



# FY17

## INTERIM RESULTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2016

### KEY FEATURES

- Safety rates improving
- Repaid most of our debt
- Shareholder returns – interim dividend of 50 SA cents (4 US cents)
- 8% increase in gold production
- 3% increase in grade – upward trend continues
- R627 million (US\$45 million) cash inflows from hedging activity
- 4% increase in all-in sustaining costs at R510 506/kg (14% to US\$1 136/oz due to exchange rate)
- Headline earnings of 150 SA cents (11 US cents)

|                                      |                | 6 months ended<br>December<br>2016<br>(H1FY17) | 6 months ended<br>June<br>2016<br>(H2FY16) | %<br>Variance |
|--------------------------------------|----------------|------------------------------------------------|--------------------------------------------|---------------|
| Gold produced <sup>1</sup>           | – kg           | 17 227                                         | 15 974                                     | 8             |
|                                      | – oz           | 553 862                                        | 513 576                                    | 8             |
| Cash operating costs                 | – R/kg         | 437 996                                        | 413 796                                    | (6)           |
|                                      | – US\$/oz      | 974                                            | 836                                        | (17)          |
| Gold sold <sup>1</sup>               | – kg           | 16 923                                         | 15 900                                     | 6             |
|                                      | – oz           | 544 086                                        | 511 198                                    | 6             |
| Underground grade                    | – g/t          | 5.04                                           | 4.88                                       | 3             |
| Total costs and capital <sup>2</sup> | – R/kg         | 522 264                                        | 485 175                                    | (8)           |
|                                      | – US\$/oz      | 1 162                                          | 980                                        | (19)          |
| All-in sustaining costs <sup>2</sup> | – R/kg         | 510 506                                        | 492 898                                    | (4)           |
|                                      | – US\$/oz      | 1 136                                          | 996                                        | (14)          |
| Gold price received                  | – R/kg         | 585 908                                        | 605 476                                    | (3)           |
|                                      | – US\$/oz      | 1 303                                          | 1 223                                      | 7             |
| Production profit                    | – R million    | 2 474                                          | 3 092                                      | (20)          |
|                                      | – US\$ million | 177                                            | 201                                        | (12)          |
| Basic earnings/(loss) per share      | – SAc/s        | 352                                            | 320                                        | 10            |
|                                      | – USc/s        | 25                                             | 21                                         | 19            |
| Headline earnings/(loss)             | – Rm           | 657                                            | 1 412                                      | (53)          |
|                                      | – US\$m        | 47                                             | 92                                         | (49)          |
| Headline earnings/(loss) per share   | – SAc/s        | 150                                            | 324                                        | (54)          |
|                                      | – USc/s        | 11                                             | 21                                         | (48)          |
| Exchange rate                        | – R/US\$       | 13.98                                          | 15.39                                      | (9)           |

<sup>1</sup>Includes production for Hidden Valley attributable to Stage 5 & 6 capitalised for H1FY17: 81 kilograms (2 618 ounces).

<sup>2</sup>Re-stated to include capitalised stripping.

#### Harmony Gold Mining Company Limited

("Harmony" or "Company")  
Incorporated in the Republic of South Africa  
Registration number 1950/038232/06  
JSE share code: HAR  
NYSE share code: HMY  
ISIN: ZAE000015228

#### HARMONY'S ANNUAL REPORTS

Harmony's Integrated Annual Report and the Form 20F with the United States' Securities and Exchange Commission for the financial year ended 30 June 2016 are available on our website ([www.harmony.co.za/investors](http://www.harmony.co.za/investors)).

## SHAREHOLDER INFORMATION

|                                                                             |                     |
|-----------------------------------------------------------------------------|---------------------|
| Issued ordinary share capital at 31 December 2016                           | 439 787 199         |
| Issued ordinary share capital at 30 June 2016                               | 437 299 479         |
| <b>MARKET CAPITALISATION</b>                                                |                     |
| At 31 December 2016 (ZARm)                                                  | 13 866              |
| At 31 December 2016 (US\$m)                                                 | 1 014               |
| At 30 June 2016 (ZARm)                                                      | 22 945              |
| At 30 June 2016 (US\$m)                                                     | 1 567               |
| <b>HARMONY ORDINARY SHARES AND ADR PRICES</b>                               |                     |
| 12-month high (1 January 2016 – 31 December 2016) for ordinary shares       | 67.00               |
| 12-month low (1 January 2016 – 31 December 2016) for ordinary shares        | 15.20               |
| 12-month high (1 January 2016 – 31 December 2016) for ADRs                  | 4.81                |
| 12-month low (1 January 2016 – 31 December 2016) for ADRs                   | 1.06                |
| <b>FREE FLOAT</b>                                                           | 100%                |
| <b>ADR RATIO</b>                                                            | 1:1                 |
| <b>JSE LIMITED</b>                                                          | HAR                 |
| Range for six months (1 July – 31 December 2016 closing prices)             | R25.87 – R67.00     |
| Average daily volume for the six months (1 July – 31 December 2016)         | 2 122 890 shares    |
| Range for previous six months (1 January – 30 June 2016 closing prices)     | R15.20 – R62.89     |
| Average daily volume for the previous six months (1 January – 30 June 2016) | 2 935 000 shares    |
| <b>NEW YORK STOCK EXCHANGE including other US trading platforms</b>         | HMV                 |
| Range for six months (1 July – 31 December 2016 closing prices)             | US\$1.89 – US\$4.81 |
| Average daily volume for the six months (1 July – 31 December 2016)         | 5 032 529 ADRs      |
| Range for previous six months (1 January – 30 June 2016 closing prices)     | US\$1.06 – US\$4.17 |
| Average daily volume for the previous six months (1 January – 30 June 2016) | 5 233 520 ADRs      |
| <b>INVESTORS' CALENDAR</b>                                                  |                     |
| FY 17 year end results                                                      | 17 August 2017      |
| Annual general meeting                                                      | 23 November 2017    |

## CONTACT DETAILS

### CORPORATE OFFICE

Randfontein Office Park  
PO Box 2, Randfontein, 1760, South Africa  
Corner Main Reef Road and Ward Avenue  
Randfontein, 1759, South Africa  
Telephone: +27 11 411 2000  
Website: www.harmony.co.za

### DIRECTORS

PT Motsepe\* (*chairman*)  
FFT De Buck\*\*^ (*lead independent director*)  
JM Motloba\*\*^ (*deputy chairman*)  
PW Steenkamp (*chief executive officer*)  
F Abbott (*financial director*)  
JA Chissano\*1^, KV Dicks\*^, Dr DSS Lushaba\*^  
CE Markus\*^, HE Mashego\*\*, M Msimang\*^  
KT Nondumo\*^, VP Pillay\*^, JL Wetton\*^, AJ Wilkens\*

\* Non-executive

\*\* Executive

^ Independent

1 Mozambican

### INVESTOR RELATIONS

E-mail: harmonyIR@harmony.co.za

#### Marian van der Walt

Executive: Corporate and Investor Relations  
Telephone: +27 11 411 2037  
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Mobile: +27 82 888 1242  
E-mail: marian@harmony.co.za

### COMPANY SECRETARY

#### Riana Bisschoff

Telephone: +27 11 411 6020  
Fax: +27 11 696 9734  
Mobile: +27 83 629 4706  
E-mail: riana.bisschoff@harmony.co.za

### TRANSFER SECRETARIES

#### Link Market Services South Africa (Proprietary) Limited

(Registration number 2000/007239/07)  
13th Floor, Rennie House, Ameshoff Street, Braamfontein  
PO Box 4844, Johannesburg, 2000, South Africa  
Telephone: +27 86 154 6572  
E-mail: info@linkmarketservices.co.za  
Fax: +27 86 674 2450

### ADR\* DEPOSITORY

#### Deutsche Bank Trust Company Americas

#### c/o American Stock Transfer and Trust Company

Peck Slip Station  
PO Box 2050, New York, NY 10272-2050  
E-mail queries: db@amstock.com  
Toll free: +1-800-937-5449  
Int: +1-718-921-8137  
Fax: +1-718-765-8782  
\*ADR: American Depositary Receipts

### SPONSOR

#### JP Morgan Equities South Africa (Pty) Ltd

1 Fricker Road, corner Hurlingham Road  
Illovo, Johannesburg, 2196  
Private Bag X9936, Sandton, 2146  
Telephone: +27 11 507 0300  
Fax: +27 11 507 0503

### TRADING SYMBOLS

JSE Limited: HAR  
New York Stock Exchange, Inc.: HMV  
Berlin Stock Exchange: HAM1

### REGISTRATION NUMBER:

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

### ISIN:

ZAE 000015228



## FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements within the meaning of the safe harbour provided by Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended, with respect to our financial condition, results of operations, business strategies, operating efficiencies, competitive positions, growth opportunities for existing services, plans and objectives of management, markets for stock and other matters. These include all statements other than statements of historical fact, including, without limitation, any statements preceded by, followed by, or that include the words "targets", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "would", "should", "could", "estimates", "forecast", "predict", "continue" or similar expressions or the negative thereof.

These forward-looking statements, including, among others, those relating to our future business prospects, revenues and income, wherever they may occur in this report and the exhibits to this report, are essentially estimates reflecting the best judgment of our senior management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. As a consequence, these forward-looking statements should be considered in light of various important factors, including those set forth in this 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 gold and other metals prices, estimates of future gold and other metals production and sales, estimates of future cash costs, estimates of future cash flows, and the sensitivity of cash flows to the gold and other metals prices, statements regarding future debt repayments, estimates of future capital expenditures, the success of our business strategy, development activities and other initiatives, estimates of reserves statements regarding future exploration results and the replacement of reserves, the ability to achieve anticipated efficiencies and other cost savings in connection with past and future acquisitions, fluctuations in the market price of gold, the occurrence of hazards associated with underground and surface gold mining, the occurrence of labour disruptions, power cost increases as well as power stoppages, fluctuations and usage constraints, supply chain shortages and increases in the prices of production imports, availability, terms and deployment of capital, changes in government regulation, particularly mining rights and environmental regulation, fluctuations in exchange rates, the adequacy of the group's insurance coverage and socio-economic or political instability in South Africa and Papua New Guinea and other countries in which we operate.

For a more detailed discussion of such risks and other factors (such as availability of credit or other sources of financing), see the company's latest Integrated Annual Report on Form 20-F which is on file with the Securities and Exchange Commission, as well as the Company's other Securities and Exchange Commission filings. The company undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this annual report or to reflect the occurrence of unanticipated events, except as required by law.

## 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 of South Africa:

Jaco Boshoff, BSc (Hons), MSc, MBA, Pr. Sci. Nat, MSAIMM, MGSSA, who has 21 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 Harmony's Lead Competent Person.

### Jaco Boshoff

#### Physical address:

Randfontein Office park  
Corner of Main Reef Road and Ward Avenue  
Randfontein  
South Africa

#### Postal address:

PO Box 2  
Randfontein  
1760  
South Africa

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### Resources and reserves of Papua New Guinea:

Gregory Job, BSc, MSc, who has 28 years' relevant experience and is a member of the Australian Institute of Mining and Metallurgy (AusIMM).

### Greg Job

#### Physical address:

Level 2  
189 Coronation Drive  
Milton, Queensland 4064  
Australia

#### Postal address:

PO Box 1562  
Milton, Queensland  
4064  
Australia

Both these competent persons, who are full-time employees of Harmony Gold Mining Company Limited, consent to the inclusion in the report of the matters based on the information in the form and context in which it appears.

## MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

We achieved all we set out to in the six months from 1 July 2016 to 31 December 2016. We improved our safety performance and increased production. Safe mines are profitable mines and profitable mines strengthen our margins.

### SAFETY

Despite a significant improvement in our fatality injury frequency rate quarter on quarter and half year on half year, it is with deep regret that we report three fatalities in the past six months.

Our underground South African operations recorded a fatality free quarter for the three months to December 2016, which was a notable achievement. For the six months from 1 July 2016 to 31 December 2016, Harmony's fatality injury frequency rate of 0.08 was lower than the previous six month period's rate of 0.10 and lower than the combined rate (0.10) for the main gold producers in South Africa.

Tshepong achieved its first ever 2.5 million fatality-free shifts (FFS) on 27 October 2016, equivalent to 794 days without a fatality. Doornkop achieved its first ever 2 million FFS on 17 December 2016, which equates to 872 days free of fatalities. The Free State Surface Sources reported 3.5 million FFS on 16 November 2016 (equivalent to 159 months without a fatality or just more than 13 years).

Important to note is that safety is being taken extremely serious in our company. Each person is bound by our safety pledge. Our number of white flag days is a good indication of where our safety efforts need to increase. A white flag day is one where no one suffered an injury at the mine during the course of one working day.

The following operations recorded white flag (injury free) months:

- Unisel in December 2016
- Bambanani in September 2016, November 2016 and December 2016
- Joel in October 2016

### OPERATIONAL RESULTS – 6 months on 6 months

Gold production for the six months ended 31 December 2016 increased by 8% to 17 227kg (553 862 oz), compared to 15 974kg (513 576oz) for the six months ended June 2016. All-in sustaining costs for all operations increased by only 4% to R510 506/kg (14% to US\$1 136/oz).

Gold production increased at the following operations:

- *Kusasaletu* (+307kg, 9 871oz): gold production increased by 16%, mainly due to a 13% (37 000t) increase in tonnes milled, supported by a 3% increase in the recovered grade to 6.75g/t (June 2016: 6.55g/t)
- *Bambanani* (+263kg, 8 456oz): tonnes milled increased by 16% (17 000t) while the recovered grade improved by 5% to 12.03g/t (June 2016: 11.48g/t), resulting in a 22% increase in gold produced
- *Phakisa* (+217kg, 6 977oz): gold production increased by 11%, due mainly to a 6% increase in the recovered grade to 6.33g/t (June 2016: 5.95g/t). Tonnes milled improved by 4% (14 000t)
- *Joel* (+212kg, 6 816oz): an 18% increase in the recovered grade to 4.84g/t (June 2016: 4.11g/t), combined with a 2% increase in tonnes milled, resulted in a 20% increase in gold produced.

- *Unisel* (+183kg, 5 884oz): a 24% increase in gold production was due to a 15% increase in the recovered grade to 4.37g/t (June 2016: 3.79g/t). Tonnes milled, increased by 7% or 15 000t
- *Masimong* (+133kg, 4 277oz): tonnes milled increased by 10% (30 000t) and recovered grade increased by 2% to 3.72g/t (June 2016: 3.65g/t), resulting in a 12% increase in gold production
- *Phoenix* (+82kg, 2 637oz): gold production increased by 21% due mainly to a 17% increase in the recovered grade to 0.14g/t (June 2016: 0.12g/t). Tonnes milled increased 7% (231 000t)
- *Kalgold* (+78kg, 2 508oz) the recovered grade increased to 0.81g/t (June 2016: 0.71g/t), resulting in a 15% increase in gold produced
- *Hidden Valley*: 1.2Mt were milled, an increase of 24% on the previous six months. This was partly offset by a 17% decline in the recovered grade to 1.15g/t, resulting in a 39kg (1 253oz) (3%) increase in gold produced

The following operations, where production declined, require more attention:

- *Target 1* (–148kg, 4 759oz): Production was severely affected by unstable ground conditions which hampered further mining in the higher grade areas. The 11% decrease in gold production was mainly due to a 17% decrease in the recovered grade to 3.00g/t (June 2016: 3.62g/t). Additional geological infill drilling indicates that we will not meet the mine's existing plan for FY17. We will implement a narrow reef mining method to access the higher-grade ore, with expected production to be about 250kg per month. To this end, a zero-based costing exercise has begun to identify opportunities to return the mine to profitability and to ensure an acceptable operating margin at a reduced production profile
- *Tshepong* (–67kg, 2 154oz): Tonnes milled declined by 17 000t resulting in a 3% decrease in gold production
- *Doornkop* (–38kg, 1 222oz): A 3% decrease in the recovered grade to 4.16g/t (June 2016: 4.29g/t) resulted in a 3% decrease in gold produced

### HIDDEN VALLEY – progress in line with plan

Since acquiring Hidden Valley, we have made good progress in positioning the mine for growth. Waste stripping at Stage 5 has commenced and we have invested in additional and replacement mobile fleet (9 additional mining trucks were ordered). We are currently processing the Hamata ore and stockpiles until June 2017, followed by a five-month mill shut-down. During the shut-down we plan to do plant maintenance and attend to upgrade projects.

The total re-investment capital will be net US\$180 million (US\$70 million in FY17 and US\$110 million in FY18). Commercial levels of production post pre-strip is estimated to be achieved in the June quarter of calendar year 2018, with steady state production thereafter of about 180 000oz of gold and 3Moz of silver.

Planned life-of-mine information is as follows:

- Production to be 1.2Moz of gold (after re-investment 1 Moz of gold) and 18Moz of silver (after re-investment 16 Moz of silver)
- Recovered gold grade of between 1.4g/t to 1.5g/t and silver at approximately 20g/t to 23g/t
- Milling rate of approximately 4Mt per annum
- Mining rate ramps up to 28Mt per annum
- Life of mine all-in sustaining cash cost post re-investment (real) ranging from US\$850/oz to US\$950/oz on average

A regional exploration programme has commenced proximate to the Hidden Valley mine. In addition, during FY18 a prefeasibility study will commence to underpin a possible further 7 year mine life extension through a further cutback on the Hidden Valley Kaveroi orebody.

Hidden Valley is an asset that we are familiar with – we know the ore body, have strong relationships with government and the communities and have a robust re-investment plan that will generate a return for our shareholders.

## FINANCIAL RESULTS

The higher Rand gold and US dollar gold price received over the last year has improved the profitability of our operations and enabled the company to enter into favourable hedging arrangements. Combined with producing safe, profitable ounces, we also focus on prudent cash management.

### H1FY17 to H2FY16

The average spot gold price during the six months ended December 2016 was R569 241/kg, 6% lower than the R605 476/kg recorded in the previous six months. During the six months to December 2016 the rand strengthened by 9% against the US dollar from an average of R15.39/US\$ in the six months ended June 2016 to an average of R13.98/US\$. The average US dollar gold price for the six months ended December 2016 increased 4% to US\$1 266/oz (June 2016: US\$1 223/oz). After accounting for R233 million (US\$17 million) realised profits resulting from the gold hedge, the average gold price received increased to R585 908/kg (US\$1 303/oz) for the six months ended December 2016.

Revenue including the gold hedge increased by 3% to R9.868 billion (13% to US\$706 million) in the six months ended 31 December 2016.

Total production profit decreased to R2.474 billion (US\$177 million), from R3.092 billion (US\$201 million) in H2FY16 after accounting for a 14% increase in cash operating costs. Operating costs were higher due to the inclusion of 100% of Hidden Valley as from 26 October 2016 and increases in labour costs, electricity tariffs and royalty costs at our South African operations.

## HEDGING ACTIVITY

### Currency hedging

The foreign currency hedging is in the form of zero cost collars, which establish a minimum (floor) and maximum (cap) rand/US dollar exchange rate at which to convert US dollars to rands. The nominal value of the hedging contracts as at 31 December 2016 is US\$442 million. The hedging contracts are spread over a 12 month period, and are summarised as follows:

|                             | FY17 Q3  | FY17 Q4  | FY18 Q1  | FY18 Q2 |
|-----------------------------|----------|----------|----------|---------|
| <b>Sold call options</b>    |          |          |          |         |
| Nominal                     | US\$112m | US\$146m | US\$111m | US\$73m |
| Average strike price        | R18.59   | R17.38   | R16.28   | R16.22  |
| Lowest strike price         | R17.93   | R16.21   | R16.20   | R16.20  |
| Highest strike price        | R19.08   | R18.28   | R16.50   | R16.30  |
| <b>Purchased put option</b> |          |          |          |         |
| Nominal                     | US\$112m | US\$146m | US\$111m | US\$73m |
| Average strike price        | R15.56   | R15.47   | R14.98   | R15.00  |
| Lowest strike price         | R15.40   | R14.85   | R14.85   | R15.00  |
| Highest strike price        | R15.80   | R16.10   | R15.15   | R15.00  |

The realised gain from contracts maturing in the six months to 31 December 2016 amounted to R394 million (US\$28 million).

All-in sustaining costs (AISC) for all operations increased by 4% to R510 506/kg in H1FY17, compared to R492 898/kg in H2FY16 (increased by 14% to US\$1 136/oz compared to US\$996/oz in H2FY16).

All-in sustaining costs (AISC) for the South African operations increased by 1% to R505 795/kg (11% to US\$1 125/oz) compared to H2FY16.

All-in sustaining costs (AISC) for Hidden Valley increased to R567 012/kg (US\$1 264/oz) compared to H2FY16: R429 121/kg (46% to US\$867/oz), mainly due to processing the lower grade stockpiles.

A net profit of R1.5 billion (US\$111 million) was recorded in the six months ended 31 December 2016 compared to a net profit of R1.4 billion (US\$89 million) recorded in the six months ended 30 June 2016.

Headline earnings amounted to 150 SA cents per share (11 US cents per share) compared to headline earnings of 324 SA cents per share (21 US cents per share) for the six months ended 30 June 2016.

### Accounting for the Hidden Valley transaction

Following the completion of the Hidden Valley transaction, 100% of the operation's income, expenses, assets and liabilities were accounted for from the 26<sup>th</sup> of October 2016. A gain on purchase of R848 million (US\$61 million) was recorded. Refer to note 4 for further details.

### Net debt

Positive cash flow generation from our operations enabled the company to pay a dividend<sup>1</sup> of R218 million (US\$16 million) in September 2016 and reduce net debt from R1.1 billion (US\$74 million) at the end of 30 June 2016 to R289 million (US\$21 million) at the end of 31 December 2016. Refer to note 8 for further details related to borrowings at 31 December 2016.

<sup>1</sup> Dividend of 50 SA cents (4 US cents) declared for the year ended 30 June 2016.

## MESSAGE FROM THE **CHIEF EXECUTIVE OFFICER** (CONTINUED)

### Gold hedging

Gold hedging is in the form of short-term gold forward sale contracts with a maximum term of 24 months. The nominal value hedged as at 31 December 2016 was 370 000 ounces, representing approximately 20% of our total production. The breakdown of gold forward sale contracts entered into are as follows:

|         |              | Q1          | Q2          | Q3          | Q4          |
|---------|--------------|-------------|-------------|-------------|-------------|
| FY 2017 | Kg's         |             |             | 1 680       | 1 680       |
|         | Average R/kg |             |             | R660 632/kg | R673 143/kg |
| FY 2018 | Kg's         | 1 680       | 1 680       | 1 680       | 1 680       |
|         | Average R/kg | R686 131/kg | R699 540/kg | R712 982/kg | R727 765/kg |
| FY 2019 | Kg's         | 1 431       |             |             |             |
|         | Average R/kg | R709 785/kg |             |             |             |

During the six months ended 31 December 2016 a gain of R233 million (US\$17 million) was realised on the contracts that matured and is included in revenue. Cash flow hedge accounting is applied to the contracts.

Refer to note 3 and 7 for further details.

### GOLPU

The Wafi-Golpu Joint Venture parties continued to work with the Papua New Guinea Government to advance our application for a special mining lease for the Wafi-Golpu project. Work continued during the first half of the financial year on those areas identified in the forward work plan.

### DIVIDEND

Our strategy to mine safe, profitable ounces and increase our margins is paying off. As a result, the board has decided to return cash to shareholders and they have approved a 50 SA cents (4 US cents) dividend. See page 7 for details.

### CONCLUSION

We believe it is important to continue to strengthen our cash flow, to pay dividends and to finance our growth ambitions, and to ensure that Harmony's share price correctly reflects its true value. It is important that shareholders acknowledge that Harmony has a sustainable investment case based on prudent financial planning and capital allocation that is aimed at enhancing the value of our portfolio.

Although the March quarter is traditionally a difficult production quarter due to the slow start-up after the festive season, we believe that our annual guidance of approximately 1 050 000oz of gold at a cash cost of about \$1 100/oz (~R495 000/kg at an exchange rate of R14.00) is achievable.

We will continue our strong operational performance and create further value uplift.

**Peter Steenkamp**

*Chief Executive Officer*

## NOTICE OF CASH DIVIDEND

Our dividend declaration for the six months ending 31 December 2016 is as follows:

### NOTICE OF CASH DIVIDEND

#### Declaration of ordinary dividend no. 87

The board has approved and declared an interim dividend of 50 SA cents (4 US cents) per ordinary share in respect of the six months ended 31 December 2016.

In accordance with paragraphs 11.17(a)(i) to (x) and 11.17(c) of the JSE Listings Requirements the following additional information is disclosed:

- The dividend has been declared out of income reserves;
- The local Dividends Tax rate is 15% (fifteen per centum);
- The gross local dividend amount is 50 SA cents per ordinary share for shareholders exempt from the Dividends Tax;
- The net local dividend amount is 42.5 SA cents per ordinary share for shareholders liable to pay the Dividends Tax;
- Harmony currently has 439 787 199 ordinary shares in issue (which includes 559 519 treasury shares); and
- Harmony Gold Mining Company Limited's income tax reference number is 9240/012/60/0.

A dividend No. 87 of 50 SA cents per ordinary share, being the dividend for the six months ended 31 December 2016, has been declared payable on Monday, 20 March 2017 to those shareholders recorded in the books of the company at the close of business on Friday, 17 March 2017. The dividend is declared in the currency of the Republic of South Africa. Any change in address or dividend instruction to apply to this dividend must be received by the company's transfer secretaries or registrar not later than Friday, 17 March 2017.

|                                                    |                             |
|----------------------------------------------------|-----------------------------|
| Last date to trade ordinary shares cum dividend is | Tuesday,<br>14 March 2017   |
| Ordinary shares trade ex-dividend                  | Wednesday,<br>15 March 2017 |
| Record date                                        | Friday,<br>17 March 2017    |
| Payment date                                       | Monday,<br>20 March 2017    |

No dematerialisation or rematerialisation of share certificates may occur between Wednesday, 15 March 2017 and Friday, 17 March 2017, both dates inclusive, nor may any transfers between registers take place during this period.

## OPERATING RESULTS – SIX MONTHLY (RAND/METRIC)

|                                                |                  |                  | South Africa           |                        |                    |                    |                    |                    |                        |
|------------------------------------------------|------------------|------------------|------------------------|------------------------|--------------------|--------------------|--------------------|--------------------|------------------------|
|                                                |                  |                  | Underground production |                        |                    |                    |                    |                    |                        |
|                                                |                  |                  | Tshepong               | Phakisa                | Bambanani          | Joel               | Doornkop           | Target 1           | Kusasaletu             |
|                                                | Six months ended |                  |                        |                        |                    |                    |                    |                    |                        |
| Ore milled                                     | – t'000          | Dec-16<br>Jun-16 | 518<br>535             | 344<br>330             | 123<br>106         | 268<br>264         | 317<br>316         | 384<br>359         | 323<br>286             |
| Yield                                          | – g/tonne        | Dec-16<br>Jun-16 | 4.71<br>4.68           | 6.33<br>5.95           | 12.03<br>11.48     | 4.84<br>4.11       | 4.16<br>4.29       | 3.00<br>3.62       | 6.75<br>6.55           |
| Gold produced <sup>1</sup>                     | – kg             | Dec-16<br>Jun-16 | 2 439<br>2 506         | 2 179<br>1 962         | 1 480<br>1 217     | 1 298<br>1 086     | 1 318<br>1 356     | 1 151<br>1 299     | 2 181<br>1 874         |
| Gold sold <sup>1</sup>                         | – kg             | Dec-16<br>Jun-16 | 2 393<br>2 496         | 2 139<br>1 955         | 1 452<br>1 212     | 1 313<br>1 008     | 1 324<br>1 314     | 1 124<br>1 323     | 2 131<br>1 806         |
| Gold price received                            | – R/kg           | Dec-16<br>Jun-16 | 586 751<br>606 220     | 587 747<br>605 947     | 587 059<br>605 564 | 588 313<br>605 463 | 588 388<br>604 164 | 584 472<br>605 233 | 592 875<br>605 817     |
| Revenue                                        | (R'000)          | Dec-16<br>Jun-16 | 1 404 096<br>1 513 124 | 1 257 191<br>1 184 626 | 852 409<br>733 943 | 772 455<br>610 307 | 779 026<br>793 872 | 656 946<br>800 723 | 1 263 416<br>1 094 106 |
| Cash operating cost                            | (R'000)          | Dec-16<br>Jun-16 | 1 035 403<br>949 067   | 844 533<br>705 746     | 449 586<br>402 786 | 484 024<br>425 489 | 597 771<br>533 348 | 669 110<br>615 907 | 1 037 058<br>924 771   |
| Inventory movement                             | (R'000)          | Dec-16<br>Jun-16 | (19 244)<br>(7 011)    | (17 589)<br>(4 988)    | (14 363)<br>(977)  | 5 706<br>(33 734)  | 1 479<br>(25 720)  | (10 405)<br>632    | (15 981)<br>(43 481)   |
| Operating costs                                | (R'000)          | Dec-16<br>Jun-16 | 1 016 159<br>942 056   | 826 944<br>700 758     | 435 223<br>401 809 | 489 730<br>391 755 | 599 250<br>507 628 | 658 705<br>616 539 | 1 021 077<br>881 290   |
| Production profit                              | (R'000)          | Dec-16<br>Jun-16 | 387 937<br>571 068     | 430 247<br>483 868     | 417 186<br>332 134 | 282 725<br>218 552 | 179 776<br>286 244 | (1 759)<br>184 184 | 242 339<br>212 816     |
| Capital expenditure <sup>2</sup>               | (R'000)          | Dec-16<br>Jun-16 | 193 935<br>167 480     | 157 692<br>162 445     | 41 950<br>52 850   | 120 041<br>103 098 | 111 258<br>115 874 | 139 987<br>160 994 | 138 900<br>196 209     |
| Cash operating costs                           | – R/kg           | Dec-16<br>Jun-16 | 424 519<br>378 718     | 387 578<br>359 707     | 303 774<br>330 966 | 372 900<br>391 795 | 453 544<br>393 324 | 581 329<br>474 139 | 475 497<br>493 474     |
|                                                | – R/tonne        | Dec-16<br>Jun-16 | 1 999<br>1 774         | 2 455<br>2 139         | 3 655<br>3 800     | 1 806<br>1 612     | 1 886<br>1 688     | 1 742<br>1 716     | 3 211<br>3 233         |
| Cash operating cost and Capital <sup>2</sup>   | – R/kg           | Dec-16<br>Jun-16 | 504 034<br>445 549     | 459 947<br>442 503     | 332 119<br>374 393 | 465 381<br>486 728 | 537 958<br>478 777 | 702 951<br>598 076 | 539 183<br>598 175     |
| All-in sustaining cost <sup>2</sup>            | – R/kg           | Dec-16<br>Jun-16 | 508 970<br>456 159     | 472 471<br>453 534     | 332 778<br>375 987 | 427 123<br>445 332 | 565 877<br>486 741 | 731 710<br>604 176 | 557 443<br>614 069     |
| Operational free cash flow margin <sup>3</sup> | %                | Dec-16<br>Jun-16 | 12<br>26               | 20<br>27               | 42<br>38           | 22<br>13           | 9<br>18            | (23)<br>3          | 7<br>(2)               |

<sup>1</sup>Gold produced and sold for Hidden Valley includes 81 kilograms for the six months ended December 2016 that has been capitalised.

<sup>2</sup>Capital expenditure for Kalgold and Hidden Valley for the six months ended June 2016 has been re-stated to include capitalised stripping.

<sup>3</sup>Excludes run of mine costs for Kalgold (Dec-16: –R2.288m, Jun-16: R5.214m) and Hidden Valley (Dec-16: R140.794m, Jun-16: R8.881m).

|                 |                |                   | Surface production |                |                 |                 |                    |                |                  |
|-----------------|----------------|-------------------|--------------------|----------------|-----------------|-----------------|--------------------|----------------|------------------|
| Masimong        | Unisel         | Total Underground | Phoenix            | Dumps          | Kalgold         | Total Surface   | Total South Africa | Hidden Valley  | Total Harmony    |
| <b>331</b>      | <b>217</b>     | <b>2 825</b>      | <b>3 392</b>       | <b>1 473</b>   | <b>753</b>      | <b>5 618</b>    | <b>8 443</b>       | <b>1 233</b>   | <b>9 676</b>     |
| 301             | 202            | 2 699             | 3 161              | 1 612          | 745             | 5 518           | 8 217              | 994            | 9 211            |
| <b>3.72</b>     | <b>4.37</b>    | <b>5.04</b>       | <b>0.14</b>        | <b>0.35</b>    | <b>0.81</b>     | <b>0.28</b>     | <b>1.87</b>        | <b>1.15</b>    | <b>1.78</b>      |
| 3.65            | 3.79           | 4.88              | 0.12               | 0.32           | 0.71            | 0.26            | 1.78               | 1.38           | 1.73             |
| <b>1 231</b>    | <b>948</b>     | <b>14 225</b>     | <b>467</b>         | <b>510</b>     | <b>610</b>      | <b>1 587</b>    | <b>15 812</b>      | <b>1 415</b>   | <b>17 227</b>    |
| 1 098           | 765            | 13 163            | 385                | 518            | 532             | 1 435           | 14 598             | 1 376          | 15 974           |
| <b>1 207</b>    | <b>930</b>     | <b>14 013</b>     | <b>461</b>         | <b>491</b>     | <b>581</b>      | <b>1 533</b>    | <b>15 546</b>      | <b>1 377</b>   | <b>16 923</b>    |
| 1 095           | 761            | 12 970            | 379                | 507            | 550             | 1 436           | 14 406             | 1 494          | 15 900           |
| <b>586 513</b>  | <b>587 737</b> | <b>588 029</b>    | <b>575 362</b>     | <b>589 053</b> | <b>590 523</b>  | <b>585 493</b>  | <b>587 779</b>     | <b>563 456</b> | <b>585 908</b>   |
| 605 282         | 606 507        | 605 631           | 603 354            | 602 538        | 603 629         | 603 171         | 605 386            | 606 342        | <b>605 476</b>   |
| <b>707 921</b>  | <b>546 595</b> | <b>8 240 055</b>  | <b>265 242</b>     | <b>289 225</b> | <b>343 094</b>  | <b>897 561</b>  | <b>9 137 616</b>   | <b>730 239</b> | <b>9 867 855</b> |
| 662 784         | 461 552        | 7 855 037         | 228 671            | 305 487        | 331 996         | 866 154         | 8 721 191          | 905 875        | 9 627 066        |
| <b>564 319</b>  | <b>425 295</b> | <b>6 107 099</b>  | <b>186 986</b>     | <b>228 995</b> | <b>323 714</b>  | <b>739 695</b>  | <b>6 846 794</b>   | <b>663 080</b> | <b>7 509 874</b> |
| 518 813         | 381 831        | 5 457 758         | 159 612            | 224 976        | 276 081         | 660 669         | 6 118 427          | 491 544        | 6 609 971        |
| <b>(10 793)</b> | <b>(8 491)</b> | <b>(89 681)</b>   | <b>(745)</b>       | <b>(5 127)</b> | <b>(14 799)</b> | <b>(20 671)</b> | <b>(110 352)</b>   | <b>(5 140)</b> | <b>(115 492)</b> |
| (2 906)         | (1 383)        | (119 568)         | (4 371)            | (10 171)       | 7 888           | (6 654)         | (126 222)          | 51 051         | (75 171)         |
| <b>553 526</b>  | <b>416 804</b> | <b>6 017 418</b>  | <b>186 241</b>     | <b>223 868</b> | <b>308 915</b>  | <b>719 024</b>  | <b>6 736 442</b>   | <b>657 940</b> | <b>7 394 382</b> |
| 515 907         | 380 448        | 5 338 190         | 155 241            | 214 805        | 283 969         | 654 015         | 5 992 205          | 542 595        | 6 534 800        |
| <b>154 395</b>  | <b>129 791</b> | <b>2 222 637</b>  | <b>79 001</b>      | <b>65 357</b>  | <b>34 179</b>   | <b>178 537</b>  | <b>2 401 174</b>   | <b>72 299</b>  | <b>2 473 473</b> |
| 146 877         | 81 104         | 2 516 847         | 73 430             | 90 682         | 48 027          | 212 139         | 2 728 986          | 363 280        | 3 092 266        |
| <b>54 919</b>   | <b>35 408</b>  | <b>994 090</b>    | <b>3 848</b>       | <b>94 185</b>  | <b>8 280</b>    | <b>106 313</b>  | <b>1 100 403</b>   | <b>344 470</b> | <b>1 444 873</b> |
| 57 328          | 32 263         | 1 048 541         | 4 736              | 14 402         | 19 657          | 38 795          | 1 087 336          | 52 875         | 1 140 211        |
| <b>458 423</b>  | <b>448 623</b> | <b>429 322</b>    | <b>400 398</b>     | <b>449 010</b> | <b>530 679</b>  | <b>466 096</b>  | <b>433 013</b>     | <b>497 061</b> | <b>437 996</b>   |
| 472 507         | 499 125        | 414 629           | 414 577            | 434 317        | 518 949         | 460 397         | 419 128            | 357 227        | 413 796          |
| <b>1 705</b>    | <b>1 960</b>   | <b>2 162</b>      | <b>55</b>          | <b>155</b>     | <b>430</b>      | <b>132</b>      | <b>811</b>         | <b>580</b>     | <b>783</b>       |
| 1 724           | 1 890          | 2 022             | 50                 | 140            | 371             | 120             | 745                | 495            | 718              |
| <b>503 037</b>  | <b>485 974</b> | <b>499 205</b>    | <b>408 638</b>     | <b>633 686</b> | <b>544 252</b>  | <b>533 086</b>  | <b>502 605</b>     | <b>755 285</b> | <b>522 264</b>   |
| 524 719         | 541 299        | 494 287           | 426 878            | 462 120        | 555 898         | 487 431         | 493 613            | 395 653        | 485 175          |
| <b>517 240</b>  | <b>499 891</b> | <b>508 197</b>    | <b>412 332</b>     | <b>459 209</b> | <b>561 556</b>  | <b>483 901</b>  | <b>505 795</b>     | <b>567 012</b> | <b>510 506</b>   |
| 546 615         | 561 454        | 501 430           | 422 997            | 461 111        | 568 425         | 492 154         | 499 511            | 429 121        | 492 898          |
| <b>13</b>       | <b>16</b>      | <b>14</b>         | <b>28</b>          | <b>(12)</b>    | <b>3</b>        | <b>5</b>        | <b>13</b>          | <b>(19)</b>    | <b>11</b>        |
| 13              | 10             | 17                | 28                 | 22             | 12              | 20              | 17                 | 41             | 20               |

## OPERATING RESULTS – SIX MONTHLY (US\$/IMPERIAL)

|                                                |                  |                  | South Africa           |                  |                  |                  |                  |                  |                    |
|------------------------------------------------|------------------|------------------|------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|
|                                                |                  |                  | Underground production |                  |                  |                  |                  |                  |                    |
|                                                |                  |                  | Tshepong               | Phakisa          | Bambanani        | Joel             | Doornkop         | Target 1         | Kusasaletu         |
|                                                | Six months ended |                  |                        |                  |                  |                  |                  |                  |                    |
| Ore milled                                     | – t'000          | Dec-16<br>Jun-16 | 571<br>590             | 379<br>364       | 135<br>117       | 295<br>291       | 349<br>349       | 424<br>395       | 357<br>315         |
| Yield                                          | – oz/tonne       | Dec-16<br>Jun-16 | 0.137<br>0.137         | 0.185<br>0.173   | 0.352<br>0.334   | 0.141<br>0.120   | 0.121<br>0.125   | 0.087<br>0.106   | 0.196<br>0.191     |
| Gold produced <sup>1</sup>                     | – oz             | Dec-16<br>Jun-16 | 78 416<br>80 570       | 70 057<br>63 080 | 47 583<br>39 127 | 41 732<br>34 916 | 42 375<br>43 597 | 37 005<br>41 764 | 70 121<br>60 250   |
| Gold sold <sup>1</sup>                         | – oz             | Dec-16<br>Jun-16 | 76 936<br>80 248       | 68 770<br>62 855 | 46 683<br>38 967 | 42 214<br>32 408 | 42 568<br>42 247 | 36 137<br>42 535 | 68 513<br>58 064   |
| Gold price received                            | – \$/oz          | Dec-16<br>Jun-16 | 1 305<br>1 225         | 1 307<br>1 224   | 1 306<br>1 223   | 1 309<br>1 223   | 1 309<br>1 221   | 1 300<br>1 223   | 1 319<br>1 224     |
| Revenue                                        | (\$'000)         | Dec-16<br>Jun-16 | 100 415<br>98 289      | 89 909<br>76 951 | 60 961<br>47 675 | 55 243<br>39 644 | 55 713<br>51 568 | 46 982<br>52 013 | 90 354<br>71 071   |
| Cash operating cost                            | (\$'000)         | Dec-16<br>Jun-16 | 74 048<br>61 649       | 60 397<br>45 843 | 32 152<br>26 164 | 34 615<br>27 638 | 42 750<br>34 645 | 47 852<br>40 008 | 74 166<br>60 071   |
| Inventory movement                             | (\$'000)         | Dec-16<br>Jun-16 | (1 376)<br>(455)       | (1 258)<br>(324) | (1 027)<br>(63)  | 408<br>(2 191)   | 106<br>(1 671)   | (744)<br>41      | (1 143)<br>(2 824) |
| Operating costs                                | (\$'000)         | Dec-16<br>Jun-16 | 72 672<br>61 194       | 59 139<br>45 519 | 31 125<br>26 101 | 35 023<br>25 447 | 42 856<br>32 974 | 47 108<br>40 049 | 73 023<br>57 247   |
| Production profit                              | (\$'000)         | Dec-16<br>Jun-16 | 27 743<br>37 095       | 30 770<br>31 432 | 29 836<br>21 574 | 20 220<br>14 197 | 12 857<br>18 594 | (126)<br>11 964  | 17 331<br>13 824   |
| Capital expenditure <sup>2</sup>               | (\$'000)         | Dec-16<br>Jun-16 | 13 870<br>10 879       | 11 278<br>10 552 | 3 001<br>3 433   | 8 585<br>6 697   | 7 957<br>7 527   | 10 012<br>10 458 | 9 934<br>12 745    |
| Cash operating costs                           | – \$/oz          | Dec-16<br>Jun-16 | 944<br>765             | 862<br>727       | 676<br>669       | 829<br>792       | 1 009<br>795     | 1 293<br>958     | 1 058<br>997       |
|                                                | – \$/t           | Dec-16<br>Jun-16 | 130<br>104             | 159<br>126       | 238<br>224       | 117<br>95        | 122<br>99        | 113<br>101       | 208<br>191         |
| Cash operating cost and Capital <sup>2</sup>   | – \$/oz          | Dec-16<br>Jun-16 | 1 121<br>900           | 1 023<br>894     | 739<br>756       | 1 035<br>983     | 1 197<br>967     | 1 564<br>1 208   | 1 199<br>1 209     |
| All-in sustaining cost <sup>2</sup>            | – \$/oz          | Dec-16<br>Jun-16 | 1 132<br>922           | 1 051<br>916     | 740<br>760       | 950<br>900       | 1 259<br>983     | 1 628<br>1 221   | 1 240<br>1 241     |
| Operational free cash flow margin <sup>3</sup> | %                | Dec-16<br>Jun-16 | 12<br>26               | 20<br>27         | 42<br>38         | 22<br>13         | 9<br>18          | (23)<br>3        | 7<br>(2)           |

<sup>1</sup>Gold produced and sold for Hidden Valley includes 2 618 ounces for the six months ended December 2016 that has been capitalised.

<sup>2</sup>Capital expenditure for Kalgold and Hidden Valley for the six months ended June 2016 has been re-stated to include capitalised stripping.

<sup>3</sup>Excludes run of mine costs for Kalgold (Dec-16: –US\$0.164m, Jun-16: US\$0.339m) and Hidden Valley (Dec-16: US\$10.069m, Jun-16: US\$0.577m).

|               |               |                   | Surface production |               |                |                |                    |               |                |
|---------------|---------------|-------------------|--------------------|---------------|----------------|----------------|--------------------|---------------|----------------|
| Masimong      | Unisel        | Total Underground | Phoenix            | Dumps         | Kalgold        | Total Surface  | Total South Africa | Hidden Valley | Total Harmony  |
| <b>365</b>    | <b>240</b>    | <b>3 115</b>      | <b>3 740</b>       | <b>1 624</b>  | <b>830</b>     | <b>6 194</b>   | <b>9 309</b>       | <b>1 360</b>  | <b>10 669</b>  |
| 332           | 222           | 2 975             | 3 485              | 1 778         | 821            | 6 084          | 9 059              | 1 096         | 10 155         |
| <b>0.108</b>  | <b>0.127</b>  | <b>0.147</b>      | <b>0.004</b>       | <b>0.010</b>  | <b>0.024</b>   | <b>0.008</b>   | <b>0.055</b>       | <b>0.033</b>  | <b>0.052</b>   |
| 0.106         | 0.111         | 0.142             | 0.004              | 0.009         | 0.021          | 0.008          | 0.052              | 0.040         | 0.051          |
| <b>39 578</b> | <b>30 479</b> | <b>457 346</b>    | <b>15 015</b>      | <b>16 396</b> | <b>19 612</b>  | <b>51 023</b>  | <b>508 369</b>     | <b>45 493</b> | <b>553 862</b> |
| 35 301        | 24 595        | 423 200           | 12 378             | 16 654        | 17 104         | 46 136         | 469 336            | 44 240        | 513 576        |
| <b>38 806</b> | <b>29 901</b> | <b>450 528</b>    | <b>14 821</b>      | <b>15 786</b> | <b>18 680</b>  | <b>49 287</b>  | <b>499 815</b>     | <b>44 271</b> | <b>544 086</b> |
| 35 205        | 24 467        | 416 996           | 12 185             | 16 300        | 17 683         | 46 168         | 463 164            | 48 034        | 511 198        |
| <b>1 305</b>  | <b>1 307</b>  | <b>1 308</b>      | <b>1 280</b>       | <b>1 310</b>  | <b>1 314</b>   | <b>1 302</b>   | <b>1 307</b>       | <b>1 254</b>  | <b>1 303</b>   |
| 1 223         | 1 225         | 1 224             | 1 219              | 1 217         | 1 220          | 1 219          | 1 223              | 1 225         | 1 223          |
| <b>50 628</b> | <b>39 090</b> | <b>589 295</b>    | <b>18 969</b>      | <b>20 684</b> | <b>24 537</b>  | <b>64 190</b>  | <b>653 485</b>     | <b>52 224</b> | <b>705 709</b> |
| 43 053        | 29 981        | 510 245           | 14 854             | 19 844        | 21 566         | 56 264         | 566 509            | 58 844        | 625 353        |
| <b>40 358</b> | <b>30 415</b> | <b>436 753</b>    | <b>13 372</b>      | <b>16 377</b> | <b>23 150</b>  | <b>52 899</b>  | <b>489 652</b>     | <b>47 420</b> | <b>537 072</b> |
| 33 701        | 24 803        | 354 522           | 10 368             | 14 614        | 17 933         | 42 915         | 397 437            | 31 930        | 429 367        |
| <b>(772)</b>  | <b>(607)</b>  | <b>(6 413)</b>    | <b>(53)</b>        | <b>(367)</b>  | <b>(1 058)</b> | <b>(1 478)</b> | <b>(7 891)</b>     | <b>(368)</b>  | <b>(8 259)</b> |
| (189)         | (90)          | (7 766)           | (284)              | (661)         | 512            | (433)          | (8 199)            | 3 316         | (4 883)        |
| <b>39 586</b> | <b>29 808</b> | <b>430 340</b>    | <b>13 319</b>      | <b>16 010</b> | <b>22 092</b>  | <b>51 421</b>  | <b>481 761</b>     | <b>47 052</b> | <b>528 813</b> |
| 33 512        | 24 713        | 346 756           | 10 084             | 13 953        | 18 445         | 42 482         | 389 238            | 35 246        | 424 484        |
| <b>11 042</b> | <b>9 282</b>  | <b>158 955</b>    | <b>5 650</b>       | <b>4 674</b>  | <b>2 445</b>   | <b>12 769</b>  | <b>171 724</b>     | <b>5 172</b>  | <b>176 896</b> |
| 9 541         | 5 268         | 163 489           | 4 770              | 5 891         | 3 121          | 13 782         | 177 271            | 23 598        | 200 869        |
| <b>3 928</b>  | <b>2 532</b>  | <b>71 097</b>     | <b>275</b>         | <b>6 736</b>  | <b>592</b>     | <b>7 603</b>   | <b>78 700</b>      | <b>24 635</b> | <b>103 335</b> |
| 3 724         | 2 096         | 68 111            | 308                | 936           | 1 277          | 2 521          | 70 632             | 3 434         | 74 066         |
| <b>1 020</b>  | <b>998</b>    | <b>955</b>        | <b>891</b>         | <b>999</b>    | <b>1 180</b>   | <b>1 037</b>   | <b>963</b>         | <b>1 106</b>  | <b>974</b>     |
| 955           | 1 008         | 838               | 838                | 878           | 1 048          | 930            | 847                | 722           | 836            |
| <b>111</b>    | <b>127</b>    | <b>140</b>        | <b>4</b>           | <b>10</b>     | <b>28</b>      | <b>9</b>       | <b>53</b>          | <b>38</b>     | <b>51</b>      |
| 102           | 112           | 119               | 3                  | 8             | 22             | 7              | 44                 | 29            | 42             |
| <b>1 119</b>  | <b>1 081</b>  | <b>1 110</b>      | <b>909</b>         | <b>1 410</b>  | <b>1 211</b>   | <b>1 186</b>   | <b>1 118</b>       | <b>1 681</b>  | <b>1 162</b>   |
| 1 060         | 1 094         | 999               | 862                | 934           | 1 123          | 985            | 997                | 799           | 980            |
| <b>1 151</b>  | <b>1 112</b>  | <b>1 131</b>      | <b>917</b>         | <b>1 022</b>  | <b>1 249</b>   | <b>1 076</b>   | <b>1 125</b>       | <b>1 264</b>  | <b>1 136</b>   |
| 1 104         | 1 134         | 1 013             | 855                | 932           | 1 148          | 994            | 1 009              | 867           | 996            |
| <b>13</b>     | <b>16</b>     | <b>14</b>         | <b>28</b>          | <b>(12)</b>   | <b>3</b>       | <b>5</b>       | <b>13</b>          | <b>(19)</b>   | <b>11</b>      |
| 13            | 10            | 17                | 28                 | 22            | 12             | 20             | 17                 | 41            | 20             |



**Harmony Gold Mining Company Limited**

("Harmony" or "Company")

Incorporated in the Republic of South Africa

Registration number 1950/038232/06

JSE share code: HAR

NYSE share code: HMY

ISIN: ZAE000015228

# FY17 RESULTS

**RAND AND US\$**  
FOR THE SIX MONTHS ENDED  
**31 DECEMBER 2016**

# CONDENSED CONSOLIDATED INCOME STATEMENTS (RAND)

| Figures in million                                 | Note | Six months ended                   |                                |                                    | Year ended                   |
|----------------------------------------------------|------|------------------------------------|--------------------------------|------------------------------------|------------------------------|
|                                                    |      | 31 December<br>2016<br>(Unaudited) | 30 June<br>2016<br>(Unaudited) | 31 December<br>2015<br>(Unaudited) | 30 June<br>2016<br>(Audited) |
| Revenue                                            |      | 9 868                              | 9 627                          | 8 707                              | 18 334                       |
| Cost of sales                                      | 2    | (9 066)                            | (7 780)                        | (8 006)                            | (15 786)                     |
| Production costs                                   |      | (7 394)                            | (6 535)                        | (6 715)                            | (13 250)                     |
| Amortisation and depreciation                      |      | (1 274)                            | (1 084)                        | (1 086)                            | (2 170)                      |
| Reversal of impairment of assets                   |      | -                                  | 43                             | -                                  | 43                           |
| Other items                                        |      | ( 398)                             | (204)                          | (205)                              | (409)                        |
| <b>Gross profit/(loss)</b>                         |      | <b>802</b>                         | <b>1 847</b>                   | <b>701</b>                         | <b>2 548</b>                 |
| Corporate, administration and other expenditure    |      | (226)                              | (227)                          | (182)                              | (409)                        |
| Social investment expenditure                      |      | (27)                               | (33)                           | (25)                               | (58)                         |
| Exploration expenditure                            |      | (144)                              | (88)                           | (103)                              | (191)                        |
| Loss on scrapping of property, plant and equipment |      | -                                  | (64)                           | -                                  | (64)                         |
| Foreign exchange translation gain/(loss) - net     | 3    | 713                                | 606                            | (798)                              | (192)                        |
| Other income/(expenses) - net                      |      | 48                                 | (31)                           | (11)                               | (42)                         |
| <b>Operating profit/(loss)</b>                     |      | <b>1 166</b>                       | <b>2 010</b>                   | <b>(418)</b>                       | <b>1 592</b>                 |
| Gain on bargain purchase                           | 4    | 848                                | -                              | -                                  | -                            |
| Profit/(loss) from associates                      | 6    | ( 13)                              | (28)                           | 35                                 | 7                            |
| Net gain/(loss) on financial instruments           |      | 5                                  | 28                             | (13)                               | 15                           |
| Investment income                                  |      | 135                                | 127                            | 114                                | 241                          |
| Finance cost                                       |      | (128)                              | (133)                          | (141)                              | (274)                        |
| <b>Profit/(loss) before taxation</b>               |      | <b>2 013</b>                       | <b>2 004</b>                   | <b>(423)</b>                       | <b>1 581</b>                 |
| Taxation                                           |      | (474)                              | (610)                          | (22)                               | (632)                        |
| Normal taxation                                    |      | (363)                              | (122)                          | (1)                                | (123)                        |
| Deferred taxation                                  |      | (111)                              | (488)                          | (21)                               | (509)                        |
| <b>Net profit/(loss) for the period</b>            |      | <b>1 539</b>                       | <b>1 394</b>                   | <b>(445)</b>                       | <b>949</b>                   |
| <i>Attributable to:</i>                            |      |                                    |                                |                                    |                              |
| Owners of the parent                               |      | 1 539                              | 1 394                          | (445)                              | 949                          |
| <b>Earnings/(loss) per ordinary share (cents)</b>  | 5    |                                    |                                |                                    |                              |
| Basic earnings/(loss)                              |      | 352                                | 320                            | (102)                              | 218                          |
| Diluted earnings/(loss)                            |      | 333                                | 306                            | (102)                              | 213                          |

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

The condensed consolidated financial statements for the six months ended 31 December 2016 have been prepared by Harmony Gold Mining Company Limited's corporate reporting team headed by Herman Perry. This process was supervised by the financial director, Frank Abbott and approved by the board of Harmony Gold Mining Company Limited. These financial statements have not been audited or independently reviewed.

## CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (RAND)

| Figures in million                                                  | Six months ended                |                             |                                 | Year ended                |
|---------------------------------------------------------------------|---------------------------------|-----------------------------|---------------------------------|---------------------------|
|                                                                     | 31 December 2016<br>(Unaudited) | 30 June 2016<br>(Unaudited) | 31 December 2015<br>(Unaudited) | 30 June 2016<br>(Audited) |
| Net profit/(loss) for the period                                    | 1 539                           | 1 394                       | (445)                           | 949                       |
| Other comprehensive income/(loss) for the period, net of income tax | 1 076                           | (329)                       | 472                             | 143                       |
| Items that may be reclassified subsequently to profit or loss:      | 1 076                           | (333)                       | 472                             | 139                       |
| Foreign exchange translation gain/(loss)                            | (190)                           | (333)                       | 472                             | 139                       |
| Remeasurement of derivative instruments                             |                                 |                             |                                 |                           |
| Gain deferred on gold hedging contracts                             | 1 591                           | -                           | -                               | -                         |
| Deferred tax thereon                                                | (325)                           | -                           | -                               | -                         |
| Items that will not be reclassified to profit or loss:              | -                               | 4                           | -                               | 4                         |
| Remeasurement of retirement benefit obligation                      |                                 |                             |                                 |                           |
| Actuarial gain recognised during the year                           | -                               | 3                           | -                               | 3                         |
| Deferred taxation thereon                                           | -                               | 1                           | -                               | 1                         |
| <b>Total comprehensive income/(loss) for the period</b>             | <b>2 615</b>                    | <b>1 065</b>                | <b>27</b>                       | <b>1 092</b>              |
| Attributable to:                                                    |                                 |                             |                                 |                           |
| Owners of the parent                                                | 2 615                           | 1 065                       | 27                              | 1 092                     |

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

## CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (RAND)

FOR THE SIX MONTHS ENDED 31 DECEMBER 2016 (UNAUDITED)

| Figures in million                        | Share capital | Other reserves | Accumulated loss | Total         |
|-------------------------------------------|---------------|----------------|------------------|---------------|
| Balance - 30 June 2016                    | 28 336        | 4 252          | (4 409)          | 28 179        |
| Share-based payments                      | -             | 182            | -                | 182           |
| Net profit for the period                 | -             | -              | 1 539            | 1 539         |
| Other comprehensive income for the period | -             | 1 076          | -                | 1 076         |
| Dividends paid <sup>1</sup>               | -             | -              | (218)            | (218)         |
| <b>Balance - 31 December 2016</b>         | <b>28 336</b> | <b>5 510</b>   | <b>(3 088)</b>   | <b>30 758</b> |
| Balance - 30 June 2015                    | 28 324        | 3 787          | (5 358)          | 26 753        |
| Share-based payments                      | -             | 99             | -                | 99            |
| Net loss for the period                   | -             | -              | (445)            | (445)         |
| Other comprehensive income for the period | -             | 472            | -                | 472           |
| <b>Balance - 31 December 2015</b>         | <b>28 324</b> | <b>4 358</b>   | <b>(5 803)</b>   | <b>26 879</b> |

<sup>1</sup> Dividend of 50 SA cents declared on 15 August 2016.

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

## CONDENSED CONSOLIDATED BALANCE SHEETS (RAND)

| Figures in million                         | Note | At<br>31 December<br>2016<br>(Unaudited) | At<br>30 June<br>2016<br>(Audited) | At<br>31 December<br>2015<br>(Unaudited) |
|--------------------------------------------|------|------------------------------------------|------------------------------------|------------------------------------------|
| <b>ASSETS</b>                              |      |                                          |                                    |                                          |
| <b>Non-current assets</b>                  |      |                                          |                                    |                                          |
| Property, plant and equipment              | 4    | 30 639                                   | 29 919                             | 30 101                                   |
| Intangible assets                          |      | 863                                      | 870                                | 878                                      |
| Restricted cash                            |      | 58                                       | 62                                 | 55                                       |
| Restricted investments                     |      | 2 584                                    | 2 496                              | 2 434                                    |
| Investments in associates                  |      | -                                        | -                                  | 10                                       |
| Investments in financial assets            |      | 5                                        | 5                                  | 5                                        |
| Inventories                                |      | 37                                       | 37                                 | 36                                       |
| Trade and other receivables                |      | 185                                      | 172                                | 74                                       |
| Derivative financial assets                | 7    | 645                                      | -                                  | -                                        |
| <b>Total non-current assets</b>            |      | <b>35 016</b>                            | <b>33 561</b>                      | <b>33 593</b>                            |
| <b>Current assets</b>                      |      |                                          |                                    |                                          |
| Inventories                                | 4    | 1 616                                    | 1 167                              | 1 260                                    |
| Restricted cash                            |      | 17                                       | 17                                 | 16                                       |
| Trade and other receivables                | 6    | 820                                      | 654                                | 658                                      |
| Income and mining taxes                    |      | -                                        | 6                                  | 11                                       |
| Derivative financial assets                | 7    | 1 514                                    | 369                                | -                                        |
| Cash and cash equivalents                  | 4    | 1 215                                    | 1 256                              | 876                                      |
| <b>Total current assets</b>                |      | <b>5 182</b>                             | <b>3 469</b>                       | <b>2 821</b>                             |
| <b>Total assets</b>                        |      | <b>40 198</b>                            | <b>37 030</b>                      | <b>36 414</b>                            |
| <b>EQUITY AND LIABILITIES</b>              |      |                                          |                                    |                                          |
| <b>Share capital and reserves</b>          |      |                                          |                                    |                                          |
| Share capital                              |      | 28 336                                   | 28 336                             | 28 324                                   |
| Other reserves                             |      | 5 510                                    | 4 252                              | 4 358                                    |
| Accumulated loss                           |      | (3 088)                                  | (4 409)                            | (5 803)                                  |
| <b>Total equity</b>                        |      | <b>30 758</b>                            | <b>28 179</b>                      | <b>26 879</b>                            |
| <b>Non-current liabilities</b>             |      |                                          |                                    |                                          |
| Deferred tax liabilities                   |      | 2 849                                    | 2 413                              | 1 926                                    |
| Provision for environmental rehabilitation | 4    | 2 721                                    | 2 183                              | 2 364                                    |
| Retirement benefit obligation              |      | 173                                      | 169                                | 170                                      |
| Other non-current liabilities              |      | 17                                       | 16                                 | 41                                       |
| Borrowings                                 | 8    | 1 504                                    | 2 039                              | 3 092                                    |
| <b>Total non-current liabilities</b>       |      | <b>7 264</b>                             | <b>6 820</b>                       | <b>7 593</b>                             |
| <b>Current liabilities</b>                 |      |                                          |                                    |                                          |
| Borrowings                                 | 8    | -                                        | 300                                | 299                                      |
| Income and mining taxes                    |      | 66                                       | 40                                 | 1                                        |
| Trade and other payables                   | 4    | 2 110                                    | 1 691                              | 1 642                                    |
| <b>Total current liabilities</b>           |      | <b>2 176</b>                             | <b>2 031</b>                       | <b>1 942</b>                             |
| <b>Total equity and liabilities</b>        |      | <b>40 198</b>                            | <b>37 030</b>                      | <b>36 414</b>                            |

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

# CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (RAND)

| Figures in million                                     | Note | Six months ended                   |                                |                                    | Year ended                   |
|--------------------------------------------------------|------|------------------------------------|--------------------------------|------------------------------------|------------------------------|
|                                                        |      | 31 December<br>2016<br>(Unaudited) | 30 June<br>2016<br>(Unaudited) | 31 December<br>2015<br>(Unaudited) | 30 June<br>2016<br>(Audited) |
| <b>Cash flow from operating activities</b>             |      |                                    |                                |                                    |                              |
| Cash generated by operations                           |      | 2 280                              | 2 923                          | 1 736                              | 4 659                        |
| Interest and dividends received                        |      | 40                                 | 27                             | 47                                 | 74                           |
| Interest paid                                          |      | (74)                               | (116)                          | (39)                               | (155)                        |
| Income and mining taxes (paid)/refunded                |      | (332)                              | (83)                           | 18                                 | (65)                         |
| <b>Cash generated by operating activities</b>          |      | <b>1 914</b>                       | <b>2 751</b>                   | <b>1 762</b>                       | <b>4 513</b>                 |
| <b>Cash flow from investing activities</b>             |      |                                    |                                |                                    |                              |
| (Increase)/decrease in restricted cash                 |      | 4                                  | (5)                            | (7)                                | (12)                         |
| Decrease in amounts invested in restricted investments |      | 3                                  | 36                             | 3                                  | 39                           |
| Loan to associate repaid                               |      | -                                  | -                              | 7                                  | 7                            |
| Loan to ARM BBEE Trust                                 |      | -                                  | (200)                          | -                                  | (200)                        |
| Cash on acquisition of Hidden Valley                   | 4    | 459                                | -                              | -                                  | -                            |
| Net additions to property, plant and equipment         | 10   | (1 434)                            | (1 265)                        | (1 168)                            | (2 433)                      |
| <b>Cash utilised by investing activities</b>           |      | <b>(968)</b>                       | <b>(1 434)</b>                 | <b>(1 165)</b>                     | <b>(2 599)</b>               |
| <b>Cash flow from financing activities</b>             |      |                                    |                                |                                    |                              |
| Borrowings raised                                      | 8    | -                                  | -                              | 300                                | 300                          |
| Borrowings repaid                                      | 8    | (710)                              | (928)                          | (1 117)                            | (2 045)                      |
| Dividends paid                                         |      | (218)                              | -                              | -                                  | -                            |
| <b>Cash utilised by financing activities</b>           |      | <b>(928)</b>                       | <b>(928)</b>                   | <b>(817)</b>                       | <b>(1 745)</b>               |
| <b>Foreign currency translation adjustments</b>        |      | <b>(59)</b>                        | <b>(9)</b>                     | <b>29</b>                          | <b>20</b>                    |
| Net increase/(decrease) in cash and cash equivalents   |      | (41)                               | 380                            | (191)                              | 189                          |
| Cash and cash equivalents - beginning of period        |      | 1 256                              | 876                            | 1 067                              | 1 067                        |
| <b>Cash and cash equivalents - end of period</b>       |      | <b>1 215</b>                       | <b>1 256</b>                   | <b>876</b>                         | <b>1 256</b>                 |

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

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2016 (RAND)

## 1 Accounting policies

### Basis of accounting

The condensed consolidated financial statements for the six months ended 31 December 2016 have been prepared in accordance with IAS 34, Interim Financial Reporting, JSE Listing Requirements, SAICA Financial Reporting Guides as issued by 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 2016, which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS). 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 standards, amendments to standards and new interpretations have been adopted with effect 1 July 2016 and had no impact on the results of the group (other than disclosure where relevant):

IFRSs *Annual Improvements 2012-2014 cycle*  
IAS 1 (Amendments) *Presentation of Financial Statements*

New amendments to standards which had an effect on the condensed consolidated financial statements:

IFRS 11 (Amendments) *Joint Arrangements - Acquisitions of interests in joint operations*

The principles and disclosure requirements of IFRS 3 *Business Combinations* were applied to the acquisition of an additional interest in a joint operation which related to Harmony's acquisition of Newcrest Mining Limited's (Newcrest) 50% interest in the Hidden Valley operation in PNG. Refer to note 4 for further details.

## 2 Cost of sales

| Figures in million                                          | Six months ended                   |                                |                                    | Year ended                   |
|-------------------------------------------------------------|------------------------------------|--------------------------------|------------------------------------|------------------------------|
|                                                             | 31 December<br>2016<br>(Unaudited) | 30 June<br>2016<br>(Unaudited) | 31 December<br>2015<br>(Unaudited) | 30 June<br>2016<br>(Audited) |
| Production costs - excluding royalty                        | 7 246                              | 6 427                          | 6 652                              | 13 079                       |
| Royalty expense                                             | 148                                | 108                            | 63                                 | 171                          |
| Amortisation and depreciation                               | 1 274                              | 1 084                          | 1 086                              | 2 170                        |
| Reversal of impairment <sup>1</sup>                         | -                                  | (43)                           | -                                  | (43)                         |
| Rehabilitation expenditure/(credit) <sup>2</sup>            | 82                                 | (69)                           | 28                                 | (41)                         |
| Care and maintenance cost of restructured shafts            | 57                                 | 56                             | 58                                 | 114                          |
| Employment termination and restructuring costs <sup>3</sup> | 61                                 | 1                              | 15                                 | 16                           |
| Share-based payments                                        | 201                                | 224                            | 105                                | 329                          |
| Other                                                       | (3)                                | (8)                            | (1)                                | (9)                          |
| <b>Total cost of sales</b>                                  | <b>9 066</b>                       | <b>7 780</b>                   | <b>8 006</b>                       | <b>15 786</b>                |

<sup>1</sup> The net reversal of impairment of long-lived assets in the June 2016 period consists of a reversal of impairment of R738 million on Doornkop, offset by an impairment of R466 million on Hidden Valley and R229 million on Masimong.

<sup>2</sup> Included in the total for the June 2016 period is a credit of R110 million relating to the change in estimate following the annual reassessment.

<sup>3</sup> The R61 million recorded for the six months ended 31 December 2016 relates to consulting and contractor fees resulting from the acquisition of Newcrest's 50% interest in the Hidden Valley operation.

## 3 Foreign exchange translation gain/(loss)

| Figures in million                                            | Six months ended                   |                                |                                    | Year ended                   |
|---------------------------------------------------------------|------------------------------------|--------------------------------|------------------------------------|------------------------------|
|                                                               | 31 December<br>2016<br>(Unaudited) | 30 June<br>2016<br>(Unaudited) | 31 December<br>2015<br>(Unaudited) | 30 June<br>2016<br>(Audited) |
| Translation gain/(loss) on US\$ revolving credit facility (a) | 134                                | 135                            | (800)                              | (665)                        |
| Unrealised derivative gain (b)                                | 200                                | 369                            | -                                  | 369                          |
| Realised derivative gain (b)                                  | 394                                | 77                             | -                                  | 77                           |
| Other                                                         | (15)                               | 25                             | 2                                  | 27                           |
| <b>Total foreign exchange translation gain/(loss)</b>         | <b>713</b>                         | <b>606</b>                     | <b>(798)</b>                       | <b>(192)</b>                 |
| Rand/US\$ exchange rate:                                      |                                    |                                |                                    |                              |
| Closing/spot                                                  | 13.79                              | 14.72                          | 15.62                              | 14.72                        |
| Average                                                       | 13.98                              | 15.39                          | 13.62                              | 14.50                        |

a) Refer to note 8 for details on the US\$ revolving credit facility.

b) Refer to note 7 for details relating to the forex hedging contracts.

# NOTES TO THE **CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE SIX MONTHS ENDED 31 DECEMBER 2016 (RAND)

## **4 Acquisition of full ownership of Hidden Valley**

### *Background prior to the transaction*

The group had a 50% interest in the mining and exploration assets located in the Morobe province, PNG. Newcrest Mining Limited (Newcrest) owned the remaining 50% interest in these assets. The assets include the Hidden Valley mine and the Wafi-Golpu projects. This partnership was formed during the 2009 financial year through a range of transactions, and was completed by 30 June 2009. This partnership was considered a joint arrangement and was assessed to be a joint operation.

### *Hidden Valley transaction*

On 19 September 2016 Harmony announced the agreement to purchase Newcrest PNG 1 Ltd, the wholly owned subsidiary of Newcrest which holds Newcrest's 50% interest in the Hidden Valley joint venture, for a cash consideration of US\$1. As part of the transaction, Newcrest made a once-off contribution of US\$22.5 million (R309 million) towards Hidden Valley's future estimated environmental liability. The transaction was conditional upon certain regulatory approvals which were obtained on 25 October 2016 and Harmony gained control over Hidden Valley on this date.

The completion of the transaction gives Harmony 100% ownership of the Hidden Valley mine and surrounding exploration tenements. The acquisition of the additional 50% interest in the Hidden Valley mine is aligned with the group's growth aspirations. The Hidden Valley operation is an open-pit gold and silver mining operation which includes the processing plant. The mine reached commercial levels of production in the 2009 financial year. There is an established quality management team that have good relationships with key stakeholders including the community and a stable workforce. Full ownership of the mine has enabled management to commit to the re-investment of capital at the operation (previously delayed by the joint venture partners) and commence the stripping of stages 5 and 6 which is expected to extend the life of mine of the operation.

Since the close of the transaction, the additional 50% interest in Hidden Valley contributed revenue of R198 million and R5 million loss to the group. If the acquisition had occurred on 1 July 2016, the group's unaudited consolidated revenue would have increased by R533 million and profit would have decreased by R34 million.

IFRS does not currently provide guidance how to account for step-up transactions from joint operations to control and the group has elected to apply the principles of IFRS 3 *Business Combinations* to such transactions. The purchase price allocation has been prepared on a provisional basis in accordance with IFRS 3.

If new information obtained within one year of the acquisition date, about facts and circumstances that existed at the acquisition date identifies adjustments to the below amounts, or any additional provisions that existed at the date of acquisition, then the accounting for the acquisition will be revised.

### **Consideration transferred**

The cash consideration paid to acquire Newcrest's 50% interest in Hidden Valley amounted to US\$1. The group acquired a cash balance of R459 million which is presented within the cash flow statement as a net inflow of cash from investing activities. The cash paid by Newcrest as a once-off contribution to the rehabilitation liability is included in the cash balance presented as part of the net assets acquired in the transaction.

### **Acquisition related costs**

The Group incurred acquisition related costs of R4 million on advisory and legal fees. These costs are recognised as transaction costs in profit or loss.

### **Identifiable assets acquired and liabilities assumed**

The fair value of the identifiable net assets acquired was determined on the expected discounted cash flows based on the life-of-mine plan of Hidden Valley at a post-tax real discount rate of 12.53%, exchange rate of PGK/US\$3.17, gold price of US\$1 189/oz and silver price of US\$17.80/oz. The valuation was performed at 26 October 2016. The fair values are as follows:

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2016 (RAND)

## 4 Acquisition of Hidden Valley continued

| Figures in million                                        | Previously held interest | Acquired interest <sup>1</sup> | Total (100%) |
|-----------------------------------------------------------|--------------------------|--------------------------------|--------------|
| Fair value of identifiable net assets acquired            |                          |                                |              |
| Property, plant and equipment                             | 636                      | 636                            | 1 272        |
| Inventories (current)                                     | 491                      | 491                            | 982          |
| Trade and other receivables (current)                     | 22                       | 19                             | 41           |
| Cash and cash equivalents                                 | 54                       | 459                            | 513          |
| Provision for environmental rehabilitation                | (483)                    | (483)                          | (966)        |
| Trade and other payables (current)                        | (114)                    | (274)                          | (388)        |
|                                                           | 606                      | 848                            | 1 454        |
| Less fair value of previously held interest <sup>2</sup>  |                          |                                | (606)        |
| <b>Net fair value of identifiable net assets acquired</b> |                          |                                | <b>848</b>   |

<sup>1</sup> Harmony acquired the legal entity which held Newcrest's interest in Hidden Valley. This subsidiary contained certain assets and liabilities which were different to those held by Harmony with respect to its interest in Hidden Valley.

<sup>2</sup> The fair value of the previously held interest equalled the carrying amount of the assets and liabilities recognised by Harmony relating to the previously held interest at the date of acquisition and no gain or loss was recognised with respect to the deemed disposal of the previously held interest.

The fair value of the previously held interest at 30 June 2016 was R615 million which consisted of Harmony's long term assets and related rehabilitation provision for its interest in Hidden Valley totalling R319 million and the working capital relating to Harmony's interest in Hidden Valley totalling R296 million.

On the date of acquisition, the fair value of the previously held interest does not equal 50% of the fair value of the total identifiable assets and liabilities assumed primarily because the acquired legal entity which held Newcrest's interest in Hidden Valley included the cash paid by Newcrest (R309 million or US\$22.5 million) and other assets and liabilities which differed from the assets and liabilities held in Harmony's previously held interest.

### Gain on bargain purchase

A gain on bargain purchase arising from the acquisition has been determined as follows:

| Figures in million                             |            |
|------------------------------------------------|------------|
| Consideration paid                             | -          |
| Fair value of identifiable net assets acquired | 848        |
| <b>Gain on bargain purchase</b>                | <b>848</b> |

Since Harmony only paid US\$1 for the 50% share a gain on bargain purchase results. A strategic review of the Hidden Valley operation conducted by Newcrest resulted in their decision to exit the operation as it represented a non-core asset.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2016 (RAND)

## 5 Earnings/(loss) per share

|                                                                       | Six months ended                   |                                |                                    | Year ended                   |
|-----------------------------------------------------------------------|------------------------------------|--------------------------------|------------------------------------|------------------------------|
|                                                                       | 31 December<br>2016<br>(Unaudited) | 30 June<br>2016<br>(Unaudited) | 31 December<br>2015<br>(Unaudited) | 30 June<br>2016<br>(Audited) |
| Weighted average number of shares (million)                           | 437.3                              | 436.3                          | 435.2                              | 435.7                        |
| Weighted average number of diluted shares (million)                   | 462.1                              | 455.9                          | 436.9                              | 446.4                        |
| <b>Total earnings/(loss) per share (cents):</b>                       |                                    |                                |                                    |                              |
| Basic earnings/(loss)                                                 | 352                                | 320                            | (102)                              | 218                          |
| Diluted earnings/(loss)                                               | 333                                | 306                            | (102)                              | 213                          |
| Headline earnings/(loss)                                              | 150                                | 324                            | (103)                              | 221                          |
| Diluted headline earnings/(loss)                                      | 142                                | 310                            | (103)                              | 216                          |
| <b>Figures in million</b>                                             |                                    |                                |                                    |                              |
| <b>Reconciliation of headline earnings/(loss):</b>                    |                                    |                                |                                    |                              |
| Net profit/(loss)                                                     | 1 539                              | 1 394                          | ( 445)                             | 949                          |
| Adjusted for:                                                         |                                    |                                |                                    |                              |
| Gain on bargain purchase <sup>1</sup>                                 | (848)                              | -                              | -                                  | -                            |
| Reversal of impairment of assets                                      | -                                  | (43)                           | -                                  | (43)                         |
| Taxation effect on reversal of impairment of assets                   | -                                  | 12                             | -                                  | 12                           |
| Profit on sale of property, plant and equipment                       | (43)                               | (3)                            | (4)                                | (7)                          |
| Taxation effect on profit on sale of property, plant and equipment    | 9                                  | -                              | -                                  | 1                            |
| Loss on scrapping of property, plant and equipment                    | -                                  | 64                             | -                                  | 64                           |
| Taxation effect on loss on scrapping of property, plant and equipment | -                                  | (12)                           | -                                  | (12)                         |
| <b>Headline earnings/(loss)</b>                                       | <b>657</b>                         | <b>1 412</b>                   | <b>(449)</b>                       | <b>964</b>                   |

<sup>1</sup> There is no taxation effect on this item.

## 6 Investment in associate

Harmony's gross portion of the subordinated shareholders' loan extended to Rand Refinery Proprietary Limited (Rand Refinery) in December 2014 amounts to R120 million. This loan forms part of the net investment in associate. For the six months ended 31 December 2016, Harmony set off its share of losses from associate of R13 million against the loan. The recoverable amount of the loan at 31 December 2016 is R49 million (June 2016: R62 million; December 2015: R80 million). The shareholders are in the process of entering into and finalising agreements which will result in the conversion of the loan into shares. Harmony holds a 10.38% share in Rand Refinery.

## 7 Derivative financial assets

|                                        | At<br>31 December<br>2016<br>(Unaudited) | At<br>30 June<br>2016<br>(Audited) | At<br>31 December<br>2015<br>(Unaudited) |
|----------------------------------------|------------------------------------------|------------------------------------|------------------------------------------|
|                                        |                                          |                                    |                                          |
| <b>Figures in million</b>              |                                          |                                    |                                          |
| <b>Non-current</b>                     |                                          |                                    |                                          |
| Gold forward sale contracts (a)        | 645                                      | -                                  | -                                        |
| <b>Current</b>                         |                                          |                                    |                                          |
| Gold forward sale contracts (a)        | 946                                      | -                                  | -                                        |
| Foreign exchange hedging contracts (b) | 568                                      | 369                                | -                                        |

(a) During July 2016, Harmony started a hedging programme and entered into gold forward sale contracts (gold hedge contracts) for a total of 13 440 kg (432 000 oz) over a period of 24 months. Cash flow hedge accounting is applied to these contracts, resulting in the unrealised gains and losses being recorded in other comprehensive income (other reserves). During the six months ended 31 December 2016, the contracts that matured realised a gain of R233 million which has been included in revenue.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2016 (RAND)

## 7 Derivative financial assets continued

(b) Harmony has entered into foreign exchange hedging contracts (forex hedging contracts) in the form of zero cost collars, which establish a minimum (floor) and maximum (cap) Rand/US Dollar exchange rate at which to convert US dollars to Rands. The nominal value of open forex hedging contracts at 31 December 2016 is US\$442 million (30 June 2016: US\$500 million). The hedging contracts are spread over a 12 month period with a weighted average cap price of US\$1=R 17.23 (30 June 2016: US\$1=R18.27) and weighted average floor price of US\$1=R15.30 (30 June 2016: US\$1=R15.55). As hedge accounting is not applied, the gains have been recorded in the income statement. Refer to note 3 for further details.

## 8 Borrowings

During the six months ended 31 December 2016, R300 million was repaid on the R1.3 billion Nedbank revolving credit facility. US\$30 million (R410 million) was repaid on the US\$ revolving credit facility. Refer to note 3 for details on the foreign exchange translation movement.

| Figures in million                            | US\$ facility<br>US dollar | Rand facility<br>SA rand |
|-----------------------------------------------|----------------------------|--------------------------|
| <b>Borrowings summary at 31 December 2016</b> |                            |                          |
| Facility                                      | 250                        | 1 300                    |
| Drawn down                                    | 110                        | -                        |
| Undrawn committed borrowing facilities        | 140                        | 1 300                    |
| Maturity                                      | February<br>2018           | February<br>2017         |
| Interest rate                                 | LIBOR + 3%                 | JIBAR + 3.5%             |

On 23 December 2016, the Nedbank facility was extended on the same terms until 23 February 2017. Harmony is currently finalising a similar Rand denominated facility.

## 9 Financial risk management activities

### Fair value determination

The fair value levels of hierarchy are as follows:

- 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).

The following table presents the group's assets and liabilities that are measured at fair value at reporting date:

|                                                           | Fair value<br>hierarchy<br>level | At<br>31 December<br>2016<br>(Unaudited) | At<br>30 June<br>2016<br>(Audited) | At<br>31 December<br>2015<br>(Unaudited) |
|-----------------------------------------------------------|----------------------------------|------------------------------------------|------------------------------------|------------------------------------------|
| <b>Available-for-sale financial assets</b>                |                                  |                                          |                                    |                                          |
| Investment in financial assets <sup>1</sup>               | Level 3                          | 5                                        | 5                                  | 5                                        |
| <b>Fair value through profit or loss financial assets</b> |                                  |                                          |                                    |                                          |
| Restricted investments <sup>2</sup>                       | Level 2                          | 643                                      | 639                                | 614                                      |
| Derivative financial assets <sup>3</sup>                  | Level 2                          | 2 159                                    | 369                                | -                                        |

<sup>1</sup> Level 3 fair values have been valued by the directors by performing independent valuations on an annual basis.

<sup>2</sup> The majority of the level 2 fair values are directly derived from the Top 40 index on the JSE, and are discounted at market interest rate. This relates to equity-linked deposits in the group's environmental rehabilitation trust funds.

<sup>3</sup> The mark-to market remeasurement of the forex hedging contracts (zero cost collars) is derived from a Black-Scholes valuation technique, derived from spot Rand/US\$ exchange rate inputs and discounted at market interest rate. The mark-to-market remeasurement of the gold hedging contracts (forward sale contracts) is derived from spot Rand/US\$ exchange rate, Rand and dollar interest rates (forward points), spot US\$ gold price, differential between the US interest rate and gold lease interest rate and discounted at market interest rate.

For all other financial instruments, fair value approximates carrying value.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2016 (RAND)

## 10 Net additions to property, plant and equipment

| Figures in million                                                       | Six months ended                   |                                |                                    | Year ended                   |
|--------------------------------------------------------------------------|------------------------------------|--------------------------------|------------------------------------|------------------------------|
|                                                                          | 31 December<br>2016<br>(Unaudited) | 30 June<br>2016<br>(Unaudited) | 31 December<br>2015<br>(Unaudited) | 30 June<br>2016<br>(Audited) |
| Capital expenditure - operations                                         | 1 136                              | 1 125                          | 1 027                              | 2 152                        |
| Capital and capitalised exploration and evaluation expenditure for Golpu | 116                                | 126                            | 114                                | 240                          |
| Additions resulting from stripping activities at Hidden Valley           | 226                                | 14                             | 28                                 | 42                           |
| Other <sup>1</sup>                                                       | (44)                               | -                              | (1)                                | (1)                          |
| <b>Net additions</b>                                                     | <b>1 434</b>                       | <b>1 265</b>                   | <b>1 168</b>                       | <b>2 433</b>                 |

<sup>1</sup> Includes sale of Ernest Oppenheimer Hospital in the six months ended 31 December 2016.

## 11 Commitments and contingencies

| Figures in million                                 | At<br>31 December<br>2016<br>(Unaudited) | At<br>30 June<br>2016<br>(Audited) | At<br>31 December<br>2015<br>(Unaudited) |
|----------------------------------------------------|------------------------------------------|------------------------------------|------------------------------------------|
|                                                    |                                          |                                    |                                          |
| <b>Capital expenditure commitments:</b>            |                                          |                                    |                                          |
| Contracts for capital expenditure                  | 311                                      | 264                                | 166                                      |
| Authorised by the directors but not contracted for | 1 298                                    | 516                                | 1 607                                    |
|                                                    | <b>1 609</b>                             | <b>780</b>                         | <b>1 773</b>                             |

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 2016, available on the group's website ([www.harmony.co.za](http://www.harmony.co.za)). There were no significant changes in contingencies since 30 June 2016.

## 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.

(a) Movement in shares owned by directors/prescribed officers for the six months ended 31 December 2016:

| Name of director/prescribed officer                              | Shares<br>purchased in<br>open market | Shares sold in<br>open market | Performance<br>shares vested<br>and retained |
|------------------------------------------------------------------|---------------------------------------|-------------------------------|----------------------------------------------|
| Frank Abbott (Financial director) <sup>1</sup>                   | -                                     | -                             | 84 952                                       |
| Beyers Nel (Chief Operating Officer: SA)                         | -                                     | -                             | 14 646                                       |
| Johannes van Heerden (Chief executive officer (South East Asia)) | -                                     | -                             | 25 000                                       |

<sup>1</sup> These shares have been voluntarily locked-up in terms of the minimum shareholding requirement of the 2006 Share Plan but remains beneficially owned.

## 13 Subsequent events

On 31 January 2017, the board declared a dividend of 50 SA cents for the six months ended 31 December 2016 payable on 20 March 2017.

## 14 Segment report

The segment report follows on page 24.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2016 (RAND)

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

| Figures in million                                                                                                                                                                                                                                                          | Six months ended                   |                                    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|
|                                                                                                                                                                                                                                                                             | 31 December<br>2016<br>(Unaudited) | 31 December<br>2015<br>(Unaudited) |
| The "Reconciliation of segment information to condensed consolidated financial statements" line 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: |                                    |                                    |
| <b>Reconciliation of production profit to gross profit</b>                                                                                                                                                                                                                  |                                    |                                    |
| Total segment revenue                                                                                                                                                                                                                                                       | 9 868                              | 8 707                              |
| Total segment production costs                                                                                                                                                                                                                                              | (7 394)                            | (6 715)                            |
| Production profit per segment report                                                                                                                                                                                                                                        | 2 474                              | 1 992                              |
| Amortisation and depreciation                                                                                                                                                                                                                                               | (1 274)                            | (1 086)                            |
| Other cost of sales items                                                                                                                                                                                                                                                   | (398)                              | (205)                              |
| <b>Gross profit/(loss) as per income statements<sup>1</sup></b>                                                                                                                                                                                                             | <b>802</b>                         | <b>701</b>                         |

<sup>1</sup> 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                                 |                                    |
|----------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|
|                                                                                                    | 31 December<br>2016<br>(Unaudited) | 31 December<br>2015<br>(Unaudited) |
| <b>Reconciliation of total segment mining assets to consolidated property, plant and equipment</b> |                                    |                                    |
| Property, plant and equipment not allocated to a segment                                           |                                    |                                    |
| Mining assets                                                                                      | 1 280                              | 1 277                              |
| Undeveloped property                                                                               | 5 139                              | 5 139                              |
| Other non-mining assets                                                                            | 160                                | 183                                |
| Wafi-Golpu assets                                                                                  | 1 769                              | 1 814                              |
|                                                                                                    | <b>8 348</b>                       | <b>8 413</b>                       |

## SEGMENT REPORT (RAND/METRIC)

FOR THE SIX MONTHS ENDED 31 DECEMBER 2016 (RAND)

|                                                                                                                 | Revenue      |              | Production cost |              | Production profit/(loss) |              | Mining assets |               | Capital expenditure* |              | Kilograms produced |               | Tonnes milled |              |
|-----------------------------------------------------------------------------------------------------------------|--------------|--------------|-----------------|--------------|--------------------------|--------------|---------------|---------------|----------------------|--------------|--------------------|---------------|---------------|--------------|
|                                                                                                                 | 31 December  | 2015         | 31 December     | 2015         | 31 December              | 2015         | 31 December   | 2015          | 31 December          | 2015         | 31 December        | 2015          | 31 December   | 2015         |
|                                                                                                                 | 2016         | R million    | 2016            | R million    | 2016                     | R million    | 2016          | R million     | 2016                 | R million    | 2016               | kg            | 2016          | t'000        |
| <b>South Africa</b>                                                                                             |              |              |                 |              |                          |              |               |               |                      |              |                    |               |               |              |
| <b>Underground</b>                                                                                              |              |              |                 |              |                          |              |               |               |                      |              |                    |               |               |              |
| Tshepong                                                                                                        | 1 404        | 1 243        | 1 016           | 902          | 388                      | 341          | 4 251         | 4 079         | 194                  | 139          | 2 439              | 2 525         | 518           | 553          |
| Phakisa                                                                                                         | 1 257        | 1 002        | 827             | 674          | 430                      | 328          | 4 188         | 4 274         | 158                  | 161          | 2 179              | 2 026         | 344           | 356          |
| Bambanani                                                                                                       | 852          | 883          | 435             | 410          | 417                      | 473          | 777           | 810           | 42                   | 53           | 1 480              | 1 796         | 123           | 126          |
| Joel                                                                                                            | 772          | 610          | 490             | 439          | 282                      | 171          | 821           | 673           | 120                  | 112          | 1 298              | 1 192         | 268           | 278          |
| Doomkop                                                                                                         | 779          | 686          | 599             | 539          | 180                      | 147          | 2 986         | 2 237         | 111                  | 92           | 1 318              | 1 374         | 317           | 314          |
| Target 1                                                                                                        | 657          | 1 032        | 659             | 633          | (2)                      | 399          | 2 795         | 2 840         | 140                  | 161          | 1 151              | 2 088         | 384           | 380          |
| Kusasalethu                                                                                                     | 1 263        | 984          | 1 021           | 935          | 242                      | 49           | 3 636         | 3 661         | 139                  | 163          | 2 181              | 1 989         | 323           | 382          |
| Masimong                                                                                                        | 708          | 655          | 554             | 522          | 154                      | 133          | 453           | 797           | 55                   | 53           | 1 231              | 1 334         | 331           | 349          |
| Unisel                                                                                                          | 547          | 463          | 417             | 374          | 130                      | 89           | 527           | 567           | 35                   | 30           | 948                | 939           | 217           | 222          |
| <b>Surface</b>                                                                                                  |              |              |                 |              |                          |              |               |               |                      |              |                    |               |               |              |
| All other surface operations                                                                                    | 899          | 734          | 718             | 617          | 181                      | 117          | 434           | 474           | 107                  | 23           | 1 587              | 1 537         | 5 618         | 5 467        |
| <b>Total South Africa</b>                                                                                       | <b>9 138</b> | <b>8 292</b> | <b>6 736</b>    | <b>6 045</b> | <b>2 402</b>             | <b>2 247</b> | <b>20 868</b> | <b>20 412</b> | <b>1 101</b>         | <b>987</b>   | <b>15 812</b>      | <b>16 800</b> | <b>8 443</b>  | <b>8 427</b> |
| <b>International</b>                                                                                            |              |              |                 |              |                          |              |               |               |                      |              |                    |               |               |              |
| Hidden Valley                                                                                                   | 730          | 415          | 658             | 670          | 72                       | (255)        | 1 423         | 1 276         | 344                  | 50           | 1 415              | 881           | 1 233         | 735          |
| <b>Total international</b>                                                                                      | <b>730</b>   | <b>415</b>   | <b>658</b>      | <b>670</b>   | <b>72</b>                | <b>(255)</b> | <b>1 423</b>  | <b>1 276</b>  | <b>344</b>           | <b>50</b>    | <b>1 415</b>       | <b>881</b>    | <b>1 233</b>  | <b>735</b>   |
| <b>Total operations</b>                                                                                         | <b>9 868</b> | <b>8 707</b> | <b>7 394</b>    | <b>6 715</b> | <b>2 474</b>             | <b>1 992</b> | <b>22 291</b> | <b>21 688</b> | <b>1 445</b>         | <b>1 037</b> | <b>17 227</b>      | <b>17 681</b> | <b>9 676</b>  | <b>9 162</b> |
| Reconciliation of the segment information to the condensed consolidated financial statements (refer to note 15) |              |              |                 |              |                          |              |               |               |                      |              |                    |               |               |              |
|                                                                                                                 |              |              |                 |              |                          |              | 8 348         | 8 413         |                      |              |                    |               |               |              |
|                                                                                                                 | <b>9 868</b> | <b>8 707</b> | <b>7 394</b>    | <b>6 715</b> | <b>2 474</b>             | <b>1 992</b> | <b>30 639</b> | <b>30 101</b> |                      |              |                    |               |               |              |

# Capital expenditure for international operations exclude expenditure spent on Golpu of R112 million (2015: R114 million).

# CONDENSED CONSOLIDATED INCOME STATEMENTS (US\$)

(CONVENIENCE TRANSLATION)

| Figures in million                                 | Six months ended                   |                                |                                    | Year ended                   |
|----------------------------------------------------|------------------------------------|--------------------------------|------------------------------------|------------------------------|
|                                                    | 31 December<br>2016<br>(Unaudited) | 30 June<br>2016<br>(Unaudited) | 31 December<br>2015<br>(Unaudited) | 30 June<br>2016<br>(Audited) |
| Revenue                                            | 706                                | 625                            | 639                                | 1 264                        |
| Cost of sales                                      | (648)                              | (505)                          | (588)                              | (1 088)                      |
| Production costs                                   | (529)                              | (424)                          | (493)                              | (914)                        |
| Amortisation and depreciation                      | (91)                               | (70)                           | (80)                               | (149)                        |
| Reversal of impairment of assets                   | -                                  | 3                              | -                                  | 3                            |
| Other items                                        | (28)                               | (14)                           | (15)                               | (28)                         |
| <b>Gross profit/(loss)</b>                         | <b>58</b>                          | <b>120</b>                     | <b>51</b>                          | <b>176</b>                   |
| Corporate, administration and other expenditure    | (16)                               | (15)                           | (13)                               | (28)                         |
| Social investment expenditure                      | (2)                                | (2)                            | (2)                                | (4)                          |
| Exploration expenditure                            | (10)                               | (6)                            | (7)                                | (13)                         |
| Loss on scrapping of property, plant and equipment | -                                  | (4)                            | -                                  | (4)                          |
| Foreign exchange translation gain/(loss) - net     | 51                                 | 39                             | (59)                               | (13)                         |
| Other income/(expenses) - net                      | 3                                  | (2)                            | (1)                                | (3)                          |
| <b>Operating profit/(loss)</b>                     | <b>84</b>                          | <b>130</b>                     | <b>(31)</b>                        | <b>111</b>                   |
| Gain on bargain purchase                           | 61                                 | -                              | -                                  | -                            |
| Profit/(loss) from associates                      | (1)                                | (2)                            | 3                                  | -                            |
| Net gain/(loss) on financial instruments           | -                                  | 2                              | (1)                                | 1                            |
| Investment income                                  | 10                                 | 8                              | 8                                  | 16                           |
| Finance cost                                       | (9)                                | (9)                            | (10)                               | (19)                         |
| <b>Profit/(loss) before taxation</b>               | <b>145</b>                         | <b>129</b>                     | <b>(31)</b>                        | <b>109</b>                   |
| Taxation                                           | (34)                               | (40)                           | (2)                                | (43)                         |
| Normal taxation                                    | (26)                               | (8)                            | -                                  | (8)                          |
| Deferred taxation                                  | (8)                                | (32)                           | (2)                                | (35)                         |
| <b>Net profit/(loss) for the period</b>            | <b>111</b>                         | <b>89</b>                      | <b>(33)</b>                        | <b>66</b>                    |
| <i>Attributable to:</i>                            |                                    |                                |                                    |                              |
| Owners of the parent                               | 111                                | 89                             | (33)                               | 66                           |
| <b>Earnings/(loss) per ordinary share (cents)</b>  |                                    |                                |                                    |                              |
| Basic earnings/(loss)                              | 25                                 | 21                             | (7)                                | 15                           |
| Diluted earnings/(loss)                            | 24                                 | 20                             | (7)                                | 15                           |

The currency conversion average rates for the six months ended 31 December 2016: US\$1 = R13.98 (June 2016: US\$1 = R15.39, December 2015: US\$1 = R13.62). For year ended: June 2016: US\$1 = R14.50.

The income statement for the year ended 30 June 2016 has been extracted from the 2016 annual financial statements.

## Note on convenience translations

Except where specific statements have been extracted from the 2016 annual financial statements, the requirements of IAS 21, *The Effects of the Changes in Foreign Exchange Rates*, have not necessarily been applied in the translation of the US Dollar financial statements presented on page 25 to 29.

## CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (US\$)

(CONVENIENCE TRANSLATION)

| Figures in million                                                  | Six months ended                   |                                |                                    | Year ended                   |
|---------------------------------------------------------------------|------------------------------------|--------------------------------|------------------------------------|------------------------------|
|                                                                     | 31 December<br>2016<br>(Unaudited) | 30 June<br>2016<br>(Unaudited) | 31 December<br>2015<br>(Unaudited) | 30 June<br>2016<br>(Audited) |
| Net profit/(loss) for the period                                    | 111                                | 89                             | (33)                               | 66                           |
| Other comprehensive income/(loss) for the period, net of income tax | 77                                 | (22)                           | 35                                 | (375)                        |
| Items that may be reclassified subsequently to profit or loss:      | 77                                 | (22)                           | 35                                 | (375)                        |
| Foreign exchange translation gain/(loss)                            | (14)                               | (22)                           | 35                                 | (375)                        |
| Remeasurement of derivative instruments                             | 114                                | -                              | -                                  | -                            |
| Gain deferred on gold hedging contracts                             | (23)                               | -                              | -                                  | -                            |
| Deferred tax thereon                                                |                                    |                                |                                    |                              |
| <b>Total comprehensive income/(loss) for the period</b>             | <b>188</b>                         | <b>67</b>                      | <b>2</b>                           | <b>(309)</b>                 |
| Attributable to:                                                    |                                    |                                |                                    |                              |
| Owners of the parent                                                | 188                                | 67                             | 2                                  | (309)                        |

The currency conversion average rates for the six months ended 31 December 2016: US\$1 = R13.98 (June 2016: US\$1 = R15.39, December 2015: US\$1 = R13.62). For year ended: June 2016: US\$1 = R14.50.

The statement of comprehensive income for the year ended 30 June 2016 has been extracted from the 2016 annual financial statements.

## CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (US\$)

FOR THE SIX MONTHS ENDED 31 DECEMBER 2016 (CONVENIENCE TRANSLATION) (UNAUDITED)

| Figures in million                        | Share capital | Other reserves | Accumulated loss | Total        |
|-------------------------------------------|---------------|----------------|------------------|--------------|
| Balance - 30 June 2016                    | 2 055         | 308            | ( 320)           | 2 043        |
| Share-based payments                      | -             | 13             | -                | 13           |
| Net profit for the period                 | -             | -              | 112              | 112          |
| Other comprehensive income for the period | -             | 78             | -                | 78           |
| Dividends paid <sup>1</sup>               | -             | -              | (16)             | ( 16)        |
| <b>Balance - 31 December 2016</b>         | <b>2 055</b>  | <b>399</b>     | <b>(224)</b>     | <b>2 230</b> |
| Balance - 30 June 2015                    | 1 813         | 242            | (343)            | 1 712        |
| Share-based payments                      | -             | 6              | -                | 6            |
| Net loss for the period                   | -             | -              | (28)             | (28)         |
| Other comprehensive income for the period | -             | 30             | -                | 30           |
| <b>Balance - 31 December 2015</b>         | <b>1 813</b>  | <b>278</b>     | <b>( 371)</b>    | <b>1 720</b> |

<sup>1</sup> Dividend of 50 SA cents declared on 15 August 2016.

The currency conversion closing rates for the period ended 31 December 2016: US\$1 = R13.79 (December 2015: US\$1 = R15.62).

# CONDENSED CONSOLIDATED BALANCE SHEETS (US\$)

(CONVENIENCE TRANSLATION)

|                                            | At<br>31 December<br>2016<br>(Unaudited) | At<br>30 June<br>2016<br>(Audited) | At<br>31 December<br>2015<br>(Unaudited) |
|--------------------------------------------|------------------------------------------|------------------------------------|------------------------------------------|
| <b>Figures in million</b>                  |                                          |                                    |                                          |
| <b>ASSETS</b>                              |                                          |                                    |                                          |
| <b>Non-current assets</b>                  |                                          |                                    |                                          |
| Property, plant and equipment              | 2 222                                    | 2 033                              | 1 927                                    |
| Intangible assets                          | 63                                       | 59                                 | 56                                       |
| Restricted cash                            | 4                                        | 4                                  | 4                                        |
| Restricted investments                     | 187                                      | 170                                | 156                                      |
| Inventories                                | 3                                        | 3                                  | 2                                        |
| Trade and other receivables                | 13                                       | 12                                 | 5                                        |
| Derivative financial assets                | 47                                       | -                                  | -                                        |
| <b>Total non-current assets</b>            | <b>2 539</b>                             | <b>2 281</b>                       | <b>2 150</b>                             |
| <b>Current assets</b>                      |                                          |                                    |                                          |
| Inventories                                | 117                                      | 79                                 | 81                                       |
| Restricted cash                            | 1                                        | 1                                  | 1                                        |
| Trade and other receivables                | 60                                       | 44                                 | 42                                       |
| Income and mining taxes                    | -                                        | -                                  | 1                                        |
| Derivative financial assets                | 110                                      | 25                                 | -                                        |
| Cash and cash equivalents                  | 88                                       | 85                                 | 56                                       |
| <b>Total current assets</b>                | <b>376</b>                               | <b>234</b>                         | <b>181</b>                               |
| <b>Total assets</b>                        | <b>2 915</b>                             | <b>2 515</b>                       | <b>2 331</b>                             |
| <b>EQUITY AND LIABILITIES</b>              |                                          |                                    |                                          |
| <b>Share capital and reserves</b>          |                                          |                                    |                                          |
| Share capital                              | 2 055                                    | 4 036                              | 1 813                                    |
| Other reserves                             | 399                                      | (1 591)                            | 278                                      |
| Accumulated loss                           | ( 224)                                   | (531)                              | (371)                                    |
| <b>Total equity</b>                        | <b>2 230</b>                             | <b>1 914</b>                       | <b>1 720</b>                             |
| <b>Non-current liabilities</b>             |                                          |                                    |                                          |
| Deferred tax liabilities                   | 207                                      | 164                                | 123                                      |
| Provision for environmental rehabilitation | 197                                      | 148                                | 151                                      |
| Retirement benefit obligation              | 13                                       | 11                                 | 11                                       |
| Other non-current liabilities              | 1                                        | 1                                  | 3                                        |
| Borrowings                                 | 109                                      | 139                                | 198                                      |
| <b>Total non-current liabilities</b>       | <b>527</b>                               | <b>463</b>                         | <b>486</b>                               |
| <b>Current liabilities</b>                 |                                          |                                    |                                          |
| Borrowings                                 | -                                        | 20                                 | 20                                       |
| Income and mining taxes                    | 5                                        | 3                                  | -                                        |
| Trade and other payables                   | 153                                      | 115                                | 105                                      |
| <b>Total current liabilities</b>           | <b>158</b>                               | <b>138</b>                         | <b>125</b>                               |
| <b>Total equity and liabilities</b>        | <b>2 915</b>                             | <b>2 515</b>                       | <b>2 331</b>                             |

The balance sheet for December 2016 converted at a conversion rate of US\$1 = R13.79 (June 2016: US\$1 = R14.72, December 2015: US\$1 = R15.62).

The balance sheet at 30 June 2016 has been extracted from the 2016 annual financial statements.

# CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (US\$)

(CONVENIENCE TRANSLATION)

| Figures in million                                     | Six months ended                   |                                |                                    | Year ended                   |
|--------------------------------------------------------|------------------------------------|--------------------------------|------------------------------------|------------------------------|
|                                                        | 31 December<br>2016<br>(Unaudited) | 30 June<br>2016<br>(Unaudited) | 31 December<br>2015<br>(Unaudited) | 30 June<br>2016<br>(Audited) |
| <b>Cash flow from operating activities</b>             |                                    |                                |                                    |                              |
| Cash generated by operations                           | 163                                | 190                            | 127                                | 322                          |
| Interest and dividends received                        | 3                                  | 2                              | 3                                  | 5                            |
| Interest paid                                          | (5)                                | (8)                            | (3)                                | (11)                         |
| Income and mining taxes (paid)/refunded                | (24)                               | (5)                            | 1                                  | (4)                          |
| <b>Cash generated by operating activities</b>          | <b>137</b>                         | <b>179</b>                     | <b>128</b>                         | <b>312</b>                   |
| <b>Cash flow from investing activities</b>             |                                    |                                |                                    |                              |
| (Increase)/decrease in restricted cash                 | -                                  | -                              | -                                  | (1)                          |
| Decrease in amounts invested in restricted investments | -                                  | 2                              | -                                  | 3                            |
| Loan to associate repaid                               | -                                  | -                              | 1                                  | -                            |
| Loan to ARM BBEE Trust                                 | -                                  | (13)                           | -                                  | (14)                         |
| Cash on acquisition of Hidden Valley                   | 33                                 | -                              | -                                  | -                            |
| Net additions to property, plant and equipment         | (103)                              | (82)                           | (86)                               | (168)                        |
| <b>Cash utilised by investing activities</b>           | <b>(70)</b>                        | <b>(93)</b>                    | <b>(85)</b>                        | <b>(180)</b>                 |
| <b>Cash flow from financing activities</b>             |                                    |                                |                                    |                              |
| Borrowings raised                                      | -                                  | -                              | 22                                 | 24                           |
| Borrowings repaid                                      | (51)                               | (60)                           | (82)                               | (138)                        |
| Dividends paid                                         | (16)                               | -                              | -                                  | -                            |
| <b>Cash utilised by financing activities</b>           | <b>(67)</b>                        | <b>(60)</b>                    | <b>(60)</b>                        | <b>(114)</b>                 |
| <b>Foreign currency translation adjustments</b>        | <b>3</b>                           | <b>3</b>                       | <b>(15)</b>                        | <b>(21)</b>                  |
| Net increase/(decrease) in cash and cash equivalents   | 3                                  | 29                             | (32)                               | (3)                          |
| Cash and cash equivalents - beginning of period        | 85                                 | 56                             | 88                                 | 88                           |
| <b>Cash and cash equivalents - end of period</b>       | <b>88</b>                          | <b>85</b>                      | <b>56</b>                          | <b>85</b>                    |

The currency conversion average rates for the six months ended December 2016: US\$1 = R13.98 (June 2016: US\$1 = R15.39, December 2015: US\$1 = R13.62). For year ended: June 2016: US\$1 = R14.50.

Closing balance translated at closing rates of: 31 December 2016: US\$1 = R13.79 (30 June 2016: US\$1 = R14.72, 31 December 2015: US\$1 = R15.62).

The cash flow statement for the year ended 30 June 2016 has been extracted from the 2016 annual financial statements.

## SEGMENT REPORT (US\$/IMPERIAL)

FOR THE SIX MONTHS ENDED 31 DECEMBER 2016 (CONVENIENCE TRANSLATION) (UNAUDITED)

|                              | Revenue     |              | Production cost |              | Production profit/(loss) |              | Mining assets |              | Capital expenditure <sup>#</sup> |              | Ounces produced |                | Tons milled   |               |
|------------------------------|-------------|--------------|-----------------|--------------|--------------------------|--------------|---------------|--------------|----------------------------------|--------------|-----------------|----------------|---------------|---------------|
|                              | 31 December | 2015         | 31 December     | 2015         | 31 December              | 2015         | 31 December   | 2015         | 30 December                      | 2015         | 31 December     | 2015           | 31 December   | 2015          |
|                              | 2016        | US\$ million | 2016            | US\$ million | 2016                     | US\$ million | 2016          | US\$ million | 2016                             | US\$ million | 2016            | oz             | 2016          | t'000         |
| <b>South Africa</b>          |             |              |                 |              |                          |              |               |              |                                  |              |                 |                |               |               |
| <b>Underground</b>           |             |              |                 |              |                          |              |               |              |                                  |              |                 |                |               |               |
| Tshepong                     | 100         | 91           | 73              | 66           | 27                       | 25           | 308           | 261          | 14                               | 10           | 78 416          | 81 181         | 571           | 610           |
| Phakisa                      | 90          | 74           | 59              | 50           | 31                       | 24           | 304           | 274          | 11                               | 12           | 70 057          | 65 137         | 379           | 392           |
| Bambanani                    | 61          | 65           | 31              | 30           | 30                       | 35           | 56            | 52           | 3                                | 4            | 47 583          | 57 743         | 135           | 139           |
| Joel                         | 55          | 45           | 35              | 32           | 20                       | 13           | 60            | 43           | 9                                | 8            | 41 732          | 38 323         | 295           | 306           |
| Doomkop                      | 56          | 50           | 43              | 40           | 13                       | 10           | 217           | 143          | 8                                | 7            | 42 375          | 44 175         | 349           | 346           |
| Target 1                     | 47          | 76           | 47              | 47           | -                        | 29           | 203           | 182          | 10                               | 12           | 37 005          | 67 131         | 424           | 419           |
| Kusasaletlu                  | 90          | 72           | 73              | 69           | 17                       | 3            | 264           | 234          | 10                               | 12           | 70 121          | 63 948         | 357           | 421           |
| Masimong                     | 51          | 48           | 40              | 38           | 11                       | 10           | 33            | 51           | 4                                | 4            | 39 578          | 42 889         | 365           | 384           |
| Unisel                       | 39          | 34           | 30              | 27           | 9                        | 7            | 38            | 36           | 3                                | 2            | 30 479          | 30 190         | 240           | 245           |
| <b>Surface</b>               |             |              |                 |              |                          |              |               |              |                                  |              |                 |                |               |               |
| All other surface operations | 65          | 54           | 51              | 45           | 14                       | 9            | 30            | 30           | 8                                | 2            | 51 023          | 49 417         | 6 194         | 6 028         |
| <b>Total South Africa</b>    | <b>654</b>  | <b>609</b>   | <b>482</b>      | <b>444</b>   | <b>172</b>               | <b>165</b>   | <b>1 513</b>  | <b>1 306</b> | <b>80</b>                        | <b>73</b>    | <b>508 369</b>  | <b>540 134</b> | <b>9 309</b>  | <b>9 290</b>  |
| <b>International</b>         |             |              |                 |              |                          |              |               |              |                                  |              |                 |                |               |               |
| Hidden Valley                | 52          | 30           | 47              | 49           | 5                        | (19)         | 103           | 82           | 25                               | 3            | 45 493          | 28 325         | 1 360         | 810           |
| <b>Total international</b>   | <b>52</b>   | <b>30</b>    | <b>47</b>       | <b>49</b>    | <b>5</b>                 | <b>(19)</b>  | <b>103</b>    | <b>82</b>    | <b>25</b>                        | <b>3</b>     | <b>45 493</b>   | <b>28 325</b>  | <b>1 360</b>  | <b>810</b>    |
| <b>Total operations</b>      | <b>706</b>  | <b>639</b>   | <b>529</b>      | <b>493</b>   | <b>177</b>               | <b>146</b>   | <b>1 616</b>  | <b>1 388</b> | <b>105</b>                       | <b>76</b>    | <b>553 862</b>  | <b>568 459</b> | <b>10 669</b> | <b>10 100</b> |

<sup>#</sup> Capital expenditure for international operations exclude expenditure spent on Golpu of US\$8 million (2015: US\$8 million).

# DEVELOPMENT RESULTS

6 MONTH AVG. JULY 2016 – DECEMBER 2016

## METRIC

|               | Reef<br>Meters | Sampled<br>Meters | Channel         |                |                 |
|---------------|----------------|-------------------|-----------------|----------------|-----------------|
|               |                |                   | Width<br>(Cm's) | Value<br>(g/t) | Gold<br>(Cmg/t) |
| Tshepong      |                |                   |                 |                |                 |
| Basal         | 512            | 432               | 8.86            | 125.06         | 1 108           |
| B Reef        | 279            | 236               | 142.78          | 5.08           | 725             |
| All Reefs     | 791            | 668               | 56.17           | 17.32          | 973             |
| Phakisa       |                |                   |                 |                |                 |
| Basal         | 682            | 700               | 54.91           | 23.64          | 1 298           |
| All Reefs     | 682            | 700               | 54.91           | 23.64          | 1 298           |
| Bambabani     |                |                   |                 |                |                 |
| Basal         | 41             | 56                | 148.00          | 17.42          | 2 579           |
| All Reefs     | 41             | 56                | 148.00          | 17.42          | 2 579           |
| Doornkop      |                |                   |                 |                |                 |
| Main Reef     |                | 90                | 99.57           | 2.77           | 275             |
| South Reef    | 675            | 648               | 51.96           | 21.42          | 1 113           |
| All Reefs     | 675            | 738               | 57.77           | 17.50          | 1 011           |
| Kusasaletu    |                |                   |                 |                |                 |
| VCR Reef      | 508            | 560               | 108.72          | 15.76          | 1 713           |
| All Reefs     | 508            | 560               | 108.72          | 15.76          | 1 713           |
| Target 1      |                |                   |                 |                |                 |
| Elsburg       | 104            | 116               | 292.48          | 5.59           | 1 636           |
| All Reefs     | 104            | 116               | 292.48          | 5.59           | 1 636           |
| Masimong 5    |                |                   |                 |                |                 |
| Basal         | 636            | 580               | 85.72           | 12.76          | 1 094           |
| B Reef        | 430            | 456               | 107.06          | 15.66          | 1 677           |
| All Reefs     | 1 066          | 1036              | 95.11           | 14.20          | 1 350           |
| Unisel        |                |                   |                 |                |                 |
| Basal         | 477            | 258               | 133.06          | 8.47           | 1 128           |
| Leader        | 706            | 690               | 194.99          | 5.79           | 1 130           |
| All Reefs     | 1 183          | 948               | 178.13          | 6.34           | 1 129           |
| Joel          |                |                   |                 |                |                 |
| Beatrix       | 763            | 792               | 149.45          | 8.32           | 1 243           |
| All Reefs     | 763            | 792               | 149.45          | 8.32           | 1 243           |
| Total Harmony |                |                   |                 |                |                 |
| Basal         | 2 347          | 2 026             | 66.44           | 18.26          | 1 213           |
| Beatrix       | 763            | 792               | 149.45          | 8.32           | 1 243           |
| Leader        | 706            | 690               | 194.99          | 5.79           | 1 130           |
| B Reef        | 709            | 692               | 119.24          | 11.34          | 1 352           |
| Elsburg       | 104            | 116               | 292.48          | 5.59           | 1 636           |
| South Reef    | 675            | 648               | 51.96           | 21.42          | 1 113           |
| VCR           | 508            | 560               | 108.72          | 15.76          | 1 713           |
| Main Reef     |                | 90                | 99.57           | 2.77           | 275             |
| All Reefs     | 5 811          | 5 614             | 108.21          | 11.61          | 1 256           |

## IMPERIAL

|               | Reef<br>Feet | Sampled<br>Feet | Channel         |                 |                   |
|---------------|--------------|-----------------|-----------------|-----------------|-------------------|
|               |              |                 | Width<br>(Inch) | Value<br>(oz/t) | Gold<br>(In.oz/t) |
| Tshepong      |              |                 |                 |                 |                   |
| Basal         | 1 681        | 1 417           | 3.00            | 4.24            | 13                |
| B Reef        | 914          | 774             | 56.00           | 0.15            | 8                 |
| All Reefs     | 2 595        | 2 192           | 22.00           | 0.51            | 11                |
| Phakisa       |              |                 |                 |                 |                   |
| Basal         | 2 237        | 2 297           | 22.00           | 0.68            | 15                |
| All Reefs     | 2 237        | 2 297           | 22.00           | 0.68            | 15                |
| Bambabani     |              |                 |                 |                 |                   |
| Basal         | 133          | 184             | 58.00           | 0.51            | 30                |
| All Reefs     | 133          | 184             | 58.00           | 0.51            | 30                |
| Doornkop      |              |                 |                 |                 |                   |
| Main Reef     |              | 295             | 39.00           | 0.08            | 3                 |
| South Reef    | 2 213        | 2 126           | 20.00           | 0.64            | 13                |
| All Reefs     | 2 213        | 2 421           | 23.00           | 0.50            | 12                |
| Kusasaletu    |              |                 |                 |                 |                   |
| VCR Reef      | 1 668        | 1 837           | 43.00           | 0.46            | 20                |
| All Reefs     | 1 668        | 1 837           | 43.00           | 0.46            | 20                |
| Target 1      |              |                 |                 |                 |                   |
| Elsburg       | 342          | 381             | 115.00          | 0.16            | 19                |
| All Reefs     | 342          | 381             | 115.00          | 0.16            | 19                |
| Masimong 5    |              |                 |                 |                 |                   |
| Basal         | 2 087        | 1 903           | 34.00           | 0.37            | 13                |
| B Reef        | 1 410        | 1 496           | 42.00           | 0.46            | 19                |
| All Reefs     | 3 497        | 3 399           | 37.00           | 0.42            | 16                |
| Unisel        |              |                 |                 |                 |                   |
| Basal         | 1 564        | 846             | 52.00           | 0.25            | 13                |
| Leader        | 2 316        | 2 264           | 77.00           | 0.17            | 13                |
| All Reefs     | 3 880        | 3 110           | 70.00           | 0.19            | 13                |
| Joel          |              |                 |                 |                 |                   |
| Beatrix       | 2 502        | 2 598           | 59.00           | 0.24            | 14                |
| All Reefs     | 2 502        | 2 598           | 59.00           | 0.24            | 14                |
| Total Harmony |              |                 |                 |                 |                   |
| Basal         | 7 701        | 6 647           | 26.00           | 0.54            | 14                |
| Beatrix       | 2 502        | 2 598           | 59.00           | 0.24            | 14                |
| Leader        | 2 316        | 2 264           | 77.00           | 0.17            | 13                |
| B Reef        | 2 324        | 2 270           | 47.00           | 0.33            | 16                |
| Elsburg       | 342          | 381             | 115.00          | 0.16            | 19                |
| South Reef    | 2 213        | 2 126           | 20.00           | 0.64            | 13                |
| VCR           | 1 668        | 1 837           | 43.00           | 0.46            | 20                |
| Main Reef     |              | 295             | 39.00           | 0.08            | 3                 |
| All Reefs     | 19 066       | 18 419          | 43.00           | 0.34            | 14                |





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