



**GOLD FORUM  
EUROPE**

**CONFERENCE 2023**

**12 April 2023**

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JSE ticker code: HAR  
NYSE ticker code: HMY

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**MINING WITH  
PURPOSE**

# PRIVATE SECURITIES LITIGATION REFORM ACT SAFE HARBOUR STATEMENT AND DISCLAIMER

## FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements within the meaning of the safe harbour provided by Section 21E of the Exchange Act and Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), with respect to our financial condition, results of operations, business strategies, operating efficiencies, competitive positions, growth opportunities for existing services, plans and objectives of management, markets for stock and other matters. These forward-looking statements, including, among others, those relating to our future business prospects, revenues, and the potential benefit of acquisitions (including statements regarding growth and cost savings) wherever they may occur in this presentation, are necessarily estimates reflecting the best judgment of our senior management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. As a consequence, these forward-looking statements should be considered in light of various important factors, including those set forth in our integrated annual report. Important factors that could cause actual results to differ materially from estimates or projections contained in the forward-looking statements include, without limitation: overall economic and business conditions in South Africa, Papua New Guinea, Australia and elsewhere; the impact from, and measures taken to address, Covid-19 and other contagious diseases, such as HIV and tuberculosis; rising inflation, supply chain issues, volatile commodity costs and other inflationary pressures exacerbated by the Russian invasion of Ukraine and subsequent sanctions; estimates of future earnings, and the sensitivity of earnings to gold and other metals prices; estimates of future gold and other metals production and sales; estimates of future cash costs; estimates of future cash flows, and the sensitivity of cash flows to gold and other metals prices; estimates of provision for silicosis settlement; increasing regulation of environmental and sustainability matters such as greenhouse gas emission and climate change, and the impact of climate change on our operations; estimates of future tax liabilities under the Carbon Tax Act (South Africa); statements regarding future debt repayments; estimates of future capital expenditures; the success of our business strategy, exploration and development activities and other initiatives; future financial position, plans, strategies, objectives, capital expenditures, projected costs and anticipated cost savings and financing plans; estimates of reserves statements regarding future exploration results and the replacement of reserves; the ability to achieve anticipated efficiencies and other cost savings in connection with past and future acquisitions, as well as at existing operations; fluctuations in the market price of gold and other metals; the occurrence of hazards associated with underground and surface gold mining; the occurrence of labour disruptions related to industrial action or health and safety incidents; power cost increases as well as power stoppages, fluctuations and usage constraints; ageing infrastructure, unplanned breakdowns and stoppages that may delay production, increase costs and industrial accidents; supply chain shortages and increases in the prices of production imports and the availability, terms and deployment of capital; our ability to hire and retain senior management, sufficiently technically-skilled employees, as well as our ability to achieve sufficient representation of historically disadvantaged persons in management positions or sufficient gender diversity in management positions or at Board level; our ability to comply with requirements that we operate in a sustainable manner and provide benefits to affected communities; potential liabilities related to occupational health diseases; changes in government regulation and the political environment, particularly tax and royalties, mining rights, health, safety, environmental regulation and business ownership including any interpretation thereof; court decisions affecting the mining industry, including, without limitation, regarding the interpretation of mining rights; our ability to protect our information technology and communication systems and the personal data we retain; risks related to the failure of internal controls; the outcome of pending or future litigation or regulatory proceedings; fluctuations in exchange rates and currency devaluations and other macroeconomic monetary policies, as well as the impact of South African exchange control regulations; the adequacy of the Group’s insurance coverage; any further downgrade of South Africa’s credit rating and socio-economic or political instability in South Africa, Papua New Guinea, Australia and other countries in which we operate; changes in technical and economic assumptions underlying our mineral reserves estimates; geotechnical challenges due to the ageing of certain mines and a trend toward mining deeper pits and more complex, often deeper underground, deposits; and actual or alleged breach or breaches in governance processes, fraud, bribery or corruption at our operations that leads to censure, penalties or negative reputational impacts.

The foregoing factors and others described under “Risk Factors” in our Integrated Annual Report ([www.har.co.za](http://www.har.co.za)) and our Form 20-F should not be construed as exhaustive. We undertake no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this annual report or to reflect the occurrence of unanticipated events, except as required by law. All subsequent written or oral forward-looking statements attributable to Harmony or any person acting on its behalf are qualified by the cautionary statements herein.

### Competent Person’s statement

The information in this presentation that relates to Mineral Resources or Ore Reserves has been extracted from our Reserves and Resources statement published on 30 June 2022. Harmony confirms that it is not aware of any new information or data that materially affects the information included in the statement, in the case of Mineral Resources or Mineral Reserves, that all material assumptions and technical parameters underpinning the estimates in the original release continue to apply and have not materially changed. Harmony confirms that the form and context in which the competent person’s findings are presented have not been materially modified from the original release.

Eva Copper - The information in this announcement that relates to Mineral Resources or Ore Reserves has been extracted from the Copper Mountain Mining Corporation Mineral Reserve and Resource Estimate (as at 1 August 2022).



**STRATEGY  
AND UPDATE**

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**MINING WITH  
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# SPECIALIST GOLD PRODUCER WITH A GROWING COPPER FOOTPRINT

We are an emerging market gold mining specialist with near-term copper prospects, creating **shared value for all stakeholders** while leaving a lasting positive legacy

72 years' gold mining experience in South Africa and almost two decades operating in Papua New Guinea

**1.49Moz<sup>1</sup>**  
produced in FY22

**39.8Moz<sup>1</sup>**  
gold and gold equivalent  
Mineral Reserves\*

*\*Mineral Reserves as at 30 June 2022; copper and silver as gold equivalents based on: US\$1 546/oz Au, US\$3.30/lb Cu, US\$22.35/oz Ag and excludes Eva Copper*

*\*\*Australia copper based on the latest Mineral Resource and Mineral Reserve declaration of Copper Mountain Company as at August 2022*

<sup>1</sup> Moz: Million ounces

<sup>3</sup> GEO: Gold equivalent ounces

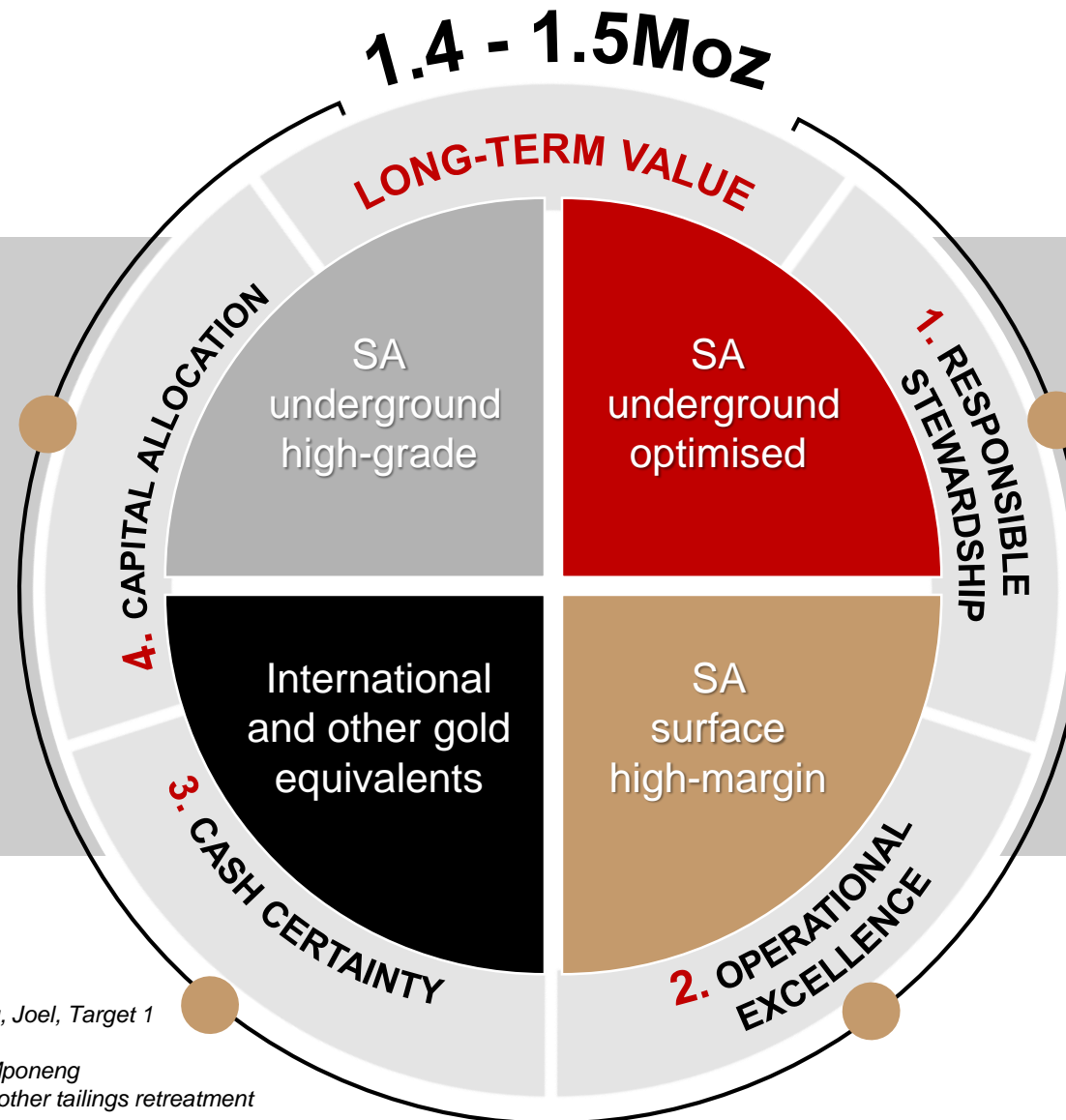
<sup>2</sup> Koz: Thousand ounces

SOUTH AFRICA		AUSTRALIA**		PAPUA NEW GUINEA	
FY22 production	1.37Moz <sup>1</sup> 92%	Expected production	224Koz <sup>2</sup> Gold and GEO <sup>3</sup> (~15% of total)	FY22 production	119 182oz 8%
Reserves	<b>21.6Moz<sup>1</sup></b>	Reserves	<b>3.9Moz<sup>1</sup> Gold and GEO<sup>3</sup></b>	Reserves	<b>18.2Moz<sup>1</sup> Gold and GEO<sup>3</sup></b>
9 underground operations 1 open pit operation		Eva Copper project (projected open pit)		Hidden Valley mine (open pit) Wafi-Golpu project (50:50 JV)	
Several tailings retreatment operations		Excellent exploration opportunities		Multiple exploration areas	

## OUR STRATEGY IS AIMED AT LONG-TERM VALUE CREATION

To produce **safe, profitable** ounces and  
**improve margins** through operational  
excellence and value-accretive  
acquisitions

# AN EQUITY STORY IN FOUR PARTS: DIRECTING MAJOR CAPITAL TOWARDS LOWER-RISK AND HIGHER-MARGIN ASSETS AND PROJECTS



- **SA underground optimised:** Doornkop, Kusasalethu, Joel, Target 1 Tshepong North, Tshepong South and Masimong
- **SA underground high-grade:** Moab Khotsong and Mponeng
- **SA surface high-margin:** Mine Waste Solutions and other tailings retreatment operations, rock dumps and Kalgold
- **International:** Hidden Valley

# CREATING SHARED VALUE THROUGH EFFECTIVE CAPITAL ALLOCATION

## Capital prioritisation

## Value realisation

**Safety and production optimisation:**  
ZERO loss-of-life and S300<sup>1</sup>

**Lower risk profile:**  
*All ESG<sup>2</sup> factors considered especially safety  
and climate change*

**Organic growth and investment:**  
Focus on increasing grade and margins

**Improving margins:**  
Targeting acquisitions with  
AISC<sup>3</sup> <\$1 250/oz<sup>4</sup>

**Returning capital to shareholders:**  
Paying a consistent dividend subject to dividend policy  
and board approval

**Generating returns:**  
IRR<sup>5</sup>>15%

**Debt repayment:**  
<1x net debt/EBITDA<sup>6</sup>

**Improve production profile:**  
10-year life of mine at 100 – 200koz<sup>7</sup> per annum in gold  
or gold equivalents

**Inorganic growth:**  
Value accretive mergers and acquisitions

**Affordability:**  
Capital intensity vs cash flows to be manageable

<sup>1</sup> S300: Safety and productivity program

<sup>2</sup> ESG: Environmental, Social and Governance

<sup>3</sup> AISC: All-in sustaining cost

<sup>4</sup> oz: ounce

<sup>5</sup> IRR: internal rate of return

<sup>6</sup> EBITDA: Earnings before interest, taxes, depreciation and amortisation

<sup>7</sup> koz: thousand ounces

# GOLD AND COPPER: HIGHLY SOUGHT-AFTER METALS ... FOR DIFFERENT REASONS



**Jewellery:** 51% of demand or 2 215 tonnes



**Bar and coin:** 26% of demand or 1 136 tonnes per annum



**Central banks:** 12% of demand or 513 tonnes



**Technology:** 8% of demand or 337 tonnes per annum



**Exchange traded funds and similar instruments:** 3% or 113 tonnes per annum



**Total copper consumption** is expected to grow c.2.1% per annum across all five broad industry sectors to 2040



**Electric vehicles** forecast to become c.70% of total annual auto sales by 2040 and represent an incremental increase of 4.8Mt of copper consumption over 2020 levels



**Copper intensity of electric vehicles up to 3.6x greater than traditional internal combustion engine vehicles**



**Solar and wind power generation** has doubled the copper intensity, on a per megawatt basis, when compared to traditional sources



**Electrical network** to overtake construction as the largest industry sector representing 27% of total copper consumption by 2040

**Source:**

Gold: World Gold Council averages from 2012-2021

Copper: Wood Mackenzie Global copper investment horizon outlook - Q3 2022



# INVESTING IN GOLD AND FUTURE-FACING METALS: COPPER NOW 35% OF RESERVES OFFERING COUNTERCYCLICAL DIVERSIFICATION

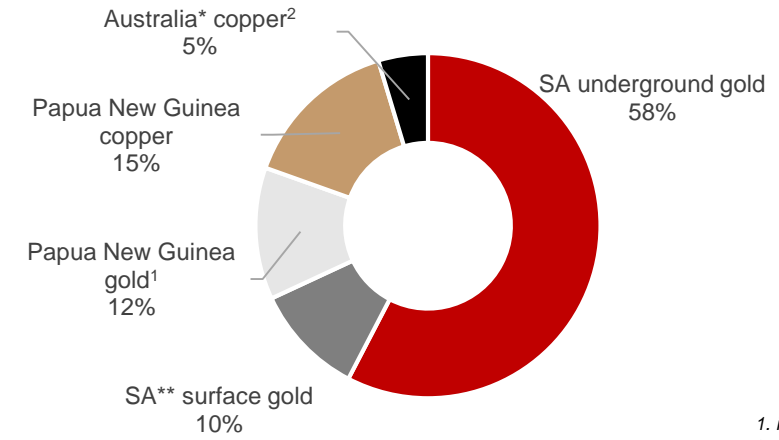
## Eva Copper

- Potential 10 to 15% gold and gold equivalents contribution to group over a 15-year life of mine
- Diversifies and de-risks portfolio
- Fully permitted project
- Key milestones
  - transaction concluded in Q2FY23#
  - updating feasibility study, to be completed in calendar year 2023
- Recruitment in progress to support all stages of project

## Wafi-Golpu

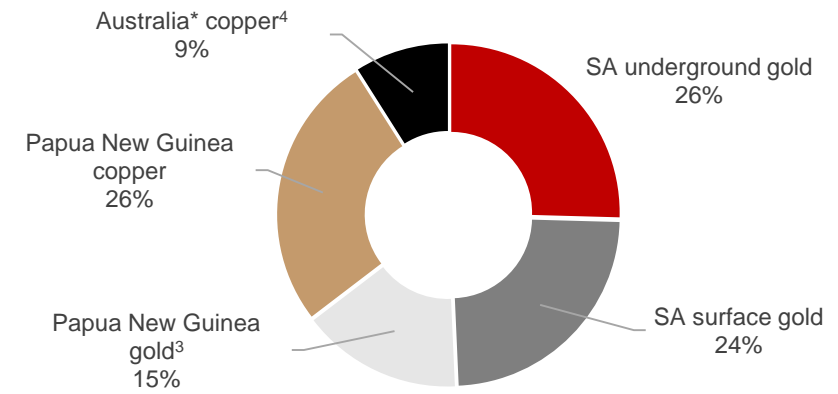
- Framework Memorandum of Understanding signed between Harmony and its joint venture partner and the Papua New Guinea government as we continue to progress permitting
- High average recovery grades: Au = 0.90g/t, Cu = 1.27%
- Steady-state production in excess of 1.4 million gold equivalents ounces per annum over 28-year life of mine
- Lowest decile cost quartile copper production

Mineral Resources: gold and copper



1. includes 541koz silver  
2. includes 381koz gold  
\* SA: South Africa

Mineral Reserves: gold and copper



\*Australia copper based on the latest Mineral Resource and Mineral Reserve declaration of Copper Mountain Company as at August 2022

\*\*South Africa (SA) and Papua New Guinea - based on the latest Mineral Resource and Mineral Reserve declaration at June 2022

3. includes 192koz silver  
4. includes 260koz gold

# SUCCESSFULLY DELIVERING ON OUR STRATEGIC PILLARS

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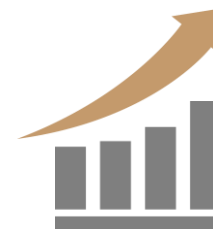
## Responsible stewardship

- Meaningful improvements in Lost Time Injury Frequency Rate and our Loss of Life Injury Frequency Rate
- Decarbonisation programme underway with Phase 1 (30MW) solar photovoltaic renewable plants to start contributing in this quarter
- Ring-fenced R1.5 billion (US\$88 million) green loan will contribute to funding Phase 2 (137MW) of our solar renewable programme
- Debt facilities linked to sustainability KPIs



## Operational excellence

- 5% improvement in underground recovered grades to 5.68g/t
- Excellent overall performance from South African operations
- Below inflation increase in overall cash operating costs of only 6% due to stringent cost controls
- Gold production on track to meet guidance



## Cash certainty

- 33% increase in South African underground operating free cash flow
- Successful derivative programme
- Excellent AISC margin at current gold prices



## Capital allocation

- Investing in grade, life of mine and future-facing metals
- Pursue value accretive M&A in Africa, South East Asia and Australia in copper and gold
- Eva Copper acquisition concluded
- Major projects in South Africa to increase life-of-mine include Zaaiplaats and Kareerand
- Ensure balance sheet remains strong with net debt/EBITDA < 1 times

# MINING WITH PURPOSE: IT IS WHAT WE ARE ALL ABOUT

## ENVIRONMENTAL



**Decarbonising Harmony** through energy efficiencies, renewable energy programme and a green energy mix



**Water:** Responsible management and conservation of water resources



**GHG intensity:** 7% reduction in intensities year-on-year



**Tailings:** Robust and meticulous tailings management aligned to global best practice

## SOCIAL



Our people are our most important asset. The **safety and well-being of our people is our primary focus and is embedded in our culture**



**Human rights:** the bedrock upon which Harmony is built



Contributing to the resilience and prosperity of our **host communities**

Harmony's culture reflects **gender equality, inclusivity and diversity**



Our corporate **culture** encourages leadership **excellence**

## GOVERNANCE



**Enterprise risk management** that supports **integrated decision-making**



**Well-governed and representative board**

- 64% independent non-executive directors
- 57% HDSA\* representation on board, exceeding 50% target



**Performance-linked** remuneration against meaningful KPIs

\*Historically disadvantaged South Africans

## EXTERNAL RECOGNITION FOR RESPONSIBLE STEWARDSHIP

### ESG RATINGS



FTSE4Good

ESG rating upgraded to **4.0** out of 5.0  
Significant improvement placing Harmony in 91<sup>st</sup> percentile in ICB\*\* Supersector



Harmony remained on a **B**  
Overall, we performed better than the industry average



Harmony ranks in the **Top 50** under the gold subindustry



Score of 71.71% and disclosure score of 100%  
  
Included for five consecutive years

### ESG RECOGNITION



Score of **'A'** for our water management strategy

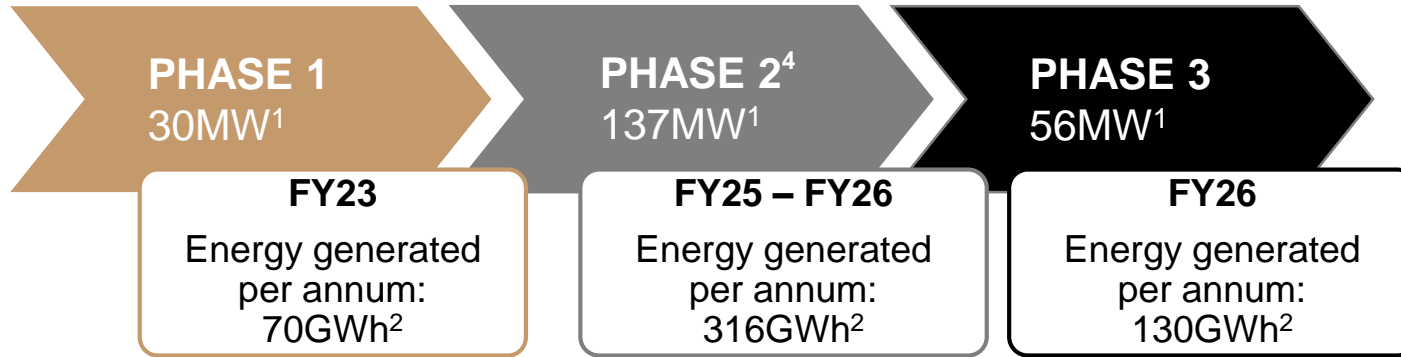


DRIVING AMBITIOUS CORPORATE CLIMATE ACTION  
Harmony now conforms with the SBTi criteria

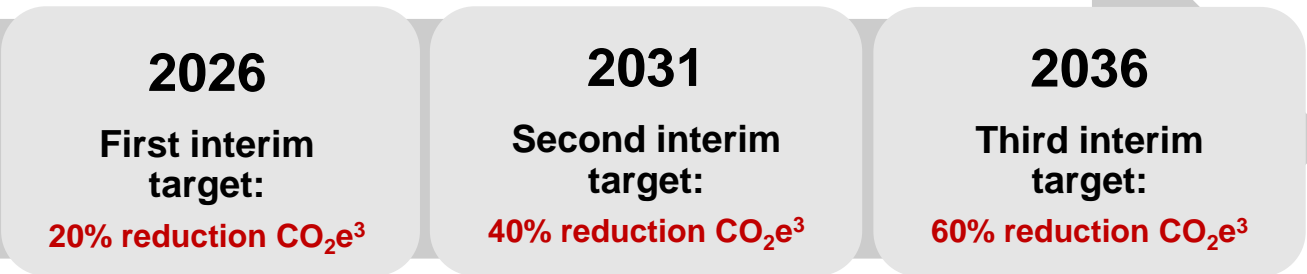
\*\*Industry Classification Benchmark

# DRIVING DECARBONISATION THROUGH RENEWABLES

R425 million in estimated savings<sup>5</sup> per annum for Phase 1 and 2



## JOURNEY TO NET ZERO



**2045**  
CARBON NET ZERO

...with our copper projects further reducing our carbon footprint

<sup>1</sup> MW: Megawatt

<sup>2</sup> GWh: Gigawatt hours

<sup>3</sup> CO<sub>2</sub>e: Carbon dioxide emissions

<sup>4</sup> 100MW to be constructed on balance sheet, largely funded using the R1.5bn green loan. 37MW will be delivered through an independent power producer, as with phase 1

<sup>5</sup> Phase 1 delivers R30 million in electricity cost savings, and phase 2 is expected to deliver R395 million in electricity cost savings as per our approved feasibility studies

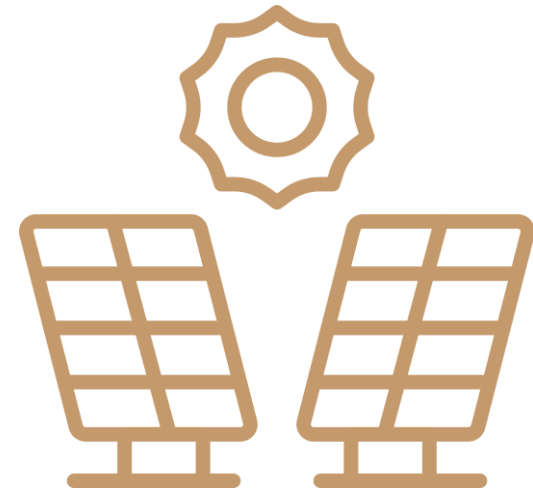
# ENERGY SECURITY: AN ONGOING JOURNEY

## Energy efficiency programme

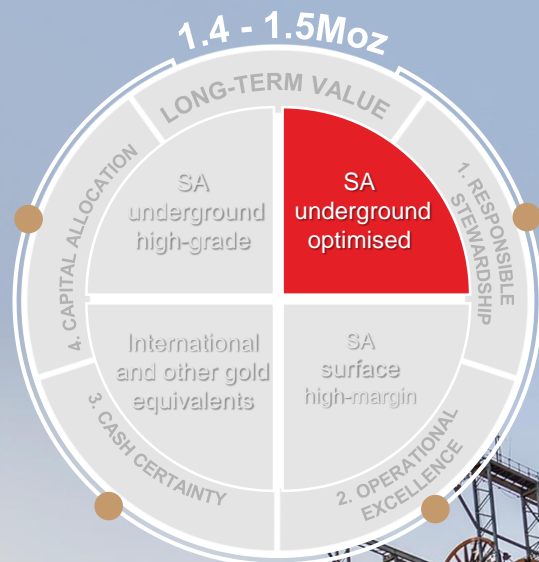
- Over R1.4bn in cost savings since 2016
- Optimising:
  - Ventilation
  - Time-of-use
  - Compressed air network
- Excess capacity utilisation

## Renewable energy programme

- Phase 1 – 30MW commissioned by end of FY23
- Phase 2 – 137MW feasibility studies approved
- Aimed at reducing energy costs
- Alleviating pressure on the grid
- Lowering energy supply risk
- Drive decarbonisation



# OPTIMISED PORTFOLIO TO GENERATE CASH: SOUTH AFRICAN UNDERGROUND



618 000 to 654 000 ounces

GUIDED FY23 GOLD PRODUCTION

44%

OF TOTAL GUIDED GROUP PRODUCTION FOR FY23

19%

OPERATING FREE CASH FLOW MARGIN OVER LIFE OF MINE

## Operations

## Life of mine

- Tshepong North 7 years
- Tshepong South 8 years
- Target 1 6 years

## Operations

## Life of mine

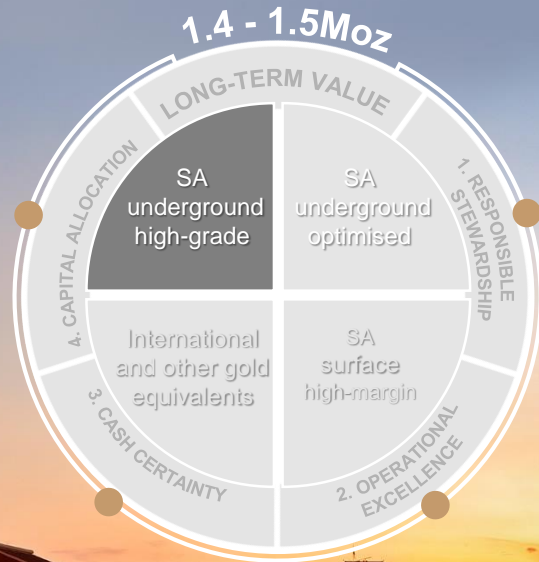
- Doornkop 16 years
- Joel 8 years
- Kusasaletu 2 years
- Masimong 2 years

## Key features

- Operations optimised to generate positive operating free cash flows
- Recovered grades range between 3.84g/t and 6.58g/t
- Demonstrate our solid track record of extending life of mine, creating shared value
- All mines delivering in line with guidance
- Target 1 optimisation project nearing completion

Mineral Resources and Mineral Reserves as at 30 June 2022

# HIGH-GRADE PORTFOLIO DRIVING GROWTH AND LOWERING COSTS PER UNIT: SOUTH AFRICAN UNDERGROUND



402 000 to  
431 000 ounces

GUIDED FY23 GOLD PRODUCTION

29%

OF TOTAL GUIDED GROUP PRODUCTION FOR FY23

25%

OPERATING FREE CASH FLOW MARGIN OVER LIFE OF MINE

## Operations

- Mponeng 7 years
- Moab Khotsong 22 years (including Zaaiplaats)

## High-grade Moab Khotsong, with Zaaiplaats optionality

- 9g/t, over 226 000 ounces of gold per annum over a 22 year life of mine
- Project development (Zaaiplaats) to extend life of mine is currently underway
- Uranium by-product

## Current high grades of over 7g/t at Mponeng

- Estimated 13g/t yield, with over 24 million ounces in Mineral Resources
- Includes Mponeng deepening; potential to extract Savuka and Tau Tona shaft pillars
- Currently in pre-feasibility stages

Mineral Resources and Mineral Reserves as at 30 June 2022

# HIGH-MARGIN, LOW-RISK WITH STRONG CASH FLOWS: SOUTH AFRICAN SURFACE



238 280 to  
251 380 ounces

GUIDED FY23 GOLD PRODUCTION

17%

OF TOTAL GUIDED GROUP PRODUCTION FOR FY23

24%

OPERATING FREE CASH FLOW MARGIN OVER LIFE OF MINE

## Operations

- Tailings retreatment sites: Mine Waste Solutions, Savuka Tailings, Phoenix and Central Plant
- Open pit mine: Kalgold
- Responsible tailings surface facility management

## Kareerand tailings storage facility extension

- Low risk, high margin, adding over 14 years of life of mine at 100 000 ounces of gold per annum at Mine Waste Solutions
- Enables treatment of additional surface sources in the Vaal river area
- The project is fully permitted and currently in construction

## Free State tailings retreatment opportunities

- Approximately 5.7 million ounces in Minerals Resources
- Studies currently underway to determine feasibility



Mineral Resources and Mineral Reserves as at 30 June 2022



# INVESTING IN COPPER AND DIVERSIFYING GEOGRAPHICALLY



Australia based on the latest Mineral Resource and Mineral Reserve declaration of Copper Mountain Company as at August 2022  
 South Africa and Papua New Guinea based on the latest Mineral Resource and Mineral Reserve declaration at June 2022

152 000 to 155 000 ounces

HIDDEN VALLEY GUIDED FY23 GOLD PRODUCTION

10%

OF TOTAL GUIDED GROUP PRODUCTION FOR FY23

40%

OPERATING FREE CASH FLOW MARGIN OVER HIDDEN VALLEY LIFE OF MINE

## Operations and projects

### Papua New Guinea

- Hidden Valley open pit mine
- Wafi-Golpu project
- Kerimenge heap-leach project

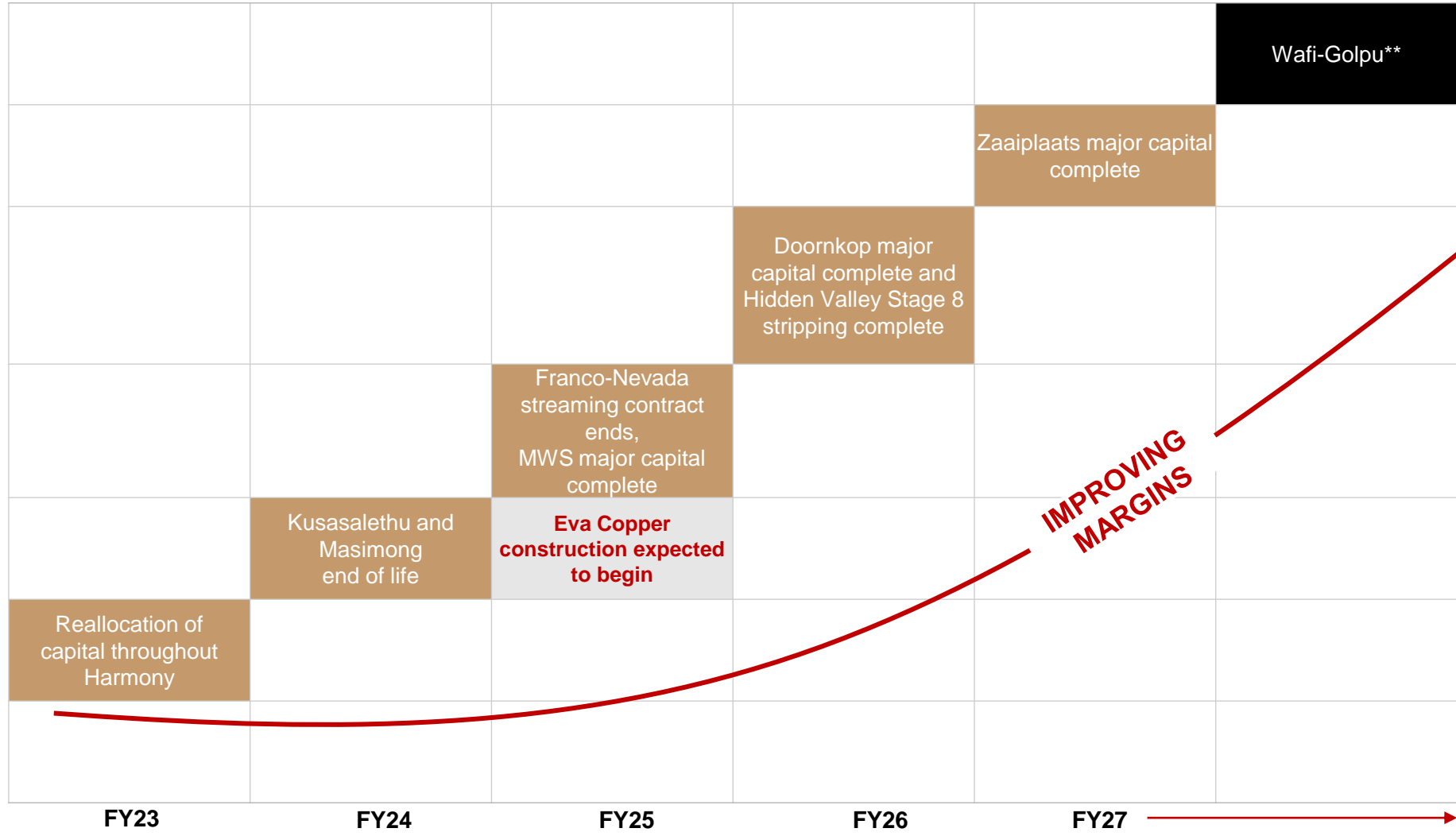
### Australia

- Eva Copper project

## Key features

- Hidden Valley life of mine AISC of US\$1 148/oz
- Improved recovered grades anticipated at Big Red and Kaveroi
- Hydro-electricity supply from state utility company affected by ongoing drought
- Eva Copper updating of feasibility studies underway
- Wafi-Golpu permitting negotiations continue
- Identifying opportunities for expansion into continental Africa, South East Asia and Australia in both copper and gold provided investment criteria met





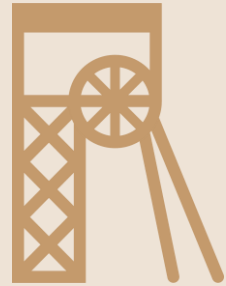

# CLEAR ROADMAP TOWARDS HIGHER MARGINS\*



\* Based on FY23 planning and subject to completion of Eva Copper feasibility studies

\*\*Funding solutions to be considered once special mining lease in place

# HARMONY: AN INVESTMENT IN SUSTAINABLE GOLD WITH COPPER OPTIONALITY

					
Embedded sustainability practices	Quality ounces and long reserve life	Geared exposure to the Rand/kg gold price	Significant copper exposure through two world-class projects	Gold mining specialists with strong technical and exploration capabilities	Flexible balance sheet with good cash generation

## Harmony on track to meet FY23 guidance

Production	AISC	Grade
1.4 – 1.5Moz (43 500 – 46 600kg)	< R900 000/kg (~\$1 600/oz)	5.45 – 5.6g/t



**THANK YOU**

**CONTACT US**

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