

HARMONY GOLD MINING CO LTD

Form 6-K

May 05, 2011

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO

RULE 13a-16 OR 15d-16 UNDER THE SECURITIES

EXCHANGE ACT OF 1934

For 5 May 2011

Harmony Gold Mining Company

Limited

Randfontein Office Park

Corner Main Reef Road and Ward Avenue

Randfontein, 1759

South Africa

(Address of principal executive offices)

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

Form 20-F 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

SHAREHOLDER INFORMATION

Issued ordinary share capital

429 807 371

at 31 March 2011

shares

Market capitalisation

At 31 March 2011 (ZARm)

42 676

At 31 March 2011 (US\$m)

6 304

Harmony ordinary share

and ADR prices

12 month high (1 April 2010 to

31 March 2011) for ordinary shares

R102.26

12 month low (1 April 2010 to

31 March 2011) for ordinary shares

R68.65

12 month high (1 April 2010 to

31 March 2011) for ADRs

US\$15.26

12 month low (1 April 2010 to

31 March 2011) for ADRs

US\$9.04

Free float

Ordinary shares

100%

ADR ratio

1:1

JSE Limited

HAR

Range for quarter

(1 January 2011 to 31 March 2011

R74.77 –

closing prices)

R102.26

Average daily volume of shares

for the quarter (1 January 2011

1 685 549

to 31 March 2011)

shares per day

New York Stock

Exchange, Inc.

HMY

Range for quarter

(1 January 2011 to

US\$10.56 –

31 March 2011 – closing prices)

US\$15.26

Average daily volume of shares

for the quarter (1 January 2011

2 720 867

to 31 March 2011)

shares per day

Highlights

Cash operating profit of R855 million

- Net profit of R238 million

Slight increase in underground grade to 4.64g/t

Stable cash operating cost

- despite production being 2% down

Headline earnings per share up 32% at 91 SA cents

Excellent drilling results at Wafi-Golpu

- Share price 20% higher quarter-on-quarter

Financial summary for the third quarter and nine months ended

31 March 2011

Quarter

Quarter

9 months

9 months

Year-on-

March

December

Q-on-Q

March

March

year

2011

2010

Variance

2011

2010

variance

%

%

Gold produced

(1)

– kg

9 857

10 055

(2)

30 383

33 649

(10)

– oz

316 909

323 275

(2)

976 834

1 081 831

(10)

Cash operating

– R/kg

217 802

216 595

(1)

221 166

193 274

(14)

costs – US\$/oz

970

979

1

962

792

(21)

Gold sold

– kg

9 716

10 046

(3)

30 631

33 468

(8)

– oz

312 378

322 986

(3)

984 811

1 076 012

(8)

Gold price

– R/kg

312 029

303 354

3

300 386

256 525

17

received

– US\$/oz

1 389

1 371

1

1 324

1 051

26

Cash operating

– R million

855

867

(1)

2 374

1 985

20
profit – US\$ million

122

126

(3)

336

261

29

Basic

– SAc/s

55

69

(20)

149

(45)

>100

earnings/(loss) – USc/s

8

10

(20)

21

(6) >100

per share*

Headline

– Rm

390

294

33

826

54

>100

profit/(loss)* – US\$m

56

43

30

117

7 >100

Headline

– SAc/s

91

69

32

192

13

>100

earnings/(loss)

– USc/s

13

10

30

27

2
>100
per share*
Exchange rate
– R/US\$
6.99
6.88
2
7.06
7.59
(7)

* Reported amounts include continuing operations only.

(1) Production statistics for Steyn 2 and Target 3 have been included. These mines are in a build-up phase and revenue and

costs are currently capitalised. Revenue capitalised includes: Quarter ending Mar 2011 Steyn 2, 14 kg (Dec 2010 – 18 kg)

and Target 3, 250 kg (Dec 2010 – 170 kg), 9 months ending Mar 2011 Steyn 2 , 63 kg (Mar 2010 – Nil) and Target 3, 531 kg

(Mar 2010 – Nil).

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

Incorporated in the Republic of South Africa

Registration number 1950/038232/06

(“Harmony” or “Company”)

Results for the third quarter and nine months ended **31 March 2011**

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

2

Results for the third quarter and nine months

ended 31 March 2011

Forward-looking statements

This quarterly report contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 with respect to Harmony's financial condition, results of operations, business strategies, operating efficiencies, competitive positions, growth opportunities for existing services, plans and objectives of management, markets for stock and other matters. Statements in this quarter that are not historical facts are "forward-looking statements" for the purpose of the safe harbour provided by Section 21E of the U.S. Securities Exchange Act of 1934, as amended, and Section 27A of the U.S. Securities Act of 1933, as amended. Forward-looking statements are statements that are not historical facts.

These statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, products and services, and statements regarding future performance. Forward-looking statements are generally identified by the words "expect", "anticipates", "believes", "intends", "estimates" and similar expressions. These statements are only predictions. All forward-looking statements involve a number of risks, uncertainties and other factors and we cannot assure you that such statements will prove to be correct. Risks, uncertainties and other factors could cause actual events or results to differ from those expressed or implied by the forward-looking statements.

These forward-looking statements, including, among others, those relating to the future business prospects, revenues and income of Harmony, wherever they may occur in this quarterly report and the exhibits to this quarterly report, are necessarily estimates reflecting the best judgment of the senior management of Harmony and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. As a consequence, these forward-looking statements should be considered in light of various important factors, including those set forth in this quarterly report. Important factors that could cause actual results

to differ materially from estimates or projections contained in the forward-looking statements include, without limitation:

overall economic and business conditions in the countries in which we operate;
the ability to achieve anticipated efficiencies and other cost savings in connection with past and future acquisitions;
increases or decreases in the market price of gold;
the occurrence of hazards associated with underground and surface gold mining;
the occurrence of labour disruptions
availability, terms and deployment of capital;
changes in government regulation, particularly mining rights and environmental regulations;
fluctuations in exchange rates;
currency devaluations and other macro-economic monetary policies; and
socio-economic instability in the countries in which we operate.

Contents

Page

Chief Executive's Review

3

Safety and health

5

Financial overview

6

Operational overview

6

– Group operational results

6

– Build-up and steady operations

6

– Doornkop

6

– Kusasalethu

7

– Phakisa

7

– Masimong

7

– Target 1

7

– Target 3

7

– Tshepong

7

– Hidden Valley

8

– Other South African operations	8
– Bambanani	8
– Steyn 2	8
– Evander	8
– Joel	8
– Unisel	8
– Total South African surface operations	9
– Kalgold	9
– Phoenix	9
– Surface dumps	9
Development	10
Exploration	11
Operating results (Rand/Metric) (US\$/Imperial)	16
Condensed consolidated income statement (Rand)	18
Condensed consolidated statement of other comprehensive income (Rand)	19
Condensed consolidated balance sheet (Rand)	20
Condensed consolidated statement of changes in equity (Rand)	21
Condensed consolidated cash flow statement (Rand)	22
Notes to the condensed consolidated financial statements	23
Segment report (Rand/Metric)	28
Operating results (US\$/Imperial)	30
Condensed consolidated income statement (US\$)	32
Condensed consolidated statement of other comprehensive income (US\$)	33
Condensed consolidated balance sheet (US\$)	34
Condensed consolidated statement of changes in equity (US\$)	35
Condensed consolidated cash flow statement (US\$)	

36

Segment report (US\$/Imperial)

37

Development results – metric and imperial

39

Contact details

40

3

Chief Executive's Review

Introduction

The past quarter has been an exciting one with our share price reaching record highs for FY11 primarily on the back of more exploration successes on the Golpu deposit and an analyst visit to our Papua New Guinea (PNG) operations.

We remain committed to our long term strategy of generating earnings to fund growth. We have invested significant capital to build and commission some of the best South African gold mining assets and the results of these efforts will be fully realised in the future.

Our transformational efforts and strategic initiatives undertaken over the last few years are all aimed at achieving robust and sustainable financial results, with better cash costs and improved grade.

Our strategy also includes a focus on both regional and asset diversification. In PNG, we have built a mine producing both gold and silver and are currently busy with further exploration in the area which includes 8 000km

2

of exploration tenements outside of the joint venture. The early findings from Wafi/Golpu has justified management's long held belief that this is a world-class asset and will be a mine.

Taking a holistic view, Harmony has several world-class mines in South Africa which are currently in the build-up phase and these, together with Hidden Valley, will be significant contributors to Harmony's set production targets.

Safety

It is with deep regret that I report that two of our colleagues died in work-related incidents during the quarter. Those who died were: *Tello Motloung*, a scraper winch operator at Bambanani and *Tjakama Ntsohi*, a winch operator at Unisel. I would like to extend my deepest condolences to their families, friends and colleagues.

Fall of ground is still the major contributor to fatalities in the Company and a high level task team has been established to formulate and implement a comprehensive fall of ground strategy.

Overall, improved discipline and management of seismicity and falls of ground, value based safety behaviour and visible leadership from the operational management resulted in improved safety at most of our operations. See more on safety on page 5.

Gold market

We do not hedge gold and our shareholders have complete exposure to spot gold prices and current exchange rates. We maintain our bullish stance on the gold price and believe it will increase further, especially in light of the weaker dollar and global economic uncertainty. Gold has proven itself to be a currency and a store of wealth in times of uncertainty. Although we have seen record high gold prices in the past quarter in dollar terms, the stronger Rand resulted in the R/kg gold price increasing by only 3% from R303 354/kg in the previous quarter to R312 029/kg in the current quarter.

Operational results for quarter 3 of FY11

Gold production decreased by 2% quarter on quarter, from 10 055kg to 9 857kg. Underground production was only 1% lower at 8 164kg, despite volumes decreasing by 3% mainly as a result of the December break. However, tonnage was made up with surface tonnes being 2% higher quarter on quarter.

Underground operations

Tonnes milled for the quarter decreased by 3% or 58 000 tonnes when compared to the December 2010 quarter. Recovered grade increased from 4.60g/t to 4.64g/t quarter on quarter. Gold production achieved in the March 2011 quarter was 8 164 kilograms, compared to 8 273 kilograms produced in the December 2010 quarter.

A 3% decrease in cash operating cost in Rand terms negated the decrease in gold produced and resulted in a 1% decrease in unit cost achieved for the March 2011 quarter at R216 799/kg compared to R218 881/kg in the previous quarter. Capital expenditure for the March 2011 quarter decreased by 18% (R124 million) to R572 million, compared to R696 million in the December 2010 quarter.

Surface operations

Tonnes milled increased by 2%, mainly due to a 111 000 tonnes (14%) increase in material from the dumps. This was due to the plants continuing to mill waste over the December break. The recovered grade decreased by 8% from 0.38g/t to 0.35g/t in the quarter under review, mainly attributed to a 9% decrease at Kalgold. Gold produced decreased by 56kg from 955kg in the December 2010 quarter to 899kg in the March 2011 quarter, a 6% decrease. Cash operating unit cost increased by 6% from R215 422/kg to R227 335/kg in the quarter under review.

Operating profit decreased by 11% to R69 million in the March 2011 quarter compared to R78 million in the previous quarter.

Hidden Valley

Gold and silver production decreased by 4% and 21%, respectively, compared to the previous quarter with 794kg (25 528oz) gold and 4 704kg (151 249oz) silver produced. Plant throughput was 4% lower at 815 000 (850 000 in the previous quarter) tonnes, which is primarily attributable to the belt breakage of the Hidden Valley conveying circuit. This is expected to negatively impact quarter four as well. See page 8 for more on the Hidden Valley mine.

Financial overview

Quarter on quarter the Rand per kilogram unit cost were kept at bay with a mere increase of 1% to R217 802/kg, in comparison to R216 595/kg in the previous quarter. This was mainly as a result of the 2% decrease in gold production as cash operating cost in Rand terms decreased by 2% (R48 million).

In R/kg terms the gold price received increased by 3% from R303 354/kg in the December 2010 quarter to R312 029/kg in the current quarter. Revenue for the March 2011 quarter decreased by 1% as a result of a 330kg (3%) decrease in the gold sold.

Quarter on quarter the capital expenditure decreased by R168 million (20%).

Cash operating cost for the March 2011 quarter decreased by R48 million or 2% when compared to the previous quarter due to cost

savings, decreased electricity and labour costs.

Operating profit decreased by 1% to R855 million when compared to the R868 million recorded in the December 2010 quarter.

4

Results for the third quarter and nine months

ended 31 March 2011

Wafi/Golpu

Drilling at the Wafi-Golpu project continues to be successful. The latest results confirm our previously held belief that this deposit is truly a world-class discovery and the pre-feasibility study will be completed towards the end of December 2011. The latest drill hole results at our Wafi-Golpu JV project (50% held by Harmony) have provided the highest mineralisation values to date.

In October 2010, Harmony reported on drilling of the Wafi-Golpu deposit, which extended the mineralisation beyond the porphyry copper-gold resource of 16Moz of gold and 4.8Mt of copper.

On 3 March 2011 we released the following drilling results:

- WR377: 883m @ 2.15% Cu and 2.23g/t Au (5.33g/t Au equivalents*) from 913m including 628m @ 2.82% Cu and 3.06g/t Au (7.13g/t Au equivalents*) from 1 043m.

* Gold equivalents calculated using a gold price of US\$950/oz and copper price of US\$2.00/lb and assuming 100% recovery for all metals.

The intercept correlates with a zone of chalcopyrite and bornite mineralisation in the porphyry and surrounding metasediment. This hole extends the known porphyry mineralisation significantly outside the current resource shell. Mineralisation is open at depth and to the north of this intercept. This intersection continues to support our Exploration Target of 30 million ounces of gold and 8 million tonnes of copper.

This project is growing with each new drill hole result and we are confident that this will be a mine.

Conclusion

The Company is showing significant progress both in the growth of its resources as well as its diversity. The key short-term objective for us is the build up of our production and to get there, the main focus is on getting the assets, in which we have invested considerable amounts of cash over the last few years, into full production.

Harmony is a company which has dramatically improved the quality of its ounces, which will continue to do so with better cash costs and free cash flow in the future.

Graham Briggs

Chief Executive Officer

5

Safety and health

Safety

Safety remains Harmony's number one priority. We dedicate our time and resources to ensure that safety-related events are avoided and we continue to proactively identify potential hazards.

Tragically, two fatalities occurred at the South African operations during the March 2011 quarter. Fall of ground incidents remain the biggest challenge. Harmony has implemented a formal Ground Control Strategy, the main objective of which is to formalise and consolidate all efforts focused on the prevention of fall of ground incidents and accidents and to promote an even safer and stable underground environment.

The strategy is divided into two main components, being ground behaviour and ground control, where ground behaviour deals with the strategic aspects of mine design in order to prevent or minimise damage to rock surrounding mining excavations. Knowledge of the mining environment and ground stability together with an understanding of the in situ and induced stress regimes plays a role in the ideal plan for each condition. Integration of support systems in the overall mine design plus the monitoring of the rock mass response form part of the ground behaviour.

Ground control deals with the operational aspects of the mine with the objective being to protect personnel and equipment from fall of ground incidents. It is the hazard identification and treatment system where support elements, layout standards and procedures are implemented by means of training, supervision and management systems that address all requirements.

Central to this approach are components that deal with behavioural aspects, competency training and development, research and new technologies.

Harmony achieved a single digit figure in respect of its Lost Time Injury Frequency Rate (LTIFR) for the tenth consecutive quarter. The year to date rate improved by 2% when compared to the previous year (from 7.72 to 7.86), but regressed by 26% quarter on quarter (from 6.88 to 8.65).

The Reportable Injury Frequency Rate (RIFR) (per million hours worked) to date rate regressed by 7% when compared to the previous year (from 4.19 to 4.49) and by 13% quarter on quarter (from 4.08 to 4.62).

The Fatal Injury Frequency Rate (FIFR) to date rate improved by 14% when compared to the previous year (from 0.21 to 0.18) and by 50% quarter on quarter (from 0.18 to 0.09).

Safety achievements for the quarter included:

Total Harmony surface and underground operations:

2 000 000 fatality free shifts

South African surface and underground operations:

1 000 000 fatality free shifts

Kusasaletu:

500 000 fatality free shifts

Evander total operations:

500 000 fatality free shifts

Tshepong:

500 000 fatality free shifts

Target 1:

500 000 fatality free shifts

The following operations completed the March 2011 quarter without an injury:

- Target Plant
- Joel Plant
- Harmony 1 Plant
- Free State Commercial Services and Transport
- Randfontein Commercial Services and Transport
- Evander Workshops
- Randfontein Surface Operations
- Kusasalethu Plant

Health

Our pro-active approach to the health and wellness of our employees continues and various programmes and initiatives are supported and sponsored by the company to ensure the wellbeing of our employees. Our objective remains to improve health management programmes and effectively utilise clinical information. This includes the review of policies, procedures and processes, as well as training, on an on-going basis.

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

6

Results for the third quarter and nine months

ended 31 March 2011

Financial overview

Cash operating profits were stable showing a 1% decrease to R855 million, as the decrease in revenue was largely offset by a decrease in production cost.

Earnings per share

Basic earnings per share decreased from 69 SA cents to 55 SA cents, while headline earnings per share increased from 69 SA cents to 91 SA cents. Headline earnings are higher than basic earnings as the impairment charge on associates is added back.

Revenue

Revenue decreased from R2 990 million to R2 949 million as a result of the lower gold sales volume. The decrease was partially offset by an increase in the Rand gold price received from R303 354/kg to R312 029/kg.

Cost of sales

Cost of sales increased from R2 506 million to R2 623 million in the March 2011 quarter. The amount reported in the December 2010 quarter included an insurance credit of R179 million related to the unwinding of the previous insurance scheme, which was a once-off entry. Production costs and employment and restructuring costs decreased in the March 2011 quarter, resulting in a saving of R57 million.

Impairment of investment in associate

On 28 April 2011, Gold One International (Gold One) and Rand Uranium (Proprietary) Limited (Rand Uranium) announced that the shareholders of Rand Uranium have accepted an offer by Gold One for the shares in Rand Uranium. Harmony holds 40% in Rand Uranium. The investment has been classified as held for sale on the balance sheet and an impairment of R160 million was recognised as the carrying value was in excess of the expected proceeds.

Investment income

Included in the amount for the March 2011 quarter is an amount of R43 million relating to interest and interest refunds from the South African Revenue Service (SARS).

Taxation

The taxation credit of R297 million includes a deferred tax credit of R333 million. SARS previously disallowed Freegold's "post 1973 gold mine" additional capital allowance claim, and also disallowed Freegold's application of mining ringfencing. The disputed matters were set down to be heard in the Income Tax Court of Johannesburg on 14 March 2011, but SARS withdrew the additional capital allowance claim on 10 March 2011, conceding that the Freegold operations are entitled to claim this capital allowance. The inclusion of the capital allowance caused an increase in the deferred tax asset on the balance sheet and the resulting credit in the income statement.

Capital expenditure

Capital expenditure decreased from R835 million in the December 2010 quarter to R667 million for the March 2011 quarter.

Trade and other receivables – current

The balance at March 2011 includes an amount of R409 million owed by SARS for VAT refunds. An amount of R200 million was overdue at 31 March 2011, the majority of which has been refunded subsequent to balance sheet date.

Borrowings

During the March 2011 quarter, R250 million was drawn from the Nedbank facility. The undrawn facility at balance sheet date was R300 million.

Operational overview

Group operational results

March

December

%

Indicator Units

2011

2010

variance

Tonnes **000**

4 646

4 675

(1)

Grade **g/t**

2.06

2.11

(2)

Gold produced

kg

9 857

10 055

(2)

Gold sold

kg

9 716

10 046

(3)

Cash operating costs **R/kg**

217 802

216 595

(1)

Operating profit

R'000

855 078

867 489

(1)

Quarter on quarter Harmony continued to control its cash cost, which resulted in a saving of R48 million. Lower production was due to the Christmas break, under-performance at Bambanani, Masimong, Unisel, Phakisa, a plant breakdown at Doornkop and the belt breakage of the conveying circuit at Hidden Valley.

Build-up and steady operations

SOUTH AFRICA**Doornkop**

March

December

%

Indicator

Units

2011

2010

variance

Tonnes

000

173

171

1

Grade

g/t

3.30

3.76

(12)

Gold produced

kg

571

643

(11)

Cash operating costs

R/kg

229 447

229 894

-

Operating profit

R'000

46 314

44 938

3

Tonnes milled at Doornkop improved slightly by 1% quarter on quarter, with more square metres being broken. The Doornkop plant experienced breakdowns, mainly due to a breakdown on the stream thickener. The plant is currently under "intensive care" to ensure that its efficiency and availability are improved.

7

The plant breakdown resulted in an 11% decrease in gold production. Cash operating costs remained stable at R229 447/kg, despite a decrease in production, whilst the operating profit improved by 3% to R46 million.

Kusasaletu

March

December

%

Indicator Units

2011

2010

variance

Tonnes 000

297

228

30

Grade g/t

4.93

4.59

7

Gold produced

kg

1 464

1 046

40

Cash operating costs

R/kg

200 579

274 201

27

Operating profit

R'000

146 982

40 192

>100

Kusasaletu recovered well after the previous quarter's lower performance following the shaft accident, with a 30% increase in tonnes milled quarter on quarter to 297 000 tonnes. The grade increased by 7% to 4.93g/t, as a result of the improved face grade and improved mine call factor.

Cash operating costs decreased by 27% to R200 579/kg, with a substantial increase in operating profit to R147 million.

Phakisa

March

December

%

Indicator Units

2011

2010

variance

Tonnes	000
88	
107	
(18)	
Grade	g/t
4.64	
4.72	
(2)	
Gold produced	
kg	
408	
505	
(19)	
Cash operating costs	
R/kg	
286 765	
221 491	
(30)	
Operating profit	
R'000	
9 674	
43 769	
(78)	

Phakisa had a challenging quarter with volumes down by 18% quarter on quarter at 88 000 tonnes milled, resulting in a 19% decrease in gold production to 408kg. Stoppages at this mine, due to ice plant difficulties and settler failure at Nyala, resulted in lower production and a decrease in operating profit to R10 million. Cash operating cost increased to R286 765/kg, compared to the R221 491/kg in the previous quarter.

Masimong

March

December

%

Indicator	Units
2011	
2010	
variance	
Tonnes	000
216	
219	
(1)	
Grade	g/t
4.81	
5.26	
(9)	
Gold produced	
kg	
1 039	
1 151	
(10)	

Cash operating costs

R/kg

175 496

168 907

(4)

Operating profit

R'000

140 570

160 961

(13)

Masimong's tonnes milled for the quarter remained fairly steady with a 1% decline in volumes to 216 000 tonnes. Lower recovery grades of 4.81g/t resulted in a 10% reduction in gold production quarter on quarter.

The cash operating costs were well controlled despite the lower production and showed only a 4% increase to R175 496/kg.

Target 1

March

December

%

Indicator

Units

2011

2010

variance

Tonnes

000

161

196

(18)

Grade

g/t

4.88

4.41

11

Gold produced

kg

785

865

(9)

Cash operating costs

R/kg

203 459

191 083

(7)

Operating profit

R'000

59 007

98 380

(40)

Gold production at Target 1 decreased by 9%, as a result of 18% less tonnes milled during the quarter, mainly due to problems experienced with the decline belt which resulted in unplanned stoppages. A new belt has been ordered. However, it is anticipated that the delay in

having the belt delivered may have an effect on Target's fourth quarter production.

Cash operating costs were 7% higher quarter on quarter at R203 459/kg, as a result of lower production.

The grade increased by 11% compared to the previous quarter.

Target 3

March

December

%

Indicator Unit

2011

2010

variance

Gold produced

kg

250

170

47

Build-up at the shaft continued this quarter, with a 47% increase in gold production to 250kg. The extensive infrastructure improvements will result in further improvements in gold production.

Tshepong

March

December

%

Indicator Units

2011

2010

variance

Tonnes 000

333

345

(3)

Grade g/t

5.04

4.72

7

Gold produced

kg

1 679

1 628

3

Cash operating costs

R/kg

170 662

176 052

3

Operating profit

R'000

236 045

212 948

11

Tshepong had a pleasing quarter with a production increase of 3%, supported by an increase in the recovery grade of 7% to 5.04g/t in comparison to the December 2010 quarter of 4.72g/t. Tshepong is the lowest cost producer in the company for the quarter at R170 662/kg and contributed 11% more in operating profit quarter on quarter at R236 million.

8

Results for the third quarter and nine months

ended 31 March 2011**INTERNATIONAL****Hidden Valley**

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

March

December

%

Indicator Units

2011

2010

variance

Tonnes 000

407

425

(4)

Grade g/t

1.95

1.95

–

Gold produced

kg

794

827

(4)

Cash operating costs

R/kg

216 981

195 605

(11)

Operating profit

R'000

83 202

99 265

(16)

Hidden Valley's grade remained stable at 1.95g/t. Volumes were 4% down due to less tonnes milled during the quarter, resulting in gold production being 4% lower quarter on quarter at 794kg. Silver production, which is treated as a credit to cash operating cost, decreased by 20% to 4 704kg compared to 5 951kg in the previous quarter.

Lower volumes and production were due to the poor performance and the belt breakage of the Hidden Valley conveying circuit. Process plant throughput declined as a result of this constraint to supply ore to the Hidden Valley pit. In order to mitigate the impact of the conveyor outage during the quarter, additional contractor haulage trucks were mobilised and assigned to haul ore from the Hidden Valley stockpile to the Hamata stockpile.

The cost of trucking ore to the plant and lower production resulted in higher cash operating costs of R216 981/kg. The conveyor belt issue

may affect the fourth quarter production.

Hidden Valley mine is now connected to the PNG Power Ltd grid and is receiving up to 10MW of grid power (more than 60% of total requirements), reducing demand on the site's diesel-fired power station.

Other underground South African operations

Bambanani

March

December

%

Indicator	Units
-----------	-------

2011

2010

variance

Tonnes	000
--------	-----

81

104

(22)

Grade	g/t
-------	-----

6.90

7.27

(5)

Gold produced

kg

559

756

(26)

Cash operating costs

R/kg

333 259

260 147

(28)

Operating profit

R'000

(12 961)

34 468

(>100)

Bambanani had another disappointing quarter. Gold production decreased by 26% to 559kg. Cash operating costs were 28% higher at R333 259/kg, as a result of lower production.

Short interval control processes have been re-introduced at Bambanani to address deficiencies and ineffectiveness at the operation.

Steyn 2

March

December

%

Indicator	Unit
-----------	------

2011

2010

variance

Gold produced

kg

14
18
(22)

Most of the quarter at Steyn 2 was spent on maintenance of equipment and addressing operational challenges. At the beginning of April 2011 production on all the available faces started and some revenue will be generated in the fourth quarter of FY11.

Evander

March

December

%

Indicator Units

2011

2010

variance

Tonnes 000

130

139

(7)

Grade g/t

3.72

3.72

–

Gold produced

kg

483

517

(7)

Cash operating costs

R/kg

298 153

300 698

1

Operating profit/(loss)

R'000

7 304

1 330

>100

Evander increased its operating profit to R7 million by managing its cash operating costs and keeping it stable at R298 153/kg, despite lower tonnes and lower kilograms produced for the quarter. Several panels were stopped due to low grade and eight crews in the decline were moved to higher grade areas to improve the average mining grade. This had an adverse effect on the square metres mined and the volumes mined, but improved the average mining grade.

Mining is now taking place further away from the edge of the payshoot with more consistent grade distribution. Stopping crews on the decline are set to deliver improved results in the June quarter.

Joel

March

December

Indicator	Units
2011	
2010	
variance	
Tonnes	
000	118
128	
(8)	
Grade	g/t
3.77	
3.19	
18	
Gold produced	
kg	
445	
408	
9	
Cash operating costs	
R/kg	
238 256	
276 787	
14	
Operating (loss)/profit	
R'000	
30 997	
2 127	
>100	

Gold production increased by 9% to 445kg, mainly due to the 18% uplift in grade to 3.77g/t, supported by improvements in the belt grade.

Despite lower volumes at 118 000 tonnes, gold production increased by 9% to 445 kg, mainly as a result of the increase in grade.

Cash operating costs were 14% lower at R238 256/kg. Higher production resulted in operating profit increasing to R31 million.

Unisel

(only operational shaft remaining under the Virginia operations)

March

December

Indicator	Units
2011	
2010	
variance	
Tonnes milled	
000	
104	
122	
(15)	
Grade	g/t
4.49	
4.64	

(3)

Gold produced

kg

467

566

(18)

Cash operating costs

R/kg

227 266

197 512

(15)

Operating profit

R'000

38 814

51 426

(25)

Unisel produced results slightly below its plan with lower production at 467kg, compared to the 566kg of the previous quarter, mainly due to less tonnes milled and a decline in the grade of 3% to 4.49g/t.

The cash operating costs increased by 15% to R227 266/kg due to lower outputs.

9

Total South African surface operations

March

December

%

Indicator

Units

2011

2010

variance

Tonnes**000**

2 538

2 491

2

Grade**g/t**

0.35

0.38

(8)

Gold produced**kg** 899

955

(6)

Gold sold**kg** 880

898

(2)

Cash operating costs R/kg

227 335

215 422

(6)

Operating profit**R'000**

69 130

77 685

(11)

Tonnes mined increased by 2% for the quarter, but the lower grade recovery grade of 0.35g/t resulted in a 6% decline in gold production.

The cash operating costs were 6% higher as a result and operating profit was 11% lower at R69 million.

Kalgold

March

December

%

Indicator

Units

2011

2010

variance

Tonnes**000**

373

413

(10)

Grade**g/t**

0.74

0.82
 (10)
 Gold produced
 kg
 276
 339
 (19)
 Cash operating costs
 R/kg
 231 188
 246 475
 6
 Operating profit
 R'000
 19 740
 16 976
 16

Volumes declined by 10%, due to the mill standing for six days as a mill bearing had to be replaced. Grade was 10% lower as a result of a decrease in waste stripping in the pit, resulting in less volumes being moved and a 19% decrease in gold production to 276kg. The cash operating cost decreased by 6% quarter on quarter to R231 188/kg, mainly due to less volumes being mined.

Phoenix (tailings)

March
 December
 %

Indicator	Units
2011	
2010	
variance	
Tonnes	
000	

1 242	
1 266	
(2)	
Grade	g/t
0.12	
0.11	
9	

Gold produced
 kg
 149
 138
 8
 Cash operating costs
 R/kg
 259 966
 241 659
 (8)
 Operating profit

R'000
 12 508
 8 728
 43

Higher operational profit of R13 million was supported by higher production at 149kg, resulting from a 9% increase in grade. Cash operating unit cost were higher at R259 966/kg.

Surface dumps

March

December

%

Indicator	Units
-----------	-------

2011

2010

variance

Tonnes	000
--------	-----

923

812

14

Grade	g/t
-------	-----

0.51

0.59

(14)

Gold produced

Kg

474

478

(1)

Cash operating costs

R/kg

214 833

185 824

(16)

Operating profit

R'000

36 882

51 981

(29)

The surface dumps managed to treat 14% more tonnes during the quarter, and despite a decrease in recovery grade at 0.51g/t, gold production remained fairly stable. The cash operating costs were higher at R214 833/kg, with operating profit subsequently lower at R37 million.

10

Results for the third quarter and nine months

ended 31 March 2011

Development

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

Ore reserve block grade (cmg/t)

Rolling 4 quarter average development grade (cmg/t)

Current quarter average development grade (cmg/t)

Bambanani

In the southern part of the mine, development grades are lower than in the previous quarter, while in the shaft pillar the grade remains above 3 000cmg/t – in line with expectations.

Doornkop

The South Reef development grades are mostly in line with expectations with some areas showing better than expected grades. No on-reef development was planned for the Kimberly Reef.

Evander 8

Almost all on-reef development is now concentrated on the Kinross payshoot in the decline area of the mine and the grades sampled are good and in line with expectations.

Joel

As expected, there was a quarter on quarter improvement in the development grades. Grades remain good in the winzes, being developed from 121 level to 129 level in the very prospective north western portion of the mine.

Kusasaletu

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

Masimong

There was a quarter on quarter drop in the grade for both the Basal and B reef development. The drop in grade on the Basal reef is due to the intersection of a sill that affects the reef on the eastern side of the mine. On the B reef, most of the on-reef development is still in areas outside of the main B reef channels.

Phakisa

Most of the development at Phakisa is taking place in the lower grade central block with its very erratic nature in terms of grade. However, positive grade trends are emerging from the development towards the north, as expected, which has resulted in a quarter on quarter increase in the development grade at the mine.

Target (narrow reef mining)

At the Target 1 shaft, there was a decrease in development grade quarter on quarter as a result of the development advancing away from the higher grade sub-outcrop area on the Dreyerskuil reefs into the Elsburgh conglomerates. It is important to note that this is not representative of the Target 1 shaft as a whole as it excludes the massive mining as well as the raises developed for rock engineering

requirements.

At the recently restarted Target 3 shaft, there has been an improvement in both grade and metres quarter on quarter with the start-up of more development ends.

Tshepong

In general lower than expected grades were sampled for most of the Basal reef raises while the B reef continued to yield positive results in the areas that has been targeted.

Virginia (Unisel)

At Unisel, the development grades of all the reefs being developed (Leader, Basal and Middle reefs) were in line with expectations and showed an improvement quarter on quarter.

Ore reserve block grades v development grades

11

Exploration

International (Papua New Guinea)**Morobe Mining Joint Venture (50% Harmony)****Wafi-Golpu**

Drilling at the Wafi-Golpu project in Papua New Guinea (PNG) has indicated further significant exploration intersections at Golpu.

Golpu is a copper-gold porphyry deposit. The best intersections are listed below.

Hole_ID

Target Depth Width

Au g/t

(m)

(m) Cu % Au g/t

equivalent*

WR361 Golpu 446 186

2.01

0.35

3.25

WR362 Golpu 160 274

1.07

0.29

1.83

WR359 Golpu

1017 860

1.37

0.70

2.68

WR363 Golpu 914 595

2.03

1.65

4.58

WR377 Golpu 913 883

2.15

2.23

5.33

* Based on gold price of US\$950/oz and copper price of US\$ 2/lb

During the quarter the results of the spectacular WR377 drill hole was released as 883m @ 2.15% Cu and 2.23g/t Au (5.33g/t Au equivalents*) from 913m including 628m @ 2.82% Cu and 3.06g/t Au (7.13g/t Au equivalents*) from 1 043m.

Drilling has identified a new prospect to the west of Golpu with drill hole WR392 returning 85m @ 3.18 g/t Au from 302m. All assays for this hole have not yet been received. Geochemistry and alteration indicate it is part of a high sulphidation system. The intercept is more than 300m from any known mineralised system. The orientation of the mineralisation is not known.

Drilling results from Golpu during the quarter have confirmed and extended the mineralisation 125m north from the 21125N section as well as indicating that the best grades seen to date are found north of 21125N. Golpu remains open to the north and at depth.

The pre-feasibility study is well on track and planned completion is at the end of the 2011 calendar year. Drilling activities continued this quarter, with five rigs that drilled 11 356 metres targeting infill and extensions of Golpu, drill holes to gain samples for metallurgical testing of Wafi and geotechnical information for the Watut decline path.

Wafi Structural corridor

Morobe Mining Joint Venture Land Position (Harmony 50%)

12

Results for the third quarter and nine months

ended 31 March 2011

Exploration along the Wafi corridor focused on prospect development work at Zimake and Mt Tonn with 795 surface samples collected during the quarter:

Zimake (EL1590)

The Zimake target is a circular magnetic anomaly approximately 5km x 6km. Historic pan concentrate samples from the target area contain anomalous grades of up to 7.9ppm Au. Reconnaissance field work commenced during the quarter included mapping and rock chip sampling and ridge and spur soil sampling. Initial observations have been encouraging with alluvial gold workings mapped in association with both propylitic and phyllic altered sedimentary rocks, adjacent a granodiorite contact. Fieldwork is continuing to the north where alteration intensity appears to become more intense. Rock chip and surface sample results are pending.

Mt Tonn (EL1316)

Grid based sampling results were received during the quarter and have been encouraging. The anomaly remains open to the south off the grid, and has distinctly elevated copper assays. Mapping showed strong pervasive biotite-chlorite alteration with weak to moderate fracturing and weak disseminated quartz-carbonate and/or pyrite veining.

Wafi transfer zone – an emerging mineral district

Wafi-Golpu Project*

4.8Mt Cu. 16 Moz Au. 55 Kt

13

PNG Exploration (Harmony 100%)

Hidden Valley satellite deposit exploration

Work to delineate additional resources around Hidden Valley has focussed on 3 main prospect areas:

- Avina magnetic target surface sampling
- Mungowe prospect mapping and surface sampling
- Kulang prospect drilling

Avina Magnetic Target (ML151)

Project generation work identified a magnetic target immediately south of the Yafo-Avina prospect on the Hidden Valley ML. Ridge and spur soil geochemistry obtained elevated zinc values peripheral to the magnetic target, suggesting potential for a porphyry system at depth. Preliminary gold assays were received and show a high order gold anomaly north of the Yafo prospect drilling, with assay values up to 3.64 g/t Au. The anomaly is over 200m long approximately 100m wide (roughly parallel with the Hamata orebody) and remains open off the grid. Further work to scope out the size potential is underway.

Mungowe prospect (EL497)

The Mungowe prospect lies 6 km to 8 km northeast of the Hamata Processing plant and represents an area of high order stream sediment anomalism. Systematic field mapping at 1: 2 500 scale at Mungowe commenced on 18 March 2011. Initial work has concentrated on areas along the mine access road southwest of the Eddie Creek, but will extend west to include mapping and sampling of the surrounding drainages. Three kilometres of mapping was completed at Mungowe.

Kulang prospect (EL497)

First pass drilling at Kulang prospect (located 4km north-northeast of Kerimenge) comprised six holes (2 929m). The drilling forms part of a broader programme to explore a major clay-pyrite alteration zone extending over 5km from the Kerimenge prospect in the south, to the Kulang prospect in the north. At the Kulang prospect, drilling was designed to test outcropping carbonate base-metal veins with anomalous surface gold geochemistry.

Although no ore grade intercepts have been obtained to date, preliminary gold results for the first four holes indicate widespread Au anomalism associated with colloform-banded quartz, rhodochrosite, and base metal sulphide veins.

Morobe Coast EL1403

In the Siu-Yagen area, grid based soil sampling was completed over a 3.6km

2

area to test the potential of an argillic alteration associated with a diorite intrusive.

14

Results for the third quarter and nine months

ended 31 March 2011

Amanab project (EL1708)

Results from soil samples obtained in the previous quarter within the Yup River East prospect area has identified a 2 by 1km² zone of anomalous gold within the exposed Amanab Metadiorite basement (gold to +100ppb).

No fieldwork was undertaken during the quarter. A desktop review was completed to assess the merits of the Yup River East target and to identify any other potential zones of interest. A regional-scale thrust within the Biaka area, coincident with an 8km x 2km zone of gold anomalous stream geochemistry, was identified as a potential source for observed alluvial gold, using a structurally controlled vein gold model. A compulsory 50% reduction was also prepared and submitted to the department as part of the desktop review process. Fieldwork scheduled for the next quarter will focus on reconnaissance mapping within the Biaka and eastern Yup River East targets.

Mount Hagen Project (EL1611 & EL1596)

Exploration activities for the current quarter focused on ridge and spur soil sampling and detailed mapping at the Kurunga and Bakil prospects. Preliminary soil sampling and reconnaissance mapping was also completed at the Penamb prospect, a potential Cu-Au porphyry system hosted within the Kurunga Intrusive Complex, 3.5km southeast of Kurunga. A total of 1 731 soil and rock chip samples were taken.

Kurunga prospect

Results received from surface sampling at Kurunga East have outlined 3 discrete Cu anomalies (+320 ppm) roughly 500m – 700m diameter. The anomalies sit in close proximity within a 2.5 by 1.5km area, east of the outcropping magnetite skarns at Kurunga. The Kurunga anomaly displays well-developed metal zonation, with a major Cu zone containing patchy but high tenor (+100ppb) Au anomalism. Peak values of 0.14% Cu, and 0.34 g/t Au were recorded. The central Cu-Au zone is surrounded by distal Zn-Pb anomalism.

Detailed mapping indicates that Cu anomalism is related to structurally-controlled phyllic alteration (quartz-pyrite-sericite), epithermal veins and a diffuse quartz-pyrite ± chalcopyrite vein stockwork within the mid-Miocene Kimil Diorite. Single, 600m diamond holes have been planned to intersect the central zone of each of the three main copper anomalies (total 1 800m), due to start in the first half of April 2011.

Bakil prospect

Infill ridge and spur soil sampling over the Bakil copper anomaly was completed during the quarter (596 samples). Results received were low order compared to the Kurunga anomaly, but regionally significant zinc anomalism combined with the mapped zoned propylitic and argillic alteration indicates that the system is exposed at a high level relative to the interpreted porphyry system at depth.

Penamb prospect

The Penamb prospect is located approximately 3.5km southeast of Kurunga camp. Ridge and spur soil sampling (165 samples) and reconnaissance mapping was completed on the western half of

the Penamb mountain. Assay results are pending. Preliminary field observations combined with historic data indicate the presence of a fertile Cu-Au porphyry system with significant phyllic and propylitic alteration zones within the main Penamb creek and along several ridges. Several float samples from Penamb creek contain outer potassic alteration assemblages (secondary biotite and minor potassium feldspar). Stream and ridge mapping will commence in the next quarter, combined with soil sampling of the eastern half of the mountain.

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

South Africa

Uranium Project Tshepong, Phakisa, Masimong Project (TPM)

TPM evaluates the potential for the economic recovery of uranium from the ore mined at the Tshepong, Phakisa and Masimong operations in the Free State. The project will produce an average of 600 000 lbs of uranium per annum from 280 000 tonnes per month of underground ore from Tshepong, Phakisa and Masimong over an 18 year life. The processing of the uranium enhances the gold recovery resulting in increased gold production from these operations. When the uranium is treated as a by-product and therefore a credit to costs, operating costs of the contributing shafts will be reduced.

The resource totals 169.6 Mt and contains 82 M lbs of uranium. The feasibility study that is presently being completed will incorporate these tonnes and grades in the mining model.

The feasibility study is progressing well and remains on track for the gate review in the next quarter. Test work on the resin in pulp demonstration plant was completed during the quarter. It has shown the resin to have good durability and the results are being incorporated into the feasibility study.

15

Incorporated in the Republic of South Africa

Registration number 1950/038232/06

(“Harmony” or “Company”)

Results for the third quarter and nine months ended 31 March 2011

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

Financial results for

the third quarter and nine months

ended 31 March 2011

(Rand) and (US\$)

16

Results for the third quarter and nine months

ended 31 March 2011

17

Operating results

(Rand/Metric) (US\$/Imperial)

Underground production – South Africa

Surface production – South Africa

Total

South

South

Quarter

Kusasa-

Under-

Total

Africa

Africa

Hidden

Harmony

Ended

Bambanani Doornkop

Evander

Joel

Iethu Masimong

Phakisa

Steyn 2

Target 1

Target 3 Tshepong

Unisel

ground

Kalgold Phoenix Dumps Surface

Other

Total Valley

Total

Ore milled

– t'000

Mar-11

81

173

130

118

297

216

88

–

161

–

333

104

1 701

373

1 242

923

2 538

–

4 239

407

4 646

Dec-10

104

171

139

128

228

219

107

–

196

–

345

122

1 759

413

1 266

812

2 491

–

4 250

425

4 675

Gold produced

– kg

Mar-11

559

571

483

445

1 464

1 039

408

14

785

250

1 679

467

8 164

276

149

474

899

–

9 063

794
9 857
Dec-10
756
643
517
408
1 046
1 151
505
18
865
170
1 628
566
8 273
339
138
478
955
—
9 228
827
10 055
Gold produced
— oz
Mar-11
17 972
18 358
15 529
14 307
47 069
33 405
13 117
450
25 238
8 038
53 981
15 014
262 478
8 874
4 790
15 239
28 903
—
291 381
25 528
316 909
Dec-10
24 306
20 673

16 622
 13 117
 33 630
 37 005
 16 236
 579
 27 810
 5 466
 52 341
 18 197
 265 982
 10 899
 4 437
 15 368
 30 704

–
 296 686
 26 589
 323 275

Yield
 – g/tonne

Mar-11

6.90
3.30
3.72
3.77
4.93
4.81
4.64

–
4.88
 –

5.04
4.49
4.64
0.74
0.12
0.51
0.35

–
2.08
1.95
2.06

Dec-10

7.27	3.76	3.72	3.19	4.59	5.26	4.72	–	4.41	–
4.72	4.64	4.60							
0.82									
0.11									
0.59	0.38								
–	2.13								
1.95	2.11								

Cash operating costs

– R/kg

Mar-11

333 259

229 447

298 153

238 256

200 579

175 496

286 765

–

203 459

–

170 662

227 266

216 799 231 188 259 966 214 833

227 335

–

217 876

216 981

217 802

Dec-10

260 147

229 894

300 698

276 787

274 201

168 907

221 491

–

191 083

–

176 052

197 512

218 881 246 475 241 659 185 824

215 422

–

218 516

195 605

216 595

Cash operating costs

– \$/oz

Mar-11

1 484

1 022

1 327

1 061

893

781

1 277

–

906
 -
760
1 012
965
1 029
1 157
957
1 012
 -
970
966 **970**
 Dec-10
 1 176
 1 039
 1 359
 1 251
 1 239
 763
 1 001
 -
 864
 -
 796
 893
 989
 1 114
 1 092
 840
 974
 -
 988
 884
 979
Cash operating costs
- R/tonne
Mar-11
2 300
757
1 108
899
989
844
1 330
 -
992
 -
860
1 021
1 007
171

31
110
81
—
452
423
450
Dec-10
1 891
864
1 118
882
1 258
888
1 045
—
843
—
831
916
1 006
202
26
109
83
—
465
381
457
Gold sold
— Kg
Mar-11
541
543
523
405
1 545
1 005
394
14
707
250
1 624
452
8 003
263
147
470
880
—
8 883

833

9 716

Dec-10

765

634

464

413

981

1 176

511

18

881

170

1 648

578

8 239

282

138

478

898

—

9 137

909

10 046

Gold sold

— oz

Mar-11

17 394

17 458

16 815

13 021

49 673

32 311

12 667

450

22 731

8 038

52 213

14 532

257 303

8 456

4 726

15 111

28 293

—

285 596

26 782

312 378

Dec-10

24 595

20 384

14 918
13 278
31 540
37 809
16 429
579
28 325
5 466
52 984
18 583
264 890
9 066
4 437
15 368
28 871
—
293 761
29 225
322 986
Revenue
(R'000)
Mar-11
169 264
169 602
162 346
126 329
480 596
314 222
123 501
—
221 194
—
507 523
141 255
2 415 832
81 888
45 861 147 391
275 140
– 2 690 972
258 327
2 949 299
Dec-10
231 965
192 144
140 589
125 035
296 220
356 059
155 108
—
267 003

—
500 078
175 198
2 439 399
85 258
42 077 145 633
272 968

—
2 712 367
278 094
2 990 461

**Cash operating
(R'000)**

Mar-11

186 292

131 014

144 008

106 024

293 648

182 340

117 000

—
159 715

—
286 542

106 133

1 712 716

63 808

38 735 101 831

204 374

– 1 917 090

172 283

2 089 373

costs

Dec-10

196 671

147 822

155 461

112 929

286 814

194 412

111 853

—
165 287

—
286 612

111 792

1 769 653

83 555

33 349

88 824

205 728

–

1 975 381

161 765

2 137 146

Inventory

(R'000)

Mar-11

(4 067)

(7 726)

11 034

(10 692)

39 966

(8 688)

(3 173)

–

2 472

–

(15 064)

(3 692)

370

(1 660)

(5 382)

8 678

1 636

–

2 006

2 842

4 848

movement

Dec-10

826

(616)

(16 202)

9 979

(30 786)

686

(514)

–

3 336

–

518

11 980

(20 793) (15 273)

–

4 828

(10 445)

–

(31 238)

17 064

(14 174)

Operating costs

(R'000)

Mar-11

182 225

123 288

155 042

95 332

333 614

173 652

113 827

–

162 187

–

271 478

102 441

1 713 086

62 148

33 353 110 509

206 010

– 1 919 096

175 125

2 094 221

Dec-10

197 497

147 206

139 259

122 908

256 028

195 098

111 339

–

168 623

–

287 130

123 772

1 748 860

68 282

33 349

93 652

195 283

–

1 944 143

178 829

2 122 972

Operating profit

(R'000)

Mar-11

(12 961)

46 314

7 304

30 997

146 982
140 570
9 674
 -
59 007
 -
236 045
38 814
702 746
19 740 **12 508** **36 882**
69 130
 -
771 876
83 202
855 078
 Dec-10
 34 468
 44 938
 1 330
 2 127
 40 192
 160 961
 43 769
 -
 98 380
 -
 212 948
 51 426
 690 539
 16 976
 8 728
 51 981
 77 685
 -
 768 224
 99 265
 867 489
Operating profit
(\$'000)
Mar-11
(1 856)
6 629
1 047
4 436
21 040
20 122
1 385
 -
8 446
 -
33 788

5 556

100 593

2 826

1 791

5 279

9 896

–

110 489

11 910

122 399

Dec-10

5 008

6 530

193

310

5 840

23 386

6 360

–

14 295

–

30 941

7 472

100 335

2 467

1 268

7 553

11 288

–

111 623

14 423

126 046

Capital expenditure

(R'000)

Mar-11

37 321

67 049

29 981

14 733

85 915

40 588

81 737

37 009

74 469

22 026

67 259

14 225

572 312

1 246

5 844

12 353

19 443
7 112
598 867
67 982
666 849
Dec-10
29 419
84 573
56 709
21 686
84 178
48 327
102 675
43 886
81 114
52 601
72 715
18 639
696 522
6 726
10 352
15 260
32 338
20 862
749 722
84 971
834 693
Capital expenditure
(\$'000)
Mar-11
5 342
9 598
4 292
2 109
12 298
5 810
11 700
5 298
10 660
3 153
9 628
2 036
81 924
178
837
1 768
2 783
1 018
85 725
9 731
95 456

Dec-10
4 275
12 288
8 240
3 151
12 231
7 022
14 919
6 377
11 786
7 643
10 566
2 708
101 206
977
1 504
2 217
4 698
3 031
108 935
12 346
121 281

Production statistics for Steyn 2 and Target 3 have been included. These mines are in a build-up phase and revenue and costs are currently capitalised, until commercial production levels are reached.

18

Results for the third quarter and nine months

ended 31 March 2011

CONDENSED CONSOLIDATED INCOME STATEMENT (Rand)

Quarter ended

Nine months ended

Year ended

31 March 31 December

31 March¹

31 March

31 March¹

30 June

2011

2010

2010

2011

2010

2010

(Unaudited)

(Unaudited)

(Unaudited)

(Unaudited)

(Unaudited)

(Audited)

Note

R million

R million

R million

R million

R million

R million

Continuing operations

Revenue

2 949

2 990

2 521

9 023

8 239

11 284

Cost of sales

2

(2 623)

(2 506)

(2 581)

(8 125)

(7 837)

(10 484)

Production costs

(2 064)

(2 093)

(1 882)

(6 565)		
(6 249)		
(8 325)		
Royalty expense		
(30)		
(30)		
(5)		
(84)		
(5)		
(33)		
Amortisation and depreciation		
(431)		
(442)		
(324)		
(1 299)		
(994)		
(1 375)		
Impairment of assets		
–	–	
(196)		
–	(300)	
(331)		
Employment termination and restructuring costs		
(26)		
(54)		
(120)		
(158)		
(123)		
(205)		
Other items		
(72)		
113	(54)	
(19)		
(166)		
(215)		
Gross profit/(loss)		
326	484	(60)
898	402	800
Corporate, administration and other expenditure		
(93)		
(96)		
(83)		
(283)		
(257)		
(382)		
Social investment expenditure		
(27)		
(23)		
(25)		

(66)					
(54)					
(81)					
Exploration expenditure					
3					
(77)					
(76)					
(66)					
(251)					
(159)					
(219)					
Profit/(loss) on sale of property, plant and equipment					
8	1	(1)	24	3	
104					
Other (expenses)/income – net					
(8)					
6	(2)				
(56)					
(95)					
(58)					
Operating profit/(loss)					
129	296	(237)			
266	(160)				
164					
(Loss)/profit from associates					
(24)					
(19)					
5	(51)				
61	56				
Impairment of investment in associate					
6					
(160)					
–					
–					
(160)					
–					
–					
Loss on sale of investment in subsidiary					
–	–				
(24)					
–	(24)				
(24)					
Net gain on financial instruments					
4					
3	78	–	392	3	38
Investment income					
64	38	61	116	186	
187					
Finance cost					

(71)				
(69)				
(60)				
(199)				
(152)				
(246)				
(Loss)/profit before taxation				
(59)	324	(255)		
364	(86)			
175				
Taxation				
297	(28)			
(25)				
275	(108)			
(335)				
Normal taxation				
(12)				
–	(22)			
(22)				
(63)				
(84)				
Deferred taxation				
5				
309	(28)			
(3)				
297	(45)			
(251)				
Net profit/(loss) from continuing operations				
238	296	(280)		
639	(194)			
(160)				
Discontinued operations				
Profit/(loss) from discontinued operations				
6				
–	23	(15)	20	(12)
(32)				
Net profit/(loss)				
238	319	(295)		
659	(206)			
(192)				
<i>Attributable to:</i>				
Owners of the parent				
238	319	(295)		
659	(206)			
(192)				
Non-controlling interest				
–	–	–		
–				
–				
–				

Earnings/(loss) per ordinary share (cents)

7				
– Earnings/(loss) from continuing operations				
55	69	(65)		
149	(45)			
(38)				
– Earnings/(loss) from discontinued operations				
–	5	(4)	5	(3)
(8)				

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

55	74	(69)		
154	(48)			
(46)				

Diluted earnings/(loss) per ordinary share (cents)

7				
– Earnings/(loss) from continuing operations				
55	69	(65)		
149	(45)			
(38)				
– Earnings/(loss) from discontinued operations				
–	5	(3)	5	(3)
(8)				

Total diluted earnings/(loss) per ordinary share (cents)

55	74	(68)		
154	(48)			
(46)				

¹ The comparative figures are re-presented due to Mount Magnet being reclassified as a discontinued operation. See note 6 in this regard.

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

19
CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME (Rand)

Quarter ended

Nine months ended

Year ended

31 March 31 December

31 March

31 March

31 March

30 June

2011	2010	2010	2011	2010	2010
(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)

R million

R million

R million

R million

R million

R million

Net profit/(loss) for the period

238	319	(295)
------------	------------	--------------

659	(206)
------------	--------------

(192)

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

6	(161)
---	-------

71	(50)
----	------

35	(131)
----	-------

Foreign exchange translation

22	(131)
----	-------

72	(3)
----	-----

34	(127)
----	-------

Fair value movement of
available-for-sale investments

(16)

(30)

(1)

(47)

1	(4)
---	-----

**Total comprehensive income/(loss)
for the period**

244	158	(224)
------------	------------	--------------

609	(171)
------------	--------------

(323)

Attributable to:

Owners of the parent

244	158	(224)
-----	-----	-------

609	(171)
-----	-------

(323)

Non-controlling interest

–	–	–	–	–	–
---	---	---	---	---	---

20

Results for the third quarter and nine months

ended 31 March 2011

CONDENSED CONSOLIDATED BALANCE SHEET (Rand)

	At	At
At	At	
31 March		
31 December		
30 June		
31 March		
	2011	2010
2010	2010	
(Unaudited)		
(Audited)		
(Unaudited)		
Note		
R million		
R million		
R million		
R million		
ASSETS		
Non-current assets		
Property, plant and equipment		
30 557		
30 218		
29 556		
29 403		
Intangible assets		
2 188		
2 199		
2 210		
2 210		
Restricted cash		
27	26	
146	147	
Restricted investments		
1 866		
1 864		
1 742		
1 726		
Investments in financial assets		
236	264	
12	18	
Investments in associates		
–	358	
385	391	
Inventories		
227	232	
214	81	
Deferred tax asset		

2 310	
1 925	
1 875	
1 891	
Trade and other receivables	
69	69
75	76
37 480	
37 155	
36 215	
35 943	
Current assets	
Inventories	
954	943
987	
1	
152	
Trade and other receivables	
8	
1 111	
962	
932	
1 217	
Income and mining taxes	
119	102
74	44
Cash and cash equivalents	
656	837
770	481
2 840	
2 844	
2 763	
2 894	
Assets of disposal groups classified as held for sale	
6	
174	—
245	—
3 014	
2 844	
3 008	
2 894	
Total assets	
40 494	
39 999	
39 223	
38 837	
EQUITY AND LIABILITIES	
Share capital and reserves	
Share capital	
28 290	
28 277	

28 261
 28 102
 Other reserves
 299 266
 258 535
 Retained earnings

1
 135 897
 690 676
 29 724
 29 440
 29 209
 29 313

Non-current liabilities

Deferred tax liability

5 623
 5 538
 5 409
 5 217

Provision for environmental rehabilitation

1 785
 1 752
 1 692
 1 704

Retirement benefit obligation and other provisions

179 179
 169 167

Borrowings

9
 1 487
 1 243
 981
 780
 9 074
 8 712
 8 251
 7 868

Current liabilities

Borrowings

9
 336 344
 209 221

Income and mining taxes

17 10
 9 17

Trade and other payables

1 343
 1 493
 1 410
 1 418

1 696

1 847

1 628

1 656

Liabilities of disposal groups classified as held for sale

6

— —

135 —

1 696

1 847

1 763

1 656

Total equity and liabilities

40 494

39 999

39 223

38 837

Number of ordinary shares in issue

429 807 371

429 506 618

428 654 779

426 191 965

Net asset value per share (cents)

6 916

6 854

6 814

6 878

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

21

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Rand)

for the nine months ended 31 March 2011

Share

Other

Retained

capital

reserves

earnings

Total

R million

R million

R million

R million

Balance – 30 June 2010

28 261

258

690

29 209

Issue of shares

29 – –

29

Share-based payments

– 91 – 91

Total comprehensive income for the period

– (50)

659 609

Dividends paid

– –

(214)

(214)

Balance as at 31 March 2011**28 290****299****1 135****29 724**

Balance – 30 June 2009

28 091

339

1 095

29 525

Issue of shares

11 – –

11

Share-based payments

– 108

– 108

AVRD share issue reserve*

– 151

– 151

Repurchase of equity interest

—
(98)
—
(98)
Total comprehensive loss for the period
— 35 (206)
(171)
Dividends paid
— —
(213)
(213)
Balance as at 31 March 2010
28 102
535
676
29 313

* This relates to the transaction with Africa Vanguard Resources (Doornkop) (Proprietary) Limited (AVRD).

22

Results for the third quarter and nine months

ended 31 March 2011

CONDENSED CONSOLIDATED CASH FLOW STATEMENT (Rand)

Quarter ended

Nine months ended

Year ended

31 March 31 December

31 March

31 March

31 March

30 June

2011

2010

2010

2011

2010

2010

(Unaudited)

(Unaudited)

(Unaudited)

(Unaudited)

(Unaudited)

(Audited)

R million

R million

R million

R million

R million

R million

R million

Cash flow from operating activities

Cash generated by operations

213

450

295

1 366

703

1

611

Interest and dividends received

64

38

66

116

186

187

Interest paid

(34)

(35)

(32)

(99)

(52)

(90)

Income and mining taxes refund/(paid)

8

(30)

(11)

(26)

(70)

(125)

Cash generated by operating activities

251

423

318

1 357

767

1

583

Cash flow from investing activities

Decrease in restricted cash

-

90

301

120

15

15

Proceeds on disposal of investment in subsidiary

-

-

24

229

24

24

Proceeds on disposal of available-for-sale financial assets				
–	2	–	1	44
50				
Other investing activities				
16	(6)			
(8)				
20	(3)			
(12)				
Net additions to property, plant and equipment				
(687)				
(846)				
(988)				
(2 281)				
(2 785)				
(3 493)				
Cash utilised by investing activities				
(671)				
(760)				
(671)				
(1 911)				
(2 705)				
(3 416)				
Cash flow from financing activities				
Borrowings raised				
250	525	250	775	936
1				
236				
Borrowings repaid				
(17)				
(107)				
(260)				
(130)				
(285)				
(391)				
Ordinary shares issued – net of expenses				
13	8	6	29	11
18				
Dividends paid				
–	–	–	(214)	
(213)				
(213)				
Cash generated/(utilised) by financing activities				
246	426	(4)		
460	449	650		
Foreign currency translation adjustments				
(7)				
(24)				
30	(20)			
20	3			

Net (decrease)/increase in cash and cash equivalents			
(181)			
65	(327)		
(114)			
(1 469)			
(1 180)			
Cash and cash equivalents – beginning of period			
837	772	808	770
1			
950			
1			
950			
Cash and cash equivalents – end of period			
656			
837			
481			
656			
481			
770			

23**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

for the third quarter and nine months ended 31 March 2011

1.**Accounting policies***Basis of accounting*

The condensed consolidated financial statements for the nine months ended 31 March 2011 have been prepared in accordance with IAS 34,

Interim Financial Reporting, JSE Limited Listings Requirements and in the manner required by the Companies Act of South Africa. They should

be read in conjunction with the annual financial statements for the year ended 30 June 2010, which have been prepared in accordance with

International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS). The accounting policies are

consistent with those described in the annual financial statements, except for the adoption of applicable revised and/or new standards issued

by the International Accounting Standards Board.

2.**Cost of sales**

Quarter ended

Nine months ended

Year ended

31 March 31 December

31 March¹

31 March

31 March¹

30 June

2011 2010 2010 2011 2010 2010

(Unaudited) (Unaudited) (Unaudited) (Unaudited) (Unaudited) (Audited)

R million

R million

R million

R million

R million

R million

Production costs

2 064

2 093

1 882

6 565

6 249

8 325

Royalty expense

30 30 5 84 5

33

Amortisation and depreciation

431 442 324 1 299 994

1

375

Impairment of assets

(2)

–	–	196			
–	300	331			
Rehabilitation expenditure					
4	5	7	13	16	
29					
Care and maintenance cost of restructured shafts					
35	28	11	88	42	57
Employment termination and restructuring costs					
26	54	120	158	123	205
Share based payments					
28	32	36	91	108	
148					
Insurance adjustment/(credit)					
(3)					
5	(179)				
–	(174)				
–					
Provision for post-retirement benefits					
–	1	–	1	–	
(19)					

Total cost of sales**2 623****2 506****2 581****8 125****7 837****10 484**

(1) The comparative figures are re-presented due to Mount Magnet being reclassified as part of discontinued operations. See note 6 in this regard.

(2) The impairments for the quarter ended 31 March 2010, nine months ended 31 March 2010 and year ended 30 June 2010 relates mainly to Virginia and Evander, which was recorded as a result of shaft closures.

(3) Net proceeds on unwinding of previous insurance agreement.

3.**Exploration expenditure**

Quarter ended

Nine months ended

Year ended

31 March 31 December

31 March

31 March

31 March

30 June

2011 2010 2010 2011 2010 2010

(Unaudited) (Unaudited) (Unaudited) (Unaudited) (Unaudited) (Audited)

R million

R million

R million

R million

R million

R million

Total exploration expenditure

87

102

66

287

159

219

Less:

Expenditure

capitalised

(10)

(26) – (36)

–

–

Exploration expenditure per**income statement****77 76 66 251****159****219****4.****Net gain on financial instruments**

During the September 2010 quarter, a gain of R273 million was recognised on the Freegold option, which was classified as a financial asset

at fair value through profit or loss. This was following Harmony Gold Mining Company Limited (Harmony) entering into two transactions with

Witwatersrand Consolidated Gold Resources Limited (Wits Gold), whereby Wits Gold obtains a prospecting right over Harmony's Merriespruit

South area and the option held by ARMgold/Harmony Freegold Joint Venture Company (Proprietary) Limited (Freegold), a wholly owned

subsidiary of Harmony, is cancelled.

During the December 2010 quarter, an amount of R78 million was recognised, being the increase in the fair value of the Nedbank Equity Linked

Deposits held by the Environmental Trusts.

24

Results for the third quarter and nine months
ended 31 March 2011

5.

Deferred taxation

The taxation credit of R297 million includes a deferred tax credit of R333 million. The South African Revenue Service (SARS) previously disallowed Freegold's "post 1973 gold mine" additional capital allowance claim, and also disallowed Freegold's application of mining ringfencing. The disputed matters were set down to be heard in the Income Tax Court of Johannesburg on 14 March 2011, but SARS withdrew the additional capital allowance claim on 10 March 2011, conceding that the Freegold operations are entitled to claim this capital allowance. The inclusion of the capital allowance caused an increase in the deferred tax asset on the balance sheet and the resulting credit in the income statement.

6.

Disposal groups classified as held for sale and discontinued operations

Mount Magnet

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

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

Investment in associate

The investment in Rand Uranium has been classified as held for sale following the decision by the shareholders to sell the business. In terms of the binding offer accepted by the shareholders on 21 April 2011, the subordinated shareholder's loan of R63 million due to the group will be repaid out of the sale proceeds. As the investment is carried at fair value, and the carrying value of the investment exceeds the expected proceeds, an impairment of R160 million has been recognised in the income statement.

7.

Earnings/(loss) per ordinary share

Earnings/(loss) per ordinary share is calculated on the weighted average number of ordinary shares in issue for the quarter ended 31 March 2011: 429.5 million (31 December 2010: 429.1 million, 31 March 2010: 426.1 million), and nine months ended 31 March 2011:

429.1 million (31 March 2010: 425.9 million), and the year ended 30 June 2010: 426.4 million.

The diluted earnings/(loss) per ordinary share is calculated on weighted average number of diluted ordinary shares in issue for the quarter ended 31 March 2011: 430.7 million (31 December 2010: 429.9 million, 31 March 2010: 429.6 million), and the nine months ended

31 March 2011: 430.2 million (31 March 2010: 429.6 million), and the year ended 30 June 2010: 427.8 million.

25

Quarter ended

Nine months ended

Year ended

31 March 31 December

31 March¹

31 March

31 March¹

30 June

2011	2010	2010	2011	2010	2010
(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)

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

Basic earnings/(loss)

55 74 (69)

154 (48)

(46)

Diluted earnings/(loss)

55 74 (68)

154 (48)

(46)

Headline earnings/(loss)

91 69 (27)

192 10 (7)

– from continuing operations

91 69 (24)

192 13 1

– from discontinued operations

– – (3) – (3)

(8)

Diluted headline earnings/(loss)

91 69 (27)

192 10 (7)

– from continuing operations

91 69 (24)

192 13 1

– from discontinued operations

– – (3) – (3)

(8)

R million

R million

R million

R million

R million

R million

Reconciliation of headline

earnings/(loss):

Continuing operations

Net profit/(loss)

238 296 (280)

639 (194)

(160)

Adjusted for:

Profit on sale of property, plant and equipment

(8)

(1)

(3)

(24)

(3)

(104)

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

2 - 1 7 1

22

Net gain on financial instruments

(3)

(1)

- (4)

(5)

(7)

Taxation effect of net gain on financial instruments

1 - - 1 2 2

Impairment of investments in associate*

160

-

-

160

-

-

Foreign exchange loss/(gain) reclassified from
other comprehensive income*

-

-

-

47

(22)

(22)

Loss on sale of investment in subsidiary

- - 24

- 24 24

Taxation effect of loss on sale of investment
in subsidiary

- - (7)

- (7)

(7)

Impairment of other investments*

- - - 2 -

Impairment of assets

- - 196

- 301 331

Taxation effect of impairment of assets

- -

(34)					
-	(45)				
(75)					
Headline earnings/(loss)					
390	294	(103)			
826	54	4			
Discontinued operations					
Net profit/(loss)					
-	23	(15)	20	(12)	
(32)					
<i>Adjusted for:</i>					
Loss/(profit) on sale of property, plant and equipment					
-	-	2	-	(1)	
-					
Taxation effect of loss/(profit) on sale of property, plant and equipment					
-	-	(1)			
	-	-			
Profit on sale of investment in subsidiary					
-	-	-	(138)		
-	(1)				
Taxation effect of profit on sale of investment in subsidiary					
-	-	-	34	-	-
Foreign exchange (gain)/loss reclassified from other comprehensive income*					
-					
(23)					
-	84	-			
-					
Headline loss					
-	-	(14)			
-	(13)				
(33)					
Total headline earnings/(loss)					
390	294	(117)			
826	41				
(29)					

(1) The comparative figures are re-presented due to Mount Magnet being reclassified as discontinued operation. See note 6 in this regard.

*

There is no taxation effect on these items.

26

Results for the third quarter and nine months
ended 31 March 2011

8.**Trade and other receivables**

Included in the balance at 31 March 2011 is an amount of R409 million for VAT claims receivable. This is an increase of R191 million from the balance of R218 million at 31 December 2010.

9.**Borrowings**

31 March

31 December

30 June

31 March

2011 2010

2010

2010

(Unaudited)

(Audited)

(Unaudited)

R million

R million

R million

R million

Total long-term borrowings

1 487

1 243

981

780

Total current portion of borrowings

336

344

209

221

Total borrowings**(1) (2)****1 823****1 587****1 190****1 001**

(1) In December 2009, the Company entered into a loan facility with Nedbank Limited, comprising a Term Facility of R900 million and a Revolving Credit Facility of R600 million.

Interest accrues on a day-to-day basis over the term of the loan at a variable interest rate, which is fixed for a three month period, equal to JIBAR plus 3.5%. Interest is repayable quarterly. The Term Facility is repayable bi-annually in equal instalments of R90 million over 5 years. The first instalment was paid on 30 June 2010.

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

with the repayment terms of the new Revolving Credit Facility, being payable after 3 years from December 2010.

At 31 March 2011, R300 million (31 December 2010: R550 million) of these facilities had not been drawn down.

(2) Included in the borrowings is R58 million (31 December 2010: R63 million; June 2010: R91 million; March 2010: R99 million) owed to Westpac Bank Limited in terms of a finance lease agreement. The future minimum lease payments are as follows:

31 March	
31 December	
30 June	
31 March	
2011	2010
2010	
2010	
(Unaudited)	
(Audited)	
(Unaudited)	
R million	
R million	
R million	
R million	
Due within one year	
29	28
33	
33	
Due between one and five years	
30	
36	
60	
69	
59	64
93	
102	
Future finance charges	
(1)	(1)
(2)	
(3)	
Total future minimum lease payments	
58	63
91	
99	

10. Commitments and contingencies

31 March

31 December

30 June

31 March

2011 2010

2010

2010

(Unaudited)

(Audited)

(Unaudited)

R million

R million

R million

R million

Capital expenditure commitments:

Contracts for capital expenditure

191

166

117

271

Authorised by the directors but not contracted for

2 175

2 669

1 006

1 667

2 366

2 835

1 123

1 884

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

Contingent liability

For a detailed disclosure on contingent liabilities refer to Harmony's annual report for the financial year ended 30 June 2010, available on the

group's website at www.harmony.co.za. There were no significant changes in contingencies since 30 June 2010.

11. Subsequent events

On 29 April 2011, Taung Gold Limited (Taung) paid R100 million to Harmony in terms of the amended agreement for the purchase of the

Evander 6 shaft and Twistdraai areas. In terms of the amended agreement, the amount is repayable to Taung should the outstanding conditions

for the transactions not be fulfilled.

On 28 April 2011, Gold One International (Gold One) and Rand Uranium (Proprietary) Limited (Rand Uranium) announced that the shareholders

of Rand Uranium have accepted an offer by Gold One for the shares in Rand Uranium for an amount of US\$250 million. Of this US\$36 million

accrues to Harmony to settle both the shareholder loan and the sale of shares.

12. Segment report

The segment report follows on page 28.

27

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

Nine months

Nine months

ended ended

31 March

31 March¹

2011 2010

R million

R million

The “Reconciliation of segment information to consolidated income statement and balance sheet” line item in the segment report is broken down in the following elements, to give a better understanding of the differences between the income statement, balance sheet and segment report:

Revenue from:

Discontinued operations

– –

Production costs from:

Discontinued operations

– –

Reconciliation of production profit to gross profit:

Total segment revenue

9 023

8 239

Total segment production costs and royalty expense

(6 649)

(6 254)

Production profit as per segment report

2 374

1 985

Less: Discontinued operations

– –

2 374

1 985

Cost of sales items other than production costs and royalty expense

(1 476)

(1 583)

Amortisation and depreciation

(1 299)

(994)

Impairment of assets

– (300)

Employment termination and restructuring costs

(158)

(123)

Share-based payments

(91) (108)

Net insurance credit

174 –

Rehabilitation costs

(13) (16)

Care and maintenance costs of restructured shafts

(88)

(42)

Provision for post-retirement benefits

(1) —

Gross profit as per income statements *

898 402

Reconciliation of total segment mining assets to consolidated property, plant and equipment:

Property, plant and equipment not allocated to a segment:

Mining assets

885 767

Undeveloped property

5 139

5 328

Other non-mining assets

69 346

6 093

6 441

(1) The comparative figures are re-presented due to Mount Magnet being reclassified as discontinued operation. See note 6 in this regard.

* The reconciliation was done up to the first recognisable line item on the income statement. The reconciliation will follow the income statement after that.

28

Results for the third quarter and nine months

ended 31 March 2011

SEGMENT REPORT FOR THE NINE MONTHS ENDED 31 MARCH 2011 (Rand/Metric) (Unaudited)

Production

Production

Mining

Capital

Kilograms

Tonnes

Revenue

cost

(1)

profit assets

expenditure

produced milled

R million

R million

R million

R million

R million

kg

t'000

Continuing operations

South Africa

Underground

Bambanani

(2)

671

603

68

1 087

231

2 289

314

Doornkop

530

418

112

3 027

221

1 755

484

Evander

477

471

6

936

146

1

552

409

Joel		295			
293					
2					
181					
55					
1					
001					
286					
Kusasaletu					
1 252					
976					
276					
3 151					
274					
4 023					
794					
Masimong					
1					
045					
571	474	831	129	3 453	678
Phakisa					
390					
337					
53					
4 263					
276					
1 290					
281					
Target					
(2)					
732					
520					
212					
2 711					
348					
3 017					
562					
Tshepong					
1 508					
852					
656					
3 630					
201					
4 995					
1 016					
Virginia					
539	451				
88	696				
63	1 793	470			
Surface					
All other surface operations					

(3)					
866					
640	226	143	93	2 923	
7					
866					
Total South Africa					
8 305					
6 132					
2 173					
20 656					
2 037					
28 091					
13 160					
International					
Papua New Guinea					
718					
517					
201					
3 808					
212					
2 292					
1 259					
Total international					
718					
517					
201					
3 808					
212					
2 292					
1 259					
Total continuing operations					
9 023					
6 649					
2 374					
24 464					
2 249					
30 383					
14 419					
Discontinued operations					
Mount Magnet					
-					
-	-	-	-	-	-
Total discontinued operations					
-					
-	-	-	-	-	-
Total operations					
9 023					
6 649					
2 374					
24 464					
2 249					

30 383

14 419

Reconciliation of the segment
information to the consolidated
income statement and
balance sheet (refer to note 13)

—

—

6 093

9 023

6 649

30 557

Notes:

- (1) Production costs includes royalty expense.
- (2) Production statistics for Steyn 2 and Target 3 are shown for information purposes. These mines are in build-up phase and revenue and costs are currently capitalised until commercial levels of production are reached.
- (3) Includes Kalgold, Phoenix, Dumps and President Steyn plant clean-up.

29
 SEGMENT REPORT FOR THE NINE MONTHS ENDED 31 MARCH 2010 (Rand/Metric) (Unaudited)

Production						
Production						
Mining						
Capital						
Kilograms						
Tonnes						
Revenue						
cost						
(1)						
profit	assets					
expenditure						
produced	milled					
R million						
R million						
R million						
R million						
R million						
kg						
t'000						
Continuing operations						
South Africa						
Underground						
Bambanani						
762						
536	226	947	114	2 938	399	
Doornkop						
373						
298						
75						
2 473						
238						
1 442						
401						
Evander		736				
690						
46						
909						
137						
2						
898						
642						
Joel						
426						
289	137	138	70	1 628	348	
Kusasaletu						
1 026						
849						
177						
2 943						

344					
4 044					
721					
Masimong					
916					
524	392	745	133	3 639	681
Phakisa		250			
225					
25					
3					
983					
368					
955					
244					
Target					
627					
479					
148					
2 502					
269					
2 578					
578					
Tshepong					
1 308					
837					
471					
3 646					
191					
5 031					
1 174					
Virginia					
1 137					
1 094					
43					
659					
142					
4 495					
1 415					
Surface					
All other surface operations					
(2)					
678					
433	245	128	56	2 683	
6					
661					
Total South Africa					
8 239					
6 254					
1 985					
19 073					
2 062					

32 331

13 264

International

Papua New Guinea

(3)

—

—

—

3 872

467

1 318

—

Total international

—

—

—

3 872

467

1 318

—

Discontinued operations

Mount Magnet

— — — 17

—

—

Total discontinued operations

— — — 17

—

—

Total operations

8 239

6 254

1 985

22 962

2 529

33 649

13 264

Reconciliation of the segment
information to the consolidated
income statement and
balance sheet (refer to note 13)

—

6

441

8 239

6 254

29 403

Notes:

(1) Production costs include royalty expenses.

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

(3) Production statistics for Hidden Valley, President Steyn and Target 3 are shown for information purposes. The mine is in a build-up phase and revenue and costs are currently capitalised until commercial levels of production are reached.

30

Results for the third quarter and nine months

ended 31 March 2011

31

Operating results (US\$/Imperial)

Underground production – South Africa

Surface production – South Africa

Total

South

South

Quarter

Kusasa-

Under-

Total

Africa

Africa

Hidden

Harmony

Ended

Bambanani Doornkop

Evander

Joel

Iethu Masimong

Phakisa

Steyn 2

Target 1

Target 3 Tshepong

Unisel

ground

Kalgold Phoenix Dumps Surface

Other

Total Valley

Total

Ore milled

– t'000

Mar-11

89

191

143

130

328

238

97

–

178

–

367

115

1 876

411

1 370

1 018

2 799

–

4 675

449

5 124

Dec-10

115

189

153

141

251

241

118

–

216

–

380

135

1 939

455

1 396

895

2 746

–

4 685

469

5 154

Gold produced

– oz

Mar-11

17 972

18 358

15 529

14 307

47 069

33 405

13 117

450

25 238

8 038

53 981

15 014

262 478

8 874

4 790

15 239

28 903

–

291 381

25 528

316 909

Dec-10

24 306

20 673

16 622

13 117

33 630

37 005

16 236

579

27 810

5 466

52 341

18 197

265 982

10 899

4 437

15 368

30 704

–

296 686

26 589

323 275

Yield

– oz/t

Mar-11

0.202

0.096

0.109

0.110

0.144

0.140

0.135

–

0.142

–

0.147

0.131

0.135

0.022

0.003

0.015

0.010

–

0.061

0.057 **0.060**

Dec-10

0.211 0.109 0.109 0.093 0.134 0.154 0.138

– 0.129

– 0.138 0.135 0.134

0.024

0.003	
0.017	0.011
–	0.062
0.057	0.062
Cash operating costs	
– \$/oz	
Mar-11	
1 484	
1 022	
1 327	
1 061	
893	
781	
1 277	
–	
906	
–	
760	
1 012	
965	
1 029	
1 157	
957	
1 012	
–	
970	
966	970
Dec-10	
1 176	
1 039	
1 359	
1 251	
1 239	
763	
1 001	
–	
864	
–	
796	
893	
989	
1 114	
1 092	
840	
974	
–	
988	
884	
979	
Cash operating costs	
– \$/t	

Mar-11
300
98
144
117
128
110
173
-
128
-
112
132
131
22
4
14
10
-
59
55
58
 Dec-10
 248
 110
 60
Gold sold
- oz
Mar-11
17 394
17 458
16 815
13 021
49 673
32 311
12 667
450
22 731
8 038
52 213
14 532
257 303
8 456
4 726
15 111
28 293
-
285 596
26 782
312 378
 Dec-10

114	148	116	166	117	138	-	111	-
120	133	27	3	14	11	-	61	50

24 595
 20 384
 14 918
 13 278
 31 540
 37 809
 16 429
 579
 28 325
 5 466
 52 984
 18 583
 264 890
 9 066
 4 437
 15 368
 28 871
 -
 293 761
 29 225
 322 986
Revenue
(\$'000)
Mar-11
24 229
24 277
23 239
18 083
68 794
44 979
17 678
 -
31 662
 -
72 649
20 220
345 810
11 722
6 565
21 098
39 385
 -
385 195
36 978
422 173
 Dec-10
 33 705
 27 919
 20 428
 18 168
 43 041

51 735
22 537
—
38 796
—
72 661
25 456
354 446
12 388
6 114
21 161
39 663
—
394 109
40 407
434 516
Cash operating
(\$'000)
Mar-11
26 667
18 754
20 613
15 177
42 033
26 101
16 747
—
22 862
—
41 017
15 192
245 163
9 134
5 544
14 577
29 255
—
274 418
24 661
299 079
costs
Dec-10
28 577
21 479
22 589
16 408
41 674
28 249
16 252
—
24 016

-
 41 645
 16 243
 257 132
 12 140
 4 846
 12 906
 29 892
 -
 287 024
 23 505
 310 529
Inventory
(\$'000)
Mar-11
(582)
(1 106)
1 579
(1 530)
5 721
(1 244)
(454)
 -
354
 -
(2 156)
(528)
54
(238)
(770)
1 242
234
 -
288
407 **695**
movement
 Dec-10
 120
 (90)
 (2 354)
 1 450
 (4 473)
 100
 (75)
 -
 485
 -
 75
 1 741
 (3 021)
 (2 219)

-
 702
 (1 517)
 -
 (4 538)
 2 479
 (2 059)
Operating costs
(\$'000)
Mar-11
26 085
17 648
22 192
13 647
47 754
24 857
16 293
 -
23 216
 -
38 861
14 664
245 217
8 896
4 774
15 819
29 489
 -
274 706
25 068
299 774
 Dec-10
 28 697
 21 389
 20 235
 17 858
 37 201
 28 349
 16 177
 -
 24 501
 -
 41 720
 17 984
 254 111
 9 921
 4 846
 13 608
 28 375
 -
 282 486

25 984

308 470

Operating profit

(\$'000)

Mar-11

(1 856)

6 629

1 047

4 436

21 040

20 122

1 385

-

8 446

-

33 788

5 556

100 593

2 826

1 791

5 279

9 896

-

110 489

11 910

122 399

Dec-10

5 008

6 530

193

310

5 840

23 386

6 360

-

14 295

-

30 941

7 472

100 335

2 467

1 268

7 553

11 288

-

111 623

14 423

126 046

Capital expenditure

(\$'000)

Mar-11

5 342
9 598
4 292
2 109
12 298
5 810
11 700
5 298
10 660
3 153
9 628
2 036
81 924
178
837
1 768
2 783
1 018
85 725
9 731
95 456
Dec-10
4 275
12 288
8 240
3 151
12 231
7 022
14 919
6 377
11 786
7 643
10 566
2 708
101 206
977
1 504
2 217
4 698
3 031
108 935
12 346
121 281

Production statistics for Steyn 2 and Target 3 have been included. These mines are in a build-up phase and revenue and costs are currently capitalised, until commercial production levels are reached.

32

Results for the third quarter and nine months

ended 31 March 2011

CONDENSED CONSOLIDATED INCOME STATEMENT (US\$)

(Convenience translation)

Quarter ended

Nine months ended

Year ended

31 March 31 December

31 March¹

31 March

31 March¹

30 June

2011	2010	2010	2011	2010	2010
(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)

US\$ million

US\$ million

US\$ million

US\$ million

US\$ million

US\$ million

Continuing operations

Revenue

422

434

336

1 278

1 085

1 489

Cost of sales

(375)

(364)

(344)

(1 150)

(1 032)

(1 383)

Production

costs

(295) (304) (251) (930) (823)

(1

099)

Royalty

expense

(4) (4) (1) (12) (1) (4)

Amortisation and depreciation

(62)

(64)

(43)

(184)

(131)

(181)

Impairment of assets

–

–

(26)

–

(40)

(43)

Employment termination and restructuring costs

(4)

(8)

(16)

(22)

(16)

(27)

Other items

(10)

16 (7)

(2)

(21)

(29)

Gross profit/(loss)

47 70 (8)

128 53

106

Corporate, administration and other expenditure

(13)

(14)

(12)

(40)

(34)

(50)

Social investment expenditure

(4)

(3)

(3)

(9)

(7)

(11)

Exploration expenditure

(11)

(11)

(9)

(36)

(20)

(29)

Profit on sale of property, plant and equipment

1 – – 3 –

14

Other (expenses)/income – net

(1)

1 – (8)

(13)				
(8)				
Operating profit/(loss)				
19	43	(32)		
38	(21)			
22				
(Loss)/profit from associates				
(3)				
(3)				
1	(7)			
8	7			
Impairment of investment in associate				
(23)				
—				
—				
(23)				
—				
—				
Loss on sale of investment in subsidiary				
—	—	(3)		
—	(3)			
(3)				
Net gain on financial instruments				
—				
11	—	55	—	5
Investment income				
9	6	8	16	25
25				
Finance cost				
(10)				
(10)				
(8)				
(28)				
(20)				
(32)				
(Loss)/profit before taxation				
(8)	47	(34)		
51	(11)			
24				
Taxation				
42	(4)			
(3)				
39	(14)			
(44)				
Normal taxation				
(2)				
—				
(3)				
(3)				
(8)				
(11)				

Deferred taxation				
44	(4)			
–				
42	(6)			
(33)				
Net profit/(loss) from continuing operations				
34	43	(37)		
90	(25)			
(20)				
Discontinued operations				
Profit/(loss) from discontinued operations				
–	3	(2)	3	(2)
(4)				
Net profit/(loss)				
34	46	(39)		
93	(27)			
(24)				
<i>Attributable to:</i>				
Owners of the parent				
34	46	(39)		
93	(27)			
(24)				
Non-controlling interest				
–	–	–	–	
–				
–				
Earnings/(loss) per ordinary share (cents)				
– Earnings/(loss) from continuing operations				
8	10	(9)		
21				
(6)				
(5)				
– Earnings/(loss) from discontinued operations				
–	1	–	1	–
(1)				
Total earnings/(loss) per ordinary share (cents)				
8	11	(9)		
22	(6)			
(6)				
Diluted earnings/(loss) per ordinary share (cents)				
– Earnings/(loss) from continuing operations				
8	10	(9)		
21				
(6)				
(5)				
– Earnings/(loss) from discontinued operations				
–	1	–	1	–
(1)				
Total diluted earnings/(loss) per ordinary share (cents)				
8	11	(9)		

22 (6)
(6)

¹ The comparative figures are re-presented due to Mount Magnet being reclassified as a discontinued operation. The currency conversion average rates for the quarter ended: March 2011: US\$1 = R6.99 (December 2010: US\$1 = R6.88, March 2010: US\$1 = R7.50).

The currency conversion average rates for the nine months ended: March 2011: US\$1 = R7.06 (March 2010: US\$1 = R7.59).

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

Note on convenience translation

Except where specific statements have been extracted from the 2010 Annual Report, the requirements of IAS 21, *The Effects of the Changes in*

Foreign Exchange Rates, have not necessarily been applied in the translation of the US Dollar financial statements presented on page 32 to 38.

33					
CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME (US\$)					
(Convenience translation)					
Quarter ended					
Nine months ended					
Year ended					
31 March	31 December				
31 March					
31 March					
31 March					
30 June					
2011	2010	2010	2011	2010	2010
(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
US\$ million					
US\$ million					
US\$ million					
US\$ million					
US\$ million					
US\$ million					
Net profit/(loss) for the period					
34	46	(39)			
93	(27)				
(24)					
Other comprehensive income/(loss) for the period, net of income tax					
1	(23)				
9	(7)				
4	25				
Foreign exchange translation					
3	(19)				
9	–				
4					
25					
Fair value movement of available-for-sale investments (2)					
(4)					
–	(7)				
–	–				
Total comprehensive income/(loss) for the period					
35	23	(30)			
86	(23)				
1					
<i>Attributable to:</i>					
Owners of the parent					
35	23	(30)			
86	(23)				
1					
Non-controlling interest					
–	–	–	–	–	–

Edgar Filing: HARMONY GOLD MINING CO LTD - Form 6-K

The currency conversion average rates for the quarter ended: March 2011: US\$1 = R6.99 (December 2010: US\$1 = R6.88, March 2010: US\$1 = R7.50).

The currency conversion average rates for the nine months ended: March 2011: US\$1 = R7.06 (March 2010: US\$1 = R7.59).

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

34

Results for the third quarter and nine months

ended 31 March 2011

CONDENSED CONSOLIDATED BALANCE SHEET (US\$)

(Convenience translation)

At	At		
At	At		
31 March			
31 December			
30 June			
31 March			
2011	2010		
2010	2010		
(Unaudited)	(Unaudited)	(Audited)	(Unaudited)
US\$ million			
US\$ million			
US\$ million			
US\$ million			
ASSETS			
Non-current assets			
Property, plant and equipment			
4 509			
4 568			
3 874			
4 020			
Intangible assets			
323	332		
290	302		
Restricted cash			
4	4		
19			
20			
Restricted investments			
275	282		
228	236		
Investments in financial assets			
35	40		
2	2		
Investments in associates			
–	54		
50	53		
Inventories			
33	35		
28	11		
Deferred tax asset			
341	291		
246	259		
Trade and other receivables			
10	10		
10	10		

5 530

5 616

4 747

4 913

Current assets

Inventories

141 143

129 158

Trade and other receivables

164 145

122 166

Income and mining taxes

18 15

10 6

Cash and cash equivalents

97 127

101 66

420 430

362 396

Assets of disposal groups classified as held for sale

26 -

32 -

446 430

394 396

Total assets**5 976****6 046****5 141****5 309****EQUITY AND LIABILITIES****Share capital and reserves**

Share capital

4 175

4 275

4 027

3 842

Other reserves

44 40

(40)

73

Retained earnings/(accumulated loss)

167 136

(159)

92

4 386

4 451

3 828

4 007

Non-current liabilities

Deferred tax

830 837

709	714
Provisions for other liabilities and charges	
263	265
222	233
Retirement benefit obligation and other provisions	
26	27
22	23
Borrowings	
219	188
129	107
1 338	
1 317	
1 082	
1 077	
Current liabilities	
Borrowings	
50	52
27	30
Income and mining taxes	
3	1
1	2
Trade and other payables	
199	225
185	193
252	278
213	225
Liabilities of disposal groups classified as held for sale	
–	–
18	–
252	278
231	225

Total equity and liabilities**5 976****6 046****5 141****5 309**

Number of ordinary shares in issue

429 807 371

429 506 618

428 654 779

426 191 965

Net asset value per share (cents)

1 023

1 036

893

941

The balance sheet for March 2011 converted at a conversion rate of US\$1 = R6.78 (December 2010: US\$1 = R6.62, March 2010: US\$1: R7.31).

The balance sheet as at 30 June 2010 has been extracted from the 2010 Annual Report.

35CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (US\$) (Unaudited)
for the nine months ended 31 March 2011 (Convenience translation)

Share			
Other			
Retained			
capital	reserves	earnings	
Total			
US\$ million			
US\$ million			
US\$ million			
US\$ million			
Balance – 30 June 2010			
4 171			
38			
102			
4 311			
Issue of shares			
4	–	–	4
Share-based payments			
–	13	–	13
Total comprehensive income for the period			
–	(7)		
97	90		
Dividends paid			
–	–		
(32)			
(32)			
Balance as at 31 March 2011			
4 175			
44			
167			
4 386			
Balance – 30 June 2009			
3 840			
46			
149			
4 035			
Issue of shares			
2	–	–	2
Share-based payments			
–	15	–	15
AVRD share issue reserve*			
–	21	–	21
Repurchase of equity interest			
–			
(13)			
–	(13)		
Total comprehensive loss for the period			

-	4
(28)	
(24)	
Dividends paid	
-	-
(29)	
(29)	

Balance as at 31 March 2010

3 842

73

92

4 007

* This relates to the transaction with Africa Vanguard Resources (Doornkop) (Proprietary) Limited (AVRD).

The currency conversion closing rates for the nine months ended: March 2011: US\$1 = R6.78 (March 2010: US\$1 = R7.31).

36

Results for the third quarter and nine months

ended 31 March 2011

CONDENSED CONSOLIDATED CASH FLOW STATEMENT (US\$)

(Convenience translation)

Quarter ended

Nine months ended

Year ended

31 March 31 December

31 March

31 March

31 March

30 June

2011	2010	2010	2011	2010	2010
(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)

US\$ million

US\$ million

US\$ million

US\$ million

US\$ million

US\$ million

Cash flow from operating activities

Cash generated by operations

30	65	39	194	93	
----	----	----	-----	----	--

214

Interest and dividends received

9	6	9	16	25	
---	---	---	----	----	--

25

Interest paid

(5)

(5)

(4)

(14)

(7)

(12)

Income and mining taxes refund/(paid)

1	(4)				
---	-----	--	--	--	--

(1)

(4)

(9)

(17)

Cash generated by operating activities

35	62	43	192	102	
----	----	----	-----	-----	--

210

Cash flow from investing activities

Decrease in restricted cash

-	13	40	17	2	2
---	----	----	----	---	---

Proceeds on disposal of investment in subsidiary

-	-	3	32	3	3
---	---	---	----	---	---

Proceeds on disposal of available-for-sale financial assets

–	–	–	–	6	7
Other investing activities					
2	(1)				
(1)					
3	–	(2)			
Net additions to property, plant and equipment					
(98)					
(123)					
(131)					
(323)					
(367)					
(463)					
Cash utilised by investing activities					
(96)					
(111)					
(89)					
(271)					
(356)					
(453)					
Cash flow from financing activities					
Borrowings raised					
36	76	33	110	123	
168					
Borrowings repaid					
(2)					
(16)					
(35)					
(18)					
(37)					
(57)					
Ordinary shares issued – net of expenses					
2	1	1	4	2	3
Dividends paid					
–	–	–	(30)		
(29)					
(29)					
Cash generated/(utilised) by financing activities					
36	61	(1)			
66	59	85			
Foreign currency translation adjustments					
(5)					
4	3	9	8	6	
Net (decrease)/increase in cash and cash equivalents					
(30)					
16	(44)				
(4)					
(187)					
(152)					
Cash and cash equivalents – beginning of period					
127	111	110	101	253	253
Cash and cash equivalents – end of period					

97

127

66

97

66

101

Operating activities translated at average rates for the quarter ended: March 2011: US\$1 = R6.99 (December 2010: US\$1 = R6.88, March 2010:

US\$1 = R7.50). Nine months ended: March 2011: US\$1 = R7.06 (March 2010: US\$1 = R7.59).

Closing balance translated at closing rates of: March 2011: US\$1 = R6.78 (December 2010: US\$1 = R6.62, March 2010: US\$1: R7.31).

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

37
 SEGMENT REPORT FOR THE NINE MONTHS ENDED 31 MARCH 2011 (US\$/Imperial) (Unaudited)
 (Convenience translation)

Production
 Production
 Mining
 Capital
 Ounces
 Tons
 Revenue
 cost
 (1)
 profit assets
 expenditure
 produced milled
 US\$ million
 US\$ million
 US\$ million
 US\$ million
 US\$ million
 oz
 t'000

Continuing operations

South Africa

Underground

Bambanani

(2)
 95 85
 10
 160 33
 73

593
 346
 Doornkop

75 59
 16
 447 31
 56

425
 534
 Evander 68

67
 1
 138
 21

49
 898
 450

Joel 42
 42

—
 —
 —

27		
8		
32		
182		
315		
Kusasaletu		177
138		
39		
465		
39		
129		
343		
876		
Masimong		148
81		
67		
123		
18		
111		
016		
747		
Phakisa		
56	48	8
629	39	
41		
474		
310		
Target		
(2)		
104	74	
30		
400	49	
96		
999		
620		
Tshepong		
214		
121		
93		
536		
29		
160 592		
1 120		
Virginia		
76	63	
13		
103	9	
57		
646		
519		
Surface		

All other surface operations

(3)

121 91 30 21 13

93

976

8

673

Total South Africa**1 176****869****307****3 049****289****903 144****14 510**

International

Papua New Guinea

102

73

28

562

30

73 690

1 389

Total international**102****73****28****562****30****73 690****1 389****Total continuing operations****1 278****942****336****3 611****319****976 834****15 899****Discontinued operations**

Mount Magnet

- - - - - - -

Total discontinued operations

- - - - - - -

Total operations**1 278****942****336****3 611****319**

976 834

15 899

Notes:

(1)

Production costs includes royalty expense.

(2)

Production statistics for Steyn 2 and Target 3 are shown for information purposes. These mines are in build-up phase and revenue and costs are currently capitalised until commercial levels of production are reached.

(3)

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

All income statement items, including capital expenditure, are converted at the currency conversion rate of US\$1 = R7.06.

Mining assets are converted at the currency conversion rate of US\$1 = R6.78.

38

Results for the third quarter and nine months

ended 31 March 2011

SEGMENT REPORT FOR THE NINE MONTHS ENDED 31 MARCH 2010 (US\$/Imperial) (Unaudited)
(Convenience translation)

Production

Production

Mining

Capital

Ounces

Tons

Revenue

cost

(1)

profit assets

expenditure

produced milled

US\$ million

US\$ million

US\$ million

US\$ million

US\$ million

oz

t'000

Continuing Operations

South Africa

Underground

Bambanani

100 70

30

129 15

94

459

440

Doornkop

49 39

10

338 31

46

361

442

Evander 97

91

6

124

18

93

173

708

Joel

56 38 18 19 9

52				
342				
384				
Kusasaletu				
135	112	23		
402	45			
130				
018				
795				
Masimong				
121	69			
52				
102	18			
116				
996				
751				
Phakisa				
33	30	3		
545	49			
30				
704				
269				
Target				
83	63			
20				
342	35			
82				
885				
638				
Tshepong				
172				
110				
62				
498				
25				
161 751				
1 295				
Virginia				
150				
144				
6				
90				
19				
144 517				
1 560				
Surface				
All other surface operations				
(2)				
89	58	31	18	7
86				
260				

7		
344		
Total South Africa		
1 085		
824		
261		
2 607		
271		
1 039 466		
14 626		
International		
Papua New Guinea		
(3)		
—	—	
—		
529		
62		
42		
365		
—		
Total international		
—	—	
—		
529		
62		
42		
365		
—		
Discontinued operations		
Mount Magnet		
—	—	
—		
2	—	—
—		
Total discontinued operations		
—	—	
—		
2	—	—
—		
Total operations		
1 085		
824		
261		
3 138		
333		
1 081 831		
14 626		

Notes:

- (1) Production costs include royalty expenses.
- (2) Includes Kalgold, Phoenix, Dumps and President Steyn plant clean-up.

(3) Production statistics for Hidden Valley, President Steyn and Target 3 are shown for information purposes. The mine is in a build-up phase and revenue and costs are currently capitalised until commercial levels of production are reached.

All income statement items, including capital expenditure, are converted at the currency conversion rate of US\$1 = R7.59.

Mining assets are converted at the currency conversion rate of US\$1 = R7.31.

39

DEVELOPMENT RESULTS (Metric)

Quarter ended 31 March 2011

Channel

Channel

Reef

Sampled

Width

Value

Gold

(metres)

(metres)

(cm's)

(g/t)

(cmg/t)

Tshepong

Basal 608

588

10.35

102.36

1 060

B Reef

113

75

98.86

17.42

1 722

All Reefs 720

663**20.37****55.72****1 135**

Phakisa & Nyala

Basal 249

270

44.74

19.02

851

All Reefs 249

270**44.74****19.02****851**

Total Bambanani

(incl. Bambanani, Steyn 1 & Steyn 2)

Basal 75

78

145.46

17.14

2 493

All Reefs 75

78
145.46
17.14
2 493
 Bambanani
 Basa 1 75
 78
 145.46
 17.14
 2 493
 All Reefs 75
78
145.46
17.14
2 493
 Doornkop
 Kimberley Reef
 63
 54
 341.80
 2.44
 835
 South Reef
 387
 398
 64.71
 15.93
 1 031
 All Reefs 450
452
97.85
10.29
1 007
 Kusasalethu
 VCR Reef
 780
 746
 71.79
 18.02
 1 294
 All Reefs
780 746 71.79
18.02
1 294
 Total Target
 (incl. Target 1 & Target 3)
 Elsburg 324
 178
 152.87
 14.11
 2 157

A Reef	
37	
37	
122.26	
12.86	
1 572	
B Reef	
29	
18	
38.41	
22.39	
860	
All Reefs	390
232	
139.39	
14.11	
1 967	
Target 1	
Elsburg	151
73	
195.96	
19.76	
3 872	
All Reefs	
151	73
195.96	
19.76	
3 872	
Target 3	
Elsburg	173
104	
122.59	
7.76	
952	
A Reef	
37	
37	
122.26	
12.86	
1 572	
B Reef	
29	
18	
38.41	
22.39	
860	
All Reefs	239
158	
113.20	
9.58	
1 085	

Masimong	
Basal	424
327	
61.61	
17.41	
1 073	
B Reef	
117	
109	
80.28	
13.66	
1 097	
All Reefs	541
435	
66.27	
16.28	
1 079	
Evander	
Kimberley	367
362	
37.45	
53.68	
2 010	
All Reefs	367
362	
37.45	
53.68	
2 010	
Virginia (incl. Unisel & Merriespruit)	
Basal	601.0
482	
126.59	
8.84	
1 119	
Leader	320.6
303	
159.58	
7.82	
1 248	
A Reef	
12.1	
11	
48.27	
17.08	
824	
Middle	37.8
38	
118.79	
13.16	
1 564	

B Reef	
25.9	
17	
68.12	
5.27	
359	
All Reefs	997
850	
135.81	
8.58	
1 166	
Joel	
Beatrix	388
396	
149.84	
10.80	
1 619	
All Reefs	388
396	
149.84	
10.80	
1 619	
Total Harmony	
Basal	
1 957	
1 745	
63.44	
17.51	
1 111	
Beatrix	388
396	
149.84	
10.80	
1 619	
Leader	321
303	
159.58	
7.82	
1 248	
B Reef	
285	
218	
82.36	
15.00	
1 235	
A Reef	
49.3	
47.5	
105.12	
13.31	
1 399	

Middle	37.8
37.5	
118.79	
13.16	
1 564	
Elsburg	323.9
177.5	
152.87	
14.11	
2 157	
Kimberley	429.9
415.5	
77.00	
24.12	
1 858	
South Reef	
387	
397.5	
64.71	
15.93	
1 031	
VCR	780
746	
71.79	
18.02	
1 294	
All Reefs	4 958
4 483	
85.69	
15.31	
1 312	

DEVELOPMENT RESULTS (Imperial)

Quarter ended 31 March 2011

Channel
 Channel
 Reef
 Sampled
 Width
 Value
 Gold
 (feet)
 (feet)
 (inches)
 (oz/t)
 (in.oz/t)
 Tshepong
 Basal
 1 993
 1 929
 4
 3.04

12	
B Reef	
370	
246	
39	
0.51	
20	
All Reefs	2 363
2 175	8
1.63	
13	
Phakisa & Nyala	
Basal	817
886	
18	
0.54	
10	
All Reefs	817
886	
18	
0.54	
10	
Total Bambanani	
(incl. Bambanani, Steyn 1 & Steyn 2)	
Basal	247
257	
57	
0.50	
29	
All Reefs	247
257	
57	
0.50	
29	
Bambanani	
Basal	247
257	
57	
0.50	
29	
All Reefs	247
257	
57	
0.50	
29	
Doornkop	
Kimberley Reef	
206	
177	
135	
0.07	

10	
South Reef	
1 269	
1 304	
25	
0.47	
12	
All Reefs	1 475
1 481	
39	
0.30	
12	
Kusasaletu	
VCR Reef	
2 560	
2 448	
28	
0.53	
15	
All Reefs	
2 560	2 448
28	0.53
15	
Total Target	
(incl. Target 1 & Target 3)	
Elsburg	1 063
582	
60	
0.41	
25	
A Reef	
122	
120	
48	
0.38	
18	
B Reef	
95	
57	
15	
0.66	
10	
All Reefs	1 279
760	
55	
0.41	
23	
Target 1	
Elsburg	495
240	
77	

0.58				
44				
All Reefs				
495	240	77	0.58	44
Target 3				
Elsburg		567		
342				
48				
0.23				
11				
A Reef				
122				
120				
48				
0.38				
18				
B Reef				
95				
57				
15				
0.66				
10				
All Reefs		784		
519				
45				
0.28				
12				
Masimong				
Basal				
1 391				
1 071				
24				
0.51				
12				
B Reef				
385				
356				
32				
0.39				
13				
All Reefs				
1 776	1 428			
26	0.48			
12				
Evander				
Kimberley				
1 204				
1 186				
15				
1.54				
23				

All Reefs	1 204
1 186	
15	
1.54	
23	
Virginia	
(incl. Unisel & Merriespruit)	
Basal	
1 972	
1 581	
50	
0.26	
13	
Leader	1 052
992	
63	
0.23	
14	
A Reef	
40	
36	
19	
0.50	
9	
Middle	124
123	
47	
0.38	
18	
B Reef	
85	
56	
27	
0.15	
4	
All Reefs	3 272
2 789	
53	
0.25	
13	
Joel	
Beatrix	1 273
1 299	
59	
0.32	
19	
All Reefs	1 273
1 299	
59	
0.32	
19	

Total Harmony	
Basal	
6 419	
5 724	
25.00	
0.51	
12.75	
Beatrix	
1 273	
1 299	
59.00	
0.32	
18.59	
Leader	1 052
992	
63.00	
0.23	
14.33	
B Reef	
935	
716	
32.00	
0.44	
14.19	
A Reef	
162	
156	
41.00	
0.39	
16.06	
Middle	124
123	
47.00	
0.38	
17.96	
Elsburg	1063
582	
60.00	
0.41	
24.77	
Kimberley	
1 410	
1 363	
30.00	
0.71	
21.33	
South Reef	
1 269	
1 304	
25.00	
0.47	

11.83

VCR

2 560

2 448

28.00

0.53

14.86

All Reefs

16 267 14 708 34.00

0.44

15

40

Results for the third quarter and nine months

ended 31 March 2011

CONTACT DETAILS

HARMONY GOLD MINING COMPANY LIMITED

Corporate Office

Randfontein Office Park

PO Box 2

Randfontein, 1760

South Africa

Corner Main Reef Road and Ward Avenue

Randfontein, 1759

South Africa

Telephone: +27 11 411 2000

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

Directors

P T Motsepe (Chairman)*

G P Briggs (Chief Executive Officer)

H O Meyer (Financial Director)

H E Mashego (Executive Director)

F T De Buck*[^] (Lead independent director)

F Abbott*, J A Chissano*¹ , Dr C Diarra*^{†^}

K V Dicks*[^] , Dr D S Lushaba*[^] , C Markus*[^],

M Motloba*[^] , M Msimang*[^] , D Noko*[^],

C M L Savage*[^] , A J Wilkens*

* Non-executive

[^]

Independent

¹

Mozambican

[†]

US/Mali Citizen

Investor Relations Team

Marian van der Walt

Executive: Corporate and Investor Relations

Telephone: +27 11 411 2037

Fax: +27 86 614 0999

Mobile: +27 82 888 1242

E-mail: marian@harmony.co.za

Henrika Basterfield

Investor Relations Officer

Telephone: +27 11 411 2314

Fax: +27 11 692 3879

Mobile: +27 82 759 1775

E-mail: henrika@harmony.co.za

Company Secretary

iThemba Governance and Statutory Solutions (Pty) Ltd

Annamarie van der Merwe

Telephone: +27 86 111 1010

Fax: +27 86 504 1315

Mobile: +27 83 264 0328

E-mail: avdm@ithemba.co.za

South African Share Transfer Secretaries

Link Market Services South Africa (Proprietary) Limited

(Registration number 2000/007239/07)

13th Floor, Rennie House

19 Ameshoff Street

Braamfontein, 2001

PO Box 4844

Johannesburg, 2000

South Africa

Telephone: +27 86 154 6572

Fax: +27 86 674 4381

United Kingdom Registrars

Capita Registrars

The Registry

34 Beckenham Road

Beckenham

Kent BR3 4TU

United Kingdom

Telephone: 0871 664 0300 (UK)

(calls cost 10p a minute plus network extras, lines are open

8:30 am to 5:30 pm (Monday to Friday)

or +44 (0) 20 8639 3399 (calls from overseas)

Fax: +44 (0) 20 8639 2220

ADR Depositary

BNY Mellon

101 Barclay Street

New York, NY 10286

United States of America

Telephone: +1888-BNY-ADRS

Fax: +1 212 571 3050

Sponsor

JP Morgan Equities Limited

1 Fricker Road, corner Hurlingham Road

Illovo, Johannesburg, 2196

Private Bag X9936, Sandton, 2146

Telephone: +27 11 507 0300

Fax: +27 11 507 0503

Trading Symbols

JSE Limited: HAR

New York Stock Exchange, Inc: HMY

London Stock Exchange Plc: HRM

Euronext, Brussels: HMY

Berlin Stock Exchange: HAM1

Registration number 1950/038232/06

Incorporated in the Republic of South Africa

ISIN: ZAE 000015228

PRINTED BY INCE (PTY) LTD

W2CF11932

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: May 5, 2011

Harmony Gold Mining Company Limited

By:

/s/ Hannes Meyer

Name: Hannes Meyer

Title: Financial Director