

HARMONY GOLD MINING CO LTD

Form 6-K

May 09, 2008

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 the third quarter ended 31 March 2008

**Harmony Gold Mining Company**

**Limited**

PO Box 2

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  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

QUARTERLY HIGHLIGHTS

Harmony announces Newcrest as PNG partner

Total cash operating cost down by 8.9%

Cash operating profit increased to R828 million

Headline earnings of 42 cents per share for continuing operations

Restructuring complete, benefits to flow

FINANCIAL SUMMARY FOR THE THIRD QUARTER ENDED 31 MARCH 2008

(All results exclude Discontinued Operations unless otherwise indicated)

Quarter

Quarter

Q-on-Q

Year to date

March 2008

December 2007

% change

2008

Gold produced

– kg

10 347

12 403

(16.6)

36 275

– oz

332 662

398 764

(16.6)

1 166 263

Cash costs

– R/kg

145 514

133 234

(9.2)

136 608

– \$/oz

609

613

0.7

598

Cash operating profit

– Rm

828

450

84.0

1 594

– US\$m

111

66  
68.2  
225  
Basic earnings/(loss)  
– SA c/s  
41  
(49)  
183.7  
(137)  
– US c/s  
6  
(7)  
185.7  
(19)  
Headline earnings/(loss)  
– SA c/s  
42  
(43)  
197.7  
(32)  
– US c/s  
6  
(6)  
200.0  
(5)  
Fully diluted earnings/(loss)  
– SA c/s  
41  
(48)  
185.4  
(136)  
– US c/s  
6  
(7)  
185.7  
(19)  
P  
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UNAUDITED FINANCIAL REVIEW FOR THE THIRD QUARTER  
ENDED 31 MARCH 2008

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## CHIEF EXECUTIVE'S REVIEW

Harmony has been through another demanding and active quarter of streamlining our operations in line with our strategic objectives. Much has been accomplished in the last two quarters and I am pleased with our progress to date. The accomplishments are attributed primarily to the sustained commitment and teamwork of Harmony's passionate leaders and hard-working people throughout the company. Harmony's internal leadership conference which was held over two days in March reinforced the elements of 'Back to Basics', which include production, safety, planning and reviewing, cost control and services. One of the most important aims of the conference is to spend quality time with the company's leaders by exchanging and sharing of knowledge in a more inter-active and productive manner. The March conference facilitated both a keen understanding of the changing dynamics within Harmony and assisted leaders to focus on positioning the company for the challenges and opportunities ahead. We have been through some pain, but I am confident that we have turned the corner and can begin to build on the new foundation. To this end, we have commenced the rebuilding phase and over the ensuing months the company's leaders will roll-out the business strategy to all the shaft teams. Through strategically focused safety and productivity targets, we will begin to reflect improvements in the critical areas of production, tonnes per man, grade, cost reduction, but more importantly, in R/kg. To accelerate the rebuilding phase, changes have already been effected to Harmony's mining structure with the elimination of coaches and the re-introduction of mine captains and shift bosses to improve production levels. We have focused on our strategies of restructuring for profitability by shedding or closing high-cost operational areas and assets, and accelerating our underground and surface projects. Our restructuring has had sweeping implications for Harmony in that some of our high electricity consumption work-areas and high-cost operations have had to be closed and Conops terminated where it proved to be ineffective and inefficient. In this way, Harmony was able to absorb the 10% reduction in electricity supply because we were able to incorporate this challenge as another component of our restructuring efforts. However, we have submitted our request to Eskom for additional power that will be required by our projects as they begin to ramp-up to full capacity. Over the past two quarters the company's staff complement has been reduced by 5 985 employees. A reduction of 1 421 employees was evident in the March 2008 quarter. Noticeably the company's restructuring phase has had a negative impact and consequences on productivity. The termination of Conops at three of our operations – Masimong during the December 2007 quarter; Elandsrand and Tshepong during the March 2008 quarter – caused the SA underground tonnages and, to some extent, the grade to drop due to the reduction of the labour force and, in some instances, transferring labour to other operations. External factors also played their part. Harmony's operations experienced a loss of production due to this year's lengthy Christmas holiday period. The effects of a five-day power cut were felt and similarly when it was restored at 80% of our previous consumption and thereafter the resultant build-up phase from 80% to 90% power supply. This resulted in an estimated total loss of more than 800 kilograms from our operations.

Financials

Harmony's operational performance from its continuing operations for the quarter under review was disappointing with

7.2% lower tonnages at 4 125 000 tonnes compared with 4 445 000 tonnes in the December quarter, resulting in a 16.6% decrease in kilograms produced of 10 347kg versus 12 403kg.

Total grade for the group was 10% lower at 2.51g/t, while the grade from our SA underground operations was recorded at

4.81g/t a 1.2% drop on the previous quarter. The company's cash operating costs increased by 9.2% to R145 514/kg from

R133 234/kg.

It is pleasing to note that some of our restructuring efforts were evident in this quarter with the R147 million reduction in

working costs. Total cash operating costs were down 8.9% to R1 506 million from R1 652 million.

A higher received gold price of US\$944.40/oz and a weaker, thus more favourable, R/US\$ exchange rate of R7.43/\$ (R6.77/\$)

resulted in higher revenues of R2.3 billion compared with R2.1 billion and a net profit of R164 million compared with a net

loss of R195 million for the previous quarter. Headline earnings stood at 42 cents per share versus a loss of 43 cents per share

for the December 2007 quarter.

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#### IT Financial System

We have made progress over the last two quarters with re-implementing the IT financial system and the retraining of all

employees related to the job has commenced. We have performed the necessary checks and balances and we are confident

that we will have a clean "bill of health" at the end of this financial year.

#### Strengthening the balance sheet

We continued to forge ahead with our activities to create value, strengthen the company's balance sheet and improve operational performance. Accordingly, we are determined to get all our operations on a sound footing with all operations

profitable after taking capital expenditure into account. In our short-life operations we are considering ways of extended the

life of mines. The operations have all the required infrastructure and we are considering options of increasing development

capital.

The conditions precedent for the R1.9 billion transaction with Pamodzi Resources Fund are progressing smoothly and we are

confident that these should be fulfilled by end of June 2008. Mr John Munro who has been appointed Chief Executive Officer

of the newly named Rand Uranium Company commenced duties on 5 May 2008. We wish him every success with developing

the new uranium entity into a world-class company in which we will hold a 40% stake.

On 17 January 2008, Harmony signed two separate transactions with African Precious Minerals (APM): in terms of the sale

agreement APM would acquire 87% of Jeanette Gold Mines Limited for a purchase consideration of 1 500 000 ordinary

APM shares and 1 500 000 half warrants. The shares and warrants to be granted to Harmony are estimated at being worth

US\$7.5 million (R52.5 million) and constitutes an 11% shareholding in APM. The second transaction entails two earn-in

agreements for the Evander 6 shaft and Twistdraai assets in the Evander basin. These are subject to and conditional upon the

fulfilment of significant conditions precedent by APM.

I believe that the earn-in agreement with APM is an excellent way of progressing our low priority projects to bankable feasibility stage in the current positive gold-price environment. In addition, the formation of strategic alliances with other

companies allows us to optimise the use of our resources without placing additional pressure on our capital expenditure.

On 27 February 2008, Pamodzi Gold took full control of the Orkney assets following the fulfilment of all the conditions

precedent. The R345 million purchase consideration for the assets was settled by the issuing of 30 million Pamodzi Gold shares,

bringing Harmony's shareholding in Pamodzi Gold to 32%.

Although our Papua New Guinea (PNG) transaction was executed in the fourth quarter of 2008, I believe it prudent to make

mention of the fact that Harmony and Newcrest Mining Limited of Australia signed a 50:50% joint venture agreement on

22 April 2008 for the development of Harmony's PNG assets.

Newcrest will earn its 50% interest in the new joint venture by contributing a maximum of US\$525 million which will be paid

in two tranches. An initial US\$180 million payment to acquire a 30.01% interest by 30 June 2008, together with a



reimbursement to Harmony of US\$45 million in project expenditure, and a farm-in commitment for the remaining 19.99% of US\$300 million, to fund project expenditure up to the commencement of mining operations at Hidden Valley. The introduction of a quality partner such as Newcrest with significant technical skills, particularly in copper mining and bulk underground mining techniques including block caving techniques will provide additional expertise to the existing Harmony team in PNG and will add to the development potential of the PNG assets. For Harmony, the creation of this joint venture facilitates significant capital investment in the PNG assets and substantially removes Harmony's obligation to continue funding the development of these assets entirely from our own cash flows. A further announcement will be made on SENS and in the press as soon as the financial effects are finalised.

Class action

We have been made aware of a pending class action in the United States of America against Harmony whereby some ADR holders are seeking damages pertaining to the company's business practices. We have retained legal professionals in that country to advise Harmony.

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## SAFETY AND HEALTH REPORT

Two million Fatality Injury Free Shifts at Harmony SA operations

Two shafts achieved one million Fatality Free Shifts

Joel Mine operated without a fatality for one year

Fatality injury rate (per million hours worked)

Group Safety

Every effort is being made by executives, senior management and shaft teams to intensify the group's safety drive and their

individual safety awareness. A group workshop on safety was held during the quarter and management teams all committed

to a renewed drive to reduce accidents.

Bambanani's swift and professional rescue operations saved at least two lives last month during the seismic event.

During the

quarter, Bambanani launched a new safety initiative termed "BIG MAC" to build on its current safety standards. The system is

based on people involvement and non-negotiable unsafe behaviour practices.

A transformation safety campaign, known as Ho Lokisa, was launched at Masimong in April. The aim is to improve safety,

encourage worker involvement, increase productivity and equip the workforce with business skills. Challenging safety and

productivity targets have been set and if successful will have wider applications throughout the group.

Harmony experienced an improvement of 15.4% from the second quarter and progressively improved by 13.6% against the

previous year in Fatality Injury Frequency Rate (FIFR) for the third quarter ended 31 March 2008. The graph above shows that

the efforts of all our employees are bearing positive results.

The Lost Time Injury Frequency Rate (LTIFR) rate for the South African operations regressed by 6.1% from the second quarter

and progressively improved by 11.9% in comparison with the previous year.

The Reportable Injury Frequency Rate (RFIR) improved by 6.9% from the second quarter and progressively improved by

16.2% compared to the previous year.

Six employees regrettably lost their lives during the course of duty on Harmony's mines during the quarter under review.

Harmony's management extends its condolences to the families of the deceased.

There were no lost time injuries at Hidden Valley and no medical treatment injuries.

There were positive safety accomplishments during the quarter; Harmony's SA underground operations achieved two million

Fatality Injury Free Shifts. At both Harmony North and Harmony South Regions one million Fatality Free Shifts was achieved

and admirably Joel Mine operated without a fatality for one year.

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THE THIRD QUARTER ENDED 31 MARCH 2008 UNDER REVIEW

Harmony's SA continuing underground operations, delivered a disappointing operational performance for the third quarter

ended 31 March 2008. Negative impacts included lower production and kilograms produced and loss of production due to the

December holidays, the power outage and subsequent power build-up from 80% to the current 90%.

Tonnes Milled

All of the company's continued underground operations posted lower tonnages for the 31 March 2008 quarter.

Tonnages

decreased by 15.8% to 1 934 000 tonnes compared with 2 297 000 tonnes previously, resulting in the 16.8% drop in gold

production from 11 175 kg to 9 302 kg for the quarter under review. Besides the above cited reasons the termination of Conops

at a further two of the company's operations, the restructuring at Evander 7 and Bambanani and the 18 days suspension of

production at Doornkop all contributed to the lower performance.

Recovery Grades

Recovery grades were steady to marginally down at 4.81g/t from 4.87g/t.

Cost Control

Cash costs were higher throughout the company with the exception of Masimong where costs were well contained during the

quarter. Although cost control measures were applied, operating costs increased by 8.9% to R150 795/kg from R138 531/kg

previously, all as a result of lower kilogram production.

The performance of the company is best highlighted in the following table:

Q-on-Q

March 2008

December 2007

% Variance

Production

– kg

10 347

12 403

(16.6)

Production

– oz

332 662

398 764

(16.6)

Revenue

– R/kg

225 541

169 502

33.1

Revenue

– US\$/oz

944

779

21.2

Cash cost

– R/kg

145 514

133 234

(9.2)

Cash cost

– US\$/oz

609

613

0.7

Exchange rate

– USD/ZAR

7.43

6.77

(9.8)

Cash Operating Profit and Margin\*

Q-on-Q

March 2008

December 2007

% Variance

Cash operating profit (Rm)

828

450

84.0

Cash operating profit margin (%)

35.5

21.4

65.9

\*Continuing operations only

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Quarter-on-quarter cash operating profit variance analysis (continuing operations)

Cash operating profit – December 2007

R449.8 million

– volume change

R(269.2) million

– working cost change

R147.0 million

– recovery grade change

R(78.6) million

– gold price change

R579.0 million

– net variance

R378.2 million

Cash operating profit – March 2008

R828.0 million

Analysis of earnings per share

Quarter ended

Quarter ended

Earnings per share (SA cents)

March 2008

December 2007

Cash earnings

207

113

Basic earnings/(loss)

41

(49)

Headline earnings/(loss)

42

(43)

Fully diluted earnings/(loss)

41

(48)

Reconciliation between basic earnings and headline loss

Quarter ended

Quarter ended

Headline earnings/(loss) per share (SA cents)

March 2008

December 2007

Basic earnings/(loss)

41

(49)

Profit on sale of property, plant and equipment

–

(7)

Provision for doubtful debt

1

13

Headline earnings/(loss)

42

(43)

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CAPITAL EXPENDITURE (Continuing Operations)

Capital expenditure was 4.6% higher than last quarter due to increased activity at Hidden Valley, PNG. At the South African

operations the only significant capital increase was the new ice plants for Phakisa.

Actual

Actual

Operational Capex

March 2008

December 2007

Rm

Rm

South African operations

346

348

Total Operational Capex

346

348

Project Capex

Capital

invested

to date

Rm

Rm

Rm

Doornkop South Reef

79

91

869

Elandsrand New Mine

28

22

778

Tshepong North Decline

6

17

284

Phakisa Shaft

62

55

782

Hidden Valley, PNG

324

275

1 381

Total Project Capex

499

460

4 094

Total Capex

845

808

QUARTERLY PROFIT COMPARISON FOR CONTINUING OPERATIONS

Operation

Working profit (Rm)

Variances (Rm)

March

December

2008

2007

Variance

Volume

Grade

Price

Costs

Operations

SA underground operations

695.9

345.4

350.5

(275.2)

(41.3)

521.6

145.4

Surface operations

132.1

104.4

27.7

6.0

(37.3)

57.4

1.6

International operations

—

—

—

—

—

—

—

—

Total Harmony

828.0

449.8

378.2

(269.2)

(78.6)

579.0

147.0

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SA UNDERGROUND OPERATIONS (Continuing Operations)

Includes the following shafts: Tshepong, Phakisa, Doornkop, Elandsrand, Target, Masimong, Evander, Bambanani, Joel, Virginia

Operations.

Q-on-Q

March 2008

December 2007

% Variance

U/g tonnes milled

('000)

1 934

2 297

(15.8)

U/g recovery grade

(g/t)

4.81

4.87

(1.2)

U/g kilograms produced

(kg)

9 302

11 175

(16.8)

U/g operating costs

(R/kg)

150 795

138 531

(8.9)

U/g working costs

(R/tonne)

725

674

(7.6)

Tshepong Mine

Production

Volumes were affected by loss of production as a result of five days of power constraints and the Christmas break.

Tonnes decreased from 388 000 to 326 000 quarter on quarter resulting in lower kilograms produced from 2 202kg to 1 991kg.

Tshepong's grade improved from 5.68g/t to 6.11g/t. Total cash costs remained steady at R107 943/kg compared with R107 616/kg for the previous quarter.

The termination of Conops at Tshepong caused a change in working arrangements and impacted on the volumes for the quarter.

Project overview

Sub 66 decline project is currently in a production build-up phase. The mining component of the project is scheduled to be

complete by June 2008.

Poor ground conditions have delayed the equipping of 72 belt cross-cut. Additional secondary support crews have been placed

in this area to increase the supporting rates. All major equipment has been procured and will require only the labour component to complete the belt cross-cut.

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The secondary support in the chairlift decline will continue until July 2008. The chairlift will be installed in parts when the secondary support is completed. It is estimated that the chairlift will be in operation at the end of September 2008.

Annual Capex Profile

Table (Rm)

2003

2004

2005

2006

2007

2008

2009

Total

Actual Spent

32.8

66.6

40.6

52.9

66.7

24.3

—

283.8

Forecast

7.8

—

7.8

Total

32.8

66.6

40.6

52.9

66.7

32.1

291.6

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1st production  
April 2007  
Future milestones

Equipping of ore passes and 72 belt cross-cut  
– March 2008

Bulk Air Cooler civil work completed  
– May 2008

71 Level Access Development complete  
– June 2008

Extensive secondary support programme in the chairlift decline  
– July 2008

Chairlift operational  
– September 2008

72 level dam pump station design to Sub 71 completion  
– October 2008

Equipping of ore passes and 72 belt cross-cut complete  
– December 2008

Phakisa

Production

At Phakisa volumes improved to 9 000 tonnes (6 000 tonnes) and gold production increased to 53kg from 18kg previously. This

is primarily due to higher feed grade of 5.89g/t (3.0g/t). Lower cash costs of R108 811/kg (R200 722/kg) were achieved. Phakisa

production originates from two areas, the low grade Nyala shaft and the high grade Phakisa shaft, both areas are in a build-

up phase with most of the development focused on the Phakisa shaft area.

Project overview

Access development metres advanced another 2% on the last quarter despite the season break and Eskom power outages.

The first ice plants arrived at Phakisa and will be commissioned in August 2008. This will address the ventilation issues in the current project.

Annual Capital expenditure profile

Table (Rm)

2004

2005

2006

2007

2008

2009

2010

Total

Actual Sunk

117

116

147

222

179

782

Forecast

53

68

32

152

Total

117

116

147

222

232

68

32

934

1st production

June 2008

Full production

August 2010

Future milestones

Commissioning of 55 level bulk air cooler

– April 2008

69 Level 1st raise line completion

– May 2008

Start First revenue on 69 level

– July 2008

Commissioning of first ice plant

– August 2008

Decline project completed

– April 2010

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Doornkop  
Production

Operational performance at Doornkop was negatively affected, mainly due to power disruptions and the suspension of all mining operations for 18 days to expedite the equipping of the man-cage compartments in the main shaft. This was necessitated to alleviate logistical problems on the South Reef operations. Production should return to normal build-up levels in the June quarter.

Tonnes milled were lower at 74 000 tonnes (122 000 tonnes) and 208 fewer kilograms of gold were produced. The recovered grade dropped from 3.21g/t to 2.49g/t for the third quarter due to lower grade achieved in the South Reef section and the

Kimberley section mining in the channel edge areas.

Total costs were significantly higher at R297 293/kg compared with R144 360/kg. This is ascribed to production volumes not

achieved and labour on hold resulting from the revised production plan of the South Reef production horizons.

Project overview

There is a huge challenge to understand the geological model for the South Reef section and all indications currently indicate

a sheet deposit and not a channelised deposit. This could indicate an overall lower grade for the South Reef section than was

previously anticipated. The conventional Kimberley Reef section is nearing its end of life and currently mining is in the

pay-shoot edges realising much lower grades than previously achieved. A full geological assessment is in progress.

Station development continues and access development also continued with 330m excavated. Secondary development is also

underway on 192 & 197 levels with 388m achieved. Equipping of the loading station on 212 level is underway, as is the

construction of the pump station and loading levels.

The updated schedule provides for the main shaft to be partially commissioned by June 2008. The main shaft will fully support

the mining and development activities from this period onwards. The sub shaft will be decommissioned as a hoisting facility

and converted to an up-cast ventilation shaft. Production will ramp-up over the next three years.

Annual Capital expenditure profile

Table (Rm)

2003

2004

2005

2006

2007

2008

2009

2010

2011

Total

Actual Sunk

13

98

114

147

256

241

869

Forecast

74

278

91

60

503

Total

13

98

114

147

256

315

278

91

60

1 372

1st production

July 2007

Full production

March 2010

Future milestones

Main shaft partially commissioning

– June 2008

Rock winder engineering commissioning

– August 2008

Rock winder hoisting

– August 2008

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Elandsrand

Production

Elandsrand made a significant improvement from the previous quarter's low base. Tonnages mined increased by 127.7% from 94 000 to 214 000 tonnes resulting in an 85% production improvement to 1 065kg (576kg) albeit at a lower 4.98g/t compared with 6.13g/t previously.

Cash operating costs were lower at R158 494/kg (R231 705/kg). Among the contributory cost decrease factors were in stores,

resulting from improved cost control actions implemented and a significant reduction in labour hire and contractors.

Project overview

The first 22 kV transformer was installed on 100 level and the cable installations were completed in March 2008. The cables

that feed this transformer from surface, that were damaged in the shaft accident, were repaired during the quarter.

Commissioning from surface is expected to be completed in May 2008.

The installations of the 600mm chilled water feed and return columns, connecting the No. 2 and No. 3 service shafts on

105 level, are progressing slowly.

During the quarter, the following was accomplished: 115 level sub-station was commissioned; installation of the 102 L West

side bulk air cooler progressed well; infrastructure development of the 100 level cooling dam chamber is being rehabilitated

with additional support; 98 L condenser dam chamber was also re-supported and blasting operations at this site were started;

the pipe cross-cut on 100 L was completed and raise boring of the No. 3 centre hole was started. Access development on

113 level progressed well.

Annual Capital expenditure profile

Table (Rm)

2003

2004

2005

2006

2007

2008

2009

2010

Total

Actual Sunk

35.6

107.0

106.2

105.5

96.1

119.6

113.7

94.6

778.3

Forecast

27.0

141.0

43.1  
211.1  
Total  
35.6  
107.0  
106.2  
105.5  
96.1  
119.6  
113.7  
121.6  
141.0  
43.1  
989.4  
Project Production  
Tonnes Milled  
% Split  
Kilograms  
% Split  
Old Mine  
101 077  
47  
556  
45  
New Mine  
113 021  
53  
668  
55  
Total Mine  
214 098  
1 224  
1st production  
October 2003  
Full production  
June 2012  
Future milestones

115 level main electrical sub-station commission  
– February 2008

100 level 22 kV sub-station complete  
– March 2008

115 level pump station commission  
– June 2008

Access development on 113 level complete  
– July 2008

No. 3 Service Shaft sub-bank, headgear and winder installation complete



– July 2008

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#### Target Mine

Target recorded its worst production quarter in three years driven by an 19.0% drop in grade from 4.53% to 3.67%. Volume was 3.8% down on last quarter from 160 000 tonnes to 154 000 tonnes, due to operational difficulties. The underperformance is attributed to poor grade estimation, poor mining fragmentation and flooding issues, availability of

belts system and breakdowns which affected tonnages from the massive stopes.

Costs were 41.3% higher quarter on quarter from R109 394/kg to R154 552/kg due to the above and an increase in labour to

assist in skills shortages and reagent costs.

#### Masimong Mine

Tonnages at Masimong were down by 20.7% at 161 000 tonnes from 203 000 tonnes and accordingly gold production decreased by 14.9% to 770kg from 905kg.

Grade, however, improved by 7.2% from 4.46g/t to 4.78g/t.

Masimong achieved an impressive total cost reduction which lead to a 6.9% reduction in Rand per kilogram quarter on quarter

from R180 355/kg to R167 839/kg.

#### Evander Operations

Tonnes milled at Evander decreased by 23.2% from 362 000 tonnes to 278 000 tonnes quarter on quarter.

#### Contributory factors

were the restructuring and closure of the upper pillar section at 7 shaft and constraints in the No. 2 decline area of 8 shaft

due to poor environmental conditions.

Dilution from vamping and low production from stoping areas caused the delivered grade to deteriorate at Winkelhaak. Grade

decreased by 10.1% to 5.40g/t.

Despite more stringent control on costs, operating costs increased by 23.1% to R143 107/kg from R116 291/kg.

#### Bambanani

Bambanani is the operation most affected by the Eskom power reduction. The shaft's planned tonnages were reduced by about

50% when it was decided to close off the Sub Shaft's South area. This changed Bambanani from a high tonnage lower grade

producer to a low tonnage higher grade producer.

Tonnages for the March 2008 quarter were down by 47.5% to 157 000 tonnes from 299 000 tonnes and consequently a drop

of 33.2% of gold produced to 1 066kg from 1 595 kg.

Grade was 27.4% higher quarter on quarter at 6.79g/t from 5.33g/t due to the higher grade areas mined in the new plan.

Operating costs were 12.4% higher from 141 056/kg to 158 595/kg. Benefits of the labour reduction and the improving grade

should become evident in the June 2008 quarter.

#### Joel

Bad coiling occurred when the service rope to the North Shaft cage was changed in January causing loss of production. Eskom

power disruptions caused tonnages to drop to 91 000 tonnes from 99 000 tonnes resulting in a 8.1% reduction in production

of 418kg compared with 455kgs. Grade remained relatively flat at 4.59g/t compared to 4.60g/t.

Although stringent controls were introduced on overtime and stores, costs were higher at R164 821/kg compared to R154 963/kg.

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Virginia Operations

St Helena, Harmony, Merriespruit, Unisel, Brand

Q-on-Q

March 2008

December 2007

% Variance

U/g tonnes milled

('000)

470

564

(16.7)

U/g recovery grade

(g/t)

3.60

3.78

(4.8)

U/g kilograms produced

(kg)

1 690

2 131

(20.7)

U/g working costs

(R/kg)

171 209

153 154

(11.8)

U/g working costs

(R/tonne)

616

579

(6.4)

The Virginia operations produced an average performance for the quarter. Some of the negative factors affecting this quarter's

performance included ventilation problems, grade variations and incorrect mining mix with having to move to higher grade

panels and ledging requirements.

Tonnages from the five operations decreased by 16.7% from 564 000 tonnes to 470 000 tonnes. Consequently kilograms

produced were 20.7% lower at 1 690kg from 2 131kgs with a lower grade of 3.60g/t from 3.78g/t.

Costs were 11.8% higher at R171 209/kg compared to R153 154/kg.

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SOUTH AFRICAN SURFACE OPERATIONS

Kalgold, Phoenix, Free Gold surface and Target surface

Q-on-Q

March 2008

December 2007

% Variance

Surface tonnes milled

('000)

2 191

2 148

(2.0)

Surface recovery grade

(g/t)

0.48

0.57

(15.8)

Kilograms produced

(kg)

1 045

1 228

(14.9)

Working costs

(R/kg)

98 504

85 031

(15.8)

Working costs

(R/tonne)

47

49

4.1

Kalgold

Kalgold receives its electricity from the local domestic grid, consequently tonnage was negatively affected by load shedding

and two major plant breakdowns. This resulted in a total of 261 hours of production being lost during the quarter.

Discussions

with Eskom are ongoing to supply uninterrupted electricity to Kalgold.

Tonnes milled were 7.6% down at 389 000 tonnes from 421 000 tonnes. The D-zone is nearing the end of its life and lower

grade is anticipated going forward. Grade was 8.3% down from 2.04g/t to 1.87g/t. Kalgold produced 130 kilograms less gold,

a 15.2% decrease, on the previous quarter. Costs increased by 18.6% to R97 636/kg.

Project Phoenix

The slime plant was the least disrupted during the Eskom outages as these operations were not stopped. Tonnes were only

down by 2% at 1.591 million tonnes mainly due to the seasonal break, but still above the feasibility planned tonnes of 1.500 million per quarter.

Lower grade of 0.13g/t compared with 0.17g/t was delivered. Variations in these values could occur as dams were formed over

long periods involving different material and methods over the years.  
Operating costs were up by 6.0% to R94 197/kg from R88 873/kg.

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INTERNATIONAL OPERATIONS

Hidden Valley

Project overview

As previously reported, the critical items that continue to drive the completion date for the Hidden Valley project are the manufacture of the SAG mill and the design, manufacture and erection of the overland conveyor. Meetings were held in Europe with the German manufacturers of the SAG mill and overland conveyor. Final design activities have started for the overland conveyor following survey of the cleared route and priority is being given to these activities. The current master schedule is being maintained for first ore to be milled in March 2009.

Project engineering design is 83% complete and approximately 81% of process equipment ordered. Structural steelwork drawings for the plant are being received from the contractor and preparation of the electrical and instrumentation contract documents is nearing completion.

Geotechnical consultants continue to provide recommendations for the design of foundations for the plant and buildings.

The Kaveroi resource drilling was completed during March with a final block model to be released at the end of April. Preliminary indications are that 584 000 oz will be converted from resource to reserve.

The Kaveroi drilling program has also confirmed the grade and continuity of the resource at depth as well as outlining a previously unmodelled enrichment zone with elevated gold and silver grades at the contact of the grano-diorite and the overlying meta-sediments. This manganese rich upper lode has good continuity from section to section and is closer to surface than previously modelled Kaveroi ore zones.

Annual Capex Expenditure profile: (Construction Capital: Cash Flow)

Table (A\$m)

2006

2007

2008

2009

2010

2011

2012

2013

Total

Actual Sunk

20

90

121\*

231

Forecast

72

196^

268

Total

20

90

193

196

499

\* Includes A\$28m for Rio Tinto Royalty Buy-out.

^ As part of the JVA signed with Newcrest Mining Limited (“Newcrest”), refer to the joint announcement made on the 22 April 2008 as published on Harmony’s

website, Newcrest will fund the remaining capital spend on the Hidden Valley project and US\$45 million in project expenditure relating to the period 1

January 2008 to 30 June 2008. Refer Note 11 on page 33.

1st production

March 2009

Full production

June 2009

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## EXPLORATION

### Wafi/Golpu

#### Project Overview

The Wafi pre-feasibility study combining the Golpu copper gold resource with the Wafi Link Zone and NRG1 gold resources

was reviewed during the quarter and no fatal flaws were identified. A definitive feasibility study on the Golpu copper-gold

project was said to be justified.

Golpu is the largest copper resource target with more than four times the net revenue potential than the Wafi gold resources.

Although the gold resources remain of interest, it is the Golpu project that requires an exploratory decline to determine vital

underground mining geotechnical criteria to complete the feasibility.

Test work on Alkaline Sulphide Leaching (ASL) of Golpu concentrate is in progress. Arsenic leach testing continued during the

quarter, to establish if arsenic levels in copper concentrate can be economically reduced and the recovered arsenic suitably and

safely disposed of. Reducing the arsenic levels in copper will enable significantly more ore extraction from the Golpu deposit.

On 22 April 2008, Harmony and Newcrest entered into a joint venture agreement. Future feasibility studies will be delayed until

the partnership is fully functional.

#### Exploration results and programme

### Nambonga North

Significant gold-copper intercepts in mineralised, stock work veined meta-sediments and diorite porphyry have been obtained

on consecutive sections over 240m of strike at Nambonga North. Mineralisation remains open through the grid along strike,

and at depth. Recent results, together with those reported last quarter are particularly encouraging for the size potential of

the system.

Results received during the quarter included:

#### WR268:

30m @ 1.42 g/t Au, 0.37% Cu, from 276m

#### WR270:

117m @ 0.73 g/t Au, 0.23% Cu, from 242m

A number of intercepts of polymetallic (Au-Zn-Ag-Pb) massive sulphide mineralisation were also encountered peripheral to the

porphyry Au-Cu vein stockwork. New results received during the report period include:

#### WR269:

12m @ 2.87 g/t Au, 4.9% Zn, 0.8% Pb, 10.6 g/t Ag from 156m

Significantly, WR 272 intersected mineralised diorite porphyry on the 80m step-out section north of the discovery holes WR262

and WR264. The mineralised porphyry remains open to the north off the grid.

Other prospects



Access to explore high priority Porphyry Cu-Au and epithermal targets with multi-million ounce potential has been granted by the local landowners.

Regional exploration east of the Kerimenge Prospect, where no previous exploration work has been done before, returned significant surface trench results.

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#### DISCONTINUED OPERATIONS

##### Orkney

On 27 February 2008, Pamodzi Gold took full control of the Orkney assets following the fulfilment of all the conditions

precedent which resulted in Harmony owning 32% and making it an associate company. Harmony will in future incorporate

its attribution portion of Pamodzi's profits and losses.

##### Australia

The Australian operations contributed 56 kilograms of gold in January as their final production from Mt Magnet. Mt Magnet

has been placed under care and maintenance and in a safe and responsible manner. The Australian-based Monarch Gold Mining

Company has taken over operating responsibility.

##### Randfontein Operations

Tonnages milled at the Cooke shafts of the Randfontein operations decreased by 10.1% from 308 000 tonnes to 277 000 tonnes for the quarter.

Gold production also dropped by 15.9% to 1 354kg from 1 610kg while yields reflected a 6.5% decrease at 4.89g/t from 5.23g/t.

The reduction in the kilograms produced for the quarter is ascribed to a lower face grade, stoping sections intersecting geological structures and changes in the mining mix from lower VCR production. In addition, Christmas holidays caused delays

in opening up of two scheduled high-grade pillars.

Cash operating costs were 12% higher at R136 157/kg versus R121 625/kg. Additional overtime shifts were introduced in an

effort to reduce the impact of the power shutdown.

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UNAUDITED FINANCIAL REVIEW FOR THE THIRD QUARTER  
ENDED 31 MARCH 2008

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OPERATING RESULTS – CONTINUING OPERATIONS (Rand/Metric)

Underground production – South Africa

Surface production – South Africa

International production

Total SA

South

Total

Doorn-

Elands-

Evander

Virgina

Under-

Kalgold

Project

Other

Total SA

African

Inter-

Harmony

Tshepong

Phakisa

kop

rand

Target

Masimong

Operations

Bambanani

Joel

Operations

ground

Surface

Phoenix

Surface

Surface

Total

PNG

national

Total

Ore milled

– t'000

Mar-08

326

9

74

214

154

161

278  
157  
91  
470  
1 934  
389  
1 591  
211  
2 191  
4 125  
—  
—  
4 125  
Dec-07  
388  
6  
122  
94  
160  
203  
362  
299  
99  
564  
2 297  
421  
1 623  
104  
2 148  
4 445  
—  
—  
4 445  
Gold Produced  
— kg  
Mar-08  
1 991  
53  
184  
1 065  
565  
770  
1 500  
1 066  
418  
1 690  
9 302  
728  
213  
104  
1 045

10 347  
—  
—  
10 347  
Dec-07  
2 202  
18  
392  
576  
725  
905  
2 176  
1 595  
455  
2 131  
11 175  
858  
268  
102  
1 228  
12 403  
—  
—  
12 403  
Yield –  
g/tonne  
Mar-08  
6.11  
5.89  
2.49  
4.98  
3.67  
4.78  
5.40  
6.79  
4.59  
3.60  
4.81  
1.87  
0.13  
0.49  
0.48  
2.51  
—  
—  
2.51  
Dec-07  
5.68  
3.00  
3.21  
6.13

4.53  
4.46  
6.01  
5.33  
4.60  
3.78  
4.87  
2.04  
0.17  
0.98  
0.57  
2.79

–

–

2.79

Cash Operating Costs

– R/kg

Mar-08

107 943

108 811

297 293

158 494

154 552

167 839

143 107

158 595

164 821

171 209

150 795

97 636

94 197

113 404

98 504

145 514

–

–

145 514

Dec-07

107 616

200 722

144 360

231 705

109 394

180 355

116 291

141 056

154 963

153 154

138 531

82 341

88 873

97 559  
85 031  
133 234

—  
—

133 234

Cash Operating Costs

– R/tonne

Mar-08

659  
641  
739  
789  
567  
803  
772  
1 077  
757  
616  
725  
183  
13  
56  
47  
365

—  
—

365

Dec-07

611  
602  
464  
1 420  
496  
804  
699  
752  
712  
579  
674  
168  
15  
96  
49  
372

—  
—

372

Working Revenue

(R'000)

Mar-08



444 818  
11 835  
42 519  
245 789  
125 572  
173 674  
341 845  
234 233  
95 065  
383 269  
2 098 619  
162 831  
48 593  
23 631  
235 055  
2 333 674

—  
—  
2 333 674

Dec-07  
371 921  
2 981  
67 889  
98 321  
122 333  
154 848  
363 129  
269 653  
77 485  
364 957  
1 893 517  
145 511  
45 675  
17 628  
208 814  
2 102 331

—  
—  
2 102 331

Cash Operating Costs  
(R'000)

Mar-08  
214 915  
5 767  
54 702  
168 796  
87 322  
129 236  
214 660  
169 062  
68 895

289 343  
1 402 698  
71 079  
20 064  
11 794  
102 937  
1 505 635  
—  
—  
1 505 635  
Dec-07  
236 971  
3 613  
56 589  
133 462  
79 311  
163 221  
253 049  
224 985  
70 508  
326 372  
1 548 081  
70 649  
23 818  
9 951  
104 418  
1 652 499  
—  
—  
1 652 499  
Cash Operating Profit  
(R'000)  
Mar-08  
229 903  
6 068  
(12 183)  
76 993  
38 250  
44 438  
127 185  
65 171  
26 170  
93 926  
695 921  
91 752  
28 529  
11 837  
132 118  
828 039  
—  
—

828 039  
Dec-07  
134 950  
(632)  
11 300  
(35 141)  
43 022  
(8 373)  
110 080  
44 668  
6 977  
38 585  
345 436  
74 862  
21 857  
7 677  
104 396  
449 832

-

-

449 832

Capital Expenditure

(R'000)

Mar-08  
43 137  
73 207  
83 518  
83 221  
81 434  
25 272  
53 291  
21 502  
8 392  
28 594  
501 568  
903  
354  
18 185  
19 442  
521 010  
324 228  
324 228  
845 238  
Dec-07  
50 009  
60 520  
93 926  
56 350  
49 671  
32 466  
63 306

38 450  
10 305  
38 949  
493 952  
2 030  
2 375  
34 746  
39 151  
533 103  
274 832  
274 832  
807 935

Evander operations – Evander 5, Evander 7 and Evander 8

Virginia operations – Harmony 2, Merriespruit 1&3, Unisel and Brand

P  
22  
P  
23  
OPERATING RESULTS INCLUDING DISCONTINUED OPERATIONS (Rand/Metric)  
Underground production – South Africa  
Surface production – South Africa  
International production  
Rand-  
Virginia  
Total SA  
Cooke  
South  
Total  
Doorn-  
Elands-  
Evander  
fontein  
Bamba-  
Opera-  
Under-  
Kalgold  
Project  
plant  
Other  
Total SA  
Africa  
Inter-  
Harmony  
Tshepong  
Phakisa  
kop  
rand  
Target  
MasimongOperationsOperations  
nani  
Joel  
tions  
St Helena  
ARMgold  
ground  
Surface  
Phoenix Operations  
Surface  
Surface  
Total Australia  
PNG  
national  
Total  
Ore milled  
– t'000

Mar-08  
326  
9  
74  
214  
154  
161  
278  
277  
157  
91  
470  
—  
108  
2 319  
389  
1 591  
645  
211  
2 836  
5 155  
34  
—  
34  
5 189  
Dec-07  
388  
6  
122  
94  
160  
203  
362  
308  
299  
99  
564  
25  
212  
2 842  
421  
1 623  
659  
104  
2 807  
5 649  
603  
—  
603  
6 252  
Gold Produced

– kg  
Mar-08  
1 991  
53  
184  
1 065  
565  
770  
1 500  
1 354  
1 066  
418  
1 690  
–  
300  
10 956  
728  
213  
275  
104  
1 320  
12 276  
56  
–  
56  
12 332  
Dec-07  
2 202  
18  
392  
576  
725  
905  
2 176  
1 610  
1 595  
455  
2 131  
84  
741  
13 610  
858  
268  
308  
102  
1 536  
15 146  
1 946  
–  
1 946  
17 092

Yield –  
g/tonne  
Mar-08  
6.11  
5.89  
2.49  
4.98  
3.67  
4.78  
5.40  
4.89  
6.79  
4.59  
3.60  
0.00  
2.78  
4.72  
1.87  
0.13  
0.43  
0.49  
0.47  
2.38  
1.65  
–  
1.65  
2.38  
Dec-07  
5.68  
3.00  
3.21  
6.13  
4.53  
4.46  
6.01  
5.23  
5.33  
4.60  
3.78  
3.36  
3.50  
4.79  
2.04  
0.17  
0.47  
0.98  
0.55  
2.68  
3.23  
–  
3.23



2.73

Cash Operating Costs – R/kg

Mar-08

107 943

108 811

297 293

158 494 154 552

167 839

143 107

136 157

158 595 164 821

171 209

–

321 143

154 695

97 636

94 197

142 822

113 404

107 737

149 646

510 875

–

510 875

151 286

Dec-07

107 616

200 722

144 360

231 705

109 394

180 355

116 291

121 625

141 056

154 963

153 154

420 821

182 009

140 640

82 341

88 873

113 390

97 559

90 717

135 578

98 719

–

98 719

131 381

Cash Operating Costs – R/tonne

Mar-08

659

641

739

789

567

803

772

666

1 077

757

616

-

892

731

183

13

61

56

50

356

841

-

841

360

Dec-07

611

602

464

1 420

496

804

699

636

752

712

579

1 414

636

674

168

15

53

96

50

364

319

-

319

359

Working Revenue

(R'000)

Mar-08

444 818

11 835

42 519

245 789 125 572

173 674

341 845

312 068

234 233

95 065

383 269

26

68 682

2 479 395 162 831

48 593

62 497

23 631

297 552 2 776 947

29 815

—

29 815 2 806 762

Dec-07

371 921

2 981

67 889

98 321

122 333

154 848

363 129

279 270

269 653

77 485

364 957

13 881

128 053

2 314 721 145 511

45 675

52 652

17 628

261 466

2 576 187

324 424

—

324 424

2 900 611

Cash Operating Costs (R'000)

Mar-08

214 915

5 767

54 702

168 796  
87 322  
129 236  
214 660  
184 357  
169 062  
68 895  
289 343  
11 445  
96 343  
1 694 843  
71 079  
20 064  
39 276  
11 794  
142 213 1 837 056  
28 609  
—  
28 609 1 865 665  
Dec-07  
236 971  
3 613  
56 589  
133 462  
79 311  
163 221  
253 049  
195 816  
224 985  
70 508  
326 372  
35 349  
134 869  
1 914 115  
70 649  
23 818  
34 924  
9 951  
139 342  
2 053 457  
192 107  
—  
192 107  
2 245 564  
Cash Operating Profit (R'000)  
Mar-08  
229 903  
6 068  
(12 183)  
76 993  
38 250

44 438  
127 185  
127 711  
65 171  
26 170  
93 926  
(11 419)  
(27 661)  
784 552  
91 752  
28 529  
23 221  
11 837  
155 339  
939 891  
1 206  
—  
1 206  
941 097  
Dec-07  
134 950  
(632)  
11 300  
(35 141)  
43 022  
(8 373)  
110 080  
83 454  
44 668  
6 977  
38 585  
(21 468)  
(6 816)  
400 606  
74 862  
21 857  
17 728  
7 677  
122 124  
522 730  
132 317  
—  
132 317  
655 047  
Capital Expenditure  
(R'000)  
Mar-08  
43 137  
73 207  
83 518  
83 221

81 434  
25 272  
53 291  
40 119  
21 502  
8 392  
28 594  
167  
(8)  
541 846  
903  
354  
1 886  
18 185  
21 328  
563 174  
61  
324 228  
324 289  
887 463  
Dec-07  
50 009  
60 520  
93 926  
56 350  
49 671  
32 466  
63 306  
35 187  
38 450  
10 305  
38 949  
834  
977  
530 950  
2 030  
2 375  
573  
34 746  
39 724  
570 674  
28 095  
274 832  
302 927  
873 601

Evander operations – Evander 5, Evander 7 and Evander 8

Randfontein operations – Cooke 1, Cooke 2 and Cooke 3

Virginia operations – Harmony 2, Merriespruit 1&3, Unisel and Brand

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CONDENSED CONSOLIDATED INCOME STATEMENT (Unaudited) (Rand)

Quarter ended

Nine months ended

March

December

March

March

March

Notes

2008

2007

2007

2008

2007

\*

\*

*R million*

*R million*

*R million*

*R million*

*R million*

Continuing operations

Revenue

2 334

2 102

2 082

6 549

6 085

Production cost

(1 506)

(1 652)

(1 338)

(4 955)

(4 073)

Amortisation and depreciation

(190)

(228)

(189)

(617)

(539)

Corporate expenditure

(55)

(68)

(44)

(196)

(161)

Exploration expenditure

(55)

(42)

(25)  
(142)  
(111)  
Care and maintenance costs of restructured shafts  
(24)  
(10)  
(10)  
(42)  
(42)  
Employment termination and restructuring costs  
2  
(86)  
(75)  
—  
(162)  
—  
Share based compensation  
(4)  
(9)  
(14)  
(23)  
(36)  
Gain/(loss) on financial instruments  
5  
(14)  
(24)  
(5)  
12  
Provision for doubtful debt  
(5)  
(75)  
—  
(80)  
—  
Other (expenses)/income – net  
(15)  
(6)  
24  
(42)  
95  
Operating profit/(loss)  
399  
(77)  
462  
285  
1 230  
Loss from associates  
(10)  
—  
—  
(10)



(18)  
 Mark-to-market of listed investments  
 —  
 —  
 29  
 33  
 81  
 Profit/(loss) on sale of listed investments  
 6  
 —  
 —  
 1  
 (459)  
 1  
 Profit on sale of investment in associate  
 —  
 —  
 —  
 —  
 236  
 Investment income  
 54  
 74  
 31  
 194  
 102  
 Finance cost  
 (123)  
 (138)  
 (101)  
 (383)  
 (283)  
 Profit/(loss) before taxation  
 320  
 (141)  
 422  
 (340)  
 1 349  
 Taxation  
 (156)  
 (54)  
 (107)  
 (207)  
 (342)  
 Net profit/(loss) from continuing operations  
 164  
 (195)  
 315  
 (547)  
 1 007  
 Discontinued operations

3  
 Profit/(loss) from discontinued operations  
 85  
 226  
 (67)  
 289  
 (6)  
 Profit/(loss) on the sale of assets  
 100  
 (51)  
 –  
 28  
 –  
 (Loss)/profit from measurement to  
 fair value less cost to sell  
 (4)  
 66  
 –  
 55  
 –  
 Net profit/(loss)  
 345  
 46  
 248  
 (175)  
 1 001  
 Earnings/(loss) per share from continuing operations  
 attributable to the equity holders of the company  
 during the year (cents)  
 4  
 – Basic earnings/(loss)  
 41  
 (49)  
 79  
 (137)  
 253  
 – Headline earnings/(loss)  
 42  
 (43)  
 78  
 (32)  
 175  
 – Fully diluted earnings/(loss)  
 41  
 (48)  
 78  
 (136)  
 250  
 Earnings/(loss) per share from discontinuing  
 operations attributable to the equity holders  
 of the company during the year (cents)

4	
– Basic earnings/(loss)	
45	
60	
(17)	
93	
(2)	
– Headline earnings/(loss)	
21	
57	
(19)	
67	
(4)	
– Fully diluted earnings/(loss)	
45	
59	
(17)	
92	
(1)	
Total earnings/(loss) per share from all operations attributable to the equity holders of the company during the year (cents)	
4	
– Basic earnings/(loss)	
86	
11	
62	
(44)	
251	
– Headline earnings	
63	
14	
59	
35	
171	
– Fully diluted earnings/(loss)	
86	
11	
61	
(44)	
249	

\* The comparative figures were adjusted to exclude further discontinued operations and interest capitalised, but not adjusted for approximately R250 million in cost, relating to the March 2007 quarter that was only captured in the June 2007 quarter, as previously reported.

P

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CONDENSED CONSOLIDATED BALANCE SHEET (Rand)

At

At

At

March

December

June

2008

2007

2007

Notes

*(Unaudited)*

*(Reviewed)*

*(Audited)*

*R million*

*R million*

*R million*

Assets

Non-current assets

Property, plant and equipment

26 407

25 133

24 506

Intangible assets

5

2 477

2 307

2 307

Restricted cash

80

81

5

Investments in financial assets

6

1 413

1 402

1 387

Investments in associates

7

341

7

7

Deferred income tax

2 711

2 462

2 321

Trade and other receivables

7

39

95
33 436
31 431
30 628
Current assets
Inventories
654
709
742
Investments in financial assets
6
–
–
2 484
Trade and other receivables
993
851
918
Income and mining taxes
58
41
66
Restricted cash
–
–
274
Cash and cash equivalents
346
425
711
2 051
2 026
5 195
Non-current assets classified as held for sale
3
1 716
2 001
1 284
3 767
4 027
6 479
Total assets
37 203
35 458
37 107
Equity and liabilities
Share capital and reserves
Share capital
5
25 866
25 677

25 636  
 Other reserves  
 731  
 84  
 (349)  
 Accumulated loss  
 (1 779)  
 (2 124)  
 (1 604)  
 24 818  
 23 637  
 23 683  
 Non-current liabilities  
 Borrowings  
 8  
 1 918  
 1 878  
 1 743  
 Deferred income tax  
 5 310  
 5 191  
 5 031  
 Provisions for other liabilities and charges  
 1 078  
 1 082  
 1 216  
 8 306  
 8 151  
 7 990  
 Current liabilities  
 Trade and other payables  
 722  
 686  
 1 488  
 Income and mining taxes  
 195  
 73  
 50  
 Provisions and accrued liabilities  
 261  
 222  
 267  
 Borrowings  
 8  
 2 009  
 1 995  
 2 855  
 Bank overdraft  
 –  
 –  
 220

Shareholders for dividends

6

7

7

3 193

2 983

4 887

Liabilities directly associated with non-current assets

classified as held for sale

3

886

687

547

4 079

3 670

5 434

Total equity and liabilities

37 203

35 458

37 107

Number of ordinary shares in issue

402 818 020

400 196 978

399 608 384

Net asset value per share (cents)

6 161

5 906

5 927

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

P	
26	
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Unaudited) (Rand)	
Issued share	
Other	Accumulated
capital	
reserves	
loss	
Total	
<i>R million</i>	
<i>R million</i>	
<i>R million</i>	
<i>R million</i>	
Balance – 30 June 2007 (as previously reported)	
25 636	
(349)	
(1 681)	
23 606	
Change in accounting policy for the capitalisation	
of interest on assets under construction	
–	
–	
77	
77	
Balance – 30 June 2007 (restated)	
25 636	
(349)	
(1 604)	
23 683	
Issue of share capital	
230	
–	
–	
230	
Currency translation adjustment and other	
–	
1 080	
–	
1 080	
Net loss	
–	
–	
(175)	
(175)	
Balance as at 31 March 2008	
25 866	
731	
(1 779)	
24 818	
Balance – 30 June 2006 (as previously reported)	
25 489	



(271)  
(2 015)  
23 203  
Change in accounting policy for the capitalisation  
of interest on assets under construction  
—  
—  
48  
48  
Balance – 30 June 2006 (restated)  
25 489  
(271)  
(1 967)  
23 251  
Issue of share capital  
101  
—  
—  
101  
Currency translation adjustment and other  
—  
192  
—  
192  
Net profit  
—  
—  
1 001  
1 001  
Balance as at 31 March 2007  
25 590  
(79)  
(966)  
24 545

P

27

CONDENSED CONSOLIDATED CASH FLOW STATEMENT (Unaudited) (Rand)

Three months ended

Nine months ended

March

December

March

March

Notes

2008

2007

2008

2007

*R million*

*R million*

*R million*

*R million*

Cash flow from operating activities

Cash generated/(utilised) by operations

794

(376)

472

1 469

Interest and dividends received

64

76

209

117

Interest paid

(123)

(118)

(300)

(143)

Income and mining taxes paid

(41)

(9)

(62)

(3)

Cash generated/(utilised) by operating activities

694

(427)

319

1 440

Cash flow from investing activities

Decrease/(increase) in restricted cash

20

(71)

223

–

Net proceeds on disposal of listed investments

–  
 –  
 1 310  
 229  
 Net additions to property, plant and equipment  
 (884)  
 (734)  
 (2 451)  
 (1 765)  
 Other investing activities  
 6  
 65  
 20  
 (66)  
 Cash utilised by investing activities  
 (858)  
 (740)  
 (898)  
 (1 602)  
 Cash flow from financing activities  
 Long-term loans raised  
 –  
 10  
 2 098  
 151  
 Long-term loans repaid  
 (6)  
 –  
 (1 808)  
 –  
 Ordinary shares issued – net of expenses  
 40  
 5  
 64  
 101  
 Cash generated by financing activities  
 34  
 15  
 354  
 252  
 Foreign currency translation adjustments  
 43  
 16  
 79  
 (11)  
 Net (decrease)/increase in cash and equivalents  
 (87)  
 (1 136)  
 (146)  
 79  
 Cash and equivalents – beginning of period

435

1 571

494

906

Cash and equivalents – end of period

9

348

435

348

985

P  
28  
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE  
QUARTER AND NINE MONTHS ENDED 31 MARCH 2008

1.

Accounting policies

(a) Basis of accounting

The condensed consolidated interim financial statements for the period ended 31 March 2008 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 2007, except for accounting policy changes made after the date of the annual financial statements. These condensed consolidated interim financial statements are prepared in accordance with IAS 34, Interim Financial Reporting, and should be read in conjunction with the financial statements for the year ended 30 June 2007.

New accounting standards and IFRIC interpretations

Certain new accounting standards and IFRIC interpretations have been published that are mandatory for accounting periods beginning on or after 1 January 2008. These new standards and interpretations have not been early adopted by the Group and a reliable estimate of the impact of the adoption thereof for the Group cannot yet be determined for all of them, as management are still in the process of determining the impact thereof on future financial statements.

At the date of finalising of these financial statements, the following Standards and Interpretations were in issue but not yet effective:

Title

Effective date

*New Statement*

- IFRS 8 Operating Segments

^

Financial year commencing on or after 1 January 2009

*Amendments*

- IAS 1 (Revised) – Presentation of

^

Financial year commencing on or after 1 January 2009

Financial Statements Revised

- IAS 27 (Revised) – Consolidated and Separate

# Financial year commencing on or after 1 July 2009

Financial Statements

- IAS 32 (Revised) – Financial Instruments: Presentation

# Financial year commencing on or after 1 January 2009

- IFRS 2 (Revised) – Share-based Payments

# Financial year commencing on or after 1 January 2009

- IFRS 3 (Revised) – Business Combinations

# Financial year commencing on or after 1 July 2009

*New Interpretation*

- IFRIC 12 – Service Concession Arrangements

\* Financial year commencing on or after 1 January 2008

- IFRIC 13 – Customer Loyalty Programmes

\* Financial year commencing on or after 1 July 2008

- IFRIC 14 – IAS 19 The Limit on a Defined Benefit Asset,

# Financial year commencing on or after 1 January 2008

Minimum Funding Requirements and their Interactions

^ *Affects disclosure*

\* *Will not impact materially*

# *Not yet assessed*

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(b) Implementation of accounting policy

IAS 23 (Revised) – Borrowing Costs: The company early adopted IAS 23 (Revised) – Borrowing Costs, retrospectively as of 1 July 2000, which requires that management capitalise borrowing costs directly attributable to the acquisition and construction of qualifying assets. Qualifying assets are assets that take a substantial time to get ready for their intended use.

The impact of this adjustment was as follows:

Quarter ended

Nine months ended

March

December

March

March

March

2008

2007

2007

2008

2007

*(Unaudited)*

*(Unaudited)*

*(Unaudited)*

*(Unaudited)*

*(Unaudited)*

*R million*

*R million*

*R million*

*R million*

*R million*

Effect on net loss:

Decrease in interest expense

11

22

5

40

14

Income tax

(3)

(7)

(1)

(12)

(4)

Decrease in net loss

8

15

4

28

10

Effect on opening accumulated loss:

Decrease in interest expense

137  
115  
80  
108  
68  
Income tax  
(40)  
(33)  
(23)  
(31)  
(20)  
Decrease in accumulated loss  
97  
82  
57  
77  
48

The borrowing costs are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

All other borrowing costs are dealt with in income in the period in which they are incurred.

2.

Employment termination and restructuring costs

During the December 2007 quarter, a voluntary retrenchment process was commenced due to the decision to decentralise services.

3.

Non-current assets held for sale and discontinued operations

The assets and liabilities related to Mt Magnet and South Kal (operations in Australia), ARMgold Welkom and Orkney

operations (operations in the Free State and Northwest areas), and Kudu and Sable (operations in the Free State area), have

been presented as held for sale on 30 June 2007.

On 6 December 2007, the sale relating to the South Kal operation (operation in Australia) was concluded at a loss, net of

tax, of R51 million and the assets were derecognised.

On 27 February 2008, the sale relating to the Orkney operations (operations in the Northwest area) was concluded at a profit, net of tax, of R99 million and the assets were derecognised.

The assets and liabilities relating to the Cooke 1, Cooke 2, Cooke 3, Cooke plant and relating surface operations (operations

in the Gauteng area) have been presented as held for sale following the approval of the Group's management on 16 October 2007.

Underground operations at St Helena shaft were ceased during November 2007 and was classified as a discontinued operation.

The comparative results have been restated due to these reclassifications.



P

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4.

Earnings/(loss) per share

Earnings/(loss) per share is calculated on the weighted average number of shares in issue for the quarter ended 31 March 2008: 400.7 million (31 December 2007: 399.8 million, 31 March 2007: 398.4 million) and the nine months ended 31 March 2008: 400.0 million (31 March 2007: 397.7 million).

The fully diluted earnings/(loss) per share is calculated on weighted average number of diluted shares in issue for the quarter ended 31 March 2008: 403.5 million (31 December 2007: 402.1 million, 31 March 2007: 403.3 million) and the nine months ended 31 March 2008: 402.5 million (31 March 2007: 402.8 million). The effect of the share options is anti-dilutive.

Quarter ended

Nine months ended

March

December

March

March

March

2008

2007

2007

2008

2007

*(Unaudited)*

*(Unaudited)*

*(Unaudited)*

*(Unaudited)*

*(Unaudited)*

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

Basic earnings/(loss)

86

11

62

(44)

251

Headline earnings

63

14

59

35

171

Fully diluted earnings/(loss)

86

11

61

(44)

249

*R million*

*R million*

*R million*

*R million*

*R million*

Reconciliation of headline earnings/(loss):

Continuing operations

Net profit/(loss)

164

(195)

315

(547)

1 007

*Adjusted for:*

Profit on sale of property, plant and equipment

(1)

(29)

(4)

(28)

(90)

(Profit)/loss on sale of listed investment (Gold Fields)

–

–

(1)

392

(1)

Profit on sale of associate (Western Areas)

–

–

–

–

(220)

Provision for doubtful debt

4

53

–

57

–

Headline profit/(loss)

167

(171)

310

(126)

696

Discontinued operations

Net profit/(loss)

181

241

(67)

372

(6)

*Adjusted for:*

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

(100)

51	
—	
(49)	
—	
Profit on sale of investments	
—	
—	
(9)	
—	
(10)	
Impairment of assets/(reversal of impairment)	
4	
(66)	
—	
(55)	
—	
Headline profit/(loss)	
85	
226	
(76)	
268	
(16)	
Total headline profit	
252	
55	
234	
142	
680	

P

31

5.

Intangible assets

On 28 March 2007, Harmony announced that it had concluded negotiations with Rio Tinto Limited (“Rio Tinto”) in terms

of which the parties have agreed that Harmony purchase the Rio Tinto rights under the royalty agreement, which was entered into prior to the acquisition by Harmony of the Hidden Valley and Kerimenge deposits in Papua New Guinea. In terms of the royalty agreement Rio Tinto had the rights to receive a portion of between 2% and 3.5% of future ounces

produced by the Hidden Valley mine in Papua New Guinea.

The transaction between Harmony and Rio Tinto concluded on the 21 March 2008.

The consideration paid by Harmony to Rio Tinto amounted to US\$22.5 million and was settled as follows:

- The equivalent US\$20 million in new ordinary shares of Harmony Gold Mining Company Limited, issued as fully paid-up; and
- The balance of US\$2.5 million paid in cash.

6.

Investment in financial assets

March

December

June

2008

2007

2007

*(Unaudited)*

*(Unaudited)*

*(Audited)*

*R million*

*R million*

*R million*

Current

Investment in African Rainbow Minerals Limited (see note 7)

–

–

1 051

Investment in Gold Fields Limited \*

–

–

1 433

–

–

2 484

Non-current

Environmental Trust Funds

1 271

1 233

1 332

Other

142

169

55

1 413

1 402

3 871

\* During the September 2007 quarter Harmony sold all of its remaining Gold Fields Limited (GFI) shares for a loss of R459 million.

7.

Investment in associate

On 27 February 2008, Pamodzi Gold Limited (“Pamodzi”) bought the Orkney operations from the Harmony Group for a consideration of 30 000 000 Pamodzi shares. This resulted in Harmony Gold Mining Company owning 32.4% of Pamodzi.

On 31 March 2008 the book value for the investment was R335.5 million.

P

32

8.

Borrowings

March

December

June

2008

2007

2007

*(Unaudited)*

*(Reviewed)*

*(Audited)*

*R million*

*R million*

*R million*

Unsecured long-term borrowings

Convertible unsecured fixed rate bonds

1 605

1 583

1 541

Africa Vanguard Resources (Proprietary) Limited

32

32

32

1 637

1 615

1 573

*Less: Short-term portion*

–

–

–

Total unsecured long-term borrowings

1 637

1 615

1 573

Secured long-term borrowings

Westpac Bank Limited\*

119

100

2

Africa Vanguard Resources (Doornkop) (Pty) Limited (Nedbank Limited)

188

181

170

ARM Empowerment Trust 1 (Nedbank Limited)\*\*

–

–

450

ARM Empowerment Trust 2 (Nedbank Limited)\*\*

–

–  
 601  
 Rand Merchant Bank  
 –  
 –  
 1 802  
 Nedbank Limited  
 2 000  
 2 000  
 –  
*Less: Transaction costs*  
 (17)  
 (23)  
 –  
 2 290  
 2 258  
 3 025  
*Less: Short-term portion*  
 (2 009)  
 (1 995)  
 (2 855)  
 Total unsecured long-term borrowings  
 281  
 263  
 170  
 Total long-term borrowings  
 1 918  
 1 878  
 1 743

\* The lease was entered into for the purchase of mining fleet to be used on the Hidden Valley project.

\*\* The guarantees relating to the Nedbank loans were cancelled on 28 September 2007 and consequently Harmony has no further obligations to Nedbank.

The ARM investment and associated Nedbank loans were derecognised from this date.

The future minimum lease payments are as follows:

March

December

June

2008

2007

2007

*(Unaudited)*

*(Reviewed)*

*(Audited)*

*R million*

*R million*

*R million*

Due within one year

27

26

–

Due between one and five years

102	
97	
—	
129	
123	
—	
9.	
Cash and cash equivalents	
<i>Comprises of:</i>	
March	
December	
March	
2008	
2007	
2007	
<i>(Unaudited)</i>	
<i>(Reviewed)</i>	
<i>R million</i>	
<i>R million</i>	
<i>R million</i>	
Continuing operations	
346	
425	
985	
Discontinued operations	
2	
10	
—	
Total cash and cash equivalents	
348	
435	
985	



P

33

10. Commitments and Contingencies

March

December

June

2008

2007

2007

*(Unaudited)*

*(Reviewed)*

*(Audited)*

*R million*

*R million*

*R million*

Capital expenditure commitments

Contracts for capital expenditure

1 191

819

352

Authorised by the directors but not contracted for

1 422

1 987

1 881

2 613

2 806

2 233

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

Contingent liabilities

Guarantees and suretyships

18

18

18

Environmental guarantees

173

152

129

191

170

147

11. Subsequent events

Contingent liability

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"). Harmony has retained legal counsel, who will advise Harmony on further developments in the U.S.

Papua New Guinea (PNG) assets

On 22 April 2008, Harmony Gold Mining Company Limited ("Harmony") announced that they had signed an agreement

with Newcrest Mining Limited (“Newcrest”), which allows Newcrest to earn a 50% interest in Harmony’s Papua New Guinea (PNG) gold assets. Newcrest will earn its 50% interest in the new joint venture by contributing a maximum of US\$525 million.

The commitment will be in two stages: (i) an initial US\$180 million payment to acquire a 30.01% interest by 30 June 2008, together with a reimbursement to Harmony of US\$45 million in project expenditure and (ii) a farm-in commitment for the remaining 19.99% of approximately US\$300 million, to fund project expenditure up to the commencement of mining operations at Hidden Valley.

A further announcement will be made on SENS and in the press as soon as the financial effects are finalised.

Accordingly,

Harmony shareholders are advised to exercise caution when trading in their securities until such time as a further announcement is made.

## 12. Segment report

The primary reporting format of the company is by business segment. As there is only one business segment, being mining, extraction and production of gold, the relevant disclosures have been given in the condensed consolidated financial statements.

P  
34  
DETAILED OPERATING INFORMATION YEAR TO DATE ENDED 31 MARCH 2008 (Rand/Metric)  
Cash  
Cash  
Continuing  
operating  
operating  
Capital  
Kilograms  
Tonnes  
Operating  
Operations  
Revenue  
cost  
profit/(loss)  
expenditure  
gold  
milled Grade  
Cost  
South Africa  
R million  
R million  
R million  
R million  
t'000  
R/kg  
Tshepong  
1 183  
697  
486  
145  
6 538  
1 100  
5.94  
106 539  
Phakisa  
15  
9  
6  
196  
71  
15  
4.73  
132 113  
Doornkop  
181  
174  
7  
249  
1 030

322  
3.20  
169 408  
Elandsrand  
617  
543  
74  
223  
3 394  
597  
5.69  
159 980  
Target  
354  
257  
97  
165  
1 978  
464  
4.26  
130 117  
Masimong  
500  
483  
17  
88  
2 771  
605  
4.58  
174 347  
Evander Operations  
Evander 5  
277  
197  
80  
30  
1 512  
264  
5.73  
130 388  
Evander 7  
257  
196  
61  
77  
1 510  
241  
6.27  
129 563  
Evander 8  
521

324  
197  
79  
2 898  
507  
5.72  
111 694  
Evander 9  
—  
—  
—  
—  
—  
—  
—  
—  
Total Evander  
Operations  
1 055  
717  
338  
186  
5 920  
1 012  
5.85  
121 027  
Bambanani  
707  
596  
111  
85  
3 936  
694  
5.67  
151 544  
Joel  
237  
208  
29  
30  
1 292  
271  
4.77  
161 060  
Virginia Operations  
Harmony 2  
215  
192  
23  
24  
1 191

342  
3.47  
161 062  
Merriespruit 1  
196  
174  
22  
22  
1 056  
287  
3.67  
164 433  
Merriespruit 3  
173  
168  
5  
18  
959  
294  
3.26  
175 147  
Unisel  
298  
233  
65  
28  
1 650  
376  
4.39  
141 064  
Brand 3  
209  
182  
27  
18  
1 153  
309  
3.73  
158 093  
Brand 5  
—  
9  
(9)  
—  
—  
—  
—  
—  
Total Virginia  
Operations  
1 091

958  
133  
110  
6 009  
1 608  
4.00  
167 522  
Kalgold  
412  
214  
198  
5  
2 249  
1 146  
1.96  
95 323  
Project Phoenix  
140  
66  
74  
3  
778  
4 791  
0.16  
84 396  
Other entities  
57  
33  
24  
83  
307  
449  
0.68  
105 678  
Total South Africa  
6 549  
4 955  
1 594  
1 568  
36 273  
13 074  
2.77  
136 608  
Australia  
PNG  
—  
—  
—  
760  
—  
—

—  
—  
Total Australia  
—  
—  
—  
760  
—  
—  
—  
—  
Total Harmony  
— Continuing  
Operations  
6 549  
4 955  
1 594  
2 328  
36 273  
13 074  
2.77  
136 608



P  
35  
Cash  
Cash  
Discontinued operating  
operating  
Capital  
Kilograms  
Tonnes  
Operating  
Operations  
Revenue  
cost  
profit/(loss)  
expenditure  
gold  
milled Grade  
Cost  
South Africa  
R million  
R million  
R million  
R million  
t'000  
R/kg  
Orkney 2  
147  
149  
(2)  
6  
831  
160  
5.23  
179 418  
Orkney 4  
110  
145  
(35)  
9  
637  
195  
3.27  
227 978  
Orkney 7  
54  
82  
(28)  
12  
309  
163  
1.89

266 039

ARM surface

-  
-  
-  
-  
-  
-  
-  
-  
-

Kudu/Sable

-  
-  
-  
-  
-  
-  
-  
-

St Helena

41  
93  
(52)  
4  
260  
78  
3.33  
355 654  
Cooke 1  
239  
178  
61  
12  
1 315  
226  
5.81  
135 441  
Cooke 2  
271  
159  
112  
26  
1 494  
260  
5.75  
106 500  
Cooke 3  
388  
257  
131  
79

2 123  
420  
5.05  
121 169  
Cooke plant operations  
158  
96  
62  
2  
855  
1 817  
0.47  
112 320  
Total South Africa  
1 408  
1 159  
249  
150  
7 824  
3 319  
2.55  
148 222  
Australia  
Mt Magent  
408  
301  
107  
28  
2 398  
876  
2.73  
125 488  
South Kal  
138  
105  
33  
92  
864  
433  
2.00  
120 812  
Total Australia  
546  
406  
140  
120  
3 262  
1 309  
2.49  
124 285  
Total Harmony

– Discontinued  
Operations  
1 954  
1 565  
389  
270  
11 086  
4 628  
2.40  
141 165  
Total Harmony  
8 503  
6 520  
1 983  
2 598  
47 359  
17 702  
2.68  
137 674

P  
 36  
 DETAILED OPERATING INFORMATION YEAR TO DATE ENDED 31 MARCH 2007 (Rand/Metric)  
 Cash  
 Cash  
 Continuing  
 operating  
 operating  
 Capital  
 Kilograms  
 Tonnes  
 Operating  
 Operations  
 Revenue  
 cost  
 profit/(loss)  
 expenditure  
 gold  
 milled Grade  
 Cost  
 South Africa  
 R million  
 R million  
 R million  
 R million  
 t'000  
 R/kg  
 Tshepong  
 1 144  
 600  
 544  
 138  
 7 834  
 1 270  
 6.17  
 76 553  
 Phakisa  
 -  
 -  
 -  
 177  
 -  
 -  
 -  
 -  
 Doornkop  
 201  
 142  
 59  
 188  
 1 378

412  
3.34  
102 803  
Elandsrand  
653  
537  
116  
190  
4 449  
764  
5.83  
120 650  
Target  
482  
194  
288  
74  
3 278  
596  
5.50  
59 173  
Masimong  
514  
361  
153  
83  
3 505  
723  
4.85  
103 059  
Evander operations  
Evander 5  
193  
147  
46  
30  
1 307  
271  
4.82  
112 337  
Evander 7  
199  
189  
10  
60  
1 350  
297  
4.54  
140 369  
Evander 8  
404

238  
166  
56  
2 741  
571  
4.80  
86 753  
Evander 9  
—  
—  
—  
—  
—  
—  
—  
—  
Total Evander  
Operations  
796  
574  
222  
146  
5 398  
1 139  
4.74  
106 354  
Bambanani  
784  
634  
150  
93  
5 354  
1 025  
5.22  
118 483  
Joel  
320  
184  
136  
23  
2 184  
399  
5.47  
84 043  
Virginia operations  
Harmony 2  
149  
143  
6  
24  
1 005

344  
2.93  
142 340  
Merriespruit 1  
174  
117  
57  
19  
1 180  
320  
3.69  
98 944  
Merriespruit 3  
154  
117  
37  
17  
1 044  
306  
3.41  
112 024  
Unisel  
269  
160  
109  
29  
1 836  
419  
4.38  
87 282  
Brand 3  
154  
120  
34  
7  
1 051  
308  
3.41  
114 571  
Brand 5  
3  
7  
(4)  
—  
21  
10  
2.12  
342 279  
Total Virginia  
Operations  
903



664  
239  
96  
6 137  
1 707  
3.59  
108 291  
Kalgold  
192  
147  
45  
2  
1 316  
1 304  
1.01  
111 339  
Project Phoenix  
71  
33  
38  
—  
485  
1 410  
0.34  
67 584  
Other entities  
25  
3  
22  
70  
114  
226  
0.50  
27 620  
Total South Africa  
6 085  
4 073  
2 012  
1 280  
41 432  
10 975  
3.78  
98 288  
Australia  
PNG  
—  
—  
—  
247  
—  
—

—  
—  
Total Australia  
—  
—  
—  
247  
—  
—  
—  
—  
Total Harmony  
— Continuing  
Operations  
6 085  
4 073  
2 012  
1 527  
41 432  
10 975  
3.78  
98 288

P  
37  
Cash  
Cash  
Discontinued operating  
operating  
Capital  
Kilograms  
Tonnes  
Operating  
Operations  
Revenue  
cost  
profit/(loss)  
expenditure  
gold  
milled Grade  
Cost  
South Africa  
R million  
R million  
R million  
R million  
t'000  
R/kg  
Orkney 2  
177  
143  
34  
25  
1 218  
213  
5.72  
117 497  
Orkney 3  
-  
-  
-  
-  
-  
-  
-  
-  
Orkney 4  
168  
148  
20  
29  
1 156  
286  
4.04

127 778

Orkney 7

73

64

9

35

504

163

3.08

126 070

ARM surface

1

-

1

-

4

1

-

-

Kudu/Sable

-

-

-

-

-

-

-

-

St Helena

72

93

(21)

8

495

162

3.05

188 497

Cooke 1

266

174

92

10

1 815

292

6.23

95 821

Cooke 2

208

159

49

17

1 427  
268  
5.32  
111 614  
Cooke 3  
327  
240  
87  
64  
2 245  
435  
5.16  
107 176  
Cooke Plant Operations  
54  
22  
32  
—  
365  
338  
1.07  
61 525  
Total South Africa  
1 346  
1 043  
303  
188  
9 229  
2 158  
4.27  
113 114  
Australia  
Mt Magent  
489  
371  
118  
95  
3 405  
1 311  
2.60  
108 904  
South Kal  
310  
228  
82  
48  
2 140  
960  
2.23  
106 551  
Total Australia

799  
599  
200  
143  
5 545  
2 271  
2.44  
107 996  
Total Harmony  
– Discontinued  
Operations  
2 145  
1 642  
503  
331  
14 774  
4 429  
3.34  
111 200  
Total Harmony  
8 230  
5 715  
2 515  
1 858  
56 206  
15 404  
3.65  
101 680

P

38

P

39

OPERATING RESULTS – CONTINUING OPERATIONS (US\$/Imperial)

Underground production – South Africa

Surface production – South Africa

International production

Total SA

South

Total

Doorn-

Elands-

Evander

Virginia

Under-

Kalgold

Project

Other

Total SA

African

Inter-

Harmony

Tshepong

Phakisa

kop

rand

Target

Masimong

Operations

Bambanani

Joel

Operations

ground

Surface

Phoenix

Surface

Surface

Total

PNG

national

Total

Ore milled

– t'000

Mar-08

359

10

82

236

170

178

307  
173  
100  
518  
2 133  
429  
1 754  
233  
2 416  
4 549  
—  
—  
4 549  
Dec-07  
428  
7  
135  
104  
176  
224  
399  
330  
109  
622  
2 534  
464  
1 790  
115  
2 369  
4 903  
—  
—  
4 903  
Gold Produced  
— oz  
Mar-08  
64 012  
1 704  
5 916  
34 240  
18 165  
24 756  
48 226  
34 273  
13 439  
54 334  
299 065  
23 406  
6 848  
3 343  
33 597



332 662  
—  
—  
332 662  
Dec-07  
70 796  
579  
12 603  
18 519  
23 309  
29 096  
69 960  
51 280  
14 629  
68 513  
359 284  
27 585  
8 616  
3 279  
39 480  
398 764  
—  
—  
398 764  
Yield —  
oz/t  
Mar-08  
0.18  
0.17  
0.07  
0.15  
0.11  
0.14  
0.16  
0.20  
0.13  
0.10  
0.14  
0.05  
0.00  
0.01  
0.01  
0.07  
—  
—  
0.07  
Dec-07  
0.17  
0.08  
0.09  
0.18

0.13  
0.13  
0.18  
0.16  
0.13  
0.11  
0.14  
0.06  
0.00  
0.03  
0.02  
0.08  
—  
—  
0.08  
Cash Operating Costs  
— \$/oz  
Mar-08  
452  
455  
1 245  
664  
647  
703  
599  
664  
690  
717  
631  
409  
394  
475  
412  
609  
—  
—  
609  
Dec-07  
495  
922  
664  
1 065  
503  
829  
535  
649  
712  
704  
637  
379  
409

449  
391  
613  
—  
—  
613  
Cash Operating Costs  
— \$/t  
Mar-08  
81  
78  
90  
96  
69  
98  
94  
132  
93  
75  
89  
22  
2  
7  
6  
45  
—  
—  
45  
Dec-07  
82  
76  
62  
190  
67  
108  
94  
101  
96  
78  
90  
23  
2  
13  
7  
50  
—  
—  
50  
Working Revenue  
(\$'000)  
Mar-08

59 880  
1 593  
5 724  
33 087  
16 904  
23 379  
46 018  
31 532  
12 797  
51 595  
282 509  
21 920  
6 541  
3 181  
31 642  
314 151  
—  
—  
314 151  
Dec-07  
54 976  
441  
10 035  
14 533  
18 083  
22 889  
53 676  
39 859  
11 453  
53 946  
279 891  
21 509  
6 751  
2 606  
30 866  
310 757  
—  
—  
310 757  
Cash Operating Costs  
(\$'000)  
Mar-08  
28 931  
776  
7 364  
22 723  
11 755  
17 397  
28 897  
22 759  
9 274

38 951  
188 827  
9 568  
2 701  
1 588  
13 857  
202 684  
—  
—  
202 684  
Dec-07  
35 028  
534  
8 365  
19 728  
11 723  
24 127  
37 405  
33 256  
10 422  
48 243  
228 831  
10 443  
3 521  
1 471  
15 435  
244 266  
—  
—  
244 266  
Cash Operating Profit  
(\$'000)  
Mar-08  
30 949  
817  
(1 640)  
10 364  
5 149  
5 982  
17 121  
8 773  
3 523  
12 644  
93 682  
12 352  
3 840  
1 593  
17 785  
111 467  
—  
—

111 467  
Dec-07  
19 948  
(93)  
1 670  
(5 195)  
6 360  
(1 238)  
16 271  
6 603  
1 031  
5 703  
51 060  
11 066  
3 230  
1 135  
15 431  
66 491  
—  
—  
66 491  
Capital Expenditure  
(\$'000)  
Mar-08  
5 807  
9 855  
11 243  
11 203  
10 962  
3 402  
7 174  
2 895  
1 130  
3 849  
67 520  
121  
48  
2 448  
2 617  
70 137  
43 646  
43 646  
113 783  
Dec-07  
7 392  
8 946  
13 884  
8 329  
7 342  
4 799  
9 358

5 683

1 523

5 757

73 013

300

351

5 136

5 787

78 800

40 624

40 624

119 424

Evander operations – Evander 5, Evander 7 and Evander 8

Virginia operations – Harmony 2, Merriespruit 1&3, Unisel and Brand

P  
40  
P  
41  
OPERATING RESULTS INCLUDING DISCONTINUED OPERATIONS (US\$/Imperial)  
Underground production – South Africa  
Surface production – South Africa  
International production  
Rand-  
Virgina  
Total SA  
Cooke  
South  
Total  
Doorn-  
Elands-  
Evander  
fontein  
Bamba-  
Opera-  
Under-  
Kalgold  
Project  
plant  
Other  
Total SA  
Africa  
Inter-  
Harmony  
Tshepong  
Phakisa  
kop  
rand  
Target  
Masimong OperationsOperations  
nani  
Joel  
tions  
St Helena  
ARMgold  
ground  
Surface  
Phoenix Operations  
Surface  
Surface  
Total Australia  
PNG  
national  
Total  
Ore milled  
– t'000



Mar-08

359

10

82

236

170

178

307

305

173

100

518

-

119

2 557

429

1 754

711

233

3 127

5 684

38

-

38

5 722

Dec-07

428

7

135

104

176

224

399

340

330

109

622

28

233

3 135

464

1 790

726

115

3 095

6 230

665

-

665

6 895

Gold Produced

– oz  
Mar-08  
64 012  
1 704  
5 916  
34 240  
18 165  
24 756  
48 226  
43 532  
34 273  
13 439  
54 334  
–  
9 645  
352 242  
23 406  
6 848  
8 841  
3 343  
42 438  
394 680  
1 800  
–  
1 800  
396 480  
Dec-07  
70 796  
579  
12 603  
18 519  
23 309  
29 096  
69 960  
51 762  
51 280  
14 629  
68 513  
2 701  
23 824  
437 571  
27 585  
8 616  
9 902  
3 279  
49 382  
486 953  
62 565  
–  
62 565  
549 518

Yield –  
oz/t  
Mar-08  
0.18  
0.17  
0.07  
0.15  
0.11  
0.14  
0.16  
0.14  
0.20  
0.13  
0.10  
0.00  
0.08  
0.14  
0.05  
0.00  
0.01  
0.01  
0.01  
0.07  
0.05  
–  
0.05  
0.07  
Dec-07  
0.17  
0.08  
0.09  
0.18  
0.13  
0.13  
0.18  
0.15  
0.16  
0.13  
0.11  
0.10  
0.10  
0.14  
0.06  
0.00  
0.01  
0.03  
0.02  
0.08  
0.09  
–  
0.09

0.08

Cash Operating Costs – \$/oz

Mar-08

452

455

1 245

664

647

703

599

570

664

690

717

–

1 345

648

409

394

598

475

451

627

2 139

–

2 139

633

Dec-07

495

922

664

1 065

503

829

535

559

649

712

704

1 934

837

647

379

409

521

449

417

623

454

–

454

604

Cash Operating Costs – \$/t

Mar-08

81

78

90

96

69

98

94

81

132

93

75

–

109

89

22

2

7

7

6

44

101

–

101

44

Dec-07

82

76

62

190

67

108

94

85

101

96

78

187

86

90

23

2

7

13

7

49

43

–

43

48

Working Revenue

(\$'000)

Mar-08

59 880

1 593

5 724

33 087

16 904

23 379

46 018

42 010

31 532

12 797

51 595

4

9 246

333 769

21 920

6 541

8 413

3 181

40 055

373 824

4 014

—

4 014

377 838

Dec-07

54 976

441

10 035

14 533

18 083

22 889

53 676

41 280

39 859

11 453

53 946

2 052

18 928

342 151

21 509

6 751

7 783

2 606

38 649

380 800

47 955

—

47 955

428 755

Cash Operating Costs (\$'000)

Mar-08

28 931

776

7 364

22 723

11 755

17 397

28 897

24 818

22 759

9 274

38 951

1 541

12 969

228 155

9 568

2 701

5 287

1 588

19 144

247 299

3 851

—

3 851

251 150

Dec-07

35 028

534

8 365

19 728

11 723

24 127

37 405

28 945

33 256

10 422

48 243

5 225

19 936

282 937

10 443

3 521

5 162

1 471

20 597

303 534

28 396

—

28 396

331 930

Cash Operating Profit (\$'000)

Mar-08

30 949

817

(1 640)

10 364

5 149

5 982

17 121

17 192

8 773

3 523

12 644

(1 537)

(3 723)

105 614

12 352

3 840

3 126

1 593

20 911

126 525

163

—

163

126 688

Dec-07

19 948

(93)

1 670

(5 195)

6 360

(1 238)

16 271

12 335

6 603

1 031

5 703

(3 173)

(1 008)

59 214

11 066

3 230

2 621

1 135

18 052

77 266

19 559

—



19 559  
96 825  
Capital Expenditure  
(\$'000)  
Mar-08  
5 807  
9 855  
11 243  
11 203  
10 962  
3 402  
7 174  
5 401  
2 895  
1 130  
3 849  
22  
(1)  
72 942  
121  
48  
254  
2 448  
2 871  
75 813  
8  
43 646  
43 654  
119 467  
Dec-07  
7 392  
8 946  
13 884  
8 329  
7 342  
4 799  
9 358  
5 201  
5 683  
1 523  
5 757  
123  
144  
78 481  
300  
351  
85  
5 136  
5 872  
84 353  
4 153

40 624

44 777

129 130

Evander operations – Evander 5, Evander 7 and Evander 8

Randfontein operations – Cooke 1, Cooke 2 and Cooke 3

Virgina operations – Harmony 2, Merriespruit 1&3, Unisel and Brand

P

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CONDENSED CONSOLIDATED INCOME STATEMENT (Unaudited) (US\$)

Quarter ended

Nine months ended

March

December

March

March

March

2008

2007

2007

2008

2007

\*

\*

*US\$ million*

*US\$ million*

*US\$ million*

*US\$ million*

*US\$ million*

Continuing operations

Revenue

314

311

287

923

841

Production cost

(203)

(244)

(185)

(698)

(563)

Amortisation and depreciation

(26)

(34)

(26)

(87)

(75)

Corporate expenditure

(7)

(10)

(6)

(28)

(22)

Exploration expenditure

(7)

(6)

(3)

(20)  
(15)  
Care and maintenance costs of restructured shafts  
(3)  
(1)  
(1)  
(6)  
(6)  
Employment termination and restructuring costs  
(12)  
(11)  
—  
(23)  
—  
Share based compensation  
(1)  
(1)  
(2)  
(3)  
(5)  
Gain/(loss) on financial instruments  
1  
(2)  
(3)  
(1)  
2  
Provision for doubtful debt  
(1)  
(11)  
—  
(11)  
—  
Other (expenses)/income – net  
(2)  
(1)  
3  
(6)  
13  
Operating profit/(loss)  
53  
(10)  
64  
40  
170  
Loss from associates  
(1)  
—  
—  
(1)  
(2)  
Mark-to-market of listed investments

—  
—  
4  
5  
11  
Profit/(loss) on sale of listed investments  
—  
—  
—  
(65)  
—  
Profit on sale of investment in associate  
—  
—  
—  
—  
33  
Investment income  
7  
11  
4  
27  
14  
Finance cost  
(16)  
(20)  
(14)  
(54)  
(39)  
Profit/(loss) before taxation  
43  
(19)  
58  
(48)  
187  
Taxation  
(21)  
(8)  
(15)  
(29)  
(47)  
Net profit/(loss) from continuing operations  
22  
(27)  
43  
(77)  
140  
Discontinued operations  
Profit/(loss) from discontinued operations  
11  
33

(9)  
 41  
 (1)  
 Profit/(loss) on the sale of assets  
 13  
 (8)  
 –  
 4  
 –  
 (Loss)/profit from measurement to fair value less cost to sell  
 –  
 10  
 –  
 8  
 –  
 Net profit/(loss)  
 46  
 8  
 34  
 (24)  
 139  
 Earnings/(loss) per share from continuing operations  
 attributable to the equity holders of the company during  
 the year (cents)  
 – Basic earnings/(loss)  
 6  
 (7)  
 11  
 (19)  
 35  
 – Headline earnings/(loss)  
 6  
 (6)  
 11  
 (5)  
 24  
 – Fully diluted earnings/(loss)  
 6  
 (7)  
 11  
 (19)  
 35  
 Earnings/(loss) per share from discontinuing operations  
 attributable to the equity holders of the company during  
 the year (cents)  
 – Basic earnings/(loss)  
 6  
 9  
 (2)  
 13  
 (1)

– Headline earnings/(loss)

3

8

(3)

9

(1)

– Fully diluted earnings/(loss)

6

9

(2)

13

(1)

Total earnings/(loss) per share from all operations  
attributable to the equity holders of the company during  
the year (cents)

– Basic earnings/(loss)

12

2

9

(6)

35

– Headline earnings/(loss)

8

2

8

4

23

– Fully diluted earnings/(loss)

12

2

9

(6)

35

*The currency conversion rates average for the quarters ended: March 2008: US\$1 = R7.43 (December 2007: US\$1 = R6.77,*

*March 2007: US\$1=R7.24)*

*The currency conversion rates average for the nine months ended: March 2008: US\$1 = R7.10 (March 2007: US\$1=R7.23)*

\* The comparative figures were adjusted to exclude further discontinued operations and interest capitalised, but not adjusted for approximately US\$34.5 million in cost, relating to the March 2007 quarter that was only captured in the June 2007 quarter, as previously reported.

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CONDENSED CONSOLIDATED BALANCE SHEET (Unaudited) (US\$)

At At

At

March

December

June

2008

2007

2007

*US\$ million*

*US\$ million*

*US\$ million*

ASSETS

Non-current assets

Property, plant and equipment

3 243

3 664

3 481

Intangible assets

304

336

328

Restricted cash

10

12

1

Investments in financial assets

174

204

197

Investments in associates

42

1

1

Deferred income tax

333

359

330

Trade and other receivables

1

6

13

4 107

4 582

4 351

Current assets

Inventories

80

103



105	
Investments in financial assets	
—	
—	
353	
Trade and other receivables	
122	
124	
130	
Income and mining taxes	
7	
6	
11	
Restricted cash	
—	
—	
39	
Cash and cash equivalents	
42	
62	
101	
251	
295	
739	
Non-current assets classified as held for sale	
211	
292	
182	
462	
587	
921	
Total assets	
4 569	
5 169	
5 272	
<b>EQUITY AND LIABILITIES</b>	
Share capital and reserves	
Share capital	
3 176	
3 743	
3 641	
Other reserves	
90	
12	
(50)	
Accumulated loss	
(218)	
(310)	
(228)	
3 048	
3 445	

3 363

Non-current liabilities

Borrowings

236

274

248

Deferred income tax

652

757

715

Provisions for other liabilities and charges

132

158

173

1 020

1 189

1 136

Current liabilities

Trade and other payables

88

100

212

Income and mining taxes

24

11

7

Provisions and accrued liabilities

32

32

38

Borrowings

247

291

406

Bank overdraft

—

—

31

Shareholders for dividends

1

1

1

392

435

695

Liabilities directly associated with non-current assets classified as held for sale

109

100

78

501

535

773

Total equity and liabilities

4 569

5 169

5 272

Number of ordinary shares in issue

402 818 020

400 196 978

399 608 384

Net asset value per share (cents)

757

861

842

*Balance sheet converted at conversion rate of US\$1 = R8.14 (December 2007: R6.86) (June 2007: R7.04)*

P	
44	
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Unaudited) (US\$)	
Issued share	
Other	Accumulated
capital	
reserves	
loss	
Total	
<i>US\$ million</i>	
<i>US\$ million</i>	
<i>US\$ million</i>	
<i>US\$ million</i>	
Balance – 30 June 2007 (as previously reported)	
3 148	
(43)	
(206)	
2 899	
Change in accounting policy for the capitalisation	
of interest on assets under construction	
–	
–	
9	
9	
Balance – 30 June 2007 (restated)	
3 148	
(43)	
(197)	
2 908	
Issue of share capital	
28	
–	
–	
28	
Currency translation adjustment and other	
–	
133	
–	
133	
Net loss	
–	
–	
(21)	
(21)	
Balance as at 31 March 2008	
3 176	
90	
(218)	
3 048	
Balance – 30 June 2006 (as previously reported)	
3 496	

(37)  
(276)  
3 183  
Change in accounting policy for the capitalisation  
of interest on assets under construction  
—  
—  
7  
7  
Balance – 30 June 2006 (restated)  
3 496  
(37)  
(269)  
3 190  
Issue of share capital  
14  
—  
—  
14  
Currency translation adjustment and other  
—  
26  
—  
26  
Net profit  
—  
—  
137  
137  
Balance as at 31 March 2007  
3 510  
(11)  
(132)  
3 367

P

45

CONDENSED CONSOLIDATED CASH FLOW STATEMENT (Unaudited) (US\$)

Three months ended

Nine months ended

March

December

March

March

2008

2007

2008

2007

*US\$ million*

*US\$ million*

*US\$ million*

*US\$ million*

Cash flow from operating activities

Cash generated/(utilised) by operations

107

(56)

66

203

Interest and dividends received

9

11

29

16

Interest paid

(17)

(17)

(42)

(20)

Income and mining taxes paid

(6)

(1)

(9)

—

Cash generated/(utilised) by operating activities

93

(63)

44

199

Cash flow from investing activities

Decrease/(increase) in restricted cash

3

(10)

31

—

Net proceeds on disposal of listed investments

—

–  
 184  
 31  
 Net additions to property, plant and equipment  
 (119)  
 (109)  
 (345)  
 (244)  
 Other investing activities  
 1  
 10  
 3  
 (9)  
 Cash utilised by investing activities  
 (115)  
 (109)  
 (127)  
 (222)  
 Cash flow from financing activities  
 Long-term loans raised  
 –  
 1  
 303  
 21  
 Long-term loans repaid  
 –  
 –  
 (254)  
 –  
 Ordinary shares issued – net of expenses  
 5  
 1  
 9  
 14  
 Cash generated by financing activities  
 5  
 2  
 58  
 35  
 Foreign currency translation adjustments  
 (3)  
 5  
 (2)  
 (4)  
 Net (decrease)/increase in cash and equivalents  
 (20)  
 (165)  
 (27)  
 8  
 Cash and equivalents – beginning of period  
 63

228  
70  
127  
Cash and equivalents – end of period  
43  
63  
43  
135  
*Operating activities translated at average rates of: Three months ended March 2008: US\$1 = R7.43 (December 2007 US\$1 = R6.77) Nine months ended March 2008: US\$1 = R7.10 (March 2007: US\$ = R7.23)*  
*Closing balance translated at closing rates of: March 2008: US\$1 = R8.14 (December 2007:US\$1 = R6.86, March 2007: US\$1 = R7.29)*



P  
 46  
 DETAILED OPERATING INFORMATION YEAR TO DATE ENDED 31 MARCH 2008 (US\$/Imperial)  
 Cash  
 Cash  
 Continuing  
 operating  
 operating  
 Capital  
 Gold  
 Tonnes  
 Operating  
 Operations  
 Revenue  
 cost  
 profit/(loss)  
 expenditure  
 Produced  
 milled  
 Grade  
 cost  
 South Africa  
 US\$ million      US\$ million  
 US\$ million  
 US\$ million  
 Ounces  
 (Imperial)      (Imperial)  
 \$/ounce  
 Tshepong  
 167  
 98  
 69  
 20  
 210 201  
 1 213  
 0.173  
 467  
 Phakisa  
 2  
 1  
 1  
 28  
 2 283  
 17  
 0.138  
 579  
 Doornkop  
 25  
 25  
 –  
 35

33 115

356

0.093

742

Elandsrand

87

76

11

31

109 119

659

0.166

701

Target

50

36

14

23

63 594

511

0.124

570

Masimong

70

68

2

12

89 089

668

0.134

764

Evander Operations

Evander 5

39

28

11

4

48 613

291

0.167

571

Evander 7

36

28

8

11

48 547

266

0.183

568

Evander 8

73  
46  
27  
11  
93 172  
559  
0.167  
489  
Evander 9  
—  
—  
—  
—  
—  
—  
—  
—  
Total Evander  
Operations  
148  
102  
46  
26  
190 332  
1 116  
0.171  
530  
Bambanani  
100  
84  
16  
12  
126 545  
765  
0.165  
664  
Joel  
33  
29  
4  
4  
41 539  
298  
0.139  
706  
Virginia Operations  
Harmony 2  
30  
27  
3  
3

38 291

377

0.101

706

Merriespruit 1

28

24

4

3

33 952

316

0.107

720

Merriespruit 3

24

24

—

3

30 832

324

0.095

767

Unisel

42

33

9

4

53 048

415

0.128

618

Brand 3

29

26

3

3

37 070

341

0.109

693

Brand 5

—

1

(1)

—

—

—

—

—

Total Virginia

Operations

153  
135  
18  
16  
193 193  
1 773  
0.109  
698  
Kalgold  
58  
30  
28  
1  
72 307  
1 264  
0.057  
418  
Project Phoenix  
20  
9  
11  
—  
25 013  
5 283  
0.005  
370  
Other entities  
10  
5  
5  
13  
9 869  
496  
0.020  
463  
Total South Africa  
923  
698  
225  
221 1 166 199  
14 419  
0.081  
598  
Australia  
PNG  
—  
—  
—  
107  
—  
—

-  
-  
Total Australia  
-  
-  
-  
107  
-  
-  
-  
-  
Total Harmony  
- Continuing  
Operations  
923  
698  
225  
328 1 166 199  
14 419  
0.081  
598

P  
 47  
 Cash  
 Cash  
 Discontinued operating  
 operating  
 Capital  
 Gold  
 Tonnes  
 Operating  
 Operations  
 Revenue  
 cost  
 profit/(loss)  
 expenditure  
 Produced  
 milled  
 Grade  
 cost  
 South Africa  
 US\$ million    US\$ million  
 US\$ million  
 US\$ million  
 Ounces  
 (Imperial)    (Imperial)  
 \$/ounce  
 Orkney 2  
 21  
 21  
 –  
 1  
 26 717  
 176  
 0.152  
 786  
 Orkney 4  
 15  
 20  
 (5)  
 1  
 20 480  
 215  
 0.095  
 999  
 Orkney 7  
 8  
 12  
 (4)  
 2  
 9 935  
 180

0.055

1 166

ARM surface

-

-

-

-

-

-

-

-

Kudu/Sable

-

-

-

-

-

-

-

-

St Helena

6

13

(7)

1

8 359

86

0.097

1 558

Cooke 1

34

25

9

2

42 278

249

0.170

593

Cooke 2

38

22

16

4

48 033

287

0.168

467

Cooke 3

55

36

19



11  
68 256  
463  
0.147  
531  
Cooke Plant Operations  
22  
14  
8  
—  
27 488  
2 003  
0.014  
492  
Total South Africa  
199  
163  
36  
22  
251 546  
3 659  
0.069  
649  
Australia  
Mt Magent  
57  
42  
15  
4  
77 097  
966  
0.080  
550  
South Kal  
19  
15  
4  
13  
27 778  
477  
0.058  
529  
Total Australia  
76  
57  
19  
17  
104 875  
1 443  
0.073  
544

Total Harmony  
– Discontinued  
Operations

275  
220  
55  
39  
356 421  
5 102  
0.070  
618

Total Harmony

1 198  
918  
280  
367 1 522 620  
19 521  
0.078  
603

P  
48  
DETAILED OPERATING INFORMATION YEAR TO DATE ENDED 31 MARCH 2007 (US\$/Imperial)

Cash  
Cash  
Continuing  
operating  
operating  
Capital  
Gold  
Tonnes  
Operating  
Operations  
Revenue  
cost  
profit/(loss)  
expenditure  
Produced  
milled  
Grade  
cost  
South Africa  
US\$ million    US\$ million  
US\$ million  
US\$ million  
Ounces  
(Imperial)    (Imperial)  
\$/ounce  
Tshepong  
158  
83  
75  
19  
251 881  
1 400  
0.180  
329  
Phakisa  
—  
—  
—  
24  
—  
—  
—  
—  
Doornkop  
28  
20  
8  
26

44 307

455

0.097

442

Elandsrand

90

74

16

26

143 035

842

0.170

519

Target

67

27

40

10

105 372

657

0.160

255

Masimong

71

50

21

11

112 680

798

0.141

443

Evander Operations

Evander 5

27

20

7

4

42 019

299

0.141

483

Evander 7

28

26

2

8

43 390

328

0.132

604

Evander 8

56  
33  
23  
8  
88 125  
629  
0.140  
373  
Evander 9  
—  
—  
—  
—  
—  
—  
—  
—  
Total Evander  
Operations  
111  
79  
32  
20  
173 534  
1 256  
0.138  
457  
Bambanani  
109  
87  
22  
13  
172 130  
1 130  
0.152  
510  
Joel  
44  
25  
19  
3  
70 203  
440  
0.160  
361  
Virginia Operations  
Harmony 2  
21  
20  
1  
3

32 298

378

0.085

612

Merriespruit 1

24

16

8

3

37 932

353

0.108

426

Merriespruit 3

21

16

5

2

33 576

338

0.099

482

Unisel

37

22

15

4

59 025

463

0.128

375

Brand 3

21

17

4

1

33 778

340

0.099

493

Brand 5

—

1

(1)

—

673

11

0.062

1 472

Total Virginia

Operations

124  
92  
32  
13  
197 282  
1 883  
0.105  
466  
Kalgold  
27  
20  
7  
—  
42 321  
1 438  
0.029  
479  
Project Phoenix  
10  
5  
5  
—  
15 592  
1 553  
0.010  
291  
Other entities  
2  
1  
1  
12  
3 726  
244  
0.015  
119  
Total South Africa  
841  
563  
278  
177 1 332 063  
12 096  
0.110  
423  
Australia  
PNG  
—  
—  
—  
34  
—  
—

—  
—  
Total Australia  
—  
—  
—  
34  
—  
—  
—  
—  
Total Harmony  
— Continuing  
Operations  
841  
563  
278  
211 1 332 063  
12 096  
0.110  
423



P  
 49  
 Cash  
 Cash  
 Discontinued operating  
 operating  
 Capital  
 Gold  
 Tonnes  
 Operating  
 Operations  
 Revenue  
 cost  
 profit/(loss)  
 expenditure  
 Produced  
 milled  
 Grade  
 cost  
 South Africa  
 US\$ million US\$ million  
 US\$ million  
 US\$ million  
 Ounces  
 (Imperial) (Imperial)  
 \$/ounce  
 Orkney 2  
 25  
 20  
 5  
 4  
 39 162  
 235  
 0.167  
 505  
 Orkney 3  
 -  
 -  
 -  
 -  
 -  
 -  
 -  
 Orkney 4  
 23  
 20  
 3  
 4  
 37 181  
 316

0.118  
550  
Orkney 7  
10  
9  
1  
5  
16 202  
180  
0.090  
542  
ARM surface  
-  
-  
-  
-  
125  
1  
-  
-  
Kudu/Sable  
-  
-  
-  
-  
-  
-  
-  
-  
St Helena  
10  
13  
(3)  
1  
15 905  
179  
0.089  
811  
Cooke 1  
37  
24  
13  
1  
58 353  
321  
0.182  
412  
Cooke 2  
29  
22  
7

2  
45 877  
296  
0.155  
480  
Cooke 3  
45  
33  
12  
9  
72 193  
480  
0.151  
461  
Cooke Plant Operations  
7  
3  
4  
—  
11 736  
374  
0.031  
265  
Total South Africa  
186  
144  
42  
26  
296 734  
2 382  
0.125  
487  
Australia  
Mt Magent  
67  
51  
16  
13  
109 476  
1 446  
0.076  
468  
South Kal  
43  
32  
11  
7  
68 794  
1 058  
0.065  
458

Total Australia

110

83

27

20

178 270

2 504

0.071

465

Total Harmony

– Discontinued

Operations

296

227

69

46

475 004

4 886

0.097

478

Total Harmony

1 137

790

347

257 1 807 067

16 982

0.106

437

P  
50  
DEVELOPMENT RESULTS (Metric)

Quarter ended March 2008  
Channel\* Channel\* Channel\*

Reef Sampled

Width

Value

Gold

Metres

Metres

(Cm's)

(g/t) (Cmg/t)

Randfontein

VCR Reef

1,056

720

67

10.38

694

UE1A

1,103

1,006

203

4.21

855

E8 Reef

42

-

-

-

-

Kimberley Reef

169

117

246

7.67

1,886

E9GB Reef

249

107

58

15.55

895

All Reefs

2,618

1,950

148

5.83

860

Free State

Basal  
1,404  
1,026  
56  
15.31  
859  
Leader  
761  
706  
180  
6.26  
1,125  
A Reef  
371  
302  
93  
7.33  
682  
Middle  
–  
20  
119  
7.40  
881  
B Reef  
125  
196  
101  
12.20  
1,233  
All Reefs  
2,659  
2,250  
104  
9.12  
951  
Evander  
Kimberley Reef 1,085  
987  
88  
15.36  
1,353  
Elandskraal  
VCR Reef  
336  
346  
137  
16.50  
2,253  
Orkney  
Vaal Reef

-  
-  
-  
-  
-

VCR

-  
-  
-  
-  
-

All Reefs

-  
-  
-  
-

Target  
Elsburg

-

161  
409  
10.02  
4,099

Freegold JV

Basal  
1,212  
1,056  
37

35.63  
1,303

Beatrix

239  
216  
96  
13.29

1,280

Leader

-  
-  
-  
-

B Reef

91  
90  
58  
14.26

823

All Reefs

1,542

1,362

47

26.72

1,267

DEVELOPMENT RESULTS (Imperial)

Quarter ended March 2008

Channel\* Channel\* Channel\*

Reef Sampled

Width

Value

Gold

Feet

Feet

(inches)

(oz/t)

(in.ozt)

Randfontein

VCR Reef

3,465

2,362

26

0.31

8

UE1A

3,618

3,301

80

0.13

10

E8 Reef

139

—

—

—

—

Kimberley Reef

553

384

97

0.23

22

E9GB Reef

816

351

23

0.43

10

All Reefs

8,590

6,398

58



0.17  
10  
Free State  
Basal  
4,605  
3,366  
22  
0.45  
10  
Leader  
2,495  
2,316  
71  
0.18  
13  
A Reef  
1,216  
991  
37  
0.21  
8  
Middle  
—  
66  
47  
0.22  
10  
B Reef  
408  
643  
40  
0.35  
14  
All Reefs  
8,725  
7,382  
41  
0.27  
11  
Evander  
Kimberley Reef 3,560  
3,238  
35  
0.44  
16  
Elandskraal  
VCR Reef  
1,102  
1,135  
54  
0.48

26  
Orkney  
Vaal Reef  
—  
—  
—  
—  
—  
VCR  
—  
—  
—  
—  
—  
All Reefs  
—  
—  
—  
—  
—  
Target  
Elsburg  
—  
528  
161  
0.29  
47  
Freegold JV  
Basal  
3,977  
3,465  
14  
1.07  
15  
Beatrix  
784  
709  
38  
0.39  
15  
Leader  
—  
—  
—  
—  
—  
B Reef  
298  
295  
23  
0.41

9

All Reefs

5,060

4,469

19

0.77

15

\*The totals for these columns are the weighted average figure and not the sum thereof.

Mineral Resources and Ore Reserves

No material changes were made to Harmony's Mineral Resources and Ore Reserves for the quarter ended December 2007. Taking

into account the last six months' depletion of reserves, the Harmony Mineral Resources and Ore Reserves as stated in Harmony

2007 annual report are an accurate reflection of the company's current position. The Mineral Resources and Ore Reserves are

comprehensively audited by a team of internal competent persons that operate independently from the operating units.

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CONTACT DETAILS

Harmony Gold Mining Company Limited

Corporate Office

PO Box 2

Randfontein, 1759

South Africa

Corner Main Reef Road

and Ward Avenue

Randfontein, 1759

Johannesburg

South Africa

Telephone:

+27 11 411 2000

Website: <http://www.harmony.co.za>

Directors

P T Motsepe (Chairman)\*

G Briggs (Chief Executive Officer)

F Abbott, J A Chissano\*

†

,

F T De Buck\*, Dr D S Lushaba\*

C Markus\*, M Motloba\*,

C M L Savage\*, A J Wilkens\*

Dr C Diarra\*, K V Dicks\*

(\*non-executive)

(

†

Mozambique)

Further Information

Amelia Soares

*General Manager, Investor Relations*

Telephone:

+27 11 411 2314

Cell:

+27 (0) 82 654 9241

E-mail:

[amelia.soares@harmony.co.za](mailto:amelia.soares@harmony.co.za)

Marian van der Walt

*Company Secretary*

Telephone:

+27 11 411 2037

Fax:

+27 11 411 2398

Cell:

+27 (0) 82 888 1242

E-mail:

[marian.vanderwalt@harmony.co.za](mailto:marian.vanderwalt@harmony.co.za)

South African Share Transfer Secretaries

Link Market Services South Africa (Proprietary) Limited

(Registration number 2000/007239/07)

5th Floor, 11 Diagonal Street

Johannesburg, 2001

South Africa

PO Box 4844

Johannesburg, 2000

South Africa

Telephone:

+27 11 832 2652

Fax:

+27 11 834 4398

United Kingdom Registrars

Capita Registrars

The Registry

34 Beckenham Road

Beckenham

Kent BR3 4TU

United Kingdom

Telephone:

+44 870 162 3100

Fax:

+44 208 639 2342

ADR Depositary

The Bank of New York

101 Barclay Street

New York, NY 10286

United States of America

Telephone:

+1888-BNY ADRS

Fax:

+1 212 571 3050

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

Issuer code

HAPS

Registration number 1950/038232/06

Incorporated in the Republic of South Africa

ISIN: ZAE000015228

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NOTES

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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: 08 May, 2008

Harmony Gold Mining Company Limited

By:

/s/ Frank Abbott

Name: Frank Abbott

Title: Interim Chief Financial Officer