

Tharisa plc

(Incorporated in the Republic of Cyprus with limited liability)

(Registration number HE223412)

JSE share code: THA

LSE share code: THS

A2X share code: THA

ISIN: CY0103562118

('Tharisa' or the 'Company')

Production report for the quarter ended 30 June 2019

Overall production improvement sets up a strong finish

Salient features for the quarter ended 30 June 2019

- Quarterly improvement in reef tonnes mined and milled up 2.0% and 5.4% respectively
- Stripping ratio at 8.3 (m³:m³) with pit redesign substantially completed
- Platinum Group Metals ('PGM') recovery at 82.1% with PGM production of 34.1 koz
- Chrome recovery at 65.5% with chrome production up 8.2% to 334.0 kt
- Investment in fleet capacity demonstrating volume capability and availability to meet future targets
- Karo Mining has completed the first phase of its drilling campaign on time and within budget

Commenting on the production results, Tharisa CEO Phoevos Pouroulis, said:

“The improvement in key production metrics sets the mine up for a strong finish to the 2019 financial year and good momentum in to 2020. The pit redesign, which has been largely completed, and our ability to move tonnage ensures that we develop a sustainable and viable large-scale open pit operation, capable of producing volume output for the years ahead. The changes we made in the past quarters with regards to mining fleet improvement and pit optimisations will benefit us into the future.”

Safety

Safety is one of Tharisa's core values and the Company continues to strive for zero harm at its operations.

An LTIFR of 0.22 per 200 000-man hours worked was recorded at the end of the quarter.

Production update

The production update for the quarter ended 30 June 2019 is as follows:

		Quarter ended 30 Jun 2019	Quarter ended 31 Mar 2019	Quarter on quarter movement %	Quarter ended 30 Jun 2018	Nine months ended 30 Jun 2019	Nine months ended 30 Jun 2018
Reef mined	kt	1 155.4	1 132.9	2.0	1 244.1	3 378.9	3 695.3
Stripping ratio	m ³ : m ³	8.3	7.4	12.2	8.0	7.5	8.1
Reef milled	kt	1 207.3	1 145.0*	5.4	1 291.2	3 544.8*	3 888.6
PGM flotation feed	kt	889.1	850.3	4.6	929.7	2 640.7	2 825.3
PGM rougher feed grade	g/t	1.45	1.46	(0.7)	1.54	1.48	1.53
PGM recovery	%	82.1	85.5	(4.0)	85.6	81.2	84.0
6E PGMs produced	koz	34.1	34.0	0.3	39.5	101.7	116.5
Average PGM contained metal basket price	US\$/oz	1 064	1 048	1.5	947	1 033	922
Average PGM contained metal basket price	ZAR/oz	15 297	14 694	4.1	11 947	14 690	11 721
Cr ₂ O ₃ ROM grade	%	17.8	18.0	(1.1)	18.2	18.1	18.1
Chrome recovery	%	65.5	62.9	4.1	67.8	62.4	66.5
Chrome yield	%	27.7	27.0	2.6	29.1	26.7	28.5
Chrome concentrates produced (excluding third party)	kt	334.0	308.7	8.2	376.3	948.1	1 108.8
Metallurgical grade	Kt	259.4	232.6	11.5	281.1	725.5	840.0
Specialty grades	kt	74.6	76.1	(2.0)	95.2	222.6	268.8
Third party chrome production	kt	59.1	60.3	(2.0)	59.6	171.6	165.8
Metallurgical grade chrome concentrate contract price	US\$/t CIF China	174	162	7.4	193	166	193
Metallurgical grade chrome concentrate contract price	ZAR/t CIF China	2 525	2 268	11.3	2 477	2 361	2 449
Average exchange rate	ZAR:US\$	14.4	14.2	1.4	12.6	14.2	12.7

* includes the processing of 23.1 kt and 99.0 kt of commissioning tails through the processing plants for the quarter ended 31 March 2019 and nine months ended 30 June 2019 respectively

Mining

Reef tonnes mined continued to improve at the Tharisa Mine with an increase of 2.0% as compared to the previous quarter, to 1 155.4 kt mined. Additional material available to the mine resulted in total reef tonnes milled increasing by 5.4% to 1 207.3 kt in the quarter, bringing total tonnes mined to 3 378.9 kt and total tonnes milled to 3 544.8 kt for the year to date. The mine recorded a pleasing 12.2% improvement in stripping ratio, up from 7.4 m³:m³ in the March quarter to 8.3 m³:m³ in the June quarter under review. As part of the ongoing pit redesign, the mine moved an additional 470 000 Mm³ of in-pit material during the quarter to optimise the pit. When included in the stripping ratio calculation, the total waste volume moved by the mining fleet in the second quarter achieved a ratio of 9.7 m³:m³ as compared to 9.4 m³:m³ in Q2. The Tharisa Mine is continuing to create flexibility which will result in improvements to the reef mix thereby improving plant feed grades.

Processing

PGM production increased by 0.3% to 34.1 koz (6E basis) over the previous quarter and recoveries were maintained at 82.1%. The slight decrease compared to the previous quarter being due to the MG reef horizon mix into the plant differing as a result of the planned mining.

Chrome concentrate production increased by 8.2% to 334.0 kt, with recoveries improving by 4.1% to 65.5% compared to the previous quarter. Of the total chrome concentrates produced, 259.4 kt were metallurgical grade, an improvement of 11.2% versus the previous quarter and 74.6 kt were speciality grade, versus 76.1 kt in the previous quarter,

The chrome production for the quarter from the Lonmin K3 chrome plant was 59.1 kt compared to 60.3 kt in the previous quarter.

Market update

The average PGM contained metal basket price for the third quarter was US\$1 064/oz (ZAR15 297/oz), an increase of 1.5% in US\$ terms from the last quarter and 4.1% in ZAR terms.

The average chrome price received, while slightly up in the June quarter at US\$174/t compared to US\$162/t in the March quarter, is showing a downward trend on a nine month basis at US\$166/t, with current spot around US\$140/t. This compared to an average of US\$193/t for the comparable nine month period in financial year 2018.

New Business

Karo Mining Holdings Limited has completed the first phase of its drilling campaign on time and within budget, measuring a total of 30 km of diamond core drilling over 206 holes. Preliminary resource data will be available in November 2019.

Tharisa has completed the value engineering and front-end engineering work undertaken on the data used in the Definitive Feasibility Study for the Vulcan Plant. This, together with input from engineering

and cost consultants will be presented to the New Business Development Committee of the Tharisa Board for approval.

Outlook

Tharisa's FY2019 production guidance remains unchanged.

The above information has not been reported on or reviewed by Tharisa's auditors.

Paphos, Cyprus

09 July 2019

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