



NEWS RELEASE

10 July 2017

Tharisa delivers another record production quarter

PGM and chrome co-producer looks to a solid year end

Highlights for the three months ended 30 June 2017

- Record quarterly reef mined of 1 275.2 kt continues to exceed the required run rate of 4.8 Mtpa on an annualised basis
- Record chrome concentrate production of 333.9 kt, up 6.1% quarter on quarter
- Record specialty chrome production of 87.1 kt, 26.1% of total chrome production and up 15.5% quarter on quarter
- PGM production of 35.4 koz, up 3.2% quarter-on-quarter
- Record PGM recoveries at 81.3% and chrome recoveries at 66.0% exceeding targeted recoveries of 80.0% and 65.0% respectively

JOHANNESBURG, 10 July 2017 – Tharisa, the PGM and chrome co-producer, today reported record chrome production of 333.9 kt for the three months to end June 2017. Records were also achieved for PGM and chrome recoveries, as the Group made incremental improvements to both its mining and processing operations.

Reef mined from Tharisa's shallow open pit on the Western Limb of the Bushveld Complex totalled a record 1 275.2 kt, a 5% improvement on the previous quarter as the mining team focused on continuous improvement initiatives particularly in the drill and blast operations.

The processing plants continued to perform well with continuous improvement initiatives focused on crusher throughput and improved crusher run time beginning to deliver results. The overall performance across both plants saw increases in PGM and chrome output. PGM production of 35.4 koz on a 6E basis was up 3.2% quarter on quarter while chrome production at 333.9 kt, was 6.1% higher than the previous quarter.

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Both PGM and chrome recoveries exceeded target with chrome recoveries at 66.0%, against a target of 65%, and PGM recoveries at 81.3%, against a target of 80%.

The high energy flotation successfully implemented at the Voyager PGM recovery circuit has been incorporated into the PGM recovery circuit of the Genesis Plant and is scheduled to be completed by the end of July 2017. This will contribute to improved PGM production in Q4.

Specialty chrome production increased 15.5% quarter on quarter to a record 87.1 kt. Specialty chrome concentrates make up 26.1% of its total chrome production, and are sold into the chemical and foundry markets globally. These grades continue to attract a premium above the metallurgical chrome concentrate prices, contributing to maintaining margins when metallurgical chrome prices fall.

Contracted metallurgical grade chrome concentrate prices decreased to US\$147 per tonne from \$338 per tonne in Q3. There are, however, signs that prices have found a floor and there is increased price stability within the chrome concentrate market. The fundamentals of the global stainless steel market remain robust with continued growth forecast in 2017, further supporting strong demand for chrome units in the form of ferrochrome and chrome ores.

The average per ounce PGM basket price for the three months ended June 2017 was US\$792 (ZAR10 443), which is US\$9 an ounce higher than the US\$783 (ZAR10 355) price achieved in the quarter ended March 2017.

Outlook

The continuous improvement initiatives put in place during the quarter are expected to continue delivering into Q4. In particular, the incorporation of high energy flotation into the PGM recovery circuit of the Genesis Plant will yield improvements in PGM production.

“Tharisa Minerals has again shown incremental improvements in production volumes and recoveries. We continue to examine ways to further optimise our operations and look forward to achieving our targeted recoveries and production outlook for the financial year,” said Tharisa CEO Phoevos Pouroulis.

PGM and chrome production remains on track to meet the FY2017 production guidance of approximately 147.4 koz PGMs on a 6E basis and 1.3 Mt chrome concentrates, of which 300 kt will be specialty grade chrome concentrates.



Post the quarter end, South African Competition Commission approval for the planned purchase of certain of MCC Contracts Proprietary Limited's (MCC) existing equipment, strategic components, site infrastructure and spare parts was obtained. The "long stop" date for fulfilment of the remaining conditions precedent is 30 September 2017.

Tharisa believes that the change in the operating model will have both cost and operational benefits.

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About Tharisa

Tharisa is a European headquartered integrated resource group. It is uniquely positioned incorporating mining, processing, beneficiation, marketing, sales and logistics. Tharisa is a low cost producer of PGM and chrome concentrates resulting in two distinct revenue streams from a single resource and costs being shared between the commodities. More than 25% of the group's chrome production is made up of specialty grade products comprising chemical and foundry grade chrome concentrate. Tharisa continues to explore beneficiation opportunities through innovation and technology.

The group owns and operates the Tharisa Mine which is located on the south-western limb of South Africa's Bushveld Complex. The Tharisa Mine has an estimated open pit life-of-mine of approximately 18 years, and a further estimated underground life of mine of approximately 40 years. The Tharisa Mine's processing facilities comprise the Genesis Plant and the Voyager Plant, both PGM and chrome concentrators are capable of processing a total of 400 ktpm of ROM ore.

See <http://www.tharisa.com/> for more information.

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