HARMONY GOLD MINING CO LTD
Form F-4/A
November 19, 2004
Table of Contents

As filed with the Securities and Exchange Commission on November 19, 2004

Registration No. 333-119880

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 5

to

Form F-4

REGISTRATION STATEMENT

UNDER THE SECURITIES ACT OF 1933

Harmony Gold Mining Company Limited

(Exact name of Registrant as specified in its charter)

N/A

(Translation of Registrant s name into English)

Republic of South Africa	**1040**	**N/A**
(State or other jurisdiction of incorporation or organisation)	*(Primary Standard Industrial Classification Code No.)*	*(I.R.S. Employer Identification No.)*

Suite No. 1

Private Bag X1

Melrose Arch, 2076

South Africa

Tel: 011-27-11-684-0140

(Address, including zip code and telephone number, including area code, of Registrant s principal executive offices)

Marian van der Walt

Suite No. 1

Private Bag X1

Melrose Arch, 2076

South Africa

Tel: 011-27-11-684-0140

(Name, address, including zip code and telephone number, including area code, of agent for service)

with copies to:

Steven N. Robinson	**Elizabeth L. Katkin**
Hogan & Hartson LLP	**John M. Basnage**
Columbia Square	**Hogan & Hartson**
555 Thirteenth Street, N.W.	**One Angel Court**
Washington, DC 20004-1109	**London EC2R 7HJ**
(202) 637-5600	**United Kingdom**
	011-44-20-7367-0200

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after this Registration Statement becomes effective and all other conditions to the consummation of the transaction described herein have been satisfied or waived.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents

The information in this prospectus may change. We may not complete this exchange offer and issue the securities until the registration statement filed with the United States Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale is not permitted or would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

DATED NOVEMBER 18, 2004.

PROSPECTUS **US OFFER TO EXCHANGE**

Offer to Exchange

34.9% of the ordinary shares, nominal value Rand 0.50 per share, including

ordinary shares represented by American depositary shares

of

Gold Fields Limited

In this exchange offer, we are offering:

1.275 newly issued ordinary shares, nominal value Rand 0.50 per share, of Harmony, in exchange for each ordinary share of Gold Fields tendered; and

1.275 newly issued American depositary shares, or ADSs (each ADS representing one Harmony ordinary share), of Harmony, in exchange for each Gold Fields ADS (each Gold Fields ADS representing one Gold Fields ordinary share) tendered.

If Gold Fields pays any dividend or any interim dividend in respect of its ordinary shares, including ordinary shares represented by ADSs, before the settlement of the offers, the consideration offered in exchange for each Gold Fields ordinary share and each Gold Fields ADS tendered will be reduced by an amount equal to the net value of the dividend paid per Gold Fields ordinary share in the manner described under The Offer Consideration Offered After Payment of Gold Fields Dividends . In respect of any Harmony ordinary share, including any Harmony ordinary shares represented by Harmony ADSs, that you receive in exchange for the Gold Fields ordinary shares or the ADSs that you tender in this exchange offer, you will be entitled to receive any dividend that is paid by Harmony after the settlement of this exchange offer. See The Offer Entitlement to Harmony Dividends .

The US offer will expire at 6:00 a.m., New York City time, on November 26, 2004, unless it is extended or unless it lapses or is withdrawn prior to that time. You may withdraw any Harmony securities tendered at any time prior to the expiration time.

Harmony is offering to acquire 34.9% of the outstanding Gold Fields ordinary shares through two separate offers:

- a US offer open to holders of Gold Fields ordinary shares (other than Gold Fields ordinary shares represented by Gold Fields ADSs) who are located in the United States and to all holders of Gold Fields ADSs, wherever located; and

- a South African offer open to holders of Gold Fields ordinary shares (other than Gold Fields ordinary shares represented by Gold Fields ADSs) who are located in South Africa and to holders of Gold Fields ordinary shares (other than Gold Fields ordinary shares represented by Gold Fields ADSs) who are located outside of the United States and South Africa, if, pursuant to the local laws and regulations applicable to those holders, they are permitted to participate in the South African offer.

Together, these offers are being made for 34.9% of the issued and outstanding Gold Fields ordinary shares, including Gold Fields ordinary shares represented by Gold Fields ADSs, and Gold Fields ordinary shares that are or may become issuable prior to the expiration of the offers due to the exercise of outstanding Gold Fields subscription stock options. Harmony has irrevocably undertaken to make further offers for the entire issued share capital of Gold Fields as soon as practicable after the closing of the offers. See Questions and Answers about the US offer below.

The completion of the offers is subject to a share issuance condition as well as a condition of effectiveness of the registration statement on Form F-4 of which this prospectus forms a part. For a discussion of these conditions, see The Offer Conditions to the US Offer .

Based on 491,492,520 Gold Fields ordinary shares, including Gold Fields ordinary shares represented by Gold Fields ADSs, Harmony will issue up to approximately 218,701,884 Harmony ordinary shares pursuant to the US offer.

Harmony ordinary shares are listed on the JSE Securities Exchange, South Africa, or JSE, under the symbol HAR and are listed on the Official List of the UK Listing Authority and traded on the London Stock Exchange and are listed on the Premier Marché of Euronext Paris. Harmony shares are listed on the New York Stock Exchange, or NYSE, and its ADSs are listed and trade on the NYSE and trade under the symbol HMY .

For discussion of the risk factors that you should consider carefully in evaluating the US offer, see Risk Factors beginning on page 15.

Neither the United States Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued in connection with this US offer or has passed upon the adequacy or accuracy of the disclosure in this document. Any representation to the contrary is a criminal offense in the United States.

This prospectus has not received the approval of the Securities Regulation Panel of the Republic of South Africa. Accordingly, this prospectus may not be used to make offers or sales in South Africa in connection with any offer described herein.

Table of Contents

INFORMATION INCORPORATED BY REFERENCE

This prospectus incorporates important business and financial information about Harmony and Gold Fields by reference and, as a result, this information is not included in or delivered with this prospectus. For a list of those documents that are incorporated by reference into this prospectus, see Additional Information for Securityholders Incorporation of Certain Documents by Reference on page 143.

Documents incorporated by reference are available from us upon oral or written request without charge. You may also obtain documents incorporated by reference into this prospectus from the Internet site of the United States Securities and Exchange Commission, or SEC, at the URL (or uniform resource locator) *http://www.sec.gov* or by requesting them in writing or by telephone from the information agent for this offer:

MacKenzie Partners, Inc.

105 Madison Avenue

New York, New York 10016

Bankers and Brokers Call: (212) 929-5500 (call collect)

Toll-Free Call: (800) 322-2885

To obtain timely delivery of these documents, you must request them by no later than November 18, 2004.

In deciding whether to tender your Gold Fields securities in the exchange offer described in this prospectus, you should rely only on the information contained or incorporated by reference into this prospectus or in the related US offer documents. Harmony has not authorized any person to provide you with any information that is different from, or in addition to, the information that is contained in this prospectus or in the related offer US documents.

The information contained in this prospectus speaks only as of the date indicated on the cover of this prospectus unless the information specifically indicates that another date applies.

Table of Contents

TABLE OF CONTENTS

Table of Contents

Table of Contents

Table of Contents

PRESENTATION OF CERTAIN FINANCIAL AND OTHER INFORMATION

GOLD FIELDS INFORMATION

Harmony has included in this prospectus information concerning Gold Fields known to Harmony based on publicly available information (primarily filings by Gold Fields with the SEC). Non-public information concerning Gold Fields was not available to Harmony for the purpose of preparing this prospectus. Publicly available information concerning Gold Fields may contain errors. Harmony has no knowledge that would indicate that any statement relating to Gold Fields contained or incorporated by reference into this prospectus is inaccurate or incomplete. However, Harmony was not involved in the preparation of those statements and cannot verify them. Pursuant to relief granted under Rule 409 under the Securities Act we are omitting from this prospectus certain information regarding Gold Fields within the sole control of Gold Fields or persons unaffiliated with Harmony. Harmony has requested that Gold Fields provide Harmony with information relating to the businesses, operations, financial condition and results and management of Gold Fields. Gold Fields, despite numerous written requests, has refused to provide such information to us. This information is unknown to Harmony and not reasonably available to Harmony, and rests only within the knowledge of Gold Fields, which is unaffiliated with Harmony. Harmony will amend or supplement this prospectus to provide any information that Harmony receives from Gold Fields, if Harmony receives the information before the US offer expires and considers it to be material, reliable and appropriate.

ACCOUNTING PRINCIPLES

Harmony

Harmony is a South African company and the majority of its operations are located there. Accordingly, its books of account are maintained in South African Rand and its annual and interim financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Principles, or S.A. GAAP (as prescribed by law and based on International Financial Reporting Standards), which differ in certain significant respects from United States generally accepted accounting principles (commonly known as US GAAP). Harmony also prepares annual financial statements in accordance with generally accepted accounting principles in the United States or US GAAP, which are translated into US dollars. The financial information included in this prospectus has been prepared in accordance with US GAAP and is presented in US dollars. Unless otherwise stated, balance sheet item amounts are translated from Rand to US dollars at the exchange rate prevailing on the last business day of the respective period (Rand 6.23 per $1.00 as at June 30, 2004), except for specific items included within shareholders equity that are converted at the exchange rate prevailing on the date the transaction was entered into, and income statement item amounts are translated from Rand to US dollars at the average exchange rate for the respective period (Rand 6.89 per $1.00 for fiscal 2004). For a discussion of some of the more significant differences between International Financial Reporting Standards, or IFRS, and US GAAP as they relate to Harmony s consolidated financial statements please see Note 37 to Harmony s audited consolidated financial statements included in its Annual Report on Form 20-F for the year ended June 30, 2004, which is incorporated by reference into this prospectus. See Additional Information for Securityholders Incorporation of Certain Documents by Reference on page 143.

Gold Fields

Gold Fields is a South African company and the majority of its operations are located there. Accordingly, its books of account are maintained in South African Rand and its annual and interim financial statements are prepared in accordance with S.A. GAAP, as prescribed by law. Gold Fields also prepares annual financial statements in accordance with US GAAP, which are translated into US dollars. Except as otherwise noted, the financial information included in this document has been prepared in accordance with US GAAP and is presented in US dollars; and descriptions of significant accounting policies refer to accounting policies under US GAAP. The financial statements of the St. Ives and Agnew gold mining operations in Australia have been prepared in accordance with Generally Accepted Accounting Principles in Australia and reconciled to US GAAP. The financial statements of Abosso Gold Fields Limited, or Abosso, have been prepared in accordance with International

Table of Contents

Accounting Standards, which have been recently renamed International Financial Reporting Standards, or IFRS, and reconciled to US GAAP. For the financial statements of the St. Ives and Agnew gold mining operations, unless otherwise stated, balance sheet item amounts are translated from Australian dollars to US dollars at the exchange rate prevailing on the date of the respective balance sheet (A$1.97 per $1.00 as of June 30, 2001), except for specific items included within equity that are translated at the rate prevailing on the date the relevant transaction was entered into, and statement of operations item amounts are translated from Australian dollars to US dollars at the weighted average exchange rate for each respective period (A$1.85 per $1.00 for the six-month period ended June 30, 2001).

CURRENCIES

In this prospectus, unless otherwise specified or the context otherwise requires:

$, US $ or US dollar each refers to the United States dollar;

R and Rand each refers to the South African Rand; and

A$ and Australian dollar refer to the Australian dollar.

This prospectus contains translations of some Rand amounts into US dollars. These amounts are provided solely for your convenience. On November 18, 2004, the latest practicable date prior to the date of this document, the Federal Reserve Bank of New York noon buying rate was Rand 6.0284 = US$1.00. See Exchange Rate Information for additional information regarding the exchange rates between the Rand and the US dollar.

CERTAIN DEFINED TERMS

Unless otherwise specified or if the context so requires:

References in this prospectus to Harmony , the company , we , us or our refer to Harmony Gold Mining Company Limited, a corporation organized under the laws of the Republic of South Africa, and, where applicable, its consolidated subsidiaries.

References to Gold Fields refer to Gold Fields Limited, a corporation organized under the laws of the Republic of South Africa and, where applicable, its consolidated subsidiaries.

References to Gold Fields securities refer collectively to the Gold Fields ordinary shares and the Gold Fields ADSs.

References to Harmony securities refer collectively to the Harmony ordinary shares and the Harmony ADSs.

References to the   related US offer documents   refer collectively to the form of acceptance, the ADS letter of transmittal and the notice of guaranteed delivery included with this document.

NO INTERNET SITE IS PART OF THIS PROSPECTUS

Each of Harmony and Gold Fields maintains an Internet site. The Harmony website is at the URL http://www.harmony.co.za. The Gold Fields Internet site is at the URL http://www.goldfields.co.za. Information contained in or otherwise accessible through these Internet sites is not a part of this prospectus. All references in this prospectus to these Internet sites are inactive textual references to these URLs and are for your information only.

REGULATORY STATEMENT

The exchange offer described in this prospectus is subject to the applicable laws and regulations of the United States, including the tender offer rules applicable to equity securities registered under Section

12 of the United States Securities Exchange Act of 1934, as amended, or the Exchange Act. This US offer document constitutes a prospectus under Section 5 of the United States Securities Act of 1933, as amended, or the Securities Act, with respect to the Harmony ordinary shares to be issued on completion of the US offer.

This prospectus is not an offer to sell securities and it is not soliciting an offer to buy securities, nor shall there be any sale or purchase of securities pursuant hereto, in any jurisdiction in which such offer, solicitation or sale is not permitted or would be unlawful prior to registration or qualification under the laws of any such jurisdiction.

Table of Contents

QUESTIONS AND ANSWERS ABOUT THE US OFFER

Q: Why is Harmony making the US Offer? (See page 51)

A: We are making the US offer (and the concurrent South African offer) to acquire 34.9% of the outstanding Gold Fields ordinary shares, including Gold Fields ordinary shares represented by Gold Fields ADSs. Such shares combined with certain Gold Fields ordinary shares to be tendered to Harmony pursuant to an irrevocable commitment from the largest shareholder of Gold Fields would render Harmony a majority shareholder. Upon full completion of the US offer and the South African offer, and receipt of regulatory approval to exercise such irrevocable commitment, Harmony would be in a position to control Gold Fields. Immediately subsequent to completion of this US offer and South African offer, Harmony has irrevocably committed to make offers in the United States and South Africa to all of the remaining share capital of Gold Fields subject to certain conditions to be described therein.

Harmony is seeking to acquire Gold Fields because Harmony believes that the combination of the two companies will create one of the world s leading gold mining companies, with the enhanced scale, financial strength and exploration resources to enhance shareholder value in ways that are not likely to be achieved by either Harmony or Gold Fields on a stand-alone basis.

Q: Why is Harmony initially only making offers for 34.9% of Gold Fields outstanding securities? (See page 56)

A: Harmony s offers for 34.9% of Gold Fields outstanding securities will be followed by further offers for the remainder of Gold Fields outstanding securities. Harmony s proposed acquisition of the entire issued and outstanding share capital of Gold Fields (including Gold Fields ordinary shares represented by Gold Fields ADSs) is being made in two temporally distinct transactions to enable Harmony to accept and settle tendered Gold Fields securities prior to the grant of merger clearance from the South African Competition Authorities pursuant to the South African Competition Act 1998, or the Competition Act, and prior to the meeting of Gold Fields shareholders to vote on the IAMGold transaction to be held on or about December 7, 2004 and to comply with US legal requirements that afford all holders of Gold Fields securities the right to withdraw their tenders during the pendency of the initial offers or further offers, as the case may be.

Q: Why are there two offers? (See page 56)

A: We are making a US offer and a South African offer for legal reasons to comply with US and South African regulatory requirements.

Q: What are the differences between the South African offer and the US offer? (See page 56)

A: The South African offer and the US offer are being made on substantially similar terms and completion of the offer is subject to the same conditions.

The US offer is open to all holders of Gold Fields ordinary shares who are located in the United States and to all holders of Gold Fields ADSs, wherever located.

The South African offer is open to all holders of Gold Fields ordinary shares who are located in South Africa and to holders of Gold Fields ordinary shares who are located outside of the United States and South Africa, if, pursuant to the local laws and regulations applicable to such holders, they are permitted to participate in the South African offer.

Q: May I participate in the South African offer? (See page 56)

A: No. Holders of Gold Fields ordinary shares who are located in the United States and all holders of Gold Fields ADSs, wherever located, do ***not*** have the right to tender their Gold Fields securities in the South African offer. You must follow the procedures set forth in this prospectus to tender your Gold Fields ordinary shares or Gold Fields ADSs in the US offer.

Q: What will I receive in the US offer? (See page 57)

A: For each Gold Fields ordinary share validly tendered and not withdrawn, you will receive 1.275 Harmony ordinary shares.

For each Gold Fields ADS (each representing one Gold Fields ordinary share) validly tendered and not withdrawn, you will receive 1.275 Harmony ADSs.

In no event will any payments to which you are entitled under the US offer accrue or be entitled to interest.

Q: If Gold Fields pays any dividend in respect of the Gold Fields ordinary shares, including Gold Fields ordinary shares represented by Gold Fields ADSs, will the consideration that I receive in exchange for the Gold Fields securities tendered in the US offer be reduced? (See page 58)

A: Yes. If Gold Fields pays any dividend or any interim dividend in respect of the Gold Fields ordinary shares, including Gold Fields ordinary shares represented by Gold Fields ADSs, before the settlement of the US offer, the consideration offered in exchange for each Gold Fields ordinary share and each Gold Fields ADS tendered will be reduced by an amount equal to the net value of the dividend paid per Gold Fields ordinary shares, in the manner described under The Offer Consideration Offered after Payment of Gold Fields Dividends .

Q: Will I be entitled to receive dividends in respect of any Harmony ordinary shares, including Harmony ordinary shares represented by Harmony ADSs, that I receive in exchange for my Gold Fields securities? (See page 58)

A: Yes. In respect of the Harmony ordinary shares, including ordinary shares represented by Harmony ADSs, you will be entitled to receive any dividend that is paid after the settlement of the offers.

Q: If Harmony acquires 34.9% of the Gold Fields securities in the US offer and the South African offer, what percentage of Harmony will be owned by the former holders of Gold Fields securities? (See page 58)

A: If all of the Gold Fields securities are validly tendered and exchanged, pursuant to the terms of the US offer and the South African offer, immediately after the exchange:

- the former holders, other than Gold Fields, of Gold Fields securities will own approximately 40.5% of the share capital and approximately 40.5% of the voting rights of Harmony, and

- the current holders, other than Harmony, of Harmony securities will hold approximately 59.5% of the share capital and approximately 59.5% of the voting rights of Harmony.

After completion of the offers, you will hold securities of a company larger than Gold Fields. Accordingly, you will have lower ownership and voting percentages of Harmony than you now have in Gold Fields.

Q: How long will the US offer be open? (See page 59)

A: Unless we extend the US offer or unless it lapses or is withdrawn, it will expire at 6:00 a.m. New York City time on November 26, 2004.

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Table of Contents

Q: Under what circumstances will you extend the US offer? (See page 60)

A: Harmony does not intend to extend the US offer. We may, however, be required to extend the offers under applicable South African law and US securities laws if there is a material change to the offers or if there is a delay in our Registration Statement on Form F-4, of which this prospectus forms a part, being declared effective by the SEC.

Q: Are there any conditions to Harmony s obligations to purchase the Gold Fields securities that I tender? (See page 59)

A: Harmony s obligation to purchase the Gold Fields securities is subject only to the requirements that the increase in authorized share capital and issuance of additional Harmony ordinary shares to be issued on completion of the US offer and the South African offer is approved by the shareholders of Harmony and that the registration statement on Form F-4, of which this prospectus forms a part, has been declared effective by the SEC. The increase in authorized share capital and issuance of additional Harmony ordinary shares were approved by Harmony shareholders on November 12, 2004 and duly registered with the South African Registrar of Companies on November 17, 2004.

Q: After I tender my Gold Fields securities, may I change my mind and withdraw them? (See page 64)

A: Yes. You may withdraw your securities at any time until the expiration date (6:00 a.m. New York City time on November 26, 2004).

Q: I hold American depositary receipts for Gold Fields ADSs. How do I accept the US offer? (See page 60)

A: If you hold American depositary receipts or ADRs, for Gold Fields ADSs, complete and sign the ADS letter of transmittal included with this document and send it, together with your ADRs and any other required documents, to the US ADS exchange agent before the expiration of the US offer. If your certificates are not available, you may also follow guaranteed delivery procedures described in this prospectus. ***Do not send your certificates to Harmony, the financial advisors or the information agent.***

Q: I hold Gold Fields ADSs in book-entry form. How do I accept this US offer? (See page 61)

A: If you hold Gold Fields ADSs in book-entry form, complete the confirmation of a book-entry transfer of your Gold Fields ADSs into the account of the US ADS exchange agent at The Depository Trust Company, commonly known as DTC, and send either an agent s message or an ADS letter of transmittal and any other required documents to the US ADS exchange agent before the expiration of the US offer.

Q: I hold Gold Fields ordinary shares through a South African financial intermediary. How do I accept this US offer? (See page 62)

A: If you hold Gold Fields ordinary shares through a South African financial intermediary, you do not need to complete the ADS letter of transmittal. Instead, your South African financial intermediary should send you transmittal materials and instructions for accepting the US offer before the last day of the offer. If you have not yet received instructions from your South African financial intermediary, you may contact MacKenzie Partners, Inc., the information agent, or contact your South African financial intermediary directly.

Q: Will I have to pay any fees or commissions? (Page 66)

A: Depending on the manner in which you hold your securities, you may be responsible for brokerage fees or similar expenses. If you own your Gold Fields securities through a broker or other nominee, and your broker accepts the offer on your behalf, your broker or nominee may charge you a fee for doing so. You should consult your broker or nominee to determine whether any charges will apply.

Q: What will happen to my Gold Fields stock options if these offers are completed? (See page 67)

A: If you hold exercisable Gold Fields stock options and you would like to tender the underlying Gold Fields ordinary shares into the US offer, you must first exercise the options and then tender the underlying Gold Fields ordinary shares on or prior to the expiration date of the US offer according to the instructions given in this document.

Harmony has not had access to important information relating to Gold Fields stock option plans, although the employee share purchase plan does provide for the early exercise of share options in certain circumstances.

Q: What will happen to my interests in any Gold Fields securities that I hold as a participant in any Gold Fields employee savings plan or employee share purchase plan? (See page 67)

A: Harmony has not had access to, and does not know, important information relating to Gold Fields employee savings plans and employee share purchase plans, including the terms of these plans.

Q: Do I need to do anything if I want to retain my Gold Fields securities?

A: No. If you want to retain your Gold Fields securities, you do not need to take any action.

Q: What happens if the offers lapse, are withdrawn or are not successful? (See pages 59 and 65)

A: If the offers for Gold Fields securities lapse, are withdrawn or are not successful, your Gold Fields securities will be returned to you without any other payment being due. This should occur within five South African business days following the announcement of the lapse or withdrawal.

Q. What happens if more than 34.9% of Gold Fields shares are tendered in the US offer and the South African offer? (See page 65)

A: In the event that total valid acceptances in the US offer and the South African offer exceed 34.9% of Gold Fields entire issued share capital by the expiration date, Harmony will only settle that number of Gold Fields shares which equates to 34.9% of the entire issued share capital of Gold Fields, on a pro rata basis, with the shares tendered by accepting Gold Fields shareholders scaled back accordingly.

Q: When will I know the outcome of the offers? (See page 60)

A: In accordance with JSE and SRP regulations, Harmony will publish an announcement through SENS, the JSE Stock Exchange News Service, and through a simultaneous announcement in the US and South African press, upon completion of pro ration, on the date of settlement of the new Harmony securities. We will file those press releases with the SEC as amendments to our Schedule TO.

Q: Will the offers be followed by a compulsory acquisition? (page 79)

A: If, following the completion of these offers, the exercise of the irrevocable agreement, and the completion of the further offers, Harmony has acquired at least 90 percent in nominal value of Gold Fields shares (including Gold Fields shares represented by Gold Fields ADSs) then we will be entitled to acquire all remaining Gold Fields shares and Gold Fields ADSs pursuant to section 440K of the South African Companies Act 1973. Holders of Gold Fields shares and Gold Fields ADSs subject to the compulsory acquisition would receive the same consideration as those holders of Gold Fields shares and Gold Fields ADSs who accept the offer.

Table of Contents

Q: Will I be taxed on the Harmony ordinary shares or ADSs that I receive? (See page 70)

A: If you are a US holder and you are not a member of a special class of taxpayers, as a result of exchanging your Gold Fields securities pursuant to the US offer, and so long as less than 80% of the voting stock or less than 80% of all other classes of Gold Fields stock are validly deposited under the offers, you will generally recognize gain or loss, if any, for United States federal income tax purposes in an amount equal to the difference between the fair market value of the Harmony ordinary shares or Harmony ADSs that you receive in the exchange and the US dollar value of your adjusted tax basis in your Gold Fields securities exchanged. However, if at least 80% of the voting and 80% of all other classes of Gold Fields stock are validly deposited under the offers (and other conditions are met), it is possible that the exchange would be treated as part of a tax-free reorganization for US federal income tax purposes.

Q: Do any Gold Fields shareholders support the offer? (See page 49)

A: We have received an irrevocable undertaking to accept the further offers from MMC Norilsk Nickel, representing approximately 20.03% of Gold Fields outstanding share capital. If in excess of 30% of the outstanding Gold Fields ordinary shares (including Gold Fields ADSs) are tendered and accepted in the US and South African offers, then, at such time as the Gold Fields ordinary shares held by MMC Norilsk Nickel are tendered and accepted in the further offers, Harmony would obtain effective control of Gold Fields.

Table of Contents

SUMMARY

To understand this US offer and the businesses of Harmony and Gold Fields more fully, you should carefully read this entire prospectus and any documents incorporated by reference into this prospectus, including the sections under the headings Cautionary Statement Concerning Forward-Looking Statements , and Risk Factors , as well as Harmony s consolidated financial statements and notes thereto incorporated by reference into this prospectus, and Gold Fields consolidated financial statements and notes thereto incorporated by reference into this prospectus.

The Companies

Harmony

Suite No. 1

Private Bag X1

Melrose Arch, 2076

South Africa

Tel: 011-27-11-684-0140

Harmony is a South African company that, together with its subsidiaries, conducts underground and surface gold mining and related activities, including exploration, processing, smelting and refining. Harmony is currently the largest producer of gold in South Africa, producing some 30% of the country s gold, and the sixth largest gold producer in the world. As at June 30, 2004 Harmony s mining operations reported total proven and probable reserves of approximately 62 million ounces and in fiscal 2004, we sold approximately 3.2 million ounces of gold (3.3 million as measured under South African GAAP).

Gold Fields

21 St. Andrews Road

Parktown, 2193

South Africa

Tel: 011-27-11-644-2400

Gold Fields, a South African company, is a significant producer of gold and major holder of gold reserves in South Africa, Ghana and Australia. Gold Fields is primarily involved in underground and surface gold mining and related activities, including exploration, extraction, processing and smelting, and also has strategic interests in platinum group metals exploration. Gold Fields is currently the third largest gold producer in South Africa and one of the largest gold producers in the world on the basis of annual production.

Based on the figures reported by Gold Fields   mining operations, as of June 30, 2003 Gold Fields had attributable proven and probable reserves of approximately 81.544 million ounces of gold. In the year ended June 30, 2003, Gold Fields processed 42.988 million tonnes of ore and produced 4.577 million ounces of gold, of which 4.334 million ounces were attributable to Gold Fields.

US Offer and South African Offer (See page 56)

Harmony is offering to acquire 34.9% of the outstanding Gold Fields securities. Harmony is making a US offer and a South African offer for legal reasons to satisfy US and South African regulatory requirements.

The US offer and the South African offer are being made on substantially similar terms and completion of the offers is subject to the same conditions.

The US offer is open to all holders of Gold Fields ordinary shares who are located in the United States and to all holders of Gold Fields ADSs, wherever located.

The South African offer is open to all holders of Gold Fields ordinary shares who are located in South Africa and to holders of Gold Fields ordinary shares who are located outside of the United States, if, pursuant to the local laws and regulations applicable to those holders, they are permitted to participate in the South African offer.

Harmony s offers for 34.9% of Gold Fields outstanding securities will be followed by further offers for the remainder of Gold Fields outstanding securities. Harmony s proposed acquisition of the entire issued and outstanding share capital of Gold Fields is being made in two temporally distinct transactions to enable Harmony to accept and settle tendered Gold Fields securities prior to the grant of merger clearance from the South African Competition Authorities pursuant to the South African Competition Act 1998, or the Competition Act, and prior to the meeting of Gold Fields shareholders to vote on the IAMGold transaction to be held on or about December 7, 2004 and to comply with US legal requirements that afford all holders of Gold Fields securities the right to withdraw their tenders during the pendency of the initial offers or further offers, as the case may be.

Terms of the US Offer (See page 57)

Upon the terms and subject to the conditions set forth in this prospectus, we are offering:

1.275 Harmony ordinary shares in exchange for each outstanding Gold Fields ordinary share validly tendered and not withdrawn.

1.275 Harmony ADSs (each Harmony ADS representing one Harmony ordinary share) in exchange for each outstanding Gold Fields ADS (each Gold Fields ADS representing one Gold Fields ordinary share) validly tendered and not withdrawn.

Based on the closing price of Rand 83.50 for Harmony ordinary shares on the JSE on October 15, 2004, the last trading day before the public announcement of the offers, the terms of the US offer value each Gold Fields ordinary share at Rand 106.46, representing a premium of 13.2% over the closing price of Rand 94.02 for Gold Fields ordinary shares on the JSE on that date.

Based on a price of Rand 83.84 per Harmony ordinary share, which was the average of the daily volume weighted average price for Harmony ordinary shares on the JSE during the 30 business days ended on October 14, 2004 (the last trading day before rumors and press articles significantly affected the share prices and trading volumes of Harmony ordinary shares and Gold Fields ordinary shares), the terms of the US offer value each Gold Fields ordinary share at Rand 106.90, representing a premium of 28.1% over the daily volume weighted average price for Gold Fields ordinary shares on the JSE during the same period, which was Rand 83.42 per Gold Fields ordinary share. Based on the closing price of Rand 83.50 for Harmony ordinary shares on the JSE on October 15, 2004 the last trading day before the public announcement of the US offer, the terms of the US offer value each Gold Fields ordinary share at Rand 106.46.

Based on a price of Rand 84.41 per Harmony ordinary share, which was the closing price for Harmony ordinary shares on the JSE on October 14, 2004 (the last trading day before rumors and press articles significantly affected the share prices and trading volumes of Harmony ordinary shares and Gold Fields ordinary shares), the terms of the US offer value each Gold Fields ordinary share at Rand 107.62, representing a premium of 29.0% over the daily volume weighted average price for Gold Fields ordinary shares on the JSE in the 30 business days ending October 14, 2004, which was Rand 83.42

per Gold Fields ordinary share. Based on the closing price of Rand 83.50 for Harmony ordinary shares on the JSE on October 15, 2004, the last trading day before public announcement of the US offer, the terms of the US offer value each Gold Fields ordinary share at Rand 106.46.

Based on the closing price of US$12.95 for Harmony ADSs on the NYSE on October 15, 2004, the last trading day before the public announcement of the offers, the terms of the US offer value each Gold Fields ADS at US$16.51, representing a premium of 13.2% over the closing price of US$14.58 for Gold Fields ADSs on the NYSE on that date.

Based on a price of US$12.89 per Harmony ADS, which was the average of the daily volume weighted average price for Harmony ADSs on the NYSE during the 30 business days ended on October 14, 2004, the terms of the US offer value each Gold Fields ADS at US$16.43, representing a premium of 28.2% over the daily volume weighted average price for Gold Fields ADSs on the NYSE during the same period, which was US$12.82 per Gold Fields ADS. Based on the closing price of US$12.56 for ADSs on the NYSE on October 15, 2004, the last trading day before the public announcement of the US offer, the terms of the US offer value each Gold Fields ADS at US$16.01.

Based on a price of US$12.93 per Harmony ADS, which was the closing price for Harmony ADSs on the NYSE on October 14, 2004, the terms of the US offer value each Gold Fields ADS at US$16.49, representing a premium of 28.6% over the daily volume weighted average price for Gold Fields ADSs on the NYSE in the 30 business days ending October 14, 2004, which was US$12.82 per Gold Fields ADS. Based on the closing price of US$12.56 for Harmony ADS on the NYSE on October 15, 2004, the last trading day before the public announcement of the US offer, the terms of the US offer value each Gold Fields ADS at US$16.01.

Consideration Offered after Payment of Gold Fields Dividends (See page 58)

If Gold Fields pays any dividend or any interim dividend in respect of the Gold Fields ordinary shares, including Gold Fields ordinary shares represented by Gold Fields ADSs, before the settlement of the offers, the consideration offered in exchange for each Gold Fields ordinary share tendered and each Gold Fields ADS tendered will be reduced by an equivalent value in the manner described under The Offer Consideration Offered after Payment of Gold Fields Dividends .

Entitlement to Harmony Dividends (See page 58)

In respect of any Harmony ordinary share, including any Harmony ordinary share represented by Harmony ADSs, that you receive in exchange for the Gold Fields ordinary shares or Gold Fields ADSs that you tender in the US offer, you will be entitled to receive any dividend that is paid after the settlement of the offers. See The Offer Entitlement to Harmony Dividends .

No Fractional Shares (See page 58)

No fractional Harmony ordinary shares or fractional Harmony ADSs will be issued in connection with the US offer. In lieu of any fraction of a Harmony ordinary share or Harmony ADS that you would otherwise have been entitled to receive pursuant to the terms of this offer, you will receive an amount in cash equal to the product of that fraction and the average sale price per Harmony ordinary share, net of expenses, realized on the JSE or the average sale price per Harmony ADS, net of expenses, realized on the NYSE, as applicable in the sale of all the aggregated fractional Harmony ordinary shares or all of the aggregated fractional Harmony ADSs that would have otherwise been issued in this offer.

Table of Contents

Ownership of Harmony after the Offers (See page 58)

If 34.9% of the Gold Fields securities are validly tendered and exchanged, pursuant to the terms of the US offer and the South African offer, immediately after the exchange:

- the former holders, other than Gold Fields, of Gold Fields securities will own approximately 40.5% of the share capital and approximately 40.5% of the voting rights of Harmony, and

- the current holders, other than Harmony, of Harmony securities will hold approximately 59.5% of the share capital and approximately 59.5% of the voting rights of Harmony.

After completion of the offers, you will hold securities of a company larger than Gold Fields. Accordingly, you will have lower ownership and voting percentages of Harmony than you now have in Gold Fields.

Conditions to the US Offer (See page 59)

Share issuance condition

Harmony s obligation to complete the US offer is subject to the condition that the increase in the authorized share capital and issuance of additional Harmony ordinary shares to be issued on completion of the US offer and the South African offer be duly approved by a majority of 75% of the votes cast by shareholders of Harmony present or represented by proxy at an extraordinary general meeting of shareholders to be held for this purpose and such resolution, once approved, be registered with the South African Registrar of Companies. Harmony s extraordinary general meeting was held on November 12, 2004 and such resolution was approved by in excess of 87% of votes cast in person or by proxy. Registration with the Registrar of Companies occurred on November 17, 2004.

F-4 declared effective **(See page 59)**

Harmony s obligation to complete the US offer is subject to the condition that the registration statement submitted on Form F-4 of which this prospectus forms a part shall have been declared effective by the SEC.

Expiration Date; Extension (See page 59)

The expiration date for the offer is November 26, 2004.

If Harmony believes that all of the conditions to the offers will not have been satisfied, fulfilled or, to the extent permitted, waived by Harmony by 6:00 a.m., New York City time, on November 26, 2004, Harmony may choose, but shall not be obliged, to extend the offers. If Harmony s registration statement on Form F-4, of which this prospectus forms a part, has not been declared effective by the SEC on or before 2:00 a.m., New York City time, on November 19, 2004, Harmony may be required, in accordance with the requirements of the JSE, to extend the offers by a minimum of seven calendar days. We may also be required to extend the offers under applicable South African law and US securities laws if there is a material change in the offers or this prospectus. If we extend the offers, we will make a public announcement of the extension, pursuant to South African law, prior to the time the offers are scheduled to expire. Any such announcement will contain an announcement of the approximate number of Gold Fields securities deposited to date. We will not extend the expiration date of the US offer unless the expiration date of the South African offer is extended or otherwise required by law.

Publication of Results (See page 60)

In accordance with JSE and SRP regulations, Harmony will publish an announcement through SENS, the JSE Stock Exchange News Service, and through a simultaneous announcement in the US and

4

Table of Contents

South African press, upon completion of pro ration, on the date of settlement of the new Harmony securities. We will file those press releases with the SEC as amendments to our Schedule TO.

Further Offers (See page 78)

This offer will be followed immediately by further offers for the remainder of the outstanding securities of Gold Fields. The offers will be made on the same terms but with different conditions from this offer. The conditions of the further offers will include, among others, a proposed merger being approved by the South African Competition Authorities and the proposed transaction between IAMGold and Gold Fields not being implemented for whatever reason.

In the further offers, we will offer the same consideration that was offered during the initial offers. To the extent that Harmony offers greater consideration in the further offers, holders of Gold Fields securities that have accepted this US offer and South African offer and received offer consideration will be entitled to receive any excess consideration payable in the further offers, regardless of whether they have then disposed of Harmony securities received in this US offer and South African offer.

Procedures for Tendering Gold Fields Securities (See page 60)

The procedure for tendering Gold Fields securities varies depending on a number of factors, including:

- whether you hold Gold Fields ordinary shares or Gold Fields ADSs;
- whether you possess physical certificates or a financial intermediary holds physical certificates for your Gold Fields securities;
- whether you hold your securities in book-entry form; and
- whether you hold your Gold Fields securities through a financial intermediary in the United States or South Africa.

You should read carefully the procedures for tendering your Gold Fields securities in this prospectus as well as the related transmittal materials enclosed with this prospectus.

Withdrawal Rights (See page 64)

You have the right to withdraw any Gold Fields securities that you have tendered prior to the expiration of the offers.

For a withdrawal to be effective, the US custodian, the US ADS exchange agent or your South African financial intermediary, as applicable, must receive a written notice of withdrawal prior to the expiration date of the offers.

Withdrawn Gold Fields securities may be retendered prior to the expiration of the offers by following the appropriate tender procedures.

Pro ration (See page 65)

In the event that total valid acceptances in the US offer and the South African offer exceed 34.9% of Gold Fields entire issued share capital by the expiration date of the offers, Harmony will only settle that number of Gold Fields shares which equates to 34.9% of the entire issued share capital of Gold Fields, on a pro rata basis, with the shares tendered by accepting Gold Fields shareholders scaled back accordingly. The process of counting tenders, calculating the pro ration factor, advising the pro ration factor to intermediaries and allocating new Harmony ordinary shares will take from one to five South African business days.

Table of Contents

Delivery of Harmony Ordinary Shares and Harmony ADSs; Settlement Date (See page 66)

In the event that the offers are successful, if you tendered certificated Gold Fields shares, new Harmony ordinary shares will be mailed to you within five South African business days of the expiration date of the offers, provided that you have timely surrendered your documents of title to your Gold Fields shares. If you tendered Gold Fields shares in dematerialized form, new Harmony ordinary shares will be credited to the account of the broker or central securities depositary participant through which your shares are held within five South African business days of the expiration date of the offers. Holders of Gold Fields ADSs who have tendered their ADSs will receive new Harmony ADSs in accordance with the terms of the deposit agreement and the procedures and practices of the nominee, broker or other intermediary through which they hold their ADSs. If your Harmony ADSs will be evidenced by ADRs registered in your name, you may not receive the certificates until approximately two weeks after the settlement date.

Future Plans for Gold Fields; Compulsory Acquisition (See page 79)

It is the present intention of Harmony, as soon as practicable after the expiration of the US and South African offers, to vote the Gold Fields ordinary shares (including Gold Fields ADSs) tendered and accepted against the proposed IAMGold transaction. In addition, Norilsk has undertaken to vote against the proposed IAMGold transaction. If in excess of 30% of the outstanding Gold Fields ordinary shares (including Gold Fields ADSs) are tendered and accepted in the US and South African offers, then at such time as the Gold Fields ordinary shares held by Norilsk are tendered and accepted in the further offers, Harmony would obtain effective control of Gold Fields.

If, following the completion of these offers, the exercise of the irrevocable agreement, and the completion of the further offers, Harmony acquires at least 90 percent in nominal value of Gold Fields shares (including Gold Fields shares represented by Gold Fields ADSs) then we will be entitled to acquire all remaining Gold Fields shares and Gold Fields ADSs pursuant to section 440K of the South African Companies Act 1973. Holders of Gold Fields shares and Gold Fields ADSs subject to the compulsory acquisition would receive the same consideration as those holders of Gold Fields shares and Gold Fields ADSs who accept the offer.

Market for Gold Fields Securities after the Offers (See page 67)

If Harmony were to acquire more than 90% of the Gold Fields shares, it may then petition the JSE to cause the delisting of the Gold Fields ordinary shares. After any compulsory acquisition resulting in Harmony acquiring 100% of the ordinary shares in Gold Fields, the JSE would in all likelihood delist the Gold Fields ordinary shares. In addition, subject to the completion of the offers, Harmony intends to cause Gold Fields to terminate its deposit agreement with the depositary for the Gold Fields ADSs, and to petition, or cause Gold Fields to petition, the NYSE to delist the Gold Fields ADSs.

Comparison of the Rights of Holders of Gold Fields Ordinary Shares and Harmony Ordinary Shares (See page 132)

There are differences between the rights of a shareholder in Gold Fields and the rights of a shareholder in Harmony. We urge you to review the discussion under Comparison of Shareholders Rights for a summary of these differences.

Accounting Treatment **(See page 67)**

Harmony s acquisition of the Gold Fields securities will be accounted for as a purchase business combination as defined by Statement of Financial Accounting Standards No. 141, Business Combinations.

Table of Contents

Regulatory Approvals (See page 67)

Apart from the SEC declaring effective the registration statement on Form F-4 of which this prospectus forms a part, completion of the US offer is not subject to any regulatory approvals.

Listing of Harmony Ordinary Shares and Harmony ADSs (See page 67)

Harmony ordinary shares are currently listed and admitted to trade on the JSE. Harmony shares are currently listed on the NYSE for listing purposes only and Harmony ADSs are currently listed and trade on the NYSE. The ordinary shares of Harmony are also listed on the Official List of the UK Listing Authority and traded on the London Stock Exchange, or LSE and are listed on the Premier Marché of Euronext Paris. Harmony s International Depositary Shares are listed on Euronext Brussels. Harmony will also apply for the supplemental listing of the Harmony ordinary shares and Harmony ADSs to be issued in these offers on the JSE and on the NYSE and LSE, as applicable.

Interests of Directors and Executive Officers of Harmony and Gold Fields (See page 134)

Based on the number of Harmony ordinary shares issued and outstanding on September 30, 2004, the directors and executive officer of Harmony, individually and the group as a whole, held less than one percent of the share capital of Harmony, including any Harmony ordinary shares held indirectly.

Gold Fields South African Annual Report for the year ended June 30, 2003 filed with the SEC under Form 6-K on October 13, 2004 states that the directors of Gold Fields, individually and the group as a whole, held less than one percent of the issued share capital of Gold Fields, including any Gold Fields ordinary shares held indirectly. The US Annual Report on Form 20-F for the year ended June 30, 2003 states that as of September 30, 2003 the directors and executive officers of Gold Fields, individually and the group as a whole, held, directly or indirectly, less than one percent of the shares of Gold Fields.

Material US Federal Tax Consequences of the Exchange (See page 70)

The following applies to you if you are a US holder (as defined under Material US Federal Income Tax Consequences) and you are not a member of a special class of taxpayers (as described under Material US Federal Income Tax Consequences) for US federal income tax purposes. As a result of exchanging your Gold Fields securities pursuant to the US offer, you will generally recognize gain or loss unless (i) the US offer and the South African offer are consummated as described herein, (ii) the further offer is consummated promptly after the consummation of the US offer and the South African offer and treated as part of the same transaction and, (iii) as a result of the offers, taken together, not less than 80% of the voting stock and 80% of all other classes of Gold Fields stock are validly deposited and not validly withdrawn (collectively, conditions (i) through (iii) are referred to herein as the primary supporting conditions). However, if the primary supporting conditions are satisfied, it is possible that exchange would be treated as part of a tax-free reorganization for US federal income tax purposes. You are urged to read carefully the information regarding US federal income tax consequences under Material US Federal Income Tax Consequences Tax Consequences of Exchanging Gold Fields Securities United States federal income taxation US holders , and to consult with your tax advisor regarding the tax consequences of the exchange to you.

In general, if you are a non-US holder (as defined in Material US Federal Income Tax Consequences), you will not be subject to United States federal income taxation on any gain or loss recognized in exchanging your Gold Fields securities. Exceptions, however, are described under Material US Federal Income Tax Consequences Tax Consequences of Exchanging Gold Fields Securities United States federal income taxation Non-US holders .

7

Table of Contents

The US ADS Exchange Agent (See page 66)

The Bank of New York has been appointed US ADS exchange agent in connection with the US offer. Your ADS letter of transmittal (or facsimile copies thereof) and certificates for Gold Fields ADSs should be sent by each tendering Gold Fields securityholder or his or her broker, dealer, bank or other nominee to the US ADS exchange agent at the addresses set forth on the back cover of this prospectus.

Appraisal Rights (See page 69)

Neither holders of Gold Fields ordinary shares nor holders of Gold Fields ADSs are entitled to appraisal rights with respect to the US offer as a matter of South African law.

Additional Information

If you have questions or want copies of additional documents, you may contact:

The information agent:

MacKenzie Partners, Inc.

105 Madison Avenue

New York, New York 10016

Bankers and Brokers Call: (212) 929-5500

Toll-Free Call: (800) 322-2885

or

The lead financial advisors:

HSBC Securities (USA) Inc.	**Investec (US) Inc.**
452 Fifth Avenue	One Battery Park Plaza

New York, NY 10018

or the co-financial advisors:

Merrill Lynch South Africa (Pty) Limited,

acting, where required, through its U.S.

registered broker-dealer,

Merrill Lynch, Pierce, Fenner & Smith

4 World Financial Center

New York, NY 10080

New York, NY 10004-1478

Morgan Stanley South Africa (Proprietary) Limited,
acting, where required, through its U.S.
registered broker-dealer,
Morgan Stanley & Co., Incorporated
First Floor, SW Wing
160 Jan Smuts Avenue
Rosebank, 2196

Johannesburg, South Africa

Table of Contents

SUMMARY SELECTED FINANCIAL DATA

SUMMARY SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF HARMONY

Selected Financial Data

The selected consolidated financial data below should be read in conjunction with, and are qualified in their entirety by reference to, our consolidated financial statements and the notes thereto and with Item 5. Operating and Financial Review Prospectus of our Annual Report on Form 20-F filed with the SEC on October 8, 2004, as amended, and incorporated by reference.

Selected Historical Consolidated Financial Data

The following selected historical consolidated financial data for the last five fiscal years has been extracted from the more detailed information and financial statements, including Harmony s audited consolidated financial statements for each of the years in the three years ended June 30, 2004 and at June 30, 2004 and 2003 and the related notes thereto, which are incorporated by reference into this registration statement. The historical consolidated financial data at June 30, 2002, 2001 and 2000, and for each of the years in the two years ended June 30, 2000 and 2001, has been extracted from Harmony s audited consolidated financial statements not included in this document.

The audited financial information included in this registration statement has been prepared in accordance with US GAAP.

	FISCAL YEAR ENDED JUNE 30,				
	2004	2003	2002	2001	2000
	(in $ thousands, except per share amounts)				
Income statement data					
Revenues	1,283,056	782,945	696,840	607,220	490,651
Operating income	71,975	182,046	206,375	88,424	72,971
Equity income of joint venture	7,918	52,843	13,146		
Equity income/(loss) of associate companies	2,020	(1,233)	(473)		1,401
Income before taxes and minority interests	(74,568)	97,515	103,659	29,804	73,489
Minority interests	1,281	(468)	(1,575)	(349)	(2,910)
Income/(loss) before cumulative effect of change in accounting principles	(31,403)	71,792	87,716	14,830	57,030
Cumulative effect of change in accounting principles, net of tax[1]		14,770		(5,822)	
Net (loss) income	(31,403)	86,562	87,716	9,008	57,030
Basic (loss) earnings per share ($) before cumulative effect of change in accounting principles	(0.12)	0.40	0.57	0.15	0.68
Basic (loss) earnings per share ($)	(0.12)	0.49	0.57	0.09	0.68

Diluted (loss) earnings per share before cumulative effect of change in accounting principles	(0.12)	0.39	0.53	0.14	0.67
Diluted (loss) earnings per share	(0.12)	0.47	0.53	0.09	0.67
Weighted average number of shares used in the computation of basic earnings per share	254,240,500	177,954,245	153,509,862	102,156,205	83,593,424
Weighted average number of shares used in the computation of diluted earnings per share	254,240,500	182,721,629	165,217,088	105,504,328	85,590,876
Cash dividends per share ($)	0.26	0.57	0.07	0.16	0.19
Cash dividends per share (R)	0.70	5.50	0.75	1.20	1.20
Other financial data					
Cash dividends per share ($)[2]	0.05	0.20	0.41		
Cash dividends per share (R)[2]	0.30	1.50	4.25		
Cash cost per ounce of gold ($/oz)[3]	362	253	196	234	245

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1 As discussed in the consolidated financial statements incorporated by reference in this registration statement, the company changed its method of accounting for mineral and surface use rights during the 2004 fiscal year, its accounting for environmental obligations during the 2003 fiscal year, and its method of accounting for share based compensation during the 2002 fiscal year.

Table of Contents

2 Reflects dividends related to fiscal 2004, 2003 and 2002 that we declared on July 30, 2004, August 1, 2003 and August 2, 2002, respectively.

3 Harmony has calculated cash costs per ounce by dividing total cash costs, as determined using the Gold Institute industry standard, by gold ounces sold for all periods presented. The Gold Institute is a non-profit international association of miners, refiners, bullion suppliers and manufacturers of gold products that has developed a uniform format for reporting production costs on a per ounce basis. The standard was first adopted in 1996 and was revised in November 1999. Cash costs, as defined in the Gold Institute standard, include mine production costs, transport and refinery costs, general and administrative costs, costs associated with movements in production inventories and ore stockpiles, costs associated with transfers to deferred stripping and costs associated with royalties. Cash costs have been calculated on a consistent basis for all periods presented. Changes in cash costs per ounce are affected by operational performance, as well as changes in the currency exchange rate between the Rand and the US dollar. Cash costs per ounce is not a US GAAP measure. Cash costs per ounce should not be considered by investors in isolation or as an alternative to net income, income before tax, operating cash flows or any other measure of financial performance presented. While the Gold Institute has provided a definition for the calculation of cash costs per ounce, the calculation of cash costs per ounce may vary from company to company and may not be comparable to other similarly titled measures of other companies. However, Harmony believes that cash costs per ounce is a useful indicator to investors and management of a mining company s performance as it provides (1) an indication of a company s profitability and efficiency, (2) the trends in costs as the company s operations mature, (3) a measure of a company s gross margin per ounce, by comparison of cash costs per ounce to the spot price of gold and (4) internal benchmark of performance to allow for comparison against other companies.

	FISCAL YEAR ENDED JUNE 30,				
	2004	**2003**	**2002**	**2001**	**2000**
	(in $ thousands)				
Balance sheet data					
Cash and cash equivalents	217,022	189,040	90,223	144,096	77,942
Other current assets	223,370	146,709	109,753	136,794	59,582
Property, plant and equipment - net	3,363,773	1,121,592	812,753	667,113	557,725
Goodwill	32,480				
Restricted cash	9,922				7,310
Investments in associates	19,908	63,782	42,791		
Investment in joint venture		272,754	102,578		
Other long-term assets	451,216	89,183	137,399	81,822	69,629
Total assets	4,590,691	1,883,060	1,295,141	1,029,825	772,188
Current liabilities	322,632	173,890	138,677	152,886	150,148
Provision for environmental rehabilitation	125,917	62,977	63,125	53,136	52,525
Provision for social plan	1,958				
Deferred income and mining taxes	558,812	209,628	99,789	47,050	48,686
Provision for post-retirement benefits	1,584	1,017	737	1,002	3,709
Deferred financial liability	91,513	37,228	87,226	49,374	40,174
Long-term loans	509,195	301,572	152,461	151,466	46,635
Preference shares				681	
Minority interest		18,408		331	
Shareholders equity	2,979,080	1,078,340	573,126	573,899	430,311
Total liabilities and shareholders equity	4,590,691	1,883,060	1,295,141	1,029,825	772,188

10

Table of Contents

SUMMARY SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF GOLD FIELDS

The selected historical financial data set out below for the three years ended June 30, 2003, and as of June 30, 2002 and 2003, have been extracted from the more detailed information and financial statements, including Gold Fields audited consolidated financial statements for those years and as of those dates and the related notes, which appear have been incorporated by reference into this registration statement. The summary financial data for the year ended June 30, 2000, and as of June 30, 2001 and 2000 have been derived from Gold Fields audited consolidated financial statements as of that date, which are not incorporated by reference or included in their registration statement. The selected historical financial data set out below for the year ended, and as of, June 30, 1999 have been derived from Gold Fields unaudited consolidated financial information for that period and as of that date, which are not incorporated by reference or included in their registration statement. The selected historical financial data presented below have been prepared in accordance with US GAAP.

	Year ended June 30,				
	1999	2000	2001	2002	2003
	(in $ millions, except where otherwise noted)				
Statement of Operations Data					
Revenues	737.5	1,130.4	1,028.4	1,219.4	1,564.2
Production costs	497.3	861.8	743.4	710.0	1,015.0
Corporate expenditure	14.1	13.9	16.0	12.3	16.6
Depreciation and amortization	49.5	135.5	99.8	113.3	188.1
Exploration expenditure	14.3	11.7	17.7	16.5	29.6
Franco-Nevada merger costs			2.5		
Settlement costs of Oberholzer irrigation water dispute			1.2	1.0	
Impairment of assets	212.7	15.7	112.1		29.6
(Decrease)/increase in post-retirement healthcare provision	(16.1)	8.4	8.8	6.6	(5.0)
Increase in provision for environmental rehabilitation	19.7	5.6	12.2	4.7	5.3
Finance (income)/expense	7.6	3.2	1.9	(8.3)	(4.2)
Unrealized (loss)/gain on financial instruments	26.7	2.0	(0.8)	(45.9)	(35.7)
Realized (loss)/gain on financial instruments	(4.6)	14.4	(7.4)	(4.7)	(15.1)
Employment termination costs	11.9	16.0	5.0	6.4	3.8
Profit on sale of non-current investments	(48.2)				(57.2)
Write-down of investments			2.0		
Stock compensation				4.8	
New York Stock Exchange listing and associated costs				4.3	
Gain on disposal of St. Helena mine					(13.4)
Share of equity investees losses	0.5	0.8			
Cost of Driefontein merger	10.6				
Other expenses	4.7	1.4	1.0		0.3
(Loss)income before tax	(63.2)	40.0	13.0	398.4	406.5
Income and mining tax benefit/(expense)	80.3	85.2	(21.6)	(147.1)	(133.8)
(Loss)/income before minority interests	17.1	125.2	(8.6)	251.3	272.7
Minority interests	(1.8)	1.7	(8.8)	(12.2)	(14.4)
Income/(loss) before cumulative effect of changes in accounting principles	15.3	126.9	(17.4)	239.1	258.3
Cumulative effect of changes in accounting principles, net of tax			(0.6)		(1.3)
Net (loss)/income	15.3	126.9	(18.0)	239.1	257.0
Other Financial and Operating Data					
Basic (loss)/earnings per share before cumulative effect of changes in accounting principles ($)	0.03	0.28	(0.04)	0.52	0.55
Diluted (loss)/earnings per share before cumulative effect of changes in accounting principles ($)	0.03	0.28	(0.04)	0.51	0.54
Basic (loss)/earnings per share ($)	0.03	0.28	(0.04)	0.52	0.54
Diluted (loss)/earnings per share ($)	0.03	0.28	(0.04)	0.51	0.54
Dividend per share (Rand)	0.50	0.50	1.05	1.30	3.70
Dividend per share ($)	0.08	0.08	0.13	0.13	0.39
Total cash costs per ounce of gold produced ($/oz)[1]	207	215	194	170	212

Total production costs per ounce of gold produced ($/oz)[(2)]	224	251	224	198	254

(1) Gold Fields has calculated total cash costs per ounce by dividing total cash costs, as determined using the Gold Institute industry standard, by gold ounces sold for all periods presented. The Gold Institute is a non-profit international industry association of miners, refiners, bullion suppliers and manufacturers of gold products, which has developed a uniform format for reporting production costs on a per ounce basis. The standard was first adopted in 1996 and revised in November 1999. Total cash costs, as defined in the Gold Institute industry standard, are production costs as recorded in the statement of

Table of Contents

operations, less offsite (ie, central) general and administrative expenses (including head office costs charged to the mines, central training expenses, industry association fees, refinery charges and social development costs) and rehabilitation costs, plus royalties and employee termination costs. Changes in total cash cost per ounce are affected by operational performance, as well as changes in the currency exchange rate between the Rand and the US dollar. Management, however, believes that total cash costs per ounce provides a measure for comparing Gold Fields operational performance against that of its peer group, both for Gold Fields as a whole, and for its individual operations. Total cash cost per ounce is not a US GAAP measure. An investor should not consider total cash costs per ounce in isolation or as an alternative to net income/(loss), income before tax, operating cash flows or any other measure of financial performance presented in accordance with US GAAP. While the Gold Institute has provided a definition for the calculation of total cash costs, the calculation of total cash costs per ounce may vary significantly among gold mining companies, and by itself does not necessarily provided a basis for comparison with other gold mining companies. See Information on the Company Glossary of Mining Terms Total cash costs per ounce . For a reconciliation of Gold Fields production costs to its total cash costs for fiscal 2003, 2002 and 2001, see Operating and Financial Review and Prospects Results of Operations Years Ended June 30, 2002 and 2003 and Years Ended June 30, 2001 and 2002 .

(2) Gold Fields has calculated total production costs per ounce by dividing total production costs, as determined using the Gold Institute industry standard, by gold ounces sold for all periods presented. Total production costs, as defined by the Gold Institute industry standard, are total cash costs, as calculated using the Gold Institute industry standard, plus amortization, depreciation and rehabilitation costs. Changes in total production costs per ounce are affected by operational performance, as well as changes in the currency exchange rate between the Rand and the US dollar. Management, however, believes that total production costs per ounce provides a measure for comparing Gold Fields operational performance against that of its peer group. both for Gold Fields as a whole, and for its individual operations. Total production costs per ounce is not a US GAAP measure. An investor should not consider total production costs per ounce in isolation or as an alternative to net income/(loss), income before tax, operating cash flows or any other measure of financial performance presented in accordance with US GAAP. While the Gold Institute has provided a definition for the calculation of total production costs, the calculation of total production costs per ounce may vary significantly among gold mining companies, and by itself does not necessarily provide a basis for comparison with other gold mining companies. See Information on the Company Glossary of Mining Terms Total production costs per ounce . For a reconciliation of Gold Fields production costs to its total production costs for fiscal 2003, 2002 and 2001, see Operational and Financial Review and Prospects Results of Operations Years Ended June 30, 2002 and 2003 and Years Ended June 30, 2001 and 2002 in the Gold Fields annual report on Form 20-F filed with the SEC and incorporated by reference.

	Year ended June 30,				
	1999	**2000**	**2001**	**2002**	**2003**
	(in $ millions, except where otherwise noted)				
Balance Sheet Data					
Cash and cash equivalents	42.3	75.8	23.6	195.1	133.6
Receivables	64.5	36.0	50.5	56.2	74.9
Inventories	26.9	24.5	21.1	68.5	76.8
Material contained on heap leach pads	9.0	17.7	31.3	45.0	41.8
Total current assets	142.7	159.0	126.5	364.8	327.1
Net property, plant and equipment	2,480.6	2,178.1	1,798.7	1,548.9	2,070.4
Mineral interests and other intangible assets				178.0	160.6
Fair value of financial instruments				46.2	67.7
Non-current investments	32.2	38.5	42.2	73.3	101.0
Total assets	2,655.5	2,375.6	1,967.4	2,211.2	2,726.8
Accounts payable and provisions	159.3	148.1	127.4	153.3	184.7
Income and mining taxes payable	13.1	13.9	1.2	44.5	52.0
Short term loans	12.0				
Current position of long-term loans		10.0		37.0	20.5
Total current liabilities	184.4	172.0	128.6	234.8	257.2
Long term loans	16.4	20.0		145.0	21.1
Deferred income and mining taxes	796.8	588.8	506.9	448.2	647.3
Provision for environmental rehabilitation	42.0	42.6	47.5	58.8	99.2
Provision for post-retirement health care costs	58.0	55.9	51.0	44.7	23.9
Minority interests	38.4	29.4	39.0	52.8	58.8
Share capital	40.8	41.1	41.3	42.1	42.2
Additional paid-in capital	1,471.5	1,493.0	1,498.1	1,560.8	1,565.2
(accumulated loss)/retained earnings	(8.5)	81.9	2.7	182.6	255.3
Accumulated other comprehensive income/(loss)	15.7	(149.1)	(347.7)	(556.8)	(243.4)
Total shareholders equity	1,519.5	1,466.9	1,194.4	1,226.9	1,619.3
Total liabilities and shareholders equity	2,655.5	2,375.6	1,967.4	2,211.2	2,726.8
Other Data					

Number of ordinary shares as adjusted to reflect changes in capital structure	448,389,216	453,250,595	455,836,608	470,522,224	472,364,872
Net assets	1,519.5	1,466.9	1,194.4	1,226.9	1,619.3

12

Table of Contents

COMPARATIVE PER SHARE MARKET INFORMATION

Harmony ordinary shares are listed on the JSE under the symbol HAR , and Harmony ADSs are listed on the NYSE under the symbol HMY . Gold Fields ordinary shares are listed on the JSE under the symbol GFI and Gold Fields ADSs are listed on the NYSE under the symbol GFI . The following table presents the closing market prices per security for Harmony ordinary shares and Harmony ADSs and Gold Fields ordinary shares and Gold Fields ADSs in Rand or US dollars, as the case may be:

as reported on the JSE for Harmony ordinary shares and Gold Fields ordinary shares; and

as reported on the NYSE for Harmony ADSs and Gold Fields ADSs.

In each case the prices are given:

as of October 14, 2004, which was the last full trading day on the JSE and the NYSE before rumors and press articles significantly affected the share prices and trading volumes of Harmony ordinary shares and Gold Fields ordinary shares;

as of October 15, 2004, which was the last full trading day on the JSE and on the NYSE, prior to the public announcement of the proposed offers;

as of November 18, 2004, which was the latest practicable date prior to the date of this prospectus.

See Market Price and Dividend Data for further information about historical market prices of these securities.

The following table also presents the implied equivalent value per security for Gold Fields ordinary shares in Rand and Gold Fields ADSs in US dollars. The implied equivalent value of a Gold Fields ordinary share was calculated by multiplying the closing market price per Harmony ordinary share by 1.275, the exchange ratio for each Gold Fields ordinary share in the US offer. The implied equivalent value of an Gold Fields ADS was calculated by multiplying the closing market prices per Harmony ADS by 1.275, the applicable ratio for each Gold Fields ADS in the US offer.

In calculating the implied equivalent value per Gold Fields ADS, amounts in Rand have been translated into US dollars at a rate of 6.545 Rand = US$1.00, which was the Federal Reserve Bank of New York noon buying rate on October 14, 2004; at a rate of 6.4475 Rand = US$1.00, which was the Federal Reserve Bank of New York noon buying rate on October 15, 2004; and at a rate of 6.0284 Rand = US$1.00, which was the Federal Reserve Bank of New York noon buying rate on November 18, 2004.

	Harmony	Gold Fields	Implied Equivalent Value per Gold Fields Security

	Ordinary Shares	ADSs	Ordinary Shares	ADSs	Ordinary Shares	ADSs
	(Rand)	(US $)	(Rand)	(US $)	(Rand)	(US $)
October 14, 2004	84.41	12.90	90.89	13.89	107.62	16.44
October 15, 2004	83.50	12.95	94.02	14.58	106.46	16.51
November 18, 2004	69.95	11.60	89.70	14.88	89.19	14.79

The market prices of Harmony ordinary shares and Harmony ADSs and Gold Fields ordinary shares and Gold Fields ADSs are likely to fluctuate prior to the expiration date of these offers and cannot be predicted. We urge you to obtain current market information regarding Harmony ordinary shares and Harmony ADSs and Gold Fields ordinary shares and Gold Fields ADSs.

Table of Contents

EXCHANGE RATE INFORMATION

The following tables show, for the periods indicated, information concerning the exchange rate between the US dollar and the Rand. The average rates for the monthly periods presented in these tables were calculated by taking the simple average of the daily noon buying rates, as published by the Federal Reserve Bank of New York. The average rates for the interim periods and annual periods presented in these tables were calculated by taking the simple average of the noon buying rates on the last day of each month during the relevant period. This information is provided solely for your information, and we do not represent that the Rand could be converted into US dollars at these rates or at any other rate. These rates are not the rates used by Harmony or Gold Fields in the preparation of their respective consolidated financial statements incorporated by reference into this prospectus.

The data provided in the following table are expressed in Rand per US dollar and are based on noon buying rates published by the Federal Reserve Bank of New York for the Rand. On October 14, 2004, the date before rumors and press articles significantly affected the share prices and trading volumes of Harmony and Gold Fields securities, the exchange rate between the US dollar and the Rand expressed in Rand per US dollar was 6.5450. On October 15, 2004, the date immediately prior to the announcement of the offers, the exchange rate was 6.4475. On November 18, 2004, the most recent practicable date prior to the printing of this prospectus, the exchange rate was 6.0284.

	Period-end Rate[(1)]	Average Rate[(2)]	High	Low
Recent Monthly Data				
November (through November 17, 2004)	5.9626	6.1050	6.1925	5.9626
October, 2004	6.1355	6.3815	6.6340	6.0750
September, 2004	6.4780	6.5349	6.6800	6.4020
August, 2004	6.6450	6.4667	6.7400	6.0900
July, 2004	6.2725	6.1350	6.3410	5.9050
June, 2004	6.2275	6.4216	6.6400	6.1650
May, 2004	6.5150	6.7996	7.0530	6.5150
Interim Period Data				
Nine months ended March 31, 2004	6.3235	6.9776	7.8000	6.2601
Six months ended December 31, 2003	6.7000	7.0845	7.8000	6.2601
Nine months ended March 31, 2003	7.9000	9.4944	10.9000	7.9000
Six months ended December 31, 2002	8.5850	10.0408	10.9000	8.5850
Annual Data Fiscal Year ended June 30				
2004	6.2275	6.8794	7.8000	6.1650
2003	7.5100	9.0418	10.9000	7.1750
2002	10.3900	10.1670	13.6000	8.0140
2001	8.0500	7.6229	8.1620	6.7850
2000	6.7900	6.3553	7.1800	5.9800

(1) The period-end rate is the noon buying rate on the last business day of the applicable period.

(2) The average rates for the monthly periods were calculated by taking the simple average of the daily noon buying rates, as published by the Federal Reserve Bank of New York. The average rates for the interim periods and annual periods were calculated by taking the simple average of the noon buying rates on the last day of each month during the relevant period.

Table of Contents

RISK FACTORS

In deciding whether to accept this US offer, you should carefully consider the following risks that relate to the US offer as well as the risk factors related to an investment in Harmony s ordinary shares or ADSs and related to an investment in Gold Fields ordinary shares or ADSs. There may be additional risks that Harmony does not know of or that Harmony currently deems immaterial based on information available to it. Harmony s business, financial condition or results of operations could be materially adversely affected by any of these risks, resulting in a decline in the trading price of Harmony ordinary shares or Harmony ADSs.

RISKS RELATING TO THE OFFERS

Even if Harmony consummates the offers, and exercises the irrevocable undertaking from Norilsk, Gold Fields largest shareholder, there may be a delay before Harmony can obtain control of the management of Gold Fields or Harmony may not gain control at all.

In order for Harmony to control the management of Gold Fields following successful completion of the offers and the exercise of the irrevocable undertaking, Harmony will need to take control of the board of directors of Gold Fields.

South African law allows a shareholder or shareholders who hold more than 50% of the issued share capital of a company to remove the directors of that company by ordinary resolution. However, the law also stipulates the procedures to be followed to remove a director, which procedures require a notice of removal to be delivered to the company and the director, and for a general meeting of shareholders to be called.

There is no assurance that Harmony will acquire enough shares or ADSs pursuant to this US offer and South African offer and the further offers or that it will obtain competition and other regulatory approvals to enable Harmony to exert control over Gold Fields. In addition, if Norilsk is unable or fails to perform its obligations pursuant to its irrevocable undertaking for any reason, there is a risk that Harmony will not be able to exert control over Gold Fields.

The integration of the companies will present significant challenges that may result in the combined business not operating as effectively as expected or in the failure to achieve some or all of the anticipated benefits of the transaction.

The benefits and cost savings expected to result from the offers will depend in part on whether the operations of Gold Fields can be integrated in a timely and efficient manner with those of Harmony. Harmony will face significant challenges in consolidating its functions with those of Gold Fields, and integrating the organizations, procedures and operations of the two businesses. The integration of Harmony and Gold Fields will be complex and time-consuming, and the managements of both companies will have to dedicate substantial time and resources to it. These efforts could divert management s focus and resources from other strategic opportunities and from day-to-day operational matters during the integration process. Failure to successfully integrate the operations of Harmony and Gold Fields could result in the failure to achieve some or all of the anticipated benefits from the transaction, including cost savings and other operating efficiencies, and could have an adverse effect on the business, results of operations, financial condition or prospects of Harmony after the transaction.

We have not been given the opportunity to conduct a due diligence review of the non-public records of Gold Fields. Therefore, we may be subject to unknown liabilities of Gold Fields which may have an adverse effect on our profitability and results of operations.

In commencing the offers and determining their terms and conditions, we have relied solely and exclusively upon publicly available information relating to Gold Fields, including periodic and other reports for Gold Fields as filed with or furnished to the SEC on Form 20-F and Form 6-K. We have not

Table of Contents

conducted an independent due diligence review of, nor had access to, any non-public information about Gold Fields. As a result, after the consummation of our offers, we may be subject to unknown liabilities of Gold Fields, which may have an adverse effect on our profitability, results of operations and financial position, which we might have otherwise discovered if we had been permitted by Gold Fields to conduct a complete due diligence review.

We have not verified the reliability of the Gold Fields information included in, or incorporated by reference into, this prospectus.

In respect of information relating to Gold Fields presented in, or incorporated by reference into, this prospectus, including all Gold Fields financial information, we have relied exclusively upon publicly available information, including information publicly filed by Gold Fields with securities regulatory authorities. Although we have no knowledge that would indicate that any statements contained in this prospectus based upon such reports and documents are inaccurate, incomplete or untrue, we were not involved in the preparation of such information and statements and, therefore, cannot verify the accuracy, completeness or truth of such information or any failure by Gold Fields to disclose events that may have occurred, but that are unknown to us, that may affect the significance or accuracy of any such information.

Consummation of the offers may result in adverse tax consequences to Harmony resulting from a change of ownership of Gold Fields.

We have not had access to information concerning Gold Fields tax situation. It is possible that the consummation of the offers may result in adverse tax consequences arising from a change of ownership of Gold Fields. The tax consequences of a change of ownership of a corporation can lead to an inability to carry-over certain tax attributes, including, but not limited to, tax losses, tax credits and/or tax basis of assets. In addition, the change of ownership may result in other tax costs not normally associated with the ordinary course of business. Such other tax costs include, but are not limited to, stamp duties, land transfer taxes, franchise taxes and other levies. The fact that Harmony is unaware of information relevant to a determination of the potential tax consequences and related costs represents an additional transaction risk.

Change of control provisions in Gold Fields agreements may be triggered upon Harmony s acquisition of control of Gold Fields and may lead to adverse consequences for Harmony, including the loss of significant contractual rights and benefits, the termination of joint venture and/or licensing agreements or the need to renegotiate financing agreements.

Gold Fields may be a party to joint ventures, licenses and other agreements and instruments that contain change of control provisions that may be triggered when Harmony acquires control of Gold Fields upon the completion of this US offer and South African offer and the further offers. Gold Fields has not provided us with copies of any of the agreements to which it is party and these types of agreements are not generally publicly available. Agreements with change of control provisions typically provide for, or permit the termination of, the agreement upon the occurrence of a change of control of one of the parties or, in the case of debt instruments, require repayment of all outstanding indebtedness. These provisions, if any, may be waived with the consent of the other party and Harmony will consider whether it will seek these waivers. In the absence of these waivers, the operation of the change of control provisions, if any, could result in the loss of significant contractual rights and benefits, the termination of joint venture agreements and licensing agreements or require the renegotiation of financing agreements.

In addition, employment agreements with members of the Gold Fields senior management and other Gold Fields employees may contain change of control clauses providing for compensation to be paid in the event the employment of these employees is terminated, either by Gold Fields or by those

Table of Contents

employees, following the consummation of the offers. These payments, if triggered, could be substantial and could adversely affect our results of operations in the period they become payable.

If this US offer and South African offer and the further offers for Gold Fields securities are successful, but some Gold Fields securities remain outstanding, the existence of minority interests in Gold Fields following the offers may limit our ability to integrate and manage the assets and operations of the combined businesses and therefore reduce benefits that we could otherwise achieve.

The existence of minority interests in Gold Fields after the completion of the offers could impede the integration of our operations with those of Gold Fields and thereby make it more difficult to achieve the cost savings and other operating efficiencies or to realize the revenue and earnings growth that might otherwise be possible.

If this US offer and South African offer and the further offers for Gold Fields securities are successful, but some Gold Fields securities remain outstanding, the liquidity and market value of the remaining Gold Fields securities held by the public could be adversely affected by the fact that they will be held by a smaller number of holders.

Depending upon the number of Gold Fields securities acquired pursuant to the offers, following the completion of the offers, the Gold Fields ADSs may no longer meet the requirements of the NYSE for continued listing. Moreover, to the extent permitted under applicable law and stock exchange regulations, and should Harmony receive sufficient acceptances, Harmony intends to seek to cause the delisting of the Gold Fields ADSs on the NYSE, and, the delisting of the Gold Fields ordinary shares on the JSE.

If the NYSE were to delist the Gold Fields ADSs, or if the JSE were to delist the Gold Fields ordinary shares, the market for these Gold Fields securities could be adversely affected. Although it is possible that the Gold Fields ADSs and/or the Gold Fields ordinary shares would be traded in over-the-counter markets, such alternative trading markets may not occur. In addition, the extent of the public market for the Gold Fields ADSs and Gold Fields ordinary shares and the availability of market quotations would depend upon the number of holders and/or the aggregate market value of the Gold Fields ADSs and Gold Fields ordinary shares, remaining at such time, the interest in maintaining a market in the Gold Fields ADSs and Gold Fields ordinary shares, on the part of securities firms and the possible termination of registration of Gold Fields ADSs under the Exchange Act. If such registration is terminated, Gold Fields could cease filing periodic reports with the SEC, which could further impact the value of the Gold Fields ADSs. To the extent the availability of such continued listings or quotations depends on steps taken by Harmony or Gold Fields, Harmony or Gold Fields may or may not take such steps. Therefore, you should not rely on any such listing or quotation being available.

Harmony s largest shareholders will continue to own a significant percentage of the enlarged share capital and voting rights of Harmony immediately after the offers are completed and accordingly, may be in a position to exert heightened influence over Harmony, including delaying or preventing a future change of control of Harmony.

If 34.9% of the Gold Fields securities are validly tendered and exchanged pursuant to the terms of the US offer and the South African offer, immediately after the exchange, African Rainbow Minerals Limited (ARM), Harmony s largest shareholder, will own, on a diluted basis, approximately 11.8% of the share capital (other than share capital held by Harmony) of Harmony. If all of the Gold Fields securities are validly tendered and exchanged pursuant to this offer, the exercise of the irrevocable undertaking with Norilsk Nickel, and the completion of the further offers, ARM will own, on a diluted basis, approximately 6.72% of the combined company. In addition, Norilsk Nickel, the largest shareholder of Gold Fields, will own, on a diluted basis, 13.25% of the combined company.

17

Table of Contents

To the extent these shareholders maintain such level of shareholding and particularly if they act in concert, after the exchange, ARM and Norilsk Nickel may be in a position to exert heightened influence in the election of the directors and officers of Harmony and in other corporate actions that require shareholders approval. Ownership of a large percentage of the share capital and voting rights of Harmony by these two principal shareholders, particularly if they act in concert, may have the effect of delaying, deferring or preventing a future change in the control of Harmony and may discourage future bids for Harmony other than with the support of these shareholders.

RISK FACTORS RELATING TO AN INVESTMENT IN HARMONY

Due to the fact that the majority of Harmony s production costs are incurred in Rand and that gold is sold in US Dollars, Harmony s financial condition could be materially harmed by an appreciation in the value of the Rand.

Gold is sold throughout the world in US Dollars, but the majority of Harmony s operating costs are incurred in Rand. As a result, any significant and sustained appreciation of Rand against the US Dollar will serve materially to reduce Harmony s Rand revenues and overall net income.

The Rand appreciated significantly against the US dollar during 2003 and most of calendar 2004 following significant depreciation against the US dollar since 1997. Harmony s operating environment has been severely influenced by the strong Rand particularly during fiscal 2004, which has impacted on the company s short-term profitability.

The profitability of Harmony s operations, and the cash flows generated by those operations, are affected by changes in the market price for gold, which in the past has fluctuated widely, such that a fall in the price of gold below Harmony s cost of production for any sustained period may lead Harmony to experience losses and curtail or suspend certain operations.

Substantially all of Harmony s revenues come from the sale of gold. Historically, the market price for gold has fluctuated widely and has been affected by numerous factors over which Harmony has no control, including:

- the demand for gold industrial uses and for use in jewelry
- international or regional political and economic trends;
- the strength of the US dollar (the currency in which gold prices generally are quoted) and of other currencies;
- financial market expectations regarding the rate of inflation;
- interest rates;

- speculative activities;
- actual or expected purchases and sales of gold bullion holdings by central banks or other large gold bullion holders or dealers;
- forward sales by gold producers; and
- the production and cost levels for gold in major gold-producing nations, such as South Africa.

In addition, the current demand for and supply of gold affects the price of gold, but not necessarily in the same manner as current demand and supply affect the prices of other commodities. Historically, gold has tended to retain its value in relative terms against basic goods in times of inflation and monetary crisis. As a result, central banks, financial institutions and individuals hold large amounts of gold as a store of value and production in any given year constitutes a very small portion of the total potential supply of gold. Since the potential supply of gold is large relative to mine production in any given year, normal variations in current production will not necessarily have a significant effect on the supply of gold or its price.

The volatility of gold prices is illustrated in the following table, which shows the annual high, low and average of the afternoon London Bullion Market fixing price of gold in US dollars for the past ten years:

	Price per Ounce		
Year	**High**	**Low**	**Average**
	($)	**($)**	**($)**
1994	396	370	384
1995	396	372	384
1996	415	367	388
1997	367	283	331
1998	313	273	294
1999	326	253	279
2000	313	264	282
2001	293	256	271
2002	332	278	309
2003	412	322	361
2004 (through November 17)	443	375	401

On June 30, 2004, the afternoon fixing price of gold on the London Bullion Market was $396 per ounce. On November 17, 2004, the afternoon fixing price of gold on the London Bullion Market was $443 per ounce.

While the aggregate effect of these factors is impossible for Harmony to predict, if gold prices should fall below Harmony s cost of production and remain at such levels for any sustained period, Harmony may experience losses and may be forced to curtail or suspend some or all of its operations. In addition, Harmony would also have to assess the economic impact of low gold prices on its ability to recover any losses it may incur during that period and on its ability to maintain adequate reserves. Harmony s average cash cost of production per ounce of gold sold was approximately $362 in fiscal 2004, $253 in fiscal 2003, $196 in fiscal 2002.

Actual or expected sales of gold by central banks have had a significant impact on the price of gold such that the price of gold generally decreases following each announcement and sale of gold by a central bank or monetary authority.

Over the past several years, one of the most important factors influencing the gold price has been actual or expected sales of gold reserves by central banks. Since 1997, a number of central banks, including the central banks of Australia, Switzerland and the United Kingdom, have announced plans to sell significant gold reserves, and, more recently, the International Monetary Fund has discussed selling significant gold reserves to fund international debt relief. The gold price has declined following each such announcement and sale, culminating in a drop in the gold price to its lowest level in at least twenty years in July 1999, after the Bank of England completed the first part of its announced sale of more than half of its gold reserves. In September 1999, the central banks of fifteen European countries agreed to limit sales of gold reserves for the next five years to sales announced at that time and to limit gold lending and derivative operations for five years. The announcement of this agreement led to an immediate increase in the price of gold, although the gold price was subsequently subject to downward pressure, around the time of the periodic auctions held by the Bank of England. The agreement by the central banks is voluntary and there are a number of central banks with significant gold reserves that are not subject to the agreement. Any future sales or publicly announced proposed sales by central banks of their gold reserves are likely to result in a decrease in the price of gold.

Table of Contents

Because Harmony does not use commodity or derivative instruments to protect against low gold prices with respect to most of its production, Harmony is exposed to the impact of any significant drop in the gold price.

As a general rule Harmony sells its gold production at market prices. There have been two instances in which Harmony has made use of gold price hedges: Harmony s forward sale of a portion of the production at Bissett at a set gold price and put options relating to 1 million ounces of Harmony s production at Elandskraal. Both of these hedges were affected by Harmony in order to secure loan facilities and have since been closed out. A significant proportion of the production at Randfontein was already hedged when acquired by Harmony, and these hedges have since been closed out. In addition, a substantial proportion of the production at each of New Hampton and Hill 50 was also hedged when acquired by Harmony and remains hedged. During fiscal 2004 a significant portion, amounting to 500,000 ounces, of these inherited hedge agreements were closed out, at a cost of US$ 14.4 million. The outstanding agreements are now treated as speculative and the mark-to-market movement will be reflected in the income statement. Harmony generally does not enter into forward sales, derivatives or other hedging arrangements to establish a price in advance for the sale of its future gold production. See Item 4. Information on the Company Business Hedge Policy and Item 11. Quantitative and Qualitative Disclosures About Market Risk Commodity Price Sensitivity of our annual report on Form 20-F filed with the SEC on October 8, 2004, as amended, and incorporated by reference. In general, hedging in this manner reduces the risk of exposure to volatility in the gold price. Because Harmony does not generally establish a future price for hedged gold, Harmony can realize the positive impact of any increase in the gold price. However, this also means that Harmony is not protected against decreases in the gold price and if the gold price decreases significantly Harmony runs the risk of reduced revenues in respect of gold production that is not hedged.

Harmony s gold reserve figures are estimated based on a number of assumptions, including assumptions as to mining and recovery factors, future production costs and the price of gold and may yield less gold under actual production conditions that currently estimated.

The ore reserve estimates contained in this document are estimates of the mill delivered quantity and grade of gold in Harmony s deposits and stockpiles. They represent the amount of gold which Harmony believes can be mined, processed and sold at prices sufficient to recover it estimated future total costs of production, remaining investment and anticipated additional capital expenditures. Harmony ore reserves are estimated based upon a number of factors, which have been stated under the Reserves section of this document.

As Harmony s ore reserve estimates are calculated based on estimates of future production costs, future gold prices and, because of the fact that Harmony s gold sales are primarily in US Dollar and Harmony incurs most of its production costs in Rand, the exchange rate between the Rand and the US Dollar and, in the case of Harmony s Australian operations, the Australian Dollar. As a result, the reserve estimates contained in the annual report should not be interpreted as assurances of the economic life of Harmony s gold deposits or the profitability of its future operations.

Since ore reserves are only estimates that Harmony makes based on the above factors, Harmony may in future need to revise these estimates. In particular, if Harmony s production costs increase (whether in Rand terms, in Australian Dollar terms, or in relative terms due to appreciation of the Rand or the Australian Dollar against the US Dollar) or the gold price decreases, a portion of Harmony s ore reserves may become uneconomical to recover. This will force Harmony to lower its estimated reserves.

Harmony s strategy depends on its ability to make additional acquisitions.

In order to increase Harmony s gold production and to acquire additional reserves, Harmony continuously explores opportunities to expand its production base by acquiring selected gold producers and mining operations. However, Harmony cannot guarantee that:

Table of Contents

- it will be able to identify appropriate acquisition candidates or negotiate acquisitions on favorable terms;
- it will be able to obtain the financing necessary to complete future acquisitions; or
- the issuance of Harmony s ordinary shares or other securities in connection with any future acquisition will not result in a substantial dilution in ownership interests of holders of Harmony s ordinary shares.

As at June 30, 2004 Harmony s mining operations reported total proven and probably reserves of approximately 62.2 million ounces. If Harmony is unable to acquire additional gold producers or generate additional proven and probable reserves at Harmony s existing operations or through its exploration activities, Harmony cannot be certain that it will be able to expand or replace its current production with new reserves in an amount sufficient to its mining operations beyond the current life of its reserves.

To maintain gold production beyond the expected lives of Harmony s existing mines or to increase production materially above projected levels, Harmony will need to access additional reserves through development or discovery.

Harmony s Australian operations have limited proven and probable reserves and exploration and discovery is necessary to maintain current gold production levels at these operations. Exploration for gold and other precious metals is speculative in nature, is frequently unsuccessful and involves many risks, including risks related to:

- locating ore bodies;
- identifying the metallurgical properties of ore bodies;
- estimating the economic feasibility of mining ore bodies;
- developing appropriate metallurgical processes;
- obtaining necessary governmental permits; and
- constructing mining and processing facilities at any site chosen for mining.

Harmony s exploration efforts might not result in the discovery of mineralization and any mineralization discovered might not result in an increase in Harmony s proven and probable reserves. To access additional reserves in South Africa, Harmony will need to successfully complete development projects, including extending existing mines and, possibly, developing new mines. Development projects would also be necessary to access any mineralization discovered through exploration in Australia or elsewhere. Harmony typically uses feasibility studies to determine whether or not to undertake significant development projects. Feasibility studies include estimates of expected or anticipated economic returns, which are based on assumptions about:

future gold and other metal prices;

anticipated tonnage, grades and metallurgical characteristics of ore to be mined and processed;

anticipated recovery rates of gold and other metals from the ore, and

anticipated total costs of the project, including capital expenditure and cash operating costs.

Actual costs, production and economic returns may differ significantly from those anticipated by Harmony s feasibility studies. Moreover, it can take a number of years from the initial feasibility studies until development is completed and during that time, the economic feasibility of production may

Table of Contents

change. In addition, there are a number of uncertainties inherent in the development and construction of an extension to an existing mine or any new mine, including:

- the availability and timing of necessary environmental and governmental permits;
- the timing and cost necessary to construct mining and processing facilities, which can be considerable;
- the availability and cost of skilled labor, power, water and other materials;
- the accessibility of transportation and other infrastructure, particularly in remote locations;
- the availability and cost of smelting and refining arrangements; and
- the availability of funds to finance construction and development activities.

Harmony has addressed growth through the recent expansion of its exploration activities. The company currently maintains a range of focused exploration programs, concentrating on areas not too distant from its operation mines, as well as a number of prospective known gold mineralized regions around the world. During 2004, the bulk of exploration expenditure was allocated to activities in Australia, Papua New Guinea, South Africa and Peru with subordinate expenditure in West Africa and Madagascar. In fiscal 2005, Harmony intends to carry out exploration in South Africa, West Africa, Australia, South America and Papua New Guinea.

However, there is no assurance that any future development projects will extend the life of Harmony s existing mining operations or result in any new commercial mining operations.

Harmony may experience problems in managing new acquisitions and integrating them with its existing operations.

Acquiring new gold mining operations involves a number of risks including:

- difficulties in assimilating the operations of the acquired business;
- difficulties in maintaining the financial and strategic focus of Harmony while integrating the acquired business;
- problems in implementing uniform standards, controls, procedures and policies;
- increasing pressures on existing management to oversee a rapidly expanding company; and

to the extent Harmony acquires mining operations outside South Africa, encountering difficulties relating to operating in countries in which Harmony has not previously operated.

Any difficulties or time delays in achieving successful integration of new acquisitions could have a material adverse effect on Harmony s business, operating results, financial condition and share price.

Due to the nature of mining and the type of gold mines it operates, Harmony faces a material risk of liability, delays and increased production costs from environmental and industrial accidents and pollution.

The business of gold mining by its nature involves significant risks and hazards, including environmental hazards and industrial accidents. In particular, hazards associated with underground mining include:

rock bursts;

seismic events;

underground fires;

cave-ins or falls of ground;

Table of Contents

- discharges of gases and toxic chemicals;
- release of radioactive hazards;
- flooding;
- accidents; and
- other conditions resulting from drilling, blasting and removing and processing material from a deep level mine.

Hazards associated with open cast mining (also known as open pit mining) include:

- flooding of the open pit;
- collapse of the open pit walls;
- accidents associated with the operation of large open pit mining and rock transportation equipment; and
- accidents associated with the preparation and ignition of large scale open pit blasting operations.

Hazards associated with waste rock mining include:

- accidents associated with operating a waste dump and rock transportation; and
- production disruptions due to weather.

Harmony is at risk of experiencing any and all of these environmental or other industrial hazards. The occurrence of any of these hazards could delay production, increase production costs and result in liability.

Harmony s land and mineral rights in South Africa could be subject to land restitution claims which could impose significant costs and burdens.

Harmony s privately held land and mineral rights could be subject to land restitution claims under the Restitution of Land Rights Act 1994, or the Land Claims Act. Under this Act, any person who was dispossessed of rights in land in South Africa as a result of past racially discriminatory laws or practices without payment of just and equitable compensation is granted certain remedies, including the restoration of the land. Under the Land Claims Act, persons entitled to institute a land claim were required to lodge their claims by December 31, 1998. Harmony has not been notified of any land claims, but any claims of which it is notified in the future could have a material adverse effect on Harmony s right to the properties to which the claims relate and, as a result, on Harmony s business, operating results and financial condition.

The Restitution of Land Rights Amendment Bill, or the Amendment Bill, was published on August 16, 2003. Under the Land Claims Act, the Minister for Agriculture and Land Affairs, or the Land Minister, may not acquire ownership of land for restitution purposes without a court order unless an agreement has been reached between the affected parties. As proposed, the Amendment Bill would entitle the Land Minister to acquire ownership of land for the purpose of restitution or for the benefit of claimants who do not qualify for restitution under the Land Claims Act without a court order and without obtaining the agreement of the affected parties. The state would be required to pay just and equitable compensation to the owner of land thus acquired. If the Amendment Bill becomes effective, there is no guarantee that any of Harmony s privately held land rights could not become subject to acquisition by the state without Harmony s agreement, or that Harmony would be adequately compensated for the loss of its land rights, which could have a negative impact on Harmony s South African operations and therefore an adverse effect on its business, operating results and financial condition.

Table of Contents

Harmony s insurance coverage may prove inadequate to satisfy future claims against it.

Harmony has third party liability coverage for most potential liabilities, including environmental liabilities. While Harmony believes that its current insurance coverage for the hazards described above is adequate and consistent with industry practice, Harmony may become subject to liability for pollution or other hazards against which it has not insured or cannot insure, including those in respect of past mining activities. Further, Harmony maintains and intends to continue to maintain, property and liability insurance consistent with industry practice, but such insurance contains exclusions and limitations on coverage. In addition, there can be no assurance that insurance will continue to be available at economically acceptable premiums. As a result, in the future Harmony s insurance coverage may not cover the extent of claims against it for environmental or industrial accidents or pollution.

The results of Harmony s South African operations may be negatively impacted by inflation.

Harmony s operations have not in recent years been materially affected by inflation, however, Harmony s profits and financial condition could be affected adversely in the absence of a concurrent devaluation of the Rand and an increase in the price of gold.

Socio-economic instability in South Africa or regionally may have an adverse effect on Harmony s operations and profits.

Harmony is incorporated and owns significant operations in South Africa. As a result, it is subject to political and economic risks relating to South Africa, which could affect an investment in Harmony. South Africa was transformed into a democracy in 1994, with successful rounds of democratic elections held during 1999 and 2004. Harmony fully supports government policies aimed at redressing the disadvantages suffered by the majority of citizens under previous governments and recognizes that in order to implement these policies, Harmony s operations and profits may be impacted. In addition to political issues, South Africa faces many challenges in overcoming substantial differences in levels of economic development among its people. While South Africa features highly developed and sophisticated business sectors and infrastructure at the core of its economy, large parts of the population do not have access to adequate education, health care, housing and other services, including water and electricity.

The South African government has committed itself to creating a stable, democratic, free-market economy, which it has achieved to a great extent in the past 10 years since the first democratic elections in 1994. It remains cumbersome however, to predict the future political, social and economic direction of South Africa or the manner in which government will attempt to address the country s inequalities. It is also difficult to predict the impact of addressing these inequalities on Harmony s business. Furthermore, there has been regional political and economic instability in countries north of South Africa, which may have a negative impact on Harmony s ability to manage and operate its South African mines.

Harmony s financial flexibility could be materially constrained by South African currency restrictions.

South Africa s exchange control regulations provide for restrictions on exporting capital from South Africa. As a result, Harmony s ability to raise and deploy capital outside South Africa is restricted. In particular, Harmony:

is generally not permitted to export capital from South Africa or to hold foreign currency without the approval of the South African exchange control authorities;

is generally required to repatriate to South Africa profits of foreign operations; and

is limited in its ability to utilize profits of one foreign business to finance operations of a different foreign business.

24

Table of Contents

These restrictions could hinder Harmony s normal corporate functioning. While exchange controls have been relaxed in recent years and are continuing to be so relaxed, it is difficult to predict whether or how the South African government will further relax the exchange control regulations in the future.

Since Harmony s South African labor force has substantial trade union participation, Harmony faces the risk of disruption from labor disputes and new South African labor laws.

Despite the history of positive and constructive engagement with the unions, there are periods during which the various stakeholders are unable to agree on dispute resolving processes. Labor disruptive activities which normally differ in intensity then become unavoidable. Due to the high level of union membership among Harmony s employees, Harmony is at risk of having its production stopped for indefinite periods due to strikes and other labor disputes. Significant labor disruptions may have a material adverse effect on our operations and financial condition and we are not able to predict whether we will experience significant labor disputes in the future.

Our production may also be materially affected by labor laws. Since 1995, South African laws relating to labor have changed significantly in ways that affect Harmony s operations. In particular, laws enacted since then which regulate work time, provide for mandatory compensation in the event of termination of employment for operational reasons, and impose large monetary penalties for non-compliance with administrative and reporting requirements in respect of affirmative action policies, could result in significant costs. In addition, future South African legislation and regulations relating to labor may further increase our costs or alter our relationship with our employees. Harmony may continue to experience significant changes in labor law in South Africa over the next several years.

HIV/AIDS poses risks to Harmony in terms of productivity and costs.

The incidence of HIV/AIDS in South Africa, which is forecast to increase over the next decade, poses risks to Harmony in terms of potentially reduced productivity and increased medical and other costs. Harmony expects that significant increases in the incidence of HIV/AIDS infection and HIV/AIDS-related diseases among the workforce over the next several years may adversely impact on Harmony s operations and financial status. This expectation, however, is based on assumptions about, among other things, infection rates and treatment costs which are subject to material risks and uncertainties beyond Harmony s control. As a result, actual results may differ from the current estimates.

The cost of occupational healthcare services may increase in the future.

Occupational healthcare services are available to Harmony s employees from its existing healthcare facilities. There is a risk that the cost of providing such services could increase in future depending on changes in the nature of underlying legislation and the profile of Harmony s employees. This increased cost, should it transpire, is currently indeterminate. Harmony embarked on a number of interventions focused on improving the quality of life of Harmony s work force, however, there can be no guarantee that such initiatives will not be adversely affected by increased costs.

Laws governing mineral rights ownership have changed in South Africa recently.

On May 1, 2004, the South African Mineral and Petroleum Resources Development Act became effective. The principal objectives set out in the Act are:

- to recognize the internationally accepted right of the state of South Africa to exercise full and permanent sovereignty over all the mineral and petroleum resources within South Africa;

- to give effect to the principle of the State s custodianship of the nation s mineral and petroleum resources;

Table of Contents

- to promote equitable access to South Africa s mineral and petroleum resources to all the people of South African and redress the impact of past discrimination;

- to substantially and meaningfully expand opportunities for historically disadvantaged persons, including women, to enter the mineral and petroleum industry and to benefit from the exploitation of South Africa s mineral and petroleum resources;

- to promote economic growth and mineral and petroleum resources development in South Africa;

- to promote employment and advance the social and economic welfare of all South Africans;

- to provide security of tenure in respect of prospecting, exploration, mining and production operations;

- to give effect to Section 24 of the South African Constitution by ensuring that South Africa s mineral and petroleum resources are developed in an orderly and ecologically sustainable manner while promoting justifiable social and economic development;

- to follow the principle that mining companies keep and use their mineral rights, with no expropriation and with guaranteed compensation for mineral rights; and

- to ensure that holders of mining and production rights contribute towards socio-economic development of areas in which they are operating.

Under the Act, tenure licenses over established operations will be secure for 30 years (and renewable for 30 years thereafter), provided that mining companies obtain new licenses over existing operations within five years of the date of enactment of the Act and fulfil requirements specified in the Broad-Based Socio-Economic Empowerment Charter for the South African mining industry, or the Mining Charter.

The principles contained in the Mining Charter relate to the transfer of 26 per cent of South Africa s mining assets to historically disadvantaged South Africans, over a 10-year period, as defined in the Mining Charter. Under the Mining Charter, the South African mining industry has committed to securing financing to fund participation of historically disadvantaged South Africans in an amount of R100 billion within the first five years of the Mining Charter s tenure. The Mining Charter provides for the review of the participation process after five years to determine what further steps, if any, are needed to achieve the 26 per cent target participation. The Mining Charter requires programmes for black economic empowerment and the promotion of value-added production, such as jewellery-making and other gold fabrication, in South Africa. The Mining Charter also sets out targets for broad-based black economic empowerment in the areas of human resources, skill development, employment equality, procurement and beneficiation. In addition, the Mining Charter addresses other socio-economic issues, such as migrant labor, housing and living conditions.

Harmony actively carries out mining and exploration activities in all of its material mineral rights areas. Accordingly, we will be eligible to apply for new licenses over its existing operations, provided that we comply with the Mining Charter. Harmony has taken steps to comply with the expected provisions of the Mining Charter, such as promoting value-added production, exploring black empowerment initiatives and increasing worker participation. We expect more costs involved in complying with the Mining Charter, which may have an adverse impact on the profits generated by Harmony s operations in South Africa.

The Act also makes reference to royalties payable to the state in terms of an Act of Parliament, known as the Money Bill, which was made available for public comment. The introduction of the Money Bill will have an adverse impact on the profits generated by Harmony s operations in South Africa. In terms of the draft regulations, royalties will only be payable starting in 2009.

In Australia, most mineral rights belong to the government, and mining companies pay royalties to government based on production. There are, however, limited areas where government granted

Table of Contents

freehold estates without reserving mineral rights. Harmony s subsidiary, New Hampton, has freehold ownership of its Jubilee mining areas, but the other mineral rights in Harmony s Australian operations belong to the Australian government and are subject to royalty payments. In addition, current Australian law generally requires native title approval to be obtained before a mining license can be granted and mining operations can commence. New Hampton and Hill 50 have approved mining leases for most of their reserves, including all reserves that are currently being mined, and Bendigo has an approved mining license for its current development area. Should New Hampton, Hill 50 or Bendigo desire to expand operations into additional areas under exploration, these operations would need to convert the relevant exploration licenses prior to commencing mining, and that process could require native title approval. There can be no assurance that any approval would be received.

Harmony is subject to extensive environmental regulations.

As a gold mining company, Harmony is subject to extensive environmental regulation. Harmony has experienced and expects to continue to experience increased costs of production arising from compliance with South African environmental laws and regulations. The Minerals and Petroleum Resources Development Act 28 of 2002, certain other environmental legislation and the administrative policies of the South African government regulate the impact of Harmony s prospecting and mining operations on the environment.

Pursuant to these regulations, upon the suspension, cancellation, termination or lapsing of a prospecting permit or mining authorization in South Africa, Harmony will remain liable for compliance with the provisions of the Minerals and Petroleum Resources Development Act 28 of 2002, including any rehabilitation obligations. This liability will continue until such time as the South African Department of Minerals and Energy certifies that Harmony has complied with such provisions.

In the future, Harmony may incur significant costs associated with complying with more stringent requirements imposed under new legislation and regulations. This may include the need to increase and accelerate expenditure on environmental rehabilitations and alter provisions for this expenditure, which could have a material adverse effect on Harmony s results and financial condition.

The South African government has reviewed requirements imposed upon mining companies to ensure environmental restitution. For example, with the introduction of an environmental rights clause in South Africa s constitution, a number of environmental legislative reform processes have been initiated. Legislation passed as a result of these initiatives has tended to be materially more onerous than laws previously applied in South Africa. Examples of such legislation include the Minerals and Petroleum Resources Development Act 28 of 2002, the National Nuclear Regulator Act 47 of 1999, the National Water Act 36 of 1998 and the National Environmental Management Act 107 of 1998, which include stringent polluter-pays provisions. The adoption of these or additional or more comprehensive and stringent requirements, in particular with regard to the management of hazardous wastes, the pollution of ground and ground water systems and the duty to rehabilitate closed mines, may result in additional costs and liabilities.

Many of the ore bodies that are mined by Harmony and Gold Fields in South Africa are substantially similar in terms of mineral composition. Moreover, the plants each company uses to treat the ore use similar chemicals and processes. Accordingly, we believe that the environmental risks the two companies face with regard to their underground operations in South Africa are similar.

Harmony s Australian operations are also subject to various laws and regulations relating to the protection of the environment, which are similar in scope to those of South Africa.

Table of Contents

Because the principal non-United States trading market for Harmony s ordinary shares is the JSE Securities Exchange South Africa, investors face liquidity risk in the market for Harmony s ordinary shares.

The principal non-United States trading market for Harmony s ordinary shares is the JSE Securities Exchange South Africa, or the JSE. Historically, trading volumes and liquidity of shares listed on the JSE have been low in comparison with other major markets. The ability of a holder to sell a substantial number of Harmony s ordinary shares on the JSE in a timely manner, especially with regard to a large block trade, may be restricted by the limited liquidity of shares listed on the JSE.

Harmony may not pay cash dividends to its shareholders in the future.

It is the current policy of Harmony s Board to declare and pay cash dividends if profits and funds are available for that purpose. Whether or not funds are available depends on a variety of factors, including the amount of cash available and on capital expenditures and other cash requirements existing at that time. Under South African law, cash dividends may only be paid out of the profits of Harmony. No assurance can be given that cash dividends will be paid in the future.

To maintain gold production beyond the expected lives of Harmony s existing mines or to increase production materially above projected levels, Harmony continues efforts to access additional reserves through development or discovery.

Harmony has addressed growth through the recent expansion of its exploration activities. The company currently maintains a range of focused exploration programmes, concentrating on areas not too distant from its operation mines, as well as a number of prospective known gold mineralized regions around the world. During 2004, the bulk of exploration expenditure was allocated to activities in Australia, South Africa and Peru with subordinate expenditure in West Africa and Madagascar. In fiscal 2005, Harmony intends to carry out exploration in South Africa, West Africa, Australia, South America and Papua New Guinea.

During 2004, Harmony continued to evaluate new projects in Peru. Two joint venture agreements were entered into with local partners whereby Harmony could earn-in to prospective projects by undertaking phased exploration expenditure. Analytical results from drilling and sampling of these projects, suggested that they did not conform to Harmony s investment criteria and the joint ventures were terminated. In addition to these joint ventures, Harmony has undertaken a comprehensive target generation programme in Peru, supported by surface sampling programmes. New projects generated by this programme, or coming under negotiation, shall form the focus of an accelerated exploration programme in 2005. For this reason, Harmony established a small exploration office in Peru during 2004.

Harmony non-South African shareholders face additional investment risk from currency exchange rate fluctuations since any dividends will be paid in Rand.

Dividends or distributions with respect to Harmony s ordinary shares have historically been paid in Rand. The US Dollar equivalent of any dividends or distributions with respect to Harmony s ordinary shares would be adversely affected by potential future decreases in the value of the Rand against the US Dollar. In fiscal 2004, the value of the Rand relative to the US Dollar increased by an average of 40 per cent.

Because Harmony has a significant number of outstanding options, Harmony s ordinary shares are subject to dilution.

On June 30, 2004, Harmony had an aggregate of 350,000,000 ordinary shares authorized to be issued and at that date an aggregate of 320,741,577 ordinary shares were issued and outstanding. In addition, Harmony also has employee share option schemes. The employee share option schemes came into effect in 1994, 2001 and 2003 respectively. At June 30, 2004, options to purchase a total of

28

5,855,300 ordinary shares were outstanding. The exercise prices of these options vary between R11.70 and R93.00. As a result, shareholders equity interests in Harmony are subject to dilution to the extent of the future exercises of the options.

Investors in the United States may have difficulty bringing actions, and enforcing judgments, against Harmony, its directors and its executive officers based on the civil liabilities provisions of the federal securities laws or other laws of the United States or any state thereof.

Harmony is incorporated in South Africa. All of Harmony s directors and executive officers (and certain experts named herein) reside outside of the United States. Substantially all of the assets of these persons and substantially all of the assets of Harmony are located outside the United States. As a result, it may not be possible for investors to enforce against these persons or Harmony a judgment obtained in a United States court predicated upon the civil liability provisions of the federal securities or other laws of the Unites States or any state thereof. A foreign judgment is not directly enforceable in South Africa, but constitutes a cause of action which will be enforced by South African courts provided that:

- the court that pronounced the judgment had jurisdiction to entertain the case according to the principles recognized by South African law with reference to the jurisdiction of foreign courts;
- the judgment is final and conclusive (that is, it cannot be altered by the court which pronounced it);
- the judgment has not lapsed;
- the recognition and enforcement of the judgment by South African courts would not be contrary to public policy, including observance of the rules of natural justice which require that the documents initiating the United States proceeding were properly served on the defendant and that the defendant was given the right be heard and represented by counsel in a free and fair trial before an impartial tribunal;
- the judgment does not involve the enforcement of a penal or revenue law; and
- the enforcement of the judgment is not otherwise precluded by the provisions of the Protection of Business Act 99 of 1978, as amended, of the republic of South Africa.

It is the policy of South African courts to award compensation for the loss or damage actually sustained by the person to whom the compensation is awarded. Although the award of punitive damages is generally unknown to the South African legal system, that does not mean that such awards are necessarily contrary to public policy. Whether a judgment was contrary to public policy depends on the facts of each case. Exorbitant, unconscionable, or excessive awards will generally be contrary to public policy. South African courts cannot enter into the merits of a foreign judgment and cannot act as a court of appeal or review over the foreign court. South African courts will usually implement their own procedural laws and, where an action based on an international contract is brought before a South African court, the capacity of the parties to the contract will usually be determined in accordance with South African law.

It is doubtful whether an original action based on United States federal securities laws may be brought before South African courts. A plaintiff who is not a resident in South Africa may be required to provide security for costs in the event of proceedings being initiated in South Africa. Furthermore, the Rules of the High Court of South Africa require that documents executed outside South Africa must be authenticated for the purpose of use in South Africa.

Table of Contents

RISK FACTORS RELATING TO AN INVESTMENT IN GOLD FIELDS

Changes in the market price for gold, which in the past has fluctuated widely, affect the profitability of Gold Fields operations and the cash flows generated by those operations.

Substantially all of Gold Fields revenues are derived from the sale of gold. Historically, the market price for gold has fluctuated widely and has been affected by numerous factors over which Gold Fields has no control, including:

- the demand for gold for industrial uses and for use in jewellery;
- actual, expected or rumored purchases and sales of gold bullion holdings by central banks or other large gold bullion holders or dealers;
- speculative trading activities in gold;
- the overall level of forward sales by other gold producers;
- the overall level and cost of production by other gold producers;
- international or regional political and economic events or trends;
- the strength of the US dollar (the currency in which gold prices generally are quoted) and of other currencies;
- financial market expectations regarding the rate of inflation; and
- interest rates.

In addition, the current demand for and supply of gold affects the price of gold, but not necessarily in the same manner as current demand and supply affect the prices of other commodities. Since the potential supply of gold is large relative to mine production in any given year, normal variations in current production will not necessarily have a significant effect on the supply of gold or the gold price. Central banks, financial institutions and individuals historically have held large amounts of gold as a store of value and production in any given year historically has constituted a small portion of the total potential supply of gold. Historically, gold has tended to retain its value in relative terms against basic goods in times of inflation and monetary crisis.

Certain European central banks are party to an agreement, pursuant to which they restrict their annual sales of gold to specified limits. This agreement expires by its terms in September 2004. This agreement may not be renewed, or if it is, specified limits on annual gold sales by central banks may be higher or lower.

While the aggregate effect of these factors is impossible for Gold Fields to predict, if gold prices should fall below Gold Fields cost of production and remain at such levels for any sustained period, Gold Fields may experience losses and may be forced to curtail or suspend some or all of its operations. In addition, Gold Fields might not be able to recover any losses it may incur during that period.

Because Gold Fields does not use commodity or derivative instruments to protect against low gold prices with respect to its production, Gold Fields is exposed to the impact of any significant drop in the gold price.

Unlike many other gold producers, as a general rule Gold Fields sells its gold production at market prices. Gold Fields generally does not enter into forward sales, derivatives or other hedging arrangements to establish a price in advance for the sale of its future gold production. In general, hedging reduces the risk of exposure to volatility in the gold price. Hedging also enables a gold producer to fix a future price for hedged gold that generally is higher than the then current spot price. To the extent that it does not generally use commodity or derivative instruments, Gold Fields will not be protected against decreases in the gold price, and if the gold price decreases significantly, Gold Fields runs the risk of reduced revenues in respect of gold production that is not hedged.

Gold Fields gold reserves are estimates based on a number of assumptions, any changes to which may require Gold Fields to lower its estimated reserves.

The ore reserve statement extracted in this registration statement represent the amount of gold that Gold Fields believed, as of June 30, 2003, could be mined, processed and sold at prices sufficient to recover Gold Fields estimated future total costs of production, remaining investment and anticipated additional capital expenditures. Ore reserves are only estimates based on assumptions regarding Gold Fields costs, expenditures, prices and exchange rates, many of which are beyond Gold Fields control. In the event that Gold Fields revises any of these assumptions in an adverse manner, Gold Fields may need to revise its ore reserves downwards. In particular, if Gold Fields production costs or capital expenditures increase or if gold prices decrease, a portion of Gold Fields ore reserves may become uneconomical to recover, forcing Gold Fields to lower its estimated reserves.

To the extent that Gold Fields seeks to expand through acquisitions, it may experience problems in executing acquisitions or managing and integrating the acquisitions with its existing operations.

In order to expand its operations and reserve base, Gold Fields may seek to make acquisitions of selected precious metal producing companies or assets. Gold Fields success at making any acquisitions will depend on a number of factors, including, but not limited to:

- negotiating acceptable terms with the seller of the business to be acquired;
- obtaining approval from regulatory authorities in South Africa and the jurisdiction of the business to be acquired;
- assimilating the operations of an acquired business in a timely and efficient manner;
- maintaining Gold Fields financial and strategic focus while integrating the acquired business;
- implementing uniform standards, controls, procedures and policies at the acquired business; and
- to the extent that Gold Fields makes an acquisition outside of markets in which it has previously operated, conducting and managing operations in a new operating environment.

Any problems experienced by Gold Fields in connection with an acquisition as a result of one or more of these factors could have a material adverse effect on Gold Fields business, operating results and financial condition.

To the extent that Gold Fields seeks to expand through its exploration program, it may experience problems associated with mineral exploration or developing mining projects.

In order to expand its operations and reserve base, Gold Fields may rely on its exploration program for gold and platinum group metals and its ability to develop mining projects. Exploration for gold and other precious metals is speculative in nature, involves many risks and frequently is unsuccessful. Any exploration program entails risks relating to the location of economic orebodies, the development of appropriate metallurgical processes, the receipt of necessary governmental permits and regulatory approvals and the construction of mining and processing facilities at the mining site. Gold Fields exploration efforts may not result in the discovery of gold or platinum group metal mineralization and any mineralization discovered may not result in an increase of Gold Fields reserves. If orebodies are developed, it can take a number of years and substantial expenditures from the initial phases of drilling until production commences, during which time the economic feasibility of production may change. Gold Fields exploration program may not result in the replacement of current production with new reserves or result in any new commercial mining operations. Also, to the extent Gold Fields participates in the development of a project through a joint venture there could be disagreements or divergent interests or goals among the joint venture parties, which could jeopardize the success of the project.

Due to the nature of mining and the type of gold mines it operates, Gold Fields faces a material risk of liability, delays and increased production costs from environmental and industrial accidents and pollution.

The business of gold mining by its nature involves significant risks and hazards, including environmental hazards and industrial accidents. In particular, hazards associated with Gold Fields underground mining operations include:

- rock bursts;
- seismic events, particularly at the Driefontein and Kloof operations;
- underground fires and explosions, including those caused by flammable gas;
- cave-ins or falls of ground;
- discharges of gases and toxic chemicals;
- releases of radioactivity;
- flooding;
- sinkhole formation and ground subsidence; and
- other accidents and conditions resulting from drilling, blasting and removing and processing material from an underground mine.

Hazards associated with Gold Fields open pit mining operations include:

- flooding of the open pit;
- collapses of the open pit walls;
- accidents associated with the operation of large open pit mining and rock transportation equipment;

accidents associated with the preparation and ignition of large scale open pit blasting operations;

production disruptions due to weather; and

hazards associated with heap leach processing, such as groundwater and waterway contamination.

Hazards associated with Gold Fields rock dump and production stockpile mining and tailings disposal include:

accidents associated with operating a rock dump and production stockpile and rock transportation;

production disruptions due to weather;

collapses of tailings dams; and

ground and surface water pollution, on and off site.

Gold Fields is at risk of experiencing any and all of these environmental or other industrial hazards. The occurrence of any of these hazards could delay production, increase production costs and result in liability for Gold Fields.

Gold Fields insurance coverage may prove inadequate to satisfy potential claims.

Gold Fields may become subject to liability for pollution or other hazards against which it has not insured or cannot insure, including those in respect of past mining activities. Gold Fields existing

Table of Contents

property and liability insurance contains exclusions and limitations on coverage. In fiscal 2003, in an effort to reduce costs, Gold Fields changed from business interruption insurance cover based on gross profit to cover based on fixed operating costs or standing charges only. Should Gold Fields suffer a major loss, future earnings could be affected. In addition, insurance may not continue to be available at economically acceptable premiums. As a result, in the future Gold Fields insurance coverage may not cover the extent of claims against Gold Fields, including, but not limited to, claims for environmental or industrial accidents or pollution.

Because most of Gold Fields production costs are in Rand and Australian dollars, while gold is generally sold in US dollars, Gold Fields operating results or financial condition could be materially harmed by an appreciation in the value of the Rand or the Australian dollar.

Gold is sold throughout the world principally in US dollars, but Gold Fields operating costs are incurred principally in Rand and Australian dollars. As a result, any significant and sustained appreciation of either of these currencies against the US dollar may materially increase Gold Fields costs and reduce its net revenue.

The Rand and the Australian dollar each appreciated against the US dollar during 2002, with the Rand appreciating by approximately 28.4% in 2002 and the Australian dollar appreciating by approximately 10.0% in 2002. More recently, the Rand and the Australian dollar have experienced a period of further appreciation against the US dollar. As of September 30, 2003, the Rand had appreciated by 19.1%, and the Australian dollar had appreciated by 21.1%, against the US dollar since January 1, 2003. This appreciation has already significantly increased Gold Fields costs in US dollar terms particularly at its South African operations and continuation of the appreciation trend for either of these currencies could have a material adverse effect on Gold Fields operating results or financial condition.

Political or economic instability in South Africa or regionally may have an adverse effect on Gold Fields operations and profits.

Gold Fields is incorporated and owns significant operations in South Africa. As a result, political and economic risks relating to South Africa could affect an investment in Gold Fields. Large parts of the South African population do not have access to adequate education, health care, housing and other services, including water and electricity. Government policies aimed at alleviating and redressing the disadvantages suffered by the majority of citizens under previous governments may have an adverse impact on Gold Fields operations and profits. In recent years, South Africa has experienced high levels of crime and unemployment. These problems have impeded fixed inward investment into South Africa and have prompted emigration of skilled workers. As a result, Gold Fields may have difficulties attracting and retaining qualified employees.

Recently, the South African economy has been growing at a relatively slow rate, inflation and unemployment have been high by comparison with developed countries, and foreign reserves have been relatively low. GDP growth was 1.2% for 1999, 3.1% for 2000, 2.1% for 2001 and 2.4% for 2002. Corresponding inflation rates were 5.2% in 1999, 5.3% in 2000, 5.7% in 2001 and 9.2% in 2002, while corresponding unemployment rates were 23.3%, 26.7%, 26.9% and 30.5% as of December 31, 1999, 2000, 2001 and 2002. Foreign reserves stood at $7.8 billion as of September 30, 2003. The depreciation of the Rand in 1997 and 1998 resulted in an increase in the South African bank prime lending rate, which peaked at approximately 25.5% during 1998, although rates have since decreased. On September 30, 2003, the rate was 13.5%. Consequently, Gold Fields faces a high cost of capital should it need to borrow in South Africa.

In the late 1980s and early 1990s, inflation in South Africa reached record highs. This increase in inflation resulted in considerable year over year increases in operational costs. In recent years, the inflation rate has decreased to single-digit figures. A return to significant inflation in South Africa,

Table of Contents

without a concurrent devaluation of the Rand or an increase in the price of gold, could have a material adverse effect on Gold Fields operating results and financial condition.

There has been regional political and economic instability in the countries surrounding South Africa. Any similar political or economic instability in South Africa could have a negative impact on Gold Fields ability to manage and operate its South African operations.

Political or economic instability in Ghana may have an adverse effect on Gold Fields operations and profits.

A significant portion of Gold Fields production takes place in Ghana at the Tarkwa and Damang mines. As a result, political and economic risks relating to Ghana could affect an investment in Gold Fields.

Ghana has had periods of political instability, and could be subject to instability again in the future. Presidential and parliamentary elections were conducted under the present Ghanaian constitution in 1992, 1996 and 2000. The 2000 elections resulted in the principal opposition party winning the elections and forming the present government. Since the present government came into power it has passed legislation imposing a tax and import duty which have affected the mining industry. The Ghana Chamber of Mines, of which Gold Fields Ghana Limited and Abosso Goldfields Limited, subsidiaries of Gold Fields, are members, has expressed its concern to the government that these legislative measures have eroded the competitiveness of the fiscal regime affecting mining companies in Ghana. The current government or a future government might adopt additional changes to policies in the future, which could: (1) modify the regulatory or fiscal regime governing mining companies in Ghana, such as increasing the proportion of foreign currency earnings that mining companies are required to repatriate to Ghana or (2) otherwise make investments or foreign-owned operations in Ghana less attractive. Any departure from current policies by the government of Ghana could have a material adverse effect on Gold Fields business, operating results and financial condition.

In addition, it is possible that in the future Ghana will experience adverse economic conditions or disruptions which may negatively impact Gold Fields Ghana operations.

Gold Fields financial flexibility could be materially constrained by South African exchange control regulations.

South Africa s exchange control regulations restrict the export of capital from South Africa, the Republic of Namibia, and the Kingdoms of Lesotho and Swaziland, known collectively as the Common Monetary Area. Transactions between South African residents (including companies) and non-residents of the Common Monetary Area are subject to exchange controls enforced by the South African Reserve Bank, or SARB. As a result, Gold Fields ability to raise and deploy capital outside the Common Monetary Area is restricted. In particular, Gold Fields:

- is generally not permitted to export capital from South Africa or to hold foreign currency without the approval of the SARB;
- is generally required to repatriate to South Africa profits of its foreign operations; and

is limited in its ability to utilize the income of one foreign subsidiary to finance the operations of another foreign subsidiary.

These restrictions could hinder Gold Fields normal corporate functioning, particularly its ability to fund acquisitions, capital expenditures and exploration projects outside South Africa.

An acquisition of shares in or assets of a South African company by a non-South African purchaser that is subject to exchange control regulations may not be granted regulatory approval.

In some circumstances, potential acquisitions of shares in or assets of South African companies by non-South African resident purchasers are subject to review by the SARB pursuant to South African

Table of Contents

exchange control regulations. In 2000, the SARB refused to approve an acquisition of Gold Fields by Franco-Nevada Mining Corporation Limited, a Canadian mining company. The SARB may refuse to approve similar proposed acquisitions of Gold Fields in the future. As a result, Gold Fields management may be limited in its ability to consider strategic options and Gold Fields shareholders may not be able to realize the premium over the current trading price of Gold Fields ordinary shares which they might otherwise receive upon such an acquisition.

Gold Fields operations and financial condition may be adversely affected by labor disputes or changes in South African, Ghanaian or Australian labor laws.

As of June 30, 2003, approximately 77% of Gold Fields employees belonged to unions. Accordingly, Gold Fields is at risk of having its production stopped for indefinite periods due to strikes called by unions and other labor disputes. In South Africa, in addition to strikes, on occasion Gold Fields experiences work stoppages based on national trade union stay away days regardless of the state of its relations with its workforce. Significant labor disruptions at any of Gold Fields operations could have a material adverse effect on Gold Fields business, operating results and financial condition.

Gold Fields production may also be materially affected by relatively new labor laws. Since 1995, South African laws relating to labor have changed significantly in ways that affect Gold Fields operations. In particular, laws enacted since then that provide for mandatory compensation in the event of termination of employment for operational reasons and that impose large monetary penalties for non-compliance with the administrative and the reporting requirements in respect of affirmative action policies, could result in significant costs to Gold Fields. There may continue to be significant and adverse changes in labor law in South Africa over the next several years.

Ghanaian law contains broad provisions requiring mining companies to recruit and train Ghanaian personnel and to use the services of Ghanaian companies. Any expansion of these provisions or new labor legislation which increases labor costs in Ghana could have a material adverse effect on Gold Fields mining operations in Ghana and, accordingly, on Gold Fields business, operating results and financial condition.

The Labour Relations Reform Act of Western Australia was passed by Parliament in July 2002. This law reduces the availability of state workplace agreements and is designed to promote collective bargaining and union access to the workplace. This law could strengthen the role of unions in Western Australia s mining industry, which could have a material adverse effect on labor costs at Gold Fields mining operations in Australia and, accordingly, on Gold Fields business, operating results and financial condition.

Gold Fields may suffer adverse consequences as a result of its reliance on outside contractors to conduct its operations in Ghana and Australia.

A significant portion of Gold Fields operations in Ghana and Australia are currently conducted by outside contractors. As a result, Gold Fields operations at those sites are subject to a number of risks, some of which are outside Gold Fields control, including:

- negotiating agreements with contractors on acceptable terms;

the inability to replace a contractor and its operating equipment in the event that either party terminates the agreement;

reduced control over those aspects of operations which are the responsibility of the contractor;

failure of a contractor to perform under its agreement with Gold Fields;

interruption of operations in the event that a contractor ceases its business due to insolvency or other unforeseen events;

Table of Contents

failure of a contractor to comply with applicable legal and regulatory requirements, to the extent it is responsible for such compliance; and

problems of a contractor with managing its workforce, labor unrest or other employment issues.

In addition, Gold Fields may incur liability to third parties as a result of the actions of its contractors. The occurrence of one or more of these risks could have a material adverse effect on Gold Fields business, results of operations and financial condition.

Gold Fields South African operations may be adversely affected by increased labor costs at its mining operations in South Africa.

Wages and related labor costs account for approximately 50% of Gold Fields total production costs. Accordingly, Gold Fields costs may be materially affected by increases in wages and related labor costs, particularly with respect to Gold Fields South African employees, who are highly unionized. Recent negotiations with South African unions have resulted in agreements on above-inflation wage increases required to be implemented through July 2005. If Gold Fields is unable to increase production levels or implement cost cutting measures to offset these increased wages and labor costs, these costs could have a material adverse effect on Gold Fields mining operations in South Africa and, accordingly, on Gold Fields business, operating results and financial condition.

Gold Fields may suffer adverse consequences in connection with its transfer to owner mining at Tarkwa.

As part of a project undertaken by Gold Fields to expand operations at the Tarkwa mine in Ghana, or the Tarkwa Expansion Project, Gold Fields plans to shift operations at the mine from contractor mining to owner mining. Implementation of the project will involve renegotiating the terms of employment of certain employees at the mine, including negotiating the employment of a portion of the employees currently provided by the contractor. The transition to owner mining could result in increased costs or disruption of operations both during and following this transition, which could have a negative effect on Gold Fields operations in Ghana and therefore on its business, operating results and financial condition.

HIV/AIDS poses risks to Gold Fields in terms of lost productivity and increased costs.

The incidence of HIV/AIDS in South Africa, which is forecast to increase over the next decade, poses risks to Gold Fields in terms of potentially reduced productivity and increased medical and other costs. Gold Fields current estimate of the potential impact of HIV/AIDS on its operations and financial condition is based on a variety of existing data and certain assumptions, including the incidence of HIV infection among its employees, the progressive impact of HIV/AIDS on infected employees health, and the medical and other costs associated with the disease, most of which involve factors beyond Gold Fields control. Should Gold Fields actual experience significantly differ from the assumptions on which its current estimate is based, the actual impact of HIV/AIDS on its business, operating results and financial condition could be significantly worse than Gold Fields expects.

Gold Fields operations in South Africa are subject to environmental regulations which could impose significant costs and burdens.

Gold Fields South African operations are subject to various environmental laws and regulations including, for example, those relating to waste treatment, emissions and disposal, and must comply with permits or standards governing, among other things, tailings dams and waste disposal areas, water consumption, air emissions and water discharges. Gold Fields may, in the future, incur significant costs to comply with the South African environmental requirements imposed under existing or new legislation, regulations or permit requirements or to comply with changes in existing laws and

Table of Contents

regulations or the manner in which they are applied. Also, Gold Fields may be subject to litigation and other costs as a result of environmental rights granted to individuals under South Africa s Constitution or other sources of rights. These costs could have a material adverse effect on Gold Fields business, operating results and financial condition.

South African mining companies are required by law to undertake rehabilitation works as part of their ongoing operations. In addition, during the operational life of their mines, they must provide for the cost of mine closure and post-closure rehabilitation and monitoring once mining operations cease. Gold Fields funds these environmental rehabilitation costs by making contributions into an environmental trust fund, with amounts approved by the authorities. As of September 30, 2003, Gold Fields had contributed a total of approximately Rand 320.0 million, including accrued interest, to the fund. Changes in legislation or regulations (or the approach to enforcement of them) or other unforeseen circumstances may materially and adversely affect Gold Fields future environmental expenditures or the level and timing of Gold Fields provisioning for these expenditures.

Gold Fields operations in South Africa are subject to health and safety regulations which could impose significant costs and burdens.

The present Mine Health and Safety Act 1996, or the Mine Health and Safety Act, came into effect in January 1997. The principal object of the Mine Health and Safety Act is to improve health and safety at South African mines and to this end, the Mine Health and Safety Act imposes various duties on Gold Fields at its mines, and grants the authorities broad powers to, among other things, close unsafe mines and order corrective action relating to health and safety matters. Exercising her authority under the Mine Health and Safety Act, the Minister of Minerals and Energy stopped production at Beatrix Shaft Nos. 1 and 2 for 10 days in May 2001 and required Gold Fields to implement various safety measures at the mine, following a methane gas explosion in which 13 people lost their lives and which was the second such explosion since May 2000. In the event of any future accidents at Gold Fields mines, regulatory authorities could take similar steps.

The Occupational Diseases in Mines and Works Act 78 of 1973, or the Occupational Diseases Act, governs compensation for medical costs related to certain illnesses contracted by persons employed in mines or at sites where activities ancillary to mining are conducted. An amendment to the Occupational Diseases Act came into effect on January 22, 2003, pursuant to which the owner of a mine is required to pay compensation for an indefinite period of time for certain medical costs related to the treatment of occupational illnesses of persons currently employed or persons employed at the time of the onset of the illness. The Mines and Works Compensation Fund that South African mining companies, including Gold Fields, contribute to in order to fund payments due pursuant to the Occupational Diseases Act is presently under funded and levies may need to be reviewed to address this shortfall. Gold Fields may experience increased costs at its mining operations in South Africa a result of its obligation to pay medical compensation pursuant to the Occupational Diseases Act, which could have an adverse effect on Gold Fields business, operating results and financial condition.

Gold Fields mineral rights in South Africa will become subject to new legislation which could impose significant costs and burdens.

The New Minerals Act. On October 3, 2002, the Mineral and Petroleum Resources Development Act 2002, or the New Minerals Act, was signed by the President of South Africa. Provisions of the New Minerals Act will come into operation on those dates specified by the President. The President may stipulate different dates for the different provisions of the New Minerals Act. It is uncertain when the President will exercise these powers. Until such time as the President exercises these powers, the existing regulatory regime will remain in place. Gold Fields currently owns substantially all of the mineral rights under the existing regime for the properties for which it has mining authorizations.

Table of Contents

Among other things, the New Minerals Act: (1) vests the right to prospect and mine in the state without the automatic payment of compensation, (2) makes provision for a transitional period for the phasing out of privately held mineral rights, prospecting permits and mining authorizations held under the old regime and (3) requires that new applications be made in respect of those rights and new rights to be granted pursuant to the New Minerals Act. Consistent with international practice, the New Minerals Act provides that a mining or prospecting right granted under the New Minerals Act could be cancelled if the mineral to which the right relates is not mined at an optimal rate. There is no guarantee that Gold Fields could successfully apply for any or all of its existing mining rights under the New Minerals Act or that the terms on which they would be granted would not be significantly less favorable to Gold Fields. The requirements of the New Minerals Act could have a material adverse effect on Gold Fields mining and exploration activities in South Africa and, as a result, Gold Fields business, operating results and financial condition.

The Mining Titles Registration Amendment Act, or the Mining Titles Act, was assented to the President on November 26, 2003. The Mining Titles Act provides for the registration of rights granted under the New Minerals Act and will come into effect in the same manner as the New Minerals Act. The Mining Titles Act will repeal certain sections of the current legislation dealing with the registration of mineral rights, subject to the transitional provisions of the New Minerals Act. The status of registration of transactions involving mineral rights held under the existing regime during the transition to the new regime will remain somewhat uncertain, however, until the provisions regarding transition are finalized, and there is no guarantee that Gold Fields could successfully register any or all of its mineral rights held under the existing regime that become subject to transactions during the New Mineral Act s transitional period. Failure to successfully register any mineral rights during this period could have an adverse impact on Gold Fields South African operations and therefore an adverse effect on its business, operating results and financial condition.

The New Minerals Act contains a provision requiring the Minister of Minerals and Energy, or the Minister, within six months of the relevant provision becoming operational, to develop a broad-based socio-economic empowerment charter for effecting entry of historically disadvantaged South Africans, or HDSAs, into the mining industry. The South African Government appointed a task team which included representatives from mining companies, including Gold Fields, to develop a charter. On October 11, 2002, the Minister and representatives of certain mining companies and the National Union of Mineworkers signed a charter that reflects the consultation process called for by the New Minerals Act.

The charter s stated objectives are to:

- promote equitable access to South Africa s mineral resources for all the people of South Africa;
- substantially and meaningfully expand opportunities for HDSAs, including women, to enter the mining and minerals industry and to benefit from the exploitation of South Africa s mineral resources;
- utilize the existing skills base for the empowerment of HDSAs;
- expand the skills base of HDSAs in order to serve the community;
- promote employment and advance the social and economic welfare of mining communities and areas supplying mining labor; and
- promote beneficiation of South Africa s mineral commodities beyond mining and processing, including the production of consumer products.

To achieve these objectives, the charter requires that mining companies achieve a 15% HDSA ownership of mining assets within 5 years and a 26% HDSA ownership of mining assets within 10 years by each

Table of Contents

mining company. Under the charter, the mining industry as a whole agrees to assist HDSA companies in securing finance to fund participation in an amount of Rand 100 billion over the first 5 years. Beyond the Rand 100 billion commitment, HDSA participation will be increased on a willing seller-willing buyer basis, at fair market value, where the mining companies are not at risk. In addition, the charter requires, among other things, that mining companies spell out plans for achieving employment equity at management level with a view to achieving a baseline of 40% HDSA participation in management and achieving a baseline of 10% participation by women in the mining industry, in each case within 5 years. When considering applications for the conversion of existing licenses, the government will take a scorecard approach, evaluating the commitments of stakeholders to the different facets of promoting the objectives of the charter.

In order to comply with the terms of the charter, Gold Fields would be required to adjust the ownership structure of its South African mining assets and the composition of its management team. On November 26, 2003, Gold Fields and Mvelaphanda Resources Limited, or Mvela Resources, issued a detailed joint cautionary announcement to shareholders, describing the terms of an agreement in principle for a broad-based black empowerment consortium, led by Mvela Resources, to acquire a 15% beneficial interest in the South African gold mining assets of Gold Fields for consideration of Rand 4.139 billion to be paid on completion of the transaction. An initial joint cautionary announcement regarding the proposed transaction was released on June 10, 2003. The acquisition relates to Gold Fields current South African gold mining assets, which include the Driefontein, Kloof and Beatrix mines and ancillary assets and operations. See Information on the Company Recent Developments . The transaction is intended to meet the charter s requirement that mining companies achieve a 15% HDSA ownership within 5 years of the charter coming into effect. There is no guarantee, however, that the Mvela Resources transaction will be completed and, if completed, that it will not have a negative effect on the value of Gold Fields ordinary shares. In addition, any further adjustment to the ownership structure of Gold Fields South African mining assets could have a material adverse effect on the value of Gold Fields ordinary shares and failing to comply with the charter s requirements could subject Gold Fields to negative consequences, the scope of which has not yet been fully determined. Gold Fields may also incur expenses to give effect to the charter, and may need to incur additional indebtedness in order to comply with the industry-wide commitment to assist HDSAs in securing Rand 100 billion of financing during the first 5 years of the charter s effectiveness. Moreover, there is no guarantee that any steps Gold Fields has already taken or might take would ensure that it could successfully apply for conversion of any or all of its existing mining rights or for the grant of new mining rights or that the terms of any conversion or grant would not be significantly less favorable to Gold Fields than the terms of its current rights.

The Royalty Bill. On March 20, 2003 the draft Mineral and Petroleum Royalty Bill, or the Royalty Bill, was released for public comment. The South African National Treasury subsequently missed an August 1, 2003 deadline for submitting a revised draft to the South African Parliament and, as a result, the Royalty Bill was not presented to the South African Parliament during 2003.

The Royalty Bill proposes to impose a 3% revenue based royalty on the South African gold mining sector payable to the South African government. Under the terms of the Royalty Bill released for comment, the royalty is to take effect when companies convert to new order mining rights in accordance with the New Minerals Act, although the Minister has indicated that the royalty is not expected to take effect until the transitional period for the conversion of mining rights under the New Minerals Act expires. If adopted, the Royalty Bill could have a negative impact on Gold Fields South African operations and therefore an adverse effect on its business, operating results and financial condition.

Table of Contents

Gold Fields land and mineral rights in South Africa could be subject to land restitution claims which could impose significant costs and burdens.

Gold Fields privately held land and mineral rights could be subject to land restitution claims under the Restitution of Land Rights Act 1994, or the Land Claims Act. Under this Act, any person who was dispossessed of rights in land in South Africa as a result of past racially discriminatory laws or practices without payment of just and equitable compensation is granted certain remedies, including the restoration of the land. Under the Land Claims Act, persons entitled to institute a land claim were required to lodge their claims by December 31, 1998. Gold Fields has not been notified of any land claims, but any claims of which it is notified in the future could have a material adverse effect on Gold Fields right to the properties to which the claims relate and, as a result, on Gold Fields business, operating results and financial condition.

The Restitution of Land Rights Amendment Bill, or the Amendment Bill, was published in the Government Gazette on July 25, 2003. Under the Land Claims Act, the Minister for Agriculture and Land Affairs, or the Land Minister, may not acquire ownership of land for restitution purposes without a court order unless an agreement has been reached between the affected parties. As proposed, the Amendment Bill would entitle the Land Minister to acquire ownership of land for the purpose of restitution or for the benefit of claimants who do not qualify for restitution under the Land Claims Act without a court order and without obtaining the agreement of the affected parties. The state would be required to pay just and equitable compensation to the owner of land thus acquired. If the Amendment Bill becomes effective, there is no guarantee that any of Gold Fields privately held land rights could not become subject to acquisition by the state without Gold Fields agreement, or that Gold Fields would be adequately compensated for the loss of its land rights, which could have a negative impact on Gold Fields South African operations and therefore an adverse effect on its business, operating results and financial condition.

Gold Fields operations in Ghana are subject to environmental regulations which could impose significant costs and burdens.

Gold Fields Ghana operation is subject to extensive environmental laws and regulations. The Ghanaian environmental protection laws require, among other things, that Gold Fields register with the Ghanaian environmental authorities, and obtain environmental permits and certificates for the Ghana operation.

Ghanaian mining companies are required by law to rehabilitate land disturbed as a result of their mining operations pursuant to an environmental reclamation plan agreed with the Ghanaian environmental authorities. Gold Fields funds these environmental rehabilitation costs in part by posting a reclamation bond to secure estimated costs of rehabilitation. Changes in the required method of calculation for these bonds or an unforeseen circumstance which produces unexpected costs may materially and adversely affect Gold Fields future environmental expenditures.

Gold Fields operations in Ghana are subject to health and safety regulations which could impose significant costs and burdens.

The Ghanaian health and safety regulations impose statutory duties on an owner of a mine to, among other things, take steps to ensure that the mine is managed and worked in a manner which provides for the safety and proper discipline of the mine workers. The regulations prescribe the measures to be taken to ensure the safety and health of the mine workers. Additionally, Gold Fields is required under the terms of its mining leases to comply with the reasonable instructions of the relevant authorities for securing the health and safety of persons working in or connected with the mine. A violation of the health and safety regulations or a failure to comply with the reasonable instructions of the relevant authorities could lead to, among other things, a temporary shut down of all or a portion of the mine, a

Table of Contents

loss of the right to mine or the imposition of costly compliance procedures and, in the case of a violation of the regulations relating to health and safety, constitutes an offense under Ghanaian law. If Ghanaian health and safety authorities require Gold Fields to shut down all or a portion of its mines or to implement costly compliance measures, whether pursuant to existing or new health and safety laws and regulations, such measures could have a material adverse effect on Gold Fields business, operating results and financial condition.

Gold Fields, as the holder of the mining lease, has potential liability arising from injuries to, or deaths of, workers, including, in some cases, workers employed by its contractors. In Ghana, statutory workers compensation is not the exclusive means for workers to claim compensation. Gold Fields insurance for health and safety claims or the relevant workers compensation arrangements may not be adequate to meet the costs which may arise upon any future health and safety claims.

On September 12, 2003, the National Health Insurance Act, 2003 (Act 650) came into effect. The act requires every person resident in Ghana to belong to either a public or private health insurance scheme. To fund the National Health Insurance Fund, the act imposes a levy of 2.5% on goods and services produced or provided in, or imported into, Ghana. The provisions of the act relating to the levy require further legislation to be passed to bring it into effect. Once effective, the levy could have an adverse impact on Gold Fields Ghanaian operations and thus an adverse effect on its business, operating results and financial condition.

Gold Fields mineral rights in Ghana are subject to regulations which could impose significant costs and burdens.

In Ghana, the ownership of land on which there are mineral deposits is separate from the ownership of the minerals. All minerals in their natural state in or upon any land or water are, under Ghanaian law, the property of Ghana and vested in the President on behalf of the people of Ghana. Gold Fields mining leases for the Tarkwa property have not yet been ratified by the Ghanaian parliament, as required by law. To the extent that failure to ratify these leases adversely affects their validity, there may be a material adverse effect on Gold Fields business, operating results and financial condition.

Gold Fields operations in Australia are subject to environmental regulations which could impose significant costs and burdens.

Gold Fields Australian operations are subject to various laws and regulations relating to the protection of the environment, which are similar in scope to those of South Africa and Ghana. Gold Fields may, in the future, incur significant costs to comply with the Australian environmental requirements imposed under existing or new legislation, regulations or permit requirements or to comply with changes in existing laws and regulations or the manner in which they are applied. These costs may have a material adverse effect on Gold Fields business, operating results and financial condition.

Australian mining companies are required by law to undertake rehabilitation works as part of their ongoing operation. Gold Fields makes provisions in its accounts for the estimated cost of environmental rehabilitation for its Australian mining properties. Gold Fields guarantees its environmental obligations by providing the Western Australian Government with unconditional bank - guaranteed performance bonds to secure the estimated costs. These bonds do not cover remediation for events that were unforeseen at the time the bond was taken. Changes in the required method of calculation for these bond amounts or an unforeseen circumstance which produces unexpected costs may materially and adversely affect future environmental expenditures.

Gold Fields operations in Australia are subject to health and safety regulations which could impose significant costs and burdens.

Western Australian health and safety laws impose a duty on a mine owner to provide and maintain a working environment which is safe for mine workers. The regulations prescribe specific measures to be

Table of Contents

taken and provide for inspectors to review the work site for hazards and violations of the health and safety laws. A violation of the health and safety laws or a failure to comply with the instructions of the relevant health and safety authorities could lead to, among other things, a temporary shutdown of all or a portion of the mine, a loss of the right to mine or the imposition of costly compliance procedures. If health and safety authorities require Gold Fields to shut down all or a portion of the mine or to implement costly compliance measures, whether pursuant to existing or new health and safety laws and regulations, such measures could have a material adverse effect on Gold Fields business, operating results and financial condition.

Gold Fields tenements in Australia are subject to native title claims and Aboriginal heritage sites which could impose significant costs and burdens.

Certain of Gold Fields tenements are subject to native title claims, and there are Aboriginal heritage sites located on certain of Gold Fields tenements. Native title and Aboriginal legislation protects the rights of Aboriginals in relation to the land in certain circumstances. Other tenements may become subject to native title claims if Gold Fields seeks to expand or otherwise change its interest in rights to those tenements. Native title claims could require costly negotiations with the claimants or could affect Gold Fields access to or use of its tenements, and, as a result, have a material adverse effect on Gold Fields business, operating results and financial condition.

Aboriginal heritage sites relate to distinct areas of land which have either ongoing ethnographic or archaeological or historic significance. Aboriginal heritage sites have been identified with respect to portions of some of Gold Fields Australian mining tenements. Additional Aboriginal heritage sites may be identified on the same or additional tenements. Gold Fields may, in the future, incur significant costs as a result of changes in the interpretation of, or new laws regarding, native title and Aboriginal heritage, which may result in a material adverse effect on Gold Fields business, operating results and financial conditions.

Investors in the United States may have difficulty bringing actions, and enforcing judgments, against Gold Fields, its directors and its executive officers based on the civil liabilities provisions of the federal securities laws or other laws of the United States or any state thereof.

Gold Fields is incorporated in South Africa. The majority of Gold Fields directors and executive officers (and certain experts named herein) reside outside of the United States. Substantially all of the assets of these persons and substantially all of the assets of Gold Fields are located outside the United States. As a result, it may not be possible for investors to enforce against these persons or Gold Fields a judgment obtained in a United States court predicated upon the civil liability provisions of the federal securities or other laws of the United States or any state thereof. A foreign judgment is not directly enforceable in South Africa, but constitutes a cause of action which will be enforced by South African courts provided that:

- the court which pronounced the judgment had jurisdiction to entertain the case according to the principles recognized by South African law with reference to the jurisdiction of foreign courts;
- the judgment is final and conclusive (that is, it cannot be altered by the court which pronounced it);
- the judgment has not lapsed;

the recognition and enforcement of the judgment by South African courts would not be contrary to public policy, including observance of the rules of natural justice which require that the documents initiating the United States proceeding were properly served on the defendant and that the defendant was given the right to be heard and represented by counsel in a free and fair trial before an impartial tribunal;

the judgment was not obtained by fraudulent means;

the judgment does not involve the enforcement of a penal or revenue law; and

Table of Contents

the enforcement of the judgment is not otherwise precluded by the provisions of the Protection of Businesses Act 99 of 1978, as amended, of the Republic of South Africa.

It is the policy of South African courts to award compensation for the loss or damage actually sustained by the person to whom the compensation is awarded. Although the award of punitive damages is generally unknown to the South African legal system, that does not mean that such awards are necessarily contrary to public policy. Whether a judgment was contrary to public policy depends on the facts of each case. Exorbitant, unconscionable, or excessive awards will generally be contrary to public policy. South African courts cannot enter into the merits of a foreign judgment and cannot act as a court of appeal or review over the foreign court. South African courts will usually implement their own procedural laws and, where an action based on an international contract is brought before a South African court, the capacity of the parties to the contract will usually be determined in accordance with South African law. It is doubtful whether an original action based on United States federal securities laws may be brought before South African courts. A plaintiff who is not resident in South Africa may be required to provide security for costs in the event of proceedings being initiated in South Africa. Furthermore, the Rules of the High Court of South Africa require that documents executed outside South Africa must be authenticated for the purpose of use in South Africa.

Gold Fields is the defendant in a lawsuit filed in the United States alleging human rights violations during the apartheid era which could impose significant costs and burdens.

On May 6, 2003, a lawsuit was filed by Zalumi Singleton Mtwesi against Gold Fields in the State of New York. Mr. Mtwesi alleges that during the apartheid era in South Africa he was subjected to human rights violations while employed by Kloof Gold Mining Company Limited, which at the time was a subsidiary of Gold Fields of South Africa Limited, or GFSA. With effect from January 1, 1998, substantially all of the gold mining assets and interests previously held by GFSA were acquired by a company that is now a subsidiary of Gold Fields. See Information on the Company History. Mr. Mtwesi filed the lawsuit on behalf of himself and as representative of all other victims and all other persons similarly situated. Mr. Mtwesi and the plaintiffs class have demanded an order certifying the plaintiffs class and compensatory damages from Gold Fields in the amount of $7 billion. A complaint has not been served on Gold Fields. Should the lawsuit proceed, defending it may be costly and time consuming and there can be no assurance that Gold Fields will be successful. If Gold Fields is unsuccessful in defending the lawsuit considerable compensatory damages or other penalties may be imposed on Gold Fields which may have a material adverse effect on Gold Fields business, operating results and financial condition.

Because the principal trading market for Gold Fields ordinary shares is the JSE Securities Exchange South Africa, investors face liquidity risk in the market for Gold Fields ordinary shares.

The principal trading market for Gold Fields ordinary shares is the JSE Securities Exchange South Africa, or the JSE. Historically, trading volumes and liquidity of shares listed on the JSE have been low in comparison with other major markets. The ability of a holder to sell a substantial number of Gold Fields ordinary shares on the JSE in a timely manner, especially in a large block trade, may be restricted by this limited liquidity.

Gold Fields may not pay dividends or make similar payments to its shareholders in the future.

Gold Fields pays cash dividends only if funds are available for that purpose. Whether funds are available depends on a variety of factors, including the amount of cash available and Gold Fields capital expenditures and other cash requirements existing at the time. Under South African law, Gold Fields will be entitled to pay a dividend or similar payment to its shareholders only if it meets the solvency and liquidity tests set out in the South African Companies Act and Gold Fields Articles of Association. Cash dividends or other similar payments may not be paid in the future.

Table of Contents

Gold Fields non-South African shareholders face additional investment risk from currency exchange rate fluctuations since any dividends will be paid in Rand.

Dividends or distributions with respect to Gold Fields ordinary shares have historically been paid in Rand. The US dollar or other currency equivalent of any dividends or distributions with respect to Gold Fields ordinary shares will be adversely affected by potential future reductions in the value of the Rand against the US dollar or other currencies. In the future, it is possible that there will be changes in South African exchange control regulations, such that dividends paid out of trading profits will no longer be freely transferable outside South Africa to shareholders who are not residents of the Common Monetary Area.

Gold Fields ordinary shares are subject to dilution upon the exercise of Gold Fields outstanding options.

As of September 30, 2003, Gold Fields had an aggregate of 1,000,000,000 ordinary shares authorized to be issued and as of that date an aggregate of 473,645,481 ordinary shares were issued and outstanding. Gold Fields has two securities option plans which are authorized to grant options in an amount of up to an aggregate of 25,071,013 ordinary shares. Gold Fields had outstanding as of September 30, 2003 options to purchase a total of 10,028,469 ordinary shares at exercise prices of between Rand 13.55 and Rand 154.65. Shareholders equity interests in Gold Fields will be diluted to the extent of future exercises of these options and any additional options granted under the plans.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

Certain statements made or incorporated by reference into this prospectus are forward-looking statements that express or imply expectations of future events or results. Examples of such forward-looking statements include but are not limited to:

- projections of operating revenues, net income, net earnings per share, capital expenditures, dividends, capital structure or other financial items or ratios;
- statements of our plans, objectives or goals, business strategies, operating efficiencies, competitive positions, growth opportunities for existing services; and
- statements of assumptions underlying such statements.

Words such as believe, anticipate, plan, expect, intend, target, estimate, project, predict, forecast, guideline, s expressions are intended to identify forward-looking statements but are not the exclusive means of identifying these statements.

Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from those contained in any forward-looking statements. Such factors, some of which are discussed under Risk Factors , include but are not limited to:

overall economic and business conditions in South Africa and elsewhere;

the ability to achieve anticipated efficiencies and other cost savings in connection with past and future acquisitions;

decreases in the market price of gold;

the occurrence of hazards associated with underground and surface gold mining;

the occurrence of labor disruptions;

availability, terms and deployment of capital;

Table of Contents

changes in government regulation, particularly mining rights and environmental regulation;

fluctuations in exchange rates, currency devaluations and other macroeconomic monetary policies; and

political instability in South Africa and regionally.

We caution you that the foregoing list of factors is not exclusive and that other risks and uncertainties may cause actual results to differ materially from those in forward-looking statements.

Forward-looking statements speak only as of the date they are made. Except as otherwise required by applicable law, we do not undertake any obligation to update them in light of new information or future developments.

RECENT DEVELOPMENTS

On July 7, 2004, Bendigo announced that it raised A$100 million in a capital raising exercise and subsequently issued additional shares in a employee share purchase plan. As a result, Harmony s shareholding in Bendigo was diluted from 31.8% to its current 11.63% stake. Bendigo is no longer classified as an investment in an associate.

On August 11, 2004, share options over 4,411,149 shares were reserved for issuance to management of Harmony and 12,908,311 to the broad-based Employees Share Option Plan.

On November 5, 2004, Gold Fields filed a complaint in the United States District Court for the Southern District of New York against Harmony seeking to enjoin the early settlement offer. In the complaint, Gold Fields alleges that the registration statement on Form F-4 filed by Harmony with the SEC contains omissions of material information and misrepresentations of material fact. Harmony believes that these allegations are wholly without merit. The case was heard on November 17, 2004 and a decision is expected shortly.

For a description of the other legal and regulatory actions related to the offers, please see Background and Reasons for the Offers Background of the Offers.

BACKGROUND AND REASONS FOR THE OFFERS

BACKGROUND OF THE OFFERS

Since undergoing a change in management in 1995, Harmony has employed a successful strategy of growth through a series of acquisitions and through the evolution and implementation of a simple set of management systems and philosophies, which Harmony refers to as the Harmony Way, and which Harmony believes are unique in the South African gold mining industry. A significant component of the success of Harmony s strategy to date has been its ability to acquire under-performing mining assets, mainly in South Africa, and in a relatively short time frame to transform these mines into cost-effective production units. The execution of Harmony s strategy between fiscal 1995 and fiscal 2004 has resulted in the growth of Harmony s annual gold sales from approximately 650,000 ounces in fiscal 1995 to approximately 3.3 million ounces in fiscal 2004 (3.2 million ounces under US GAAP). Despite increased cash operating costs, resulting largely from the strength of the Rand against the US dollar, Harmony has expanded its proven and probable ore reserve base and, as at June 30, 2004, Harmony s mining operations reported total proven and probable reserves of approximately 62 million ounces.

Harmony s acquisition strategy in South Africa has been, and will continue to be, mainly to pursue mature, underperforming gold mining operations in which it believes it can successfully introduce the

Table of Contents

Harmony Way to increase productivity, reduce costs and extend mine life. The advantage to acquiring mature, underperforming operations is that they tend to be cheaper to acquire and, particularly for underground operations, much of the required capital expenditure has already been made. Harmony s corporate strategy with respect to acquisition targets is as follows:

- to make acquisitions in addition to pursuing greenfield and brownfield developments when it is economical to do so;
- to acquire mature assets with turnaround potential;
- to acquire assets that fit Harmony s management model; and
- to acquire assets that enhance Harmony s overall resource base.

In South Africa, Harmony has continued to explore a number of potential acquisitions. The South African gold mining industry has undergone a significant restructuring since 1990 with the result that a number of gold mining companies owned principally by mining houses have been sold to other gold operators. Harmony believes that this restructuring process has not yet been completed and that there will continue to be opportunities for further acquisitions in South Africa.

Outside of South Africa, Harmony intends to leverage the broad gold mining experience it has gained through acquisitions and existing operations. Through Harmony s existing operations, Harmony has gained extensive underground mining experience. Harmony has also gained extensive experience in surface mining by open cast methods through its acquisition of Kalgold and the open cast operations of Randfontein, New Hampton and Hill 50 and in mechanized mining of greenstone orebodies through Harmony s acquisitions of Bissett, New Hampton and Hill 50. These types of mining are more typical outside of South Africa. Harmony believes that these skills should position it to be able to pursue a broad range of acquisition opportunities. Harmony continues to explore new business opportunities both inside and outside of South Africa. Harmony may in the future pursue additional suitable potential acquisitions in South Africa or internationally.

As part of Harmony s core strategy, Harmony continuously evaluates potential acquisitions to expand its resource base and actively seeks out potential opportunities. It also receives unsolicited proposals from other companies and from financial advisers. Since 1995, Harmony has made 26 acquisitions, 17 of which were either shafts or listed companies.

In November 2003, Harmony requested Investec to conduct a review of its operations and potential opportunities for acquisitions. During the course of this work, Investec prepared various proposals to the Harmony senior management team for consideration with regard to acquisition opportunities both in South Africa and internationally.

In July 2004, in connection with its evaluation of the entire South African gold mining industry, Investec prepared a presentation to the Harmony management team with regard to the value that Harmony could obtain from the Gold Fields South African mining assets, in particular. Coupled with this analysis was the observation by Investec that MMC Norilsk Nickel, or Norilsk, the largest shareholder of Gold Fields, was known in the market to be interested in identifying an international entity into which its international gold assets might be infused. Therefore, the initial proposal developed by Investec focused on Harmony working with Norilsk to form two separate geographically-focused entities with Harmony acquiring the South African assets and Norilsk acquiring the international assets. The primary question at that point was the most effective manner in which to approach Gold Fields with regard to this proposal.

On July 15, 2004, during a periodic visit to discuss potential business opportunities, representatives of HSBC met with Ferdi Dippenaar, Harmony s Marketing Director, to present concepts for possible business combinations with Gold Fields. Various scenarios were discussed and HSBC was asked by Harmony to develop further analysis for Harmony s consideration.

In late July 2004, Harmony requested Investec to perform a detailed analysis on the value proposition of the proposal that had been presented by Investec with regard to the Gold Fields assets. This analysis was completed in late July and presented to the Harmony senior management team. This discussion was further reviewed by Harmony s senior management team, with the question remaining as to the most appropriate approach strategy, particularly whether to explore the discussion with Gold Fields management or with Norilsk.

On August 3, 2004, HSBC presented to Bernard Swanepoel, Harmony s Chief Executive Officer, Mr. Dippenaar and De Wet Schutte, Harmony s executive responsible for Exploration and New Business, a more detailed analysis of the potential opportunities, including detailed consideration of the strategic implications for Norilsk. HSBC suggested the possibility of a meeting with Norilsk to explore Norilsk s strategic thinking with respect to their investment in Gold Fields and whether there might be synergies between Harmony s interests and Norilsk s objectives. Given that Investec had also recommended an approach to Norilsk, and that HSBC had contacts with Norilsk, HSBC was requested to discuss a potential meeting with Norilsk. Later that week, a meeting was arranged for September 6, 2004 with Leonid Rozhetskin, the Deputy Chairman of Norilsk. HSBC did not mention a possible Harmony-Gold Fields transaction when they arranged the meeting and Mr. Rozhetskin was only informed of this at the meeting.

On August 11, 2004, the proposed IAMGold transaction was announced by Gold Fields.

HSBC prepared an initial analysis of the transaction for Harmony based on the information then available about the proposed transaction, which was then discussed with Mr. Swanepoel and Mr. Schutte.

Following the announcement of the proposed IAMGold transaction, HSBC mobilized its team to produce a more detailed analysis of the potential transaction for implications for shareholders of Gold Fields and IAMGold, as well as the potential benefits for Harmony to consider the acquisition of all or part of the assets of Gold Fields. In line with its initial reaction, HSBC s analysis indicated that the offer had negative implications for the shareholders of Gold Fields and that there were opportunities for Harmony to present a transaction that would be more favorable to the shareholders of Gold Fields than the IAMGold transaction, while also being in the interest of Harmony shareholders.

Investec also analyzed the IAMGold transaction and concluded that there was considerable value leakage from Gold Fields and that an opportunity existed for Harmony to develop a proposal that would be more favorable to the Gold Fields shareholders than the IAMGold transaction. The determination of value leakage was based on the belief that Gold Fields was disposing of its international asset portfolio at a price equal to 1.1 times net present value, which the advisors believe is less than fair value, as well as the conclusion that, based on the relative contributions of Gold Fields and IAMGold, Gold Fields shareholders would be paying a substantial premium to IAMGold shareholders. They believed that Harmony could structure a deal that would be more favorable to Gold Fields shareholders by, among other factors: (i) offering an upfront premium to Gold Fields shareholders; (ii) preventing the disposal of Gold Fields international asset portfolio at significantly less than fair value; (iii) retaining access to future growth opportunities locally and internationally as well as to cash resources and future cash flows; (iv) supporting the creation, rather than potential erosion, of value in South Africa through the revitalization of Gold Fields South African asset portfolio; and (v) creating the world s largest gold producer with global scale and relevance.

On September 6, 2004, Mr. Swanepoel and HSBC met with Mr. Rozhetskin. Harmony and HSBC presented their observations on the value leakage to Gold Fields shareholders of the IAMGold transaction. They also presented a view on possible synergy benefits of a combination of Harmony and Gold Fields. Harmony expressed interest in exploring a possible transaction to acquire all or part of Gold Fields. Harmony requested from Norilsk a response as to whether such a transaction would be opposed by Norilsk as a major shareholder or might attract the support of Norilsk. Norilsk declined to provide any response but promised to consider and revert.

On September 10, 2004 HSBC met with Mr. Rozhetskin. Norilsk declared its dissatisfication with the proposed IAMGold transaction from the perspective of shareholder value. Norilsk expressed an interest in receiving a specific proposal from Harmony that would be more favorable to shareholders of Gold Fields.

Through late September and early October, Harmony assembled a team of outside advisors to assist in the feasibility of a possible public offer for all the Gold Fields securities, including an unsolicited public offer. Given the synergies in the proposals developed by HSBC and Investec, Harmony engaged Investec and HSBC to act as its joint financial advisers to perform further analysis. For legal counsel, Harmony retained Cliffe Dekker to advise on South African corporate, securities and competition law and Hogan & Hartson L.L.P. to advise on US securities law issues and related matters and international competition and regulatory issues.

On September 23, 2004, a further meeting took place between Mr. Swanepoel, HSBC, and Mr. Rozhetskin. Harmony expressed continued interest in a possible transaction but stated that a condition precedent would be signature by Norilsk of an irrevocable agreement, a draft of which was handed to Norilsk. Norilsk stated its intention to retain legal and financial advisers to advise on the irrevocable agreement and on the likelihood of success of such a transaction. Norilsk also observed that Harmony had yet to provide any indicative pricing on the possible offer. On September 28, 2004, HSBC received a call from Mr. Rozhetskin who expressed continued interest in evaluating the possible transaction.

During late September and early October, initial discussions were held with the Securities Regulation Panel on a confidential basis. Prior to the announcement of the offers, representatives of Harmony s US legal advisers contacted the staff of the SEC to discuss certain aspects of the US offer and related documentation.

In early October, Harmony also retained Financial Dynamics Business Communications as its communications adviser, Beachhead Media and Investor Relations as media and investor relations advisers and MacKenzie Partners, Inc., as proxy solicitation agent.

Through early October, a team of key Harmony executives worked with Harmony s outside advisors to analyze the opportunity presented by a combination with Gold Fields and to begin preliminary preparations for a possible unsolicited offer for all the Gold Fields shares that would be presented directly to Gold Fields shareholders. During this period, initial drafts of the applicable offer documentation required to be filed with stock market and securities regulators in South Africa and the United States were started. Harmony s senior management and advisers reviewed with Mr. Swanepoel various aspects of a possible transaction with Gold Fields, including the potential financial impact of a possible transaction with Gold Fields under a range of possible offer terms. However, no decision was made to proceed with the offer or regarding the definitive terms of any offer.

On October 5, 2004, a meeting took place in London between Mr. Swanepoel, HSBC, Mr. Rozhetskin and Deutsche Bank, advisers to Norilsk. Harmony suggested an indicative offer premium of 25%. Norilsk indicated that the premium was not adequate. Deutsche raised certain questions for Harmony s consideration. On October 7, 2004, HSBC called Mr. Rozhetskin to further discuss the issue of the offer premium.

48

On October 6-8, 2004, members of Harmony s Investment Committee were briefed on the possible transaction and their views were taken into account by Harmony s advisers and senior management team. Senior management consulted with each of the members of the Investment Committee to provide them background to the transaction and ascertain whether they were supportive of the transaction. Each of the Committee members was supportive of pursuing the opportunity, and there was a general sentiment that efforts should be made to pursue a friendly transaction if possible, while recognizing that there was also a need to be ready to proceed with an offer if Gold Fields was not receptive to such an approach. The Investment Committee is a subcommittee of the Board of Directors that consists of non-executive directors that serves as a sounding board for management and performs initial reviews of strategic transactions such as the offer.

On October 7, 2004, Mr. Swanepoel s administrative assistant received an unsolicited call from Mr. Cockerill s administrative assistant asking whether Mr. Swanepoel would be able to meet with Mr. Cockerill, chief executive officer of Gold Fields, on October 8, 2004. Due to prior scheduling commitments, Mr. Swanepoel s administrative assistant suggested that the earliest opportunity would be October 12, 2004.

On October 8, 2004, Harmony s Investment Committee met to discuss the analysis of the proposed transaction with Harmony s senior management team and advisers. The Investment Committee recommended that the proposal be presented to Harmony s Board of Directors with a favorable recommendation from the Investment Committee and that the senior management and advisers continue to prepare for a potential approach to Gold Fields.

On October 11, 2004, Deutsche Bank and HSBC met to discuss Deutsche Bank s outstanding issues with regard to the irrevocable agreement and other aspects of the possible transaction. Deutsche Bank informed HSBC that Norilsk s Board planned to meet on October 18, 2004 to decide on whether it would be prepared to sign the irrevocable agreement.

On October 16, 2004, following resolution of their remaining issues, the board of Norilsk approved the entering into of the irrevocable agreement. Harmony and Norilsk resolved their remaining issues and signed an irrevocable agreement pursuant to which Norilsk undertook to tender its Gold Fields securities into the further offers, subject to the terms of the further offers and certain other conditions.

On October 16, 2004, following the signing of the agreement, Mr. Swanepoel telephoned Mr. Cockerill and proposed a merger of the two companies based on a premium of 1.275 Harmony shares for each Gold Fields share. Mr. Swanepoel informed Mr. Cockerill of the irrevocable agreement with Norilsk Nickel, and expressed his belief that the proposed business combination of Harmony and Gold Fields was superior to the proposed IAMGold transaction. Mr. Swanepoel suggested that he present a written offer to Mr. Cockerill and Mr. Cockerill suggested that Mr. Swanepoel send such offer by fax. Mr. Swanepoel further expressed that the time constraints upon them were severe and real and requested a response to his proposal by Sunday evening. Mr. Cockerill indicated his view was that the premium was unacceptable. Immediately after the call, Mr. Swanepoel faxed a proposal letter to Mr. Cockerill. Approximately two hours after their first telephone conversation, Mr. Cockerill telephoned Mr. Swanepoel and requested answers to three questions that Mr. Cockerill would put to his board.

On October 17, Mr. Swanepoel sent a fax to Mr. Cockerill setting forth the answers to his three questions. In response to a query regarding the level of shareholder support committed to Harmony, Mr. Swanepoel responded that Harmony had not approached or obtained commitments from any shareholders other than Norilsk. With regard to Mr. Cockerill s second question regarding competition approvals, Mr. Swanepoel responded that as in keeping with a transaction of this nature, the proposed merger had several conditions precedent of which competition commission approval was one part. With regard to the final question regarding the integration of management, Mr. Swanepoel indicated

49

Table of Contents

that if the Gold Fields board supported the offer, Mr. Swanepoel and Mr. Cockerill would sit down together to discuss the details.

On October 17, 2004 Harmony engaged Merrill Lynch South Africa (Pty) Limited to act as co-financial adviser, and on October 30, 2004, Harmony engaged Morgan Stanley South Africa (PTY) Limited to act to co-financial adviser. The co-financial advisors are assisting with the equity capital markets effort and in providing certain other advisory services to Harmony in connection with the transaction, including planning strategies, defining objectives and performing financial analyses.

On October 18, 2004, Harmony announced its intention to make the offers to shareholders of Gold Fields through a press release and public presentation in Johannesburg.

On October 19, 2004, the SRP approved the South African offering circular.

On October 20, 2004, the JSE approved the category 1 acquisition circular to Harmony shareholders.

On October 21, 2004, Harmony filed its registration statement on Form F-4 with the SEC and on October 22, 2004, Harmony filed its Schedule TO with the SEC, each with respect to this transaction. On October 25, November 2 and November 15, 2004, Harmony filed Amendment No. 1, Amendment No. 2 and Amendment No. 3, respectively, to its Form F-4. Harmony filed Amendment No. 2 to its Schedule TO on November 16, 2004. Harmony filed Amendment No. 4 to its Form F-4 on November 18, 2004.

Legal Proceedings

SRP

On October 20, 2004, Harmony received notice from Edward Nathan & Friedland, South African legal advisers to Gold Fields, that Gold Fields had sought a ruling from the SRP that Norilsk was a concert party and that an affected transaction had occurred, in each case as those terms are used in the Rules of the South African Securities Regulation Panel (the Code).

On November 2, 2004, the SRP ruled that neither of Gold Fields financial advisors, Goldman Sachs International and JPMorgan plc, are appropriate external advisors for the purposes of the Code, and instructed Gold Fields to obtain an opinion in respect of the Harmony offer from an appropriate external advisor in accordance with the provisions of the Code. To date, Gold Fields has not obtained such opinion, nor to Harmony s knowledge does it currently have an appropriate external advisor as defined by the Code appointed to provide such opinion. Gold Fields subsequently appealed this ruling and this, too, was dismissed by the SRP on November 11, 2004. Gold Fields included the opinions (that the Harmony offer for Gold Fields was neither fair nor reasonable) of each of Goldman Sachs International and JPMorgan plc in its Schedule 14D-9 filed on November 3, 2004, but did not make any mention of the SRP ruling in its filing.

On November 5, 2004 the SRP concluded in its decision against Gold Fields that the actions of Harmony Gold and Norilsk Nickel do not amount to parties acting in concert and consequently, it would be unnecessary to consider whether an affected transaction has occurred under the Code. Gold Fields has appealed this decision and such appeal is scheduled to be heard on November 19, 2004, with the results of such appeal to be announced shortly thereafter.

High Court of South Africa

On October 28, 2004 Gold Fields instituted an action in the High Court of South Africa seeking an order that the Harmony offers for Gold Fields shares are unlawful by reason of the fact that such offers were not accompanied by a registered prospectus in terms of the South African Companies Act.

On November 11, 2004 the High Court ruled in Harmony s favor and dismissed the Gold Fields application with costs.

Table of Contents

US Federal Court

On November 5, 2004, Gold Fields filed a complaint in the United States District Court for the Southern District of New York against Harmony seeking to enjoin the early settlement offer. In the complaint, Gold Fields alleges that the registration statement on Form F-4 filed by Harmony with the SEC contains omissions of material information and misrepresentations of material fact. Harmony believes that these allegations are wholly without merit. The case was heard on November 17, 2004 and a decision is expected shortly.

Competition Tribunal

On November 18, 2004 the Competition Tribunal dismissed an application by Gold Fields to interdict the implementation of the South African offer concurrent with this offer. The Tribunal also found that Gold Fields failed to support its contention that Harmony and Norilsk were concert parties.

PAST CONTRACTS, TRANSACTIONS, NEGOTIATIONS AND AGREEMENTS

On October 23, 2001, Gold Fields granted Harmony an exclusive option to negotiate the possible acquisition from Gold Fields of the St. Helena and Oryx mines in the Free State Province. Harmony, in return, granted Gold Fields an exclusive option to negotiate the acquisition of Harmony s stake in AurionGold. These agreements expired, without exercise, on February 15, 2002.

On May 24, 2002, Harmony, ARMgold and Gold Fields, through its subsidiary, St. Helena Gold Mines Limited, announced that an agreement in principle had been reached under which St. Helena Gold Mines Limited would sell the St. Helena gold mining assets to the Free Gold Company for Rand 120 million ($13.7 million), plus a royalty equal to one percent of revenue for a period of 48 months beginning on the effective date of the sale. The sale was completed on October 30, 2002, and the Free Gold Company assumed management control on that date.

On September 22, 2003, Harmony and ARMgold completed a merger, one result of which was that Harmony became the owner of 100% of the Free Gold Company. The royalty agreement between Harmony and Gold Fields referred to above remains in effect.

Other than as set forth in this prospectus, including in the above captioned section Background of the Offers , since January 1, 2002, to the best knowledge of Harmony, there have been no negotiations, transactions or material contacts between Harmony or any of its subsidiaries on the one hand, and Gold Fields or any of its affiliates, on the other hand, relating to any merger, consolidation, acquisition, tender offer for any class of Gold Fields securities, election of any director of Gold Fields or any sale or other transfer of a material amount of the assets of Gold Fields.

Other than as set forth in this prospectus, since January 1, 2002, to the best knowledge of Harmony, there has been no transaction, or series of related transactions, between Harmony or any of its affiliates, on the one hand, and

- any executive officer, director or affiliate of Gold Fields that is a natural person that exceeded US $60,000 in aggregate; or
- Gold Fields or any of its affiliates that is not a natural person

that exceeded one percent of the consolidated revenues of Gold Fields for the fiscal year in which such transaction occurred.

REASONS FOR THE OFFER

Harmony is making the offers in order to acquire, in the most expedient manner possible, control of Gold Fields. Harmony is seeking to acquire Gold Fields because Harmony believes that the combination of the two companies will create the world s leading gold mining company, with the enhanced scale, financial strength and reserves and to enhance shareholder value in ways that are not likely to be achieved by either Harmony or Gold Fields on a stand alone basis.

In reaching its decision to approve the US offer and the South African offer, the Harmony board of directors considered a number of factors, including those set out below.

Table of Contents

The Harmony board of directors considered the strategic rationale for combining the two companies, including the following:

- the opportunity to realize significant cost savings and other synergies;
- continuation of a strategy for value and growth, both in South Africa and internationally; and
- the creation of the world s leading gold mining company, with enhanced scale, financial strengths and reserves and resources.

Substantial operational synergies

Harmony firmly believes that it can achieve significant reductions in Gold Fields cost base, in addition to Gold Fields current efficiency initiatives. Harmony estimates that in order to justify the premium offered to Gold Fields shareholders, it needs to achieve cost reductions of at least 15% per annum in Gold Fields South African cost base, equating to an estimated improvement in pre-tax operating profit of R1 billion per annum.

These cost benefits are expected to be achieved, inter alia, through:

- empowering operational management;
- improving operational efficiencies;
- rationalising corporate overhead and administrative infrastructures;
- rationalising activities in areas such as procurement and insurance;
- improved capital programme management;
- improved services management and mining systems and;
- empowering local operational management.

Based on its prior experience, Harmony believes that it can deliver these cost savings within six to nine months and, in addition, deliver Gold Fields current cost initiatives more quickly than Gold Fields stated intention to deliver them within 36 months.

Harmony believes that its ability to deliver cost savings in acquisitions is borne out by its demonstrable track record of applying its low cost culture and high productivity mining methods to previously acquired assets. Harmony has made numerous acquisitions where it has been able to show significant cost reductions. Such cost reductions have been achieved through improving operational efficiencies, rationalizing corporate overhead and administrative infrastructure, and empowering local operational management, among other methods to be implemented. Harmony has even proven this ability with assets acquired from Gold Fields itself. For example, Harmony acquired Evander from Gold Fields and after eighteen months had reduced costs by 31%. On average over the five-year period post-acquisition, Harmony s cost per tonne (in June 2004 terms) produced at Evander was 23% lower than it was at the time Evander was acquired from Gold Fields. Harmony s management has an eight year track record of reducing costs at mines which it acquires and has delivered, on average, cost savings of 25%, across all major cost categories, at Evander, St. Helena, Randfontein, Elandsrand and Freegold.

A strategy for value and growth, both domestically and internationally

Harmony considers that Gold Fields management has prematurely placed Gold Fields South African portfolio into harvest mode and believes that, through the application of the Harmony Way, Harmony can revitalise this valuable asset base. Harmony believes that application of the Harmony Way to Gold

Table of Contents

Fields South African assets will produce significantly reduced overall unit costs, leading to improved ore reserve management and increased operational and financial flexibility. Harmony believes that this will have the effect of not only increasing profitability, but will also convert non-pay areas into pay areas. Based on past experience, this process is expected to increase reserves and resources and extend the economic life of Gold Fields South African mines.

The Harmony Way is a set of management practices and philosophies that essentially flatten the management structure and empower individuals and mine management teams. Four cornerstones underpin this approach: (i) value is generated from focus on the core business of gold mining; (ii) elimination of unnecessary spending; (iii) valuing its employees; and (iv) maintaining a lean operation. This translates into real operation cost savings by focusing spending on development and optimization of the ore body, eliminating unnecessary costs, reducing a high proportion of head office costs and salaries, and empowering miners and other employees, leading to increased productivity and efficiencies.

As a result of implementing the Harmony Way, Harmony believes it will re-establish the viability and future competitiveness of Gold Fields South African asset portfolio, putting mature assets back into growth mode, transforming current replacement projects into genuine growth opportunities and allowing projects that were previously abandoned to be reconstituted as economically feasible.

Harmony believes that its ability to deliver is further demonstrated by its track record in turning terminal assets back into growth. The table below sets out the details of reserves within assets that had been abandoned by the previous operator and that Harmony has successfully turned into growth projects, economically producing over 1.5 million ounces per annum:

Project	**Mineable reserve (000 oz)**	**Total funding cost per ounce (US$)***	**Production per annum (oz)**
Masimong expansion	2,530	12	315,000
Elandsrand new mine	6,300	33	450,000
Tshepong decline	1,300	28	167,000
Phakisa shaft	4,100	18	265,000
Doornkop South Reef shaft	3,700	46	330,000
Total	17,930	27	1,527,000

*Includes acquisition, exploration and capital expenditure figures

Harmony believes that positive socio-economic benefits, primarily from the creation of further employment opportunities and extending the life of existing jobs, accrue from applying the Harmony Way to increase reserves and extend the life of mines. In addition, the resultant increase in profitability and financial flexibility will enable the enlarged group to fund capital and development expenditure, offering long term growth opportunities, improving the overall quality of the enlarged group s asset portfolio and maximising shareholder returns.

Harmony believes that a revitalised South African asset base will provide the platform from which to develop the international asset portfolio. Harmony will continue to explore new business opportunities and pursue suitable acquisitions both within South Africa and internationally.

Harmony intends to manage actively the combined international asset portfolio and