

HARMONY GOLD MINING CO LTD

Form 6-K

August 17, 2016

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 17 August 2016

**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

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

6 months

ended

6 months

ended

June

2016

(H2FY16)

December

2015

(H1FY16)

%

Variance

Year

ended

June 2016

Year

ended

June 2015

%

Variance

Gold produced

– kg

15 974

17 681

(10)

33 655

33 513

–

– oz

513 576

568 459

(10)

1 082 035

1 077 466

–

Cash operating costs

– R/kg

413 796

372 358

(11)

392 026

369 203

(6)

– US\$/oz

836

851

2

841

1 003

16

Gold sold

– kg

15 900

17 742

(10)

33 642

34 332

(2)

– oz

511 198

570 417

(10)

1 081 615

1 103 793

(2)

Underground grade

– g/t

4.88

5.16

(5)

5.02

4.75

6

Total costs and capital

– R/kg

484 167

430 417

(12)

455 929

442 895

(3)

– US\$/oz

978

983

1

978

1 203

19

All-in sustaining costs*

– R/kg

492 792

444 884

(11)

467 526

453 044

(3)

– US\$/oz

996

1 016

2

1 003

1 231

19

Gold price received

– R/kg

605 476

490 773

23

544 984

449 570

21

– US\$/oz

1 223

1 121

9

1 169

1 222

(4)

Production profit

– R million

3 092

1 992

55

5 084

2 802

81

– US\$ million

201

146

38

350

245

43

Basic earnings/(loss) per share

– SAc/s

320

(102)

>100

218

(1 044)

>100

– USc/s

21

(7)

>100

15

(86)	
>100	
Headline earnings/(loss)	
– Rm	
1 412	
(449)	
>100	
964	
(821)	
>100	
– US\$m	
92	
(33)	
>100	
66	
(68)	
>100	
Headline earnings/(loss) per share	
– SAc/s	
324	
(103)	
>100	
221	
(189)	
>100	
– USc/s	
21	
(8)	
>100	
15	
(16)	
>100	
Exchange rate	
* Excludes share-based payment charge.	
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 2016 will be available on our website (www.harmony.co.za/investors) on 26 October 2016. Mineral resource and reserve information as at 30 June 2016 is included in this report.	
– R/US\$	
15.39	
13.62	
13	
14.50	
11.45	
27	
KEY FEATURES	
Year on year	

- 6% increase in underground recovered grade
- 54% reduction in net debt to R1.08 billion
(61% to US\$74 million)
- Net profit of R949 million (US\$64 million)
- Dividend of 50 SA cents (4 US cents)
- Headline earnings per share (HEPS)
of 221 SA cents (15 US cents)
- Enhancing our portfolio of copper-gold
assets

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Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016

SHAREHOLDER INFORMATION

Issued ordinary share capital at 30 June 2016

437 299 479

Issued ordinary share capital at 31 December 2015

436 789 929

Issued ordinary share capital at 30 June 2015

436 187 133

MARKET CAPITALISATION

At 30 June 2016 (ZARm)

22 945

At 30 June 2016 (US\$m)

1 567

At 31 December 2015 (ZARm)

6 813

At 31 December 2015 (US\$m)

440

At 30 June 2015 (ZARm)

6 800

At 30 June 2015 (US\$m)

560

HARMONY ORDINARY SHARES AND ADR PRICES

12-month high (1 July 2015– 30 June 2016) for ordinary shares

62.89

12-month low (1 July 2015– 30 June 2016) for ordinary shares

7.92

12-month high (1 July 2015– 30 June 2016) for ADRs

4.17

12-month low (1 July 2015 – 30 June 2016) for ADRs

0.53

FREE FLOAT

100%

ADR RATIO

1:1

JSE LIMITED

HAR

Range for six months (1 January – 30 June 2016 closing prices)

R15.60 – R62.89

Average daily volume for the six months (1 January – 30 June 2016)

2 934 226 shares

Range for previous six months (1 July – 31 December 2015 closing prices)

R7.92 – R19.89

Average daily volume for the previous six months

(1 July – 31 December 2015)

1 968 724 shares

Range for year (1 July 2015 – 30 June 2016 closing prices)

R7.92 – R62.89

Average daily volume for the year (1 July 2015 – 30 June 2016)

2 441 859 shares

Range for the previous year
(1 July 2014 – 30 June 2015 closing prices)
R15.32 – R38.50

Average daily volume for the previous year
(1 July 2014 – 30 June 2015)
1 700 854 shares

NEW YORK STOCK EXCHANGE

including other US trading platforms

HMY

Range for six months (1 January – 30 June 2016 closing prices)
US\$1.06 – US\$4.17

Average daily volume for the six months (1 January – 30 June 2016)
5 306 179

Range for previous six months
(1 July – 31 December 2015 closing prices)

US\$0.53 – US\$1.34

Average daily volume for the previous six months
(1 July – 31 December 2015)

2 778 343

Range for year (1 July 2015 – 30 June 2016 closing prices)

US\$0.53 – US\$4.17

Average daily volume for the year (1 July 2015 – 30 June 2016)
4 027 274

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

US\$1.31 – US\$3.29

Average daily volume for the previous year (1 July 2014 – 30 June 2015)
2 989 247

INVESTORS' CALENDAR

Release of Harmony's Integrated Annual Report of FY16

26 October 2016

Annual General Meeting

25 November 2016

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*^

Deputy chairman

P W Steenkamp

Chief executive officer

F Abbott

Financial director

H E Mashego Executive director

F F T De Buck*^

Lead independent director

J A Chissano*¹, K V Dicks*[^], Dr D S S Lushaba*[^],
C Markus*[^], M Msimang*[^], K T Nondumo*[^],
V P Pillay *[^], J L Wetton*[^], A J Wilkens*

* Non-executive

[^] Independent

¹ Mozambican

INVESTOR RELATIONS

Email: HarmonyIR@harmony.co.za

Marian van der Walt

Executive: Corporate and Investor Relations

Tel: +27 (0)11 411 2037

Mobile: +27 (0)82 888 1242

Email: marian@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)

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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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DEPOSITARY

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

Fax: +27 11 507 0503

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

Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016
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FORWARD-LOOKING STATEMENTS

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

These forward-looking statements, including, among others, those relating to our future business prospects, revenues and income, wherever they may occur in this report and the exhibits to this report, are essentially estimates reflecting the best judgment of our senior management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. As a consequence, these forward-looking statements should be considered in light of various important factors, including those set forth in this report. Important factors that could cause actual results to differ materially from estimates or projections contained in the forward-looking statements include, without limitation: overall economic and business conditions in South Africa, Papua New Guinea, Australia and elsewhere, estimates of future earnings, and the sensitivity of earnings to the gold and other metals prices, estimates of future gold and other metals production and sales, estimates of future cash costs, estimates of future cash flows, and the sensitivity of cash flows to the gold and other metals prices, statements regarding future debt repayments, estimates of future capital expenditures, the success of our business strategy, development activities and other initiatives, estimates of reserves statements regarding future exploration results and the replacement of reserves, the ability to achieve anticipated efficiencies and other cost savings in connection with past and future acquisitions, fluctuations in the market price of gold, the occurrence of hazards associated with underground and surface gold mining, the occurrence of labor disruptions, power cost increases as well as power stoppages, fluctuations and usage constraints, supply chain shortages and increases in the prices of production imports, availability, terms and deployment of capital, changes in government regulation, particularly mining rights and environmental regulation, fluctuations in exchange rates, the adequacy of the Group’s insurance coverage and socio-economic or political instability in South Africa and Papua New Guinea and other countries in which we operate.

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

COMPETENT PERSON’S DECLARATION

In South Africa, Harmony employs an ore reserve manager at each of its operations who takes responsibility for the compilation and reporting of mineral resources and mineral reserves at their operations. In Papua New Guinea, competent persons are appointed for the mineral resources and mineral reserves for specific projects and operations.

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

Resources and reserves of South Africa:

Jaco Boshoff, BSc (Hons), MSc, MBA, Pr. Sci. Nat, MSAIMM, MGSSA, who has 21 years' relevant experience and is registered with the South African Council for Natural Scientific Professions (SACNASP) and a member of the South African Institute of Mining and Metallurgy (SAIMM).

Mr Boshoff is Harmony's Lead Competent Person.

Jaco Boshoff

Physical address:

Postal address:

Randfontein Office park

P.O. Box 2

Randfontein

Corner of Main Reef Road and Ward Avenue

Randfontein

1760

South Africa

South Africa

Resources and reserves of Papua New Guinea:

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

Greg Job

Physical address:

Postal address:

Level 2

PO Box 1562

189 Coronation Drive

Milton, Queensland

Milton, Queensland 4064

4064

Australia

Australia

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

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Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016
MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

Harmony is driven by excellence. We have a proactive approach to safety and health, with excellent operational and management teams, a world-class exploration team, we lead environmental rehabilitation in South Africa and we continued to differentiate ourselves through quality grade management, increasing underground grade for the fourth consecutive year – this year by 6% to 5.02g/t.

Our revenue increased by 19% on the back of a 21% increase in the R/kg gold price, combined with achieving our production guidance of approximately 1.1 million ounces. Net debt was reduced by 54% to R1.08 billion (61% to US\$74 million). Having turned around the previous year's headline loss to headline earnings of 221 SA cents (15 US\$ cents), we felt it prudent to declare a dividend of 50 SA cents (refer to dividend notice on page 8). Harmony remains well positioned to benefit from a strong R/kg gold price.

We continue to have a positive view on the strength of the gold price, with cash certainty being key in times of extreme market volatility. The gold hedge was a necessary short-term step to secure margins at some of our higher-cost operations and creates certainty for a portion of our future cash flows. It enables us to further reduce our debt and strengthen our balance sheet.

SAFETY

Sadly, in spite of recording an overall improvement in our safety performance for the year, we had ten fatalities – nine in South Africa (SA) and one in Papua New Guinea (PNG), compared with nine fatalities in the previous year (eight in SA and one in PNG).

Year on year, our lost time and reportable injury frequency rates improved and are in line with the industry's milestone requirements. During the year – to further assist management in ensuring that safety standards are followed and regulations are adhered to, and to increase awareness regarding safe behaviour – we established a second-level safety assurance team, reporting to our central safety structure. Training and safety awareness campaigns continue at all of our operations.

YEAR-ON-YEAR OPERATIONAL RESULTS

Our total gold production for FY16 increased by 142kg (0.4%) to 33 655kg, compared to 33 513kg in FY15. Gold production in South Africa increased by 4% year on year, if the Target 3 operation (placed on care and maintenance) in FY15 is excluded.

The following operations increased their gold production year on year:

- *Phakisa*, by 870kg (28%), as a result of milling 75 000t (12%) more and increasing recovered grade by 14% to 5.81g/t (FY15: 5.10g/t);
- *Tshepong*, by 753kg (18%), as a result of a 10% (96 000t) rise in milled tonnes and a 7% improvement in recovered grade to 4.62g/t (FY15: 4.31g/t);
- *Bambanani*, by 105kg (4%), as a result of a 2% increase in

recovered grade to 12.99g/t (FY15: 12.70g/t);

- *Doornkop*, by 67kg (3%), due to a 4% (27 000t) increase in tonnes milled and in spite of a 2% decrease in recovered grade to 4.33g/t;
- *Joel*, by 20kg, through an increase in recovered grade of 2% to 4.20g/t, while volume remained stable year on year;
- *Unisel*, by 9kg, a consequence of a 2% (7 000t) increase in tonnes milled, with volume and grade remaining stable;
- *the dumps*, by 203kg (24%), through improved tonnes milled (13%) and recovered grade (9%).

The following operations reported lower gold production for the year:

- *Hidden Valley* was down 686kg (23%), due to a 19% decrease in recovered grade to 1.31g/t (FY15: 1.61g/t) and a 5% decrease in tonnes. Some 33 production days were lost during the September 2015 quarter when operations were suspended due to a fatality in July 2015. The December 2015 quarter was affected by poor grade and road closures, which restricted mining activity.
- *Target 1* was 437kg (11%) lower due to a 10% decrease in recovered grade to 4.58g/t (FY15: 5.11g/t). The operation was adversely affected by safety stoppages during the March 2016 quarter.
- *Kalgold* was down 95kg (8%), a result of recovered grade decreasing by 7% to 0.75g/t (FY15: 0.81g/t) and in spite of tonnes milled increasing by 1% (7 000t).
- *Kusasaletu*, 90kg (2%) lower, was negatively affected by a planned stoppage to upgrade its infrastructure. A 26% (240 000t) decrease in tonnes milled however was partially offset by a 33% increase in the recovered grade to 5.78g/t (FY15: 4.35g/t).
- *Phoenix* was down 63kg (7%) due to a 14% decrease in recovered grade to 0.12g/t (FY15: 0.14g/t), which was partially offset by a 4% (220 000t) increase in tonnes milled.
- *Masimong* was 31kg down due to having milled 20 000t (3%) less than in FY15.

Target 3 was placed on care and maintenance during FY15 and produced no gold in FY16.

YEAR-ON-YEAR FINANCIAL RESULTS

Higher gold production, together with a higher average Rand gold price received, delivered a 19% increase in revenue of R18.3 billion (decrease by 6% to US\$1.27 billion). The average Rand gold price increased by 21% to R544 984/kg (R449 570/kg in FY15), due to a 27% weakening of the Rand against the US dollar to US\$/R14.50 (offsetting the 4% decrease in the average gold price received to US\$1 169/oz).

Production profit increased to R5.084 billion, up 81% from R2.802 billion in FY15 (increased by 43% to US\$350 million), after accounting for a 7% increase in cash operating costs (R821 million) (decrease of US\$171 million or 16%). Operating costs were higher due to increases in labour costs, electricity and contractor costs at our South African operations.

Overall, cost increases were lower than inflation, with all-in sustaining cost (AISC) for all operations increasing by only 3% to R467 526/kg, compared to R453 044/kg in FY15 (decreased by 19%

to US\$1 003/oz compared to US\$1 231/oz in FY15).

Annual adjustments recorded include the net reversal of an impairment of R43 million (US\$3 million) (which consists of a reversal of impairment of R738 million (US\$50 million) on Doornkop, offset by an impairment of R466 million (US\$32 million) on Hidden Valley and R229 million (US\$16 million) on Masimong) and a rehabilitation provision change in estimate credit of R110 million (US\$7 million). In FY16 a net profit of R949 million (US\$64 million) was recorded compared to a net loss of R4.5 billion (US\$374 million) in FY15 and consequently, headline earnings amounted to 221 SA cents per share (15 US cents per share) compared to a headline loss of 189 SA cents per share (16 US cents per share) for FY15.

Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016

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HEDGING ACTIVITY

Currency hedging

Since February 2016, Harmony initiated and maintained a foreign exchange hedging programme. Hedging is in the form of zero cost collars, which establish a minimum (floor) and maximum (cap) Rand/US dollar exchange rate at which to convert US dollars to Rands. The nominal value of the hedging contracts as at 30 June 2016 was US\$500 million. The hedging contracts are spread over a 12 month period, and are summarised as follows:

H1 FY17

H2 FY17

Sold call options

Nominal

US\$250 million

US\$250 million

Average strike price

R18.57

R17.97

Lowest strike price

R17.93

R16.92

Highest strike price

R19.08

R19.08

Purchased put option

Nominal

US\$250 million

US\$250 million

Average strike price

R15.56

R15.53

Lowest strike price

R15.40

R15.10

Highest strike price

R15.80

R16.10

Gold hedging

To create cash certainty, we entered into short-term gold forward sale contracts during July 2016 for 432 000oz over a period of 24 months, representing approximately 20% of our total production. The sharp increase in the R/kg gold price provided us with an opportunity to lock in 20% of our gold sales at a very attractive average rate of approximately R682 000/kg. The breakdown of gold forward sale contracts entered into post year end are as follows:

H1

H2

FY17

Kgs

3 049

3 360

Average R/kg

R645 121

R666 888

FY18

Kgs

3 360

3 360

Average R/kg

R692 836

R720 374

FY19

Kgs

311

Average R/kg

R725 499

The limited size and duration of the hedge means shareholders retain full upside exposure on 80% of Harmony's gold production for the next

two years, after which they will have 100% exposure to the gold price.

MINERAL RESOURCES AND RESERVES

Harmony owns significant gold ore deposits. Attributable gold equivalent mineral resources as declared at 30 June 2016, were 105.2Moz, a 4.6% decrease year on year. The total gold contained in the mineral resources at the South African operations represents 55.2% of the company's total, with the Papua New Guinea (PNG) operations representing 44.8% of Harmony's total gold and gold equivalent mineral resources.

Our attributable gold and gold equivalent mineral reserves amounted to 36.9Moz of gold, a 13.3% decrease year on year.

The gold reserve ounces in South Africa represent 45.4% while the PNG gold and gold equivalent ounces represent 54.6% of our total mineral reserves. See pages 6 to 8 for our resources and reserves statement.

GOLPU

The joint venture is pursuing a conventional process of applying for a special mining lease under the PNG Mining Act, targeted to be lodged in the first quarter of FY17.

EXPLORATION

Kili Teke

Worldwide, new greenfield copper-gold discoveries are scarce. Our exploration strategy in PNG remains to create long term value for shareholders by enhancing and developing our world-class portfolio of copper-gold assets, at industry leading discovery costs – less than \$US10 per equivalent gold ounce.

Kili Teke is a prolific complex with multiple mineralised intrusive events. The revised mineral resource estimate for Kili Teke comprises 222Mt at 0.35% copper, 0.25 g/t gold and 170 ppm molybdenum containing 782 000t copper, 1.75Moz of gold and 38 000t molybdenum. The updated resource has grown 50% to 6Moz on a gold equivalent basis¹ compared to the November 2015 model.

Refer to the website (www.harmony.co.za) for a detailed annexure related to the Kili Teke resource update.

1 Gold equivalent based on US\$1 150 per ounce gold, and US\$3 per pound of copper and assumes 100% recovery of all metals.

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Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016
MESSAGE FROM THE CHIEF EXECUTIVE OFFICER (CONTINUED)

South Africa

Exploration drilling is planned at Tshepong, Phakisa, Doornkop, Target 1 and Kalgold.

NEW DRAFT MINING CHARTER

A new draft of the broad-based socio-economic empowerment charter for the South African mining industry (Mining Charter) was published by the Minister of Mineral Resources on 15 April 2016. We are actively participating in the discussions on the provisions of the new charter to ensure that the interests of all our stakeholders are protected.

STAKEHOLDER RELATIONS

Stronger margins helped us to continue to meet our social and environmental commitments, substantiating our holistic approach to mining in the interests of all of our stakeholders and our status as a responsible miner. Harmony has – and continues to – make a difference:

- to shareholders – creating value by operating profitably and growing our margins
- to our employees – ensuring that they are safe and healthy
- to communities – participating in local economic development, limiting and mitigating our impact on the environment
- to government – contributing to the national fiscus

By conducting our business efficiently, profitably and sustainably, Harmony creates shared value for all stakeholders, enabling it to contribute to improved education, build infrastructure, provide healthcare, stimulate local economies and rehabilitate the environment.

OBJECTIVE FOR THE NEXT THREE YEARS

Maintaining and growing our margins efficiently are essential to sustaining our business and meeting our strategic objectives.

Harmony has shown that it can successfully operate as a gold miner and explorer in both South Africa and PNG. The board has supported a three-year strategy in which we plan to grow Harmony's production to approximately 1.5Moz, producing gold at an all-in sustaining cost of \$950/oz, through:

- growing, nurturing and developing our core assets
- harvesting operations that are high cost and have a short life
- developing Golpu Stage 1
- expanding in South Africa, into Africa and PNG
- assessing organic growth opportunities

In the next year, we plan to produce approximately 1 050 000 ounces at about \$1 100/oz (~R495 000/kg at an exchange rate of R14.00). Through operational excellence, adhering to our company values, applying mining discipline, further increasing our productivity, creating an enabling environment and grade cut-off, we believe that the guidance is realistic and achievable. We will not mine areas that are unsafe or at grades lower than planned.

Our management teams are geared to deliver. On executive level, I am well supported by an experienced, competent team and on operational level, my two chief operating officers will ensure safe,

profitable production. I have no doubt that Harmony's current momentum will be upheld.

Harmony has a strong investment case, being one of the few gold mining companies increasing its underground grade, with one of the lowest debt:EBITDA ratios in the gold mining industry making a real and lasting difference in the communities adjacent to our mines and growing our gold-copper ounces at industry leading discovery costs.

Peter Steenkamp
Chief Executive Officer

Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016

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SUMMARY UPDATE OF HARMONY'S MINERAL RESOURCES AND MINERAL RESERVES AS AT 30 JUNE 2016

Harmony's statement of mineral resources and mineral reserves as at 30 June 2016 is produced in accordance 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). It should be noted that the mineral resources are reported inclusive of the mineral reserves.

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 26 October 2016, which will be available at www.harmony.co.za/investors. Refer to the website (www.harmony.co.za) for the updated reserves and resources tables as at 30 June 2016.

Harmony uses certain terms in the summary such as 'measured', 'indicated' and 'inferred' resources, which the United States Securities and Exchange Commission guidelines strictly prohibit companies registered in the United States from including in their filings with the commission. United States investors are urged to consider the disclosure in this regard in our Form 20-F which will be available on our website at www.harmony.co.za/investors/reporting/20f on 26 October 2016.

INTRODUCTION

Gold mining and gold production are central to Harmony's existence. Maintaining and growing our margins efficiently are essential to sustaining our business and meeting our strategic objectives. This includes delivering safely on our operational plans, reducing costs, improving productivity and maximising revenue.

We are devoted to improving the company's operational performance. Our values are entrenched in everything we do – safety, accountability, achievement, being connected and honest – and they inform our decisions and our actions. Realistic planning supports our strategy to optimise assets – our ore bodies, our infrastructure and our people. This will ensure safer, more profitable production. Our life of mine plans for financial year 2017 were done in line with this approach.

Harmony – Total

The company's attributable gold and gold equivalent mineral resources are declared as 105.2Moz as at 30 June 2016, a 4.6% decrease year on year from the 110.3Moz declared as at 30 June 2015. The total gold contained in the mineral resources at the South African operations represents 55.2% of the company total, with the Papua New Guinea (PNG) operations representing 44.8% of Harmony's total gold and gold equivalent mineral resources as at 30 June 2016.

Harmony's attributable gold and gold equivalent mineral reserves amounts to 36.9Moz, a 13.3% decrease from the 42.6Moz declared at 30 June 2015. The gold reserve ounces in South Africa represent

45.4% while the PNG gold and gold equivalent ounces represent 54.6% of Harmony's total mineral reserves as at 30 June 2016.

SOUTH AFRICA

South African underground operations

The company's mineral resources at the South African underground operations as at 30 June 2016 are 48.6Moz (162.1Mt at 9.32g/t), a decrease of 19.9% year on year from the 60.6Moz (217.2Mt at 8.68g/t) declared as at 30 June 2015. This decrease is mainly due to depletion and reduced resources at Unisel and Masimong. There was also a reduction at Doornkop due to the low grade South Reef to the east of the mine that has been removed from the declaration.

The company's mineral reserves at the South African underground operations as at 30 June 2016 are 9.7Moz (54.1Mt at 5.55g/t), a decrease of 35.7% year on year from the 15.0Moz (80.3Mt at 5.82g/t) declared as at 30 June 2015. The decrease is due to normal depletion and the revised Kusasaletu life of mine plan. The shorter life of mine plan at Kusasaletu optimises the mine's cash flow at a higher grade and creates a much stronger margin, providing us with the option to consider the feasibility to access the high grade VCR payshoot below infrastructure in the future.

South African surface operations, including Kalgold

The company's mineral resources at the South African surface operations as at 30 June 2016 are 9.5Moz (1 085.2Mt at 0.27g/t) which is materially the same as at the 30 June 2015 (1 082.3Mt at 0.27g/t).

The company's mineral reserves at the South African surface operations as at 30 June 2016 are 7.1Moz (840.3Mt at 0.26g/t), in line with the 7.1Moz (835.9Mt at 0.26g/t) declared at 30 June 2015.

PAPUA NEW GUINEA (PNG)

Papua New Guinea operations

The company's attributable gold and gold equivalent mineral resources at the PNG operations as at 30 June 2016 are 47.1Moz, an increase of 17.1% year on year from the 40.2Moz declared as at 30 June 2015. This increase is due to resources declared at Kili Teke and increases due to gold equivalent ratios that changed due to new long term commodity prices used.

The company's gold and gold equivalent mineral reserves at the PNG operations as at 30 June 2016 are 20.2Moz, a decrease of 1.8% year on year from the 20.5Moz declared as at 30 June 2015.

ASSUMPTIONS

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

- A gold price of US\$1 150/oz
- An exchange rate of R/US\$12.85
- The above parameters resulted in a rand gold price of R475 000/kg for the South African assets.
- The Hidden Valley mine and Golpu project in the Morobe Mining Joint Venture used commodity prices of US\$ 1 150/oz Au, US\$15.00/oz Ag, US\$5.00/lb Mo and US\$3.00/lb Cu at an exchange rate of US\$0.80 per A\$.
- Gold equivalent ounces are calculated assuming US\$1 150/oz Au, US\$3.00/lb Cu and US\$15.00/oz Ag, and assuming a 100%

recovery for all metals.

Harmony's South African mineral resources and reserves at Tshepong, Phakisa, Kalgold and the group statement were independently reviewed by The Mineral Corporation for compliance to SAMREC. The mineral resources of the Hidden Valley operation were independently reviewed by SRK Consulting Engineers and Scientists and Golpu was independently 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*

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Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016
 SUMMARY UPDATE OF HARMONY'S MINERAL RESOURCES AND MINERAL RESERVES
 (CONTINUED) AS AT 30 JUNE 2016

Mineral Resources:

gold and gold equivalents

Measured

Indicated

Inferred

Total

Tonnes

Gold

Tonnes

Gold

Tonnes

Gold

Tonnes

Gold

(Mt)

g/t

'000oz

(Mt)

g/t

'000oz

(Mt)

g/t

'000oz

(Mt)

g/t

'000oz

SA underground

55.3

9.83

17 475

61.1

9.08

17 846

45.7

9.03

13 248

162.1

9.32

48 569

SA surface incl Kalgold

346.2

0.28

3 146

664.0

0.25

5 266

75.0

0.44
1 051
1 085.2
0.27
9 463
Total South Africa
401.5
20 621
725.2
23 111
120.6
14 299
1 247.3
58 031
Hidden Valley*
1.3
1.09
47
36.4
1.62
1 898
1.1
1.28
47
38.9
1.59
1 991
Wafi-Golpu system*
—
—
—
400.7
0.86
11 051
99.1
0.74
2 358
499.9
0.83
13 409
Kili Teke
—
—
—
—
—
221.5
0.25
1 751
221.5

0.25
1 751
Total Papua New Guinea
1.3
47
437.2
12 949
321.8
4 155
760.3
17 151
Total gold Resources
402.8
20 668
1 162.4
36 060
442.4
18 454
2 007.6
75 182
Hidden Valley – gold equivalent ounces*
1.3
11
35.0
450
1.0
14
37.3
475
Wafi-Golpu – gold equivalent ounces*
–
–
344.0
21 469
87.8
3 559
431.8
25 028
Kili Teke
–
–
–
–
221.5
4 494
221.5
4 494
Total gold equivalent Resources*
1.3
11
379.0

21 919

310.3

8 067

690.6

29 997

Total Harmony gold and gold

equivalent Resource**

402.8

20 679

1162.4

57 979

442.4

26 521

2 007.6

105 179

Mineral Resources:

silver and copper

(used in equivalent calculations)

Measured

Indicated

Inferred

Total

Tonnes

Silver

Tonnes

Silver

Tonnes

Silver

Tonnes

Silver

(Mt)

g/t

'000oz

(Mt)

g/t

'000oz

(Mt)

g/t

'000oz

(Mt)

g/t

'000oz

Hidden Valley

1.3

21.52

882

35.0

30.72

34 526

1.0

31.69

1 057

37.3

30.43

36 466

Measured

Indicated

Inferred

Total

Tonnes

Copper

Tonnes

Copper

Tonnes

Copper

Tonnes

Copper

(Mt)

%

'Mlb

(Mt)

%

'Mlb

(Mt)

%

'Mlb

(Mt)

%

'Mlb

Golpu

–

–

–

344.0

1.09

8 232

67.9

0.85

1 273

411.9

1.05

9 505

Nambonga

–

–

–

–

–

–

19.9

0.21

92

19.9
 0.21
 92
 Kili Teke
 –
 –
 –
 –
 –
 –
 221.5
 0.35
 1 723
 221.5
 0.35
 1 723
Total
 –
 –
 –
344.0
1.09
8 232
309.3
0.45
3 088
653.3
0.79
11 320
Mineral Reserves: gold and gold equivalents
Proved
Probable
Total
 Tonnes
 Gold
 Tonnes
 Gold
 Tonnes
 Gold
 (Mt)
 g/t
 ‘000oz
 (Mt)
 g/t
 ‘000oz
 (Mt)
 g/t
 ‘000oz
 SA Underground
 37.6
 5.81

7 008

16.6

4.96

2 645

54.1

5.55

9 654

SA Surface including Kalgold

261.0

0.28

2 384

579.4

0.25

4 720

840.4

0.26

7 104

Total South Africa

298.5

9 393

596.0

7 365

894.5

16 758

Hidden Valley*

1.3

1.09

47

12.5

1.67

671

13.8

1.62

718

Golpu system*

—

—

—

189.6

0.91

5 522

189.6

0.91

5 522

Total Papua New Guinea

1.3

47

202.0

6 193

203.4

6 239

Total gold Reserves

299.9

9 440

798.0

13 558

1 097.9

22 997

Hidden Valley – gold equivalent ounces*

1.3

12

11.5

167

12.7

178

Golpu – gold equivalent ounces*

–

–

189.6

13 741

189.6

13 741

Total gold equivalent Reserves*

1.3

12

201.0

13 908

202.3

13 919

Total Harmony gold and gold equivalent Reserves**

299.9

9 451

798.0

27 465

1 097.9

36 916

Mineral Reserves: silver and copper

(used in equivalent calculations)

Proved

Probable

Total

Tonnes

Silver

Tonnes

Silver

Tonnes

Silver

(Mt)

g/t

'000oz

(Mt)

g/t

'000oz

(Mt)

g/t

'000oz

Hidden Valley

1.3

21.52

882

11.5

34.69

12 789

12.7

33.37

13 671

Proved

Probable

Total

Tonnes

Copper

Tonnes

Copper

Tonnes

Copper

(Mt)

%

'Mlb

(Mt)

%

'Mlb

(Mt)

%

'Mlb

Golpu

—

—

—

189.6

1.26

5 269

189.6

1.26

5 269

* Represents Harmony's equity portion of 50%.

** 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 six months and year ended 30 June 2016
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ADMINISTRATIVE INFORMATION FOR PROFESSIONAL ORGANISATIONS

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; Facsimile: +27 (86) 206 0427
<http://www.sacnasp.org.za/>

SAIMM – THE SOUTHERN AFRICAN INSTITUTE OF MINING AND METALLURGY
P.O. Box 61127, Marshalltown, 2107
Gauteng Province, South Africa
Telephone: +27 (011) 834-1273/7;
Facsimile: +27 (011) 838-5923/8156
<http://www.saimm.co.za/>

AUSIMM – THE AUSTRALASIAN INSTITUTE OF MINING AND METALLURGY
PO Box 660, Carlton South, Vic 3053, Australia
Telephone: +61 3 9658 6100; Facsimile: +61 3 9662 3662
<http://www.ausimm.com.au/>

LEGAL ENTITLEMENT TO THE MINERALS BEING REPORTED UPON

Harmony's South African 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.

DECLARATION OF ORDINARY DIVIDEND NO. 86

The board has approved and declared a final dividend of 50 SA cents per ordinary share in respect of the year ended 30 June 2016.

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

- The dividend has been declared out of income reserves;
- The local Dividends Tax rate is 15% (fifteen per centum);
- The gross local dividend amount is 50 SA cents per ordinary share for shareholders exempt from the Dividends Tax;
- The net local dividend amount is 42.5 SA cents per ordinary share for shareholders liable to pay the Dividends Tax;
- Harmony currently has 437 299 479 ordinary shares in issue (which includes 572 296 treasury shares); and
- Harmony Gold Mining Company Limited's income tax reference number is 9240/012/60/0.

A dividend No. 86 of 50 SA cents per ordinary share, being the dividend for the year ended 30 June 2016, has been declared

payable on Monday, 19 September 2016 to those shareholders recorded in the books of the company at the close of business on Friday, 16 September 2016. The dividend is declared in the currency of the Republic of South Africa. Any change in address or dividend instruction to apply to this dividend must be received by the company's transfer secretaries or registrar not later than Friday, 16 September 2016.

Last date to trade ordinary shares *cum* dividend is Tuesday, 13 September 2016

Ordinary shares trade ex-dividend Wednesday, 14 September 2016

Record date Friday, 16 September 2016

Payment date Monday, 19 September 2016

No dematerialisation or rematerialisation of share certificates may occur between Wednesday, 14 September 2016 and Friday, 16 September 2016, both dates inclusive, nor may any transfers between registers take place during this period.

NOTICE OF CASH DIVIDEND

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 Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016
 OPERATING RESULTS – SIX MONTHLY (RAND/METRIC) (US\$/IMPERIAL)

Underground production

Six
 months
 ending
 Kusasalethu
 Doornkop
 Phakisa
 Tshepong
 Masimong
 Target 1
 Bambanani

**Ore
 milled
 – t'000**

Jun-16

286

316

330

535

301

359

106

Dec-15

382

314

356

553

349

380

126

Gold produced

– kg

Jun-16

1 874

1 356

1 962

2 506

1 098

1 299

1 217

Dec-15

1 989

1 374

2 026

2 525

1 334

2 088

1 796

– oz

Jun-16

60 250

43 597

63 080

80 570

35 301

41 764

39 127

Dec-15

63 948

44 175

65 137

81 181

42 889

67 131

57 743

Yield

– g/tonne

Jun-16

6.55

4.29

5.95

4.68

3.65

3.62

11.48

Dec-15

5.21

4.38

5.69

4.57

3.82

5.49

14.25

Cash

operating

costs

– R/kg

Jun-16

493 474

393 324

359 707

378 718

472 507

474 139

330 966

Dec-15

463 958

381 921

331 657

354 907
389 369
300 044
225 845
– \$/oz

Jun-16

997

795

727

765

955

958

669

Dec-15

1 060

872

758

811

889

685

516

**Cash operating
costs**

– R/tonne

Jun-16

3 233

1 688

2 139

1 774

1 724

1 716

3 800

Dec-15

2 416

1 671

1 887

1 621

1 488

1 649

3 219

Gold sold

– Kg

Jun-16

1 806

1 314

1 955

2 496

1 095

1 323

1 212

Dec-15

2 016
1 398
2 036
2 533
1 337
2 096
1 803

- oz

Jun-16

58 064

42 247

62 855

80 248

35 205

42 535

38 967

Dec-15

64 816

44 946

65 459

81 437

42 986

67 388

57 967

Revenue

(R'000)

Jun-16

1 094 106

793 872

1 184 626

1 513 124

662 784

800 723

733 943

Dec-15

983 659

686 256

1 001 761

1 242 604

654 888

1 032 532

883 332

Cash operating costs

(R'000)

Jun-16

924 771

533 348

705 746

949 067

518 813

615 907

402 786

Dec-15

922 812

524 760

671 938

896 140

519 418

626 491

405 617

**Inventory
movement**

(R'000)

Jun-16

(43 481)

(25 720)

(4 988)

(7 011)

(2 906)

632

(977)

Dec-15

12 174

14 318

2 469

5 886

2 614

6 938

3 877

**Operating
costs**

(R'000)

Jun-16

881 290

507 628

700 758

942 056

515 907

616 539

401 809

Dec-15

934 986

539 078

674 407

902 026

522 032

633 429

409 494

**Production
profit**

(R'000)

Jun-16

212 816
286 244
483 868
571 068
146 877
184 184
332 134
Dec-15
48 673
147 178
327 354
340 578
132 856
399 103
473 838
Production
profit
(\$'000)
Jun-16
13 824
18 594
31 432
37 095
9 541
11 964
21 574
Dec-15
3 575
10 808
24 040
25 011
9 756
29 309
34 796
Capital
expenditure
(R'000)
Jun-16
196 209
115 874
162 445
167 480
57 328
160 994
52 850
Dec-15
163 303
91 753
160 618
139 378
52 961

161 344
 53 306
 (\$'000)
Jun-16
12 745
7 527
10 552
10 879
3 724
10 458
3 433
 Dec-15
 11 992
 6 738
 11 795
 10 235
 3 889
 11 848
 3 915
Cash Operating
Cost and Capital
– R/kg
Jun-16
598 175
478 777
442 503
445 549
524 719
598 076
374 393
 Dec-15
 546 061
 448 699
 410 936
 410 106
 429 070
 377 316
 255 525
– \$/oz
Jun-16
1 209
967
894
900
1 060
1 208
756
 Dec-15
 1 247
 1 025
 939

937
980
862
584

**All-in sustaining*
costs**

– R/kg*

Jun-16
614 069
486 741
453 534
456 159
546 615
604 176
375 987

Dec-15
558 006
461 175
420 099
420 902
450 047
388 367
256 670

– \$/oz*

Jun-16
1 241
983
916
922
1 104
1 221
760

Dec-15
1 275
1 053
960
961
1 028
887
586

** Excludes share-based payment charge.*

Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016

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South Africa

Surface production

Joel

Unisel

Total

Underground

Phoenix

Dumps

Kalgold

Total

Surface

Total

South

Africa

Hidden

Valley

Total

Harmony

264

202

2 699

3 161

1 612

745

5 518

8 217

994

9 211

278

222

2 960

3 304

1 429

734

5 467

8 427

735

9 162

1 086

765

13 163

385

518

532

1 435

14 598

1 376

15 974

1 192

939
15 263
419
547
571
1 537
16 800
881
17 681
34 916
24 595
423 200
12 378
16 654
17 104
46 136
469 336
44 240
513 576
38 323
30 190
490 717
13 471
17 587
18 359
49 417
540 134
28 325
568 459
4.11
3.79
4.88
0.12
0.32
0.71
0.26
1.78
1.38
1.73
4.29
4.23
5.16
0.13
0.38
0.78
0.28
1.99
1.20
1.93
391 795
499 125

414 629
414 577
434 317
518 949
460 397
419 128
357 227
413 796
352 208
396 112
351 108
383 002
369 514
476 532
412 949
356 765
669 695
372 358
792
1 008
838
838
878
1 048
930
847
722
836
804
905
802
875
844
1 088
943
815
1 530
851
1 612
1 890
2 022
50
140
371
120
745
495
718
1 510
1 675
1 810

49
141
371
116
711
803
719
1 008
761
12 970
379
507
550
1 436
14 406
1 494
15 900
1 237
944
15 400
409
551
536
1 496
16 896
846
17 742
32 408
24 467
416 996
12 185
16 300
17 683
46 168
463 164
48 034
511 198
39 771
30 350
495 120
13 150
17 715
17 233
48 098
543 218
27 199
570 417
610 307
461 552
7 855 037
228 671

305 487
331 996
866 154
8 721 191
905 875
9 627 066
609 720
463 388
7 558 140
200 308
271 119
263 210
734 637
8 292 777
414 521
8 707 298
425 489
381 831
5 457 758
159 612
224 976
276 081
660 669
6 118 427
491 544
6 609 971
419 832
371 949
5 358 957
160 478
202 124
272 100
634 702
5 993 659
590 001
6 583 660
(33 734)
(1 383)
(119 568)
(4 371)
(10 171)
7 888
(6 654)
(126 222)
51 051
(75 171)
19 605
1 493
69 374
(3 466)
1 575

(16 025)
(17 916)
51 458
79 522
130 980
391 755
380 448
5 338 190
155 241
214 805
283 969
654 015
5 992 205
542 595
6 534 800
439 437
373 442
5 428 331
157 012
203 699
256 075
616 786
6 045 117
669 523
6 714 640
218 552
81 104
2 516 847
73 430
90 682
48 027
212 139
2 728 986
363 280
3 092 266
170 283
89 946
2 129 809
43 296
67 420
7 135
117 851
2 247 660
(255 002)
1 992 658
14 197
5 268
163 489
4 770
5 891
3 121

13 782
177 271
23 598
200 869
12 505
6 604
156 404
3 180
4 951
524
8 655
165 059
(18 726)
146 333
103 098
32 263
1 048 541
4 736
14 402
17 966
37 104
1 085 645
38 465
1 124 110
111 909
29 802
964 374
576
3 197
18 028
21 801
986 175
40 369
1 026 544
6 697
2 096
68 111
308
936
1 167
2 411
70 522
2 499
73 021
8 218
2 189
70 819
42
235
1 324
1 601

72 420
2 965
75 385
486 728
541 299
494 287
426 878
462 120
552 720
486 253
493 497
385 181
484 167
446 091
427 850
414 291
384 377
375 358
508 105
427 133
415 466
715 516
430 417
983
1 094
999
862
934
1 117
982
997
778
978
1 019
977
946
878
857
1 161
976
949
1 634
983
445 332
561 454
501 430
422 997
461 111
565 351
490 977
499 393

429 121

492 792

407 736

443 413

421 597

386 218

386 406

528 067

437 110

422 371

894 524

444 884

900

1 134

1 013

855

932

1 142

992

1 009

867

996

931

1 013

963

882

883

1 206

998

965

2 043

1 016

11

Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016

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

Year

ended

Underground production

Kusasaletu

Doornkop

Phakisa

Tshepong

Masimong

Target 1

Bambanani

Ore milled

– t'000

Jun-16

668

630

686

1 088

650

739

232

Jun-15

908

603

611

992

670

749

229

Gold

produced

– kg

Jun-16

3 863

2 730

3 988

5 031

2 432

3 387

3 013

Jun-15

3 953

2 663

3 118

4 278

2 463

3 824

2 908

– oz

Jun-16
124 198
87 772
128 217
161 751
78 190
108 895
96 870

Jun-15
127 092
85 618
100 246
137 540
79 187
122 944
93 495

Yield
- g/tonne

Jun-16
5.78
4.33
5.81
4.62
3.74
4.58
12.99

Jun-15
4.35
4.42
5.10
4.31
3.68
5.11
12.70

Cash
operating
costs
- R/kg

Jun-16
478 277
387 585
345 457
366 767
426 904
366 814
268 305

Jun-15
472 112
402 065
373 876
371 149

397 380
 308 156
 239 552

– \$/oz

Jun-16

1 026

831

741

787

916

787

576

Jun-15

1 283

1 092

1 016

1 008

1 080

837

651

Cash operating costs – R/tonne

Jun-16

2 766

1 680

2 008

1 696

1 597

1 681

3 484

Jun-15

2 055

1 776

1 908

1 601

1 461

1 573

3 042

Gold sold

– Kg

Jun-16

3 822

2 712

3 991

5 029

2 432

3 419

3 015

Jun-15

4 297

2 711

3 156

4 337

2 491

3 868

2 947

– oz

Jun-16

122 880

87 193

128 314

161 685

78 191

109 923

96 934

Jun-15

138 151

87 160

101 468

139 437

80 087

124 358

94 748

Revenue

(R'000)

Jun-16

2 077 765

1 480 128

2 186 387

2 755 728

1 317 672

1 833 255

1 617 275

Jun-15

1 938 854

1 219 563

1 420 103

1 948 230

1 118 128

1 737 965

1 329 685

Cash operating costs

(R'000)

Jun-16

1 847 583

1 058 108

1 377 684

1 845 207

1 038 231

1 242 398

808 403

Jun-15

1 866 258

1 070 700
1 165 744
1 587 777
978 747
1 178 389
696 616

**Inventory
movement**

(R'000)

Jun-16
(31 307)
(11 402)
(2 519)
(1 125)
(292)
7 570
2 900

Jun-15
129 449
21 487
15 055
23 589
12 776
12 463
8 156

Operating costs

(R'000)

Jun-16
1 816 276
1 046 706
1 375 165
1 844 082
1 037 939
1 249 968
811 303

Jun-15
1 995 707
1 092 187
1 180 799
1 611 366
991 523
1 190 852
704 772

**Production
profit**

(R'000)

Jun-16
261 489
433 422
811 222
911 646

279 733

583 287

805 972

Jun-15

(56 853)

127 376

239 304

336 864

126 605

547 113

624 913

(\$'000)

Jun-16

18 035

29 893

55 950

62 876

19 293

40 229

55 588

Jun-15

(4 966)

11 127

20 905

29 427

11 060

47 794

54 591

Capital

expenditure

(R'000)

Jun-16

359 512

207 627

323 063

306 858

110 289

322 338

106 156

Jun-15

462 863

245 144

403 495

313 317

165 670

295 504

109 910

(\$'000)

Jun-16

24 795

14 320

22 282

21 164

7 607

22 232

7 322

Jun-15

40 434

21 415

35 248

27 370

14 472

25 814

9 601

**Cash Operating
Cost and Capital**

– R/kg

Jun-16

571 342

463 639

426 466

427 761

472 253

461 983

303 538

Jun-15

589 203

494 121

503 284

444 388

464 644

385 432

277 347

– \$/oz

Jun-16

1 226

995

915

918

1 013

991

651

Jun-15

1 601

1 343

1 367

1 207

1 262

1 047

754

**All-in sustaining*
costs**

– R/kg

Jun-16

584 498

473 562

436 477

438 401

493 527

471 876

304 634

Jun-15

587 406

501 151

495 644

454 512

479 096

395 669

270 623

– \$/oz

Jun-16

1 254

1 016

936

940

1 059

1 012

654

Jun-15

1 596

1 362

1 347

1 235

1 302

1 075

735

** Excludes share-based payment charge.*

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Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016

12

South Africa

Hidden

Valley

Total

Harmony

Surface production

Joel

Unisel

Target 3

Total

Underground

Phoenix

Dumps

Kalgold

Total

Surface

Total

South

Africa

542

424

–

5 659

6 465

3 041

1 479

10 985

16 644

1 729

18 373

551

417

90

5 820

6 245

2 701

1 472

10 418

16 238

1 825

18 063

2 278

1 704

–

28 426

804

1 065

1 103

2 972

31 398

2 257

33 655

2 258

1 695

483

27 643

867

862

1 198

2 927

30 570

2 943

33 513

73 239

54 785

-

913 917

25 849

34 241

35 463

95 553

1 009 470

72 565

1 082 035

72 596

54 495

15 529

888 742

27 875

27 713

38 517

94 105

982 847

94 619

1 077 466

4.20

4.02

-

5.02

0.12

0.35

0.75

0.27

1.89

1.31

1.83

4.10

4.06

5.37

4.75

0.14
0.32
0.81
0.28
1.88
1.61
1.86
371 080
442 359
—
380 522
398 122
401 033
496 991
435 858
385 760
479 196
392 026
334 168
397 615
352 497
366 928
339 896
382 959
377 547
367 988
367 030
391 774
369 203
796
949
—
816
854
860
1 066
935
828
1 028
841
908
1 080
958
997
924
1 041
1 026
1 000
997
1 065
1 003

1 560

1 778

-

1 911

50

140

371

118

728

626

718

1 369

1 616

1 892

1 743

47

122

307

103

691

632

685

2 245

1 705

-

28 370

788

1 058

1 086

2 932

31 302

2 340

33 642

2 330

1 715

502

28 354

881

864

1 230

2 975

31 329

3 003

34 332

72 179

54 817

-

912 116

25 335

34 015

34 916

94 266
1 006 382
75 233
1 081 615
74 911
55 138
16 140
911 598
28 324
27 778
39 545
95 647
1 007 245
96 548
1 103 793
1 220 027
924 940
—
15 413 177
428 979
576 606
595 206
1 600 791
17 013 968
1 320 396
18 334 364
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
845 321
753 780
—
10 816 715
320 090
427 100
548 181
1 295 371
12 112 086
1 081 545
13 193 631
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
(14 129)
110
—
(50 194)
(7 837)
(8 596)
(8 137)
(24 570)
(74 764)
130 573
55 809
14 955
7 904
6 917
252 751
4 947
871
10 839
16 657
269 408
(9 898)
259 510
831 192
753 890
—
10 766 521
312 253
418 504
540 044
1 270 801
12 037 322
1 212 118
13 249 440
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
388 835
171 050
—
4 646 656
116 726
158 102
55 162
329 990
4 976 646
108 278
5 084 924
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
26 817
11 797
—
320 478
8 051
10 904
3 804
22 759
343 237
7 467
350 704
24 174
7 715
3 959
205 786
8 453
5 083
7 703
21 239
227 025
17 752
244 777
215 007
62 065
—
2 012 915
5 312
17 599

35 994
58 905
2 071 820
78 834
2 150 654
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
14 829
4 281
—
138 832
366
1 214
2 482
4 062
142 894
5 437
148 331
15 920
8 686
1 785
200 745
318
522
3 573
4 413
205 158
10 581
215 739
465 464
478 782
—
451 334
404 729
417 558
529 624
455 678
451 746
514 125
455 929
414 876
456 274

394 810
450 060
344 096
389 896
411 685
385 248
443 854
432 930
442 895
999
1 027
-
968
868
896
1 136
978
969
1 103
978
1 127
1 240
1 073
1 223
935
1 059
1 119
1 047
1 206
1 176
1 203
424 617
496 099
-
458 094
403 907
422 205
546 949
463 492
457 819
597 398
467 526
384 022
469 246
403 249
452 900
344 319
403 906
422 323
393 875
447 135

514 690

453 044

911

1 064

-

983

866

906

1 173

994

982

1 282

1 003

1 043

1 275

1 096

1 231

936

1 097

1 148

1 070

1 215

1 395

1 231

13

Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016

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

H2 FY16 RESULTS

RAND AND US\$ RESULTS

FOR THE SIX MONTHS AND YEAR ENDED

30 JUNE 2016

Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016

14

CONDENSED CONSOLIDATED INCOME STATEMENTS (RAND)

30 June

31 December

30 June

30 June

30 June

2016

2015

2015

2016

2015

Figures in million

Note

(Unaudited)

(Unaudited)

(Unaudited)

(Reviewed)

(Audited)

Revenue

9 627

8 707

7 288

18 334

15 435

Cost of sales

2

(7 780)

(8 006)

(10 760)

(15 786)

(19 053)

Production costs

(6 535)

(6 715)

(6 018)

(13 250)

(12 632)

Amortisation and depreciation

(1 084)

(1 086)

(1 220)

(2 170)

(2 472)

Reversal of impairment/(impairment) of assets

43

-

(3 471)

43

(3 471)

Other items

(204)

(205)

(51)

(409)

(478)

Gross profit/(loss)

1 847

701

(3 472)

2 548

(3 618)

Corporate, administration and other expenditure

(227)

(182)

(185)

(409)

(378)

Social investment expenditure

(33)

(25)

(32)

(58)

(71)

Exploration expenditure

(88)

(103)

(83)

(191)

(263)

6

Foreign exchange translation gain/(loss)

3

606

(798)

(125)

(192)

(367)

Other expenses (net)

(31)

(11)

(9)

(42)

(5)

Operating profit/(loss)

2 010

(418)

(3 967)

1 592

(5 193)

Profit/(loss) from associates

7
(28)
 35
 (25)
7
 (25)
 Profit on disposal of investments
 -
 -
 4
 -
 4
 Net gain/(loss) on financial instruments
28
 (13)
 (8)
15
 9
 Investment income
127
 114
 118
241
 229
 Finance cost
(133)
 (141)
 (132)
(274)
 (264)
Profit/(loss) before taxation
2 004
 (423)
 (4 010)
1 581
 (5 240)
 Taxation
 4
(610)
 (22)
 595
(632)
 704
 Normal taxation
(122)
 (1)
 7
(123)
 5
 Deferred taxation
(488)

(21)
 588
(509)
 699
Net profit/(loss) for the period
1 394
 (445)
 (3 415)
949
 (4 536)
Attributable to:
 Owners of the parent
1 394
 (445)
 (3 415)
949
 (4 536)
Earnings/(loss) per ordinary share (cents)

5
 Basic earnings/(loss)
320
 (102)
 (786)
218
 (1 044)
 Diluted earnings/(loss)
306
 (102)
 (786)
213
 (1 044)

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

Six months ended

Year ended

The condensed consolidated provisional financial statements (condensed consolidated financial statements) for the year ended 30 June 2016 have been prepared by Harmony Gold Mining Company Limited's corporate reporting team headed by Herman Perry. This process was supervised by the financial director, Frank Abbott and approved by the board of Harmony Gold Mining Company Limited on 15 August 2016. These condensed consolidated financials have been reviewed by the group's external auditors, PricewaterhouseCoopers Incorporated (see note 16).

(491)
 Loss on scrapping of property, plant and equipment
(64)
 -
 (61)
(64)

15

Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016

30 June

31 December

30 June

30 June

30 June

2016

2015

2015

2016

2015

Figures in million

(Unaudited)

(Unaudited)

(Unaudited)

(Reviewed)

(Audited)

Net profit/(loss) for the period

1 394

(445)

(3 415)

949

(4 536)

Foreign exchange translation gain/(loss)

(333)

472

(11)

139

54

Items that will not be reclassified to profit or loss:

4

-

5

4

5

Remeasurement of retirement benefit obligation

Actuarial gain recognised during the year

3

-

8

3

8

Deferred taxation thereon

1

-

(3)

1

(3)

Total comprehensive income/(loss) for the period

1 065

27
 (3 421)
1 092
 (4 477)
Attributable to:
 Owners of the parent
1 065

27
 (3 421)
1 092
 (4 477)

The accompanying notes are an integral part of these condensed consolidated financial statements.
 for the year ended 30 June 2016

Balance - 30 June 2015

28 324
3 787
(5 358)
26 753

Share-based payments

-
322

-
322

Reversal of provision for odd lot repurchases

12
 -
 -
12

Net profit for the period

-
 -
949
949

Other comprehensive income for the period

-
143
 -
143

Balance - 30 June 2016 (Reviewed)

28 336
4 252
(4 409)
28 179

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 (Audited)

28 324
3 787
(5 358)
26 753

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

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (RAND)

Accumulated loss

Share capital

Other

reserves

Total

Figures in million

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

(329)

472

(6)

143

59

(333)

472

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (RAND)

(11)

139

54

Items that may be reclassified subsequently to profit or loss:

Six months ended

Year ended

Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016

16

CONDENSED CONSOLIDATED BALANCE SHEETS (RAND)

At

At

At

30 June

31 December

30 June

2016

2015

2015

Figures in million

Note

(Reviewed)

(Unaudited)

(Audited)

ASSETS

Non-current assets

Property, plant and equipment

6

29 919

30 101

29 548

Intangible assets

870

878

885

Restricted cash

62

55

48

Restricted investments

2 496

2 434

2 384

Investments in associates

7

-

10

-

Investments in financial assets

5

5

5

Inventories

37

36

36

Other non-current receivables

12

	172
	74
	80
Total non-current assets	
	33 561
	33 593
	32 986
Current assets	
Inventories	
	1 167
	1 260
	1 292
Trade and other receivables	
	7
	654
	658
	746
Income and mining taxes	
	4
	6
	11
	30
Derivative financial assets	
	3
	369
	-
	-
Restricted cash	
	17
	16
	16
Cash and cash equivalents	
	1 256
	876
	1 067
Total current assets	
	3 469
	2 821
	3 151
Total assets	
	37 030
	36 414
	36 137
EQUITY AND LIABILITIES	
Share capital and reserves	
Share capital	
	28 336
	28 324
	28 324
Other reserves	
	4 252

4 358
 3 787
 Accumulated loss
(4 409)
 (5 803)
 (5 358)
Total equity
28 179
 26 879
 26 753
Non-current liabilities
 Deferred tax liabilities
2 413
 1 926
 1 906
 Provision for environmental rehabilitation
2 183
 2 364
 2 218
 Retirement benefit obligation
169
 170
 163
 Other non-current liabilities
16
 41
 37
 Borrowings
 8
2 039
 3 092
 3 399
Total non-current liabilities
6 820
 7 593
 7 723
Current liabilities
 Borrowings
 8
300
 299
 -
 Income and mining taxes
 4
40
 1
 1
 Trade and other payables
1 691
 1 642
 1 660

2 031

1 942

1 661

Total current liabilities

2 031

1 942

1 661

Total equity and liabilities

37 030

36 414

36 137

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

17

Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016

30 June

31 December

30 June

30 June

30 June

2016

2015

2015

2016

2015

Figures in million

Note

(Unaudited)

(Unaudited)

(Unaudited)

(Reviewed)

(Audited)

2 923

1 736

921

4 659

1 928

27

47

46

74

101

Interest paid

(116)

(39)

(62)

(155)

(108)

(83)

18

21

(65)

85

Cash generated by operating activities

2 751

1 762

926

4 513

2 006

(Increase)/decrease in restricted cash

(5)

(7)

8

(12)

8
Decrease in restricted investments
36
3
30
39
31
(Increase)/decrease in loan to associate
-
7
-
7
(120)
Loan to ARM BBEE Trust
12
(200)
-
-
(200)
-
Net additions to property, plant and equipment
10
(1 265)
(1 168)
(1 428)
(2 433)
(2 827)
(1 434)
(1 165)
(1 390)
(2 599)
(2 908)
Borrowings raised
8
-
300
941
300
941
Borrowings repaid
8
(928)
(1 117)
(793)
(2 045)
(793)
Cash generated/(utilised) by financing activities
(928)
(817)
148
(1 745)

148

Foreign currency translation adjustments

(9)

29

9

20

(8)

Net increase/(decrease) in cash and cash equivalents

380

(191)

(307)

189

(762)

Cash and cash equivalents - beginning of period

876

1 067

1 374

1 067

1 829

Cash and cash equivalents - end of period

1 256

876

1 067

1 256

1 067

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

Income and mining taxes (paid)/refunded

Cash utilised by investing activities

Cash flow from financing activities

Cash flow from investing activities

Interest and dividends received

Six months ended

Cash flow from operating activities

Cash generated by operations

Year ended

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

(RAND)

Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016
18
for the year ended 30 June 2016 (Rand)

1 Accounting policies

Basis of accounting

2 Cost of sales

30 June

31 December

30 June

30 June

30 June

2016

2015

2015

2016

2015

Figures in million

(Unaudited)

(Unaudited)

(Unaudited)

(Reviewed)

(Audited)

Production costs - excluding royalty

6 427

6 652

5 976

13 079

12 537

Royalty expense

108

63

42

171

95

Amortisation and depreciation

1 084

1 086

1 220

2 170

2 472

(Reversal of impairment)/impairment of assets¹

(43)

-

3 471

(43)

3 471

Rehabilitation expenditure/(credit)²

(69)

28

(26)

(41)

(6)
Care and maintenance cost of restructured shafts

56

58

69

114

106

Employment termination and restructuring costs

1

15

21

16

251

Share-based payments³

224

105

68

329

208

Other

(8)

(1)

(81)

(9)

(81)

Total cost of sales

7 780

8 006

10 760

15 786

19 053

1

2

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

3

3 Foreign exchange translation gain/(loss)

30 June

31 December

30 June

30 June

30 June

2016

2015

2015

2016

2015

Figures in million

(Unaudited)

(Unaudited)

(Unaudited)

(Reviewed)

(Audited)

Unrealised derivative gain (b)

369

-

-

369

-

Realised derivative gain (b)

77

-

-

77

-

Other

25

2

(3)

27

15

Total foreign exchange translation gain/(loss)

606

(798)

(125)

(192)

(367)

Rand/US\$ exchange rate:

Closing/spot at

14.72

15.62

12.16

14.72

12.16

Average

15.39

13.62

11.91

14.50

11.45

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

b) During February 2016, Harmony entered into foreign exchange hedging contracts (forex hedging contracts) in the form of zero cost collars, which establish a minimum (floor) and maximum (cap) Rand/US Dollar exchange rate at which to convert US dollars to Rands. The nominal value of open forex hedging contracts at 30 June 2016 is US\$500 million. The hedging contracts are spread over a 12 month period with a weighted average cap price of US\$1=R18.27 and weighted average floor price of US\$1=R15.55. The mark-to-market of the derivative asset is R369 million as at 30 June 2016 due to the strengthening of the Rand exchange rate

against the US dollar since the conclusion of the forex hedging contracts. As we do not apply hedge accounting, the gains have been recorded in the income statement.

Due to the low share price at the time of the awarding of performance shares (PS) for 2015, a large number of PS were allocated to employees. The increase in the share price between the award date and the approval date resulted in an increase in the IFRS 2 Share-based payment fair value per award measurement.

135

(382)

(665)

(122)

(800)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The condensed consolidated financial statements for the year ended 30 June 2016 are prepared in accordance with the requirements of

the JSE Limited Listings Requirements for provisional reports and the requirements of the Companies Act of South Africa. The Listings

Requirements require provisional reports to be prepared in accordance with the framework concepts and the measurement and

recognition requirements of International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards

Board (IASB) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial

Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by

IAS 34 *Interim Financial Reporting*. The accounting policies applied in the preparation of the condensed consolidated financial

statements are in terms of IFRS and are consistent with those applied in the previous consolidated annual financial statements.

Six months ended

Six months ended

Year ended

Year ended

The net reversal of impairment of long-lived assets in the June 2016 period consists of a reversal of impairment of R738 million on Doornkop, offset

by an impairment of R466 million on Hidden Valley and R229 million on Masimong. The June 2015 impairment 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. Refer to note 6 for further details.

Translation gain/(loss) on US\$ revolving credit facility (a)

19

Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016
for the year ended 30 June 2016 (Rand)

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS**

4 Taxation

5 Earnings/(loss) per share

30 June

31 December

30 June

30 June

30 June

2016

2015

2015

2016

2015

(Unaudited)

(Unaudited)

(Unaudited)

(Reviewed)

(Audited)

Weighted average number of shares (million)

436.3

435.2

434.7

435.7

434.4

Weighted average number of diluted shares (million)

455.9

436.9

438.6

446.4

438.1

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

Basic earnings/(loss)

320

(102)

(786)

218

(1 044)

Diluted earnings/(loss)

306

(102)

(786)

213

(1 044)

Headline earnings/(loss)

324

(103)

(16)

221

(189)

Diluted headline earnings/(loss)

310

(103)

(16)

216

(189)

Figures in million

Reconciliation of headline earnings/(loss):

Net profit/(loss)

1 394

(445)

(3 415)

949

(4 536)

Adjusted for:

Profit on disposal of investments¹

-

-

(4)

-

(4)

Reversal of impairment/(impairment) of assets

(43)

-

3 471

(43)

3 471

Profit on sale of property, plant and equipment

(3)

(4)

(5)

(7)

(6)

Loss on scrapping of property, plant and equipment

64

-

61

64

491

Headline earnings/(loss)

1 412

(449)

(71)

964

(821)

1

There is no taxation effect on this item.

6 Property, plant and equipment

(a) Impairment/reversal of impairment

2017 onwards

US\$ gold price (\$/ounce)

1 189

US\$ silver price (\$/ounce)

17.80

Exchange rate (R/US\$)

13.86

Exchange rate (PGK/US\$)

3.10

Rand gold price (R/Kg)

530 000

(67)

Taxation effect on profit on sale of property, plant and equipment

-

-

(1)

1

Taxation effect on reversal of impairment/(impairment) of assets

12 -

(169)

12

(169)

Normal taxation expense increased during the year ended 30 June 2016 due to the increased profitability at most of the South African

operations and the inclusion of the unrealised derivative gain of R369 million in determining taxable income.

The deferred tax expense increased during 2016 due to the net increase in the deferred tax rates year on year and utilisation of

assessed losses and unredeemed capital by the South African companies. The weighted average deferred tax rates for most South

African companies increased as a result of increased forecast profitability of these operations.

Six months ended

(1)

Taxation effect on loss on scrapping of property, plant and equipment

(12)

-

(9)

(12)

Year ended

One of the most significant assumptions that influence the Group's operations' life-of-mine plans and therefore impairment is the

expected gold price. During this year's planning and testing, commodity price and exchange rate assumptions as per the table below

were used. Post-tax real discount rates ranging between 8.43% and 11.77% (2015: 7.99% and 12.03%), depending on the asset,

were used to determine the recoverable amounts (generally fair value less costs to sell).

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, US\$5.84 per ounce was used for indicated and inferred resources.

Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016
20

for the year ended 30 June 2016 (Rand)

The annual impairment assessment performed resulted in a net reversal of impairment of R43 million for the 2016 financial year.

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

7 Investment in associate

8 Borrowings

US\$ facility

Rand facility

Figures in million

US dollar

SA rand

Borrowings summary at 30 June 2016

Facility

250

1 300

Drawn down

140

300

Undrawn committed borrowing facilities

110

1 000

February

2018

Interest rate

LIBOR + 3%

JIBAR + 3.5%

At 30 June 2016, the drawn amount of R300 million on the Nedbank facility is repayable within 12 months and has been reclassified as

current. Refer to note 13 for events after reporting date.

The recoverable amounts for these assets 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 commodity price used in the discounted cash flow models and the resource values

used (with all other variables held constant) would have resulted in an additional impairment at Hidden Valley of R319 million and

Masimong of R281 million. The decreases noted would have resulted in impairments at Unisel of R162 million, Free State surface

assets of R141 million, Other Harmony assets of R46 million and Doornkop of R15 million (as opposed to the reversal recorded of

R738 million).

At 30 June 2016, following the annual life-of-mine planning, an amount of R64 million (2015: R491 million) was recorded for various

operations as a result of the abandonment of uneconomical areas in the life-of-mine plans of those operations. The abandonment of

unprofitable areas in the plans resulted in the derecognition of property, plant and equipment as no future economic benefits are

expected from their use or disposal. For June 2015, the scrapping loss recorded mainly related to the life-of-mine optimisation

process finalised in December 2014 which resulted in the abandoning of shaft levels and raise lines at Kusasaletu and Masimong.

Harmony's gross portion of the subordinated shareholders' loan extended to Rand Refinery Proprietary Limited (Rand Refinery) in

December 2014 amounts to R120 million. This loan forms part of the net investment in associate. At 30 June 2016, Harmony set off its

share of profits from associate of R7 million against its share of losses of R25 million recorded against the loan in 2015, as well as an

additional provision for impairment of R25 million (2015: R15 million). The recoverable amount of the loan at 30 June 2016 is R62 million

(2015: R80 million). The fair value measurement of the net investment is classified as level 3 and is non-recurring.

The loan is due in

December 2016 and has been included in Other receivables - current.

During the 2016 financial year R300 million and R400 million was raised and repaid respectively on the R1.3 billion Nedbank revolving

credit facility. US\$110 million (R1 645 million) was repaid on the US\$ revolving credit facility. Refer to note 3 for details on the foreign

exchange translation movement.

Maturity

December

2016

- A reversal of R738 million was recorded for Doornkop mainly due to the increased Rand gold price assumption, improvements in

- operational efficiencies following the restructuring in 2015 and new areas included in the life-of-mine plan based on additional

- exploration performed during 2016. The recoverable amount is R2.8 billion.

- An impairment of R466 million was recorded for Hidden Valley. The updated life-of-mine plan for Hidden Valley results in lower

- production in 2017 as the mine undergoes processing of ore stockpiles and a period of care and maintenance, with stripping

- activities for stage 5 planned to recommence in the 2018 financial year. The recoverable amount is R319 million (US\$21.7 million).

- An impairment of R229 million was recorded for Masimong which has a remaining life of mine of three years. The exploration

- programme to find additional areas of the higher grade B Reef proved unsuccessful and was stopped during 2016. In addition, the

- grade estimation of the Basal Reef decreased and as a result a portion of the resource was abandoned at 30 June 2016. The

- recoverable amount is R472 million.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

21

Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016 for the year ended 30 June 2016 (Rand)

9 Financial risk management activities

Fair value determination

The fair value levels of hierarchy are as follows:

Level 1:

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

Level 2:

Level 3:

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

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

Available-for-sale financial assets

Investment in financial assets¹

Level 3

5

5

5

Fair value through profit or loss

Restricted investments²

Level 2

640

614

538

Derivative assets³

Level 2

369

-

-

1

2

3

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

10 Net additions to property, plant and equipment

30 June

31 December

30 June

30 June

30 June

2016

2015

2015

2016

2015

Figures in million

(Unaudited)

(Unaudited)

(Unaudited)

(Reviewed)

(Audited)

Capital expenditure - operations

1 125

1 027

1 191

2 152

2 470

Other

-

(1)

(6)

(1)

2

Net additions

1 265

1 168

1 428

2 433

2 827

11 Commitments and contingencies

At

At

At

30 June

31 December

30 June

2016

2015

2015

Figures in million

(Reviewed)

(Unaudited)

(Audited)

Capital expenditure commitments:

Contracts for capital expenditure

264

166

158

Authorised by the directors but not contracted for

516

1 607

257

780

1 773

415

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

119

Additions resulting from stripping activities at

Hidden Valley

14

28

138

42

236

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

The mark-to-market remeasurement of the forex hedging contracts (zero cost collars) is derived from a Black-Scholes valuation technique, derived from spot Rand/US\$ exchange rate inputs and discounted at market interest rate.

Six months ended

Year ended

Capital and capitalised exploration and evaluation expenditure for Golpu

126

114

105

240

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);

Fair value

hierarchy

level

At 30 June

2016

At 31

December

2015

At 30 June

2015

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016
22

for the year ended 30 June 2016 (Rand)

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS**

Contingent liabilities

(a) Silicosis

12 Related parties

(a) Movement in shares owned by directors/prescribed officers for the year ended 30 June 2016:

Name of director/prescribed officer

Shares

purchased in

open market

Shares sold

in open

market

Performance

shares vested

and retained

Frank Abbott (Financial director)¹

300 000

-

18 547

Graham Briggs (Chief executive officer)²

-

-

46 874

Harry "Mashego" Mashego (Executive director)³

-

10 000

7 760

Ken Dicks (Independent non-executive director)⁴

15 000

-

n/a

Johannes van Heerden⁵

-

41 337

13 153

1

Purchased on 15 December 2015.

2

Graham Briggs retired on 31 December 2015.

3

Sold on 23 March 2016.

4

Purchased on 8 December 2015.

5

Sold in several tranches during 2016.

(b)

13 Subsequent events

a) On 7 July 2016, Harmony repaid the remaining R300 million outstanding on the R1.3 billion Nedbank ZAR facility.

b)

c) On 15 August 2016, the board declared a dividend of 50 SA cents for the year ended 30 June 2016, payable on 19 September 2016.

14 Segment report

The segment report follows on page 24.

On 13 May 2016, the Johannesburg High Court ordered the certification of a silicosis class and a tuberculosis (TB) class, which are

to proceed as a single class against the mining companies acted in the application. The companies requested leave to appeal to the

Supreme Court of Appeal (SCA), which was granted on 24 June 2016. Harmony submitted its notice of appeal in respect of the

transmissibility of the general damages order on 22 July 2016.

During July 2016, Harmony entered into short term gold forward sale contracts for a total of 432 000 ounces over a period of 24

R682 000/kg. We will be applying cash flow hedge accounting to these contracts.

Due to the limited information available on the above claim and potential other claims, and the uncertainty of the outcome of the

matter, no costs estimation can as yet be made for the possible obligation.

For a detailed disclosure on contingent liabilities refer to Harmony's annual financial statements for the financial year ended 30 June

2015. Other than discussed below, there were no significant changes in contingencies since 30 June 2015.

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 July 2015, Harmony signed a R150 million guarantee for the ARM Broad Based Economic Empowerment (BBEE) Trust (the

Trust), shareholder of the African Rainbow Minerals Limited. The guarantee was for additional security for the Trust's loan due to

Nedbank Limited. The guarantee was subsequently cancelled in April 2016 after Harmony advanced R200 million to the Trust as part

related (3 month JIBAR plus 4.25%) and is receivable on the maturity of the loan on 31 December 2022. At 30 June 2016, the loan to

in Other non-current receivable in the balance sheet. The fair value measurement is classified as level 3 and is non-recurring.

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Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016
for the year ended 30 June 2016 (Rand)

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS**

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

30 June

30 June

2016

2015

Figures in million

(Reviewed)

(Audited)

Reconciliation of production profit to gross profit

Total segment revenue

18 334

15 435

Total segment production costs

(13 250)

(12 632)

Production profit per segment report

5 084

2 803

Depreciation

(2 170)

(2 472)

Reversal of impairment/(impairment) of assets

43

(3 471)

Other cost of sales items

(409)

(478)

Gross profit/(loss) as per income statements¹

2 548

(3 618)

At

At

30 June

30 June

2016

2015

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

657

762

Undeveloped property

5 139

5 139

Other non-mining assets

168

199

Wafi-Golpu assets

1 785

1 188

7 749

7 288

16 Review report

These condensed consolidated financial statements for the year ended 30 June 2016 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.

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.

Year ended

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:

24

SEGMENT REPORT (RAND/METRIC)

for the year ended 30 June 2016

2016

2015

2016

2015

2016

2015

2016

2015

2016

2015

2016

2015

2016

2015

South Africa

Underground

Kusasaletu

2 078

1 939

1 816

1 996

262

(57)

3 766

3 619

360

463

3 863

3 953

668

908

Doornkop

1 480

1 220

1 047

1 092

433

128

2 984

2 239

208

245

2 730

2 663

630

603

Phakisa

2 186

1 420

1 375

1 181

811

239

4 246

4 307

323

403

3 988

3 118

686

611

Tshepong

2 756

1 948

1 844

1 611

912

337

4 161

4 025

307

313

5 031

4 278

1 088

992

Masimong

1 318

1 118

1 038

992

280

126

485

893

110

166

2 432

2 463

650

670

Target 1

1 833

1 738

1 250

1 191

583

547

2 826

2 782

322

296

3 387

3 824

739

749

Bambanani

1 617

1 330

811

705

806

625

807

821

106

110

3 013

2 908

232

229

Joel

1 220

1 046

831

770

389

276

728

578

215

182

2 278

2 258

542

551

Unisel

925

770

754

682

171

88

543

594

62

99

1 704

1 695

424

417

Target 3

(a)

-

222

-

177

-

45

526

535

-

20

-

483

-

90

Surface

All other surface operations

1 601

1 338

1 272

1 092

329

246

448

483

59

51

2 972

2 927

10 985

10 418

Total South Africa

17 014

14 089

12 038

11 489

4 976

2 600

21 520

20 876

2 072

2 348

31 398

30 570

16 644

16 238

International

Hidden Valley

1 320

1 346
1 212
1 143
108
203
650
1 384
79
121
2 257
2 943
1 729
1 825
Total international
1 320
1 346
1 212
1 143
108
203
650
1 384
79
121
2 257
2 943
1 729
1 825
Total operations
18 334
15 435
13 250
12 632
5 084
2 803
22 170
22 260
2 151
2 469
33 655
33 513
18 373
18 063
-
-
-
7 749
7 288
18 334
15 435

13 250

12 632

29 919

29 548

#

Capital expenditure for international operations excludes expenditure spend on Wafi-Golpu of R240 million (2015: R119 million).

^(a) Target 3 was placed on care and maintenance in October 2014.

@

Production statistics are unaudited and not reviewed.

The segment report for the year ended 30 June 2015 has been audited. The segment report for the year ended 30 June 2016 has been reviewed.

Reconciliation of the segment information to the condensed consolidated financial statements

(refer to note 15)

Tonnes milled@

30 June

R million

R million

R million

R million

R million

kg

t'000

Revenue

30 June

Production cost

30 June

Production profit/(loss)

30 June

Mining assets

30 June

Capital expenditure#

30 June

Kilograms produced@

30 June

25

Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016

CONDENSED CONSOLIDATED INCOME STATEMENTS (US\$)

(Convenience translation)

30 June

31 December

30 June

30 June

30 June

2016

2015

2015

2016

2015

Figures in million

(Unaudited)

(Unaudited)

(Unaudited)

(Unaudited)

(Audited)

Revenue

625

639

612

1 264

1 348

Cost of sales

(505)

(588)

(903)

(1 090)

(1 645)

Production costs

(424)

(493)

(505)

(914)

(1 103)

Amortisation and depreciation

(70)

(80)

(102)

(150)

(216)

Reversal of impairment/(impairment) of assets

3

-

(291)

3

(285)

Other items

(14)
(15)
(5)
(29)
(41)
Gross profit/(loss)
120
51
(291)
174
(297)
Corporate, administration and other expenditure
(15)
(13)
(16)
(28)
(33)
Social investment expenditure
(2)
(2)
(3)
(4)
(6)
Exploration expenditure
(6)
(7)
(7)
(13)
(23)
Loss on scrapping of property, plant and equipment
(4)
-
(5)
(4)
(42)
Foreign exchange translation gain/(loss)
39
(59)
(10)
(13)
(32)
Other expenses (net)
(2)
(1)
(1)
(3)
-
Operating profit/(loss)
130
(31)
(333)

109
 (433)
 Profit/(loss) from associates
(2)
 3
 (2)
 -
 (2)
 Net gain/(loss) on financial instruments
2
 (1)
 -
1
 1
 Investment income
8
 8
 10
17
 20
 Finance cost
(9)
 (10)
 (11)
(19)
 (22)
Profit/(loss) before taxation
129
 (31)
 (336)
108
 (436)
 Taxation
(40)
 (2)
 50
(44)
 62
 Normal taxation
(8)
 -
 1
(8)
 -
 Deferred taxation
(32)
 (2)
 49
(36)
 62
Net profit/(loss) for the period

89
 (33)
 (286)
64
 (374)
Attributable to:
 Owners of the parent

89
 (33)
 (286)
64
 (374)

Earnings/(loss) per ordinary share (cents)

;
 Basic earnings/(loss)

21
 (7)
 (65)

15
 (86)
 Diluted earnings/(loss)

20
 (7)
 (65)

15
 (86)

Note on convenience translations

Except where specific statements have been extracted from the 2015 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.

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

US\$1 = R11.91). For year ended: June 2016: US\$1 = R14.50 (June 2015: US\$1 = R11.45).

The income statement for the year ended 30 June 2015 has been extracted from the 2015 annual financial statements.

Six months ended

Year ended

Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016

26

(Convenience translation)

30 June

31 December

30 June

30 June

30 June

2016

2015

2015

2016

2015

Figures in million

(Unaudited)

(Unaudited)

(Unaudited)

(Unaudited)

(Audited)

Net profit/(loss) for the period

89

(33)

(286)

64

(374)

Foreign exchange translation

(22)

35

(1)

10

(368)

Items that will not be reclassified to profit or loss:

-

-

1

-

1

Remeasurement of retirement benefit obligation

Acturial gain recognised during the year

-

-

1

-

1

Deferred taxation thereon

-

-

-

-

-

Total comprehensive income/(loss) for the period

67

2

(286)

74

(741)

Attributable to:

Owners of the parent

67

2

(286)

74

(741)

The statement of comprehensive income for the year ended 30 June 2015 has been extracted from the 2015 annual financial statements.

for the year ended 30 June 2016 (Convenience translation)

Balance - 30 June 2015

1 924

257

(364)

1 817

Share-based payments

-

22

-

22

Reversal of provision for odd lot repurchases

1

-

-

1

Net profit for the period

-

-

64

64

Other comprehensive income for the period

-

10

-

10

Balance - 30 June 2016 (Unaudited)

1 925

289

(300)

1 914

Balance - 30 June 2014

4 035

(887)

(223)

2 925

Share-based payments

-
 16
 -
 16
 Net loss for the period
 -
 -
 (374)
 (374)
 Other comprehensive income for the period
 -
 (367)
 -
 (367)

Balance - 30 June 2015 (Audited)

4 035
 (1 238)
 (597)
 2 200

The currency conversion closing rates for the period ended 30 June 2016: US\$1 = R14.72 (June 2015: US\$1 = R12.16).

The statement of changes in equity for the year ended 30 June 2015 has been extracted from the 2015 annual financial statements.

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

Figures in million

Share capital

Other

reserves

Accumulated

loss

Total

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (US\$)

(368)

Six months ended

Year ended

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

US\$1 = R11.91). For year ended: June 2016: US\$1 = R14.50 (June 2015: US\$1 = R11.45).

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

(22)

35

-

10

(367)

Items that may be reclassified subsequently to profit or

loss:

(22)

35

(1)
10

27

Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016

CONDENSED CONSOLIDATED BALANCE SHEETS (US\$)

(Convenience translation)

At

At

At

30 June

31 December

30 June

2016

2015

2015

Figures in million

(Unaudited)

(Unaudited)

(Audited)

ASSETS

Non-current assets

Property, plant and equipment

2 033

1 927

2 430

Intangible assets

59

56

73

Restricted cash

4

4

4

Restricted investments

170

156

196

Inventories

3

2

3

Other non-current receivables

12

5

7

Total non-current assets

2 281

2 150

2 713

Current assets

Inventories

79

81

106	
Trade and other receivables	
44	
42	
62	
Income and mining taxes	
-	
1	
2	
Derivative financial assets	
25	
-	
-	
Restricted cash	
1	
1	
1	
Cash and cash equivalents	
85	
56	
88	
Total current assets	
234	
181	
259	
Total assets	
2 515	
2 331	
2 972	
EQUITY AND LIABILITIES	
Share capital and reserves	
Share capital	
1 925	
1 813	
4 035	
Other reserves	
289	
278	
(1 238)	
Accumulated loss	
(300)	
(371)	
(597)	
Total equity	
1 914	
1 720	
2 200	
Non-current liabilities	
Deferred tax liabilities	
164	
123	

157
Provision for environmental rehabilitation

148

151

182

Retirement benefit obligation

11

11

13

Other non-current liabilities

1

3

3

Borrowings

139

198

280

Total non-current liabilities

463

486

635

Current liabilities

Borrowings

20

20

-

Income and mining taxes

3

-

-

Trade and other payables

115

105

137

Total current liabilities

138

125

137

Total equity and liabilities

2 515

2 331

2 972

The balance sheet at 30 June 2015 has been extracted from the 2015 annual financial statements.

The balance sheet for June 2016 converted at a conversion rate of US\$1 = R14.72 (December 2015 : US\$1 = R15.62, June 2015 : US\$1 = R12.16).

Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016

28

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (US\$)

(Convenience translation)

30 June

31 December

30 June

30 June

30 June

2016

2015

2015

2016

2015

Figures in million

(Unaudited)

(Unaudited)

(Unaudited)

(Unaudited)

(Audited)

Cash generated by operations

190

127

77

321

168

Interest and dividends received

2

3

4

5

9

Interest paid

(8)

(3)

(5)

(11)

(9)

Income and mining taxes refunded

(5)

1

2

(4)

8

Cash generated by operating activities

179

128

78

311

176

Cash flow from investing activities

(Increase)/decrease in restricted cash

-

-

1

(1)

1

Decrease in restricted investments

2

-

3

3

2

(Increase)/decrease in loan to associate

-

1

-

-

(10)

Loan to ARM BBEE Trust

(13)

-

-

(14)

-

Net additions to property, plant and equipment

(82)

(86)

(120)

(168)

(246)

(93)

(85)

(116)

(180)

(253)

Borrowings raised

-

22

79

21

80

Borrowings repaid

(60)

(82)

(67)

(141)

(65)

Cash generated/(utilised) by financing activities

(60)

(60)

12

	(120)
	15
	Foreign currency translation adjustments
	3
	(15)
	(5)
	(14)
	(22)
	Net increase/(decrease) in cash and cash equivalents
	29
	(32)
	(31)
	(3)
	(84)
	Cash and cash equivalents - beginning of period
	56
	88
	119
	88
	172

Cash and cash equivalents - end of period

85
56
88
85
88

The cash flow statement for the year ended 30 June 2015 has been extracted from the 2015 annual financial statements.

The currency conversion average rates for the six months ended: June 2016: US\$1 = R15.39 (December 2015: US\$1 = R14.24, June 2015:

US\$1 = R11.91). For year ended: June 2016: US\$1 = R14.50 (June 2015: US\$1 = R11.45).

Closing balance translated at closing rates of: June 2016 : US\$1 = R14.72 (December 2015 : US\$1 = R15.62, June 2015 : US\$1 = R12.16).

Six months ended

Cash flow from financing activities

Cash utilised by investing activities

Cash flow from operating activities

Year ended

29

SEGMENT REPORT (US\$/IMPERIAL)

for the year ended 30 June 2016 (Convenience translation)

2016

2015

2016

2015

2016

2015

2016

2015

2016

2015

2016

2015

2016

2015

South Africa

Underground

Kusasaletu

143

169

125

174

18

(5)

256

298

25

40

124 198

127 092

736

1 001

Doornkop

102

107

72

95

30

12

203

184

14

21

87 772

85 618

695

665

Phakisa

151

124
95
103
56
21
289
354
22
35
128 217
100 246
756
674
Tshepong
190
170
127
141
63
29
283
331
21
27
161 751
137 540
1 200
1 095
Masimong
91
98
72
87
19
11
33
73
8
15
78 190
79 187
716
739
Target 1
126
152
86
104
40
48
192

229
22
26
108 895
122 944
814
826
Bambanani
112
116
56
62
56
54
55
68
7
10
96 870
93 495
256
253
Joel
84
91
57
67
27
24
49
48
15
16
73 239
72 596
597
607
Unisel
64
67
52
60
12
7
37
49
4
9
54 785
54 495
467

460

Target 3^(a)

-

19

-

15

-

4

36

44

-

2

-

15 529

-

99

Surface

All other surface operations

110

117

88

95

22

22

30

40

4

4

95 553

94 105

12 112

11 488

Total South Africa

1 173

1 230

830

1 003

343

227

1 462

1 718

142

205

1 009 470

982 847

18 349

17 907

International

Hidden Valley

91

118

84
100
7
18
44
114
5
11
72 565
94 619
1 906
2 012
Other
-
-
-
-
-
-
Total international
91
118
84
100
7
18
44
114
5
11
72 565
94 619
1 906
2 012
Total operations
1 264
1 348
914
1 103
350
245
1 506
1 832
147
216
1 082 035
1 077 466
20 255
19 919

Capital expenditure for international operations excludes expenditure spend on Wafi-Golpu of US\$16 million (2015: US\$10 million).

(a)

Target 3 was placed on care and maintenance in October 2014.

@

Production statistics are unaudited and unreviewed.

The segment report for the year ended 30 June 2015 has been audited. The segment report for the year ended 30 June 2016 has not been reviewed or audited.

oz

t'000

Revenue

30 June

Production cost

30 June

US\$ million

US\$ million

US\$ million

US\$ million

US\$ million

Production profit/(loss)

30 June

Mining assets

30 June

Capital expenditure#

30 June

Ounces produced@

30 June

Tons milled@

30 June

Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016

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DEVELOPMENT RESULTS

6 month average

January 2016 – June 2016

METRIC

Channel

Reef Sampled

Width

Value

Gold

Meters

Meters

(Cm's)

(g/t)

(Cmg/t)

Tshepong

Basal

472

344

9.41

149.00

1 402

B Reef

529

544

155.12

13.21

2049

All Reefs

1 001

888

98.67

18.23

1 799

Phakisa

Basal

822

844

58.92

21.30

1 255

All Reefs

822

844

58.92

21.30

1 255

Bambabani

Basal

62

56
197.50
10.09
1 993
All Reefs
62
56
197.50
10.09
1 993
Doornkop
Main Reef
39
46.00
4.93
227
South Reef
625
585
62.98
15.32
965
All Reefs
625
624
61.92
14.83
918
Kusasaletu
VCR Reef
575
448
109.13
9.30
1 015
All Reefs
575
448
109.13
9.30
1 015
Target 1
Elsburg
83
90
260.90
1.73
451
All Reefs
83
90

260.90
1.73
451
Masimong 5
Basal
447
317
75.97
16.37
1 243
B Reef
320
374
74.62
22.68
1 692
All Reefs
766
691
75.24
19.76
1 486
Unisel
Basal
251
190
136.35
13.95
1 903
Leader
709
588
217.64
4.82
1 050
All Reefs
960
778
197.79
6.36
1 258
Joel
Beatrix
1 194
1 107
122.16
7.69
940
All Reefs
1 194
1 107

122.16
7.69
940
Total Harmony
Basal
2 053
1 751
65.12
21.13
1 376
Beatrix
1 194
1 107
122.16
7.69
940
Leader
709
588
217.64
4.82
1 050
B Reef
849
918
122.32
15.56
1 904
Elsburg
83
90
260.90
1.73
451
South Reef
625
585
62.98
15.32
965
VCR
575
448
109.13
9.30
1 015
Main Reef
39
46.00
4.93
227

All Reefs

6 087

5 526

108.67

11.46

1 246

IMPERIAL

Channel

Reef Sampled

Width

Value

Gold

Feet

Feet

(Inch)

(oz/t)

(In.oz/t)

Tshepong

Basal

1 548

1 129

4.00

4.03

16

B Reef

1 736

1 785

61.00

0.39

24

All Reefs

3 284

2 913

39.00

0.53

21

Phakisa

Basal

2 696

2 769

23.00

0.63

14

All Reefs

2 696

2 769

23.00

0.63

14

Bambabani

Basal

203

184

78.00

0.29

23

All Reefs

203

184

78.00

0.29

23

Doornkop

Main Reef

128

18.00

0.15

3

South Reef

2 049

1 919

25.00

0.44

11

All Reefs

2 049

2 047

24.00

0.44

11

Kusasaletu

VCR Reef

1 887

1 470

43.00

0.27

12

All Reefs

1 887

1 470

43.00

0.27

12

Target 1

Elsburg

271

295

103.00

0.05

5

All Reefs

271

295
103.00
0.05
5
Masimong 5
Basal
1 465
1 040
30.00
0.48
14
B Reef
1 049
1 227
29.00
0.67
19
All Reefs
2 514
2 267
30.00
0.57
17
Unisel
Basal
823
623
54.00
0.40
22
Leader
2 325
1 929
86.00
0.14
12
All Reefs
3 149
2 552
78.00
0.19
14
Joel
Beatrix
3 918
3 632
48.00
0.22
11
All Reefs
3 918

3 632
48.00
0.22
11
Total Harmony
Basal
6 736
5 745
26.00
0.61
16
Beatrix
3 918
3 632
48.00
0.22
11
Leader
2 325
1 929
86.00
0.14
12
B Reef
2 785
3 012
48.00
0.46
22
Elsburg
271
295
103.00
0.05
5
South Reef
2 049
1 919
25.00
0.44
11
VCR
1887
1 470
43.00
0.27
12
Main Reef
128
18.00
0.15

3

All Reefs

19 970

18 130

43.00

0.33

14

31

Harmony Gold Mining Company Limited Results for the six months and year ended 30 June 2016
www.harmony.co.za

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 17, 2016

Harmony Gold Mining Company Limited

By:

/s/ Frank Abbott

Name: Frank Abbott

Title: Financial Director