

HARMONY GOLD MINING CO LTD

Form 6-K

August 18, 2015

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**Form 6-K**

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO  
RULE 13a-16 OR 15d-16 UNDER THE SECURITIES  
EXCHANGE ACT OF 1934

For 18 August 2015

**Harmony Gold Mining Company  
Limited**

Randfontein Office Park

Corner Main Reef Road and Ward Avenue

Randfontein, 1759

South Africa

(Address of principal executive offices)

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

Form 20-F  X

Form 40-F

(Indicate by check mark whether the registrant by  
furnishing the information contained in this form  
is also thereby furnishing the information to the  
Commission pursuant to Rule 12g3-2(b) under the  
Securities Exchange Act of 1934.)

Yes

No  X

RESULTS  
**FOR THE FOURTH  
QUARTER AND  
YEAR ENDED**

30 JUNE 2015

Q4 FY15

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

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

**Quarter**

**June**

**2015**

Quarter

March

2015

Q-on-Q

variance

%

**Year ended**

**June 2015**

Year ended

June 2014

Variance

%

Gold produced

– kg

**7 977**

7 642

4

**33 513**

36 453

(8)

– oz

**256 465**

245 697

4

**1 077 466**

1 171 987

(8)

Cash operating costs

– R/kg

**389 671**

377 901

(3)

**369 203**

328 931

(12)

– US\$/oz

**1 003**

1 001

–

**1 003**

988

(2)

Gold sold

– kg

**8 321**

7 444

12

**34 332**

36 288

(5)

– oz

**267 523**

239 330

12

**1 103 793**

1 166 682

(5)

Underground grade

– g/t

**4.61**

4.75

(3)

**4.75**

4.77

–

Total costs and capital

– R/kg

**465 923**

454 211

(3)

**442 895**

397 964

(11)

– US\$/oz

**1 200**

1 203

–

**1 203**

1 196

(1)

All-in sustaining costs  
– R/kg  
**478 746**  
474 873  
(1)  
**458 626**  
413 433  
(11)  
– US\$/oz  
**1 233**  
1 258  
2  
**1 246**  
1 242  
–  
Gold price received  
– R/kg  
**463 910**  
460 569  
1  
**449 570**  
432 165  
4  
– US\$/oz  
**1 195**  
1 220  
(2)  
**1 222**  
1 299  
(6)  
Production profit  
– R million  
**627**  
643  
(2)  
**2 802**  
3 794  
(26)  
– US\$ million  
**52**  
55  
(5)  
**245**  
367  
(33)  
Basic loss per share  
– SAc/s  
**(725)**  
(61)  
>(100)  
**(1 044)**

(293)

>(100)

– USc/s

**(60)**

(5)

>(100)

**(91)**

(27)

>(100)

Headline earnings/(loss)

– Rm

**191**

(262)

>100

**(821)**

114

>(100)

– US\$ million

**16**

(22)

>100

**(72)**

12

>(100)

Headline earnings/(loss) per share

– SAc/s

**44**

(60)

>100

**(189)**

26

>(100)

– USc/s

**4**

(5)

>100

**(17)**

2

>(100)

Exchange rate

– R/US\$

**12.08**

11.74

3

**11.45**

10.35

11

KEY FEATURES

**Quarter on quarter**

Gold production increased by 4% to 7 977kg (256 465oz)

Gold sold increased by 12% to 8 321kg (267 523oz)

All-in sustaining costs remained stable at R478 746/kg (down 2% at US\$1 233/oz)

Headline earnings per share increased from loss of 60 SA cents to profit of 44 SA cents  
(from 5 US cents loss to 4 US cents profit)

**Year on year**

Gold production decreased by 8% to 33 513kg (1.08moz)

– closure of unprofitable Target 3

– Kusasalethu, Hidden Valley and Doornkop restructured for profitability

Underground recovered grade stable y-on-y at 4.75g/t

All-in sustaining costs increased by 11% from R413 433/kg to R458 626/kg  
(stable at US\$1 246)

Operational capital expenditure reduced by 2% from R2.52bn (US\$243m) to R2.47bn  
(US\$216m)

Net loss of R4.5 billion (US\$396 million) recorded in FY15

– Impairment of R3.5 billion (US\$303 million)

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Headline loss per share of 189 SA cents (17 US cents)

1.

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

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**CONTACT DETAILS**

**Corporate Office**

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

**Directors**

P T Motsepe\* *Chairman*  
M Motloba\*<sup>^</sup> *Deputy chairman*  
G P Briggs *Chief executive officer*  
F Abbott *Financial director*  
H E Mashego *Executive director*  
F F T De Buck\*<sup>^</sup> *Lead independent director*  
J A Chissano\* 1 <sup>^</sup>, K V Dicks\*<sup>^</sup>, Dr D S S Lushaba\*<sup>^</sup>,  
C Markus\*<sup>^</sup>, M Msimang\*<sup>^</sup>, K T Nondumo\*<sup>^</sup>,  
V P Pillay \*<sup>^</sup>, J L Wetton\*<sup>^</sup>, A J Wilkens\*

\* Non-executive

<sup>^</sup> Independent

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Mozambican

**Investor relations team**

Email: HarmonyIR@harmony.co.za  
Marian van der Walt  
Executive: Corporate and Investor Relations  
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Henrika Ninham  
Investor Relations Manager  
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Mobile: +27 (0)82 759 1775  
Email: henrika@harmony.co.za

**Company Secretary**

Riana Bisschoff  
Tel: +27 (0)11 411 6020  
Mobile: +27 (0)83 629 4706  
Email: riana.bisschoff@harmony.co.za

**South African Share Transfer Secretaries**

Link Market Services South Africa (Proprietary) Limited  
(Registration number 2000/007239/07)  
13th Floor, Rennie House  
19 Ameshoff Street  
Braamfontein, 2001  
PO Box 4844, Johannesburg, 2000, South Africa  
Tel: +27 86 154 6572  
Fax: +27 86 674 2450  
Email: meetfax@linkmarketservices.co.za

**ADR**

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**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  
Email queries: db@amstock.com  
Toll Free: +1-800-937-5449  
Intl: +1-718-921-8137  
Fax: +1-718-921-8334

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ADR: American Depository Receipts

**Sponsor**

J.P. Morgan Equities South Africa (Pty) Ltd  
1 Fricker Road, corner Hurlingham Road  
Illovo  
Johannesburg, 2196  
Private Bag X9936, Sandton, 2146, South Africa  
Tel: +27 11 507 0300  
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**Trading Symbols**

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

**Registration number**

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

**ISIN**

ZAE000015228

**FORWARD-LOOKING STATEMENTS**

This quarterly report contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 with respect to Harmony's financial condition, results of operations, business strategies, operating efficiencies, competitive positions, growth opportunities for existing services, plans and objectives of management, markets for stock and other matters. Statements in this quarter that are not historical facts are "forward-looking statements" for the purpose of the safe harbour provided by Section 21E of the U.S. Securities Exchange Act of 1934, as amended, and Section 27A of the U.S. Securities Act of 1933, as amended. Forward-looking statements are statements that are not historical facts. These statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, products and services, and statements regarding future performance. Forward-looking statements are generally identified by the words "expect", "anticipates", "believes", "intends", "estimates" and similar expressions. These statements are only predictions. All forward-looking statements involve a number of risks, uncertainties and other factors and we cannot assure you that such statements will prove to be correct. Risks, uncertainties and other factors could cause actual events or results to differ from those expressed or implied by the forward-looking statements. These forward-looking statements, including, among others, those relating to the future business prospects, revenues and income of Harmony, wherever they may occur in this quarterly report and the exhibits to this quarterly report, are



necessarily estimates reflecting the best judgement of the senior management of Harmony and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. As a consequence, these forward-looking statements should be considered in light of various important factors, including those set forth in this quarterly report. Important factors that could cause actual results to differ materially from estimates or projections contained in the forward-looking statements include, without limitation: overall economic and business conditions in the countries in which we operate; the ability to achieve anticipated efficiencies and other cost savings in connection with past and future acquisitions; increases or decreases in the market price of gold; the occurrence of hazards associated with underground and surface gold mining; the occurrence of labour disruptions; availability, terms and deployment of capital; changes in government regulations, particularly mining rights and environmental regulations; fluctuations in exchange rates; currency devaluations and other macro-economic monetary policies; and socio-economic instability in the countries in which we operate.

**Harmony Gold Mining Company Limited**

Results for the fourth quarter FY15 and year ended 30 June 2015

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SHAREHOLDER INFORMATION

Issued ordinary share capital at 30 June 2015

436 187 133

Issued ordinary share capital at 31 March 2015

436 094 323

Issued ordinary share capital at 30 June 2014

435 825 447

**Market capitalisation**

At 30 June 2015 (ZARm)

6 800

At 30 June 2015 (US\$m)

560

At 31 March 2015 (ZARm)

9 219

At 31 March 2015 (US\$m)

761

At 30 June 2014 (ZARm)

13 576

At 30 June 2014 (US\$m)

1 276

**Harmony ordinary shares and ADR prices**

12-month high (1 July 2014 – 30 June 2015)

for ordinary shares

38.50

12-month low (1 July 2014 – 30 June 2015)

for ordinary shares

15.32

12-month high (1 July 2014 – 30 June 2015) for ADRs

3.29

12-month low (1 July 2014 – 30 June 2015) for ADRs

1.31

**Free float**

**100%**

**ADR ratio**

**1:1**

**JSE Limited**

**HAR**

Range for quarter (1 April – 30 June 2015

closing prices)

R24.34 – R15.59

Average daily volume for the quarter (1 April –

30 June 2015)

1 677 721 shares

Range for quarter (1 January – 31 March 2015

closing prices)

R20.47 – R35.50

Average daily volume for the quarter (1 January –

31 March 2015)

1 473 990 shares

Range for year (1 July 2014 – 30 June 2015

closing prices)

R35.50 – R15.59

Average daily volume for the year (1 July 2014 – 30 June 2015)

1 700 854 shares

Range for year (1 July 2013 – 30 June 2014 closing prices)

R24.48 – R42.47

Average daily volume for the year (1 July 2013 – 30 June 2014)

1 216 789 shares

**New York Stock Exchange including other US trading platforms**

**HMY**

Range for quarter (1 April – 30 June 2015 closing prices)

US\$2.07 – US\$1.31

Average daily volume for the quarter (1 April – 30 June 2015)

2 212 229

Range for quarter (1 January – 31 March 2015 closing prices)

US\$1.69 – US\$3.14

Average daily volume for the quarter (1 January – 31 March 2015)

3 473 101

Range for year (1 July 2014 – 30 June 2015 closing prices)

US\$3.29 – US\$1.31

Average daily volume for the year (1 July 2014– 30 June 2015)

2 989 247

Range for year (1 July 2013 – 30 June 2014 closing prices)

US\$2.36 – US\$4.33

Average daily volume for the year (1 July 2013 – 30 June 2014)

2 923 933

**Investors' calendar**

Release of Harmony's Integrated Annual Report of FY15  
23 October 2015

Q1 FY16 presentation (webcast and conference calls only)  
5 November 2015

Annual General Meeting  
20 November 2015

Q2 FY16 live presentation from Johannesburg  
4 February 2016

Q3 FY16 presentation (webcast and conference calls only)  
9 May 2016

Q4 FY16 live presentation from Johannesburg  
17 August 2016

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MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

1 SAFETY

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

We are not content with our performance though, as nine lives were tragically lost at our mines during the year under review. The colleagues we mourn are Mhanjelwa Cebani, a rockdrill operator at Doornkop, Mosoeu Ntsutheleng, a team leader at Kusasalethu, and Mariselunes Thibello, a rock drill operator at Bambanani, who were involved in fatal falls of ground; Mmaneo Florisa Muso from Tshepong, Michael Chobeng from Masimong and Maxwell Wari from Hidden Valley who were involved in transport accidents; Bernardo Ernesto Cuambe, an engineering assistant at Unisel, who was involved in a headgear accident; and security officers, Sello Jacob Bobejaan and Thapelo Andries Mofokeng who succumbed to gas and smoke inhalation from a self-made heating device inside their security cubicle at Brand 1 ventilation shaft. To their families, their friends and their colleagues, I send our most sincere condolences.

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

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

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

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

We are in the process of developing a magnificent copper-gold project, Golpu, in Papua New Guinea. Our exploration team has

enjoyed, and continues to enjoy, considerable success in locating copper-gold mineralisation. Towards the end of July 2015 we announced the superb exploration drilling results from Kili Teke – a porphyry style mineralisation with significant copper-gold intercepts. More upside potential exists as Harmony continues to explore. In a world where new discoveries are rare, we are encouraged by the prospect that Kili Teke could well develop into another major copper-gold discovery.

## 2 OPERATIONAL RESULTS

### Quarter on quarter

Gold production for the June 2015 quarter increased by 4% to 7 977 kilograms (Mar 15: 7 642kg) with significant improvements from Tshepong and Target 1.

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

- Tshepong's (+252kg) 20% increase in tonnes milled (42 000t) in the June 2015 quarter, combined with an 8% improvement in the recovery grade to 4.43g/t (Mar 15: 4.12g/t) resulted in a 29% increase in kilograms produced;
- Target 1 (+118kg) milled 13 000 tonnes (7%) more than in the March 2015 quarter, whilst the recovered grade increased by 6% to 5.03g/t (Mar 15: 4.73g/t) for the quarter under review, resulting in a 14% increase in gold production;
- Hidden Valley (+54kg) increased gold production by 8% when compared to the March 2015 quarter mainly due to a 12% increase in the recovered grade to 1.64g/t (Mar 15: 1.46g/t) for the June 2015 quarter. The increase in recovered grade was partially offset by a 4% decrease in tonnes milled.

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

- Phakisa (-30kg) milled 5 000 tonnes (3%) less than in the March 2015 quarter, resulting in a 4% decrease in gold produced;
- Joel (-30kg) recorded a 14% decrease in the recovered grade at 3.83g/t (Mar 15: 4.43g/t). This was however partially offset by a 9% increase in tonnes milled resulting in a 5% decrease in gold produced;
- Unisel (-27kg) recorded a 7% decrease in gold production as a result of a 7% decrease in the recovery grade to 3.75g/t (Mar 15: 4.03g/t).

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

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

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

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

R474 873/kg in the March 2015 quarter.

## Harmony Gold Mining Company Limited

Results for the fourth quarter FY15 and year ended 30 June 2015

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### Year on year

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

There was an increase in production at the following operations:

- Bambanani (+332kg) increased tonnes milled by 11% (23 000t) for FY15; combined with a 2% increase in the recovery grade to 12.70g/t (FY14: 12.50g/t) and gold production increased by 13%;
- Phakisa (+142kg) increased tonnes milled by 6% during FY15 to 611 000 tonnes.

Gold production decreased at the following operations:

- Kusasalethu (-741kg) milled 235 000 tonnes (21%) less than in FY14. Production at the shaft was hampered by safety stoppages, underground fires and illegal mining activities during FY15;
- Target 1's (-669kg) recovered grade returned to expected levels in FY15 at 5.11g/t (FY14: 5.83g/t) and was the main reason for the 15% decrease in gold production;
- Hidden Valley's (-349kg) tonnes milled decreased by 9% (176 000t) in FY15. Production was affected by a tear in the overland conveyor belt towards the end of the December 2014 quarter, as well as planned maintenance at the metallurgical plant in the first half of 2015;
- Masimong (-255kg) recorded a 9% decrease in the recovery grade at 3.68g/t for FY15, compared to 4.06g/t in FY14.
- Suspended operations: Target 3 (-930kg) was placed on care and maintenance during FY15 and produced its last gold in the December 2014 quarter. Steyn 2 (-392kg) was closed in FY14 and produced no gold in FY15.

## 3 FINANCIAL RESULTS

### Year on year

#### *Production profit*

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

#### *Gold price received*

The rand gold price received increased by 4% to R449 570/kg in FY15, compared to R432 165/kg in FY14. The increase was due to a weakening of the rand against the US dollar from US\$/R10.35 to US\$/R11.45.

#### *All-in sustaining costs*

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

#### *Revenue*

Revenue decreased by 2% as a result of the 5% decrease in gold sold to 34 332kg in FY15, more than offset by a 4% increase in the



Rand gold price received at R449 570/kg in FY15.

*Production costs*

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

*Other items in costs of sales*

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

*Loss on scrapping of property, plant and equipment*

Loss on scrapping of property, plant and equipment of R491 million recorded in FY15, of which R430 million relates to the life-of-mine optimisation process finalised in December 2014. The optimisation resulted in the abandoning of shaft levels and raise lines at Kusasalethu and Masimong.

*Borrowings*

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

**Quarter on quarter**

*Impairment of assets*

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

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

## 5

### *Deferred taxation*

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

### *Net loss*

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

### *Headline earnings per share*

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

## 4 EMPLOYEE RELATIONS

### *4.1 Restructuring*

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

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

At Masimong, with its marginal grades, the mine has been restructured for profitability by reducing development rates and concentrating on higher-grade areas. This strategy will reduce the mine's remaining operational life expectancy to about two years and, while this is short, they are expected to be two profitable years. A total of 373 people were affected, of which 229 were transferred to other operations and 74 accepted voluntary severance packages.

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

### *4.2 Wage negotiations*

The 2015 round of wage negotiations in the gold sector began on 22 June 2015 between the Chamber of Mines, representing five gold companies, and the four trade unions: Association of Mine Workers and Construction Union (AMCU), National Union of Mine Workers (NUM), UASA and Solidarity. The approach to this

year's wage negotiations has been distinctly different in the hope that the negotiated outcome is cognisant of the economic realities of the individual gold producers negotiating under the auspices of the Chamber of Mines. Discussions are ongoing.

#### 5 GOLPU

The Conservation and Environment Protection Authority of Papua New Guinea has granted a Level 2B environmental permit in respect of proposed advanced exploration and feasibility support activities. Owners' representatives are engaging with this authority on the detail of the permit conditions.

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

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

#### 6 EXPLORATION

Kili Teke (PNG – 100% held by Harmony)

The mineralised footprint (defined by the 0.2% copper envelope) currently stands at 600m long, 200m wide and 700m deep, and remains open along strike and at depth. Geology and results from KTDD012 and KTDD013 (186m@1.02Cu, 0.72g/t Au from 256m), together with KTDD007 (202m @ 0.74% Cu, 0.57g/t Au from 137m) are extremely encouraging as they reflect high grade zones developing within the mineralised envelope.

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

**Graham Briggs**

**Chief Executive Officer**

## **Harmony Gold Mining Company Limited**

Results for the fourth quarter FY15 and year ended 30 June 2015

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

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

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

### *South African underground operations*

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

### *South African surface operations including Kalgold*

The company's mineral resources at the South African surface operations as at 30 June 2015 are 9.5 Moz (1082.3 Mt at 0.27g/t). A decrease of 1% year on year from the 9.6 Moz declared as at 30 June 2014. This decrease is due to depletion by mining and exclusion of surface sources at Joel. The company's mineral reserves at the South African surface operations as at 30 June 2015 are 7.1 Moz (835.9 Mt at 0.26 g/t), a decrease of 12% year on year from the 8.0 Moz declared at 30 June 2014. The decrease is due to depletion by mining and exclusion of surface sources at Joel.

### *Papua New Guinea (PNG) operations*

The company's mineral resources at the PNG operations as at 30 June 2015 are 40.2 Moz, a decrease of 2% year on year from the 40.9 Moz declared as at 30 June 2014. This decrease is due to depletion by mining during the year, and changes to open pit spatial constraint. The company's mineral reserves at the PNG operations as at 30 June 2015 are 20.5 Moz, a decrease

of 5% year on year from the 21.5 Moz declared as at 30 June 2014. The decrease is due to depletion by mining during the year, and changes to the life of mine (LOM) profile at Hidden Valley operation. The reserves that we declared for Golpu are based on the prefeasibility study completed in 2012.

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

#### *Total Harmony*

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

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

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

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

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

- A gold price of UD\$1 230/oz
- An exchange rate of of US\$/ZAR11.38
- The above parameters resulted in a rand gold price of R450 000/kg for the South African assets
- Morobe Mining Joint Venture used commodity prices of US\$1 250/oz Au, US\$20/oz Ag, US\$10/lb Mo and US\$3.10/lb Cu at an exchange rate of US\$0.85 per A\$
- Gold equivalent ounces are calculated assuming US\$1 400/oz Au, US\$3.10/lb Cu and US\$23.00/oz Ag, and assuming a 100% recovery for all metals. These are the same assumptions as those used in the 2012 prefeasibility study for the calculation of gold equivalent ounces

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

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

#### *Note:*

*Au= gold; Cu = copper; Ag = Silver, Mo = Molybdenum, Moz= million ounces*

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

7
TABLE OF MINERAL RESOURCES AND MINERAL RESERVES AS AT 30 JUNE 2015
Measured
Indicated
Inferred
Total
Resources: gold & gold equivalents
Tonnes
(Mt)
g/t
Gold
'000oz
Tonnes
(Mt)
g/t
Gold
'000oz
Tonnes
(Mt)
g/t
Gold
'000oz
Tonnes
(Mt)
g/t
Gold
'000oz
SA underground
71.6
9.52
21 911
76.5
8.45
20 792
69.1
8.06
17 905
217.2
8.68
60 608
SA surface incl Kalgold
358.0
0.29
3 350
652.2
0.24
5 136
72.0
0.42
968
1 082.3

0.27  
9 454  
**Total South Africa**  
**429.6**  
**25 261**  
**728.7**  
**25 928**  
**141.1**  
**18 873**  
**1 299.5**  
**70 062**  
Hidden Valley\*  
1.6  
1.11  
56  
40.1  
1.60  
2 059  
1.2  
1.37  
52  
42.8  
1.57  
2 166  
Wafi-Golpu system\*  
484.9  
0.74  
11 581  
140.0  
0.59  
2 649  
624.9  
0.71  
14 230  
**Total Papua New Guinea**  
**1.6**  
**56**  
**525.0**  
**13 639**  
**141.1**  
**2 701**  
**667.7**  
**16 396**  
**Total gold resources**  
**431.2**  
**25 316**  
**1253.7**  
**39 567**  
**282.3**  
**21 574**  
**1 967.2**

**86 458**

Hidden Valley – gold equivalent ounces\*

1.4

16

38.5

659

1.1

21

41.0

696

Walfi-Golpu – gold equivalent ounces\*

428.2

19 521

128.6

3 620

556.8

23 141

**Total gold equivalent Resources\*\***

**1.4**

**16**

**466.7**

**20 180**

**129.7**

**3 641**

**597.8**

**23 837**

**Total Harmony gold & gold equivalent  
resources\*\***

**431.2**

**25 332**

**1 253.7**

**59 747**

**282.3**

**25 215**

**1 967.2**

**110 294**

**Measured**

**Indicated**

**Inferred**

**Total**

**Resources: silver & copper**

**(Used in equivalent calculations)**

**Tonnes**

**(Mt)**

**g/t**

**Silver**

**'000oz**

**Tonnes**

**(Mt)**

**g/t**

**Silver**



**'000oz**

**Tonnes**

**(Mt)**

**g/t**

**Silver**

**'000oz**

**Tonnes**

**(Mt)**

**g/t**

**Silver**

**'000oz**

Hidden Valley

1.4

20.40

917

38.5

29.80

36 880

1.1

33.34

1 162

41.0

29.57

38 959

**Tonnes**

**(Mt)**

**%**

**Copper**

**'Mlb**

**Tonnes**

**(Mt)**

**%**

**Copper**

**'Mlb**

**Tonnes**

**(Mt)**

**%**

**Copper**

**'Mlb**

**Tonnes**

**(Mt)**

**%**

**Copper**

**'Mlb**

Golpu

428.2

0.93

8 809

108.7

0.64

1 544

536.9

0.87

10 353

Nambonga

19.9

0.21

92

19.9

0.21

92

**Total**

**428.2**

**0.93**

**8 809**

**128.6**

**0.58**

**1 636**

**556.8**

**0.85**

**10 445**

**Proved**

**Probable**

**Total**

**Reserves: gold & gold equivalents**

**Tonnes**

**(Mt)**

**g/t**

**Gold**

**'000oz**

**Tonnes**

**(Mt)**

**g/t**

**Gold**

**'000oz**

**Tonnes**

**(Mt)**

**g/t**

**Gold**

**'000oz**

SA underground

42.5

5.97

8 171

37.7

5.65

6 845

80.3

5.82

15 016

SA surface incl Kalgold

268.3

0.29  
2 481  
567.6  
0.25  
4 581  
835.9  
0.26  
7 062  
**Total South Africa**  
**310.8**  
**10 652**  
**605.4**  
**11 425**  
**916.2**  
**22 078**  
Hidden Valley\*  
1.6  
1.11  
56  
13.1  
1.84  
773  
14.6  
1.76  
828  
Wafi-Golpu system\*  
225.0  
0.86  
6 194  
225.0  
0.86  
6 194  
**Total Papua New Guinea**  
**1.6**  
**56**  
**238.1**  
**6 967**  
**239.6**  
**7 022**  
**Total gold reserves**  
**312.4**  
**10 708**  
**843.4**  
**18 392**  
**1 155.8**  
**29 100**  
Hidden Valley – gold equivalent ounces\*  
1.4  
15  
12.0  
218

13.4  
232  
Walfi-Golpu – gold equivalent ounces\*  
225.0  
13 265  
225.0  
13 265  
**Total gold equivalent reserves\*\***  
**1.4**  
**15**  
**237.0**  
**13 482**  
**238.4**  
**13 497**  
**Total Harmony gold & gold equivalent reserves\*\***  
**312.4**  
**10 722**  
**843.4**  
**31 874**  
**1 155.8**  
**42 597**  
**Reserves: silver & copper**  
**(Used in equivalent calculations)**  
**Proved**  
**Probable**  
**Total**  
**Tonnes**  
**(Mt)**  
**g/t**  
**Silver**  
**‘000oz**  
**Tonnes**  
**(Mt)**  
**g/t**  
**Silver**  
**‘000oz**  
**Tonnes**  
**(Mt)**  
**g/t**  
**Silver**  
**‘000oz**  
Hidden Valley  
1.4  
20.40  
917  
12.0  
35.12  
13 582  
13.4  
33.59  
14 499

**Tonnes  
(Mt)  
%**

**Copper  
'Mlb  
Tonnes  
(Mt)  
%**

**Copper  
'Mlb  
Tonnes  
(Mt)  
%**

**Copper  
'Mlb**

Golpu  
225.0

1.21

5 992

225.0

1.21

5 992

*\* Represents Harmony's 50% portion*

*\*\* In instances where individual deposits may contain multiple valuable commodities with a reasonable expectation of being recovered (for example gold and copper in a single deposit) Harmony computes a gold equivalent to more easily assess*

*the value of the deposit against gold-only mines. Harmony does this by calculating the value of each of the deposits commodities, then dividing the product by the price of gold. For example, the gold equivalent ounces for the copper portion*

*of a deposit would be calculated as follows: (copper pounds x copper price per pound)/gold price per ounce. All gold equivalent calculations are done using metal prices and parameters as stipulated above.*

**Harmony Gold Mining Company Limited**

Results for the fourth quarter FY15 and year ended 30 June 2015

**8**

Competent person's declaration

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

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

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

**• Resources and reserves South Africa:**

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

Mr Boshoff is the Harmony Lead Competent Person.

**• Resources and reserves Papua New Guinea:**

Gregory Job, BSc, MSc, who has 27 years' relevant experience and is a member of the Australian Institute of Mining and Metallurgy (AusIMM).

Mr Boshoff and Mr Job are full-time employees of Harmony Gold Mining Company Limited.

These competent persons consent to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Jaco Boshoff

Greg Job

30 June 2015

30 June 2015

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Administrative information for professional organisations

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PO Box 660, Carlton South, Vic 3053, Australia

Telephone: +61 3 9658 6100;

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*SACNASP – The legislated regulatory body for natural science practitioners in South Africa*

Private Bag X540, SILVERTON, 0127,

Gauteng Province, South Africa

Telephone: +27 (12) 841-1075;

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Legal entitlement to the minerals being reported upon

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

**Harmony Gold Mining Company Limited**

Results for the fourth quarter FY15 and year ended 30 June 2015

**10**

**9**

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

Three  
months  
ended

South Africa

Hidden

Valley

Total

Harmony

Underground production

Surface production

Total

South

Africa

Kusasaletu

Doornkop

Phakisa

Tshepong

Masimong

Target 1 Bambanani

Joel

Unisel

Total

Underground

Phoenix

Dumps

Kalgold

Total

Surface

**Ore milled**

**– t'000**

**Jun-15**

**235**

**149**

**153**

**253**

**153**

**188**

**59**

**139**

**96**

**1 425**

**1 581**

**648**

**367**

**2 596**

**4 021**



451  
4 472  
Mar-15  
197  
156  
158  
211  
144  
175  
55  
127  
96  
1 319  
1 500  
751  
346  
2 597  
3 916  
469  
4 385  
**Gold produced**  
**- kg**  
**Jun-15**  
**915**  
**667**  
**730**  
**1 121**  
**532**  
**945**  
**769**  
**533**  
**360**  
**6 572**  
**207**  
**200**  
**259**  
**666**  
**7 238**  
**739**  
**7 977**  
Mar-15  
929  
650  
760  
869  
528  
827  
748  
563  
387  
6 261

204

222

270

696

6 957

685

7 642

**Gold produced**

**- oz**

**Jun-15**

**29 418**

**21 445**

**23 470**

**36 041**

**17 104**

**30 382**

**24 724**

**17 136**

**11 574**

**211 294**

**6 655**

**6 430**

**8 327**

**21 412**

**232 706**

**23 759**

**256 465**

**Mar-15**

29 868

20 898

24 435

27 939

16 976

26 589

24 049

18 101

12 442

201 297

6 559

7 137

8 681

22 377

223 674

22 023

245 697

**Yield**

**- g/tonne**

**Jun-15**

**3.89**

**4.48**

**4.77**

4.43  
3.48  
5.03  
13.03  
3.83  
3.75  
4.61  
0.13  
0.31  
0.71  
0.26  
1.80  
1.64  
1.78  
Mar-15  
4.72  
4.17  
4.81  
4.12  
3.67  
4.73  
13.60  
4.43  
4.03  
4.75  
0.14  
0.30  
0.78  
0.27  
1.78  
1.46  
1.74  
**Cash operating  
costs  
– R/kg  
Jun-15  
475 130  
405 966  
406 418  
367 940  
458 677  
334 152  
237 464  
369 006  
459 372  
383 311  
376 024  
375 125  
392 251  
382 065  
383 197**

**453 077**  
**389 671**  
Mar-15  
453 214  
407 286  
377 879  
438 522  
436 333  
336 706  
227 365  
311 538  
435 292  
379 620  
340 902  
394 122  
386 496  
375 565  
379 214  
364 561  
377 901  
**Cash operating**  
**costs**  
– \$/oz  
**Jun-15**  
**1 223**  
**1 045**  
**1 047**  
**947**  
**1 181**  
**860**  
**611**  
**950**  
**1 183**  
**987**  
**968**  
**966**  
**1 010**  
**984**  
**987**  
**1 167**  
**1 003**  
Mar-15  
1 201  
1 079  
1 001  
1 162  
1 156  
892  
602  
825  
1 153

1 006

903

1 044

1 024

995

1 005

966

1 001

**Cash operating**

**costs**

**– R/tonne**

**Jun-15**

**1 850**

**1 817**

**1 939**

**1 630**

**1 595**

**1 680**

**3 095**

**1 415**

**1 723**

**1 768**

**49**

**116**

**277**

**98**

**690**

**742**

**695**

Mar-15

2 137

1 697

1 818

1 806

1 600

1 591

3 092

1 381

1 755

1 802

46

117

302

101

674

532

659

**Gold sold**

**– Kg**

**Jun-15**

**1 044**

673  
759  
1 166  
553  
952  
800  
578  
374  
6 899  
208  
194  
274  
676  
7 575  
746  
8 321  
Mar-15  
976  
625  
755  
864  
524  
834  
743  
467  
384  
6 172  
194  
216  
274  
684  
6 856  
588  
7 444  
**Gold sold**  
**- oz**  
**Jun-15**  
33 565  
21 637  
24 402  
37 488  
17 779  
30 607  
25 721  
18 583  
12 024  
221 806  
6 687  
6 237  
8 809  
21 733

**243 539**

**23 984**

**267 523**

Mar-15

31 379

20 094

24 274

27 778

16 847

26 814

23 888

15 014

12 346

198 434

6 237

6 945

8 809

21 991

220 425

18 905

239 330

**Revenue**

**(R'000)**

**Jun-15**

**484 792**

**312 460**

**351 852**

**540 523**

**256 344**

**442 291**

**370 676**

**267 615**

**173 455**

**3 200 008**

**96 678**

**89 965**

**126 733**

**313 376**

**3 513 384**

**346 809**

**3 860 193**

Mar-15

449 192

286 954

347 963

397 885

241 539

383 403

342 479

215 451

177 009

2 841 875  
89 524  
99 852  
126 033  
315 409  
3 157 284  
271 190  
3 428 474

**Cash operating  
costs**

**(R'000)**

**Jun-15**

**434 744**

**270 779**

**296 685**

**412 461**

**244 016**

**315 774**

**182 610**

**196 680**

**165 374**

**2 519 123**

**77 837**

**75 025**

**101 593**

**254 455**

**2 773 578**

**334 824**

**3 108 402**

Mar-15

421 036

264 736

287 188

381 076

230 384

278 456

170 069

175 396

168 458

2 376 799

69 544

87 495

104 354

261 393

2 638 192

249 724

2 887 916

**Inventory  
movement**

**(R'000)**

**Jun-15**



52 944  
3 851  
13 463  
12 268  
9 071  
2 758  
12 702  
11 327  
6 981  
125 365  
(160)  
(2 417)  
5 463  
2 886  
128 251  
(3 657)  
124 594  
Mar-15  
22 301  
(12 984)  
(5 512)  
405  
(366)  
(1 941)  
(7 424)  
(33 009)  
(1 209)  
(39 739)  
(4 194)  
(2 922)  
(307)  
(7 423)  
(47 162)  
(55 513)  
(102 675)  
**Operating costs**  
**(R'000)**  
**Jun-15**  
487 688  
274 630  
310 148  
424 729  
253 087  
318 532  
195 312  
208 007  
172 355  
2 644 488  
77 677  
72 608  
107 056

**257 341**  
**2 901 829**  
**331 167**  
**3 232 996**

Mar-15  
443 337  
251 752  
281 676  
381 481  
230 018  
276 515  
162 645  
142 387  
167 249  
2 337 060  
65 350  
84 573  
104 047  
253 970  
2 591 030  
194 211  
2 785 241

**Production profit (R'000)**

**Jun-15**  
**(2 896)**  
**37 830**  
**41 704**  
**115 794**  
**3 257**  
**123 759**  
**175 364**  
**59 608**  
**1 100**  
**555 520**  
**19 001**  
**17 357**  
**19 677**  
**56 035**  
**611 555**  
**15 642**  
**627 197**  
Mar-15  
5 855  
35 202  
66 287  
16 404  
11 521  
106 888  
179 834  
73 064  
9 760

504 815  
24 174  
15 279  
21 986  
61 439  
566 254  
76 979  
643 233

**Production profit (\$'000)**

**Jun-15**

**(239)**

**3 132**

**3 453**

**9 586**

**270**

**10 246**

**14 518**

**4 934**

**91**

**45 991**

**1 573**

**1 437**

**1 629**

**4 639**

**50 630**

**1 295**

**51 925**

**Mar-15**

499

2 999

5 646

1 397

981

9 103

15 316

6 223

831

42 995

2 058

1 302

1 873

5 233

48 228

6 556

54 784

**Capital**

**expenditure**

**(R'000)**

**Jun-15**

**113 597**

**57 673**

96 529

72 792

34 140

79 055

22 172

49 878

20 228

546 064

1 143

1 397

12 189

14 729

560 793

47 469

608 262

Mar-15

102 713

58 658

93 945

69 942

42 563

73 715

23 860

41 929

18 591

525 916

1 450

1 592

13 519

16 561

542 477

40 685

583 162

**Capital**

**expenditure**

**(\$'000)**

**Jun-15**

9 405

4 775

7 992

6 026

2 826

6 545

1 836

4 129

1 675

45 209

95

116

1 009

1 220

**46 429**

**3 930**

**50 359**

Mar-15

8 748

4 996

8 001

5 957

3 625

6 278

2 032

3 571

1 583

44 791

123

136

1 151

1 410

46 201

3 465

49 666

**Cash operating  
cost and capital**

**- R/kg**

**Jun-15**

**599 280**

**492 432**

**538 649**

**432 875**

**522 850**

**417 808**

**266 296**

**462 585**

**515 561**

**466 401**

**381 546**

**382 110**

**439 313**

**404 180**

**460 676**

**517 311**

**465 923**

Mar-15

563 777

497 529

501 491

519 008

516 945

425 842

259 263

386 012

483 331  
463 618  
348 010  
401 293  
436 567  
399 359  
457 190  
423 955  
454 211

**Cash operating  
cost and capital**

– \$/oz

**Jun-15**

1 543

1 268

1 387

1 115

1 346

1 076

686

1 191

1 328

1 201

983

984

1 131

1 041

1 186

1 332

1 200

**Mar-15**

1 493

1 318

1 328

1 375

1 369

1 128

687

1 022

1 280

1 228

922

1 063

1 156

1 058

1 211

1 123

1 203

**All-in sustaining  
costs**

– R/kg

**Jun-15**

**593 635**

**516 120**

**550 617**

**441 458**

**543 746**

**435 177**

**278 032**

**413 206**

**538 079**

**475 031**

**379 144**

**408 253**

**451 333**

**416 758**

**469 467**

**573 007**

**478 746**

Mar-15

580 834

506 937

505 086

541 040

543 497

428 593

257 253

365 686

506 655

474 925

344 328

405 970

446 887

404 878

467 456

561 306

474 873

**All-in sustaining**

**costs**

**– \$/oz**

**Jun-15**

**1 529**

**1 329**

**1 418**

**1 137**

**1 400**

**1 121**

**716**

**1 064**

**1 386**

**1 223**

**976**

**1 051**

**1 162**

**1 073**

**1 209**

**1 467**

**1 233**

Mar-15

1 539

1 343

1 338

1 433

1 440

1 135

681

969

1 342

1 258

912

1 075

1 184

1 073

1 238

1 482

1 258



**Harmony Gold Mining Company Limited**

Results for the fourth quarter FY15 and year ended 30 June 2015

**12**

**11**

OPERATING RESULTS – YEAR ON YEAR (RAND/METRIC) (US\$/IMPERIAL)

Year

ended

South Africa

Hidden

Valley

Total

Harmony

Underground production

Surface production

Total

South

Africa

Kusasaletu

Doornkop

Phakisa

Tshepong

Masimong

Target 1 Bambanani

Joel

Unisel

Target 3

Steyn 2

Total

Underground

Phoenix

Dumps

Kalgold

Total

Surface

**Ore milled**

**– t'000**

**Jun-15**

**908**

**603**

**611**

**992**

**670**

**749**

**229**

**551**

**417**

**90**

**–**

**5 820**

**6 245**

**2 701**

1 472  
10 418  
16 238  
1 825  
18 063  
Jun-14  
1 143  
737  
577  
947  
670  
771  
206  
548  
408  
301  
33  
6 341  
6 073  
2 897  
1 472  
10 442  
16 783  
2 001  
18 784  
**Gold produced**  
**- kg**  
**Jun-15**  
3 953  
2 663  
3 118  
4 278  
2 463  
3 824  
2 908  
2 258  
1 695  
483  
-  
27 643  
867  
862  
1 198  
2 927  
30 570  
2 943  
33 513  
Jun-14  
4 694  
2 603  
2 976

4 223  
2 718  
4 493  
2 576  
2 335  
1 838  
1 413  
392  
30 261  
835  
903  
1 162  
2 900  
33 161  
3 292  
36 453  
**Gold produced**  
**- oz**  
**Jun-15**  
**127 092**  
**85 618**  
**100 246**  
**137 540**  
**79 187**  
**122 944**  
**93 495**  
**72 596**  
**54 495**  
**15 529**  
-  
**888 742**  
**27 875**  
**27 713**  
**38 517**  
**94 105**  
**982 847**  
**94 619**  
**1 077 466**  
Jun-14  
150 916  
83 687  
95 680  
135 772  
87 385  
144 453  
82 821  
75 072  
59 093  
45 429  
12 603  
972 911

26 846  
29 032  
37 358  
93 236  
1 066 147  
105 840  
1 171 987

**Yield**  
**- g/tonne**

**Jun-15**

**4.35**  
**4.42**  
**5.10**  
**4.31**  
**3.68**  
**5.11**  
**12.70**  
**4.10**  
**4.06**  
**5.37**

-

**4.75**  
**0.14**  
**0.32**  
**0.81**  
**0.28**  
**1.88**  
**1.61**  
**1.86**

Jun-14

4.11  
3.53  
5.16  
4.46  
4.06  
5.83  
12.50  
4.26  
4.50  
4.69  
11.88  
4.77  
0.14  
0.31  
0.79  
0.28  
1.98  
1.65  
1.94

**Cash operating**  
**costs**

– R/kg

**Jun-15**

472 112

402 065

373 876

371 149

397 380

308 156

239 552

334 168

397 615

352 497

–

366 928

339 896

382 959

377 547

367 988

367 030

391 774

369 203

Jun-14

389 762

420 617

358 995

326 498

360 006

233 487

222 764

294 493

326 466

394 522

263 893

327 866

294 408

363 568

351 670

338 887

328 830

329 943

328 931

**Cash operating**

**costs**

– \$/oz

**Jun-15**

1 283

1 092

1 016

1 008

1 080

837

651  
908  
1 080  
958  
—  
997  
924  
1 041  
1 026  
1 000  
997  
1 065  
1 003  
Jun-14  
1 171  
1 264  
1 079  
981  
1 082  
702  
669  
885  
981  
1 185  
793  
985  
885  
1 092  
1 057  
1 018  
988  
991  
988  
**Cash operating  
costs  
— R/tonne**  
**Jun-15**  
2 055  
1 776  
1 908  
1 601  
1 461  
1 573  
3 042  
1 369  
1 616  
1 892  
—  
1 743  
47  
122

**307**  
**103**  
**691**  
**632**  
**685**  
Jun-14  
1 601  
1 486  
1 852  
1 456  
1 460  
1 361  
2 786  
1 255  
1 471  
1 852  
3 135  
1 565  
40  
113  
278  
94  
650  
543  
638  
**Gold sold**  
**- kg**  
**Jun-15**  
**4 297**  
**2 711**  
**3 156**  
**4 337**  
**2 491**  
**3 868**  
**2 947**  
**2 330**  
**1 715**  
**502**  
-  
**28 354**  
**881**  
**864**  
**1 230**  
**2 975**  
**31 329**  
**3 003**  
**34 332**  
Jun-14  
4 531  
2 633  
2 963

4 204  
2 708  
4 508  
2 567  
2 308  
1 834  
1 409  
393  
30 058  
825  
895  
1 203  
2 923  
32 981  
3 307  
36 288  
**Gold sold**  
**- oz**  
**Jun-15**  
**138 151**  
**87 160**  
**101 468**  
**139 437**  
**80 087**  
**124 358**  
**94 748**  
**74 911**  
**55 138**  
**16 140**  
-  
**911 598**  
**28 324**  
**27 778**  
**39 545**  
**95 647**  
**1 007 245**  
**96 548**  
**1 103 793**  
Jun-14  
145 673  
84 653  
95 263  
135 161  
87 064  
144 936  
82 530  
74 204  
58 964  
45 301  
12 635  
966 384



26 524  
 28 775  
 38 677  
 93 976  
 1 060 360  
 106 322  
 1 166 682  
**Revenue**  
**(R'000)**  
**Jun-15**  
**1 938 854**  
**1 219 563**  
**1 420 103**  
**1 948 230**  
**1 118 128**  
**1 737 965**  
**1 329 685**  
**1 046 231**  
 770 175  
 222 494  
 -  
**12 751 428**  
**396 398**  
**389 163**  
**551 323**  
**1 336 884**  
**14 088 312**  
**1 346 310**  
**15 434 622**  
 Jun-14  
 1 959 013  
 1 126 208  
 1 283 570  
 1 822 120  
 1 170 982  
 1 947 595  
 1 110 756  
 994 583  
 792 420  
 608 508  
 167 938  
 12 983 693  
 357 467  
 385 899  
 521 812  
 1 265 178  
 14 248 871  
 1 433 545  
 15 682 416  
**Cash operating**  
**costs**

**(R'000)**

**Jun-15**

**1 866 258**

**1 070 700**

**1 165 744**

**1 587 777**

**978 747**

**1 178 389**

**696 616**

**754 551**

**673 957**

**170 256**

**-**

**10 142 995**

**294 690**

**330 111**

**452 301**

**1 077 102**

**11 220 097**

**1 152 992**

**12 373 089**

**Jun-14**

**1 829 543**

**1 094 866**

**1 068 368**

**1 378 800**

**978 495**

**1 049 059**

**573 839**

**687 640**

**600 044**

**557 459**

**103 446**

**9 921 559**

**245 831**

**328 302**

**408 640**

**982 773**

**10 904 332**

**1 086 173**

**11 990 505**

**Inventory  
movement**

**(R'000)**

**Jun-15**

**129 449**

**21 487**

**15 055**

**23 589**

**12 776**

**12 463**

**8 156**  
**14 955**  
**7 904**  
**6 917**  
—  
**252 751**  
**4 947**  
**871**  
**10 839**  
**16 657**  
**269 408**  
**(9 898)**  
**259 510**  
Jun-14  
(76 931)  
3 240  
(7 240)  
(13 782)  
4 109  
1 709  
59  
(19 618)  
(280)  
(622)  
3 268  
(106 088)  
(5 116)  
(4 492)  
10 019  
411  
(105 677)  
3 520  
(102 157)  
**Operating costs**  
**(R'000)**  
**Jun-15**  
**1 995 707**  
**1 092 187**  
**1 180 799**  
**1 611 366**  
**991 523**  
**1 190 852**  
**704 772**  
**769 506**  
**681 861**  
**177 173**  
—  
**10 395 746**  
**299 637**  
**330 982**  
**463 140**

**1 093 759**  
**11 489 505**  
**1 143 094**  
**12 632 599**

Jun-14

1 752 612  
1 098 106  
1 061 128  
1 365 018  
982 604  
1 050 768  
573 898  
668 022  
599 764  
556 837  
106 714  
9 815 471  
240 715  
323 810  
418 659  
983 184  
10 798 655  
**1 089 693**  
11 888 348

**Production profit (R'000)**

**Jun-15**

**(56 853)**

**127 376**

**239 304**

**336 864**

**126 605**

**547 113**

**624 913**

**276 725**

**88 314**

**45 321**

—

**2 355 682**

**96 761**

**58 181**

**88 183**

**243 125**

**2 598 807**

**203 216**

**2 802 023**

Jun-14

206 401

28 102

222 442

457 102

188 378

896 827  
536 858  
326 561  
192 656  
51 671  
61 224  
3 168 222  
116 752  
62 089  
103 153  
281 994  
3 450 216  
343 852  
3 794 068

**Production profit (\$'000)**

**Jun-15**

**(4 966)**  
**11 127**  
**20 905**  
**29 427**  
**11 060**  
**47 794**  
**54 591**  
**24 174**  
**7 715**  
**3 959**

—  
**205 786**  
**8 453**  
**5 083**  
**7 703**  
**21 239**  
**227 025**  
**17 752**  
**244 777**

Jun-14

19 940  
2 715  
21 490  
44 160  
18 200  
86 642  
51 865  
31 549  
18 613  
4 992  
5 914  
306 080  
11 279  
5 999  
9 965

27 243  
 333 323  
 33 220  
 366 543  
**Capital  
 expenditure  
 (R'000)**  
**Jun-15**  
**462 863**  
**245 144**  
**403 495**  
**313 317**  
**165 670**  
**295 504**  
**109 910**  
**182 239**  
**99 428**  
**20 437**  
 -  
**2 298 007**  
**3 641**  
**5 979**  
**40 898**  
**50 518**  
**2 348 525**  
**121 121**  
**2 469 646**  
 Jun-14  
 508 869  
 237 922  
 360 120  
 300 518  
 167 874  
 289 408  
 124 967  
 144 903  
 85 613  
 128 197  
 1 739  
 2 350 130  
 2 310  
 8 569  
 33 134  
 44 013  
 2 394 143  
 122 346  
 2 516 489  
**Capital  
 expenditure  
 (\$'000)**  
**Jun-15**

40 434

21 415

35 248

27 370

14 472

25 814

9 601

15 920

8 686

1 785

-

200 745

318

522

3 573

4 413

205 158

10 581

215 739

Jun-14

49 162

22 986

34 791

29 033

16 218

27 960

12 073

13 999

8 271

12 385

168

227 046

223

828

3 201

4 252

231 298

11 820

243 118

**Cash operating  
cost and capital**

**- R/kg**

**Jun-15**

**589 203**

**494 121**

**503 284**

**444 388**

**464 644**

**385 432**

**277 347**

**414 876**

456 274  
394 810  
450 060  
344 096  
389 896  
411 685  
385 248  
443 854  
432 930  
442 895  
Jun-14  
498 170  
512 020  
480 003  
397 660  
421 769  
297 901  
271 276  
356 549  
373 045  
485 248  
268 329  
405 528  
297 175  
373 058  
380 184  
354 064  
401 028  
367 108  
397 964  
**Cash operating  
cost and capital**  
– \$/oz  
**Jun-15**  
1 601  
1 343  
1 367  
1 207  
1 262  
1 047  
754  
1 127  
1 240  
1 073  
–  
1 223  
935  
1 059  
1 119  
1 047  
1 206



1 176

1 203

Jun-14

1 497

1 539

1 442

1 195

1 267

895

815

1 071

1 121

1 458

806

1 219

893

1 121

1 142

1 064

1 205

1 103

1 196

**All-in sustaining**

**costs**

**– R/kg**

**Jun-15**

**594 399**

**508 743**

**501 996**

**460 844**

**486 861**

**399 642**

**276 855**

**390 417**

**477 013**

**409 945**

**–**

**459 347**

**344 319**

**403 906**

**427 005**

**395 810**

**453 253**

**514 690**

**458 626**

Jun-14

522 347

523 839

486 710

415 061

450 210

312 436  
263 867  
338 957  
397 993  
503 810  
272 956  
418 105  
294 615  
383 701  
397 889  
364 396  
413 270  
415 068  
413 433

**All-in sustaining  
costs**

**– \$/oz**

**Jun-15**

**1 615**

**1 382**

**1 364**

**1 252**

**1 323**

**1 086**

**752**

**1 061**

**1 296**

**1 114**

**–**

**1 248**

**936**

**1 097**

**1 160**

**1 075**

**1 232**

**1 395**

**1 246**

**Jun-14**

**1 570**

**1 574**

**1 463**

**1 247**

**1 353**

**939**

**793**

**1 019**

**1 196**

**1 514**

**820**

**1 256**

**885**

1 153  
1 196  
1 095  
1 242  
1 244  
1 242

**13**

SA RAND RESULTS

**FOR THE FOURTH QUARTER AND  
YEAR ENDED**

30 JUNE 2015

Q4 FY15

**Harmony Gold Mining Company Limited**

Results for the fourth quarter FY15 and year ended 30 June 2015

**14**

CONDENSED CONSOLIDATED INCOME STATEMENTS (RAND)

**Figures in million**

Note

**Quarter ended**

**Year ended**

**30 June**

**2015**

**(Unaudited)**

31 March

2015

(Unaudited)

30 June

2014

(Unaudited)

**30 June**

**2015**

**(Reviewed)**

30 June

2014

(Audited)

Revenue

**3 860**

3 428

3 763

**15 435**

15 682

Cost of sales

2

**(7 316)**

(3 444)

(4 941)

**(19 053)**

(16 088)

Production costs

**(3 233)**

(2 785)

(2 916)

**(12 632)**

(11 888)

Amortisation and depreciation

**(624)**

(596)

(526)

**(2 472)**

(2 143)

Impairment of assets

**(3 471)**

—

(1 410)

**(3 471)**

(1 439)

Other items

**12**

(63)

(89)

**(478)**

(618)

**Gross loss**

**(3 456)**

(16)

(1 178)

**(3 618)**

(406)

Corporate, administration and other expenditure

**(95)**

(90)

(112)

**(378)**

(430)

Social investment expenditure

**(12)**

(20)

(21)

**(71)**

(88)

Exploration expenditure

3

**(44)**

(39)

(114)

**(263)**

(458)

Profit/(loss) on sale of property,  
plant and equipment

**6**

(1)

30

**6**

30

Loss on scrapping of property, plant and equipment

6

**(61)**

—

—

**(491)**

—

Other expenses (net)

8

**(12)**

(127)  
(47)  
**(378)**  
(208)  
**Operating loss**  
**(3 674)**  
(293)  
(1 442)  
**(5 193)**  
(1 560)  
Loss from associates  
7  
**(25)**  
—  
(125)  
**(25)**  
(109)  
Profit on disposal of investments  
**4**  
—  
14  
**4**  
7  
Net (loss)/gain on financial instruments  
**(15)**  
7  
32  
**9**  
170  
Investment income  
**57**  
61  
61  
**229**  
220  
Finance cost  
**(61)**  
(71)  
(101)  
**(264)**  
(277)  
**Loss before taxation**  
**(3 714)**  
(296)  
(1 561)  
**(5 240)**  
(1 549)  
Taxation  
4  
**562**  
33

338	
<b>704</b>	
279	
Normal taxation	
<b>4</b>	
3	
1	
<b>5</b>	
(24)	
Deferred taxation	
<b>558</b>	
30	
337	
<b>699</b>	
303	
<b>Net loss for the period</b>	
<b>(3 152)</b>	
(263)	
(1 223)	
<b>(4 536)</b>	
(1 270)	
<i>Attributable to:</i>	
Owners of the parent	
<b>(3 152)</b>	
(263)	
(1 223)	
<b>(4 536)</b>	
(1 270)	
<b>Loss per ordinary share (cents)</b>	
5	
Basic loss	
<b>(725)</b>	
(61)	
(282)	
<b>(1 044)</b>	
(293)	
Diluted loss	
<b>(725)</b>	
(61)	
(282)	
<b>(1 044)</b>	
(293)	

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

The condensed consolidated provisional financial statements (condensed consolidated financial statements) for the year ended

30 June 2015 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 on

14 August 2015. These condensed consolidated financials have been reviewed by the group's external auditors, PricewaterhouseCoopers



Incorporated (see note 16).

15

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(RAND)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (RAND)

for the year ended 30 June 2015

**Figures in million**

**Quarter ended**

**Year ended**

**30 June**

**2015**

**(Unaudited)**

31 March

2015

(Unaudited)

30 June

2014

(Unaudited)

**30 June**

**2015**

**(Reviewed)**

30 June

2014

(Audited)

Net loss for the period

**(3 152)**

(263)

(1 223)

**(4 536)**

(1 270)

Other comprehensive (loss)/income for the period,

net of income tax

**(79)**

73

624

**59**

(140)

Items that may be reclassified subsequently to profit or loss:

**(84)**

73

655

**54**

(109)

Foreign exchange translation

**(84)**

73

668

**54**

(108)

Movements on investments

–

–

(13)

–

(1)

Items that will not be reclassified to profit or loss:

**5**

–

(31)

**5**

(31)

Remeasurement of retirement benefit obligation

Actuarial gain/(loss) recognised during the year

**8**

–

(38)

**8**

(38)

Deferred taxation thereon

**(3)**

–

7

**(3)**

7

**Total comprehensive loss for the period**

**(3 231)**

(190)

(599)

**(4 477)**

(1 410)

*Attributable to:*

Owners of the parent

**(3 231)**

(190)

(599)

**(4 477)**

(1 410)

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

**Figures in million**

**Share**

**capital**

**Other**

**reserves**

**Accumulated**

**loss**

**Total**

Balance – 30 June 2014

**28 325**

**3 539**

**(822)**

**31 042**

Share-based payments

**(1)**

**189**

–

**188**

Net loss for the period

–

–

**(4 536)**

**(4 536)**

Other comprehensive income for the period

–

**59**

–

**59**

**Balance – 30 June 2015 (Reviewed)**

**28 324**

**3 787**

**(5 358)**

**26 753**

Balance – 30 June 2013

28 325

3 442

448

32 215

Share-based payments

–

237

–

237

Net loss for the period

–

–

**(1 270)**

**(1 270)**

Other comprehensive loss for the period

–

**(140)**

–

**(140)**

**Balance – 30 June 2014 (Audited)**

28 325

3 539

**(822)**

31 042

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

**Harmony Gold Mining Company Limited**

Results for the fourth quarter FY15 and year ended 30 June 2015

**16**

CONDENSED CONSOLIDATED BALANCE SHEETS (RAND)

**Figures in million**

Note

**At**

**30 June**

**2015**

**(Reviewed)**

At

31 March

2015

(Unaudited)

At

30 June

2014

(Audited)

ASSETS

**Non-current assets**

Property, plant and equipment

6

**29 548**

33 018

33 069

Intangible assets

**885**

885

886

Restricted cash

**48**

45

42

Restricted investments

**2 384**

2 375

2 299

Deferred tax assets

4

–

66

81

Loan to associate

7

**80**

124

–

Investments in financial assets

**5**

5

4

Inventories

**36**

50

50

**Total non-current assets**

**32 986**

36 568

36 431

**Current assets**

Inventories

**1 292**

1 453

1 534

Trade and other receivables

**746**

854

951

Income and mining taxes

**30**

28

110

Restricted cash

**16**

15

15

Cash and cash equivalents

**1 067**

701

1 829

**Total current assets**

**3 151**

3 051

4 439

**Total assets**

**36 137**

39 619

40 870

**EQUITY AND LIABILITIES**

**Share capital and reserves**

Share capital

**28 324**

28 325

28 325

Other reserves

**3 787**

3 833

3 539

Accumulated loss

**(5 358)**

(2 206)

(822)

**Total equity**

**26 753**

29 952

31 042

**Non-current liabilities**

Deferred tax liabilities

4

**1 906**

2 528

2 680

Provision for environmental rehabilitation

**2 218**

2 216

2 098

Retirement benefit obligation

2

**163**

258

247

Other non-current liabilities

**37**

33

95

Borrowings

8

**3 399**

2 860

2 860

**Total non-current liabilities**

**7 723**

7 895

7 980

**Current liabilities**

Income and mining taxes

**1**

8

—

Trade and other payables

**1 660**

1 764

1 848

**Total current liabilities**

**1 661**

1 772

1 848

**Total equity and liabilities**

**36 137**

39 619

40 870

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

17

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (RAND)

Figures in million

Quarter ended

Year ended

Note

**30 June**

**2015**

(Unaudited)

31 March

2015

(Unaudited)

30 June

2014

(Unaudited)

Restated\*

**30 June**

**2015**

(Reviewed)

30 June

2014

(Audited)

**Cash flow from operating activities**

Cash generated by operations

**568**

353

443

**1 928**

2 247

Interest and dividends received

**25**

21

47

**101**

139

Interest paid

**(48)**

(14)

(32)

**(108)**

(121)

Income and mining taxes (paid)/refunded

**(5)**

26

31

**85**

3

**Cash generated by operating activities**

**540**

386

489



**2 006**

2 268

**Cash flow from investing activities**

(Increase)/decrease in restricted cash

**(4)**

12

(3)

**8**

(6)

Decrease/(increase) in restricted investments

**11**

19

(24)

**31**

(24)

Proceeds on disposal of investments

—

—

51

—

51

Loan to associate

—

—

—

**(120)**

—

Net additions to property, plant and equipment

10

**(718)**

(710)

(699)

**(2 827)**

(2 661)

**Cash utilised by investing activities**

**(711)**

(679)

(675)

**(2 908)**

(2 640)

**Cash flow from financing activities**

Borrowings raised

**541**

400

—

**941**

612

Borrowings repaid

**(11)**

(782)

—

<b>(793)</b>
(468)
<b>Cash generated/(utilised) by financing activities</b>
<b>530</b>
(382)
–
<b>148</b>
144
<b>Foreign currency translation adjustments</b>
7
2
7
<b>(8)</b>
(32)
Net increase/(decrease) in cash and cash equivalents
<b>366</b>
(673)
(179)
<b>(762)</b>
(260)
Cash and cash equivalents – beginning of period
<b>701</b>
1 374
2 008
<b>1 829</b>
2 089
<b>Cash and cash equivalents – end of period</b>
<b>1 067</b>
701
1 829
<b>1 067</b>
1 829

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

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

**Harmony Gold Mining Company Limited**

Results for the fourth quarter FY15 and year ended 30 June 2015

**18**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

for the year ended 30 June 2015 (Rand)

**1.**

**Accounting policies**

*Basis of accounting*

The condensed consolidated financial statements for the year ended 30 June 2015 have been prepared in accordance with IAS 34,

Interim Financial Reporting, JSE Listings Requirements for provisional reports, 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 2014, 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 accounting standards, amendments to standards and new interpretations have been adopted with effect from

1 July 2014 and had no impact on the financial results of the group:

IFRSs

Annual Improvements 2010 – 2012 Cycle

IAS 32

Amendment – Presentation – Offsetting Financial Assets and Financial Liabilities

IAS 36

Amendment – Impairment of Assets – Recoverable amount disclosures for non-financial assets

IFRIC 21

Levies

**2.**

**Cost of sales**

**Figures in million**

**Quarter ended**

**Year ended**

**30 June**

**2015**

**(Unaudited)**

31 March

2015

**(Unaudited)**

30 June

2014

**(Unaudited)**

**30 June**

**2015**

**(Reviewed)**

30 June	
2014	
(Audited)	
Production costs – excluding royalty	
<b>3 217</b>	
2 759	
2 891	
<b>12 537</b>	
11 761	
Royalty expense	
<b>16</b>	
26	
25	
<b>95</b>	
127	
Amortisation and depreciation	
<b>624</b>	
596	
526	
<b>2 472</b>	
2 143	
Impairment of assets	
1	
<b>3 471</b>	
–	
1 410	
<b>3 471</b>	
1 439	
Rehabilitation (credit)/expenditure	
2	
<b>(41)</b>	
15	
(9)	
<b>(6)</b>	
8	
Care and maintenance cost of restructured shafts	
3	
<b>49</b>	
20	
13	
<b>106</b>	
66	
Employment termination and restructuring costs/(credit)	
4	
<b>24</b>	
(3)	
40	
<b>251</b>	
274	
Share-based payments	

36

32

44

208

270

Other

5

(80)

(1)

1

(81)

–

**Total cost of sales**

**7 316**

3 444

4 941

**19 053**

16 088

1

*The impairment in the June 2015 quarter consists of an impairment of R2.11 billion on Hidden Valley, R1.04 billion on Doornkop, R278 million on Phakisa and R43 million on Freddie's 9. The June 2014 quarter impairment consists of an impairment of R1.38 billion on Phakisa, R7 million on Steyn 2 and R21 million on St Helena. Refer to note 6 for further details.*

2

*Included in the total for the June 2015 quarter is a credit of R61 million relating to the change in estimate following the annual reassessment.*

3

*Including R20 million reparation costs relating to the Brand 1A vent shaft explosion.*

4

*The March 2015 quarter total includes a credit for Kusasaletu following the conclusion of the Section 189A process during the quarter.*

5

*Included in the total for the June 2015 quarter is a credit of R87 million relating to the reduction in employees qualifying for post-retirement benefits.*

**3.**

### **Exploration expenditure**

The Harmony board approved the updated Golpu project prefeasibility study in December 2014. The approval and the progression to the final feasibility study stage demonstrates the technical and commercial viability of the Golpu project. As a result Harmony started capitalising project exploration and evaluation expenditure for the Golpu project in the March 2015 quarter.

### **4. Taxation**

A deferred tax credit of R558 million was recorded in the June 2015 quarter following the net decrease in the deferred tax rates year on year for the South African companies and impairments recognised on property, plant and equipment. Included in the total is a debit of R64 million for the derecognition of the Australian deferred tax asset (see note 6).

19

5.

**Earnings/(loss) per share**

**Quarter ended**

**Year ended**

**30 June**

**2015**

**(Unaudited)**

31 March

2015

(Unaudited)

30 June

2014

(Unaudited)

**30 June**

**2015**

**(Reviewed)**

30 June

2014

(Audited)

Weighted average number of shares (million)

**435.0**

434.4

433.9

**434.4**

433.2

Weighted average number of diluted shares (million)

**438.2**

439.5

435.2

**438.1**

434.7

**Total earnings/(loss) per share (cents):**

Basic loss

**(725)**

(61)

(282)

**(1 044)**

(293)

Diluted loss

**(725)**

(61)

(282)

**(1 044)**

(293)

Headline earnings/(loss)

**44**

(60)

30

**(189)**

26

Diluted headline earnings/(loss)

**44**

(60)

30

**(189)**

26

Figures in million

**Reconciliation of headline earnings/(loss):**

Net loss

**(3 152)**

(263)

(1 223)

**(4 536)**

(1 270)

*Adjusted for:*

Profit on disposal of investments

1

**(4)**

—

(14)

**(4)**

(7)

Impairment of assets

**3 471**

—

1 410

**3 471**

1 439

Taxation effect on impairment of assets

**(169)**

—

(20)

**(169)**

(24)

(Profit)/loss on sale of property, plant and equipment

**(6)**

1

(30)

**(6)**

(30)

Taxation effect of (loss)/profit on sale of property,  
plant and equipment

**(1)**

—

6

**(1)**

6

Loss on scrapping of property, plant and equipment

**61**

—

—

491

–  
Taxation effect on loss of scrapping of property,  
plant and equipment  
(9)

–  
–  
(67)

–  
**Headline earnings/(loss)**

191  
(262)  
129  
(821)  
114  
1

*There is no taxation effect on these items.*

**6.**

**Property, plant and equipment**

(a) Impairment

One of the most significant assumptions that influence the life-of-mine plans and therefore impairment is the expected gold price. During this year’s planning and testing, gold price and exchange rate assumptions as per the table below were used.

Post-tax real discount rates ranging between 7.99% and 12.03% (2014: 7.03% and 11.56%), depending on the asset, were used to determine the recoverable amounts (generally fair value less costs to sell).

**2016**

**2017**

**2018**

**Short term    Medium term**

**Long term**

**Year 1**

**Year 2**

**Year 3**

US\$ gold price

1 150

1 180

1 200

US\$ silver price

14.00

14.50

17.00

Exchange rate (R/US\$)

12.17

11.86

11.66

Exchange rate (PGK/US\$)

2.75

2.75

2.80



For South African operations, values of US\$40.86, US\$23.35 and US\$5.84 per ounce were used for measured, indicated and inferred resources, respectively. For Hidden Valley, values of US\$15.00 and US\$6.00 per ounce were used for indicated and inferred resources, respectively.

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

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

Other impairments include R278 million on Phakisa as cost pressures continue to impact profitability and R43 million for

Freddies 9 as plans to develop the project further have been abandoned.

The recoverable amounts for the impaired shafts are as follows: Hidden Valley R653 million (US\$53.7 million), Doornkop

**Harmony Gold Mining Company Limited**

Results for the fourth quarter FY15 and year ended 30 June 2015

**20**

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

for the year ended 30 June 2015 (Rand)

R1 846 million, Phakisa R3 989 million and Freddie's 9 Rnil. These were determined on a fair value less costs to sell basis using

the assumptions above in discounted cash flow models and attributable resource values. These are fair value measurements

classified as level 3.

The sensitivity scenario of a 10% decrease in the gold price used in the models as well as a 10% decrease in the silver price for

Hidden Valley would have resulted in an additional impairment at Phakisa of R1.3 billion, Doornkop of R923 million and Hidden

Valley of R461 million. The decreases noted would have resulted in impairments at Target 1 of R938 million, Target 3 of R33

million, Tshepong of R693 million, Unisel of R6 million and other Harmony assets of R393 million.

(b) Loss on scrapping of property, plant and equipment

As previously reported, management embarked on a life-of-mine optimisation process in respect of the South African operations

which was finalised at the end of the December 2014 quarter. The optimisation ensured greater focus on mining profitable and

higher grade areas at our operations and therefore resulted in the abandonment of lower grade and unprofitable areas from

the life-of-mine plan for most of the operations.

In the case of Kusasaletu and Masimong, the optimisation led to the abandonment of levels and areas with a carrying value.

The abandonment of these areas resulted in the derecognition of property, plant and equipment as no future economic benefits

are expected from their use or disposal and a loss on scrapping of property, plant and equipment of R214 million on Kusasaletu

and R216 million on Masimong was recorded in the December 2014 quarter.

At 30 June 2015, following the annual life-of-mine planning, an additional amount of R61 million was recorded for various

shafts as a result of the abandonment of uneconomical areas in the plans.

**7.**

**Investment in associate**

Harmony holds a 10.38% share in Rand Refinery Proprietary Limited (Rand Refinery). Due to the issues experienced at Rand Refinery

following the implementation of a new Enterprise Resource Planning (ERP) system on 1 April 2013, Harmony provided for its

estimated share of loss for the inventory discrepancy and recognised a R127 million loss in the June 2014 quarter.

As a precautionary measure following the challenges experienced by the implementation of the software system, Rand Refinery's

shareholders have extended Rand Refinery an irrevocable, subordinated loan facility of up to R1.2 billion. The facility is convertible

to equity after a period of two years. The agreements relating to the facility were signed on 23 July 2014. During the December

2014 quarter, Rand Refinery drew down R1.02 billion on the shareholders' loan. Harmony's portion of the shareholders' loan was

R120 million. Interest on the facility is JIBAR plus a margin of 3.5%.

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

**8. Borrowings**

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

**US\$ facility**

**Rand facility**

**Figures in million**

**US dollar**

**SA rand**

**Borrowings summary**

Facility

250

1 300

Drawn down

250

400

Undrawn committed borrowing facilities

–

900

Maturity

February 2018

December 2016

Interest rate

LIBOR + 3%

JIBAR + 3.5%

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

**9.**

**Financial risk management activities**

*Fair value determination*

The following table presents the group’s assets and liabilities that are measured at fair value by level within the fair value hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets;

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset, either directly or indirectly (that

is, as prices) or indirectly (that is derived from prices);

Level 3: Inputs for the asset that are not based on observable market data (that is unobservable inputs).

**21**

**At**

At

At

**30 June**

31 March

30 June

**2015**

2015

2014

**Figures in million**

**(Reviewed)**

(Unaudited)

(Audited)

**Available-for-sale financial assets**

**1**

Level 1

–

–

–

Level 2

–

–

–

Level 3

**5**

5

4

**Fair value through profit or loss**

**2**

Level 1

–

–

–

Level 2

**540**

155

798

Level 3

–

–

–

*1*

*Level 3 fair values have been valued by the directors by performing independent valuations on an annual basis.*

*2*

*The majority of the level 2 fair values are directly derived from the All Share Top 40 index (ALSI 40) on the JSE, and are discounted at market interest rate. This*

*relates to equity-linked deposits in the group's environmental rehabilitation trust funds (included in restricted investments).*

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

**Figures in million**

**Quarter ended**

**Year ended**

**30 June**

**2015**

**(Unaudited)**

31 March

2015

(Unaudited)

30 June

2014

(Unaudited)

**30 June**

**2015**

**(Reviewed)**

30 June

2014

(Audited)

Capital expenditure – operations

**608**

583

676

**2 470**

2 516

Capital and capitalised exploration and  
evaluation expenditure for Wafi-Golpu

**65**

40

12

**119**

12

Additions resulting from stripping activities at  
Hidden Valley

**53**

85

8

**236**

120

Other

**(8)**

2

3

**2**

13

**Net additions**

**718**

710

699

**2 827**

2 661

**11. Commitments and contingencies**

**At**

At

At

**30 June**

31 March

30 June

**2015**

2015

2014

**Figures in million**

**(Reviewed)**

(Unaudited)

(Audited)

**Capital expenditure commitments:**

Contracts for capital expenditure

**158**

196

157

Authorised by the directors but not contracted for

**257**

877

519

**415**

1 073

676

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

**Contingent liabilities**

For a detailed disclosure on contingent liabilities refer to Harmony's annual financial statements for the financial year ended

30 June 2014. There were no significant changes in contingencies since 30 June 2014, except as discussed below:

(a) US class action

The distribution of the settlement amount, held in escrow, to the plaintiff class of the lawsuit filed in the United States of

America was completed. From both legal and accounting perspectives, the matter is now concluded.

**12. Related parties**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities

of the group, directly or indirectly, including any director (whether executive or otherwise) of the group.

During the June 2015 quarter, Frank Abbott, financial director, purchased 60 000 shares in the company in the open market.

**13. Subsequent events**

Harmony has signed a R100 million guarantee for the ARM Broad Based Economic Empowerment (BBEE) Trust, a member of the

African Rainbow Minerals (ARM) group. The guarantee is for additional security for the ARM BBEE Trust loan due to Nedbank

Limited.

**Harmony Gold Mining Company Limited**

Results for the fourth quarter FY15 and year ended 30 June 2015

**22**

**14. Segment report**

The segment report follows on page 23.

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

**Year ended**

**30 June**

30 June

**2015**

2014

**Figures in million**

**(Reviewed)**

(Audited)

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:

**Reconciliation of production profit to gross loss**

Total segment revenue

**15 435**

15 682

Total segment production costs

**(12 632)**

(11 888)

Production profit per segment report

**2 803**

3 794

Depreciation

**(2 472)**

(2 143)

Impairment

**(3 471)**

(1 439)

Other cost of sales items

**(478)**

(618)

**Gross loss as per income statements**

**1**

**(3 618)**

(406)

*1*

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

**At**

At

**30 June**

30 June

**2015**

2014

**Figures in million**

**(Reviewed)**

(Audited)

**Reconciliation of total segment mining assets to consolidated property, plant and equipment**

Property, plant and equipment not allocated to a segment

Mining assets

**762**

787

Undeveloped property

**5 139**

5 139

Other non-mining assets

**199**

117

Wafi-Golpu assets

**1 188**

1 092

**7 288**

7 135

**16. Review report**

These condensed consolidated financial statements for the year ended 30 June 2015 have been reviewed by PricewaterhouseCoopers

Inc., who expressed an unmodified review conclusion thereon. A copy of the auditor's review report is available for inspection at the

company's registered office, together with the financial statements identified in the auditor's report.



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SEGMENT REPORT (RAND/METRIC)

for the year ended 30 June 2015

**Revenue**

**30 June**

**Production cost**

**30 June**

**Production**

**profit/(loss)**

**30 June**

**Mining assets**

**30 June**

**Capital**

**expenditure**

**#**

**30 June**

**Kilograms**

**produced**

**@**

**30 June**

**Tonnes milled**

**@**

**30 June**

**2015**

2014

**2015**

2014

**2015**

2014

**2015**

2014

**2015**

2014

**2015**

2014

**2015**

2014

**R million**

**R million**

**R million**

**R million**

**R million**

**kg**

**t'000**

**South Africa**

**Underground**

Kusasaletu

**1 939**

1 959

**1 996**

1 753

**(57)**

206

**3 619**

3 616

**463**

509

**3 953**

4 694

**908**

1 143

Doornkop

**1 220**

1 126

**1 092**

1 098

**128**

28

**2 239**

3 386

**245**

238

**2 663**

2 603

**603**

737

Phakisa

**1 420**

1 284

**1 181**

1 061

**239**

223

**4 307**

4 590

**403**

360

**3 118**

2 976

**611**

577

Tshepong

**1 948**

1 822

**1 611**

1 365

**337**

457

**4 025**

3 941

**313**

301

**4 278**

4 223

**992**

947

Masimong

**1 118**

1 171

**992**

983

**126**

188

**893**

1 060

**166**

168

**2 463**

2 718

**670**

670

Target 1

**1 738**

1 948

**1 191**

1 051

**547**

897

**2 782**

2 770

**296**

289

**3 824**

4 493

**749**

771

Bambanani

(a)

**1 330**

1 279

**705**

681

**625**

598

**821**

841

**110**

127

**2 908**

2 968

**229**

239

Joel

**1 046**

995

**770**

668

**276**

327

**578**

450

**182**

145

**2 258**

2 335

**551**

548

Unisel

**770**

792

**682**

600

**88**

192

**594**

663

**99**

85

**1 695**

1 838

**417**

408

Target 3

**222**

609

**177**

557

**45**

52

**535**

542

**20**

128

**483**

1 413

**90**

301

**Surface**

All other surface operations

**1 338**

1 263

**1 092**

981

**246**

282  
**483**  
473  
**51**  
44  
**2 927**  
2 900  
**10 418**  
10 442  
**Total South Africa**  
**14 089**  
14 248  
**11 489**  
10 798  
**2 600**  
3 450  
**20 876**  
22 332  
**2 348**  
2 394  
**30 570**  
33 161  
**16 238**  
16 783  
**International**  
Hidden Valley  
**1 346**  
1 434  
**1 143**  
1 090  
**203**  
344  
**1 384**  
3 602  
**121**  
122  
**2 943**  
3 292  
**1 825**  
2 001  
**Total international**  
**1 346**  
1 434  
**1 143**  
1 090  
**203**  
344  
**1 384**  
3 602  
**121**  
122

**2 943**

3 292

**1 825**

2 001

**Total operations**

**15 435**

15 682

**12 632**

11 888

**2 803**

3 794

**22 260**

25 934

**2 469**

2 516

**33 513**

36 453

**18 063**

18 784

Reconciliation of the segment  
information to the condensed  
consolidated financial statements  
(refer to note 15)

**7 288**

7 135

**15 435**

15 682

**12 632**

11 888

**29 548**

33 069

#

*Capital expenditure for international operations excludes expenditure spend on Wafi-Golpu of R119 million (2014: R12 million).*

(a)

*Includes Steyn 2 for the June 2014 amounts.*

@

*Production statistics are unaudited.*

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

**Harmony Gold Mining Company Limited**

Results for the fourth quarter FY15 and year ended 30 June 2015

**24**

US\$ RESULTS

**FOR THE FOURTH**

**QUARTER AND**

**YEAR ENDED**

30 JUNE 2015

Q4 FY15

25

CONDENSED CONSOLIDATED INCOME STATEMENTS (US\$)

(Convenience translation)

**Figures in million**

**Quarter ended**

**Year ended**

**30 June**

**2015**

**(Unaudited)**

31 March

2015

**(Unaudited)**

30 June

2014

**(Unaudited)**

**30 June**

**2015**

**(Unaudited)**

30 June

2014

**(Audited)**

Revenue

**320**

292

358

**1 348**

1 515

Cost of sales

**(606)**

(293)

(469)

**(1 664)**

(1 549)

Production costs

**(268)**

(237)

(277)

**(1 103)**

(1 148)

Amortisation and depreciation

**(52)**

(51)

(50)

**(216)**

(207)

Impairment of assets

**(287)**

—

(134)

**(303)**

(135)



Other items

**1**

(5)

(8)

**(42)**

(59)

**Gross loss**

**(286)**

(1)

(111)

**(316)**

(34)

Corporate, administration and other expenditure

**(8)**

(8)

(11)

**(33)**

(42)

Social investment expenditure

**(1)**

(2)

(2)

**(6)**

(9)

Exploration expenditure

**(4)**

(3)

(11)

**(23)**

(44)

Profit on sale of property, plant and equipment

—

—

3

**1**

3

Loss on scrapping of property, plant and equipment

**(5)**

—

—

**(43)**

—

Other expenses (net)

**(1)**

(11)

(4)

**(33)**

(20)

**Operating loss**

**(305)**

(25)

(136)  
**(453)**  
(146)  
Loss from associates  
**(2)**  
—  
(12)  
**(2)**  
(10)  
Profit on disposal of investments  
—  
—  
1  
—  
1  
Net (loss)/gain on financial instruments  
**(1)**  
1  
3  
**1**  
16  
Investment income  
**5**  
5  
6  
**20**  
21  
Finance cost  
**(5)**  
(6)  
(10)  
**(23)**  
(27)  
**Loss before taxation**  
**(308)**  
(25)  
(148)  
**(457)**  
(145)  
Taxation  
**47**  
3  
32  
**61**  
27  
Normal taxation  
—  
—  
—  
—  
(2)

Deferred taxation

**47**

3

32

**61**

29

**Net loss for the period**

**(261)**

(22)

(116)

**(396)**

(118)

*Attributable to:*

Owners of the parent

**(261)**

(22)

(116)

**(396)**

(118)

**Loss per ordinary share (cents)**

Basic loss

**(60)**

(5)

(27)

**(91)**

(27)

Diluted loss

**(60)**

(5)

(27)

**(91)**

(27)

The currency conversion average rates for the quarter ended: June 2015: US\$1 = R12.08 (March 2015: US\$1 = R11.74, June 2014:

US\$1 = R10.51). For year ended: June 2015: US\$1 = R11.45 (June 2014: US\$1 = R10.35).

The income statement for the year ended 30 June 2014 has been extracted from the 2014 annual financial statements.

**Note on convenience translations**

Except where specific statements have been extracted from 2014 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.

**Harmony Gold Mining Company Limited**

Results for the fourth quarter FY15 and year ended 30 June 2015

**26**

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (US\$)

(Convenience translation)

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

for the year ended 30 June 2015 (Convenience translation)

**Figures in million**

**Quarter ended**

**Year ended**

**30 June**

**2015**

**(Unaudited)**

31 March

2015

(Unaudited)

30 June

2014

(Unaudited)

**30 June**

**2015**

**(Unaudited)**

30 June

2014

(Audited)

Net loss for the period

**(261)**

(22)

(116)

**(396)**

(118)

Other comprehensive (loss)/income for the period, net  
of income tax

**(7)**

6

59

**5**

(209)

Items that may be reclassified subsequently to profit  
or loss:

**(7)**

6

62

**5**

(206)

Foreign exchange translation

**(7)**

6

63

**5**

(206)

Movements on investments

-  
 -  
 (1)  
 -  
 -  
 Items that will not be reclassified to profit or loss:

-  
 -  
 (3)  
 -  
 (3)  
 Remeasurement of retirement benefit obligation  
 Actuarial gain/(loss) recognised during the year

-  
 -  
 (4)  
 -  
 (4)  
 Deferred taxation thereon

-  
 -  
 1  
 -  
 1  
**Total comprehensive loss for the period**

**(268)**

(16)

(57)

**(391)**

(327)

*Attributable to:*

Owners of the parent

**(268)**

(16)

(57)

**(391)**

(327)

The currency conversion average rates for the quarter ended: June 2015: US\$1 = R12.08 (March 2015: US\$1 = R11.74,

June 2014: US\$1 = R10.51). For year ended: June 2015: US\$1 = R11.45 (June 2014: US\$1 = R10.35).

The statement of comprehensive income for the year ended 30 June 2014 has been extracted from the 2014 annual financial statements.

**Figures in million**

**Share**

**capital**

**Other**

**reserves**

**Accumulated**

**loss**

**Total**

Balance – 30 June 2014  
**2 329**  
**291**  
**(67)**  
**2 553**  
Share-based payments  
–  
**15**  
–  
**15**  
Net loss for the period  
–  
–  
**(373)**  
**(373)**  
Other comprehensive income for the period  
–  
**5**  
–  
**5**

**Balance – 30 June 2015 (Unaudited)**

**2 329**  
**311**  
**(440)**  
**2 200**  
Balance – 30 June 2013  
4 035  
(701)  
(105)  
3 229  
Share-based payments  
–  
23  
–  
23  
Net loss for the period  
–  
–  
(118)  
(118)  
Other comprehensive loss for the period  
–  
(209)  
–  
(209)

**Balance – 30 June 2014 (Audited)**

4 035  
(887)  
(223)  
2 925

The currency conversion closing rates for the year ended 30 June 2015: US\$1 = R12.16 (June 2014: US\$1 = R10.61).

The statement of changes in equity for the year ended 30 June 2014 has been extracted from the 2014 annual financial statements.

27

CONDENSED CONSOLIDATED BALANCE SHEETS (US\$)

(Convenience translation)

**Figures in million**

At

**30 June**

**2015**

**(Unaudited)**

At

31 March

2015

(Unaudited)

At

30 June

2014

(Audited)

**ASSETS**

**Non-current assets**

Property, plant and equipment

**2 430**

2 712

3 116

Intangible assets

**73**

73

84

Restricted cash

**4**

4

4

Restricted investments

**196**

195

217

Deferred tax assets

—

5

8

Loan to associate

**7**

10

—

Inventories

**3**

4

5

**Total non-current assets**

**2 713**

3 003

3 434



**Current assets**

Inventories

**106**

119

145

Trade and other receivables

**62**

70

90

Income and mining taxes

**2**

2

10

Restricted cash

**1**

1

1

Cash and cash equivalents

**88**

58

172

**Total current assets**

**259**

250

418

**Total assets**

**2 972**

3 253

3 852

EQUITY AND LIABILITIES

**Share capital and reserves**

Share capital

**2 329**

2 327

4 035

Other reserves

**311**

315

(887)

Accumulated loss

**(440)**

(182)

(223)

**Total equity**

**2 200**

2 460

2 925

**Non-current liabilities**

Deferred tax liabilities

**157**

207

253	
Provision for environmental rehabilitation	
<b>182</b>	
182	
198	
Retirement benefit obligation	
<b>13</b>	
21	
23	
Other non-current liabilities	
<b>3</b>	
2	
9	
Borrowings	
<b>280</b>	
235	
270	
<b>Total non-current liabilities</b>	
<b>635</b>	
647	
753	
<b>Current liabilities</b>	
Income and mining taxes	
–	
1	
–	
Trade and other payables	
<b>137</b>	
145	
174	
<b>Total current liabilities</b>	
<b>137</b>	
146	
174	
<b>Total equity and liabilities</b>	
<b>2 972</b>	
3 253	
3 852	

The balance sheet for June 2015 converted at a conversion rate of US\$1 = R12.16 (March 2015: US\$1 = R12.17, June 2014:

US\$1 = R10.61).

The balance sheet at 30 June 2014 has been extracted from the 2014 annual financial statements.

**Harmony Gold Mining Company Limited**

Results for the fourth quarter FY15 and year ended 30 June 2015

**28**

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (US\$)**

(Convenience translation)

**Figures in million**

**Quarter ended**

**Year ended**

**30 June**

**2015**

**(Unaudited)**

31 March

2015

(Unaudited)

30 June

2014

(Unaudited)

Restated\*

**30 June**

**2015**

**(Unaudited)**

30 June

2014

(Audited)

**Cash flow from operating activities**

Cash generated by operations

**47**

30

42

**168**

218

Interest and dividends received

**2**

2

4

**9**

13

Interest paid

**(4)**

(1)

(3)

**(9)**

(12)

Income and mining taxes refunded

—

2

3

**7**

—

**Cash generated by operating activities**

**45**

33

46

**175**

219

**Cash flow from investing activities**

Decrease/(increase) in restricted cash

–

1

–

**1**

(1)

Decrease/(increase) in restricted investments

**1**

2

(2)

**3**

(2)

Proceeds on disposal of investments

–

–

5

–

5

Loan to associate

–

–

–

**(10)**

–

Net additions to property, plant and equipment

**(59)**

(60)

(66)

**(247)**

(257)

**Cash utilised by investing activities**

**(58)**

(57)

(63)

**(253)**

(255)

**Cash flow from financing activities**

Borrowings raised

**45**

34

–

**82**

60

Borrowings repaid

**(1)**

(67)

-	
<b>(69)</b>	
(44)	
<b>Cash generated/(utilised) by financing activities</b>	
<b>44</b>	
(33)	
-	
<b>13</b>	
16	
<b>Foreign currency translation adjustments</b>	
<b>(1)</b>	
(4)	
(1)	
<b>(19)</b>	
(17)	
Net increase/(decrease) in cash and cash equivalents	
<b>30</b>	
(61)	
(18)	
<b>(84)</b>	
(37)	
Cash and cash equivalents – beginning of period	
<b>58</b>	
119	
190	
<b>172</b>	
209	
<b>Cash and cash equivalents – end of period</b>	
<b>88</b>	
58	
172	
<b>88</b>	
172	

*\* For the June 2014 quarter: Cash generated by operating activities previously reported as US\$45 million restated to US\$46 million. Cash utilised by investing activities previously reported as US\$62 million restated to US\$63 million. This is mainly related to the change in accounting policy for IFRIC 20, which became effective 1 July 2013.*

The currency conversion average rates for the quarter ended: June 2015: US\$1 = R12.08 (March 2015: US\$1 = R11.74, June 2014:

US\$1 = R10.51). For year ended: June 2015: US\$1 = R11.45 (June 2014: US\$1 = R10.35).

Closing balance translated at closing rates of: June 2015: US\$1 = R12.16 (March 2015: US\$1 = R12.17, June 2014: US\$1 = R10.61).

The cash flow statement for the year ended 30 June 2014 has been extracted from the 2014 annual financial statements.

**29**

SEGMENT REPORT (US\$/IMPERIAL)

for the year ended 30 June 2015

**Revenue**

**30 June**

**Production cost**

**30 June**

**Production**

**profit/(loss)**

**30 June**

**Mining assets**

**30 June**

**Capital**

**expenditure**

**#**

**30 June**

**Ounces**

**produced**

**@**

**30 June**

**Tons milled**

**@**

**30 June**

**2015**

2014

**2015**

2014

**2015**

2014

**2015**

2014

**2015**

2014

**2015**

2014

**2015**

2014

**US\$ million**

**US\$ million**

**US\$ million**

**US\$ million**

**US\$ million**

**oz**

**t'000**

**South Africa**

**Underground**

Kusasaletu

**169**

189

**174**

169

(5)  
20  
**298**  
341  
**40**  
49  
**127 092**  
150 916  
**1 001**  
1 260  
Doornkop  
**107**  
109  
**95**  
106  
**12**  
3  
**184**  
319  
**21**  
23  
**85 618**  
83 687  
**665**  
812  
Phakisa  
**124**  
124  
**103**  
103  
**21**  
21  
**354**  
433  
**35**  
35  
**100 246**  
95 680  
**674**  
636  
Tshepong  
**170**  
176  
**141**  
132  
**29**  
44  
**331**  
372  
**27**  
29

**137 540**

135 772

**1 095**

1 044

Masimong

**98**

113

**87**

95

**11**

18

**73**

100

**15**

16

**79 187**

87 385

**739**

739

Target 1

**152**

188

**104**

101

**48**

87

**229**

261

**26**

28

**122 944**

144 453

**826**

851

Bambanani

(a)

**116**

124

**62**

66

**54**

58

**68**

79

**10**

12

**93 495**

95 424

**253**

263

Joel



**91**  
96  
**67**  
64  
**24**  
32  
**48**  
42  
**16**  
14  
**72 596**  
75 072  
**607**  
604  
Unisel  
**67**  
77  
**60**  
58  
**7**  
19  
**49**  
63  
**9**  
8  
**54 495**  
59 093  
**460**  
450  
Target 3  
**19**  
59  
**15**  
54  
**4**  
5  
**44**  
51  
**2**  
13  
**15 529**  
45 429  
**99**  
331  
**Surface**  
All other surface operations  
**117**  
122  
**95**  
95  
**22**

27  
**40**  
45  
**4**  
4  
**94 105**  
93 236  
**11 488**  
11 516  
**Total South Africa**  
**1 230**  
1 377  
**1 003**  
1 043  
**227**  
334  
**1 718**  
2 106  
**205**  
231  
**982 847**  
1 066 147  
**17 907**  
18 506  
**International**  
Hidden Valley  
**118**  
138  
**100**  
105  
**18**  
33  
**114**  
340  
**11**  
12  
**94 619**  
105 840  
**2 012**  
2 207  
**Total international**  
**118**  
138  
**100**  
105  
**18**  
33  
**114**  
340  
**11**  
12

**94 619**

105 840

**2 012**

2 207

**Total operations**

**1 348**

1 515

**1 103**

1 148

**245**

367

**1 832**

2 446

**216**

243

1 077 466

1 171 987

**19 919**

20 713

#

*Capital expenditure for international operations excludes expenditure spend on Wafi-Golpu of US\$10 million (2014: US\$1 million).*

*(a)*

*Includes Steyn 2 for the June 2014 amounts.*

@

*Production statistics are unaudited.*

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

**Harmony Gold Mining Company Limited**

Results for the fourth quarter FY15 and year ended 30 June 2015

**30**

DEVELOPMENT RESULTS (METRIC)

Quarter ending June 2015

DEVELOPMENT RESULTS (IMPERIAL)

Quarter ending June 2015

**Channel**

**Reef**

**Feet**

**Sampled**

**Meters**

**Width**

**(Inch)**

**Value**

**(oz/t)**

**Gold**

**(In.oz/t)**

Tshepong

Basal

1 418

1 312

3,00

6,76

20

Beatrix

–

–

–

–

Leader

–

–

–

–

B Reef

1 056

958

49,00

0,55

27

**All Reefs**

**2 474**

**2 270**

**23,00**

**1,00**

**23**

Phakisa

Basal

1 317

1 365

24,00

0,62

15

Beatrix

—

—

—

—

Leader

—

—

—

—

**All Reefs**

**1 317**

**1 365**

**24,00**

**0,62**

**15**

Bambanani

Basal

—

—

—

—

Beatrix

—

—

—

—

Leader

—

—

—

—

**All Reefs**

—

—

—

—

Doornkop

VCR Reef

UE1A

Main Reef

—

—

—

—

Kimberley Reef

South Reef

1 809

1 693

20,00

0,47

9

**All Reefs**

**1 809**

**1 693**

**20,00**

**0,47**

**9**

Kusasaletu

VCR Reef

1 907

1 306

57,00

0,19

11

**All Reefs**

**1 907**

**1 306**

**57,00**

**0,19**

**11**

Target 1

Elsburg

259

118

105,00

0,05

6

Basal

—

—

—

—

A Reef

—

—

—

—

B Reef

—

—

—

—

**All Reefs**

**259**

**118**

**105,00**

**0,05**

**6**

Masimong 5

Basal

1 207

1 030

16,00

0,57

9

Leader

—

—

—

—

A Reef

—

—

—

—

Middle

—

—

—

—

B Reef

561

571

25,00

0,56

14

**All Reefs**

**1 768**

**1 601**

**19,00**

**0,57**

**11**

Unisel

Basal

781

741

58,00

0,17

10

Leader

1 693

1 457

69,00

0,19

13

A Reef

—

—

—

—  
Middle

—  
—  
—  
—  
B Reef

—  
—  
—  
—

**All Reefs**

**2 474**

**2 198**

**65,00**

**0,18**

**12**

Joel

Basal

—  
—  
—  
—

Beatrix

871

837

68,00

0,20

14

Leader

—  
—  
—  
—

**All Reefs**

**871**

**837**

**68,00**

**0,20**

**14**

Total Harmony

Basal

4 722

4 449

22,00

0,65

14

Beatrix

871

837

68,00



0,20  
14  
Leader  
1 693  
1 457  
69,00  
0,19  
13  
B Reef  
1 616  
1 529  
40,00  
0,55  
22  
A Reef  
—  
—  
—  
—  
Middle  
—  
—  
—  
—  
Elsburg  
259  
118  
105,00  
0,05  
6  
Kimberley  
—  
—  
—  
—  
South Reef  
1 809  
1 693  
20,00  
0,47  
9  
VCR  
1 907  
1 306  
57,00  
0,19  
11  
Main Reef  
—  
—  
—

–  
**All Reefs**  
**12 877**  
**11 389**  
**38,00**  
**0,37**  
**14**  
**Channel**  
**Reef**  
**Meters**  
**Sampled**  
**Meters**  
**Width**  
**(Cm's)**  
**Value**  
**(g/t)**  
**Gold**  
**(Cmg/t)**  
Tshepong  
Basal  
432  
400  
8,61  
205,04  
1 765  
Beatrix  
Leader  
B Reef  
322  
292  
125,09  
18,77  
2 348  
**All Reefs**  
**754**  
**692**  
**57,76**  
**34,82**  
**2 011**  
Phakisa  
Basal  
401  
416  
60,77  
21,18  
1 287  
Beatrix  
–  
–  
–  
–

—  
Leader

—  
—  
—  
—  
—

**All Reefs**

**401**  
**416**  
**60,77**  
**21,18**  
**1 287**

Bambanani  
Basal

—  
—  
—  
—

Beatrix

—  
—  
—  
—

Leader

—  
—  
—  
—

**All Reefs**

—  
—  
—  
—  
—

Doornkop  
VCR Reef

—  
—  
—  
—  
—

UE1A

—  
—  
—  
—  
—

Main Reef

—  
—

—  
—  
—  
Kimberley Reef

—  
—  
—  
—  
—  
South Reef

551  
516  
52,00  
15,83  
820

**All Reefs**

**551**  
**516**  
**52,00**  
**15,78**  
**820**

Kusasaletu  
VCR Reef

581  
398  
144,53  
6,66  
962

**All Reefs**

**581**  
**398**  
**144,53**  
**6,66**  
**962**

Target 1

Elsburg  
79  
36  
266,00

1,83  
487

Basal

—  
—  
—  
—

A Reef

—  
—  
—  
—

B Reef

—  
—  
—  
—

**All Reefs**

**79**  
**36**  
**266,00**  
**1,83**  
**487**

Masimong 5

Basal

368  
314  
39,94  
19,82  
791

Leader

—  
—  
—  
—  
—

A Reef

—  
—  
—  
—  
—

Middle

—  
—  
—  
—  
—

B Reef

171  
174  
64,31  
19,05  
1 225

**All Reefs**

**539**  
**488**  
**48,63**  
**19,46**  
**946**

Unisel

Basal  
238

226  
147,86  
5,97  
882  
Leader  
516  
444  
175,42  
6,38  
1 119  
A Reef

—  
—  
—  
—  
Middle  
—  
—  
—  
—  
B Reef

—  
—  
—  
**All Reefs**  
**754**  
**670**  
**166,12**  
**6,26**  
**1 039**

Joel  
Basal  
—  
—  
—  
—  
—

Beatrix  
266  
255  
173,00  
6,84  
1 183  
Leader

—  
—  
—  
—  
—  
**All Reefs**

**266**  
**255**  
**173,00**  
**6,84**  
**1 183**  
Total Harmony  
Basal  
1 439  
1 356  
55,07  
22,62  
1 246  
Beatrix  
266  
255  
173,00  
6,84  
1 183  
Leader  
516  
444  
175,42  
6,38  
1 119  
B Reef  
493  
466  
102,39  
18,84  
1 929  
A Reef  
—  
—  
—  
—  
Middle  
—  
—  
—  
—  
Elsburg  
79  
36  
266,00  
1,83  
487  
Kimberley  
—  
—  
—  
—

South Reef

551

516

52,00

15,78

820

VCR

581

398

144,53

6,66

962

Main Reef

—

—

—

—

**All Reefs**

**3 925**

**3 471**

**97,47**

**12,45**

**1 213**



**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: August 18, 2015

Harmony Gold Mining Company Limited

By:

/s/ Frank Abbott

Name: Frank Abbott

Title: Financial Director