tharisa

DISCOVER DEVELOP DELIVER DIVERSIFY

THIS IS THARISA

February 2021

INVESTING IN SUSTAINABILITY

THS:LSE • THA:JSE

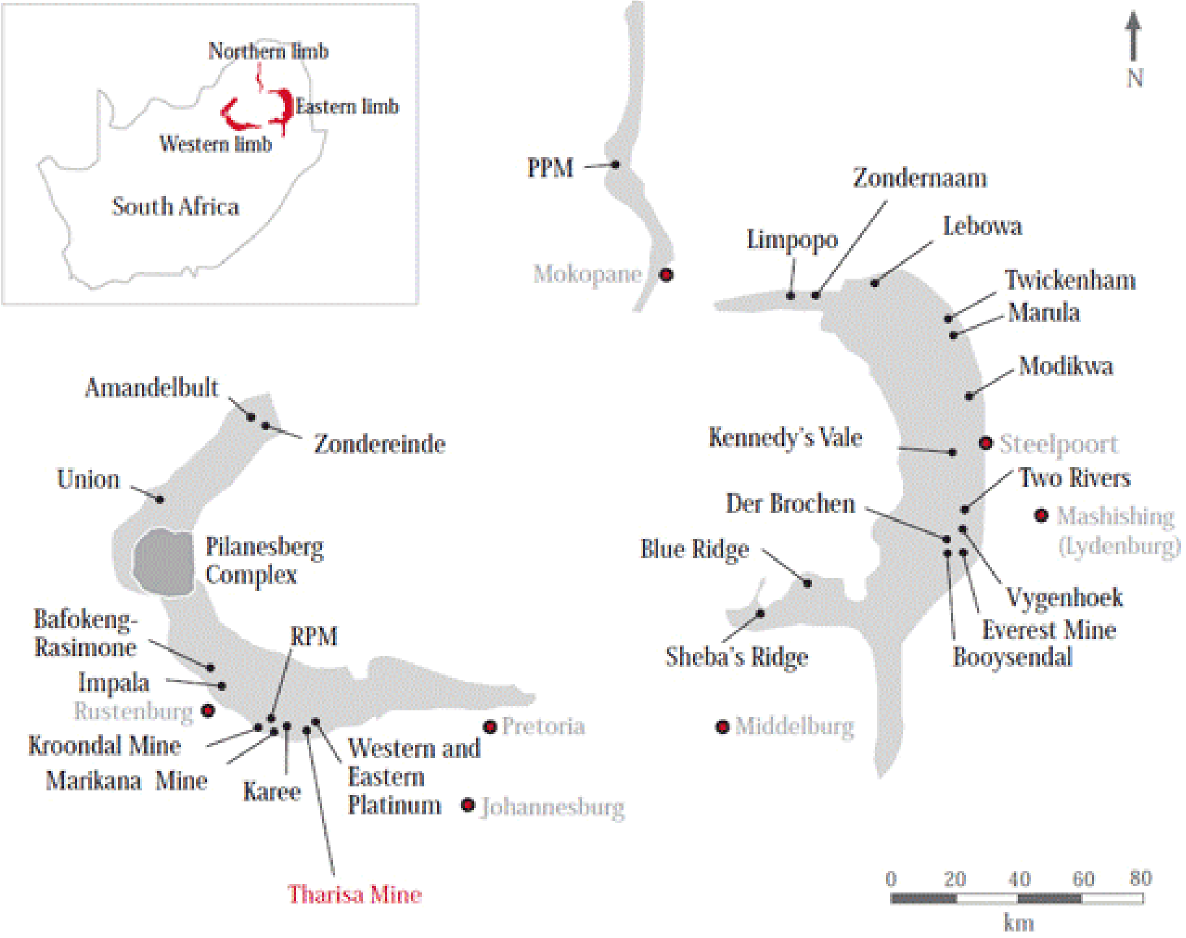
Proactive One2One Virtual Forum

WHO WE ARE

859.58 Mt in mineral resource*

- 42.79 Moz in contained 6PGE+Au*
- 172 Mt in contained Cr_2O_3*

- Leading PGM and chrome co-producer
- 14 year LOM open pit located in the heart of PGM and chrome country
- Close to infrastructure, road, rail and power
- Tharisa is a product of the new mining code - fully compliant
- Mechanised, with a highly skilled workforce
- Drive to add value to the product we mine and capture more margin
- R&D team have developed exposure to the chemical chrome market, Vulcan fine chrome recovery technology, applications for chrome and new smelting opportunities in the PGM market



South Africa hosts over two-thirds of the world's PGMs & chrome

*Mineral Resource and Mineral Reserve Statement in 2020 annual report pages 50-55

SAFETY AND SUSTAINABILITY

LTFIR

0.09

Lost Time Injury Frequency Rate
30 September 2020

FATALITY FREE YEARS

5+

Achieved: 28 September 2020

ACHIEVEMENTS

4 million Fatality Free Shifts

Tharisa Minerals - achieved: 19 June 2020

365 days LTI free

Mining Production and Genesis Plant

5 years LTI free

Tharisa Laboratory and R&D

58

Engineering Learnerships

40

Interns and Graduates

209

Adult Education and Training learners

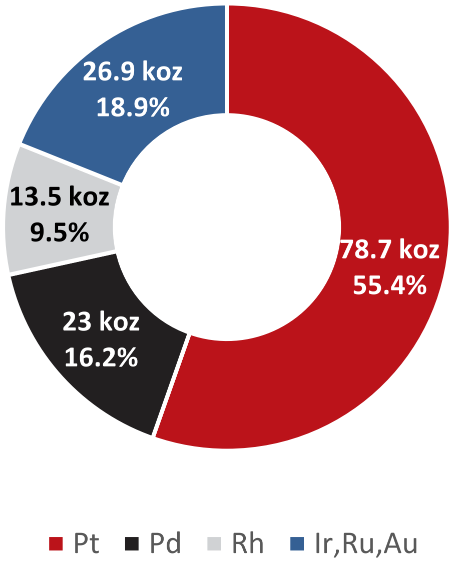



POSITIONING THARISA

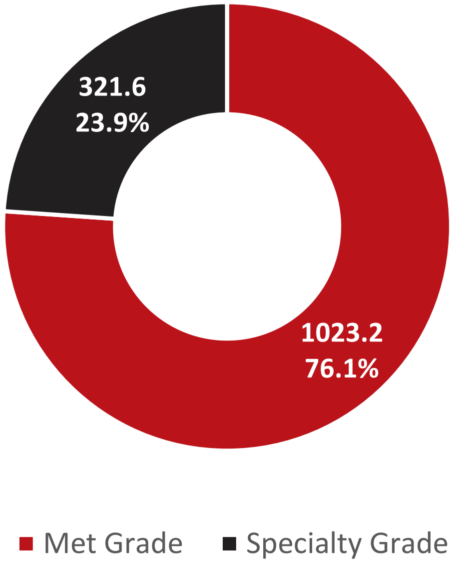
- Sixth largest listed South African PGM producer
  - 142 100 ounces per annum of PGM
- Tharisa position in terms of global demand
  - ~1.3% of platinum demand
  - ~0.3% of palladium demand
  - ~2% of rhodium demand

- Fourth largest South African Chrome Producer
  - 1 344 800 tonnes of chrome per annum
  - Provides China with 10% of all its chrome concentrate
  - One quarter specialty and foundry grade chrome
  - Largest global chemical grade chrome producer
  - Specialty chrome market trades at a premium

THARISA PRILL SPLIT



CHROME PRODUCTION FY2020 (kt)



FY2020 HIGHLIGHTS

FY2020 CHROME PRICE	FY2020 PGM BASKET PRICE	SPOT CHROME PRICE	SPOT PGM BASKET PRICE
US$140/t	US$1 704/oz	~US$165/t	~US$3 500/oz

REEF MINED

4.97 Mt

up 7.6%

(2019: 4.62 Mt)

PGM PRODUCTION
(5PGE+Au)

142.1 koz

up 1.7%

(2019: 139.7 koz)

CHROME CONCENTRATE PRODUCTION

1.34 Mt

up 3.9%

(2019: 1.29 Mt)

FY2021 GUIDANCE MIDPOINT 160 koz OF PGMs (6E BASIS) AND 1.50 Mt OF CHROME CONCENTRATES

REVENUE

US$406.0 m

up 18.4%

(2019: US$342.9 m)

EBITDA

US$113.4 m

up 119.8%

(2019: US$51.6 m)

EPS

US 16.2 cents

up 305.0%

(2019: US 4.0 cents)

PROPOSED DIVIDEND

US 3.5 cents

up 367.0%

(2019: US 0.75 cents)

RETURN ON INVESTED CAPITAL (ROIC)

18.8%

up 261.5%

(2019: 5.2%)

FY2021 Q1 PRODUCTION

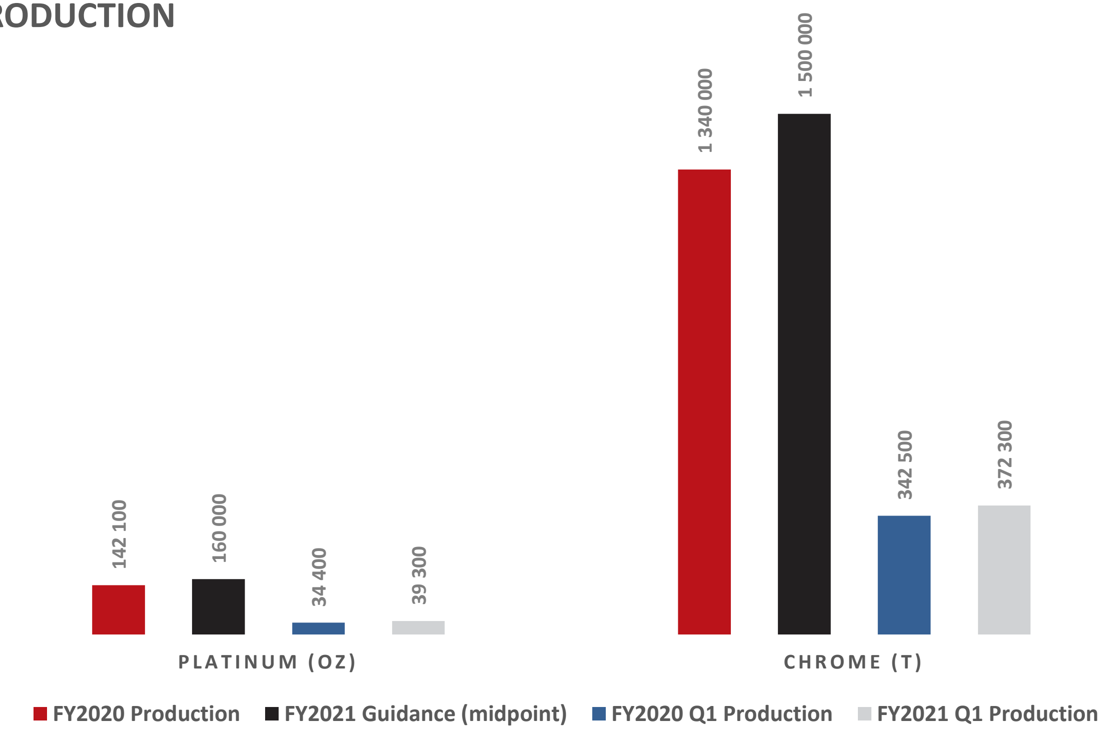
LTIFR 0.08 / 200 000 hours

SPOT CHROME PRICE
~US$ 165/t

SPOT PGM BASKET PRICE
~US$3 500/oz

- Concluded a four-year Collective Wage Agreement until 30 June 2024
- PGM production up 14.2% YoY
- Chrome concentrate production (excluding third party) up 8.7% YoY
- On track for FY2021 production guidance
- Cash Balance and Debt Position (31/12/2020)
  - Cash of US$49.8 million
  - Total debt of US$45.0 million (30/9/2020 US$69.8m),
  - Positive net cash position of US$4.8 million

PRODUCTION



GUIDANCE FOR FY2021 OF 155 koz TO 165 koz OF PGMs (6E BASIS) AND 1.45 Mt TO 1.55 Mt OF CHROME CONCENTRATES

SUSTAINABLE BUSINESS

CO-PRODUCT AND EXCHANGE RATE BENEFITS

Multiple revenue streams coupled with US$ revenues and ZAR costs

HEALTHY CASH GENERATION

Exposure to the right commodities coupled with low operating costs generates strong cash flows

CONTINUED INVESTMENT

Investment in SHE, people, infrastructure and growth projects, Vulcan, Karo

ROBUST BALANCE SHEET

Low gearing

Net cash positive

LIQUIDITY MANAGEMENT

Capital discipline

Consistent dividend payer

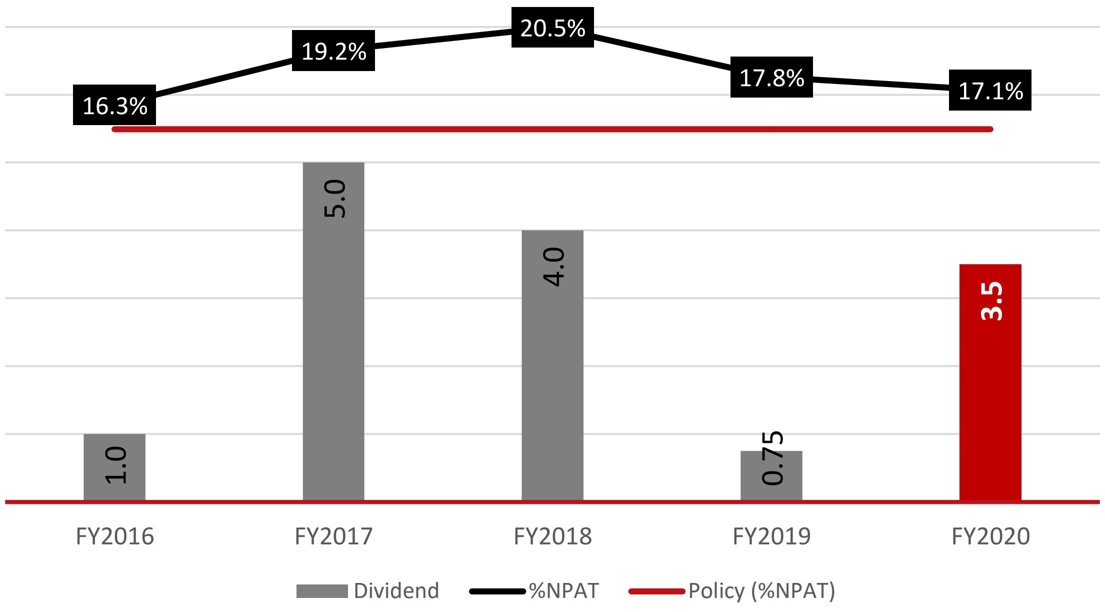
Growing ROIC

COMMITTED TO DIVIDENDS

- Committed to capital discipline
- Dividend of US 3.5 cents per share = 17.1% of NPAT
- Minimum of 15% of annual NPAT
- Capex commitments taken into considerations

CONSISTENT DIVIDEND PAYER

(US$ m)



SUCCESFULLY BALANCING INTERNAL GROWTH AND RETURNING CASH TO SHAREHOLDERS

tharisa

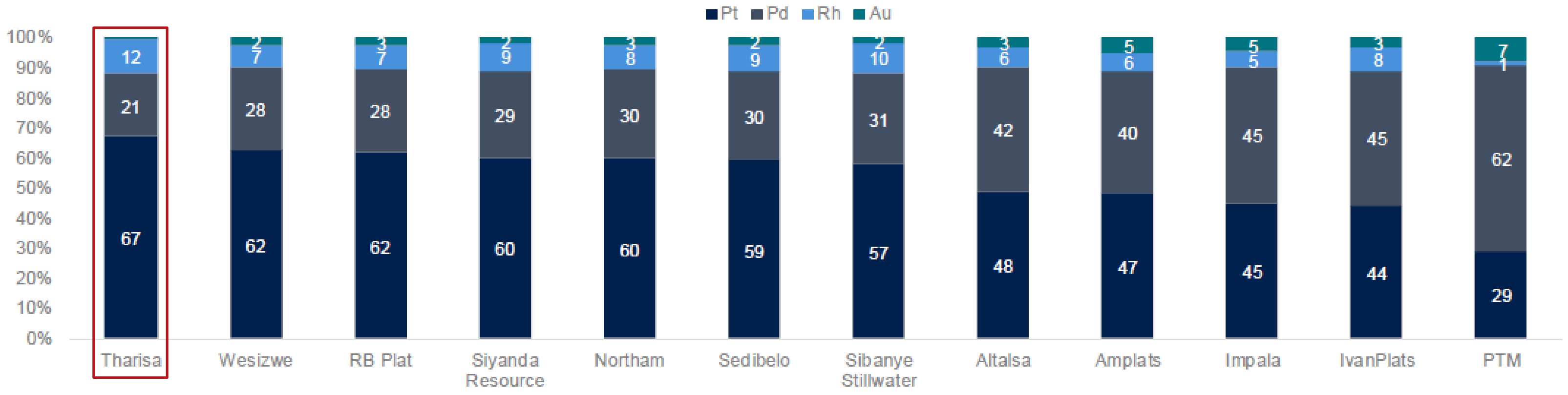
POSITIONING THARISA

PRILL SPLIT VALUE ON A 4E BASIS

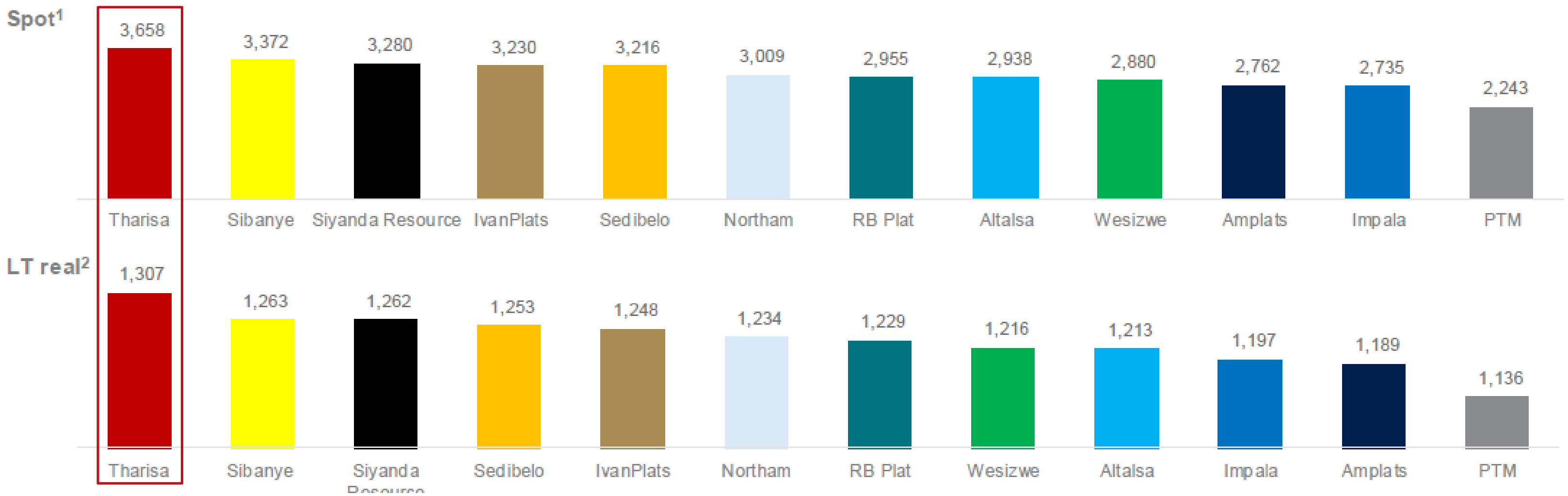
Resource – Prill spilt and basket price

Tharisa's prill split favour's Pt & Rh and therefore ranks attractively on current and future basket price assumptions

Resources prill split %



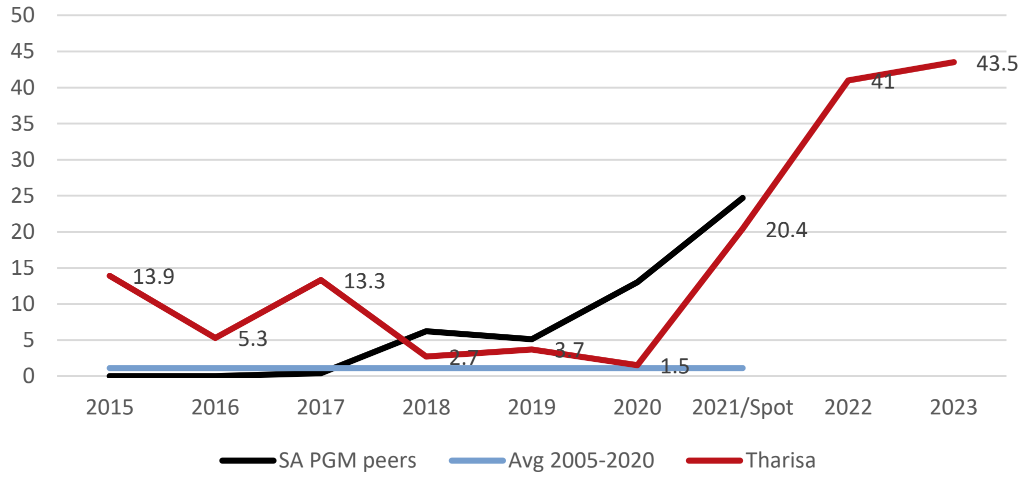
Basket price raking of various produces US$/4Eoz Spot price[1] and Long-term real[2]



Source: Investec,
(1) Jan22, 2021 (2) Based on analyst estimates as of Q4 2020

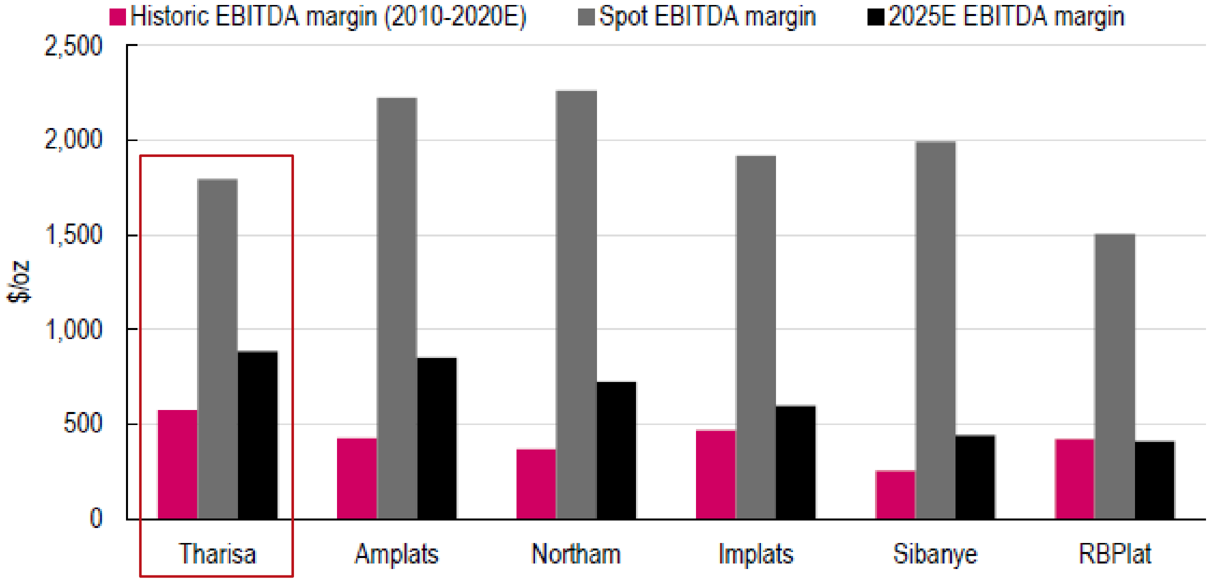
TURNING PRODUCTION INTO CASH FLOW

FREE CASH FLOW YIELD (%)



- Rising exposure to FCF yield over next 3 years

EBITDA MARGIN

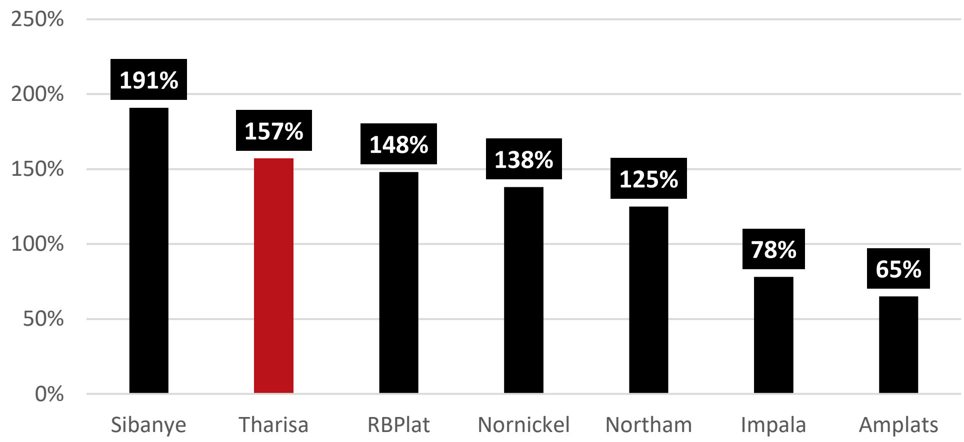


- Strong EBITDA margins throughout the cycle

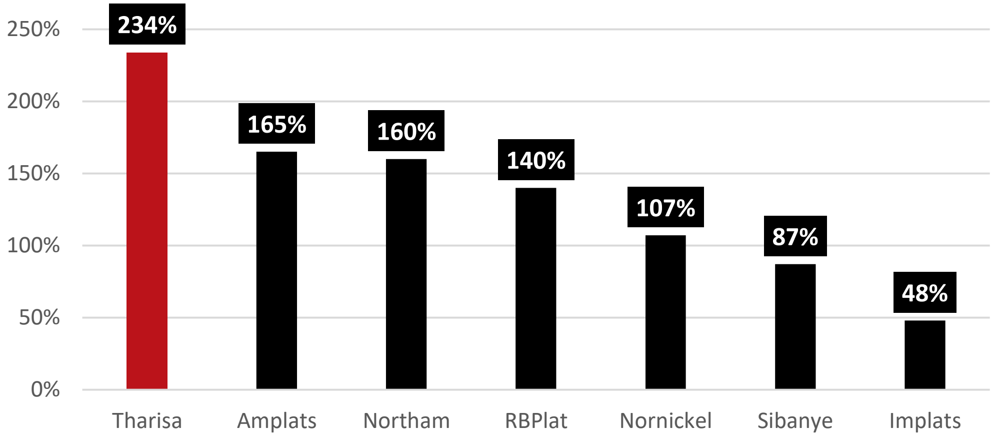
Source: Rencap, historical and forecast

A LOOK AT VALUATION

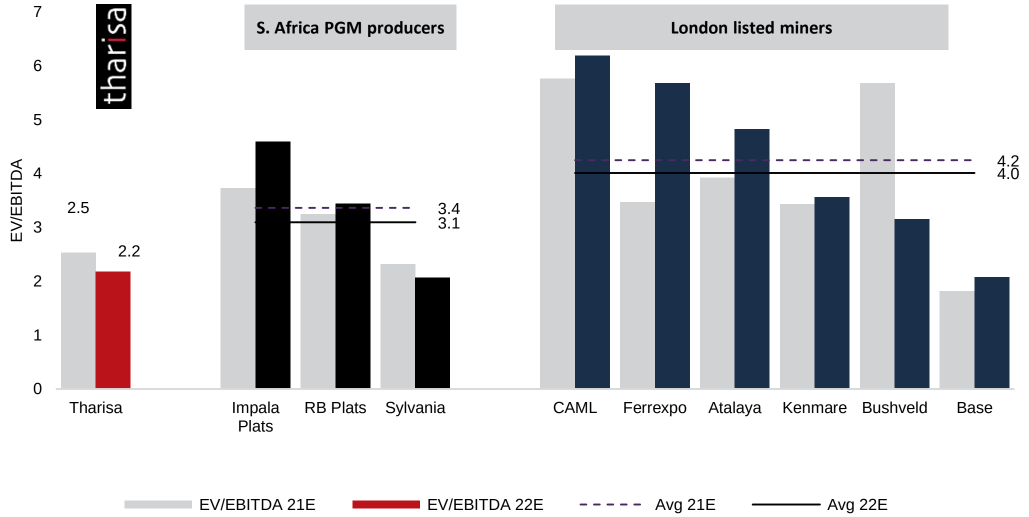
POTENTIAL SHARE PRICE UPSIDE AT SPOT



EARNINGS GROWTH CY20-21E



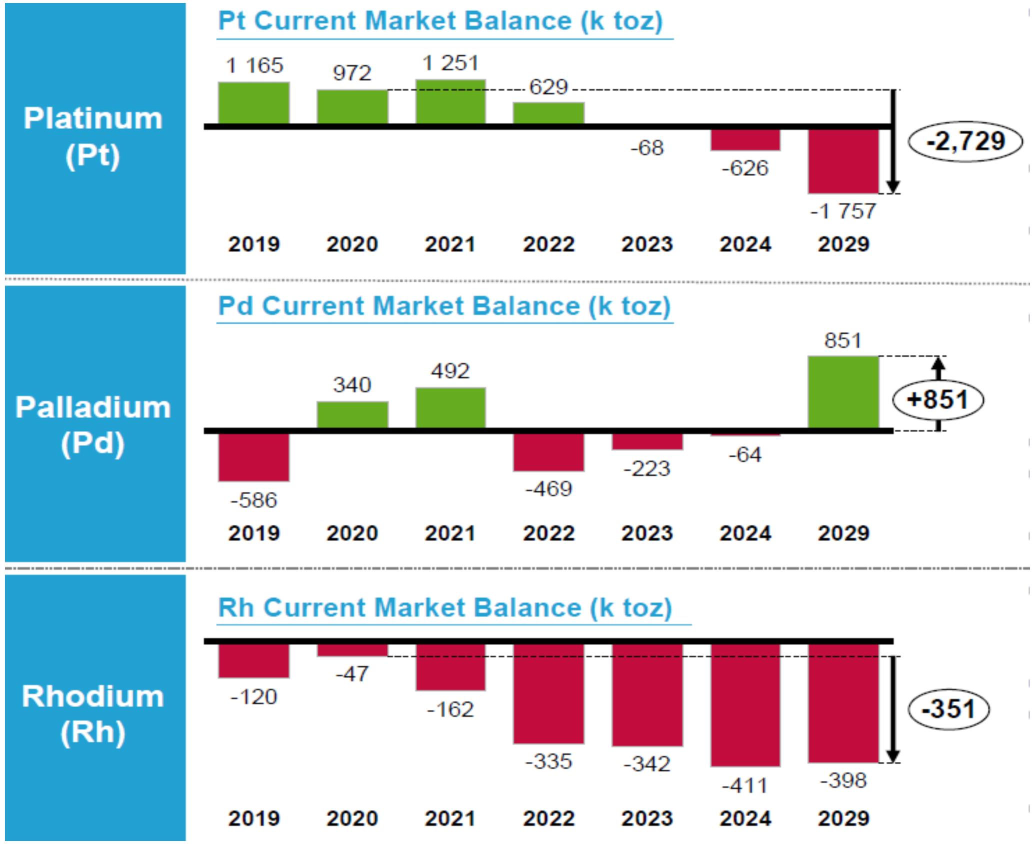
EV/EBITDA



Source: Rencap, PH

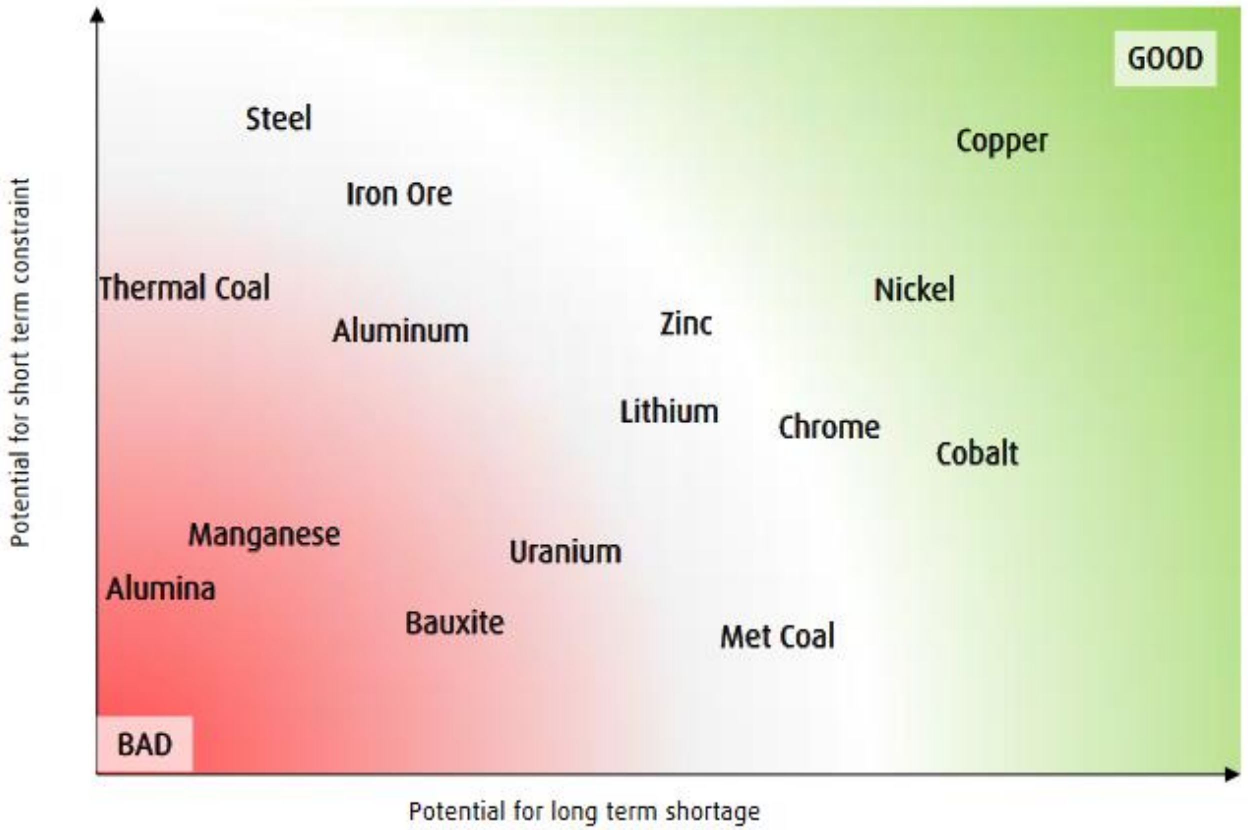
OUR COMMODITIES

- **PGMs**
- Structural deficit driven by supply constraint and real demand
- Timing of new projects
- Pd and Pt substitution increasing, Rh extremely difficult to substitute



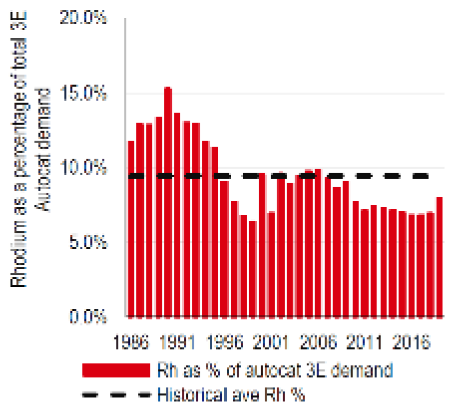
Source: BMO, BASF (excludes investment demand)

- **CHROME**
- Chrome is irreplaceable and makes steel *stainless*
- Concentrated supply with 80% from South Africa
- Demand driven by Chinese internal consumption and export



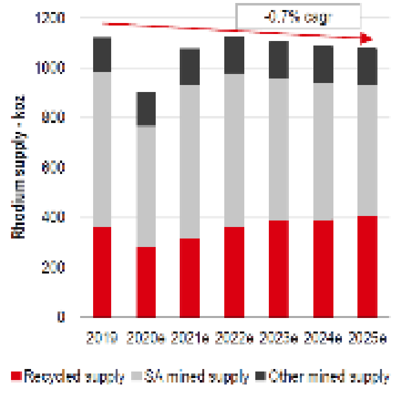
HEADWINDS FROM DEEP MINES TO MEET GROWING RHODIUM DEMAND

Rhodium auto-catalyst demand relative to platinum and palladium at 7.9% is below the historical 9.4%



Source: Johnson Matthey, HSBC estimate (2020)

Overall rhodium supply is expected to decline 4% or -0.7% CAGR over the next 6 years

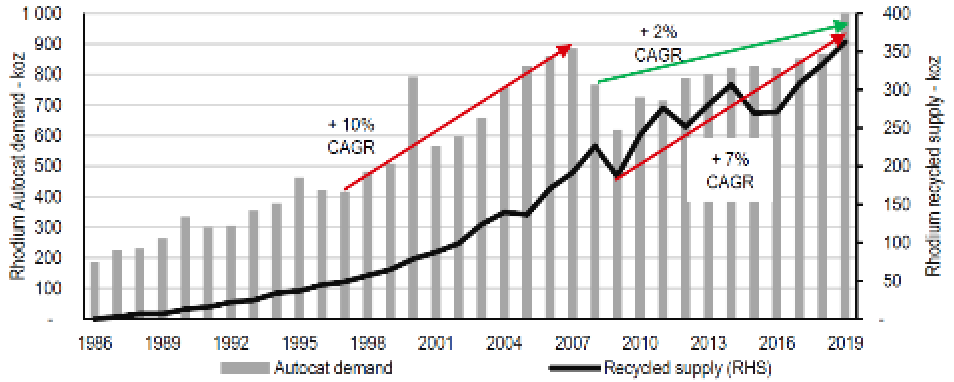


Source: HSBC estimates, Johnson Matthey

PRIMARY DEMAND OUTSTRIPPED BY PRIMARY SUPPLY

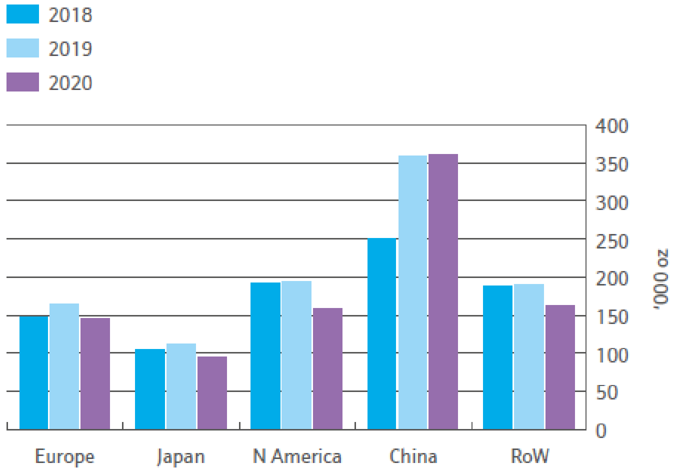
Supply '000 oz	2018	2019	2020
South Africa	618	624	450
Russia	69	68	65
Others	69	68	68
Total primary supply	756	760	583
Demand '000 oz	**2018**	**2019**	**2020**
Autocatalyst	885	1,023	925
Other	158	132	80
Total gross demand	1,043	1,155	1,005
Recycling	-331	-357	-338
Total net demand	712	798	667
Movements in stocks	44	-38	-84

Slower growth in rhodium loadings since 2008 is likely to lead to slower growth in recycled supply over the next 6 years



Source: Johnson Matthey

RHODIUM AUTOCATALYST DEMAND



Source: HSBC, JM

PALLADIUM AND PLATINUM OUTLOOK

PALLADIUM

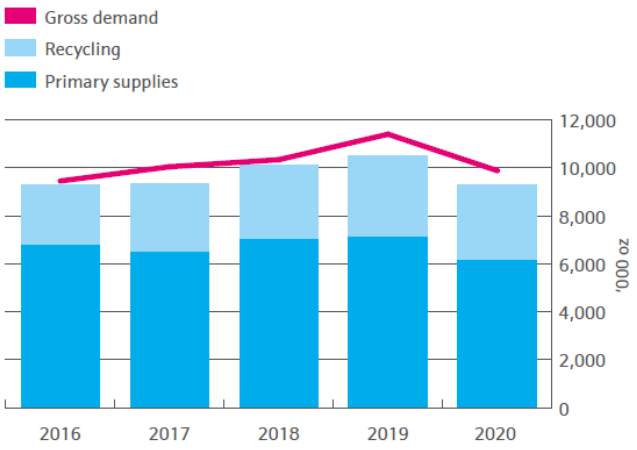
GROSS DEMAND (2020)

Autocatalyst 85.8%

Jewellery 0.9%

Industrial 15.1%

- 2020 net demand 6 773oz
- 2020 primary supply 6 176oz
- Continuing shortages filled by recycling and stocks



PLATINUM

GROSS DEMAND (2020)

Autocatalyst 32.1%

Jewellery 22.5%

Industrial 31.9%

Investment 13.1%

Source: BMO, Johnson Matthey, WPIC, SFA Oxford

CHROME – VITAL FOR STAINLESS STEEL

- Chrome is what makes ***steel*** stainless
- South Africa hosts 72% of the global chrome reserves
- Assuming a 5% CAGR in stainless steel:

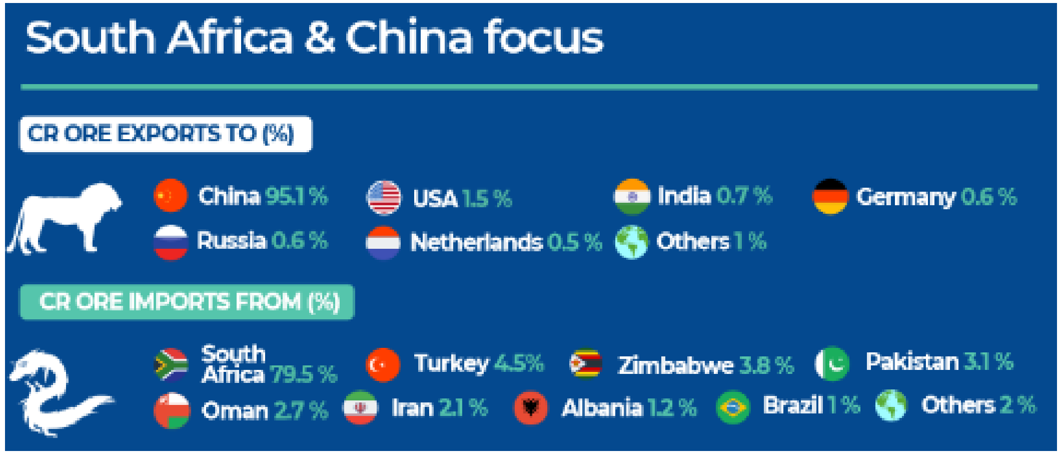
GLOBAL STAINLESS STEEL CAGR
+5.0%

ADDITIONAL STAINLESS STEEL
2.7 Mtpa

ADDITIONAL FERROCHROME
0.7 Mtpa

ADDITIONAL CHROME
1.8 Mtpa

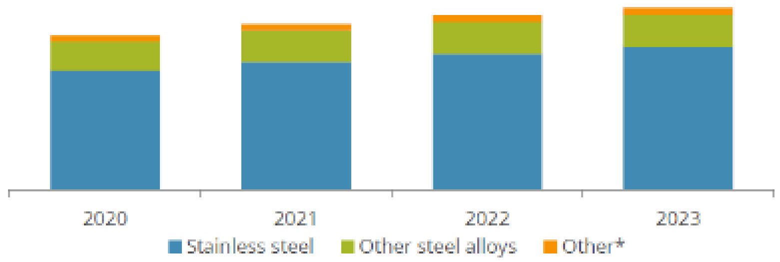
= tharisa



Roskill ores and concentrates price forecast (US$)

		Turkish lump	RSA primary	RSA UG2	Spec grade	Chem grade
2020	Q1	188	148	130	204	177
	Q2	197	163	153	206	181
	Q3	190	158	137	206	180
	Q4	186	155	133	197	178
2019	annual	211	173	156	330	213
2020	annual	190	156	138	203	179
2021	annual	199	163	147	212	184
2022	annual	206	172	155	223	194
2023	annual	207	175	158	228	198
2024	annual	214	182	164	233	205

Chromium demand forecast



Source: ICDA, Roskill, Minerals Council

THARISA UNITE

SIX PILLAR GROWTH STRATEGY

- Expand and roll out our business sustainably
- Further optimise our existing operations
- Continue to invest in innovative thinking
- Become a global and diversified business
- Be the investment of choice in our chosen sector
- Responsibly enriching the lives of all of our stakeholders

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