

# OPERATIONS 2018 CONTINUED

## Moab Khotsong

		FY18*
<b>Number of employees</b>		
– Permanent		5 804
– Contractors		1 014
Total		6 818
<b>Operational</b>		
Volumes milled	(000t) (metric)	327
	(000t) (imperial)	360
Gold produced	(kg)	3 296
	(oz)	105 969
Gold sold		3 165
		101 757
Grade	(g/t)	10.08
	(oz/t)	0.294
Productivity	(g/TEC)	135.17
<b>Development results</b>		
Total metres		9 527
Reef metres		1 328
Capital metres		380
<b>Financial</b>		
Revenue	(Rm)	1 672
	(US\$m)	130
Average gold price received	(R/kg)	528 387
	(US\$/oz)	1 279
Cash operating cost	(Rm)	1 037
	(US\$m)	81
Production profit	(Rm)	720
	(US\$m)	56
Capital expenditure	(Rm)	173
	(US\$m)	13
Cash operating cost	(R/kg)	314 526
	(US\$/oz)	761
All-in sustaining cost	(R/kg)	420 286
	(US\$/oz)	1 017
<b>Safety</b>		
Number of fatalities		1
Lost-time injury frequency rate per million hours worked		11.18
<b>Environment</b>		
Electricity consumption	(GWh)	114
Water consumption – primary activities	(ML)	1 702
Greenhouse gas emissions	(000t CO <sub>2</sub> e)	110
Intensity data per tonne treated		
– energy		0.35
– water		5.20
– greenhouse gas emissions		0.35
Number of reportable environmental incidents		
<b>Community</b>		
Local economic development	(Rm)	7
Training and development	(Rm)	13

\* Incorporated into Harmony's portfolio from 1 March 2018. The figures reported are for the four months from March 2018 to June 2018

## Moab Khotsong *continued*

### Other salient features

Status of operation	Steady state operation: development continues
Life of mine	7 years
Nameplate hoisting capacity (per month)	160 000 tonnes (176 000 tons)
Compliance and certification	New order mining right

### Mineral reserves as at 30 June 2018

Reserves (metric)	Proved reserves			Probable reserves			Total mineral reserves		
	Tonnes (Mt)	Grade (g/t)	Gold (000kg)	Tonnes (Mt)	Grade (g/t)	Gold (000kg)	Tonnes (Mt)	Grade (g/t)	Gold (000kg)
	2.5	10.32	25	2.6	9.50	25	5.1	9.90	50
Reserves (imperial)	Tons (Mt)	Grade (oz/t)	Gold (000oz)	Tons (Mt)	Grade (oz/t)	Gold (000oz)	Tons (Mt)	Grade (oz/t)	Gold (000oz)
	2.7	0.301	815	2.9	0.277	800	5.6	0.289	1 615

Harmony acquired Moab Khotsong from AngloGold Ashanti Limited in March 2018. Moab Khotsong, which includes the mining and surface infrastructure of the adjacent Great Nologwa mine, is located near the towns of Orkney and Klerksdorp, about 180km south-west of Johannesburg. The mining lease area lies just south of the Vaal River, which forms a natural boundary between South Africa's North West and Free State provinces.

Mining is based on a scattered mining method together with an integrated backfill support system that incorporates bracket pillars. The Vaal Reef is the primary reef exploited. The economic reef horizons are mined between 1 791m and 3 052m below surface. Ore mined is processed at the Great Nologwa gold plant. The plant uses the reverse gold leach method, with gold and uranium being recovered through gold cyanide and acid uranium leaching.

The acquisition of Moab Khotsong meets Harmony's strategic objective of increasing the quality of its asset portfolio and increasing margins. Moab Khotsong is a high-grade, cash-generative operation that has already had a positive impact on Harmony's FY18 performance since its incorporation on 1 March 2018.

Moab Khotsong processed 327 000 tonnes (360 000 tons), producing 3 296kg (105 969oz) at a recovered grade of 10.08g/t (0.294oz/t) which resulted in a production profit of R720 million (US\$56 million) in the four months from March 2018 to June 2018.

The integration of Moab Khotsong included the transfer of Harmony's existing accounting and payroll systems. This had been successfully completed by the end of FY18.

Management is focused on optimising costs and efficiencies to further enhance the performance of Moab Khotsong.

Studies to optimise the performance by potentially mining the Great Nologwa shaft pillar and remnant pillars are underway as well as is a study on the Zaaiplaats project. The outcomes of these studies will determine if these potential projects will be progressed.

FY19 production and grade guidance is 248 000oz and 9.49g/t respectively.