

HARMONY GOLD MINING CO LTD

Form 6-K

October 31, 2007

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**Form 6-K**

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO

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

EXCHANGE ACT OF 1934

For the Month of October 2007

**Harmony Gold Mining Company**

**Limited**

PO Box 2

Randfontein, 1760

South Africa

(Address of principal executive offices)

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

Form 20-F  Form 40-F

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

Yes  No

QUARTERLY HIGHLIGHTS

Cash operating costs down by 12.5%

Underground grades improved by 7.1%

Gold production up by 12.8%

Internal due diligence of assets complete

FINANCIAL SUMMARY FOR THE FIRST QUARTER ENDING 30 SEPTEMBER 2007

All results exclude Discontinued Operations unless indicated otherwise.

Quarter\*

Quarter

Q-on-Q

Quarter\*

Financial year

June 2007    September 2007

% change    September 2006

2007

Gold produced

– kg

14 126

15 940

12.8

16 519

61 879

– oz

454 159

512 480

12.8

531 095

1 989 445

Cash costs

– R/kg

148 993

130 416

12.5

96 192

110 964

– \$/oz

654

572

12.5

419

479

Cash operating profit

– Rm

34

411

1 108.8

791

2 282  
 – US\$m  
 5  
 58  
 1 060.0  
 110  
 319  
 Cash earnings  
 – SA c/s  
 8  
 103  
 1 187.5  
 199  
 574  
 – US c/s  
 1  
 15  
 1 400.0  
 28  
 80  
 Basic profit/(loss)  
 – SA c/s  
 (34)  
 (120)  
 (252.9)  
 68  
 238  
 – US c/s  
 (5)  
 (17)  
 (240.0)  
 9  
 33  
 Headline profit/(loss)  
 – SA c/s  
 (72)  
 (21)  
 70.8  
 66  
 129  
 – US c/s  
 (10)  
 (3)  
 70.0  
 9  
 18  
 Fully diluted earnings/(loss) – SA c/s  
 (34)  
 (120)  
 (252.9)  
 67

235

– US c/s

(5)

(17)

(240.0)

9

33

\* Restated.

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1

FINANCIAL REVIEW FOR THE FIRST QUARTER ENDING  
30 SEPTEMBER 2007

P

2

TABLE OF CONTENTS

Acting Chief Executive’s Review . . . . . 3

Safety and Health Report . . . . . 6

The First Quarter ending 30 September 2007 under review . . . . . 8

Capital Expenditure (Continued operations) . . . . . 10

– Quarterly profit comparison for operations . . . . . 10

– Quality operations . . . . . 11

– Leveraged operations (Continued operations) . . . . . 12

– South African surface operations (includes Kalgold) . . . . . 13

Discontinued operations

– Australian Operations . . . . . 14

– Orkney Operations . . . . . 14

Growth Projects . . . . . 15

– Doornkop South Reef Capital Project . . . . . 15

– Elandsrand Capital Project . . . . . 17

– Phakisa Capital Project . . . . . 19

– Tshepong – Sub 66 Decline Project . . . . . 21

– Hidden Valley Project . . . . . 22

– Wafi/Golpu . . . . . 23

Operating and financial results (Rand/metric)(unaudited)(Continued operations). . . . . 25

Total operations – quarterly financial results (Rand/metric)(unaudited) . . . . . 26

Condensed consolidated income statement (Rand) . . . . . 27

Condensed consolidated balance sheet (Rand) . . . . . 28

Condensed consolidated statement of changes in equity for the period ending 30 September 2007 (Rand) . . 29

Summarised cash flow statement for the period ending 30 September 2007 (Rand) . . . . .

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Reconciliation between cash operating profit and cash generated/(utilised) by operations for the period ending 30 September 2007 (Rand)(unaudited) . . . . .	31
Notes to the condensed consolidated financial statements for the period ending 30 September 2007 . . . . .	32
Operating and financial results (US\$/imperial)(unaudited)(Continued operations) . . . . .	42
Total operations – quarterly financial results (US\$/imperial)(unaudited) . . . . .	43
Condensed consolidated income statement (US\$) . . . . .	44
Condensed consolidated balance sheet (US\$) . . . . .	45
Condensed consolidated statement of changes in equity for the period ending 30 September 2007 (US\$) . .	46
Summarised cash flow statement for the period ending 30 September 2007 (US\$(unaudited) . . . . .	47
Development results (Metric) and (Imperial) . . . . .	54
Contact details . . . . .	55

#### ACTING CHIEF EXECUTIVE'S REVIEW

Our short-term back to basics approach of disciplined mining, cost control, ore reserve management and efficiencies is beginning to deliver benefits. During the quarter under review, management throughout the group worked as a team to apply

the stringent measures required to restore the company to profitability. I am sufficiently pleased with our progress to date.

In our June quarter, shareholders were assured that a due diligence on the core areas of all our operations would be undertaken

in order to provide a better understanding of their immediate needs and appropriate action required at each mine. I am pleased

to report that we have completed the due diligence.

We now have a better understanding of our operations and their individual needs. We have identified mines with potential for

improved production and mines with potential challenges, such as an over-complement of labour. The results of the due

diligence has further enabled us to identify areas of quick cost cutting, such as reducing the services of consultants and contractors and the benefits of these will become evident in future quarters.

A great deal of emphasis is being placed on meeting production targets and optimising the orebody through disciplined mining

to reduce costs and increase productivity. In addition, we now have mine plans, which we believe are achievable and we are in

a much better position to forecast the next quarter's performance.

Feedback to shareholders

I can safely report that, besides the due diligence, we have accomplished most of the undertakings made to shareholders in

the previous quarter:

We said that we would strengthen management and this we have done.

Tom Smith was appointed as Chief Operating Officer (COO) of the South Region. Since, and as a result of, the appointments

of Tom Smith and Mashego Mashego, Human Resources Executive, other changes have been made at general manager and

executive level. Consequently, both Tom Smith and Alwyn Pretorius, COO for the North Region, now have senior management capacity in core areas of financial resources, human resources management and ore reserve management to

support them. This has helped them with completing due diligences as well as assisting with mine planning.

We said we would review Harmony's capital expenditure. We have done this.

Capital expenditure has been marginally reduced year-on-year, but this should not affect the company's production build-up,

except at Hidden Valley where the reduction in capital has delayed the project's first production by four months to March

2009. This delay has, to a large extent, also been caused by the SAG mill at Hidden Valley being delayed in the production

line.

We said we would conduct an independent review of our accounting system in order to understand the underlying issues.

This has been done.

We have now advanced to the stage where anomalies in the system are being corrected. We also said we would do stock-

taking at the end of the quarter. We are confident that our financial figures are accurate.

Operational performance

Identifying our operational challenges has also lead us to understand the mining and ore reserve management and we are

confident that operations will, going forward, begin to produce in line with their mining plans. Subsequently, we have in this

quarter produced more gold and better grades.

Harmony reported an improved performance for the quarter ending 30 September 2007. The group's operating cash costs

decreased by 12.5% to R130 416/kg from R148 993/kg and Rand per tonne cost decreased from R476/t to R386/t.

Tonnes

milled increased by 3.5% for underground operations and 52.3% for surface operations mainly from the treatment of dumps.

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Gold production for the group increased by 12.8% compared with the previous quarter. Tonnes from the underground operations increased to 2.8Mt from 2.7Mt and recovery grade improved by 7.1% to 5.1g/t from 4.8g/t. The increase in gold

production is the result of higher underground grades, more tonnes milled and lower costs largely due to Bambanani operating

for two months of the quarter.

The company's production will be negatively affected in the December 2007 quarter, following the safety incident at Elandsrand

(covered in more detail under Safety) on 3 October 2007. Most of the mine's employees have been placed on paid leave.

Considerable time and skilled resources from within Harmony are being applied to re-equip the shaft and bring it to production.

Although repairs at the mine should be completed by 12 November 2007, it is anticipated that the 48 days of loss of production

or about 1 000kg of gold will negatively impact Harmony's overall production in the second quarter. Production should

commence on 19 November 2007 once all precautionary safety measures have been complied with.

Costs

Contributions to cost increases during this quarter were mainly due to salary increases, effectively a 9% increase (or approximately 4.5% of total costs). Salary increases also brought about increases in cost of all leave liabilities.

Our reviews of operations and services have also focused on cost control and cost reduction. It is our view that operational

costs will reduce in the forthcoming quarters as a result of measures being introduced.

Disposal strategy

The disposal of South Kal to Dioro Exploration NL remains on track and it is expected to be finalised in early November 2007.

Conditions precedent on the nickel disposals are being met.

The disposal process of Mt Magnet is on track and final offers will be received in November 2007.

Our transaction with Pamodzi Gold for the sale of our Orkney operations is still at the stage of meeting conditions precedent.

The mine management agreement came into effect on 24 September 2007 and Pamodzi has since been managing the Orkney

operations.

Uranium Strategy

Our exclusivity agreement with an interested party for the sale of our Cooke uranium dump expired at the end of September 2007. These discussions did not prove successful.

Harmony has engaged corporate advisors to assist in the process of evaluating various uranium specific strategic alternatives,

in order to maximise value for our shareholders. We have also entered discussions with a number of interested parties and a

decision on how to optimise value from our Randfontein uranium assets is expected during the next quarter.

A techno-economic cash flow valuation for the Cooke Slimes Dam (Cooke Dump) has just been completed. The valuation

enabled the conversion of the 39.45 million pounds of U

3

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mineral resources in Cooke Dump into mineral reserves in order to

enhance the value proportion of the resource. This enables Harmony management to evaluate the commercial and strategic

alternatives for the Cooke Dump and the potential for the other dumps at the Randfontein operations. This study has

demonstrated that at the pre-feasibility level the mineral resources can be converted to probable reserves. Harmony has also recently completed a study to independently audit the uranium estimation methodology and process used to evaluate the uranium resource classification for the underground operations at Cooke 3. The mineral resources in the measured category is 6.6 million pounds, 4 million pounds in the indicated category and 30 million pounds in the inferred category – a total of 40.7 million pounds. The mineral resources and reserves detailed were for the UE1a and a1 reefs only. It is clear from the study that significant additional uranium potential exists in the other reefs at Cooke 3. We are embarking on more extensive grade modeling exercises to determine the full uranium potential.

P

4

## Exploration

As stated in our previous quarter, all exploration expenditure and activities have been suspended, with the exception of

exploration in Papua New Guinea where we have had some spectacular results.

The exploration strategy at Wafi/Golpu is two-fold. Firstly, the objective is to replace depleting resources and secondly to attract

a reputable partner and use the proceeds of the transaction for Harmony's international growth in the South East Asian region.

We have completed the pre-feasibility study at Wafi/Golpu and this is an ideal time to bring in a partner. The partnership can

bring a number of benefits for Harmony Gold Mine, including:

reduce the financial risk for Harmony;

the right partner can enhance project credibility and value;

add complementary mining skill;

moderate the cash drain on South African assets;

ensure more sustainable growth; and

reposition Harmony for further international growth.

We have retained the services of an international bank and, together, we are considering a deal with a partner that would allow

Harmony to retain 50% of all PNG assets.

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5

SAFETY AND HEALTH REPORT

Two of Harmony's quality mines achieved 500 000 fatality free shifts

Target achieved one million fatality free shifts

Fatality injury rate (per million hours worked)

Group Safety

Harmony's Fatality Injury Frequency Rate (FIFR) for the first quarter ended September 2007 showed a marked improvement of

55%. Pleasingly two of Harmony's quality mines, Evander and Tshepong, achieved half-a-million fatality free shifts while Target

achieved one million fatality free shifts.

The Lost Time Injury Frequency Rate (LTIF) rate for the South African operations improved slightly during the quarter from a

rate of 15.27, for the corresponding period in FY 2007, to 14.26, an improvement of 6.6%. The Reportable Injury Frequency

Rate (RIFR) also improved from 7.53 in 2007 to 6.63 for the first quarter of 2008, showing an improvement of 12%.

Regretfully three employees lost their lives during the course of work on our South African mines.

No LTI occurred at our Hidden Valley project in Papua New Guinea.

St Helena No. 2 shaft

During the quarter on 18 September 2007, Harmony's St Helena Mine experienced a fire at its disused No. 2 shaft. The day and

night shift was withdrawn at St Helena's 4 and 8 shafts due to smoke and gas.

The cause of the fire is not yet known and no injuries or fatalities were reported. However, one person was taken to hospital

due to gas inhalation but was later discharged.

On Sunday, 7 October 2007, management was informed by a representative of illegal miners that they had brought the bodies

of 25 illegal miners, who had succumb in the fire, closer to the St Helena No. 2 mine shaft. The South African Police were on

hand to transport the bodies to the State mortuary.

P

6

Elandsrand Gold Mine

Subsequent to the end of the quarter, a mining incident occurred at Elandsrand Gold Mine when a 15-metre compressed air

pipe column broke off below the shaft surface bank and fell down to the shaft bottom.

Extensive damage was caused to the shaft steel-work and the electrical feeder cords to the man-and-material shaft were

severed. Although no one was injured, it took a rescue operation 21 hours to bring everyone to surface.

A task team has been appointed to conduct a thorough investigation and analysis of the events that led to and resulted in the

incident. The team comprises individuals from various disciplines: the Health and Safety committee of Elandsrand and

representatives from DME. They will also cover all aspects and systems related to the incident. The team will appoint independent consultants to assist in the analysis of the material and mode of failure of the compressed air column.

A mass counselling session was held on Tuesday, 9 October 2007 at Elandsrand for all employees affected by the incident.

Employees were also encouraged to attend individual trauma counselling sessions with social workers at the Medical Station

on the shaft for as long as required.

Employees whose jobs were affected by the incident and not part of the re-equipping of the shaft, were sent on paid leave

from 12 to 29 October 2007. Upon return all employees will participate in refresher safety training to comply with legislation.

An intensive company-wide safety audit commenced in August 2007. This audit should cover all safety systems as well as the

implementation thereof and is conducted by the company's central safety function. In addition to normal weekly shaft examinations, specific instructions were given to all shaft engineers to conduct an audit of the condition and suspension of

pipes and electrical cables in vertical shafts at all our operations.

I would like to express my thanks and appreciation to everyone for their support, especially the Minister of Mineral and Energy

Affairs, her staff, our Chairman Patrice Motsepe for their advice and support and the mine team for their hard work in bringing

everyone safely to surface.

P

7

THE FIRST QUARTER ENDING SEPTEMBER 2007 UNDER REVIEW

Gold production from the South African underground operations increased and resulted in higher grades, as well as a slight

decrease in costs. Tonnes milled increased due to Bambanani's return to production.

Tonnes Milled

Tonnes milled increased by 3.5% to 2 844 000 tonnes compared with 2 748 000 tonnes for the June quarter. Increased tonnages at Bambanani mitigated Target's reduction in tonnes due to negative working conditions.

Recovery Grades

Gold production increased by 10.8% compared with the previous quarter on the back of increased tonnes and higher grades

recovered. The grade from underground operations improved by 7.1% to 5.1g/t from 4.8g/t.

Cost Control

Rand per tonne cost decreased from R733/t to R686/t and the Rand per kilogram cost decreased by 12.6% from R152 672/kg

to R133 500/kg for the quarter.

Despite electricity's winter tariff increases, the additional increase in annual wages and leave liabilities, working costs showed

a slight reduction of R25.9 million.

Development

Q - o n - Q

Total Metres '000

June 2007	September 2007
-----------	----------------

% Variance

Quality

22.5	
------	--

23.1	
------	--

2.7	
-----	--

Growth

6.4	
-----	--

5.4	
-----	--

(15.6)	
--------	--

Leverage

11.2	
------	--

10.8	
------	--

(3.6)	
-------	--

40.1	
------	--

39.3	
------	--

(2.0)	
-------	--

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

Q-on-Q

June 2007	September 2007
-----------	----------------

% Variance	September 2006
------------	----------------

Production

- kg	
------	--

14 126	
--------	--

15 940	
--------	--

12.8	
------	--

16 519	
--------	--

Production

- oz	
------	--

454 159	
---------	--

512 480

12.8

531 095

Revenue

– R/kg

151 383

156 176

3.2

144 067

Revenue

– US\$/oz

664

684

3.0

628

Cash cost

– R/kg

148 993

130 416

12.5

96 192

Cash cost

– US\$/oz

654

572

12.5

419

Exchange rate

– USD/ZAR

7.09

7.10

(0.1)

7.14

Cash Operating Profit and Margin

Q-on-Q

June 2007    September 2007

% Variance    September 2006

Cash operating profit (Rm)

34

411

1 108.8

791

Cash operating profit margin (%)

1.6

16.5

931.3

33.2

P

8

Quarter-on-quarter cash operating profit variance analysis

Cash operating profit – June 2007

R33.8 million

– volume change

R131.4 million

– working cost change

R25.9 million

– recovery grade change

R143.4 million

– gold price change

R76.1 million

– net variance

R376.8 million

Cash operating profit – September 2007

R410.6 million

Analysis of earnings per share (SA cents)

Quarter ended

Quarter ended

Quarter ended

Earnings per share (SA cents)

June 2007	September 2007	September 2006
-----------	----------------	----------------

Cash earnings

8

103

199

Basic (loss)/earnings

(34)

(120)

68

Headline (loss)/earnings

(72)

(21)

66

Fully diluted (loss)/earnings

(34)

(120)

67

Reconciliation between basic earnings and headline loss

Quarter ended

Quarter ended

Headline earnings per share (SA cents)

June 2007	September 2007
-----------	----------------

Basic earnings

(34)

(120)

Profit on sale of property, plant and equipment

(17)

1

Profit on disposal of investment in Gold Fields Limited

8

98



Profit on sale of Australian investment

—

—

Profit on sale of subsidiaries

—

—

Impairment of assets

(29)

—

Headline earnings

(72)

(21)

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9

CAPITAL EXPENDITURE (Continued operations)

In line with the company's review, expenditure for the quarter was marginally lower at R721 million in the September quarter

compared with R810 million in the June 2007 quarter. The reduction in capital expenditure should not affect the company's

production build-up.

Actual

Actual

June 2007    September 2007

Operational Capex

Rm

Rm

South African Operations

353

366

Capital

invested

Project Capex

to date

Rm

Doornkop South Reef

82

71

659

Elandsrand New Mine

18

44

609

Tshepong North Decline

24

21

279

Phakisa Shaft

54

58

622

Hidden Valley, PNG

279

161

782

Total Project Capex

457

355

2 951

Total Capex

810

721

Quarterly profit comparison for operations

Operation

Working profit (Rm)

Variances (Rm)

June	September
2007	
2007	
Variance	
Volume	
Grade	
Price	
Costs	
South African operations	
Quality ounces	
72.6	
313.4	
240.8	
(49.6)	
139.8	
40.2	
110.4	
Growth ounces	
62.1	
39.8	
(22.3)	
29.7	
(0.5)	
11.2	
(62.7)	
Leverage ounces	
(152.1)	
(20.5)	
131.6	
77.5	
19.3	
20.0	
14.8	
Surface operations	
51.2	
77.9	
26.7	
73.8	
(15.2)	
4.7	
(36.6)	
Total Harmony	
33.8	
410.6	
376.8	
131.4	
143.4	
76.1	
25.9	
P	
10	

Quality operations

Includes the following shafts: Target, Tshepong, Masimong, Evander and Randfontein's Cooke Shafts

Q-on-Q

June 2007    September 2007

% Variance    September 2006

U/g tonnes milled

('000)

1 535

1 470

(4.2)

1 665

U/g recovery grade

(g/t)

5.05

5.67

12.3

5.64

U/g kilograms produced

(kg)

7 745

8 341

7.7

9 392

U/g working costs

(R/kg)

141 949

118 568

16.5

81 992

U/g working costs

(R/tonne)

716

673

6.0

463

Tshepong Mine

Tshepong recorded a 12.2% improvement in recovered grade quarter-on-quarter, exceeding plans for the quarter.

Tonnes

milled were flat at 386 000 tonnes compared with the previous quarter.

Cost increased to R634/t from R538/t and Rand per kilogram costs increased by 5.1% from R99 267/kg to R104 352/kg. Stores,

salaries and electricity were the highest cost contributors.

This quarter's underperformance was again affected by two fires and a seismic event that caused serious damage and affected

production during July and September, respectively.

Target Mine

Grade was affected by lower volumes and incorrect mix from massive stopes. Tonnes milled dropped by 33.0% from 224 000

tonnes to 150 000 tonnes, leading to a drop of 11% in recovery grade from 5.1g/t to 4.6g/t.

Rand per tonne costs were lower at R607/t from R829/t, and unit cost was also lower at R131 930/kg from R161 038/kg.

Target had to contend with numerous poor working conditions. Work at the Narrow Reef Mining section was stopped for a month to rectify working conditions after a fall of ground incident, drill availability and flooding of ends due to water handling problems and fragmentation in two of the massive stopes; all impacting on loading rates.

Target should experience improved availability in the third quarter of FY08 when the first new Load Haul Dumper (LHD) arrives in February 2008.

#### Masimong Mine

Volumes at Masimong were 3.6% lower at 241 000 tonnes from 250 000 tonnes for the previous quarter. However, moving to

higher grade panels and the subsequent mining of better grade resulted in a 3.7% improvement in grade.

Costs were well contained with Rand per tonne decreasing by 15.6% to R790/t from R936/t, while Rand per kilogram costs

were 18.6% lower for the quarter at R173 881/kg from R213 509/kg.

The shaft has started with a cost restructuring process which should deliver further benefits in the following quarters.

P

11

Evander

Evander posted an excellent overall performance from its mines, with improved grades, more gold produced and lower costs.

This performance is despite the challenges experienced with a service water pipe incident in the shaft which caused a two-day production loss for the September quarter.

On Evander 7 Shaft the extensive sill breakthrough area has only limited stoping remaining and will be depleted during the

next quarter. An extensive drilling programme has commenced to test the viability of further development.

Evander improved gold output by 16.6% to 2 244kg from 1 925kg, as a result of 16.6% higher recovery grades (mainly

from 8 Shaft) and unchanged volumes of 372 tonnes.

All costs were well-contained but Rand per tonne was up 2.9%, being the exception. Rand per kilogram for these operations

decreased by 11.8% from R125 677/kg to R110 840/kg.

Randfontein Operations

Randfontein's Cooke shafts reported an improved performance with more tonnes milled, increased production and lower costs

underpinned by an increase in square metres blasted, better grades from the VCR reef and improved cost control.

Grades recovered were 25.4% higher at 6.1g/t from 4.9g/t and 5.3% higher volumes at 321 tonnes resulted in an improved

gold production of 32.3% from 1 488 kg to 1 968 kg. R/tonne costs were lower at R667/t and R/kg costs were much improved

with a 29.9% decrease from R155 273/kg to R108 806/kg.

During the quarter, special attention was given to costs from stores and contractors.

Leveraged operations (Continued operations)

Shafts included under this section are Bambanani, Joel, St Helena, Harmony, Merriespruit, Unisel and Brand.

Q-on-Q

	June 2007	September 2007
% Variance		September 2006
U/g tonnes milled ('000)	835	959
	14.9	1 063
U/g recovery grade (g/t)	4.12	4.25
	3.2	4.32
U/g kilograms produced (kg)	3 438	4 076
	18.6	4 593
U/g working costs (R/kg)	196 076	

161 780

17.5

114 368

U/g working costs

(R/tonne)

807

688

14.8

494

Leverage operations showed an overall improvement compared with the June quarter. Gold produced improved by 18.6% due

to a 14.9% improvement in tonnes milled as well as a 3.2% improvement in recovery grade. Tonnes milled increased revenue

by R77.5 million whilst the increased recovered grade contributed an additional R19.3 million compared with the June quarter.

Operating costs showed a savings of R14.8 million. Lower costs and the improved production translated into lower Rand per

kilogram costs of R161 780/kg for the current quarter.

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12

SA Surface operations (includes Kalgold)

Q-on-Q

June 2007    September 2007

% Variance    September 2006

Surface tonnes milled

('000)

1 673

2548

52.3

905

Surface recovery grade

(g/t)

0.56

0.52

(7.1)

0.76

Kilograms produced

(kg)

930

1 316

41.5

692

Working costs

(R/kg)

96 785

96 142

0.7

95 750

Working costs

(R/tonne)

54

50

7.4

73

Surface operations improved tonnes milled by 52.3%, this was mainly due to an increase in production from the waste dumps.

The increase in tonnes was, however, at a slightly lower recovery grade of 0.52g/t.

Rand per kilogram for these operations remained almost unchanged at R96 142/kg for the September quarter compared with

R96 785/kg for the June quarter.

Kalgold

Volumes increased by 22.6% due to availability of water from new boreholes. Gold production was higher at 663kg, grade

recovery improving by 25.5% to 1.97g/t from 1.57g/t and lower Rand per kilogram costs of R109 582/kg.

Kalgold's costs for the quarter were mainly higher due to increased tonnes milled.

Project Phoenix

Slime reclamation tonnage throughput increased steadily and is now averaging ± 525 000 tonnes per month. Focus has been

placed on improving efficiency, recovery and ultimately the profitability of the project.

Most of the projects milestones have been achieved and completed and the project is now running at full capacity.

Excavation



for tower crane installation has commenced.

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13

DISCONTINUED OPERATIONS

Australian Operations

The Australian discontinued operations reported gold production down by 12.9% at 1 260kg from 1 447kg for the June quarter.

This was mainly due to a lower recovery grade of 1.88g/t compared with 2.09g/t previously. Notwithstanding the loss in

revenue from the lower recovery grade, the Australian operations recorded a profit of R6.7 million for the quarter under review.

Rand per kilogram cost for the September quarter reduced by 8.1% to R146 588/kg compared with R159 417/kg in the June quarter.

Q-on-Q

June 2007	September 2007
-----------	----------------

% Variance	September 2006
------------	----------------

Tonnes milled

('000)

691

672

(2.8)

799

Recovery grade

(g/t)

2.09

1.88

(10.1)

2.56

Kilograms produced

(kg)

1 447

1 260

(12.9)

2 049

Working costs

(R/kg)

159 417

146 588

8.1

91 914

Working costs

(R/tonne)

334

275

17.7

236

Orkney Operations

Q-on-Q

June 2007	September 2007
-----------	----------------

% Variance	September 2006
------------	----------------

Tonnes milled

('000)

196

198

1.0  
226  
Recovery grade  
(g/t)  
4.2  
3.7  
(11.9)  
4.0  
Kilograms produced  
(kg)  
822  
736  
(10.5)  
904  
Working costs  
(R/kg)  
134 490  
197 094  
(46.6)  
134 840  
Working costs  
(R/tonne)  
564  
730  
(29.4)  
540  
P  
14

P

15

GROWTH PROJECTS

Phakisa's rail-veyor improves cycle times

Gold production increased by 9.6%

Tshepong's 69 level in production build-up phase

Growth projects production performance from Doornkop and Elandsrand old mines

Q-on-Q

June 2007      September 2007

% Variance    September 2006

U/g tonnes milled

('000)

378

415

9.8

398

U/g recovery grade

(g/t)

5.33

5.32

(0.2)

4.63

U/g kilograms produced

(kg)

2 013

2 207

9.6

1 842

U/g working costs

(R/kg)

119 800

137 703

(14.9)

123 439

U/g working costs

(R/tonne)

638

732

(14.7)

571

Growth projects improved their gold output by 9.6% on the back of improved tonnes milled and a flat recovery grade.

The improvement in milled tonnes increased revenue by R29.7 million. Operating costs however, increased by 26.0% for the quarter

under review and negatively influenced the Rand per kilogram costs. Rand per kilogram costs for these operations increased

to R137 703/kg from R119 800/kg.

Doornkop South Reef Capital Project

Project overview

Station development on 202, 205, 207 and 212 levels continues. Access development also continued on 192 and 197 levels with

418m excavated. Secondary development is also underway on 192 level with 320m achieved.

The total shaft has been excavated and during the quarter 105 metres of shaft has been lined and equipped, in addition, station

equipping was completed on 192 level while station equipping is underway on 197, 202 and 205 levels. The dual-purpose

winder compartment has also being equipped from 132 to 192 levels.

The updated schedule provides for the main shaft to be partially commissioned by December 2007. The first South Reef was

mined during the quarter and will increase quarterly until full production anticipated in March 2010.

Annual Capital expenditure profile

Table (Rm)

2003

2004

2005

2006

2007

2008

2009

2010

2011

Total

Actual Sunk

13

98

114

147

256

67

695

Forecast

227

290

91

69

677

Total

13

98

114

147

256

304

290

91

69

1 372

P

16

1st production

July 2007

Full production

March 2010

Future milestones

Rock winder engineering commissioned

– December 2007

Shaft lined and equipped

– November 2007

Main shaft partially commissioned

– March 2008

Rock winder hoisting

– June 2008

P

17

Elandsrand Capital Project

Project overview

Elandsrand's No. 2 Service Shaft was put on care and maintenance in September and the 400mm chilled water feed column

was installed from 105 level to 95 level. Work on the supporting and lining of the centre hole of 92 level Turbine Dam progressed well with 60 metres completed at the end of the quarter.

The installation of the 400mm chilled water return column from the shaft to the settlers on 98 level and the equipping of the

No. 2 Settler progressed well during the quarter. The installation of the 600mm chilled water feed and return columns, connecting the No. 2 and No. 3 Service Shafts on 105 level, progressed slowly.

All the services cables telephones, fire detection, fiber optics, seismicity, lock bells, etc were terminated on levels 102,105,109,

113 and 115 and the rock loading and lock-bell systems were switched over from their temporary arrangement to permanent installation.

Annual Capital expenditure profile

Table (Rm)

2001

2002

2003

2004

2005

2006

2007

2008

2009

2010

Total

Actual Sunk

35.6

107.0

106.2

105.5

96.1

119.6

113.7

34.4

718.1

Forecast

101.2

141.0

29.1

271.3

Total

35.6

107.0

106.2

105.5

96.1

119.6  
113.7  
135.6  
141.0  
29.1  
989.4  
Project Production  
Tonnes milled  
% Split  
Kilograms  
% Split  
Old Mine  
176 269  
61  
795  
45  
New Mine  
112 602  
39  
957  
55  
Total Mine  
288 871  
1 752  
1st production  
October 2003  
Full production  
June 2012



P

18

Future milestones

Commission 100 level 22 kV sub-station

– November 2007

115 level pump station commissioned

– December 2007

Access development on 113 level completed

– May 2008

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

– May 2008

Updated schematic picture of product

P

19

Phakisa Capital Project

Access development completed on 69, 71, 73 and 75 levels. Excellent progress was made with BAC and Fridge plant excavation

as well as civil construction.

Settler's design was changed due to adverse ground conditions. Blasting on No. 2 Settler progressed to 7.3m. Phase One's

surface infrastructure was completed and civil construction and erection of main building have commenced.

Rail-veyor commissioned and cycle-times improving. Second train scheduled for commissioning in January 2008.

Annual Capital expenditure profile

Table (Rm)

2004

2005

2006

2007

2008

2009

2010

Total

Actual Sunk

117

116

147

227

58

665

Forecast

129

105

35

269

Total

117

116

147

227

187

105

35

1 034

1st production

June 2008

Full production

August 2010

P

20

Future milestones

Final Commissioning of 77 level Crusher

– December 2007

Commissioning of 55 level Bulk Air Cooler

– February 2008

Commissioning of 2nd Rail-veyor train

– January 2008

69 Level 1st raise-line completion

– April 2008

Full Production

– August 2010

P  
21  
Tshepong – Sub 66 Decline Capital Project  
The capital scope of work for 69 level and the sinking of the material/chairlift decline haulages are completed. This level is now in production build-up phase.  
The majority of remaining development is on 71 level which is 75% complete and where the access development and raise lines have to be completed by June 2008.  
The total project is 93% on budget and no budget overruns are foreseen for the next year.

Annual Capital expenditure profile

Table (Rm)

2003

2004

2005

2006

2007

2008

2009

Total

Actual Sunk

32.8

66.6

40.6

52.9

57.8

13.1

–

263.8

Forecast

16.5

–

16.5

Total

32.8

66.6

40.6

52.9

57.80

29.6

280.3

1st production

April 2007

Full production

July 2009

Future milestones

Extension of conveyor and monorail to end of decline

– December 2007

Equipping of ore passes and 72 belt cross cut

– March 2008

P  
22  
Hidden Valley Project  
Highlights

Work on the tailings storage facility proceeding to plan

Waste movement using mining fleets 1 and 2 has exceeded plan by 20%

Fifty landowners employed as mining equipment operators; 9 trainees assessed as fully competent to operate haul trucks

Kaveroi resource drilling results continue to confirm known mineralisation

#### Project Overview

The project experienced heavy rainfall in both August and September. Despite the heavy rain reasonable progress continues to

be made. Excavation has concentrated on the (RL2035) pad and the haul road from this location is being improved. There have been several issues causing delays with the project schedule such as manufacturing delays with the SAG mill and

a revised construction schedule for the overland conveyor are the main causes. Thus, engineering is behind plan but should

not impact on the overall schedule.

A preliminary route for the overland conveyor from the eastern ROM pad has been established and will be finalised following

survey of the route and preliminary conveyor design. Four construction drawings were issued for plant earthworks, grinding

area civils and leach tanks.

At the end of the quarter, 62 contract services and procurement packages were awarded. About 95% of process equipment has

been awarded while contracted services and major fabrication supply items are in progress. Major packages such as the regrind

mill, conveyors, electro-winning cells, SAG mill feed chute transporter, UMW workshop, transformers, switchgear, motor control

centres and high voltage cable were awarded.

Construction of the permanent camp is now well underway. Thirty transportable units capable of housing 140 persons have

been handed over. Large 40-man units are now under construction with seven units in various stages of completion. Fifty trainee equipment operators have been employed on the project and of these nine have been assessed as fully

competent

to operate haul trucks. Confirmation was received from the Department of Labour and Industrial Relations (DLIR) that women

could be employed as equipment operators working continuous 12 hour shifts.

#### Site Geological Update

Stage 1 of the Kaveroi resource definition drilling programme was completed during the quarter. Progress was slow with only

3 242 m drilled against a plan of 5 283 m. Plans are in place to address weather conditions in Stage 2 of the programme.

The drilling continues to confirm known mineralisation at depth with positive results for logging and vein intensity studies and

has identified a new zone of mineralisation at the meta-sediment/granodiorite contact. Assay results continue to support

previously modelled gold grades and indicate higher than expected levels of silver. Intercepts received to date include 18m @ 9.42 g/t Au, 511 g/t Ag and 7.5m @ 31.84 g/t Au, 1 740 g/t Ag.

Further work has been completed on the Hamata Pit design identifying the potential to access an additional 223 000 ounces

of indicated and inferred material.

Annual Capital expenditure profile

Table (A\$m)

2006

2007

2008

2009

2010

2011

2012

2013

Total

Actual Sunk

20

90

12

123

Forecast

239\*

128

366

Total

20

90

251

128

489\*\*

*\*Includes A\$28m for Rio Tinto Royalty buy-out \*\* Increased by A\$14 m due to project delays*

1st production

March 2009

Full production

June 2009

P

23

Wafi/Golpu

Project Overview

The Wafi/Golpu pre-feasibility study (PFS) was completed during this quarter. Infrastructure studies were advanced to a

PFS level and capital and operating estimates were found to be similar to scoping level estimates which were included in the

Golpu Stand Alone PFS. Golpu (copper/gold) is the primary driver for the Wafi site, with the gold projects (Link Zone and NRG1)

having potential to add value to the overall site plan when Golpu carries major infrastructure costs. The gold projects are found

to be marginal at the present time, however it is expected that additional work at the feasibility stage will identify cost savings

has not currently been included in the study, which should improve project economics. Expansion of the resources is the most

effective way to improve the gold project economics and, as such, planned exploration programmes at Wafi will continue with

a focus on expansion of the mineable resource.

The Golpu stand-alone project has undergone a stage gate review by Harmony project specialists. The review has found the PFS to

be adequate and generally in compliance with Harmony's project standards. A recommendation to accept the PFS report will be

made to the Harmony Investment Committee during the December quarter, once the final reviews are compiled and report issued.

The project review will continue for much of the coming quarter, with direction of the forward work programme expected by

the end of calendar 2007. During the review period work will continue on the Wafi project in the following areas:

Alkaline Sulphide Leaching test work for the removal of arsenic from concentrate;

Community Affairs work to establish access to areas not yet allowed by landowners; and

Exploration drilling and interpretation with a view to increasing the resource base at Wafi.

The project spend for the quarter was 5.6 million Kina (A\$2.5 million), with overall project to date expenditure of 42.2 million

Kina (A\$19.2 million). Only minor expenditure (less than A\$400 000) is expected in the coming quarter as final reviews are

completed for the project.

Exploration results and programme

A new tenement application encompassing some 184 square kilometres was lodged over the area directly east of the Biamena

Prospect. The area is highly perspective for Cu-Au mineralisation and includes several limestone occurrences.

Highlights from

the work completed during first quarter FY08 are outlined below:

Wafi Near Mine (Brownfields)

At *Western zone* three holes were drilled to confirm high grade lodes interpreted to dip to the northwest. Results have been

highly encouraging with significant intercepts received for two of the three holes to date. This prospect may add to the Link

Zone resource and ultimately Wafi feasibility.



WR252: 17m @ 6.9 g/t Au from 250m  
7m  
@ 4.6 g/t Au from 271m

WR257: 6.1m @ 2.2 g/t from 10m  
16m @ 5.4 g/t from 196m  
6m  
@ 3.3 g/t from 407m

Assays for the third hole (WR261) are pending.

The drilling was undertaken to test below significant intercepts in WR219 (26m @ 7.04 g/t Au) and WR204 (21m @ 10 g/t Au).

Results now suggest three separate parallel lodes trending north-east and dipping west. Assays for WR261 should extend the

strike of the main lode through the grid, and confirm this interpretation.

Drilling to advance this prospect to inferred resources is planned.

Nambonga North

The *Nambonga North* prospect represents a porphyry Cu-Au target located approximately 2 km northwest of the Golpu

Cu-Au deposit. Drilling during the quarter encountered a major new zone of mineralisation with an intercept of:

WR258: 74m @ 4.3 % Zn, 1.2% Pb, 54 g/t Ag, 5.6 g/t Au from 125m (intercept based on a 1% Zn cut-off and a maximum internal waste interval of 3m)

This was the first of two drill holes designed to test an electromagnetic (EM) conductor coincident with a magnetic high and

anomalous surface Cu – Au geochemistry. The mineralised interval in the drill hole correlates with a zone of brecciated massive

sulphide, dominated by Pyrite/Marcasite, Sphalerite and Galena.

A second hole WR262, collared 50m in front of WR258, was in progress at 460m at quarter-end. Geology encountered in this

latest hole is extremely encouraging with chalcopyrite, magnetite, hematite and lesser pyrite disseminated in porphyry and

silica cap type material.

Mineralisation encountered in WR258 is currently interpreted as a base metal lode peripheral to a mineralised porphyry stock.

Planned follow-up drilling includes step-out drilling to the north, into the core of the magnetic high and where data also

suggests that the EM conductor is better developed.

P

24

P25

OPERATING AND FINANCIAL RESULTS (Rand/metric) (unaudited) (Continued operations)

Underground production – South Africa

South

Quality

Growth Leveraged

Total

Other

Kalgold

Total

Africa

Harmony

Ounces

Projects

Ounces Underground

Surface

Surface

Surface

Total

Australia

PNG

Total

Ore milled

– t'000

Sep-07

1 470

415

959

2 844

2 212

336

2 548

5 392

–

–

5 392

Jun-07

1 535

378

835

2 748

1 399

274

1 673

4 421

–

–

4 421

Gold Produced

– kg

Sep-07

8 341  
 2 207  
 4 076  
 14 624  
 653  
 663  
 1 316  
 15 940

–  
 –  
 15 940

Jun-07  
 7 745  
 2 013

3 438  
 13 196  
 500

430  
 930  
 14 126

–  
 –  
 14 126

Yield – g/tonne

Sep-07  
 5.67  
 5.32

4.25  
 5.14  
 0.30

1.97  
 0.52  
 2.96

–  
 –  
 2.96

Jun-07  
 5.05  
 5.33

4.12  
 4.80  
 0.36

1.57  
 0.56  
 3.20

–  
 –  
 3.20

Cash Operating Costs

– R/kg  
 Sep-07

118 568  
 137 703  
 161 780  
 133 500  
 82 496  
 109 582  
 96 142  
 130 416  
 –  
 –  
 130 416  
 Jun-07  
 141 949  
 119 800  
 196 076  
 152 672  
 81 284  
 114 809  
 96 785  
 148 993  
 –  
 –  
 148 993  
 Cash Operating Costs  
 – R/tonne  
 Sep-07  
 673  
 732  
 688  
 686  
 24  
 216  
 50  
 386  
 –  
 –  
 386  
 Jun-07  
 716  
 638  
 807  
 733  
 29  
 180  
 54  
 476  
 –  
 –  
 476  
 Working Revenue  
 (R'000)

Sep-07

1 302 472

343 686

638 866

2 285 024

101 235

103 184

204 419

2 489 443

–

– 2 489 443

Jun-07

1 172 037

303 275

521 961

1 997 273

76 128

65 035

141 163

2 138 436

–

– 2 138 436

Cash Operating Costs

(R'000)

Sep-07

988 979

303 911

659 415

1 952 305

53 870

72 653

126 523

2 078 828

–

– 2 078 828

Jun-07

1 099 395

241 158

674 110

2 014 663

40 642

49 368

90 010

2 104 673

–

– 2 104 673

Cash Operating Profit (R'000)

Sep-07

313 493

39 775

(20 549)

332 719  
 47 365  
 30 531  
 77 896  
 410 615

–  
 –  
 410 615

Jun-07  
 72 642  
 62 117  
 (152 149)  
 (17 390)

35 486  
 15 667  
 51 153  
 33 763

–  
 –  
 33 763

Capital Expenditure  
 (R'000)

Sep-07  
 236 892  
 238 086  
 82 793  
 557 771

–  
 2 031  
 2 031  
 559 802  
 – 160 704

720 506

Jun-07  
 243 918  
 210 280  
 76 217  
 530 415

–  
 390  
 390  
 530 805

–  
 279 341  
 810 146

Quality Ounces - Evander Shafts, Randfontein Cooke Shafts, Target, Tshepong, Masimong.

Growth Projects - Doornkop shaft and South Reef Project, Elandsrand shaft and New Mine Project, Phakisa shaft, Tshepong Decline Project.

Leveraged Ounces - Bambanani, Joel, St Helena 8, Harmony 2, Merriespruit 1 and 3, Unisel and Brand 3.

P	
26	
TOTAL OPERATIONS – QUARTERLY FINANCIAL RESULTS (Rand/metric) (unaudited)	
For the quarter ended	
30 September	
30 June	
2007	2007
Continuing operations	
Ore milled	
– t'000	
5 392	
4 421	
Gold produced	
– kg	
15 940	
14 126	
Gold price received	
– R/kg	
156 176	
151 383	
Cash operating costs	
– R/kg	
130 416	
148 993	
Discontinuing operations	
Ore milled	
– t'000	
870	
887	
Gold produced	
– kg	
1 996	
2 270	
Gold price received	
– R/kg	
153 177	
152 600	
Cash operating costs	
– R/kg	
165 442	
150 342	
R million	
R million	
Continuing operations	
Revenue	
2 489	
2 139	
Cash operating costs	
(2 078)	
(2 105)	
Cash operating profit	



411	
34	
Amortisation and depreciation of mining properties, mine development costs and mine plant facilities	
(224)	
(225)	
Corporate expenditure	
(72)	
(89)	
Reversal of provision for rehabilitation costs	
–	
20	
Operating profit/(loss)	
115	
(260)	
Amortisation and depreciation other than mining properties, mine development costs and mine plant facilities	
(12)	
(11)	
Care and maintenance costs of restructured shafts	
(9)	
(10)	
Share based compensation	
(10)	
(3)	
Exploration expenditure	
(44)	
(61)	
Impairment of assets	
–	
123	
Loss from associates	
–	
(1)	
Gain on financial instruments	
4	
29	
(Loss)/profit on sale of property, plant and equipment	
(2)	
93	
Other expenses – net	
(19)	
(49)	
Provision for former employees’ post retirement benefits	
–	
13	
Mark-to-market of listed investments	
34	
31	
Loss on sale of listed investment	
(459)	
(37)	

Investment income	
67	
85	
Finance cost	
(133)	
(216)	
Loss before taxation	
(468)	
(274)	
Taxation	
(10)	
138	
Net loss from continuing operation	
(478)	
(136)	
Discontinued operations	
Loss from discontinued operations	
(92)	
(243)	
Loss from measurement to fair value less cost to sell	
(7)	
(274)	
(577)	
(653)	
Loss per share from continued operations attributable to the equity holders of the Company during the year (cents)	
– Basic loss *	
(120)	
(34)	
– Headline loss *	
(21)	
(72)	
– Fully diluted loss ** ***	
(120)	
(34)	
Loss per share from discontinued operations attributable to the equity holders of the Company during the year (cents)	
– Basic loss *	
(24)	
(129)	
– Headline loss *	
(22)	
(61)	
– Fully diluted loss ** ***	
(24)	
(129)	

Prepared in accordance with International Financial Reporting Standards

\* Calculated on weighted average number of shares in issue at quarter end 30 September 2007: 399.5 million (30 June 2007: 398.6 million).

\*\* Calculated on weighted average number of diluted shares in issue at quarter end 30 September 2007: 402.8 million

(30 June 2007: 403.1 million).

\*\*\* The effect of the share options is anti-dilutive.

P

27

CONDENSED CONSOLIDATED INCOME STATEMENT (Rand)

For the period ended

30 September

30 September

2007

2006

Notes

*(restated)\**

R million

R million

Continuing operations

Revenue

2 489

2 380

Production cost (exclusive of amortisation and depreciation of mining properties, mine development costs and mine plant facilities)

2

(2 078)

(1 589)

Amortisation and depreciation of mining properties, mine development costs and mine plant facilities

(224)

(233)

Amortisation and depreciation other than mining properties, mine development costs and mine plant facilities

(12)

(17)

Corporate expenditure

(72)

(56)

Exploration expenditure

(44)

(34)

Care and maintenance costs of restructured shafts

(9)

(17)

Share-based compensation

(10)

(11)

Reversal of provision for rehabilitation costs

–

(2)

(Loss)/profit on sale of property, plant and equipment

(2)

13

Gain on financial instruments

3

4

19

Other (expenses)/income – net	
(19)	
19	
Operating profit	
23	
472	
Loss from associates	
4	
–	
(48)	
Loss on sale of listed investment	
5	
(459)	
–	
Mark-to-market of listed investments	
34	
24	
Investment income	
67	
37	
Finance cost	
(133)	
(93)	
(Loss)/profit before tax	
(468)	
392	
Taxation	
(10)	
(123)	
Net (loss)/profit from continuing operations	
(478)	
269	
Discontinued operations	
(Loss)/profit from discontinued operations	
6	
(92)	
8	
Loss from measurement to fair value less cost to sell	
6	
(7)	
–	
Net (loss)/profit	
(577)	
277	
(Loss)/earnings per share for profit from continued operations attributable	
7	
to the equity holders of the Company during the year (cents)	
– Basic (loss)/earnings	
(120)	
68	
– Fully diluted (loss)/earnings	

(120)

67

(Loss)/earnings per share for profit from discontinued operations attributable

7

to the equity holders of the Company during the year (cents)

– Basic (loss)/earnings

(24)

2

– Fully diluted (loss)/earnings

(24)

2

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

\* The comparative figures for 2006 were adjusted to exclude the discontinued operations.

P

28

CONDENSED CONSOLIDATED BALANCE SHEET (Rand)

At

At

At

30 September

30 June

30 September

2007

2007

2006

Notes

(Unaudited)

(Audited)

(Unaudited)

R million

R million

R million

ASSETS

Non-current assets

Property, plant and equipment

24 899

24 398

23 849

Intangible assets

2 308

2 307

2 270

Restricted cash

5

5

286

Investments in financial assets

1 461

1 387

2 306

Investments in associates

5

7

7

1 860

Deferred income tax

1 914

2 321

1 643

Trade and other receivables

100

95

82

30 694

	30 520
	32 296
Current assets	
Inventories	
	790
	742
	730
Investments in financial assets	
	—
	2 484
	—
Trade and other receivables	
	778
	918
	871
Income and mining taxes	
	26
	16
	25
Restricted cash	
	—
	274
	—
Cash and cash equivalents	
	1 567
	711
	582
	3 161
	5 145
	2 208
Non-current assets classified as held for sale	
	6
	1 279
	1 284
	—
	4 440
	6 429
	2 208
Total assets	
	35 134
	36 949
	34 504
<b>EQUITY AND LIABILITIES</b>	
Share capital and reserves	
Share capital	
	25 652
	25 636
	25 521
Other reserves	
	20
	(349)



(88)  
Accumulated loss  
(2 258)  
(1 681)  
(1 738)  
23 414  
23 606  
23 695  
Non-current liabilities  
Borrowings  
8  
3 842  
1 743  
2 637  
Deferred income tax  
4 602  
5 000  
4 092  
Derivative financial instruments  
9  
—  
—  
609  
Provisions for other liabilities and charges  
1 231  
1 216  
1 009  
9 675  
7 959  
8 347  
Current liabilities  
Trade and other payables  
1 421  
1 755  
1 448  
Borrowings  
15  
2 855  
1 006  
Bank overdraft  
—  
220  
—  
Shareholders for dividends  
7  
7  
8  
1 443  
4 837  
2 462

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

6

602

547

—

2 045

5 384

2 462

Total equity and liabilities

35 134

36 949

34 504

Number of ordinary shares in issue

400 011 182

399 608 384

397 549 945

Net asset value per share (cents)

5 853

5 902

5 960

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

P	
29	
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD	
ENDING 30 SEPTEMBER 2007 (Rand)	
Issued share	
Other	
Retained	
capital	
reserves	
earnings	
Total	
R million	
R million	
R million	
R million	
Balance as 1 July 2007	
25 636	
(370)	
(1 681)	
23 585	
Issue of share capital	
16	
–	
–	
16	
Currency translation adjustment and other	
–	
390	
–	
390	
Net earnings	
–	
–	
(577)	
(577)	
Balance as at 30 September 2007	
25 652	
20	
(2 258)	
23 414	
Balance as 1 July 2006	
25 489	
(271)	
(2 015)	
23 203	
Issue of share capital	
32	
–	
–	
32	
Currency translation adjustment and other	

-  
183  
-  
183  
Net loss  
-  
-  
277  
277  
Balance as at 30 September 2006  
25 521  
(88)  
(1 738)  
23 695

P  
 30  
 SUMMARISED CASH FLOW STATEMENT FOR THE PERIOD ENDING 30 SEPTEMBER 2007  
 (Rand)(unaudited)  
 Three months  
 Three months  
 Three months  
 ended  
 ended  
 ended  
 30 September  
 30 September  
 30 June  
 2007  
 2006  
 2007  
 R million  
 R million  
 R million  
 Cash flow from operating activities  
 Cash generated/(utilised) by operations  
 54  
 471  
 (248)  
 Interest and dividends received  
 69  
 39  
 87  
 Interest paid  
 (59)  
 (45)  
 (83)  
 Income and mining taxes paid  
 (12)  
 –  
 (11)  
 Cash generated/(utilised) by operating activities  
 52  
 465  
 (255)  
 Cash flow from investing activities  
 Decrease/(increase) in restricted cash  
 274  
 (30)  
 225  
 Net proceeds on disposal of listed investments  
 1 310  
 30  
 166  
 Acquisition of investment in associate  
 –

–  
 –  
 Net additions to property, plant and equipment  
 (833)  
 (562)  
 (784)  
 Other investing activities  
 (51)  
 –  
 (10)  
 Cash generated/(utilised) by investing activities  
 700  
 (562)  
 (401)  
 Cash flow from financing activities  
 Long-term loans raised  
 286  
 –  
 651  
 Ordinary shares issued – net of expenses  
 19  
 32  
 37  
 Dividends paid  
 –  
 –  
 (7)  
 Cash generated by financing activities  
 305  
 32  
 681  
 Foreign currency translation adjustments  
 20  
 (4)  
 (7)  
 Net increase/(decrease) in cash and equivalents  
 1 077  
 (69)  
 18  
 Cash and equivalents – beginning of period  
 494  
 651  
 476  
 Cash and equivalents – end of period  
 1 571  
 582  
 494

P

31

RECONCILIATION BETWEEN CASH OPERATING PROFIT AND CASH GENERATED/(UTILISED) BY OPERATIONS FOR THE PERIOD ENDING 30 SEPTEMBER 2007 (Rand)

Three months

Three months

Three months

ended

ended

ended

30 September

30 September

30 June

2007	2006	2007
------	------	------

R million

R million

R million

Cash operating profit

386

891

39

Other cash items per income statement:

Other income (Including interest received and profit on sale of mining assets)

41

67

138

Employment termination, restructuring and care and maintenance costs

(12)

(20)

(14)

Corporate, administration and other expenditure

(77)

(59)

(87)

Exploration expenditure

(55)

(41)

(70)

Provision for rehabilitation costs

—

(2)

(1)

Cash flow statement adjustments:

Cost of close out of hedges

—

(55)

(367)

Profit on sale of mining assets

3

(13)

(93)

Interest and dividends received

(69)

(39)

(87)

Other non-cash items

(22)

(34)

(9)

Effect of changes in operating working capital items:

Receivables

59

(150)

241

Inventories

(54)

(64)

(143)

Accounts payable

276

66

244

Accrued liabilities

(422)

(76)

(39)

Cash generated/(utilised) by operations

54

471

(248)



P

32

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD  
ENDING 30 SEPTEMBER 2007

1.

Basis of accounting

The condensed consolidated financial statements for the period ending 30 September 2007 have been prepared using accounting policies that comply with International Financial Reporting Standards (IFRS), which are consistent with the accounting policies used in the audited annual financial statements for the year ended 30 June 2007. These condensed consolidated financial statements are prepared in accordance with IAS 34, Interim Financial Reporting and should be read

in conjunction with the financial statement as at and for the year ended 30 June 2007.

New accounting standards and IFRIC interpretations

Certain new accounting standards and IFRIC interpretations have been published that are mandatory for accounting periods beginning on or after 1 January 2008. These new standards and interpretations have not been early adopted by the Group and a reliable estimate of the impact of the adoption thereof for the Group cannot yet be determined for all of

them, as management are still in the process of determining the impact thereof on future financial statements.

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

Title

Effective date

*New Statement*

- IFRS 8 Operating segments

# Financial year commencing on or after

1 January 2009

Amendments

- IAS 23 (Revised) Borrowings Costs(Revised March 2007)

# Financial year commencing on or after

1 January 2009

*New Interpretation*

- IFRIC 12 – Service Concession Arrangements

# Financial year commencing on or after

1 January 2008

# Not yet assessed

2.

Cash operating profit

The format of the income statement is now presented ‘by nature’ as per the requirements of IFRS 5. The major differences

is that ‘cash operating costs’ and ‘cash operating profit’ are not reflected on the face of the income statement anymore. ‘Cash operating costs’ are now included under ‘Production costs’.

If no change was effected, the cash operating profit would have been as following:

30 September

30 September

2007 2006

R million

R million

Revenue

2 489

2 380

Cash operating costs

(2 078)

(1 589)

Cash operating profit

411

791

3.

Gain/(loss) on financial instruments

The Australian gold hedge book was closed out during the June 2007 quarter, leaving only the Abelle Limited forward exchange contract that resulted in a marked-to-market gain of R4.4 million.

P

33

4.

Investment in associate

Harmony accounted for its 29.2% stake in Western Areas Limited through its subsidiary, ARMgold/Harmony Joint Investment Company Pty Ltd, on the equity basis for accounting until 1 December 2006. On this date Harmony excepted

Gold Fields Limited's (GFI) offer of 35 GFI shares for every 100 Western Area Limited shares held. The remaining investment

in the Goldfields shares were sold during the September 2007 quarter for a loss of R459 million, refer to note 5.

30 September

30 September

2007                      2006

R million

R million

5.

Loss on sale of listed investments

Loss on sale of investment in Gold Fields Limited

459

–

459

–

6.

Non-current assets held for sale and discontinued operations

The assets and liabilities related to Mt Magnet and South Kal (operations in Australia), ARMgold Welkom and Orkney operations (operations in the Free State and Northwest areas), and Kudu and Sable (operations in the Free State area), which have been presented as held for sale following the approval of the Group's management and the Board of Directors on 20 April 2007.

Operating cash flows

(46)

86

Investing cash flows

18

(418)

Financing cash flows

–

–

Foreign exchange translation adjustment

(3)

6

Total cash flows

(31)

(326)

(a) Non-current assets classified as held for sale

Property, plant and equipment

970

–

Restricted cash

5

–	
Investment financial assets	
67	
–	
Deferred income tax	
47	
–	
Inventories	
127	
–	
Trade and other receivables	
47	
–	
Income and mining taxes	
12	
Cash and cash equivalents	
4	
–	
1 279	
–	
<i>(b) Liabilities directly associated with non-current assets classified as held for sale</i>	
Borrowings	
1	
–	
Deferred income tax	
23	
–	
Provisions for other liabilities and charges	
312	
–	
Trade and other payables	
266	
–	
602	
–	
<i>(c) Analysis of the results of discontinued operations, and the results recognised on the re-measurement of assets or disposal group</i>	
Revenue	
306	
410	
Expenses	
(401)	
(403)	
(Loss)/profit from discontinued operations before tax	
(95)	
7	
Taxation	
3	
1	
(Loss)/profit from discontinued operations after tax	
(92)	

8

Pre-tax loss recognised on the re-measurement of assets of disposal  
(10)

—

Taxation

3

—

Profit for the year from discontinued operations  
(99)

8

P

34

7.

(Loss)/earnings per share

(Loss)/earnings per share is calculated on the weighted average number of shares in issue for the quarter ended

30 September 2007: 399.5 million (30 June 2007: 398.6 million; 30 September 2006: 396.8 million)

The fully diluted (loss)/earnings per share is calculated on weighted average number of diluted shares in issue for the quarter ended 30 September 2007: 402.8 million (30 June 2007: 403.1 million; 30 September 2006: 402.9 million).

The effect of the share options is anti-dilutive.

30 September

30 June

30 September

2007

2007

2006

R million

R million

R million

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

– Basic (loss)/earnings

(143)

(163)

70

– Headline (loss)/earnings

(43)

(133)

66

– Fully diluted (loss)/earnings

(143)

(163)

69

Reconciliation of headline earnings/(loss)

Continued operations

Net (loss)/profit

(478)

(136)

269

*Adjusted for:*

Loss/(profit) on sale of property, plant and equipment

1

(66)

(14)

Loss on sale of listed investment

392

31

–

Reversal of impairment of assets

–

(117)

–

Headline profit/(loss)

(84)  
 (288)  
 255  
 Discontinued operations  
 Net (loss)/profit  
 (99)  
 (517)  
 8  
*Adjusted for:*  
 Impairment of assets  
 7  
 274  
 –  
 Headline (loss)/profit  
 (92)  
 (243)  
 8  
 30 September  
 30 September  
 2007                      2006  
 R million  
 R million  
 8.  
 Borrowings  
 Unsecured long-term borrowings  
 Convertible unsecured fixed rate bonds  
 1 562  
 1 482  
 Rand Merchant Bank term loan facility  
 –  
 1 000  
 Africa Vanguard Resources (Proprietary) Limited  
 32  
 32  
 1 594  
 2 514  
 Less: Short term portion  
 –  
 (1 000)  
 Total unsecured long-term borrowings  
 1 594  
 1 514  
 Secured long-term borrowings  
 Gold Fields Limited  
 –  
 5  
 Westpac Bank Limited  
 88  
 –  
 Africa Vanguard Resources (Doornkop) (Pty) Limited (Nedbank Limited)  
 175

159  
ARM Empowerment Trust 1 (Nedbank Limited)  
—  
412  
ARM Empowerment Trust 2 (Nedbank Limited)  
—  
552  
Auriel Alloys  
—  
1  
Nedbank Limited  
2 000  
—  
2 263  
1 129  
Less: Short term portion  
(15)  
(6)  
Total unsecured long-term borrowings  
2 248  
1 123  
Total long-term borrowings  
3 842  
2 637



P

35

30 September

30 September

2007                      2006

R million

R million

9.

Derivative financial instruments

Forward exchange commitment

Abelle Limited an indirect subsidiary, has a forward exchange contract in place for the purchase of the mining fleet used on the Hidden Valley project. The forward exchange contract is classified as speculative and the mark-to-market movement, R4.4 million, is reflected in the income statement.

10. Commitments and Contingencies

Capital expenditure commitments

Contracts for capital expenditure

462

117

Authorised by the directors but not contracted for

1 870

2 071

2 332

2 188

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

Contingent liabilities

Guarantees and suretyships

18

18

Environmental guarantees

129

129

147

147

11. Subsequent events

On 25 September 2007, Harmony Gold Mining Company Limited announced that it had entered into an agreement with

Pamodzi Gold Limited (Pamodzi), where Pamodzi will render management services to ARMgold, with respect to the Orkney

shafts. The commencement date was 25 September 2007 and the termination date is the earliest of the effective date (where the Orkney assets are sold to Pamodzi) or the date on which the sale of shares agreement fails to become of any force.

In consideration for rendering the management services, ARMgold shall pay Pamodzi an amount equal to the aggregate

of the net smelter revenues for each production month, less the aggregate of the business expenses for that production month plus value-added tax.

P

36

12. GEOGRAPHICAL AND SEGEMENT INFORMATION QUARTER ENDING 30 SEPTEMBER 2007 SOUTH AFRICA (Rand/metric)

Cash

Cash

operating

operating

Capital

Kilograms

Tons

Operating

Revenue

cost

profit/(loss)

expenditure

gold

milled Grade

Cost

Rm

Rm

Rm

Rm

T'000

R/kg

Quality ounces

Masimong

171

189

(18)

30

1 096

241

4.55

173 881

Leveraged ounces

Harmony 2

68

71

(3)

10

438

126

3.44

162 244

Merriespruit 1

49

60

(11)

9

314

94  
 3.35  
 192 605  
 Merriespruit 3  
 57  
 60  
 (3)  
 9  
 363  
 107  
 3.41  
 164 878  
 Unisel  
 98  
 85  
 13  
 9  
 628  
 139  
 4.53  
 134 873  
 Brand 3  
 70  
 62  
 8  
 5  
 445  
 108  
 4.13  
 138 914  
 Brand  
 5  
 –            4  
 (4)  
 –            –            –  
 –            –  
 Saaiplaas 3  
 –  
 –  
 Surface  
 46  
 22  
 24  
 5  
 297  
 1 577  
 0.19  
 73 267  
 Other  
 –  
 –

-					
-					
-					
-					
-					
-					
Total Freestate					
559					
553					
6					
77					
3 581					
2 392					
1.50					
154 865					
Evander operations					
Quality ounces					
Evander 5					
75					
66					
9					
10					
477					
82					
5.82					
137 615					
Evander 7					
103					
76					
27					
35					
663					
106					
6.26					
114 018					
Evander 8					
173					
107					
66					
25					
1 104					
184					
6.00					
97 365					
Evander 9					
9					
-	-	-	-	-	-
-	-				
Surface					
-	-	-	1		
-	-				

— —  
Other  
Total Evander  
351  
249  
102  
71  
2 244  
372  
6.03  
110 840  
Randfontein operations  
Quality ounces  
Cooke 1  
84  
65  
19  
3  
537  
82  
6.56  
120 404  
Cooke 2  
84  
59  
25  
10  
541  
90  
6.00  
108 687  
Cooke 3  
139  
90  
49  
30  
890  
149  
5.96  
101 880  
Growth projects  
Doornkop  
71  
63  
8  
71  
454  
126  
3.61  
139 057  
Surface

42  
22  
20  
13  
272  
513  
0.53  
80 306  
Other  
—  
Total Randfontein  
420  
299  
121  
127  
2 694  
960  
2.81  
111 032  
Elandsrand operations  
Growth projects  
Elandsrand  
273  
241  
32  
84  
1 753  
289  
6.07  
137 345  
Surface  
— —  
Other  
—  
Total Elandsrand  
273  
241  
32  
84  
1 753  
289  
6.07  
137 345

P  
 37  
 Cash  
 Cash  
 operating  
 operating  
 Capital  
 Kilograms  
 Tons  
 Operating  
 Revenue  
 cost  
 profit/(loss)  
 expenditure  
 gold  
 milled Grade  
 Cost  
 Rm  
 Rm  
 Rm  
 Rm  
 T'000  
 R/kg  
 Freegold operations  
 Quality operations  
 Tshepong  
 367  
 245  
 122  
 52  
 2 345  
 386  
 6.08  
 104 352  
 Growth projects  
 Phakisa  
 – – – 62  
 – –  
 – –  
 Leveraged ounces  
 Bambanani  
 203  
 202  
 1  
 25  
 1 275  
 238  
 5.35  
 158 764  
 Joel  
 65

69					
(4)					
11					
419					
81					
5.15					
163 915					
Eland					
-	-	-	-	-	-
-	-				
Kudu/Sable					
-	-	-	-	-	-
-	-				
West shaft					
-	-	-	-	-	-
-	-				
Nyala					
-	-	-	-	-	-
-	-				
St Helena					
27					
46					
(19)					
3					
176					
53					
3.30					
259 032					
AMF					
3					
-	3				
-					
18					
13					
1.41					
25					
140					
Surface					
6					
5					
1					
6					
43					
64					
0.67					
118 844					
Other					
-					
Total Freegold					
671					



567  
 104  
 159  
 4 276  
 835  
 5.12  
 132 688  
 ARMgold operations  
 Leveraged ounces  
 Orkney 2  
 53  
 58  
 (5)  
 6  
 339  
 60  
 5.65  
 171 302  
 Orkney 4  
 41  
 56  
 (15)  
 9  
 267  
 80  
 3.33  
 208 703  
 Orkney 7  
 20  
 31  
 (11)  
 11  
 130  
 58  
 2.23  
 240 669  
 Surface  
 - - - - -  
 - -  
 Other  
 -  
 Total ARMgold  
 114  
 145  
 (31)  
 26  
 736  
 198  
 3.71  
 197 094

Avgold operations  
Quality ounces  
Target  
106  
91  
15  
34  
688  
150  
4.60  
131 930  
Surface  
6  
5  
1  
5  
41  
58  
0.70  
127 341  
Other  
—  
Total Avgold  
112  
96  
16  
39  
729  
208  
3.51  
131 674  
Kalgold operations  
Surface  
103  
73  
30  
2  
663  
336  
1.97  
109 547  
Other  
—  
Total Kalgold  
103  
73  
30  
2  
663  
336  
1.97

109 547

Other entities

-  
-  
-  
-  
-  
-  
-  
-

Total South Africa

2 603

2 223

380

585

16 676

5 590

2.96

130 417

Australia

Mt Magent

104

114

(10)

40

738

398

1.85

154 648

South Kal

87

71

16

51

522

274

1.90

135 186

Papua New Guinea

-  
-  
-  
161  
-  
-  
-

Other entities

-  
-  
-

—  
—  
—  
—  
—  
Total Australia  
191  
185  
6  
252  
1 260  
672  
1.88  
146 588  
Total Harmony  
2 794  
2 408  
386  
837  
17 936  
6 262  
2.86  
134 304

P  
38  
Cash  
Cash  
operating  
operating  
Capital  
Kilograms  
Tons  
Operating  
Revenue  
cost  
profit/(loss)  
expenditure  
gold  
milled    Grade  
Cost  
Rm  
Rm  
Rm  
Rm  
T'000  
R/kg  
*Included in the above  
are the following  
discontinued  
operations:*  
South Africa  
Orkney 2  
53  
58  
(5)  
6  
339  
60  
5.65  
171 302  
Orkney 4  
41  
56  
(15)  
9  
267  
80  
3.33  
208 703  
Orkney 7  
20  
31  
(11)  
11

130					
58					
2.23					
240 669					
ARM					
surface					
–	–	–	–	–	–
–	–				
Kudu/Sable					
–	–	–	–	–	–
–	–				
Total SA					
114					
145					
(31)					
26					
736					
198					
3.71					
197 094					
Australia					
Mt Magent					
104					
114					
(10)					
40					
738					
398					
1.85					
154 648					
South Kal					
87					
71					
16					
51					
522					
274					
1.90					
135 186					
Total Australia					
191					
185					
6					
91					
1 260					
672					
1.88					
146 589					
Total Harmony					
– discontinued					
operations					

305  
330  
(25)  
117  
1 996  
870  
2.29  
165 442  
Total Harmony  
– continuing  
operations  
2 489  
2 078  
411  
720  
15 940  
5 392  
2.96  
130 416

P

39

GEOGRAPHICAL AND SEGEMENT INFORMATION QUARTER ENDING 30 SEPTEMBER 2006 SOUTH AFRICA (Rand/metric)

Cash

Cash

operating

operating

Capital

Kilograms

Tons

Operating

Revenue

cost

profit/(loss)

expenditure

gold

milled Grade

Cost

Rm

Rm

Rm

Rm

T'000

R/kg

Freestate operations

Quality ounces

Masimong

189

126

63

25

1 301

249

5.22

96 209

Leveraged ounces

Harmony 2

41

51

(10)

6

288

86

3.34

172 665

Merriespruit 1

52

40

12

5



362  
107  
3.39  
111 333  
Merriespruit 3  
53  
41  
12  
5  
367  
103  
3.56  
112 972  
Unisel  
94  
55  
39  
9  
653  
136  
4.79  
84 321  
Brand 3  
56  
43  
13  
2  
387  
108  
3.57  
111 866  
Brand  
5  
1  
3  
(2)  
- 6  
1  
- -  
Saaiplaas 3  
-  
-  
Surface  
22  
16  
6  
5  
149  
307  
0.49  
108 229

Other

—

Total Freestate

508

375

133

57

3 513

1 097

3.20

106 471

Evander operations

Quality ounces

Evander 5

60

56

4

10

418

101

4.15

134 868

Evander 7

71

58

13

21

490

100

4.92

119 180

Evander 8

136

83

53

20

943

201

4.68

87 722

Evander

9

— — — — — —

— —

Surface

— — — 1

— —

— —

Other

Total Evander

267

197  
70  
52  
1 851  
402  
4.61  
106 696  
Randfontein operations  
Quality ounces  
Cooke 1  
81  
63  
18  
5  
565  
103  
5.51  
111 398  
Cooke 2  
83  
50  
33  
7  
578  
95  
6.09  
86 922  
Cooke 3  
134  
89  
45  
18  
931  
147  
6.32  
95 878  
Growth projects  
Doornkop  
64  
52  
12  
58  
443  
127  
3.48  
116 686  
Surface  
10  
3  
7  
12

71  
46  
1.54  
42 884  
Other  
—  
Total Randfontein  
372  
257  
115  
100  
2 588  
518  
4.99  
99 364  
Elandsrand operations  
Growth projects  
Elandsrand  
201  
176  
25  
64  
1 399  
271  
5.18  
125 548  
Surface  
—  
—  
—  
2  
—  
—  
—  
—  
Other  
—  
—  
—  
—  
—  
—  
—  
Total Elandsrand  
201  
176  
25  
66  
1 399  
271

5.18  
125 548

P  
 40  
 Cash  
 Cash  
 operating  
 operating  
 Capital  
 Kilograms  
 Tons  
 Operating  
 Revenue  
 cost  
 profit/(loss)  
 expenditure  
 gold  
 milled Grade  
 Cost  
 Rm  
 Rm  
 Rm  
 Rm  
 T'000  
 R/kg  
 Freegold operations  
 Quality operations  
 Tshepong  
 434  
 199  
 235  
 48  
 3 037  
 459  
 6.61  
 65 656  
 Growth projects  
 Phakisa  
 – – – 53  
 – –  
 – –  
 Leveraged ounces  
 Bambanani  
 210  
 176  
 34  
 25  
 1 472  
 283  
 5.20  
 119 870  
 Joel  
 109

62					
47					
5					
760					
145					
5.26					
81 602					
Eland					
6					
-	6				
-					
42					
4					
-					
-					
Kudu/Sable					
-	-	-	-	-	-
-	-				
West shaft					
17					
23					
(6)					
2					
121					
43					
2.80					
188 825					
Nyala					
-	-	-	-	-	-
-	-				
St Helena					
19					
31					
(12)					
1					
135					
46					
2.91					
231 275					
AMF					
-	-	-	-	-	-
-	-				
Surface					
6					
-	6				
2					
7					
42					
0.17					
65					
698					

Other

—

Total Freegold

801

491

310

136

5 574

1 022

5.45

88 355

ARMgold operations

Leveraged ounces

Orkney 2

49

51

(2)

7

345

79

4.38

147 768

Orkney 4

66

54

12

10

461

108

4.29

116 979

Orkney 7

14

17

(3)

14

98

39

2.49

173 280

Surface

—

—

—

—

—

—

—

—

Other

—

Total ARMgold

129

122

7

31

904



226  
 4.00  
 134 840  
 Avgold operations  
 Quality ounces  
 Target  
 164  
 46  
 118  
 22  
 1 129  
 210  
 5.39  
 40 350  
 Surface  
 1  
 3  
 (2)  
 - 4  
 32  
 0.11  
 802  
 588  
 Other  
 -  
 Total Avgold  
 165  
 49  
 116  
 22  
 1 133  
 242  
 4.68  
 42 741  
 Kalgold operations  
 Surface  
 66  
 44  
 22  
 1  
 461  
 478  
 0.97  
 94 882  
 Other  
 -  
 Total Kalgold  
 66  
 44  
 22  
 1

461  
 478  
 0.97  
 94 882  
 Other entities  
 –  
 Total South Africa  
 2 509  
 1 711  
 798  
 465  
 17 423  
 4 256  
 4.09  
 98 199  
 Australia  
 Mt Magent  
 198  
 122  
 76  
 20  
 1 438  
 436  
 3.30  
 84 935  
 South Kal  
 83  
 66  
 17  
 19  
 611  
 363  
 1.68  
 108 384  
 Papua New Guinea  
 – 73  
 Other entities  
 – –  
 Total Australia  
 281  
 188  
 93  
 112  
 2 049  
 799  
 2.56  
 91 914  
 Total Harmony  
 2 790  
 1 899  
 891

577  
19 472  
5 055  
3.85  
97 538

P  
41  
Cash  
Cash  
operating  
operating  
Capital  
Kilograms  
Tons  
Operating  
Revenue  
cost  
profit/(loss)  
expenditure  
gold  
milled Grade  
Cost  
Rm  
Rm  
Rm  
Rm  
T'000  
R/kg  
*Included in the above  
are the following  
discontinued  
operations:*  
South Africa  
Orkney 2  
49  
51  
(2)  
7  
345  
79  
4.38  
147 768  
Orkney 4  
66  
54  
12  
10  
461  
108  
4.29  
116 979  
Orkney 7  
14  
17  
(3)  
14

98					
39					
2.49					
173 280					
ARM					
surface					
-	-	-	-	-	-
-	-				
Kudu/Sable					
-	-	-	-	-	-
-	-				
Total SA					
129					
122					
7					
31					
904					
226					
4.00					
134 840					
Australia					
Mt Magent					
198					
122					
76					
20					
1 438					
436					
3.30					
84 935					
South Kal					
83					
66					
17					
19					
611					
363					
1.68					
108 384					
Total Australia					
281					
188					
93					
39					
2 049					
799					
2.56					
91 914					
Total Harmony					
- discontinued					
operations					

410  
310  
100  
70  
2 953  
1 025  
2.88  
165 359  
Total Harmony  
– continuing  
operations  
2 380  
1 589  
791  
507  
16 519  
4 030  
4.10  
96 192  
Quarter average exchange rate:  
7.0977  
7.0885

P42

OPERATING AND FINANCIAL RESULTS (US\$/imperial)(unaudited) (Continued operations)

Underground production – South Africa

South

Quality

Growth Leveraged

Total

Other

Kalgold

Total

Africa

Harmony

Ounces

Projects

Ounces Underground

Surface

Surface

Surface

Total

Australia

PNG

Total

Ore milled

– t'000

Sep-07

1 621

458

1 058

3 137

2 439

371

2 810

5 947

–

–

5 947

Jun-07

1 693

417

921

3 031

1 543

302

1 845

4 876

–

–

4 876

Gold Produced

– oz

Sep-07

268 168  
 70 956  
 131 046  
 470 170  
 20 994  
 21 316  
 42 310  
 512 480  
 –  
 –  
 512 480  
 Jun-07  
 249 006  
 64 719  
 110 534  
 424 259  
 16 075  
 13 825  
 29 900  
 454 159  
 –  
 –  
 454 159  
 Yield – oz/t  
 Sep-07  
 0.17  
 0.15  
 0.12  
 0.15  
 0.01  
 0.06  
 0.02  
 0.09  
 –  
 –  
 0.09  
 Jun-07  
 0.15  
 0.16  
 0.12  
 0.14  
 0.01  
 0.05  
 0.02  
 0.09  
 –  
 –  
 0.09  
 Cash Operating Costs  
 – \$/oz  
 Sep-07



520  
603  
709  
585  
362  
480  
421  
572  
—  
—  
572  
Jun-07  
623  
526  
860  
670  
357  
504  
425  
654  
—  
—  
654  
Cash Operating Costs  
— \$/t  
Sep-07  
86  
93  
88  
88  
3  
28  
6  
49  
—  
—  
49  
Jun-07  
92  
82  
103  
94  
4  
23  
7  
61  
—  
—  
61  
Working Revenue  
(\$'000)

Sep-07  
 183 506  
 48 422  
 90 010  
 321 938  
 14 263  
 14 538  
 28 801  
 350 739

—  
 —  
 350 739

Jun-07  
 165 345  
 42 784  
 73 635  
 281 764  
 10 740  
 9 175  
 19 915  
 301 679

—  
 —  
 301 679

Cash Operating Costs  
 (\$'000)

Sep-07  
 139 338  
 42 818  
 92 905  
 275 061  
 7 590  
 10 236  
 17 826  
 292 887

—  
 —  
 292 887

Jun-07  
 155 097  
 34 021  
 95 100  
 284 218  
 5 734  
 6 965  
 12 699  
 296 917

—  
 —  
 296 917

Cash Operating Profit (\$'000)

Sep-07  
 44 168  
 5 604  
 (2 895)  
 46 877  
 6 673  
 4 302  
 10 975  
 57 852

—  
 —  
 57 852

Jun-07  
 10 248  
 8 763  
 (21 465)  
 (2 454)  
 5 006  
 2 210  
 7 216  
 4 762

—  
 —  
 4 762

Capital Expenditure  
 (\$'000)

Sep-07  
 33 376  
 33 544  
 11 665  
 78 585

—  
 286  
 286  
 78 871

—  
 22 642  
 101 513

Jun-07  
 34 411  
 29 665  
 10 752  
 74 828

—  
 55  
 55  
 74 883

—  
 39 408  
 114 291

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Quality Ounces - Evander Shafts, Randfontein Cooke Shafts, Target, Tshepong, Masimong.

Growth Projects - Doornkop shaft and South Reef Project, Elandsrand shaft and New Mine Project, Phakisa shaft, Tshepong Decline Project.

Leveraged Ounces - Bambanani, Joel, St Helena 8, Harmony 2, Merriespruit 1 and 3, Unisel and Brand 3.

P  
 43  
 TOTAL OPERATIONS – QUARTERLY FINANCIAL RESULTS (US\$/imperial)(unaudited)  
 For the quarter ended  
 30 September  
 30 June  
 2007  
 2007  
 Continuing operations  
 Ore milled  
 – t'000  
 5 947  
 4 876  
 Gold produced  
 – oz  
 512 480  
 454 159  
 Gold price received  
 – \$/oz  
 684  
 664  
 Cash operating costs  
 – \$/oz  
 572  
 654  
 Discontinuing operations  
 Ore milled  
 – t'000  
 959  
 978  
 Gold produced  
 – oz  
 64 173  
 72 981  
 Gold price received  
 – \$/oz  
 671  
 670  
 Cash operating costs  
 – \$/oz  
 725  
 660  
 \$ million  
 \$ million  
 Continuing operations  
 Revenue  
 351  
 302  
 Cash operating costs  
 (293)  
 (297)

Cash operating profit	58
	5
Amortisation and depreciation of mining properties, mine development costs and mine plant facilities	(32)
	(32)
Corporate expenditure	(10)
	(13)
Reversal of provision for rehabilitation costs	–
	3
Operating profit/(loss)	16
	(37)
Amortisation and depreciation other than mining properties, mine development costs and mine plant facilities	(2)
	(2)
Care and maintenance costs of restructured shafts	(1)
	(1)
Share based compensation	(1)
	–
Exploration expenditure	(6)
	(9)
Impairment of assets	–
	17
Loss from associates	–
	–
Gain on financial instruments	1
	4
Profit on sale of property, plant and equipment	–
	13
Other expenses – net	(3)
	(7)
Provision for former employees’ post retirement benefits	–
	2
Mark-to-market of listed investments	5
	4
Loss on sale of listed investment	

(65)	
(5)	
Investment income	
9	
12	
Finance cost	
(19)	
(30)	
Loss before taxation	
(66)	
(39)	
Taxation	
(1)	
19	
Net loss from continuing operations	
(67)	
(20)	
Discontinued operations	
Loss from discontinued operations	
(13)	
(34)	
Loss from measurement to fair value less cost to sell	
(1)	
(39)	
(81)	
(93)	
Loss per share from continued operations attributable to the equity holders of the Company during the year (cents)	
– Basic loss *	
(17)	
(5)	
– Headline loss *	
(3)	
(10)	
– Fully diluted loss ** ***	
(17)	
(5)	
Loss per share from discontinued operations attributable to the equity holders of the Company during the year (cents)	
– Basic loss *	
(3)	
(18)	
– Headline loss *	
(3)	
(9)	
– Fully diluted loss ** ***	
(3)	
(18)	
The currency conversion rates average for the quarter: September 2007: US\$1 = R7.10 (June 2007: US\$1 = R7.09)	
Prepared in accordance with International Financial Reporting Standards	

\* Calculated on weighted average number of shares in issue at quarter end 30 September 2007: 399.5 million (30 June 2007:

398.6 million).

\*\* Calculated on weighted average number of diluted shares in issue at quarter end 30 September 2007: 402.8 million (30 June 2007: 403.1 million).

\*\*\* The effect of the share options is anti-dilutive.



P

44

CONDENSED CONSOLIDATED INCOME STATEMENT (US\$)

For the period ended

30 September

30 September

2007

2006

*(restated)\**

\$ million

\$ million

Continuing operations

Revenue

351

333

Production cost (exclusive of amortisation and depreciation of mining properties, mine development costs and mine plant facilities)

(293)

(223)

Amortisation and depreciation of mining properties, mine development costs and mine plant facilities

(32)

(33)

Amortisation and depreciation other than mining properties, mine development costs and mine plant facilities

(2)

(2)

Corporate expenditure

(10)

(8)

Exploration expenditure

(6)

(5)

Care and maintenance costs of restructured shafts

(1)

(2)

Share-based compensation

(1)

(2)

Reversal of provision for rehabilitation costs

–

–

Profit on sale of property, plant and equipment

–

2

Gain on financial instruments

1

3

Other (expenses)/income – net

(3)

3

Operating profit	
4	
66	
Loss from associates	
–	
(7)	
Loss on sale of listed investment	
(65)	
–	
Mark-to-market of listed investments	
5	
3	
Investment income	
9	
5	
Finance cost	
(19)	
(13)	
(Loss)/profit before tax	
(66)	
54	
Taxation	
(1)	
(17)	
Net (loss)/profit from continuing operations	
(67)	
37	
Discontinued operations	
(Loss)/profit from discontinued operations	
(13)	
1	
Loss from measurement to fair value less cost to sell	
(1)	
–	
Net (loss)/profit	
(81)	
38	
(Loss)/earnings per share for profit from continued operations attributable to the equity holders of the Company during the year (cents)	
– Basic (loss)/earnings	
(17)	
9	
– Fully diluted (loss)/earnings	
(17)	
9	
(Loss)/earnings per share for profit from discontinued operations attributable to the equity holders of the Company during the year (cents)	
– Basic (loss)/earnings	
(3)	
–	
– Fully diluted (loss)/earnings	

(3)

—

The currency conversion rates average for the three months ended: September 2007: US\$1 = R7.10 (September 2006: US\$1 = R7.14)

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

\* The comparative figures for 2006 were adjusted to exclude the discontinued operations.

P

45

CONDENSED CONSOLIDATED BALANCE SHEET (US\$)

At

At

At

30 September

30 June

30 September

2007

2007

2006

\$ million

\$ million

\$ million

ASSETS

Non-current assets

Property, plant and equipment

3 619

3 464

3 074

Intangible assets

335

328

293

Restricted cash

1

1

37

Investments financial assets

212

197

297

Investments in associates

1

1

240

Deferred income tax

278

330

211

Trade and other receivables

15

13

11

4 461

4 334

4 163

Current assets

Inventories

115

105
94
Investments in financial assets
—
353
—
Trade and other receivables
113
129
112
Income and mining taxes
4
2
3
Restricted cash
—
39
—
Cash and cash equivalents
228
101
75
460
729
284
Non-current assets classified as held for sale
186
182
—
646
911
321
Total assets
5 107
5 245
4 447
<b>EQUITY AND LIABILITIES</b>
Share capital and reserves
Share capital
3 728
3 639
3 289
Other reserves
3
(50)
(11)
Accumulated loss
(328)
(239)
(224)
3 403

	3 350
	3 054
Non-current liabilities	
Borrowings	
	558
	247
	340
Net deferred taxation liabilities	
	669
	710
	527
Deferred financial instruments	
	—
	—
	78
Provisions for other liabilities and charges	
	179
	173
	130
	1 406
	1 130
	1 075
Current liabilities	
Trade and other payables	
	208
	250
	187
Borrowings	
	2
	405
	130
Cash and cash equivalents	
	—
	31
	—
Shareholders for dividends	
	1
	1
	1
	211
	687
	318
Liabilities directly associated with non-current assets classified as held for sale	
	87
	78
	—
	298
	765
	318
Total equity and liabilities	
	5 107

5 245

4 447

Number of ordinary shares in issue

400 011 182

399 608 384

397 549 945

Net asset value per share (cents)

851

838

768

Balance sheet converted at conversion rate of US\$1 = R6.88 (30 June 2007: R7.04) (30 September 2006: R7.76)

P

46

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD  
ENDING 30 SEPTEMBER 2007 (US\$)

Issued share

Other

Retained

capital

reserves

earnings

Total

US\$ million

US\$ million

US\$ million

US\$ million

Balance as 1 July 2007

3 726

(54)

(245)

3 427

Issue of share capital

2

-

-

2

Currency translation adjustment and other

-

57

-

57

Net earnings

-

-

(83)

(83)

Balance as at 30 September 2007

3 728

3

(328)

3 403

Balance as 1 July 2006

3 285

(35)

(260)

2 990

Issue of share capital

4

-

-

4

Currency translation adjustment and other



-	
24	
-	
24	
Net earnings	
-	
-	
36	
36	
Balance as at 30 September 2006	
3 289	
(11)	
(224)	
3 054	
Balances translated at closing rates of: September 2007: US\$1 = R6.88 (September 2006: US\$1 = R7.76)	

P

47

SUMMARISED CASH FLOW STATEMENT FOR THE PERIOD ENDING 30 SEPTEMBER 2007

(US\$) (unaudited)

Three months

Three months

Three months

ended

ended

ended

30 September

30 September

30 June

2007

2006

2007

US\$ million

US\$ million

US\$ million

Cash flow from operating activities

Cash generated/(utilised) by operations

8

66

(35)

Interest and dividends received

10

5

12

Interest paid

(8)

(6)

(12)

Income and mining taxes paid

(2)

–

(2)

Cash generated/(utilised) by operating activities

8

65

(37)

Cash flow from investing activities

Decrease/(increase) in restricted cash

39

(4)

31

Net proceeds on disposal of listed investments

183

4

23

Acquisition of investment in associate

–

-	
-	
Net additions to property, plant and equipment	
(117)	
(79)	
(110)	
Other investing activities	
(7)	
-	
(1)	
Cash generated/(utilised) by investing activities	
98	
(79)	
(57)	
Cash flow from financing activities	
Long-term loans raised	
49	
-	
91	
Ordinary shares issued – net of expenses	
3	
4	
5	
Dividends paid	
-	
-	
(1)	
Cash generated by financing activities	
52	
4	
95	
Foreign currency translation adjustments	
-	
(6)	
4	
Net increase/(decrease) in cash and equivalents	
158	
(16)	
5	
Cash and equivalents – beginning of period	
70	
91	
65	
Cash and equivalents – end of period	
228	
75	
70	
Operating activities translated at average rates of: Three months ended 30 September 2007: US\$1 = R7.10 (Three months ended 30 September 2006: US\$1 = R7.14) (Quarter ended 30 June 2007: US\$1 = R7.09)	
Closing balance translated at closing rates of: 30 September 2007: US\$1 = R6.88 (30 September 2006: US\$1 = R7.76)	

(30 June 2007: US\$1 = R7.04)

P

48

GEOGRAPHICAL AND SEGEMENT INFORMATION QUARTER ENDING 30 SEPTEMBER 2007 SOUTH AFRICA (\$/imperial)

Cash

Cash

operating

operating

Capital

Gold

Tons

Operating

Revenue

cost

profit/(loss)

expenditure

Produces

milled Grade

Cost

\$m

\$m

\$m

\$m

Ounces

(imperial)

\$/ounce

Freestate operations

Quality ounces

Masimong

23

27

(4)

4

35 236

266

0.133

762

Leveraged ounces

Harmony 2

9

9

—

1

14 082

140

0.100

711

Merriespriut 1

7

9

(2)

1  
 10 095  
 103  
 0.098  
 844  
 Merriespruit 3  
 8  
 8  
 -  
 1  
 11 671  
 118  
 0.099  
 723  
 Unisel  
 14  
 12  
 2  
 1  
 20 191  
 153  
 0.132  
 591  
 Brand 3  
 10  
 9  
 1  
 1  
 14 307  
 119  
 0.121  
 609  
 Brand  
 5  
 - 1  
 (1)  
 - -  
 0.417  
 191  
 302  
 Saaiplaas  
 3  
 - - - - -  
 - -  
 Surface  
 6  
 3  
 3  
 1  
 9 549  
 1 739

-					
-					
Other					
-	-	-	-	-	-
-					
-					
Total Freestate					
77					
78					
(1)					
10					
115 131					
2 638	0.044				
679					
Evander operations					
Quality ounces					
Evander 5					
11					
9					
2					
2					
15 336					
90					
0.170					
603					
Evander 7					
15					
11					
4					
5					
21 316					
117					
0.183					
500					
Evander 8					
24					
15					
9					
3					
35 494					
203					
0.175					
427					
Evander					
9					
-	-	-	-	-	-
-	-				
Surface					
-	-	-	-	-	-
-	-				
Other					

Total Evander

50

35

15

10

72 146

410 0.176

486

Randfontein operations

Quality ounces

Cooke 1

12

9

3

1

17 265

90

0.191

528

Cooke 2

12

8

4

1

17 393

99

0.175

476

Cooke 3

20

13

7

4

28 614

165

0.174

446

Growth projects

Doornkop

10

9

1

10

14 596

139

0.105

609

Surface

6

3

3



2						
8 745						
566						
0.015						
352						
Other						
Total Randfontein						
60						
42						
18						
18						
86 613						
1 059	0.082					
487						
Elandsrand operations						
Growth projects						
Elandsrand						
38						
34						
4						
12						
56 360						
319						
0.177						
602						
Surface						
-	-	-	-	-	-	-
-	-					
Other						
Total Elandsrand						
38						
34						
4						
12						
56 360						
319	0.177					
602						

P  
 49  
 Cash  
 Cash  
 operating  
 operating  
 Capital  
 Gold  
 Tons  
 Operating  
 Revenue  
 cost  
 profit/(loss)  
 expenditure  
 Produces  
 milled Grade  
 Cost  
 \$m  
 \$m  
 \$m  
 \$m  
 Ounces  
 (imperial)  
 \$/ounce  
 Freegold operations  
 Quality operations  
 Tshepong  
 52  
 34  
 18  
 7  
 75 393  
 425  
 0.177  
 457  
 Growth projects  
 Phakisa  
 – – – 9  
 – –  
 – –  
 Leveraged ounces  
 Bambanani  
 29  
 29  
 – 4  
 40  
 992  
 263  
 0.156  
 696  
 Joel

9					
10					
(1)					
2					
13 471					
90					
0.150					
718					
Eland					
-	-	-	-	-	-
-	-				
Kudu/Sable					
-	-	-	-	-	-
-	-				
West shaft					
-	-	-	-	-	-
-	-				
Nyala					
-	-	-	-	-	-
-	-				
St Helena					
4					
6					
(2)					
-					
5 659					
59					
0.096					
-					
AMF					
-	-	-			
-					
579					
14					
0.041					
110					
Surface					
1					
1					
-	1				
1					
382					
70					
0.020					
521					
Other					
Total Freegold					
95					
80					
15					

23  
137 476  
921 0.149  
581  
ARMgold operations  
Leveraged ounces  
Orkney 2  
7  
8  
(1)  
1  
10 899  
66  
0.165  
751  
Orkney 4  
6  
8  
(2)  
1  
8 584  
88  
0.097  
915  
Orkney 6  
3  
4  
(1)  
2  
4 180  
64  
0.065  
1 055  
Surface  
Other  
Total ARMgold  
16  
20  
(4)  
4  
23 663  
218  
0.108  
864  
Avgold operations  
Quality ounces  
Target  
15  
13  
2  
5

22 120	
165	
0.134	
578	
Surface	
1	
1	
-	1
1	
318	
64	
0.020	
558	
Other	
Total Avgold	
16	
14	
2	
6	
23 438	
229	
0.102	
577	
Kalgold operations	
Surface	
15	
10	
5	
-	21 316
371	
0.058	
480	
Other	
Total Kalgold	
15	
10	
5	
-	
21 316	
371	0.058
480	
Other entities	
-	-
-	-
Total South Africa	
367	
313	
54	
83	
536 143	
6 165	0.087

584  
 Australia  
 Mt Magent  
 15  
 16  
 (1)  
 6  
 23 727  
 439  
 0.054  
 678  
 South Kal  
 12  
 10  
 2  
 7  
 16 783  
 302  
 0.056  
 592  
 Papua New Guinea  
 - - - 23  
 - -  
 - -  
 Other entities  
 - - - - -  
 - -  
 Total Australia  
 27  
 26  
 1  
 36  
 40 510  
 741 0.055  
 642  
 Total Harmony  
 394  
 339  
 55  
 119  
 576 653  
 6 907 0.084  
 589

P  
50  
Cash  
Cash  
operating  
operating  
Capital  
Gold  
Tons  
Operating  
Revenue  
cost  
profit/(loss)  
expenditure  
Produces  
milled Grade

Cost  
\$m  
\$m  
\$m  
\$m

Ounces  
(imperial)  
\$/ounce

*Included in the above  
are the following  
discontinued  
operations:*

South Africa  
Orkney 2

7  
8  
(1)

1  
10 899  
66  
0.165

751  
Orkney 4

6  
8  
(2)

1  
8 584  
88  
0.097

915  
Orkney 7

3  
4  
(1)

2					
4 180					
64					
0.065					
1 055					
ARM					
surface					
-	-	-	-	-	-
-	-				
Kudu/Sable					
-	-	-	-	-	-
-	-				
Total SA					
16					
20					
(4)					
4					
23 663					
218					
0.108					
864					
Australia					
Mt Magent					
15					
16					
(1)					
6					
23 727					
439					
0.054					
678					
South Kal					
12					
10					
2					
7					
16 783					
302					
0.056					
592					
Total Australia					
27					
26					
1					
13					
40 510					
741 0.055					
642					
Total Harmony					
- discontinued					
operations					



43

46

(3)

17

64 173

959 0.067

725

Total Harmony

– continuing

operations

351

293

58

102

512 480

5 947 0.086

572

P

51

GEOGRAPHICAL AND SEGEMENT INFORMATION QUARTER ENDING 30 SEPTEMBER 2006 SOUTH AFRICA (\$/imperial)

Cash

Cash

operating

operating

Capital

Gold

Tons

Operating

Revenue

cost

profit/(loss)

expenditure

Produces

milled Grade

Cost

\$m

\$m

\$m

\$m

Ounces

(imperial)

\$/ounce

Freestate operations

Quality ounces

Masimong

26

18

8

3

41 828

276

0.152

419

Leveraged ounces

Harmony 2

7

7

—

1

9 261

93

0.097

752

Merriespriut 1

7

6

1

1  
11 639  
118  
0.099  
485  
Merriespruit 3  
7  
6  
1  
1  
11 799  
114  
0.104  
492  
Unisel  
13  
8  
5  
1  
20 994  
150  
0.140  
367  
Brand 3  
8  
6  
2  
—  
12 442  
119  
0.104  
487  
Brand 5  
—  
—  
—  
—  
193  
1  
0.133  
2 209  
Saaiplaas  
3  
— — — — — —  
— —  
Surface  
4  
3  
1  
1  
4 790

337					
-					
-					
Other					
-	-	-	-	-	-
-					
-					
Total Freestate					
72					
54					
18					
8					
112 946					
1 208	0.093				
464					
Evander operations					
Quality ounces					
Evander 5					
8					
8					
-					
1					
13 439					
111					
0.121					
587					
Evander 7					
10					
8					
2					
3					
15 754					
110					
0.143					
519					
Evander 8					
19					
12					
7					
3					
30 318					
222					
0.136					
382					
Evander					
9					
-	-	-	-	-	-
-	-				
Surface					
-	-	-	-	-	-
-	-				

Other

Total Evander

37

28

9

7

59 511

443 0.134

464

Randfontein operations

Quality ounces

Cooke 1

11

9

2

2

18 165

113

0.161

485

Cooke 2

12

7

5

1

18 583

105

0.177

378

Cooke 3

19

12

7

2

29 932

162

0.184

417

Growth projects

Doornkop

9

7

2

8

14 243

140

0.101

508

Surface

1

-

1

2						
2						
283						
51						
0.045						
187						
Other						
Total Randfontein						
52						
35						
17						
15						
83 206						
571	0.146					
433						
Elandsrand operations						
Growth projects						
Elandsrand						
28						
25						
3						
9						
44 978						
299						
0.151						
547						
Surface						
-	-	-	-	-	-	-
-	-					
Other						
Total Elandsrand						
28						
25						
3						
9						
44 978						
298						
0.151						
547						

P  
 52  
 Cash  
 Cash  
 operating  
 operating  
 Capital  
 Gold  
 Tons  
 Operating  
 Revenue  
 cost  
 profit/(loss)  
 expenditure  
 Produces  
 milled Grade  
 Cost  
 \$m  
 \$m  
 \$m  
 \$m  
 Ounces  
 (imperial)  
 \$/ounce  
 Freegold operations  
 Quality operations  
 Tshepong  
 61  
 28  
 33  
 7  
 97 641  
 506  
 0.193  
 286  
 Growth projects  
 Phakisa  
 – – – 7  
 – –  
 – –  
 Leveraged ounces  
 Bambanani  
 29  
 25  
 4  
 3  
 47 326  
 312  
 0.152  
 522  
 Joel

15  
 9  
 6  
 1  
 24 434  
 160  
 0.153  
 355  
 Eland  
 1  
 - 1  
 -  
 1  
 350  
 4  
 -  
 -  
 Kudu/Sable  
 - - - - -  
 - -  
 West shaft  
 2  
 3  
 (1)  
 -  
 3 890  
 48  
 -  
 -  
 Nyala  
 - - - - -  
 - -  
 St Helena  
 3  
 4  
 (1)  
 -  
 4 340  
 51  
 0.085  
 -  
 AMF  
 - - - - -  
 - -  
 Surface  
 1  
 - 1  
 -  
 225  
 47  
 0.005



286  
Other  
Total Freegold  
112  
69  
43  
18  
179 206  
1 128 0.159  
385  
ARMgold operations  
Leveraged ounces  
Orkney 2  
7  
7  
—  
1  
11 092  
87  
0.128  
643  
Orkney 4  
9  
8  
1  
1  
14 821  
119  
0.125  
509  
Orkney 6  
2  
2  
—  
3  
3 151  
44  
0.073  
754  
Surface  
Other  
Total ARMgold  
18  
17  
1  
5  
29 064  
250  
0.117  
587

Avgold operations						
Quality ounces						
Target						
23						
6						
17						
3						
36 298						
231						
0.157						
176						
Surface						
–	–	–				
–						
129						
36						
0.003						
3						
494						
Other						
Total Avgold						
23						
6						
17						
3						
36 427						
267	0.136					
186						
Kalgold operations						
Surface						
9						
6						
3						
–	14 821					
527						
0.028						
413						
Other						
Total Kalgold						
9						
6						
3						
–						
14 821						
527						
0.028						
413						
Other entities						
–	–	–	–	–	–	–
–	–					
Total South Africa						

351						
240						
111						
65						
560 159						
4 692						
0.119						
428						
Australia						
Mt Magent						
28						
17						
11						
3						
46 233						
481						
0.096						
370						
South Kal						
12						
9						
3						
3						
19 644						
400						
0.049						
472						
Papua New Guinea						
-	-	-	10			
-	-					
-	-					
Other entities						
-	-	-	-	-	-	-
-	-					
Total Australia						
40						
26						
14						
16						
65 877						
881						
0.075						
400						
Total Harmony						
391						
266						
125						
81						
626 036						
5 574						
0.112						



P  
53  
Cash  
Cash  
operating  
operating  
Capital  
Gold  
Tons  
Operating  
Revenue  
cost  
profit/(loss)  
expenditure  
Produces  
milled Grade  
Cost  
\$m  
\$m  
\$m  
\$m  
Ounces  
(imperial)  
\$/ounce  
*Included in the above  
are the following  
discontinued  
operations:*  
South Africa  
Orkney 2  
7  
7  
—  
1  
11 092  
87  
0.128  
643  
Orkney 4  
9  
8  
1  
1  
14 821  
119  
0.125  
509  
Orkney 7  
2  
2  
—

3					
3 151					
44					
0.073					
754					
ARM					
surface					
-	-	-	-	-	-
-	-				
Kudu/Sable					
-	-	-	-	-	-
-	-				
Total SA					
18					
17					
1					
5					
29 064					
250					
0.117					
587					
Australia					
Mt Magent					
28					
17					
11					
3					
46 233					
481					
0.096					
370					
South Kal					
12					
9					
3					
3					
19 644					
400					
0.049					
472					
Total Australia					
40					
26					
14					
6					
65 877					
881					
0.075					
400					
Total Harmony					
- discontinued					

operations

58

43

15

11

94 941

1 131 0.084

457

Total Harmony

– continuing

operations

333

223

110

70

531 095

4 442 0.120

419

P  
 54  
 DEVELOPMENT RESULTS Metric)  
 Quarter ended September 2007  
 Channel Channel  
 Reef Sampled  
 Width  
 Value  
 Gold  
 Meters  
 Meters  
 (Cm's)  
 (g/t) (Cmg/t)  
 Randfontein  
 VCR Reef  
 1,245  
 1,017  
 33  
 21.36  
 713  
 UE1A  
 1,470  
 1,202  
 132  
 5.88  
 775  
 E8 Reef  
 153  
 147  
 143  
 5.41  
 771  
 Kimberley Reef  
 442  
 404  
 158  
 5.14  
 812  
 E9GB Reef  
 171  
 137  
 121  
 6.00  
 723  
 All Reefs  
 3,482  
 2,907  
 101  
 7.48  
 756  
 Free State



Basal  
1,865  
1,584  
79  
12.23  
963  
Leader  
1,670  
1,454  
156  
7.32  
1,143  
A Reef  
431  
376  
115  
5.74  
659  
Middle  
203  
190  
251  
3.01  
753  
B Reef  
367  
359  
58  
15.84  
919  
All Reefs  
4,535  
3,963  
117  
8.43  
986  
Evander  
Kimberley Reef 2,124  
1,854  
90.5  
12.38  
1,120  
Elandskraal  
VCR Reef  
488  
366  
63  
19.80  
1,243  
Orkney  
Vaal Reef

110  
93  
107  
14.60  
1,564  
VCR  
—  
—  
—  
—  
—  
All Reefs  
110  
93  
107  
14.60  
1,564  
Target  
Elsburg  
594  
413  
257  
5.87  
1,507  
Freegold JV  
Basal  
1,212  
1,086  
35  
35.59  
1,235  
Beatrix  
243  
273  
79  
6.88  
540  
Leader  
—  
—  
—  
—  
—  
B Reef  
73  
20  
78  
26.67  
2,080  
All Reefs  
1,527

1,379

44

25.22

1,109

DEVELOPMENT RESULTS (Imperial)

Quarter ended September 2007

Channel Channel

Reef Sampled

Width

Value

Gold

Feet

Feet

(inches)

(oz/t) (in.ozt)

Randfontein

VCR Reef

4,085

3,337

13

0.63

8

UE1A

4,824

3,944

52

0.17

9

E8 Reef

501

482

56

0.16

9

Kimberley Reef 1,450

1,324

62

0.15

9

E9GB Reef

562

451

47

0.17

8

All Reefs

11,422

9,538

40

0.23

9

Free State

Basal

6,119

5,197

31

0.36

11

Leader

5,478

4,770

62

0.21

13

A Reef

1,413

1,234

45

0.17

8

Middle

665

623

99

0.09

9

B Reef

1,202

1,178

23

0.46

11

All Reefs

14,877

13,002

46

0.25

11

Evander

Kimberley Reef 6,969

6,083

36

0.36

13

Elandskraal

VCR Reef

1,602

1,201

25

0.57

14

Orkney

Vaal Reef  
360  
305  
42  
0.43  
18  
VCR  
—  
—  
—  
—  
—  
All Reefs  
360  
305  
42  
0.43  
18  
Target  
Elsburg  
1,948  
1,355  
101  
0.17  
17  
Freegold JV  
Basal  
3,975  
3,563  
14  
1.01  
14  
Beatrix  
797  
896  
31  
0.20  
6  
Leader  
—  
—  
—  
—  
—  
B Reef  
238  
66  
31  
0.77  
24  
All Reefs

5,010

4,524

17

0.75

13

P

55

CONTACT DETAILS

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South Africa

Corner Main Reef Road

and Ward Avenue

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Johannesburg

South Africa

Telephone:

+27 11 411 2000

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

Directors

P T Motsepe (Chairman)\*

G Briggs (Acting Chief Executive)

F Abbott\*, J A Chissano\*

†

,

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

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

(\*non-executive) (

†

Mozambique)

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Amelia Soares

*General Manager, Investor Relations*

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Lizelle du Toit

*Investor Relations Officer*

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Marian van der Walt

*Company Secretary*

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marian.vanderwalt@harmony.co.za

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Link Market Services South Africa (Proprietary) Limited

(Registration number 2000/007239/07)

5th Floor, 11 Diagonal Street

Johannesburg, 2001

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PO Box 4844

Johannesburg, 2000

South Africa

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United Kingdom Registrars

Capita Registrars

The Registry

34 Beckenham Road

Beckenham

Kent BR3 4TU

United Kingdom

Telephone:

+44 870 162 3100

Fax:

+44 208 639 2342

ADR Depositary

The Bank of New York

101 Barclay Street

New York, NY 10286

United States of America

Telephone:

+1888-BNY ADRS

Fax:

+1 212 571 3050

Trading Symbols

JSE Limited

HAR

New York Stock Exchange, Inc.

HMY

NASDAQ

HMY

London Stock Exchange plc

HRM

Euronext Paris

HG

Euronext Brussels

HMY

Berlin Stock Exchange

HAM1



Issuer code

HAPS

Registration number 1950/038232/06

Incorporated in the Republic of South Africa

ISIN: ZAE000015228

P

56

NOTES

PRINTED BY INCE (PTY) LIMITED

REF W2CF04133

**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: 31 October, 2007

Harmony Gold Mining Company Limited

By:

/s/ Nomfundo Qangule

Name: Nomfundo Qangule

Title: Chief Financial Officer