



THARISA PLC

Corporate Presentation

January / February 2023



enriching lives through innovating the resources company of the future

OUR VALUES

- | **SAFETY & HEALTH** —● The safety and health of our people is a core value
- | **ENVIRONMENT** —● We take responsibility for the effect that our operations may have on the environment
- | **CLIMATE CHANGE** —● We are committed to reducing carbon emissions by 30% by 2030 and have a plan in motion to be net carbon neutral by 2050
- | **UPLIFTMENT** —● We are committed to the upliftment of our local communities
- | **INTEGROUS** —● We conduct ourselves with integrity and honesty
- | **RETURNS** —● We strive to achieve superior returns for our shareholders
- | **INNOVATION** —● We originate new opportunities and will continue to challenge convention through innovation

OUR POSITIVE IMPACT

JOB CREATION

- 3 965 employees at end September (Group employees and contractors)
- +100 jobs created in Zimbabwe and 100 contractors on site
- +22% female employees
- No days lost to industrial action
- Four year wage agreement ends in June 2024

EDUCATION AND WELLNESS

- AET programmes on site for employees and communities - 48 learners in 2022
- Math and science programmes and internship programmes
- Enterprise and development programme, skills development programme
- Thusanang (“helping each other”) wellness programme

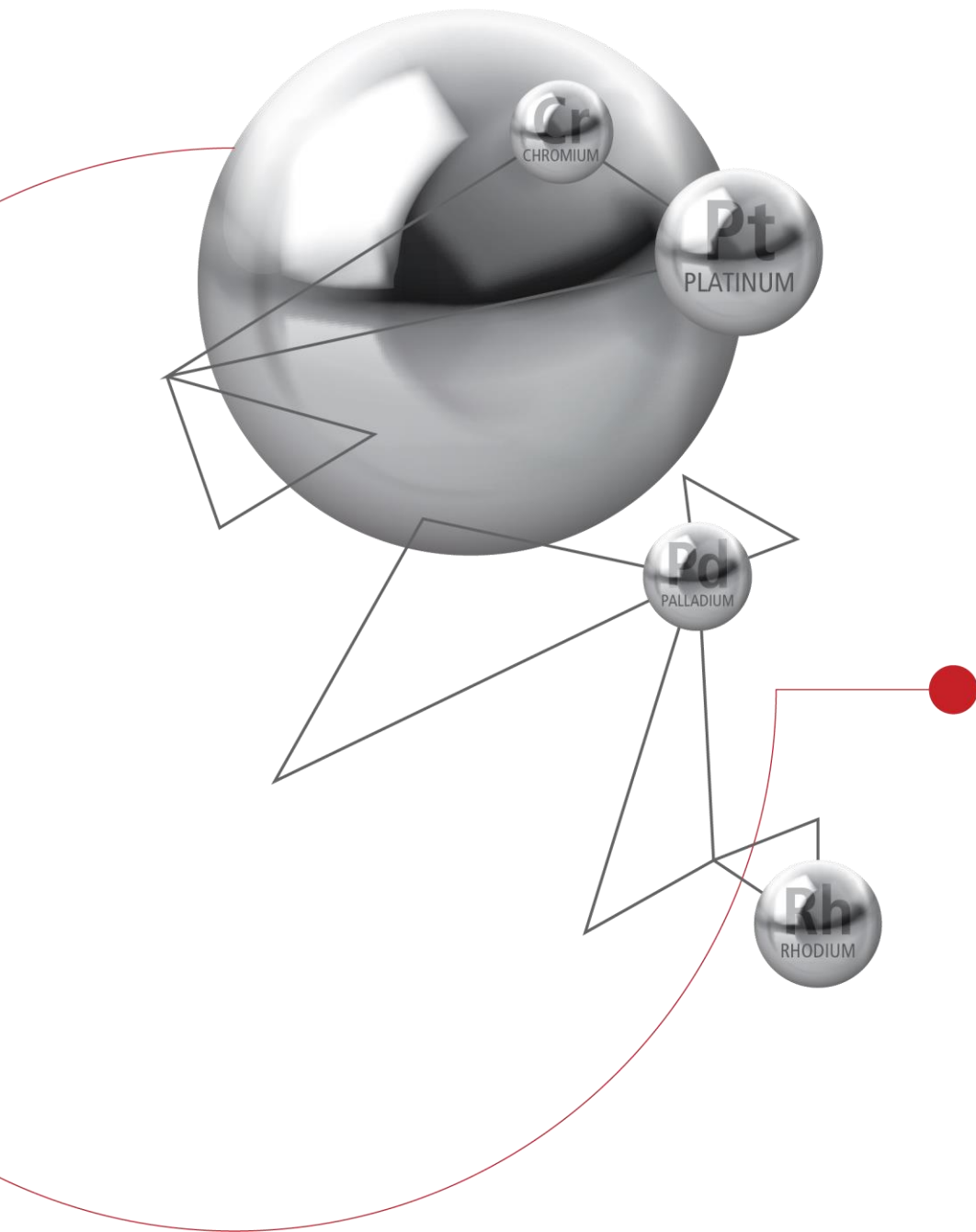
ENVIRONMENT

- Planned 30% reduction in carbon footprint by 2030
- Carbon net neutral by 2050
- 40 MW solar plant awaiting regulatory approval
- First phase of 30 MW solar plant in Zimbabwe initiated building to 300 MW

FISCAL IMPACT

- Foreign currency flow into South Africa of US\$285.2 m (direct chrome exports)
- Global direct taxes and royalties paid of US\$56.2 m
- Global indirect taxes paid of US\$20.4 m

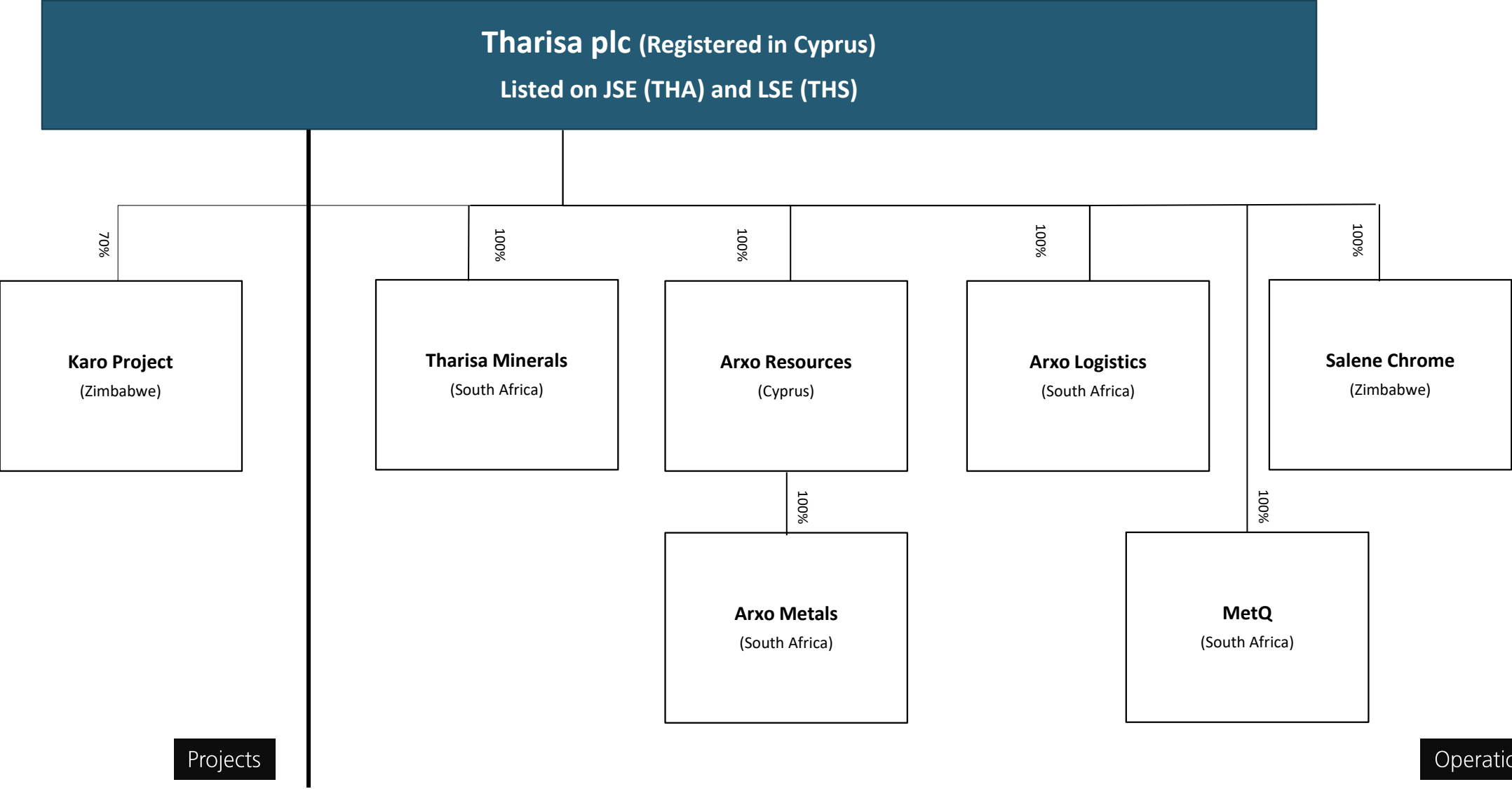




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STRATEGY

CORPORATE STRUCTURE



LONG LIFE PORTFOLIO

849.6 Mt & 152.1 Mt
IN MINERAL RESOURCE *

40.5 Moz & 10.0 Moz
IN CONTAINED PGMS (6E)*

170.3 Mt
IN CONTAINED CR₂O₃ *

1

INTEGRATED

PGM and chrome
co-producer - assets
located in prime geological
areas

2

+17 YEAR

LOM open pits
+40 YEAR
underground

3

GROWTH

pipeline to double PGM
output

4

R&D

developing innovative end
use products and
technologies

5

PROFITABLE

throughout
the cycle

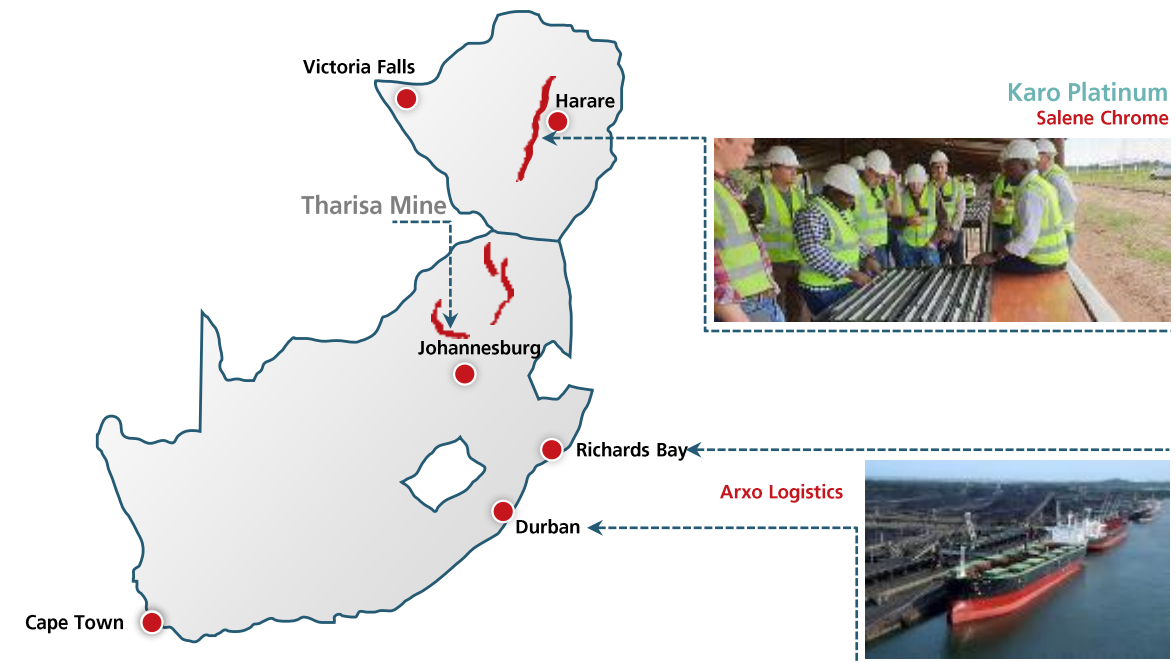
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CONSISTENT

dividend payer



*Mineral Resource and Mineral Reserve Statement in 2022 Annual Report



AN ETHOS OF INNOVATION

- + Greenfield discovery to mine development
- + Pit to port strategy
- + Disciplined, sustainable growth



- Innovation is at the core of Tharisa's ethos
- Key strategic projects under R&D at AMBS
- Technology the key enabler for differentiation
- Energy storage solutions

THARISA MINE
MG reef open pit mine extraction of lower grade commodities
= optimised mineral extraction

CHALLENGER PLANT
Increase specialty chrome production

VOYAGER PLANT
Large scale PGM and chrome plant – integrated process

HIGH ENERGY FLOTATION PLANT
Increase PGM recovery

DC SMELTER
Beneficiation of PGMs

NEW APPLICATIONS
Development of new applications for chrome

VULCAN PLANT
In house developed process for recovery of ultra fine chrome

FY2022 - THE VITAL NUMBERS

REEF MINED

5.50 Mt

up 2.3%

stripping ratio of 12.8 m³:m³
(2021: 5.38 Mt)

PGM PRODUCTION (6E)

179.2 koz

up 13.6%

recovery of 76.6%
(2021: 157.8 koz)

CHROME CONCENTRATE PRODUCTION

1.58 Mt

up 5.1%

recovery of 68.3%
(2021: 1.51 Mt)

REVENUE

US\$686.0 m

up 15.0%

(2021: US\$596.3 m)

OPERATING PROFIT

US\$184.5 m

up 3.2%

(2021: US\$178.8 m)

EBITDA

US\$237.3 m

up 5.8%

(2021: US\$224.3 m)

PROFIT BEFORE TAX

US\$220.2 m

up 18.9%

(2021: US\$185.3 m)

NET CASH FROM OPERATING ACTIVITIES

US\$173.7 m

down 17.1%

(2021: US\$208.4 m)

CASH AND CASH EQUIVALENTS

US\$143.3 m

up 71.7%

(2021: US\$83.4 m)

EPS

US 53.8 cents

up 44.1%

(2021: US 37.4 cents)

PROPOSED ANNUAL DIVIDEND*

US 7 cents

(2021: US 9 cents)

17.7% of NPAT**

ROIC

23.5%

(2021: 25.5%)

*includes interim dividend of US 3 cents

**adjusted NPAT

FY2022 - HIGHLIGHTS

SAFETY IS A CORE VALUE

- Achieved seven fatality free years and six million fatality free shifts, with a LTIFR of 0.40 per 200 000 man hours worked
- Legohu Raymond Mothapo lost his life on 21 October 2022 following a very serious accident in the open pit on the evening of Tuesday 18 October 2022

SIMPLIFICATION OF STRUCTURE BENEFITTING ALL OF OUR STAKEHOLDERS

- Acquisition of 26% minority shareholding in Tharisa Minerals in a landmark BEE transaction

CAPITAL DISCIPLINE

- US\$105.0 m spent on capex
- US\$80.4 m of net cash
- Total annual dividend of US 7 cents per share
 - US\$21.0 m

SUSTAINABLE MINING OF OUR LONG LIFE TIER ONE ASSETS

- Annual PGM production up 13.6% at 179.2 koz - PGM basket price of US\$2 564/oz
- Annual chrome production up 5.1% at 1.6 Mt - metallurgical grade chrome price of US\$209/t

DISCOVER, DEVELOP, DELIVER, DIVERSIFY

- Acquired controlling interest in Karo Mining Holdings - 70%
- Karo Platinum Project construction has commenced and funding underway

FY2023 PRODUCTION GUIDANCE

- 175 koz to 185 koz PGMs (6E basis)
- 1.75 Mt to 1.85 Mt of chrome concentrates

COMMODITIES

USD2 312/oz
SPOT PGM BASKET PRICE

USD265/t
SPOT MET GRADE PRICE

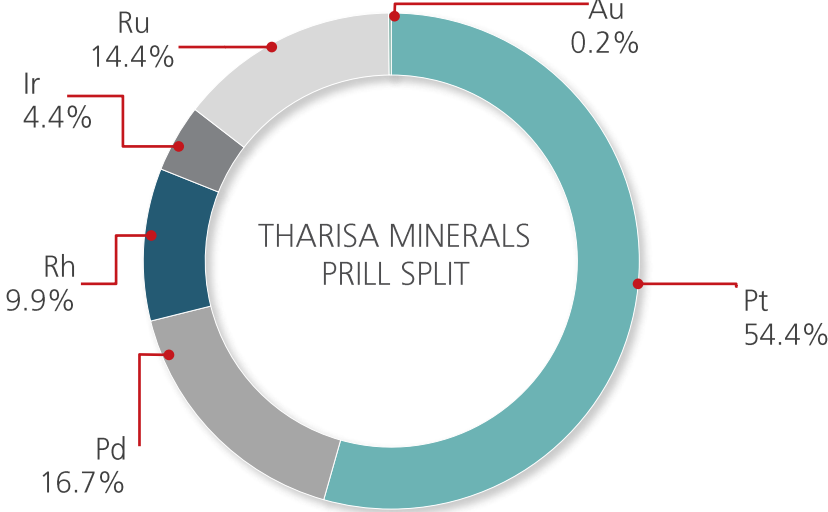
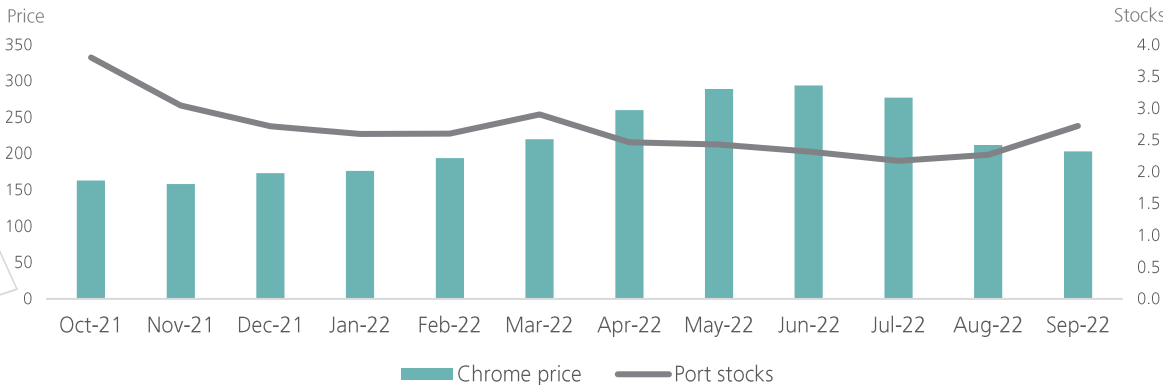
PGMS

- Primary supply growth constraints
- Deficits in Rh, Pd to remain, Pt heading towards a deficit
- ICE remains a major demand driver despite EV development
- Hydrogen economy to supplement ICE demand

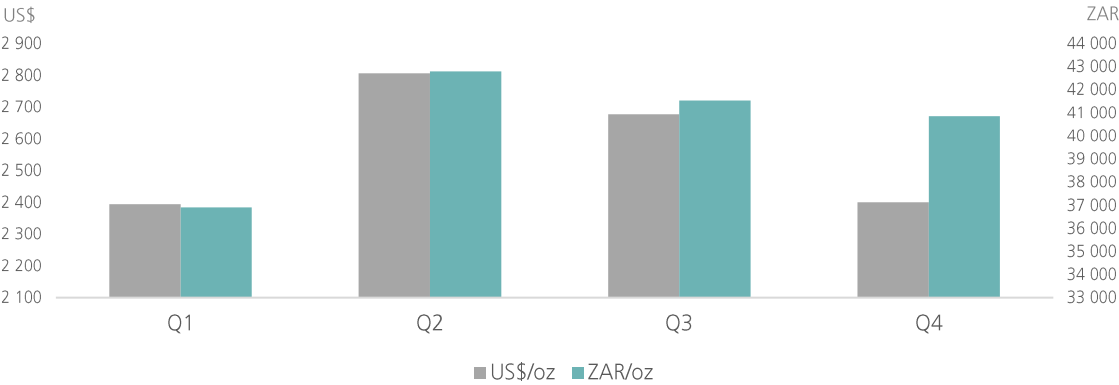
CHROME

- Chrome prices remain resilient due to growing stainless steel demand
- South Africa supplies 80% of China's chrome needs
- China has no chrome resources
- Tharisa supplies ~10% of China's chrome demand
- Specialty chrome 25% of output – premium pricing

METALLURGICAL GRADE PRICE AND PORT STOCKS (FY2022) (US\$/t) and (Mt)



PGM PRICING (FY2022) (US\$/oz) and (ZAR/oz)



NAVIGATING CHALLENGES



● TRANSPORT

- Transnet challenges have meant shift from rail to road
- 75% road vs 75% rail previously
- Re-allocation of bulk via Richards Bay and Maputo

● POWER

- Maximum requirement of 25MW of power on site
- Stand by capacity to withhold Stage 4 'loadshedding'
- Modular plants to withstand electricity shocks
- 40MW solar plant project underway

● EMPLOYEE RELATIONS

- 4-year inflation linked wage agreement signed 2020
- No majority union on site – collective bargaining

● COMMUNITY RELATIONS

- Comprehensive relocation programme underway under guidance and alignment of DMRE and in collaboration with accredited stakeholders
- SMME and supplier opportunity platform for procurement established

KARO PHASE ONE - KEY HIGHLIGHTS

WORLD CLASS PGM ASSET

Tier 1

LOM OPEN PIT

+17 years

ANNUAL PGM PRODUCTION (6E)

190 koz

+ 0.10% Cu
+ 0.12% Ni

MINING LEASE FOR LOM

Licenced

OPEN PIT, SCALABLE, LOW COST, PHASED

Low risk

DEVELOPMENT TIMELINE

21 months

(First ore in mill July 2024)



KARO PROJECT



IMPACT

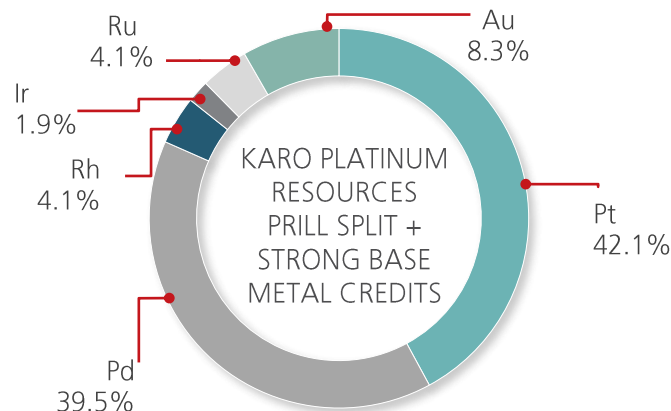
- Four years LTI free
- IFC compliant ESIA approved – mining and processing
- Prioritising local recruitment and skill development
- Total Eren wheeling agreement to support development of 300 MW solar capacity to supply national grid

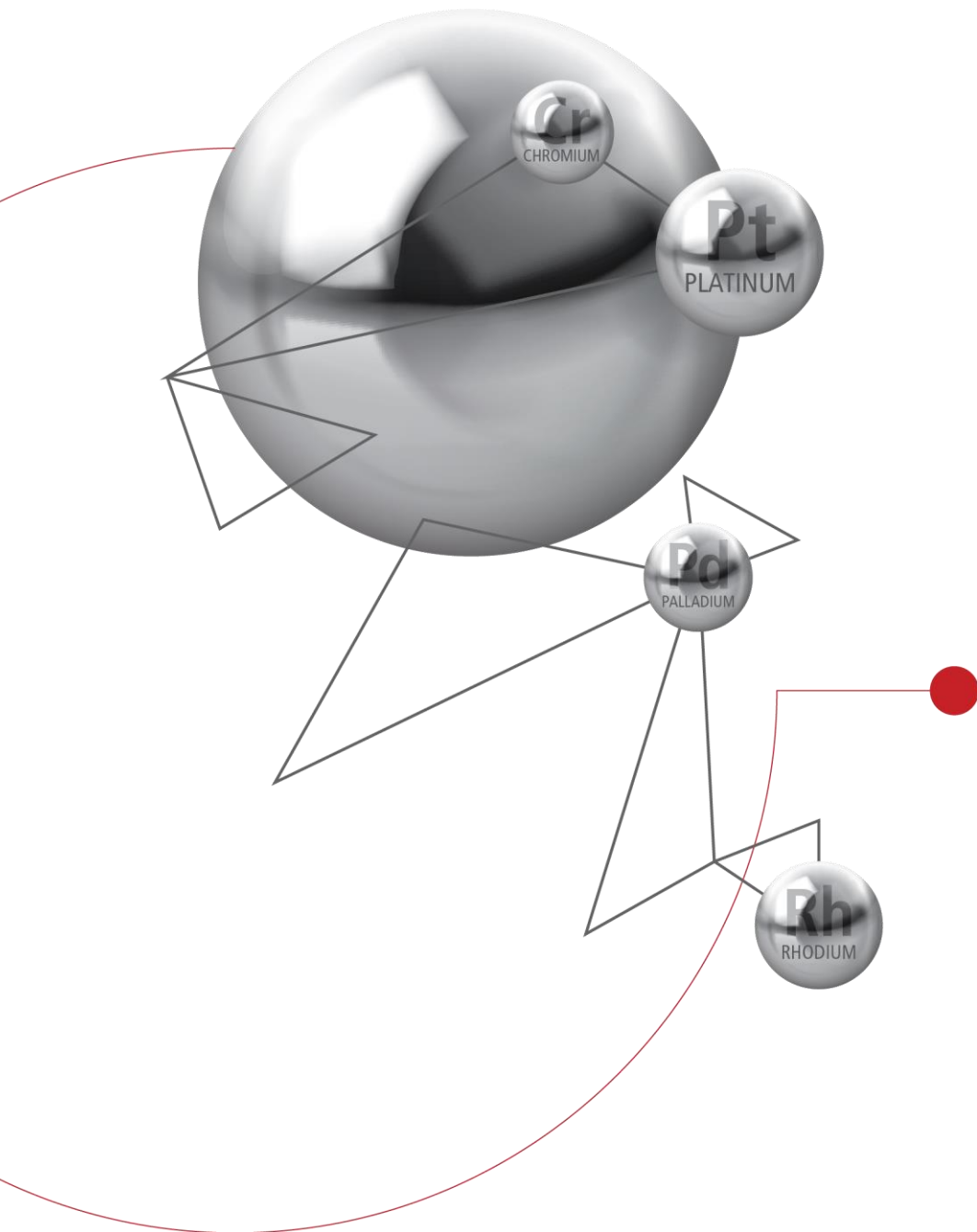
CAPITAL COST

- Total cost to first ore in mill budget of US\$391 m

FUNDING

- Multiple funding streams with different timing requirements
- Partial leverage of existing assets – ~US\$130 m (targeting Q1 2023)
- Syndicated senior project finance facility – ~US\$260 m (targeting Q3 2023)
- VFEX bond listing – completed, raised US\$31.8m





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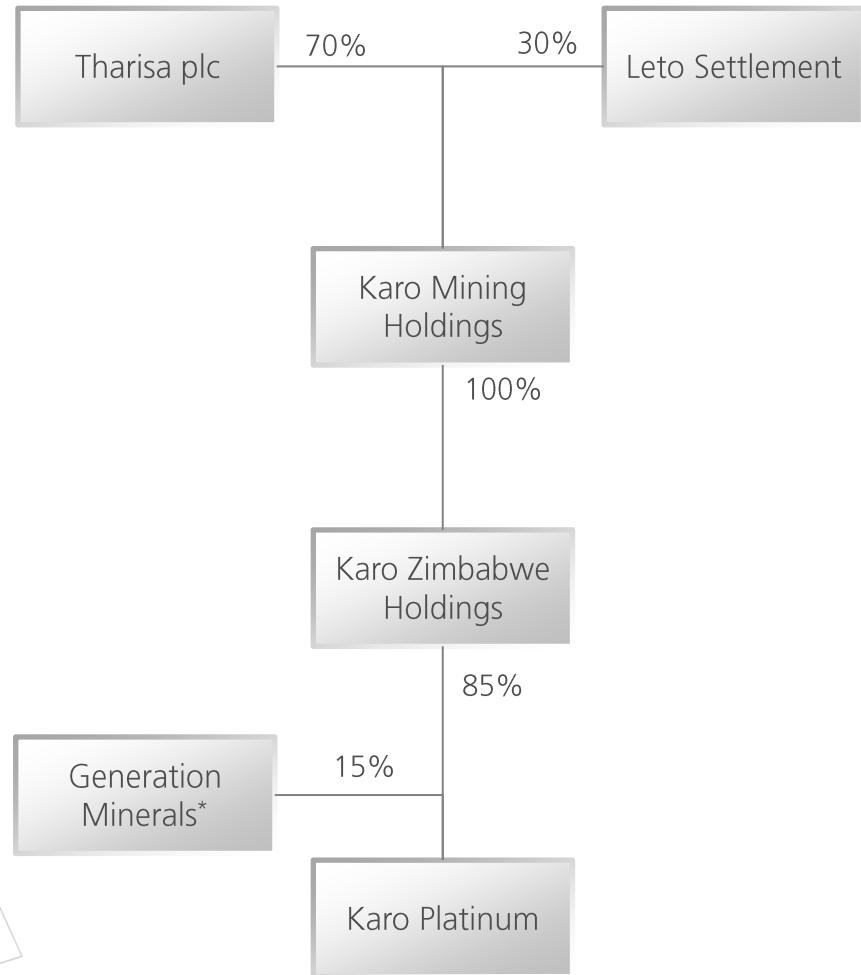
KARO MINING HOLDINGS

“ Developing a tier one project in this unique geological setting comes once in a lifetime ”

BERNARD PRYOR
MD • KARO MINING HOLDINGS



CONTINUOUS INVESTMENT



*Generation Minerals is the Republic of Zimbabwe SPV and is free carried interest

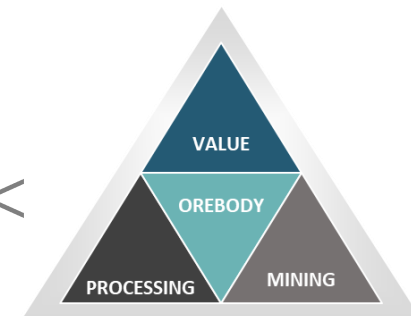
- Investment preconstruction commencement of US\$70.3 m:
 - US\$4.5 m cash - acquisition of 26.8% shareholding
 - US\$8.0 m Phase 1 exploration capital
 - US\$3.4 m Technical studies
 - US\$25.0 m early development funding (not fully drawn)
 - US\$29.4 m in shares - acquisition of 39.5% shareholding
- Strategic investment criteria met:
 - Open pit, quick to market, returns and diversification

**CAPITAL
DISCIPLINE**

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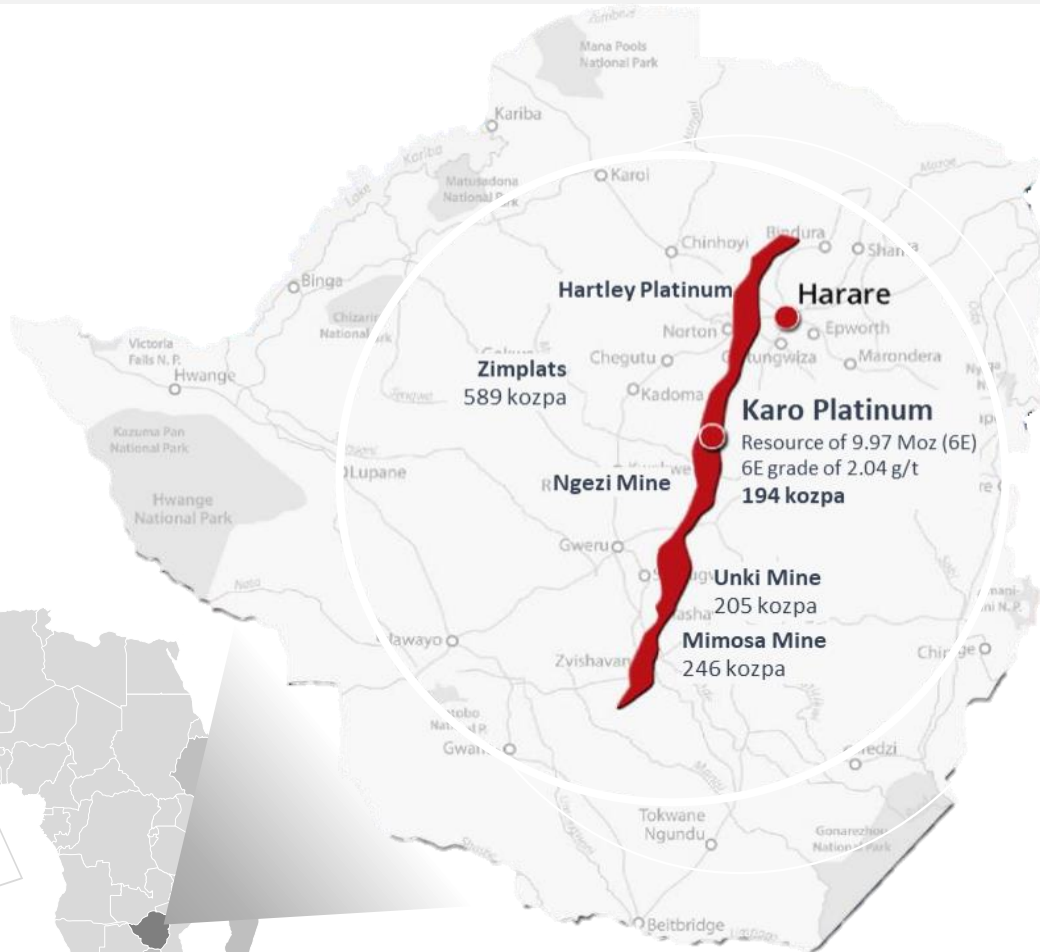


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LOCALITY & GEOLOGY

NEXT PHASES WILL SCALE TO ACCESS THE VAST RESOURCE AREA



● PROPERTY LOCATION

- Located in the Mashonaland West district of Zimbabwe, approximately 80 km southwest of Harare and 35 km southeast of Chegutu
- The project area covers 23 903 ha located on the Great Dyke

● POSITION ON THE GREAT DYKE

- The project is located south of the Zimplats Selous Metallurgical Plant and north of the Zimplats Ngezi operations

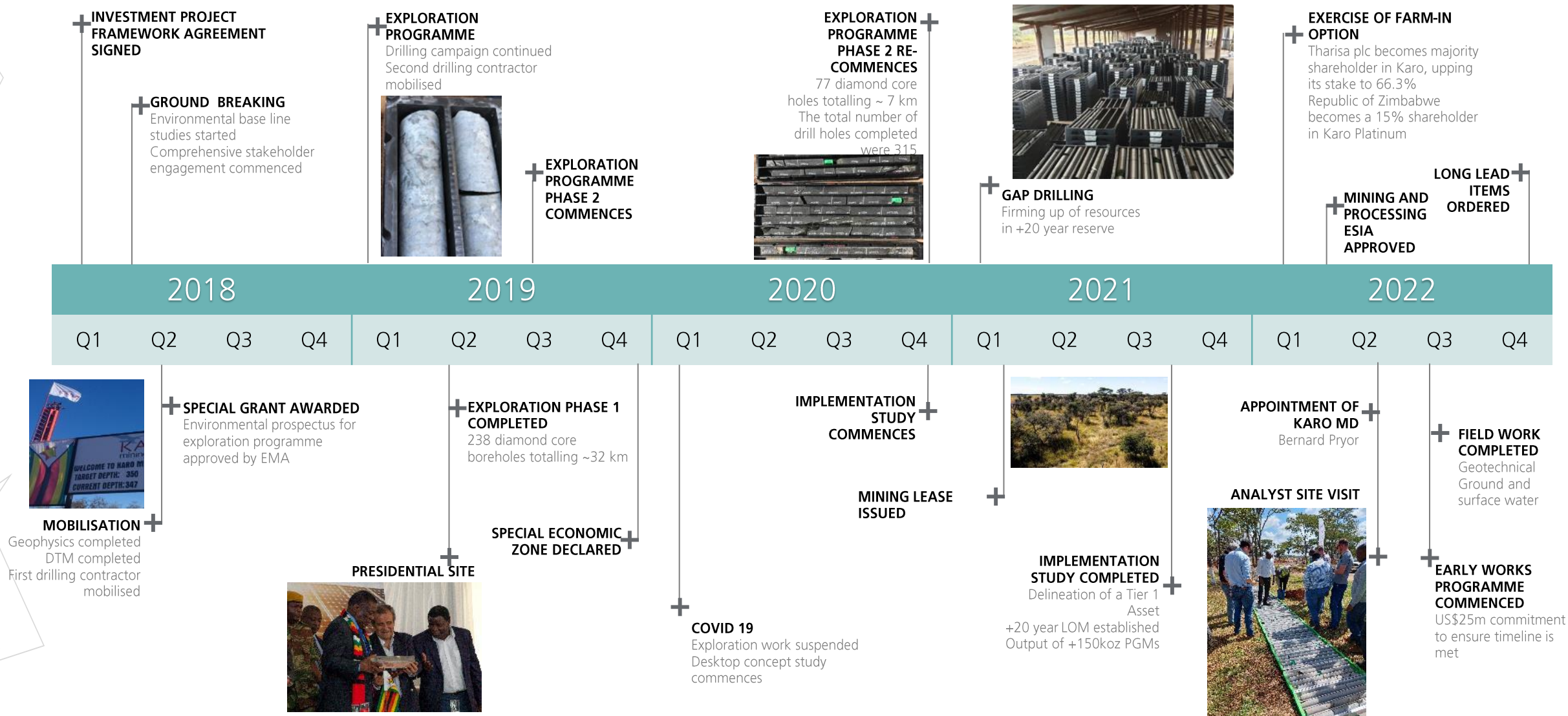
● GREAT DYKE GEOLOGY

- Hosts the Main Sulphide Zone (MSZ)
- Typically, between 2 and 3m thick – Karo targeting up to 5m cut
- Runs from a northerly to a southerly direction
- Approximately 550 km in length and up to 11 km wide

● HISTORIC ZIMPLATS RESOURCE DECLARATION

- June 2017 – 85% of North of Portal 10
- Indicated: 60 Mt at 3.44 g/t (4E) – 6.6 Moz
- Inferred: 868 Mt at 3.22 g/t (4E) – 89.8 Moz
- Total of **96.4 Moz (4E)**
- *Zimplats Annual Report 2017*

HISTORIC TIMELINE

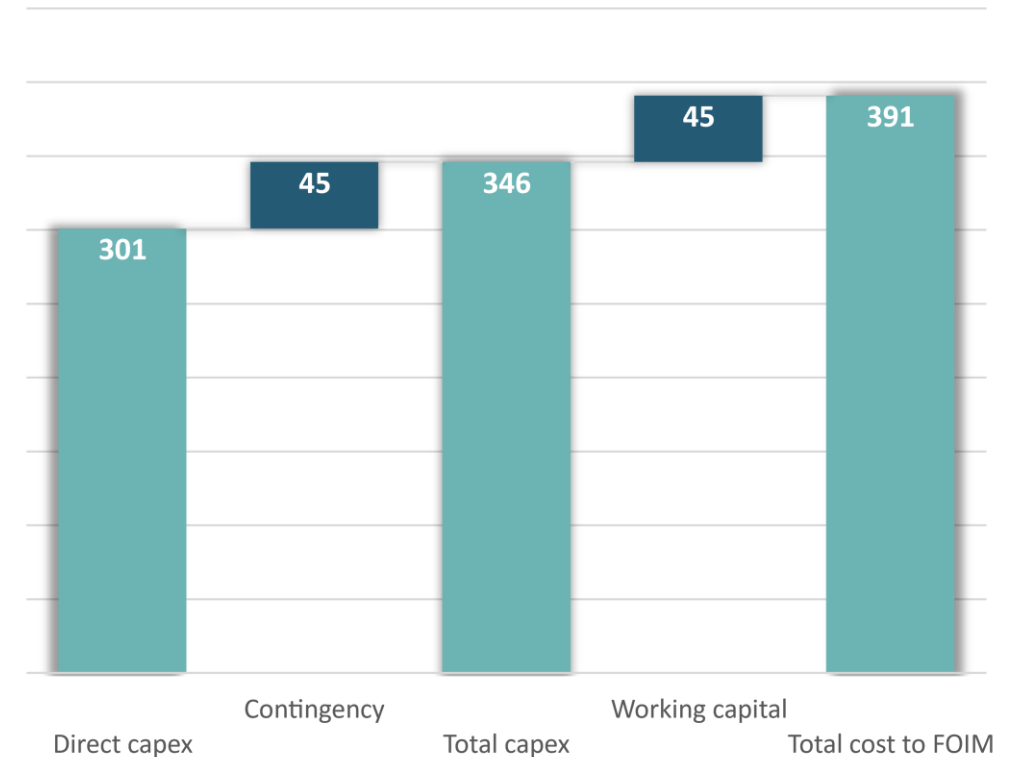


PROJECT CAPITAL COST

- First Ore In Mill (FOIM) is scheduled for July 2024
- Increased PGM production output of 22.7% to 194 kozpa
- The revised capital cost reflects actual price estimates as at H1 2022, which includes higher steel and transportation costs
- A 15% project contingency is included as calculated using a Monte Carlo simulation set at P₉₀
- Working capital includes operational readiness of US\$17 m and mining pre FOIM of US\$28 m
- Total cost to FOIM is estimated at US\$391 m
- Tharisa to provide additional escalation reserve of US\$26 m



COST TO FOIM
(US\$ m)



* Capex excludes financing costs as this will depend on debt: equity split

PROJECT ECONOMICS

THE 22.7% INCREASED PGM OUTPUT IS FURTHER VALUE ACCRETIVE FOR THE THARISA GROUP

Throughput	205 ktpm
Production	194 kozpa
LOM (Reserves M&I)	17 years
ROM grade	3.0 6E g/t (average)*
Strip ratio	21.6 m ³ :m ³ average over LOM
Recovery	78% increasing to 82%
Tax holiday	5 years from operations
PGM basket price	US\$2 140/oz (6E)**
Base metal blended price	US\$15 099/t**
Cash cost	US\$1 096/PGM oz#
Total cost to FOIM	US\$391 m



PROJECT VALUE INCLUDING IN SITU INFERRED RESOURCE

US\$686 m

NET PRESENT VALUE_{10%} EXCLUDING IN SITU INFERRED RESOURCE

US\$413 m

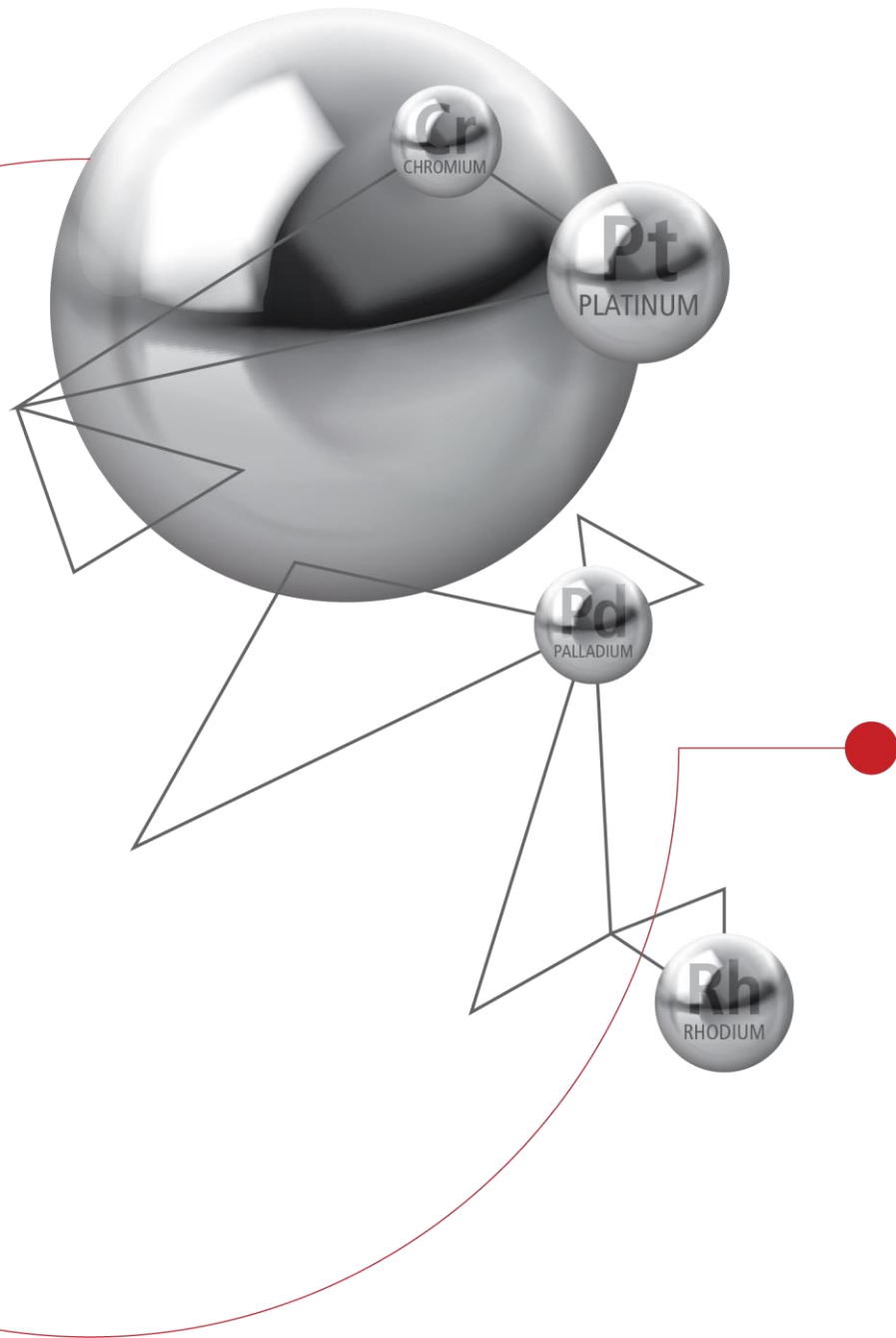
IRR

26.1%

ROIC

30.1%

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**FY2022 OPERATING AND
FINANCIAL HIGHLIGHTS**

MINING AND PRODUCTION

5.5 Mt

Reef mining increased by 2.3%

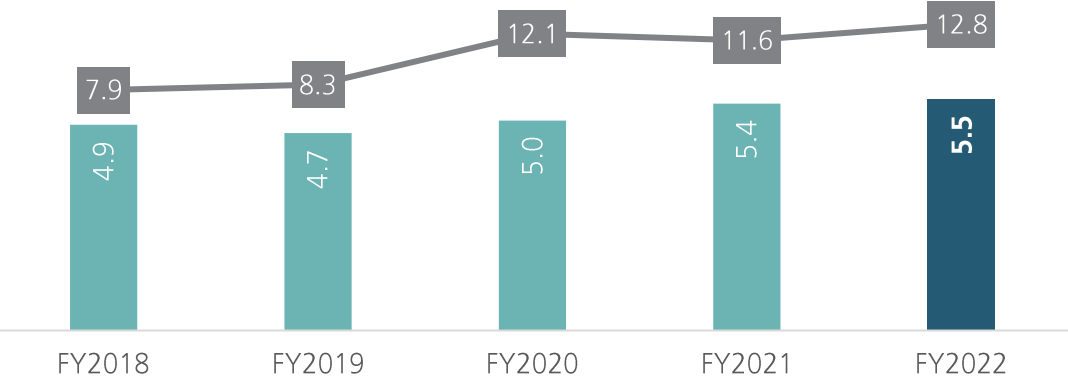
Forecast reef mining of ~5.6 Mt for FY2023
LOM stripping ratio of 9.8 m³:m³

5.6 Mt

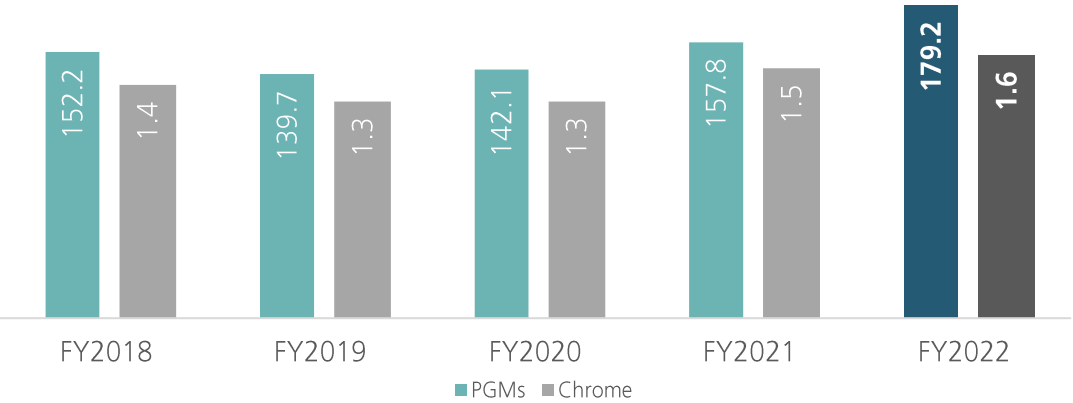
Reef milled

PGM production increased by 13.6%
Chrome recovery increased by 7.9%

MINING AND STRIPPING RATIO
(Mt) and (m³:m³)



PGM AND CHROME CONCENTRATE PRODUCTION
(6E koz) and (Mt)



POSITIONED FOR DELIVERING ON STRATEGY

**DELIVERY ON OPERATIONAL PERFORMANCE + MULTI
COMMODITIES = RECORD REVENUE**

+

OFFSETTING INFLATIONARY PRESSURES

- Increased production volumes
 - Low cost chrome units from Vulcan Plant
- Weakening ZAR to US\$ exchange rate of 6.8%

+

**ACCOUNTING FOR VALUE ACCRETIVE
KARO TRANSACTION**

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POSITIONING FOR SUSTAINABLE GROWTH

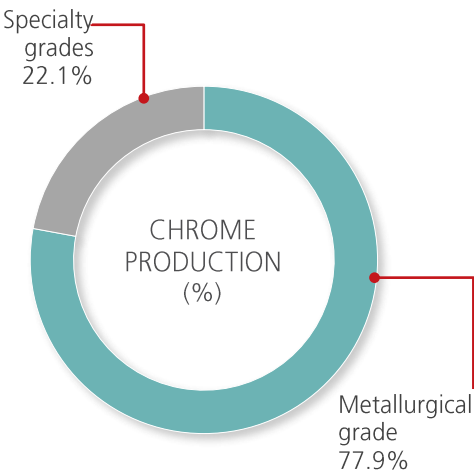
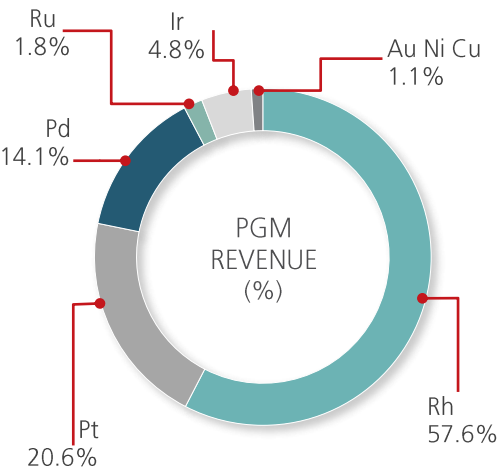
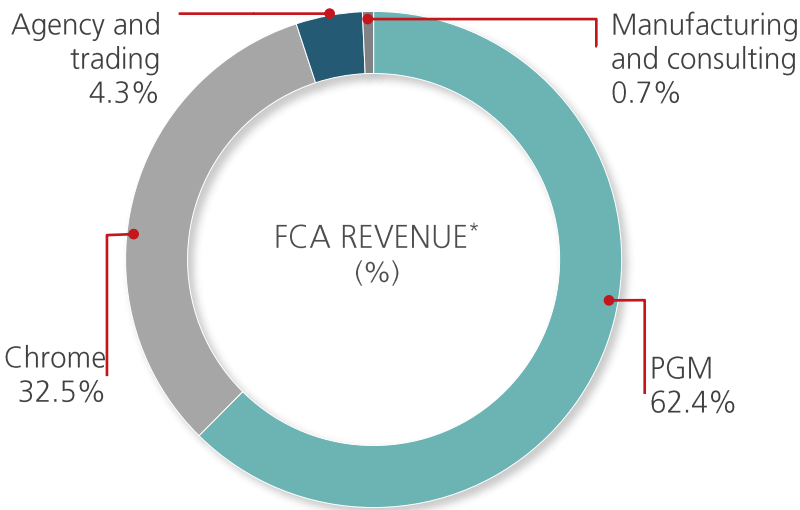
- Net cash flows from operations – US\$173.7 m
- Investment for the future – capex spend of US\$105.0 m
- Deleveraging of the balance sheet – net cash of US\$80.4 m

REVENUE

US\$686.0 m
Revenue increase of 15.0%

Benefits of co-production model

PGM sales of 168.3 koz
Average PGM basket price of US\$2 564/oz
Metallurgical grade chrome sales of 1.2 Mt
Average chrome price of US\$209/t

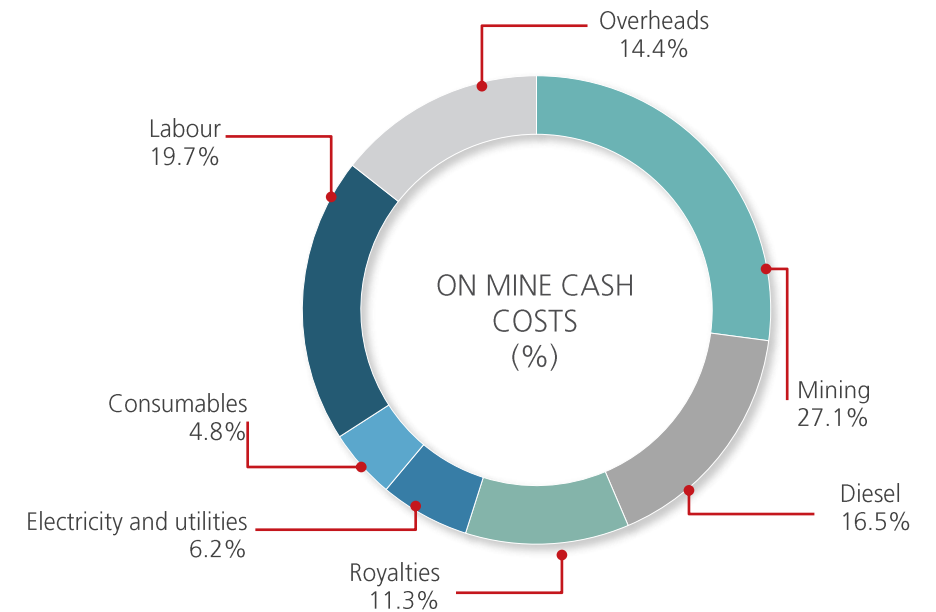


UNIT COSTS

	Units	FY2022	FY2021	% change
Cubes mined	Mm ³	20.9	19.2	8.9
Cost per cube mined*	US\$/m ³	8.5	8.9	(4.5)
Reef tonnes mined	Mt	5.5	5.4	2.3
Cost per reef tonne mined	US\$/t	32.4	31.9	1.5
Tonnes milled	Mt	5.6	5.6	0.1
On mine cash cost per tonne milled**	US\$/t	46.7	41.0	14.1
Consolidated cash cost per tonne milled**	US\$/t	47.0	44.9	4.9
Chrome inland logistics and freight costs	US\$/t	92.5	72.4	27.7
All in cost per Pt ounce sold [^] (by product)	US\$/oz	(436.7)	(568.4)	(23.2)

Costs include ROM stockpile at 30 September 2022 of US\$19.9 m
Deferred stripping of US\$15.1 m

*inclusive of deferred stripping **exclusive of capitalised deferred stripping
^All in cost includes operating cost, administration costs, deferred stripping and capital



RECORD GROSS PROFIT

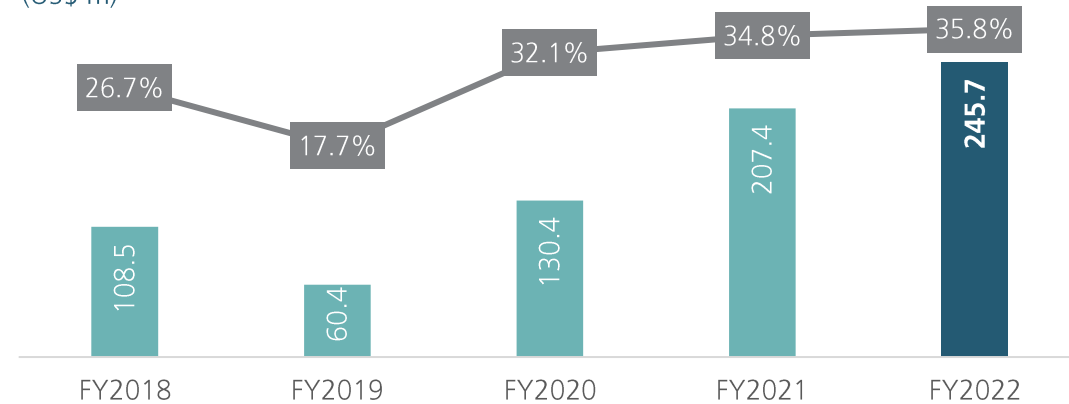
US\$245.7 m

Gross profit an increase of **18.4%**

Record gross profit margins despite input cost pressures*:

- Explosives +49.1%
- Diesel +37.3%
- Electricity +2.7%
- Land side logistics +21.9%
- Sea freight +38.6%

GROSS PROFIT AND MARGIN
(US\$ m)



*in US\$ terms – ZAR unit costs benefitting from weaker exchange rate

VALUE ACCRETIVE TRANSACTION – EXECUTING ON STRATEGY

US\$201.8 m

Mineral right - asset value increase

US\$16.8 m

Finance liability – Zimbabwe Gov option

Favourable net effect of US 16.1 cents on earnings per share

Initial investment of 28.38% was accounted for under equity method – fair value remeasurement

Accounting for the acquisition of a further 37.9% - fair value gain

Reconciliation of EPS to HEPS

	Units	FY2022
Weighted number of shares in issue	million	285.8
Earnings per share	US cents	53.8
Profit attributable to ordinary shareholders	US\$ m	153.9
Net adjustments:		
Karo Mining Holdings transaction:		
Gain –remeasurement of existing shareholding	US\$ m	(33.5)
Gain – purchase of shares at discount	US\$ m	(14.9)
Write off / loss on disposal – PPE	US\$ m	1.8
Impairment – PPE	US\$ m	8.3
Impairment – goodwill	US\$ m	1.9
Headline earnings	US\$ m	117.4
Headline earnings per share (basic)	US cents	41.1

CONSISTENT DIVIDEND PAYER

US 7 cents

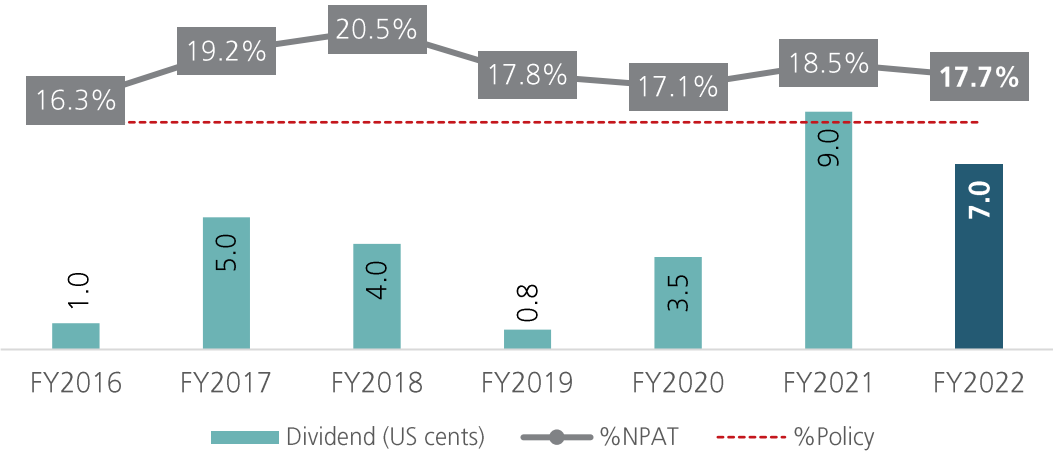
Total annual dividend for FY2022

17.7% of adjusted NPAT
Policy minimum of 15% of NPAT
Total annual dividend of US\$21.0 m

US\$82.9 m

Cumulative distributions to shareholders over 7 years

Commitment to capital discipline



BALANCE SHEET

US\$143.3 m

Cash and cash equivalents

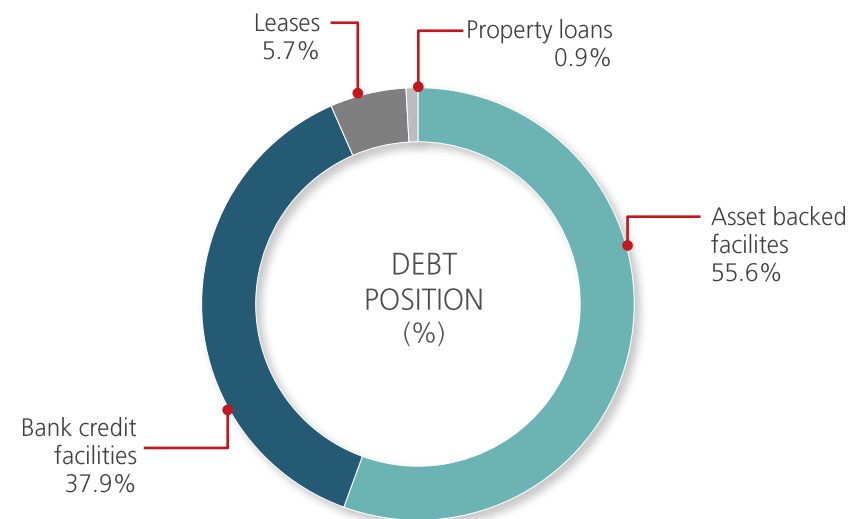
Net cash flow from operations of US\$173.7 m
Net cash of US\$80.4 m

US\$62.9 m

Total debt

Short term of US\$39.8 m
Unwind of limited recourse disclosed PGM
discounting facility (US\$33 m)

Current ratio of 2.2
Net debt to EBITDA of (0.3)
Net debt to equity (13.0%)



CAPEX

US\$105.0 m

Capex spent

Continued to invest in asset base = sustainable operations

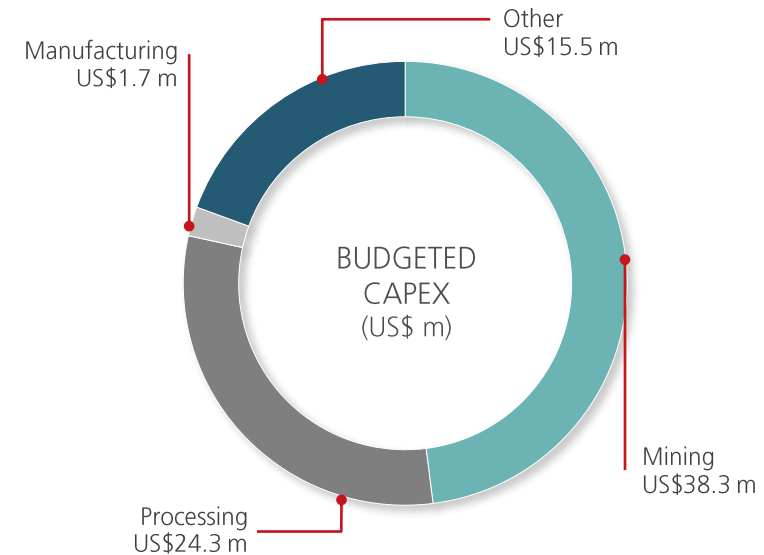
US\$79.8 m

Budgeted capex for FY2023 excluding Karo Platinum

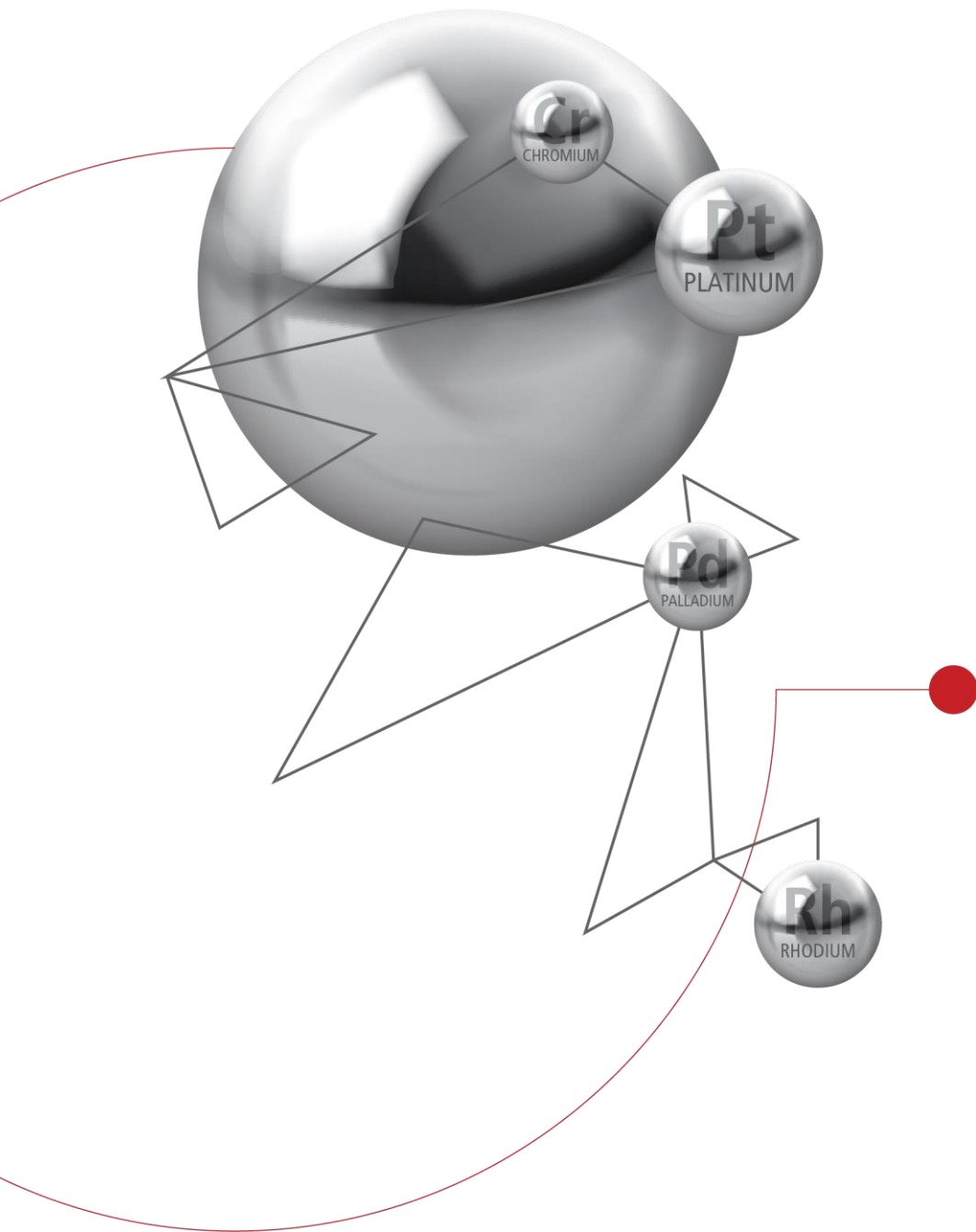
~US\$260 m

Budgeted capex for FY2023 for Karo Platinum

Fast track project
Karo Platinum total capital of US\$391 m



POSITIONED TO NAVIGATE MACRO ECONOMIC EVENTS - ENABLING INVESTMENT IN SUSTAINABLE GROWTH



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VALUE PROPOSITION

KARO + THARISA = KEY FUTURE SUPPLY

LOM OPEN PIT FROM EACH OPERATION

+17 years

REEF MINED PER ANNUM

+7.5 Mt

PGMS PRODUCED PER ANNUM

~400 koz

CHROME PRODUCED PER ANNUM

+2 Mt

GROUP VALUE = CONSENSUS THARISA + KARO
NPV*

~US\$1.3 billion

*Attributable value

COMPARISON	UNIT	KARO PHASE 1*	THARISA OPEN PIT**
Open pit LOM	years	17	18
Resource ounces	4E Moz	96.4	31.3
Reserve	Mt	35.5	88.2
Reserve ounces	4E Moz	2.5	3.1
PGM production^	kozpa	194	200

*Phase 1 – 17 year open pit LOM
^FY2024 annualised production

**2022 declaration – open pit only

**ADVANCING OUR
STRATEGIC
COMMODITY
PORTFOLIO**



DELIVERING ON OUR STRATEGY



**Expand and roll out
the business sustainably**

- Consolidated ownership of Tharisa Minerals
- Strategic second Tier 1 PGM resource for Tharisa Group



Optimise existing operation

- Organic growth in both PGMs and chrome at Tharisa Minerals
- Vulcan opportunity for cost reduction



**Continuing to invest in
innovative thinking**

- Expansion of Arxo Metals beneficiation site
- Fast track development timeline at Karo – pilot concentrator operating
- Expand solar energy solutions and Tharisa and Karo



**Become a globally
diversified business**

- Geographic diversification with Karo
- Higher base metal credits than Tharisa Mine operations



**Be the investment of choice
in our chosen sector**

- Regular dividend payer
- Strong Karo project economics
- Strong cash flow generation at Tharisa and continuous investment



**Responsibly enrich the lives
of all our stakeholders**

- Creation of new employment at Karo and continued employment at Tharisa
- Impact investment – upliftment of local communities and RSA/ Zimbabwean economy
- Production of PGMs used in autocatalysts and fuel cells (hydrogen economy)

QUESTIONS



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