16 October 2026



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Closure and Financial Provision Assessment of West Wits Reclamation Project Harmony Gold Mine (Pty) Ltd, using the DMR Guidelines as of September 2026

P345_**West Wits DMR Closure Costing**

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1. INTRODUCTION

MineLock Environmental Engineers (MineLock) was commissioned by Environmental Impact Management Services (EMIS) to develop a DMR closure quantum for the West Wits Reclamation Project. Harmony Gold Mining Company, through Randfontein Estates Limited, is undertaking the proposed West Wits Reclamation Project, which involves the reclamation and reprocessing of historical gold tailings from existing Tailings Storage Facilities (TSFs) and the subsequent deposition of the reprocessed residue at the proposed Deelkraal II Tailings Storage Facility.

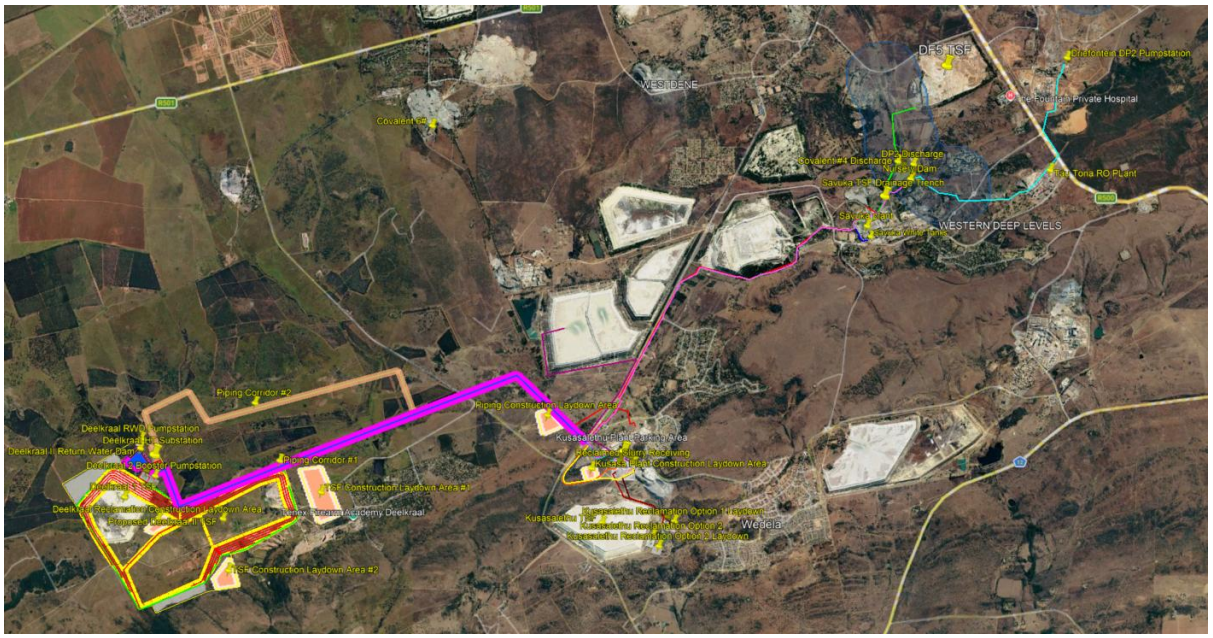


Figure 1: Google Earth image of the West Wits Reclamation area

The project includes the reclamation of the Kussasalethu and Savuka TSFs, utilization and of exist processing infrastructure, construction of the Deelkraal II TSF, and the development of associated slurry, process-water and potable water pipelines, return-water infrastructure, pump stations, powerline, access roads, stockpiles and ancillary construction areas.

2. PROJECT OVERVIEW

Randfontein Estates Limited (a subsidiary of Harmony Gold Mining Company) (hereafter referred to as the applicant) has appointed Environmental Impact Management Services (Pty) Ltd (EIMS) as the Environmental Assessment Practitioner (EAP) to assist with undertaking the required authorisation processes and to compile and submit the required documentation in support of application for the proposed new Deelkraal II Tailings Storage Facility (TSF) project and associated infrastructure on a site located approximately 13km southwest of Carletonville in the Merafong City Local Municipality, West Rand District Municipality, Gauteng Province (i.e. the Proposed Harmony West Wits Reclamation and Deposition Project). Table 1 presents the structures and features associated with the pipeline project.

Table 1:Activities as per DMR Guidelines

Component	Description	Applicable
1	Dismantling of processing plant and related structures (incl. overland conveyors and Power lines)	N/A
2 (A)	Demolition of steel buildings and structures	N/A
2 (B)	Demolition of reinforced concrete buildings and structures	N/A
3	Rehabilitation of access roads	Yes
4 (A)	Demolition and rehabilitation of electrified railway lines	N/A
4 (B)	Demolition and rehabilitation of non-electrified railway lines	N/A
5	Demolition of housing and/or administration facilities	N/A
6	Opencast rehabilitation including final voids and ramps	N/A
7	Sealing of shafts, adits and inclines	N/A
8 (A)	Rehabilitation of overburden and spoils	N/A
8 (B)	Rehabilitation of processing waste deposits and evaporation ponds (basic, salt producing waste)	N/A
8 (C)	Rehabilitation of processing waste deposits and evaporation ponds (acidic, metal-rich waste)	N/A
9	Rehabilitation of subsided areas	N/A
10	General surface rehabilitation	Yes
11	River diversions	N/A
12	Fencing	Yes
13	Water management	N/A
14	2 to 3 years of maintenance and aftercare	Yes

The Applicant requires additional deposition capacity for West Wits region's operations. The applicant plans on constructing the Deelkraal II Tailings Storage Facility (TSF) to cater for the additional future capacity. This TSF will receive residue from Kusasalethu, and Savuka plants and will also assist in returning process water for reclaiming the existing Deelkraal 1 TSF and Kusasalethu TSF for processing at Kusasalethu plant. Additional planned infrastructure includes slurry, potable, sewage and return water pipelines, access roads, pump stations, a return water dam and a power line. Proposed upgrades to the existing Kusasalethu plant are also proposed as part of the project.

3. CLOSURE COST ASSESSMENT

This section presents the basis of the calculation of the quantum for financial provisions for closure. The assessment and calculations are based on the 2005 DMR 'Guideline Document for the Evaluation of the Quantum of Closure-Related Financial Provision' provided by a Mine (Department of Mineral Resources, 2005).

3.1 Input parameters for quantum provision

No	Input data
1	Risk ranking for mine type and mineral by-product
2	Environmental sensitivity of the mining area
3	Level of information available
4	Type of mining operation
5	Geographical location of the mine
6	Closure components & Areas of disturbance (Components Map)

3.2 Primary Risk Class for type of minerals mined

Although Harmony is a gold mine, the proposed pipeline is for the conveyance of return water and not any slurry material. Thus a Primary Risk Class of A is assumed.

Mineral	Ore	Size: Larger if > than (tpm)	Primary risk class			
			Large Mine		Small Mine	
			Mine and mine waste	Mine, mine waste, plant and plant waste	Mine and mine waste	**Mine, mine waste, plant and plant waste**
Gold		**10 000**	**B**	**A**	**B**	**A**

3.3 Risk Class

Determine risk class	
Class A	a high probability of the occurrence of the impact with a severe consequence,
Class B	a moderate probability of occurrence of the impact with a manageable consequence,
Class C	a low probability of occurrence of the impact with a negligible consequence.

3.4 Area Sensitivity

Area sensitivity			
Sensitivity	Sensitivity criteria		
	Biophysical	Social	Economic
Low	• *Largely disturbed from natural state.* • Limited natural fauna and flora remains. • Exotic plant species evident. • Unplanned development. • Water resources disturbed and impaired.	• *The local communities are not within sighting distance of the mining operation.* • *Lightly inhabited area (rural).*	• *The area is insensitive to development.* • *The area is not a major source of income to the local communities.*
Medium	• *Mix of natural and exotic fauna and flora.* • *Development is a mix of disturbed and undisturbed areas, within an overall planned framework.* • *Water resources are well controlled.*	• *The local communities are in the proximity of the mining operation (within sighting distance).* • *Peri-urban area with density aligned with a development framework.* • *Area developed with an established*	• *The area has a balanced economic development where a degree of income for the local communities is derived from the area.* • *The economic activity could be influenced by indiscriminate development.*
High	• *Largely in natural state.* • *Vibrant fauna and flora, with species diversity and abundance matching the nature of the area.* • *Well planned development.* • *Area forms part of an overall ecological regime of conservation value.* • *Water resources emulate their original state.*	• *The local communities are in close proximity of the mining operation (on the boundary of the mine).* • *Densely inhabited area (urban/dense settlements).* • *Developed and well-established communities.*	• *The local communities derive the bulk of their income directly from the area.* • *The area is sensitive to development that could compromise the existing economic activity.*

3.5 Closure components

Component No.	Main description	Applicable closure components for mine type		
		Open-cast	Under ground	Combination
1	Dismantling of processing plant and related structures (including overland conveyors and power lines)	No	No	No
2(A)	Demolition of steel buildings and structures	No	No	No
2(B)	Demolition of reinforced concrete buildings and	No	No	No

Component No.	Main description	Applicable closure components for mine type		
		Open-cast	Under ground	Combination
	structures			
3	Rehabilitation of access roads	Yes	No	No
4(A)	Demolition and rehabilitation of electrified railway lines	No	No	No
4(B)	Demolition and rehabilitation of non-electrified railway lines	No	No	No
5	Demolition of housing and facilities	No	No	No
6	Opencast rehabilitation including final voids and ramps	No	No	No
7	Sealing of shafts, adits and inclines	No	No	No
8(A)	Rehabilitation of overburden and spoils	No	No	No
8(B)	Rehabilitation of processing waste deposits and evaporation ponds (basic, salt-producing waste)	No	No	No
8(C)	Rehabilitation of processing waste deposits and evaporation ponds (acidic, metal-rich waste)	No	No	No
9	Rehabilitation of subsided areas	No	No	No
10	General surface rehabilitation, including grassing of all denuded areas	Yes	No	No
11	River diversions	No	No	No
12	Fencing	Yes	No	No
13	Water management (Separating clean and dirty water, managing polluted water and managing the impact on groundwater,	No	No	No

Component No.	Main description	Applicable closure components for mine type		
		Open-cast	Under ground	Combination
	including treatment, when required)			
14	2 to 3 years of maintenance and aftercare	Yes	No	No

3.6 Unit rates for closure components

The components in the DMR guideline that have multiplication factors different than 1 are listed below. It is, however, not necessarily applicable to the cost of this site.

Component 6 - Opencast Rehabilitation:

COMPONENT 6	OPENCAST REHABILITATION			
	UNIT			MASTER RATE
	ha			R 295 152,69
	Multiplication factor			
Risk Class (A, B or C)	A	0.04	0.52	1.00
	B	0.04	0.52	1.00
	C	0.04	0.52	1.00
		Low	Medium	High
	Environmental Sensitivity			

Component 8 (c) - Processing water deposits & Evaporation ponds:

COMPONENT 8 (C)	PROCESSING WATER DEPOSITS & EVAPORATION PONDS			
	UNIT			MASTER RATE
	ha			R 733 150,74
	Multiplication factor			
Risk Class (A, B or C)	A	0.59	0.80	1.00
	B	0.55	0.76	0.90
	C	0.51	0.66	0.81
		Low	Medium	High
	Environmental Sensitivity			

Component 13 – Water Management:

COMPONENT 13	WATER MANAGEMENT			
	UNIT			MASTER RATE
	ha			R 61 045,03
	Multiplication factor			
Risk Class (A, B or C)	A	0.60	0.67	1.00
	B	0.41	0.60	0.67
	C	0.17	0.25	0.33
		Low	Medium	High
	Environmental Sensitivity			

3.7 Weighting Factor 1 and 2

Weighting factor 1.1 are applied to all closure components:

Nature of the Terrain/Accessibility	Flat	Undulating	Rugged
Weighting Factor 1	1.00	1.10	1.20

Weighting factor 1.00 is applied to preliminary and general item only:

Proximity to urban area where goods and services are supplied	Urban	Peri-urban	Remote
Weighting Factor 2	1.00	1.05	1.10

3.8 Escalation

In South Africa, the Consumer Price Index or CPI measures changes in the prices paid by consumers for a basket of goods and services and is published Stats SA (Consumer Price Index, Statistical Release P0141).

The master rates were updated (escalated) by multiplying the master rate of the previous year with the new (average) CPI value. The latest average CPI was published end of September 2026.

Table 2: Consumer price indices headline year-on-year rates

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Average
CPI (%)	3.5	3	3.1	4	4.5	5	4.3	4.4				**4.54**

3.9 Closure methods and assumptions

The DMR Guideline presents generally accepted closure methods, based on experience in the field, which have been used as the basis for determining the Master Rates for the various closure components in the “rules-based” approach. Where relevant, specific reference is made to the site conditions and requirements applicable to the closure of the pipeline at Harmony. In addition, the relevant mine structures and components requiring closure are listed.

3.9.1 Unscheduled Closure Costing

The following assumptions have been adopted for the purpose of the unscheduled closure costing assessment:

- Only the works that have been scheduled to have commenced or been completed within the first year of construction have been considered in determining the unscheduled closure liability.
- The battery limits adopted for this assessment are restricted to the Deelkraal II TSF and associated new infrastructure falling with in the defined project area. Existing infrastructure located outside the project battery limits has not been included in this assessment.
- It has been assumed that all existing mine infrastructure and pre-existing environmental liabilities are adequately provided for un an existing financial provision, or closure costing.
- The project description specifies that new access roads will comprise of a two-lane carriageway, each lane having a width of 3.5 m, resulting in an overall width of 7 m.
- The project information identifies the stripping and stockpiling of topsoil from the areas disturbed during construction. A maximum topsoil stockpile heigh of 3 m has been adopted for the purposes of estimating the stockpile footprint. This assumption is informed by the recommendations contained in Coaltech's *Stockpiling of Coal Mine Soils* (2016), which recommends limiting stockpile height to approximately 3 m where vehicle trafficking over previously placed soil is avoided and end-tipping is used to form individual heaps rather than high layered stockpiles. A maximum topsoil stripping height of 450 mm was assumed.
- The anticipated areas to be cleared and disturbed during the first year of construction were provided by the project engineers and have been adopted directly for the unscheduled closure assessment.

3.10Costs

The quantum for financial provisions for unscheduled closure was estimated using the rule-based approach defined in the DMR Guideline. Refer to 3 for a summarised breakdown of the closure cost assessment estimate as of September 2026. The unscheduled closure it taken as 1 year into the construction as defined in project master plan.

Table 3: Summary of the unscheduled closure cost for West Wits DMR

	CALCULATION OF THE QUANTUM						
	MINE: HARMONY GOLD					LOCATION: GAUTENG	
	EVAULUATORS: MINELOCK ENVIRONMENTAL ENGINEERS (PTY) LTD					DATE: 2026/10/16	
NO	**DESCRIPTION**	**UNIT**	**A QUANTITY**	**B MASTER RATE NOV 2025**	**C MULTIPLICATION FACTOR**	**D WEIGHTING FACTOR**	**AMOUNT RAND Aug 2026**
1	Dismantling of processing plant and related structures (Including overland conveyors and power lines)	m^3	-	R 20.61	1.00	1,10	R 0.00
2(A)	Demolition of steel buildings and structures	m^2	-	R 289.97	1.00	1,10	R 0.00
2(B)	Demolition of reinforced concrete buildings and structures	m^2	-	R 427.31	1.00	1,10	R 0.00
3	Rehabilitation of access roads Including all haul roads	m^2	95 900	R 51.89	1.00	1,10	R 5 474 119.78
4(A)	Demolition and rehabilitation of electrified railway lines	m	-	R 503.62	1.00	1,10	R 0.00
4(B)	Demolition and rehabilitation of non-electrified railway lines	m^2	-	R 277.70	1.00	1,10	R 0.00
5	Demolition of housing and/or administration facilities	m^2	-	R 579.93	1.00	1,10	R 0.00
6	Opencast rehabilitation including final voids and ramps	ha	-	R 295 152.69	0.04	1,10	R 0.00
7	Sealing of shafts, adits and inclines	m^3	-	R 155.66	1.00	1,10	R 0.00
8(A)	Rehabilitation of overburden and spoils	ha	-	R 202 669.47	1.00	1,10	R 0.00

	CALCULATION OF THE QUANTUM						
	MINE: HARMONY GOLD					LOCATION: GAUTENG	
	EVAULUATORS: MINELOCK ENVIRONMENTAL ENGINEERS (PTY) LTD					DATE: 2026/10/16	
NO	DESCRIPTION	UNIT	A QUANTITY	B MASTER RATE NOV 2025	C MULTIPLICATION FACTOR	D WEIGHTING FACTOR	AMOUNT RAND Aug 2026
8(B)	Rehabilitation of processing waste deposits and evaporation ponds (basic, salt-producing waste)	ha	-	R 252 421.17	1.00	1,10	R 0.00
8(C)	Rehabilitation of processing waste deposits and evaporation ponds (acidic, metal-rich waste)	ha	-	R 733 150.74	0.80	1,10	R 0.00
9	Rehabilitation of subsided areas	ha	-	R 169 705.17	1.00	1,10	R 0.00
10	General surface rehabilitation	ha	174.50	R 160 548.41	1.00	1,10	R 30 817 267.33
11	River diversions	ha	-	R 160 548.41	1.00	1,10	R 0.00
12	Fencing	m	13 700	R 183.14	1.00	1,10	R 2 759 901.70
13	Water management	ha	-	R 61 045.03	0.67	1,10	R 0.00
14	2 to 3 years of maintenance and aftercare	ha	174.50	R 21 365.76	1.00	1,10	R 4 101 158.31
15(A)	Update geohydrological models	Sum	-	R 446 538.82	1.00	1,10	R 0.00
15(B)	EIA and closure application - includes Public Participation and specialist studies	Sum	-	R 2 551 650.39	1.00	1,10	R 0.00
						Sub Total 1	**R 43 152 447.12**
						Weighting factor 2 (1.00)	**R 43 152 447.12**
1	**Preliminary and general**			**12 % of Sub Total 1**			**R 5 178 293.65**
						Sub Total 2	**R 48 330 740.78**
2	**Contingencies**			**10 % of Sub Total 1**			**R 4 315 244.71**
						Sub Total 3	**R 52 645 985.49**
	VAT			**15 % of Sub Total 3**			**R 7 896 897.82**
						Grand Total	**R 60 542 883.31**

4. CONCLUSION

The financial provision for dismantling and rehabilitation of the proposed West Wits Reclamation Project at Harmony is documented in this Report. Information was provided by EIMS during August 2026. No site visits were conducted.

The Master Rates was escalated with an average CPI published until end of September 2026.

6. REFERENCES

Department of Mineral Resources, 2005. *Guideline Document for The Evaluatuon of The Quantum of Closure-Related Financial Provision Provided by a Mine,* s.l.: s.n.

Department: Statistics South Africa, 2020. Statistical Release P0141. *Consumer Price Index August 2026*, 23 September 2026, p. 6.

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