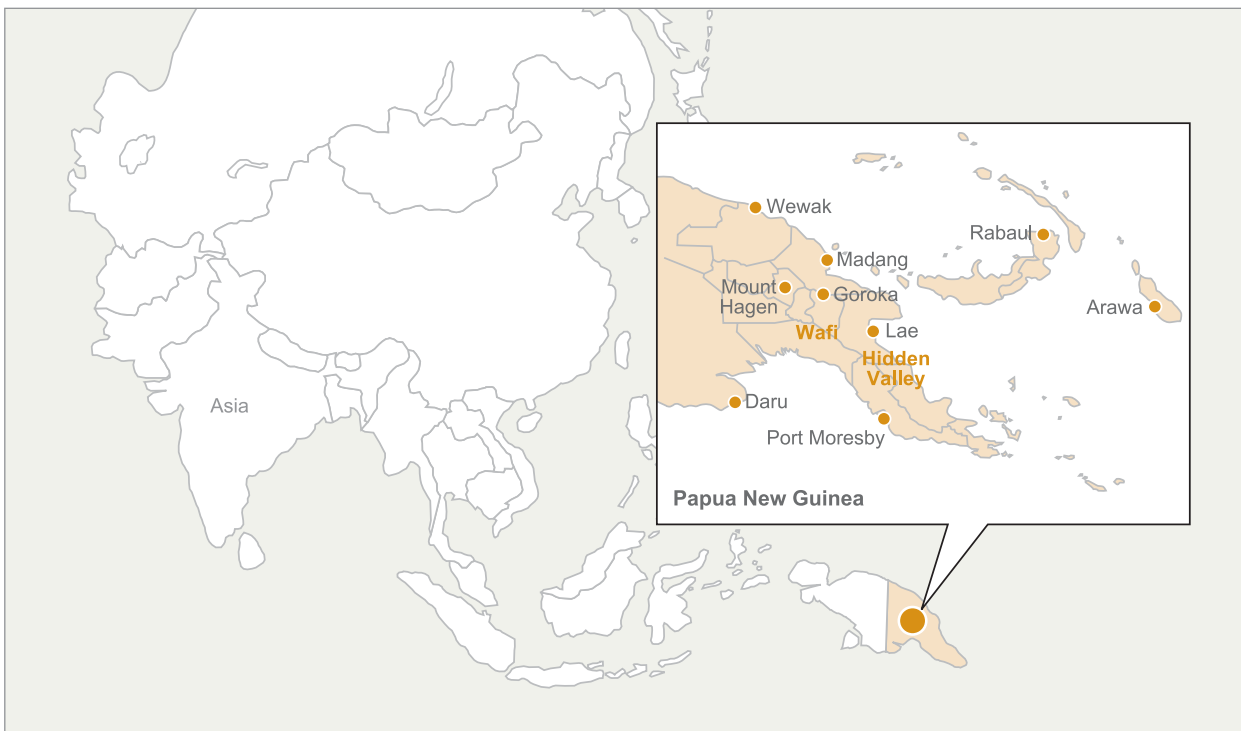
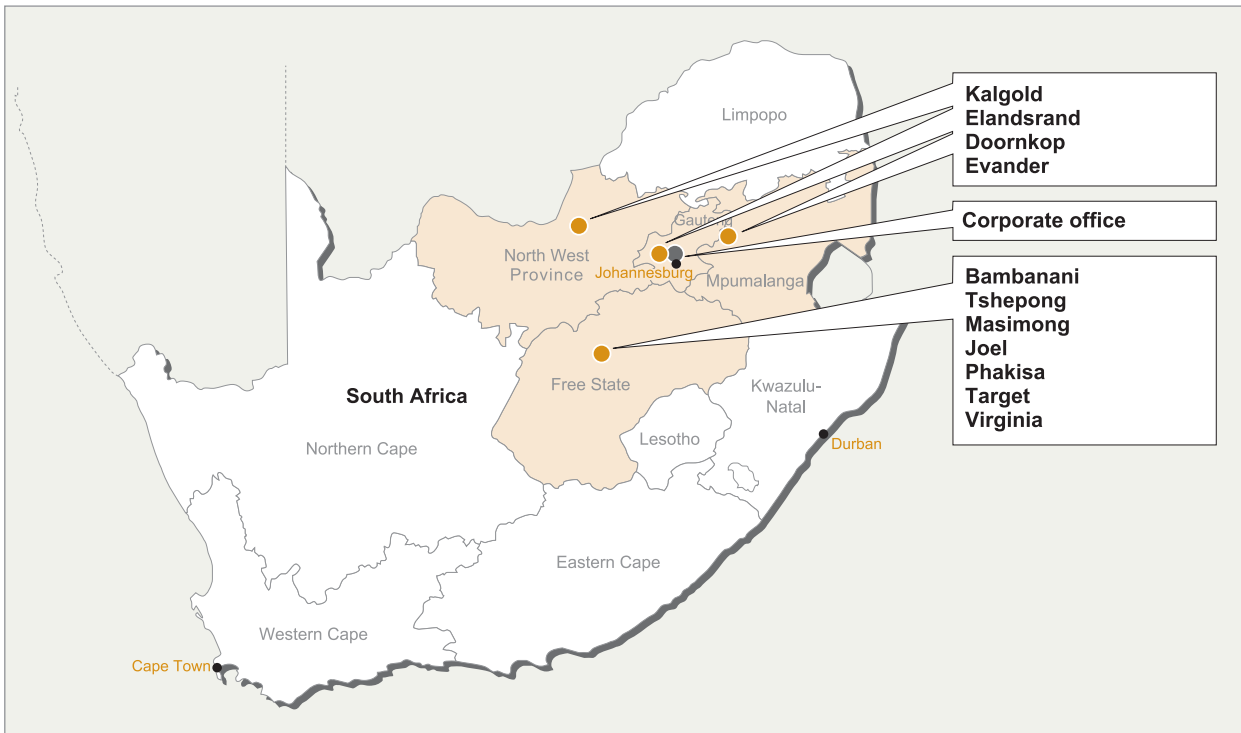




Gold: Harmony

Harmony's cash operating profit rose to R3.8 billion in F2009 from R2.6 billion in F2008. The result for Harmony was a massive improvement in net profit to R2.9 billion in F2009 from a loss of R245 million in the previous year, and Harmony's balance sheet has improved.

Gold: Harmony



Scorecard

F2009 objectives	F2009 performance	F1010 objectives
To continue creating an outstanding company: <ul style="list-style-type: none"> ▶ Safety first; ▶ Unhedged; ▶ Focused management; and ▶ Responsible corporate citizen. 	<ul style="list-style-type: none"> ▶ Behaviour-based safety programmes introduced. ▶ Safety improved. ▶ Stakeholder buy-in. ▶ Executive management strengthened: ▶ Management team now better empowered; ▶ Triple bottom line delivery has become a line management responsibility. 	Continue initiatives in F2010 that were advanced or achieved in F2009.
Assess effectiveness of operating plans.	<ul style="list-style-type: none"> ▶ Non-profitable operations placed on care and maintenance. ▶ Monitoring of all shafts' performance. ▶ Operational improvements evident. 	Aiming to achieve an increase in throughput, grade and gold ounces.
Generate sustainable earnings and strengthen balance sheet.	<ul style="list-style-type: none"> ▶ Debt has been cleared. ▶ Two successful cash-generating transactions completed. ▶ Two successful capital raisings concluded. 	Continue to generate sustainable earnings.
Create the necessary platform to grow organically.	<ul style="list-style-type: none"> ▶ Several due diligences conducted. ▶ Four growth projects underway and four projects under consideration. ▶ Newcrest earns-in 50% of Hidden Valley. ▶ Rand Uranium transaction concluded. ▶ Post year-end Pamodzi Free State Assets acquisition approved by the High Court. 	Continue assessments of several new projects and growth opportunities.

Operational performance

		F2009	F2008
Gold produced	Kg	45 437	49 761
	000oz	1 461	1 600
Operating cost	R/kg	168 661	139 544
	US\$/oz	583	598
Financial performance			
Revenue	R million	11 496	9 617
Production costs	R million	7 657	6 973
Cash operating profit	R million	3 839	2 644
Net profit/(loss) for the year	R million	2 927	(245)
Total headline earnings per share	SA cents	262	126
Total capital expenditure	R million	4 382	3 676
Market performance			
Average gold price received	R/kg	250 826	189 981
	US\$/oz	867	813
R/US\$ exchange rate (average for period)		9.00	7.26
R/US\$ exchange rate – at end of the period		7.72	7.80
Market capitalisation at period end	R billion	34.1	38.3
	US\$ billion	4.4	4.9



First gold pour at Hidden Valley, Papua New Guinea

Harmony Gold Mining Company Limited

Harmony operates primarily in South Africa with 10 underground operations, two surface operations and one open pit mine. Harmony has a 50% interest in the Morobe Mining joint venture (Newcrest Mining Limited is the other 50% partner) in Papua New Guinea, which includes Hidden Valley, an open cast gold and silver project that started production in June 2009, as well as the Wafi-Golpu project and exploration tenements. Exploration activity has also resumed in South Africa and includes the Evander South Project where a pre-feasibility study has already been completed and a two-phase drilling programme is underway.

Harmony's total gold production decreased to 1 460 831 ounces in F2009, from 1 599 854 ounces in F2008, while total gold sales were 154 062 ounces lower at 1 473 562 ounces. Despite the lower production, total cash costs were well contained at US\$583 per ounce in F2009 compared to US\$598 per ounce in F2008. Together with the higher average gold price received during the year, Harmony's cash operating profit rose to R3.8 billion in F2009 from R2.6 billion in F2008. The result for Harmony was a massive improvement in net profit to R2.9 billion in F2009 from a loss of R245 million in the previous year. This equated to headline earnings of 262 cents a share, significantly higher than last year's 126 cents a share.

The Hidden Valley project remains on schedule with construction 87% complete and essentially all capital committed. A major project milestone was achieved when the first gold pour was completed late in June 2009. Site construction activities focused on the process plant, crushers and power station facilities. The mill, gravity concentrators and tailing system were all completed and commissioned to enable the first ore to be processed. Full commissioning is still expected during F2010.

Harmony's balance sheet is now in excellent health. At F2009 year end the balance sheet reflected net cash of over R1.6 billion, compared to a net debt position in excess of R3.6 billion in F2008, representing an improvement of R5 billion. The Nedbank loan and convertible bond were repaid during the year and Harmony is now in the advantageous position to pursue acquisition opportunities and invest in organic growth projects. Harmony also declared its first dividend in five years, paying 50 cents a share; paid on 21 September 2009. ARM's dividend receipt from Harmony will be R32 million and this will be accounted for in the F2010 financial statements.

Harmony has reflected on its previous achievements and disappointments and, taking into account the needs of all its shareholders and stakeholders, has implemented a number of initiatives to ensure that the Company is sustainable into the future. Harmony's plans for F2010 is detailed, comprehensive and – importantly – based on what the Company believes is achievable in the current gold environment. Harmony is well-positioned to take advantage of a higher gold price and, at a price of R250 000/kg, the Company's plans support strong cash flows, covering both ongoing and growth capital.

The ARM balance sheet at 30 June 2009 reflects a marked-to-market investment in Harmony of R5.1 billion, which is based on a Harmony share price of R80. Changes in the value of the investment in Harmony are accounted for by ARM through the statement of changes in equity net of deferred capital gains tax. Dividends are recognised in ARM's income statement. The investment reflected at market value in the balance sheet represents approximately 18% of ARM's market capitalisation of R28 billion at 30 June 2009, which compares to 10% at 30 June 2008.

Harmony's full results for the financial year ended 30 June 2009 can be viewed on their website at www.harmony.co.za