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FY2015 ANNUAL RESULTS | PROFITABLE LOW COST CO-PRODUCER – PGMS AND CHROME

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Basis of preparation note: where figures are expressed in percent and a change is reflected, the change is expressed in percent basis points.

AGENDA

SALIENT FEATURES – FY2015

PGM PRODUCTION (6E)
↑50.9%
118.0 koz
(2014: 78.2 koz)

REVENUE
↑2.5%
US$246.8m
(2014: US$240.7m)

NET CASH FLOWS FROM OPERATING ACTIVITIES
↑84.8%
US$41.4m
(2014: US$22.4m)

EBITDA
↑75.8%
US$29.0m
(2014: US$16.5m)

CHROME CONCENTRATE PRODUCTION
↑3.4%
1.122 Mt
(2014: 1.085 koz)

OPERATING PROFIT
↑211.9%
US$18.4m
(2014: US$5.9m)

NET PROFIT AFTER TAX
US$6.0m
(2014: loss US$54.9m)

HEADLINE EARNINGS PER SHARE
US$ 2 cents
(2014: loss US$ 20 cents)

WHAT YOU WILL HEAR TODAY

Tharisa offers calm amid the storm…

Innovative …
- Co-producer of PGM and chrome concentrates
- Large scale open pit operation mining all 6 MG chromitite reef layers with processing flexibility
- Integrated mine-to-market value chain

Established …
- We will be 10 years old in 2016
- Plan to reach steady state production of 144 koz 6E PGMs and 1.5 Mt chrome concentrates in FY2016
- Major capital investment programme complete
- Stable labour relations with a small, skilled workforce – 3 year wage agreement with NUM

Focused …
- Solid platform underpinned by an optimised operating model
- Strong performance in spite of weak commodity environment
- Maintaining momentum through challenging times

MINING INDUSTRY

- The mining industry looks very different
- There have been a number of unprecedented structural changes within the mining industry altering the traditional business model
- The global macroeconomic slowdown, driven mainly by the decline in Chinese demand and consumption of raw materials, has necessitated the re-assessment of strategies and expansion plans premised on unabated growth in consumption of commodities
- We have witnessed the major mining houses that enjoy competitive cost positions expand production in the face of softer demand. This has squeezed out higher cost and marginal producers, particularly in the iron ore industry. We have also observed an increase in “business-rescue” cases within the South African resources sector
- Low cost production is the answer

MARKETS

PGM

- Market seen as over supplied – particularly with SA producers coming back on line post the five-month strike in 2014
- Sentiment is negative and seen worsening post VW emissions scandal
- Price levels last seen in 2008
- Since January 2015 both platinum and palladium have declined c.30% in US$ terms
- Investors are liquidating holdings in ETFs and exiting commodity positions
- Analysts believe the drop in prices is not justified by the fundamentals
- While there is still no clear indication whether PGM prices have bottomed, the price appears to be in a trough
- Precious metals are unlikely to stage a short term rebound but the opportunity may exist for investors to return to the market

CHROME

- South African UG2 miners are reliant on chrome production to cushion impact of depressed platinum price
- Chinese chrome ore imports from January to October 2015 were 8.8 Mt, an increase of 8% from the same period in 2014
- Chinese chrome ore stocks at the main ports in China have remained at the 1.7 Mt level
- Post the financial year end there has been a decline in chrome ore prices
- China's 13th five-year plan, 2016 to 2020, for national economic and social development will offer opportunities but benefits may be gradual as Chinese growth stalls
- Renewed commitment to South African and Chinese trade and development with US$60bn committed for Africa is in line with 10 year strategic programme agreed during the Forum on China-Africa Co-operation

KEY DIFFERENTIATORS

- Strength to strength from 2006, through the financial and energy crises
  - identification of unique ore body
  - innovative development of the Genesis and Voyager Plants
- Mining of all six MG chromitite layers and co-production of PGM and chrome concentrates
- Open pit operations with >20 years LOM and flexibility to extend underground by a further 40 years
- In production and de-risked
- Mechanised open pit mining – no electricity requirement
- Independent processing plants provides operational flexibility
- Lowest cost quartile producer of both PGM and chrome concentrates
- Extensive industry and management experience with a successful track record of identifying, developing and operating mines
- Optimisation in progress with continuous research and development to maximise value

VALUE CHAIN

THE FULL VALUE CHAIN IS CAPTURED THROUGH THE CO-EXTRACTION OF PGM AND CHROME AND IN-HOUSE MARKETING, SALES AND LOGISTICS

Mining and processing (Tharisa Minerals)

74%

- **20** year open pit
- **40** year LOM underground extension
- **828 Mt** resource
- **100 Mt** open pit reserve
- **5.5 km** mining strike length
- **5 516 ha** mining right area
- Production for FY2015:
  - **118.0 koz** of PGMs
  - **1.1 Mt** chrome concentrates

Beneficiation (Arxo Metals)

100%

- Production of higher value foundry and chemical grade chrome concentrates
- Committed to research and development

Marketing and sales (Arxo Resources)

100%

- **10.1%** of China's chrome ore/concentrate imports and **14.2%** of South Africa's chrome ore/concentrate exports for FY2015

Logistics (Arxo Logistics)

100%

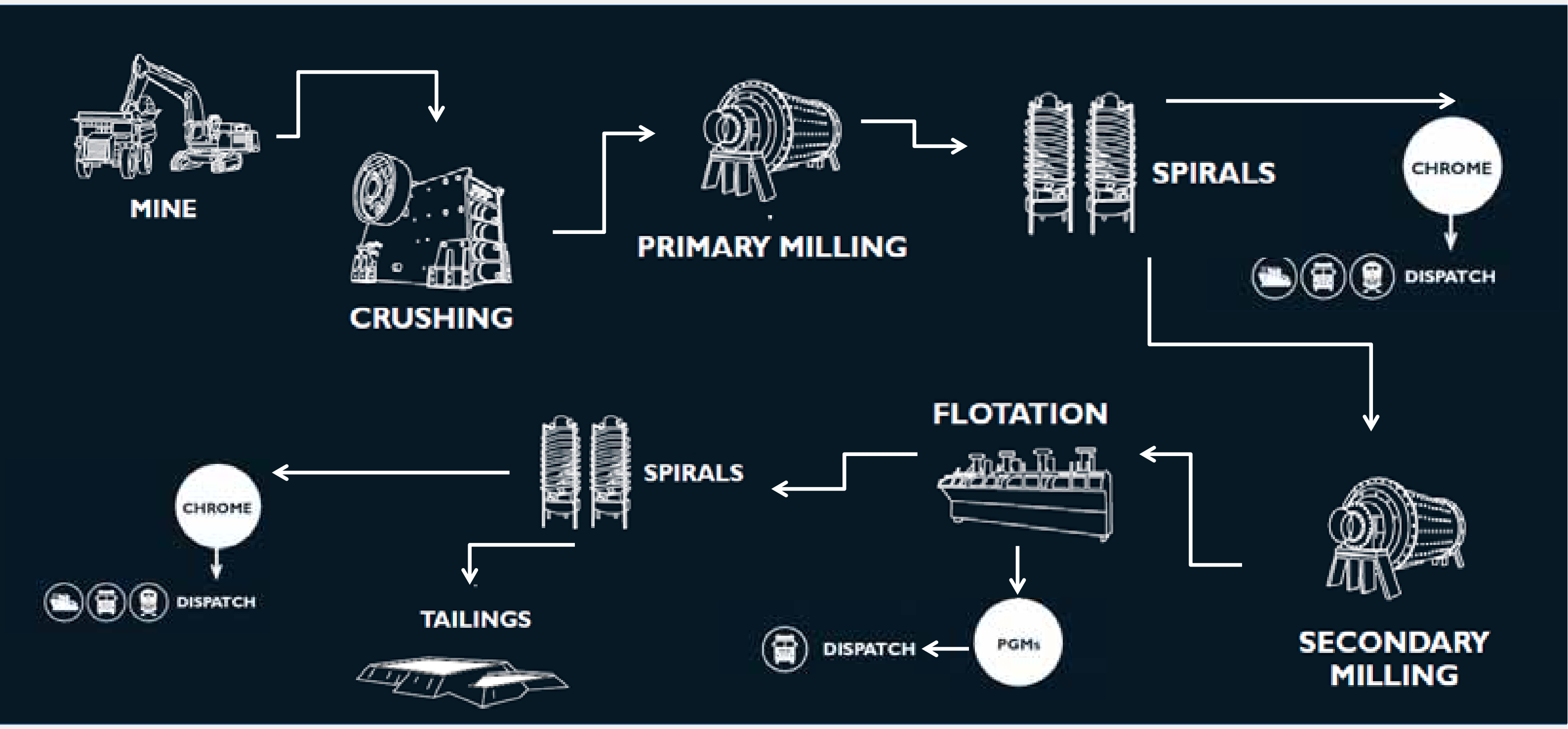
- Shipments for FY2015:
  - **974.8 kt** of chrome concentrates, mainly to China
- **87%** of shipments by bulk
- **13%** of shipments by container
- Transport of PGMs to Impala Refinery Services by road

Our customers

Customers and agreements

- PGM off-take agreement with Impala Refinery Services
- Off-take agreement with Rand York for foundry and chemical grade chrome concentrates
- **50 ktpm** chrome concentrate agreement with the Noble Group
- Relationships with a broad range of stainless steel producers, ferrochrome producers and global commodity traders

BUSINESS MODEL



OPERATIONAL HIGHLIGHTS

"Our objective of mining 4.8 Mt for FY2016 is still on track and the newly empowered mining team are performing in accordance with the mine schedule and in some instances exceeding the plan"

SAFETY

LTIFR

0.06
(2014: 0.14)

FOCUS ON SAFETY

- Safety remains the number one priority of management and all employees - we strive for zero harm
- Regrettably during the reporting period there were two fatalities
- Section 54 and 55 instructions were issued by the DMR
- Renewed commitment to safety and engagement with new safety imperatives and programmes being launched
  - Leadership training for supervisors incorporating the care and growth model, also the means, ability and accountability concept

OPERATIONAL HIGHLIGHTS

PGM PRODUCTION (6E)
118.0 koz ↑50.9%
(2014: 78.2 koz)

CHROME CONCENTRATE PRODUCTION
1.122 Mt ↑3.4%
(2014: 1.085 koz)

KEY OPERATIONAL METRICS

		% change	FY2015	FY2014
ROM mined	**Mt**	6.9%	4.18	3.91
PGM rougher feed grade	**g/t**	(0.6%)	1.62	1.63
Chrome grade	**%**	(1.1%)	18.3	19.4
ROM processed	**Mt**	12.5%	4.40	3.91
Tailings processed	**Mt**	-	0.25	-
PGM recovery	**%**	17.0%	65.8	48.8
PGM in concentrate	**koz**	50.9%	118.0	78.2
Chrome recovery	**%**	(1.4%)	58.0	59.4
Chrome concentrate	**Mt**	3.4%	1.122	1.085
PGM basket price	**US$/oz**	(19.8%)	885	1 103
Chrome concentrate price (42% CIF China)	**US$/t**	-	158	158
Average exchange rate	**ZAR:US$**	13.2%	12.0	10.6

RECORD PGM PRODUCTION

- PGM plant optimisation with recoveries higher than initially planned yielding a 50.9% improvement in PGM production of 118.0 koz (6E) with a 17.0% increase in PGM recovery
- Limited impact of power outages due to plant operational flexibility of the Genesis and Voyager Plants
- Post year end, the under delivery of reef tonnes led to a strategic decision to revert to a single mining contractor and has been successfully implemented
- Focus on optimising chrome recoveries targeting 65%. However recoveries were lower due to lower feed grades and processing of commissioning tails, reducing higher value foundry and chemical grade concentrates
- Section 54 instructions issued by the DMR with an estimated production loss of 3.6 koz PGMs (6E) and 47.4 kt chrome concentrates

FINANCIAL HIGHLIGHTS

"The Group recorded a substantial turn-around in profitability, with results from operating activities of US$18.4m compared to the prior financial year of US$5.9m"

INCOME STATEMENT

REVENUE	OPERATING PROFIT	NET PROFIT AFTER TAX
US$246.8m ↑2.5% (2014: US$240.7m)	US$18.4m ↑211.9% (2014: US$5.9m)	US$6.0m (2014: loss US$54.9m)

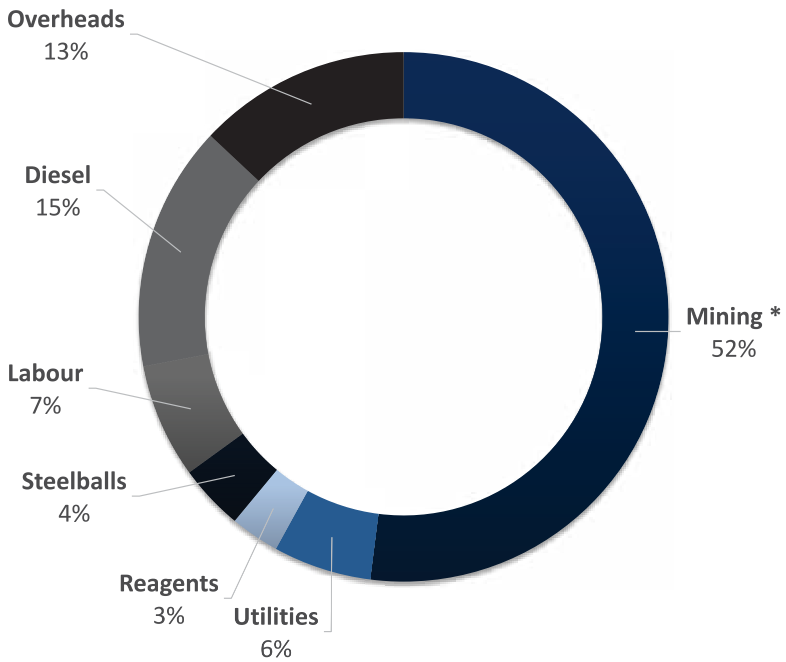
INCOME STATEMENT HIGHLIGHTS

US$m	% change	FY2015	FY2014
Revenue	2.5%	246.8	240.7
Cost of sales		203.7	208.1
Gross profit	32.2%	43.1	32.6
Gross profit %		17.5%	13.5%
Results from operating activities	211.9%	18.4	5.9
EBITDA	75.8%	29.0	16.5
EBITDA margin		11.8%	6.9%
Net finance costs		8.7	46.2
Profit/(loss) before tax		9.6	(40.3)
Tax		3.6	14.6
Profit /(loss)		6.0	(54.9)
Headline earnings per share (US$ cents)		2	(20)

INCREASED PROFITABILITY

- Revenue increased marginally partly as a result of significantly increased PGM production notwithstanding the reduction in the PGM basket price
- Improved gross profit % as a result of increased PGM unit production resulting in lower operating costs per unit and benefiting from lower chrome transport costs
- Increased EBITDA to US$29.0m, an increase of 75.8%
- Non-recurring finance cost of US$32.4m being the finance charge on preference shares that were converted into ordinary shares on listing – FY2014
- Effective tax rate of 37.6% - impacted by permanent tax differences on inter group preference share funding structure
  - Accumulated tax loss of US$17.7m
  - Unredeemed capex of US$160.5m
- It is the Company policy to pay an annual dividend of 10% of consolidated net profit after tax. However, in the current commodity price cycle with both PGM prices and chrome concentrate prices reducing further past the financial year end, no dividends have been proposed or paid to ordinary shareholders

OPERATING COST ANALYSIS – EX-WORKS



** Including contractor labour*

OPERATING SEGMENTS

PGM GROSS PROFIT PERCENTAGE
23.1%
(2014: 24.0%)

CHROME GROSS PROFIT PERCENTAGE
14.6%
(2014: 9.2%)

PGM AND CHROME REVENUE AND COSTS

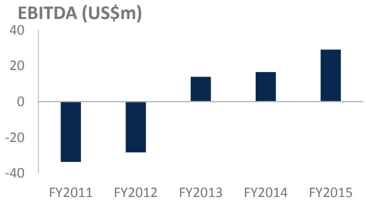
	FY2015*			FY2014		
US$m	**PGMs**	**Chrome**	**Total**	**PGMs**	**Chrome**	**Total**
Revenue	**83.1**	**163.7**	**246.8**	70.4	170.3	240.7
Cost of sales (excluding selling expenses)	**63.7**	**80.8**	**144.5**	53.4	91.9	145.3
Selling expenses	**0.2**	**59.0**	**59.2**	0.1	62.7	62.8
Gross profit	**19.2**	**23.9**	**43.1**	16.9	15.7	32.6
Gross profit percentage	**23.1%**	**14.6%**	**17.5%**	24.0%	9.2%	13.5%
On mine cash cost ** (US$ per tonne processed)			**34.2**			33.5
Consolidated cash cost ** (US$ per tonne processed - excluding transport)			**37.7**			38.2

Cost allocation changed to 50% PGMs, 50% chrome concentrates for shared costs (2014: 40% PGMs, 60% chrome concentrates)
*** Excluding capex and funding*

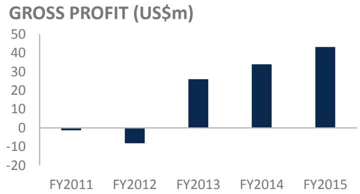
PROFITABLE WITH SIGNIFICANT UPSIDE POTENTIAL

- Increased combined gross profit percentage of 17.5% compared to 13.6% in FY2014
  - Increased PGM production
  - Reduced chrome concentrate shipment costs
  - Costs benefited from weakening Rand
- Segmental revenue contribution on a FCA basis is 45% PGMs and 55% chrome
- Average transport cost per tonne of chrome concentrate (CIF China) decreased by 13.9% to US$56 per tonne, benefitting from lower freight rates

EBITDA (US$m)



GROSS PROFIT (US$m)



BALANCE SHEET

CAPITAL AND FUNDING

US$m	FY2015	FY2014
Total capital spend*	**403.0**	378.4
Total interest bearing debt	**75.6**	116.0
Long term	**36.3**	64.2
Short term	**39.3**	51.8
Debt service reserve account	**10.6**	14.5
Pro forma interest bearing debt	**65.0**	101.5
Pro forma debt to total equity ratio	**36.3%**	48.4%
Cash and cash equivalents	**24.3**	19.6
Net current liabilities	**10.3**	1.5
Return on equity	**2.0%**	n/a

** Actual amount expended not restated at period end exchange rates*

MAJOR CAPITAL INVESTMENT PROGRAMME COMPLETE

- Debt to total equity ratio adjusted for fully funded DSRA 36.3%
  - Optimisation projects to be funded from operational cash flows and debt, may increase ratio in the short term
  - Debt to EBITDA multiple 2.6x
- Project related capital expenditure substantially completed, mainly sustaining capital going forward
- Interest bearing debt net of cash and DSRA of US$40.7m
- Net debt to total equity ratio of 22.8%
- Senior debt finance facility - compliant with financial covenants at 30 September 2015
- Income received in advance from chrome pre-pay transactions amounted to US$8.3m
- Working capital facilities available to the Group
  - Limited recourse PGM receivable facility (not debt)
  - Pre-packing facilities for chrome production
  - Letters of credit discounting lines
  - Chrome pre-pay arrangements

CASH FLOW

NET CASH FLOWS FROM OPERATING ACTIVITIES
US$41.4m ↑84.8%
(2014: US$22.4m)

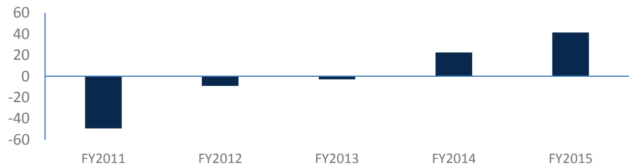
SUMMARISED CASH FLOW STATEMENT

US$m	FY2015	FY 2014
Cash flow from operating activities	**41.4**	**22.4**
Investing cash flow	**(21.2)**	**(25.2)**
PPE	(24.6)	(24.3)
Other	3.4	(0.9)
Finance cash flow	**(18.4)**	**(1.3)**
Net increase/(decrease) in cash	1.8	(4.1)
Cash at beginning of period	19.6	28.0
FX adjustments	2.8	(4.3)
Cash at end of period*	**24.2**	**19.6**

OPERATIONALLY CASH GENERATIVE

- Net cash flows before working capital requirements of US$34.2m
  - Depreciation of US$10.3m
- Deferred stripping included in PPE of US$15.2m
- Repayment of secured borrowings of US$27.3m
- Plan to build a ROM stockpile

OPERATING CASH FLOW (US$m)



** Excluding the Debt Service Reserve Account of US$10.6m*

OUTLOOK

"Our plans to reach steady state remains a priority and we have made positive strides towards achieving the recoveries required to attain those production levels"

OUTLOOK

- **FY2015** PGM production of **118.0 koz** and **1.1 Mt** of chrome concentrates
- PGM recoveries exceeded plan, steady state production of **144 kozpa** targeted for **FY2016**
- Chrome concentrate steady state production of **1.5 Mtpa** targeted for **FY2016**
- Impact of commodity prices
  - Chrome pre-pay arrangements to continue
  - Stringent cost cutting measures to reduce overhead and operational costs by at least 10%
  - Secure additional working capital facilities
- Looking ahead
  - Improving ROM feed grades
  - Targeted improvement in PGM and chrome recoveries
  - Stable operations leading to steady state

Tharisa will continue to implement its strategy to become a leading natural resources company focused on originating, developing and operating mines in the PGM, chrome and steel raw materials sectors

STRATEGY

LEADING NATURAL RESOURCES COMPANY

PGM, CHROME AND STEEL RAW MATERIALS

LARGE SCALE, LOW COST PROJECTS THAT ARE IN OR CLOSE TO PRODUCTION

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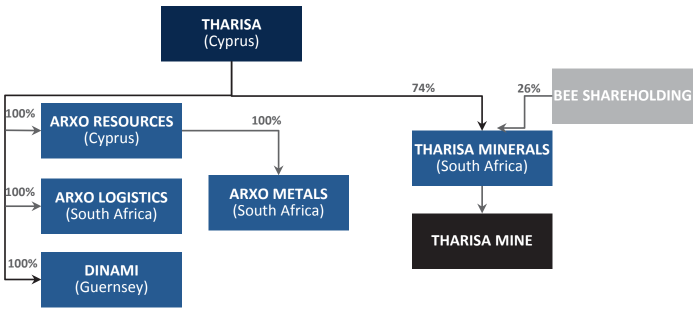
ANNEXURES

CORPORATE OVERVIEW

MARKET STATISTICS

		30 September 2015
Share price	ZAR	5.00
Number of shares	m	255.9
Market capitalisation	ZAR m	1 279.5
Market capitalisation	US$ m	91.2
EBITDA margin	%	11.8%

SUMMARISED CORPORATE STRUCTURE



TOP 10 SHAREHOLDERS**

Shareholder	%
Medway Developments Ltd	46.5%
LCC Pershing	15.8%
Fujian Wuhang Stainless Steel	11.0%
HSBC Private Bank (Suisse) Sa	4.3%
Phillip Ventures Enterprise Fund 2 & 3	4.2%
Macquarie Capital Hong Kong Limited	4.2%
Friedshelf 1525 Pty Ltd	2.6%
Altius Investment Holdings Pty Ltd	2.2%
HongKong Heyi Mining Resources Co Ltd	2.0%
Raiffeisen Bank International	1.1%
Other	7.1%
Total	100.0

*** Shareholder information as of 6 November 2015*

MINING ALL SIX MG CHROMITITE LAYERS

Steady state production of 4.8 Mtpa ROM
Average strip ratio of 8.5 (bcm:bcm) over LOM

MINERAL RESOURCE

828 Mt at 1.56 g/t 6E and 20.38% Cr_2O_3

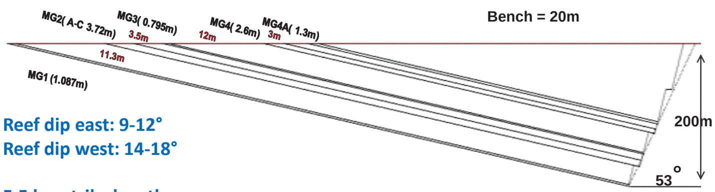
OPEN PIT MINERAL RESERVE

100 Mt at 1.51 g/t 6E and 19.4% Cr_2O_3

OPEN PIT CONTAINED METAL

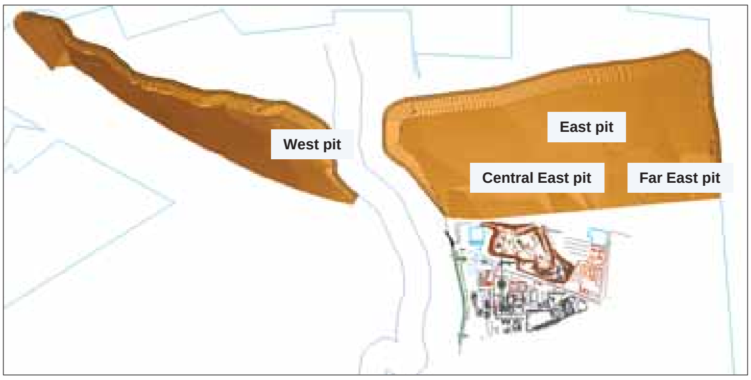
3.79 Moz 6E and 19.4 Mt chrome

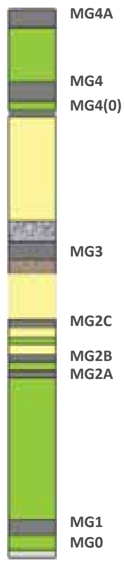
GENERALISED CROSS SECTION SHOWING THE MG CHROMITITE LAYERS AND PLANNED PIT DEPTH



Reef dip east: 9-12°
Reef dip west: 14-18°

5.5 km strike length





Resource and reserves updated as at 30 September 2015

RESOURCE AND RESERVE STATEMENT

DECLARATION AS AT 30 SEPTEMBER 2015

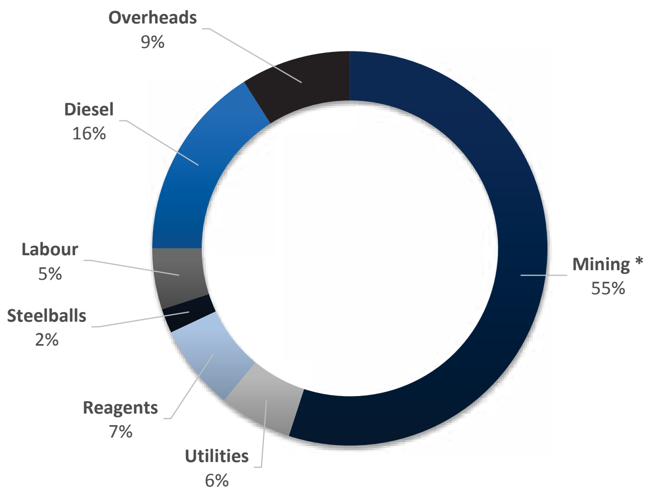
MINERAL RESOURCE	Tonnes Mt	6E + Au grade g/t	4E grade g/t	Cr_2O_3 grade %	Contained 4E Moz	Contained 6E Moz	Contained Cr_2O_3 Mt
Measured	**48.59**	**1.53**	**1.14**	**21.39**	**1.78**	**2.39**	**10.39**
Indicated	**129.53**	**1.68**	**1.24**	**22.24**	**5.16**	**7.00**	**28.81**
Inferred	**650.05**	**1.54**	**1.13**	**19.93**	**23.62**	**32.19**	**129.55**
Total	**828.17**	**1.56**	**1.15**	**20.38**	**30.56**	**41.58**	**168.75**

MINERAL RESERVE OPEN PIT	Tonnes Mt	5E + Au grade g/t	4E grade g/t	Cr_2O_3 grade %	Contained 4E Moz	Contained Cr_2O_3 Mt
Proved	**31.8**	**1.54**	**1.20**	**19.5**	**1.23**	**6.2**
Probable	**68.4**	**1.50**	**1.16**	**19.3**	**2.56**	**13.2**
Total	**100.2**	**1.51**	**1.18**	**19.4**	**3.79**	**19.4**

MINERAL RESERVE UNDERGROUND	Tonnes Mt	5E + Au grade g/t	4E grade g/t	Cr_2O_3 grade %	Contained 4E Moz	Contained Cr_2O_3 Mt
Probable	**18.7**	**1.52**	**1.17**	**19.3**	**0.7**	**3.6**
Total	**18.7**	**1.52**	**1.17**	**19.3**	**0.7**	**3.6**

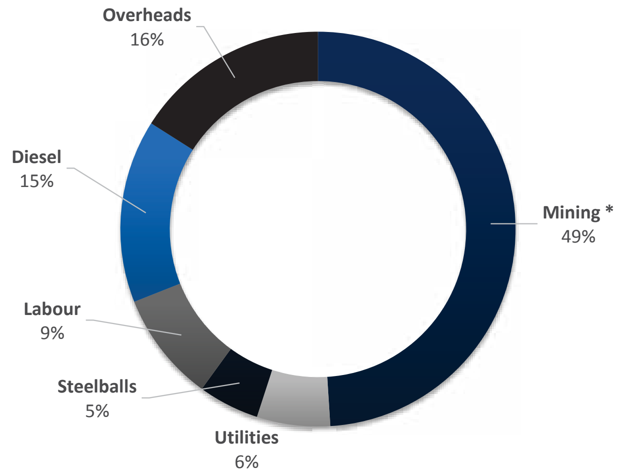
OPERATING COST ANALYSIS – EX-WORKS

PGM CASH COST OF SALES



** Including contractor labour*

CHROME CASH COST OF SALES

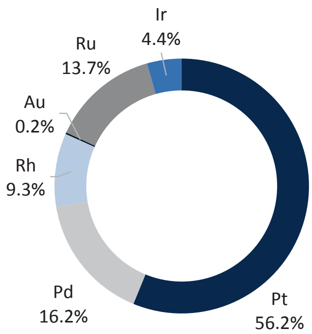


** Including contractor labour*

PGMS PRODUCTS AND END USES

PGM MARKETS

- Largest deposits of PGMs are found in South Africa, Zimbabwe, Russia
- Bushveld Complex is the largest platinum resource in the world and accounts for 75% of annual global production
- Longer term PGM outlook remains robust as global emission standards continue to tighten while mine production remains constrained and above ground stocks continue to be drawn down
- Fuel cell applications remain potential wildcard



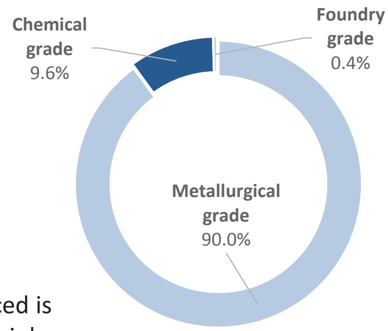
PRIMARY USES OF PGMS

Pt	Platinum	Automotive catalytic converter	Jewellery
Pd	Palladium	Automotive catalytic converter	Jewellery
Ru	Ruthenium	Electrical contacts	Chemical catalyst
Rh	Rhodium	Automotive catalytic converter	Optic fibre coatings
Ir	Iridium	Corrosion resistant	Automotive spark plugs
Au	Gold	Jewellery	Coinage

CHROME PRODUCTS AND END USES

CHROME ORE/CONCENTRATE MARKETS

- Chromite is the mineral extracted from the ore
- Chrome ore is mined from primary chromite deposits
- Chrome concentrates are recovered from tailings and secondary ores
- 92% of global chromite produced is metallurgical grade used for stainless steel production (mostly via ferrochrome)
- Globally, 8% of global chromite produced is the higher value chemical and foundry products
- Tharisa produces up to 12% of the higher value chemical and foundry grades, depending on the ore mix



USE OF CHROME ORE/CONCENTRATE

METALLURGICAL GRADE — 92%
- Cr_2O_3 – 30% to 45%
- SiO_2 - <1%
- Chrome is the key ingredient for stainless steel

FOUNDRY GRADE — 3%
- Cr_2O_3 – >46%
- SiO_2 - <1%
- High thermal conductivity and low thermal expansion
- Mould for metal castings

CHEMICAL GRADE — 3%
- Cr_2O_3 – 45% to 47%
- SiO_2 - <1.2%
- Chrome chemicals for metal plating
- Leather tanning

REFRACTORY GRADE — 2%
- Cr_2O_3 - >46%
- SiO_2 - <1.2%
- 98% < 2mm
- Refractory bricks for furnace linings

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