

Tharisa plc

(Incorporated in the Republic of Cyprus with limited liability)

(Registration number HE223412)

JSE share code: THA

LSE share code: THS

ISIN: CY0103562118

('Tharisa')

Another quarter of solid production from Tharisa Minerals large scale open pit mine

Tharisa today reported another quarter of solid mining and production performance, with its strategy of increasing specialty grade chrome production coming to fruition.

Highlights for the three months ended 30 June 2016

- Significant recovery in commodity prices
 - Average PGM basket price US\$745/oz (Q2 FY2016: US\$ 685/oz), an increase of 9%
 - Average metallurgical grade chrome concentrate price US\$105/t (Q2 FY2016: US\$81/t), an increase of 30%
- Specialty chrome production increases to 27%
- Reef mined continues to exceed the required run rate of 4.8 Mtpa
- Processing performance in line with previous quarter
- PGM production of 33.5 koz
- Chrome production of 307.1 kt

Phoevos Pouroulis, CEO said:

“This quarter’s production is further evidence that Tharisa has evolved from a development asset to a stable producer and its continued solid mining and processing performance positions it for a year of record delivery into an improving commodities market. We will continue to focus on optimising our operations and delivering profitable production as we target year-end guidance of 129.4 koz PGMs and 1.25 Mt chrome concentrates.”

Market update

The average PGM basket price for the three months ended June 2016 of US\$745 an ounce showed a US\$60 an ounce improvement on the US\$685 price achieved in the quarter to end March 2016. This 9% increase in price also translated into an increase in the Rand basket price despite the marginal strengthening of the ZAR against the US\$. The average PGM basket price for the quarter was ZAR11 164 per ounce, compared to ZAR10 849 per ounce in the preceding quarter.

Metallurgical grade chrome prices also improved over the quarter with an average contracted selling price of US\$105 per tonne CIF main ports China achieved during the quarter. This marked improvement on the US\$81 per tonne CIF contracted selling price concluded in the March 2016 quarter comes as Chinese ferrochrome producers began restocking as port stockpiles were depleted to near all-time lows in the weeks leading up to the Chinese new year in February 2016. Current contracted selling prices for delivery in July 2016 are approximately US\$150 per tonne CIF main ports China.

Production update

The production update for the quarter ended 30 June 2016 is as follows:

Quarter ended 30 June 2015	Nine months ended 30 June 2015			Quarter ended 30 June 2016	Quarter ended 31 March 2016	Nine months ended 30 June 2016
1 132.9	3 080.9	Reef mined	kt	1 235.4	1 234.2	3 594.0
10.7	10.2	Stripping ratio	m ³ waste/m ³ reef	7.4	7.1	7.0
1 105.0	3 303.8	Reef milled	kt	1 192.2	1 199.6	3 389.2
880.6	2 592.8	PGM flotation feed tonnes	kt	929.6	942.3	2 637.7
1.65	1.65	PGM rougher feed grade	g/t	1.64	1.74	1.67
33.5	90.9	6E PGMs produced	koz	33.5	36.0	93.5
71.8	66.0	PGM recovery	%	68.5	68.5	66.2
887	924	Average PGM contained metal basket price	US\$/oz	745	685	708
10 732	10 828	Average PGM contained metal basket price	ZAR/oz	11 162	10 849	10 713
17.3	18.2	Cr ₂ O ₃ RoM grade	%	17.7	18.3	18.1

Quarter ended 30 June 2015	Nine months ended 30 June 2015			Quarter ended 30 June 2016	Quarter ended 31 March 2016	Nine months ended 30 June 2016
57.7	57.0	Chrome recovery	%	61.6	63.9	62.4
23.9	25.0	Chrome yield	%	25.8	27.7	26.9
263.8	827.0	Chrome concentrates produced	kt	307.1	332.3	911.5
240.9	756.8	Metallurgical grade	kt	225.6	259.9	724.2
22.9	70.2	Specialty grades	kt	81.5	72.4	187.3
159	157	Metallurgical grade chrome concentrate contract price	US\$/t CIF China	105	81	105
1 919	1 828	Metallurgical grade chrome concentrate contract price	ZAR/t CIF China	1 589	1 262	1 573
12.1	11.7	Average exchange rate	ZAR:US\$	15.0	15.8	15.0

Mining

Tharisa's mining operations, which are characterised by the large shallow open pit, produced a steady quarter with reef mined of 1 235.4 kt contributing to the current RoM levels ahead of the processing plants at the planned level of 200 kt (being half of the monthly nameplate processing capacity of the plants). This stockpile allows for improved reef layer blending and better feed grade consistency into the plants.

The stripping ratio at 7.4 on a per m³ basis, is below the life of open pit average stripping ratio of 8.9 on a m³ basis as the focus was on interburden waste stripping.

Processing

Tharisa maintained its PGM production while growing its specialty grade chrome concentrate output. The Voyager Plant chrome processing circuit was modified in H1 FY2016 to facilitate increased production of higher value specialty grade chrome concentrates on the back of prevailing depressed metallurgical grade chrome concentrate prices. This flexibility has allowed chrome production to be distributed to more globally diversified markets. PGM production has not been affected by this shift.

PGM production totalled 33.5 koz, with PGM recoveries at 68.5%. Total chrome concentrate production was 307.1 kt at a recovery rate of 61.6%. Of that production 81.5 kt was specialty grade material, which generates a pricing premium to metallurgical grade products.

Tharisa remains on track to achieve its targeted recoveries of 70% for PGMs and 65% for chrome recoveries.

With all of its developmental capital spent, Tharisa is de-risked and in production.

Outlook

Tharisa maintains its year end production guidance of 129.4 koz PGMs and 1.25 Mt chrome concentrates, of which 300 kt will be specialty chrome concentrate.

With RoM and plant throughput at steady state Tharisa will continue to focus on improving the RoM grade and recoveries for both PGM and chrome concentrates.

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

Paphos, Cyprus

12 July 2016

JSE Sponsor

Investec Bank Limited

Investor Relations contact:

Sherilee Lakmidas

+27 11 996 3538

+27 79 276 2529

slakmidas@tharisa.com