HARMONY GOLD MINING CO LTD
Form 6-K
February 08, 2010
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
8 February 2010
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

Shareholder information
Issued ordinary share capital
at 31 December 2009
426 079 492
Market capitalisation
At 31 December 2009 (ZARm)
32 293
At 31 December 2009 (US$m)
4 333
Harmony ordinary share
and ADR prices
12 month high (1 January 2009 to
31 December 2009) for
ordinary shares
R129.50
12 month low (1 January 2009 to
31 December 2009)
for ordinary shares
R69.05
12 month high (1 January 2009 to
31 December 2009) for ADRs
$13.06
12 month low (1 January 2009 to
31 December 2009) for ADRs
$8.17
Free float
100%
ADR ratio
1:1
JSE Limited
HAR
Range for quarter
(1 October 2009 to 31 December 2009 R74.00 –
– closing prices)
R87.00
Average daily volume for
the quarter (1 October 2009 to
31 December 2009)
1 732 533
Average daily volume for
the period (1 January 2009 to
31 December 2009)
2 238 413
New York Stock
Exchange, Inc.
HMY
Range for quarter
(1 October 2009 to 31 December 2009 $9.73 –
– closing prices)
$11.98

Average daily volume for
the quarter (1 October 2009 to
31 December 2009)
1 053 822
Average daily volume for
the period (1 January 2009 to
31 December 2009)
945 810
Nasdaq
HMY
Range for quarter
(1 October 2009 to 31 December 2009 $9.74 –
– closing prices)
$11.94
Average daily volume for
the quarter (1 October 2009 to
31 December 2009)
816 709
Average daily volume for
the period (1 January 2009 to
31 December 2009)
740 219
Key features for the quarter
Safety remains our top priority
45% increase in cash operating profit to R800 million
•
1% decrease in total operating costs
•
gold price increased by 11% to R264 774/kg
Free cash flow from SA underground operations
'Fixing the mix'
•
more quality, low-cost ounces the objective
Commissioning of growth projects
•
2.5% drop in total capex
Exciting exploration results from Wafi-Golpu in PNG
Financial review for the second quarter and six months ended
31 December 2009
Quarter
Quarter
6 months 6 months Year-to-
December September
Q-on-Q December December
year
2009
2009 variance
2009
2008 variance
Gold produced* – kg
11 569

11 714
(1.2)
23 283
23 554
(1.2)
– oz
371 956
376 599
(1.2)
748 555
757 277
(1.2)
Cash operating – R/kg
192 101
188 362
(2.0)
190 172
162 550
(17.0)
costs
– $/oz
798
753
(6.0)
775
580
(33.6)
Gold sold*
– kg
11 640
11 471
1.5
23 111
24 757
(6.7)
– oz
374 234
368 800
1.5
743 034
795 953
(6.7)
Gold price
– R/kg
264 774
239 438
10.6
251 968
235 421
7.0
received

– US$/oz
1 100
957
14.9
1 028
831
23.7
Cash operating – Rm
800
552
44.9
1 351
1 921
(29.7)
profit
– US$m
107
71
50.7
178
217
(18.0)
Basic
– SAc/s
28
(7)
>100
21
161
(87.0)
earnings/(loss) – USc/s
4
(1)
>100
3
18
(83.3)
Headline
– Rm
207
(51)
>100
156
427
(63.4)
profit/(loss)
– US$m
28
(7)
>100
20

48
(58.3)
Headline
– SAc/s
49
(12)
>100
37
105
(64.8)
earnings/(loss) – USc/s
7
(2)
>100
5
12
(58.3)
Exchange rate
– R/US$
7.49
7.78
(3.7)
7.63
8.84
(13.7)
* Production and sales statistics for Hidden Valley have been included. The mine is in a build-up phase and revenue and costs
are currently capitalised.
HARMONY'S ANNUAL REPORTS
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 2009 are available on our website at www.harmony.co.za.
Incorporated in the Republic of South Africa
Registration Number 1950/038232/06
("Harmony" or "Company")
JSE Share code: HAR
NYSE Share code: HMY
ISIN: ZAE 000015228
Results for the
second quarter and six months
ended 31 December 2009

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Results for the second quarter and six months

ended 31 December 2009

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 harbor 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 South Africa and elsewhere;

the ability to achieve anticipated efficiencies and other cost savings in connection with past and future acquisitions;

increases/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 South Africa and
regionally.

Contents

Chief Executive Officer's Review
Overview
The turnaround at Harmony continues with an increase in profitability on the back of favourable market conditions and restructuring for more quality ounces. 'Fixing the mix' – was a primary focus in the quarter under review. Costs were well-controlled and a higher Rand gold price received helped us towards significantly improved profit levels. Work continued on the commissioning of our growth projects and on production planning for the Pamodzi Gold Free State assets. In addition, we reported some very exciting exploration results out of Papua New Guinea (PNG).
Safety
With deep regret, I must report that five of our colleagues died in work-related incidents during the quarter. Those who died were: Lekhetho Ranko, a team leader at Bambanani, Ashley Nortje a boilermaker, and Keith Coleman, a maintenance technician, both at Target; Lebusa Elia, a team leader at Virginia Operations; and Martin Thosa, a night shift cleaner at Elandsrand. I would like to extend my deepest condolences to their families, friends and colleagues.
Our Fatal Injury Frequency Rate (FIFR) showed an encouraging improvement quarter on quarter. Whilst the current quarter has not been great, safety is a high priority and is being constantly addressed. The rewards of these will be seen in time.
Detailed coverage of our safety and health performance and the measures taken to ensure a safe working environment is contained in the safety and health section on page 5.
Gold market
The South African Rand was stronger against the US Dollar during the quarter, the exchange rate averaging R7.49/US$ compared with R7.78/US$ in the previous quarter.
The US Dollar gold price averaged $1 100/oz, up 14.9% on the previous quarter, pointing to the metal's continuing robustness as world economies recover from the meltdown of 2008. Consequently, the Rand gold price we received for our production averaged R264 774/kg, a 10.6% improvement quarter on quarter.
What matters primarily to us as a dominant South African gold producer, is of course the Rand gold price we receive, the determinant of which is the Rand/Dollar exchange rate. While the higher Rand gold price received during the December 2009 quarter was most welcome, we still hold the view that general Rand strength is likely to continue for so long as any global economic uncertainties last. We therefore expect the gold price to remain fairly flat for the next 12 months in R/kg terms.
Operating and financial results
Gold production for the quarter was down 1.2% to 11 569kg as expected, mainly due to the restructuring, more detail of which is provided below. Underground volume was 6.2% lower at 2 243 000t, underground grade flat at 4.51g/t, and underground production thus 5.7% lower at 325 268oz. Surface volumes increased by 22.9% to 2 681 000t. Combined with a 20% increase in grade to 0.54g/t,

resulted in surface production increasing by 46.8% to 46 688oz.
The increase in surface production can mainly be attributed to our opencast operations at PNG.

The aforementioned improvement in the average Rand gold price we received resulted in an 8.2% increase in revenue to R2 971 million, and after accounting for total cash operating costs – 1% lower at R2 172 million mainly because of the lower summer electricity tariff – cash operating profit was 44.9% higher at R800 million.

Further financial and operating results information is contained in the financial overview on page 5, and in the operational overview commencing on page 6.

Restructuring for sustained profitability

As part of our stated strategy, cutbacks from marginal loss-making mining operations at Harmony could be expected. Our objective is to eliminate high-cost ounces from our production profile.

We carefully reviewed our asset portfolio over a period of some months.

During the December 2009 quarter there was an intense focus on the uneconomical operations – specifically, Harmony 2 shaft, Merriespruit 1 and 3 shafts, and Brand 3 shaft, all contained within the Virginia operations; and the Evander 2, 5 and 7 shafts.

Brand 3 and Evander 7 ceased production, mainly due to depletion of their ore bodies, mature infrastructure and low grades. A number of their employees were redeployed to our growth projects to fill vacancies or to replace contractors at other operations.

Evander 2 and 5 were placed on care and maintenance during January 2010. We will continue to closely monitor Harmony 2, while the Merriespruit shafts appear to have remaining potential, provided they meet their production targets. It is likely that we will be able to minimise further retrenchments by absorbing some employees at the Pamodzi Gold Free State operations.

Growth project commissioning

The Company continued to focus on commissioning growth projects during the quarter, which showed encouraging results.

At Phakisa, volume increased by 22.5%, while recovery from the previous quarter's geological interferences and resolution of infrastructure problems were adequately addressed. Tshepong's grade challenge is expected to continue until production from the less erratic, higher-grade Sub-66 Decline area builds up. At Bambanani, the Shaft Pillar Extraction Project is gaining momentum, with development well under way.

Doornkop shaft received ISO 14001 accreditation in December 2009, the first Harmony operation to achieve this. Work during the Christmas break helped to reduce the impact of a shaft barrel delay on shaft equipping. While Elandsrand had a disappointing production quarter, the No 1 settler dam was sealed and pre-commissioning of the 115 level pump station was completed in preparation for full commissioning during the March 2010 quarter. The 100 level refrigeration complex construction is 90% complete, with completion planned for November 2010.

In PNG, remaining sections of the Hidden Valley process plant were completed in October 2009 and the overland conveyor in early December 2009. The past quarter yielded 43 028oz of gold production and 53 081oz of silver, 50% of which is attributable to Harmony. Hidden Valley is expected to reach commercial levels of production in March 2010 quarter.

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Results for the second quarter and six months

ended 31 December 2009

Progressing other projects

The business plan for the Pamodzi Gold Free State assets was completed during the quarter, the key milestones of which include: production of 18kg of gold a month from rock dump milling at Target. Our planning includes the recovery of some 800kg of gold from the plant clean-up; and production build-up from the underground assets to 150 000oz over the next 24 months. The reserve and resource estimates are currently being revised.

Re-treatment of surface tailings is proving to be an attractive proposition from both safety and cost perspectives. At our Phoenix Project in the Free State, we plan to increase volume by 400 000tpm to 900 000tpm, and at the nearby and re-commissioned Project Saints the mothballed St Helena plant will be upgraded to treat surface tailings over a period of at least 20 years. We are looking at financing options to fund these projects.

Project TPM is evaluating the potential for the economic recovery of uranium from the higher grade uranium ore mined at Tshepong, Phakisa and Masimong. Currrent activities include resource estimation, environmental studies, process and plant design, as well as metallurgical and flotation test work. We are now entering a 12-month feasability stage.

Exploration

Drilling at the Morobe Mining Joint Venture’s Golpu West prospect in Papua New Guinea has achieved several highly significant intercepts of porphyry copper gold mineralisation. These form a new zone of mineralisation immediately west of the known Golpu resource. Although the mineralisation is open at depth and along strike, it is evident that this new discovery will have a material effect on the Golpu resource base and mining studies.

A new zone of epithermal gold mineralisation was outlined in initial drilling at the Northern Diatreme Margin prospect at Wafi, and a major new gold anomaly defined through reconnaissance stream sediment sampling at Bavaga. The latter lies about 6km north of the Wafi-Golpu project, on the Wafi transfer structure. The size of the footprint (>1 km in diameter) and the tenor of the anomaly (>1 g/t Au) are particularly encouraging and suggest potential for a significant gold deposit.

Further information on our exploration activities is contained in the exploration section commencing on page 12.

Harmony team

Hannes Meyer was appointed as financial director designate on 1 August 2009 and officially took over Harmony’s financial director’s responsibilities from Frank Abbott on 1 November 2009, following his appointment to Harmony’s Board as executive director. Hannes is a qualified chartered accountant with more than 14 years’ experience in the mining industry. He brings with him vast knowledge and experience of the mining industry from a financial perspective and he has already proven to be an asset to Harmony.

Frank Abbott agreed to continue to serve on the Harmony Board as an executive director for the next 12 months, as from January 2010. Frank will focus on the strategic direction and growth of the company. We are delighted that we have these two individuals on our team and look forward to the contributions they will make.

Looking ahead

We will push ahead with the commissioning of our growth projects, in order to bring to account their quality ounces, and we will continue to pursue profitable growth opportunities – organically, by acquisition and through forging strategic partnerships. Our immediate goal remains generating profitable ounces of production and earnings to reward our shareholders, both through dividends and future growth. We have made good progress in this regard, having produced 748 555oz for the six months ended 31 December 2009.

We will continue to engage in robust, constructive debate on issues that may affect the South African mining industry – in particular the outrageous power price increases being considered and the nationalisation of the mines.

Graham Briggs

Chief Executive Officer

Our strategy:

generating sustainable profi table ounces to fund growth and dividends

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Safety and health

Safety

Harmony continues to focus on sustainable safety improvements. Our management team is committed to ensuring that safety remains a priority at Harmony and to ensure that safety procedures and protocols of the highest standards are implemented at all Harmony's operations. Regrettably, fi ve fatalities were recorded during the quarter under review. Falls of ground and tramming accidents remain the main causes of the accidents.

We are pleased to announce that during the December 2009 quarter, a single digit Lost Time Injury Frequency Rate (LTIFR) was achieved for the fi fth consecutive quarter and also improved by 18% on year-to-date fi gures from 9.35 to 7.64. However, the LTIFR dropped 20% from 6.91 in the previous quarter to 8.30. The Fatality Injury Frequency Rate (FIFR) indicated a remarked improvement of 38% quarter on quarter from 0.32 to 0.20. However, the year to date fi gure deteriorated 24% from 0.21 to 0.26. The year to date Reportable injury Frequency Rate (RIFR) improved by 18% when compared to the actual fi gure for the previous year (from 4.97 to 4.09), but regressed by 29% quarter on quarter (from 3.55 to 4.59).

A signifi cant amount of attention was directed towards safety management during the quarter under review. Management has played a signifi cant role in setting safety objectives and in developing safety strategies that continue to focus on:

management leading by example;

involvement of all stakeholders;

compliance with standards, and the auditing thereof;

Financial overview

Cash operating profit was 44.9% higher at R800 million due to a higher average Rand gold price received and lower cash operating costs counteracting the impact of lower gold production and gold sold (excluding ounces from Hidden Valley).

Earnings per share

Basic earnings per share increased from a loss of 7 SA cents to earnings of 28 SA cents. Similarly, headline earnings increased from a headline loss of 12 SA cents to headline earnings of 49 SA cents. This improvement can be attributed to an increase in revenue.

Revenue

A 10.6% increase in the average Rand gold price received to R264 774/kg took revenue 8.2% higher to R2 971 million in spite of a 6.2% decrease in gold production to 10 900kg (excluding gold production at Hidden Valley) and a 2.2% decrease in gold sold to 11 224kg (excluding gold sold at Hidden Valley).

Costs

Total cash operating costs were 1% lower at R2 172 million due mainly to the lower summer-month electricity tariff applicable. Cash operating unit costs rose by 2% to R192 101/kg due to lower gold production.

behaviour-based campaigns and initiatives;

recognition of achievements; and

in situ training, particularly in hazard identifi cation and risk assessment.

Harmony's commitment to zero fatalities is communicated to employees on a regular basis, at every level of the company with a persistent, deliberate and consistent safety awareness effort. We have a comprehensive safety auditing programme (fi rst reported in FY07) in place to assess the physical workplace, compliance with fall of ground regulations, shafts and metallurgical processes (specifi cally in relation to compliance with the Cyanide Code).

More than 90% of the group's South African workforce participated in formal joint management-worker health and safety committees that participate in occupational health and safety programmes.

The following operations achieved outstanding safety results:

Harmony Total Operations – 1 000 000 fatality free shifts twice during the quarter

Ernest Oppenheimer Hospital – 4 000 000 fatality free shifts

Harmony 2 and Merriespruit 1 and 3 operations as a unit – 2 500 000 fatality free shifts

Randfontein Medical Bureau – 1 250 000 fatality free shifts

Tshepong – 750 000 fatality free shifts

Evander 8 shaft – 2 250 000 fatality free shifts

Free State Surface Operations – 2 000 000 fatality free shifts

Capital expenditure

Total capital expenditure was 2.5% lower at R892 million. While capital expenditure for the South African operations increased by 6.8% to R711 million, Hidden Valley capital expenditure was 27.3% lower at R181 million due to completion of construction at the site starting to come to an end.

Impairment of assets

An impairment of R67 million for Evander 2 and 5 shafts and R37 million for Brand 3 shaft were recorded following the decision to place these shafts on care and maintenance.

Security costs

Security costs increased by 19% to R90.5 million in calendar year 2009, in comparison to calendar year 2008 (R76 million), mainly due to additional measures being put in place to curb criminal mining.

Disposals

The remaining Avoca shares were disposed of in October 2009 for A$4.1 million.

Nedbank facility

The Company entered into loan facilities with Nedbank Limited in December 2009. One being term facility of R900 million and the other a revolving credit facility of R600 million to pay for the acquisition of the Pamodzi Free State assets and to create financial flexibility.

Results for the second quarter and six months
ended 31 December 2009

Operational overview

South African underground operations

Indicator		December 2009	September 2009	% Variance
Tonnes	**(‘000)**	2 243	2 392	(6)
Grade	**(g/t)**	4.51	4.48	1
Gold produced	**(kg)**	10 117	10 724	(6)
Gold produced	**(oz)**	325 268	344 785	(6)
Gold sold	**(kg)**	10 398	10 617	(2)
Gold sold	**(oz)**	334 303	341 344	(2)
Cash operating costs	**(R/kg)**	193 544	191 627	(1)
Operating profi t	**(R’000)**	722 821	483 717	49
Capital expenditure	**(R’000)**	682 792	649 561	

(5)

Bambanani

December September
%
Indicator
2009
2009 Variance
Tonnes
(‘000)
123
147
(16)
Grade
(g/t)
7.58
6.44
18
Gold produced
(kg)
932
946
(2)
Gold produced
(oz)
29 964
30 415
(2)
Gold sold
(kg)
969
973
–
Gold sold
(oz)
31 154
31 283
–
Cash operating costs
(R/kg)
179 746
199 533
10
Operating profit
(R’000)
79 969
40 633
97
Capital expenditure
(R’000)
27 906
23 019

(21)

Safety during the quarter was poor. A fall of ground (FOG) fatality was recorded and and far-reaching corrective measures were taken as a consequence, including a change in the mining method used in steeply dipping, high-stoping-width panels from breast to down-dip.

An 18% improvement in recovered grade to 7.58g/t helped to contain the impact of a 16% drop in volume to 123 000t and gold production was 2% lower at 932kg.

Higher grade resulted both from moving of panels during October 2009 and from the achievement of required volumes from higher-grade panels. Grade is expected to be maintained going forward by moving of crews from low-grade areas to higher-grade areas in the upper shaft.

Lower volume was a consequence both of the aforementioned change in mining method and from generally unsatisfactory performance during December 2009.

Cash costs were 10% lower at R179 746/kg, mainly as a result of lower summer-month electricity tariffs applicable.

A 97% improvement in cash operating profit to R80 million resulted both from a higher Rand gold price received and lower costs.

Capital expenditure was 21% higher, reflecting the growing momentum of the Shaft Pillar Extraction Project.

Doornkop

Indicator	December 2009	September 2009	% Variance
Tonnes ('000)	148	130	14
Grade (g/t)	3.31	3.85	(14)
Gold produced (kg)	490	500	(2)
Gold produced (oz)	15 754	16 075	(2)
Gold sold (kg)	517		

500
3
Gold sold
(oz)
16 622
16 075
3
Cash operating costs
(R/kg)
198 561
171 476
(16)
Operating profit
(R'000)
31 426
18 536
70
Capital expenditure
(R'000)
78 720
72 766
(8)
Even more focus on safety-related matters resulted in improved procedures, training, maintenance and behaviour. The Doornkop shaft received ISO 14001 accreditation in December 2009, the first Harmony operation to achieve this milestone.
While volume improved by 14% to 148 000t, reflecting a 26% increase in square metres blasted, recovered grade was 14% lower at 3.31g/t, resulting in a 2% decline in gold production to 490kg.
Lower recovered grade was a consequence both of tonnage locked
During the quarter, a safety statistics audit conducted by the auditors revealed that under-reporting of accidents took place at Harmony's Phakisa mine during the period August to November 2009. Appropriate measures have been taken to rectify this and to ensure that all accidents are correctly recorded going forward.

Health

Harmony continues to roll out and invest in initiatives and healthcare programmes to protect the well-being of our employees and improve productivity of the company going forward.
In terms of occupational hygiene, noise and dust, we are pleased to announce that the implementation of personalised hearing protection devices (HPD's) is about 87% completed. The installation of sound attenuators on mechanical loaders has been scheduled and some operations have already begun with the installation process.
Furthermore, Harmony hosted the Chamber of Mines MOSH dust mini-summit on 12 November 2009 in the Free State, which bares testimony to our pro-active initiatives that are recognised by external stakeholders. Also during the quarter under review, the north and south airborne pollutant laboratories were audited by an external authority and we are pleased to announce that we achieved an overall compliance of 97%.

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up underground due to a fire on the main feed conveyor belt to the plant and a plant thickener breakdown.

Cash costs rose by 16% to R198 561/kg, mainly as a result of planned labour build-up to meet the operation's future production profile.

Cash operating profit was 70% higher at R31.4 million however, reflecting the higher Rand gold price received.

While shaft barrel delays at the South Reef Project caused equipping to fall behind, 14 days were gained during the Christmas break and the North and South Rock Winder compartments are now equipped to 212 level. The construction of the 212 level conveyor belt is expected to be completed by February 2010.

Elandsrand

Indicator		December 2009	September 2009	% Variance
Tonnes	('000)	235	260	(10)
Grade	(g/t)	5.90	6.25	(6)
Gold produced	(kg)	1 387	1 625	(15)
Gold produced	(oz)	44 593	52 245	(15)
Gold sold	(kg)	1 488	1 433	4
Gold sold	(oz)	47 840	46 072	4
Cash operating costs	(R/kg)	199 147		

182 729
(9)
Operating profit
(R'000)
101 047
68 904
47
Capital expenditure
(R'000)
124 700
111 325
(12)
Increased seismicity during the quarter resulted in one fatality and a rise in the number of lost time injuries. As a consequence pre-conditioning of stope faces has been improved to reduce the risk of face ejection resulting from small, volatile seismic events, and a broader range of safety initiatives continue to be applied.
Gold production was 15% lower at 1 387kg, reflecting a 10% decline in volume to 235 000t and a 6% drop in recovered grade to 5.90g/t. Lower volume resulted from a lack of available face length and from five productions shifts lost, three due to a Section 54 instruction following the fatality, one to a power outage caused by a faulty transformer at the Eskom sub-station and one to a compressor breakdown. Lower recovered grade was a consequence of lower face grade, mine call factor and the treatment of low-grade tonnage from a dam clean-up in the plant.
While cash operating costs were 9% higher at R199 147, reflecting lower production, cash operating profit was 47% higher at R101 million due to the improved Rand gold price received.
Evander
December September
%
Indicator
2009
2009 Variance
Tonnes
('000)
245
259
(5)
Grade
(g/t)
4.31
4.78
(10)
Gold produced
(kg)
1 057
1 239
(15)
Gold produced

(oz)
33 983
39 835
(15)
Gold sold
(kg)
1 158
1 203
(4)
Gold sold
(oz)
37 231
38 677
(4)
Cash operating costs
(R/kg)
249 411
226 699
(10)
Operating profit
(R'000)
23 366
16 880
38
Capital expenditure
(R'000)
54 363
51 651
(5)
Safety performance was satisfactory at Evander.
Volume was 5% lower at 245 000t and recovered grade 10% lower at 4.31g/t, resulting in a 15% decline in gold production to 1 057kg. Lower volume was mainly the result of the closure of Evander 7 shaft in December 2009 and panels stopped at Evander 8 shaft because of high temperatures. Steps to improve ventilation at Evander 8 shaft have been taken. Lower recovered grade resulted primarily from a 5% decline in face grade and in mine call factor.
Cash operating costs were 10% higher at R249 411/kg, due mainly to the drop in gold production. Cash operating profit was 38% higher at R23.4 million due to the higher Rand gold price received.
The impact of the closure of Evander 2 and 5 shafts in January 2010 will reflect in the operation's results for the quarter ended 31 March 2010.
Joel
December September
%
Indicator
2009
2009 Variance
Tonnes
('000)

112
136
(18)
Grade
(g/t)
5.28
3.79
39
Gold produced
(kg)
591
515
15
Gold produced
(oz)
19 001
16 558
15
Gold sold
(kg)
615
529
16
Gold sold
(oz)
19 773
17 008
16
Cash operating costs
(R/kg)
167 232
198 792
16
Operating profit
(R'000)
59 429
22 944
>100
Capital expenditure
(R'000)
32 422
17 809
(82)
Joel recorded a very satisfactory quarter from a safety perspective, being fatality-free for more than two years.
While volume declined by 18% to 112 000t, recovered grade was 39% higher at 5.28g/t, resulting in a 15% increase in gold production to 591kg.
Lower volume was due to lower tonnes mined in December 2009 arising from a drop in stoping width, raise boring of the extension

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Results for the second quarter and six months
ended 31 December 2009

to the lift shaft and a mud rush on the belt level. Higher recovered grade was due to increased face grade in the west, more vamping in the upper mine and reduced stoping widths.

Cash operating costs were 16% lower at R167 232/kg, reflecting higher gold production, lower electricity costs and good stores controls. Cash operating profit was 159% higher at R59.4 million due to higher gold production and an increase in the Rand gold price received.

Capital expenditure increased by 82% from R17.8 million to R32.4 million mainly due to the continued capital being spent on the re-commissioning of Joel plant. Joel plant started treating ore from Joel shaft during the December 2009 quarter.

Raise boring of the lift shaft extension to 129 level has been completed. Cleaning operations are in progress which will be followed by shaft support work and equipping. Completion is expected in September 2010.

Masimong

December September
%
Indicator
2009
2009 Variance
Tonnes
(‘000)
235
234
–
Grade
(g/t)
5.29
5.81
(9)
Gold produced
(kg)
1 242
1 359
(9)
Gold produced
(oz)
39 931
43 693
(9)
Gold sold
(kg)
1 227
1 349
(9)
Gold sold

(oz)
39 449
43 371
(9)
Cash operating costs
(R/kg)
142 754
137 986
(4)
Operating profit
(R'000)
149 710
138 159
8
Capital expenditure
(R'000)
45 014
38 866
(16)

Masimong reported very good safety results with an improvement in both LTIFR and RIFR.

Gold production was 9% lower at 1 242kg. While volume was flat at 235 000t, recovered grade was 9% lower at 5.29g/t due to a drop in B Reef grades. The Basal Reef panels stayed fairly constant and will continue to do so.

Cash operating costs were 4% higher at 142 754/kg, a consequence of the lower gold production. Masimong remains the lowest R/kg cost producer in the company, including surface operations. A higher Rand gold price received resulted in an 8% increase in cash operating profit to R149.7 million.

Capital was 16% higher at R45.0 million but lower than planned due to the delayed delivery of emergency generators and fridge plant, now scheduled to arrive in the third and fourth quarters of FY10.

Phakisa

December September
%
Indicator
2009
2009 Variance
Tonnes
('000)
87
71
23
Grade
(g/t)
4.02
3.66
10
Gold produced
(kg)

350
260
35
Gold produced
(oz)
11 253
8 359
35
Gold sold
(kg)
364
268
36
Gold sold
(oz)
11 703
8 616
36
Cash operating costs
(R/kg)
216 006
222 000
3
Operating profit
(R'000)
16 889
5 244
>100
Capital expenditure
(R'000)
137 917
127 689
(8)
Safety indicators deteriorated quarter on quarter, pointing to a need for re-focus.
Gold production rose by 35% to 350kg, reflecting a 23% increase in volume to 87 000t and a 10% improvement in recovered grade to 4.02g/t. Volume, nonetheless, was below expectation as the mine continues to address geological issues and down-time on new infrastructure.
Cash operating costs were 3% lower at R216 006/kg. Higher gold production and a higher Rand gold price received led to a 222% increase in cash operating profit to R16.9 million.
The third railveyor train was commissioned during the December 2009 break, thus completing railveyor infrastructure for full production. Fine-tuning of the Phase 1 infrastructure – in particular, the remaining four ice plants and the rock handling system – continues.
Target
December September
%

Indicator		2009	2009	Variance
Tonnes	('000)	191	193	(1)
Grade	(g/t)	4.14	4.71	(12)
Gold produced	(kg)	791	909	(13)
Gold produced	(oz)	25 431	29 225	(13)
Gold sold	(kg)	733	955	(23)
Gold sold	(oz)	23 566	30 704	(23)
Cash operating costs	(R/kg)	182 513	166 448	(10)
Operating profit	(R'000)	46 626	59 779	(22)
Capital expenditure	(R'000)	76 888	83 710	8

Target recorded two fatalities during the quarter. Fall of ground prevention has become a major focus, and in the narrow reef mining section where seismicity has increased, all panels are now mined with safety nets installed on the faces.

9

While volume was only 1% lower at 191 000t, recovered grade was 12% lower at 4.14g/t compared with the previous quarter's unexpected high of 4.71g/t, resulting in a 13% drop in gold production to 791kg. Contributing to volume stability is improved availability of massive stopes through better planning and design, and the return to production of all 10 narrow reef mining panels following resolution of ventilation and cooling challenges. Ore reserve management (ORM) remains crucial to Target's success going forward; with this in mind, the ORM team has recently undergone further training and development.

Cash operating costs were 10% higher at R182 513/kg as a result of lower grade. Lower electricity, plant and contractor costs and rationalisation of the trackless fleet will assist in reducing costs in future. Cash operating profit was 22% lower at R46.6 million due to lower gold production.

Tshepong

Indicator		December 2009	September 2009	% Variance
Tonnes	('000)	396	418	(5)
Grade	(g/t)	4.27	4.07	5
Gold produced	(kg)	1 692	1 703	(1)
Gold produced	(oz)	54 399	54 753	(1)
Gold sold	(kg)	1 761	1 751	1
Gold sold	(oz)	56 617	56 296	

1
Cash operating costs
(R/kg)
162 528
168 445
4
Operating profit
(R'000)
176 046
127 136
39
Capital expenditure
(R'000)
57 462
71 169
19

Tshepong was fatality-free for the second consecutive quarter, a notable achievement, and reflective of the success of various safety initiatives.

Gold production was flat at 1 692kg, a 5% increase in recovered grade to 4.27g/t compensating for a 5% decline in volume to 396 000t caused by the shorter December delivery month. Face grade remains a challenge due to mining at the edge of the pay shoot where values are more erratic but improvements carried out to the Harmony 1 Plant are reflected in the higher recovered grade.

Cash operating costs were 4% down at R162 528/kg, due mainly to lower electricity costs. This, together with a higher Rand gold price received resulted in a 39% improvement in cash operating profit to R176 million.

Capital expenditure was 19% lower due to less spent on the Sub 71 Decline project and delays in the delivery of the emergency generators.

Virginia

December September
%
Indicator
2009
2009 Variance
Tonnes
('000)
471
544
(13)
Grade
(g/t)
3.37
3.07
10
Gold produced
(kg)
1 585

1 668
(5)
Gold produced
(oz)
50 959
53 627
(5)
Gold sold
(kg)
1 566
1 656
(5)
Gold sold
(oz)
50 348
53 242
(5)
Cash operating costs
(R/kg)
241 214
249 947
3
Operating profit
(R'000)
38 313
(14 498)
>100
Capital expenditure
(R'000)
47 400
51 557
8

Virginia Operations recorded one fatality during the quarter, at the Merriespruit 3 shaft.

The Virginia Operations recorded a better quarter, reflecting the impact of restructuring (closure of Brand 3 shaft). While a 10% increase in recovered grade to 3.37g/t did not compensate for a 13% drop in volume to 471 000t and gold production was consequently 5% lower at 1 585kg, cash operating costs were down 3% to R241 214/kg. This, together with a higher Rand gold price received, resulted in a cash operating profit of R38.3 million compared with the previous quarter's R14.5 million loss.

South African surface operations

Indicator	December 2009	September 2009	% Variance
Tonnes **(‘000)**	2 292	2 092	10
Grade **(g/t)**	0.34	0.43	(20)
Gold produced **(kg)**	783	891	(12)
Gold produced **(oz)**	25 174	28 646	(12)
Gold sold **(kg)**	826	854	(3)
Gold sold **(oz)**	26 556	27 456	(3)
Cash operating costs (R/kg)	173 447	149 072	(16)
Operating profi t **(R’000)**	76 864	68 432	12
Capital expenditure (R’000)	3 763	3 314	

(14)
Kalgold
December September
%
Indicator
2009
2009 Variance
Tonnes
(‘000)
423
452
(6)
Grade
(g/t)
0.83
0.92
(10)
Gold produced
(kg)
350
415
(16)
Gold produced
(oz)
11 253
13 343
(16)
Gold sold
(kg)
393
378
4
Gold sold
(oz)
12 635
12 153
4
Cash operating costs
(R/kg)
185 666
172 831
(7)
Operating profit
(R’000)
32 385
14 758
>100
Capital expenditure
(R’000)
1 786
1 811

1

Kalgold recorded a lost time injury-free quarter.

Gold production was 16% lower at 350kg, reflecting lower volume – down 6% to 423 000t from the September quarter's exceptional high of 452 000t – and lower recovered grade, down 10% to 0.83g/t. Heavy rain both restricted mining in the open pit and caused oxidised material to form clay, which negatively affected milling efficiency. Cash operating costs were 7% higher at R185 666/kg, but cash operating profit rose by 119% to R32.4 million due to the higher Rand gold price received.

Phoenix

Indicator		December 2009	September 2009	% Variance
Tonnes	('000)	1 522	1 382	10
Grade	(g/t)	0.122	0.117	4
Gold produced	(kg)	185	162	14
Gold produced	(oz)	5 948	5 208	14
Gold sold	(kg)	185	162	14
Gold sold	(oz)	5 948	5 208	14
Cash operating costs	(R/kg)	154 497	173 827	11

Operating profit
(R'000)
20 617
10 951
88
Capital expenditure
(R'000)
1 977
1 503
(32)
Gold production increased by 14% to 185kg, reflecting a 10% increase in volume to 1 522 000t, above design capacity of 1 500 000t, and a 4% increase in recovered grade to 0.122g/t.
Improved grade was as a result of mining the Brand A dam's higher-grade bottom strip.
Cash operating costs were 11% lower at R154 497/kg, and a range of measures are in process to reduce costs further. Cash operating profit was 88% higher at R20.6 million due to higher production, lower costs and a higher Rand gold price received.
Rock dumps
December September
%
Indicator
2009
2009 Variance
Tonnes
('000)
347
258
35
Grade
(g/t)
0.71
1.22
(41)
Gold produced
(kg)
248
314
(21)
Gold produced
(oz)
7 973
10 095
(21)
Gold sold
(kg)
248
314
(21)
Gold sold

(oz)
7 973
10 095
(21)
Cash operating costs
(R/kg)
170 339
104 898
(62)
Operating profit
(R'000)
23 862
42 723
(44)
No accidents were reported for the quarter.
While volume increased by 35% to 347 000t, grade was 41% lower at 0.71g/t. Gold production was 21% lower however, mainly because 93kg of gold from the Winkelhaak plant mill clean-up was reported in the September quarter.
Cash operating costs were substantially higher in the quarter under review as a consequence at R170 339/kg, and cash operating profit was 44% lower at R23.9 million.

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Development

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

Bambanani

The Bambanani ore reserve grade is to a large degree a reflection of the future extraction of the high grade Basal Reef shaft pillar. All the on reef development is currently taking place in the sub-shaft area where the grades are lower than the average reserve grade. There has however been an improvement in the quarter to quarter development grades in line with expectations. No on-reef development was planned in the high grade shaft pillar during the quarter.

Doornkop

There was a further quarter on quarter increase in the South Reef development grades and it is in line with the reserve grade. There was however a quarter on quarter drop in the grade in the Kimberley reef due to facies changes as well as partial exposure of the channel in certain areas.

Elandsrand

Good grades in line with expectations were intersected in both the old and new mine resulting in a quarter on quarter improvement in development grade.

Evander

There was a significant quarter on quarter improvement in grade as the raises advanced from the edge of the payshoot into the payshoot. Increase in grades expected to continue.

Joel

Most of the on reef development is directed towards 129 level in the form of winzes (down dip on reef development). Good grades continues to be intersected which resulted in an increase in quarter on quarter development grades. The rolling four-quarter development grade remains higher than the reserve grade.

International operations

Hidden Valley

Harmony's 50% share of gold production for the quarter was 21 514 ounces. Construction of the 5km overland conveyor linking the Hidden Valley pit with the processing plant was completed during the quarter.

The processing plant ramp up continued during the quarter with ore sourced from the Hamata and Hidden Valley pits and mill throughput reaching 85% of design capacity in December. The processing plant is expected to reach full production during the March 2010 quarter following commissioning of the flotation circuit.

Hidden Valley will be fully commissioned for mining and process throughput by the end of January 2010 but the process plant profile for full recovery of both gold and silver will not be finalised until the end of February. The original design capacity for the Hidden Valley mine and processing plant will be achieved during the fourth quarter

of FY10.
Ore Reserve Block Grades v Development Grades
Ore Reserve block grade
(cmg/t)
Rolling 4 quarter average
development grade
(cmg/t)
Current quarter
development grade
(cmg/t)

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Results for the second quarter and six months

ended 31 December 2009

Exploration

Evander 6 shaft and Twistdraai (Joint Venture with Taung)

Harmony's objective for these areas is to complete a bankable feasibility study of the two areas within five years. As soon as we have received permission from the Department of Mineral Resources (DMR) to begin the surface drilling, we will commence with the drilling process.

A study entailing a detailed mine plan and schedule of the Evander 6 shaft was completed during the quarter. The purpose of the study is to optimise the extraction of the orebody and improve the project financials.

Evander South surface drilling

Good progress was made with the drilling programme during the quarter. A total of 1 420 metres were drilled and the drilling was completed in October 2009. A total of 24 671 metres were drilled, which was 2% above the planned 24 072 metres. Demobilisation of rigs and rehabilitation of the drilling sites concluded the drilling programme. Costs were 3% under budget.

Pleasing sampling results for 15 boreholes were received during the quarter. A preliminary update of the geological (datamine) model using the results obtained to date was completed towards the end of December 2009.

Poplar

The Poplar project refers to the region in the north of the Evander basin. We plan to continue with the drilling programme and to re-evaluate the ore resource.

The Phase 1 programme will involve the drilling of 25 holes (19 500 m). Eight holes from the previous programme, which had been piloted, will be re-drilled (7 800 m) and a further 17 holes (11 700 m) drilled. The programme is scheduled to take 12 months to complete.

Waste Metres / Reef Metres / Ave cmg/t

Masimong

Masimong had a disappointing quarter in terms of on-reef development due to an underperformance on the 'B' Reef drives and the grades in the Basal Reef development also being below expectation.

Phakisa

The on reef development is still close to the shaft in the lower-grade southern areas. Grades have however improved quarter on quarter and will further improve as the development progress towards the north and more reef is exposed within the major north west- to south east-trending Basal Reef payshoot.

Target (narrow reef mining)

Development sampling is reported only on those raises being developed for "gold" as distinct from those raises developed on selected horizons to "de-stress" future massive stopes. Figures represent only 35 metres (7 sections) of Raise and these values are not really representative of the narrow reef grade, nor indeed of the mine as a whole. It is important to note that, after a period of limited raise development, raise metres are on the increase at Target and next quarter's results ought to be a little more representative.

Tshepong

There was a quarter on quarter decrease in development grades as a large proportion of the on-reef development is currently taking place on the edges of the Tshepong payshoot. The development grade is expected to improve as new raise lines becomes available within the deeper extension of the payshoot in the Sub 66 and Sub 71 decline areas and the B reef development moves into high grade channels.

Virginia

In general, the development at Unisel produced good results, especially on the Basal reef and Leader reef development.

Middle reef grades were disappointing due to areas of increased channelisation that was intersected The development grades were lower than expected at Merriespruit and Harmony 2.

Joel North surface drilling – exploration progress

The current surface drilling programme at Joel North involves drilling six holes to a depth of between 1 300m and 1 400m to the north of the current Joel mine workings to allow an upgrade of the resource between 129 level and 137 level.

During the quarter, a fourth diamond drilling machine was brought on site. LB24 was completed in November 2009 with five deflections having been drilled. LB23 has also intersected reef and the deflections are now being drilled. LB23 is expected to be completed by the end of January 2010, whilst LB25 and LB27 will be finished early in February 2010. LB22 and LB28 will continue into March 2010. The programme is about 70% complete and projected completion is scheduled for April 2010.

Project Saints

Project Saints entails the re-treating of surface tailings in the Free State at a rate of 1 million tonnes per month. During the quarter a final feasibility gate-keeping session was held to consider the outstanding items from the previous feasibility gate-keeping. Re-drilling where necessary was completed, assays received and the models were updated.

Phoenix expansion

The current Phoenix project (Saaiplaas plant) has been operating for almost three years and involves the re-treating of 500 000 tpm of tailings. It is planned to increase the tonnage throughput at Phoenix by 400 000 tpm to 900 000 tpm. At the increased throughput rate, the life of the project is 12 years after which deposition capacity will run out. Further resources will be available to be treated if more deposition capacity is permitted within this 12-year period.

Project Libra

With regards to Project Libra, the re-treating of surface tailings at a rate of 1 million tonnes per month from the Winkelhaak, Leslie and Kinross tailings dams at Evander, the start of the Environmental Impact Assessment (EIA) study has been postponed due to a final tailings deposition site not having been determined.

During the quarter under review dams were re-drilled and the samples assayed. These processes are continuing. Final assay and recovery results are due and thereafter the optimal way to mine the dams will be determined and a production schedule drawn up.

Project TPM

During the quarter, the pilot flotation plant was erected and commissioned. The primary aim of the plant is to confirm sulphur recoveries and to optimise the reagent suite for the proposed TPM plant using live feed from the Harmony 1 plant.

Good progress on the EIA, which is due for submission in March 2010, was made during the December 2009 quarter. Furthermore, a comprehensive set of procedures pertaining to uranium sampling and assaying was also completed.

The only outstanding aspect of the pre-feasibility study is the declaration of a resource and reserve. An application for capital to proceed with the feasibility study and demonstration plant has been put forward. The feasibility study will develop and present a comprehensive and detailed description of the final optimised process and plant design for the project.

St Helena 10 shaft

This project involves the re-opening of St Helena 10 shaft. During the December quarter, the block plans incorporating the faulting structure were prepared and a two dimensional model built.

A mining schedule was drawn up and more accurate capital and operating costs were determined.

Harmony's application for power at St Helena 8 and 10 shafts was approved by Eskom during the quarter under review. We have submitted an amended EMP to the DMR and are awaiting a response.

Exploration – Morobe JV (50%)

Morobe JV drilling during the quarter included testing of priority target areas at Wafi-Golpu and ongoing resource definition at Hidden Valley.

Wafi

At Wafi, drilling continued testing the epithermal gold mineralisation at the Northern margin of the diatreme. Significant results include:

- **WR318:**

21.8m @ 1.45g/t Au, 9.02g/t Ag from 66m
17.8m @ 1.0g/t Au, 5.22g/t Ag from 110.2m
58m @ 1.07g/t Au, 5.27g/t Ag from 140m
35m @ 1.02g/t Au, 1.9g/t Ag from 304m

Also at Wafi, drilling at Miapilli to determine the extent and source of the porphyry mineralisation continued with 2 holes completed during the quarter.

Golpu West

Discovery drilling on the Golpu West prospect in PNG identified a new zone of high grade porphyry copper gold mineralisation adjacent to the existing Golpu resource. The intercepts include average gold and copper grades significantly higher than the Golpu resource.

The extent of the Golpu West mineralisation remains open and the existing resource is expected to grow significantly.

At Golpu, discovery drilling identified a new zone of high grade porphyry copper gold mineralisation west of the existing Golpu resource. Significant intercepts at Golpu West include:

– WR321: 331m @ 0.51g/t Au & 0.93% Cu from 694m including 155m @ 0.88g/t Au & 1.5% Cu from 868m

– WR327A: 478.4m @ 0.85g/t Au & 1.36% Cu from 506m including 155m @ 1.47g/t Au & 2.29% Cu from 691m

– WR328: 597m @ 0.57g/t Au & 0.96% Cu from 399m including 198m @ 1.13g/t Au & 1.88% Cu from 788m

The extent of Golpu West mineralisation remains open. Golpu West is located off the western margin of the Golpu orebody, outside of existing resource limits. Drilling to define the geometry and extent of mineralisation is ongoing.

Also at Golpu, drilling has commenced at Golpu Deeps to test the extent of the Golpu mineralisation at depth.

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Financial review for the second quarter and six months

ended 31 December 2009

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Operating results

(Rand/Metric)

Underground production – South Africa

Surface production – South Africa

Total SA

Total SA

South Africa

Harmony

Bambanani

Doornkop

Elandsrand

Evander

Joel

Masimong

Phakisa

Target Tshepong

Virginia

Underground

Kalgold

Phoenix

Dumps

Surface

Other

Total

PNG*

Total

Ore milled

– t’000

Dec-09

123

148

235

245

112

235

87

191

396

471

2 243

423

1 522

347

2 292

–

4 535

–

4 535
Sep-09
147
130
260
259
136
234
71
193
418
544
2 392
452
1 382
258
2 092
–
4 484
–
4 484
Gold produced
– kg
Dec-09
932
490
1 387
1 057
591
1 242
350
791
1 692
1 585
10 117
350
185
248
783
–
10 900
669
11 569
Sep-09
946
500
1 625
1 239
515
1 359
260

909
1 703
1 668
10 724
415
162
314
891
–
11 615
99
11 714
Yield
– g/tonne Dec-09
7.58
3.31
5.90
4.31
5.28
5.29
4.02
4.14
4.27
3.37
4.51
0.83
0.12
0.71
0.34
–
2.40
–
2.40
Sep-09
6.44
3.85
6.25
4.78
3.79
5.81
3.66
4.71
4.07
3.07
4.48
0.92
0.12
1.22
0.43
–
2.59

–

2.59

Cash operating costs

– R/kg

Dec-09

179 746

198 561

199 147

249 411

167 232

142 754

216 006

182 513

162 528

241 214

193 544

185 666

154 497

170 339

173 447

–

192 101

–

192 101

Sep-09

199 533

171 476

182 729

226 699

198 792

137 986

222 000

166 448

168 445

249 947

191 627

172 831

173 827

104 898

149 072

–

188 362

–

188 362

Cash operating costs

– R/tonne Dec-09

1 362

657

1 175

1 076

882

754
869
756
694
812
873
154
19
122
59
–
462
–
462
Sep-09
1 284
660
1 142
1 084
753
801
813
784
686
766
859
159
20
128
63
–
488
–
488
Gold sold
– kg
Dec-09
969
517
1 488
1 158
615
1 227
364
733
1 761
1 566
10 398
393
185
248

826
–
11 224
416
11 640
Sep-09
973
500
1 433
1 203
529
1 349
268
955
1 751
1 656
10 617
378
162
314
854
–
11 471
–
11 471
Revenue
(R’000)
Dec-09
256 264
138 750
391 228
308 338
163 340
324 391
96 375
195 183
465 169
414 601
2 753 639
102 880
49 199
66 106
218 185
–
2 971 824
–
2 971 824
Sep-09
233 738
120 432
349 650

290 373
127 680
323 889
64 293
219 345
420 604
398 125
2 548 129
83 694
39 111
75 661
198 466
–
2 746 595
–
2 746 595
Cash operating costs (R'000)
Dec-09
167 523
97 295
276 217
263 627
98 834
177 301
75 602
144 368
274 997
382 324
1 958 088
64 983
28 582
42 244
135 809
–
2 093 897
–
2 093 897
Sep-09
188 758
85 738
296 935
280 880
102 378
187 523
57 720
151 301
286 862
416 911
2 055 006
71 725
28 160

32 938
132 823
–
2 187 829
–
2 187 829
Inventory movement (R'000)
Dec-09
8 772
10 029
13 964
21 345
5 077
(2 620)
3 884
4 189
14 126
(6 036)
72 730
5 512
–
–
5 512
–
78 242
–
78 242
Sep-09
4 347
16 158
(16 189)
(7 387)
2 358
(1 793)
1 329
8 265
6 606
(4 288)
9 406
(2 789)
–
–
(2 789)
–
6 617
–
6 617
Operating costs
(R'000)
Dec-09
176 295

107 324
290 181
284 972
103 911
174 681
79 486
148 557
289 123
376 288
2 030 818
70 495
28 582
42 244
141 321
–
2 172 139
–
2 172 139
Sep-09
193 105
101 896
280 746
273 493
104 736
185 730
59 049
159 566
293 468
412 623
2 064 412
68 936
28 160
32 938
130 034
–
2 194 446
–
2 194 446
Cash operating profi t
(R'000)
Dec-09
79 969
31 426
101 047
23 366
59 429
149 710
16 889
46 626
176 046
38 313

722 821
32 385
20 617
23 862
76 864
–
799 685
–
799 685
Sep-09
40 633
18 536
68 904
16 880
22 944
138 159
5 244
59 779
127 136
(14 498)
483 717
14 758
10 951
42 723
68 432
–
552 149
–
552 149
Capital expenditure
(R'000)
Dec-09
27 906
78 720
124 700
54 363
32 422
45 014
137 917
76 888
57 462
47 400
682 792
1 786
1 977
–
3 763
24 793
711 348 **180 559**
891 907
Sep-09

23 019
72 766
111 325
51 651
17 809
38 866
127 689
83 710
71 169
51 557
649 561
1 811
1 503
–
3 314
13 456
666 331
248 784
915 115
* Production and sales statistics for Hidden Valley are shown for information purposes. The mine is in a build-up phase and revenue and cost are currently
capitalised until commercial levels of production are reached.

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Results for the second quarter and six months

ended 31 December 2009

CONDENSED CONSOLIDATED INCOME STATEMENT (Rand)

		Quarter ended			Six months ended		Year ended
		31 December	30 September	31 December[1]	31 December	31 December[1]	30 June
		2009	2009	2008	2009	2008	2009
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Note	R million	R million	R million	R million	R million	R million
Continuing operations		2 971	2 747	3 146	5 718	5 828	11 496
Cost of sales	2	(2 656)	(2 604)	(2 385)	(5 260)	(4 762)	(9 836)
Production cost		(2 172)	(2 195)	(2 033)	(4 367)	(3 907)	(7 657)
Amortisation and depreciation		(321)	(350)	(310)	(671)	(618)	(1 467)
(Impairment)/reversal of impairment of assets		(104)	–	1	(104)	(151)	(484)
Employment termination and restructuring costs		(3)	–	(16)	(3)	(28)	(39)
Other items		(56)	(59)	(27)	(115)	(58)	(189)
Gross profit		**315**	**143**	**761**	**458**	**1 066**	**1 660**
Corporate, administration and other expenditure		(116)	(88)	(92)	(204)	(183)	(362)
Exploration expenditure		(50)	(60)	(85)	(110)	(137)	(289)

Profit/(loss) on sale of property, plant and equipment		3	1	(80)	4	459	965
Other (expenses)/income – net		(20)	(73)	159	(93)	145	(101)
Operating profit/(loss)		**132**	**(77)**	**663**	**55**	**1 350**	**1 873**
Profit/(loss) from associates		25	31	(52)	56	(51)	12
Profit on sale of investment in associate		–	–	–	–	1	1
Impairment of investment in associate		–	–	–	–	(112)	(112)
Fair value movement of listed investments		–	–	(116)	–	(116)	(101)
Profit on sale of listed investments		3	2	–	5	–	–
Impairment of investments		–	(2)	–	(2)	–	–
Investment income		54	71	107	125	185	444
Finance cost		(37)	(35)	(63)	(72)	(149)	(212)
Profit/(loss) before taxation		**177**	**(10)**	**539**	**167**	**1 108**	**1 905**
Taxation		(59)	(19)	(217)	(78)	(454)	(196)
Net profit/(loss) from continuing operations		**118**	**(29)**	**322**	**89**	**654**	**1 709**
Discontinued operations	3						
Profit from discontinued operations		–	–	994	–	1 064	1 218
Net profit/(loss)		**118**	**(29)**	**1 316**	**89**	**1 718**	**2 927**
Earnings/(loss) per ordinary share (cents)	4						
– Earnings/(loss) from continuing operations		28	(7)	80	21	161	413
– Earnings from discontinued operations		–	–	244	–	263	294
Total earnings/(loss) per ordinary share (cents)		**28**	**(7)**	**324**	**21**	**424**	**707**
Diluted earnings/(loss) per ordinary share (cents)	4						
– Earnings/(loss) from continuing operations		28	(7)	79	21	161	411
– Earnings from discontinued operations		–	–	244	–	261	293
Total diluted earnings/(loss) per ordinary share (cents)		**28**	**(7)**	**323**	**21**		

422	**704**

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

[1] The comparative fi gures are re-presented due to Mount Magnet being reclassifi ed as part of continuing operations. See note 3 in this regard.

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CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME (Rand)

	Quarter ended			Six months ended		Year ended
	31 December 2009	30 September 2009	31 December 2008	31 December 2009	31 December 2008	30 June 2009
	(Unaudited)	(Unaudited)		(Unaudited)		(Audited)
	R million	R million	R million	R million	R million	R million
Net profi t/(loss) for the period	**118**	**(29)**	**1 316**	**89**	**1 718**	**2 927**
Attributable to:						
Owners of the parent	118	(29)	1 316	89	1 718	2 927
Non-controlling interest	–	–	–	–	–	–
Other comprehensive (loss)/income for the period, net of income tax	(51)	15	(115)			

(36)
(27)
(450)
Foreign exchange translation
(57)
19
(208)
(38)
(89)
(497)
Mark-to-market of available-for-sale investments
6
(4)
93
2
62
47
Total comprehensive income/(loss) for the period
67
(14)
1 201
53
1 691
2 477
Attributable to:
Owners of the parent
67
(14)
1 201
53
1 691
2 477
Non-controlling interest
–
–
–
–
–
–

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Results for the second quarter and six months
ended 31 December 2009
CONDENSED CONSOLIDATED BALANCE SHEET (Rand)
At
At
At
At
31 December
30 September
30 June
31 December
2009
2009
2009
2008
(Unaudited)
(Audited)
Note
R million
R million
R million
R million
ASSETS
Non-current assets
Property, plant and equipment
28 862
28 457
27 912
27 786
Intangible assets
2 217
2 218
2 224
2 223
Restricted cash
167
165
161
169
Restricted investments
1 697
1 668
1 640
1 567
Investments in fi nancial assets
20
39
57
28
Investments in associates

385
360
329
228
Inventories
5
77
–
–
–
Trade and other receivables
74
72
75
56
33 499
32 979
32 398
32 057

Current assets

Inventories 5 1 103 1 147 1
035 898
Income and mining taxes 55 45
45 108
Trade and other receivables 1 108 838
885 2 732
Restricted cash 6 280 –
– –
Cash and cash equivalents 808 1 094 1
950 1 645
3 354 3 124 3 915 5 383
Assets of disposal groups classifi ed as held-for-sale 3 – –
– 407
3 354 3 124 3 915 5 790
Total assets 36 853 36 103 36
313 37 847

EQUITY AND LIABILITIES

Share capital and reserves

Share capital 28 096 28 093 28
091 27 126
Other reserves 375 388
339 671
Retained earnings/(accumulated loss) 971 853 1
095 (114)
29 442 29 334 29 525 27 683

Non-current liabilities

Deferred Tax 3 317 3 265 3
251 3 699
Provision for environmental rehabilitation 1 612 1 564 1
530 1 189

Retirement benefit obligation and other provisions		167	166	166	153
Borrowings	7	565	108	110	188
		5 661	5 103	5 057	5 229
Current liabilities					
Borrowings	7	460	260	252	2 671
Trade and other payables		1 279	1 385	1 460	1 613
Income and mining taxes		11	21	19	273
		1 750	1 666	1 731	4 557
Liabilities of disposal groups classified as held-for-sale	3	–	–	–	378
		1 750	1 666	1 731	4 935
Total equity and liabilities		**36 853**	**36 103**	**36 313**	**37 847**
Number of ordinary shares in issue		426 079 492	426 024 653	425 986 836	417 637 697
Net asset value per share (cents)		6 910	6 886	6 931	6 628

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

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Rand)

	Note	Share capital	Other reserves	Retained earnings/ (accumulated loss)	Total
		R million	R million	R million	R million
Balance – 30 June 2009		28 091	339	1 095	29 525
Issue of shares		5	–	–	5
Share-based payments		–	72	–	72
Comprehensive income for the period		–	(36)	89	53
Dividends paid	8	–	–	(213)	(213)
Balance as at 31 December 2009		**28 096**	**375**	**971**	**29 442**
Balance - 30 June 2008		25 895	676	(1 832)	24 739
Issue of shares		1 231	–	–	1 231

Share-based payments	–	22	–	22
Comprehensive income for the period	–	(27)	1 718	1 691
Balance as at 31 December 2008	**27 126**	**671**	**(114)**	**27 683**

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Results for the second quarter and six months
ended 31 December 2009

CONDENSED CONSOLIDATED CASH FLOW STATEMENT (Rand)

Quarter ended
Six months ended
Year ended
31 December 30 September 31 December
31 December 31 December
30 June
2009
2009
2008
2009
2008
2009
(Unaudited)
(Unaudited)
(Unaudited)
(Audited)
R million
R million
R million
R million
R million
R million

Cash fl ow from operating activities

Cash generated by operations
183
225
1 155
408
1 825
2 813
Interest and dividends received
52
68
112
120
194
457
Interest paid
(11)
(9)
(62)
(20)
(174)
(280)
Income and mining taxes paid
(34)
(25)

(142)
(59)
(143)
(704)
Cash generated by operating activities
190
259
1 063
449
1 702
2 286
Cash fl ow from investing activities
(Increase)/decrease in restricted cash
(283)
(3)
13
(286)
(90)
(83)
Net proceeds on disposal of listed investments
29
15
–
44
–
–
Net (additions to)/disposal of property,
plant and equipment
(890)
(907)
(840)
(1 797)
(42)
979
Other investing activities
(3)
8
64
5
74
(79)
Cash (utilised)/generated by investing activities
(1 147)
(887)
(763)
(2 034)
(58)
817
Cash fl ow from fi nancing activities
Borrowings raised
686

–
–
686
–
–
Borrowings repaid
(18)
(7)
(698)
(25)
(1 286)
(3 738)
Ordinary shares issued – net of expenses
3
2
980
5
988
1 953
Dividends paid
–
(213)
–
(213)
–
–
Cash generated/(utilised) by fi nancing activities
671
(218)
282
453
(298)
(1 785)
Foreign currency translation adjustments
–
(10)
(122)
(10)
(115)
217
Net (decrease)/increase in cash and cash equivalents
(286)
(856)
460
(1 142)
1 231
1 535
Cash and cash equivalents – beginning of period
1 094
1 950
1 186

1 950
415
415
Cash and cash equivalents – end of period
808
1 094
1 646
808
1 646
1 950

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2009

1.

Accounting policies

Basis of accounting

The condensed consolidated interim financial statements for the period ended 31 December 2009 have been prepared using accounting policies that comply with International Financial Reporting Standards (IFRS), which are consistent with the accounting policies used in the audited annual financial statements for the year ended 30 June 2009. These condensed consolidated interim financial statements are prepared in accordance with IAS 34, Interim Financial Reporting, and in the manner required by the Companies Act of South Africa. They should be read in conjunction with the annual financial statements for the year ended 30 June 2009.

2.

Cost of sales

	Quarter ended			Six months ended		Year ended
	31 December	30 September	31 December[1]	31 December	31 December[1]	30 June
	2009	2009	2008	2009	2008	2009
	(Unaudited)	(Unaudited)		(Unaudited)		(Audited)
	R million	R million	R million	R million	R million	R million
Production costs	2 172	2 195	2 033	4 367	3 907	7 657
Amortisation and depreciation	321	350	310	671		

618
1 467
Impairment/(reversal of impairment) of assets
104*
–
(1)
104*
151
484
Provision for rehabilitation costs
4
4
3
8
10
21
Care and maintenance cost of restructured shafts
13
21
14
34
25
53
Employment termination and restructuring costs
3
–
16
3
28
39
Share-based payments
38
34
9
72
22
113
Provision for post-retirement benefits
1
–
1
1
1
2
Total cost of sales
2 656
2 604
2 385
5 260
4 762
9 836

[1] The comparative figures are re-presented due to Mount Magnet being reclassified as part of continuing operations. See note 3 in this regard.
*The impairment recorded in the December 2009 quarter relates to Brand 3 and Evander 2 and 5, which have been placed on care and maintenance.

3.

Disposal groups classified as held-for-sale and discontinued operations

Following approval by the Board of Directors in April 2007, the assets and liabilities related to Mount Magnet (an operation in Australia) were
classified as held-for-sale. This operation also met the criteria to be classified as discontinued operations in terms of IFRS 5. During the June
2009 quarter, it was decided that further drilling at the site to define the orebody would enhance the selling potential of the operation. As a
result, the operation no longer met the requirements of IFRS 5 to be classified as held-for-sale, and was therefore reclassified as continuing
operations again. Consequently, the income statements and earnings per share amounts for all comparative periods have been re-presented
taking this change into account.

4.

Earnings/(loss) per ordinary share

Earnings/(loss) per ordinary share is calculated on the weighted average number of ordinary shares in issue for the quarter ended 31 December
2009: 425.9 million (30 September 2009: 425.9 million, 31 December 2008: 406.8 million), and the six months ended 31 December 2009:
425.9 million (31 December 2008: 405.0 million) and the year ended 30 June 2009: 414.1 million.
The fully diluted earnings/(loss) per ordinary share is calculated on weighted average number of diluted ordinary shares in issue for the
quarter ended 31 December 2009: 427.5 million (30 September 2009: 427.2 million, 31 December 2008: 409.1 million), and the six months
ended 31 December 2009: 427.4 million (31 December 2008: 407.1 million) and the year ended 30 June 2009: 416.0 million.

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Results for the second quarter and six months
ended 31 December 2009

	Quarter ended			Six months ended		Year ended
	31 December 2009	30 September 2009	31 December[1] 2008	31 December 2009	31 December[1] 2008	30 June 2009
	(Unaudited)			(Unaudited)	(Unaudited)	(Audited)
Total earnings/(loss) per ordinary share (cents):						
Basic earnings/(loss)	28	(7)	324	21	424	707
Fully diluted earnings/(loss)	28	(7)	323	21	422	704
Headline earnings/(loss)	49	(12)	121	37	145	262
– from continuing operations	49	(12)	98	37	105	239
– from discontinued operations	–	–				

23
–
40
23
R million
R million
R million
R million
R million
R million
Reconciliation of headline earnings/(loss):
Continuing operations
Net profit/(loss)
118
(29)
322
89
654
1 709
Adjusted for (net of tax):
(Profit)/loss on sale of property, plant and equipment
(2)
(1)
78
(3)
(490)
(975)
Profit on sale of listed investments
(3)
(1)
–
(4)
–
–
Fair value movement of listed investments
–
–
–
–
–
71
Foreign exchange gain reclassified from equity
–
(22)
–
(22)
–
(384)
Profit on sale of associate
–
–

–
–
–
(1)
Impairment of investment in associates
–
–
–
–
112
112
Impairment of investments
–
2
–
2
–
–
Impairment/(reversal of impairment)
of property, plant and equipment
94
–
(1)
94
151
457
Headline earnings/(loss)
207
(51)
399
156
427
989
Discontinued operations
–
–
994
–
1 064
1 218
Adjusted for (net of tax):
Profit on sale of property, plant and equipment
–
–
(901)
–
(901)
(1 121)
Headline earnings
–
–

93
–
163
97
Total headline earnings/(loss)
207
(51)
492
156
590
1 086
[1] The comparative figures are re-presented due to Mount Magnet being reclassified as part of continuing operations. See note 3 in this regard.

5.
Inventories

During the quarter ended 31 December 2009, the Group concluded two separate purchase agreements with Pamodzi Gold Free State (Proprietary) Limited (In Provisional Liquidation) (Pamodzi), for the purchase of a waste rock dump and a gold plant to the value of R120 million. The Group's intention is to break up the plant and extract the gold in lock-up. The portion of inventory that is expected to be recovered more than twelve months after balance sheet date has been classified as non-current.

6.
Restricted cash

The Group entered into two separate purchase agreements with Pamodzi for the purchase of Pamodzi's Free State North and South Assets for a total consideration of R280 million.

The Group had an obligation in terms of the North and South agreements to pay, at the conclusion of the later of the waste rock dump and plant agreements, an amount equal to the purchase consideration into an escrow account as the North and South sale of assets agreements were not yet unconditional on 31 December 2009. The escrow account is an interest-bearing trust account on which the interest accrues to the benefit of the Group.

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7.
Borrowings

	31 December 2009 (Unaudited) R million	30 September 2009 (Unaudited) R million	30 June 2009 (Audited) R million	31 December 2008 (Unaudited) R million
Total long-term borrowings	565	108	110	188
Total current portion of borrowings	460	260	252	2 671
Total borrowings (1) (2)	**1 025**	**368**	**362**	**2 859**

(1) On 11 December 2009, the Company entered into a loan facility with Nedbank Limited, comprising 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 Revolving Credit Facility is repayable
after three years. The Group drew down R650 million of the Term Facility during December 2009.

(2) Included in the borrowings is R102 million (September 2009: 104 million; June 2009: R106 million; December 2008: R198 million) owed to
Westpac Bank Limited in terms of a finance lease agreement. The future minimum lease payments are as follows:

31 December
30 September
30 June
31 December
2009
2009
2009

2008
(Unaudited)
(Audited)
R million
R million
R million
R million
Due within one year
32
31
30
63
Due between one and five years
73
76
80
156
105
107
110
219
Future finance charges
(3)
(3)
(4)
(21)
Total future minimum lease payments
102
104
106
198
8.
Dividend declared
On 13 August 2009, the Board of Directors approved a final dividend for the 2009 financial year of 50 SA cents per share. The total dividend,
amounting to R213 million, was paid on 21 September 2009.
31 December
30 September
30 June
31 December
2009
2009
2009
2008
(Unaudited)
(Audited)
Dividend declared (R million)
–
213
–
–

Number of shares in issue (thousands)
426 079
426 025
425 987
417 638
Dividend per share (cents)
–
50
–
–
9.
Commitments and contingencies
31 December
30 September
30 June
31 December
2009
2009
2009
2008
(Unaudited)
(Audited)
R million
R million
R million
R million
Capital expenditure commitments
Contracts for capital expenditure
411
528
478
692
Authorised by the directors but not contracted for
1 771
1 829
734
1 689
2 182
2 357
1 212
2 381
This expenditure will be financed from existing resources and borrowings where necessary.
Contingent liability
Class action.
On 18 April 2008, Harmony Gold Mining Company Limited was made aware that it has been named or may be named as a
defendant in a lawsuit filed in the U.S. District Court in the Southern District of New York on behalf of certain purchasers and sellers of
Harmony's American Depositary Receipts (ADRs) with regard to certain of its business practises. Harmony has retained legal counsel, who
advise Harmony on further developments in the U.S.

During January 2009, the plaintiff filed an Amended Complaint with the Court. Subsequently, the Company filed a Motion to Dismiss all claims asserted in the Class Action Case with the Court. The plaintiffs have filed an opposing response and the Company has since replied to that response. It is not possible to predict with certainty when the Court will rule on the Motion of Dismiss as the timing of the ruling is entirely within the discretion of the Court. It is currently not possible to estimate if there will be a financial effect, or what that effect might be.

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Results for the second quarter and six months
ended 31 December 2009

10. Subsequent events

In January 2010, the sale of Big Bell Operations (Proprietary) Limited, an operation in Western Australia, was concluded, in which the Group received an amount of AU$3.0 million and the release on performance bonds of AU$3.1 million.

11. Segment report

The segment report follows on page 25.

12. Reconciliation of segment information to consolidated income statements and balance sheet

The "Reconcilliation of segment data to consolidated financials" line item in the segment reports are broken down in the following elements, to give a better understanding of the differences between the income statement, balance sheet and segment report:

	31 December 2009 R million	31 December 2008 R million
Revenue from:		
Discontinued operations	–	614
Production costs from:		
Discontinued operations	–	447
Reconciliation of cash operating profit to gross profit:		
Total segment revenue	5 718	6 442
Total segment production costs	(4 367)	(4 354)
Cash operating profit as per segment report	1 351	2 088
Less: Discontinued operations	–	(167)
Cash operating profit as per segment report	1 351	1 921
Cost of sales items other than production costs	(893)	(855)
Amortisation and depreciation	(671)	(618)
Impairment of assets	(104)	(151)

Employment termination and restructuring costs
(3)
(28)
Share-based payments
(72)
(22)
Rehabilitation costs
(8)
(10)
Care and maintenance costs of restructured shafts
(34)
(25)
Provision for post-retirement benefits
(1)
(1)
Gross profit as per income statements*
458
1 066
Reconciliation of total segment mining assets to consolidated property, plant and equipment:
Property, plant and equipment not allocated to a segment
Mining assets
755
569
Undeveloped property
5 386
5 168
Other non-mining assets
66
51
Less:
Non-current assets previously classified as held-for-sale
–
(280)
6 207
5 508
* The reconciliation was done up to the first recognisable line item on the income statement. The reconciliation will follow the income statement after that.

13. Review report

The condensed consolidated financial statements for the six months ended 31 December 2009 on pages 16 to 26 have been reviewed
in accordance with International Standards on Review Engagements 2410 – "Review of interim financial information performed by the
Independent Auditors of the entity" by PricewaterhouseCoopers Inc. Their unqualified review report is available for inspection at the
Company's registered office.

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SEGMENT REPORT FOR THE SIX MONTHS ENDED 31 DECEMBER 2009 (Rand/Metric)

	Revenue	Cash operating cost	Cash production profit	Mining assets	Capital expenditure	Kilograms produced	Tonnes milled
	R million	R million	R million	R million	R million	kg*	t'000*
Operations							
South Africa							
Underground							
Bambanani	490	369	121	680	51	1 878	270
Doornkop	259	209	50	2 699	151	990	278
Elandsrand	741	571	170	2 894	236	3 012	495

Evander
599
559
40
906
106
2 296
504
Masimong
648
360
288
711
85
2 601
469
Phakisa
161
139
22
3 898
266
610
158
Target
414
308
106
2 301
161
1 700
384
Tshepong
886
583
303
3 627
129
3 395
814
Virginia
813
789
24
841
99
3 253
1 015
Joel
291
209

82
135
50
1 106
248
Surface
All surface operations
(1)
416
271
145
141
44
1 674
4 384
Total South Africa
5 718
4 367
1 351
18 833
1 378
22 515
9 019
International
Papua New Guinea
(2)
–
–
–
3 805
429
768
–
Mount Magnet
–
–
–
17
–
768
–
Total international
–
–
–
3 822
429
–
–
Total operations
5 718

4 367
1 351
22 655
1 807
23 283
9 019
Reconciliation of the segment
information to the consolidated
income statement and
balance sheet (refer to note 12)
–
–
6 207
5 718
4 367
28 862
Notes:
(1) Includes Kalgold, Phoenix and Dumps.
(2) Production statistics for Hidden Valley are shown for information purposes. The mine is in a build-up phase and revenue and cost are currently capitalised until commercial
levels of production are reached.
* Production statistics are not reviewed.

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Results for the second quarter and six months

ended 31 December 2009

SEGMENT REPORT FOR THE SIX MONTHS ENDED 31 DECEMBER 2008 (Rand/Metric)

Cash
Cash
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
509
342
167
695
20
2 116
264
Doornkop
157
138
19
2 338
217
589
253
Elandsrand
720
565
155
2 552
211

2 725
503
Evander
804
522
282
1 208
111
3 178
610
Masimong
592
336
256
663
68
2 445
457
Phakisa
60
43
17
3 406
237
244
66
Target
296
250
46
2 354
166
1 199
318
Tshepong
903
501
402
3 613
117
3 709
697
Virginia
1 043
758
285
924
82
4 313
1 149
Joel

271
190
81
127
24
1 115
275
Surface
All surface operations
(1)
473
262
211
150
31
1 921
4 198
Total South Africa
5 828
3 907
1 921
18 030
1 284
23 554
8 790
International
Papua New Guinea
–
–
–
4 008
933
–
–
Mount Magnet
–
–
–
240
–
–
–
Total international
–
–
–
4 248
933
–
–
Total continuing operations

5 828
3 907
1 921
22 278
2 217
23 554
8 790
Discontinued operations
Cooke operations
614
447
167
–
87
2 500
1 287
Total discontinued operations
614
447
167
–
87
2 500
1 287
Total operations
6 442
4 354
2 088
22 278
2 304
26 054
10 077
Reconciliation of the segment
information to the consolidated
income statement and
balance sheet (refer to note 12)
(614)
(447)
5 508
5 828 **3 907** **27 786**
Notes:
(1) Includes Kalgold, Phoenix and Dumps.
* Production statistics are not reviewed.

Results for the
second quarter and six months ended
31 December 2009
(US$)

Incorporated in the Republic of South Africa
Registration Number 1950/038232/06
("Harmony" or "Company")
JSE Share code: HAR
NYSE Share code: HMY
ISIN: ZAE 000015228

Results for the
second quarter and six months
ended 31 December 2009

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Financial review for the second quarter and six months
ended 31 December 2009
29
OPERATING RESULTS
(US$/Imperial)
Underground production – South Africa
Surface production – South Africa
Total SA
Total SA
South Africa
Harmony
Bambanani
Doornkop
Elandsrand
Evander
Joel
Masimong
Phakisa
Target Tshepong
Virginia
Underground
Kalgold
Phoenix
Dumps
Surface
Other
Total
PNG*
Total
Ore milled
– t'000
Dec-09
136
163
259
270
124
259
96
211
437
519
2 474
466
1 678
383
2 527
–
5 001
–

5 001
Sep-09
162
143
287
286
150
258
78
213
461
600
2 638
498
1 524
285
2 307
–
4 945
–
4 945
Gold produced
– oz
Dec-09
29 964
15 754
44 593
33 983
19 001
39 931
11 253
25 431
54 399
50 959
325 268
11 253
5 948
7 973
25 174
–
350 442
21 514
371 956
Sep-09
30 415
16 075
52 245
39 835
16 558
43 693
8 359

29 225
54 753
53 627
344 785
13 343
5 208
10 095
28 646
–
373 431
3 168
376 599
Yield
– oz/t
Dec-09
0.220
0.097
0.172
0.126
0.153
0.154
0.117
0.121
0.124
0.098
0.131
0.024
0.003
0.021
0.009
–
0.070
–
0.070
Sep-09
0.188
0.112
0.182
0.139
0.110
0.169
0.107
0.137
0.119
0.090
0.131
0.027
0.003
0.035
0.012
–

0.076
–
0.076
Cash operating costs
– $/oz
Dec-09
747
825
827
1 036
695
593
897
758
675
1 002
804
771
642
708
721
–
798
–
798
Sep-09
798
685
730
906
795
552
887
665
673
999
766
691
695
419
596
–
753
–
753
Cash operating costs
– $/t
Dec-09
165
80
142

130
106
91
105
91
84
98
106
19
2
15
7
–
56
–
56
Sep-09
150
77
133
126
88
93
95
91
80
89
100
19
2
15
7
–
57
–
57
Gold sold
– oz
Dec-09
31 154
16 622
47 840
37 231
19 773
39 449
11 703
23 566
56 617
50 348
334 303
12 635

5 948
7 973
26 556
–
360 859
13 375
374 234
Sep-09
31 283
16 075
46 072
38 677
17 008
43 371
8 616
30 704
56 296
53 242
341 344
12 153
5 208
10 095
27 456
–
368 800
–
368 800
Revenue
($'000)
Dec-09
34 225
18 530
52 249
41 179
21 814
43 323
12 871
26 067
62 124
55 371
367 753
13 740
6 571
8 829
29 140
–
396 893
–
396 893
Sep-09
30 037

15 477
44 933
37 315
16 408
41 622
8 262
28 188
54 051
51 162
327 455
10 755
5 026
9 723
25 504
–
352 959
–
352 959
Cash operating costs ($'000)
Dec-09
22 373
12 994
36 889
35 208
13 200
23 679
10 097
19 281
36 726
51 060
261 507
8 679
3 817
5 642
18 138
–
279 645
–
279 645
Sep-09
24 257
11 018
38 158
36 095
13 156
24 098
7 417
19 444
36 864
53 576
264 083

9 217
3 619
4 233
17 069
–
281 152
–
281 152

Inventory movement ($'000)

Dec-09
1 172
1 339
1 865
2 851
678
(350)
519
559
1 887
(806)
9 714
736
–
–
736
–
10 450
–
10 450

Sep-09
559
2 076
(2 080)
(949)
303
(230)
171
1 062
849
(551)
1 210
(358)
–
–
(358)
–
852
–
852

Operating costs
($'000)

Dec-09
23 545
14 333
38 754
38 059
13 878
23 329
10 616
19 840
38 613
50 254
271 221
9 415
3 817
5 642
18 874
–
290 095
–
290 095
Sep-09
24 816
13 094
36 078
35 146
13 459
23 868
7 588
20 506
37 713
53 025
265 293
8 859
3 619
4 233
16 711
–
282 004
–
282 004
Operating profi t
($'000)
Dec-09
10 680
4 197
13 495
3 120
7 936
19 994
2 255
6 227

23 511
5 117
96 532
4 325
2 754
3 187
10 266
–
106 798
–
106 798
Sep-09
5 221
2 383
8 855
2 169
2 949
17 754
674
7 682
16 338
(1 863)
62 162
1 896
1 407
5 490
8 793
–
70 955
–
70 955
Capital expenditure
($'000)
Dec-09
3 727
10 513
16 654
7 260
4 330
6 012
18 419
10 269
7 674
6 330
91 188
239
264
–
503
3 311
95 002

24 114
119 116
Sep-09
2 958
9 351
14 306
6 638
2 289
4 995
16 409
10 757
9 146
6 625
83 474
233
193
–
426
1 729
85 629
31 971
117 600
* Production and sales statistics for Hidden Valley are shown for information purposes. The mine is in a build-up phase and revenue and cost are currently
capitalised until commercial levels of production are reached.

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Results for the second quarter and six months
ended 31 December 2009
CONDENSED CONSOLIDATED INCOME STATEMENT (US$)
(Convenience translation)
Quarter ended
Six months ended
Year ended
31 December 30 September 31 December¹ 31 December 31 December¹
30 June
2009
2009
2008
2009
2008
2009
(Unaudited)
(Unaudited)
(Unaudited)
(Unaudited)
(Unaudited)
(Audited)
US$ million
US$ million
US$ million
US$ million
US$ million
US$ million
Continuing operations
Revenue
397
353
317
750
659
1 277
Cost of sales
(355)
(335)
(241)
(690)
(538)
(1 104)
Production cost
(290)
(282)
(205)
(572)
(442)
(850)
Amortisation and depreciation

(43)
(45)
(31)
(88)
(70)
(167)
Impairment of assets
(14)
–
–
(14)
(17)
(61)
Employment termination and restructuring costs
–
–
(2)
–
(3)
(4)
Other items
(8)
(8)
(3)
(16)
(6)
(22)
Gross profit
42
18
76
60
121
173
Corporate, administration and other expenditure
(15)
(11)
(9)
(27)
(21)
(40)
Exploration expenditure
(7)
(8)
(8)
(14)
(15)
(32)
(Loss)/profi t on sale of
property, plant and equipment
–

–
(8)
1
51
116
Other (expenses)/income – net
(2)
(9)
16
(13)
17
(3)
Operating profi t/(loss)
18
(10)
67
7
153
214
Profi t/(loss) from associates
3
4
(5)
7
(6)
1
Impairment of investment in associate
–
–
–
–
(13)
(14)
Fair value movement of listed investments
–
–
(12)
–
(13)
(10)
Profi t on sale of listed investments
–
–
–
1
–
–
Investment income
7
9
11

16
21
49
Finance cost
(5)
(4)
(6)
(9)
(17)
(24)
Profit/(loss) before taxation
23
(1)
55
22
125
216
Taxation
(8)
(2)
(22)
(10)
(51)
(23)
Net profi t/(loss) from continuing operations
15
(3)
33
12
74
193
Discontinued operations
Profi t from discontinued operations
–
–
100
–
120
118
Net profit/(loss)
15
(3)
133
12
194
311
Earnings/(loss) per ordinary share (cents)
– Earnings/(loss) from continuing operations
4
(1)
8

3
18
47
– Earnings from discontinued operations
–
–
24
–
30
28
Total earnings/(loss) per ordinary share (cents)
4
(1)
32
3
48
75
Diluted earnings/(loss) per ordinary share (cents)
– Earnings/(loss) from continuing operations
4
(1)
8
3
18
46
– Earnings from discontinued operations
–
–
24
–
30
28
Total diluted earnings/(loss) per
ordinary share (cents)
4
(1)
32
3
48
74
[1] The comparative fi gures are re-presented due to Mount Magnet being reclassifi ed as part of continuing operations.
The currency conversion average rates for the quarter ended: December 2009: US$1 = R7.49 (September 2009: US$1 = R7.78, December 2008:
US$1 = R9.93)
The currency conversion average rates for the six months ended: December 2009: US$1 = R7.63 (December 2008: US$1 = R8.84)
The income statement for the year ended 30 June 2009 has been extracted from the 2009 Annual Report.
Note on convenience translations
Except where specific statements have been extracted from the 2009 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 fi nancial statements

presented on page 30 to 36.

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CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME (US$)
(Convenience translation)
Quarter ended
Six months ended
Year ended
31 December 30 September 31 December
31 December 31 December
30 June
2009
2009
2008
2009
2008
2009
(Unaudited)
(Unaudited)
(Unaudited)
(Unaudited)
(Unaudited)
(Audited)
US$ million
US$ million
US$ million
US$ million
US$ million
US$ million
Net profi t/(loss) for the period
15
(3)
133
12
194
311
Attributable to:
Owners of the parent
15
(3)
133
12
194
311
Non-controlling interest
–
–
–
–
–
–
Other comprehensive (loss)/income for the
period, net of income tax

(7)
1
(12)
(5)
(3)
111
Foreign exchange translation
(8)
2
(21)
(5)
(10)
105
Mark-to-market of available-for-sale investments
1
(1)
9
–
7
6
Total comprehensive income/(loss) for the period
8
(2)
121
7
191
422
Attributable to:
Owners of the parent
8
(2)
121
7
191
422
Non-controlling interest
–
–
–
–
–
–
The currency conversion average rates for the quarter ended: December 2009: US$1 = R7.49 (September 2009: US$1 = R7.78, December 2008:
US$1 = R9.93)
The currency conversion average rates for the six months ended: December 2009: US$1 = R7.63 (December 2008: US$1 = R8.84)
The statement of other comprehensive income for the year ended 30 June 2009 has been extracted from the 2009 Annual Report.

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Results for the second quarter and six months
ended 31 December 2009

CONDENSED CONSOLIDATED BALANCE SHEET (US$)
(Convenience translation)

At
At
At
At
31 December
30 September
30 June
31 December
2009
2009
2009
2008
(Unaudited)
(Unaudited)
(Audited)
(Unaudited)
US$ million
US$ million
US$ million
US$ million

ASSETS

Non-current assets

Property, plant and equipment
3 916
3 774
3 614
2 988
Intangible assets
301
294
288
239
Restricted cash
23
22
21
18
Restricted investments
230
221
212
168
Investments in fi nancial assets
3
5
7

3
Investments in associates
52
48
43
24
Inventories
10
–
–
–
Trade and other receivables
10
10
10
6
4 545
4 374
4 195
3 446
Current assets
Inventories
150
152
134
97
Income and mining taxes
7
6
6
12
Trade and other receivables
150
111
115
293
Restricted cash
38
–
–
–
Cash and cash equivalents
110
145
253
177
455
414
508
579
Assets of disposal groups classifi ed as held-for-sale

–
–
–
44
455 414 508 623
Total assets **5 000** **4 788** **4**
703 **4 069**
EQUITY AND LIABILITIES
Share capital and reserves
Share capital 3 812 3 726 4
004 2 917
Other reserves 51 51
(72) 72
Retained earnings/(accumulated loss) 132 113
(108) (12)
3 995 3 890 3 824 2 977
Non-current liabilities
Deferred tax 450 433
421 398
Provisions for other liabilities and charges 219 207
198 128
Retirement benefit obligation and other provisions 23 22
22 16
Borrowings 77 14
14 20
769 676 655 562
Current liabilities
Borrowings 62 34
33 287
Trade and other payables 173 185
189 173
Income and mining taxes 1 3
2 29
236 222 224 489
Liabilities of disposal groups classified as held-for-sale – –
– 41
236 222 224 530
Total equity and liabilities **5 000** **4 788** **4**
703 **4 069**
Number of ordinary shares in issue 426 079 492 426 024 653 425 986
836 417 637 697
Net asset value per share (cents) 937 913
898 713

Balance sheet for December 2009 converted at a conversion rate of US$1 = R7.37 (September 2009: R7.54, December 2008: R9.30).

The balance sheet as at 30 June 2009 has been extracted from the 2009 Annual Report.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (US$) (Unaudited)
(Convenience translation)

	Share capital US$ million	Other reserves US$ million	Retained earnings/ (Accumulated loss) US$ million	Total US$ million
Balance – 30 June 2009	3 811	46	149	4 006
Issue of shares	1	–	–	1
Share-based payments	–	10	–	10
Comprehensive income for the period	–	(5)	12	7
Dividends paid	–	–	(29)	(29)
Balance as at 31 December 2009	**3 812**	**51**	**132**	**3 995**
Balance – 30 June 2008	2 784	73	(197)	2 660

Issue of shares
132
–
–
132
Share-based payments
–
2
–
2
Comprehensive income for the period
–
(3)
185
182
Balance as at 31 December 2008
2 916
72
(12)
2 976
The currency conversion closing rates for the six months ended December 2009: US$1 = R7.37 (December 2008: US$1 = R9.30)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT (US$)
(Convenience translation)
Quarter ended
Six months ended
Year ended
31 December 30 September 31 December
31 December 31 December
30 June
2009
2009
2008
2009
2008
2009
(Unaudited)
(Unaudited)
(Unaudited)
(Unaudited)
(Unaudited)
(Audited)
US$ million
US$ million
US$ million
US$ million
US$ million
US$ million
Cash fl ow from operating activities
Cash generated by operations
24
29
118
53
206
319
Interest and dividends received
7
9
11
16
22
51
Interest paid
(1)
(1)
(6)
(3)
(20)
(31)

Income and mining taxes paid
(5)
(3)
(14)
(8)
(16)
(85)
Cash generated by operating activities
25
34
107
58
192
254
Cash fl ow from investing activities
(Increase)/decrease in restricted cash
(38)
–
1
(37)
(10)
(9)
Net proceeds on disposal of listed investments
4
2
–
6
–
–
Net (additions to)/disposal of property,
plant and equipment
(117)
(117)
(85)
(236)
(8)
111
Other investing activities
–
1
6
1
8
(8)
Cash (utilised)/generated by investing activities
(151)
(114)
(78)
(266)
(10)
94

Cash fl ow from fi nancing activities
Borrowings raised
93
–
–
90
–
–
Borrowings repaid
(2)
(1)
(100)
(3)
(176)
(427)
Ordinary shares issued – net of expenses
–
–
98
1
99
194
Dividends paid
–
(29)
–
(29)
–
–
Cash generated/(utilised) by fi nancing activities
91
(30)
(2)
59
(77)
(233)
Foreign currency translation adjustments
–
2
7
6
19
85
Net (decrease)/increase in cash and cash equivalents
(35)
(108)
34
(143)
124
200
Cash and cash equivalents – beginning of period

145
253
143
253
53
53
Cash and cash equivalents – end of period
110
145
177
110
177
253
Operating activities translated at average rates for the quarter ended December 2009: US$1 = R7.49 (September 2009: US$1 = R7.78,
December 2008: US$1 = R9.93). Six months ended December 2009: US$1 = R7.63 (December 2008 : US$1 = 8.84)
Closing balance translated at closing rates of: December 2009: US$1 = R7.37 (September 2009: US$1 = R7.54,
December 2008: US$1 = R9.30)
The cash flow statement for the year ended 30 June 2009 has been extracted from the 2009 Annual Report.

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SEGMENT REPORT FOR THE SIX MONTHS ENDED 31 DECEMBER 2009 (US$/Imperial) (Unaudited)
(Convenience translation)
Cash
Cash
production
operating
Mining
Capital
Ounces
Tons
Revenue
cost
profit
assets
expenditure
produced
milled
US$ million
US$ million
US$ million
US$ million
US$ million
oz
t'000
Operations
South Africa
Underground
Bambanani
64
48
16
92
7
60 379
298
Doornkop
34
27
7
366
20
31 829
306
Elandsrand
97
75
22
393
31
96 838

546
Evander
78
73
5
123
14
73 818
556
Masimong
85
47
38
96
11
83 624
517
Phakisa
21
18
3
529
35
19 612
174
Target
54
40
14
312
21
54 656
424
Tshepong
116
76
40
492
17
109 152
898
Virginia
107
104
3
114
13
104 586
1 119
Joel
38

27
11
18
7
35 559
274
Surface
All surface operations
(1)
56
37
19
19
5
53 820
4 834
Total South Africa
750
572
178
2 554
181
723 873
9 946
International
Papua New Guinea
(2)
–
–
–
516
56
24 682
–
Mount Magnet
–
–
–
2
–
–
–
Total international
–
–
–
518
56
24 682
–
Total operations

750
572
178
3 072
237
748 555
9 946

Notes:

(1) Includes Kalgold, Phoenix and Dumps.

(2) Production statistics for Hidden Valley are shown for information purposes. The mine is in a build-up phase and revenue and cost are currently capitalised until commercial
levels of production are reached.

All income statement items, including capital expenditure, are converted at the currency conversion rate of US$1 = R7.63.

Mining assets are converted at the currency conversion rate of US$1 = R7.37.

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Results for the second quarter and six months

ended 31 December 2009

SEGMENT REPORT FOR THE SIX MONTHS ENDED 31 DECEMBER 2008 (US$/Imperial) (Unaudited)

(Convenience translation)

Cash
Cash
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

South Africa

Underground

Bambanani
58
39
19
75
2
68 031
292
Doornkop
17
16
1
251
25
18 936
279
Elandsrand
82
64
18
274

24
87 610
555
Evander
91
59
32
130
13
102 175
672
Masimong
67
39
28
71
8
78 609
504
Phakisa
7
5
2
366
27
7 844
73
Target
33
28
5
253
18
38 549
351
Tshepong
102
57
45
388
13
119 247
768
Virginia
119
87
32
99
9
138 666
1 267

Joel
30
22
8
14
3
35 848
303
Surface
All surface operations
(1)
53
26
27
16
4
61 762
4 629
Total South Africa
659
442
217
1 937
146
757 277
9 693
International
Papua New Guinea
–
–
–
431
105
–
–
Mount Magnet
–
–
–
26
–
–
–
Total international
–
–
–
457
105
–
–

Total continuing operations
659
442
217
2 394
251
757 277
9 693
Discontinued operations
Cooke operations
71
52
19
–
10
80 377
1 419
Total discontinued operations
71
52
19
–
10
80 377
1 419
Total operations
730
494
236
2 394
261
837 654
11 112
Notes:
(1) Includes Kalgold, Phoenix and Dumps.
All income statement items, including capital expenditure, are converted at the currency conversion rate of US$1 = R8.84.
Mining assets are converted at the currency conversion rate of US$1 = R9.30.

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DEVELOPMENT RESULTS (Metric)

Quarter ended December 2009

Channel
Channel
Reef
Sampled
Width
Value
Gold
(metres)
(metres)
(cm's)
(g/t)
(cmg/t)
Tshepong
Basal
516
500
7.12
134.10
954
B Reef
110
118
117.40
7.62
895
All Reefs
625
618
28.17
33.46
943
Phakisa
Basal
253
228
28.03
29.13
816
All Reefs
253
228
28.03
29.13
816
Bambanani
Basal
146.7
144

113.00
16.03
1 811
All Reefs
147
144
113.00
16.03
1 811
Doornkop
Kimberley Reef
295.6
234
361.38
1.98
716
South Reef
222.5
246
37.44
28.91
1 082
All Reefs
518
480
195.36
4.62
904
Elandsrand
VCR Reef
772.0
798
120.82
12.03
1 453
All Reefs
772
798
120.82
12.03
1 453
Target
Elsburg
93.5
35
139.00
22.56
3 136
All Reefs
94
35

139.00
22.56
3 136
Masimong
Basal
480.7
478
51.74
12.76
660
B Reef
25.6
–
–
–
–
All Reefs
506
478
51.74
12.76
660
Evander
Kimberley
725.1
690
98.03
13.70
1 343
All Reefs
725
690
98.03
13.70
1 343
Virginia
(incl. Unisel & Brand 3)
Basal
1 007.8
872
83.83
8.90
746
Leader
1 035.6
950
161.11
6.02
969
A Reef
244.2

238
86.37
7.77
671
Middle
107.5
74
159.78
4.64
741
All Reefs
2 395
2 134
121.15
6.91
837
Joel
Beatrix
854.5
867
114.00
12.06
1 375
All Reefs
855
867
114.00
12.06
1 375
Total
Harmony
Basal
2 404
2 222
55.83
15.23
850.55
Beatrix
855
867
114.00
12.06
1 375.00
Leader
1 036
950
161.11
6.02
969.22
B Reef
135

118
117.40
7.62
894.67
A Reef
244.2
238
86.37
7.77
671.24
Middle
107.5
74
159.78
4.64
740.65
Elsburg
93.5
35
139.00
22.56
3 136.00
Kimberley
1 020.7
924
164.72
7.19
1 184.24
South Reef
223
246
37.44
28.91
1 082.32
VCR
772
798
120.82
12.03
1 453.21
All Reefs
6 890
6 472
105.82
10.15
1 074
DEVELOPMENT RESULTS (Imperial)
Quarter ended December 2009
Channel
Channel
Reef

Sampled
Width
Value
Gold
(feet)
(feet)
(inches)
(oz/t)
(in.oz/t)
Tshepong
Basal
1 692
1 640
3.00
3.65
11
B Reef
359
387
46.00
0.22
10
All Reefs
2 051
2 027
11.00
0.98
11
Phakisa
Basal
831
748
11.00
0.85
9
All Reefs
831
748
11.00
0.85
9
Bambanani
Basal
481
472
44.00
0.47
21
All Reefs
481
472

44.00
0.47
21
Doornkop
Kimberley Reef
970
768
142.00
0.06
8
South Reef
730
807
15.00
0.83
12
All Reefs
1 700
1 575
77.00
0.13
10
Elandsrand
VCR Reef
2 533
2 618
48.00
0.35
17
All Reefs
2 533
2 618
48.00
0.35
17
Target
Elsburg
307
115
55.00
0.65
36
All Reefs
307
115
55.00
0.65
36
Masimong
Basal
1 577

1 568
20.00
0.38
8
B Reef
84
–
–
–
–
All Reefs
1 661
1 568
20.00
0.38
8
Evander
Kimberley
2 379
2 264
39.00
0.40
15
All Reefs
2 379
2 264
39.00
0.40
15
Virginia
(incl. Unisel & Brand 3)
Basal
3 306
2 861
33.00
0.26
9
Leader
3 398
3 117
63.00
0.18
11
A Reef
801
781
34.00
0.23
8
Middle
353

243
63.00
0.13
9
All Reefs
7 858
7 002
48.00
0.20
10
Joel
Beatrix
2 803
2 844
45.00
0.35
16
All Reefs
2 803
2 844
45.00
0.35
16
Total
Harmony
Basal
7 887
7 289
22.00
0.44
9.77
Beatrix
2 803
2 844
45.00
0.35
15.79
Leader
3 398
3 117
63.00
0.18
11.13
B Reef
443
387
46.00
0.22
10.27
A Reef
801

781
34.00
0.23
7.71
Middle
353
243
63.00
0.13
8.50
Elsburg
307
115
55.00
0.65
36.01
Kimberley
3 349
3 032
65.00
0.21
13.60
South Reef
730
807
15.00
0.83
12.43
VCR
2 533
2 618
48.00
0.35
16.69
All Reefs
22 604
21 233
42.00
0.29
12

NOTES

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NOTES

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Trading Symbols

JSE Limited	HAR
New York Stock Exchange, Inc.	HMY
NASDAQ	HMY
London Stock Exchange Plc	HRM
Euronext, Paris	HG
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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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:
February 8, 2010
Harmony Gold Mining Company Limited
By:
/s/
Hannes Meyer
Name:
Hannes Meyer
Title: Financial Director