

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

LEI: 213800WW4YWMVVZIJM90

('Tharisa' or the 'Company')

KARO PLATINUM PROJECT - US\$50 MILLION BOND ISSUE

Tharisa, the platinum group metals ('PGMs') and chrome co-producer dual-listed on the Johannesburg and London stock exchanges, is pleased to announce the opening of a fixed income note offer ('the Bond' or 'Notes') by Karo Mining Holdings plc ('the Issuer'), a subsidiary of Tharisa, to raise US\$50 million to be listed by way of introduction on the Victoria Falls Stock Exchange ('VFEX'). The proceeds from the Bond will be applied to part fund the Karo Platinum Project ('Project').

The capital raise forms part of a broader capital strategy by Tharisa to develop the Karo Platinum Project in Zimbabwe on time and on budget.

Tharisa is a 70% shareholder in the Issuer, a company incorporated in the Republic of Cyprus, which in turn indirectly owns 85% of the Karo Platinum Project, with the Government of Zimbabwe holding the remaining 15% of the Project, on a free carry basis.

The Project is scheduled to commence production with first ore milled in July 2024. Ground-breaking is expected to take place in December 2022. A local earthworks contractor has been appointed and is expected to start onsite activities in December 2022, marking the beginning of the Karo construction phase.

The proceeds from the issue of the Bond, net of costs, will be used to part fund the development of the Karo Platinum Project, which has a total capital cost for phase one of US\$391 million and is set to be the second world-class asset in Tharisa's portfolio.

The Bond is US dollar denominated and will be issued in minimum denominations of US\$2 500 by way of a private placement. The Bond is not rated and will be guaranteed by Tharisa. The minimum amount to be raised from the Bond is US\$25 million. Should applications for less than this amount be received the Bond issue will not proceed. The Issuer reserves the right to increase the total aggregate issue amount, subject to approval by its Board and the guarantor, by delivering notice thereof to Note Holders. The VFEX has approved the listing of the Bond on the VFEX, a subsidiary of the Zimbabwe Stock Exchange and established in a Special Economic Zone. Participation in the Bond will be by way of private placement and is not restricted to Zimbabwean financial institutions or residents.

Arxo Finance plc, a wholly owned subsidiary of Tharisa, which was established to provide funding to Tharisa group companies, has committed to subscribe for US\$10 million of the Notes.

Phoevos Pouroulis, CEO of Tharisa, commented:

“This is a historic moment for Tharisa and our tier-one Karo Platinum Project on the Great Dyke in Zimbabwe. From our discussions to date with potential investors, both in Zimbabwe and abroad, we have received extremely positive feedback for this robust investment opportunity, boasting highly attractive returns. We expect strong participation from Zimbabwean investors in particular. This interest stems from Tharisa’s strong track record in developing projects on time and on budget, as well as the outstanding fundamentals of the Karo Platinum Project.

Zimbabwe has indicated it is open for business and through our interactions with all levels of Government, it is clear there is strong commitment to support Tharisa as we develop the Karo Platinum Project into a fully producing PGM mine. We look forward to welcoming investors on this exciting journey into a new operating jurisdiction.

Our investment commitment by guaranteeing the Bond and investing US\$10 million in the Notes demonstrates Tharisa’s support for not only the project but the economics of the Bond, benefitting from the protections afforded to investors by the Special Economic Zone.”

Bernard Pryor, MD of Karo Mining Holdings, commented:

“Developing a tier-one project in this unique geological setting comes once in a lifetime. Funding for any mining project remains key and I am delighted that we have not only received support from Tharisa in the form of early equity, but that Tharisa has committed to anchor this proposed bond raise. I look forward to engaging with stakeholders in Zimbabwe and beyond to ensure this Bond raise is completed successfully.”

Salient Terms of the Bond

Issuer	Karo Mining Holdings
Guarantor	Tharisa
Targeted capital raise	US\$50 000 000
Minimum capital raise	US\$25 000 000
Interest rate	9.5% paid semi-annually
Tenor	Three years
Repayment	Bullet repayment on maturity
Security	Unsecured; capital and interest guarantee by Tharisa
Listing	A listing on the VFEX has been approved
Offer opening date	28 October 2022
Offer closing date	30 November 2022
Listing date	14 December 2022

Above dates are subject to change.

The Issuer is being advised by IH Securities (Private) Limited, the Debt Sponsor for the Listing and a member of the VFEX.

Copies of the prospectus can be obtained from Tharisa, the Issuer or on the websites referenced below.

Paphos, Cyprus

28 October 2022

JSE Sponsor

Investec Bank Limited

Connect with us on [LinkedIn](#) and [Twitter](#) to get further news and updates about our business.

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About Tharisa

Tharisa is an integrated resource group critical to the energy transition and decarbonisation of economies. It incorporates mining, processing, exploration, and the beneficiation, marketing, sales, and logistics of PGMs and chrome concentrates, using innovation and technology as enablers. Its principal operating asset

is the Tharisa Mine located in the south-western limb of the Bushveld Complex, South Africa. The mechanised mine has a 20-year open-pit life and the ability to extend operations underground by at least an additional 40 years. Tharisa also owns Karo Mining Holdings and Salene Chrome, development stage, low-cost, open-pit PGM and chrome assets respectively, located on the Great Dyke in Zimbabwe. The Company is committed to reducing its carbon emissions by 30% by 2030 and the development of a roadmap is continuing to be net carbon neutral by 2050. Tharisa plc is listed on the Johannesburg Stock Exchange (JSE: THA) and the Main Board of the London Stock Exchange (LSE: THS).

About VFEX

The Victoria Falls Stock Exchange (VFEX) is a subsidiary of the Zimbabwe Stock Exchange (ZSE) established to kick start the Offshore Financial Services Centre (OFSC) earmarked for the special economic zone in Victoria Falls. The VFEX is a US\$ based exchange. Key incentives applicable to the VFEX include capital raised by a company listed on VFEX may be held in an approved local or offshore account with an internationally recognised banking institution; allowance to use offshore settlement for trades; tax incentives for shareholders of shares listed on VFEX – 5% dividend withholding tax (foreign investors only) and exemption from capital gains withholding tax.

Details of the Karo Platinum Project can be found at www.tharisa.com and www.karomining.com