

**“A NEW GAME PLAN FOR A
RISING GOLD PRICE”**

**Quarter ended
March 2006**



PRIVATE SECURITIES LITIGATION REFORM ACT SAFE HARBOR STATEMENT

This presentation contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and 21E of the Securities Exchange Act of 1934, as amended, that are intended to be covered by the safe harbour created by such sections. All statements other than those of historical facts included in this presentation are forward-looking statements including, without limitation, (i) estimates of future earnings, and the sensitivity of earnings to the gold and other metals prices; (ii) estimates of future gold and other metals production and sales, (iii) estimates of future cash costs; (iv) estimates of future cash flows, and the sensitivity of cash flows to the gold and other metals prices; (v) statements regarding future debt repayments; (vi) estimates of future capital expenditures; (vii) estimates of reserves, and statements regarding future exploration results and the replacement of reserves; and (viii) statements regarding modifications to the Company's hedge position. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, gold and other metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks in the countries in which we operate and governmental regulation and judicial outcomes. For a more detailed discussion of such risks and other factors, see the Company's Annual Report on Form 20-F for the year ended June 30, 2005, which is on file with the Securities and Exchange Commission, as well as the Company's other SEC filings. The Company does not undertake any obligation to release publicly any revisions to any "forward-looking statement" to reflect events or circumstances after the date of this presentation, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

- **Harmony highly geared to Rand gold price**
- **CONOPS implementation completed**
- **Tshepong holed with Phakisa after 5360m of development.**
- **EMP on Hidden Valley authorized**
- **Australian hedge book reduced by 25 000 oz.**
- **Operations generated R292M cash**
- **TGIO**

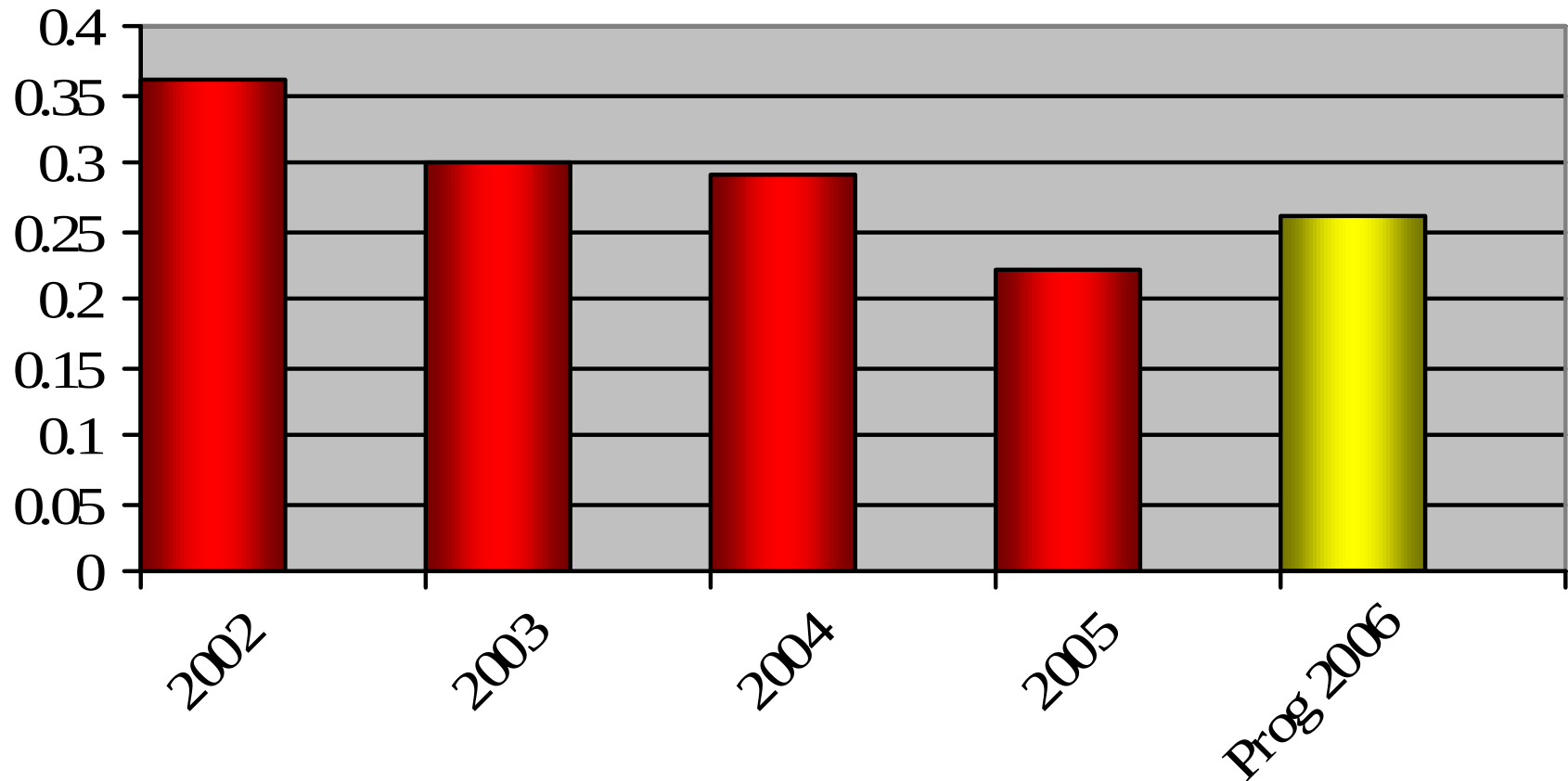
Findings

- **aftermath of restructuring**
 - **skills and compliment rebalancing**
 - **ore body flexibility**

Our action steps

- **improved production capacity**
 - **no of faces mined**
 - **staffing of crews**
- **longer term flexibility through development and opening up**

Fatality Injury Rate (Per Million Hours Worked)



		MAR 2006	DEC 2005	% VAR
Gold produced	- kg	17 464	20 316	(14.0)
Revenue	- R/Kg	110 399	102 333	8.0
Exchange Rate	- R/US\$	6.14	6.53	(6.0)
Cash costs	- R/kg	92 914	83 154	(11.7)
Cash operating profit	- R (m)	306	389	(21.3)
Cash earnings	- cents per share (SA)	78	99	(21.2)

		MAR 2006	DEC 2005	% VAR
Gold produced	- oz	561 477	653 171	(14.0)
Revenue	- US\$/oz	559	487	14.8
Exchange Rate	- R/US\$	6.14	6.53	(6.0)
Cash costs	- \$/oz	470	396	(18.7)
Cash operating profit	- US\$ (m)	50	60	(16.7)
Cash earnings	- cents per share (US)	13	15	(13.3)

OPERATION	WORKING PROFIT (Rm)		
	Mar-06	Dec-05	Variance
South African operations			
Quality ounces	245.7	263.7	(18.0)
Growth ounces	(21.0)	(2.5)	(18.5)
Leverage ounces	36.2	76.0	(39.8)
Surface operations	13.0	10.9	2.1
Total SA Operations	273.9	348.1	(74.2)
Australian operations	31.7	41.3	(9.6)
Total Harmony	305.6	389.4	(83.8)

Cash operating profit – Dec 2005

R389,4 million

Value attributed to change in:

- | | |
|-------------------|------------------------|
| - volume | (R144.3) million |
| - working cost | R 66.7 million |
| - recovery grade | (R147.6) million |
| - Rand gold price | <u>R 141.4 million</u> |
| Net variance | (R 83.8) million |

Cash operating profit – Mar 2006

R 305.6 million



RECONCILIATION OF HEADLINE EARNINGS

EARNINGS PER SHARE (SA Cents)	QUARTER ENDED MARCH 2006	QUARTER ENDED DECEMBER 2005
Cash earnings	78	99
Basic (loss)/earnings	(46)	6
Headline loss	(50)	(75)
Fully diluted (loss)/earnings	(46)	6

OPERATIONAL CAPEX	ACTUAL MAR 2006	FORECAST JUN 2006
South African Operations	225	195
Australian Operations	32	33
Total Operational Capex	257	228
PROJECT CAPEX		
Doornkop South Reef	33	36
Elandsrand New Mine	35	43
Tshepong North Decline	13	24
Phakisa Shaft	22	56
Target Shaft	12	14
PNG	19	26
Total Project Capex	134	199
TOTAL CAPEX	391	427

		MAR 2006	DEC 2005	% VAR
U/g tonnes milled	('000)	1 522	1 574	(3.3)
U/g recovery grade	(g/t)	5,69	6,10	(6.7)
U/g kilograms produced	(kg)	8 661	9 604	(9.8)
U/g working costs	(R/kg)	81 886	74 725	(9.6)
U/g working costs	(R/tonne)	466	456	(2.2)

- **Tshepong holing with Phakisa (5 360m)**
- **CONOPS implemented on Masimong**
- **Target starts to improve production levels**

JUNE QUARTER OUTLOOK

- **Volume bounce back**
- **Grade improvements towards end of the year**

	MAR 2006	DEC 2005	% VAR
U/g tonnes milled ('000)	343	312	9.9
U/g recovery grade (g/t)	4,37	5,63	(22.4)
U/g kilograms produced (kg)	1 498	1 756	(14.7)
U/g working costs (R/kg)	124 774	104 188	(19.8)
U/g working costs (R/tonne)	545	586	7.0

- orepass changeover on Elandsrand
- Elandsrand performance still problematic (Change over to new mine)

JUNE QUARTER OUTLOOK

- improved production volumes expected from Elandsrand

- **slimesdam re-treatment**
- **Saaiplaas plant available**
- **rehabilitation/clean-up**
- **400 000 tons treated for 70 kg gold per month**

Financial analysis

Capital Required	R34.7 mil
Head grade	0.35 g/t
Recovery	47%
Treatment Cost	R10.54/t
NPV @ R100 000/kg	R78.4 mil
NPV @ R120 000/kg	R122.5 mil
Payback	11 months

	MAR 2006	DEC 2005	% Var
U/g tonnes milled ('000)	1 055	1 252	(15.7)
U/g recovery grade (g/t)	4,74	4,88	(2.9)
U/g kilograms produced (kg)	4 996	6 113	(18.3)
U/g working costs (R/kg)	102 857	90 074	(14.2)
U/g working costs (R/tonne)	487	440	(10.7)

- **Joel North Shaft commissioned**
- **development on Bambanani progressed well**

JUNE QUARTER OUTLOOK

- **high gearing to current gold price**
- **flexibility starting to improve at Bambanani**
- **production volumes to improve at Joel**

OPERATIONAL RESULTS - SURFACE OPERATIONS (INCLUDES KALGOLD)

		MAR 2006	DEC 2005	% VAR
Surface tonnes milled	('000)	783	938	(16.5)
Surface recovery grade	(g/t)	0.98	0.99	(1.0)
Kilograms produced	(kg)	766	926	(17.3)
Working costs	(R/kg)	92 535	89 849	(3.0)
Working costs	(R/tonne)	91	89	(2.2)

	MAR 2006	DEC 2005	% VAR
Tonnes milled ('000)	763	781	(2.3)
Recovery grade (g/t)	2,02	2,45	(17.6)
Kilograms produced (kg)	1 543	1 917	(19.5)
Working costs (R/kg)	91 876	80 820	(13.7)
Working costs (R/tonne)	186	198	6.1

- **Drilling results**
- **25 000oz closed out**

JUNE QUARTER OUTLOOK

- **Shirl pit becoming reality**
- **hedge book restructuring reach a peak of 75 000oz**



CASH RECONCILIATION FOR THE PERIOD OCTOBER 2005 TO DECEMBER 2005

Cash and equivalents on 31 December 2005 (R'million)	2 914.4
Operational	(51.2)
Operating profit	305.6
Capex (net)	(231.1)
Development cost capitalised	(160.2)
Corporate / exploration expenditure	(26.7)
Care and maintenance costs	(29.4)
Interest paid	(96.1)
Movement in working capital (excl. accrued liabilities)	80.3
Movement in accrued liabilities	7.4
Other items	98.9
Other	(1 082.0)
Net sundry revenue	76.5
Foreign exchange losses	(1.1)
Shares issued (net of expenses)	12.2
Australian hedge close outs	(62.6)
SARS payments	(5.2)
Payment BOE loan (ARMgold)	(89.6)
RMB loan raised	1 000.0
Investment in Western Areas	(2 012.2)
Cash and equivalents on 31 March 2006	1 781.2



WORLD CLASS GROWTH PROJECTS

PROJECT		LOM OUNCES (‘000/OZ)	CAPITAL COST (US\$M)	US\$ COST/OZ	CASH COST \$/oz	g/t	oz/ ANNUM
Masimong	(SA)	2 530	30	12	370	5,2	260 000
Phakisa	(SA)	3 960	99	25	275	7,3	250 000
Elandsrand	(SA)	6 220	123	20	241	8,9	509 000
Doornkop South Reef	(SA)	2 960	148	50	336	6,5	325 000
Tshepong	(SA)	1 470	43	29	287	7,2	135 000
Hidden Valley	(PNG)	2 600	250	96	220	2.2	350 000
TOTAL		19 740	693	35	277	-	1 829 000

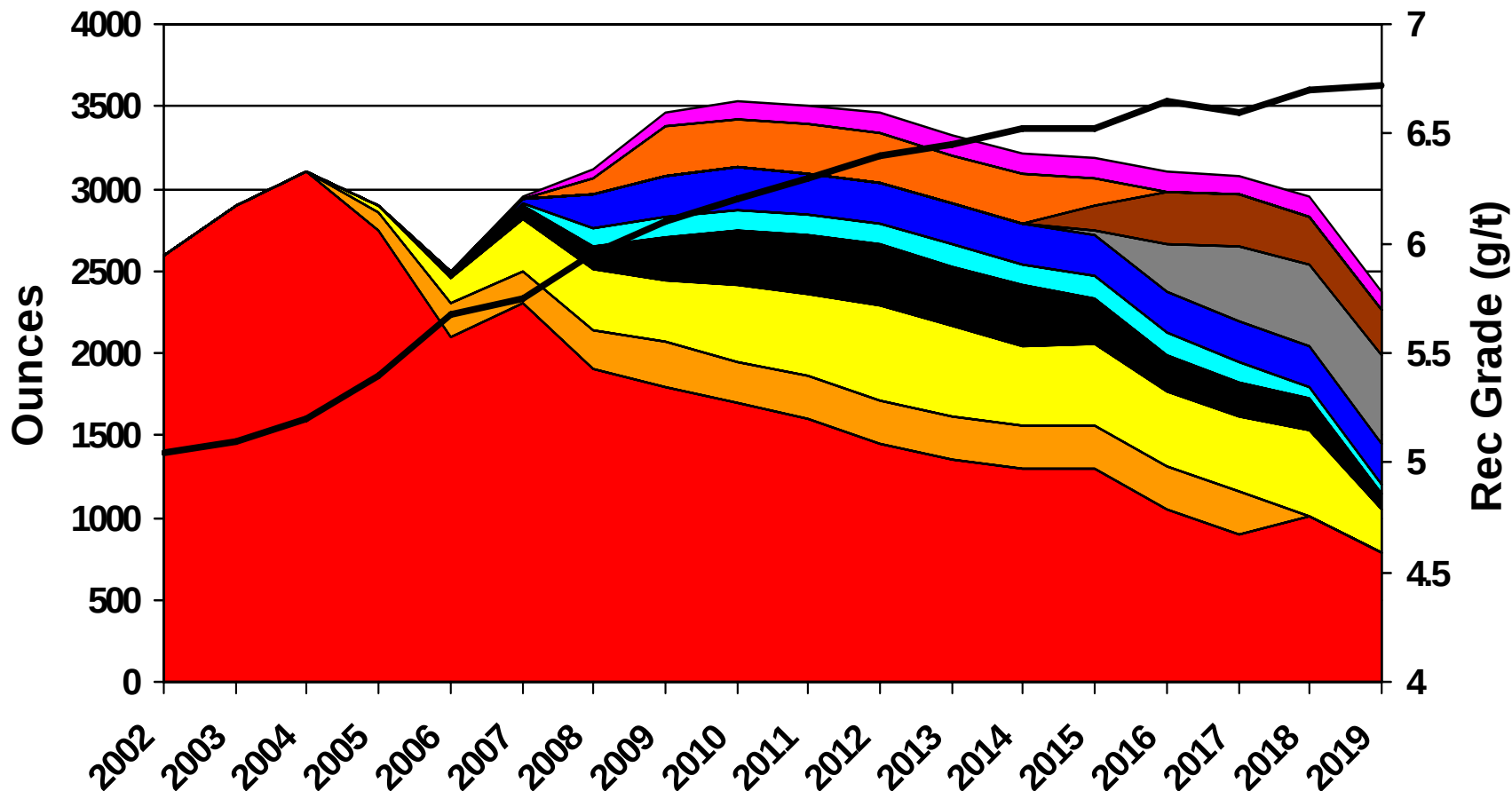
Based on R92 000/kg and R6,50/US\$

**WE ARE BUILDING SIX NEW MINES TO EXPLOIT
19.7 M/oz OF GOLD AT 1,8 M/oz P/A AT AN
AVERAGE CASH COST OF US\$277/oz**



HARMONY™

HARMONY PRODUCTION PROFILE



Harmony excluding projects

Doomkop (KR & SR)

Rolspruit (Capex not yet approved)

Western Areas

Masimong 5

Tshepong Sub 66

Poplar (Capex not yet approved)

Underground rec grade (SA OPS)

Elandsrand

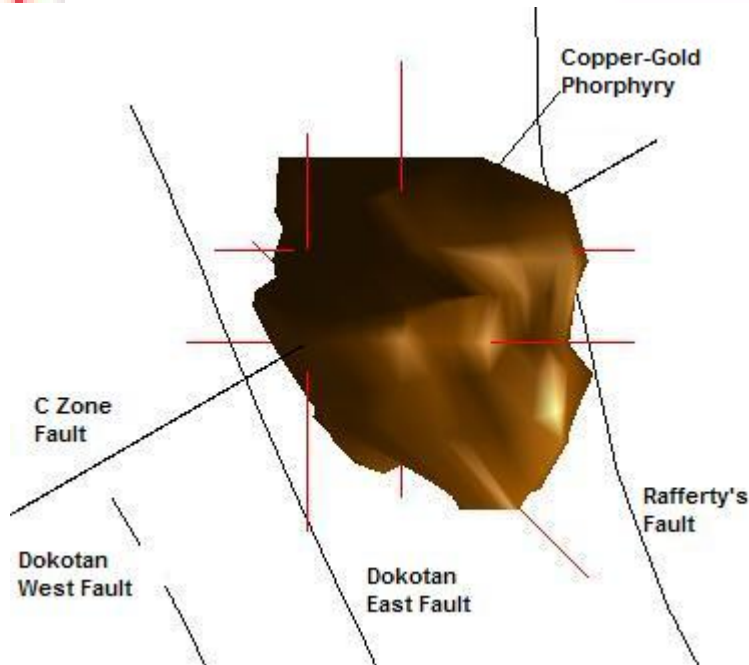
Phakisa

Hidden Valley

Ore (40.5 Mt)	(M tonne/yr)	4.2
Recovery Grade	(Au g/t)	2.21
Recovery Grade	(Ag g/t)	35.7
Gold production per annum	(‘000 oz)	280
Silver production per annum	(‘000 oz)	3 900
Equivalent gold production	(‘000 oz)	350
LOM gold production	(‘000 oz)	2 600
LOM silver production	(‘000 oz)	39 000
Mine construction period	(months)	26
LOM	(years)	9,7

	At US\$ 500/oz Au, US\$ 7.50/oz Ag	At US\$ 550/oz Au, US\$ 10.50/oz Ag
Pre Tax Cash Flow	US\$ 456 M	US\$ 699 M
Pre Tax NPV @ 7,5%	US\$ 208 M	US\$ 351 M
Pre Tax IRR	28%	36%
Cash Cost (US\$/oz)	229	188

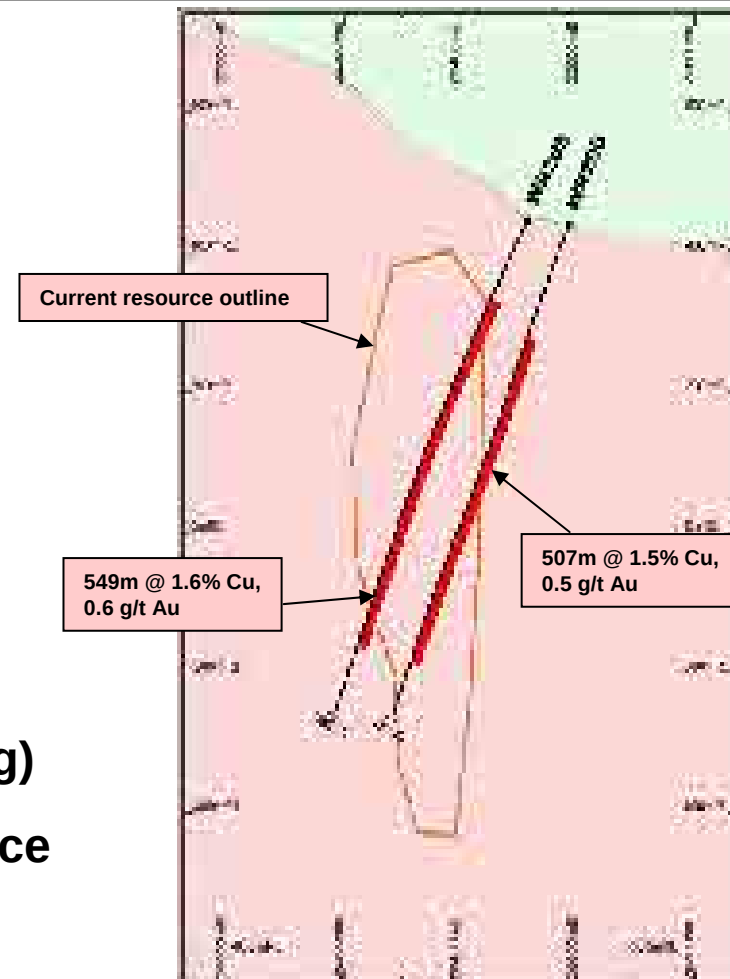
CAPEX of US\$ 250 M



Golpu plan view showing major structures and geotechnical drilling program planned holes

- 4 holes drilled, 2 000m total (4 holes remaining)
- all holes test major structures and add resource confidence

Isometric view of copper gold porphyry and geotechnical drilling program



Gold Price (R/kg)	110 000	130 000
Gold production (Kg)	20 000	20 000
Revenue (Rm)	2 200	2 600
Working Cost (R85 000/Kg)	1 700	1 700
Operating Profit (Rm)	500	900
Profit Margin (%)	23%	35%



A NEW GAME PLAN FOR A RISING GOLD PRICE

Company de-tox

+25 acquisitions
LOM and labour mix
Major retrenchments
Retraining
& redeployment
CONOPS in place

Introspection

Regaining profitability
Mining flexibility
Development focus
Improved
production volumes

The right strategy

Making the most of
our assets
Organic growth
Acquisitions

HARMONY REMAINS

Highly geared
Unhedged
Outstanding project pipeline
Track record of acquisitions

Questions

Website

www.harmony.co.za

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