

HARMONY GOLD MINING CO LTD

Form 6-K

November 10, 2016

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

10 November 2016

**Harmony Gold Mining Company**

**Limited**

Randfontein Office Park

Corner Main Reef Road and Ward Avenue

Randfontein, 1759

South Africa

(Address of principal executive offices)

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

Form 20-F  X

Form 40-F

(Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

Yes

No  X

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**Harmony Gold Mining Company Limited** Production results for the three months ended 30 September 2016  
Q1 FY17

FOR THE THREE MONTHS ENDED  
30 SEPTEMBER 2016

1. OVERVIEW

We had a very good start to the new financial year, with increased production, even stronger cash flows and a quarter in which we returned

money to shareholders by way of a dividend.

In support of our strategy to grow and improve the quality of our gold ounces, we acquired the other half of the Hidden Valley mine in Papua

New Guinea (PNG) and submitted the special mining lease application in support of the Golpu project.

We recorded our highest ever quarterly revenue of R5.25 billion, a 9% increase quarter on quarter (16% increase to US\$374 million).

The operations generated positive free cash flow of R850 million (US\$60 million), allowing us to reduce net debt by 51% from R1 083 million

to R528 million (reduced by 49% from US\$74 million to US\$38 million), after paying a dividend of R218 million (US\$16 million).

2. SAFETY AND HEALTH

We are committed to creating a culture where safety and health is our first priority. Despite our combined efforts, two of our colleagues tragically

lost their lives in mine related accidents.

The causes of all accidents are investigated and analysed thoroughly by our own safety personnel in conjunction with the authorities and

employee representatives, and lessons learned are rigorously applied.

We will persist with our safety training and awareness campaigns to ensure a safe working place.

PRODUCTION RESULTS

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

•

Received numerous industry safety awards  
at 2016 MineSAFE ceremony

•

10% increase in gold production

•

Production profit of R1.4 billion  
(US\$97 million)

•

R850 million (US\$60 million) free  
operational cash flow

KEY FEATURES – QUARTER ON QUARTER

•

51% decrease in net debt from R1 083 million to R528 million  
(49% decrease from US\$74 million to US\$38 million)

•

R5.25 billion recorded in revenue – highest ever (US\$374 million)

•

Currency and gold hedges realise R240 million (US\$17 million)  
in profits

•

Acquired full ownership of Hidden Valley in PNG

**September 2016 quarter**

**June 2016 quarter**

**Q-on-Q variance %**

Gold produced

kg

**8 630**

7 880

10

oz

**277 461**

253 349

10

Underground grade

g/t

**5.01**

4.75

5

Gold price received

R/kg

**605 224**

608 316

(1)

US\$/oz

**1 339**

1 262

6

Cash operating costs

R/kg

**448 117**

437 925

(2)

US\$/oz

**991**

909

(9)

Total costs and capital

R/kg

**515 776**

512 829

(1)

US\$/oz

**1 141**

1 064

(7)

All-in sustaining costs

R/kg

**516 116**

521 738

1

US\$/oz

**1 142**

1 083

(5)

Production profit

R million

**1 369**

1 357

1

US\$ million

**97**

91

7

Cash operating margin

%

**16**

17

Exchange rate

R/US\$

**14.06**

14.99

(6)

2

**Harmony Gold Mining Company Limited** Production results for the three months ended 30 September 2016  
MESSAGE FROM THE CHIEF EXECUTIVE OFFICER CONTINUED

As regards occupational lung diseases, the Silicosis Working Group, initiated by the gold mining companies, continues to work on a sustainable, all-inclusive and comprehensive solution for the current and legacy dilemmas. See [www.oldcollab.co.za](http://www.oldcollab.co.za) for more information.

During the quarter, three of Harmony's operating units – the Asset Management Forum, Kusasalethu and Kalgold – received awards for second, third and fourth places respectively in the Best Improved Safety Performance category at the 2016 MineSAFE awards ceremony. Another three business units – Joel, Bambanani, and Kalgold – came second, third and fourth respectively in the Best Safety Performance category. In addition, our health hubs healthcare model was awarded third place in the Medical/Wellness category.

### 3. OPERATIONAL RESULTS

Quarter on quarter gold production increased by 10% to 8 630kg compared to 7 880kg in the previous quarter. When comparing actual performance against planned performance, our operations performed in line with or exceeded their plans, with Target 1 being the only exception.

Underground recovered grade increased by 5.5% quarter on quarter to 5.01g/t. Development grades at all operations – except for Target 1 – are in line with expectations and support the expected grade in the life-of-mine plan. At Kusasalethu, better than expected grades were intersected during the quarter.

At Target 1, unstable ground conditions hampered further mining in the higher grade areas. Action plans include an increased focus on development to ensure that mining flexibility improves. Higher grade is only expected by the third quarter of the financial year. Cash operating costs for the September 2016 quarter increased by 12% quarter on quarter in Rand terms (19% increase in US dollar terms), mainly due to an increase in labour costs (bonuses and annual wage increases) and higher electricity costs (winter tariffs).

The all-in sustaining cost for the group remained stable with a 1% decrease to R516 116/kg (5% increase to US\$1 142/oz), despite the seasonal effect of winter electricity tariffs.

### 4. HEDGING ACTIVITY

Currency hedging

The foreign currency hedging is in the form of zero cost collars, which establish a minimum (floor) and maximum (cap) Rand/US dollar exchange rate at which to convert US dollars to Rands. The nominal value of the hedging contracts as at 30 September 2016 was US\$458 million. The hedging contracts are spread over a 12 month period, and are summarised as follows:

**Q2FY17**

**Q3FY17**

**Q4FY17**

**Q1FY18**

**Sold call options**

Nominal

US\$125 million

US\$112 million

US\$146 million

US\$75 million

Average strike price

R18.57  
R18.59  
R17.38  
R16.37  
Lowest strike price  
R17.93  
R17.93  
R16.21  
R16.21  
Highest strike price  
R19.08  
R19.08  
R18.28  
R16.50

**Purchased put options**

Nominal  
US\$125 million  
US\$112 million  
US\$146 million  
US\$75 million  
Average strike price  
R15.56  
R15.56  
R15.47  
R15.01  
Lowest strike price  
R15.40  
R15.40  
R14.85  
R14.85  
Highest strike price  
R15.80  
R15.80  
R16.10  
R15.15

During the September 2017 quarter, a gain of R183 million (US\$13 million) was realised on the contracts that matured.

R183m gain

realised

Q1FY17

R76m gain

realised

Q4FY16

**Currency hedge (spot vs floor and cap)**

July 15

Feb 16

Dec 15

Dec 16

Jun 16

Sept 17

Mar 17

Jun 17  
Sept 16  
USDZAR spot price  
Floor  
Cap  
R/USD  
exchange  
rate  
12  
13  
14  
15  
16  
17  
19  
18

**Harmony Gold Mining Company Limited** Production results for the three months ended 30 September 2016  
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Gold hedging

Gold hedging is in the form of short-term gold forward sale contracts with a maximum term of 24 months. The nominal value hedged at 30

September 2016 was 424 000 ounces, representing approximately 20% of our total production. The breakdown of gold forward sale contracts entered into are as follows:

**Q1**

**Q2**

**Q3**

**Q4**

**FY17**

Kgs

1 680

1 680

1 680

Average R/kg

R648 871

R660 632

R673 143

**FY18**

Kgs

1 680

1 680

1 680

1 680

Average R/kg

R686 131

R699 540

R712 982

R727 765

**FY19**

Kgs

1 431

Average R/kg

R709 785

During the September 2016 quarter (FY17 Q1), a gain of R57 million (US\$4 million) was realised on the contracts that matured.

**5. GOLPU**

An application for a special mining lease and associated ancillary tenements was lodged with the Mineral Resources Authority on 25 August 2016.

We continue to further research environmentally responsible options for a terrestrial tailings facility, and deep sea tailings placement options.

**6. MINERAL AND PETROLEUM RESOURCES DEVELOPMENT BILL AND NEW DRAFT MINING CHARTER**

Harmony continues to participate in discussions to influence the final outcome of the legislation applicable to its mining tenure.

**7. ACQUISITION OF HIDDEN VALLEY**

Harmony continuously investigates opportunities to increase its production and reserves. Its acquisition of Newcrest's 50% share in Hidden Valley



and the surrounding tenement package in PNG is in line with the company's overall aspiration to increase its annual production profile to 1.5Moz within three years. The transaction became unconditional on 25 October 2016. The mine has the potential to contribute approximately 180 000oz of gold per annum to Harmony's production profile, at an all-in sustaining cost of less than US\$950/oz once fully recommissioned. Hidden Valley has an attractive reserve (Au 1.4Moz, Ag 27Moz) with near certain extension within the current open pit resource (Au 4.9Moz, Ag 73Moz), an established quality management team, a stable workforce and strong community support. Harmony plans to invest and develop stages 5 and 6 of the mine initially, mining approximately 1.2Moz of gold and 18Moz of silver over a period of seven years. The capital investment required of up to US\$180 million – consisting of mine development, new equipment and infrastructure – is expected to be completed by the latter half of calendar 2018, after which, the operation will have an all-in sustaining cost of less than US\$950/oz based on current estimates.

R57m gain

realised

Q1FY17

**Gold hedge (average hedge price vs spot gold price)**

July 15

Jun 16

Sept 16

Dec 16

Dec 17

Mar 17

Mar 18

Jun 17

Sept 17

Profit

Market price

Hedge

R/kg

400 000

450 000

500 000

550 000

600 000

650 000

700 000

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**Harmony Gold Mining Company Limited** Production results for the three months ended 30 September 2016  
With brownfields prospecting in tenements surrounding Hidden Valley, it is possible that production could continue for many more years with new and potentially small satellite mines delivering their ore to the Hidden Valley processing plant.

Prior to the full acquisition of Hidden Valley, budgets for FY17 had been based on the processing of lower grade stockpiles together with limited ore from Hamata, to be followed by the operation's entering care and maintenance. Following the acquisition in September 2016, the FY17 budget

for Hidden Valley was revised (applicable from October 2016 onwards) with the following key elements:

- Planned production at steady state of about 180 000oz of gold and 3Moz of silver

- Life-of-mine production of 1.2Moz gold and 18Moz of silver

- Recovered grade of 1.4g/t to 1.5g/t and silver at approximately 20g/t to 23g/t

- Milling rate of about 4Mt per annum

- Mining rate ramps up to 28Mt per annum

- Resume waste stripping at Stage 5

- Investment in additional and replacement mobile fleet

- Process stockpiles and Hamata ore to June 2017 followed by a five-month mill shut down

- Progress maintenance and upgrade projects planned during the shut down

- Recruit personnel to operate and maintain additional fleet trucks

Currently a five-month ore gap is expected from July 2017 to November 2017 in FY18. This ore gap will enable a major plant shutdown for

upgrades and maintenance projects. Reducing this ore gap remains the biggest opportunity to increase our gold ounces at Hidden Valley and is receiving a high level of attention and management focus.

## 8. CONCLUSION

Harmony's aspiration is to grow our production to approximately 1.5Moz annually and to increase our profitability within the next three years by:

- growing, nurturing and developing our core assets

- harvesting operations that are high cost and have a short life

- expanding in South Africa, into Africa and in Papua New Guinea

- exploring organic growth opportunities

We understand the significant impact our company has on the lives of people, on the communities that surround our mines, on the environment,

and on the economic well-being of the countries in which we operate. We also understand that we are custodians of shareholders' trust to

optimise their investment in the company. Safe gold production – combined with higher gold prices – means stronger

margins.

Our commitment to our stakeholders is to ensure that we meet our safety and production targets. We are off to a good start and intend

maintaining the momentum to achieve in line with our plans. We are well on track to achieve our annual production guidance of 1.05Moz.

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER CONTINUED

**Harmony Gold Mining Company Limited** Production results for the three months ended 30 September 2016

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SHARE PRICE DATA FOR THE QUARTER ENDED 30 SEPTEMBER 2016

Number of shares in issue:

**Share price – JSE**

– at 30 September 2016

437 479 029

Trading range

R66.65 – R45.72

– at 30 June 2016

437 299 479

Average volume traded

2 030 206

Free float

100%

**ADR price – NYSE**

ADR ratio

1:1

Trading range

US\$4.00 – US\$4.50

Bloomberg/Reuters code

HAR:SJ/HARJ.J

Average volume traded

4 761 490

Market capitalisation

ZAR at 30 September 2016

R21 218m

ZAR at 30 June 2016

R22 945m

US\$ at 30 September 2016

US\$1 543m

US\$ at 30 June 2016

US\$1 567m

*Harmony Gold Mining Company Limited (Harmony), a world-class gold mining and exploration company, has operations and assets in South Africa and PNG. Harmony, which has more than 60 years' experience in the industry, is the third largest gold producer in South Africa. Our assets include one open pit mine and several exploration tenements in PNG, as well as nine underground mines and one open pit operation and several surface sources in South Africa. In addition, we own 50% of the significant Golpu project in a joint venture in PNG.*

*The company's primary stock exchange listing is on the JSE with a secondary listing on the New York Stock Exchange. The bulk of our shareholders are in South Africa and the United States. Additional information on the company is available on the corporate website, [www.harmony.co.za](http://www.harmony.co.za).*

**Our Integrated Annual Report 2016 tells the story of Harmony for our 2016 financial year (FY16) from 1 July 2015 to 30 June 2016. We aim to show readers what Harmony has done and achieved, what we plan to do and achieve in the future and**

**how we intend to get there. The report reflects on our journey in FY16 – we explain our external and internal environments, our strategy and business model, together with our objectives and how we performed against these. All of our annual reports are available as pdfs at [www.har.co.za](http://www.har.co.za), our reporting website, and can also be accessed via our corporate website, [www.harmony.co.za](http://www.harmony.co.za).**

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**Harmony Gold Mining Company Limited** Production results for the three months ended 30 September 2016  
 OPERATING RESULTS – QUARTER ON QUARTER (RAND/METRIC)

**South Africa – underground production**

**Three  
 months  
 ended**

**Tshepong**

**Phakisa**

**Bambanani**

**Joel**

**Doornkop**

**Target 1**

**Kusasaletu**

**Ore milled**

**- t'000**

**Sep-16**

**275**

**186**

**63**

**141**

**157**

**193**

**162**

Jun-16

280

167

49

143

154

199

141

**Yield**

**- g/tonne**

**Sep-16**

**4.65**

**6.34**

**12.27**

**4.97**

**4.10**

**2.66**

**6.92**

Jun-16

4.64

6.10

10.90

4.04

4.25

3.42

6.56

**Gold produced**

- kg

**Sep-16**

1 278

1 179

773

701

644

514

1 121

Jun-16

1 299

1 019

534

578

654

681

925

**Gold sold**

- kg

**Sep-16**

1 275

1 176

771

730

663

481

1 146

Jun-16

1 300

1 020

535

550

667

677

914

**Gold price received**

- R/kg

**Sep-16**

604 205

604 440

605 070

604 422

608 148

607 507

607 729

Jun-16

608 495

609 494

609 436

610 773

608 934

607 437

607 037

**Revenue**

**(R'000)**

**Sep-16**

**770 361**

**710 822**

**466 509**

**441 228**

**403 202**

**292 211**

**696 457**

Jun-16

791 043

621 684

326 048

335 925

406 159

411 235

554 832

**Cash operating cost**

**(R'000)**

**Sep-16**

**554 114**

**455 655**

**234 863**

**254 126**

**305 621**

**348 099**

**543 436**

Jun-16

503 920

371 642

204 199

225 747

277 620

331 121

481 663

**Inventory movement**

**(R'000)**

**Sep-16**

**734**

**(1 172)**

**(2 151)**

**14 230**

**4 342**

**(18 169)**

**13 616**

Jun-16

(849)

(710)



1 585

(11 478)

(856)

(4 117)

(12 447)

**Operating costs**

**(R'000)**

**Sep-16**

**554 848**

**454 483**

**232 712**

**268 356**

**309 963**

**329 930**

**557 052**

Jun-16

503 071

370 932

205 784

214 269

276 764

327 004

469 216

**Production profit**

**(R'000)**

**Sep-16**

**215 513**

**256 339**

**233 797**

**172 872**

**93 239**

**(37 719)**

**139 405**

Jun-16

287 972

250 752

120 264

121 656

129 395

84 231

85 616

**Capital expenditure**

**(R'000)**

**Sep-16**

**97 629**

**78 340**

**20 652**

**57 540**

**46 928**

**72 825**

**70 952**

Jun-16  
89 822  
87 584  
29 251  
51 134  
57 014  
79 588  
104 982

**Cash operating costs**

**- R/kg**

**Sep-16**  
**433 579**  
**386 476**  
**303 833**  
**362 519**  
**474 567**  
**677 235**  
**484 778**

Jun-16  
387 929  
364 712  
382 395  
390 566  
424 495  
486 228  
520 717

**Cash operating costs**

**- R/tonne**

**Sep-16**  
**2 015**  
**2 450**  
**3 728**  
**1 802**  
**1 947**  
**1 804**  
**3 355**

Jun-16  
1 800  
2 225  
4 167  
1 579  
1 803  
1 664  
3 416

**Cash operating cost  
and capital**

**- R/kg**

**Sep-16**  
**509 971**  
**452 922**  
**330 550**

**444 602**

**547 436**

**818 918**

**548 071**

Jun-16

457 076

450 663

437 172

479 033

511 673

603 097

634 211

**Operational free cash**

**flow margin<sup>1</sup>**

**%**

**Sep-16**

**15%**

**25%**

**45%**

**29%**

**13%**

**-44%**

**12%**

Jun-16

25%

26%

28%

18%

18%

0%

-6%

<sup>1</sup>Excludes run-of-mine costs for Kalgold (September 2016: -R1.384m; June 2016: -R0.146m) and Hidden Valley (September 2016: R48.714m; June 2016: R11.781m)

**Harmony Gold Mining Company Limited** Production results for the three months ended 30 September 2016

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**South Africa – surface production**

**Total**

**South Africa**

**Papua New**

**Guinea**

**Masimong**

**Unisel**

**Total**

**Underground**

**Phoenix**

**Dumps**

**Kalgold**

**Total Surface**

**Hidden**

**Valley**

**Total**

**Harmony**

176

113

1 466

1 695

761

389

2 845

4 311

473

4 784

167

102

1 402

1 571

796

390

2 757

4 159

454

4 613

**3.58**

**4.51**

**5.01**

**0.14**

**0.32**

**0.85**

**0.28**

**1.89**

**1.00**

**1.80**

3.54

3.64

4.75  
0.13  
0.31  
0.78  
0.27  
1.78  
1.05  
1.71  
**630**  
**510**  
**7 350**  
**238**  
**242**  
**329**  
**809**  
**8 159**  
**471**  
**8 630**  
592  
371  
6 653  
197  
250  
305  
752  
7 405  
475  
7 880  
**628**  
**508**  
**7 378**  
**246**  
**241**  
**338**  
**825**  
**8 203**  
**478**  
**8 681**  
593  
371  
6 627  
195  
255  
332  
782  
7 409  
528  
7 937  
**604 443**  
**604 974**  
**605 544**

**601 171**  
**608 336**  
**605 388**  
**604 992**  
**605 489**  
**600 686**  
**605 224**  
607 811  
608 377  
608 581  
608 297  
607 259  
607 599  
607 662  
608 484  
605 955  
608 316  
**379 590**  
**307 327**  
**4 467 707**  
**147 888**  
**146 609**  
**204 621**  
**499 118**  
**4 966 825**  
**287 128**  
**5 253 953**  
360 432  
225 708  
4 033 066  
118 618  
154 851  
201 723  
475 192  
4 508 258  
319 944  
4 828 202  
**296 560**  
**219 991**  
**3 212 465**  
**95 236**  
**118 288**  
**150 339**  
**363 863**  
**3 576 328**  
**290 919**  
**3 867 247**  
279 081  
195 643  
2 870 636  
85 333

113 632  
143 520  
342 485  
3 213 121  
237 725  
3 450 846  
**(130)**  
**(1 221)**  
**10 079**  
**4 754**  
**1 393**  
**4 778**  
**10 925**  
**21 004**  
**(2 965)**  
**18 039**  
(849)  
266  
(29 455)  
(2 321)  
2 469  
19 199  
19 347  
(10 108)  
29 882  
19 774  
**296 430**  
**218 770**  
**3 222 544**  
**99 990**  
**119 681**  
**155 117**  
**374 788**  
**3 597 332**  
**287 954**  
**3 885 286**  
278 232  
195 909  
2 841 181  
83 012  
116 101  
162 719  
361 832  
3 203 013  
267 607  
3 470 620  
**83 160**  
**88 557**  
**1 245 163**  
**47 898**  
**26 928**

**49 504**  
**124 330**  
**1 369 493**  
**(826)**  
**1 368 667**  
82 200  
29 799  
1 191 885  
35 606  
38 750  
39 004  
113 360  
1 305 245  
52 337  
1 357 582  
**26 274**  
**16 965**  
**488 105**  
**2 479**  
**52 835**  
**17 016**  
**72 330**  
**560 435**  
**23 468**  
**583 903**  
32 081  
16 721  
548 177  
3 068  
13 021  
7 588  
23 677  
571 854  
18 389  
590 243  
**470 730**  
**431 355**  
**437 070**  
**400 151**  
**488 793**  
**456 957**  
**449 769**  
**438 329**  
**617 662**  
**448 117**  
471 421  
527 340  
431 480  
433 162  
454 528  
470 557



455 432  
433 912  
500 474  
437 925  
**1 685**  
**1 947**  
**2 191**  
**56**  
**155**  
**386**  
**128**  
**830**  
**615**  
**808**  
1 671  
1 918  
2 048  
54  
143  
368  
124  
773  
524  
748  
**512 435**  
**464 620**  
**503 479**  
**410 567**  
**707 120**  
**508 678**  
**539 176**  
**507 018**  
**667 488**  
**515 776**  
525 611  
572 410  
513 875  
448 736  
506 612  
495 436  
486 918  
511 138  
539 187  
512 829  
**15%**  
**23%**  
**17%**  
**34%**  
**-17%**  
**18%**  
**12%**

**17%**  
**7%**  
**16%**  
14%  
6%  
15%  
25%  
18%  
25%  
23%  
16%  
24%  
17%

8

**Harmony Gold Mining Company Limited** Production results for the three months ended 30 September 2016  
 OPERATING RESULTS – QUARTER ON QUARTER (US\$/IMPERIAL)

**South Africa – underground production**

**Three  
 months  
 ended**

**Tshepong**

**Phakisa**

**Bambanani**

**Joel**

**Doornkop**

**Target 1**

**Kusasaletu**

**Ore milled**

**- t'000**

**Sep-16**

**303**

**205**

**69**

**155**

**173**

**213**

**179**

Jun-16

309

184

54

158

170

219

155

**Yield**

**- oz/tonne**

**Sep-16**

**0.136**

**0.185**

**0.360**

**0.145**

**0.120**

**0.078**

**0.201**

Jun-16

0.135

0.178

0.318

0.118

0.124

0.100

0.192

**Gold produced**

- oz

**Sep-16**

**41 089**

**37 906**

**24 852**

**22 538**

**20 705**

**16 525**

**36 041**

Jun-16

41 764

32 762

17 168

18 583

21 027

21 895

29 739

**Gold sold**

- oz

**Sep-16**

**40 992**

**37 809**

**24 788**

**23 470**

**21 316**

**15 464**

**36 845**

Jun-16

41 796

32 794

17 201

17 683

21 445

21 766

29 386

**Gold price received**

- \$/oz

**Sep-16**

**1 336**

**1 337**

**1 338**

**1 337**

**1 345**

**1 344**

**1 344**

Jun-16

1 263

1 265

1 265

1 267

1 264

1 260

1 260

**Revenue**

**(\$'000)**

**Sep-16**

**54 781**

**50 547**

**33 174**

**31 376**

**28 672**

**20 779**

**49 526**

Jun-16

52 775

41 476

21 752

22 411

27 097

27 436

37 016

**Cash operating cost**

**(\$'000)**

**Sep-16**

**39 404**

**32 402**

**16 702**

**18 071**

**21 733**

**24 754**

**38 644**

Jun-16

33 620

24 794

13 623

15 060

18 522

22 091

32 134

**Inventory movement**

**(\$'000)**

**Sep-16**

**52**

**(83)**

**(153)**

**1 012**

**309**

**(1 292)**

**968**

Jun-16

(57)

(47)

106

(766)

(57)

(275)

(830)

**Operating costs**

**(\$'000)**

**Sep-16**

**39 456**

**32 319**

**16 549**

**19 083**

**22 042**

**23 462**

**39 612**

Jun-16

33 563

24 747

13 729

14 294

18 465

21 816

31 304

**Production profit**

**(\$'000)**

**Sep-16**

**15 325**

**18 228**

**16 625**

**12 293**

**6 630**

**(2 683)**

**9 914**

Jun-16

19 212

16 729

8 023

8 117

8 632

5 620

5 712

**Capital expenditure**

**(\$'000)**

**Sep-16**

**6 942**

**5 570**

**1 469**

**4 092**

**3 337**

**5 178**

**5 045**

Jun-16

5 991

5 843

1 952

3 411

3 804

5 309

7 004

**Cash operating costs**

- \$/oz

**Sep-16**

**959**

**855**

**672**

**802**

**1 050**

**1 498**

**1 072**

Jun-16

805

757

794

810

881

1 009

1 081

**Cash operating costs**

- \$/tonne

**Sep-16**

**130**

**158**

**242**

**117**

**126**

**116**

**216**

Jun-16

109

135

252

95

109

101

207

**Cash operating cost  
and capital**

- \$/oz

**Sep-16**

**1 128**

**1 002**

**731**

**983**

**1 211**

**1 811**

**1 212**

Jun-16

948

935

907

994

1 062

1 251

1 316

**Operational free cash**

**flow margin<sup>1</sup>**

**%**

**Sep-16**

**15%**

**25%**

**45%**

**29%**

**13%**

**-44%**

**12%**

Jun-16

25%

26%

28%

18%

18%

0%

-6%

<sup>1</sup>Excludes run-of-mine costs for Kalgold (September 2016: -US\$0.98m; June 2016: -US\$0.10m) and Hidden Valley (September 2016: US\$3.464m; June 2016: US\$0.786m)



**Harmony Gold Mining Company Limited** Production results for the three months ended 30 September 2016  
9

**South Africa – surface production**

**Total**

**South Africa**

**Papua New Guinea**

**Masimong**

**Unisel**

**Total**

**Underground**

**Phoenix**

**Dumps**

**Kalgold**

**Total Surface**

**Hidden**

**Valley**

**Total**

**Harmony**

194

125

1 616

1 869

839

429

3 137

4 753

522

5 275

184

112

1 545

1 732

878

430

3 040

4 585

501

5 086

**0.104**

**0.131**

**0.146**

**0.004**

**0.009**

**0.025**

**0.008**

**0.055**

**0.029**

**0.053**

0.103

0.107

0.138  
0.004  
0.009  
0.023  
0.008  
0.052  
0.030  
0.050  
**20 255**  
**16 397**  
**236 308**  
**7 652**  
**7 780**  
**10 578**  
**26 010**  
**262 318**  
**15 143**  
**277 461**  
19 033  
11 928  
213 899  
6 334  
8 038  
9 806  
24 178  
238 077  
15 272  
253 349  
**20 191**  
**16 333**  
**237 208**  
**7 909**  
**7 748**  
**10 867**  
**26 524**  
**263 732**  
**15 368**  
**279 100**  
19 065  
11 928  
213 064  
6 269  
8 198  
10 674  
25 141  
238 205  
16 976  
255 181  
**1 337**  
**1 338**  
**1 339**

**1 330**  
**1 346**  
**1 339**  
**1 338**  
**1 339**  
**1 329**  
**1 339**  
1 261  
1 262  
1 263  
1 262  
1 260  
1 261  
1 261  
1 263  
1 257  
1 262  
**26 993**  
**21 854**  
**317 702**  
**10 516**  
**10 426**  
**14 551**  
**35 493**  
**353 195**  
**20 418**  
**373 613**  
24 046  
15 058  
269 067  
7 914  
10 331  
13 458  
31 703  
300 770  
21 345  
322 115  
**21 089**  
**15 644**  
**228 443**  
**6 772**  
**8 411**  
**10 691**  
**25 874**  
**254 317**  
**20 687**  
**275 004**  
18 619  
13 052  
191 515  
5 693

7 581  
9 575  
22 849  
214 364  
15 860  
230 224  
**(9)**  
**(87)**  
**717**  
**338**  
**99**  
**340**  
**777**  
**1 494**  
**(211)**  
**1 283**  
**(57)**  
18  
**(1 965)**  
**(155)**  
165  
1 281  
1 291  
**(674)**  
1 994  
1 320  
**21 080**  
**15 557**  
**229 160**  
**7 110**  
**8 510**  
**11 031**  
**26 651**  
**255 811**  
**20 476**  
**276 287**  
18 562  
13 070  
189 550  
5 538  
7 746  
10 856  
24 140  
213 690  
17 854  
231 544  
**5 913**  
**6 297**  
**88 542**  
**3 406**  
**1 916**

**3 520**  
**8 842**  
**97 384**  
**(58)**  
**97 326**  
5 484  
1 988  
79 517  
2 376  
2 585  
2 602  
7 563  
87 080  
3 491  
90 571  
**1 869**  
**1 206**  
**34 708**  
**177**  
**3 757**  
**1 210**  
**5 144**  
**39 852**  
**1 669**  
**41 521**  
2 141  
1 115  
36 570  
205  
869  
507  
1 581  
38 151  
1 227  
39 378  
**1 041**  
**954**  
**967**  
**885**  
**1 081**  
**1 011**  
**995**  
**969**  
**1 366**  
**991**  
978  
1 094  
895  
899  
943  
976

945  
900  
1 039  
909  
**109**  
**125**  
**141**  
**4**  
**10**  
**25**  
**8**  
**54**  
**40**  
**52**  
101  
117  
124  
3  
9  
22  
8  
47  
32  
45  
**1 133**  
**1 028**  
**1 114**  
**908**  
**1 564**  
**1 125**  
**1 193**  
**1 121**  
**1 476**  
**1 141**  
1 091  
1 188  
1 066  
931  
1 051  
1 028  
1 010  
1 061  
1 119  
1 064  
**15%**  
**23%**  
**17%**  
**34%**  
**-17%**  
**18%**  
**12%**

**17%**  
**7%**  
**16%**  
14%  
6%  
15%  
25%  
18%  
25%  
23%  
16%  
24%  
17%

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Harmony Gold Mining Company Limited Production results for the three months ended 30 September 2016

#### FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements within the meaning of the safe harbour provided by Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended, with respect to our 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. These include all statements other than statements of historical fact, including, without limitation, any statements preceded by, followed by, or that include the words “targets”, “believes”, “expects”, “aims” “intends” “will”, “may”, “anticipates”, “would”, “should”, “could”, “estimates”, “forecast”, “predict”, “continue” or similar expressions and their negative thereof.

These forward-looking statements, including, among others, those relating to our future business prospects, revenues and income, wherever they may occur in this report and the exhibits to this report, are essentially estimates reflecting the best judgment of our senior management 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 report. Important factors that could cause actual results to differ materially from estimates or projections contained in the forward-looking statements include, without limitation: overall economic and business conditions in South Africa, Papua New Guinea, Australia and elsewhere, estimates of future earnings, and the sensitivity of earnings to the gold and other metals prices, estimates of future gold and other metals production and sales, estimates of future cash costs, estimates of future cash flows, and the sensitivity of cash flows to the gold and other metals prices, statements regarding future debt repayments, estimates of future capital expenditures, the success of our business strategy, development activities and other initiatives, estimates of reserves statements regarding future exploration results and the replacement of reserves, the ability to achieve anticipated efficiencies and other cost savings in connection with past and future acquisitions, fluctuations in the market price of gold, the occurrence of hazards associated with underground and surface gold mining, the occurrence of labour disruptions, power cost increases as well as power stoppages, fluctuations and usage constraints, supply chain shortages and increases in the prices of production imports, availability, terms and deployment of capital, changes in government regulation, particularly mining rights and environmental regulation, fluctuations in exchange rates, the adequacy of the group’s insurance coverage and socio-economic or political instability in South Africa and Papua New Guinea and other countries in which we operate.

For a more detailed discussion of such risks and other factors (such as availability of credit or other sources of financing), see the company’s latest Integrated Annual Report on Form 20-F which is on file with the Securities and Exchange Commission, as well as the Company’s other Securities and Exchange Commission filings. The company undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this annual report or to reflect the occurrence of unanticipated events, except as required by law.

HARMONY GOLD MINING COMPANY LIMITED

Harmony Gold Mining Company Limited (“Harmony”

or “Company”) was incorporated and registered as a

public company in South Africa on 25 August 1950

Registration number: 1950/038232/06



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:  
[www.harmony.co.za](http://www.harmony.co.za)

DIRECTORS

PT Motsepe\* (chairman)  
FFT De Buck\*^ (lead independent director)  
JM Motloba\*^ (deputy chairman)  
PW Steenkamp (chief executive officer)  
F Abbott (financial director)  
JA Chissano\*

1

^

KV Dicks\*^  
Dr DSS Lushaba\*^  
CE Markus\*^  
HE Mashego\*\*  
M Msimang\*^  
KT Nondumo\*^  
VP Pillay\*^  
JL Wetton\*^  
AJ Wilkens\*

\* *Non-executive*

\*\* *Executive*

^ *Independent*

1

*Mozambican*

INVESTOR RELATIONS

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Telephone: +27 11 411 6020  
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E-mail: [riana.bisschoff@harmony.co.za](mailto:riana.bisschoff@harmony.co.za)

TRANSFER SECRETARIES

Link Market Services South Africa  
(Proprietary) Limited

(Registration number 2000/007239/07)

13th Floor, Rennie House,  
Ameshoff Street, Braamfontein

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ADR\* DEPOSITARY

Deutsche Bank Trust Company Americas c/o American  
Stock Transfer and Trust Company

Peck Slip Station

PO Box 2050

New York, NY 10272-2050

E-mail queries: db@amstock.com

Toll free: +1-800-937-5449

Int: +1-718-921-8137

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*\*ADR: American Depositary Receipts*

SPONSOR

JP Morgan Equities South Africa (Pty) Ltd

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

Berlin Stock Exchange: HAM1

ISIN: ZAE 000015228

DIRECTORATE AND ADMINISTRATION

**NOTES**

**NOTES**

**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: November 10, 2016

Harmony Gold Mining Company Limited

By:

/s/ Frank Abbott

Name: Frank Abbott

Title: Financial Director