impact profitability and R43 million for Freddie's 9 as plans to develop the project further have been abandoned.

The recoverable amounts for the impaired shafts are as follows: Hidden Valley R653 million (US\$53.7 million), Doornkop R1 846 million, Phakisa R3 989 million and Freddie's 9 Rn1. These were determined on a fair value less costs to sell basis using the assumptions above in discounted cash flow models and attributable resource values. These are fair value measurements, classified as level 3.

The sensitivity scenario of a 10% decrease in the gold price used in the models as well as a 10% decrease in the silver price for Hidden Valley would have resulted in an additional impairment of R1.3 billion, Doornkop of R921 million and Hidden Valley of R464 million. The decreases noted would have resulted in impairments at Target 1 of R938 million, Target 3 of R33 million, Target 2 of R693 million, Target 1 of R6 million and other Harmony assets of R389 million.

(b) Loss on scrapping of property, plant and equipment
 As previously reported, management embarked on a life-of-mine optimisation process in respect of the South African operations which was finalised at the end of the December 2014 quarter. The optimisation ensured greater focus on mining profitable and higher grade areas at our operations and therefore resulted in the abandonment of lower grade and unprofitable areas from the life-of-mine plan for most of the operations.

In the case of Kusasalethu and Masimong, the optimisation led to the abandonment of levels and areas with a carrying value. The abandonment of these areas resulted in the derecognition of property, plant and equipment as no future economic benefits are expected from their use or disposal and a loss on scrapping of property, plant and equipment of R214 million on Kusasalethu and R216 million on Masimong was recorded in the December 2014 quarter.

At 30 June 2015, following the annual life-of-mine planning, an additional amount of R61 million was recorded for various shafts as a result of the abandonment of uneconomical areas in the plans.

7. Investment in associate
 Harmony holds a 10.38% share in Rand Refinery Proprietary Limited (Rand Refinery). Due to the issues experienced at Rand Refinery following the implementation of a new Enterprise Resource Planning (ERP) system on 1 April 2015, Harmony provided for its estimated share of loss for the inventory discrepancy and recognised a R127 million loss in the June 2014 quarter.

As a precautionary measure following the challenges experienced by the implementation of the software system, Rand Refinery's shareholders have extended Rand Refinery an irrevocable, subordinated loan facility of up to R1.2 billion. The facility is convertible to equity after a period of two years. The agreements relating to the facility were signed on 23 July 2014. During the December 2014 quarter, Rand Refinery drew down R1.02 billion on the shareholders' loan. Harmony's portion of the shareholders' loan was R120 million. Interest on the facility is JIBAR plus a margin of 3.5%.

Following the finalisation of Rand Refinery's 2013 and 2014 audited financial statements, which accounted for the known inventory discrepancy at that date, Harmony has recorded a further R25 million against the loan to Rand Refinery (loan to associate) for its share of the loss. At 30 June 2015, the loan to associate was tested for impairment and a provision for impairment of R15 million was required. This impairment is included in other expenses (net) in the income statement.

8. Borrowings
 During the March 2015 quarter, the US\$300 million syndicated revolving credit facility (US\$270 million drawn) was repaid and a new revolving credit facility of US\$250 million (of which US\$205 million was drawn down) was entered into. During the June 2015 quarter, US\$45 million (R541 million) was drawn down on the US\$ revolving credit facility. R400 million was drawn down on the R1.3 billion webank revolving credit facility during the March 2015 quarter.

| Figures in million | US\$ facility | | Rand facility | |
|--|---------------|---------------|---------------|---------------|
| | US dollar | SA Rand | US dollar | SA Rand |
| Borrowings summary | | | | |
| Facility | 250 | 1 300 | 250 | 1 300 |
| Drawn down | 250 | 1 300 | 250 | 1 300 |
| Undrawn committed borrowing facilities | - | - | - | - |
| Maturity | February 2018 | December 2016 | February 2018 | December 2016 |
| Interest rate | LIBOR + 3% | JIBAR + 3.5% | LIBOR + 3% | JIBAR + 3.5% |

A foreign exchange translation loss of R4 million was recorded in the June 2015 quarter (March 2015: R118 million) increasing the borrowings balance and other expenses (net). The total foreign exchange translation loss for the 2015 Financial year is R382 million (2014: R155 million).

9. Financial risk management activities
 Fair value determination
 The following table presents the group's assets and liabilities that are measured at fair value by level within the fair value hierarchy:
 Level 1: Quoted prices (unadjusted) in active markets for identical assets
 Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset, either directly or indirectly (that is, as prices or indirectly (that is derived from prices))
 Level 3: Inputs for the asset that are not based on observable market data (that is unobservable inputs).

| Figures in million | At 30 June 2015 | | At 31 March 2015 | | At 30 June 2014 | |
|--|-----------------|-------------|------------------|-------------|-----------------|-----------|
| | (Reviewed) | (Unaudited) | (Reviewed) | (Unaudited) | (Reviewed) | (Audited) |
| Available-for-sale financial assets(1) | - | - | - | - | - | - |
| Level 1 | - | - | - | - | - | - |
| Level 2 | - | - | - | - | - | - |
| Level 3 | 5 | 5 | 4 | 4 | - | - |
| Fair value through profit or loss(2) | - | - | - | - | - | - |

| | | | |
|---------|-----|-----|-----|
| Level 1 | | | |
| Level 2 | 540 | 155 | 798 |
| Level 3 | | | |

(1) Level 3 fair values have been valued by the directors by performing independent valuations on an annual basis.
 (2) The majority of the level 2 fair values are directly derived from the All Share Top 40 index (ALSI 40) on the JSE, and are discounted at market interest rate. This relates to equity-linked deposits in the group's environmental rehabilitation trust funds (included in restricted investments).

10. Net additions to property, plant and equipment includes:

| Figures in million | Quarter ended | | | Year ended | |
|---|--------------------------|---------------------------|--------------------------|-------------------------|------------------------|
| | 30 June 2015 (Unaudited) | 31 March 2015 (Unaudited) | 30 June 2014 (Unaudited) | 30 June 2015 (Reviewed) | 30 June 2014 (Audited) |
| Capital expenditure - operations | 608 | 585 | 676 | 2 470 | 2 516 |
| Capital and capitalised exploration and evaluation expenditure for wafi-golpu | 65 | 40 | 12 | 119 | 12 |
| Additions resulting from stripping activities at hidden valley | 53 | 85 | 8 | 236 | 120 |
| Other | (8) | 2 | 3 | 2 | 13 |
| Net additions | 718 | 710 | 699 | 2 827 | 2 661 |

11. Commitments and contingencies

| Figures in million | At | | |
|--|-------------------------|---------------------------|------------------------|
| | 30 June 2015 (Reviewed) | 31 March 2015 (Unaudited) | 30 June 2014 (Audited) |
| Capital expenditure commitments: | | | |
| Contracts for capital expenditure authorised by the directors but not contracted for | 158 | 196 | 157 |
| | 415 | 1 073 | 676 |

This expenditure will be financed from existing resources and, where appropriate, borrowings.

Contingent liabilities
 For a detailed disclosure on contingent liabilities refer to Harmony's annual financial statements for the financial year ended 30 June 2014. There were no significant changes in contingencies since 30 June 2014, except as discussed below:

(a) US class action
 The distribution of the settlement amount, held in escrow, to the plaintiff class of the lawsuit filed in the United States of America was completed. From both legal and accounting perspectives, the matter is now concluded.

12. Related parties

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the group, directly or indirectly, including any director (whether executive or otherwise) of the group.
 During the June 2015 quarter, Frank Abbott, financial director, purchased 60 000 shares in the company in the open market.

13. Subsequent events

Harmony has signed a R100 million guarantee for the ARM Broad based Economic Empowerment (BSEE) Trust, a member of the African Rainbow Minerals (ARM) group. The guarantee is for additional security for the ARM BSEE Trust loan due to Nedbank Limited.

14. Segment report

The segment report follows below.

15. Reconciliation of segment information to condensed consolidated income statements and balance sheets

| Figures in million | Year ended | |
|--|-------------------------|------------------------|
| | 30 June 2015 (Reviewed) | 30 June 2014 (Audited) |
| The "reconciliation of segment information to condensed consolidated financial statements" | | |
| This item in the segment report is broken down in the following elements, to give a better understanding of the differences between the financial statements and segment report: | | |
| Reconciliation of production profit to gross loss | 15 435 | 15 682 |
| Total segment revenue | (12 632) | (11 888) |
| Total segment production costs | 3 794 | 3 794 |
| Production profit per segment report | (2 803) | (2 143) |
| Depreciation | (3 471) | (1 439) |
| Impairment | (478) | (618) |
| Other costs of sales items | (3 618) | (406) |
| Gross loss as per income statements(1) | | |

(1) The reconciliation was done up to the first recognisable line item on the income statement. The reconciliation will follow the income statement after that.

| Figures in million | At | |
|---|-------------------------|------------------------|
| | 30 June 2015 (Reviewed) | 30 June 2014 (Audited) |
| Reconciliation of total segment mining assets to consolidated property, plant and equipment | | |
| Property, plant and equipment not allocated to a segment | 762 | 787 |
| Mining assets | 5 139 | 5 139 |
| Undeveloped property | 199 | 117 |
| Other non-mining assets | 3 188 | 1 092 |
| Wafi-golpu assets | 2 288 | 7 135 |

16. Review report

These condensed consolidated financial statements for the year ended 30 June 2015 have been reviewed by PricewaterhouseCoopers Inc., who expressed an unmodified review conclusion thereon. A copy of the auditor's review report is available for inspection at the company's registered office, together with the financial statements identified in the auditor's report.

SEGMENT REPORT (RAND/METRIC)

for the year ended 30 June 2015

| | Revenue | | Production cost | | Production profit/(loss) | | Mining assets | | Capital expenditure(1) | | Kilograms produced(2) | | Tonnes milled(3) | |
|---|---------|--------|-----------------|--------|--------------------------|-------|---------------|--------|------------------------|-------|-----------------------|--------|------------------|--------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| South Africa | | | | | | | | | | | | | | |
| Underground | 1 939 | 1 959 | 1 996 | 1 753 | (57) | 206 | 3 619 | 3 616 | 463 | 509 | 3 953 | 4 694 | 908 | 1 143 |
| Kusasa/lethu | 1 220 | 1 126 | 1 092 | 1 098 | 198 | 28 | 2 339 | 3 386 | 245 | 238 | 2 663 | 2 603 | 601 | 737 |
| Doornkop | 1 420 | 1 284 | 1 181 | 1 061 | 239 | 213 | 1 007 | 1 590 | 403 | 360 | 3 118 | 2 976 | 611 | 577 |
| Tshepong | 948 | 822 | 1 611 | 1 365 | 337 | 457 | 4 025 | 3 941 | 313 | 301 | 4 278 | 4 223 | 992 | 947 |
| Masimong | 1 118 | 1 171 | 592 | 126 | 288 | 933 | 1 060 | 186 | 166 | 168 | 2 463 | 2 718 | 570 | 670 |
| Target 1 | 738 | 948 | 1 191 | 1 051 | 547 | 897 | 2 782 | 2 770 | 296 | 289 | 3 824 | 4 493 | 749 | 771 |
| Bambanani(a) | 1 046 | 995 | 770 | 668 | 276 | 327 | 578 | 450 | 182 | 145 | 2 258 | 2 335 | 551 | 548 |
| Joel | 770 | 792 | 600 | 68 | 88 | 192 | 594 | 663 | 29 | 82 | 1 895 | 1 838 | 417 | 408 |
| Unisel | 222 | 609 | 177 | 557 | 45 | 52 | 535 | 542 | 20 | 128 | 483 | 1 413 | 90 | 301 |
| Target 3 | 1 338 | 1 263 | 1 092 | 981 | 246 | 282 | 883 | 473 | 51 | 44 | 2 927 | 2 900 | 10 418 | 10 442 |
| Surface | 14 089 | 14 248 | 11 489 | 10 758 | 2 600 | 3 490 | 20 876 | 22 332 | 2 348 | 2 394 | 30 570 | 33 161 | 16 238 | 16 783 |
| All other surface operations | 1 346 | 1 434 | 1 143 | 1 090 | 203 | 344 | 1 384 | 3 602 | 121 | 122 | 2 943 | 3 292 | 1 825 | 2 001 |
| International | 1 346 | 1 434 | 1 143 | 1 090 | 203 | 344 | 1 384 | 3 602 | 121 | 122 | 2 943 | 3 292 | 1 825 | 2 001 |
| Hidden Valley | 1 346 | 1 434 | 1 143 | 1 090 | 203 | 344 | 1 384 | 3 602 | 121 | 122 | 2 943 | 3 292 | 1 825 | 2 001 |
| Total international | 15 435 | 15 682 | 12 632 | 11 888 | 2 803 | 3 794 | 2 600 | 25 934 | 2 469 | 2 516 | 33 513 | 36 453 | 18 063 | 18 784 |
| Total operations | | | | | | | | | | | | | | |
| Reconciliation of the segment information to the condensed consolidated financial statements (refer to note 15) | 15 435 | 15 682 | 12 632 | 11 888 | 7 288 | 7 135 | 29 548 | 33 069 | | | | | | |

(1) Capital expenditure for international operations excludes expenditure spend on wafi-golpu of R110 million (2014: R12 million).

(2) Includes steps 2 for the June 2014 amounts.

(3) Production statistics are unaudited.

The segment report for the year ended 30 June 2014 has been audited. The segment report for the year ended 30 June 2015 has been reviewed.

DEVELOPMENT RESULTS (METRIC)

Quarter ending June 2015

| | Channel | | | | |
|----------------|---------|---------|--------|--------|---------|
| | Reef | Sampled | Width | Value | Gold |
| | Meters | Meters | (cm's) | (g/t) | (cmg/t) |
| Tshepong | | | | | |
| Basal | 432 | 400 | 8,61 | 205,04 | 1 765 |
| Beatrix | | | | | |
| Leader | 322 | 292 | 125,09 | 18,77 | 2 348 |
| All Reefs | 754 | 692 | 57,76 | 34,82 | 2 011 |
| Phakisa | | | | | |
| Basal | 401 | 416 | 60,77 | 21,18 | 1 287 |
| Beatrix | | | | | |
| Leader | 401 | 416 | 60,77 | 21,18 | 1 287 |
| All Reefs | | | | | |
| Bambanani | | | | | |
| Basal | | | | | |
| Beatrix | | | | | |
| Leader | | | | | |
| All Reefs | | | | | |
| Doornkop | | | | | |
| VCR Reef | | | | | |
| UJIA | | | | | |
| Main Reef | | | | | |
| Kimberley Reef | | | | | |
| South Reef | 551 | 516 | 52,00 | 15,83 | 820 |
| All Reefs | 551 | 516 | 52,00 | 15,78 | 820 |
| Kusasa/lethu | 581 | 398 | 144,53 | 6,66 | 962 |
| VCR Reef | 581 | 398 | 144,53 | 6,66 | 962 |
| All Reefs | | | | | |
| Target 1 | 79 | 36 | 266,00 | 1,83 | 487 |
| Basal | | | | | |
| A Reef | | | | | |
| B Reef | | | | | |
| All Reefs | 79 | 36 | 266,00 | 1,83 | 487 |
| Masimong | | | | | |
| Basal | 368 | 314 | 39,94 | 19,82 | 791 |
| Leader | | | | | |
| A Reef | | | | | |
| Middle | | | | | |
| B Reef | 171 | 174 | 64,31 | 19,05 | 1 225 |
| All Reefs | 539 | 488 | 48,63 | 19,46 | 946 |
| Basal | 238 | 226 | 147,86 | 5,97 | 882 |
| Leader | 516 | 444 | 175,42 | 6,38 | 1 119 |
| A Reef | | | | | |
| Middle | | | | | |
| B Reef | | | | | |
| All Reefs | 754 | 670 | 166,12 | 6,26 | 1 039 |
| Joel | | | | | |
| Basal | 266 | 255 | 173,00 | 6,84 | 1 183 |
| Beatrix | 266 | 255 | 173,00 | 6,84 | 1 183 |
| Leader | | | | | |
| All Reefs | 266 | 255 | 173,00 | 6,84 | 1 183 |
| Total Harmony | 1 439 | 1 356 | 55,07 | 22,62 | 1 246 |
| Beatrix | 266 | 255 | 173,00 | 6,84 | 1 183 |
| Leader | 516 | 444 | 175,42 | 6,38 | 1 119 |
| A Reef | 493 | 466 | 102,39 | 18,84 | 1 929 |
| B Reef | | | | | |
| Middle | | | | | |
| Elsburg | 79 | 36 | 266,00 | 1,83 | 487 |
| Kimberley | | | | | |
| South Reef | 551 | 516 | 52,00 | 15,78 | 820 |
| VCR | 581 | 398 | 144,53 | 6,66 | 962 |
| Main Reef | | | | | |
| All Reefs | 3 925 | 3 471 | 97,47 | 12,45 | 1 213 |

DEVELOPMENT RESULTS (IMPERIAL)

Quarter ending June 2015

| | Channel | | | | |
|-----------|---------|---------|--------|--------|-----------|
| | Reef | Sampled | Width | Value | Gold |
| | Feet | Meters | (Inch) | (oz/t) | (Tn.oz/t) |
| Tshepong | | | | | |
| Basal | 1 418 | 1 312 | 3,00 | 6,76 | 20 |
| Beatrix | | | | | |
| Leader | 1 056 | 958 | 49,00 | 0,55 | 27 |
| All Reefs | 2 474 | 2 270 | 23,00 | 1,00 | 23 |
| Phakisa | | | | | |
| Basal | 1 317 | 1 365 | 24,00 | 0,62 | 15 |
| Beatrix | | | | | |
| Leader | 1 317 | 1 365 | 24,00 | 0,62 | 15 |
| All Reefs | | | | | |
| Bambanani | | | | | |
| Basal | | | | | |
| Beatrix | | | | | |
| Leader | | | | | |
| All Reefs | | | | | |
| Doornkop | | | | | |
| VCR Reef | | | | | |
| UJIA | | | | | |
| Main Reef | | | | | |

| | | | | | |
|----------------|--------|--------|--------|------|----|
| Kimberley Reef | | | | | |
| South Reef | 1 809 | 1 693 | 20.00 | 0.47 | 9 |
| All Reefs | 1 809 | 1 693 | 20.00 | 0.47 | 9 |
| Kusasaalichu | | | | | |
| VCR Reef | 1 907 | 1 306 | 57.00 | 0.19 | 11 |
| All Reefs | 1 907 | 1 306 | 57.00 | 0.19 | 11 |
| Target 1 | | | | | |
| Elsburg | 259 | 118 | 105.00 | 0.05 | 6 |
| Basal | - | - | - | - | - |
| A Reef | - | - | - | - | - |
| B Reef | - | - | - | - | - |
| All Reefs | 259 | 118 | 105.00 | 0.05 | 6 |
| Mashimong 5 | | | | | |
| Basal | 1 207 | 1 030 | 16.00 | 0.57 | 9 |
| Leader | - | - | - | - | - |
| A Reef | - | - | - | - | - |
| Middle | - | - | - | - | - |
| S Reef | 561 | 571 | 25.00 | 0.56 | 14 |
| All Reefs | 1 768 | 1 601 | 19.00 | 0.57 | 11 |
| Unitel | | | | | |
| Basal | 781 | 741 | 58.00 | 0.17 | 10 |
| Leader | 1 693 | 1 457 | 69.00 | 0.19 | 13 |
| A Reef | - | - | - | - | - |
| Middle | - | - | - | - | - |
| B Reef | - | - | - | - | - |
| All Reefs | 2 474 | 2 198 | 65.00 | 0.18 | 12 |
| Joel | | | | | |
| Basal | - | - | - | - | - |
| Beatrix | 871 | 837 | 68.00 | 0.20 | 14 |
| Leader | - | - | - | - | - |
| All Reefs | 871 | 837 | 68.00 | 0.20 | 14 |
| Total Harmony | | | | | |
| Basal | 4 722 | 4 449 | 22.00 | 0.65 | 14 |
| Beatrix | 871 | 837 | 68.00 | 0.20 | 14 |
| Leader | 1 693 | 1 457 | 69.00 | 0.19 | 13 |
| S Reef | 1 616 | 1 529 | 40.00 | 0.55 | 22 |
| A Reef | - | - | - | - | - |
| Middle | - | - | - | - | - |
| Elsburg | 259 | 118 | 105.00 | 0.05 | 6 |
| Kimberley | | | | | |
| South Reef | 1 809 | 1 693 | 20.00 | 0.47 | 9 |
| VCR | 1 907 | 1 306 | 57.00 | 0.19 | 11 |
| Main Reef | | | | | |
| All Reefs | 12 877 | 11 389 | 38.00 | 0.37 | 14 |