

October 5, 2021

Morobe Consolidated Goldfields
2/189 Coronation Drive
Milton
Queensland
4064

Mr. Johannes van Heerden
Chief Executive Officer: Harmony South-East Asia

Dear Mr. van Heerden,

Hidden Valley Mine: Hamata Tailings Storage Facility Letter of Assurance

Klohn Crippen Berger Ltd (KCB) commenced with the design of the Hamata Tailings Storage Facility (TSF) during the early 2000s. The TSF comprises two, zoned earth and rockfill embankments and construction of the starter dams commenced at the Hidden Valley mine in August 2007. The design of the TSF was initially managed out of KCB's Vancouver office and was based on the Canadian Dam Association (CDA) guidelines applicable at that time. The current design is managed by KCB out of the Brisbane, Australia office and is based on the Australian National Committee of Large Dams (ANCOLD) guidelines.

Construction of the TSF embankments using the downstream method is monitored by KCB design representatives to confirm earthworks compliance with the design basis. The current TSF design and completed construction effort conforms to the ANCOLD (2019)¹ recommendations.

Design Background

The tailings dam design has been updated regularly since construction commencement, and the current design to a crest elevation of RL2015 has received approval from the Papua New Guinea Chief Inspector of Mines at the Mineral Resources Authority (MRA). This design is being updated to accommodate an additional two-metre dam raise with an ultimate crest elevation of RL2017. The updated design should be completed during 2022 and once raised to RL2017, the Main Dam embankment will be 160 m high.

Peer Review Process

The RL2015 TSF design was subjected to third party peer review in accordance with current good practise recommendations. These independent reviews include annual inspections and technical review of the embankment construction and design modifications. Separately, Harmony also regularly appoints a panel of subject matter experts to review TSF design updates, which is conducted over and above the annual third-party review inspections.

¹ ANCOLD, 2019. Guidelines on Tailings Dams. Planning, Design, Construction, Operation and Closure. Revision1. July 2019.

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Regulator Engagement

The Chief Inspector of Mines at the MRA is regularly updated on the TSF design, the ongoing embankment earthworks construction activities, and the progress of technical TSF studies. These updates are provided to the MRA during quarterly technical briefings and during mine site visits.

Summary

Harmony continues to construct the TSF in accordance with the approved design basis. Once completed, the current RL2017 design will be compliant with the ANCOLD 2019 recommendations.

KCB considers the Hamata TSF to be safe as it meets the design basis and current good practise guidelines. The recommendations raised by the independent third parties and subject matter experts are being incorporated into the RL2017 design update for consideration during ongoing peer review processes.

Yours truly,

KLOHN CRIPPEN BERGER LTD.



Len Murray MIEPNG
President and CEO

LM:mr