



tharisa

PROFITABLE LOW COST CO-PRODUCER – PGMS AND CHROME
PLATINUM WEEK 2016



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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.

tharisa

NO ORDINARY MINING COMPANY

THARISA AT A GLANCE

828

Mt RESOURCE

ZAR1.7 billion

MARKET CAPITALISATION

REVENUE

US\$246.8m

Mtpa ROM
TONNAGE

144

koz pa
PLATINUM
GROUP
METALS

1.5

Mtpa

CHROME CONCENTRATES

EBITDA

US\$29.0m

US\$ 2 cents

5.5 km

STRIKE
LENGTH OF
ALL 6 MG
CHROMITITE
LAYERS

4.8

2 056

EMPLOYEES
(including contractors)

ESTIMATED YEARS OPEN PIT LIFE

20

INAUGURAL HEPS PER
SHARE

5 475

ha MINING RIGHT AREA

40

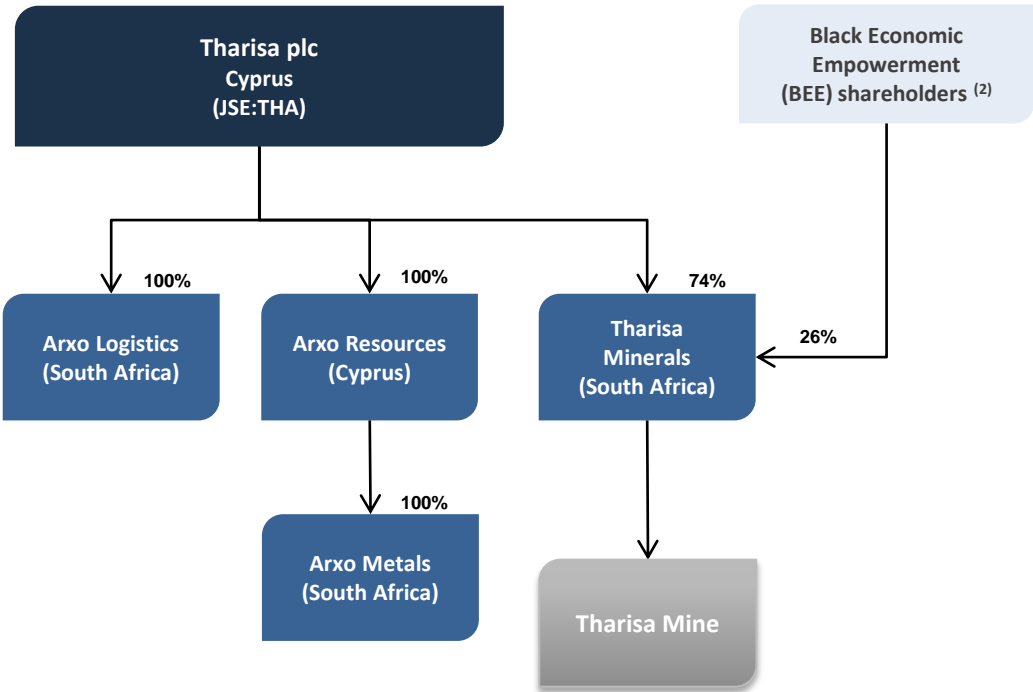
ESTIMATED YEARS
UNDERGROUND

14.2%

OF SOUTH AFRICA'S CHROME ORE/CONCENTRATE
EXPORTS

CORPORATE OVERVIEW

CORPORATE STRUCTURE



- Notes:**
1. Only key subsidiaries have been included
 2. Tharisa Minerals BEE partners are a broad-based Community Trust which holds an unencumbered 6% interest and a women's investment group Thari Resources, which holds a 20% interest

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

- Notes:**
- Shareholder information as of January 2016

MANAGEMENT TEAM

EXECUTIVE MANAGEMENT



Loucas Pouroulis

Executive Chairman

- **Over 50 years** of experience in mining company exploration, project management, financing and production (including PGM and gold mines)
- Established a number of mining companies including TransAfrika Resources, Keaton Energy, Kameni and Eland Platinum



Phoevos Pouroulis

CEO

- **Over 15 years** of experience in project management in the mining industry, including PGM and chrome
- Held directorships in several mining companies
- Extensive trading experience within the Tharisa group, Keaton Energy and Chromex Mining



Michael Jones

CFO

- **Over 18 years** of investment banking experience in corporate finance
- Extensive equity and debt capital raising experience with a focus in the latter years in the resources industry
- 5 years of financial management experience with PGM and chrome mining operations



Michelle Taylor

COO

- **Over 8 years** of experience at the Tharisa Group
- Responsible for the oversight and day-to-day operations of the Tharisa Minerals
- Works closely with the Pouroulis family and is familiar with their operating and reporting procedures and management structure

GROUP MANAGEMENT



Hans van Wyk

Acting Operations Director: Tharisa Minerals

- Responsible for the mining and processing operations of the Tharisa Mine
- **Over 15 years** experience in the recovery of PGMs and chrome
- Held various positions in the technical field focusing on the recovery of PGMs and chrome, having worked on a number of chrome and PGM concentrator operations



Elize Groesbeek

Managing Director: Arxo Logistics

- Responsible for the overall management of the logistics and transport services provided by Arxo Logistics to the Tharisa group's operations
- **Over 30 years** experience in logistics



Greg Taugog

Executive – Sales and Marketing

- Responsible for all marketing activities of the Tharisa group
- **Over 20 years** experience in international trade, cross-border relations and South African sales
- Held various managerial positions and directorships with prominent companies in the mining industry since 1994



Willem de Villiers

Managing Director: Arxo Metals

- Responsible for the overall management of beneficiation and value addition projects within the group
- **Over 14 years** experience in the chrome and manganese industries
- Held positions in operations at BHP Billiton, Samancor Chrome and Xstrata Alloys

THARISA SNAPSHOT

Tharisa plc is the only JSE listed PGM and chrome concentrate open pit co-producer with an integrated marketing, sales and logistics platform



Large scale
(**828 Mt** resource)
mid-tier PGM and chrome
concentrate co-producer

Open pit operations with
20 year LOM and
40 year LOM
underground extension

One of the **world's largest** single chrome resource mines

Mechanised open pit mining with a **skilled** and **stable** labour force

Steady state production of **144 koz PGMs** and **1.5 Mt** of chrome concentrates

In production and **de-risked** with major capex programme complete

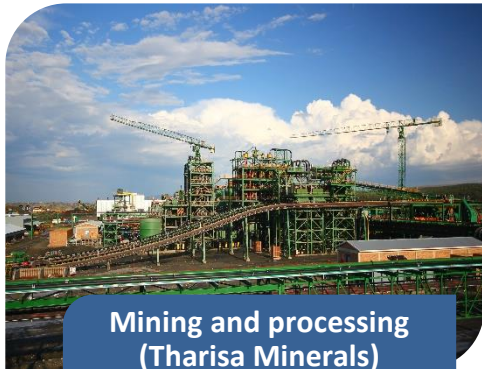
Lowest cost quartile producer of PGM and chrome concentrates

In-house, cost effective **mine to customers** logistics solution

Growth/optimisation **initiatives** in place

OUR 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
- 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%

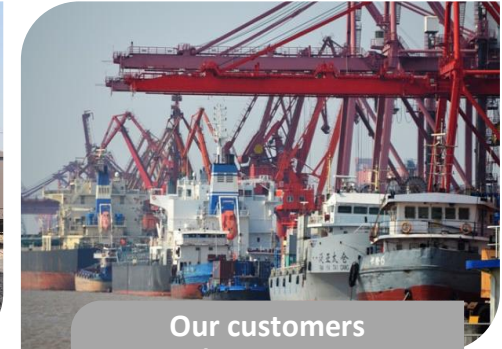
- 10.1% of China's chrome ore/concentrate imports and 14.2% of South Africa's chrome ore/concentrate exports for FY2015



Logistics
(Arxo Logistics)

100%

- Road and rail transport capacity, warehousing facilities and port facilities sufficient for steady state production
- Transport of PGMs to Impala Refinery Services by road
- Shipment of chrome concentrate in bulk from Richards Bay Dry Bulk Terminal and containers from the Durban port
- Shipments for FY2015:
 - 974.8 kt of chrome concentrates, mainly to China
 - 87% of shipments by bulk
 - 13% of shipments by container

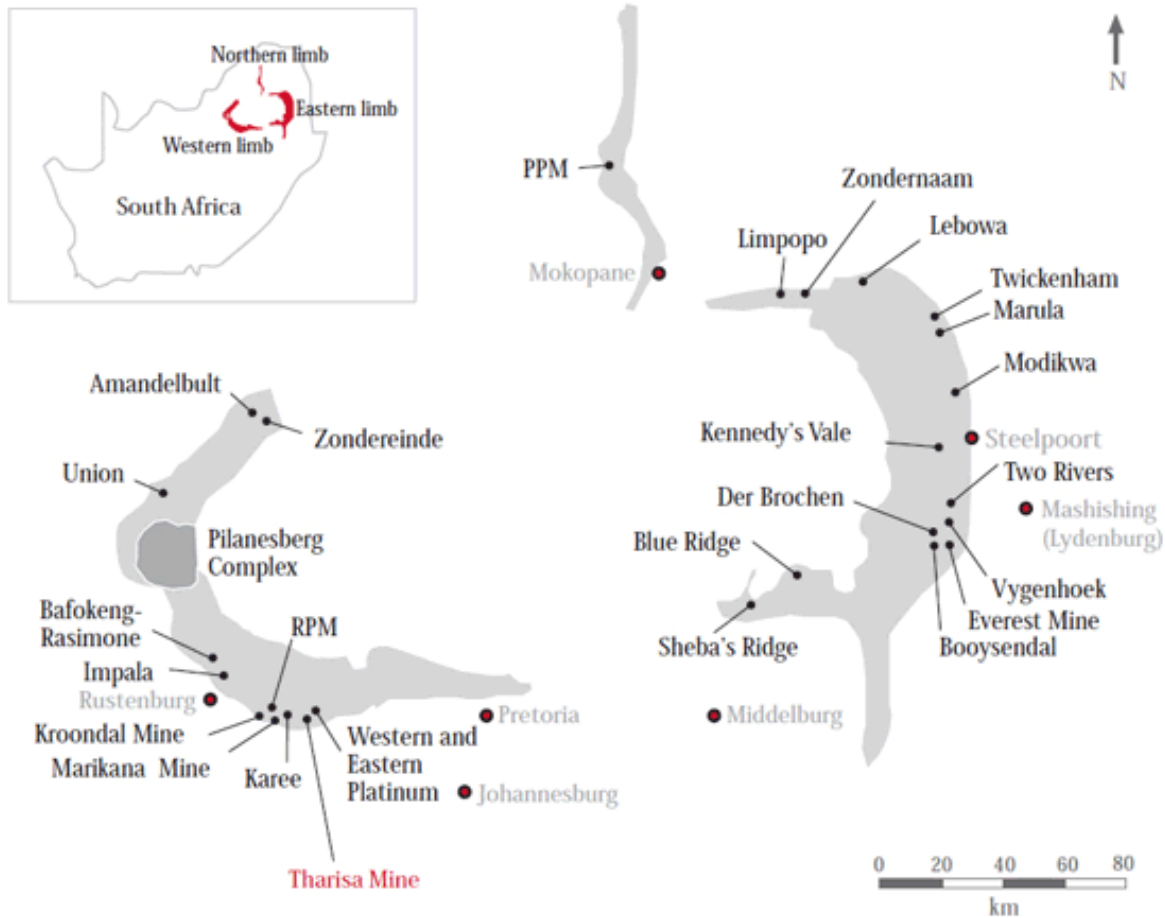


Our customers and agreements

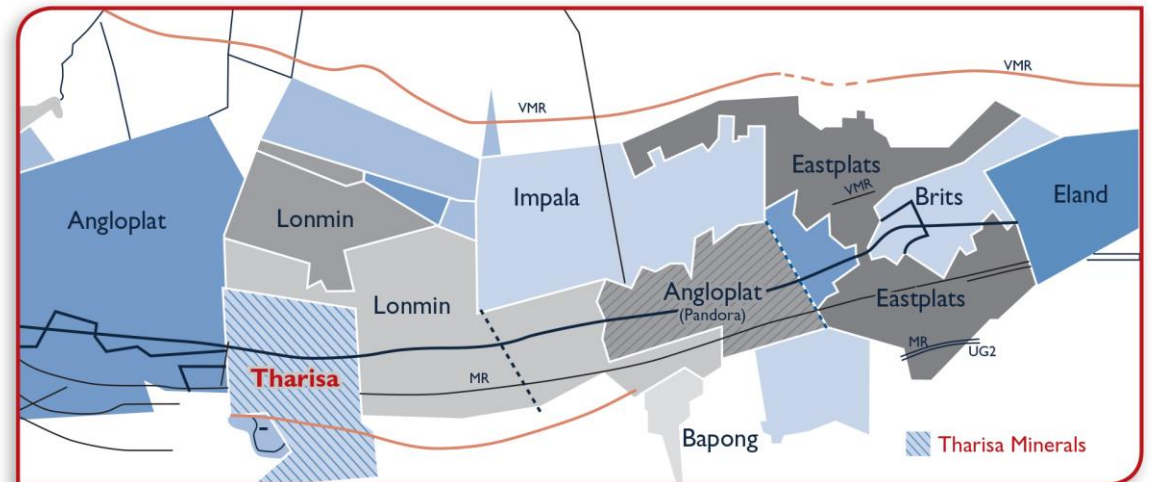
- PGM off-take agreement with Impala Refinery Services
- Off-take agreement with Rand York for foundry and chemical grade chrome concentrates
- 50 ktpm chrome concentrate agency agreement with the Noble Group
- Relationships with a broad range of stainless steel producers, ferrochrome producers and global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

LOCATION OF THARISA MINE

LOCATED IN THE MAIN PGM AND CHROME PRODUCING AREA IN SOUTH AFRICA



- Mining rights over 5 475 ha
- Adjacent to Anglo Platinum, Lonmin, Impala Platinum, Eastern Platinum
- Well serviced by road, rail, power and other services
- Neighbouring towns are Brits (45 km) and Rustenburg (30 km)



MINING ALL SIX MG CHROMITITE LAYERS

Steady state
production of
4.8 Mtpa ROM

MINERAL RESOURCE

828 Mt at 1.56 g/t 6E PGMs and
20.38% Cr₂O₃

OPEN PIT MINERAL RESERVE

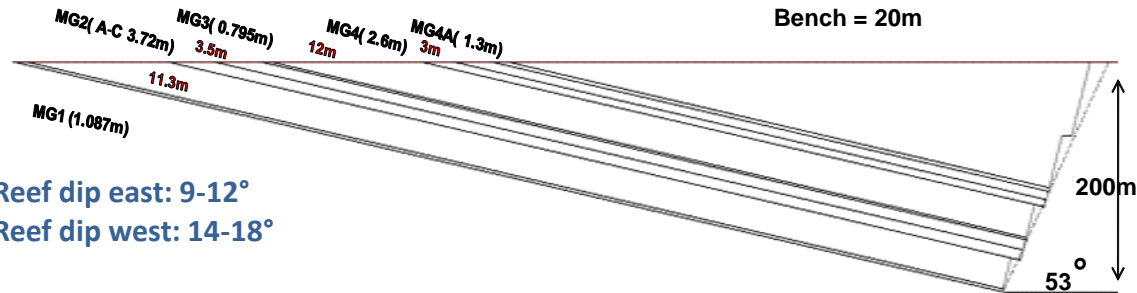
- 100 Mt at 1.51 g/t 6E PGMs and
19.4% Cr₂O₃

OPEN PIT CONTAINED METAL

- 3.79 Moz 6E PGMs and 19.4 Mt
Cr₂O₃

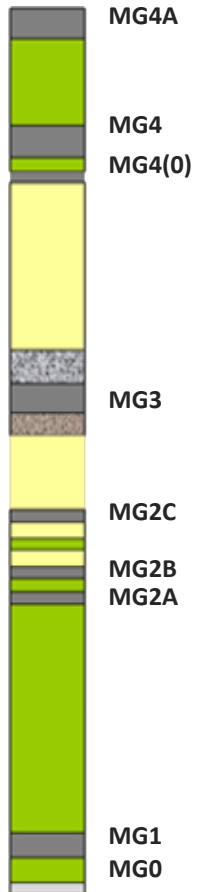
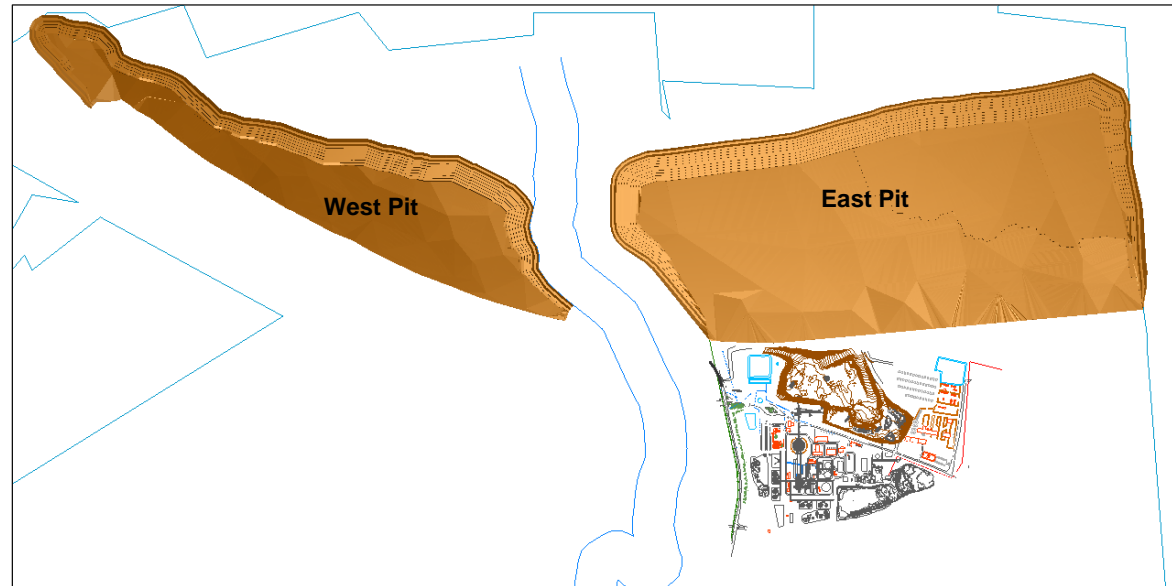
Resource and reserves as at 30 September 2015

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



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

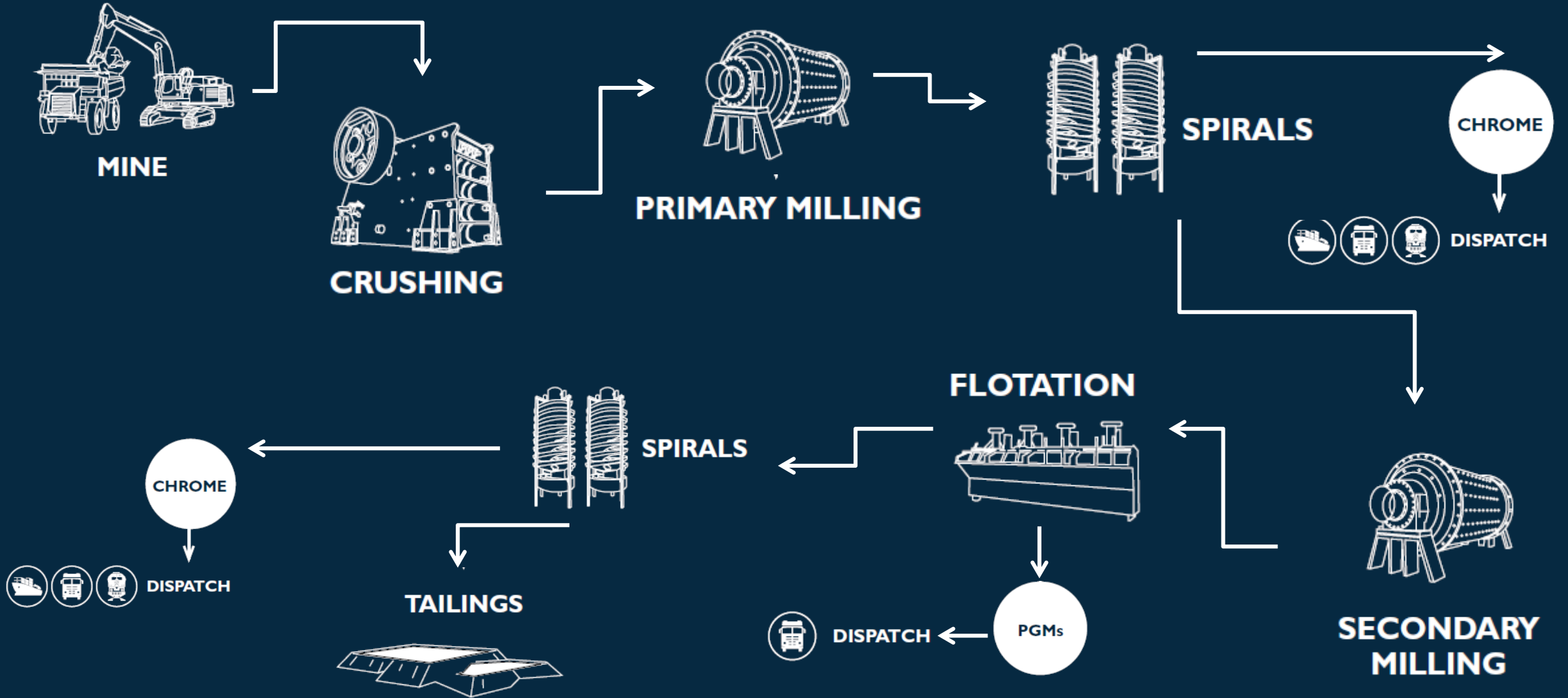
Strike length: 5.5 km
Average stripping ratio: 8.5 (bcm:bcm) over LOM



OPERATIONAL OVERVIEW

Processing flexibility provided through owner operated Voyager and Genesis standalone concentrator plants.

Total capacity of 400 ktpm ROM
Voyager – 300 ktpm
Genesis – 100 ktpm
Operationally de-risked co-producer



KEY OPERATIONAL METRICS

PGM RECOVERY

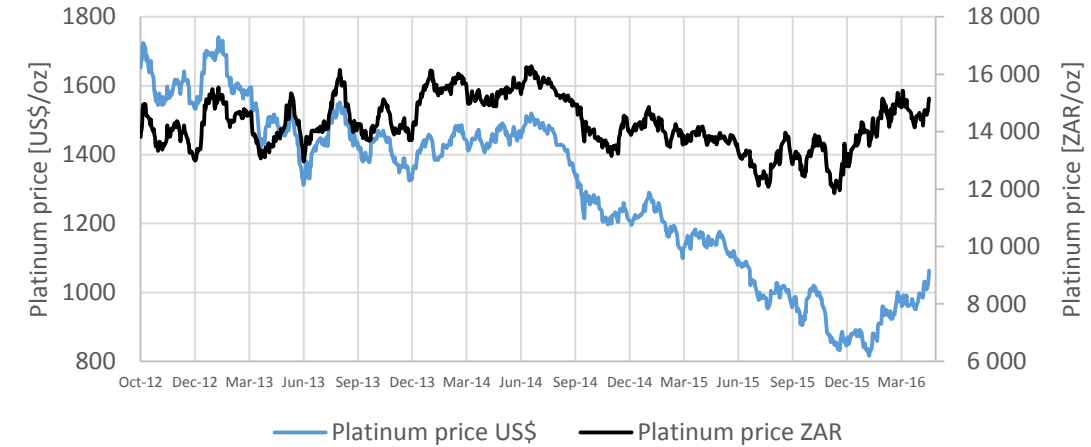
Target – 70%

CHROME RECOVERY

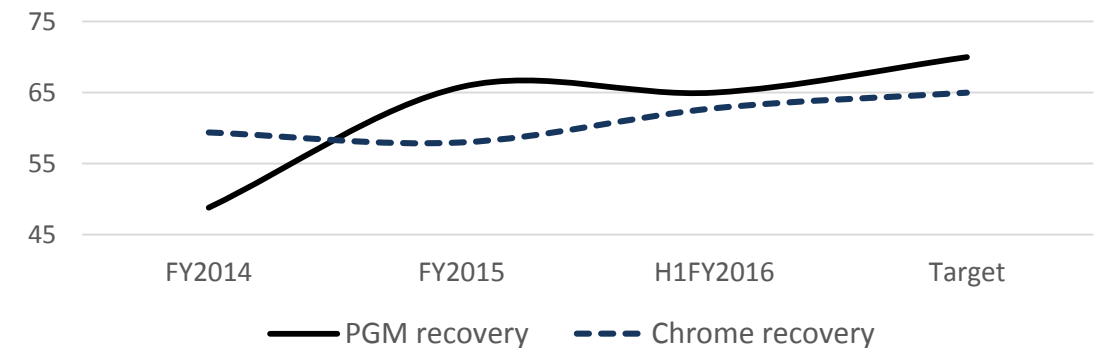
Target – 65%

		H1 FY2016	Q2 FY2016	Q1 FY2016	FY2015
ROM mined	Mt	2.36	1.23	1.12	4.18
PGM rougher feed grade	g/t	1.68	1.74	1.61	1.62
Chrome grade	%	18.4	18.3	18.5	18.3
ROM processed	Mt	2.20	1.20	1.00	4.40
Tailings processed	Mt			-	0.25
PGM recovery	%	65.0	68.5	60.4	65.8
PGM in concentrate	koz	60.0	36.0	24.0	118.0
Chrome recovery	%	62.8	63.9	61.5	58.0
Chrome concentrate	Mt	0.60	0.33	0.27	1.12
PGM basket price	US\$/oz	686	685	687	885
Chrome concentrate price (42% CIF China)	US\$/t	106	81	124	158
Average exchange rate	ZAR:US\$	15.0	15.8	14.2	12.0

PLATINUM PRICE



RECOVERIES



MINE TO MARKET

ARXO RESOURCES
100%

ARXO LOGISTICS
100%



PGM off-take agreement with **Impala Refinery Services**

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



50 ktpm chrome concentrate agency agreement with the **Noble Group**



Agency agreement with **Rand York** for foundry and chemical grade chrome concentrates



INCOME STATEMENT

REVENUE

US\$246.8m ^{↑2.5%}
(2014: US\$240.7m)

OPERATING PROFIT

US\$18.4m ^{↑211.9%}
(2014: US\$5.9m)

NET PROFIT AFTER TAX

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

SEGMENTAL ANALYSIS

OPERATING PROFIT

↑211.9%
US\$18.4M
(2014: US\$5.9M)

EBITDA

↑75.8%
US\$29.0m
(2014: US\$16.5m)

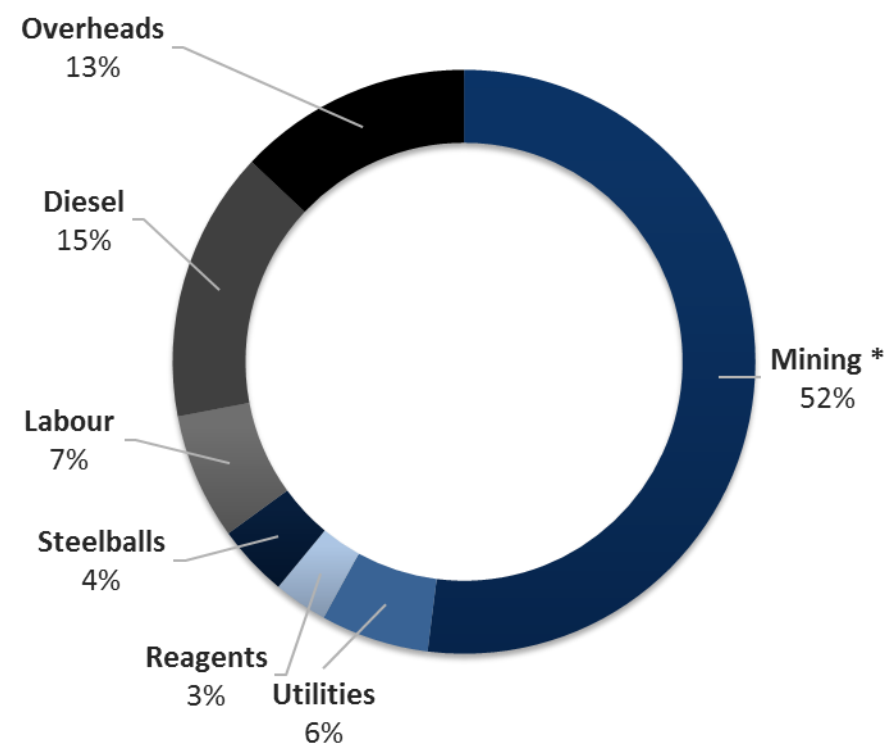
PGM AND CHROME REVENUE AND COSTS

US\$m	FY2015*			FY2014		
	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

OPERATING COST ANALYSIS – EX-WORKS



* Including contractor labour

BALANCE SHEET

TOTAL INTEREST BEARING DEBT

Down 35%
US\$75.6m
 (2014: US\$116m)

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 complete, 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)

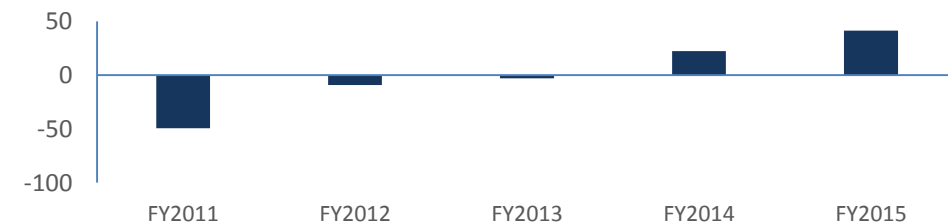
SUMMARISED CASH FLOW STATEMENT

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

SHARE STATISTICS

GENERAL SHARE INFORMATION (1 YEAR) (AS AT 5 MAY 2016)

Short name	Tharisa (THA)
Long name	Tharisa plc
JSE sector	Mining (1770)
Price	ZAR7.50
High	ZAR9.40
Low	ZAR4.00
Market cap	ZAR1.9 billion
1 year return	42.86%
PE Ratio	25.06
EPS	0.27

SIX MONTH VIEW



ONE YEAR VIEW



THA VS PEERS (RELATIVE): 1 YEAR



WE ARE DIFFERENT

We believe Tharisa is one of the few resources companies in South Africa that is profitable, cash generative, low cost and well placed to capitalise on consolidation opportunities in the prevailing mining environment.

Tharisa represents a significant and unique opportunity for investors and is an attractive entry point based on its current market valuation.

WE STAND OUT FROM OTHER INVESTMENTS

UNIQUE MINING APPROACH

Mining all 6 MG chromitite layers – access to both PGMs and chrome resources

LOWEST QUARTILE COST CURVE

One of the PGM and chrome industry's lowest cost producers – with more room to cut costs

INNOVATIVE PROCESSING

Allows us to process both PGMs and chrome – with expansion opportunities

GROWTH OPPORTUNITIES

Organic growth opportunities through pit extension and potential acquisitive growth when the market allows

SECURE VALUE INVESTMENT

Direct access to only JSE listed PGM and chrome concentrate co-producer

Tharisa is focused on becoming a leading natural resources company focused on originating, developing and operating mines in the PGM, chrome and steel raw materials sectors

LEADING NATURAL RESOURCES COMPANY

- PGM, chrome and steel raw materials
- Large scale, low cost projects that are in or close to production

INNOVATION

- Growth through innovative research and development projects

OPTIMISATION INITIATIVES

- Maximise value extraction

CAPITAL DISCIPLINE

- Dividend policy of 10% of NPAT
- Capital allocation to low risk projects

LEVERAGING MARKETING, SALES AND LOGISTICS PLATFORM

- Expansion into multi-commodities
- Geographic diversity



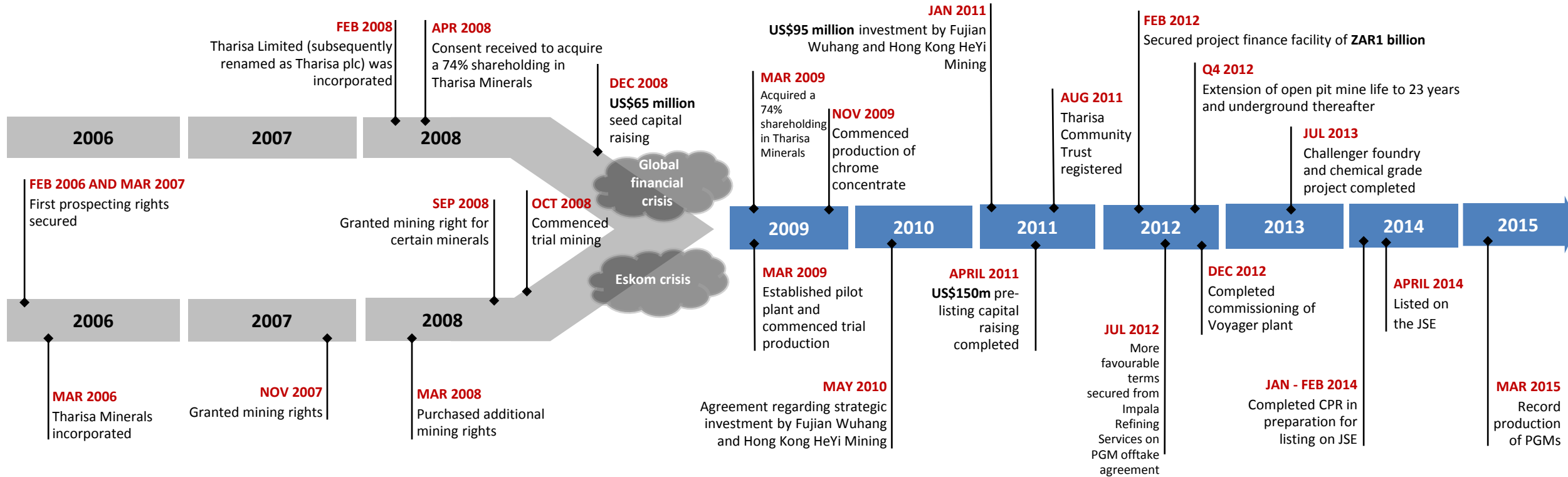
tharisa ANNEXURES

HISTORY AND MILESTONES

THARISA PLC

PRIOR TO ACQUISITION OF THARISA MINERALS BY THARISA PLC

POST ACQUISITION OF THARISA MINERALS BY THARISA PLC



THARISA MINERALS

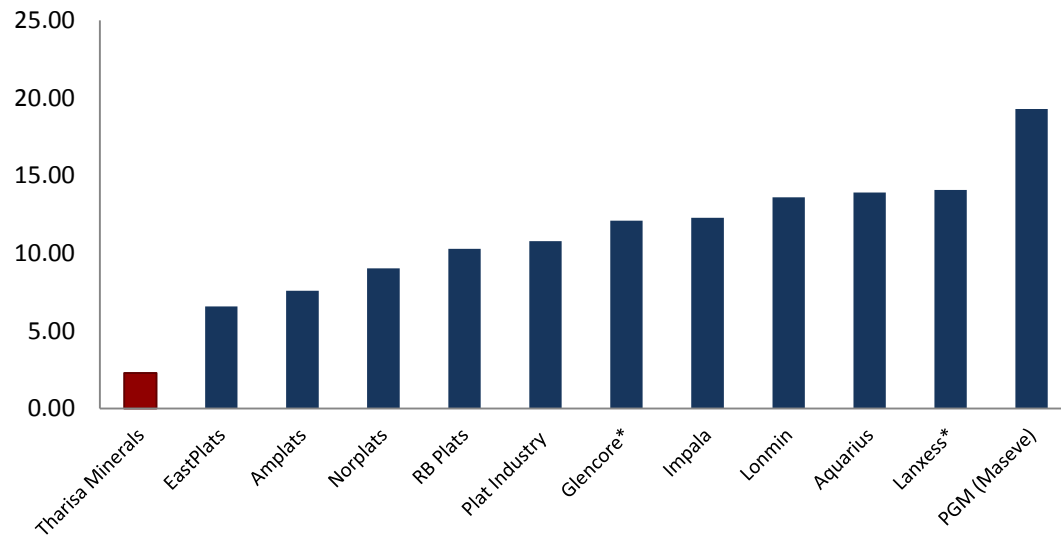
PRIOR TO ACQUISITION BY THARISA PLC

POST ACQUISITION BY THARISA PLC

SAFETY

INDUSTRY LTIFR*

COMPARATIVE RATE PER MILLION HOURS WORKED



Source: Company data, Bushveld Safety Forum

* Data as at December 2015

FOCUS ON SAFETY

- Safety remains the number one priority of management and all employees - we strive for zero harm
- Tharisa's LTIFR continues to remain amongst the lowest within the South African PGM and chrome mining industries



SUSTAINABILITY

INTERNAL

HEALTH AND SAFETY

- Zero tolerance policy on unsafe conditions
- LTIFR of 0.06 for FY2015

ENVIRONMENTAL MANAGEMENT

- Permits and licences are granted and valid
- Rehabilitation insurance in place

BEE OWNERSHIP

- Tharisa Community Trust holds a 6% equity interest in Tharisa Minerals for the benefit of the local community
- Thari Resources holds a 20% equity interest in Tharisa Minerals

UNION REPRESENTATION

- Recognition agreement with National Union of Mineworkers
- Current representation of 54%
- Three year wage deal

EXTERNAL

STAKEHOLDER RELATIONSHIPS

- Engagement with regional and local government
- Relations and ongoing engagement with local community representatives

RELOCATION AND HOUSING INITIATIVES

- Relocation of over 850 families from informal settlement
- Permanent housing with legal tenure
- Further upgrading of housing planned

COMMUNITY OWNERSHIP PROGRAMME

- Tharisa Community Trust will invest future dividends into community projects

SOCIAL UPLIFTMENT PROGRAMME

- Brick making and home building enterprises
- Development of small scale businesses, including a sewing enterprise, cleaning and gardening services

RESOURCE AND RESERVE STATEMENT

DECLARATION AS AT 30 SEPTEMBER 2015

MINERAL RESOURCE	Tonnes	6E + Au grade	4E grade	Cr ₂ O ₃ grade	Contained 4E	Contained 6E	Contained Cr ₂ O ₃
	Mt	g/t	g/t	%	Moz	Moz	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	5E + Au grade	4E grade	Cr ₂ O ₃ grade	Contained 4E	Contained Cr ₂ O ₃
	Mt	g/t	g/t	%	Moz	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	5E + Au grade	4E grade	Cr ₂ O ₃ grade	Contained 4E	Contained Cr ₂ O ₃
	Mt	g/t	g/t	%	Moz	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

GEOLOGY

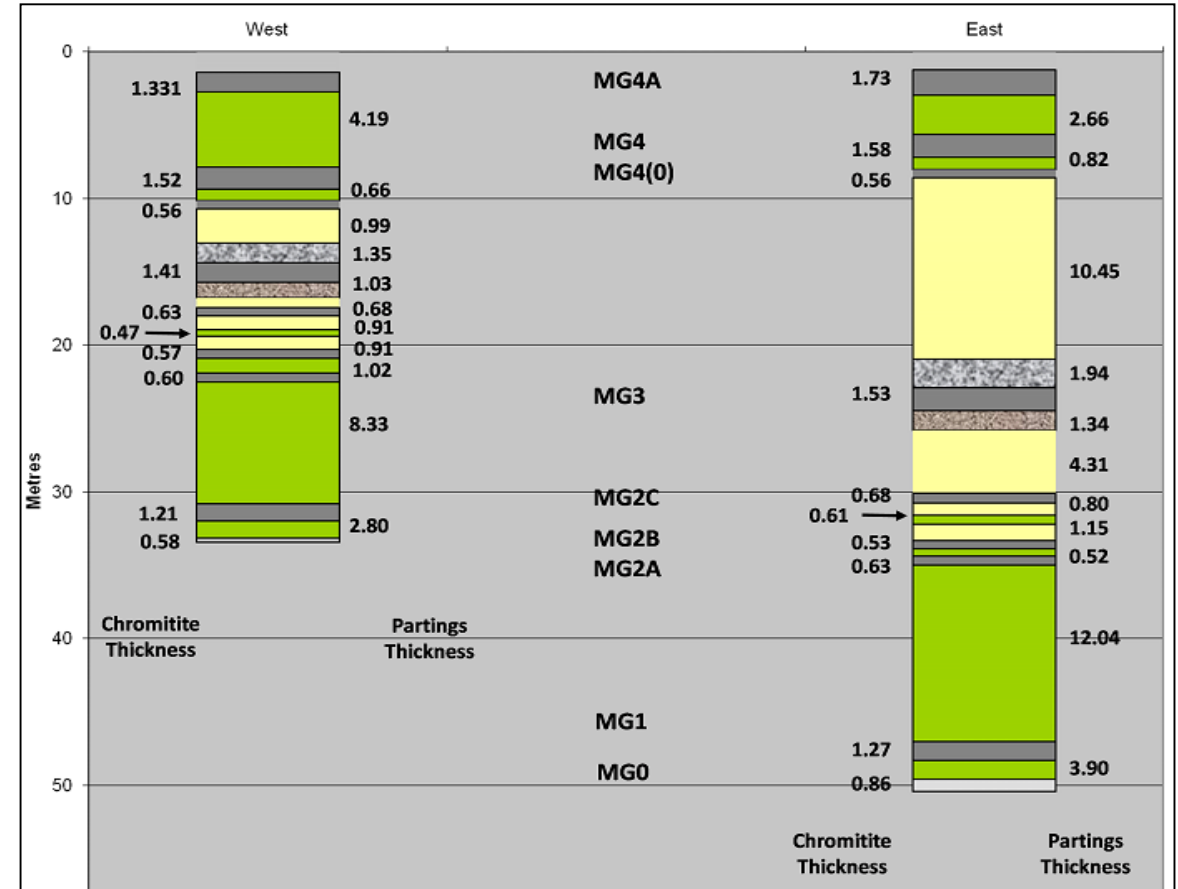
GEOLOGY

- The MG reef package is classified into six chromitite layers
 - MG0, MG1, MG2, MG3, MG4, MG4A
- Partings are generally anorthosite, pyroxenite or norite
- Reef package varies from 50 m in the west to 74 m in the east (incl. partings)
- PGMs are concentrated in the MG2, MG3 and MG4 reefs

MINING SEQUENCE AND PROCESS ROUTE

UNIT	PROCESS
MG4A chromitite layer	Sent to Genesis Plant
Parting	Discarded
MG4 package	Sent to Voyager Plant
Norite or anorthosite	Selectively mined and discarded
MG3 package	Sent to Voyager Plant
Anorthosite or norite	Selectively mined and discarded
MG2 package	Sent to Voyager Plant
Pyroxenite with disseminated mineralisation	Selectively mined and discarded
MG1 and MG0 package	Sent to Genesis Plant

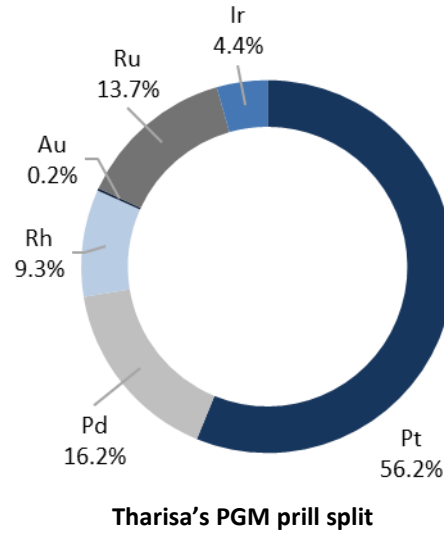
MG REEF STRATIGRAPHY



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



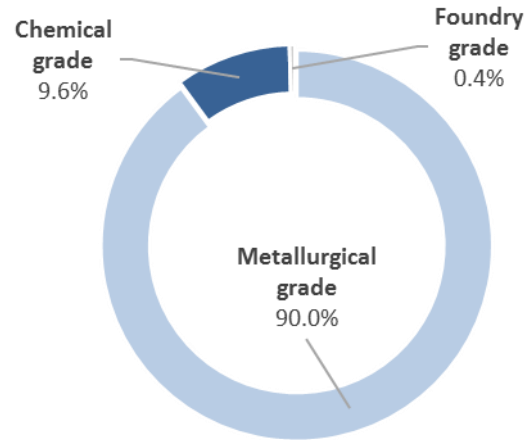
PRIMARY USES OF PGMS GLOBALLY

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

CHROME PRODUCTS AND END USES

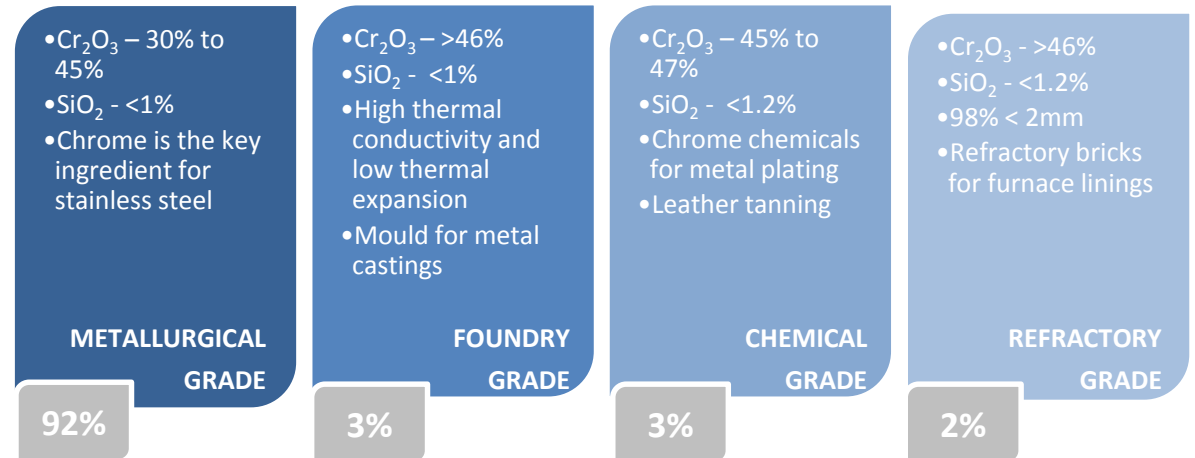
CHROME ORE/CONCENTRATE MARKETS

- Chromite is the mineral extracted from the ore
- Chrome ore is mined from primary chromite deposits
- Chrome concentrates can be 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 10% of the higher value chemical and foundry grades, depending on the ore mix



Tharisa's chrome production

USE OF CHROME ORE/CONCENTRATE GLOBALLY



tharisa

CONTACT DETAILS

Investor Relations contact:

Sherilee Lakmidas

D: +27 11 996 3547

M: +27 76 276 2529

slakmidas@tharisa.com

www.tharisa.com