



HIDDEN VALLEY

PAPUA NEW GUINEA MINING AND PETROLEUM
INVESTMENT CONFERENCE 2018

Gary Davies, General Manager Hidden Valley



PRIVATE SECURITIES LITIGATION REFORM ACT SAFE HARBOUR STATEMENT

FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements within the meaning of the safe harbor provided by Section 21E of the Exchange Act and Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), with respect to our financial condition, results of operations, business strategies, operating efficiencies, competitive positions, growth opportunities for existing services, plans and objectives of management, markets for stock and other matters.

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For a more detailed discussion of such risks and other factors (such as availability of credit or other sources of financing), see the company’s latest Form 20-F which is on file with the Securities and Exchange Commission, as well as the company’s other Securities and Exchange Commission filings. The company undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this report or to reflect the occurrence of unanticipated events, except as required by law. All subsequent written or oral forward-looking statements attributable to Harmony or any person acting on its behalf are qualified by the cautionary statements herein.

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WHERE HARMONY OPERATES

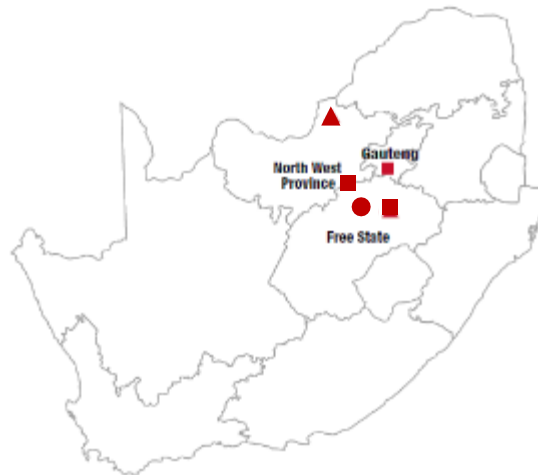


SOUTH AFRICA (SA)

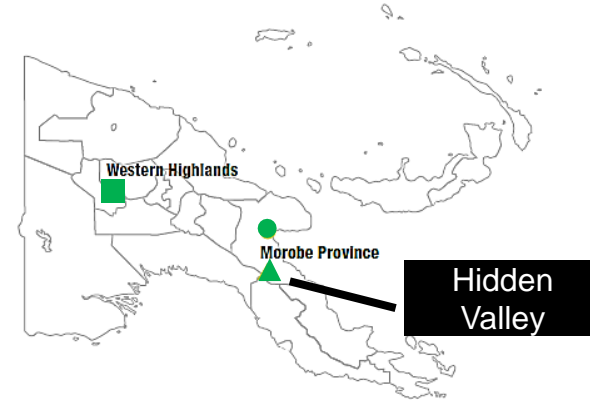
Production split

FY19E	~1.3Moz (86%)
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- 9 underground operations
- ▲ 1 open pit mine
- Tailings retreatment operations



PAPUA NEW GUINEA



Production split

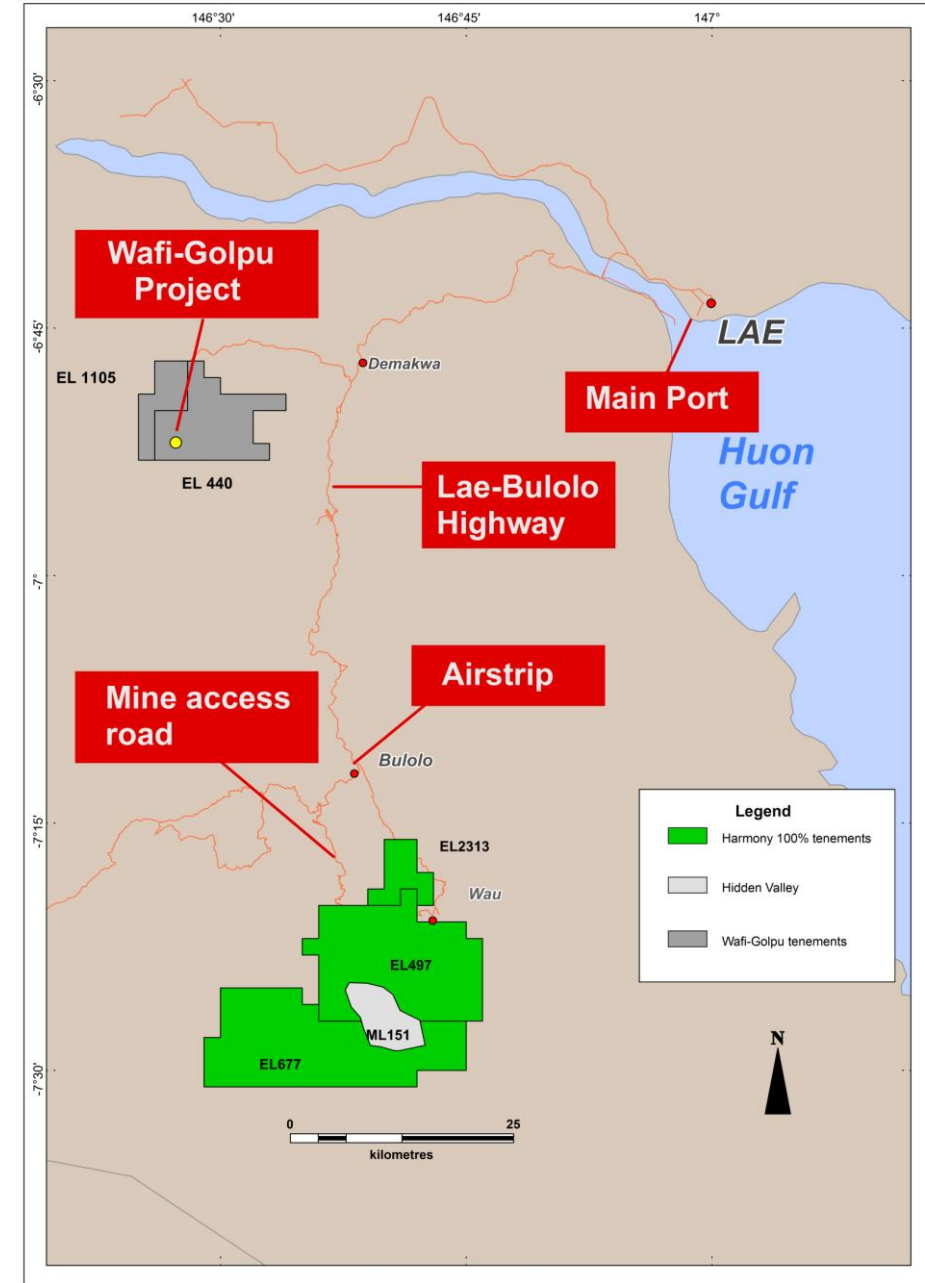
FY19E	~200koz (14%)
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- ▲ Hidden Valley (open pit mine)
- Golpu copper-gold project (50:50 JV)

Multiple exploration areas (50% and 100%)

HIDDEN VALLEY LOCATION

- Hidden Valley tenements located in the Morobe Province
- Mine site is 140km from Lae via road
- Goods come in through Lae
 - Transported along Lae-Bulolo Highway (100km) and via mine access road (40km)
- Logistics route de-risked
 - Established logistics depot in Bulolo
 - Increased on-site fuel storage capacity
 - Landowner JV (HVT) trucking knowledge
 - Baiune hydro power station can be isolated from the grid



10,482 trips completed on access road since last incident

OVERVIEW OF HIDDEN VALLEY



REINVESTMENT DELIVERED, SAFELY, UNDER BUDGET AND IN TIME



Safe

Fatality free, no lost time injuries in FY18

Below budget

Budget: investment of US\$180 million
Actual: investment of US\$175 million



On schedule

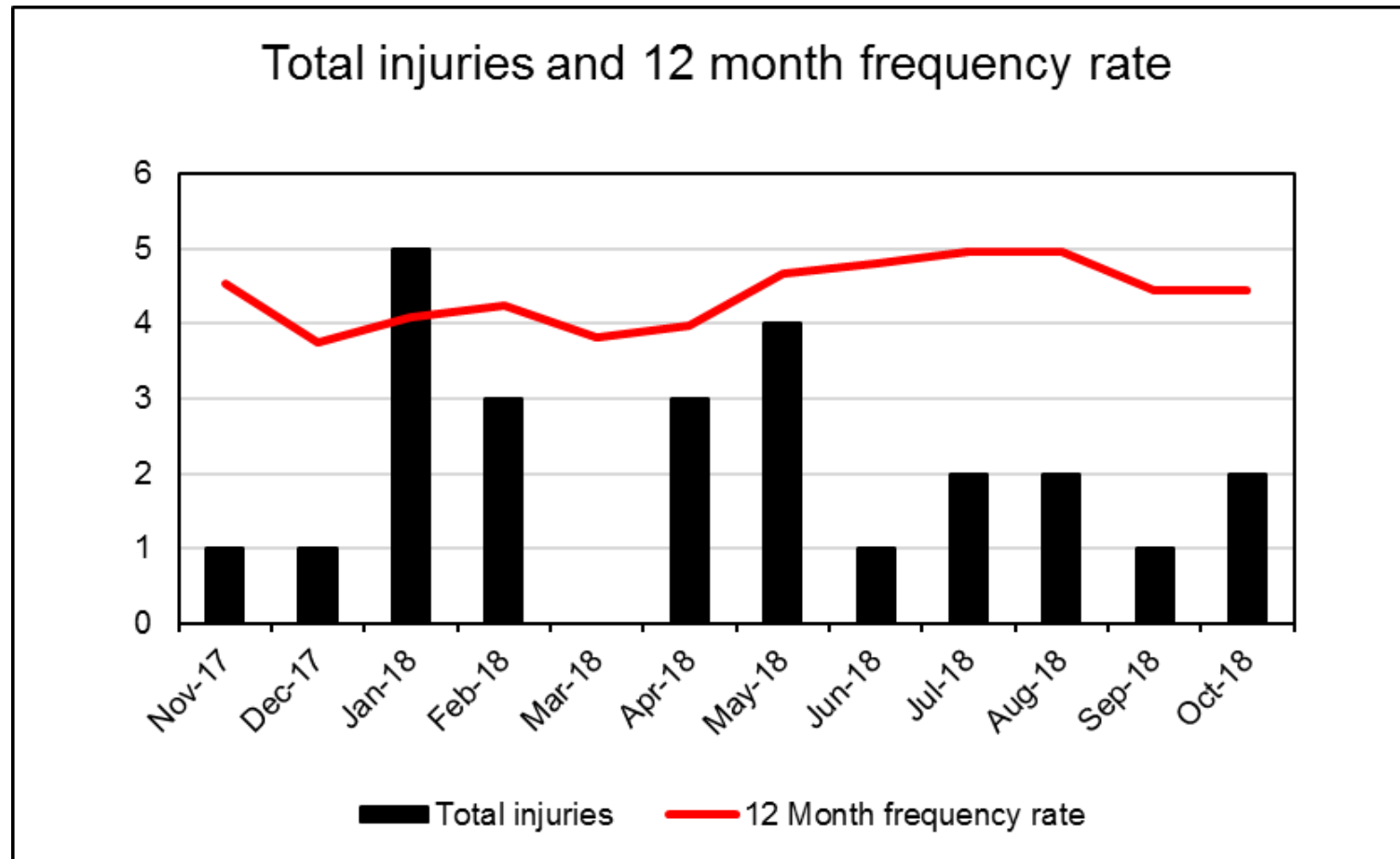
Commercial levels of production achieved in the June 2018 month

Outlook in line with investment plan

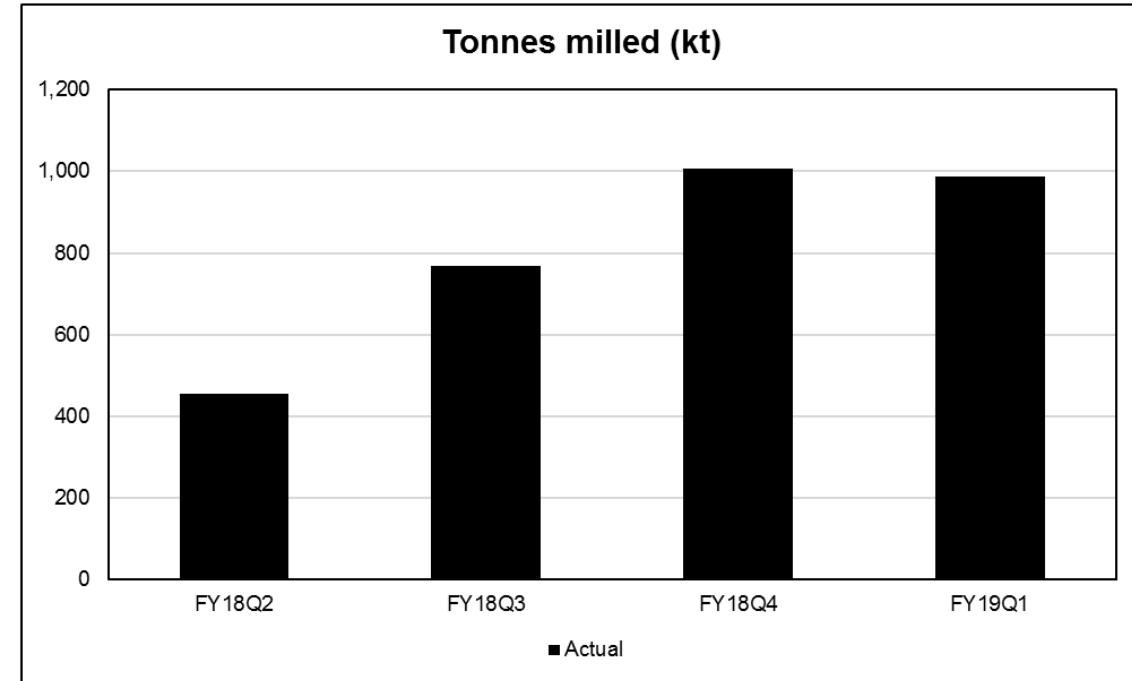
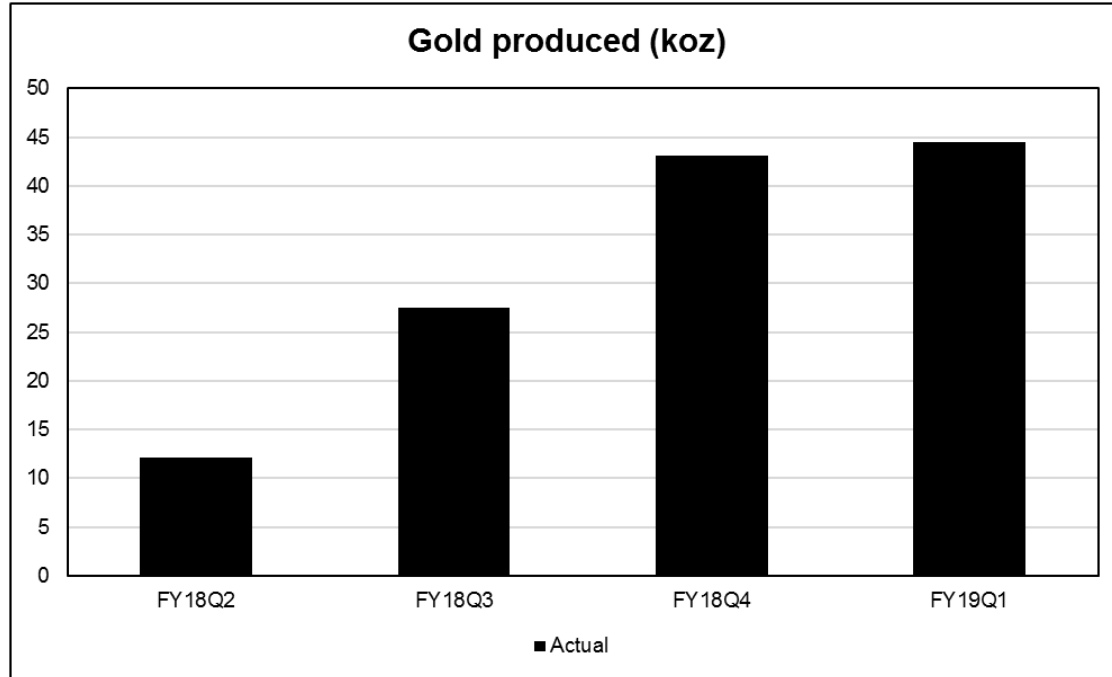
200 000oz at an average life-of-mine AISC below US\$950/oz

EXCELLENT SAFETY PERFORMANCE

- No Lost Time Injuries since April 2017 – 8.9 million hours
- 1.4 million fatality free shifts achieved in October 2018
- One of the safest mines in Papua New Guinea



FY18 – OPERATIONAL EXCELLENCE



- Monthly mining rate of 2,830,125 mined in October 2017;
- Annual tonnes mined record of 28 million tonnes FY18 – 6 million tonnes higher than previous record.
- A 24-hour milling rate record was set with 15,238 tonnes milled in November 2017;
- Annualised planned milling rate (4Mtpa) achieved in Q4; and
- The overland conveyor delivered 348,987 tonnes during November 2018 (annualised 4Mtpa).

ENVIRONMENTAL PERFORMANCE

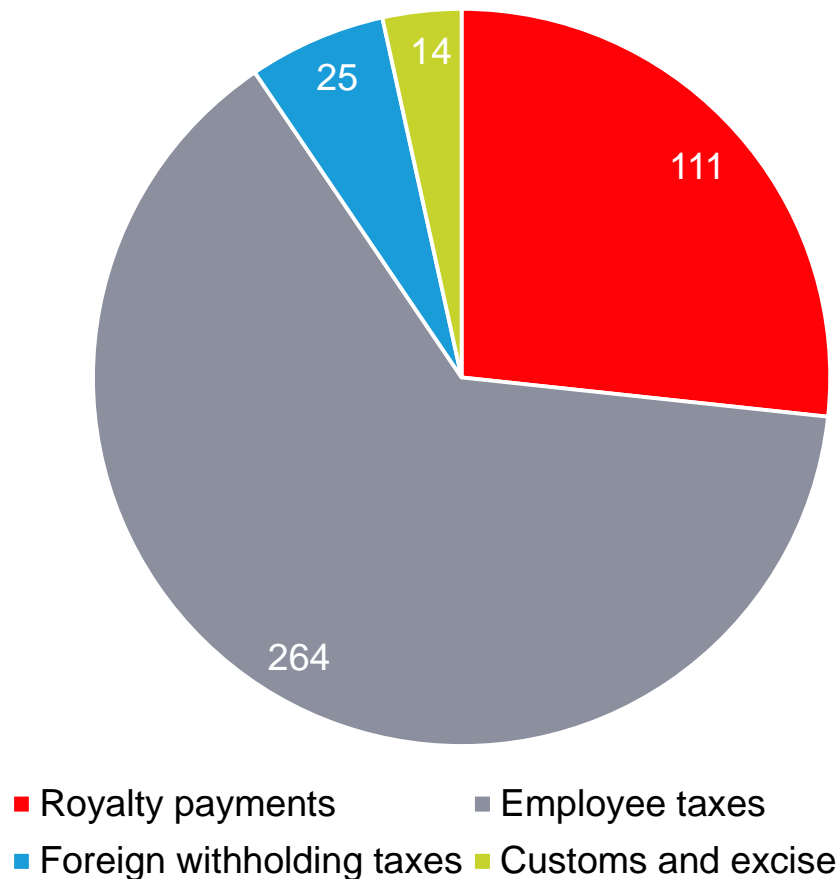
- The only major TSF in Papua New Guinea
- Updated expansion design to international standards - ANCOLD
- Design reviewed independently and submitted to MRA
- Established an Independent Tailings Review Board of industry experts
- One of only a few mines in PNG that store waste rock in engineered waste rock dumps
- Construction of the Neikwiye waste dump toe and buttress successfully completed on schedule
- This dump will support all current life-of-mine waste rock (87 Mt) produced



SIGNIFICANT CONTRIBUTION TO PNG ECONOMY

- Hidden Valley has contributed PGK414 million in taxes and royalties since 2009 financial year
- Hidden Valley contributes ~PGK591 million to the regional and national economy annually

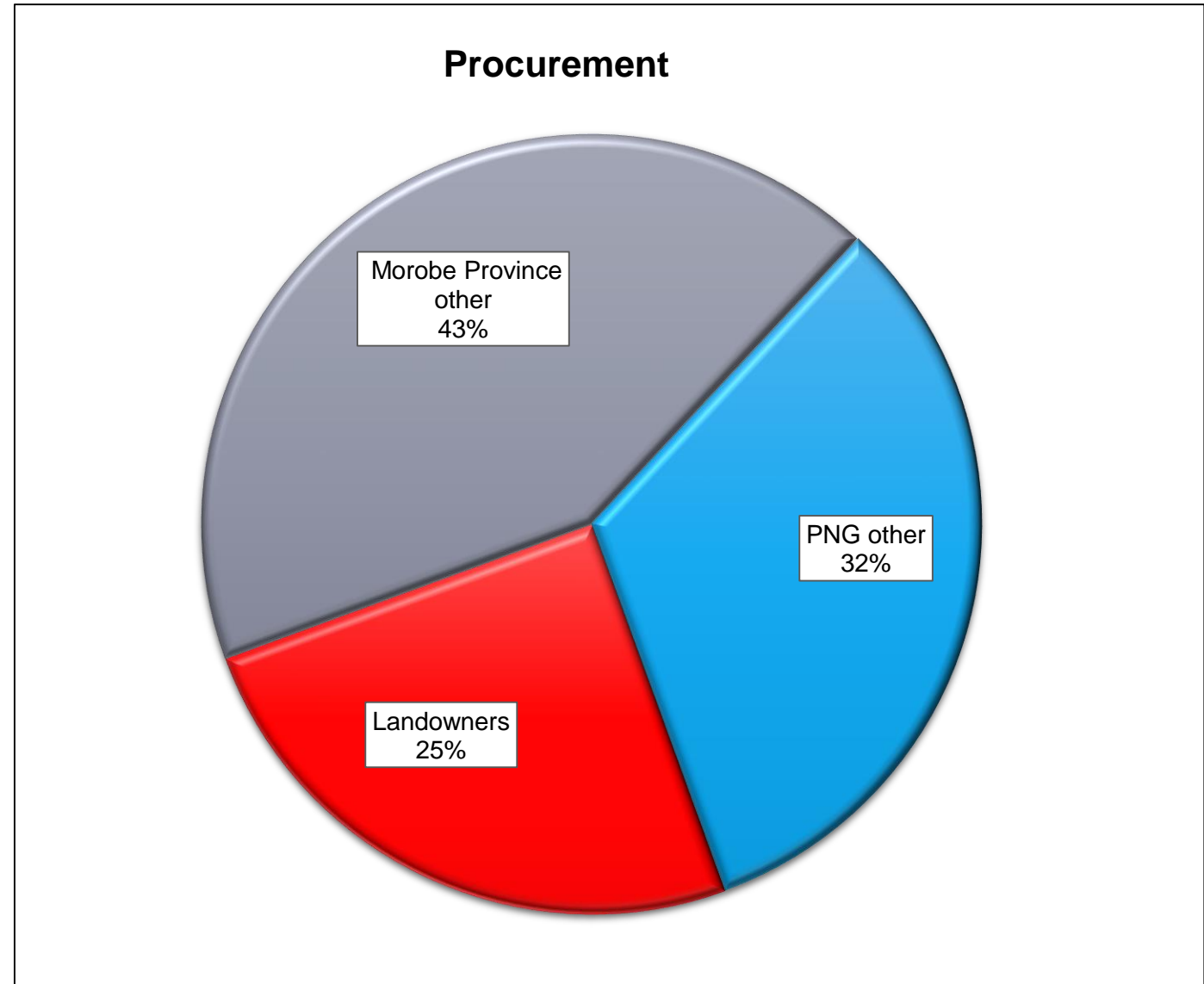
Royalties and taxes since 2009 (PGK million)



Direct benefit streams (average annualised)	PGK million
Total employee salaries (excluding tax)	73
Salary and wage tax	35
Royalties and production levy	24
Total Procurement (excluding PNG Power)	404
Power purchased from PNG Power	55
Total annual average contribution	591

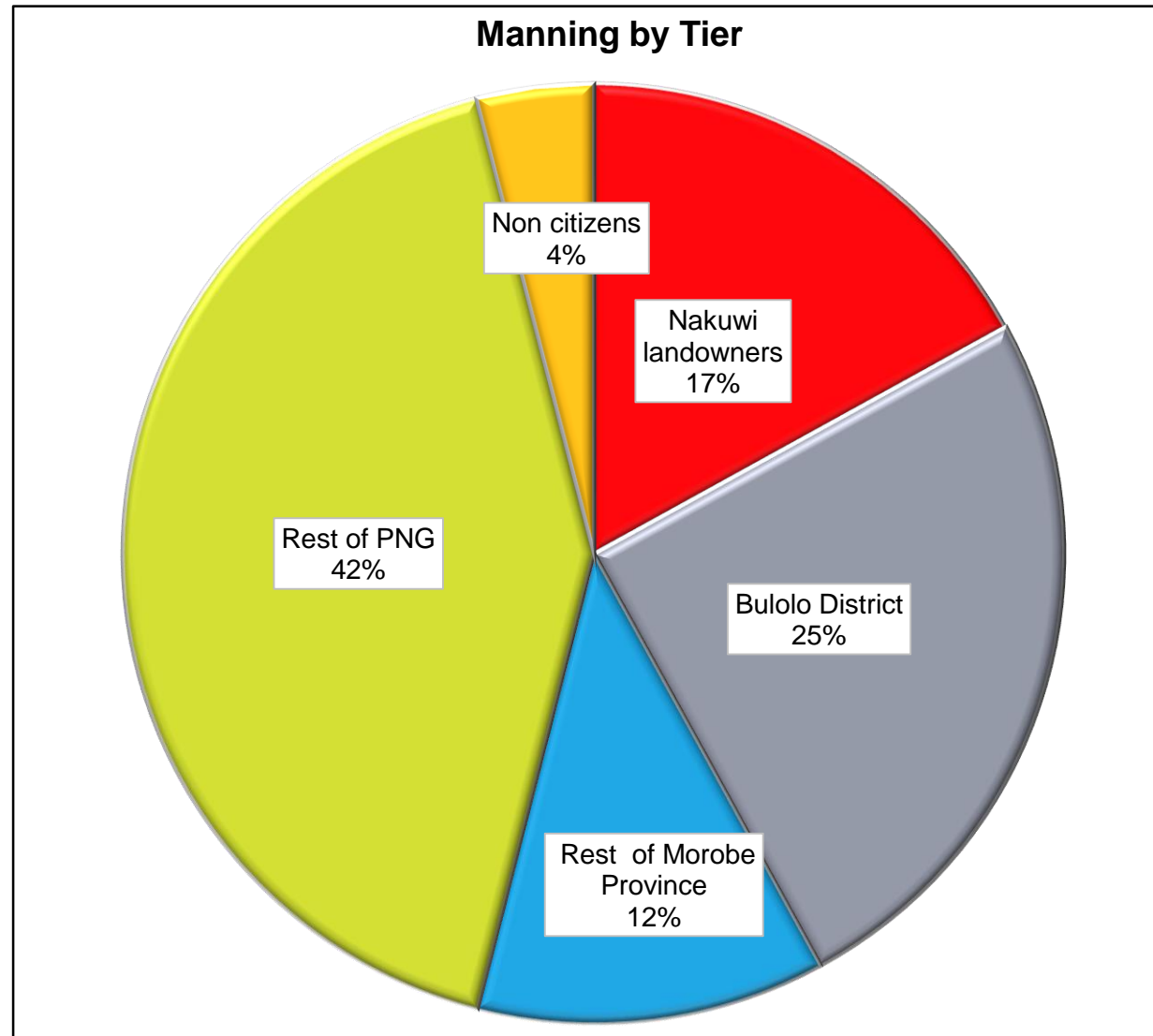
LOCAL PROCUREMENT

- K404 million procurement spend in PNG
- 54% of total expenditure spent in PNG (FY18)



HIDDEN VALLEY EMPLOYMENT AND TRAINING

- Total direct employees: 1280 - 1320
- Total contractors: 550 - 700
- Registered with the National Institute of Technical Training Board (NITTB)
- Education assistance program for employees dependents



WORKFORCE LOCALIZATION AND ADVANCEMENT OF WOMEN

- > 96% of employees PNG resourced
- 14% of workforce are Female Employees
- 72% of Permanent workforce based in Morobe Province
- Significant recruitment from local areas
- A 'green-hire' program for local employees
- 94% of the heavy equipment operators from local communities
- 20% of large truck fleet Operators are Female
 - 33% of articulated truck Operators are Female



COMMUNITY SUPPORT

EDUCATION

- 1,000 Tutudesks distributed to 28 elementary schools covering all Biangai and Watut villages
- Haus Pikinini support for 26 orphans near Wau
- Employee - school fee support

HEALTH

- Continue to support district health programs including TB awareness
- Local health center engagement and audits
- Mattresses donated to health centers
- Typhoid education undertaken following recent outbreak
- Administered 3,000 polio vaccinations over 4 phases
- Community medical assistance – 3 recent cases of emergency medical assistance (obstetric nature)



BENEFIT SHARE AGREEMENT (BSA) – HIDDEN VALLEY TRUST

- Landowners converted 5% project equity option into a royalty in 2009
- Signed by Hidden Valley, Morobe Provincial Government and Nakuwi Landowners Association in 2009
- Established trust focussed on health, education, community infrastructure and landowner support activities
- Total contributions to date amount to K12.2 million
- BSA trustee approved 6 water supply projects at a budget of K682,000
- Project managed and supervised by Hidden Valley and administrated by NKW
- Total of 1,521 people positively impacted
- MOA review has been successfully concluded and awaiting execution.



AGRICULTURE PROJECTS

- Improve the livelihoods of the communities through the creation of sustainable and scalable agricultural businesses
- Coffee was identified as the best agriculture development option
- The 18 month coffee pilot project engages key strategic partners:
 - CIC – Coffee Industry Corporation
 - Outspan / Olam – Traders / Factory (Lae)
- 138 farmers received education and training
 - Includes support in transporting to markets
- Grower tool sets have been distributed to 105 farmers
- Coffee Nursery established at Nauti
- 2 Nurseries in the process of being established in Kuembu and Winima



LANDOWNER BUSINESS DEVELOPMENT

- Nakuwi the recognised landowner association
- NKW Holdings Limited – owned by Nauti, Winima and Kwembu Investment companies
- NKW involved in a number of key mine support contracts
- Expenditure with landowner companies totalled in FY18 – PGK101 million including:
 - HVC JV K46 million – mining and construction
 - HVT JV K22 million – road logistics
 - NCS JV K22 million – catering and camp management
 - NKW K5 million – bus transport
- Approximately 500 contract employees with landowner and landowner JV companies



CONCLUSION

- Successful completion of re-investment program
- Achieved commercial production in June 2018
- On track to achieve FY19 guidance
- Mine expansion studies underway
- Demonstrated our commitment to operating in Papua New Guinea



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