HARMONY GOLD MINING CO LTD
Form 6-K
August 15, 2011
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 15 August 2011

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

Financial summary for the fourth quarter and year ended 30 June 2011

		Quarter June 2011	**Quarter March 2011**	**Q on Q Variance %**	**Year ended June 2011**	**Year ended June 2010**	**Y on Y variance %**
Gold produced (1)	– kg	10 152	9 857	3	40 535	44 433	(9)
	– oz	326 394	316 909	3	1 303 228	1 428 545	(9)
Cash costs	– R/kg	242 851	217 802	(12)	226 667	195 162	(16)
	– US$/oz	1 115	970	(15)	1 009	801	(26)
Gold sold	– kg	10 412	9 716				

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41 043
43 969
(7)
– oz
334 752
312 378
7
1 319 563
1 413 633
(7)
Gold price
– R/kg
329 536
312 029
6
307 875
266 009
16
received
– US$/oz
1 513
1 389
9
1 370
1 092
25
Operating
– R million
901
855
5
3 275
2 926
12
profit –
US$
million
133
122
9
468
386
21
Basic
– SAc/s
(10)
55
<(100)
139
(38)

>100
(loss)/earnings
– USc/s
(1)
8
<(100)
20
(5)
>100
per share*
Headline profit*
– Rm
130
390
(67)
957
4
>100
–
US$m
19
56
(66)
137
1
>100
Headline earnings – SAc/s
30
91
(67)
223
1
>100
per share*
– USc/s
4
13
(69)
32
–
100
Exchange rate
– R/US$
6.78
6.99
(3)
6.99
7.58
(8)
* Reported amounts include continuing operations only

(1) Production statistics for Steyn 2 and Target 3 have been included. Steyn 2 is currently in a build-up phase and Target 3 was in build-up phase
up to the end of March 2011. Revenue and costs are capitalised for the period that these mines are in build-up phase. Revenue capitalised
includes: Quarter ending June 2011 Steyn 2, 27 kg (Mar 2011 – 14 kg) and Target 3, 0 kg (Mar 2011 – 250 kg), year ended June 2011 Steyn 2, 90 kg
(June 2010 – 33 kg) and Target 3, 531 kg (June 2010 – 117 kg).

Harmony's Annual Report, Notice of Annual General Meeting, its Sustainable Development Report and its annual report filed on a Form 20F with the United States' Securities and Exchange Commission for the year ended 30 June 2010 are available on our website (www.harmony.co.za).

SHAREHOLDER INFORMATION

Issued ordinary shares
at 30 June 2011
430 084 628
Issued ordinary shares
at 31 March 2011
429 807 371
Issued ordinary shares
at 30 June 2010
428 654 779
Market capitalisation
At 30 June 2011 (ZARm)
38 686
At 30 June 2011 (US$m)
5 724
At 31 March 2011 (ZARm)
42 676
At 31 March 2011 (US$m)
6 304
At 30 June 2010 (ZARm)
34 888
At 30 June 2010 (US$m)
4 530
Harmony ordinary share
and ADR prices
12 month high (1 July 2010 to
R103.25
30 June 2011) for ordinary shares
12 month low (1 July 2010 to
R71.90
30 June 2011) for ordinary shares
12 month high (1 July 2010 to
US$15.57
30 June 2011) for ADRs
12 month low (1 July 2010 to
US$9.72
30 June 2011) for ADRs
Free float
Ordinary shares
100%
ADR ratio

1:1
JSE Limited
HAR
Range for quarter (1 April to
R83.29 –
30 June 2011 closing prices)
R103.25
Average daily volume for the
1 546 143
quarter (1 April to 30 June 2011)
shares
Range for quarter (1 April to
R68.65 –
30 June 2010 closing prices)
R81.40
Average daily volume for the
1 918 132
quarter (1 April to 30 June 2010)
shares
New York Stock Exchange, Inc
including other US trading
HMY
Range for quarter (1 April to
US$12.34 –
30 June 2011 closing prices)
US$15.57
Average daily volume for the
2 771 880
quarter (1 April to 30 June 2011)
shares
Range for quarter (1 April to
US$9.04 –
30 June 2010 closing prices)
US$10.57
Average daily volume for the
1 072 003
quarter (1 April to 30 June 2010)
shares
Key features
Of the quarter…
Gold production 3% higher at 10 152 kg (326 394 ounces)
Grade remained steady
R/kg cost higher at R242 851/kg ($1 115/oz) due to increased electricity
and stores costs, as well as inclusion of Target 3
Cash operating pro t 5% higher at R901m (US$133m)
Of the year…
Improved safety rates
Operations in build-up showed 22% improvement in production
Improved underground grade at 4.60g/t
Net pro t of R617m/US$87m (loss of R192m/US$24m in FY10)
Basic earnings per share at R1.44 (21 USc) (loss of 46c (6 USc) in FY10)

Headline earnings of R957m/US$137m (R4m in FY10)
Wa -Golpu resource at more than 1 billion tonnes
Created nancial exibility: US$300m debt facility

Incorporated in the Republic of South Africa
Registration number 1950/038232/06
(“Harmony” or “Company”)

Results for the quarter and the year ended **30 June 2011**

JSE Share code: HAR | NYSE Share code: HMY | ISIN: ZAE 000015228

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Results for the quarter and the year
ended 30 June 2011

Forward-looking statements

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

to differ materially from estimates or projections contained in the forward-looking statements include, without limitation:
overall economic and business conditions in the countries in which we operate;
the ability to achieve anticipated efficiencies and other cost savings in connection with past and future acquisitions;
increases or decreases in the market price of gold;
the occurrence of hazards associated with underground and surface gold mining;
the occurrence of labour disruptions;
availability, terms and deployment of capital;
changes in government regulation, particularly mining rights and environmental regulations;
fluctuations in exchange rates;
currency devaluations and other macro-economic monetary policies; and
socio-economic instability in the countries in which we operate.

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Chief Executive's Review

With another financial year that has drawn to a close, it is important to take stock of what we have achieved and to assess the progress made against our ambition to create a company capable of generating earnings that fund growth and dividends on a sustainable basis.

During financial year 2011, we:

- commissioned excellent gold mines in South Africa and Papua New Guinea (PNG);
- expanded the world class Wafi-Golpu resource to 9 million tonnes (Mt) of copper and 26.6 million ounces (Moz) of gold (100%);
- increased production from growth projects by 22% year on year;
- tailored each mine's business plans to its unique requirements;
- pro-actively addressed industry challenges;
- improved production and productivity at most of our mines, and continue to work at replicating that level of success across the board;
- increased Harmony's exploration exposure in PNG – a country with world class exploration potential – to 8000 km²;
- improved the quality of our asset portfolio through the disposal and closure of non-core assets;
- celebrated Harmony's 60th year in operation on 25 August 2010.

We made good progress in getting the company where we want it to be – producing better quality ounces. Hidden Valley in PNG is now an operating mine, Harmony's first greenfields offshore development, which was formally opened in September 2010; in South Africa we have Kusasalethu, Doornkop and Phakisa projects, all of which are in build-up, and Tshepong and Masimong which have been steady contributors to production. We dealt with the challenges at mines such as Evander, Target and Joel to ensure these mines are positioned to deliver on their production targets.

Harmony has invested a great deal in the expansion of its production base in South Africa and PNG. The investment in exploration continues to pay dividends, with the Wafi-Golpu resource showing a phenomenal 57% increase to over 1 billion tonnes during the year. Golpu's grade is over 1% copper, confirming it is one of the highest grade copper gold porphyry systems in South East Asia. These excellent results validate our long-held belief that PNG is a game-changing region for Harmony.

On a 100% basis, Golpu alone now hosts a resource of 869Mt, containing 19.3Moz of gold and 9.0Mt of copper (62Moz on a gold equivalent[1] basis). This represents a significant year-on-year increase, with an additional 368Mt (73% increase), comprising 8 956kt copper (88% increase) and 10.5Moz ounces of gold (119% increase). Our resource base in PNG now represent 10% of Harmony's total gold resources (or 21% of the resource on a gold equivalent basis), which is in line with the Company's strategy to increase its geographic diversification.

Annual production was lower than planned at 1.3Moz, largely due to safety stoppages and under-performance at some of the shafts. We continue to improve the business planning process, using benchmarks and targets we believe to be realistic. Our 'life of mine' plans support our commitment to improving the grades from our underground operations, lowering our cost base and benchmarking our costing parameters internally across our operations as well as externally against other gold producers. Our focus remains on producing safe, profitable ounces and our operations in build-up will add to our production in future.

Safety

Tragically, three employees (South Africa) and one contractor (PNG) lost their lives during the final quarter of the financial year. The deceased were Mbuzeni Sihoyiya, a locomotive guard at Kusasalethu, Michael Sello Matea, underground assistant at Joel, Mbuyiseli Malungisa, a locomotive guard at Masimong and Kerry Kowitz, a contractor working on the Wafi-Golpu access road. I would like to extend my deepest condolences to their families, friends and colleagues.

Safety is a top priority at Harmony. We have put in place a number of safety initiatives, which have resulted in excellent safety achievements. Fatalities do, however, continue to occur. As a result, we appointed Alwyn Pretorius (previously the chief operating officer: North region), who is very familiar with Harmony's underground working environment, to assist in further improving and accelerating the execution of our safety and health strategy.

Gold price

Increasing global economic uncertainty is making gold an even stronger investment option than it already was. At over $1 700/oz, gold remains a currency and we believe the gold price will continue its strength. Investors in Harmony have complete exposure to the spot gold price, as the company does not hedge its gold. During the past quarter the gold price received strengthened from R312 029/kg to R329 536/kg.

Operational results

Quarter on quarter

Gold production for the June 2011 quarter is 3% higher than the previous quarter, despite days lost to public holidays. The past quarter saw excellent improvements in development metres, mainly at the build-up operations. Build-up at Phakisa, Doornkop, Kusasalethu and Hidden Valley progressed well.

Grade remained steady at 2.08g/t.

Year on year

Tonnes milled for the year under review increased by 7% or 1 317 000 tonnes when compared to the previous financial year. The main contributors were:

- *Doornkop:* The build-up resulted in an additional 178 000 tonnes (33%) being milled for the year under review;
- *Target 3:* The inclusion of its first commercial production during the June 2011 quarter (75 000 tonnes);
- *Free State surface operations:* Tonnes increased by 1.2 million tonnes, mainly waste rock dumps;
- *Hidden Valley:* Recorded a full year of production and tonnes milled

increased by 1.4 million tonnes to 1.7 million tonnes, achieving its production guidance for the year.
The operations in build-up showed an increase in gold production. Hidden Valley produced 3 118kg, an additional 1 215kg (64%) in comparison to the 1 903kg it produced in the previous financial year. Doornkop's production increased by 562kg (29%), Phakisa's by 391kg (29%) and Kusasalethu's by 165kg (3%). Gold production for the

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Results for the quarter and the year
ended 30 June 2011

year under review decreased by 9% (3 898kg), mainly as a result of the shafts that were closed in the 2011 financial year. Closed shafts accounted for a decrease in gold produced of 4 092kg year on year. Underground grade increased year-on-year to 4.60g/t.

Financial overview

Quarter on quarter

Quarter on quarter, cash operating costs in R/kg terms were 12% higher, mainly due to higher electricity and stores costs, as well as the inclusion of Target 3 (which reached commercial production during the quarter) in our operating results. Higher stores costs are due to additional maintenance performed during public holidays. Electricity costs are higher due to a 25% increase in tariffs as from April 2011 and the inclusion of one month's winter tariff.

Operating profit at R901 million was 5% higher, mainly due to the increase in the average Rand gold price received to R329 536/kg.

Year on year

Cash operating costs in Rand terms increased by R686 million or 8%, mainly due to restructuring costs, the inclusion of Target 3, higher electricity costs and higher labour costs. This resulted in the cash operating cost in R/kg terms increasing by 16% from R195 162/kg in FY10 to R226 667/kg in FY11. Rand per tonne unit costs remained stable at R469/tonnes.

Capital expenditure for FY11 decreased by R317 million (10%) compared to the previous financial year. This is mainly attributed to a reduction in capital spent on Hidden Valley of 47% or R252 million. Capital from the South African operations decreased by R65 million (2%), due to reduced expenditure at Phakisa (R117 million), Doornkop (R50 million) and Kusasalethu (R50 million).

Reserves and resources

As at 30 June 2011, Harmony's mineral reserves amounted to 41.6Moz of gold, spread across Harmony's assets in South Africa and PNG. The reserves of Kusasalethu, Doornkop, Tshepong and Phakisa in South Africa and Hidden Valley in PNG now constitute 45% of Harmony's total mineral reserves. Once the pre-feasibility study of Wafi-Golpu has been completed, more ounces from PNG will be added to Harmony's reserves.

The reserve declaration excludes Rand Uranium reserves (the asset which is being held for sale), as well as some Evander projects which are no longer included in Harmony's long term mining plans. These exclusions, together with mine depletion, resulted in a decrease of 6.5Moz year on year, allowing Harmony to refocus on growing, developing and operating its portfolio of quality assets.

As at 30 June 2011 Harmony's attributable gold mineral resources were 163.9Moz. Gold resources in PNG increased 51% year on year to 16.3Moz and now comprise 10% of the group's total resource base. Harmony's PNG resource inventory also includes economically significant copper, molybdenum and silver that co-occur with gold. Attributable copper resources grew by 2.1Mt to 4.5Mt, up 86%

year on year (and equates to 9.75Moz on a gold equivalent basis[1]).

Molybdenum increased to 84 000 tonnes (up 50%) and silver increased to 55.16Moz (up 7.8%).

These increases were driven by resource expansions at Hidden Valley and Wafi-Golpu.

Creating financial flexibility

Harmony has strengthened its financial flexibility through obtaining a 4 year US$300 million revolving credit facility with Nedbank Limited and FirstRand Bank Limited. The loan agreement was signed on 11 August 2011. This facility is specifically ear-marked for Harmony's activities in PNG.

Dividend

We are pleased to declare a dividend of 60 SA cents per ordinary share for the year ended 30 June 2011.

Looking ahead

Post year-end, following a five day strike, Harmony signed a two year wage agreement with the National Union of Mineworkers (NUM), Solidarity and UASA (collectively referred to as the "Unions") on the 2nd of August 2011. The increase in wages will be off-set by improvements in productivity aimed at the more effective utilization of our mining assets. Approximately 500kg of production was lost due to the strike.

The wage agreement between Harmony and the Unions also includes a profit share scheme in which all employees in the bargaining unit will share on a quarterly basis. The profit share will be based on 1% of operating profits less capital expenditure from the company's South African assets.

We look forward to having the Unions as our partners in creating a sustainable mining industry.

Financial year 2011 was filled with great achievements. We have improved our safety rates, secured excellent exploration results, continue to build up our operations and future production potential and certain operations have generated free operational cash flow.

Financial year 2012 promises to be equally exciting. We remain focussed on continuing to deliver on our long term targets and to maximise shareholder value.

Graham Briggs

Chief Executive Officer

Note 1. Gold equivalent ounces are calculated assuming a US$1150/oz Au, US$2.50/lb Cu and US$13.50/oz Ag with 100% recovery for all metals

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Safety and health

Safety

The provision of safe and healthy working places remains a key priority for Harmony, as does the elimination of all workplace injuries and work-related ill health effects. This has always been an important area of focus for Harmony.

Harmony will continue to implement and maintain safety initiatives and is in the process of rolling out a new improved fall of ground strategy to further reduce fall of ground incidents – one of the main contributors to fatal accidents.

It is with deep regret that we report four fatalities during the June 2011 quarter, bringing total fatalities for the 2011 financial year to 16. This is an improvement on the previous financial year, which recorded 22 fatalities. However, we need to continue to work towards avoiding these incidents altogether.

Harmony's Lost Time Injury Frequency Rate (LTIFR) in South Africa remains a single digit, for the eleventh consecutive quarter. Quarter on quarter the LTIFR rate regressed from 8.65 to 9.64, whilst LTIFR also regressed with 8% to 8.32 when compared to the previous year.

The Reportable Injury Frequency Rate (RIFR) (per million hours worked) in South Africa regressed by 13% when compared to the previous year (from 4.19 to 4.73) and by 17% quarter-on-quarter (from 4.62 to 5.39).

The Fatal Injury Frequency Rate (FIFR) improved by 19% when compared to the previous year, but regressed by 44% quarter-on-quarter (from 0.09 to 0.13)

Safety achievements for the quarter included:

South African underground operations:
1 000 000 fatality free shifts

Doornkop shaft operations:
1 000 000 fatality free shifts

Doornkop total operations:
1 000 000 fatality free shifts

Phakisa:
500 000 fatality free shifts

Target:
500 000 fatality free shifts

Ongoing behavioural-based safety, competency training and development and research, together with the vigilant co-operation of our stakeholders, will continue to enable Harmony to become an even safer company to work for.

Health

Our pro-active approach to the health and wellness of our employees continues. Various programmes and initiatives are supported and sponsored by the company to ensure the wellbeing of our employees.

Our objective remains to improve health management programs and effectively utilise clinical information. This includes the review of policies, procedures, and processes, as well as training, on an ongoing basis.

See our Sustainable Development Report for more details on our website www.harmony.co.za.

Financial overview

Quarter on quarter

Cash operating profits increased by 5% quarter on quarter to R901 million, mainly due to an increase in revenue driven by the 6% increase in the R/kg gold price received. The increase in revenue was offset by an 18% increase in production cost.

Earnings per share

Basic earnings per share decreased from 55 SA cents to a loss of 10 SA cents per share. Headline earnings per share decreased from 91 SA cents to 30 SA cents. Headline earnings have been adjusted for the impairment of assets as well as the reversal of the impairment of investment in associate.

Revenue

Revenue increased from R2 949 million to R3 422 million, or 16%, mainly due to the 6% increase in the rand gold price received to R329 536/kg. The increase of gold sold by 7% or 696kg, together with the inclusion of the results of Target 3, also contributed to the higher revenue total for the June 2011 quarter.

Cost of sales

Cost of sales increased from R2 623 million to R3 491 million in the June 2011 quarter. The main reasons for this increase are:

- higher production costs, driven by higher electricity costs which include the annual increase by Eskom as well as one month's winter tariff (R115 million increase); increased labour costs of R67 million as a result of an increase in employees due to the build-up at certain shafts; an increase in stores cost due to higher production. Also contributing to the increase is the inclusion of costs related to Target 3, amounting to R93 million for the June 2011 quarter.
- an increase in amortisation and depreciation from R431 million in the March 2011 quarter to R477 million. This increase relates primarily to an increase in tonnes mined at several shafts as well as depreciation commencing at Target 3 as it was brought into commercial production;
- impairment of assets amounting to R264 million. The impairments relate to President Steyn 1 and 2 shafts (R99 million and R103 million respectively) and St Helena (R61 million of which R9 million relates to goodwill);
- the annual adjustment on the rehabilitation provision amounting to R61 million;
- annual assessments of gold inventory balances resulting in write downs for Steyn Plant (R41 million) and Target stockpile (R30 million) and an adjustment on the gold in lock-up (R21 million).

Exploration expenditure

During the June 2011 quarter, R102 million was spent on exploration. Of the amount spent during the quarter, R90 million relates to the PNG projects. The expenditure for the March 2011 quarter was R77 million, R68 million of which related to PNG. The increase quarter on quarter relates primarily to the pre-feasibility study being conducted at Wafi-Golpu.

Reversal of impairment/(impairment) of investment in associate

This movement relates to the limiting of costs relating to the Rand Uranium transaction as well as some foreign exchange movements.

Operational overview

GROUP OPERATIONAL RESULTS

Indicator	Units	June 2011	March 2011	% variance
Tonnes	**000**	4 861	4 646	5
Grade	**g/t**	2.08	2.06	1
Gold produced	**Kg**	10 152	9 857	3
Cash operating costs	**R/kg**	242 851	217 802	(12)
Operating profit	**R'000**	900 734	855 078	5

Gold production for the June 2011 quarter is 3% higher than the previous quarter, despite days lost to public holidays. Cash operating costs in R/kg terms were 12% higher, mainly due to higher electricity and stores costs, as well as the inclusion of Target 3 in our operating results (Target 3 was brought into commercial production during the past quarter).

Higher stores costs are due to additional supplies used to support the increased production, as well as additional maintenance performed during public holidays. Electricity costs were higher due to a 25% increase in tariffs as from April 2011 and the inclusion of one month's winter tariff.

Grade remained steady at 2.08g/t.

Operating profit at R901 million was 5% higher than the previous quarter, mainly due to the increase in the average Rand gold price received to R329 536/kg.

Net gain on financial instruments

The movement for the June 2011 quarter comprises of the changes in fair value of the Nedbank Equity Linked Deposits held by the environmental trusts.

Investment income

Investment income for the June 2011 quarter was R24 million. This was a R40 million decrease quarter-on-quarter as the March 2011 quarter included amounts related to the successful appeal against interest levied by SARS as well as interest on outstanding diesel refunds, which were not repeated in the current quarter.

Finance cost

Finance cost increased by R18 million quarter-on-quarter. This was mainly due to the draw-down of additional funds from the Nedbank facility during the previous quarter.

Taxation

The deferred taxation credit for the June 2011 quarter of R195 million credit consists mainly of credits relating to the change in the Life-of-Mine rates, amounting to R119 million, as well as additional temporary differences.

Capital expenditure

Capital expenditure increased from R667 million to R788 million in the June 2011 quarter, as expected.

Borrowings

The long term portion of borrowings decreased from R1 487 million to R1 229 million in the June 2011 quarter as a result of the net repayment of R100 million on the Revolving Credit Facility and the instalment payments on the term facilities of R153 million.

Year on year

Cash operating profits increased by 12% to R3 275 million for 2011. This was mainly due to an increase in revenue driven by the 16% increase in the rand/kilogram gold price.

Earnings per share

Basic earnings per share increased from a loss of 46 SA cents to earnings of 144 SA cents per share. Headline earnings per share also increased from a loss of 7 SA cents to earnings of 223 SA cents.

Revenue

Revenue increased from R11 284 million to R12 445 million, or 10%, mainly due to the 16% increase in the rand gold price received to R307 875/kg. This increase was offset by the 7% decrease in gold sold.

Cost of sales

Cost of sales increased from R10 484 million to R11 615 million for 2011. This is mainly due to increases in production costs (driven by increased labour, electricity and stores costs) and amortisation and depreciation.

Exploration expenditure

During 2011, R353 million was spent on exploration with R296 million for PNG. The exploration expense in the income statement for 2010 was R219 million, with R165 million being spent in PNG.

Net gain on financial instruments

The movement in net gain on financial instruments for 2011 was R414 million, which includes R273 million recognised on the Witsgold transaction. The balance of the total relates to the changes in fair value of the Nedbank Equity Linked Deposits held by the Environmental Trusts.

Taxation

The deferred taxation credit for the year amounted to R492 million of which approximately R363 million relates to the change in the Freegold

unredeemed capital allowance. The 2010 deferred tax charge of
R251 million primarily related to increases in average deferred tax rates,
notably at Evander.

Notice of cash dividend

Dividend No. 82 of 60 cents per ordinary share, being the dividend for the year ended 30 June 2011, has been declared payable on Monday,
19 September 2011 to those shareholders recorded in the books of the company at the close of business on Friday, 16 September 2011. 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, 9 September 2011.

Last date to trade ordinary shares *cum* dividend
Friday, 9 September 2011
Ordinary shares trade *ex* dividend
Monday, 12 September 2011
Currency conversion date in respect of the UK own name shareholders
Monday, 12 September 2011
Record date
Friday, 16 September 2011
Payment date
Monday, 19 September 2011

No dematerialisation or rematerialisation of share certificates may occur between Monday, 12 September 2011 and Friday, 16 September
2011, both dates inclusive, nor may any transfers between registers take place during this period.

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BUILD-UP AND STEADY OPERATIONS

SOUTH AFRICA

Doornkop

Indicator	Units	June 2011	March 2011	% variance
Tonnes	000	234	173	35
Grade	g/t	3.24	3.30	(2)
Gold produced	Kg	757	571	33
Cash operating costs	R/kg	239 316	229 447	(4)
Operating profit	R’000	68 250	46 314	47

Doornkop delivered an excellent production quarter. Tonnes milled increased by 35% quarter-on-quarter to 234 000 tonnes and kilograms increased by 33% to 757kg. The increase in throughput is mainly due to an increase in development metres and eight additional crews.

The Doornkop plant performed better this quarter and further improvement is expected in the next quarter, as an additional mill will be available.

Kusasalethu

Indicator	Units	June 2011	March 2011	% variance
Tonnes	000	305	297	3
Grade	g/t	5.20		

4.93
5
Gold produced
Kg
1 586
1 464
8
Cash operating costs
R/kg
219 880
200 579
(10)
Operating profit
R’000
176 354
146 982
20
Improved mining execution, higher mining grades than planned at 5.20g/t and an increase in tonnes milled to 305 000 tonnes resulted in production being 8% higher quarter on quarter at 1 586kg.
During the June 2011 quarter a quality monitoring method, in the form of a short interval control system, was implemented. The system involves daily monitoring of results and allows management to address operational issues as and when they arise.
Phakisa
June March %
Indicator Units
2011
2011
variance
Tonnes 000
106
88
20
Grade g/t
4.45
4.64
(4)
Gold produced
Kg
472
408
16
Cash operating costs
R/kg
284 475
286 765
1
Operating profit
R’000
24 310

9 674
>100

Phakisa recorded a 16 % increase in kilograms produced from 408kg in the March 2011 quarter to 472kg in the June 2011 quarter. The improvement was largely due to an increase in ore milled to 106 000 tonnes. Grade was 4% lower than the previous quarter at 4.45g/t.

Higher production alleviated the impact of higher electricity costs, resulting in cash operating costs remaining stable quarter on quarter at R284 475/kg, Higher production and a stronger gold price ensured a significant increase in operating profit from R10 million in the March 2011 quarter to R24 million in the June 2011 quarter.

Masimong

Indicator	Units	June 2011	March 2011	% variance
Tonnes	000	190	216	(12)
Grade	g/t	4.35	4.81	(10)
Gold produced	Kg	827	1 039	(20)
Cash operating costs	R/kg	214 694	175 496	(22)
Operating profit	R'000	95 776	140 570	(32)

Masimong's exceptional record of 1.5 million fatality free shifts came to an end when a loco accident resulted in the death of an employee. The fatality resulted in six lost days of production due to safety stoppages. Panel availability lead to a drop in B reef grade, resulting in the recovery grade being 10% lower quarter on quarter at 4.35g/t. Lower grade and a 12% decrease in tonnes milled to 190 000 tonnes, resulted in lower production at 827kg.

Cash operating costs were 22% higher quarter on quarter at 214 694/kg, due to a 10% decrease in grade and general cost increases, as outlined on page 6 of this report.

Target 1

Indicator	Units	June 2011	March 2011	% variance
Tonnes	000	168	161	4
Grade	g/t	4.11	4.88	(16)
Gold produced	Kg	690	785	(12)
Cash operating costs	R/kg	269 323	203 459	(32)
Operating profit	R’000	51 169	59 007	(13)

Target 1 resolved the belt challenges experienced in the March 2011 quarter. More tonnes were hoisted as a result of new belts being inserted on the decline belt. Tonnes milled increased by 4% quarter on quarter to 168 000 tonnes.

The recovery grade was 16% lower in comparison to the previous quarter, mainly due to inconsistencies in the grade. As a result production was 12% lower than the March 2011 quarter at 690kg, with cash operating costs higher at R269 323/kg.

Target 3

Indicator	Units	June 2011	March 2011	% variance
Tonnes	000	75	n/a	

n/a
Grade g/t
3.65
n/a
n/a
Gold produced
Kg
274
250
10
Cash operating costs
R/kg
339 956
n/a
n/a
Operating profit
R'000
930
n/a
n/a

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Results for the quarter and the year

ended 30 June 2011

Target 3 had its first quarter of commercial production since Harmony's acquisition of the asset in February 2010.

Target 3 recorded an operating profit of R930 000, with gold production at 274kg. Although cash operating costs were high at R339 956/kg, it should improve as the operation builds up its production.

Tshepong

Indicator	Units	June 2011	March 2011	% variance
Tonnes	000	327	333	(2)
Grade	g/t	4.50	5.04	(11)
Gold produced	Kg	1 473	1 679	(12)
Cash operating costs	R/kg	209 333	170 662	(23)
Operating profit	R'000	179 753	236 045	(24)

Tshepong generated an operating profit of R179 million for the quarter. The 11% decrease in the recovery grade to 4.50g/t quarter on quarter is partially due to waste from the decline being hoisted with the ore. Cash operating costs were higher at R209 333/kg. Electricity tariff increases, the inclusion of one month of winter tariffs and the increase of material for engineering activities contributed to the higher unit costs.

Hidden Valley

(held in Morobe Mining Joint Venture – 50% of attributable production reflected)

Indicator	Units	June	March	%

2011 2011
variance
Tonnes 000
420
407
3
Grade g/t
1.97
1.95
1
Gold produced
Kg
826
794
4
Cash operating costs
R/kg
238 644
216 981
(10)
Operating profit
R'000
59 904
83 202
(28)
Production at Hidden Valley was 4% higher quarter on quarter at 826kg, mainly due the higher mill throughput and increased gold recoveries, which were partly offset by a lower gold feed grade.
Gold recoveries of 90% were sustained during the quarter. Mill throughput was higher, but remains constrained as a result of the overland conveyor belt failure in March 2011. Increased site costs are due to the additional ore haulage costs incurred to mitigate the loss of the overland conveyor. Repairs on the overland conveyor progressed to plan with the conveyor expected to be operating by the end of September 2011. Higher cash costs at R238 644/kg is partly offset by an increase in silver production and higher silver prices received.
Silver production increased by 31% quarter on quarter, due to higher feed grade and improved recoveries.
OTHER SOUTH AFRICAN OPERATIONS
Bambanani
June
March
%
Indicator Units
2011
2011
variance
Tonnes 000
112
81
38

Grade g/t
6.56
6.90
(5)
Gold produced
Kg
735
559
31
Cash operating costs
R/kg
302 668
333 259
9
Operating profit/(loss)
R'000
25 032
(12 961)
>100

The short interval control system implemented at Bambanani addressed ineffectiveness at the operation and resulted in improvements in tonnes milled and production. An operating profit of R25 million was generated, due to a 31% increase in gold production to 735kg and a 38% increase in tonnes milled to 112 000 tonnes. Grade requires more attention, with a 5% drop quarter on quarter to 6.56g/t.

Steyn 2

June March %
Indicator Units
2011
2011
variance
Gold produced
Kg
27
14
93

The production at Steyn 2 is much higher than the previous quarter at 27kg, but build-up at this shaft remains below expectations. Major infrastructure challenges have been addressed and most of the major capital for the shaft pillar will be spent in the first and second quarter of FY12.

Evander

June March %
Indicator Units
2011
2011
variance
Tonnes 000
132
130
2

Grade g/t
5.68
3.72
53
Gold produced
kg
750
483
55
Cash operating costs
R/kg
205 235
298 153
31
Operating profit
R'000
88 615
7 304
>100

Evander performed very well during the quarter, with a substantial increase in recovery grade at 5.68g/t, due to improvements in the face grade. More mining crews were moved into the main payshoot of the decline section, where the grade is higher.

Production at 750kg was higher quarter on quarter, resulting in a 31% decrease in cash unit costs to R205 235/kg and an operating profit of R89 million.

9

Joel

June
March
%
Indicator Units
2011
2011
variance
Tonnes 000
121
118
3
Grade g/t
3.70
3.77
(2)
Gold produced
kg
448
445
1
Cash operating costs
R/kg
259 121
238 256
(9)
Operating profit
R’000
34 627
30 997
12

Joel had a stable quarter, with gold production at 448kg and a slight drop in grade to 3.70g/t.

Cash operating profit increased by 12% to R35 million, largely due to a higher gold price received. Cash operating costs, however, increased by 9% quarter on quarter to R259 121/kg, due to an increase in electricity tariffs.

Unisel

June
March
%
Indicator Units
2011
2011
variance
Tonnes milled
000
106
104
2

Grade g/t
3.96
4.49
(12)
Gold produced
Kg
420
467
(10)
Cash operating costs
R/kg
255 486
227 266
(12)
Operating profit
R'000
31 884
38 814
(18)

Increased seismicity in the decline section resulted in production in certain working places being stopped and working crews being moved to the upper section, which has less flexibility. This impacted on the recovery grade, which declined by 12% to 3.96g/t and also resulted in production declining by 10% quarter on quarter to 420kg. Lower production and the increase in electricity tariffs and stores costs resulted in an increase in cash operating costs of 12% to R255 486/kg.

TOTAL SOUTH AFRICAN SURFACE OPERATIONS

June
March
%
Indicator Units
2011
2011
variance
Tonnes **000**
2 565
2 538
1
Grade **g/t** 0.34
0.35
(3)
Gold produced
Kg 867
899
(4)
Cash operating costs **R/kg**
268 657
227 335
(18)
Operating profit
000

64 130
69 130
(7)
Tonnes treated at the South African surface sources remained stable quarter on quarter at 2 565 000 tonnes. Production declined by 4% to 867kg due to a decrease in grade at 0.34g/t.
The unit cost increased to R268 657/kg, mainly due to the effect of electricity and water tariff increases during the quarter.
An operating profit of R64 million was generated, due to a higher gold price received.

Kalgold

Indicator	Units	June 2011	March 2011	% variance
Tonnes	000	392	373	5
Grade	g/t	0.69	0.74	(7)
Gold produced	Kg	270	276	(2)
Cash operating costs	R/kg	311 819	231 188	(35)
Operating profit	R'000	18 247	19 740	(8)

An engineering plan was implemented over the last six months to improve the availability of equipment at the operation. This resulted in a 5% increase in tonnes milled to 392 000 tonnes. Lower grade areas were mined in the open pit during the quarter, resulting in production being 2% lower at 270kg.
Mechanical breakdowns at the plant, together with higher electricity costs resulted in a higher cash operating cost of R311 819/kg, which also impacted the operating profit, reducing it by 8% quarter on quarter to R18 million.

Phoenix (tailings)

June March %
Indicator Units
2011
2011
variance
Tonnes
000
1 247
1 242
–
Grade g/t
0.11
0.12
(8)
Gold produced
Kg
137
149
(8)
Cash operating costs
R/kg
297 029
259 966
(14)
Operating profit
000
5 169
12 508
(59)

Tonnes milled at Phoenix remained steady at 1 247 000 tonnes.
The decrease in operating profit of R6 million for the quarter is as a result of an 8% decrease in grade. Cash operating costs were 14% higher quarter on quarter due to an increase in security costs following theft incidents and interruptions at the plant.

Surface dumps

June March %
Indicator Units
2011
2011
variance
Tonnes 000
926
923
–
Grade g/t
0.50
0.51
(2)
Gold produced
Kg
460

474
(3)
Cash operating costs
R/kg
234 874
214 833
(9)
Operating profit
000
40 714
36 882
10
Treatment of tonnes at the surface dumps remained fairly flat quarter on quarter at 926 000 tonnes.
An increase in the operating profit to a total of R40 million is attributable to the higher gold price received during the quarter.

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Results for the quarter and the year

ended 30 June 2011

Development

Note: The ore reserve block grades reflect the grades of the blocks in the life-of-mine plans for the various operations. These blocks are to a large degree the blocks above a certain cut-off grade that has been targeted for mining. The development grades are those as sampled in the ongoing on-reef development at the operations and no selectivity has been applied from a grade point of view.

Bambanani

In the southern part of the sub-shaft area of the mine, development grades remain lower than expected. In the shaft pillar the grade remains above 3000cmg/t, which is in line with expectations.

Doornkop

The South Reef development grades are mostly in line with expectations and in line with the reserve grade. No on-reef development was planned for the Kimberly Reef.

Evander 8

Almost all on-reef development is now concentrated on the Kinross payshoot in the decline area of the mine. Although there was a quarter on quarter drop in the development grade due to local variations, the grades in the main raise lines remained in line with expectations.

Joel

Grades in the winzes being developed from 121 to 129 level, in the very prospective north-western portion of the mine, remain good.

Kusasalethu

On-reef development continues to return grades that are in line with the overall ore body grade and as predicted for the areas that are being developed.

Masimong

There was a quarter on quarter improvement in the grade of the B reef development. For most of the quarter the Basal reef development grades remained below expectation. The Basal grade is however starting to improve as the development is moving into better areas.

Phakisa

The development towards the north is showing positive results in line with expectation. These grades were however offset by lower grades from the development towards the south. Most of the development at Phakisa is still taking place in the lower grade central block with its very erratic nature in terms of grade. However, positive grade trends are emerging from the development towards the north, as expected.

Target (narrow reef mining)

Quarter on quarter there was an improvement in development grades of the narrow reef mining section at the Target 1 shaft. At Target 3 there has been a steady improvement in meters developed quarter on quarter.

Tshepong

In general the Basal Reef development grades were lower than expected, while the B reef continued to yield positive results in most of the target areas.

Unisel

At Unisel, the development grade of the Basal reef is in line with expectations, while the Leader reef grade was lower than expected. No on-reef development was done on the Middle reef for the quarter.

Ore reserve block grades v development grades

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Exploration

International (Papua New Guinea)#

Morobe Mining Joint Venture (50% Harmony)

Wafi-Golpu

The pre-feasibility study is advancing well with all major contracts let. A project director has been appointed and a dedicated project office established. Drilling activities continued this quarter, with five rigs that drilled 6 798 meters targeting infill and extensions for Golpu, drill holes to gain samples for metallurgical testing for Wafi and geotechnical information for the Watut decline path.

The resource continues to grow and the timing of the completion of the study is dependent on the amount of infill drilling that will be required to gather sufficient information.

During the quarter, three holes were drilled in the southern and central part of the prospect to further increase the level of confidence in the geological model. Intercepts were as follows:

- WR390 707m @ 0.53%Cu, 0.49g/t Au from 771m
- WR398 554m @ 0.76%Cu, 0.52g/t Au from 554m
- WR392_W1 643m @ 1.39%Cu, 0.94g/t Au from 1133m including 350m @ 1.98%Cu, 2.17g/t Au from 1226m

Drill hole WR392_W1 intersected over 600m of strongly developed porphyry mineralisation and extended the mineralisation to both the east and the west of the previous interpretation.

A new zone of Wafi-style epithermal mineralisation was intersected between Nambonga and Golpu. The pre-collar of drill hole WR397 intersected 10m @ 9.1g/t Au from 389m and is located 200m north-east of WR392 (85m @ 3.2g/t Au). This new zone of mineralisation is centred on a zone of quartz-carbonate veining and is open in all directions. It has the potential to develop into a near surface zone of high grade gold mineralisation.

The Wafi-Golpu resource statement (please refer to the Reserves and Resource press release of 20 July 2011 available on our website, www.harmony.co.za) confirms Harmony's long-held belief that Golpu is a world-class discovery. On a 100% basis, Golpu alone now hosts a resource of 869Mt at 1.03% copper and 0.69g/t gold, containing 19.3Moz of gold and 9.0 million tonnes (Mt) of copper (62Moz on a gold equivalent1 basis). This represents a significant year-on-year increase, with an additional 368Mt (73% increase), comprising 4.2Mt copper (88% increase) and 10.5Moz of gold (119% increase) (see Table 1 below). The deposit has grown to the north and at depth, and the grade has also increased. The resource remains open at depth and to the north, with extension and infill drilling continuing (see Figure 1 below).

Table 1: Golpu (only) 2011 Resource statement in comparison to the 2010 declaration

Grade

Metal

Gold

Cut

off Tonnage Au Cu Au Cu

Equiv.

Golpu %
Cu
Mt (g/)t
(%)
(Moz)
(Mt)
(Moz)
2010 0.3% 501
0.54
0.96
8.8
4.8
32
*2
2011 0.2% 869
0.69
1.03
19.3
9.0
62
*1
Growth
368
0.15
0.07
10.5
4.2
30
% Growth
73%
28%
7% 119% 88%
94%
*
Represents Harmony / Newcrest joint venture (MMJV) 100% portion
1. Gold equivalent ounces on 30 June 2011 are calculated assuming a US$1150/oz Au, US$2.50/lb Cu and US$13.50/oz Ag with 100% recovery for all metals
2. Gold equivalent ounces on 30 June 2010 are calculated assuming a US$950/oz Au, US$2.00/lb Cu and US$14oz Ag with 100% recovery for all metals

Figure 1: Golpu long section showing the comparison between the new 30 June 2011 Resource outline and the previous 30 June 2010 Resource outline.

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Results for the quarter and the year
ended 30 June 2011

The increase in the Golpu resource has increased the Wafi Golpu System resource to over 1 billion tonnes, which is displayed in table 2 below.

Table 2: Wafi-Golpu System Resource Statement, comparing the 30 June 2011 declaration with the 30 June 2010 declaration

		Grade		Metal		Gold
	Tonnage	Au	Cu	Au	Cu	Equiv.
Golpu	(Mt)	(g/)t	(%)	(Moz)	(Mt)	(Moz)
2011	1 012	0.82	0.89	26.6	9.0	70 *2
2010	644	0.77	0.75	16	4.8	40 *1
Growth	368	0.05	0.14	10.6	4.2	30
% Growth	57%	6%	19%	66%	88%	75%

* Represents Harmony / Newcrest joint venture (MMJV) 100% portion

1. Gold equivalent ounces on 30 June 2011 are calculated assuming a US$1150/oz Au, US$2.50/lb Cu and US$13.50/oz Ag with 100% recovery for all metals
2. Gold equivalent ounces on 30 June 2010 are calculated assuming a US$950/oz Au, US$2.00/lb Cu and US$14oz Ag with 100% recovery for all metals

The Golpu copper-gold deposit is a nested porphyry system that comprises at least three separate mineralised intrusions. Potential for additional mineralised intrusives along strike from Golpu, at

Nambonga, and for additional feeder zones around the margins and at depth below the diatreme, is high, with the area hugely prospective and underexplored (see Figure 2 below).

The Wafi epithermal gold system is also expanding, with new zones of gold mineralisation discovered off the northern margin of the diatreme in areas never previously drill-tested.

Figure 2: The Wafi-Golpu System comprises the Golpu, Wafi and Nambonga Resources and significant growth potential

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The Wafi-Golpu resource has world class credentials, compared with other similar projects. See the graph below (Figure 3). Wafi-Golpu is of substantial size, with the resource having the highest copper and gold grade amongst its peers.

Figure 3. Wafi-Golpu Gold Equivalent[1] comparison – source: Bank of America Merrill Lynch

Figure 4: Regional setting of the Wafi-Golpu deposit showing Wafi-Transfer and main target areas

1. Gold equivalent ounces on 30 June 2011 are calculated assuming a US$1150/oz Au, US$2.50/lb Cu and US$13.50/oz Ag with 100% recovery for all metals

Wafi structural corridor

Outside of the Wafi-Golpu project area, several first class gold and copper-gold targets are being developed along strike on the Wafi-Transfer structure (see Figure 4). Main focus for the quarter included:

- Bavaga, where results to date have outlined a +1g/t stream sediment anomaly with a footprint of 2 by 1 kilometers and;
- Zimake, a circular magnetic anomaly approximately 5km by 6km with associated pan concentrate samples assaying up to 7.9ppm Au.

Both target areas are prospective for Wafi-style epithermal high sulphidation gold and associated Golpu porphyry copper-gold mineralisation. Reconnaissance work is continuing.

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Results for the quarter and the year

ended 30 June 2011

Hidden Valley district exploration

Excellent first pass results have been returned from the Mungowe prospect, located approximately 7km northwest of Hidden Valley. Mapping and rock chip sampling has outlined a high-grade zone of outcropping mineralisation with results including: 1m @ 87 g/t Au, 82.9 g/t Ag and 4m @ 31 g/t Au, 121 g/t Ag.

High grades are localised at the intersection of several fault zones, but this sits within a broader envelope of carbonate-base metal mineralisation and alteration covering an area of approximately 3km x 1.5km. The footprint of the anomaly together with its structural-geological setting similar to that at Hidden Valley, is very encouraging. Prospect development work including compilation of results from the Kulang-Kerimenge trend continues.

Figure 5: HV satellite deposit target locations

PNG Exploration (Harmony 100%)

Outside of the Morobe Mining Joint Venture (MMJV), exploration work on the PNG tenement portfolio focused on the Mount Hagen Project, with drilling commencing at the Kurunga Prospect.

Mount Hagen project (EL1611 & EL1596)

First-pass drilling at the Kurunga Prospect is underway to test three discrete copper anomalies in close proximity, each roughly 500-700m diameter. The anomalies exhibit typical porphyry style metal zonation, with a central Copper-Molybolenum (Cu-Mo) core (with patchy coincident gold (Au) surrounded by elevated Zink-Lead (Zn-Pb) geochemistry. In addition, anomalies rank among the highest order geochemical targets in the entire mobile belt.

Initial assay results received to date have been encouraging. The top 132m of KUDD008 averages 170 ppm Molybolenum (Mo) and is accompanied by sporadic vein intervals of +0.1 % Cu. The assays also include an interval of high grade Mo mineralisation:

• KUDD009; 33m @ 343 ppm Mo from 4m.

Golpu resource grade averages 95 ppm Mo for comparison. Results indicate that the Kurunga system is metal bearing and confirms the prospectivity of the soil anomaly. The remainder of assays for the program are pending.

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Figure 6: Greyscale magnetic image (analytic signal) over the Mt Hagen project area with colour overlay showing copper geochemical anomalies.

The red areas represent high order copper anomalies ranging between 250 parts per million (ppm) to 0.14% copper.

Ridge and spur soil sampling and reconnaissance mapping have produced a 1 300m x 600m, coincident Cu-Au-Mo anomaly to the southwest of Kurunga at Penamb (refer figure 5 above). Preliminary field observations combined with historic mid-1980's Esso reports indicate the presence of a fertile Cu-Au porphyry system with significant phyllic and propyllitic alteration zones within the main Penamb creek and along several ridges. Drill testing is planned for quarter 1 of FY12.

Amanab project (EL1708)

No fieldwork was undertaken during the quarter. Reconnaissance mapping and sampling is scheduled for the next quarter.

 # Note: The technical information was compiled by Greg Job, Harmony's Executive Growth and Resource Development for South-East Asia, who has the overall responsibility and accountability for the Golpu project, in terms of the South African Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (SAMREC) 2007. Mr Job has 21 years' experience in mine and resource geology and is a member of the Australian Institute of Mining and Metallurgy. He is a full time employee of Harmony and qualifies as Competent Person as defined in the SAMREC Code and the Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (JORC). Mr Job has consented to the inclusion of the exploration details based on the information in the form and context in which it appears.

South Africa

Uranium Project Tshepong, Phakisa, Masimong Project (TPM)

TPM evaluates the potential for the economic recovery of uranium from the ore mined at the Tshepong, Phakisa and Masimong operations in the Free State. The processing of the uranium enhances the gold recovery resulting in increased gold production from these operations. When the uranium is treated as a by-product, and therefore a credit to costs, operating costs of the contributing shafts will be reduced.

During the March 2011 quarter the feasibility study was completed. Higher operating and capital cost assumptions were used. This resulted in lower net present values than expected. A value engineering process is currently underway to further assess the net present value of the project.

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Results for the quarter and the year
ended 30 June 2011
17
Operating results
(Rand/Metric) (US$/Imperial)
Underground production – South Africa
Surface production – South Africa
Total
South
South
Quarter
Kusasa-
Under-
Total
Africa
Africa
Hidden
Harmony
Ended
Bambanani Doornkop
Evander
Joel
lethu Masimong
Phakisa
Steyn 2
Target 1
Target 3 Tshepong
Unisel
ground
Kalgold Phoenix Dumps Surface
Other
Total Valley
Total
Ore milled
– t'000
Jun-11
112
234
132
121
305
190
106
–
168
75
327
106
1 876
392

1 247
926
2 565
–
4 441
420
4 861
Mar-11
81
173
130
118
297
216
88
–
161
–
333
104
1 701
373
1 242
923
2 538
–
4 239
407
4 646
Gold produced
– kg
Jun-11
735
757
750
448
1 586
827
472
27
690
274
1 473
420
8 459
270
137
460
867
–
9 326

826
10 152
Mar-11
559
571
483
445
1 464
1 039
408
14
785
250
1 679
467
8 164
276
149
474
899
–
9 063
794
9 857
Gold produced
– oz
Jun-11
23 631
24 338
24 113
14 404
50 991
26 589
15 175
868
22 184
8 809
47 358
13 503
271 963
8 681
4 405 14 789
27 875
–
299 838
26 556
326 394
Mar-11
17 972
18 358
15 529

14 307
47 069
33 405
13 117
450
25 238
8 038
53 981
15 014
262 478
8 874
4 790
15 239
28 903
–
291 381
25 528
316 909
Yield
– g/tonne
Jun-11
6.56
3.24
5.68
3.70
5.20
4.35
4.45
–
4.11
3.65
4.50
3.96
4.49
0.69
0.11
0.50
0.34
–
2.09
1.97
2.08
Mar-11
6.90
3.30
3.72
3.77
4.93
4.81
4.64
–

4.88
–
5.04
4.49
4.64
0.74
0.12
0.51
0.35
–
2.08
1.95
2.06
Cash operating costs
– R/kg
Jun-11
302 668
239 316
205 235
259 121
219 880
214 694 284 475
–
269 323 339 956
209 333
255 486
240 610 311 819 297 029 234 874
268 657
–
243 225 238 644
242 851
Mar-11
333 259
229 447
298 153
238 256
200 579
175 496
286 765
–
203 459
–
170 662
227 266
216 799 231 188 259 966 214 833
227 335
–
217 876 216 981
217 802
Cash operating costs
– $/oz

Jun-11
1 389
1 099
942
1 190
1 009
986
1 306
–
1 236
1 561
961
1 173
1 105
1 431
1 363
1 078
1 233
–
1 117
1 096
1 115
Mar-11
1 484
1 022
1 327
1 061
893
781
1 277
–
906
–
760
1 012
965
1 029
1 157
957
1 012
–
970
966
970
Cash operating costs
– R/tonne
Jun-11
1 986
774
1 166
959

1 143
934
1 267
–
1 106
1 242
943
1 012
1 081
215
33
117
91
–
509
469
506
Mar-11
2 300
757
1 108
899
989
844
1 330
–
992
–
860
1 021
1 007
171
31
110
81
–
452
423
450
Gold sold
– Kg
Jun-11
758
762
727
480
1 583
854
487
27
756

300
1 520
434
8 688
354
137
460
951
–
9 639
773
10 412
Mar-11
541
543
523
405
1 545
1 005
394
14
707
250
1 624
452
8 003
263
147
470
880
–
8 883
833
9 716
Gold sold
– oz
Jun-11
24 370
24 499
23 374
15 432
50 895
27 457
15 657
868
24 306
9 645
48 869
13 953
279 325
11 381

4 405 14 789
30 575
–
309 900
24 852
334 752
Mar-11
17 394
17 458
16 815
13 021
49 673
32 311
12 667
450
22 731
8 038
52 213
14 532
257 303
8 456
4 726
15 111
28 293
–
285 596
26 782
312 378
Revenue
(R'000)
Jun-11
249 573
251 188
239 907
158 441
521 415
281 110 160 566
–
248 583
98 673
499 685
142 338
2 851 479 116 059
45 336 151 481
312 876
– 3 164 355 257 876
3 422 231
Mar-11
169 264
169 602
162 346

126 329
480 596
314 222
123 501
–
221 194
–
507 523
141 255
2 415 832
81 888
45 861 147 391
275 140
– 2 690 972 258 327
2 949 299
Cash operating
(R'000)
Jun-11
222 461
181 162
153 926
116 086
348 730
177 552 134 272
–
185 833
93 148
308 348
107 304
2 028 822
84 191
40 693 108 042
232 926
– 2 261 748 197 120
2 458 868
costs Mar-11
186 292
131 014
144 008
106 024
293 648
182 340
117 000
–
159 715
–
286 542
106 133
1 712 716
63 808
38 735 101 831

204 374
– 1 917 090 172 283
2 089 373
Inventory
(R'000)
Jun-11
2 080
1 776
(2 634)
7 728
(3 669)
7 782
1 984
–
11 581
4 595
11 584
3 150
45 957
13 621
(526)
2 725
15 820
–
61 777
852
62 629
movement
Mar-11
(4 067)
(7 726)
11 034
(10 692)
39 966
(8 688)
(3 173)
–
2 472
–
(15 064)
(3 692)
370
(1 660)
(5 382)
8 678
1 636
–
2 006
2 842
4 848
Operating costs

(R'000)
Jun-11
224 541
182 938
151 292
123 814
345 061
185 334 136 256
–
197 414
97 743
319 932
110 454
2 074 779
97 812
40 167 110 767
248 746
– 2 323 525 197 972
2 521 497
Mar-11
182 225
123 288
155 042
95 332
333 614
173 652
113 827
–
162 187
–
271 478
102 441
1 713 086
62 148
33 353 110 509
206 010
– 1 919 096 175 125
2 094 221
Operating profit
(R'000)
Jun-11
25 032
68 250
88 615
34 627
176 354
95 776
24 310
–
51 169
930

179 753
31 884
776 700
18 247
5 169 40 714
64 130
–
840 830
59 904
900 734
Mar-11
(12 961)
46 314
7 304
30 997
146 982
140 570
9 674
–
59 007
–
236 045
38 814
702 746
19 740
12 508
36 882
69 130
–
771 876
83 202
855 078
Operating profit
($'000)
Jun-11
3 694
10 074
13 080
5 110
26 029
14 135
3 588
–
7 552
137
26 530
4 706
114 635
2 693
763
6 009

9 465
–
124 100
8 842
132 942
Mar-11
(1 856)
6 629
1 047
4 436
21 040
20 122
1 385
–
8 446
–
33 788
5 556
100 593
2 826
1 791
5 279
9 896
–
110 489
11 911
122 400
Capital expenditure
(R'000)
Jun-11
52 308
70 860
50 484
18 350
105 246
48 441
93 305
37 490
76 220
14 189
72 124
16 440
655 457
5 765
5 526 22 655
33 946
21 311
710 714
76 972
787 686
Mar-11

37 321
67 049
29 981
14 733
85 915
40 588
81 737
37 009
74 469
22 026
67 259
14 225
572 312
1 246
5 844
12 353
19 443
7 112
598 867
67 982
666 849
Capital expenditure
($'000)
Jun-11
7 720
10 458
7 451
2 708
15 534
7 150
13 771
5 533
11 250
2 094
10 645
2 426
96 740
851
816
3 344
5 011
3 145
104 896
11 361
116 257
Mar-11
5 342
9 598
4 292
2 109
12 298

5 810
11 700
5 298
10 660
3 153
9 628
2 036
81 924
178
837
1 768
2 783
1 018
85 725
9 731
95 456

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Results for the quarter and the year
ended 30 June 2011

CONDENSED CONSOLIDATED INCOME STATEMENTS (Rand)

		Quarter ended			Year ended	
		30 June 2011 (Unaudited)	31 March 2011 (Unaudited)	30 June 2010 (Unaudited)	30 June 2011	30 June 2010 (Audited)
	Note	R million	R million	R million	R million	R million
Continuing operations						
Revenue		3 422	2 949	3 045	12 445	11 284
Cost of sales	2	(3 491)	(2 623)	(2 649)	(11 615)	(10 484)
Production costs		(2 508)	(2 064)	(2 075)	(9 074)	(8 325)
Royalty expense		(13)	(30)	(28)	(96)	(33)
Amortisation and depreciation		(477)	(431)	(383)	(1 776)	(1 375)
Impairment of assets		(264)	–	(30)	(264)	(331)

Employment termination and
restructuring
costs
– (26) (82) (158) (205)
Other
items
(229) (72) (51) (247) (215)
Gross (loss)/profi
t
(69) 326 396 830 800
Corporate, administration and
other
expenditure
(71) (93) (124) (354) (382)
Social
investment
expenditure
(18) (27) (28) (84) (81)
Exploration
expenditure
3 (102) (77) (60) (353) (219)
Profit on sale of property,
plant and equipment
5
8
101
29
104
Other income/(expenses) – net
33
(8)
40
(24)
(58)
Operating (loss)/profit
(222) 129 325 44 164
(Loss)/profit from associates
–
(24)
(7)
(51)
56
Reversal of impairment/(impairment) of
investment in associate
6
18
(160)
–
(142)
–
Loss on sale of investment in subsidiary

–
–
–
–
(24)
Net gain on financial instruments
4
22
3
11
414
38
Investment
income
24 64 25 140 187
Finance cost
(89)
(71)
(94)
(288)
(246)
(Loss)/profit before taxation
(247)
(59)
260
117
175
Taxation
205 297 (227) 480 (335)
Normal
taxation
10 (12) (20) (12) (84)
Deferred taxation
5
195 309 (207)
492 (251)
Net (loss)/pro t from
continuing
operations
(42) 238 33 597 (160)
Discontinued operations
(Loss)/pro t from discontinued operations
6
– –
(20)
20 (32)
Net (loss)/profit
(42) 238 13 617 (192)
Attributable to:
Owners of the parent
(42)

238
13
617
(192)
Non-controlling
interest
– – – – –
(Loss)/earnings per ordinary share (cents)
7

– (Loss)/earnings from continuing operations
(10)
55
8
139
(38)
– (Loss)/earnings from discontinued operations
– – (5)
5 (8)
Total (loss)/earnings per ordinary
share
(cents)
(10) 55 3 144 (46)
Diluted (loss)/earnings per ordinary
share (cents)
7

– (Loss)/earnings from continuing operations
(10)
55 8
139
(38)
– (Loss)/earnings from discontinued operations
–
–
(5)
5
(8)
Total diluted (loss)/earnings per
ordinary
share
(cents)
(10) 55 3 144 (46)
The accompanying notes are an integral part of these condensed consolidated financial statements.

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CONDENSED CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME (Rand)

	Quarter ended			Year ended	
	30 June 2011 (Unaudited)	31 March 2011 (Unaudited)	30 June 2010 (Unaudited)	30 June 2011	30 June 2010 (Audited)
	R million	R million	R million	R million	R million
Net (loss)/pro t for the period	**(42)**	**238**	**13**	**617**	**(192)**
Other comprehensive income/(loss) for the period, net of income tax	418	6	(166)	368	(131)
Foreign exchange translation	473	22	(161)	470	(127)
Fair value movement of available-for-sale investments	(55)	(16)	(5)	(102)	(4)
Total comprehensive income/(loss) for the period	**376**	**244**	**(153)**	**985**	**(323)**
Attributable to:					
Owners of the parent	376	244	(153)	985	(323)
Non-controlling interest	–	–	–	–	–

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

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Results for the quarter and the year

ended 30 June 2011

CONDENSED CONSOLIDATED BALANCE SHEETS (Rand)

At At At
30 June
31 March
30 June
2011 2011 2010
(Unaudited)
(Audited)
Note R million R million R million

ASSETS

Non-current assets

Property, plant and equipment
8
31 221
30 557
29 556
Intangible assets
8
2 170
2 188
2 210
Restricted cash
31 27 146
Restricted investments
1 883
1 866
1 742
Investments in nancial assets
185
236
12
Investments in associates
–
–
385
Inventories
9 172 227 214
Trade and other receivables
23
69
75
35 685 35 170 34 340

Current assets

Inventories
9 837 954 987
Trade and other receivables
1 073
1 111

932
Income and mining taxes
139
119
74
Cash and cash equivalents
693
656
770
2 742 2 840 2 763
Assets of disposal groups classi ed as held for sale
6
268
174
245
3 010 3 014 3 008
Total assets
38 695 38 184 37 348
EQUITY AND LIABILITIES
Share capital and reserves
Share capital
28 305 28
290 28 261
Other reserves
762 299 258
Retained earnings
1 093
1 135
690
30 160 29 724 29 209
Non-current liabilities
Deferred tax liability
3 067
3 313
3 534
Provision for environmental rehabilitation
10
1 971
1 785
1 692
Retirement bene t obligation and other provisions
174
179
169
Borrowings
11 1 229 1 487 981
6 441 6 764 6 376
Current liabilities
Borrowings
11
330 336 209

Income and mining taxes
2 17 9
Trade and other payables
12
1 746
1 343
1 410
2 078
1 696
1 628
Liabilities of disposal groups classi ed as held for sale
6
16 –
135
2 094
1 696
1 763
Total equity and liabilities
38 695
38 184
37 348
The accompanying notes are an integral part of these condensed consolidated nancial statements.

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (Rand)

for the year ended 30 June 2011

	Share capital	Other reserves	Retained earnings	Total
	R million	R million	R million	R million
Balance – 30 June 2010	28 261	258	690	29 209
Issue of shares	44	–	–	44
Share-based payments	–	136	–	136
Total comprehensive income for the year	–	368	617	985
Dividends paid	–	–	(214)	(214)
Balance as at 30 June 2011	**28 305**	**762**	**1 093**	**30 160**
Balance – 30 June 2009	28 091	339	1 095	29 525
Issue of shares	175	–	–	175
Share-based payments	(5)	148	–	143
Repurchase of equity interest	–	(98)	–	(98)
Total comprehensive loss for the year	–	(131)	(192)	

(323)
Dividends paid
– –
(213)
(213)
Balance as at 30 June 2010
28 261
258
690
29 209
The statement of changes in equity for the year ended 30 June 2010 has been audited.
The accompanying notes are an integral part of these condensed consolidated nancial statements.

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (Rand)

		Quarter ended			Year ended	
		30 June 2011	31 March 2011	30 June 2010	30 June 2011	30 June 2010
		(Unaudited)	(Unaudited)	(Unaudited)		(Audited)
	Note	R million	R million	R million	R million	R million
Cash ow from operating activities						
Cash generated by operations		1 052	213	877	2 418	1 611
Interest and dividends received		24	64	32	140	187
Interest paid		(35)	(34)	(38)	(134)	(90)
Income and mining taxes (paid)/refund		(19)	8	(55)	(45)	(125)
Cash generated by operating activities		1 022	251	816	2 379	1 583
Cash ow from investing activities						
(Increase)/decrease in restricted cash		(4)	–	–	116	

15
Proceeds on disposal of investment in subsidiary
–
–
–
229
24
Proceeds on disposal of available-for-sale
financial
assets
– – 8 1
50
Prepayment for Evander 6 and Twistdraai
transaction
12
100 – –
100 –
Other
investing
activities
(10) 16 (11) 10 (12)
Net additions to property, plant and equipment
(829)
(687)
(708)
(3 110)
(3 493)
Cash utilised by investing activities
(743)
(671)
(711)
(2 654)
(3 416)
Cash ow from nancing activities
Borrowings
raised
150 250 300 925
1
236
Borrowings
repaid
(415) (17) (106) (546) (391)
Ordinary shares issued – net of expenses
15
13
7
44
18
Dividends
paid
– – –

(214)
(213)
Cash (utilised)/generated by financing activities
(250)
246
201
209
650
Foreign currency translation adjustments
8
(7)
(17)
(11)
3
Net increase/(decrease) in cash and cash
equivalents
37 (181) 289 (77)
(1
180)
Cash and cash equivalents – beginning of period
656
837
481
770
1 950
Cash and cash equivalents – end of period
693
656
770
693
770
The accompanying notes are an integral part of these condensed consolidated nancial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FOURTH QUARTER AND YEAR ENDED 30 JUNE 2011

1. Accounting policies

Basis of accounting

The condensed consolidated nancial statements for the year ended 30 June 2011 have been prepared in accordance with IAS 34, Interim Financial Reporting, JSE Listing Requirements and in the manner required by the Companies Act of South Africa. They should be read in conjunction with the annual nancial statements for the year ended 30 June 2010, which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS). The accounting policies are consistent with those described in the annual nancial statements, except for the adoption of applicable revised and/or new standards issued by the International Accounting Standards Board.

2.

Cost of sales

	Quarter ended			Year ended	
	30 June 2011 (Unaudited)	31 March 2011 (Unaudited)	30 June 2010 (Unaudited)	30 June 2011 (Audited)	30 June 2010
	R million	R million	R million	R million	R million
Production costs	2 508	2 064	2 075	9 074	8 325
Royalty expense	13	30	28	96	33
Amortisation and depreciation	477	431	383	1 776	1 375
Impairment of assets (1)	264	–	30	264	331

Rehabilitation expenditure
(2)
61 4 14 74 29
Care and maintenance cost of restructured shafts
37
35
15
124
57
Employment termination and restructuring costs
–
26
82
158
205
Share based payments
45
28
41
136
148
Other
(3)
86 5 (19) (87) (19)
Total cost of sales
3 491
2 623
2 649
11 615
10 484
(1) During the June 2011 quarter, an impairment of R264 million relating to President Steyn 1 and 2 shafts and St Helena was recorded. The impairments for the year ended
30 June 2010 relates mainly to the Virginia and Evander operations, which was recorded as a result of shaft closures.
(2) The expense for the June 2011 quarter results from the annual re-estimation of the rehabilitation obligation.
(3) Included in Other for the June 2011 quarter is R41 million for the write down of the Steyn plant demolishment project.
3. Exploration expenditure
Quarter ended
Year ended
30 June
31 March
30 June
30 June
30 June
2011 2011 2010 2011 2010
(Unaudited) (Unaudited) (Unaudited)
(Audited)
R million
R million
R million
R million

R million
Total exploration expenditure
111 87 60 398 219
Less: expenditure capitalised
(1)
(9)
(10) –
(45) –
Exploration expenditure per income statement
102
77
60
353
219
(1) Relates to Brownfields exploration at Hidden Valley
4.
Net gain on financial instruments
During the September 2010 quarter, a gain of R273 million was recognised on the Freegold option. This was following Harmony Gold Mining
Company Limited (Harmony) entering into two transactions with Witwatersrand Consolidated Gold Resources Limited (Wits Gold), whereby
Wits Gold obtains a prospecting right over Harmony's Merriespruit South area and the option held by ARMgold/Harmony Freegold Joint
Venture Company (Proprietary) Limited (Freegold), a wholly owned subsidiary of Harmony, is cancelled.
The remainder of the total relates primarily to the increase in the fair value of the Nedbank Equity Linked Deposits held by the Environmental Trusts.

5. Deferred taxation

The deferred taxation credit of R195 million includes credits of R119 million related to the annual re-assessment of the deferred tax rates.

The deferred taxation credit of R309 million in the March 2011 quarter includes a deferred tax credit of R333 million relating to Freegold.

South African Revenue Service (SARS) previously disallowed Freegold's "post 1973 gold mine" additional capital allowance claim, and also disallowed Freegold's application of mining ringfencing. The disputed matters were set down to be heard in the Income Tax Court of Johannesburg on 14 March 2011, but SARS withdrew the additional capital allowance claim on 10 March 2011, conceding that the Freegold operations are entitled to claim this capital allowance. The inclusion of the capital allowance caused an increase in the deferred tax asset on the balance sheet and the resulting credit in the income statement. For additional disclosure on the mining ringfencing application refer to note 13.

6.

Disposal groups classified as held for sale and discontinued operations

Mount Magnet

The conditions precedent for the sale of Mount Magnet were ful lled and the transaction became effective on 20 July 2010. A total purchase consideration of R238 million was received from Ramelius Resources Limited in exchange for 100% of the issued shares of Mount Magnet.

The group recognised a total pro t of R104 million net of tax, before the realisation of accumulated foreign exchange losses of R84 million from other comprehensive income to the consolidated income statement. The income statement and earnings per share amounts for all comparative periods have been re-presented to disclose the operation as a discontinued operation.

Investment in associate

The investment in Rand Uranium has been classi ed as held for sale following the decision by the shareholders to sell the business. In terms of the binding offer accepted by the shareholders on 21 April 2011, the capital portion of the subordinated shareholder's loan of R61 million due to the group will be repaid out of the sale proceeds. Where the carrying value of the investment exceeds the expected proceeds, an impairment is recognised in the income statement. An impairment of R142 million has been recognised for the 2011 year.

Evander 6 and Twistdraai

On 10 September 2010, Harmony concluded a sale of assets agreement with Taung Gold Limited (Taung), in which Taung acquired the Evander 6 Shaft, the related infrastructure and surface rights permits as well as a mining right over the Evander 6 and Twistdraai areas. The total purchase consideration is R225 million, which will be settled in cash when all remaining conditions precedent to the transaction have been ful lled. In terms of an amended agreement Taung paid an amount of R100 million in April 2011. Refer to note 12 for additional disclosure.

7.

(Loss)/earnings and net asset value per share

(Loss)/earnings per share is calculated on the weighted average number of shares in issue for the quarter ended 30 June 2011: 430.0 million
(31 March 2011: 429.5 million, 30 June 2010: 427.6 million), and the year ended 30 June 2011: 429.3 million (30 June 2010: 426.4 million).
The diluted (loss)/earnings per share is calculated on weighted average number of diluted shares in issue for the quarter ended
30 June 2011: 431.4 million (31 March 2011: 430.7 million, 30 June 2010: 429.1 million), and the year ended 30 June 2011: 430.4 million
(30 June 2010: 427.8 million).

25
Quarter ended
Year ended
30 June
31 March
30 June
30 June
30 June
2011 2011 2010 2011 2010
(Unaudited)
(Unaudited)
(Unaudited)

(Audited)
Total (loss)/earnings per
share (cents):
Basic (loss)/earnings
(10)
55 3
144
(46)
Diluted (loss)/earnings
(10)
55 3
144
(46)
Headline earnings/(loss)
30 91 (10)
223 (7)
– from continuing operations
30
91
(6)
223
1
– from discontinued operations
–
–
(4)
–
(8)
Diluted headline earnings/(loss)
30
91
(10)
222
(7)
– from continuing operations
30
91
(6)

222
1
– from discontinued operations
–
–
(4)
–
(8)
R million
R million
R million
R million
R million
Reconciliation of headline earnings/(loss):
Continuing operations
Net (loss)/profit
(42)
238
33
597
(160)
Adjusted for (net of tax):
Profit on sale of property, plant and equipment
(5)
(8)
(101)
(30)
(104)
Taxation effect of profit on sale of property, plant
and
equipment
1 2 21 8
22
Net gain on financial instruments
(6)
(3)
(4)
(7)
(7)
Taxation effect of net gain on financial instruments
2
1
1
2
2
(Reversal of impairment)/impairment of investment
in associate*
(18)
160
–
142

–
Foreign exchange loss/(gain) reclassified from other
comprehensive income*
–
–
–
47
(22)
Loss on sale of investment in subsidiary
–
–
–
–
24
Taxation effect of loss on sale of investment in subsidiary
–
–
–
–
(7)
Impairment of assets
264
–
30
264
331
Taxation effect of impairment of assets
(66)
–
(4)
(66)
(75)
Headline earnings/(loss) 130
390
(24)
957
4
Discontinued operations
Net (loss)/profit
–
–
(20)
20
(32)
Adjusted for (net of tax):
Profit on sale of investment in subsidiary
–
–
–
(138)
(1)

Taxation effect of profit on sale of investment in subsidiary
–
–
–
34
–
Foreign exchange loss reclassified from other
comprehensive income*
–
–
–
84
–
Headline loss
–
–
(20)
–
(33)
Total headline earnings/(loss)
130
390
(44)
957
(29)
*There is no taxation effect on these items.
Net asset value per share (cents)
At
At
At
30 June
31 March
30 June
2011
2011
2010
Number of shares in issue
430 084 628
429 807 371
428 654 779
Net asset value per share (cents)
7 013
6 916
6 814
8.
Property, plant and equipment and intangible assets
An impairment of R264 million has been recognised at 30 June 2011 for the President Steyn 1 and 2 shafts and St Helena. R9 million of the
impairment relates to goodwill, which is included in intangible assets.
9. Inventories

A write down of R41 million was recorded for the Steyn plant demolishment project as well as R21 million for the net realisable value
adjustment for other gold in lock-up. In addition, a write down of R30 million was recorded for certain stockpiles.

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Results for the quarter and the year
ended 30 June 2011

10. Provision for environmental rehabilitation

An adjustment of R157 million was made to the liability following the annual re-estimation of the rehabilitation obligation.

11. Borrowings

	30 June 2011	31 March 2011	30 June 2010
	(Unaudited)		(Audited)
	R million	R million	R million
Total long-term borrowings	1 229	1 487	981
Total current portion of borrowings	330	336	209
Total borrowings (1) (2)	**1 559**	**1 823**	**1 190**

(1) In December 2009, the Company entered into a loan facility with Nedbank Limited, comprising of a Term Facility of R900 million and a Revolving Credit Facility of R600 million. Interest accrues on a day to day basis over the term of the loan at a variable interest rate, which is fixed for a three month period, equal to JIBAR plus 3.5%.

Interest is repayable quarterly. The Term Facility is repayable bi-annually in equal instalments of R90 million over five years. The first instalment was paid on 30 June 2010.

In December 2010, the Company entered into an additional loan facility with Nedbank Limited, comprising of a Term Facility of R500 million and a Revolving Credit Facility of R250 million. Interest terms are identical to the original facility. The Term Facility is repayable bi-annually in equal instalments of R62.5 million over four years. The first instalment was paid on 30 June 2011. The terms of the original Revolving Credit Facility were amended to coincide with the repayment terms of the new Revolving Credit Facility, being payable after three years from December 2010.

At 30 June 2011, R400 million (31 March 2011: R300 million, 30 June 2010: R300 million) of these facilities had not been drawn down.

(2) Included in the borrowings is R51 million (31 March 2011: R58 million; June 2010: R91 million) owed to Westpac Bank Limited in terms of a finance lease agreement. The future minimum lease payments are as follows:

	30 June 2011	31 March 2011	30 June 2010
	(Unaudited)		(Audited)

R million	R million	R million
Due within one year		
29	29	33
Due between one and five years		
22	30	60
51	59	93
Future nance charges		
(1)	(1)	(2)
Total future minimum lease payments		
50	**58**	**91**

12. Trade and other payables

Included in the balance at 30 June 2011 is an amount of R100 million paid by Taung to Harmony in terms of the amended agreement for the purchase of the Evander 6 shaft and Twistdraai areas. In terms of the amended agreement, the amount is repayable to Taung should the outstanding conditions for the transactions not be ful lled.

13. Commitments and contingencies

30 June 2011 (Unaudited)	31 March 2011 (Audited)	30 June 2010
R million	R million	R million
Capital expenditure commitments:		
Contracts for capital expenditure		
194	191	335
Authorised by the directors but not contracted for		
1 504	2 175	1 006
1 698	**2 366**	**1 341**

This expenditure will be nanced from existing resources and borrowings where necessary.

Contingent liability

For a detailed disclosure on contingent liabilities refer to Harmony's annual report for the nancial year ended 30 June 2010, available on the group's website at www.harmony.co.za. In addition the following contingencies have been added or amended:

(a) During March 2011, the Constitutional Court handed down judgement in the case of Mr Thembekile Mankayi v AngloGold Ashanti Limited (AGA) regarding litigation in terms of the Occupational Diseases in Mines and Works Act (ODIMWA). The judgement allows Mr Mankayi's executor to proceed with the case in the High Court of South Africa. Harmony was named as a second defendant in the original case.

Should anyone bring similar claims against Harmony in future, those claimants would need to provide evidence proving that silicosis was contracted while in the employment of the Company and that it was contracted due to negligence on the Company's part. The link between the cause (negligence by the Company while in its employ) and the effect (the silicosis) will be an essential part of any case.

It is therefore uncertain as to whether the Company will incur any costs related to silicosis claims in the future and due to the limited information available on any potential claims and the uncertainty of the outcome of these claims, no estimation can be made for the possible obligation.

(b) The Court's decision on Freegold's appeal regarding the South African Revenue Service's (SARS) application of mining tax ring-fencing was received on 1 August 2011 and the Court found in favour of SARS. The case was concluded in March 2011, but judgement was reserved at that time. The Company has decided to appeal the nding by the Court. Any additional income taxes payable are expected to be offset by additional deferred tax credits due to the impact this application will have on unredeemed capital.

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(c) On 18 April 2008, Harmony Gold Mining Company Limited was made aware that it had been named or might be named as a defendant
in a lawsuit led in the U.S. District Court in the Southern District of New York on behalf of certain purchasers and sellers of Harmony's
American Depository Receipts (ADRs) and options with regard to certain of its business practices. Harmony has retained legal counsel.
During January 2009, the plaintiff led an Amended Complaint with the United States District Court (Court). Subsequently, the Company
led a Motion to Dismiss all claims asserted in the Class Action Case. On 19 March 2010, the Court denied the Company's application for
dismissal and subsequently the Company led a Motion for Reconsideration in which it requested the Court to reconsider its judgement.
This matter was heard on 27 April 2010 and the Company's request for reconsideration of judgement was denied.
The Company has subsequent to 30 June 2011 reached a mutually acceptable settlement with the lead plaintiff. The settlement requires
nal approval from the Court and no assurance can be given that the settlement will ultimately be approved.

14. Subsequent events

(a) Refer to note 13(b) for details on the post balance sheet date event relating to the Freegold court case.
(b) On 11 August 2011, the group entered into a US$300 million Revolving Credit Facility. The facility has a term of four years and attracts
interest at LIBOR plus 260 basis points. This arrangement is subject to certain conditions precedent being satis ed. The facility was jointly
arranged by Nedbank Limited and Firstrand Bank Limited (acting through its Rand Merchant Bank division).
(c) On 12 August 2011 the board approved a payment of dividend of 60 SA cents per share for the year ended 30 June 2011.

15. Segment report

The segment report follows on page 28 and 29.

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

	30 June 2011 (Audited) R million	30 June 2010 R million
The "Reconciliation of segment information to consolidated income statement and balance sheet" line item in the segment report is broken down in the following elements, to give a better understanding of the differences between the income statement, balance sheet and segment report:		
Revenue from:		
Discontinued operations	–	–
Production costs from:		
Discontinued operations	–	–
Reconciliation of production profit to gross profit:		
Total segment revenue	12 445	11 284
Total segment production costs and royalty expense	(9 170)	

(8 358)
Production profit as per segment report
3 275
2 926
Less: discontinued operations
– –
3 275
2 926
Cost of sales items other than production costs and royalty expense
(2 445)
(2 126)
Amortisation and depreciation
(1 776)
(1 375)
Impairment of assets
(264) (331)
Employment termination and restructuring costs
(158)
(205)
Share-based payments
(136) (148)
Rehabilitation costs
(74) (29)
Care and maintenance costs of restructured shafts
(124)
(57)
Other
87 19
Gross profit as per income statements *
830
800
Reconciliation of total segment mining assets to consolidated property, plant and equipment:
Property, plant and equipment not allocated to a segment:
Mining assets
871 786
Undeveloped property
5 139
5 139
Other non-mining assets
70 72
Less: Non-current assets classified as held for sale
–
(226)
6 080
5 771
* The reconciliation was done up to the rst recognisable line item on the income statement. The reconciliation will follow the income statement after that.
17. Audit review
The condensed consolidated nancial statements for the year ended 30 June 2011 on pages 18 to 29 have been reviewed in accordance with
the International Standards on Review Engagements 2410 – "Review of interim nancial information performed by the

independent Auditors
of the entity" by PricewaterhouseCoopers Inc. Their unquali ed review opinion is available for inspection at the company's registered of ce.

28
Results for the quarter and the year
ended 30 June 2011
SEGMENT REPORT FOR THE YEAR ENDED 30 JUNE 2011 (Rand/Metric)

Production
Production
Mining
Capital
Kilograms
Tonnes
Revenue
cost
(1)
profit assets
expenditure
(4)
produced
milled

R million
R million
R million
R million
R million
kg*
t'000*
Continuing operations
South Africa
Underground
Bambanani
(2)
921
828
93
965
321
3
051
426
Doornkop
781
601
180
3 085
292
2 512
718
Evander 717
622
95

946
196
2
302
541
Joel 454
417
37
183
73
1
449
407
Kusasalethu
1 774
1 321
453
3 220
380
5 609
1 099
Masimong
1
326

756	570	899	178	4 280	868

Phakisa
551
473
78
4 317
369
1 762
387
Target
(2)
1 080
815
265
2 729
439
3 981
805
Tshepong
2 007
1 172
835
3 589
273
6 468
1 343
Virginia

682

562	120	672	79	2 213	576

Surface

All other surface operations
(3)
1 176
888
288
155
147
3 790
10 431

Total South Africa
11 469
8 455
3 014
20 760
2 747
37 417
17 601

International
Papua New Guinea
976
715
261
4 381
289
3 118
1 679

Total international
976
715
261
4 381
289
3 118
1 679

Total operations
12 445
9 170
3 275
25 141
3 036
40 535
19 280

Reconciliation of the segment
information to the consolidated
income statements and
balance sheets (refer to note 16)
–
–

6
080

12 445
9 170
31 221

(1) Production costs includes royalty expense.

(2) Production statistics for Steyn 2 and up to March 2011 for Target 3 are included for information purposes. Steyn 2 is in build-up phase and revenue and costs are currently
capitalised until commercial levels of production are reached. Target 3 had reached commercial production levels in April 2011.

(3) Includes Kalgold, Phoenix, Dumps and President Steyn plant clean-up.

(4) The total excludes non-operational capital expenditure of R67 million relating to Papua New Guinea.

* Production statistics are not reviewed

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SEGMENT REPORT FOR THE YEAR ENDED 30 JUNE 2010 (Rand/Metric)

Production
Operating
Mining
Capital
Kilograms
Tonnes
Revenue
cost
profit
assets
expenditure
produced
milled

R million
R million
R million
R million
R million
kg*
t'000*

Continuing operations

South Africa

Underground

Bambanani
(2)
1
114
745 369 954 207 4 137 528
Doornkop
517
410
107
2 837
342
1 950
540
Evander 910
859
51
922
175
3
475
788
Joel
524
379 145 175 88 2 006 439

Kusasalethu
1 392
1 091
301
2 974
430
5 444
1 035
Masimong
1
277
702 575 799 177 4
840 899
Phakisa
375
326
49
4 065
486
1 371
339
Target
(2)
878
664
214
2 537
382
3 539
777
Tshepong
1 823
1 147
676
3 645
261
6 749
1 518
Virginia
1 415
1 340
75
682
180
5 288
1 656
Surface
All other surface operations
(1)
980
632 348 127 84 3 731

9
140
Total South Africa
11 205
8 295
2 910
19 717
2 812
42 530
17 659
International
Papua New Guinea
(3)
79
63
16
3 771
541
1 903
304
Total international
79
63
16
3 771
541
1 903
304
Total continuing operations
11 284
8 358
2 926
23 488
3 353
44 433
17 963
Discontinued operations
Mount Magnet
–
–
–
226
–
–
–
Total discontinued operations
–
–
–
226
–

–
–
Total operations
11 284
8 358
2 926
23 714
3 353
44 433
17 963
Reconciliation of the segment
information to the consolidated
income statement and
balance sheet (refer to note 16)
–
–
5
771

11 284
8 358

29 485
Notes:
(1) Includes Kalgold, Phoenix, Dumps and President Steyn plant clean-up
(2) Production statistics for President Steyn and Target 3 are included for information purposes. These mines are in build-up phase and revenue and costs are currently capitalised
until commercial levels of production are reached.
(3) Production statistics for Papua New Guinea are included for the full year for information purposes. The mine was in build-up phase until the end of April 2010, when commercial
levels of production were reached. Revenue and costs up to this date were capitalised.
* Production statistics are not reviewed

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Results for the quarter and the year
ended 30 June 2011
31
Operating results (US$/Imperial)
Underground production – South Africa
Surface production – South Africa
Total
South
South
Quarter
Kusasa-
Under-
Total
Africa
Africa
Hidden
Harmony
Ended
Bambanani Doornkop
Evander
Joel
lethu Masimong
Phakisa
Steyn 2
Target 1
Target 3 Tshepong
Unisel
ground
Kalgold Phoenix Dumps Surface
Other
Total Valley
Total
Ore milled
– t'000
Jun-11
124
258
146
133
336
210
117
–
185
83
361
117
2 070
432
1 375

1 021
2 828
–
4 898
463
5 361
Mar-11
89
191
143
130
328
238
97
–
178
–
367
115
1 876
411
1 370
1 018
2 799
–
4 675
449
5 124
Gold produced
– oz
Jun-11
23 631
24 338
24 113
14 404
50 991
26 589
15 175
868
22 184
8 809
47 358
13 503
271 963
8 681
4 405 14 789
27 875
–
299 838
26 556
326 394

Mar-11
17 972
18 358
15 529
14 307
47 069
33 405
13 117
450
25 238
8 038
53 981
15 014
262 478
8 874
4 790
15 239
28 903
–
291 381
25 528
316 909
Yield
– oz/t
Jun-11
0.191
0.094
0.165
0.108
0.152
0.127
0.130
–
0.120
0.106
0.131
0.115
0.131
0.020
0.003
0.014
0.010
–
0.061
0.057
0.061
Mar-11
0.202
0.096
0.109
0.110

0.144
0.140
0.135
–
0.142
–
0.147
0.131
0.135
0.022
0.003
0.015
0.010
–
0.061
0.057
0.060
Cash operating costs
– $/oz
Jun-11
1 389
1 099
942
1 190
1 009
986
1 306
–
1 236
1 561
961
1 173
1 105
1 431
1 363
1 078
1 233
–
1 117
1 096
1 115
Mar-11
1 484
1 022
1 327
1 061
893
781
1 277
–
906

–
760
1 012
965
1 029
1 157
957
1 012
–
970
966
970
Cash operating costs
– $/t
Jun-11
265
104
156
129
153
125
169
–
148
166
126
135
145
29
4
16
12
–
68
63
68
Mar-11
300
98
144
117
128
110
173
–
128
–
112
132
131
22

4
14
10
–
59
55
58
Gold sold
– oz
Jun-11
24 370
24 499
23 374
15 432
50 895
27 457
15 657
868
24 306
9 645
48 869
13 953
279 325
11 381
4 405 14 789
30 575
–
309 900
24 852
334 752
Mar-11
17 394
17 458
16 815
13 021
49 673
32 311
12 667
450
22 731
8 038
52 213
14 532
257 303
8 456
4 726
15 111
28 293
–
285 596
26 782

312 378
Revenue
($'000)
Jun-11
36 835
37 074
35 409
23 385
76 957
41 490
23 698
–
36 689
14 563
73 750
21 008
420 858
17 129
6 691 22 357
46 177
–
467 035
38 061
505 096
Mar-11
24 229
24 277
23 239
18 083
68 794
44 979
17 678
–
31 662
–
72 649
20 220
345 810
11 722
6 565
21 098
39 385
–
385 195
36 978
422 173
Cash operating
($'000)
Jun-11
32 834
26 738

22 718
17 134
51 470
26 206
19 817
–
27 428
13 748
45 510
15 837
299 440
12 426
6 006 15 946
34 378
–
333 818
29 093
362 911
costs
Mar-11
26 667
18 754
20 613
15 177
42 033
26 101
16 747
–
22 862
–
41 017
15 192
245 163
9 134
5 544
14 577
29 255
–
274 418
24 660
299 078
Inventory
($'000)
Jun-11
307
262
(389)
1 141
(542)
1 149
293

–
1 709
678
1 710
465
6 783
2 010
(78)
402
2 334
–
9 117
126
9 243
movement
Mar-11
(582)
(1 106)
1 579
(1 530)
5 721
(1 244)
(454)
–
354
–
(2 156)
(528)
54
(238)
(770)
1 242
234
–
288
407 695
Operating costs
($'000)
Jun-11
33 141
27 000
22 329
18 275
50 928
27 355
20 110
–
29 137
14 426
47 220
16 302

306 223
14 436
5 928 16 348
36 712
–
342 935
29 219
372 154
Mar-11
26 085
17 648
22 192
13 647
47 754
24 857
16 293
–
23 216
–
38 861
14 664
245 217
8 896
4 774
15 819
29 489
–
274 706
25 067
299 773
Operating profit
($'000)
Jun-11
3 694
10 074
13 080
5 110
26 029
14 135
3 588
–
7 552
137
26 530
4 706
114 635
2 693
763
6 009
9 465
–

124 100
8 842
132 942
Mar-11
(1 856)
6 629
1 047
4 436
21 040
20 122
1 385
–
8 446
–
33 788
5 556
100 593
2 826
1 791
5 279
9 896
–
110 489
11 911
122 400
Capital expenditure
($’000)
Jun-11
7 720
10 458
7 451
2 708
15 534
7 150
13 771
5 533
11 250
2 094
10 645
2 426
96 740
851
816
3 344
5 011
3 145
104 896
11 361
116 257
Mar-11
5 342

9 598
4 292
2 109
12 298
5 810
11 700
5 298
10 660
3 153
9 628
2 036
81 924
178
837
1 768
2 783
1 018
85 725
9 731
95 456

32

Results for the quarter and the year

ended 30 June 2011

CONDENSED CONSOLIDATED INCOME STATEMENTS (US$)

(Convenience translation)

	Quarter ended			Year ended	
	30 June 2011 (Unaudited) US$ million	31 March 2011 (Unaudited) US$ million	30 June 2010 (Unaudited) US$ million	30 June 2011 (Unaudited) US$ million	30 June 2010 (Audited) US$ million
Continuing operations					
Revenue	505	422	404	1 781	1 489
Cost of sales	(515)	(375)	(352)	(1 663)	(1 383)
Production costs	(370)	(295)	(275)	(1 299)	(1 099)
Royalty expense	(2)	(4)	(4)	(14)	(4)
Amortisation and depreciation	(70)	(62)	(51)	(254)	(181)
Impairment of assets	(39)	–	(4)		

(38)
(43)
Employment termination and restructuring costs
–
(4)
(11)
(23)
(27)
Other
items
(34) (10) (7) (35) (29)
Gross
(loss)/profit
(10) 47 52 118 106
Corporate, administration and other expenditure
(10)
(13)
(16)
(51)
(50)
Social investment expenditure
(3)
(4)
(4)
(12)
(11)
Exploration
expenditure
(15) (11) (8) (51) (29)
Profit on sale of property, plant and equipment
1
1
13
4
14
Other income/(expenses) – net
5
(1)
5
(3)
(8)
Operating
(loss)/profit
(32) 19 42 5 22
(Loss)/profit from associates
–
(3)
(1)
(7)
7

Reversal of impairment/(impairment) of investment in associate	3	(23)	–	(20)	–
Loss on sale of investment in subsidiary	–	–	–	–	(3)
Net gain on financial instruments	3	–	2	59	5
Investment income	4	9	3	20	25
Finance cost	(13)	(10)	(12)	(41)	(32)
(Loss)/profit before taxation	**(35)**	**(8)**	**34**	**16**	**24**
Taxation	30	42	(30)	68	(44)
Normal taxation	1	(2)	(3)	(2)	(11)
Deferred taxation	29	44	(27)	70	(33)
Net (loss)/profit from continuing operations	**(5)**	**34**	**4**	**84**	**(20)**
Discontinued operations					
(Loss)/profit from discontinued operations	–	–	(2)	3	(4)
Net (loss)/profit					

(5)	**34**	**2**	**87**	**(24)**

Attributable to:
Owners of the parent
(5)
34
2
87
(24)
Non-controlling
interest

–	–	–	–	–

(Loss)/earnings per ordinary share (cents)
– (Loss)/earnings from continuing operations
(1)
8
1
20
(5)
– (Loss)/earnings from discontinued operations
–
–
(1)
1
(1)
Total (loss)/earnings per ordinary share (cents)
(1)
8
–
21
(6)
Diluted (loss)/earnings per ordinary share (cents)
– (Loss)/earnings from continuing operations
(1)
8
1
20
(5)
– (Loss)/earnings from discontinued operations
–
–
(1)
1
(1)
Total diluted (loss)/earnings per ordinary share (cents)
(1)
8
–
21
(6)
The currency conversion average rates for the quarter ended: June 2011: US$1 = R6.78 (March 2011: US$1 = R6.99, June 2010: US$1 = R7.54).

The currency conversion average rates for the year ended: June 2011: US$1 = R6.99 (June 2010: US$1 = R7.58).
The income statement for the year ended 30 June 2010 has been extracted from the 2010 Annual Report.

Note on convenience translations

Except where specific statements have been extracted from the 2010 Annual Report, 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 32 to 38.

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CONDENSED CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME (US$)

(Convenience translation)

	Quarter ended			Year ended	
	30 June 2011 (Unaudited) US$ million	31 March 2011 (Unaudited) US$ million	30 June 2010 (Unaudited) US$ million	30 June 2011 (Unaudited) US$ million	30 June 2010 (Audited) US$ million
Net (loss)/profit for the period	**(5)**	**34**	**2**	**87**	**(24)**
Other comprehensive income/(loss) for the period, net of income tax	62	1	(22)	52	25
Foreign exchange translation	70	3	(21)	67	25
Fair value movement of available-for-sale investments	(8)	(2)	(1)	(15)	–
Total comprehensive income/(loss) for the period	**57**	**35**	**(20)**	**139**	**1**
Attributable to:					
Owners of the parent					

57
35
(20)
139
1
Non-controlling
interest
– – – – –

The currency conversion average rates for the quarter ended: June 2011: US$1 = R6.78 (March 2011: US$1 = R6.99, June 2010: US$1 = R7.54).

The currency conversion average rates for the year ended: June 2011: US$1 = R6.99 (June 2010: US$1 = R7.58).

The statement of other comprehensive income for the year ended 30 June 2010 has been extracted from the 2010 Annual Report.

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Results for the quarter and the year
ended 30 June 2011
CONDENSED CONSOLIDATED BALANCE SHEETS (US$)
(Convenience translation)

	At 30 June 2011 (Unaudited) US$ million	At 31 March 2011 (Unaudited) US$ million	At 30 June 2010 (Audited) US$ million
ASSETS			
Non-current assets			
Property, plant and equipment	4 607	4 509	3 874
Intangible assets	320	323	290
Restricted cash	5	4	19
Restricted investments	278	275	228
Investments in financial assets	27	35	2
Investments in associates	–	–	50
Inventories	25	33	28
Trade and other receivables	3		

10
10
5 265
5 189
4 501
Current assets
Inventories
124
141
129
Trade and other receivables
158
164
122
Income and mining taxes
21
18
10
Cash and cash equivalents
102
97
101
405
420
362
Assets of disposal groups classified as held for sale
40
26
32
445
446
394
Total assets
5 710
5 635
4 895
EQUITY AND LIABILITIES
Share capital and reserves
Share capital
4 177
4 175
4 027
Other reserves
112
44
(40)
Retained earnings/(accumulated loss)
161
167
(159)
4 450

4 386
3 828
Non-current liabilities
Deferred tax
453 489 463
Provisions for environmental rehabilitation
291
263
222
Retirement benefit obligation and other provisions
26
26
22
Borrowings
181
219
129
951 997 836
Current liabilities
Borrowings
49
50
27
Income and mining taxes
–
3
1
Trade and other payables
258
199
185
307
252
213
Liabilities of disposal groups classified as held for sale
2
–
18
309
252
231
Total equity and liabilities
5 710
5 635
4 895
Number of ordinary shares in issue
430 084 628
429 807 371
428 654 779
Net asset value per share (cents)
1 035

1 020
893
The balance sheet for June 2011 converted at a conversion rate of US$1 = R6.78 (March 2011: US$1 = R6.78, June 2010: US$1 = R7.63).
The balance sheet as at 30 June 2010 has been extracted from the 2010 Annual Report.

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (US$)
for the year ended 30 June 2011 (Convenience translation)

	Share capital	Other reserves	Retained earnings/ (Accumulated loss)	Total
	US$ million	US$ million	US$ million	US$ million
Balance – 30 June 2010	4 170	38	102	4 310
Issue of shares	7	–	–	7
Share-based payments	–	20	–	20
Total comprehensive income for the year	–	54	91	145
Dividends paid	–	–	(32)	(32)
Balance as at 30 June 2011	**4 177**	**112**	**161**	**4 450**
Balance – 30 June 2009	4 004	(72)	(108)	3 824
Issue of shares	24			

–
–
24
Share-based payments
(1)
20
–
19
Repurchase of equity interest
–
(13)
–
(13)
Total comprehensive loss for the year
–
25
(24)
1
Dividends paid
–
–
(27)
(27)
Balance as at 30 June 2010
4 027
(40)
(159)
3 828
The currency conversion closing rates for the year ended: June 2011: US$1 = R6.78 (June 2010: US$1 = R7.63).
The statement of changes in equity for the year ended 30 June 2010 has been extracted from the 2010 Annual Report.
The statement of changes in equity for the year ended 30 June 2011 is unaudited.

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Results for the quarter and the year
ended 30 June 2011

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (US$)
(Convenience translation)

	Quarter ended			Year ended	
	30 June 2011 (Unaudited)	31 March 2011 (Unaudited)	30 June 2010 (Unaudited)	30 June 2011 (Unaudited)	30 June 2010 (Audited)
	US$ million	US$ million	US$ million	US$ million	US$ million
Cash flow from operating activities					
Cash generated by operations	155	30	116	346	214
Interest and dividends received	4	9	4	20	25
Interest paid	(5)	(5)	(5)	(19)	(12)
Income and mining taxes (paid)/refund	(3)	1	(7)	(6)	(17)
Cash generated by operating activities	151	35	108	341	210
Cash flow from investing activities					

(Increase)/decrease in restricted cash
(1)
–
–
17
2
Proceeds on disposal of investment in subsidiary
–
–
–
33
3
Proceeds on disposal of available-for-sale financial assets
–
–
1
–
7
Prepayment for Evander 6 and Twistdraai transaction
15
–
–
14
–
Other investing activities
(1)
2
(1)
1
(2)
Net additions to property, plant and equipment
(122)
(98)
(94)
(445)
(463)
Cash utilised by investing activities
(109)
(96)
(94)
(380)
(453)
Cash flow from financing activities
Borrowings raised
22
36
40
132
168
Borrowings repaid
(60)

(2)
(14)
(78)
(57)
Ordinary shares issued – net of expenses
2
2
1
6
3
Dividends paid
–
–
–
(31)
(29)
Cash (utilised)/generated by financing activities
(36)
36
27
29
85
Foreign currency translation adjustments
(1)
(5)
(6)
11
6
Net increase/(decrease) in cash and cash equivalents
5
(30)
35
1
(152)
Cash and cash equivalents – beginning of period
97
127
66
101
253
Cash and cash equivalents – end of period
102
97
101
102
101
Operating activities translated at average rates for the quarter ended: June 2011: US$1 = R6.78 (March 2011: US$1 = R6.99, June 2010: US$ = R7.54).
Average rates for the year ended : June 2011: US$1 = R6.99 (June 2010: US$1 = R7.58)
Closing balance translated at closing rates of: June 2011: US$1 = R6.78 (March 2011: US$1 = R6.78, June 2010: US$1: R7.63).

The cash ow statement for the year ended 30 June 2010 has been extracted from the 2010 Annual Report.

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SEGMENT REPORT FOR THE YEAR ENDED 30 JUNE 2011 (US$/Imperial) (Unaudited)
(Convenience translation)
Production
Production
Mining
Capital
Ounces
Tons
Revenue
cost
(1)
profit assets
expenditure
(4)
produced
milled
US$ million
US$ million
US$ million
US$ million
US$ million
oz
t'000
Continuing operations
South Africa
Underground
Bambanani
(2)
132
118
14
142
46
98 092
470
Doornkop
112
86
26
455
42
80 763
792
Evander
102
89
13
140
28
74 011

596
Joel
65
60
5
27
11
46 586
448
Kusasalethu
254
189
65
475
54
180 334
1 212
Masimong
190
108
82
133
26
137 605
957
Phakisa
79
68
11
637
53
56 649
427
Target
(2)
154
117
37
403
63
127 992
888
Tshepong
287
168
119
530
39
207 950
1 481
Virginia

98
80
18
99
11
71 149
636
Surface
All other surface operations
(3)
168
127
41
23
21
121 851
11 501
Total South Africa
1 641
1 210
431
3 064
394
1 202 982
19 408
International
Papua New Guinea
140
103
37
646
42
100 246
1 852
Total international
140
103
37
646
42
100 246
1 852
Total operations
1 781
1 313
468
3 710
436
1 303 228
21 260
(1) Production costs includes royalty expense.

(2) Production statistics for Steyn 2 and up to March 2011 for Target 3 are included for information purposes. Steyn 2 is in build-up phase and revenue and costs are currently
capitalised until commercial levels of production are reached. Target 3 had reached commercial production levels in April 2011.
(3) Includes Kalgold, Phoenix, Dumps and President Steyn plant clean-up.
(4) The total excludes non-operational capital expenditure of US$10 million relating to Papua New Guinea.
All income statement items, including capital expenditure, are converted at the currency conversion rate of US$1 = R6.98
Mining assets are converted at the currency conversion rate of US$1 = R6.78

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Results for the quarter and the year
ended 30 June 2011
SEGMENT REPORT FOR THE YEAR ENDED 30 JUNE 2010 (US$/Imperial) (Unaudited)
(Convenience translation)
Production
Operating
Mining
Capital
Ounces
Tons
Revenue
cost
profit
assets
expenditure
produced
milled
US$ million
US$ million
US$ million
US$ million
US$ million
oz
t'000
Continuing operations
Underground
Bambanani
(2)
147
98
49
125
28
133 007
582
Doornkop
68
54
14
372
45
62 694
595
Evander
120
113
7
121
23
111 724

869
Joel
69
50
19
23
10
64 495
484
Kusasalethu
184
144
40
390
57
175 029
1 141
Masimong
168
93
75
105
23
155 609
991
Phakisa
50
43
7
533
64
44 079
374
Target
116
88
28
333
51
113 782
857
Tshepong
241
151
90
478
35
216 986
1 674
Virginia
187

177
10
89
24
170 013
1 826
Surface
All other surface operations
(1)
129
84
45
17
11
119 954
10 077
Total South Africa
1 479
1 095
384
2 586
371
1 367 372
19 470
International
Papua New Guinea
(3)
10
8
2
494
71
61 173
335
Total international
10
8
2
494
71
61 173
335
Total continuing operations **1 489**
1 103
386
3 080
442
1 428 545
19 805
Discontinued operations
Mount Magnet

–
–
–
29
–
–
–
Total discontinued operations
–
–
–
29
–
–
–
Total operations
1 489
1 103
386
3 109
442
1 428 545
19 805
Notes:
(1) Includes Kalgold, Phoenix, Dumps and President Steyn plant clean-up
(2) Production statistics for President Steyn and Target 3 are included for information purposes. These mines are in build-up phase and revenue and costs are currently capitalised
until commercial levels of production are reached.
(3) Production statistics for Papua New Guinea are shown for the full year for information purposes. The mine was in build-up phase until the end of April 2010, when commercial
levels of production were reached. Revenue and costs up to this date were capitalised.
All income statement items, including capital expenditure, are converted at the currency conversion rate of US$1 = R7.58.
Mining assets are converted at the currency conversion rate of US$1 = R7.63.

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DEVELOPMENT RESULTS (Metric)
Quarter ended 30 June 2011
Channel
Channel
Reef
Sampled
Width
Value
Gold
(metres)
(metres)
(cm's)
(g/t)
(cmg/t)
Tshepong
Basal 665
584
11.99
74.18
889
B Reef
144
74
81.49
82.05
6 686
All Reefs **808**
658
19.81
77.82
1 541
Phakisa & Nyala
Basal 421
432
79.80
10.60
846
All Reefs **421**
432
79.80
10.60
846
Total Bambanani
Basal 67.6
84
179.20
11.73
2 101
All Reefs **68**
84

179.20
11.73
2 101
Doornkop
South Reef
323.4
330
69.00
16.10
1 110
All Reefs **323**
330
69.00
16.09
1 110
Kusasalethu
VCR Reef
528.7
582
66.00
17.06
1 126
All Reefs
529 **582** **66.00**
17.06
1 126
Total Target
(incl. Target 1 & Target 3)
Elsburg 526.2
366
143.36
9.02
1 293
A Reef
39.2
12
123.33
15.54
1 917
B Reef
54.1
10
10.80
39.80
430
All Reefs **620**
388
139.32
9.26
1 290
Masimong

Basal 532.0
451
46.54
18.58
865
B Reef
132.5
125
59.24
18.67
1 106
All Reefs **665**
576
49.30
18.60
917
Evander
Kimberley 289.7
264
77.00
16.19
1 247
All Reefs **290**
264
77.00
16.19
1 247
Virginia
(incl. Unisel & Merriespruit)
Basal 465.1
362
130.82
9.54
1 248
Leader 572.9
492
214.40
4.60
986
B Reef
25.6
10
9.00
80.49
724
All Reefs **1 064**
864
177.00
6.18
1 093
Joel

Beatrix 435.0
378
127.70
14.05
1 794
All Reefs **435**
378
127.70
14.05
1 794
Total Harmony
Basal
2 150
1 913
65.28
15.24
995
Beatrix 435
378
127.70
14.05
1 794
Leader 573
492
214.40
4.60
986
B Reef
356
219
62.25
47.24
2 941
A Reef
39.2
12.0
123.33
15.54
1 917
Elsburg 526.2
366.0
143.36
9.02
1 293
Kimberley 289.7
264.0
77.00
16.19
1 247
South Reef
323

330
69.00
16.09
1 110
VCR 529
582
66.00
17.06
1 126
All Reefs **5 221**
4 556
93.88
13.00
1 220
DEVELOPMENT RESULTS (Imperial)
Quarter ended 30 June 2011
Channel
Channel
Reef
Sampled
Width
Value
Gold
(feet)
(feet)
(inches)
(oz/t)
(in.oz/t)
Tshepong
Basal
2 180
1 916
5.00
2.04
10
B Reef
471
243
32.00
2.40
77
All Reefs **2 652**
2 159
8.00
2.21
18
Phakisa & Nyala
Basal
1 381
1 417
31.00

0.31
10
All Reefs **1 381**
1 417
31.00
0.31
10
Total Bambanani
Basal 222
276
71.00
0.34
24
All Reefs **222**
276
71.00
0.34
24
Doornkop
South Reef
1 061
1 083
27.00
0.47
13
All Reefs **1 061**
1 083
27.00
0.47
13
Kusasalethu
VCR Reef
1 735
1 909
26.00
0.50
13
All Reefs
1 735 1 909 26.00 0.50
13
Total Target
(incl. Target 1 & Target 3)
Elsburg
1 726
1 201
56.00
0.27
15
A Reef
129
39

49.00
0.45
22
B Reef
177
33
4.00
1.24
5
All Reefs **2 032**
1 273
55.00
0.27
15
Masimong
Basal
1 745
1 479
18.00
0.55
10
B Reef
435
411
23.00
0.55
13
All Reefs **2 180**
1 890
19.00
0.55
11
Evander
Kimberley 950
866
30.00
0.48
14
All Reefs **950**
866
30.00
0.48
14
Virginia
(incl. Unisel & Merriespruit)
Basal
1 526
1 188
52.00
0.28
14

Leader 1 880
1 614
84.00
0.13
11
B Reef
84
33
4.00
2.08
8
All Reefs **3 490**
2 835
70.00
0.18
13
Joel
Beatrix 1 427
1 240
50.00
0.41
21
All Reefs **1 427**
1 240
50.00
0.41
21
Total Harmony
Basal
7 054
6 276
26.00
0.44
11
Beatrix
1 427
1 240
50.00
0.41
21
Leader
1 880
1 614
84.00
0.13
11
B Reef
1 168
719
25.00
1.35

34
A Reef
129
39
49.00
0.45
22
Elsburg
1 726
1 201
56.00
0.27
15
Kimberley 950
866
30.00
0.48
14
South Reef
1 061
1 083
27.00
0.47
13
VCR
1 735
1 909
26.00
0.50
13
All Reefs **17 130**
14 948
37.00
0.38
14

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Results for the quarter and the year
ended 30 June 2011
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G P Briggs (Chief Executive Officer)
H O Meyer (Financial Director)
H E Mashego (Executive Director)
F F T De Buck*
^
(Lead independent director)
F Abbott*, J A Chissano*
1
, K V Dicks*
^
Dr D S Lushaba*
^
, C Markus*
^
,
M Motloba*
^
, M Msimang*
^
, D Nokó*
^
,
C M L Savage*
^
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Trading Symbols

JSE Limited: HAR
New York Stock Exchange, Inc: HMY
London Stock Exchange Plc: HRM
Euronext, Brussels: HMY
Berlin Stock Exchange: HAM1

Registration number 1950/038232/06
Incorporated in the Republic of South Africa
ISIN: ZAE 000015228
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W2CF12636

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 15, 2011

Harmony Gold Mining Company Limited

By:

/s/ Hannes Meyer

Name: Hannes Meyer

Title: Financial Director