



Elikhulu Tailings Retreatment Operation

**July 2018
Site Visit**

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INTRODUCTION



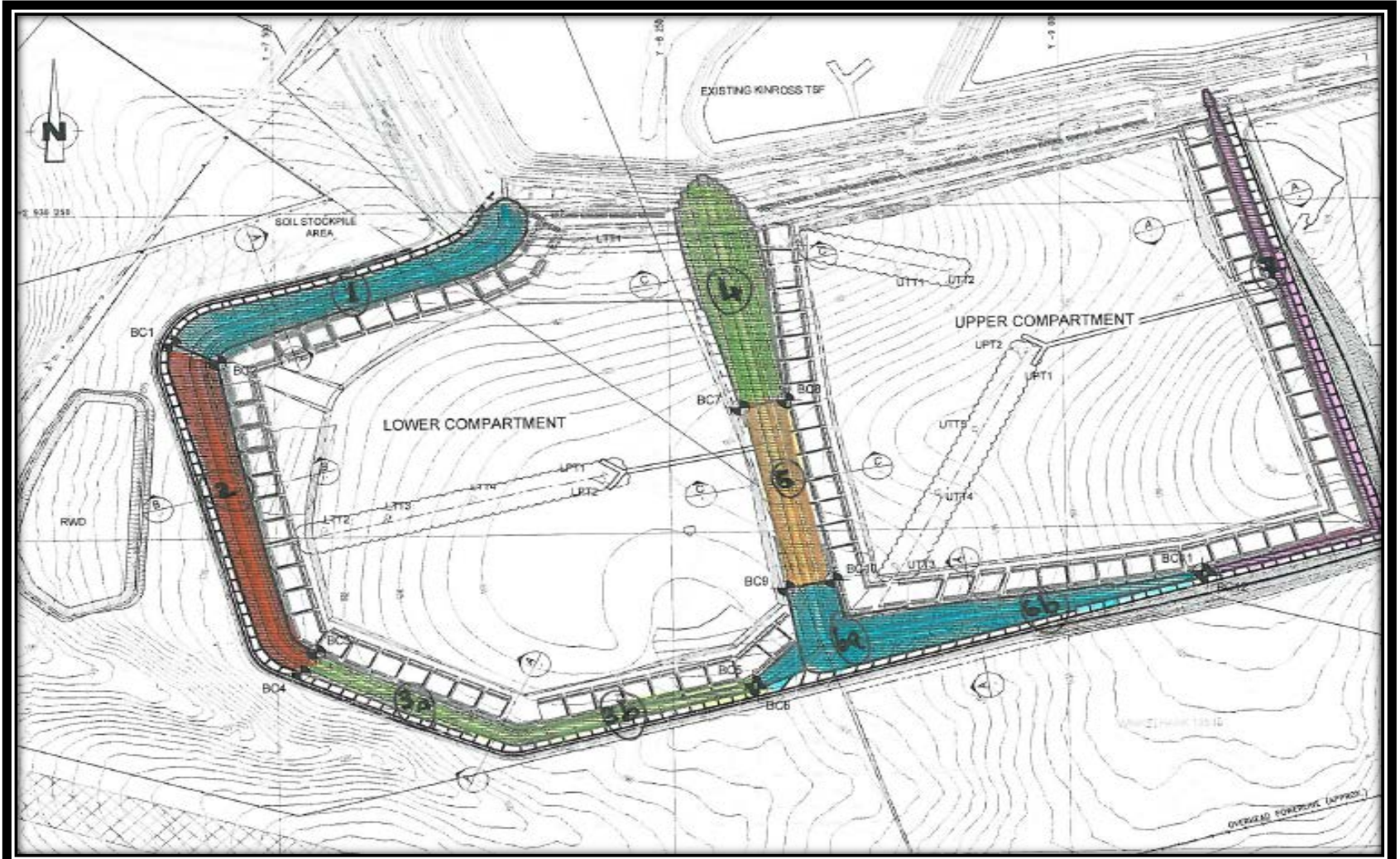
CONSTRUCTION PROGRESS UPDATE

- Currently in final stages of construction, ahead of DFS schedule and on budget
 - First gold produced – anticipated August 2018
- Steady state production to be achieved during October 2018
- Expansion to incorporate ETRP tonnage into Elikhulu - forecast to be completed by December 2018
- Phase 1B of the TSF forecast to be completed during April 2019

ELIKHULU PROCESS PLANT



TSF EXTENSION LAYOUT



TSF UPPER COMPARTMENT



LEEUPAN DAM



CONTRIBUTORS TO SUCCESSFUL PROJECT IMPLEMENTATION

- Involvement of owners team
 - Selection of the best team, all who have been involved in similar projects
 - Entire team involved during the DFS stages leading to minimal changes during execution
- Better control of project scope minimising scope creep
- Owners team full authority to make project decision within approved scope and costs thereby minimising “red-tape” and improving turnaround time
- Project executed on “target price” contracting philosophy
 - Sharing of risks and benefits
 - Adequately incentivised the EPC contractor to save costs and early completion

CONFIRMATORY INFILL DRILLING PROGRAMME

Infill drilling at the Kinross dam:

- A total of 63 holes drilled (1,827m);
- Drilling grid of 100m x 100m, well within the modelled variogram range of 345m;
- Yielding a Proven Mineral Reserve at >90% confidence in short term planning; and
- Drilling completed on the 24th of May 2018 (less than 2 months of active drilling)

Mineral Resource Model Update:

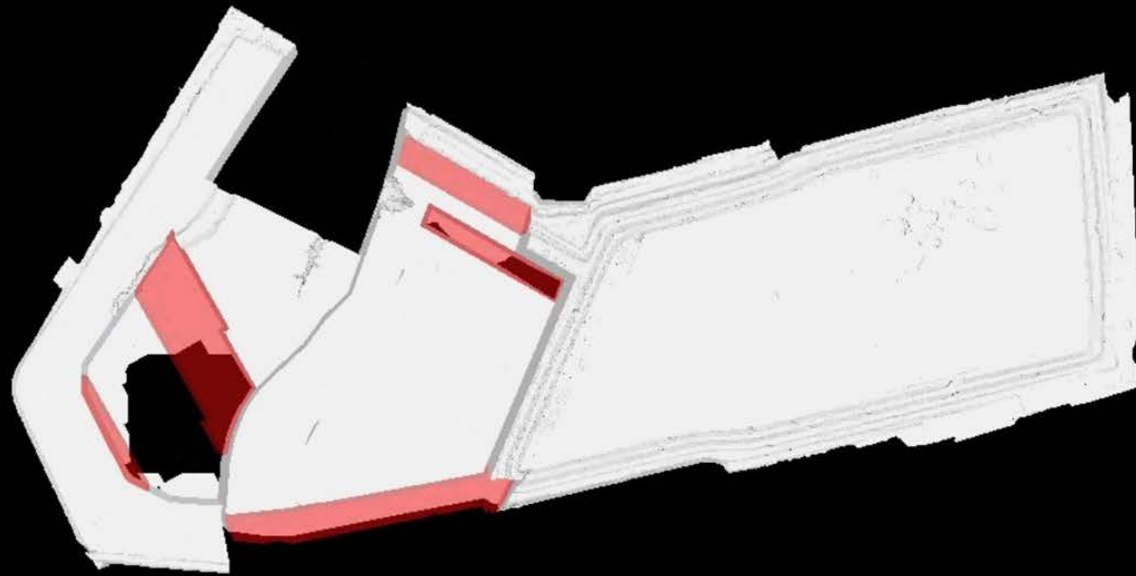
- Currently being constructed and to be declared during August 2018.

Upside:

- Soil Resource to Reserve conversion



REMINING PLAN




01-Jun-19 to 01-Jul-19

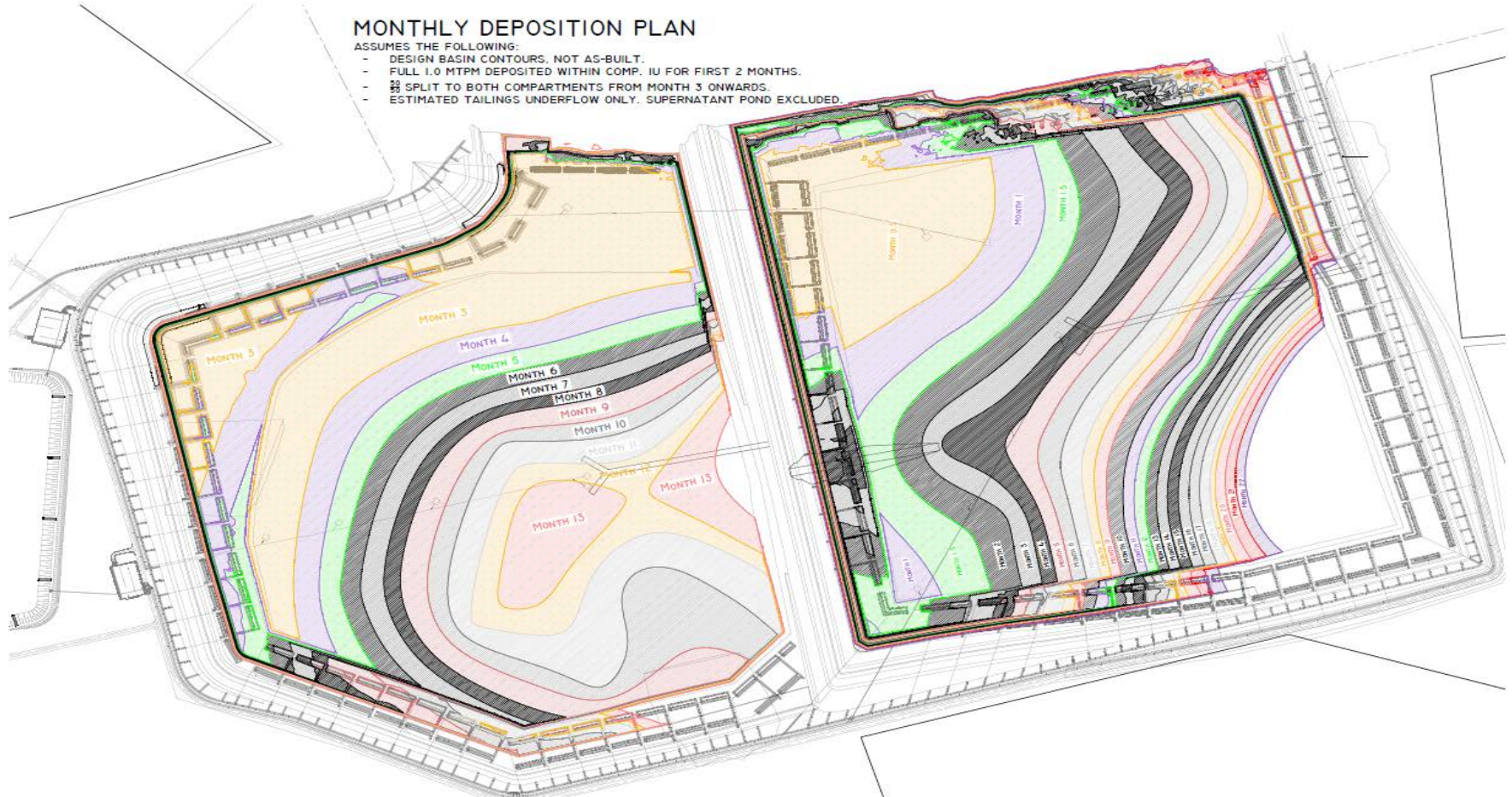
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DEPOSITION PLAN

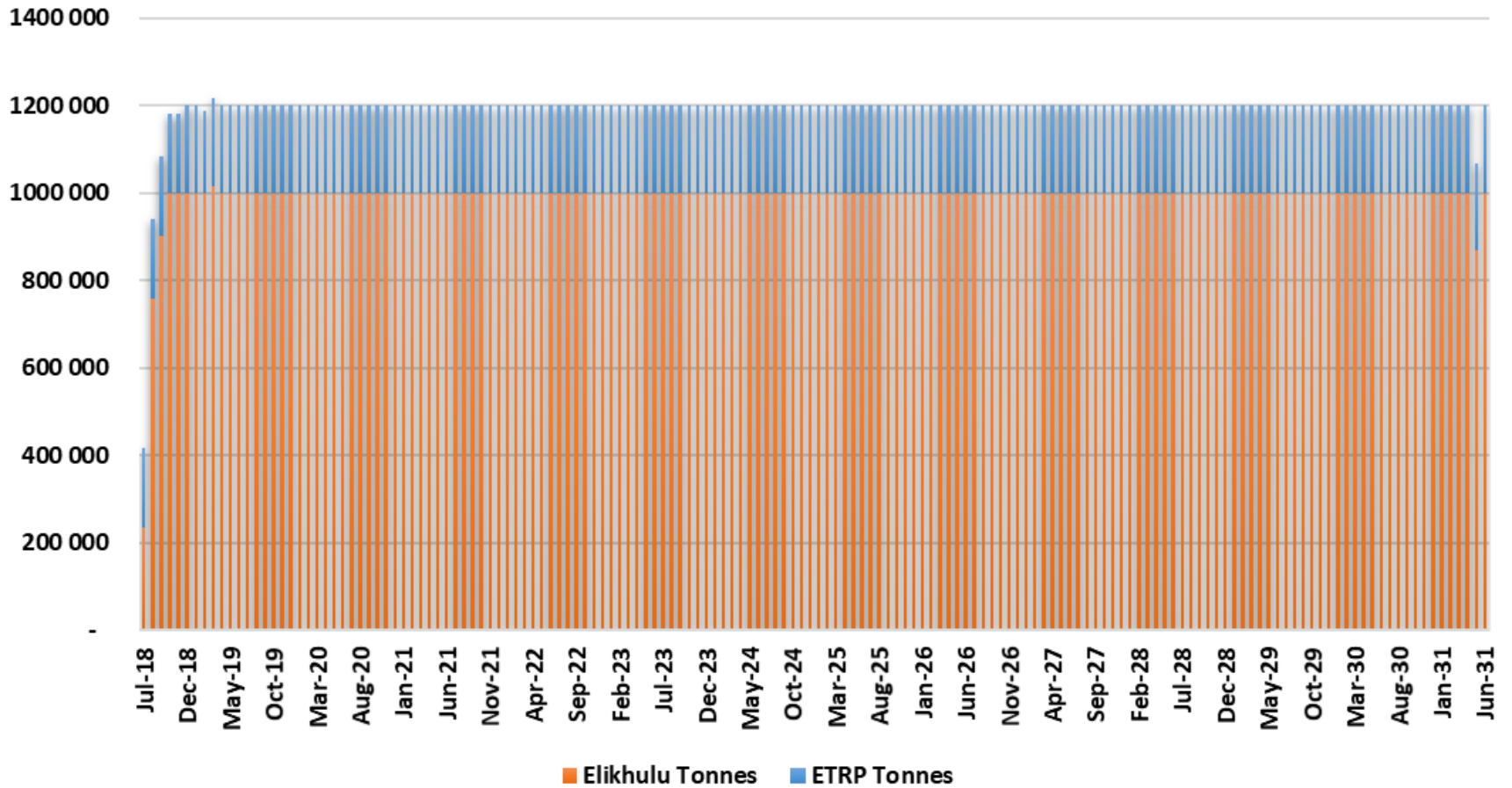
MONTHLY DEPOSITION PLAN

- ASSUMES THE FOLLOWING:
- DESIGN BASIN CONTOURS, NOT AS-BUILT.
 - FULL 1.0 MTPM DEPOSITED WITHIN COMP. 1U FOR FIRST 2 MONTHS.
 -  SPLIT TO BOTH COMPARTMENTS FROM MONTH 3 ONWARDS.
 - ESTIMATED TAILINGS UNDERFLOW ONLY. SUPERNATANT POND EXCLUDED.



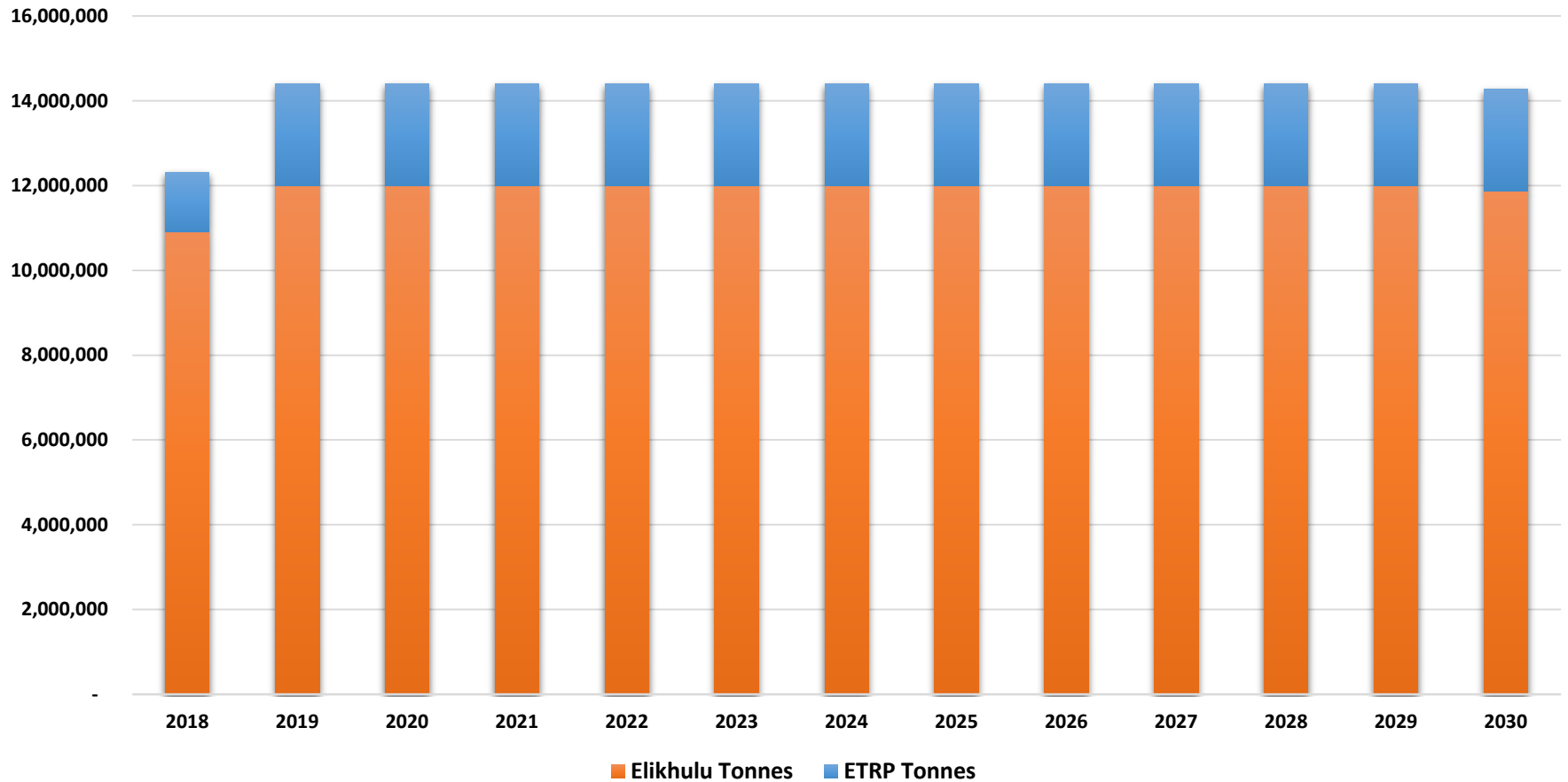
TONNAGE TREATMENT PLAN

Total Tons Elikhulu and ETRP

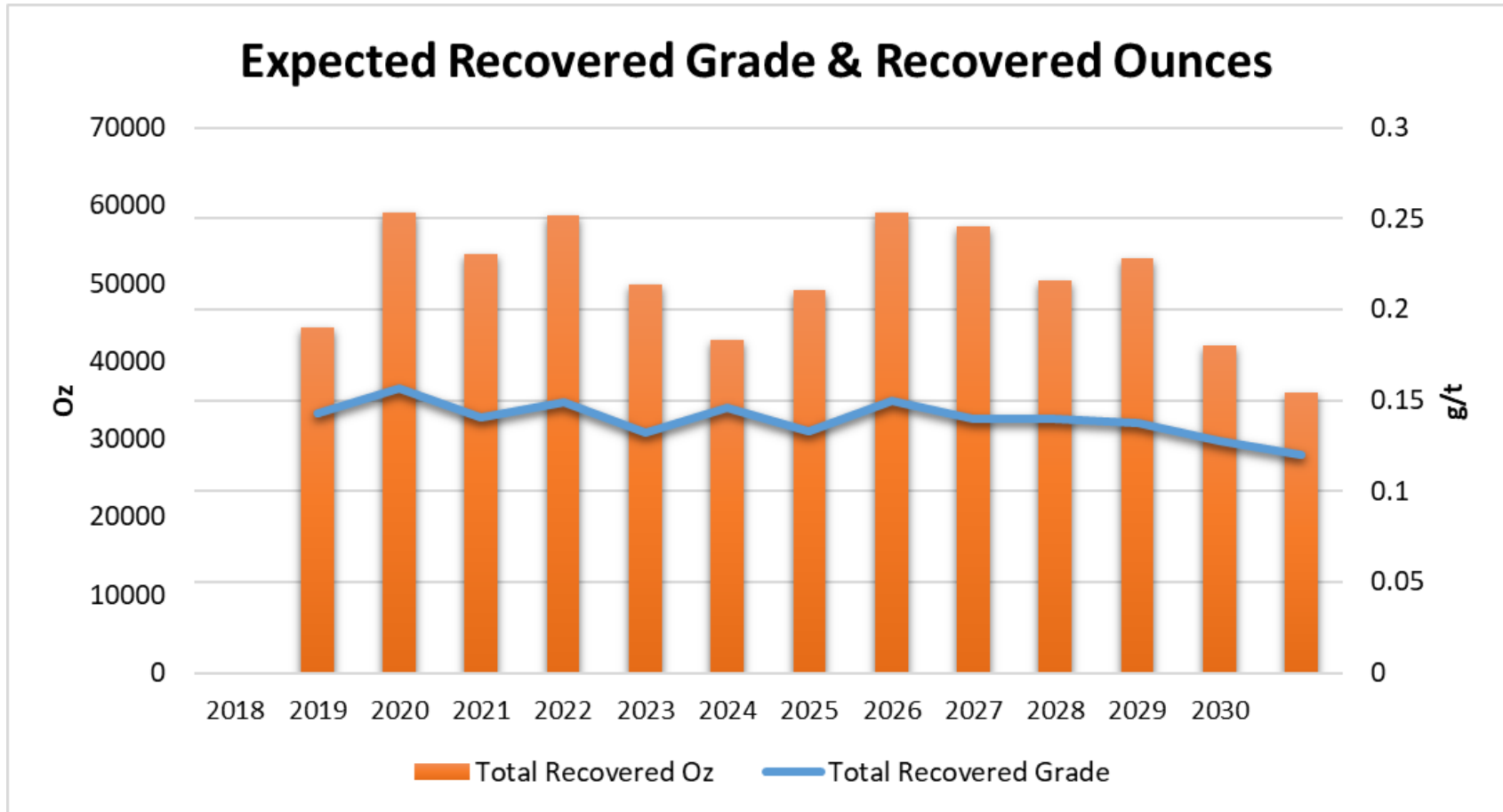


ANNUALISED TONNAGE TREATMENT PLAN

Total Tons Elikhulu & ETRP



FORECAST ANNUALISED GOLD PRODUCTION PLAN AS PER DFS



* Excludes ETRP tonnage

* Soil material excluded from current production plan

* This soil material can be used to smooth production profile in later years

OPERATIONAL KEY SUCCESS FACTORS

Organizational culture

- Culture of accountability - no blame culture
- Taking initiatives
- Encouraging innovation
- Continuous improvement

Human Resources

- The operation requires technically proficient employees



Operational efficiencies and performance

- Safety health and environment
- Plant overall gold recovery
- Plant tonnage treatment rate
- Operating costs

Managing local community

I CARE (Culture of Accountability, Respect / Responsibility and Efficiency)

- About my health & safety (my wellbeing)
- About others health and safety (others wellbeing)
- About the environment
- About quality of my work
- About the community in and around the operation

CERTAIN KEY RISKS, MITIGATIONS AND OPPORTUNITIES

Risk	Mitigation
<p>Confidence level on tonnage and grade can negatively affect the project returns and make the project unviable (2008 drilling work conducted by Harmony)</p>	<ul style="list-style-type: none"> • The numerous studies and reviews carried out “in-house” by Harmony in 2008, SGS in 2009, SRK in 2011 • PAR appointed SRK to carry out a SAMREC compliant Resource Estimate • DRA as part of the DFS converted the resource to SAMREC compliant Reserve Estimate • Confirmatory infill drilling programme conducted on Kinross TSF in May 2018 to increase confidence level
<p>Poor performance of the Hydraulic Mining and Deposition contractor will negatively affect gold produced and revenues</p>	<ul style="list-style-type: none"> • Appointed experienced contractor with proven track record • Hydraulic mining and tailings deposition contract is onerous towards the contractor with penalty for non performance. • PAR can terminate and takeover the contract if minimum performance targets are not met
<p>Not achieving designed recoveries in the process plant will negatively affect the gold produced and the revenues.</p>	<ul style="list-style-type: none"> • SGS carried out a PFS in 2009 which included detailed metallurgical test work. Recovery 51.4% (excluding carbon and CIL losses) • Two laboratories carried out additional test work (Maelgwyn Consultants and Mintek), the results confirmed the 2009 recovery figures which were utilised in the plant design.

RISK, MITIGATIONS AND OPPORTUNITIES

Risk	Mitigation
Theft of equipment from TSF and Hydraulic mining can negatively affect production plan	<ul style="list-style-type: none"> • Phase 2 fence • Proactive security contractor and deploy technology solutions
Community unrest can temporarily stop operation	<ul style="list-style-type: none"> • Maintain current community engagement efforts • Make a REAL difference in our communities • Evander transformation trust undertaking meaningful projects within community • Including the sourcing from local businesses in preferential procurement practices
Design assumption in terms of water supply is not realised and negatively affects tonnage treatment	<ul style="list-style-type: none"> • Water supply designs and calculations in the DFS were reviewed by PAR owners team and RMB technical adviser (The Mineral Corporation) and were found to be appropriate. • Develop contingency plan for additional water source / supply if EGM underground mining does not continue

Opportunities

- Increased tonnage treatment into the plant – contract with Fraser Alexander incentivise the contractor to reclaim higher tonnage.
- Plant optimisation can result in higher gold recovery and lower reagent consumptions.

Thank you

I CARE