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ANNUAL RESULTS
for the year ended 30 September 2018

Discover Develop Deliver



REEF MINED

4.9 Mt

down 3.0%
(2017: 5.0 Mt)

PGM PRODUCTION

(5PGE+Au)

152.2 koz

up 6.0%
(2017: 143.6 koz)

CHROME CONCENTRATE PRODUCTION

1.4 Mt

up 8.8%
(2017: 1.3 Mt)

REVENUE

US\$406.3 m

up 16.3%
(2017: US\$349.4 m)

OPERATING PROFIT

US\$72.5 m

down 26.3%
(2017: US\$98.4 m)

EBITDA

US\$101.9 m

down 11.8%
(2017: US\$115.6 m)

PROFIT BEFORE TAX

US\$65.0 m

down 28.6%
(2017: US\$91.0 m)

HEADLINE EARNINGS PER SHARE

US\$ 19 cents

down 13.6%
(2017: US\$ 22 cents)

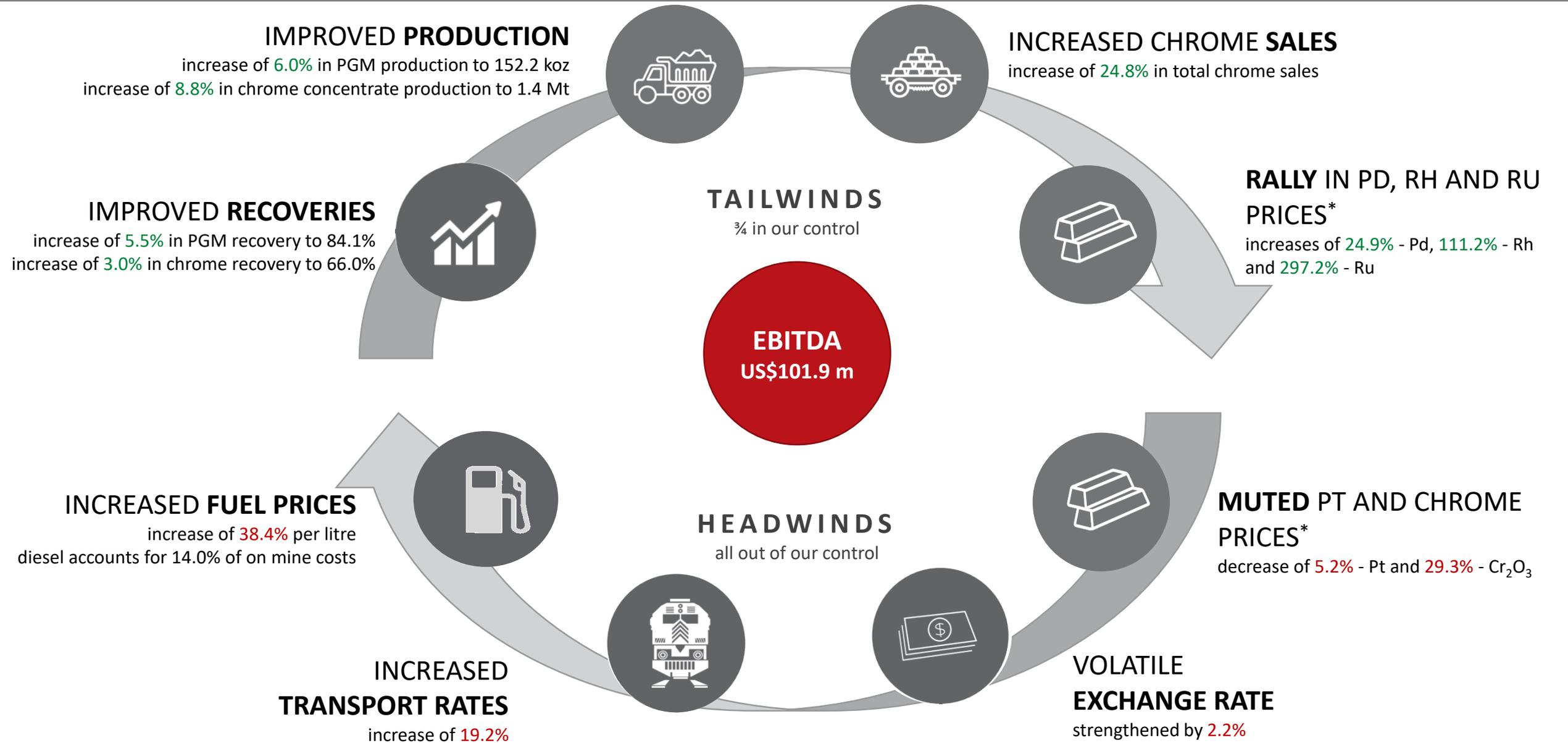
PROPOSED TOTAL DIVIDEND*

US\$ 4 cents

20.5% of NPAT
(2017: US\$ 5 cents)
Interim dividend of US\$ 2 cents and final dividend of US\$ 2 cents

SECURED OPTIONALITY IN TWO EXPLORATION PROJECTS ON MINERAL RICH GREAT DYKE

FY2018 IN REVIEW



SAFETY AND SUSTAINABILITY

TWO YEAR WAGE AGREEMENT
CONCLUDED WITH AMCU

BEST IN CLASS AWARD AT
MINESAFE

4 000 FATALITY FREE
PRODUCTION SHIFTS

0.18

LTIFR
LOST TIME INJURY FREQUENCY RATE

3

YEARS FATALITY FREE

2

SAFETY AWARDS

4

ENGINEERING LEARNERSHIPS

21

INTERNS AND GRADUATES

82

ADULT EDUCATION AND TRAINING LEARNERS



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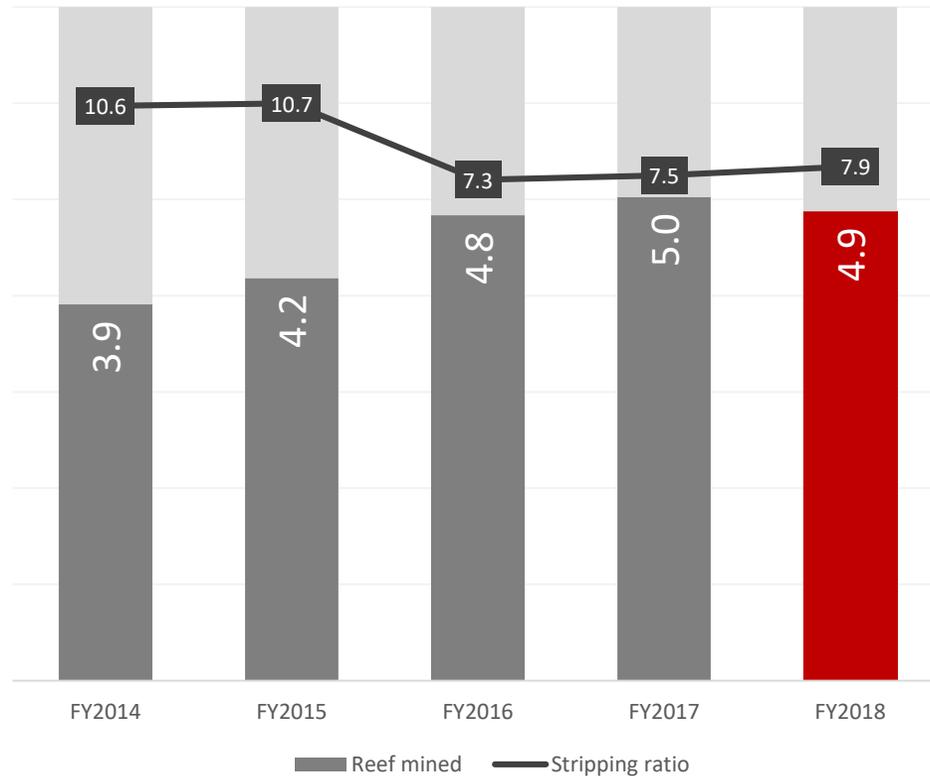


PRODUCTION

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REEF MINED

[Mtpa]

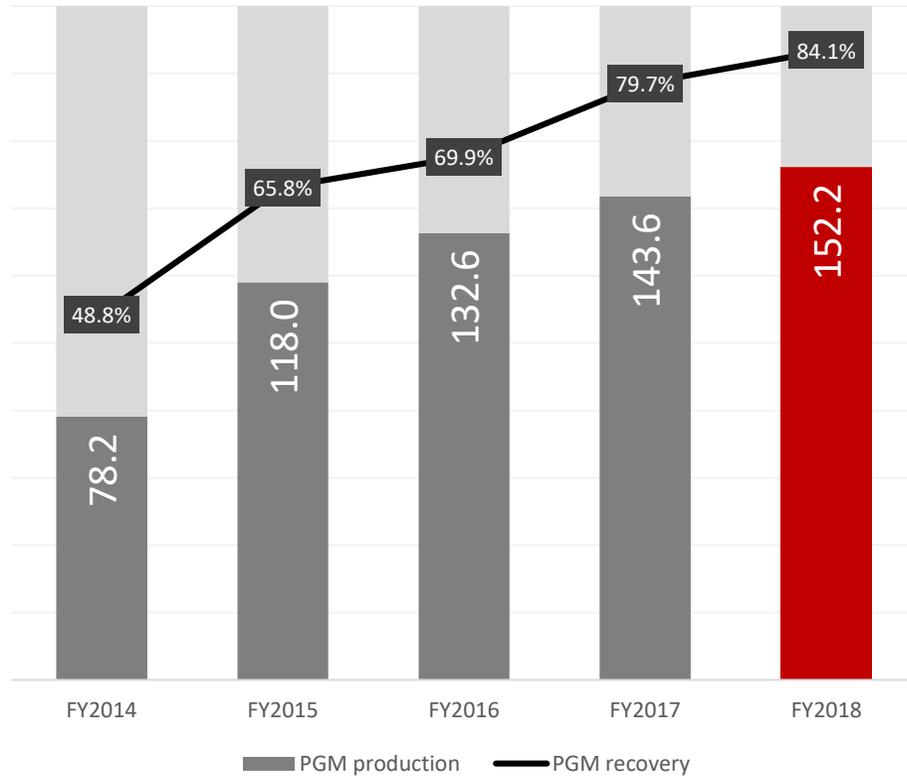


- Reef mined decreased by 3.0% from FY2017
- Stripping ratio improved year on year
- Comprehensive maintenance programme implemented to return fleet to OEM standards, which reduced availability in FY2018
- Fleet capable of moving +1.3 Mm³ of waste per month and +430 ktpm of reef
- Transitioning to 24 hour, four shift operations, which will increase production capability by approximately 15%
- FY2019 will focus on improving efficiencies in drill and blast operations

PRODUCTION - PGM

PGM PRODUCTION

[kozpa]



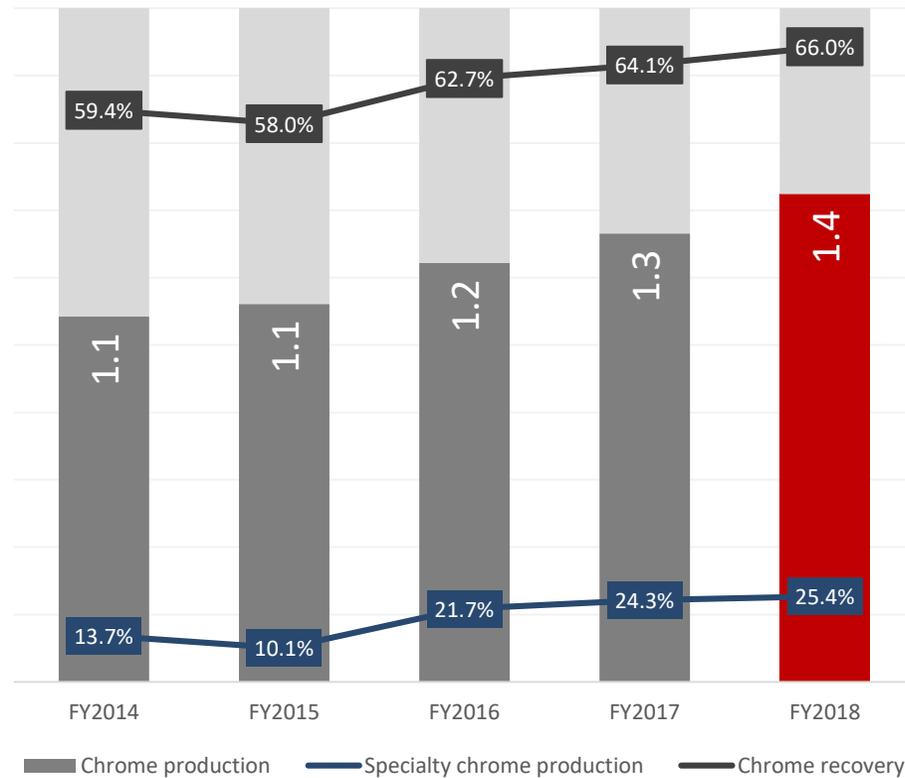
- PGM production increased by 6.0% to 152.2 koz
- PGM rougher feed grade of 1.51 g/t (FY2017: 1.56 g/t)
- Improved recoveries by 5.5% to 84.1%, against a target of 80.0%
- Phase 1 of PGM optimisation implemented at the Voyager Plant
- Phase 2 of PGM optimisation to be implemented in FY2019



PRODUCTION - CHROME

CHROME PRODUCTION

[Mtpa]



- Chrome concentrate production increased by 8.8% to 1.4 Mt
- Cr_2O_3 ROM grade of 18.2% (FY2017: 17.8%)
- Chrome recoveries improved by 3.0% to 66.0%, above the target of 65.0%
- Specialty grade chrome concentrate production increased by 13.8% to 367.7 kt



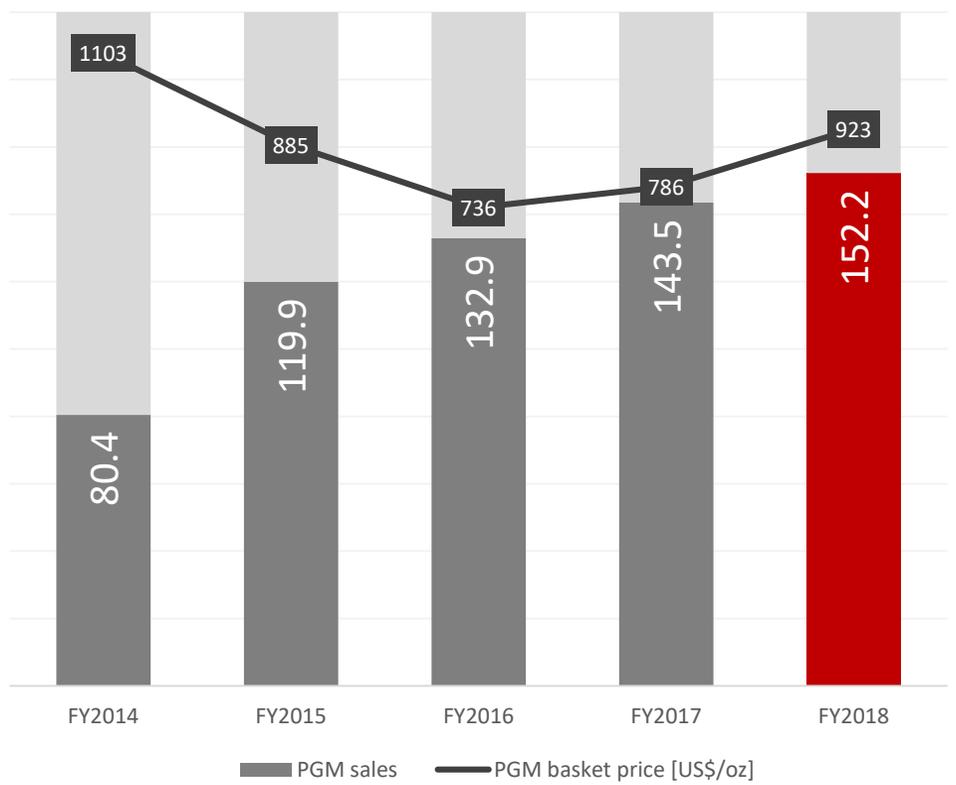
PGM BASKET PRICE
US\$923/oz ↑17.4%
 (FY2017: US\$786/oz)

42% CHROME CIF PRICE
US\$186/t ↓7.0%
 (FY2017: US\$200/t)

SPECIALTY GRADE PRODUCTION
367.7 kt ↑13.8%
 (FY2017: 323.1 kt)

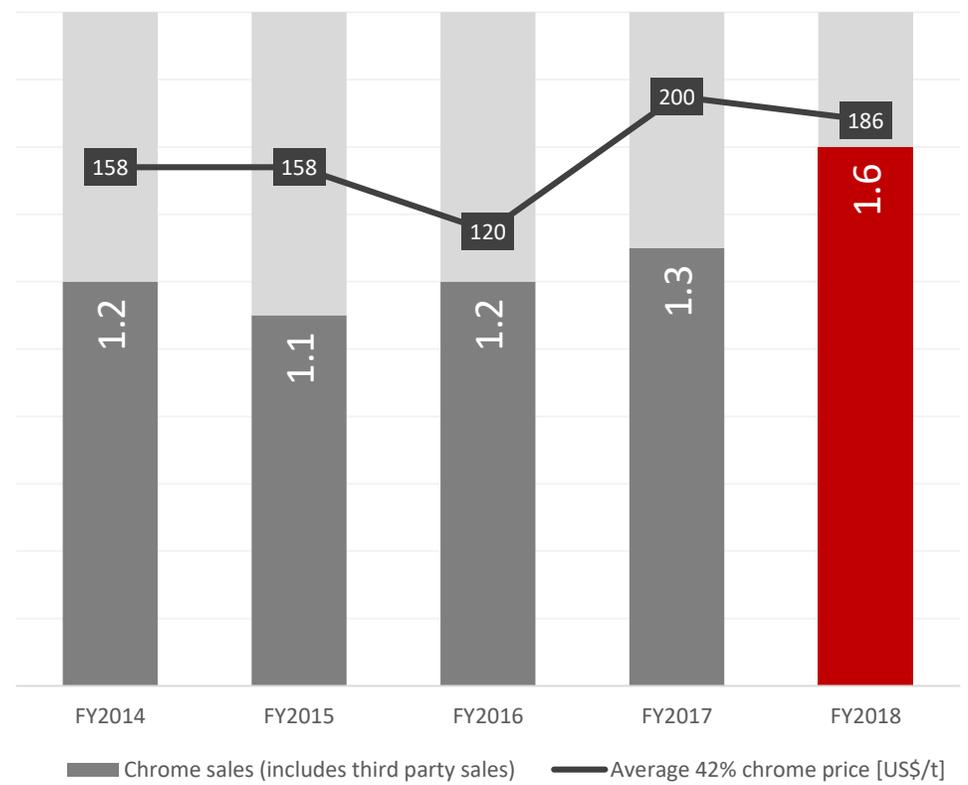
PGM CONCENTRATE SALES

[kozpa]



CHROME CONCENTRATE SALES

[Mtpa]

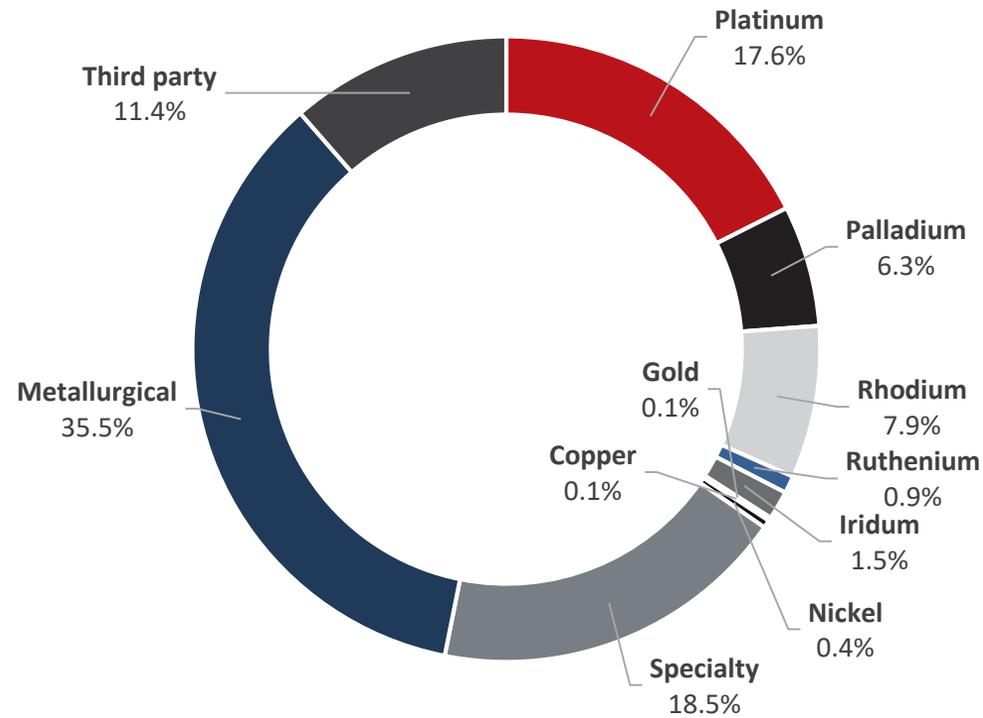


PRODUCT AND REVENUE DIVERSIFICATION

REVENUE
US\$406.3 m ↑16.3%
(FY2017: US\$349.4 m)

REVENUE CONTRIBUTION

EX WORKS BASIS



- Leverage business model through trusted supply chain
- Direct relationships with customers and end users
- Diversified customers for our products
- Geographic customer spread extends beyond Asia



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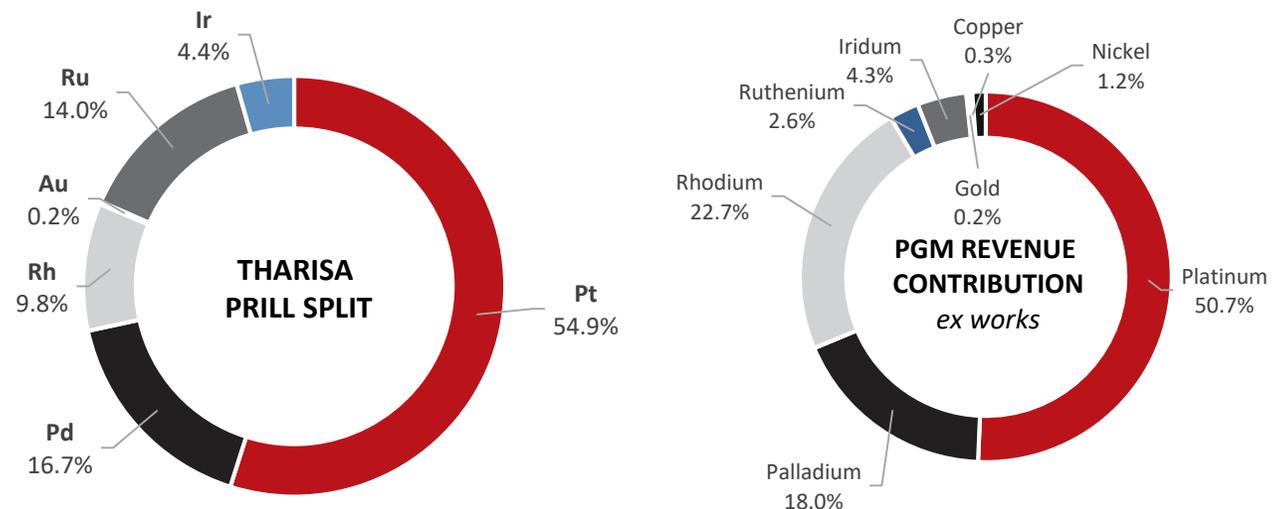
MARKETS

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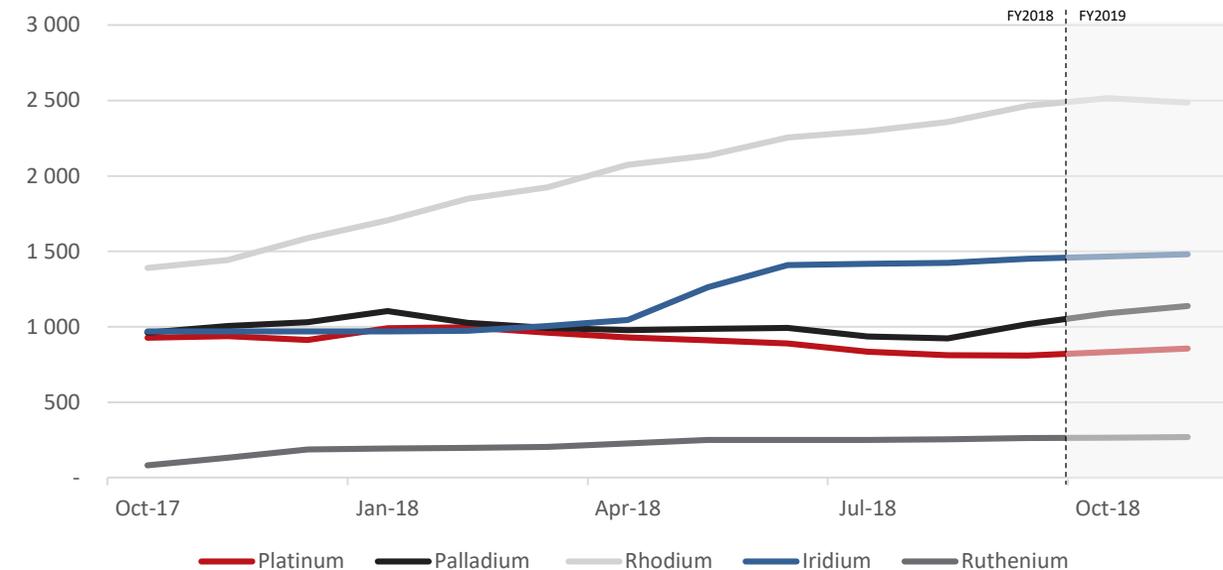
PGM MARKET

PGM DEMAND AND SUPPLY

- Vital industrial metals largely used in automotive catalytic converters, other drivers of demand include jewellery, industrial uses and investment
- Platinum demand is expected to marginally weaken in 2018, while forecast demand for palladium and ruthenium is set to increase
- Further advances in the deployment of fuel cell technologies are likely to see a rise in platinum demand
- Increased promotion of platinum jewellery in China



MARKET PRICES



CHANGE IN AVERAGE MARKET PRICE FROM FY2017 TO FY2018

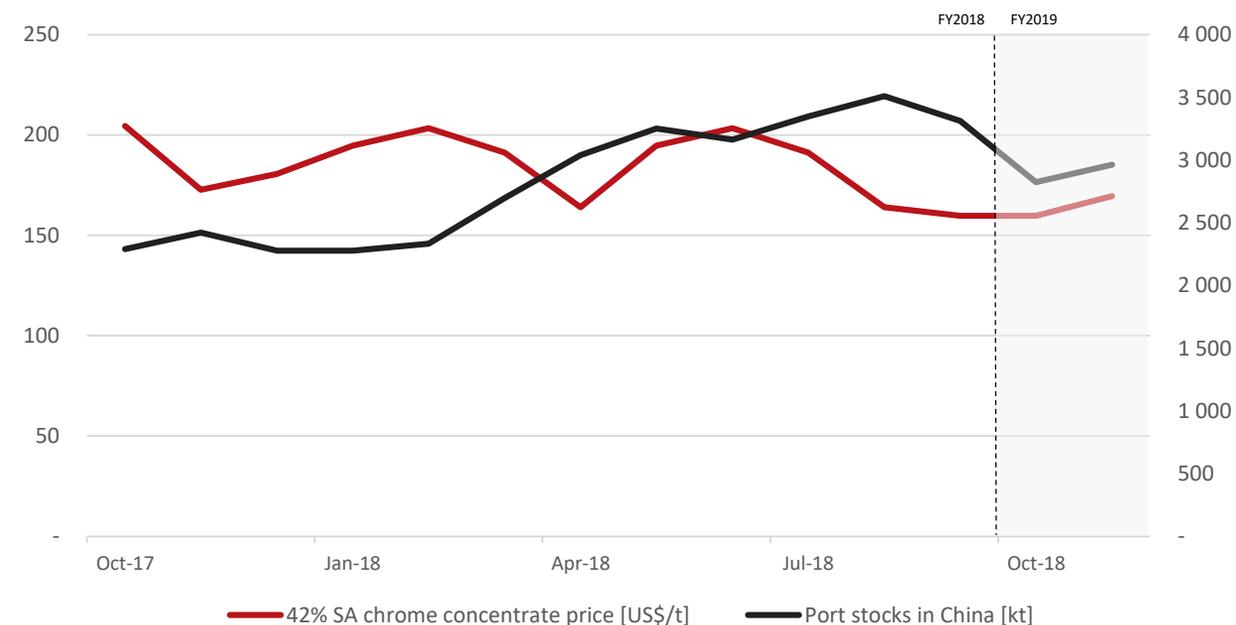
Platinum	↓5.2%
Palladium	↑24.9%
Rhodium	↑111.2%
Iridium	↑40.9%
Ruthenium	↑297.2%

CHROME MARKET

DEMAND AND SUPPLY

- Demand for metallurgical grade chrome concentrate is mainly driven by its use in the manufacture of stainless steel
- China is wholly dependent on imports of chrome ores
- Spot chrome prices traded between US\$156/t and US\$240/t, current market pricing is US\$165/t
- Chrome stocks at Chinese ports remain below the 3.0 Mt mark at 2.8 Mt – almost two and half months' supply
- Indonesian installed annual stainless steel melt capacity of 2.0 Mt, with a further 1.0 Mt being brought online

MARKET PRICES AVERAGE MONTHLY



CHEMICAL GRADE
 Cr_2O_3 – 45% to 47%
 SiO_2 <1.2%
 Used to produce sodium dichromate used in leather tanning, pigments and plating

FOUNDRY GRADE
 Cr_2O_3 >46%
 SiO_2 <1.0%
 Used in moulds for metal castings and nozzle sands



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FINANCIAL REVIEW

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FY2018 THEMES



HEALTHY MARGINS



**WELL STRUCTURED
BALANCE SHEET**



**STRONG CASHFLOW
GENERATION**



**DISCIPLINED CAPITAL
ALLOCATION**

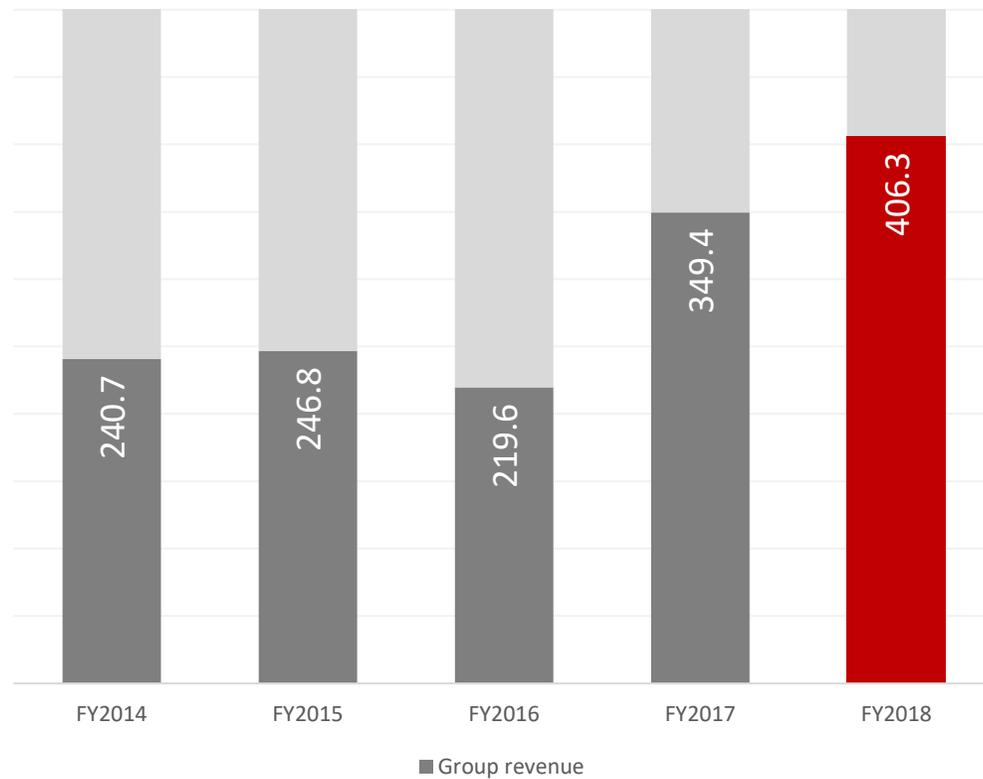


DIVIDEND PAYER

REVENUE

GROUP REVENUE

[US\$ million]



- Higher sales volumes for both PGM and chrome concentrates
- Increase in specialty grade chrome concentrate sales +US\$50/t premium on an equivalent CIF basis
- PGM basket price increased to US\$923/oz
- Third party agency and trading – first full year
- Decrease in chrome concentrate prices at US\$186/t

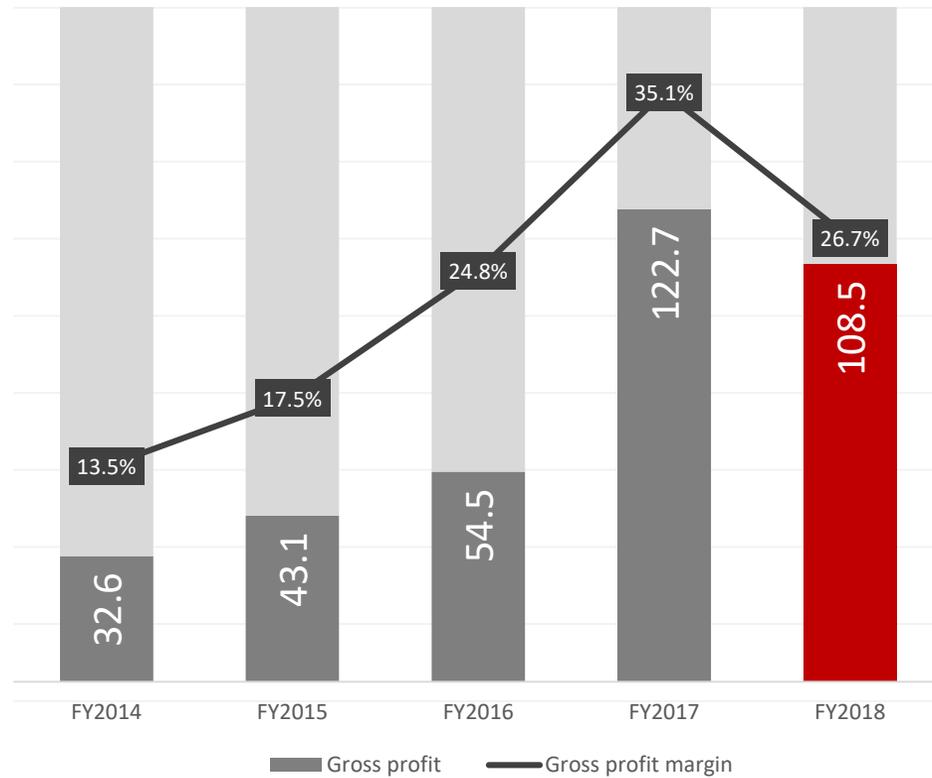
The Group has early adopted:

- > IFRS 9 – Financial instruments
- > IFRS 15 – Revenue from contracts with customers
- > IFRS 16 – Leases

GROSS PROFIT

GROSS PROFIT

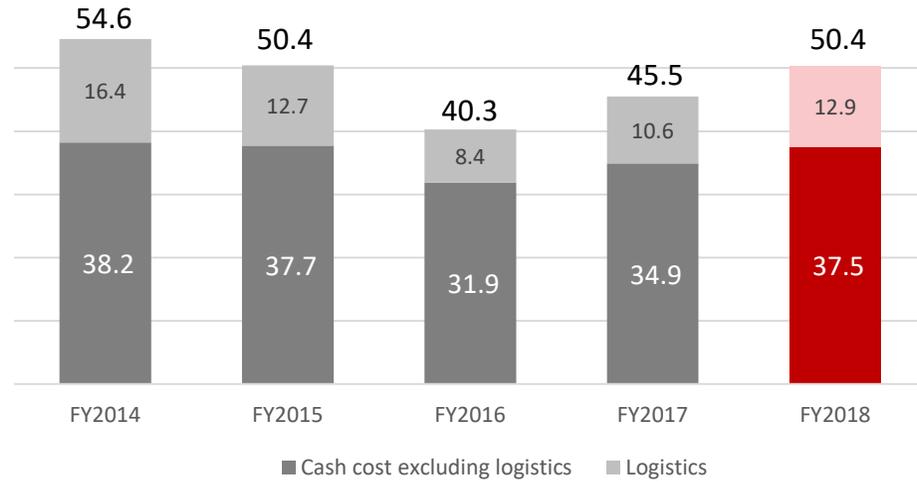
[US\$ million]



Segmental analysis	FY2018			FY2017		
	PGMs	Chrome	Agency and trading	PGMs	Chrome	Agency and trading
Revenue	117.4	250.4	38.5	90.9	252.9	5.6
Gross profit	29.2	75.7	3.6	36.2	86.2	0.3
Gross profit margin	24.9%	30.2%	9.4%	39.8%	34.1%	5.4%
Sales volume	152.2 koz	1.4 Mt		143.5 koz	1.3 Mt	
Shared cost allocation	50.0%	50.0%		35.0%	65.0%	

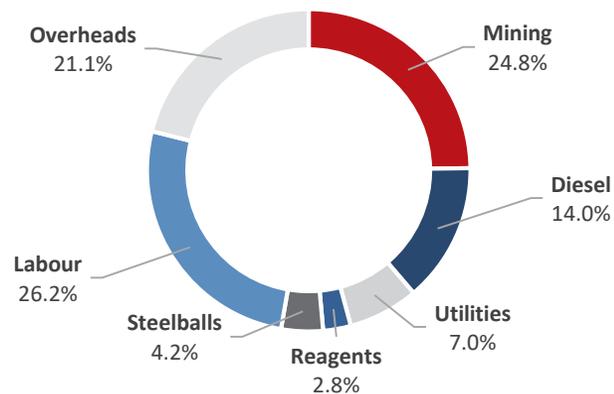
CONSOLIDATED CASH COST PER TONNE MILLED

[US\$/t milled]



- Consolidated cash cost per tonne milled including logistics increased by 10.8% from FY2017
- Mining inflationary cost pressures:
 - South African PPI +6.2%
 - Increase in fuel prices +38.4%
 - Increase in transport costs +19.2%
 - Volatile ZAR:US\$ exchange rate – strengthened by 2.2%
- Increase in administration costs due to transition to owner mining and associated costs (safety, training, time and attendance, procurement, human resources)

OPERATING COST ANALYSIS – EX WORKS



By product basis – Tharisa production

		FY2018	FY2017
All in sustaining cost per Pt ounce	US\$/oz	125.3	(296.1)
All in sustaining cost per 42% chrome tonne	US\$/t	117.4	114.0

Mining costs

		FY2018	FY2017
Mining cost per cube	US\$/m ³	8.2	7.9
Mining cost per reef tonne	US\$/t	21.0	18.8

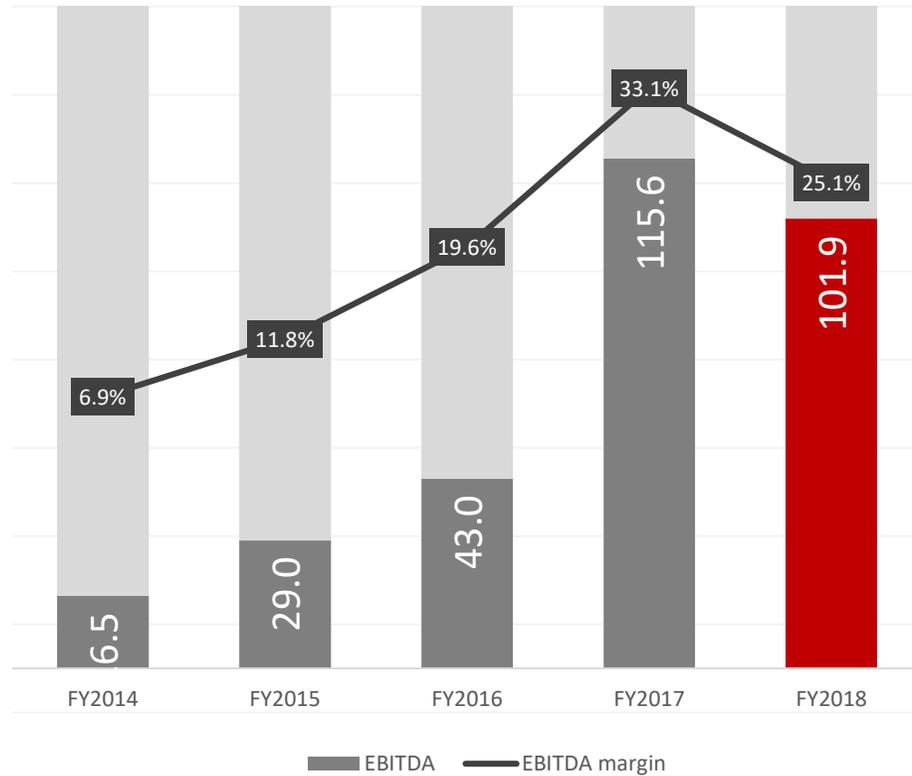
RESILIENT BUSINESS MODEL BENEFITING FROM IMPROVED PRODUCTION VOLUMES AND RECOVERIES

PROFITABILITY

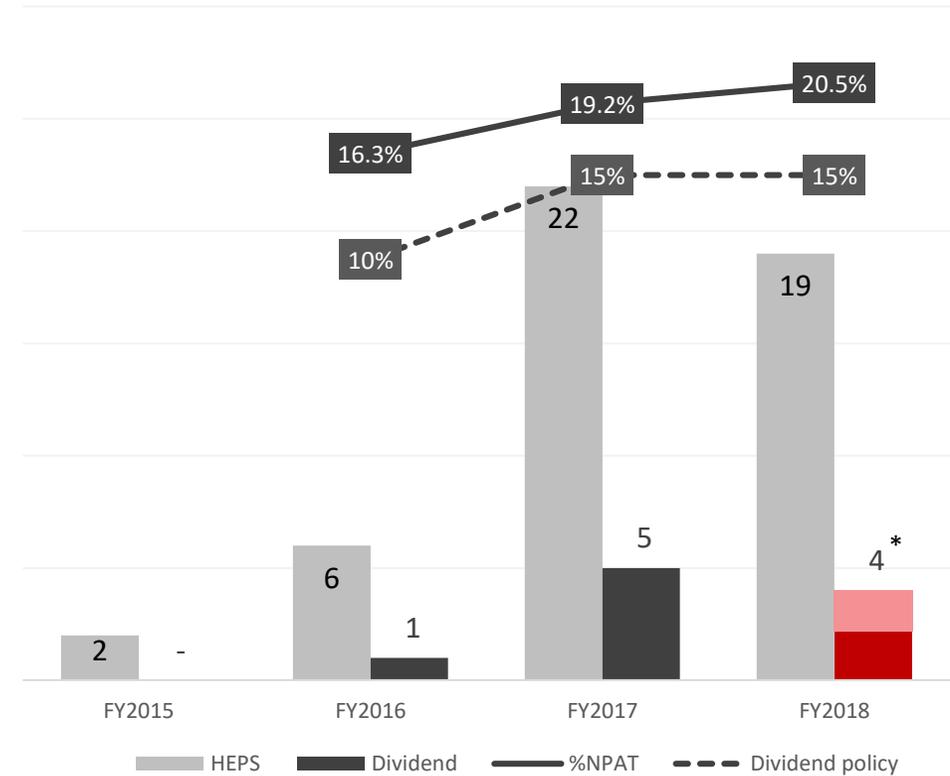
NET PROFIT BEFORE TAX
US\$65.0 m
 (FY2017: US\$91.0 m)

NET PROFIT AFTER TAX
US\$51.0 m
 (FY2017: US\$67.7 m)

EBITDA [US\$ million]



HEPS AND DIVIDENDS [US\$ cent]



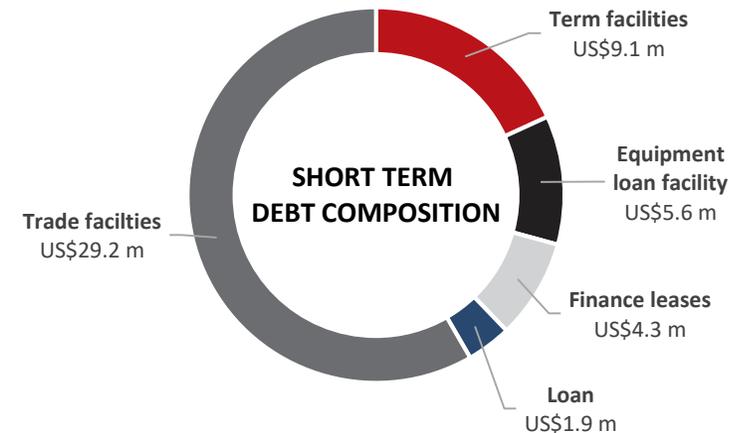
US\$ millions	FY2016	FY2017	FY2018
Dividend payment	2.6	13.0	10.4

*Includes interim dividend of US\$ 2 cents

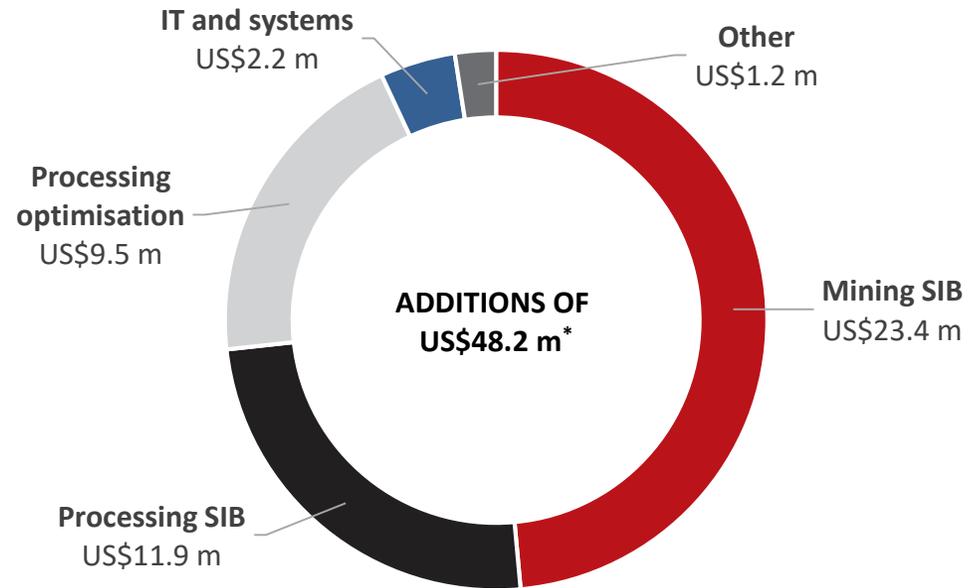
BALANCE SHEET

US\$ millions	FY2018
Total interest bearing debt	77.4
Long term	27.3
Short term	50.1
Cash and cash equivalents	66.8
Debt to total equity ratio	25.8%
Net debt	10.6
Net debt to total equity ratio	3.3%
Net current assets	91.7
Cost of capital (real)	8.0%
Return on equity	14.9%

- Refinanced senior debt facility
- Redeemed B Class preference shares
- Term loan and normal corporate facilities
- OEM financing facilities
- Trade finance facilities



CAPITAL



Investments:

- Karo Mining Holdings 26.8% investment of US\$4.5 million – equity accounted and commitment for exploration programme of US\$8.0 million
- Salene Chrome 90% option – accounted for as “other financial asset”; commitment for exploration programme of US\$3.2 million

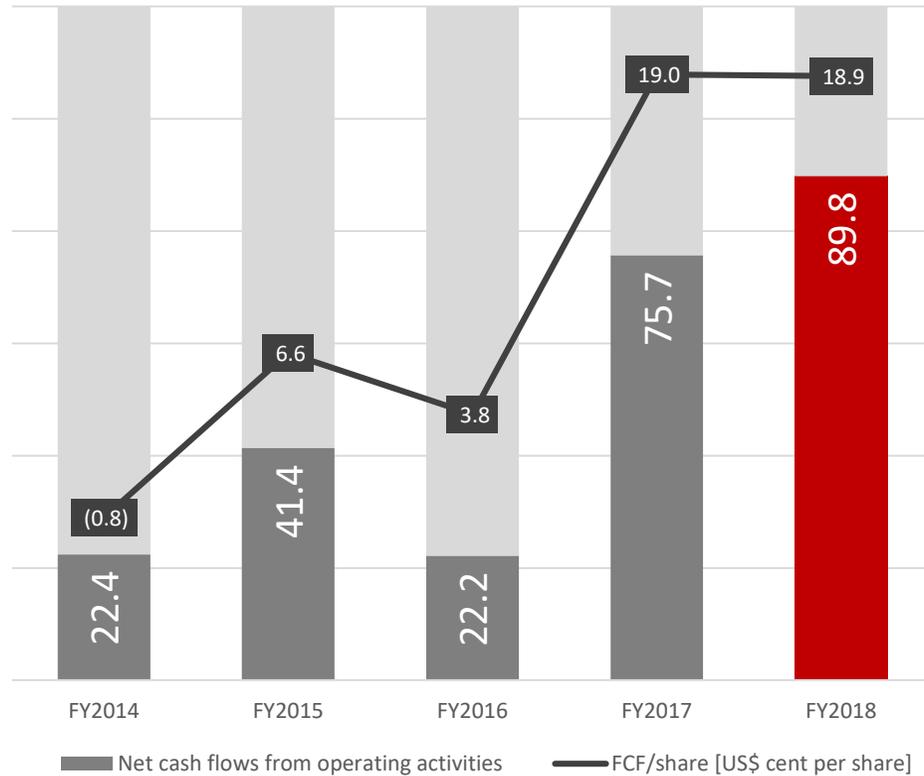


* Including right of use assets (i.e leases)

CASH FLOWS

NET CASH FLOWS FROM OPERATING ACTIVITIES

[US\$ million]



US\$ millions

FY2018

Cash flow from operating activities	89.8
Investing cash flows	(60.4)
Additions to PPE	(40.5)
Net business combination	(21.8)
Financing cash flows	(11.5)
Net increase in cash	17.9
Cash at the end of the period	66.8
Free cash flow per share (US\$ cents)	18.9

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STRATEGY IMPLEMENTATION

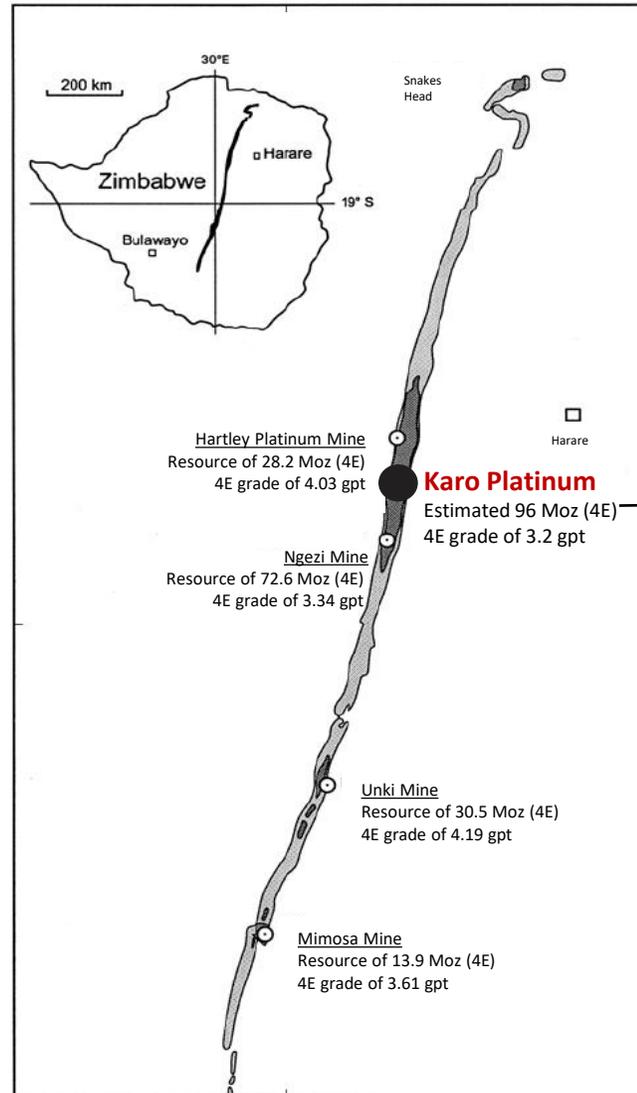
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DIVERSIFICATION
FROM SINGLE ASSET

HIGHLY
PROSPECTIVE
AREA

MINERAL RICH
GEOGRAPHY

LARGE SCALE



PRODUCT EXPANSION

FURTHER
GROWTH
OPPORTUNITIES

STRONG
CASH GENERATION
POTENTIAL

LOW COST
PRODUCTION

DEVELOPMENT PERMITS AWARDED



FY2018
ACTUAL

ROM of 4.9 Mtpa
PGMs of 152.2 kozpa
Chrome concentrates of 1.4 Mtpa

FY2019
GUIDANCE

ROM of 5.2 Mtpa
PGMs of 160 kozpa
Chrome concentrates of 1.5 Mtpa

2020
TARGET

ROM of 5.6 Mtpa
PGMs of 200 kozpa
Chrome concentrates of 2.0 Mtpa

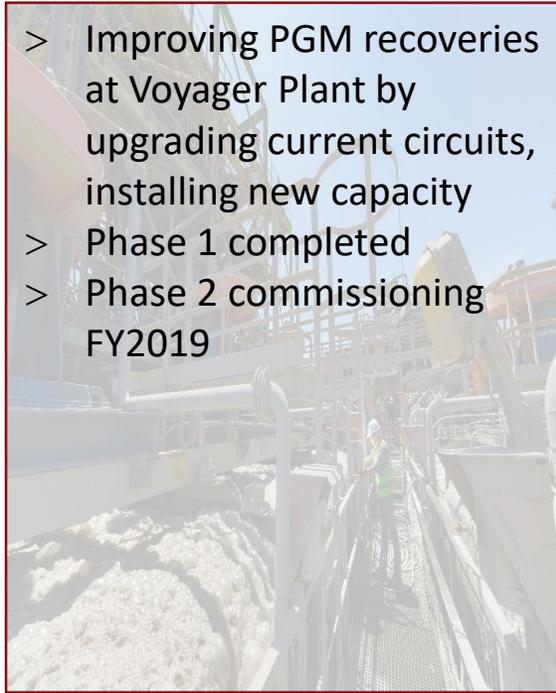
GRADE IMPROVEMENT

- > Opening full mining strike length
- > Maintain correct multi-reef layer profile
- > Culture of continuous improvement
- > Ensure stable feed grades for processing



PGM OPTIMISATION

- > Improving PGM recoveries at Voyager Plant by upgrading current circuits, installing new capacity
- > Phase 1 completed
- > Phase 2 commissioning FY2019



FOURTH STAGE CRUSHING

- > Additional crushing circuit at Genesis Plant to increase plant throughput
- > Commissioned post FY2018



VULCAN PLANT

- > Fine chrome recovery plant
- > Proprietary process developed by Arxo Metals
- > DFS completed
- > FEED has commenced



RESEARCH AND DEVELOPMENT

- Successfully increasing the metal recoveries at the Genesis and Voyager Plants through continuous improvement
- The development of the Challenger Plant to recover specialty grade chrome concentrates
- Commissioning of 1 MW PGM DC smelter and first production of PGM rich alloy
- Development of the Vulcan fine chrome recovery process and commissioning of a demonstration plant
- Collaboration with North West University on various R&D projects

Development of our **beneficiation** capabilities

Development of **niche products** from our minerals

Development of **new markets** and uses



LEADING NATURAL RESOURCES GROUP

Globally significant, diversified low cost operations

INNOVATION

Innovative research and development feeding organic growth

OPTIMISATION INITIATIVES

Maximise value extraction through process engineering

LEVERAGING EXISTING PLATFORMS

Marketing, sales and logistics platform
Expansion into multi-commodities
Geographic diversity

CAPITAL DISCIPLINE

Annual dividend policy of minimum 15% NPAT
Capital allocation to low risk projects



Production guidance of 160 koz of PGM concentrate and 1.5 Mt of chrome concentrates for FY2019

QUESTIONS



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