

**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')**

### **Tharisa enters into a strategic co-operation agreement with China's TISCO**

Tharisa has entered into a strategic co-operation agreement with Shanxi Taigang Wanbang Furnace Charge Co., Ltd., a Taiyuan Iron & Steel (Group) Co., Ltd. (TISCO) joint venture company (JV).

Tharisa will supply the JV with a minimum of 240 ktpa, being approximately 25% of its metallurgical grade chrome concentrate production, at market prices from September 2017 for five years.

Tharisa has historically supplied metallurgical grade chrome concentrates to the JV and has a demonstrated ability to supply the required volume and quality of material on a regular basis, culminating in the strategic co-operation agreement.

TISCO produces approximately 4 Mt of stainless steel a year and through its JV has installed 700 ktpa Outokumpu ferrochrome (FeCr) sintering and pelletising capacity with an annual producing volume of 300 kt FeCr. With the advent of more stringent environmental regulations in China, the ferrochrome industry is switching from open and semi-closed furnaces to more efficient and environmentally friendly technologies.

TISCO typically purchases approximately 1 Mtpa of ferrochrome to feed its steel plants. It also produces approximately 300 ktpa of FeCr from its JV. One of the world's largest stainless steel producers, TISCO is considering a phase 2 expansion of the Outokumpu FeCr sintering and pelletising plant, which would increase its FeCr production to 450 ktpa and subsequently increase its requirements for metallurgical chrome concentrate.

"Tharisa is pleased to have formalised its relationship with TISCO, a long-time client. The co-operation agreement further cements our position in the Chinese market and underpins our order book. It is also encouraging to note that spot chrome prices have increased above US\$200/t on the back of improved stainless steel production," says Tharisa CEO Phoevos Pouroulis.

Paphos, Cyprus

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**JSE Sponsor**

**Investec Bank Limited**

**Investor Relations contact:**

**Tharisa plc**

Sherilee Lakmidas

+27 11 996 3538

+27 79 276 2529

[slakmidas@tharisa.com](mailto:slakmidas@tharisa.com)

**Broker contacts:**

**Peel Hunt LLP (Joint Broker)**

Ross Allister/ Chris Burrows

+44 207 7418 8900

**BMO Capital Markets Limited (Joint Broker)**

Jeffrey Couch/Neil Haycock/Thomas Rider

+44 020 7236 1010

**Financial PR contacts:**

Buchanan

+44(0) 20 7466 5000

[tharisa@buchanan.uk.com](mailto:tharisa@buchanan.uk.com)