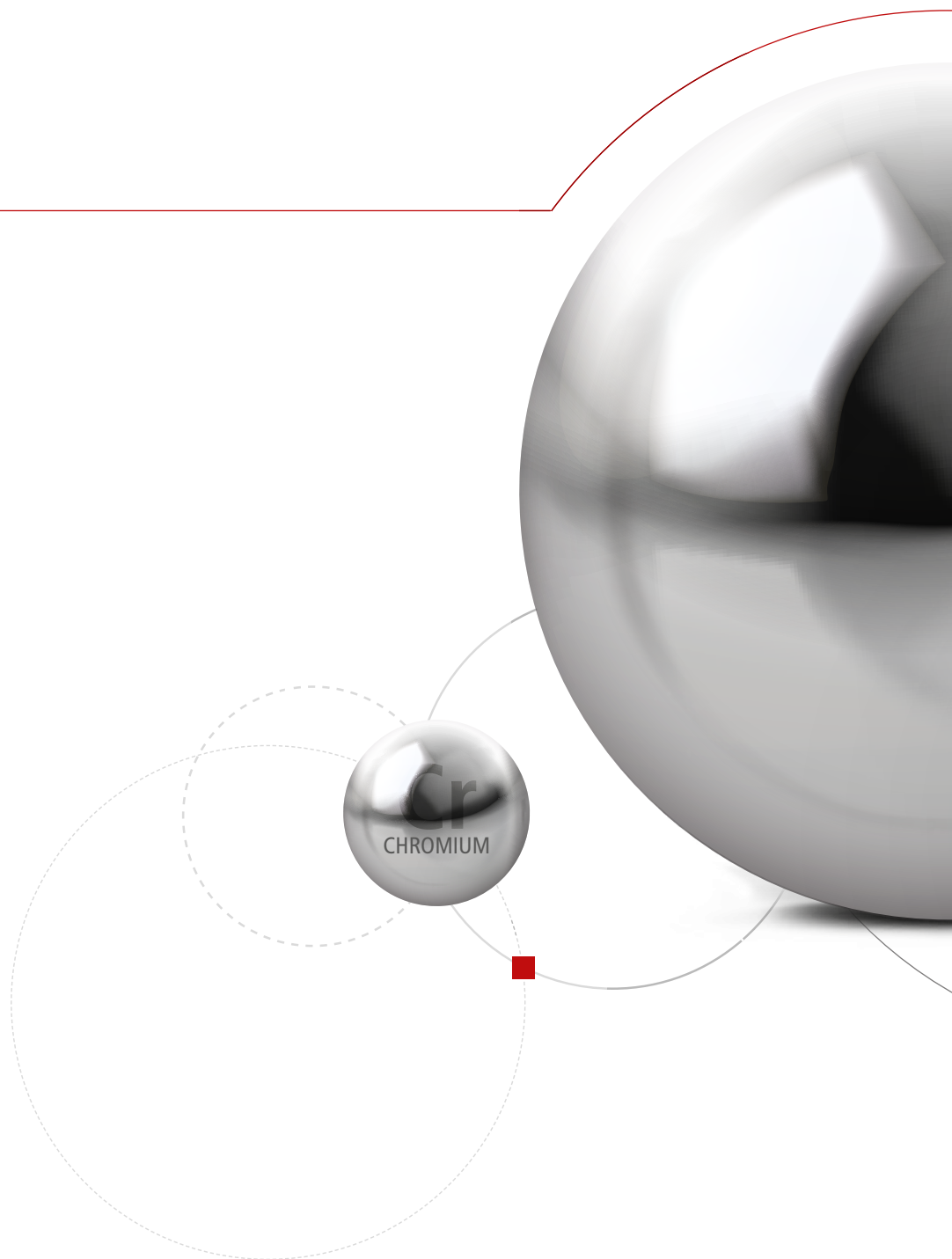


www.tharisa.com



Enriching lives through
**innovating the resources
company** of the future

2022 integrated annual report

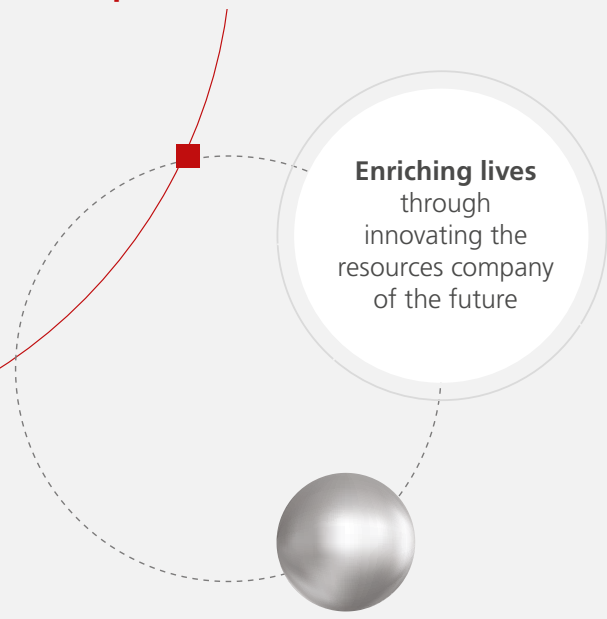


tharisa

VALUES

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

Purpose statement



Enriching lives
through
innovating the
resources company
of the future

VISION

To generate value by becoming a **GLOBALLY SIGNIFICANT, LOW-COST PRODUCER OF STRATEGIC COMMODITIES** that are required to deliver **A SUSTAINABLE FUTURE**

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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.

Report navigation guide



Page reference
More information can be within this report



Connect with us:

We encourage and welcome feedback on our reporting suite from our stakeholders. Please send any comments or suggestions to:

Investor relations:

Ilja Graulich
Email: ir@tharisa.com

www.tharisa.com

Approach

The approach in this integrated annual report is to inform investors and stakeholders of the fundamentals of Tharisa's operating context and business model, risks, and strategic approach to value creation to enable them to make a more informed assessment of Tharisa, its prospects, and the sustainable value it creates. The integrated annual report presents a concise view of the Company, its progress and its strategy, with readers directed to relevant sections on the Group's website – www.tharisa.com – for additional disclosure. While written primarily to address the interests of providers of capital, this report also addresses matters considered to be important to a wide range of stakeholders.

Frameworks

Tharisa applies the principles of King IV to its decision making, strategy formulation, and implementation. These principles have also been applied in compiling this report. The Company further adheres to the Johannesburg Stock Exchange ("JSE") Listings Requirements and complies with the London Stock Exchange ("LSE") Listing Rules and Disclosure and Transparency Rules applicable to a standard listing.

Tharisa accepts that integrated reporting is a journey, and in line with its commitment to the principles of integrated reporting, it has expanded on its broader social, environmental, and economic performance as far as possible throughout this report. While the Company has been guided by the International Integrated Reporting Committee's Framework, it will only be fully applied to future reports.

In line with these frameworks, recommendations, and what Tharisa considers to be best practice, this report contains a number of forward-looking statements. Various factors, conditions, and developments beyond the control of the Company and its management may cause the conditions predicted and implied in these forward-looking statements to be materially different to those envisaged at the time of writing. Such variance between expectation and future realities may have a material impact on the Company's future performance and results.

Assurance

The Board acknowledges its responsibility for ensuring the integrity of this integrated annual report. The Audit Committee recommended the 2022 integrated annual report to the Board for approval, which approval the Board consented to give, believing that the report addresses all material issues and gives a balanced and truthful representation of the Company's performance.

The condensed consolidated financial statements on pages 134 to 175 of this integrated annual report and the consolidated annual financial statements on Tharisa's website have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and the Cyprus Companies Law.

A glossary of abbreviations, definitions, and technical terms appears from pages 189 to 197.

Scope and boundary

Tharisa (or the "Company") is pleased to present this, its ninth integrated annual report since listing on the JSE, and the seventh since the standard listing of its depositary interests on the LSE. This integrated annual report presents the Group's operations in Cyprus and South Africa, its development activities in Zimbabwe, as well as its environmental, social and governance ("ESG"), strategy, risks, opportunities, and prospects.

The report covers the financial year from 1 October 2021 to 30 September 2022.



About Tharisa

Tharisa is an integrated resource group critical to the energy transition and decarbonisation of economies. It incorporates exploration, mining, processing 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 an 18 years pit life and can extend operations underground by at least 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).

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WHY INVEST IN THARISA



All of this is aligned with our innovative thinking philosophy and agility, making use of technology as our enabler and as our differentiator.

Safety is a core value

1 Strategic commodities

As a co-producer, Tharisa mines two strategic commodities on the western limb of the Bushveld in South Africa, with diversified applications for these commodities, ensuring a geographically multi-faceted buyer and user base. Both Platinum Group Metals ("PGMs") and chrome production are highly concentrated geologically. The markets for both commodities remain finely balanced, if not in deficit, in some of the PGM components. Tharisa's PGM concentrate is sought after due to its low impurities. The Company provides China, the world's biggest stainless steel producer, with some 10% of its annual chrome needs. Tharisa is expanding its PGM portfolio with the development of a new mine on the Great Dyke in Zimbabwe, looking to double its PGM output with a combined minimum life of both mines of 17 years, with the possibility of multi-decade-long extensions given the resource inventory at both operations.

2 Production and margin growth

Tharisa has consistently grown its production profile, evident in FY2022 too, and with output due to increase for FY2023 to between 175 koz and 185 koz PGMs (6E basis) and 1.75 Mt to 1.85 Mt of chrome concentrates. With an open pit life of 18 years and a minimum of 40-year extension underground at Tharisa Minerals, and the addition of Karo output annualised at ~190k oz of PGMs in 24 months, differentiates Tharisa's growth projection from many of its competitors with output set to double. While inflationary pressures were evident in FY2022, the Company nevertheless managed a healthy margin due to volume efficiencies and cost control, strong commodity price fundamentals, and favourable exchange rates. Unit output of carbon emissions continues to reduce, aligned with Tharisa's decarbonisation plan for 2030 and 2050.

Annual PGM production was up 13.6% at 179.2 koz (FY2021: 157.8 koz) and annual chrome production was up 5.1% at 1 582.7 kt (FY2021: 1 506.1 kt).

3 Operational flexibility

The Group's key differentiator is its large-scale and open-pit resource that allows for extraction of five Middle Group ("MG") Chromitite Layers using mechanised mining, with a highly skilled labour force, being close to infrastructure and a lower user of grid power. The Tharisa Mine has 18 years open pit LOM and can extend operations underground by at least 40 years.

The mechanised nature of the open-pit operation has ensured that it remains within the lower cost quartile of PGM and chrome producers, with an ore body showing consistency over the past decade of production.

Tharisa Minerals has two independent processing plants. The integrated process involves primary mass extraction of chrome, followed by PGM flotation, then secondary chrome extraction from the tailings. The two plants offer operational flexibility, allowing one plant or a portion to be shut down without impacting the entire operation.

The Vulcan Plant – the largest chrome fines processing plant in the world – creates additional recoveries for the mine, treating what has historically been waste with no mining costs associated with this additional output.

4 Real portfolio optionality and diversification

With a solid foundation built over the past decade and a balance sheet that has supported the growth in a structured fashion, Tharisa has embarked on a diversification strategy of organic growth. The Company has acquired a majority position (70%) in Karo Mining Holdings, a tier 1 PGM project on the Great Dyke of Zimbabwe, with a build time to first ore in mill in July 2024, diversifying the Company's portfolio, both in commodity and geographically.

Similarly, the Company's beneficiation strategy has made great strides, aligned with its ambitions of maximising value additions to the commodities it produces.

The Arxo Metals beneficiation site has been expanded further with test work and production of PGM metal and various alloys using the Company's own raw materials. Arxo Metals has also commenced studies to capture more PGM value given the less-restrictive nature of PGM sales from the Tharisa Mine post-year-end.

5 Integrated marketing and sales with logistical support

The majority of PGM concentrate in FY2022 was sold to Impala Platinum and Sibanye-Stillwater under offtake agreements.

The Group has a marketing platform for the sale of its metallurgical chrome concentrate to ferrochrome producers, stainless steel producers, and global commodity traders.

Metallurgical chrome concentrate is mainly shipped to China and Indonesia, where it is utilised primarily by the stainless steel industry.

Specialty chrome concentrates, which include chemical and foundry grades, are sold into diversified global markets. Production of specialty-grade chrome concentrates comprised 22.1% of the year's total internal chrome production.

Arxo Logistics manages all of Tharisa's commodity movements, as well as movements on behalf of third-party customers, ensuring on-time delivery of materials.

6 Capital growth and capital returns

Tharisa had a cash balance of US\$143.3 million at the end of the year and a debt of US\$64.8 million, resulting in a positive net cash position of US\$78.6 million. The Company's strong balance sheet, with low leverage, positions it to fund its growth aspirations.

When making investment decisions, the Board factors in ESG criteria to ensure that the Group's business model is sustainable. All opportunities must meet Tharisa's stringent investment criteria, which include generating a minimum return on investment of 25%.

A final dividend of US 4 cents has been proposed, bringing the cash return to US 7 cents per share for FY2022, a payment ratio of 17.7% of adjusted NPAT.

OUR STRATEGY

Our philosophy is to enrich lives responsibly.

Tharisa’s core strategy is to **GENERATE VALUE BY BECOMING A GLOBALLY SIGNIFICANT, LOW-COST PRODUCER OF STRATEGIC COMMODITIES** that are required to deliver a sustainable future.

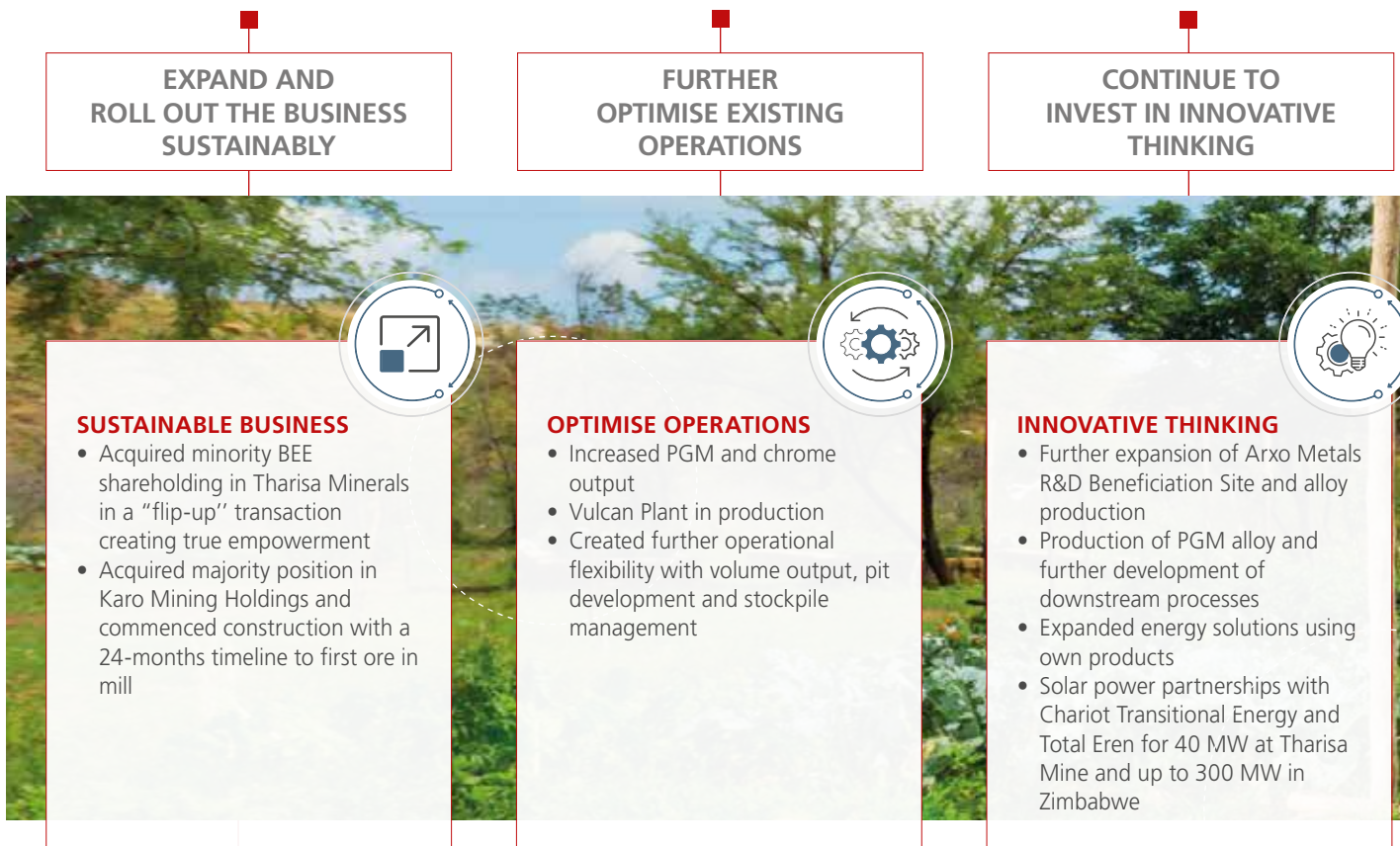
We help to meet global demand for our products using an integrated model of mining, processing, beneficiation, marketing, sales, and logistics operations, which we believe adds maximum value to the commodities we mine.

The Group’s expansion strategy focuses on diversified growth through organic project sourcing and development, but is mindful of acquisition opportunities in a non-renewable operating environment.

The goal is creating a circular economy, beneficiating our products, and producing critical metals for the decarbonisation of the global economy.

Six pillars driving growth

The Company has a stated growth and diversification strategy, built on six pillars, with maximum impact for both shareholders and stakeholders, balancing the need for growth with care for the environment in which we operate. The past year has seen the Company



Supporting these pillars are unique competitive strengths including the following:

- Shallow and large-scale PGM and chrome resource – one of the world’s largest chrome resources from a single pit – enables Tharisa to be a large-scale producer for several decades
- Mechanised operations and skilled labour force
- Independent processing plants providing operational flexibility
- Positioned on the lower end of the PGM cost curve, profitable throughout the cycle
- Integrated marketing, sales, and logistics platforms

The foundation of the Company is built on the 4 Ds

The success of the 4 Ds is enveloped by a stringent focus on capital discipline that balances the capital needs of growth, continuous investment, and returns for shareholders.

DISCOVER

- Long-life, low operating cost assets

DEVELOP

- Impactfully develop our assets, sustainably, using modern engineering and technology

DELIVER

- Safely deliver maximum value from the assets in the portfolio and maximise returns for stakeholders

DIVERSIFY

- Diversify into a multi-asset, multi-jurisdictional, multi-commodity business innovatively using technology as our catalyst

Total proposed dividend for the year

US7
cents per share

+ 17.7%
of adjusted NPAT

deliver on these pillars and Tharisa has further elevated its foundation to ensure that future investments remain value additive and continue to enhance the Company's strong cash generation and social and financial return ability.

BECOME A GLOBAL AND DIVERSIFIED BUSINESS

BE THE INVESTMENT OF CHOICE IN OUR CHOSEN SECTOR

RESPONSIBLY ENRICH THE LIVES OF ALL OUR STAKEHOLDERS

DIVERSIFIED BUSINESS

- Acquired majority position in Karo Mining Holdings and have commenced construction with a 24-months timeline
- Karo Platinum Project construction has commenced and funding underway

INVESTMENT OF CHOICE

- Created a more diversified shareholder base
- Positioned balance sheet for sustainable growth
- Paid seventh dividend in a row at 17.7% of adjusted NPAT

ENRICH STAKEHOLDERS

- Seven years fatality free
- Carbon reduction plan implemented
- Continued investment in community upliftment
- Community Trust is now a shareholder in Tharisa plc enabling exposure to the greater Tharisa Group and consistent dividend flow

Capacity to produce PGMs and metallurgical and specialty grade concentrates for differentiated markets

Proven management track record

Extensive research and development programmes, developing new technologies and viable mineral extraction and beneficiation capabilities

Capital discipline with a dividend policy of distributing at least 15% of NPAT

Geographic and commodity diversification with Karo Platinum construction commencement

SUSTAINABILITY LETTER

A YEAR OF INNOVATIVE PROGRESS IN THE FACE OF EXTERNAL ENERGY UNCERTAINTY

When I wrote to you this time last year, the first time as chair of our newly formed Climate Change and Sustainability Committee, I was conscious of the potential unpredictability of the pathway to addressing climate change. I was nevertheless still surprised at the magnitude of the impact of global events that have occurred in the last 12 months on energy security, global supply chains and our business. Our business has shown remarkable resilience over the past year, which has made us focus even more on improving its sustainability and playing our part by delivering the critical metals necessary for a cleaner future as well as decarbonising our own activities.

As a business, we are acutely aware of the role we play in the broader society and we need to act with integrity and transparency in everything we do. At Tharisa we have a culture of continuous improvement across all of our operations and activities. This committee, together with its sister committees, the SHE Committee and Risk Committee, ensure we have a comprehensive view of all our activities, particularly those that will deliver our goal to be net carbon neutral by 2050.



Dr Carol Bell
Non-executive Director

We have made **CONSIDERABLE PROGRESS IN THIS ASPIRATION**, not only in relative, proportionate terms for a company of our size and footprint but also in absolute terms. We recognise that the journey has just started and that we can expect to enhance and modify our plans along the way.

The most vital component of our focus this year has been energy security. We have partnered with Total Eren, a leading independent power producer, and Chariot Limited, an African-focused transitional energy group, to develop a solar energy solution for our operations and are, by now, well advanced not only in the technical aspects but have applied for the various permits, including environmental, which we expect to be granted during the second quarter of 2023. In addition to the development of the solar power generation, we also see energy storage as a vital component of our sustainability strategy. To this end, our Research and Development division has been innovating technology in several areas. Not only have we been continuing to maximise our minerals recovery from our mining operations, but Arxo Metals is also actively researching battery technology solutions utilising our own mineral products. We expect to develop our energy storage business over the years to come which will greatly assist our decarbonisation efforts and make our business part of the circular economy.

As a primary extractor of minerals, we are acutely aware of the complexity of navigating economic and market uncertainty. However, we believe that our sustainability plans will enable us to navigate these challenges and continue to deliver resilient growth and returns in uncertain times.

As a mining company, our imprint on the environment is obvious and we are committed to operating responsibly and minimising lasting impact. Indeed, our license to operate depends on this. We are also conscious of the need to sustain responsible supply chains and are working continuously to improve in this area. Investors and financiers are concentrating heavily on this subject and we believe that Tharisa will be viewed as a responsible supplier of its products which will enable it to access the widest range of capital to finance and grow its business.

I wrote last year about how we need to mitigate the potentially adverse impacts of mining on the environment and ensure that our values on sustainability and mitigating climate change are reflected throughout our value chain. We have made strides in this area and our ESG team is rolling out the standards we have adopted at Tharisa Minerals across the Group, particularly in Zimbabwe on the Karo project. The Committee believes we have set ourselves achievable and realistic goals aimed at reducing our carbon emissions. We will achieve a 30% reduction by 2030 (from a 2020 financial year baseline that uses 2019 data) and our roadmap to be net carbon neutral by 2050 is in place.

Against this background, our disclosure is intended to enable all stakeholders to understand our strong commitment to sustainability and addressing climate risk. Our goal is to provide relevant information to our stakeholders and to improve this continuously over time as our plans become operationalised. We are conscious that corporate disclosures in this area are in their early stages of development and will ensure that the information we disclose is accurate and carries an appropriate level of assurance. To this end, we have started working with external assurance providers in the environmental area and continue to align our business with global reporting standards.

Thank you for your interest in the work of this Committee. The Tharisa executive team has worked hard over the past year to innovate and deliver a cleaner future for the company and we are confident that we are on the right path and excited about the creative ideas coming from our teams to assist delivery.

Dr Carol Bell
Chairman of the Climate Change and Sustainability Committee
and Lead Independent Non-Executive Director



Climate change

- In total, 30% reduction in carbon emissions by 2030, roadmap to net carbon neutrality by 2050
- Solar power partnerships with Chariot Transitional Energy and Total Eren for
 - 40 MW at Tharisa Mine
 - Up to 300 MW in Zimbabwe
- Collaborating with partners to reduce fuel energy consumption on mobile fleet
- Transport partners have been engaged to look at more efficient energy use in long distance transportation



Water management

- Focus on improving recyclability of water
- Improvement of catchment areas for water used in industrial purposes



Extraction and land management

- Third eradication and maintenance plan initiated, focused on removing alien invasive species
- Rehabilitation of mined sites and cleaning of contaminated soil



Stakeholder engagement

- Tharisa Community Trust is a shareholder in Tharisa plc with rewards to the Trust derived from all group activities
- Local employment and local procurement
- Enterprise initiatives created 18 new small and medium enterprises
- Community initiatives benefiting 243 beneficiaries



Governance and taxes

- Board controlled by majority independent non-executive directors
- Board compliant with Cyprus, South African and UK governance guidelines
- 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

FINANCIAL AND NON-FINANCIAL HIGHLIGHTS

PGM production
(5PGE + AU)

179.2 koz

▲ 13.6%

(2021: 157.8 koz) Recovery of 76.6%

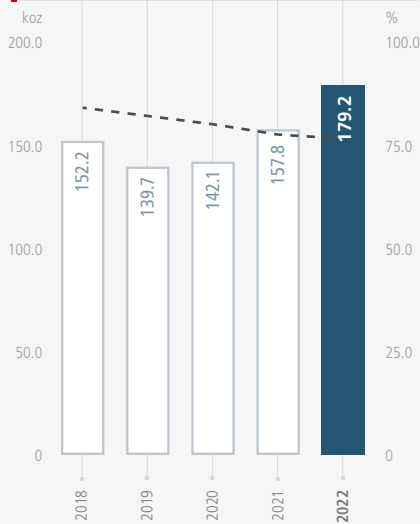
Reef mined

5.51 Mt

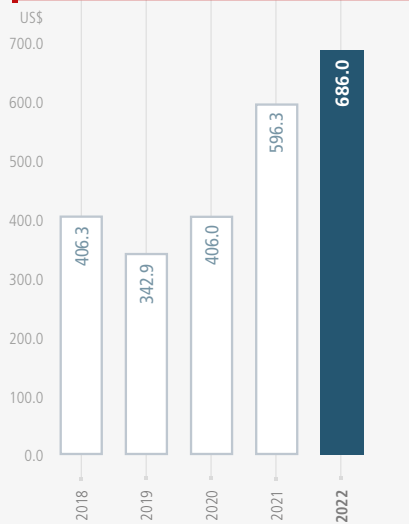
▲ 2.4%

(2021: 5.38 Mt)

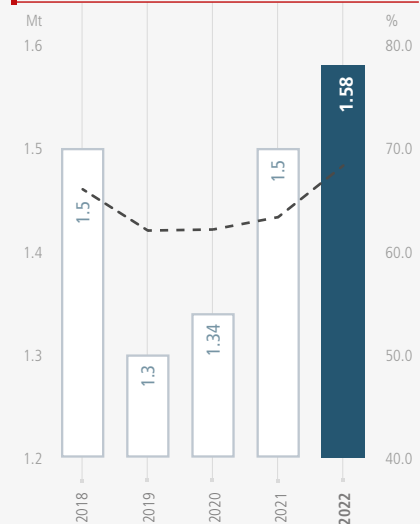
PGM production (koz) and recovery (%)



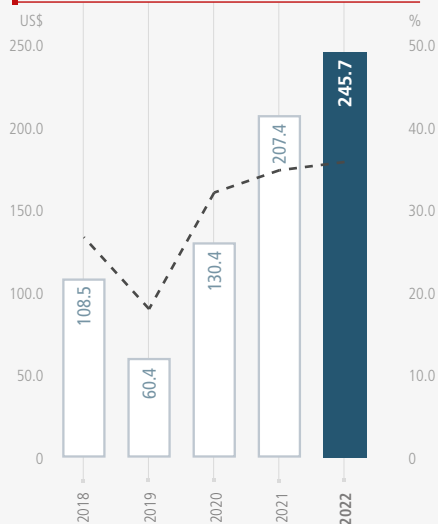
Group revenue (US\$m)



Chrome concentrate production (Mt) and recovery (%)



Gross profit (US\$m) and margin (%)



Employees (Tharisa Minerals)

1949

permanently employed
(2021: 1735)

Safety*

seven

fatality free years
(2021: 6)

Chrome concentrate production

1.58 Mt

▲ 4.6%
(2021: 1.51 Mt) Recovery of 68.3%

Revenue

US\$686.0 m

▲ 15.0%
(2021: US\$596.3)

Total dividend

US 7.0c

▼ 22.2%
(2021: US 9.0 cents)

Earnings per share

US 53.8c

▲ 43.9%
(2021: US 37.4 cents)

EBITDA

US\$237.3 m

▲ 5.8%
(2021: US\$224.3 m)

Profit before tax

US\$220.2 m

▲ 18.8%
(2021: US\$185.3 m)

Headline earnings per share

US 41.1c

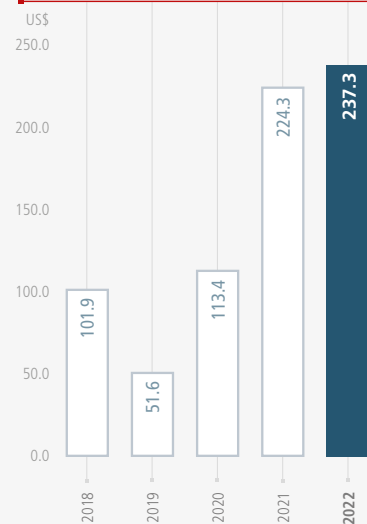
▲ 7.3%
(2021: US 38.3 cents)

Operating profit

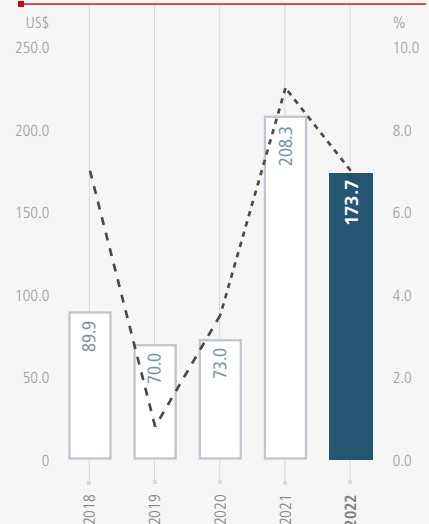
US\$184.5 m

▲ 3.2%
(2021: US\$178.8 m)

EBITDA (US\$m)



Net operating cash flow (US\$m) and dividend (%)

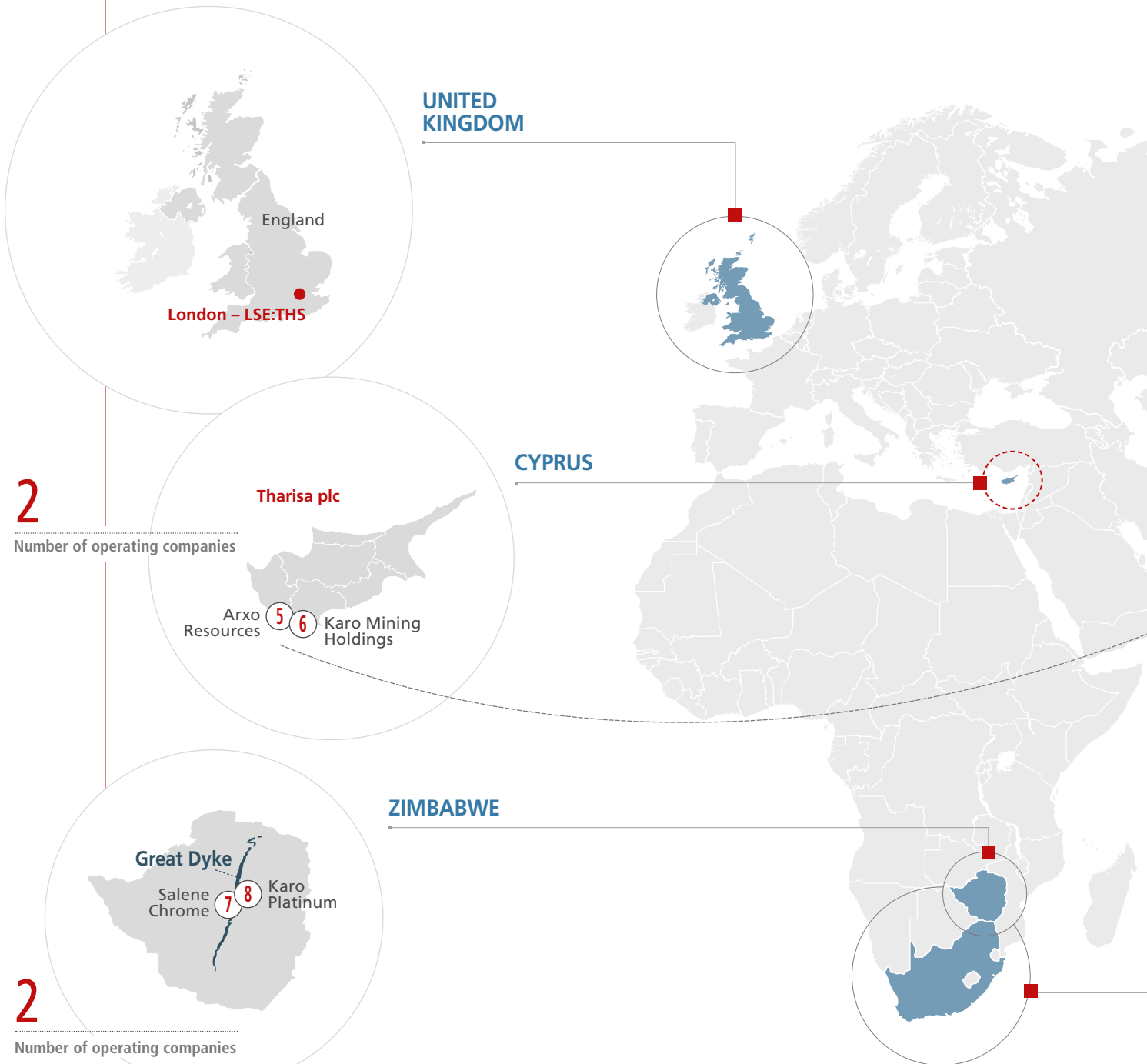


*Fatality occurred 21 October 2022 post-year end.

WHERE WE OPERATE

This WHERE WE OPERATE section links to the GROUP OPERATIONAL STRUCTURE that follows on pages 10 and 11

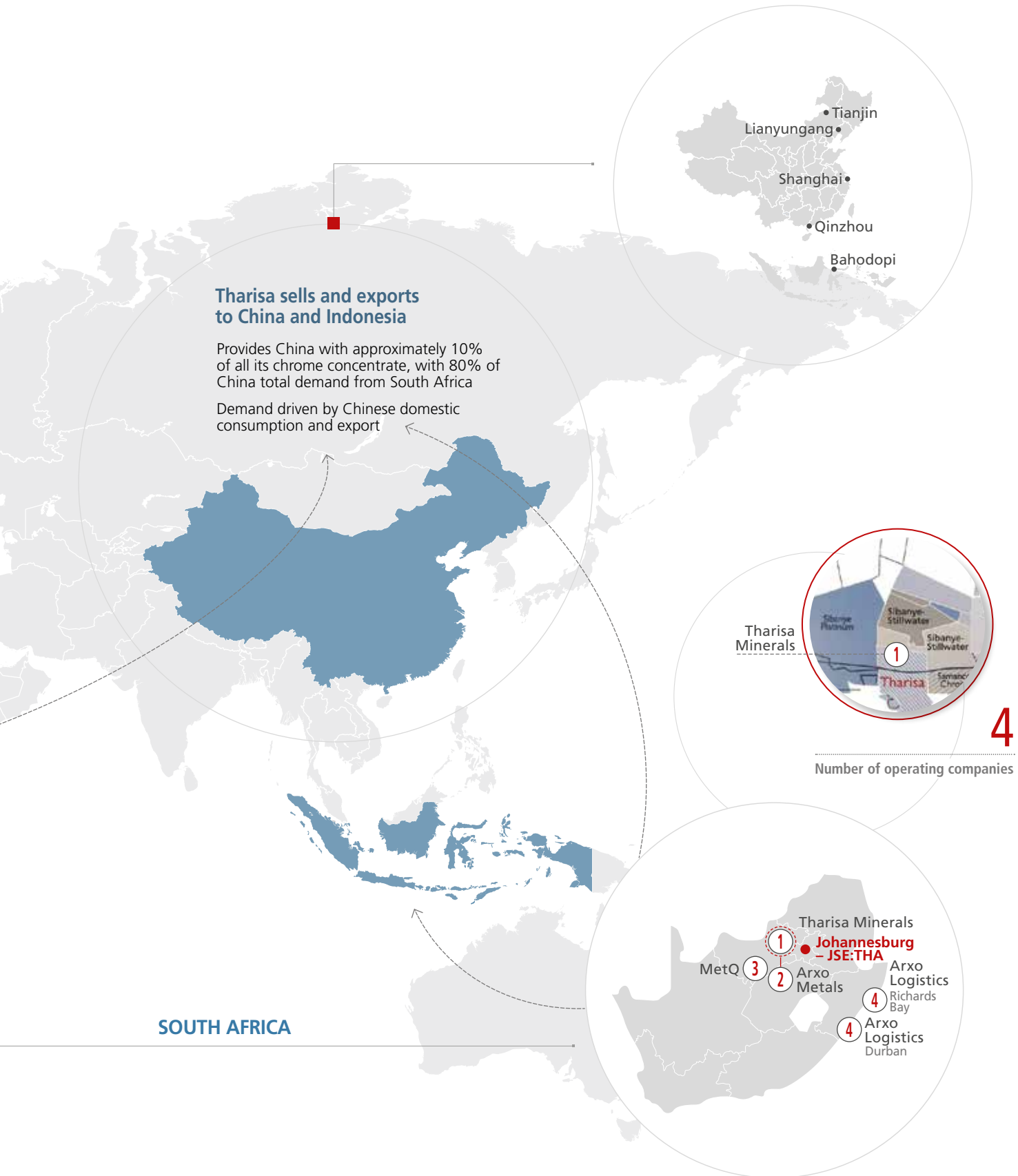
Tharisa's strategy to DEVELOP A GLOBALLY SIGNIFICANT, LOW-COST PRODUCER OF METALS, critical to the energy transition and decarbonisation of economies, remains firmly on track.



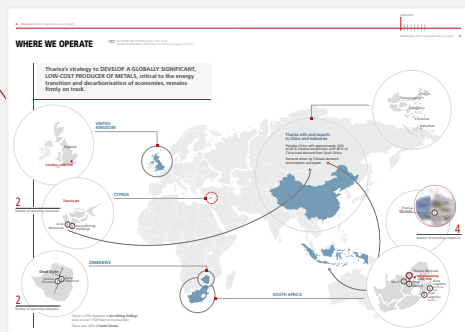
2
Number of operating companies

2
Number of operating companies

Tharisa is a 70% shareholder in **Karo Mining Holdings**, owner of a tier 1 PGM Project on the Great Dyke
Tharisa owns 100% of **Salene Chrome**



GROUP OPERATIONAL STRUCTURE



This GROUP OPERATIONAL STRUCTURE links to the WHERE WE OPERATE section on pages 8 and 9




Registered in Cyprus
Listed on the JSE (THA)
and the LSE (THS)

Although the Group has a centralised support structure and levels of authority with uniform policies and procedures, each distinct revenue stream is required to retain full ownership and accountability for its alignment to the Group strategy, its performance, its growth and ultimately its value-add to the Group.

Operating and producing companies

	1 Tharisa Minerals	100%
Tharisa Minerals is 100% owned by Tharisa and is uniquely positioned as a significant co-producer of both PGMs and chrome concentrates. Located in the south-western limb of the Bushveld Complex, in South Africa, the mechanised mine has an 18-year open-pit life and the ability to extend operations underground by at least an additional 40 years.		
	5 Arxo Resources	100%
Arxo Resources markets and sells chrome concentrates to customers globally.		
	4 Arxo Logistics	100%
Arxo Logistics manages the rail, shipping and road distribution of PGM concentrate and chrome concentrates produced by the Tharisa Mine, and chrome concentrates from Sibanye-Stillwater's K3 UG2 chrome plant. These products are transported to customers in South Africa and international customers via port facilities in Richards Bay, Durban and Maputo.		
	7 Salene Chrome	100%
Open-pit high value chrome mine adjacent to the Great Dyke in Zimbabwe.		
	3 MetQ	100%
MetQ manufactures equipment used in the mining industry, with a particular focus on beneficiation.		

Growth and development projects

	6 Karo Mining Holdings	70%
Karo Mining Holdings' strategy is to establish an integrated PGM mining and refining complex in Zimbabwe.		

The Group has a **FOCUSED OPERATIONAL STRUCTURE** to deliver on and support its strategy.



2

Arxo Metals

100%

Arxo Metals produces specialised higher margin chemical and foundry grade chrome concentrates, operates Sibanye-Stillwater's K3 UG2 chrome plant in Rustenburg, and is the Group's research and development arm. It also operates a 1MW DC furnace to produce PGM-rich metal alloys. Arxo Metals conducts extensive research and development into technologies and beneficiation opportunities.



For more information on our OPERATING COMPANIES see pages 34 to 38



8

Karo Platinum

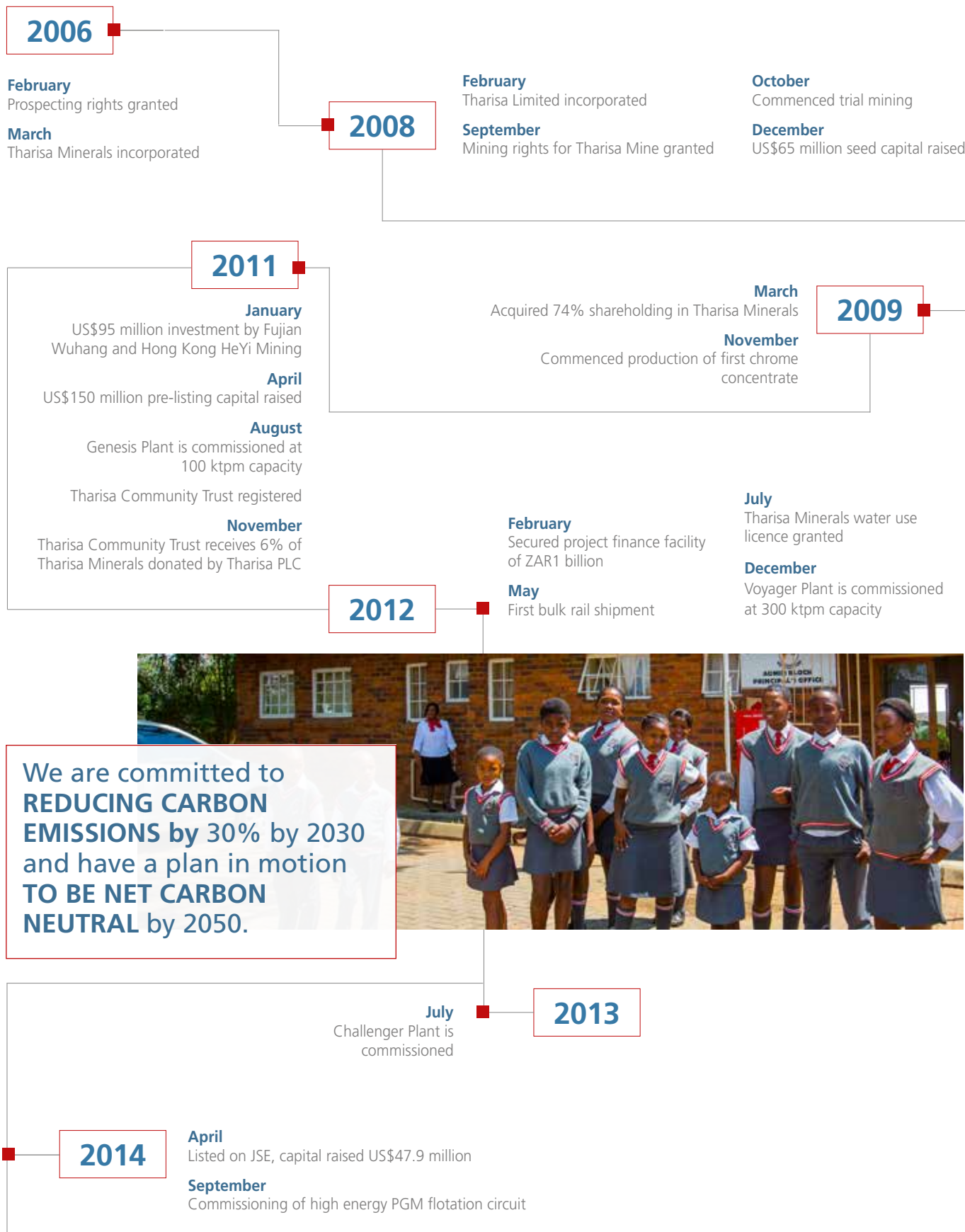
85%

Tharisa holds an indirect 59% stake in Karo Platinum, via its 70% holding in Karo Mining Holdings, with Generation Minerals, a Republic of Zimbabwe SPV holding 15% on a free carried basis. The Karo Platinum Project ("Karo Project") is a long-life asset with an initial life of mine of 17 years. It has initial probable reserves of 35.5 Mt at 2.31 g/t and 2.6 Moz (5PGE+Au) and a 3PGE+Au resource prill split favouring platinum (45.0%), palladium (42.0%) rhodium (4.0%) and gold (9.0%) with material base metal credits.



Find further information on our EXPLORATION AND GROWTH PROJECTS on pages 38 to 40

GROUP HISTORY



We are committed to **REDUCING CARBON EMISSIONS** by 30% by 2030 and have a plan in motion **TO BE NET CARBON NEUTRAL** by 2050.

2022

February

Announced acquisition of remaining 26% shareholding in Tharisa Minerals in a landmark BEE transaction

March

Acquired controlling interest in Karo Mining Holdings (KMH)



2021

Cold commissioning of the Vulcan fine chrome recovery plant, adding further product beneficiation

Exercised option to acquire 100% of Salene Chrome. Commenced mining and plant commissioning.

2020

September

Five years fatality free

October

Vulcan Plant restarts construction

February

Listed on A2X

August

Approval of Vulcan Plant, a groundbreaking use of existing technologies in fine chrome recovery

September

Achieved three million fatality-free shifts

October

Acquisition of MetQ

2019

The **SAFETY AND HEALTH** of our people is a **CORE VALUE.**

2018

March

Maiden interim dividend declared

June

Shareholding acquired in Karo Holdings

September

Record operational year Salene Chrome's shareholder grants call option for 90% shareholding

2017

October

Transaction for the acquisition of mining fleet effective

November

Increased dividend declared and an improved dividend policy

May

Agreement entered into for the purchase of mining fleet and transfer of employees from mining contractor to owner-operated mining model

August

Entered into strategic cooperation agreement with Tisco for chrome concentrate supply

Secured first third-party operating and trading agreement

2016

June

Listed on the LSE

November

Maiden distribution to shareholders

TEN-YEAR REVIEW

	Unit	2022	Year ended 30 September			
			2021	2020	2019	2018
On-mine lost time injury frequency rate [^]		0.41	0.34	0.09	0.27	0.18
On-mine employees including contractors		3 712	4 412 [#]	3 082	2 826	2 430
Other group employees		67	57	48	129	86
Reef mined	kt	5 505.4	5 379.9	4 971.1	4 627.1	4 875.0
Stripping ratio	m ³ :m ³	12.8	11.6	12.1	8.3	7.9
Reef milled	kt	5 608.2	5 600.0	5 036.1	4 836.0*	5 105.3
PGM flotation feed	kt	4 274.5	4 248.2	3 765.9	3 605.9	3 718.1
PGM rougher feed grade	g/t	1.70	1.49	1.46	1.47	1.51
PGM recovery	%	76.6	77.6	80.1	82.1	84.1
6E PGMs produced	koz	179.2	157.8	142.1	139.7	152.2
Average PGM contained metal basket price	US\$/oz	2 564	3 074	1 704	1 081	923
Average PGM contained metal basket price	ZAR/oz	40 437	45 336	27 691	15 531	12 038
Cr ₂ O ₃ ROM grade	%	17.4	17.9	18.2	18.1	18.2
Chrome recovery	%	68.3	63.3	62.1	62.0	66.0
Chrome yield	%	28.2	26.9	26.7	26.7	28.4
Chrome concentrates produced (excluding third party)	kt	1 582.7	1 506.1	1 344.8	1 290.0	1 448.0
Metallurgical grade	kt	1 233.2	1 141.5	1 023.2	977.9	1 080.3
Specialty grades	kt	349.5	364.6	321.6	312.1	367.7
Third-party chrome production	kt	188.2	223.0	169.8	241.1	221.8
Metallurgical grade chrome concentrate contract price	US\$/t CIF China	209	154	140	162	186
Metallurgical grade chrome concentrate contract price	ZAR/t CIF China	3 345	2 284	2 231	2 322	2 415
Average exchange rate	ZAR:US\$	15.8	14.8	16.2	14.4	13.1
Group revenue	US\$m	686.0	596.3	406.0	342.9	406.3
Gross profit	US\$m	245.7	207.4	130.4	60.4	108.5
Net profit for the year	US\$m	167.1	131.5	54.9	8.4	51.0
EBITDA	US\$m	237.3	224.3	113.4	51.6	101.9
Headline profit	US\$m	117.4	103.1	44.9	12.8	49.1
Headline earnings per share	US cents	41.1	38.3	16.9	5	19
Gross profit margin	%	35.8	34.8	32.1	17.7	26.7
Net cash flow from operating activities	US\$m	173.7	208.4	73.0	69.9	89.8
Net (cash)/debt	US\$m	(80.4)	(46.6)	21.1	12.0	10.6
Capital expenditure	US\$m	105.0	106.0	70.6	43.9	48.2
Dividend	US cents	7.0	9.0	3.5	0.75	4.0

* Includes the processing of 99.0 kt of commissioning tails through the processing plants

[^] Per 200 000 man hours worked

[#] Including Vulcan contractors

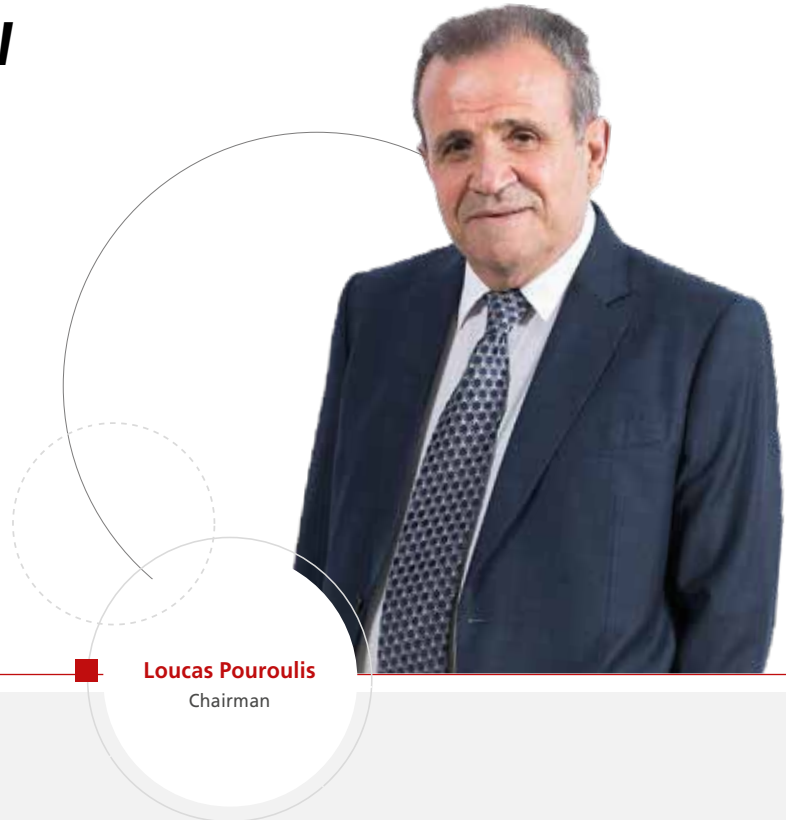
	Unit	Year ended 30 September				
		2017	2016	2015	2014	2013
On-mine lost time injury frequency rate [^]		0.07	0.36	0.06	0.14	0.14
On-mine employees including contractors		2 256	2 187	2 000	1 938	1 688
Other Group employees		75	52	59	66	67
Reef mined	kt	5 025.1	4 837.2	4 183.2	3 908.5	3 305.6
Stripping ratio	m ³ waste:m ³ reef	7.5	7.3	10.7	10.6	8.4
Reef milled	kt	4 916.2	4 656.3	4 400.4	3 913.1	3 865.7
PGM flotation feed	kt	3 599.2	3 575.6	3 446.2	3 060.4	2 894.2
PGM rougher feed grade	g/t	1.56	1.65	1.62	1.63	1.41
PGM ounces produced	5PGE + Au koz	79.7	132.6	118.0	78.2	57.4
PGM recovery	%	143.6	69.9	65.8	48.8	43.7
Average PGM basket price	US\$/oz	786	736	885	1 103	1 132
Average PGM basket price	ZAR/oz	10 492	10 881	10 593	11 622	10 617
Cr ₂ O ₃ ROM grade	%	17.8	18.0	18.3	19.4	20.7
Chrome recovery	%	64.1	62.7	58.0	59.4	–
Chrome yield	%	27.1	26.7	25.5	27.7	30.9
Chrome concentrates produced	kt	1 331.2	1 243.7	1 122.2	1 085.2	1 192.8
Metallurgical grade	kt	1 008.1	974.3	1 009.4	937.0	1 130.3
Specialty grades	kt		269.4	112.8	148.2	62.5
Metallurgical grade chrome concentrate contract price	US\$/t CIF China	20.0	120	158	158	165
Metallurgical grade chrome concentrate contract price	ZAR/t CIF China	2 667	1 751	1 903	1 676	1 546
Average exchange rate	ZAR:US\$	13.4	14.8	12.0	10.6	9.2
Group revenue	US\$ million	349.4	219.6	246.8	240.7	215.5
Gross profit/(loss)	US\$ million	122.7	54.5	43.1	32.6	25.9
Net cash flows from/(used in) operating activities	US\$ million	67.7	22.2	41.4	22.4	(3.0)
Net profit/(loss) for the year	US\$ million	115.6	15.8	6.0	(54.9)	(47.4)
EBITDA	US\$ million	57.8	43.0	29.0	16.5	13.9
Headline profit/(loss)	US\$ million	22	14.3	4.7	(48.9)	(46.8)
Headline earnings per share	US\$ cents	35.1	6	2	(20)	(19)
Gross profit/(loss) margin	%	75.7	24.8	17.5	13.5	12.0
Net debt	US\$ million	(0.1)	41.4	40.7	66.5	105.9
Capital expenditure*	US\$ million	26.4	12.3	24.6	24.3	24.3
Dividend		5.0	1.0	–	–	–

* Includes deferred stripping of US\$2.4 million (2015: US\$15.2 million)

[^] Per 200 000 man hours worked

CHAIRMAN'S REVIEW

"Mining is not an option but the way in which it is done is." We are proud to be in this industry, but we need to challenge ourselves each and every day to do better.



Loucas Pouroulis
Chairman

Dear stakeholder

I have worked in the mining industry for over 60 years. I often think I have seen all the highs and lows in our industry, yet the past 12 months have shown me, once again, that you are never too old to learn. The challenges we and the South African mining industry have faced this year, how we tackled those challenges, yet delivered sustainable growth for Tharisa and all of its stakeholders, has not only confirmed the strategy we set out a few years ago, but also amazed me with regards to the resilience and strength of the business. What we have at Tharisa is a truly remarkable team across every facet of our business, and I am proud of what has been developed since we created this company over a decade and a half ago.

I often tell my colleagues to remember the basics. We have created over 3 000 permanent jobs coupled with their associated multiplier effect. We have invested in our business to grow collectively and are profitable. We are sharing those profits with you as shareholders and have done so for seven years.

We are not perfect, and I was devastated at the news of losing one of our colleagues in October. It simply is one loss too many. These events cut deep and have a lasting effect on the business. How we emerge from this event is crucial and defines who we are as a team, with our core values as the guiding principles by which we conduct ourselves.

We also have a lot to do to ensure our broader stakeholders are looked after. We are advancing our plans to create a better environment for the communities in which we operate. We know we can do better and acknowledge that the process is slow but needs to be done correctly so that it is sustainable and uplifting for all involved, like the foundations of our own business.

I was clear in my statement last year: "Mining is not an option but the way in which it is done is." We are proud to be in this industry, but we need to challenge ourselves each and every day to do better.

We have witnessed all too closely this year how the world can be placed in upheaval by events happening at one end of the world and how they influence people and their livelihoods, at the other end. I am saddened by the conflict we are witnessing and can only hope we see a peaceful conclusion soon.

At Tharisa, the best we can do is focus on our business, ensuring that the shared values we drive with our stakeholders has maximum impact. We continue to play a key role in the chrome market, with our chrome highly sought after by buyers due to our integrated business model, ensuring buyers receive consistent quality goods on time.

We are also actively increasing our significance in the PGM market. Tharisa announced in early 2022 that it had exercised its option to acquire a controlling stake in Karo Mining Holdings, which owns the tier 1 PGM asset Karo Platinum with generous base metal and gold credits, on the Great Dyke of Zimbabwe. I have visited Zimbabwe for decades and have seen the unmistakable potential of its geology first hand. Zimbabwe declared itself "open for business" some years ago - and this year we took the opportunity to participate in this once-in-a-lifetime project, which will double our current PGM output. We have now commenced construction, following our stated philosophy to deliver on our promises. In turn, Tharisa will create even further shared value to all stakeholders, particularly to our local and regional

stakeholders who will benefit from a project of this scale, longevity and quality.

Mining remains a cornerstone in the South African economy, with employment, export earnings and taxes relying heavily on this industry. This is no different in Zimbabwe and the "open-for-business" attitude means that we will not only become a significant employer in Zimbabwe, but will be a significant economic anchor, with estimates of around 2% contribution to the GDP of the country. We have already created over 100 jobs pre-construction, with an anticipated 1 000 permanent jobs to be generated on completion of phase-one of the project.

As we have seen in the past year, the global economies will continue to drive demand for all commodities. How we extract these commodities and how much value we, as a company, can contribute, remains firmly in our hands. We have demonstrated that we are at the forefront of technological innovations and punch well above our weight in the beneficiation stakes. We have made great strides in the downstream processes for our PGMs and are moving towards beneficiation independence for these metals. Our Vulcan Plant ensures we create less waste and increased low cost tonnes for our chrome business, and we continue to reduce unit output of carbon due to these technological innovations. However, we can do more, and believe there are opportunities to add further value to the chrome tonnes we produce.

As our vision materialises, I know that we are exceptionally well positioned to become a significant economic contributor over decades in multiple jurisdictions. My pride in ensuring sustainable employment for thousands of people gives me the drive to continue to be fully engaged with this business on a day-to-day basis.

I am proud of the Tharisa team and proud of the contribution we make.

To my colleagues, I thank you.

Loucas Pouroulis
Executive Chairman

tharisa

Growing sustainably from a robust operational base driving record financial performance

KARO

HOW THARISA CREATES SHARED VALUE

BUSINESS MODEL

tharisa

The Group is engaged in EXPLORATION, MINING, PROCESSING, BENEFICIATION, MARKETING, SALES AND LOGISTICS.

Tharisa Minerals is a low-cost producer of PGMs and chrome concentrates, resulting in two distinct revenue streams from a single resource with costs shared between the commodities. Karo Platinum is a tier 1 PGM asset with a short development timeline and initial 17-year life of mine.

The Group continues to explore beneficiation opportunities through innovation and technology.

INPUTS



Value through our PEOPLE

- Fully committed to zero-harm culture
- Skilled workforce
- Experienced entrepreneurial leadership
- Human resource development



Value in our ASSETS AND INFRASTRUCTURE

- Mining and exploration rights
- Significant resource across two assets
- Long-term open-pit life of mine at Tharisa Minerals
- Modular processing plants
- Access to road and rail networks
- Access to port facilities
- Regulatory compliance



Value with our FINANCIAL management

- Operationally cash flow positive
- Capital expenditure – stay-in-business capex and optimisation projects
- Access to capital
- JSE and LSE listing – capital markets



Value through consistent INNOVATION

- Optimisation – mining, processing and beneficiation
- Research and development
 - New technology aimed at creating a circular economy
 - Development of niche products
 - Piloting PGM-rich alloy smelting and refining technology



Value from our STAKEHOLDERS

- | | |
|----------------|------------------|
| • Employees | • Suppliers |
| • Shareholders | • Governments |
| • Communities | • Municipalities |
| • Customers | • Regulators |



Value with careful ENVIRONMENTAL awareness

- Resource management, i.e. energy use and water availability
- Land management, including biodiversity conservation, rehabilitation, and closure planning
- Environmental compliance
- Managing and minimising waste streams

WHAT WE DO

OUR ACTIVITIES

1

PROJECT DEVELOPMENT

- Construction commencement of Karo Platinum
- Solar energy provision with strategic partners



2

MINERAL EXTRACTION

- Sustainable mining
- Creating operational flexibility
- Exploration for the future



3

BENEFICIATION

- Producing PGMs and chrome concentrates, including metallurgical grade and specialty grade



4

RESEARCH AND DEVELOPMENT

- Improving recoveries
- Commercialisation of Arxo Metals beneficiation site
- Energy generation and storage opportunities using own products



5

MARKETING AND SALES

- Sales of PGM concentrate
- Marketing and sales of chrome concentrates to customers globally
- Agency agreements with third-party businesses



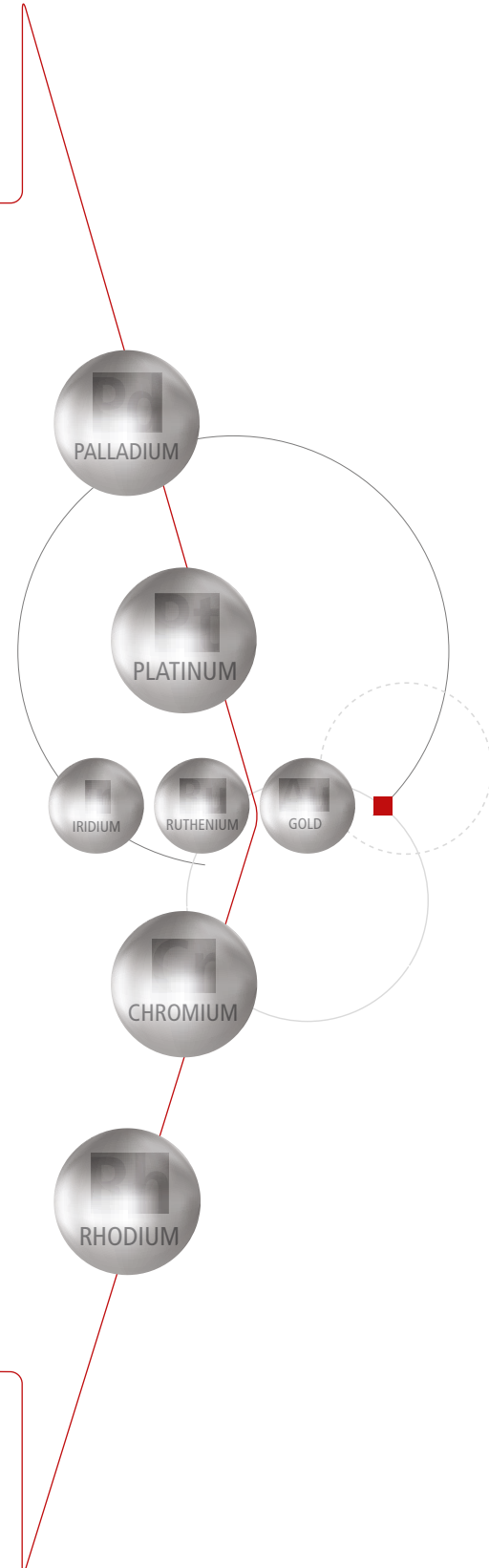
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LOGISTICS

- Road transport of PGM concentrates
- Road and rail transport of chrome concentrates to port
- Shipment of product to customers



OUTPUTS



HOW THARISA CREATES SHARED VALUE continued

OUTCOMES

PEOPLE



Over 700 people employed from the local community at Tharisa Minerals
 Created over **100 new job opportunities** in Zimbabwe pre-construction commencement
US\$4.9 million spent on skills development training
88 interns, graduates, and learnerships
Seven years fatality free
0.41 LTIFR per 200 000 man hours worked

ASSETS AND INFRASTRUCTURE



Production of saleable product: **5.6 Mt reef milled with 179.2 koz PGMs and 1.58 Mt chrome concentrates produced**
 Depletion of resources: **5.5 Mt reef mined**
Responsible management and efficient use of our assets

FINANCIAL



Operating profit: **US\$184.5 million**
 Cash generated from operations: **US\$173.7 million**
Direct and indirect taxes and royalties: US\$76.6 million
 Total dividend: **US 7 cents per share**

INNOVATION



Process improvements
Operates across the value chain – from mine to end customer
Large-scale open-pit resource for extraction of five chromitite layers
PGM beneficiation using DC technology

STAKEHOLDERS



Total salary cost: **US\$59.6 million**
 Shareholder returns (EPS): **US 53.8 cents per share**
 Customers: **quality of products, consistent deliveries**

ENVIRONMENT



Total energy consumption: **208 750 MWh**
 Cumulative rehabilitation provision: **US\$13.2 million**
 Total water consumption: **3 485 152 m³**
 Total CO₂ emissions (Scope 1): **97 466 tCO₂e**

OUR FULL VALUE CHAIN



RESOURCES



MINING



PROCESSING



LARGE SCALE



MECHANISED



DERISKED



Find further information on our Value Creation on pages 18 and 19

Tharisa Minerals

Karo Platinum

- 849.6 Mt resources at 1.48 g/t 5PGE + Au; and 20.05% Cr₂O₃

- Probable reserves of 35.5 Mt at 2.31 g/t and 2.6 Moz (5PGE+Au) and a 3PGE+Au resource prill split favouring platinum (45.0%), palladium (42.0%) rhodium (4.0%) and gold (9.0%) with material base metal credits

- 18-year open-pit LOM
- 40-year underground extension
- Mined 5.5 Mt of ROM reef

- +17 years open pit targeting annual PGM production of 190 koz at 205 ktpm throughput at an average ROM grade of 3.0 5PGE + Au

- Milled 5.6 Mt of ROM
- 179.2 koz of PGMs produced
- 1.58 Mt of chrome concentrates

- The metallurgical plant will consist of three crushing stages followed by two milling stages with rougher flotation following each stage with a pilot PGM concentrator fully operational

- One of the world's largest single chrome resources

- Karo Project covers an area of 23 903 ha, less than 10% of the area has been explored to date

- Mechanised open-pit mining

- Mechanised, open-pit mining planned from four pits

- In production
- Operational flexibility
- Major capex complete

- Historical resource underpins ore body confidence
- Excellent infrastructure in the area
- Financing well underway with Tharisa as major shareholder complementing the funding

ARXO METALS

Beneficiation

- Production of specialty grade chrome concentrates

Research and development

- New technologies
- Development of niche products
- Piloting PGM-rich alloy technology with 1 MW DC smelter

Third party

- Improving recovery of K3 UG2 chrome plant production

ARXO RESOURCES

Marketing and sales

- Significant trader of chrome concentrates
- Global reach and platform for chrome concentrate trading
- Third-party trading

ARXO LOGISTICS

Logistics

- Road transport of PGMs
- Road/rail transport, warehouse and port facilities for bulk chrome concentrates
- Shipping of bulk chrome concentrates

METQ

Manufacturing

- Equipment used in the mining industry, with a particular focus on beneficiation
- Supply key equipment for Vulcan Plant
- Manufactured Salene Chrome Plant

CUSTOMERS

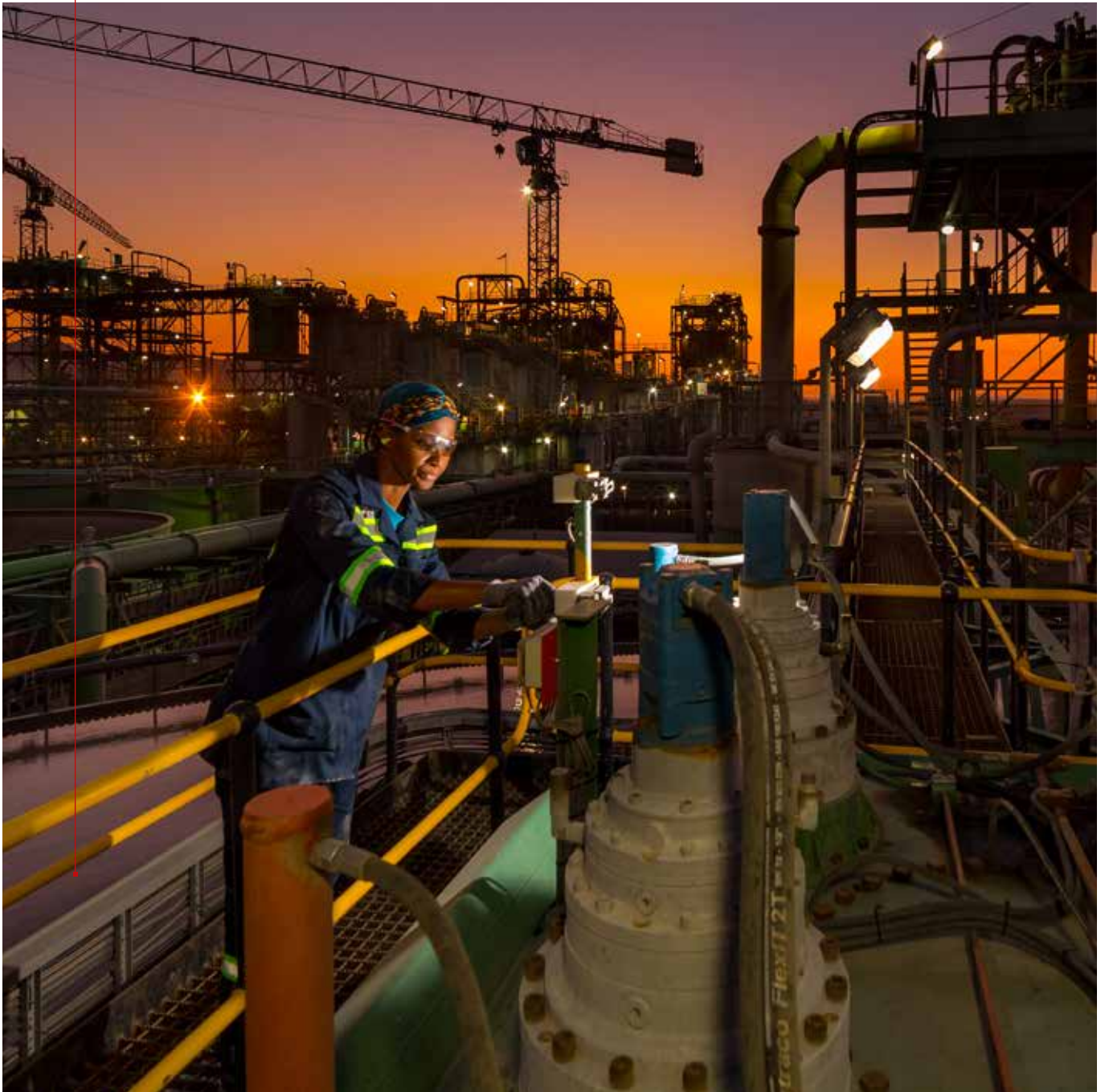
- PGM offtake agreement – Impala Platinum and Sibanye-Stillwater
- Relationships with stainless steel and ferrochrome producers and global commodity traders
- Specialty chrome offtake/joint marketing agreement
- Strategic volume offtake chrome agreements

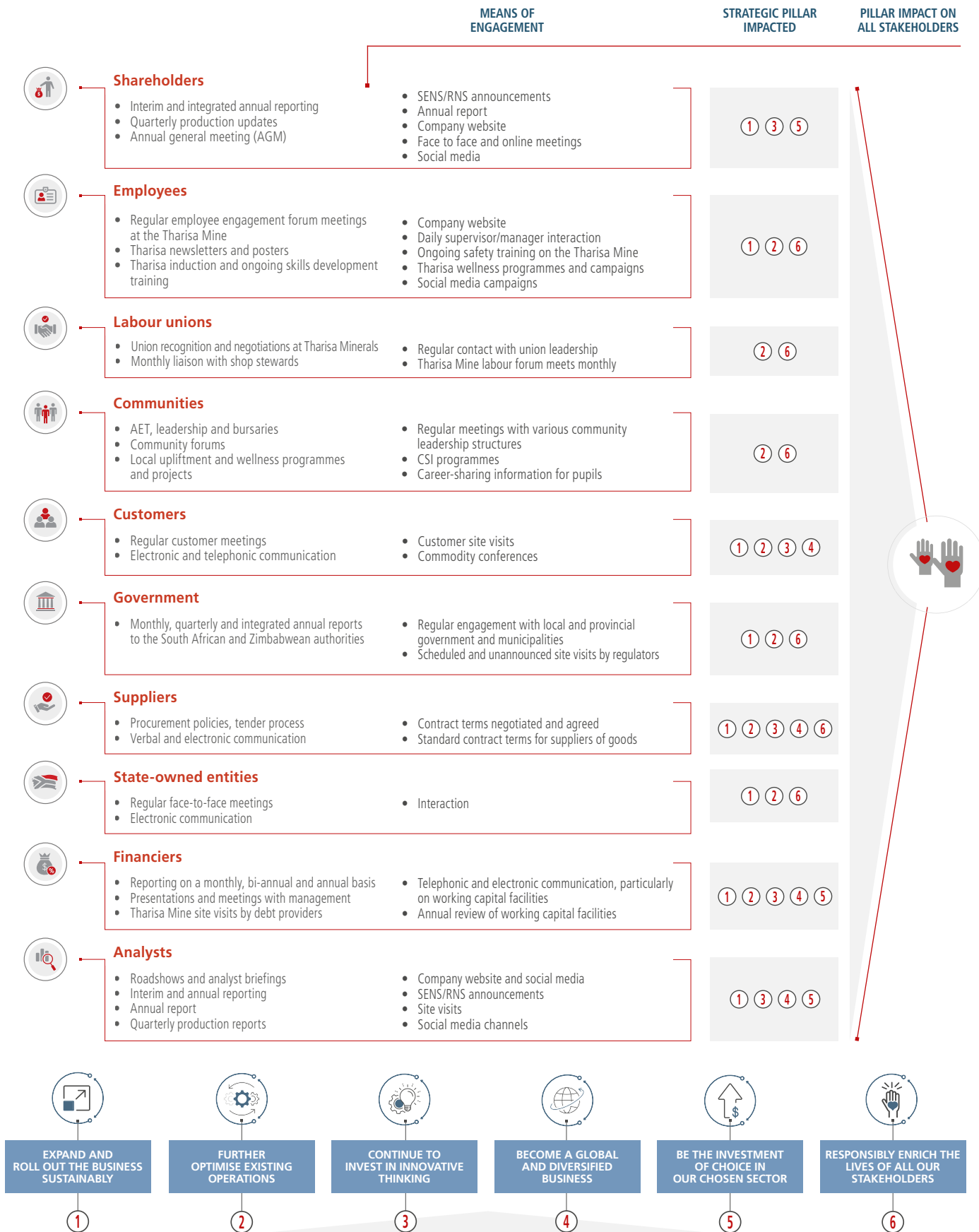
SALENE CHROME

- Mining and chrome plant operation
- Addition of higher grade chrome concentrate to the Tharisa basket of chrome products
- Operation on care and maintenance pending chrome export ban review

STAKEHOLDER ENGAGEMENT

The Group's stakeholder engagement strategy aims to **MAINTAIN GOOD WORKING RELATIONS, MANAGES SOCIAL RISK AND DEVELOPS SOLUTIONS TO SOCIAL CHALLENGES** faced by its stakeholders. Tharisa's stakeholder engagement framework will be further developed for the new jurisdictions that it is entering as those operations are established.





CHIEF EXECUTIVE OFFICER'S REVIEW

Our team is growing with exceptional skillsets and experience, and this is aligned with the delivery of our Vision 2025 strategy.



Phoevos Pouroulis
Chief Executive Officer

The year under review was, in many respects, the crystallisation of key strategic initiatives underpinned by innovation and investment while maintaining our focus on sustainable growth - all **COMMENSURATE WITH THARISA ENTERING THE NEXT PHASE** of its development. The strength of the business remains underpinned by our ability to harness even further growth through the extraordinary 60-year plus mineral endowment of the Tharisa Mine, that has provided sustainable returns for over a decade. Furthermore, **WE ARE DELIVERING ON THE DEVELOPMENT OF OUR FIRST PHASE** of the tier 1 PGM project, Karo Platinum, on the Great Dyke of Zimbabwe, which is under construction.

Value capture for our stakeholders

Our Company has delivered significant growth during the financial year under review – earnings per share (“EPS”) of US 53.8 cents, EBITDA of US\$237.3 million, profit before tax of US\$220.2 million, and the generation of over US\$69.5 million of free cash flow. This was achieved during a period of significant pressure with supply chain challenges, the impact of global inflation, as well as logistical and energy headwinds within South Africa. Our operational performance is more remarkable when considering that the basket price of our PGM production was US\$2 564/oz, a reduction of 16.6% compared to FY2021. This was partially mitigated through increased production of both PGM and chrome as well as the increase in the average chrome price of US\$209/t versus US\$154/t in FY2021 and the weaker South African rand against the US dollar. Not only has the Tharisa Mine delivered strong returns for our stakeholders, we also invested over US\$105.0 million into our assets through bespoke technology, from the Vulcan Plant – the largest chrome fines processing plant in the world – to increased performance across the board from mining to PGM and chrome concentrates production. Our core strategy of innovation has transformed the Tharisa Mine, with a strategic resource of over 840 Mt of PGM and chrome bearing ore, into a highly profitable and sustainable tier 1 mine with a life of over 18 years of open pit and a further 40 years of underground operations thereafter. Tharisa’s ethos of innovation and cutting-edge technology is continuing at pace as we implement our investment strategy, exploring how to benefit even further our increasing production output to capture extra value for all our stakeholders. Undoubtedly the jewel in our portfolio, our flagship Tharisa Mine, remains at the heart of Tharisa’s broader growth strategy, generating the margins required for your Company to not only invest in its broader asset portfolio, but also to deliver consistent and growing returns to our stakeholders. This multi-pronged strategy is delivering value to our shareholders, who have enjoyed dividends of US\$82.9 million to date including the proposed year-end dividend of US 4 cents per share, added to the interim dividend of US 3 cents, totalling US 7 cents per share for the year.

In addition, our stated strategy of increasing production to 2 Mt of chrome concentrates and 200 koz of PGM concentrate remains firmly on track, with a large percentage of the growth capital expended at the Tharisa Mine. This investment is already bearing fruit. PGM production increased by 13.6% to 179.2 koz and chrome concentrate by 4.6% to 1.58 Mt during the year. We improved the mine plan and infrastructure and increased the stripping ratio to 12.8 m³:m³, to sustain our growth over the coming years. The ramp up of the Vulcan Plant production is continuing to make progress as it ramps up to the production of an additional ~20% chrome output per annum. The Vulcan Plant feedstock has historically been waste and therefore there

are no additional mining costs associated with this additional output. Our value capture philosophy means that this “waste” is now delivering margin enhancements to our production profile, as we enjoy chrome recoveries of nearly 70% compared to the 60% level pre-2021, with an achievable target of circa 80% in the next 12 months. Tharisa has also made noteworthy progress in beneficiating its PGM production and, pleasingly, is at an advanced stage of improving its PGM payability, with the commercialisation of the pilot PGM smelter and converter producing value enhanced PGM alloy. This is the gateway to moving Tharisa up the value chain to producing beneficiated mineral products responsibly.

The rise in inflation, not only in South Africa but globally, caused partly by the Russia-Ukraine conflict, but also through disruptions within global supply chains post the COVID-19 pandemic, the increase in “on-shoring” and other well-known challenges, has cast a spotlight on Tharisa’s ability to control its margins. As a Group, our adaptability has been part of our growth story since inception, and in tandem fostering resilience to changing market conditions. Of course, the best form of defence remains attack. We stand firm in our resolve to keep increasing productivity as this is the best navigator for managing our unit costs and the macro-uncertainty we are experiencing. I am pleased to report that through our own technological developments at Tharisa Minerals in particular, as well as implementing solutions through Arxo Metals and Arxo Logistics, Tharisa has continued to deliver high quality products to its customers, generating strong cash from operations of US\$173.7 million during the financial year, and with a robust EBITDA margin of 34.6%.

The financial year saw Tharisa consolidate its shareholding in Tharisa Minerals with our 26% black economic empowerment (“BEE”) partners, converting their stake into direct ownership at Tharisa plc, the Johannesburg and London-listed entity. By aligning our BEE partners alongside all our shareholders, allows this key stakeholder to benefit from the Company’s growth as a business, as well as enjoy meaningful returns through Tharisa’s dividend policy. The transaction echoes our commitment to upliftment and responsibly enriching lives through our Group’s operations.

Safety

Sadly, at the time of writing and post the year-end, Tharisa lost a valued employee, Legohu Raymond Mothapo, in an accident at the Tharisa Mine’s open pit in late October 2022. This accident, though exceptionally rare, is one accident too many. Safety and the protection of our staff and contractors is a core value and lies at the very heart of Tharisa’s strategy.

CHIEF EXECUTIVE OFFICER'S REVIEW continued

Zimbabwe

Embedded in our DNA is the focus on technology, innovation, and safety across all our business disciplines, as well as the enhancement of margins at the Tharisa Mine, the engine of our growth, providing a firm platform for Tharisa to deliver on its diversification strategy. The first milestone is the world-class opportunity in Zimbabwe's Great Dyke region. Karo Platinum is located within a Special Economic Zone, which allows the free movement of finance, materials, and equipment into and out of Zimbabwe, as well as certain fiscal benefits.

In March 2022, we exercised our farm-in option and consolidated a controlling interest in Karo Mining Holdings for a consideration of US\$27 million via the issue of ~13.7 million new Tharisa ordinary shares. This, in turn, allowed us to increase our shareholding in Karo Mining Holdings – the majority owner of the Karo Platinum Project – from 26.8% to 70%.

The Karo Platinum Project, located on the Great Dyke, second to the Bushveld Complex of South Africa in terms of its PGM resource base, is a long life asset with an initial 17-year open pit life of mine. The project has an initial reserve of over 2.6 Moz of 6E PGMs from a historically declared resource base of almost 100 Moz of 4E PGMs. The construction of the Karo Platinum Project has begun and we anticipate annualised production of over 190 koz to commence in late 2024, with an initial capital cost of US\$391 million. Bringing the Karo Platinum Project into production will almost double Tharisa's PGM output and consolidate Tharisa's position as a leading global PGM producer.

I am pleased to report that Tharisa has appointed all the key management required to drive this game changing PGM project. Our detailed IFC compliant Environmental and Social Impact Assessment has been approved by the Zimbabwean authorities, the mining contractor is being selected, and most of the long lead items required for the Karo Platinum Project have been ordered – ensuring this project runs to our anticipated timelines and within budget.

We look forward to delivering on this next phase of Tharisa's growth strategy, which will be financed from a combination of project finance, debt facilities and the current, first-of-its-kind, bond offering on the Victoria Falls Stock Exchange which raised US\$32 million, but also organically through the significant cash flows generated by the Tharisa Mine.

Capital allocation policy

We remain very mindful of our responsibilities towards our firm and unerring commitment to shareholder returns. This embraces sufficient conservatism towards balance sheet strength, continuing our research and development into the optimising of our current production assets, beneficiating, and maximising returns from the metals we produce and sell, as well as ensuring our shareholders enjoy healthy dividend returns from the group free cash flows. Taking into consideration the demands of all our stakeholders who seek both growth and dividend yield, Tharisa has developed a disciplined capital allocation policy that allows these demands to be met without risking the sustainability of our business. Our dividend policy of distributing a minimum of 15% of NPAT to shareholders in the form of a dividend remains intact and, a year end dividend of US 4 cents per share is proposed.

Net zero

We remain committed to, and on track with, our stated net zero policy by 2050, and to reduce Tharisa's carbon footprint by 30% by 2030. The continual investment in our research and development has identified numerous initiatives, which will help deliver on this goal, in conjunction with embracing new clean energy technologies. We have partnered with Total Eren, a leading independent power producer, and Chariot Limited, an African-focused transitional energy group, to build two solar projects – a 40 MWp at the Tharisa Mine and 30 MWp facility at the Karo Platinum Project in Zimbabwe. Construction of this solar plant is anticipated to begin in H2 2023 and be completed within 12 months, subject to regulatory approvals. The project will deliver not only significant savings through lower energy costs but will also reduce our carbon footprint by generating 100% of the power required during peak daylight hours for the processing facilities through a renewable source of energy. This move will also help ensure energy security at our flagship mine against a backdrop of unreliable power supply in South Africa, while plans are well advanced to create solar power energy security at the Karo Platinum Project.

A new perspective

As we deliver on our growth plans, the Tharisa Group will continue to invest in our strategy of beneficiating the minerals we produce, leveraging our position up the value chain to produce end use products, and recognising the demand for our products in a rapidly evolving global economy, which is transitioning from carbon-generated energy. Tharisa will remain a critical source of materials and products, further enhancing our positioning as a resources company of the future.

The evolution from marketing concentrates to selling high-value beneficiated products has been accelerated, with a number of research and development beneficiation initiatives moving into production-scale testing. Closing this gap requires the development of these processes in commercial operating units to provide product and customer diversification.

The second key driver is the initiation of several key projects to deploy technology solutions utilising our products, which are aligned with the clean energy transition.

We continue to maximise the extraction of value from the Tharisa Mine, from the open pit to the end markets. The team has worked together well in dealing with multiple challenges and has been committed to resolving long standing issues and mitigating these risks, as best as possible. We continue to generate strong cash flows, with increased production and weakening South African rand offsetting an increase in operating costs and a lower but still, historically strong, PGM basket price.

With the clear focus and high energy of the Karo team, we remain firmly on track for the construction of the Karo Platinum mine, within budget and time guidance. The funding options have progressed well

and caters for inflationary pressures into the capital profile, as we target the first ore through the mill by July 2024.

Our team is growing with exceptional skillsets and experience, and this is aligned with the delivery of our Vision 2025 strategy. The Tharisa team is motivated to deliver the Vision 2025 strategy as the building blocks of our puzzle start fitting together.

It goes without saying that people are the cornerstone of any successful business, and I would like to thank the Tharisa team for their continued efforts and resilience in delivering another exceptional year of performance while providing a solid platform for our growth aspirations.

Phoevos Pouroulis
Chief Executive Officer

Positioned for delivering on strategy

Delivering 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

=

Positioning for sustainable growth

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

CHIEF FINANCE OFFICER'S REVIEW

With Tharisa's commitment to pursuing its sustainable growth strategy, this performance will undoubtedly set the financial framework for this growth, especially with the development of the Karo Platinum Project.

Michael Jones
Chief Finance Officer

THE VITAL NUMBERS

REEF MINED

5.51 Mt

up 2.4%
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 4.6%
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 18.8%
(2021: US\$185.3 m)

NET CASH FROM OPERATING ACTIVITIES

US\$173.7 m

down 17.1%
(2021: US\$208.3 m)

CASH AND CASH EQUIVALENTS

US\$143.3 m

up 71.7%
(2021: US\$83.4 m)

EPS

US 53.8 cents

up 43.9%
(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%)

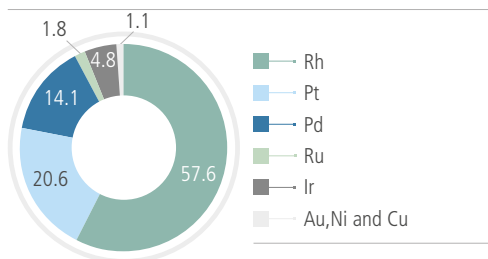
*includes interim dividend of US 3 cents
**adjusted NPAT

Despite the macro-challenges that have impacted global supply chains, inflation and the mining sector, the operational performance and increased sales volume in a continued strong commodity price environment resulted in the Company presenting its most robust set of financial results to date. With Tharisa's commitment to pursuing its sustainable growth strategy, this performance will undoubtedly set the financial framework for this growth, especially with the development of the Karo Platinum Project. At the heart of Tharisa's financial discipline lies a strong adherence to a carefully considered capital allocation policy. This targets sustainable growth through investing in our assets, commensurate with shareholder returns, and our dividend, again exceeding the dividend policy with a payout ratio of 17.7% of adjusted net profit after tax.

Revenue for the period amounted to US\$686.0 million (2021: US\$596.3 million), an increase of 15.0% YoY.

PGM revenue for the period was 50.6% of the total revenue, on an ex-works basis at US\$346.8 million. The breakdown of the PGM revenue is depicted in the graph below, reflecting the continued strength in the rhodium price and, therefore dominant share of the revenue basket notwithstanding it being less than 10% of the PGM prill split.

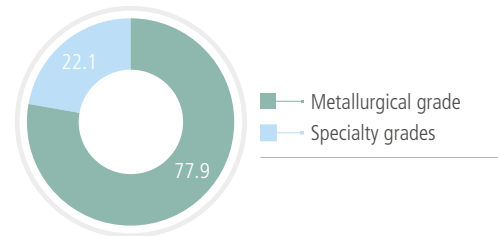
PGM REVENUE (%)



Rhodium prices averaged US\$14 962/oz (2021: US\$18 860/oz) for the period, a decrease of 20.7%. Platinum prices averaged US\$968/oz (2021: US\$1 080/oz), a decrease of 10.4% and palladium prices averaged US\$2 107/oz (2021: US\$2 513/oz), a decrease of 16.2%. In terms of volume sold, PGM sales totalled 168.3 koz (2021: 151.5 koz) an increase of 11.1%.

Chrome contributed 34.2% of total revenue, on an ex-works basis with revenue increasing 44.8% primarily due to a 35.7% increase in metallurgical grade selling prices. In terms of volumes sold, metallurgical grade sales totalled 1 219.2 kt (2021: 1 123.1 kt) an increase of 8.6% and specialty grade sales totalled 306.8 kt (2021: 371.9 kt), a decrease of 17.5%.

CHROME PRODUCTION (%)

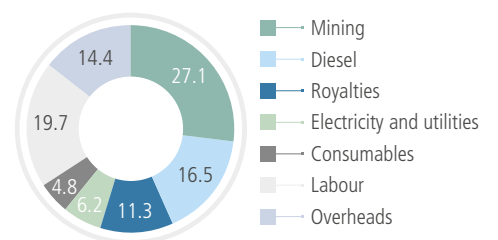


Average sea freight rates increased 38.9% during the period to US\$35.7/t (2021: US\$25.7/t). Average sea freight rates were elevated due to shipping capacity constraints in the first half of the year, however, rates reduced in the second half of the year.

As a co-producer of PGMs and chrome concentrates, the shared costs of production for segmental reporting purposes are based on the relative contribution to revenue on an ex-works basis, allocated 70% (2021: 80%) to the PGM segment and 30% (2021: 20%) to the chrome segment.

The major on-mine cash cost of sales (excluding selling expenses) are summarised in the graph below.

ON-MINE CASH COSTS (%)



CHIEF FINANCE OFFICER'S REVIEW continued

The following analysis computes the cash costs (i.e. excluding non-cash flow items such as depreciation) on a per cube and per ROM tonne mined for mining costs and then analyses the major cost categories on a per tonne milled basis. Costs relating to deferred stripping (which are capitalised) of US\$15.1 million (2021: US\$25.8 million) were excluded from the per tonne milled analysis.

	Units	Year ended 30 September 2022	Year ended 30 September 2021	Year-on-year change %
Cost per cube mined	US\$/m ³	8.5	8.9	-4.5
Reef tonnes mined	kt	5 505.4	5 379.9	+2.3
Cost per reef tonne mined	US\$	32.4	31.9	+1.6
Tonnes milled	kt	5 608.2	5 600.0	+0.1
On-mine cash cost per tonne milled	US\$	46.7	41.0	+14.1
Consolidated cash cost per tonne milled	US\$	47.0	44.4	+4.9

Gross profit amounted to US\$245.7 million (2021: US\$207.4 million). The gross profit margin increased 100 bps to 35.8% (2021: 34.8%) mainly due to higher metallurgical chrome prices and the benefits of the weaker rand to US dollar exchange rate, notwithstanding lower PGM prices.

Diesel cost, a material input in the mining operations, in South Africa increased by 46.5% per litre from ZAR13.55 (US\$1.3) per litre to ZAR19.85 (US\$0.9) per litre.

EBITDA amounted to US\$237.3 million (2021: US\$224.3 million).

The Company announced the exercise of the farm-in option to acquire control, with effect from 30 March 2022, of the Karo Platinum Project. This increased the Company's shareholding in Karo Mining Holdings from 26.8% to 66.3% which was settled by the issue of 13 693 000 shares. For accounting purposes, the settlement of the transaction consideration was valued at US\$29.4 million.

The first-time consolidation of Karo Mining Holdings at 31 March 2022 resulted in the recognition of US\$201.8 million in assets related to the mineral right of the Karo Platinum Project. Furthermore, the consolidation entries resulted in a US\$33.5 million fair value gain on the 26.8% shareholding held by the Company before the exercise of the farm-in option and a US\$14.9 million bargain purchase income from acquiring control of Karo Mining Holdings at a discount to the valuation metrics as provided in the farm-in agreement.

Salene Chrome was placed in care and maintenance following the introduction of a ban on exports of chrome concentrates by the Government of Zimbabwe and pending a review of the business case.

In addition, MetQ incurred a net loss. As a consequence, the Company impaired the goodwill and other acquisition intangibles recognised on consolidation of these subsidiaries. The goodwill impairment amounts to US\$1.9 million and the other acquisition intangible amounts totals US\$8.4 million.

Finance costs of US\$4.8 million (2021: US\$4.9 million) relate primarily to asset equipment finance and trade finance facilities utilisation.

The Group generated a profit before tax of US\$220.2 million (2021: US\$185.3 million) benefiting from US\$44.3 million in net fair value gains (2021: US\$15.4 million net gains).

The tax charge amounted to US\$53.1 million (2021: US\$53.7 million), an effective charge of 24.1% (2021: 29.0%). Cash taxes paid amounted to US\$41.2 million.

The total comprehensive income for the period, as a consequence of foreign currency translation difference charge of US\$69.7 million (2021: US\$20.4 million (gain)), amounted to US\$97.4 million (2021: US\$152.0 million).

Basic earnings per share for the period amounted to US 53.8 cents (2021: US 37.4 cents).

The return on invested capital, calculated as the net operating profit after tax divided by the average invested capital (comprising total assets less cash and non-interest-bearing short-term liabilities), for the period under review was 23.5% (2021: 25.5%).

Of the total capex spend for the period of US\$105.0 million, approximately US\$34.8 million was related to additions to the mining fleet and US\$59.2 million was related to other mining assets. Of the US\$59.2 million allocated to other mining assets, US\$12.4 million was spent on the expansion capital, primarily allocated to the construction of the Vulcan Plant.

Karo Mining Holdings currently controls an indirect 85% of the shareholding of Karo Platinum with the Republic of Zimbabwe holding the remaining 15% on a free funded carry basis. Furthermore, the Zimbabwean Government holds an option to increase its shareholding in Karo Platinum by 11% from the current 15% to 26% after 24 months but before 36 months from 30 March 2022. The fair value of the option liability relating to the 11% of Karo Platinum was valued at 30 September 2022 at US\$16.8 million.

Cash flows from operations before movements in working capital for the period amounted to US\$239.6 million. Working capital requirements include (i) an increase in trade and other receivables of US\$30.1 million, (ii) an increase in trade and other payables of US\$41.1 million (iii) an increase in inventories of US\$28.2 million and (iv) a decrease in provisions of US\$7.6 million, which resulted in net cash flows from operating activities after tax of US\$173.7 million.

Additions to property, plant and equipment amounted to US\$105.0 million.

After taking into account, inter alia, debt and interest repayments, there was a net increase in cash and cash equivalents for the period of US\$69.5 million.

Cash and cash equivalents on hand totalled US\$143.3 million.

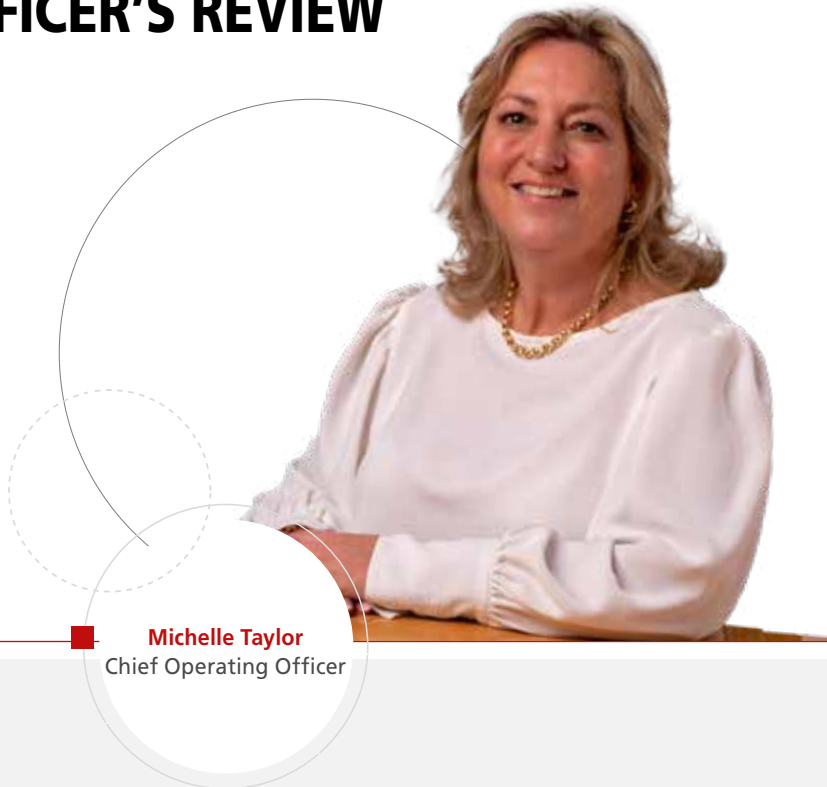
Dividend

In accordance with Tharisa's dividend policy of distributing at least 15% of annual NPAT, after adjusting for the fair value accounting of the Karo Mining Holdings business combination, the Board has proposed a final dividend of US 4 cents per ordinary share subject to the necessary shareholder approval. This is in addition to the interim dividend of US 3 cents per ordinary share. The total dividend amounts to US 7 cents per ordinary share, a payout ratio of 17.7% of adjusted net profit after tax.

Michael Jones
Chief Finance Officer

CHIEF OPERATING OFFICER'S REVIEW

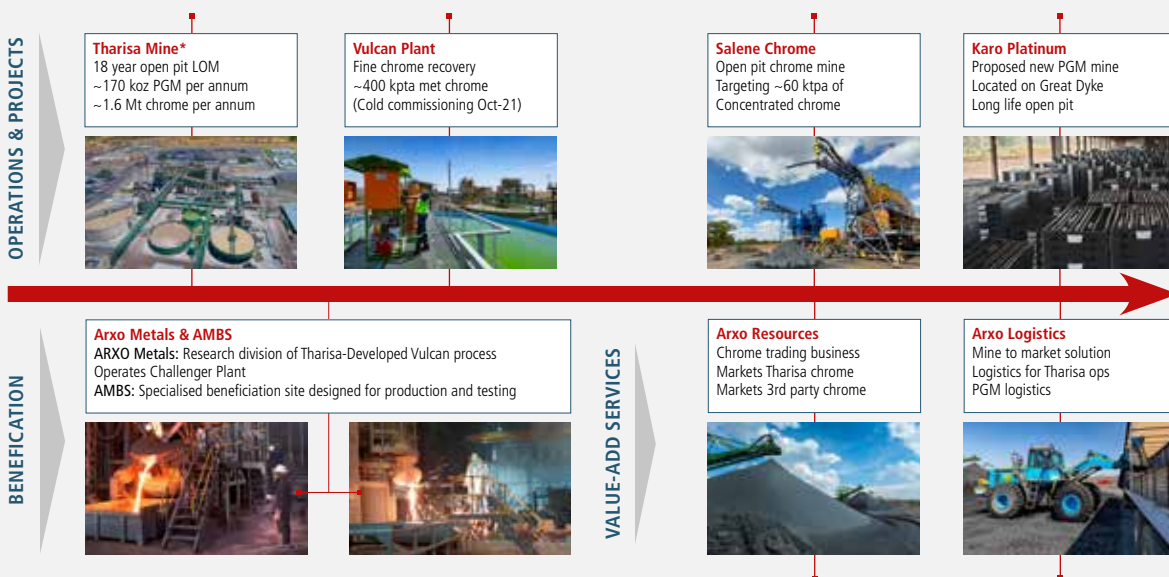
At Tharisa we strive for operational excellence. This ensures that we extract maximum value from the non-renewable resource we mine.



Michelle Taylor
Chief Operating Officer

With an ethos of innovation and dare I say, never-give-up attitude, **THARISA HAS PROGRESSIVELY EXTRACTED MORE VALUE FROM EACH OF OUR OPERATIONS.**

PORTFOLIO SNAPSHOT



While strategically positioning the operations for achieving Vision 2025, the Group's success has been delivered in a phased approach, improving and growing while ensuring the foundations are solid. This has created the platform for the Group to continue making meaningful contributions.

The Tharisa Mine is a co-product operation with a highly skilled workforce with modern, mechanised mining in an open-pit environment. This financial year saw the Tharisa Mine producing 179.2 koz of PGMs and 1.59 Mt of chrome concentrates, our best performance to date. The operational performance was built on critical decisions made years ago intending to accelerate our growth strategy and thus create a highly innovative and more sustainable Group. While consistently increasing our production since inception, we have ensured that it can be done sustainably. Fundamental to this, is correct planning and providing flexibility within the open pit and maintaining the required stripping ratio and sufficient run of mine stocks ahead of the processing facilities to provide consistent feed to produce our mineral products. The next financial year sees the team placing a greater emphasis on grade control and improving recoveries for our PGM and chrome products.

The unique advantages of the Tharisa Mine, being an open pit, long-life asset, with multiple processing plants are being replicated at our latest PGM project. By developing the Karo Platinum Plant on the Great Dyke in Zimbabwe, we strive to safely deliver the project, which will see our PGM output double and leverage our existing logistics and trading platforms.

The integrated business model of Tharisa operating across the value chain allows the Group to deliver mineral products to our customers across the globe efficiently. Driven by innovation the research and development team continues to focus on value extraction and is developing unique processes to beneficiate our mineral products. This will provide more product offerings to our customers. We firmly believe that we are a resources company of the future, operating in a primary industry with integrated logistics and trading solutions, the benefits of which we have seen and continue to see in our daily operations.

But all of this could not be possible without our people. Thus, with deep sadness, I report on our colleague's death in late October. As a company, we believe our staff members will feel Raymond's absence, but our resolve is to create a safer operating environment. Our safety record demonstrates our commitment to providing a safe workplace to our people, evident in our LTIFR of 0.41 per 200 000 man hours incorporating seven fatality-free years at the end of the reporting period.

We have optimised our operations further as we strive for operational excellence. We have continued to invest in our assets, which allows us to continue to deliver the operational output that feeds into returns for all stakeholders. The Group is entering its next development phase as we enter new jurisdictions and find new opportunities.

I am confident of us meeting our FY2023 target safely, while expanding our portfolio and impact, with production guidance set at 175 koz and 185 koz PGMs (6E basis) and 1.75 Mt to 1.85 Mt of chrome concentrates.

Michelle Taylor
Chief Operating Officer

		Year ended 30 September 2022	Year ended 30 September 2021	Year-on-year movement %
Reef mined	kt	5 505.4	5 379.9	2.3
PGMs produced (6E)	koz	179.2	157.8	13.6
Chrome concentrates produced (excluding third party)	kt	1 582.7	1 506.1	5.1
Average PGM basket price	US\$/oz	2 564	3 074	(16.6)
Average metallurgical-grade chrome concentrates contract price	US\$/t CIF China	209	154	35.7

OPERATIONAL REVIEW

The Group is engaged in EXPLORATION, MINING, PROCESSING, BENEFICIATION, MARKETING, SALES, AND LOGISTICS. The Group continues to explore beneficiation opportunities through innovation and technology.



OPTIMISED EXISTING OPERATIONS

INNOVATIVE THINKING

PGM production
(5PGE + AU)

179.2 koz

▲ 13.6%
(2021: 157.8 koz) Recovery of 76.6%

Reef mined

5.51 Mt

▲ 2.4%
(2021: 5.38 Mt)

Chrome concentrate
production

1.58 Mt

▲ 4.6%
(2021: 1.51 Mt) Recovery of 68.3%



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

Our multi-operational business has been transformed from a single-pit mine to a portfolio of assets complementing the business and operating in metals that we believe are vital for the future sustainability of this planet.

Operational highlights

The total reef mined for the year amounted to 5 505.4 kt (FY2021: 5 379.9 kt), an improvement of 2.3% compared to the prior year. As highlighted throughout the year, this was achieved while continuously mining ahead of the life of mine strip ratio, creating the in-pit flexibility. Annualised stripping ratio was 12.8 m³: m³ (FY2021: 11.6 m³: m³).

A strong mining performance ensured milling throughput reached a record in the last quarter of the year while totalling 5 608.2 kt (FY2021: 5 600.0 kt) for the year, in line with the previous year's milling. The Company has a run of mine stockpile ahead of the crushing circuit equivalent to around four weeks of milling requirements at the time of writing.

The confidence in the mining, which is a result of several factors, including continued investment, investment in training of the operators and detailed mine planning, means that grade control is a vital requirement to improve output further and achieve the stated operational excellence, resulting in a much improved PGM rougher feed grade (rougher feed grade is the grade measured into the metallurgical circuit post the first mass chrome extraction) up 14.1% to 1.7 g/t as compared to 1.5 g/t in FY2021.

Overall PGM recoveries were slightly lower for the year at 76.6% (FY2021: 77.6%) as a fair degree of oxidised ore was fed into the milling circuit. PGM recoveries in the low 80% range are being targeted, a number that has historically been achieved on numerous occasions.

Chrome output increased 5.1% to 1 582.7 kt (FY2021: 1 506.1 kt). While grade was slightly lower on an annual basis at 17.4% Cr₂O₃ (FY2021: 17.9% Cr₂O₃), a better recovery performance, in part due to the commissioning of the Vulcan Plant meant that annualised recovery was 68.3% (FY2021: 63.3%). Of the total chrome output, 1 233.2 kt was metallurgical chrome and 349.5 kt specialty-grade chrome or some 22.1% of the total.

Safety

The safety and health of our people is a core value and Tharisa acknowledges that the safety of its people, in turn, is critical to its success. The Company had one fatality, Legohu Raymond Mothapo, on Friday, 21 October 2022. The LTIFR for FY2021 was 0.41 (2021: 0.34) per 200 000 man hours worked. Prior to 21 October 2022, the mine achieved seven years fatality-free and over six million fatality-free shifts.

Tharisa Minerals

Tharisa Minerals is 100% owned by Tharisa following the acquisition of the minority shareholders' interest during the year, and is uniquely positioned as a significant co-producer of both PGMs and chrome concentrates. Tharisa Minerals' core asset is the Tharisa Mine, which is situated on South Africa's Western Limb of the Bushveld Complex – home to more than 70% of the world's platinum and chrome resources.

Tharisa Minerals mines and processes five MG Chromitite Layers. The mined reef is processed through innovative engineering at two independent plants extracting both PGMs and chrome concentrates. This combined co-product output reduces unit costs and positions Tharisa Minerals in the lower cost quartile of operating costs in South Africa for both PGMs and chrome concentrates.

Tharisa Minerals' low unit costs, operating flexibility and multiple polymetallic products have ensured that it is well placed to manage commodity price and exchange rate volatility.

Its dual revenue streams provide a natural hedge against different commodity cycles with the products used in various applications.



In 2021 Tharisa Minerals announced an extension of the open-pit LOM following an annual review of its Mineral Resource and Mineral Reserve statement (see pages 80 to 85). Tharisa Mine's open-pit mining will continue through 2040 while also de-risking the development of the operation for underground mining due to a managed transition. The Tharisa Mine remains a world-class, long-life asset that underpins our business and will continue to provide a sustainable, low-cost platform for over 50 years.

OPERATIONAL REVIEW continued

		Year ended 30 September 2022	Year ended 30 September 2021	Year-on-year movement %
Reef mined	kt	5 505.4	5 379.9	2.3
Stripping ratio	m ³ : m ³	12.8	11.6	10.3
Reef milled	kt	5 608.2	5 600.0	0.1
PGM flotation feed	kt	4 274.5	4 248.2	0.6
PGM rougher feed grade	g/t	1.70	1.49	14.1
PGM recovery	%	76.6	77.6	(1.3)
6E PGMs produced	koz	179.2	157.8	13.6
Platinum produced	koz	99.0	86.7	14.2
Palladium produced	koz	30.0	24.9	20.5
Rhodium produced	koz	17.2	15.4	11.7
Average PGM contained metal basket price	US\$/oz	2 564	3 074	(16.6)
Platinum price	US\$/oz	968	1 080	(10.4)
Palladium price	US\$/oz	2 107	2 513	(16.2)
Rhodium price	US\$/oz	14 962	18 860	(20.7)
Average PGM contained metal basket price	ZAR/oz	40 437	45 336	(10.8)
Cr ₂ O ₃ ROM grade	%	17.4	17.9	(2.8)
Chrome recovery	%	68.3	63.3	7.9
Chrome yield	%	28.2	26.9	4.8
Chrome concentrates produced (excluding third party)	kt	1 582.7	1 506.1	5.1
Metallurgical grade	kt	1 233.2	1 141.5	8.0
Specialty grades	kt	349.5	364.6	(4.1)
Third-party chrome production	kt	188.2	223.0	(15.6)
Metallurgical-grade chrome concentrate contract price	US\$/t CIF China	209	154	35.7
Metallurgical-grade chrome concentrate contract price	ZAR/t CIF China	3 345	2 284	46.5
Average exchange rate	ZAR:US\$	15.8	14.8	6.8

Mining operations

Tharisa Minerals holds a Mining Right over 5 475 ha of land near the town of Rustenburg in the North West province of South Africa. The Mining Right was granted on 19 September 2008 for an initial period of 30 years, providing access to MG Chromitite Layers, which outcrop with a strike length of approximately 5 km.

The Tharisa Mine has a remaining open-pit life of 18 years with a projected 40-year underground mining operation. The open pit is divided into the east and west pits and extracts reef from five MG Chromitite Layers.

Throughout the past three years, the mine has proven its ability to progress volume output, maintain flexibility and provide the necessary feedstock for output increase in mining.

Processing

Tharisa Minerals' two independent processing plants are designed to treat the MG Chromitite Layers of the Bushveld Complex. The smaller volume Genesis Plant was commissioned in August 2011 with the PGM circuit in December 2011. The larger-volume Voyager Plant was commissioned in December 2012. Both plants operate above nameplate capacity following various upgrades and milled 5.6 Mt (2020: 5.0 Mt). The plants have a similar process flow that includes crushing and grinding, primary removal of chrome concentrate by spirals, followed by PGM flotation from the chrome tails and a second spiral recovery of chrome from the PGM tails.



The PGMs in the MG ore mined by Tharisa Minerals occur in the silicates. They are not associated with chromite, thus enabling the process to extract chrome before PGMs without sacrificing PGM recovery.

This lowers the chrome content in the PGM circuit and results in much lower chrome content in the PGM concentrate compared to typical UG2 operations. Base metal content in the MGs is also significantly lower than in Merensky and UG2 ores, resulting in a low matte pull during smelting, reducing base metal refining requirements.



Operating in parallel, the independent plants provide processing flexibility and production stability by allowing one plant to be shut down without hampering the production from the other. The modular design of the processing circuits allows sections of the plant to be stopped without affecting the rest of the operation (i.e. a crushing circuit can be stopped independently of the milling, spiral, and flotation circuits). While Tharisa Minerals has stand-by generating capacity to withstand stage 4 loadshedding, the operational flexibility adds to continued production during times of loadshedding, which was prominent in the latter part of the financial year and has, unfortunately, continued into the new reporting period.

Using off-the-shelf technology, the Genesis and Voyager processing plants are uniquely engineered to produce both PGM and chrome concentrates. This innovative approach to production has made Tharisa a world-class PGM and chrome concentrate co-producer.

A third high-volume plant, the Vulcan Plant, was commissioned in FY2021. The plant, which processes live tailings produced by the Voyager and Genesis plants, will ensure further beneficiation of the Company's chrome production at the Tharisa Mine while reducing the unit output of carbon emissions.

The Vulcan Plant is the first large-scale plant to produce chrome concentrates from ultra-fines, consolidating Tharisa's position as a key chrome producer. The concept of Vulcan was developed entirely in-house by the R&D team, to extract the ultra-fine chrome from tailings.

Specialty chrome recovery circuits are integrated into the feed circuit of the Genesis Plant, known as the Challenger Plant. The Challenger Plant, owned by fellow subsidiary Arxo Metals, was commissioned in July 2013 and produces chemical and foundry-grade chrome concentrates, significantly adding to the revenue diversification strategy of Tharisa.

Sales

The Group's dual exposure to both the PGM and chrome markets gives the Group a hedge against volatility in either commodity price.

Tharisa Minerals supplied most of its PGM concentrate to Impala Platinum in terms of its offtake agreement and is paid a variable percentage of the PGMs and base metals contained within each tonne of concentrate in terms of an agreed market formula. The remainder of the PGM concentrate is sold to Sibanye-Stillwater.

The average PGM basket price was down 16.6% to US\$2 564/oz (FY2021: US\$3 074/oz).

Chrome concentrate sales totalled 1.50 Mt, 364 kt of which was Tharisa's higher margin specialty chemical and foundry-grade chrome concentrates. The bulk of Tharisa's sales is derived from metallurgical-grade chrome concentrate, which included 188.2 kt of third-party chrome concentrates.

Specialty-grade chrome concentrates produced within the Group are sold in terms of an agency and offtake agreement. Tharisa and an independent third party jointly market the chemical-grade chrome concentrate.

Chrome prices and sales improved year on year, with Tharisa increasing output by 5.1% to 1.6 Mt, with an average metallurgical price of US\$209/t (FY2021: US\$154/t), an increase of 35.7%.

The production of the higher-value specialty chrome concentrates, which typically command a premium of US\$30/t to US\$50/t, provided additional margin.

Metallurgical chrome production is shipped in bulk and containers to major stainless steel and ferrochrome producers in China and Indonesia.

Arxo Metals

Arxo Metals is also the beneficiation, research, and development arm of the Group. Arxo Metals conducts extensive research into technologies and downstream beneficiation opportunities that have the potential to improve yields and recoveries at the Tharisa Mine. Its core focus is creating increased value PGM and chrome products through expanding and optimising the Group's processing operations.

Arxo Metals operates a comprehensive beneficiation site near Brits, 40 km from the Tharisa Mine. Incorporated at the beneficiation sites is the Company's 1 MW DC furnace, owned by Tharisa Minerals, which produces PGM alloy, and is continuing its research work into refining processes. The beneficiation site also houses other metal production facilities, in line with the Company's stated strategy of maximising value for the raw materials it produces and research facilities for energy production and storage.

Arxo Metals owns the Challenger Plant, which is integrated into Tharisa Minerals' Genesis Plant. The Challenger Plant is dedicated to producing chemical-grade and foundry-grade concentrates. Specialty-grade concentrates carry more stringent specifications and therefore fetch a higher selling price. Arxo Metals has an offtake agreement to sell its concentrates to customers globally in the chemical and foundry industries. Arxo Metals accounted for producing 80.8 kt of chemical-grade chrome concentrate (2021: 99.5 kt) and 21.6 kt of foundry-grade chrome concentrate (2021: 25.5 kt) in FY2022.

In August 2017, Arxo Metals entered into an agreement with Sibanye-Stillwater on the operation of its K3 UG2 chrome plant and for the sales and marketing of the UG2 chrome concentrate produced. The chrome production for FY2022 from the K3 UG2 chrome plant was 188.2 kt, down slightly from 223.0 kt in FY2021.

Arxo Resources

Arxo Resources, with a strong established platform of global customers, including stainless steel and ferrochrome producers, and commodity traders, has the exclusive right to sell the metallurgical-grade chrome concentrate produced by Tharisa Minerals to customers in China and other international markets.

The scale of Arxo Resources' operations allows for direct access to market and price discovery. Its established contact with customers also directly creates an excellent platform for additional sales of third-party products.

In FY2022, Arxo Resources sold 1.4 Mt (FY2021: 1.3 Mt) metallurgical-grade chrome concentrates, of which 1.2 Mt was produced by Tharisa Minerals.

Arxo Logistics

Arxo Logistics provides an integrated logistics platform that reduces the risk and costs of transporting concentrates. It manages the road transportation of Tharisa Minerals' PGM concentrates to Impala Platinum and Sibanye-Stillwater and the long-haul transportation of chrome concentrates from the Tharisa Mine and K3 UG2 chrome plant

OPERATIONAL REVIEW continued

to international customers through bulk and container shipping. Due to inland logistical constraints on the rail network, Arxo Logistics has, over the past year and beyond, expanded its footprint and operating ports to ensure greater flexibility and supply certainty for global customers. Arxo Logistics now ships via Richards Bay Dry Bulk Terminal and the Durban ports and Maputo Harbour. All material was delivered on time by Arxo Logistics.

The logistics arm of the Group has the necessary road and rail transport capacity, warehousing facilities, and port facilities at the Richards Bay Dry Bulk Terminal and the Durban port to manage Tharisa Minerals’ full production capacity. It also serves as a platform from which the Group can provide services to additional third-party customers.

Arxo Logistics provided third-party logistics services during the year under review.

Arxo Logistics shipped a total of 1.4 Mt (FY2021: 1.3 Mt) of chrome concentrate in FY2022, primarily to main ports in China, including third-party materials.

MetQ

MetQ is a South African-based company founded in 1979 that specialises in the manufacturing and distribution of mineral processing equipment, with a manufacturing facility based in Rosslyn, Pretoria, South Africa, becoming one of the market leaders in processes relying on particle sizing and gravity concentration of various minerals. It was acquired by Tharisa with effect from 1 October 2019.

MetQ developed and built its own polyurethane spraying equipment to spray solventless polyurethane as a wear-resistant coating. With this spraying system, spirals could be manufactured to rival the best international offerings and bring enormous cost savings for the mining industry. MetQ has expanded its spiral range to include custom-designed units to ensure maximum efficiency in gravity separation circuits used to recover numerous minerals. Other products like hydrocyclones, hydrosizers and screening media were also developed and added to the range. Products are continuously improved and developed to ensure an ever-expanding range of solutions.

MetQ supplies spiral to the Tharisa Group operations and other engineering equipment required by the Group while expanding its footprint to third-party customers in multiple commodities.

Development projects

Tharisa’s development pipeline has been focused on developing its internally generated organic projects.

Karo Mining Holdings

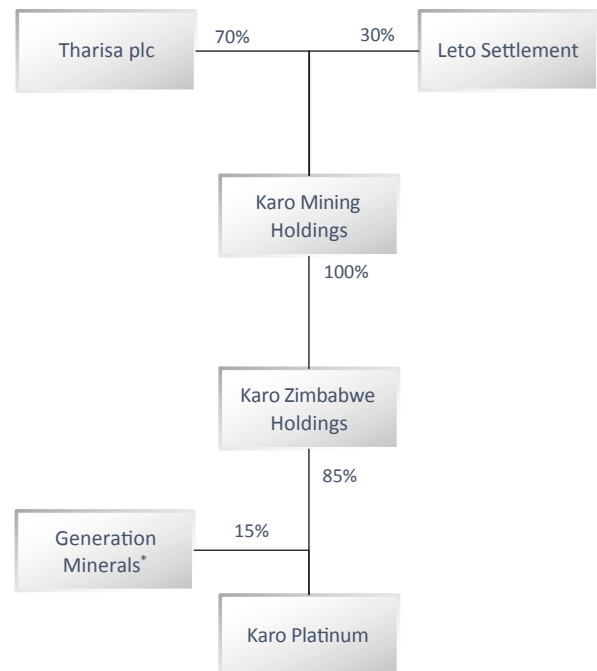
The mining lease area for the Karo Project covers an area of 23 903 ha and is located within the Great Dyke in the Mashonaland West District of Zimbabwe, approximately 80 km southwest of Harare and 35 km southeast of Chegutu.

The Great Dyke is a PGM-bearing geological feature that runs north to south. At approximately 550 km in length and up to 11 km wide, it is second to the Bushveld Complex of South Africa in terms of its PGM resource base.

The project, situated within a designated special economic zone (“SEZ”), is in the southern portion of the middle chamber of the Great Dyke and is supported by good infrastructure, including road and power access in the project area.

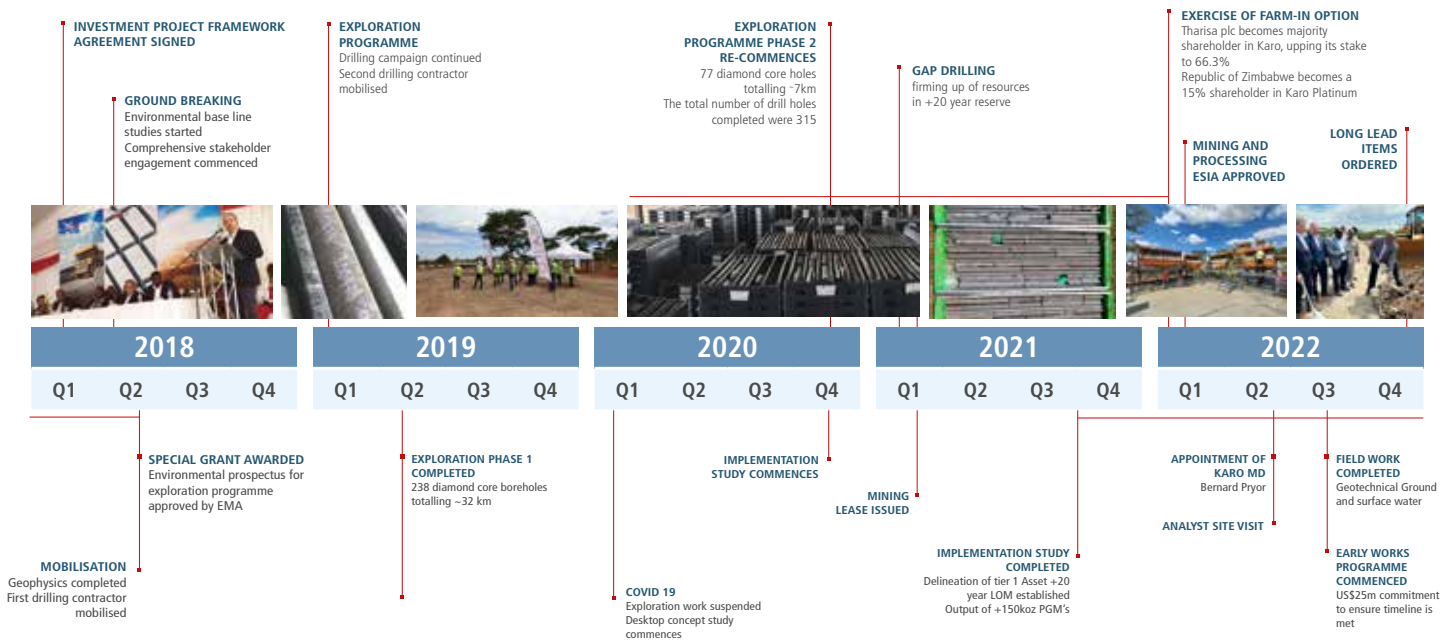
On 31 March 2022, Tharisa exercised its farm-in option and acquired a controlling interest in Karo Mining Holdings for a purchase consideration of US\$27.0 million, which was settled through the issue of 13.69 million new Tharisa shares to the Leto Settlement, a related party, thereby increasing Tharisa’s shareholding in Karo Mining Holdings from 26.8% to 66.3%. After the acquisition on 31 March 2022, Tharisa has increased its stake in Karo Mining Holdings to 70%, with Leto Settlement holding 30%.

The Republic of Zimbabwe has a 15% stake on a free carry basis at the Karo Platinum level, held via Generation Minerals. In addition, Generation Minerals has the right to increase its shareholding in Karo Platinum by a further 11%.



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

The increased shareholding in the Karo Project is in line with Tharisa’s growth strategy and is a natural evolution for Tharisa as it fulfils its strategy of becoming an integrated diversified developer of new metal assets. It also considers the Company’s strict capital allocation policy, ensuring all three aspects of capital are met, namely continuous investment, growth capital and shareholder returns, while Karo meets all of the strategic investment criteria for Tharisa, being open pit, quick to market, providing returns in line with Tharisa’ stated strategy while providing diversification for the Group.



Investment to date of US\$70.3 million:

- US\$4.5 million – acquisition of 26.8% shareholding
- US\$8.0 million Phase 1 exploration capital
- US\$3.4 million technical studies
- US\$25.0 million early development funding
- US\$29.4 million in shares – acquisition of 39.5% shareholding

WORLD CLASS PGM ASSET Tier 1	LOM OPEN PIT +17 years (Previous: +20 years)	ANNUAL PGM PRODUCTION (6E) 190 koz (Previous: +20 years) + 0.10% Cu + 0.12% Ni
MINING LEASE FOR LOM Licensed	OPEN PIT, SCALABLE, LOW COST, PHASED Low risk	DEVELOPMENT TIMELINE 24 months

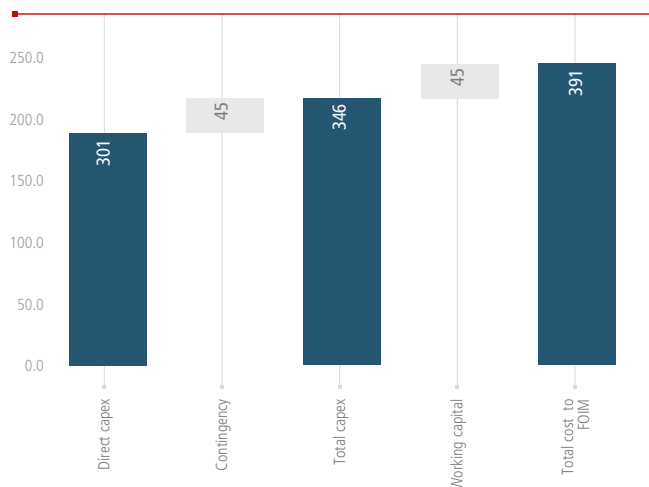
OPERATIONAL REVIEW continued

Following the completion of an updated study, which saw output increase from an initial 150 koz of PGMs per annum, to 190 koz of PGMs per annum, the project continues to show strong fundamentals:

The Karo Platinum Project has a 24-month design and construction schedule – starting 1 July 2022, with the first ore in the mill (FOIM) planned for July 2024. The cost to FOIM is set at US\$391 million, broken down as follows:

Project capital cost

COST TO FOIM (US\$m)



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

Karo Platinum Project economics

Throughput	205 ktpm
Production	190 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% increase to 82%
Cash cost	US\$1 096/PGM oz#
Total cost to FOIM	US\$391 m

Excluding royalties and tax.

* The above is premised per March 2022 mine plan.

Tharisa has established a comprehensive funding programme to ensure the project is delivered on time and within budget.

Karo Platinum funding

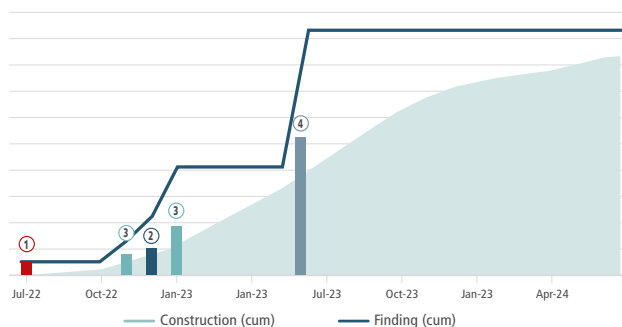
Investment to date

US\$36.4m

Multiple funding streams with synchronised timing requirements

① Early development funding Tharisa equity	Q2/22	US\$25 m
② VFEX bond listing Tharisa equity	Q4/22	US\$32 m
③ Tharisa equity	Q4/22-Q1/23	-US\$130 m
④ Syndicated loan with senior project finance facility with a political and commercial insurance wrap (ECIC)	Q1/23-Q2/23	-US\$260 m

Project's curve and funding flows



Salene Chrome

Salene Chrome is a development stage, low-cost, open-pit asset located in the Great Dyke in Zimbabwe.

The Salene Chrome project is located in an SEZ, which permits the import/export of capital without any trade barriers. Benefits beyond the expatriation of capital include a reduced tax rate, duty-free importation of raw materials and exchange control facilities.

Salene Chrome was placed in care and maintenance following the introduction of a ban on exports of chrome concentrates by the Government of Zimbabwe and pending a review of the business case.

Salene Chrome Mineral Resource estimate

The internally generated resource estimate is based on the results of the drilling and pitting operations in the south-eastern region over a strike length of 7 km. The statement is calculated on a vertical depth of up to 50 m below surface and is not SAMREC code compliant. The combined chrome seams tonnage (1CR and 2CR) that would yield lumpy material is 1.6 Mt for a 50 m depth (excluding disseminated ore). At a mining depth of 13 m, the chrome seam tonnage equates to 415 kt of mineralised material.

Limited exploration work, including airborne geophysics, has been undertaken on the Salene Chrome West special grant area to date. Based on historical mining activity in the Salene Chrome West area, it is prospective for gold, copper and nickel.

Outlook

Operationally, this has been a rewarding year, despite the macro challenges that have impacted global supply chains, inflation, and the mining sector. This operational performance is built on critical decisions Tharisa undertook some years ago, intending to accelerate our growth strategy and thus build a highly innovative, stronger and more sustainable company.

Central to the success has been the continued efficiency at the flagship Tharisa Mine, where production increased across the board. The Vulcan Plant contributed to increased production resulting in improved recoveries.

Tharisa has simplified its structure by fully aligning the long-term BEE partners as shareholders in the broader Tharisa business.

The long-life Karo Platinum Project, when added to the more than 60-year LOM of the Tharisa PGM and chrome operations in South Africa, sets the foundation for Tharisa's growth, particularly in the downstream value-enhancing beneficiation sector. The development of the Karo Platinum Project will significantly consolidate Tharisa as one of the world's most forward-thinking and low-cost producers of PGMs in Africa.

Tharisa remains a key participant in the global transition to a low-carbon economy through the critical metals we produce. The development of the ESG pathway into 2030 and 2050 respectively, further propels Tharisa to transition to low-carbon and renewable energy frontiers with an end goal of decarbonisation. We are committed to carbon neutrality by 2050 and contributing to the transition through the development of new technologies that will help industries transition into a low-carbon economy.

Production guidance for FY2023 is set between 175 koz and 185 koz PGMs (6E basis) and 1.75 Mt to 1.85 Mt of chrome concentrates.

Products

The Tharisa Mine produces the following products:

PGM concentrate: PGM concentrate is produced from both processing facilities. The concentrate produced from the Voyager Plant is a higher grade than the concentrate from the Genesis Plant, due to the different chromitite reefs treated by the respective plants. The major component of the PGMs is platinum, followed by palladium and rhodium.

Average market price	FY2022 US\$/oz	FY2021 US\$/oz	Change %
Platinum	968	1 808	(10.4)
Palladium	2 107	2 513	(16.2)
Rhodium	14 962	18 860	(20.7)

Metallurgical grade chrome concentrate

The typical metallurgical-grade produced by Tharisa is 40.0% to a 42.0% chrome (as Cr₂O₃) with the silica (SiO₂) lower than 5.0%.

Chemical-grade chrome concentrate

The typical chemical-grade produced by Tharisa is 44.0% to 46.0% Cr₂O₃ with the SiO₂ lower than 1.0%. This is a higher-value chromite product than the metallurgical-grade chrome concentrate.

Foundry-grade chrome concentrate

The typical foundry grade produced by Tharisa is 45.0% to 46.0% Cr₂O₃ with the SiO₂ lower than 1.0%. The American Foundryman Society Grain Fineness number (AFS number) is managed between 45 and 50. As with the chemical-grade chromite, this is a higher-value chrome concentrate than the metallurgical-grade chrome concentrate.

Average chrome price	FY2022 US\$/t	FY2021 US\$/t	Change %
42% metallurgical grade	209	154	35.7



MARKET REVIEW

South Africa is home to the world's largest PGM and chrome resources

With its rich mineral wealth, South Africa hosts approximately 80% of the world's PGM and 70% of its chrome resources. These industries have benefited from significant investment, increased employment, and community upliftment. In contrast, the country benefits from economic contribution, both directly and indirectly, through the multiplier effect, also known as shared value contribution, foreign revenue generation and resulting taxes, including significant royalty payments, as the companies involved in the sustainable extraction of these resources continue to invest.

Statistics for the calendar year 2021 by the Minerals Council of South Africa, of which Tharisa is a member, shows that the mining industry in South Africa employed 458 954 people, paid just over ZAR78 billion in taxes and contributed just under ZAR481 billion to GDP.

South Africa's mining industry remains essential to the global commodity supply chain, with a particular emphasis on the PGM and chrome sectors, without which major global industries would not be able to deliver.

PGM market – still the standout performer of the year, even though prices softened

South Africa is responsible for roughly 75% of refined platinum production. Zimbabwe and Russia are two of the significant other producing regions.

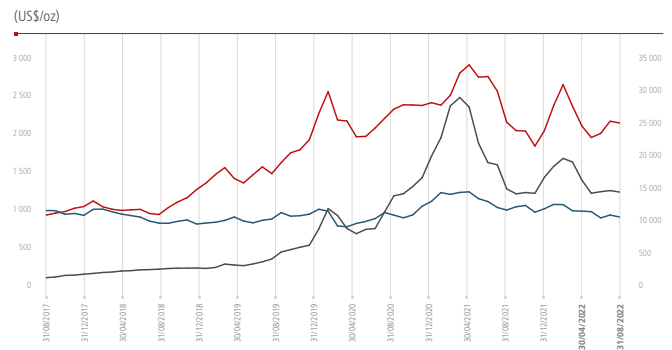
PGMs are vital industrial metals valued for their durability, corrosion resistance and catalytic properties. The automotive industry is the world's largest consumer of PGMs, which are used in catalytic converters for vehicle exhaust systems. Other drivers of demand are jewellery, industrial uses and investment.

Of late, the hydrogen economy has gained significantly more prominence. PGMs will play a vital role in furthering this opportunity for using PGMs in various applications, such as fuel cells for mobility and electricity generation.

The PGM basket price retreated in the year under review. Still, nevertheless, the prices received, both in US dollar and ZAR, played a vital role in the healthy financial performance of Tharisa.

The average basket price of US\$2 564/oz (FY2021: US\$3 074/oz) for the year was down 16.6% but still significantly higher than the average price of US\$1 704/oz for the 2020 financial year. The exchange rate continues to play a significant role in the Company's financial performance. Thus the volatile exchange rate movements of the ZAR against the US dollar need to be highlighted. For FY2021, the average exchange rate against the US dollar was 14.80, while the average exchange rate for FY2022 was 15.80. This means that the price received in ZAR was higher in the year under review, achieving an average of ZAR40 437/oz compared to a higher price of ZAR45 336 in FY2021. We achieved ZAR27 690/oz in 2020, compared to ZAR15 531/oz in 2019.

PGM price chart



Tharisa believes in the unique properties of PGMs, which will mean the long-term demand for the metals remains healthy, coupled with a reduced and disciplined producer supply of new ounces into the market. The complex operating environment in the major producing region, South Africa, which had to deal with inflationary pressures and erratic electricity supply, does mean that the supply side will remain constrained for some time. With mines becoming generally deeper, we believe that any new projects are mere replacement ounces than new supply coming into the market. The recycling of PGMs remains the most significant swing factor for the supply demand fundamentals.

Although PGM prices are trading in the lower half of their 12-month range, driven by the economic slowdown, prices have not retreated as much as anticipated. Demand-supply fundamentals, particularly for palladium and rhodium, remain in deficit, with platinum projected to be in a deficit within the next 18 months, according to consensus market analysis. While supply from Russia is difficult to predict, primary supply from South Africa is slowing, driven by a lack of development, rising costs and electricity curtailments, affecting deep-level mines in particular. At the same time, the increasing importance of PGMs for the future of the hydrogen economy underpins our conviction that the fundamentals for these precious metals remain strong.

		Year ended 30 September 2022	Year ended 30 September 2021	Year-on-year movement %
Average PGM basket price	US\$/oz	2 564	3 074	(-16.6)
Average metallurgical grade chrome concentrate contract price	US\$/t	209	154	35.7

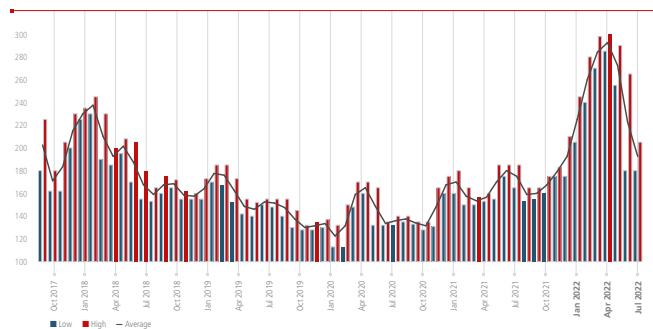
Chrome market

South Africa hosts the largest chromite reserves in the world, with annual production measured both in local sales and export sales, making up two-thirds of the world's total production. China imported approximately 90% of South Africa's exports. Indonesia remains an important player in the downstream chrome industry, with Tharisa supplying some of the most modern and largest mills in Indonesia.

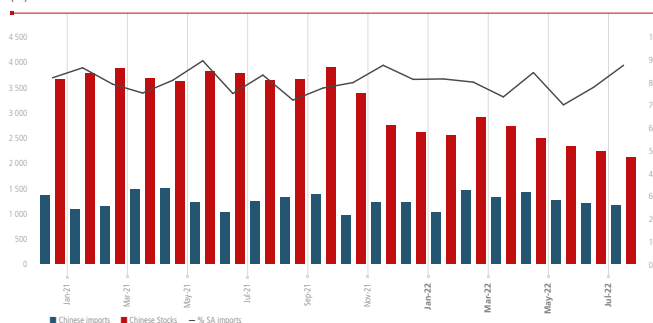
Chrome prices and sales improved year on year, with Tharisa increasing year-on-year output by 4.6% to 1.58 Mt, with an average metallurgical price received of US\$209/t, an increase of 35.7%.

Chrome prices were volatile during the year and particularly the latter part of our financial year. They retreated in line with expectations, mostly due to China's stainless steel and ferrochrome production curtailments. Inflationary cost pressures, supply chain constraints and the COVID-19 policy in China remained key macro-issues to the market. Two major factors drove the price movements in the year under review. Destocking and historically low port stocks meant a rush for more supply in the H1 FY2022, leading to a significant price rise for the metal. With the mentioned COVID-19 uncertainty, prices did retreat over the European summer period, but nevertheless demand for our product remained strong, with all contracts honoured driven in part by a push in demand as logistical issues inland, in particular in South Africa, meant buyers were ensuring certainty of supply over best price.

METALLURGICAL CHROME PRICE
(US\$/t)



CHINESE PORT STOCKS
(kt)



Tharisa remains a major player in the global chrome industry, supplying approximately 10% to 12% of China's annual demand for the metal.

Tharisa remains a significant player in the specialty chrome market, with roughly a quarter of annual chrome output being delivered into these markets. The prices of these products (chemical and foundry chrome) attract a premium over metallurgical grade chrome ore.

Uses of chrome concentrates

93%	<p>Metallurgical grade</p> <ul style="list-style-type: none"> • Cr₂O₃ – 30% to 45% • SiO₂ – <4% • Key ingredient for stainless steel
4%	<p>Chemical grade</p> <ul style="list-style-type: none"> • Cr₂O₃ – 45% to 47% • SiO₂ – <1.2% • Used to produce sodium dichromate
2%	<p>Foundry grade</p> <ul style="list-style-type: none"> • Cr₂O₃ – >46% • SiO₂ – <1% • High-thermal conductivity and low-thermal expansion • Moulds for metal castings
<1%	<p>Refractory grade</p> <ul style="list-style-type: none"> • Cr₂O₃ – 46% • SiO₂ – <1.2% • 98% <2 mm • Refractory bricks for furnace linings

Chrome end uses

Chrome ore demand is driven by ferrochrome use, with more than 90% of chrome ore being used for metallurgical purposes. Approximately 4% of demand is derived from the chemical industry and the balance from the foundry and refractory industries. The majority of metallurgical grade chrome concentrate is utilised in the production of ferrochrome. In turn, the largest consumer of ferrochrome is stainless steel. As such, the dynamics in the stainless steel industry impact the ferrochrome and chrome ore industries.

To produce one tonne of stainless steel requires:

CHROME ORE
0.6 tonnes
+
FERROCHROME
0.25 tonne
+
STAINLESS STEEL
1 tonne

PRINCIPAL RISKS AND UNCERTAINTIES

Principal business risks are those that, if they materialise, have the capacity to materially affect the Group's ability to create and sustain value in the short, medium and long term. The material risks, i.e. the possibility of loss or harm occurring, whether permanent or causing significant damage, whether physical, financial or reputational, to Tharisa and its stakeholders are identified through an analysis of the Group's risks, the external environment and the Group's engagement with stakeholders.

Material risks may impact the achievement of the Group's strategy. Each risk also carries with it challenges and opportunities. The Group's strategy considers known risks, and these are assessed regularly, updated and included in the organisational risk matrix.

Material risks are considered and reported on an ongoing basis by those members of the management team responsible for risk management. The Tharisa Risk Committee comprises all members of the Board. Risks are identified in the Group Risk Register and are considered by management quarterly and reported to the Board at least twice a year.

Mitigation of risks, whether partial or full, forms part of management's responsibility and is aligned with the Group's strategy.

RISK	IMPACT	MITIGATION
Health and safety		
<p>The safety and health of our people are our core value. Operating safely is a key performance indicator for all executives and managers at Tharisa and its subsidiaries. COVID-19.</p>	<p>Harm to people, the environment and assets. Potential section 54 and section 55 instructions from the DMRE in terms of the South African Mine Health and Safety Act and the impact on production COVID-19.</p>	<p>Strive for a zero-harm working environment. Further, implement a culture where safety risks will not be tolerated. Comprehensive training on mandatory code of practices and standard operating procedures. Continuous training and adherence to global best practices. Transparent and open relationships with the DMRE inspectorate and other regulatory bodies. Key performance indicator ("KPI") in Group cash bonus scheme to incentivise safe behaviour. Ensuring alignment and standardisation across all jurisdictions and operations. Tharisa continues to put in place measures that, at a minimum, comply with government regulations and adhere to best practices. A comprehensive communication strategy for employees and contractors remains in place, providing educational awareness to employees on the impact, prevention and treatment of COVID-19.</p>

RISK	IMPACT	MITIGATION
Political uncertainty		
<p>South Africa – the burgeoning unemployment, increasing government debt and negligible GDP growth has led to a negative response to political certainty. Negative business confidence.</p> <p>Zimbabwe – limited international sanctions still exist and may affect the economy’s stability.</p> <p>Hyperinflation and monetary policy uncertainty.</p> <p>Negative business confidence and political uncertainty.</p> <p>Lack of currency liquidity.</p> <p>Instability in Eastern Europe.</p>	<p>Unattractive investment destination(s) for investors.</p> <p>Potential for further credit rating downgrades.</p> <p>Political and civil unrest adversely impacted mining production.</p> <p>Closing (temporary or permanent) of end-user markets.</p> <p>Imposition of sanctions on countries buying our products.</p>	<p>The South African government has indicated commitment and intent to ensuring South Africa remains politically stable and that the economy is advanced.</p> <p>Pledges by global concerns to invest in the country will improve business confidence, unlock investment by local concerns and build GDP growth.</p> <p>Continuous drive by the Government of Zimbabwe to create an investor-friendly environment.</p> <p>Establishment and awarding of SEZ in Zimbabwe to assist capital flows and investment.</p> <p>Tharisa has a wide range of offtakers who value the quality product Tharisa produces.</p> <p>The Company continuously strives to create new markets for its products to ensure offtake is not overly concentrated and thus has a negative effect on purchases.</p>
Regulatory compliance		
<p>Tharisa Minerals’ right to mine is dependent on strict adherence to various legal and legislative requirements such as:</p> <p>Non-compliance with the MPRDA and/or Mining Charter and/or the Group’s Social and Labour Plan.</p> <p>The Group is required to comply with a range of health and safety laws and regulations in connection with its mining, processing, manufacturing and logistics activities. Any perceived violation of the regulations could lead to a temporary shutdown of all or a portion of the Group’s mining activities.</p> <p>Non-compliance with the Mines and Minerals Act of Zimbabwe and mining regulations promulgated under such Act.</p>	<p>Cost of compliance to changes in the Mining Charter.</p> <p>Non-compliance resulting in potential legal sanctions including fines, penalties and risks to the right to mine through forfeiture or cancellation.</p> <p>Access to forms of capital is hindered.</p>	<p>Ensure compliance with current MPRDA is applicable to legislation.</p> <p>Mining Charter provides some certainty.</p> <p>Ensure compliance with the terms of the Mining Charter.</p> <p>Ensure compliance with the Group’s Social and Labour Plan.</p> <p>Proactive engagement with regulatory authorities and industry organisations.</p> <p>Ensure communication and awareness with investors are maintained.</p> <p>Ensure compliance with all relevant Zimbabwean legislation including the Mines and Minerals Act, Mining regulations promulgated under section 403 of the Mines and Minerals Act, the Labour Act, Exchange Control regulations and other laws and enactments governing investments.</p> <p>Routine audits are carried out by regulatory/competent authorities in line with the relevant legislative prescripts to ensure compliance.</p> <p>Regular internal inspections are conducted by the SHE department to ensure compliance with regulatory requirements.</p>

PRINCIPAL RISKS AND UNCERTAINTIES continued

RISK	IMPACT	MITIGATION
Production/location concentration		
<p>Tharisa currently owns and operates one primary producing asset located in South Africa</p> <p>The Group has made early entry investments into Zimbabwean development projects; however, it is still exposed to the potential political risk and instability within the country of its operation.</p>	<p>Exposure to potential macroeconomic, social and socio-political risks and instability.</p> <p>Sovereign rating downgrades of the country of operation can limit the Group's ability to raise financing and increase the cost thereof.</p> <p>Exposure to only two main commodities.</p>	<p>Third-party operations, such as the operations of Sibanye Stillwater's K3 UG2 chrome plant, provide additional revenue from an alternate operation</p> <p>Diversification into higher-grade chrome products has opened new markets for Tharisa.</p> <p>Development of the Karo Platinum Project in Zimbabwe will provide geographic diversification</p> <p>Considering opportunities to diversify commodities as they arise.</p> <p>Development of new offtake agreements for the Company's PGM concentrates.</p> <p>In-house development of downstream beneficiated products to create a broader market for our products.</p>
Global commodity prices and currency volatility		
<p>The Group's revenues, profitability and future growth rate depend on the prices of PGMs and chrome.</p> <p>The state of the world's economies impacts demand and market prices for PGMs and chrome.</p> <p>Volatility in the ZAR:US\$ exchange rate affects the Group's profitability, of which South Africa's land reform uncertainty and effects of other emerging markets are contributing factors.</p>	<p>Downward pressure on PGMs and/or chrome prices may negatively affect the Group's profitability and cash flows.</p> <p>The Group's reporting currency is US dollar. The Group's dominant current operations are predominately based in South Africa, with a ZAR cost base, while the majority of the revenue stream is in US dollar, exposing the Group to the volatility and movement in the currencies.</p> <p>Risk of competitor product dumping and undercutting market prices in respect of the chrome market.</p>	<p>Monitor costs closely to ensure that the Group remains in the lowest cost quartile.</p> <p>Stringent cost control.</p> <p>Improved operating efficiencies and production driving down unit costs.</p> <p>Service providers appointed to manage the Group foreign exchange and PGM hedging strategy.</p> <p>Production of higher-value-add specialty grade chrome concentrates comprising ~25% of Group chrome concentrate production.</p> <p>Diversification into higher-priced chrome products through the development of the Salene Chrome operation.</p>
Financing and liquidity		
<p>The Group's activities expose it to various financial risks including market, commodity prices, credit, foreign exchange and interest rate risks.</p> <p>Static share price trading.</p> <p>Non-compliance to ESG standards and requirements may affect capital raising abilities.</p>	<p>Significant changes in the financial assumptions made by the Group could impact its ability to continue operating and jeopardise its ability to raise financing in the future.</p> <p>Adverse impact on the ability to raise capital for growth and acquisitions.</p>	<p>Positioned as a low-cost producer of both PGM and chrome concentrates.</p> <p>Production of higher value-add specialty grade chrome concentrates</p> <p>Leveraging third-party operations.</p> <p>Diversified customers and markets.</p> <p>Undrawn banking facilities.</p> <p>Trade finance facilities assist with working capital requirements.</p> <p>Secondary listing on the LSE and an additional listing on A2X in South Africa provide additional trading platforms and increased liquidity.</p> <p>Marketing and roadshow efforts have significantly enhanced the Group's profile, investor awareness, and investor spread.</p> <p>Compliance and assurance of ESG standards.</p> <p>Employment of relevant skills to manage ESG effectively.</p>

RISK	IMPACT	MITIGATION
Market/customer concentration		
<p>The bulk of Tharisa's chrome production is exported to China. This gives the Group significant exposure to a single geographic market.</p> <p>Proposal by the South African government to impose chrome tax.</p>	<p>Customer base is largely located in China, with accompanying exposure to Chinese markets.</p>	<p>No reliance on a dominant customer within that market.</p> <p>Tharisa has strategically diversified its production by increasing specialty grade chrome concentrates, which make up approximately 25% of Tharisa's total chrome production.</p> <p>Chemical and foundry grade chrome concentrates sold into diversified global markets.</p> <p>Development project in Zimbabwe is focusing on higher-grade chrome products.</p> <p>Diversified commodities with PGM concentrate sold to leading precious metal refiners on an offtake basis.</p> <p>PGM offtake diversification with potential new offtakers.</p> <p>Lobbying of government has thus far resulted in the shelving of the proposed chrome tax in South Africa.</p>
Environment		
<p>Tharisa is obliged in terms of its undertaking to stakeholders, including the government, providers of capital and the community, to monitor, minimise and mitigate our impact on the physical environment and not to infringe on the rights to a safe and healthy environment. Non-compliance with this undertaking may infringe on the terms of the mining licence and the ability to continue mining.</p>	<p>Harm to the environment.</p> <p>Increased costs of remediation and rehabilitation due to legislative changes.</p> <p>Potential legal sanctions including mine stoppage and class action suits.</p> <p>Poor image of mining companies.</p>	<p>Conduct all mining and processing operations in an environmentally responsible manner.</p> <p>Compliance with applicable national and local laws and regulations.</p> <p>Monitor compliance against EMPR, licences and Equator Principles.</p> <p>Compliance with provision for rehabilitation and mine closure.</p> <p>Ongoing environmental impact monitoring, management and evaluation.</p> <p>Ongoing internal and external compliance audits/inspections.</p> <p>Update/ amendment of licences, permits and authorisations.</p> <p>Community engagements through SLP and local forums.</p> <p>Ongoing engagements with competent authorities to source advice on new or amended regulations.</p>
Climate change		
<p>The Group is exposed to risks arising from climate change. The risks can be divided into physical risks, arising from the impact of climate change on operations, and reputational risks (arising from Tharisa being perceived as not contributing to addressing climate risk in a timely and meaningful way by providers of capital).</p>	<p>Rising temperature levels can affect the availability of natural elements required by the mine, such as access to water.</p> <p>Rising temperatures can affect the physical wellbeing of the workforce.</p> <p>The availability of capital will reflect how well companies seek to decarbonise their operations and supply chains.</p> <p>Implement carbon taxes to encourage companies to improve their carbon footprints.</p>	<p>Disclosure and reporting on annual CO₂ emissions.</p> <p>Expand and implement a roadmap to reduce operational CO₂ emissions with a targeted reduction of 30% set by 2030 and a drive to become net carbon neutral by 2050.</p> <p>Engaging with our supply chain on their commitment to decarbonisation</p> <p>Closer cooperation with suppliers and ensuring the latest technology is implemented to reduce CO₂ emissions in South Africa.</p> <p>Introduction and implementation of energy and water-efficient ways of product processing.</p> <p>Construction of new water storage facilities to cater to projected water shortages.</p> <p>Forming part of the water management forums in the catchment area.</p> <p>Electricity generation from renewable sources wherever possible.</p> <p>Replacement of diesel fuel as an energy source within the fleet at the end of asset life.</p>

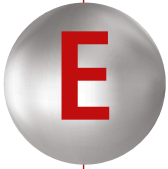
PRINCIPAL RISKS AND UNCERTAINTIES continued

RISK	IMPACT	MITIGATION
Local stakeholders		
<p>Tharisa Minerals' neighbours are impacted by its operations in terms of dust, noise, water usage and security.</p> <p>The stakeholders' perceptions, including different sections of the community and various levels of government, are varied and multi-layered.</p> <p>Negative and inaccurate media coverage can influence perception.</p>	<p>Local stakeholder discontent has the potential to disrupt operations.</p> <p>Safety and health of the community.</p> <p>Complaints to regulatory authorities and risk of intervention.</p> <p>Potential for adverse litigation.</p> <p>Poor image of mining companies</p> <p>Lack of support in equity markets and amongst stakeholders, ultimately leading to a cost of capital impact.</p>	<p>Ongoing environmental impact monitoring.</p> <p>Property purchase agreements being concluded with local landowners.</p> <p>Partner with government and local municipality to develop identified land within the municipal spatial development area to which the community may be relocated.</p> <p>Ongoing discussions with the DMRE and other government bodies.</p> <p>Positive engagements with the local community with a focus on sustainable community projects.</p> <p>Focus on recruiting from local communities as much as possible if there is a skills match.</p> <p>Regular and repetitive communication and emphasis on key messages utilising all available media channels.</p> <p>Immediate corrective actions and corrections on factual inaccuracies or misconceptions.</p>
Access to resources and infrastructure		
<p>Tharisa's mining, processing, manufacturing logistics and marketing operations rely on sustainable access to water, electricity as well as road, rail and port infrastructure.</p>	<p>Production interruptions.</p> <p>Failure to meet delivery and customer commitments and contracts.</p>	<p>Two independent processing plants provide flexibility in times of electricity and water curtailments.</p> <p>Multi-modal transport optionality via bulk or containers, road and/or rail</p> <p>Integrated agreement for rail transportation and port facilities concluded with Transnet.</p> <p>Improved water supply through close collaboration with the custodian of the water resource. Agricultural water rights from Buffelspoort as a result of the additional properties that were purchased.</p> <p>Mine water reticulation system and construction of new water storage facilities.</p> <p>Salt and water balancing have improved water quality.</p> <p>Supply potable water from Samancor Mine (Randwater line).</p> <p>Drilling and licensing of new boreholes to ensure water supply volumes remain positive.</p> <p>The increased depth of the mine pit provides more ingress of water which is dewatered for surface use.</p> <p>The deeper the open pits (current mining area) the more water ingress into the pit leading to more water being dewatered to the surface for use.</p> <p>Open-pit diesel-powered mining fleet reduces reliance on electricity</p> <p>Generators installed at the processing plants to mitigate electrical supply curtailments.</p> <p>Development of solar energy for further independence from grid power.</p>



RISK	IMPACT	MITIGATION
Labour		
<p>The consistent, assured availability of appropriately skilled human resources at economical rates is essential to the sustainability of Tharisa's operations. Similarly important is the efficiency and discipline of the Group's workforce.</p>	<p>Labour disruptions in South Africa remain a risk, particularly with the current political climate, which may contribute to heightened labour and community unrest.</p> <p>Potential damage to property.</p> <p>Loss of production.</p>	<p>Monthly liaison with shop stewards and regular contact with regional leadership.</p> <p>Ongoing training programmes.</p> <p>Adequate insurance cover in the event of damage to property arising from unrest.</p> <p>All levels of employees are incentivised through bonus and incentive schemes leading to improved productivity and employee retention.</p> <p>Tharisa has completed two years of a four-year wage agreement without disruptions, providing certainty for both parties.</p> <p>Care for employees during COVID-19 with additional safety and health measures put in place while Tharisa managed through waves 1, 2, 3 and 4 without retrenching the workforce.</p>
Management of resources and reserves		
<p>Management and planning of the extraction of the multiple MG layers of the reef are critical to the business model.</p> <p>Tharisa's success depends on extracting the maximum value per tonne of the reef while avoiding pit dilution and undue sterilisation of the resource.</p>	<p>Sub-optimal quantity and quality of reef results in poor processing plant recoveries, impacting production and financial performance.</p> <p>Sterilisation of resources reduces the life of mine and inhibits mining flexibility.</p> <p>Loss of production in the event of low ROM stockpiles ahead of the plants.</p>	<p>Owner mining model enables in-house management and control of all mining activities, focusing on correct mining practices with optimal quality and quantity of ROM.</p> <p>Investment in the latest technology and machinery for optimal mining practices.</p> <p>In-house mining skills.</p> <p>Accuracy and execution of mine plan.</p> <p>Mining employees managed on KPIs.</p>
Unscheduled breakdowns		
<p>The Group's performance relies on the consistent mining and production of PGM and chrome concentrates from the Tharisa Mine.</p>	<p>Any unscheduled breakdown leading to a prolonged reduction in mining and/or production may have a material impact on the Group's financial performance and results of operations.</p> <p>Loss of production as a result of low ROM stockpiles ahead of the plants.</p>	<p>Optimisation of the existing mining fleet.</p> <p>Developed engineering and geological skills that are integral to in-house mining.</p> <p>Preventative maintenance programme for the fleet and plant</p> <p>Long lead item spares in stock.</p> <p>Ensure adequate ROM stockpiles (target two months) while supplementing times of low ROM with purchases of ROM from third parties.</p> <p>Continuous investment throughout the cycle ensures unscheduled breakdowns are kept to a minimum.</p>
Cyber security		
<p>The Group's performance may be materially and adversely impacted by a cyber-attack on its IT system.</p>	<p>The processing plants at the mine are controlled by a supervisory control and data acquisition operating system and a cyber-attack could potentially subject the Group to a ransomware demand and/or cause a shutdown of the processing operations until a backup system is operational, or a work-around solution is obtained.</p>	<p>The Group has carried out an audit of its potential exposure to a cyber-attack in respect of all its IT and has implemented mitigating measures which limit its exposure to internal and third-party access.</p> <p>The Group has implemented and continuously ensures globally accepted best-in-class software and protocols to filter malicious and criminal content, as well as the latest antivirus and security programmes</p> <p>Insurance against cyber-attack including backup and restoration assistance.</p> <p>Internal backups and scheduled backup tests for integrity and continuity</p> <p>Investment in people and systems.</p>

SUSTAINABILITY



ENVIRONMENT



SOCIAL



GOVERNANCE

Safety



Environment



Key data

Safety

Fatalities

0*

(2021: 0)

*As reported, Tharisa had a fatality on 21 October 2022, post-year end.

LTIFR

0.41

(2021: 0.34)

Environment

Total energy consumption MWh

208 750

(2021: 200 256)

Total CO₂ emission (Scope 1) tCO₂e

135 077

(2021: 98 815)

Diesel used (M litres)

42

(2021: 40)

Tailings Volume (Mm³)

1.37

(2021: 1.39)

Social



Governance



Health

Number of employees and contractors voluntarily tested for HIV/AIDS

3 432

(2021: 2 296)

HIV/AIDS prevalence rate among:

Employees

13.0%

(2021: 13.7%)

Contractors

11.4%

(2021: 12.3%)

Number of employees screened for TB/silicosis (via medical surveillance programme)

3 014

(2021: 7 608)

Number of employees and contractors who underwent hearing tests (via medical surveillance programme)

8 281

(2021: 5 140)

SUSTAINABILITY continued

ESG framework

At Tharisa, we continuously strive to improve the lives of those we employ and the communities within which we work. We acknowledge our role in the environment in which we operate and want to ensure that our footprint and legacy are documented as comprehensively as possible. We have an impact both direct and indirect on our employees and the greater community and we believe the role we play will ensure a better environment for all, on a long-term sustainable basis.

This report builds on the ESG disclosures we have provided in the past and ensures that we keep all our stakeholders as accurately and timeously informed as possible. This report should be read in conjunction with various policies and procedures we outline in our annual reports and policies we have made available on our website, if applicable.

Tharisa has taken bold steps to drive its business model with sustainability as one of the core drivers, integrating a sustainability approach underpinned by responsible mining and stewardship principles. Co-existence with our host communities remains integral to the developmental agenda and alignment with the United Nations Sustainable Development goal of building sustainable communities.

The development of the framework is the cornerstone of ensuring that ESG is fully integrated into the business and that a set of actionable principles ensures complete accountability.

The development of the ESG pathway into 2030 and 2050, respectively, further propels Tharisa to transition to low-carbon and renewable energy frontiers with an end goal of decarbonisation. We are committed to carbon neutrality by 2050 and contributing to the transition through the development of new technologies that will help industries transition into a low-carbon economy.

In developing this ESG framework, the consideration of key stakeholders was followed in line with the stakeholder model to ensure that their needs are considered in creating the framework. The business community has moved with the paradigm that acknowledges ESG issues have moved from last item matter to top priority issues that affect the sustainability of any organisation.

ESG commitment and accountability

We will conduct our business activities in a manner that promote sustainable development and the achievement of sustainable development goals. As a Group, we are committed to carrying out our sustainability reporting in line with industry best practices, such as Global Reporting Initiative (GRI). Ibis Consulting is the appointed sustainability assurance provider for Tharisa plc for FY2022.

ESG principles and commitments

Principles	Commitments
1 New business cases and investments within the Group will be evaluated against ESG principles	<ul style="list-style-type: none"> • Carry out ESG due diligence and assessment within an investment or a new business to assess ESG risks • Establishment of internal capacity to effectively implement the ESG framework and deliver on the commitments • Integration of ESG framework within Tharisa’s business and operations
2 Adherence to governance and promotion of ethical practice across the Group	<ul style="list-style-type: none"> • Execute decisions in line with the existing governance framework • Report the Group’s performance half yearly and annually in line with GRI standards
3 Encourage and promote engagement on ESG issues with stakeholders	<ul style="list-style-type: none"> • Engage with local communities on all relevant ESG issues in collaboration with dedicated departments at operations • Create good working relationships with state organs and regulators to drive ESG
4 Adoption of new technology solutions to assist in the transition to a low-carbon economy	<ul style="list-style-type: none"> • Create catalyst programs to drive a low-carbon economy transition to ensure 2030 and 2050 commitments are achieved • Establish strategic partnerships with industry players to develop energy transition projects to achieve carbon reduction targets
5 Achieve a 30% reduction by 2030	<ul style="list-style-type: none"> • Optimisation of energy usage and transition to renewable energy sources • Reduction of Scope 1 and 2 emission intensity and offsets where applicable
6 Achieve carbon neutrality by 2050	<ul style="list-style-type: none"> • Implement decarbonisation projects
7 Environmental stewardship	<ul style="list-style-type: none"> • Create biodiversity management plans for sensitive areas and all new developments • Improve our water usage at all operations • Align to good international industry practice on environmental principles for stewardship

Health and safety

The safety and health of our people are core values and as a Company we strive for zero harm.

We remember:

Legohu Raymond Mothapo who lost his life on Friday, 21 October 2022.

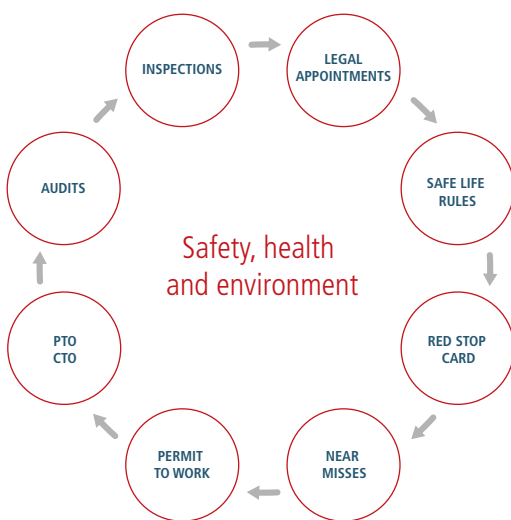
A mechanic at the Tharisa Minerals mining operation for over 11 years, Raymond was involved in a very serious accident in the open pit on the evening of Tuesday, 18 October 2022. After stabilising him, he was airlifted by helicopter to hospital and underwent several attempts to save his life.

Despite heroic efforts by colleagues, medical personnel on site and in the hospital, Raymond succumbed to his injuries during the night of 21 October 2022.

Tharisa is committed to practices that minimise harm to employees and non-employees and prevent environmental damage. The safety, health and environment (SHE) principles take precedence and apply throughout the operation. Management will take practicable, proactive steps to eliminate or reduce these risks while always striving for continual improvement.

By applying a comprehensive SHE management system, related risks are actively managed as an integral part of our business and operational practices. Tharisa will ensure that employees are engaged regularly concerning safety and health matters affecting them, and that any aspect that may impact their health and safety will be proactively managed.

Tharisa SHE management system



SHE management system used at Tharisa

We strive to minimise the environmental impact of our operation and business practices as well as optimise our processes and products' use of natural resources.

We will maintain a safe work environment for our employees and provide appropriate information and training to increase skills and promote SHE awareness. All employees have a fundamental responsibility and duty to address SHE risks at work.

We are committed to continually improving our SHE performance and measure the progress by specific SHE performance indicators. We are also committed to implementing international best practices and have, amongst others, adopted the Global Industry Standard on Tailings Management.

To achieve this, the business relies on sound safety, health and environmental monitoring systems and procedures, coupled with a competent, trained and committed workforce.

FY2022 safety milestones



The Group actively employs a safety management system, requiring a series of risk assessments, starting with a baseline assessment aimed at identifying the significant operational risks. These risks are then examined by conducting issue-based and continuous risk assessments, identifying appropriate control measures to mitigate these risks. Such measures include standards and procedures updates, operating checklists, as well as training lesson plans.

To ensure compliance, a system of "over-inspection" by supervisors and safety staff is implemented, followed by planned task observations to ensure employees are familiar with procedures and well trained in executing their tasks. Further mitigation measures include visible felt leadership, leadership safety pledges, audits, ongoing training and on-the-job coaching.

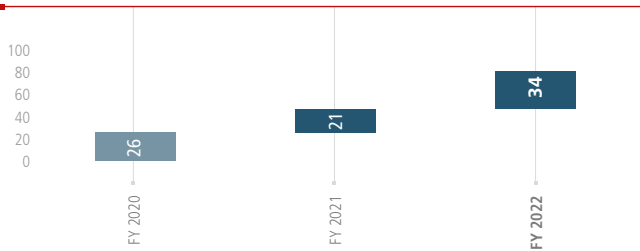
SUSTAINABILITY continued

All the mandatory codes of practice were adopted and implemented as part of procedures required for safety standards. SHE audits on the implementation of safety procedures in the workplace are an integral part of workplace safety performance. Findings from the SHE audits are given and requires attention as per the corrective action plans.

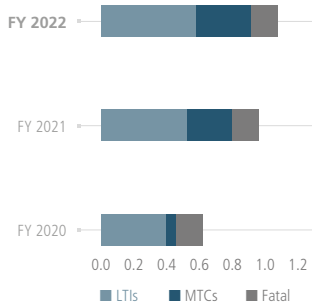
Through our onboarding system, we ensure that every employee undergoes a medical surveillance process. New employees are trained on existing procedures and the safety management systems at the mine.

Accomplishing these milestones is attributed to various intervention efforts and continuous monitoring of our safety statistics to identify our leading indicators.

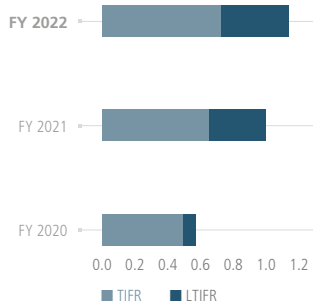
YEAR-ON-YEAR TOTAL ANNUAL INJURIES



YEAR-ON-YEAR ANALYSIS OF INJURY DISTRIBUTION (%)



YEAR-ON-YEAR ANALYSIS OF THE TIFR AND LTIFR DISTRIBUTION (%)



Safety initiatives

Keep your Eye on the Ball, Keep your Eye on Safety – Industrial Theatre, November 2022. Our drive to create a safe working environment became more awakened in light of the increase in injuries. The Keep your Eye on the Ball, Keep your Eye on Safety is based on a soccer theme to emphasise the importance of teamwork, the rules of the game. As with a soccer match, the same principles apply to safety where teamwork and compliance go hand in hand. Emphasis was also placed on using the Red Stop Card, to empower employees to stop any unsafe act or condition. This theme was used throughout the year to promote and encourage safety awareness.





“Who is Responsible for your Safety”

Re-introduction of the “Pause for Safety” where all sections will take a safety pause during the course of the shift to discuss a critical safety topic within their working areas.



P AUSE	before you start	
A SSESS	possible hazards	
U NDERSTAND	how to proceed safely	
S HARE	your plan with others	
E XECUTE	the activity safely	



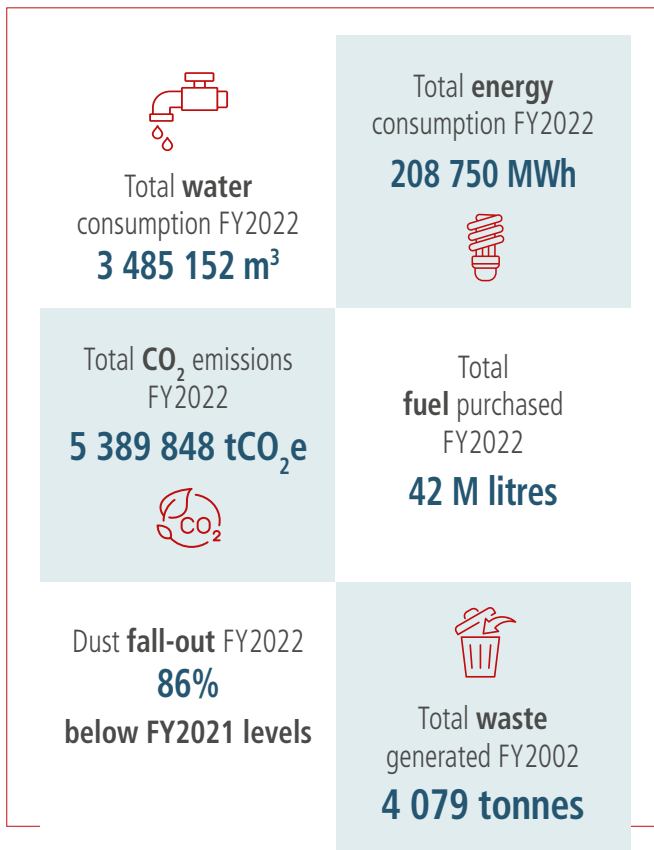
SUSTAINABILITY continued

Environmental management

Programme overview

Sustainability is a concept that is deeply embedded in our ethos with the understanding that protecting the future is imperative while acknowledging that we also have a role to play in developing sustainable livelihoods while having an economic impact on the local communities. Part of our corporate responsibility is to ensure we play our part toward achieving the Sustainable Development Goals (SDGs). In particular, our approach aims to give effect to SDG 6 (Clean water and sanitation), SDG 12 (Responsible consumption and production), SDG 15 (Life and land), and SDG 13 (Climate actions). Stewardship is our strategic approach to attain SDGs and directly translates to achieving sustainability initiatives as part of Vision 2030 and 2050. The material matters are diligently identified and carefully managed because they have significant risks to the business if not managed.

FY2022 key performance indicators



Environmental performance

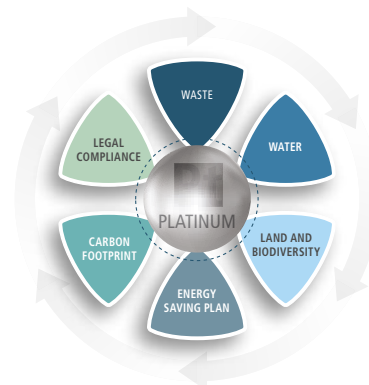
Environmental approach

Materiality matters

Tharisa's disclosure on environmental matters is material due to their impact on the surrounding environment and the sustainability of the business. Adequate management of these risks is essential to ensure the sustainability of Tharisa. Thus, all potential impacts are comprehensively identified to ensure effective management and reduced negative consequences, if not none. Material matters are placed at the top of our radar.

The material matters are diligently identified and managed due to the significance of the risks to the business if not managed.

Material aspect	Mitigation
Waste	Significant waste reduction, increased recycling and reuse.
Water	Monitor and reduce water consumption and discharge to conserve and protect depleting water resources. Development and implementation of salt and water balance, installation of water meters for accurate data collection from meter readings and completion of construction of stormwater management infrastructure to ensure full compliance with GN704 regulations.
Prevention of land contamination	Eradication of alien invasive species. Of utmost importance is ensuring that rehabilitation provision is made for post-closure measures that we are responsible for implementing.
Energy saving	Initiatives are being implemented. This includes the feasibility studies conducted on the proposed 30MW PV solar plant to ensure that we remain on course for the 30% reduction in emissions by 2030. Continuous engagements are underway to evaluate the different energy-saving plans that can be implemented at the corporate level as part of the greening programme. Other initiatives that can be considered as part of the carbon footprint reduction plan include projects that saw us replacing ordinary lights with LED, solar geysers and installing solar systems at our mining operation.
Legal compliance	Understanding our legal compliance obligations is essential to our strategic approach and environmental stewardship. As such Tharisa Minerals has acquired all applicable legislative permits and authorisations. Furthermore, continuously assess and analyse the relevance of all Tharisa-approved EMPrs and their amendments in terms of the Mineral and Petroleum Resources Development Act No 28 of 2002 (MPRDA) and approved RODs in terms of the National Environmental Management Act No 107 of 1998 and an integrated water use licence in accordance with the National Water Act No 36 of 1998.



United nations sustainable development goals	Contribution	Our status
 <p>1 NO POVERTY</p>	<p>The creation of sustainable jobs directly and indirectly by our long-term contractors remains an integral part of our strategy. Upskilling and training of local communities to participate in employment and business opportunities have proven effective and impactful over time.</p>	<p>✓</p>
 <p>3 GOOD HEALTH AND WELL BEING</p>	<p>Safety is one of our core values, and ensuring that employees and contractors are provided with safe working conditions is critical to ensuring that we remain a zero-harm organisation.</p>	<p>✓</p>
 <p>5 GENDER EQUALITY</p>	<p>Ensuring that we strive to achieve gender equality, we continue to attract women into management positions.</p>	<p>✓</p>
 <p>6 CLEAN WATER AND SANITATION</p>	<p>Monitoring and curtailment of water consumption through recycling remain key to our operations. We have implemented a saltwater balance, installations of water meters, and completion of stormwater management are some of the initiatives we have put in place to conserve water as a scarce resource.</p>	<p>✓</p>
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>Reduced dependence on coal-generated electricity or even diesel fuel generators is critical to our 30% reduction in emissions by 2030. Therefore transitioning to alternative energy sources such as solar panels give effect this goal. The installation of our solar panels in our mining control rooms sees us heading in the right direction. Progressive installation of green energy fuel equipment forms part of our targets and objects to ensure all effective opportunities are exploited.</p>	<p>✓</p>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>We comply with the Labour Relations Act and associated legal statutes governing the industry. Creation of sustainable work opportunities for young people and historically disadvantaged.</p>	<p>✓</p>
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Significant waste reduction and increased recycling and reuse.</p>	<p>✓</p>
 <p>13 CLIMATE ACTION</p>	<p>Since 2016 we have calculated our greenhouse gas (GHG) inventory and have ensured that we comply to with our annual regulatory reporting requirements to the Department of Forestry, Fisheries and the Environment via the South African Greenhouse Gas Emissions Reporting System (SAGERS).</p>	<p>✓</p>

SUSTAINABILITY continued

Alignment with SDGs

Alignment with the United Nations SDGs is fundamental to the sustainability approach of Tharisa. Our developmental initiatives inherently carry an impact-driven strategy that ensures the Company remains committed to the SDGs.

Environmental performance

Total waste usage

Tharisa places emphasis on ensuring that the waste management hierarchy of controls is applied at all times, where the most desirable objective is the generation of the least amount of waste. In contrast, waste disposal is the last resort after management control. However, the waste management procedure at Tharisa is such that waste is generated, separated at source, stored in suitable waste containers according to a colour coding system, thus allowing for recycling and reusing where applicable, thereby reducing volumes disposed of.

Total waste non-hazardous waste generated for FY2022	Total hazardous waste generated for FY2022	Production waste generated for FY2022
1 974.35 tonnes Domestic and industrial	2 107.28 tonnes Solid	19 383.42 Mm ³ Waste rock
91.56 tonnes Mmaditlhokwa	8 937 kℓ Liquid	1.37 (Mm ³) Tailings volume



**INDEPENDENT ASSURANCE STATEMENT
TO THE MANAGEMENT OF THARISA PLC**

INTRODUCTION

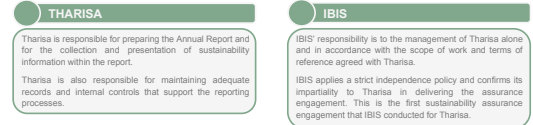
IBIS Environmental Social Governance Consulting Africa (Pty) Ltd (IBIS) was commissioned by Tharisa PLC (Tharisa) to conduct an independent third-party assurance engagement in relation to the sustainability information in its Annual Report (the Report) for the financial year that ended 30 September 2022.

IBIS is an independent licensed provider of sustainability assurance services. The assurance team was led by Petrus Gildenhuys with support from Bongani Machabe, Ibrahim Akooni, Megan Nair and Bradley Riley from IBIS. Petrus is a Lead Certified Sustainability Assurance Practitioner (LCSAP) with more than 25 years' experience in sustainability performance measurement involving both advisory and assurance work.

ASSURANCE STANDARD APPLIED

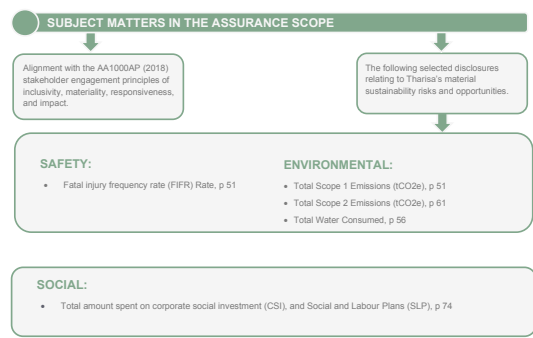
This assurance engagement was performed in accordance with AccountAbility's AA1000AS v3 (2020) ("AA1000AS") and was conducted to meet the AA1000AS Type II moderate level requirements as indicated below:

RESPECTIVE RESPONSIBILITIES AND IBIS' INDEPENDENCE



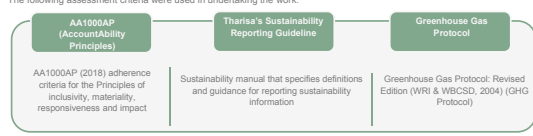
ASSURANCE SCOPE

The scope of the subject matter for moderate assurance in accordance with the AA1000AS assurance standard, as captured in the agreement with Tharisa is set out below:



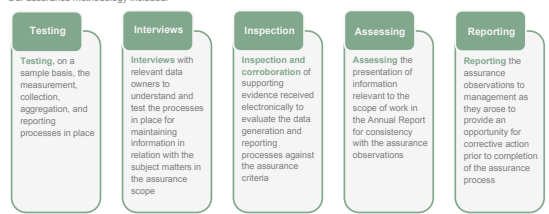
ASSESSMENT CRITERIA

The following assessment criteria were used in undertaking the work:



ASSURANCE PROCEDURES PERFORMED

Our assurance methodology included:



ENGAGEMENT LIMITATIONS

IBIS planned and performed the work to obtain all the information and explanations believed necessary to provide a basis for the assurance conclusions for a moderate level of assurance in accordance with AA1000AS.

The procedures performed in a moderate assurance engagement vary in nature from, and are less in extent, than for a high assurance engagement. As a result, the level of assurance obtained for a moderate assurance engagement is lower than for high assurance as per AA1000AS.

The scope of work did not extend to any subject matters other than specified in this assurance statement. IBIS experienced no limitations to the agreed extent of work required for the engagement.

ASSURANCE CONCLUSION

In our view, based on the work undertaken for moderate assurance as described, we conclude that the subject matters as described in the scope of this assurance engagement have been prepared in accordance with the defined criteria and are free from material misstatements.

KEY OBSERVATIONS AND RECOMMENDATIONS FOR IMPROVEMENT

Based on the work set out above, and without affecting the assurance conclusion, the key observations and recommendations for improvement are set out below.

IN RELATION TO AA1000AP

Inclusivity: Tharisa has identified a range of stakeholders, and has the necessary competencies and resources allocated and available for stakeholder engagement. Tharisa made a public commitment to be accountable to stakeholders, and has described the scope, objectives, quality, or effectiveness of stakeholder participation. It is recommended that Tharisa enhance its articulation of how it uses the outputs of engagement to facilitate understanding, learning and improvement of the organisation, by describing specific instances where stakeholder feedback has led to changes in organisational policies, processes, and/or outcomes.

Materiality: Tharisa has an organisation-wide, ongoing process to manage sustainability risks, that is overseen by senior and executive management. It is recommended that Tharisa enhance its articulation of its materiality determination process, especially as it relates to the evaluation and prioritisation of material sustainability topics.

Responsiveness: Tharisa has processes in place to respond in a timely and relevant manner to material sustainability topics and their related impacts. It is recommended that Tharisa consolidate its documentation of its processes for responding to all stakeholders, to ensure that all stakeholder groups are adequately addressed.

Impact: Tharisa has processes in place to understand, measure, evaluate and manage its impacts, which are integrated into its wider organisational management processes. It is recommended that Tharisa enhance its articulation of its material impact determination process, especially as it relates to the evaluation and prioritisation of material sustainability impact topics. We recommend that Tharisa considers adoption of a sustainability reporting framework such as the GRI and the SDGs, as such frameworks are helpful in assessing the importance of various sustainability risks, impacts, and opportunities.

IN RELATION TO THE SELECTED DISCLOSURES

The control environment for the generation and maintenance of sustainability information at Tharisa should be strengthened, specifically related to internal review of data. Data inconsistencies that were identified during the assurance process were subsequently corrected by Tharisa. It is recommended that additional internal reviews are performed against the supporting evidence and group reported figures, to ensure that figures are correctly calculated, and reported on the group's ESG master sheet. It is appreciated that this was the first year that Tharisa sought assurance on sustainability information, however, more extensive ESG disclosure and assurance of indicators related to material topics for Tharisa is recommended.

A comprehensive management report detailing specific findings and recommendations for continued sustainability reporting improvement has been submitted to Tharisa Management for consideration.






Petrus Gildenhuys
Director, IBIS Environmental Social Governance Consulting Africa (Pty) Ltd



Johannesburg
15 December 2022

SUSTAINABILITY continued

Five-year ESG data

 <p>Human resources (Tharisa Minerals)</p>	<p>Number of employees including contractors HDSA HDSA (top management Paterson Grade F) HDSA management (senior management Paterson Grade E) Women Lost days due to labour action AMCU NUM Solidarity Employee turnover</p>
 <p>Safety</p>	<p>Number of fatalities Number of medical treatment cases Number of lost-time injuries (LTI) End of year lost-time injury frequency rate (LTIFR)</p>
 <p>Health</p>	<p>Number of employees and contractors voluntarily tested for HIV/AIDS Number of employees who tested positive for HIV/AIDS HIV/AIDS prevalence rate among employees and contractors Number of employees screened for TB/silicosis (via medical surveillance programme) Number of employees and contractors who underwent hearing tests (via medical surveillance programme) Number of employees who attended wellness days</p>
 <p>Environment</p>	<p>Waste rock (Mm³) Tailings volume (Mm³) Reef mined (Mt) Total energy consumption (MWh) Total CO₂ emission (Scope 1) (tCO₂e) Total CO₂ emission (Scope 2) (tCO₂e) Total CO₂ emission (Scope 3) (tCO₂e)</p> <p>Cumulative rehabilitation provision (US\$m) Total water consumption (m³)</p> <p>Diesel used (m litres) Explosives used (t) Domestic waste (t)</p> <p>Hazardous waste (used oil) (kl) Hazardous waste (other) (t) (contaminated oil and lead cupels and oil rags)</p>
 <p>Training and development</p>	<p>Employees and contractors received induction Number of employees and community members on AET programmes Interns and graduates Employees awarded study assistance Total spend on training (US\$m)</p>

Five-year trend	2022	2021	2020	2019	2018	
	3 712	4 412	3 082	2 826	2 430	2021 includes Vulcan contractors
	94%	92%	92%	91%	90%	
	100%	100%	100%	100%	60%	
	69%	50%	47%	44%	44%	
	24%	23%	22%	21%	20%	
	0	0	0	0	0	
	30%	29%	32%	51.30%	65%	
	17%	14%	12%	9.70%	19%	
	19%	27%	29%	n/a	n/a	Solidarity only recognised from 2020
	309	150				
	0	0	0	0	0	Fatality occurred on 21 October 2022, post financial year end
	17	10	22	11	12	
	17	11	4	9	6	
	0.41	0.34	0.09	0.27	0.18	
	3 432	2 296	3 842	4 660	3 509	
	425	480	504	536	392	
	12.2%	13.00%	14.00%	12.00%	10.00%	
	3 014	7 608	4 715	5 784	6 768	2021 includes ST and LT Vulcan contractors
	8 281	5 140	4 715	5 784	6 368	
	756	n/a	n/a	414	400	COVID-19 placed restrictions on gatherings
	19.4	17.6	16.1	11.1	10.8	
	1.37	1.39	1.25	1.19	1.26	
	5.51	5.38	4.97	4.63	4.85	
	208 750	200 256	185 807	175 329	169 480	
	135 077	98 815	82 829	84 000	2 600	
	221 276	212 272	182 343	156 200	162 800	
	5 071 106	4 926 110	2 285 059	2 235 100	2 068 500	The Scope 3 values have increased due to a change in methodology. The benchmark value for ferrochrome smelting were recently published by the South African government and the calculation for the downstream processing of sold products (Scope 3 Category 10) have been amended in line with the new methodology
	13.2	21.1	17.3	13.1	21.8	Rehab provided in ZAR
	3 485 152	1 591 031	1 290 346	4 082 908	4 283 399	2022 includes de-watering figure for first time
	42	40	38.2	29	28	
	15 689	18 272	15 763	10 597	11 878	
	863.09	629.14	637.4	697.6	525.9	Vulcan and clinic have contributed to uptake as they became fully operational
	458.02	393	358	330	83	As a result of increased contractors on site
	2 109.56	672	356.4	258.9	271	Removal of contaminated soil on site. Mining contractors used to remove it independently but not reporting
	6 968	6 439	7 289	5 343	4 190	2020 and 2021 includes COVID-19 inductions and training
	114	60	275	224	82	COVID-19 restrictions in place for 2020 and 2021
	32	45	40	24	21	
	36	43	58	20	9	
		2.7	3.1	3.4	3.3	

SUSTAINABILITY continued

The effectiveness of waste separation at the source aims to increase output on waste recycled and reused, yielding positive results, 56% of the non-hazardous waste generated did not end up at the landfill. Scrap metal is the major constituent of industrial waste that was recycled.

Critical to managing waste is also ensuring that hazardous waste generated does not have cumulative environmental impacts. Tharisa aims to ensure that hazardous waste storage areas have adequate controls, such as bund walls, shelter, and oil sumps and that oil separators are continuously maintained.

Water usage

A total of 3 485 152 m³ of water was consumed in the 2022 financial year. However, it is important to note that consumption quantities slightly decreased in the second half of the financial year. This can be attributed to a general decrease in water abstracted from our boreholes.

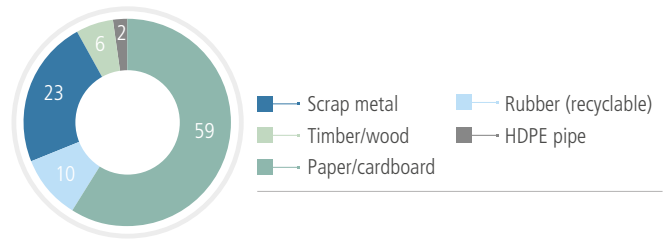
HY1 water usage	HY2 water usage	Total water usage in the FY2022
1 889 847 m ³	1 595 305 m ³	3 485 152 m ³

Domestic waste sent to landfill versus industrial waste recycled (%)



Waste disposed at landfill versus waste that was recycled

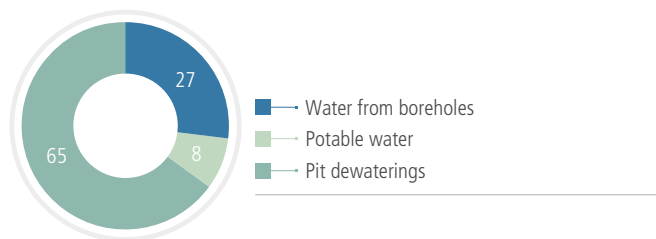
Distribution of non-hazardous waste recycled (%)



Distribution of waste recycled and reused during FY2022

Water usage is among the resources that are closely monitored and preserved given our setting within a water scare region. The water used by the mine is mainly abstracted from boreholes and supplemented by potable water from municipal lines. As part of the water preservation strategy for the operations, a reverse osmosis water plant has been constructed and is fully functional. Water from the RO plant supplies the mining changing facilities as opposed to the use of municipal lines. No quantities of water was abstracted from Buffelspoort Dam due to positive water balance.

FY2022 distribution of water sources (%)



Water sources for water consumed



Newly constructed reverse osmosis plant



Waste and dirty water discharge

Discharge that occurs must be within the confines of our WUL conditions. It is well-controlled, monitored, and managed.

Waste water management

Pollution control dams (PCDs) are essential for surface water management, particularly water that is considered contaminated, dirty or polluted. Our PCDs ensure that waste water is contained and reused in our processes. In November 2020 Tharisa received approval for an extension of the stormwater dam, lining the return water dam with all other PCDs. In addition, separating dirty and clean water is critical for compliance with GN704 regulations, therefore the construction of stormwater facilities will ensure that dirty water catchment areas are isolated through the construction of water channels and the installation of pipelines.



Upgraded sewerage treatment plant

Process effluent water is collected in the lined TSFs to prevent seepage into groundwater.

Wastewater generated for sanitation purposes such as ablution facilities and operating of changing facilities is channelled back to the sewerage treatment plant where the chlorine chemical treatment of the water is used resulting in treated water being pumped to the process water dam for reuse. The expansion of the wastewater treatment plant is an opportunity that Tharisa has taken and will contribute to the treatment and recycling of more waste water generated in the mine.

Water recycling

Water recycling is a critical performance indicator given the amount of water needed to operate all three processing plants. Therefore, recycling initiatives form part of our water management systems:

- Pit dewatering from both the East and West mines is pumped into the Hercul Quarry, which is pumped back into the system to be reused.
- Stormwater from the TSF facilities is pumped to the PCDs for reuse in the plants. Whereas the water from the sides of the TSF's channelled to the return to water dams.
- The ongoing stormwater management infrastructure construction such as concrete trenches, slit traps, pipes and pumps allowed for the decrease of seepage volumes of water to groundwater.
- The approved expansion of the wastewater treatment facility will allow water to be treated and reused within the changing facilities.
- In efforts to continuous improvement, the first salt and water balance report was developed in February 2022. Implementation of the recommendations and maintenance of the implemented recommendations will contribute towards water conservation and reuse.

“Water conservation/water demand management (WC/WDM) study to identify areas of water losses and optimisation to assist in increasing reuse and recycle of water.”



Water saving awareness banners

SUSTAINABILITY continued

Environmental awareness initiatives are continuously implemented to train the employees on the importance of water conservation. Placement of banners and pamphlets reminding employees of their role and the enormous contribution they can have by what many consider as small insignificant gestures. This includes closing taps tightly after use and reporting leaks to ensure they are timeously fixed.

Energy usage

The use of electricity to run our process plants and combustion of fuel, particularly diesel used for the operation of all our machinery in the mining department, results in energy consumption. Purchased fuel for FY2022 increased by 1.46% and electricity by 4.24% compared to FY2021.

Tharisa recognises the need to align with the SDGs, particularly the reduction of a 30% carbon footprint by 2030 and carbon net neutrality by 2050. Therefore, powering the mine with alternative green energy is essential in attaining this objective. The installation of the solar system of the mining control room, and the replacement of all ordinary lights with LED are efforts that will contribute towards reducing electricity consumption.

Climate change

SDG 13 requires that climate action is taken and efforts are made towards the global transition change to a low-carbon economy. We acknowledge the importance of mitigating and reducing greenhouse gas emissions and identifying climate change risks and opportunities. Since 2016 we have calculated our GHG inventory and have ensured that we comply with our annual regulatory reporting requirements to the Department of Forestry, Fisheries and the Environment via SAGERS. Furthermore, our carbon footprint results are presented following the GHG Protocol and the ISO 14064-1 2018 which is the reporting standard and is the dominant guidance for company reporting.

Direct (Scope 1) GHG emissions	Energy indirect (Scope 2) GHG emissions	Other indirect (Scope 3) GHG emissions
135 077	221 275 tCO ₂ e	5 071 106 tCO ₂ e

Scope 1, 2 and 3 GHG emissions for the half year FY2022

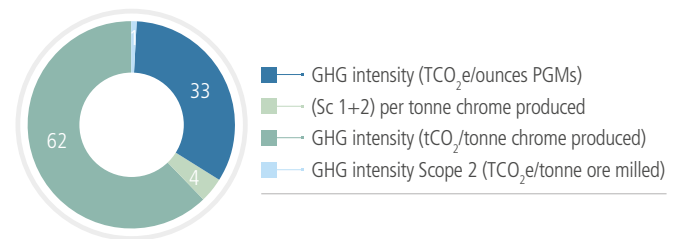
Direct GHG emissions (Scope 1): Represent emissions generated by sources owned and controlled by Tharisa. Tharisa’s purchased fuel and onsite combusted fuel contributed to the results significantly. This includes diesel and acetylene combusted on site and the blasting agents. Diesel contributed 97% of the Scope 1 GHG emissions for FY2022.

Energy indirect emissions (Scope 2): Represent emissions that result from the electricity purchased and consumed by Tharisa. Therefore, it is the sole emitter of 221 275 tCO₂e.

Other indirect GHG emissions (Scope 3): Represents emission from sources activated by the mine’s activities, however, they are owned and controlled by subcontracting or value-adding chain companies. These emissions are further categorised upstream and downstream. Upstream focuses on acquired goods and services whereas downstream pertains to sold goods and services. There are many contributing factors, however, the processing of sold product, in

particular, smelting operations account for 4 779 048 tCO₂e of the 5 071 106 tCO₂e Scope 3 emissions, an equivalent of 94 %.

Greenhouse gas (GHG) emissions intensity (%)



Greenhouse gas emissions intensity versus production

Biodiversity and land management

Biodiversity management initiatives

Biodiversity is the variability among living organisms within all ecosystems and their ecological complexes. It is the variation of life seen on land, water and in the atmosphere. The maintenance of diversity in the biological and physical elements is crucial for the preservation of life. While mining may result in the degradation of habitats and several biological features, Tharisa believes a lot can still be done within and outside the parameters of the mine to reduce degradation.



Concrete placed over the Sterkstroom River



Alien invasive eradication plan



The Sterkstroom River located in the Western limb of the mine in one of the most important ecosystems found at the operation. Tharisa is committed to protecting the river as a habitat and water resource from all possible identified impacts such as the use of concrete and tyres to stabilise riverbeds and reduction of siltation. In addition, the alien and invasive plant, control management plan is an essential management technique for the protection of the river, however, eradication of invasive species is done across the mine. Tharisa takes pride in the catch-and-release motto that is exercised within the Group's operations. Animals and pests that are identified are captured by internal or externally trained personnel and released into safety. Snakes and bees are the most frequent species that are caught and released.

Alien and invasive plant eradication and maintenance



Localities of eradication and maintenance sites

In January 2022 the third eradication and maintenance plan was initiated, which is also focused on removing alien invasive species north-east of the East Pit. A total area of 79 123.36 m² has been eradicated from alien and invasive species.

The process of eradicating alien vegetation observed on site had a two-step methodology. Firstly, the mechanical control involved hand pulling, cutting, mowing or even harrowing of alien vegetation. Chainsaws were utilised in some of these processes.

Description	Distance m	Width m	Area m ²	Eradication Phase	Comment
Western Waste Dump-Rock Area	3 471.66	6	20 830.00	1	Eradicated and Maintained
Eastern Waste Dump-Rock Area	5 360.00	6	32 160.00	1	Eradicated and Maintained
Clinic	1 533.33	8	12 266.64	2	Eradicated and Maintained
Tailings	866.67	16	13 866.72	2	Eradicated and Maintained
Total Area m²			79 123.36		

The second methodology is the chemical applications after every mechanical control. The application manages the regrowth of alien invasive species. Maintenance is conducted approximately six weeks later with re-application of the chemical to suppress regrowth. Invasive species such as the *Lantana Camara*, are sprayed first before cutting to suppress seed from germination. After cutting, the stumps are sprayed with chemicals to suppress regrowth. Spraying equipment consists of a knapsack and sprayer.



Mechanical and chemical controls

SUSTAINABILITY continued



Maintained strip after eradication (Clinic)



Cleared area (Eastern waste rock)

Land conservation measures

Preventing the loss of soil resources and land capability is a critical objective to ensure adequate land use and management. Rehabilitation strategy and implementation plan and are reviewed annually and make it practical to initiate conservation measures, and monitor, and effectively manage our measures.

- Contamination management**
 Requires that all polluting activities are conducted in a contained manner, and when there is contamination, adequate clean-up is essential. There has been an increased awareness drive regarding the prevention and reporting of accidental spillages and remediating of affected areas, and removing polluted soil. In total, 1 499 tonnes of contaminated soil were cleaned up in FY2022. The ongoing construction of clean and dirty water management facilities has proven to be essential in protecting ground and surface water resources from pollutants.
- The concreting of areas identified to be historically prone to hydrocarbon spillages due to the nature of activities undertaken in those areas has commenced. This includes the concreting of the truck ICU, dozer and excavator yard – all forming part of the mining engineering workshops.



Ongoing construction at mining engineering workshops

- **Erosion management**
To avoid erosion along the sides of our dam walls and tailing storage facilities ("TSF"), topsoil is layered along the sides of the walls which are then vegetated. The cladding of the southern downstream slopes is underway along TSF 2 phase 1 located south of the mine. The activity has been completed at the end of February 2022.
- **Rehabilitation and closure**
Tharisa believes the need for rehabilitation during operations and post-closure to ensure the environment retains its value for future generations. Subsequently, we vigorously strive to uphold our legal obligations as per the Mineral and Petroleum Resources Development Act No 28 of 2002 (MPRDA) and the National Environmental Management Act No 107 of 1998 (NEMA) to ensure that we maintain financial provisions for mining rehabilitation and decommissioning costs at the end of the life of mine. The FY2022 rehabilitation provision has an accumulative figure of US\$13.2 million.

Tailings storage management

Tharisa has two Mine Residue Disposal Facilities (MRDF). MRDF1 comprises TSF 1 and TSF 1 expansion. MRDF 2 includes TSF 2 phase 1 and TSF 2 phase 2. TSFs are constructed using waste rock where the tailings from the plant are deposited into the basin of containment dams through open-ended pipes to ensure that TSFs are satisfactorily managed. Tharisa conducts annual seepage and slope stability analyses as part of the Annual Review Report on MRDF 1 and 2 and are submitted annually to the DMRE in compliance with the EMPr. This allows for continuous monitoring of the integrity of the structures and thus allows for the timely identification of potential environmental issues.

Measures include:

- Intercepting solution trenches as deep as 1.5 metres have been constructed to collect seepage preventing release into the environment.
- Stormwater diversion trenches are maintained by removing vegetation and silt to ensure the effective diversion of water
- Water quality and levels are monitored by an independent consulting company through the monitoring of various locations surrounding the TSFs which can detect and flag seepage.
- As the TSF's waste rock containment walls exceed the tailings level, stormwater is stored on the tailings dams, decanted to the plant as make-up water and used when needed.
- Other environmental mitigation measures in place to address various aspects arising from the operation of the TSF include the growth of vegetation on the tailings beach to reduce dust generation and continuous fall-out dust monitoring.



See next page for external consultants' letter in this regard

Air quality

Air quality is a vital environmental component adequately managed as it will not only impact the environment within the operation but the environment of the neighbouring communities. We recognise the potential risk associated with this aspect not only from the environmental impact perspective but also from a human impact perspective.

Identifying sources of emissions ensures that we develop, execute, monitor and maintain our air quality management plan. Dust emissions from mining activities, noise generated from the operation of the plants, and greenhouse gases from the combustion of fuels impact ambient air quality. We strive to ensure that our management plan that provides proactive and reactive measures towards all air quality-related matters assures mitigation and resolution. These measures will continue to be supported by a network of dust monitoring stations.


Proactive measures

Reactive measures

Measures addressing dust generated	Measures addressing GHG emissions	Measures addressing all air quality
Drilling, with water, crushing and screening with water spray using sprinklers, Conveyor belts using sprinklers	Minimise haul distances for run of mine (ROM) ore and waste rock transport, and therefore fuel use	Appointees will determine if excessive dust is being generated or is likely to be generated if operations continue
Planting vegetation around TSFs	Replacement of existing pumps with more efficient models	Appointees will issue an instruction for the particular mining activity causing the excessive generation of dust to reduce the intensity of the activity
Vehicle speed limit enforcement	Potential replacement of existing compressors with a more efficient model	
Dust suppression at the plant and haul road	Regular maintenance of plant and equipment to minimise fuel consumption	

Air quality mitigation measures applied in the mine.

SUSTAINABILITY continued


mine residue and environmental engineering consultants

29 November 2022

Tharisa Minerals
 372 Main Road
 Bryanston
 Johannesburg
 2191

Attention: Mr. Jonathan Smit

Tharisa Minerals - Mine Residue Disposal Facilities and Tailings Management

There are 5 Mine Residue Disposal Facilities (MRDFs) at the Tharisa Mine, of which 2 are dormant facilities and 2 are actively receiving tailings. The design of Tharisa's new MRDF has been submitted for approval to the South African Department of Mineral Resources and Energy and the South African Department of Water and Sanitation, the outcome of which will be communicated to Tharisa Minerals in early 2023.

The MRDFs were designed as full containment facilities with rockfill embankments and with foundation keys extending down to competent material following a downstream method of construction. Waste rock generated from the open cast operations and tailings from the processing of ore is integrated into a sustainable final landform with notable benefits in terms of rehabilitation and maintenance. Furthermore, this method of construction provides an engineered, quality assured compacted rockfill impoundment that is inherently more stable in the long term than the conventional upstream self-raised method which the industry is moving away from.

Upstream deposition has recently become a point of contention as a result of many failures, including the Bento Rodrigues collapse in 2015 and the Córrego do Feijó failure in 2019. As a result of these failures, upstream tailings storage facility construction methods have been prohibited in various countries, including Chile, Brazil, and Peru.

The design approach for the Tharisa MRDFs includes the use of waste rock to construct robust containment walls. This is a major departure from the conventional upstream method of tailings deposition and sets Tharisa as an industry leader. This construction methodology is inherently more stable throughout the life cycle of the facility. It significantly reduces the susceptibility of the facilities to static and transient load-induced liquefaction flow slides by providing an engineered, quality assured compacted rockfill impoundment as opposed to that of a self-raised facility which relies on the strength of consolidated tailings.

Drains and seepage cut-off trenches were also added to manage seepage originating from the supernatant pond through controlled outlet points. An added benefit of the full containment methodology is that it provides additional freeboard above that which is created by the sloped tailings beach. This provides the capacity to capture storm events with a recurrence period of up to 1 in 10 000 years while significantly reducing the risk of overtopping.

Tharisa's decision to construct MRDFs which integrate mine waste and tailings came about as a result of the following requirements:

- The efficient use of the limited space available for mining infrastructure
- The construction of a robust structure with high factors of safety due to its proximity to mining operations and the process plant
- The reduction of the overall footprint of the waste storage areas (tailings and waste rock)
- The reduction of closure costs

The Tharisa Mine is located in a relatively dry region and thus conservation of water is a high priority. The MRDFs are therefore operated with minimal amounts of supernatant water stored in the facilities. Critical controls and performance objectives have been successfully implemented to ensure MRDF embankments remain stable throughout the wet and dry seasons and over the life of the facilities. The process plant and tailings management teams continue to implement and maintain good operational performance and best practice guidelines. The MRDFs are monitored frequently, consisting of:

- Daily inspections
- Monthly MRDF managing reports and stage capacity curve confirmation
- Quarterly inspections by the Engineer of Records (EoR) representative
- Annual review reports by the EoR

The MRDFs have an extremely low probability of experiencing a catastrophic flow slide event due to the conservative design measures and stringent monitoring approach outlined above. The monitoring approach also ensures that assumptions made during the design phase align with observations made during the operational phase of the facilities while informing Tharisa of future tailings storage requirements.


Global Industry Standard on Tailings Management

A new standard was released on 5 August 2020, following the Brumadinho tailings storage facility failure in January 2019, titled: 'Global Industry Standard on Tailings Management' or *GISTM*. The standard was released by an independent panel consisting of ICMM members, the UN Environment Program, and the UN Principles for Responsible Investment to reinforce existing industry practices and incorporate social, environmental, local economic, and technological issues. The standard covers the whole MRDF lifecycle, from project conception through project conclusion. The standard has been well received by the industry and legislative authorities, prompting a revision of the South African National Standard on Mine Residue in 2022.

Tharisa Minerals have undertaken a gap analysis to determine any potential shortfalls of the existing operations as it relates to the *GISTM*. The analysis assisted in establishing a blueprint outlining the necessary changes Tharisa are implementing in the pursuit of safety and responsible waste management. Although changes are required, they predominantly revolve around changes to the management structure of the MRDFs and the emergency response plan. To this effect, Tharisa has appointed both an Accountable Executive (*AE*) and a Responsible Tailings Facility Engineer (*RTFE*) in combination with our long-standing Engineer of Record (*EoR*). Finally, Tharisa is currently in the process of appointing an Independent Senior Technical Reviewer to assess the design, operations and closure of the MRDFs.


Sent electronically

Senior Engineer




SP Barkhuizen, B.Eng. Civil

Project Manager/Director



A C Savvas
 Professional Civil Eng. Cyprus/ETEK
 BSc Eng (Civil), MSc Eng
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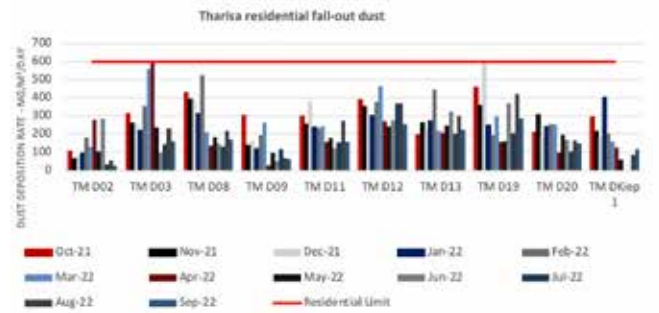
For and on behalf of Epoch Resources (Pty) Ltd

Dust monitoring

Monitoring programmes play a significant role in ensuring that potential air quality impacts are quantified to assist with the continued improvement of control measures. Our monitoring programme consists of networks of dust deposition gauges. Results from these monitoring networks will be used to assess compliance with the criteria/limits as per the dust fall-out guidelines for dust deposition and National Ambient Air Quality Standards (NAAQS) reference to the concentrations of particulate matter. The graph depicts the dust fall-out results for the financial year.



Residential dust fall-out result for the FY2022.



Industrial dust fall-out result for the FY2022

To mitigate the dust impact experienced a site-specific air quality management plan was developed and executed. These actions included increasing the frequency of dust suppression at specific locations; thus more water bowsers were rented, and no operations of drills that did not affect dust suppression. Studies of water canyons and mist sprinklers were initiated which speaks to one of Tharisa's core values of continuous innovation. These interventions positively yielded a 86% decrease in fall-out dust exceedances. Madithlokwa 1 (TM D02) which is Tharisa's doorstep community had no exceedances in FY2022. Mitigation measures will continuously be reviewed to ensure dust is effectively managed.

In our efforts to manage dust generation from our activities, dust suppression mitigation measures have been implemented.

Water used for dust suppression in FY2022

522 559 m³

Passive monitoring

The air quality monitoring programme also includes passive monitoring that commenced in 2013. Skyside conducts the monitoring by quantifying concentrations of sulphur dioxide (SO₂) and nitrogen dioxide (NO₂) that emanate from mining activities such as blasting. The diffusive sampling method, is ideal as it requires no supervision, is noiseless, and can be used in potentially hazardous environments. It also accommodates sampling at multiple locations and thus determines long-term data trends in a specific geographical area. The three locations within surrounding communities Lapologang, Glenross Farm House and Swanepoel are used.

The NAAQS provides the limit concentrations at various averaging periods.



Passive monitoring localities

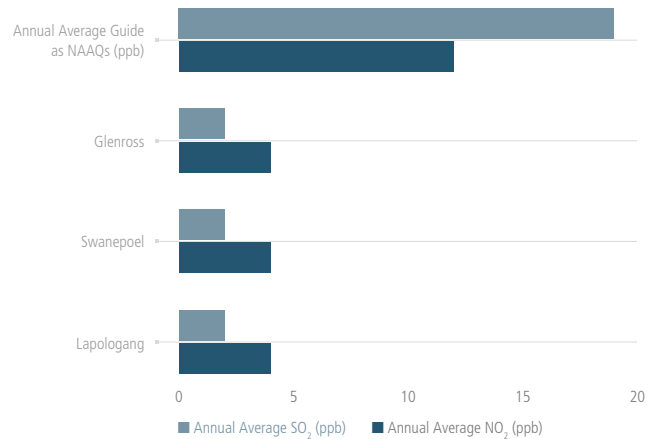
Averaging period	Concentration	Frequency of exceedance	Compliance date
10 minutes	500 µg/m ³ (191 ppb)	526	Immediate
1 hour	350 µg/m ³ (134 ppb)	88	Immediate
24 hours	125 µg/m ³ (48 ppb)	4	Immediate
1 year	50 µg/m ³ (19 ppb)	0	Immediate

The reference method for the analysis of Sulphur Dioxide shall be in accordance with ISO 6767

Averaging period	Concentration	Frequency of exceedance	Compliance date
1 hour	200 µg/m ³ (106 ppb)	88	Immediate
1 year	40 µg/m ³ (21 ppb)	0	Immediate

Passive monitoring NAAQS guidelines

SULPUR (SO₂) AND NITROGEN (NO₂) DIOXIDE



Passive monitoring FY2022 average results

GRIMM 180 particulate monitoring instrument relocation

New instruments for continuous monitoring of air quality, also known as particulate matter (PM). The GRIMM 180 particulate matter monitoring instrument can monitor PM10µm, PM2.5µm as well as PM1.0µm. The growing awareness of both PM10 and PM2.5 is primarily associated with the potentially damaging effects they can have on the human body and the environment.

The World Health Organization (WHO) believes particulates affect more people worldwide than any other pollutant. Due to the small size of PM10 and PM2.5 particles, they can penetrate the deepest parts of the lungs as well as access the gas exchange regions of the lung via diffusion.

PM can affect the environment, such as a change in the process of cloud formation, reduced visibility and global warming. It is a legal requirement to monitor fine PM at industrial sites in terms of the National Environmental Management: Air Quality Act No 39 of 2004. Data collected from monitoring can be used to make decisions to reduce PM from the atmosphere.

SUSTAINABILITY continued



Particulate matter (PM) monitoring station



Current location of the PM (training centre)

Environmental compliance and management systems

Approved applications

Or expanding operations have triggered activities that require additional amendments and applications. The table below provides a summary of approved licences, permits and authorisations. During FY2022 two environmental authorisations were approved by the relevant competent authority.

Document	Responsible authority
<i>Tharisa Minerals (Pty) Ltd Environmental Management Programme – September 2008</i>	DMRE
<i>Tharisa Minerals (Pty) Ltd Registered Mining Right – August 2009</i>	DMRE
<i>Tharisa Minerals (Pty) Ltd Section 24(2) a – Oct 2009</i>	Department of Agriculture, Conservation and Environment (“DACE”)/DEFF
<i>Tharisa Minerals (Pty) Ltd Amended Mining Right – July 2016</i>	Department of Human Settlement, Water and Sanitation (“DHSWS”)
<i>Tharisa Minerals (Pty) Ltd Water Use License – July 2012</i>	DACE/DEFF
<i>Tharisa Minerals (Pty) Ltd Radiation Control Authorization July 2012</i>	Department of Health (“DoH”)
<i>Tharisa Minerals (Pty) Ltd Municipal Health Services – Graves Relocation – January 2014</i>	Municipal Health Services
<i>Tharisa Minerals (Pty) Ltd Environmental Impact Assessment/ Environmental Management Programme Addendum – June 2015</i>	DMRE
<i>Tharisa Minerals (Pty) Ltd Waste Water Treatment Plant – August 2020</i>	DMRE
<i>Tharisa Minerals (Pty) Ltd Amended Water Use License – November 2020</i>	DoH
<i>Tharisa Minerals (Pty) Ltd Section 24G DMRE Environmental Authorization – August 2021</i>	DMRE
<i>Tharisa Minerals (Pty) Ltd Fuel & Waste Storage Environmental Authorization – August 2021</i>	DMRE

EMP/EIA

In February 2022, Tharisa conducted its biennial EMPr performance assessment. The audit outlined Tharisa’s operational compliance in terms of the approved EMPr (2008) and the amendments. Tharisa scored a compliance of 79.74% and identified the following concerns:

Implementation of stormwater management, policy updates, meeting procedural requirements, stream diversions management, addressing noise and dust exceedances, and as well as hazardous substances management are the environmental aspects that require great focus and improvement.

That constituted 2.61% non-compliance. Continual improvement was also highlighted as the compliance score indicated an increase of 3.33% compared to the 2020 audit report.

Environmental authorisations audit (“EA”)

The annual EA audit was conducted in August 2022. The EA’s compliance audit scope includes the following EAs issued by the North West DACE and DMRE in terms of the National Environmental Management Act (NEMA):

- EA reference number NWP/EIA/159/2007 issued on 23 October 2009 granted by the North West DACE
- EA reference number NWP/EIA/50/2011 issued on 29 April 2015 granted by the Department of Rural, Environment, and Agriculture Development (READ)
- EA reference number NW30/5/1/2/3/2/1/358EM was issued on 14 August 2020 and granted by the DMRE
- Approval of the Environmental Management Programme, reference number NW30/5/1/2/3/2/1/358EM issued on 19 September 2008 granted by the DMRE
- Approval of the addendum to the approved EA reference number (NW) 30/5/1/2/3/2/1/258 EM issued on 24 June 2015 August 2020 granted by the DMRE
- Section 24G rectification of unlawful commencement with listed activity, reference number NW30/5/1/2/3/2/1/358EM issued on 10 August 2021 granted by the DMRE
- Amendment of an EA reference number NW30/5/1/2/3/2/1/358EM issued on 3 August 2021 granted by the DMRE.

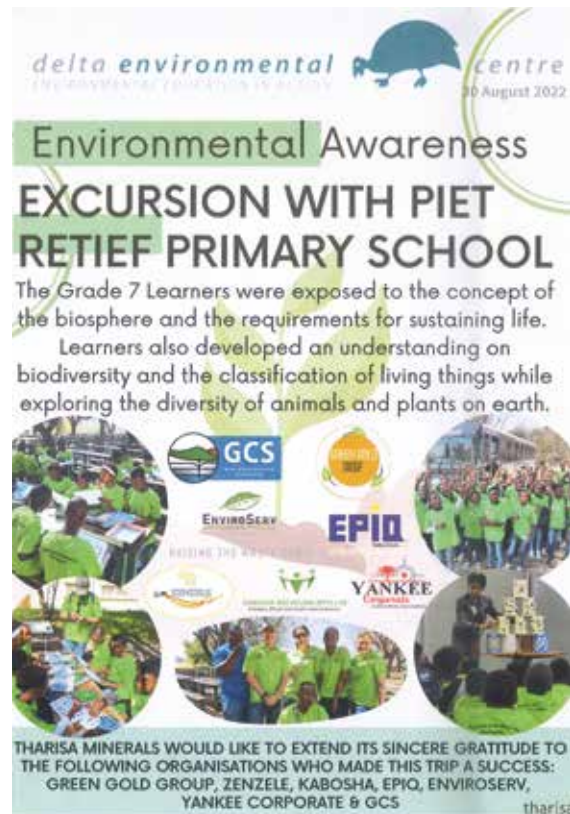
Historically only one EA had an annual compliance audit, however, due to mine changes, applications for EAs in terms of section 24(2) of the National Environmental Management Act No. 107 of 1998 (NEMA) and an amendment to the Environmental Management Programme (EMPr) in terms of section 102 of the Mineral and Petroleum Resources Development Act No. 28 of 2002 (MPRDA) was submitted to the North West Department of Rural, Environment and Agriculture (READ) and DMRE respectively. The proposed mine changes resulted in several additional listed activities being triggered

to which EAs were applied for and granted by READ on 29 April 2015 (reference number NWP/EIA/50/2011) and DMRE approved (reference number NW30/5/1/2/3/2/1/358EM) in 2020.

Below is a summary of the FY2022 compliance scores and the progress compared to the FY2021 compliance scores. This was the first EAs compliance audit for two EAs attained in FY2021. Positively, they scored an average of 97.5%. Environmental authorisations audits

Integrated water use licence (“IWUL”) amendment audit

On 12 November 2020, Tharisa was issued a water use amendment licence. As per the conditions of the amendment, Tharisa conducted the annual IWUL audit in February 2022 to reflect on the operational compliance of the mine. A total of 78% compliance was achieved. This represents an increase of 1% from the 2021 audit report. The rehabilitation management is an area highlighted in which implementation of the RSIP will address the specific issues of concern. Water monitoring, water quality, and stormwater management are the non-compliance constituted to be either minor to moderate non-compliances.



EA Ref no. NWP/EIA/159/2007	EA Ref no. NWP/EIA/50/2011	EA Ref no. NW30/5/1/2/3/2/1 358EM (14.08.2020)	EA Ref no. NW30/5/1/2/3/2/1 358EM Addendum (26.06.2015)	EA Ref no. NW30/5/1/2/3/2/1 358EM Section 24G (10.08.2021)	EA Ref no. NW30/5/1/2/3/2/1 358EM EMPr (30.08.2021)
<ul style="list-style-type: none"> • 2021 FY = 87% • 2022 FY = 94% 	<ul style="list-style-type: none"> • 2021 FY = 84% • 2022 FY = 91% 	<ul style="list-style-type: none"> • 2021 FY = 98% • 2022 FY = 99% 	<ul style="list-style-type: none"> • 2021 FY = 98% • 2022 FY = 99% 	<ul style="list-style-type: none"> 1st in FY 2022 • 98% compliance score 	<ul style="list-style-type: none"> 1st in FY 2022 • 99% compliance score

SUSTAINABILITY continued

Environmental awareness

Tharisa firmly believes that educating the young and youth is essential in achieving comprehensive awareness to promote conservation and sustainability. This also speaks to several SDGs such as SDG 15 which promotes Life on Land or even SDG 14 that advocates for Life Below Water. For this reason, Tharisa in partnership with several of our stakeholders namely Greengold group, Zenzele, Epiq, Enviroserv and GCS sponsored and facilitated an excursion for Grade 7 learners of Piet Retief Primary School. The learners were taken to Delta Environmental Centre. In alliance with the educational centre's aim, the visit's purpose was to ensure that learners have the appropriate knowledge and develop responsible values and attitudes toward the biosphere. The learners were educated on biodiversity and the importance of maintaining biodiversity to sustain life.



Piet Retief Grade 7 learners at the centre



Tharisa SHE team at the excursion

HUMAN CAPITAL

Talent management

At Tharisa we embed our values and goals into a structured performance management system that allows the organisational goals to be linked to individual and departmental goals. As a core value of care for our people, we believe in recognising value add. The performance management system in conjunction with various talent management tools assists management in identifying a talent pool that will equip the organisation to grow and promote talent from within the organisation. All identified talent enters a mentoring relationship that provides them with additional support.

Our people development philosophy fosters a rich and diverse culture focusing on self-development and creating a pipeline of future leaders for Tharisa. We commit to creating a learning culture that drives engagement in ongoing professional development.

Our talent management framework boasts a high level of focus on high potentials through our robust talent mapping processes. We aim to ensure a talent pipeline is created for our people with targeted development opportunities and retention of our scarce and critical skills within Tharisa.

At Tharisa we believe every employee is equally important, therefore, we have structured developmental programmes that can assist all employees irrespective of their level of education. All educational assistance and development programmes are linked to career paths in various fields across Tharisa. Employees have an opportunity to complete an individual development plan which helps them track their development. The key offerings that are provided at Tharisa are as follows:

- Legal/compliance training including licences
- Job training and SOP training
- OEM technical training
- Adult basic education
- Maths and science upgrade for Grade 12
- Educational assistance (academic/technical qualifications)
- Mentoring and coaching
- Learnerships
- Management fundamentals
- Supervisory upskilling.

Compensation and benefits

Tharisa offers competitive benefits through provident funds and medical aid options.

Tharisa also recognises that people work for more than monetary rewards. Therefore, the reward approach must integrate all the reward elements i.e. total reward. The cornerstones of the approach to monetary reward are competitive reward and pay for performance. Beyond monetary reward, emphasis is placed on recognition through the culture and values programme. The programme focuses on acknowledging the efforts of individuals and business teams in meeting business goals and reinforces the behaviours aligned with our values and leadership principles.

Our core principles are to:

- Enable the attraction, retention, and engagement of high-performing employees
- Inspire and motivate people to out-perform against the business strategy, goals, and targets

- Drive, reward and recognise performance excellence and innovation by significantly differentiating rewards for top performers i.e. pay for performance.
- Give effect to the Remuneration Committee's direction on fair, responsible and transparent remuneration
- Support the vision by enabling the attraction and retention of the right talent
- Correlate directly with the growth plans, financial and overall performance of the business
- Review and benchmark salary scales by professional in-country service providers to ensure the Company remains competitive in diverse markets: never applying percentiles rigidly but considering industry type, skills scarcity, performance and legislative structure and requirements.

Diversity

Tharisa celebrates that we are a diverse workforce. Differences such as life experiences, gender, sexual orientation, marital or civil partner status, gender reassignment, race, religion or belief, colour, nationality, ethnic or national origins, disability, age and upbringing make us all united from one another and underpin our diverse workforce.

This uniqueness enables us to offer the business and our customers different skills, ideas, approaches and expertise. We believe that by embracing this diversity and the richness of contribution all our people can give, everyone working for Tharisa has the opportunity to reach their maximum potential. To support this, Tharisa strives to create an inclusive environment where our people are involved, respected, connected, encouraged, cared for and welcomed. We want every unique person working for Tharisa to feel they have a valued contribution to make to the success of this business. Creating an inclusive workplace is implicit in our values and behaviours.

- We create an environment where people feel involved, respected, valued, trusted, connected and empowered.
- All our people have opportunities for growth and development.
- We create relationships of mutual trust and respect.
- We respect and celebrate the variety of local cultures, people and ideas in Tharisa.

We support our people to be themselves and bring their ideas, backgrounds, values and perspectives to the team, our customers and the business.

- We leverage our differences to achieve better business results.
- Our workforce will reflect our customer base and the communities in which we work.
- We are proud to work for Tharisa.

Wellness

At Tharisa, people are our greatest asset. Therefore, we aim to assist and care for our fellow employees by having a clear wellness strategy and a well-established referral structure and allocating the necessary resources for employees to feel valued, safe and taken care of.

Our wellness strategy is to incorporate support structures to assist employees and their immediate families with holistic wellbeing offerings, focusing on mental, physical, emotional, social and financial aspects.

As part of the Wellness Department's support structure, we have registered professionals on-site as well as an external company whom we partner with to provide support to our employees through EAP and counselling services.

Our EAP services include:

- Anxiety and stress
- Bereavement
- Child-related concerns
- Considering suicide
- Depression
- Domestic violence and abuse
- Family and marital concerns
- Financial planning and assistance
- Illness-related concerns
- Sexual assault
- Sleeping disorders
- Substance and alcohol abuse
- Traumatic incidents
- Work-related concerns
- Life after employment
- Personal wellbeing

Social review

Tharisa Minerals is committed to the socio-economic upliftment of the host communities in which the mine operates. During FY2021/2022, 18 new small and medium enterprises (SMEs) were developed on our enterprise initiatives. Seven SMEs provided services by fixing 69 houses and two churches in Lapologang and Mmadithlokwa communities. These SMEs were able to register their companies and ensure compliance through the assistance of the enterprise development programme at Tharisa. Some SMEs are able to conduct business with other organisations following on from this project initiative. Tharisa strives to minimise potential negative social impacts while promoting opportunities for the local communities in its areas of operation. Tharisa Minerals will continue its commitment to community initiatives through its social and labour plan (SLP) to address job creation, poverty alleviation, basic infrastructure, education and development needs.

Community

Tharisa Minerals is situated in the Bojanala District Municipality within the Rustenburg Local Municipality, close to the small town of Marikana. The mine's immediate neighbour is the community of Mmadithlokwa. Approximately one-third of the employees at Tharisa Minerals and the mining contractors are from this community.

Our strategy for host communities' social and economic advancement is informed by the local municipality's integrated development plan (IDP). It is translated into action through local initiatives incorporated into each mine's SLPs. Key municipal initiatives include local economic development projects, bursary awards to local qualifying Grade 12 graduates, internships, work-integrated learning opportunities and apprenticeship opportunities for youth.

SUSTAINABILITY continued

Total CSI/SLP spend	
Total amount spent on SLP	R13 million
CSI spent	R3.7 million
Basic needs	R3.2 million
Education	R2.2 million
Infrastructure development	R4.1 million
Enterprise development	R221.695

Community relationships

Tharisa Minerals prefers to work directly with its host communities rather than through charitable organisations. In this way, the Company engages directly and intimately with these communities.

Within Ward 32, the municipal area where the mine operates, there are several villages and small holdings. This has resulted in a diverse range of stakeholders, from employee families to farmers. The Group has engaged with the small farm owners separately due to their different and diverse needs and cultures.

Since its establishment, the task team has been able to compile feedback and presentations to the DMRE on risk assessment in the community, with wide community participation.

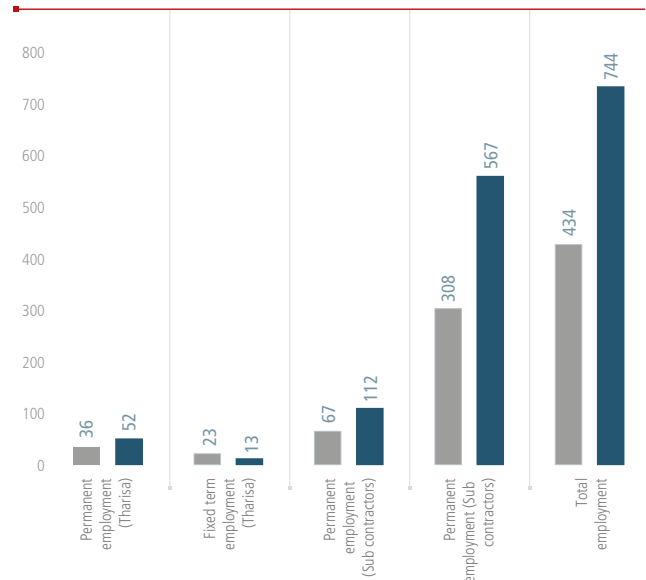
Tharisa identified business opportunities for local SMMEs and assisted in creating employment opportunities for about 100 community members in permanent or temporary employment. We also helped three disabled children in the community and fixed 75 houses in Mmadithlokwa and Lapologang communities.

SLPs and CSI

Tharisa Minerals will continue its commitment to community initiatives through its SLPs to address job creation, poverty alleviation, basic infrastructure, education and development needs.

In line with its corporate and social responsibility, the Group established the Tharisa Community Trust, which, following from a 'flip up' transaction in March 2022, exchanging their 6% holding in Tharisa Minerals for an equity portion in Tharisa plc, holding around 1% of the equity and thus benefitting from exposure and dividends from the entire Tharisa Group.

Recruitment statistics from local communities



Tharisa Minerals aims to recruit from the local communities and surrounding areas where possible. To this end, several programmes have been implemented to train the youth in the communities to provide the necessary skills to make them employable, not only by Tharisa Minerals but also by other mines in the area.

During FY2022, 116 community members benefited from basic numeracy and literacy training provided by Tharisa Minerals at no cost. Other human development interventions include awarding 20 engineering learnerships and 42 internships.

Upon completing their training, these learners will qualify as fully fledged artisans. The interns are recently qualified graduates who require workplace experience before entering the job market. Although these have been sourced nationally, 52% are from the North West province, where Tharisa Mine is situated.

Being a highly mechanised operation, the Tharisa Mine is not labour-intensive, making it impossible for Tharisa Minerals alone to meet the employment needs of the local communities. A database from which people are identified for recruitment and training interventions has been established by Tharisa Minerals, in collaboration with the local communities.

Community initiative	FY2020/2021		FY2021/2022	
	Beneficiaries	Status	Beneficiaries	Status
AET	55	Completed	116	Completed
Learnership	8	In progress	20	In progress
Bursaries	1	In progress	2	In progress
Internships (external)	28	Completed	42	In progress
Portable skills	65	Completed	45	Completed
Enterprise development	11	Completed	18	Completed
Total	168		243	



In this financial year, several portable skills initiatives were facilitated to assist the community with skills to secure employment opportunities. The drivers' licence initiative benefited 30 youths, while a third phase of drivers licence programme was conducted and eight participants obtained their drivers' licences post-year end. ADT operator training helped 30 local community members. In partnership with Andru Mining, another 15 youth have commenced with ADT operator licence programme, while basic boilermaking training for 15 employees was also conducted during this period. A chef training programme was initiated at the Tharisa training centre (formerly quarantine site) with some 20 people undergoing chef training, four of them permanently employed at Tharisa, while some have opened their own catering business, supplying neighbouring operations. In partnership with ProBlast, a second phase of eight youth from the community underwent a three months' training programme on basic blasting certificate. Six of these trainees have been appointed permanently as blasting assistants.

Tharisa, in collaboration with the North West Department of Education, has facilitated several school programmes to assist the learners in having a good year ahead. The annual stationery donation programme provides learners with a school bag and stationery pack for a whole year. This programme benefited 876 learners at Piet Retief Primary School. Computers were donated to Christ Rose Primary School in Mooinooi and helped 85 learners in the area close to where the mine operates, with Tharisa maintaining the equipment on a permanent basis.



Donation of school bags to Retief Primary School in collaboration with Problast was also done

A career exhibition with Rustenburg Local Municipality and the Northwest Premier's office has benefited 1 900 learners from different schools in and around the Bojanala district. This guidance aims to share with learners the careers available in the mining industry and to encourage interest in core mining disciplines. Annual Grade 12 camps for Marikana and Machadam schools are ongoing for FY2022 and 342 learners will benefit from this initiative.

Sustainable procurement

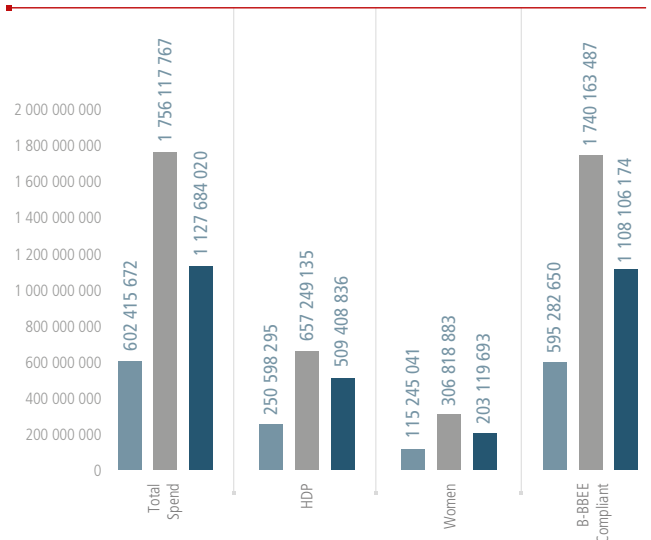
Tharisa employs a preferential procurement approach. Of strategic importance to the mine is that it plays a crucial role in securing and maintaining our right to mine, developing thriving and healthy host communities, creating efficiencies in our supply chain and ensuring reliable access to critical supplies, thus creating shared value in the areas we operate.

Our procurement procedures and processes are geared towards enabling access by preferred suppliers to opportunities while ensuring alignment with Tharisa's values of safety, care, integrity, empowerment and innovation.

Our progressive performance against the targets as set out in the Mining Charter.

Mining goods – spend 2022 YTD

(Rand)



Ten computers were donated to Christ Rose Primary School in Mooinooi

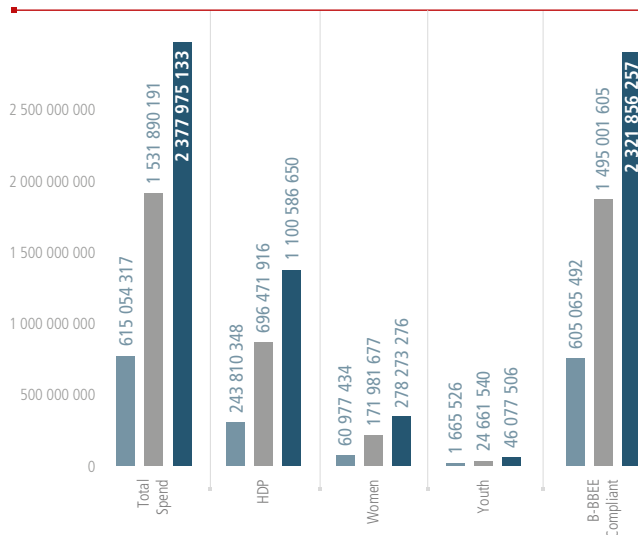


SUSTAINABILITY continued

Mining Charter scorecard update

Area	Description	Target	Actual	Status
Reporting	Documentary proof of receipt	Annually	Yes	•
Ownership	Meaningful economic participation	26%	26%	•
Housing and living conditions	Hostel occupancy rate of one person per room	1 per room	N/A	N/A
	Hostel conversion to family units	100%	N/A	N/A
	Mining goods	70%	161%	•
Procurement and enterprise development	Services	80%	158%	•
	Multinational suppliers	0.5% of value	0%	0%
	Top management	50%	100%	•
	Top women representation	20%	33%	•
	Senior management	60%	65%	•
	Senior women representation	25%	24%	•
Employment equity	Middle management	60%	72%	•
	Middle women representation	25%	26%	•
	Junior management	70%	85%	•
	Junior women representation	30%	22%	•
	Core skills	60%	98%	•
Human resources development	Expenditure as a percentage of annual payroll	5%	6%	•
Mine community development	Implementation of approved projects	1% NPAT	67%	•
	Implementation of approved EMPs	100%	100%	•
Sustainable development and growth	Implementation of tripartite action plan on health and safety	100%	90%	•
	Percentage of samples in South African facilities	100%	100%	•

Services – spend 2022 YTD (Rand)



While the targets for mining goods were achieved, the targets for services were not achieved.

Compliance is hampered by the fact that some of our largest suppliers are not black empowered or are falling short in their empowerment credentials. We have therefore begun engaging our largest suppliers on their empowerment journeys and expect our suppliers to provide concrete plans on how they will address their empowerment shortcomings. Regular progress discussions are held with suppliers, ensuring that milestones are being met and that suppliers remain committed to the plans. We test the market for alternatives when suppliers are unwilling to comply or address shortcomings.

In promoting empowerment initiatives, we concentrate on black-owned, women-owned and youth-owned companies and host communities, as well as the promotion of in-country manufacturing and assembly of goods. Our key focus areas highlighted below will begin addressing our limited Mining Charter shortcomings. Achieving these procurement targets is not only important from a regulatory compliance perspective but also vital in giving meaning to our ESG commitments.



Key focus areas for Tharisa are:

- Digitising – online platforms for inclusive procurement
- Enabling the development of host communities for procurement opportunities through greater visibility and a longer-term approach to procurement
- Developing a structured approach to enterprise development
- Developing support programmes for local suppliers, which will offer coaching in a range of areas including financial management, business planning and proposal writing
- Implementing a solution for local-content verification for mining goods
- Developing technical enablement support for host-community suppliers

Responsible sourcing

We remain committed to building a culture that respects and values the human rights of employees, communities and individuals who contribute to our supply chain. Our values underpin our initiatives in building responsible supply chains.

Businesses must be more transparent when procuring goods and services while managing sustainability risks. Therefore, we must insist on working with suppliers that comply with applicable laws while striving towards zero harm to people, society and the environment. Through this, we ensure that we work with suppliers that share our values, supporting them in identifying and addressing sustainability issues in their supply chains.

Key focus areas for Tharisa are:

- Updating our supplier onboarding process to include mandatory acknowledgement of responsible sourcing requirements
- Developing responsible sourcing standards for suppliers
- Implementing procedures/mechanisms to measure our suppliers' approach to responsible sourcing



SUSTAINABILITY continued



Music for the Children Foundation

Music for the Children Foundation (“MFTC”), a non-profit foundation affiliated with Tharisa, started in 2005. Originally established to provide free music concerts for underprivileged children, under the auspices of Tharisa, MFTC has expanded its role and been involved in several causes, from much-needed stationery drives for schoolchildren to complex operations for children with disabilities, including cochlear implants. MFTC also supports various homes for underprivileged children and orphans.

While MFTC is independent, its affiliation with Tharisa originates due to the founders of MFTC being closely involved with Tharisa. Tharisa CEO, Phoevos Pouroulis, his brother Adonis and his sister Helen started the foundation with the desire to improve children’s lives, beginning with musical concerts. Seeing an opportunity to raise money, the foundation was registered and is now a non-profit company, with fully audited accounts and directors. Over the years, the foundation has raised millions of rands and used them for the purpose described above.



Significantly, the foundation runs without costs, as employees of Tharisa are afforded time to work on the foundation and engage in the causes that make a difference in people’s lives. While donations have been received from parties over the years, the primary fund raise remains an annual golf day, supported by companies close to Tharisa.

Funds raised this year have been used to support many causes, including Hot Cares and Rada Mipad. During COVID-19 in the year 2020, over 3 000 families were supported by the foundation with food parcels.

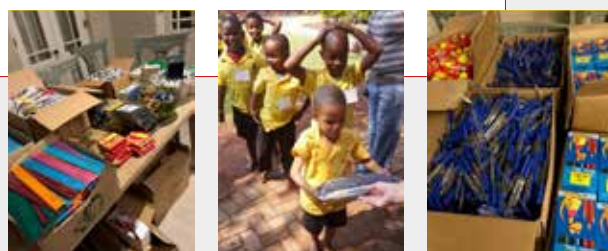


“

Our intention is to make a positive difference

when and where we can towards our beneficiaries for them to attain self-sufficiency, and then to move on to support other, deserving causes.

”



MINERAL RESOURCE AND MINERAL RESERVE STATEMENT – THARISA MINERALS

Introduction

The Mineral Resource and Mineral Reserve of Tharisa Minerals was prepared under the guidance of the Competent Persons' (CP) in accordance with the requirements of the South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves, 2016 (SAMREC Code). The estimates are as of 30 September 2022.

The previous declaration of the Mineral Resource and Mineral Reserve was dated September 2021. The current Mineral Resource declaration relies on the geological model and Mineral Resource model of April 2021 for the Middle Group (MG) Chromitite Layers, the Upper Group (UG) 1 Chromitite Layer and the end of Sep FY2022 mining faces. The Mineral Reserve declaration is based on the latest pit design and LOM schedule.

The data referenced in this section "Tharisa Minerals: Mineral Resource and Mineral Reserve Statement" is reported on a 100% basis.

Overview

Since the commencement of operations at the Tharisa Mine, additional geological information was obtained from geological observation in the operating pits and resource drilling. The Mineral Resource and Mineral Reserve information in the tables on the following pages are based on information compiled by the CPs.

Definitions

The declaration of the Mineral Resource and Reserve was undertaken in terms of the guidelines of SAMREC Code (2016 edition).

Location

The Tharisa Mine is located 35 km east of Rustenburg and 120 km northwest of Johannesburg in the North West Province of South Africa.

The Tharisa Mine is a mechanised open-pit operation.

Statement by Competent Person

Ken Lomborg of Pivot Mining Consultants Proprietary Limited (previously Coffey Mining South Africa Proprietary Limited) (Island House, Constantia Office Park, Cnr 14th Ave and Hendrik Potgieter Rd, Johannesburg, 1709), is the CP for the Mineral Resource declaration, and is registered with the South African Council for Natural Scientific Professions (Private Bag X540, Silverton, 0127, Gauteng province, South Africa), registration number 400038/01. He holds BSc (Hons) Geology, BCom and MEng (Mining Engineering) degrees. Mr Lomborg is a geologist with 38 years' experience, including the Mineral Resource estimation in respect of PGM and chromitite in the Bushveld Complex.

The Mineral Reserve was prepared under the supervision of Jaco Lotheringen of Ukwazi Mining Studies in his role as Mineral Reserve CP. He holds a BEng (Mining) degree. He is registered with the Engineering Council of South Africa (ECSA, Private Bag X691, Bruma, South Africa), registration number 20030022. The current address of the CP is Building C: Suite 1 – Level 04, The Gate Centurion, 130 Akkerboom Street, Zwartkop, Centurion, 0051. He is a principal mining engineer with appropriate experience in the estimation, assessment, and evaluation of relevant mineral reserves based on the class of deposit and mining methodology.

The Company has written confirmation from Messrs Lomborg and Lotheringen that the information disclosed is in compliance with the SAMREC Code (2016) and that they have consented to the inclusion of this information in the form and context in which it appears.

Mining rights summary

Tharisa Minerals holds a mining right, granted by the Department of Mineral Resources and Energy (DMRE) (then the Department of Minerals and Energy (DME) in terms of MPRDA on 19 September 2008, for a period of 30 years, to various portions of the farm 342 JQ and the whole of the farm Rooikoppies 297 JQ. On 13 August 2009, the mining right was registered in the Mining and Petroleum Titles Registration Office, under Reference No 49/2009(MR). In July 2011, an application was granted in terms of section 102 of the MPRDA, to amend the existing mining right by the addition of Portions 96, 183 and 286 of the property 342 JQ to the mining right 49/2009(MR). Such amendment was executed on 11 July 2011 and duly registered in the Mining and Petroleum Titles Registration Office.

Mineral Resource

Geology and mineralisation

The Tharisa Mine is situated on the southwestern limb of the Bushveld Complex, one of the world's largest layered mafic intrusions, which host layers rich in PGM, chromium and vanadium, and constitute the largest known resource of these metals. The Tharisa Mine is underlain by the MG and UG Chromitite Layers straddling the boundary between the Marikana and Rustenburg facies. The MG Chromitite Layers outcrop is on the property, striking roughly east to west, with a gentle change in strike to northwest-southeast in the far west. The layers dip at between 12° and 15° to the north. Towards the western extent of the outcrop, the dip is steeper. The stratigraphy typically narrows to the west and the dip steepens. The dip typically shallows out at depth across the extent of the mine area.

The MG Chromitite Layer package consists of five groups of Chromitite Layers, being the MG0 Chromitite Layer at the bottom, followed by the MG1 Chromitite Layer, the MG2 Chromitite Layer (sub-divided into A, B and C Chromitite Layers), the MG3 Chromitite Layer and the MG4 Chromitite Layer (sub-divided into 4(0), 4 and 4A Chromitite Layers). The layers between the Chromitite Layers frequently include stringers or disseminations of chromitite. The MG Chromitite Layers at the Tharisa Mine are a typical stack of tabular deposits.

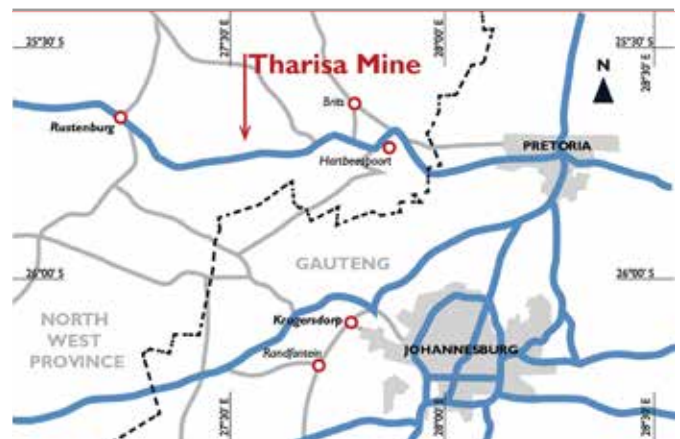


Figure 1: Location of the Tharisa Mine

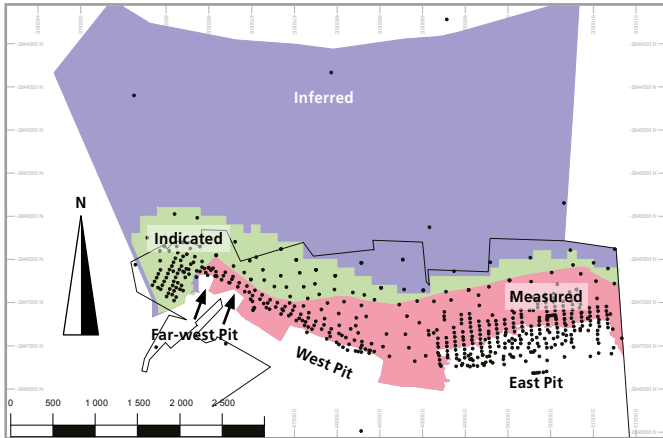


Figure 2: Image of the Tharisa Mine plan showing borehole locations

The structural interpretation of the Tharisa Mine geology is based on the aeromagnetic data, the available drilling, and observations in the operating open pits. The only significant fault is a steeply dipping northwest-southeast trending normal fault with a downthrow of less than 30 m to the east. This fault occurs only on the far north-eastern corner of the property and will have little effect on mining of the MG Chromitite Layers on the mine. A northwest-southeast sub-vertical dyke of some 10 m thickness was exposed in the east pit. The dyke is not expected to have a major impact on mining. The other major feature of interest is the Spruitfontein upfold or pothole, which is located on the properties immediately west of the mine. It affects the UG2 Chromitite Layer and the rest of the critical zone below. No new major structural features were exposed by the current mining operation.

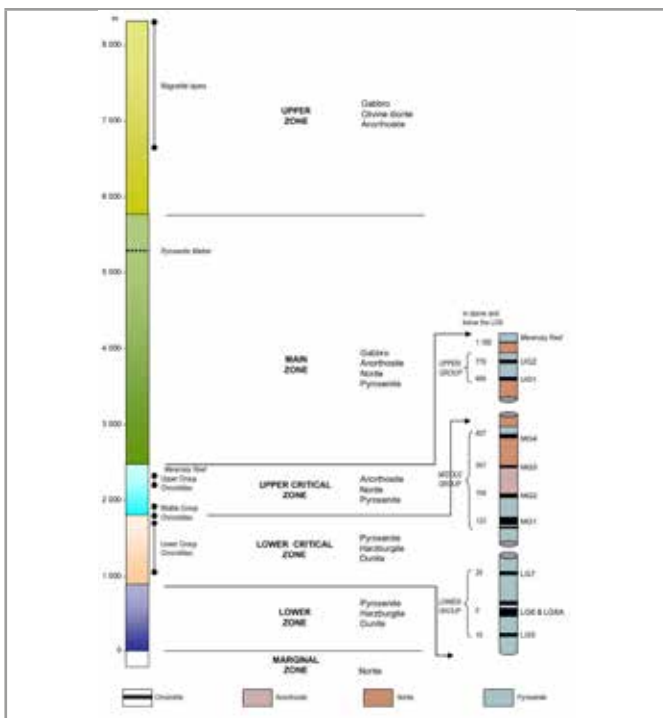


Figure 3: Stratigraphic map

The Mineral Resource estimate was completed over the mining right of Tharisa Minerals to a depth of 750 m for the MG Chromitite Layers. The UG1 Chromitite Layer Mineral Resource estimate was limited to the area within the planned MG Chromitite pit perimeter.

The previous declaration of the Mineral Resource and Mineral Reserve was dated September 2021. The current Mineral Resource declaration relies on the geological model and resource model of April 2021 for the MG Chromitite Layers, the geological and resource model of June 2018 for the UG1 Chromitite Layer, and the end of FY2021 mining faces. Additional diamond drill boreholes were added to the database. Most significantly, the geological interpretation was reviewed with emphasis on the west and far-west pit areas. The geological interpretation includes the construction of three-dimensional models for each of the units estimated. Areas in the far west were redefined, where the individual layers were consolidated, requiring a revised perspective of the layer in the far-west mining area. Work on the area in the far west was largely responsible for the decrease in the reported tonnage of the Mineral Resource particularly in the Inferred category. The Mineral Resource, is restricted at a depth of 750 m below surface based on the “realistic expectations for eventual extraction”.

The results from the samples confirmed the geological assumptions and the grades of the various Chromitite Layers, providing additional confidence in the mining operations. Observations on the operation confirm the details observed from the drilling. In-pit drilling continues for the purposes of mining operations, mine planning and grade control. Additional resource drilling has been planned for the next financial year.

Prior to the estimation, the data was collated and verified with the quality controls for logging, sampling, and assays being used. The Mineral Resource estimate was undertaken on each Chromitite Layer and interburden independently. Each element was estimated separately by inverse distance weighting (power2). The classification of the Mineral Resource is predominately determined by the distribution of the boreholes, with the consideration of the complexity of the geology, especially in the extreme western side of the property. Changes to the Mineral Resource declaration are due to the production during the previous financial year and a review of the MG3 Chromitite Layer in the Inferred area. The estimated thickness in these areas are slightly thinner in the areas mostly affecting the Indicated and Inferred Mineral Resources in these areas.

The Tharisa Minerals Resource at 31 September 2022 is reported inclusive of Mineral Reserve.

MINERAL RESOURCE AND MINERAL RESERVE STATEMENT – THARISA MINERALS continued

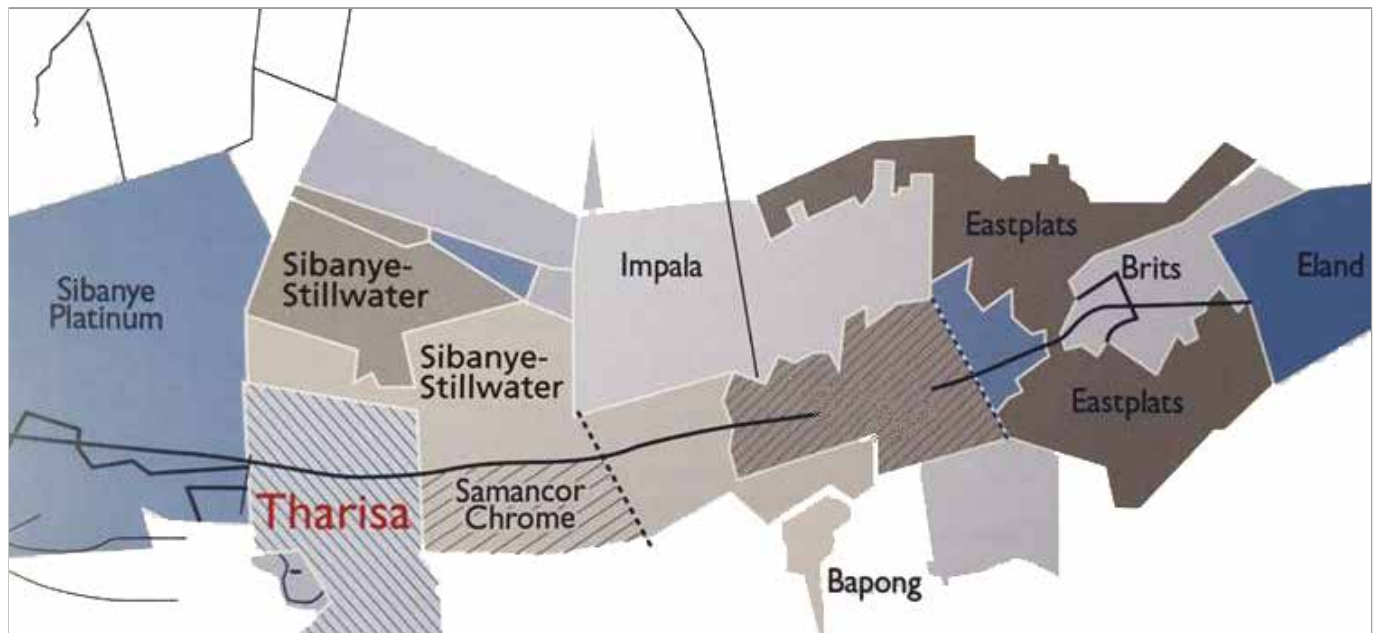


Figure 4: Map of the location of the Tharisa Mine

Mineral Resource estimate

2022

	Unit	Measured	Indicated	Inferred	Total
Tonnes	Mt	102.81	109.26	637.51	849.58
6PGE + Au grade	g/t	1.77	1.43	1.55	1.56
5PGE + Au grade	g/t	1.69	1.36	1.47	1.48
3PGE + Au grade	g/t	1.32	1.03	1.14	1.15
Cr ₂ O ₃ grade	%	22.44	19.42	19.78	20.05
Contained 6PGE + Au	Moz	5.84	5.02	31.68	42.54
Contained 5PGE + Au	Moz	5.63	4.48	30.41	40.52
Contained 3PGE + Au	Moz	4.37	3.61	23.32	31.30
Contained Cr ₂ O ₃	Mt	23.07	21.22	126.08	170.37

2021

	Unit	Measured	Indicated	Inferred	Total
Tonnes	Mt	109.16	112.56	632.68	854.40
6PGE + Au grade	g/t	1.77	1.41	1.53	1.54
5PGE + Au grade	g/t	1.69	1.35	1.45	1.47
3PGE + Au grade	g/t	1.33	1.02	1.12	1.13
Cr ₂ O ₃ grade	%	22.42	19.37	19.72	20.02
Contained 6PGE + Au	Moz	6.21	5.11	31.06	42.39
Contained 5PGE + Au	Moz	5.99	4.47	29.80	40.26
Contained 3PGE + Au	Moz	4.65	3.68	22.81	31.15
Contained Cr ₂ O ₃	Mt	24.47	21.80	124.79	171.06

Mineral Reserve estimate

Regulatory compliance

Mr Lothringen is independent of Tharisa plc and Tharisa Minerals and has no direct or indirect interests in Tharisa plc or Tharisa Minerals. All work completed by Ukwazi for Tharisa plc was strictly in return for professional fees and payment for the work was not in any way dependent on the outcome thereof.

Mineral Reserve estimate

The Mineral Reserve estimate for September 2022 was based on a revised LOM plan for the open pits. This estimation was underpinned by an updated mining model and incorporates the current economic conditions, current on-mine mining methodology and actual surveyed depletion.

Appropriate technical aspects were considered in the mine design and schedule as the basis for the Mineral Reserve estimate, including economic pit limits, geotechnical parameters, mining methodology and sequence, pit access, ramp placement, equipment capability, production rates and practical mining considerations. The mining-related modifying factors applied included appropriate geological losses, mining losses and mining dilution. As part of the LOM process, a reconciliation was completed to establish a basis for the applied modifying factors that are considered appropriate to declare a Mineral Reserve.

Based on the reconciliation process, the mining related losses in the East pit was increased from 6% to 8%. Mining dilution for the East pit also increased by 6% on a cumulative thickness basis. Dilution and mining losses remained unchanged for the West pit year-on-year. The mining losses and dilution applied for Far west pit, was confirmed.

The mining-related modifying factors applied per mining area are summarised in the table below.

Parameter	Unit	East pit	West pit	Far-west pit
MG4A dilution thickness	m	0.96	0.44	0.31
MG4 dilution thickness	m	1.04	0.83	0.58
MG3 dilution thickness	m	0.90	0.60	0.42
MG2 dilution thickness	m	0.91	0.71	0.50
MG1 dilution thickness	m	0.32	0.51	0.36
Cumulative dilution	m	4.13	3.09	2.17
Mining losses	%	8.0	6.0	10.0
Geological losses	%	5.0	7.5	15.0–25.0

The consolidated Mineral Reserve estimate decreased by 6.0 Mt as compared to the 2021 estimate. The main variances can be attributed to:

- Mining depletion that occurred during FY2022 of 5.4 Mt
- Confirmed and incremental dyke losses for FY2022 resulted in a decrease of 0.3 Mt
- Additional and incremental mining losses for FY2022 in the East pit due to the adjustment of mining practices while transitioning to lower selective mining methods resulted in a decrease of 0.9 Mt
- Revised mine design for the East Pit resulted in an increase of 1.9 Mt
- The geological model updates related to the revised reef outcrop position in the Western pits and the incremental geological loss

increase (from 15% to 25%) related to the IRUP area resulted in a decrease of 0.8 Mt

- Revision of mining related losses from 6% to 8% in the East pit accounted for a decrease of 1.5 Mt
- The incremental increase in dilution for the East pit resulted in an increase of 0.9 Mt

The LOM plan was designed to extract the MG Chromitite Layers, firstly from open pit mining to a maximum depth of 270 m below surface and subsequently from underground extraction (MG2 and MG4 Chromitite Layers) by means of a bord and pillar mining method. An underground mining pre-feasibility study was done during 2019 and subsequently updated for the 2021 Mineral Reserve estimate by removing selected areas that infringed the updated open pit economic limit.

The open-pit LOM plan was based on a targeted ROM production rate from both the East and the West open pits of 5.6 Mtpa over a period of 13 years before the production ramps down to depletion in 2040. Production transitions to underground mining from 2036 onwards.

No Inferred Mineral Resources were included in the open-pit LOM plan. Inferred Mineral Resources formed part of the underground LOM plan but not included in the Mineral Reserve estimate. Inferred Mineral Resources contributed approximately 87% of the underground LOM plan. If the Inferred Mineral Resources are excluded from the underground LOM plan, the underground project may not be feasible.

The underground operations were scheduled to ramp up during the final phase of the open pits, targeting the MG2 and MG4 Chromitite Layers. The Mineral Reserve for the underground section extends to a maximum depth of 270 m below surface, constrained by the estimated Measured and Indicated Mineral Resources. It is reasonable to expect that the underground LOM can be extended to a maximum depth of 750 m below surface, pending further exploration and associated technical study work.

A detailed LOM plan was completed to declare the Mineral Reserve estimate for the surface mining operations, based on the geological model used as basis for the Mineral Resource estimate.

MINERAL RESOURCE AND MINERAL RESERVE STATEMENT – THARISA MINERALS continued

The Proved Mineral Reserve was derived from the Measured Mineral Resource and the Probable Mineral Reserve from the Indicated Mineral Resource. No Probable Mineral Reserve was derived from the Measured Mineral Resource.

The basis of the Mineral Reserve estimate was the delivery of ROM material to the concentrator plant or related ROM stockpile.

Open pit 2022	Unit	Proved	Probable	Total
Tonnes	Mt	70.5	17.6	88.2
5PGE + Au grade	g/t	1.42	1.39	1.42
3PGE + Au grade	g/t	1.11	1.06	1.10
Cr ₂ O ₃ grade	%	19.1	18.2	18.9
Contained 3PGE + Au ⁽¹⁾	Moz	2.5	0.6	3.1
Contained Cr ₂ O ₃ ⁽²⁾	Mt	13.4	3.2	16.7
Open pit 2021	Unit	Proved	Probable	Total
Tonnes	Mt	77.7	16.5	94.2
5PGE + Au grade	g/t	1.42	1.31	1.40
3PGE + Au grade	g/t	1.10	1.01	1.08
Cr ₂ O ₃ grade	%	18.7	17.2	18.5
Contained 3PGE + Au ⁽¹⁾	Moz	2.7	0.5	3.3
Contained Cr ₂ O ₃ ⁽²⁾	Mt	14.6	2.8	17.4
Underground 2022	Unit	Proved	Probable	Total
Tonnes	Mt	5.7	13.3	19.0
5PGE + Au grade	g/t	1.51	1.63	1.60
3PGE + Au grade	g/t	1.22	1.24	1.23
Cr ₂ O ₃ grade	%	18.7	20.6	20.0
Contained 3PGE + Au ⁽¹⁾	Moz	0.2	0.5	0.8
Contained Cr ₂ O ₃ ⁽²⁾	Mt	1.1	2.7	3.8
Underground 2021	Unit	Proved	Probable	Total
Tonnes	Mt	5.7	13.3	19.0
5PGE + Au grade	g/t	1.51	1.63	1.60
3PGE + Au grade	g/t	1.22	1.24	1.23
Cr ₂ O ₃ grade	%	18.7	20.6	20.0
Contained 3PGE + Au	Moz	0.2	0.5	0.8
Contained Cr ₂ O ₃	Mt	1.1	2.7	3.8
Total open pit and underground 2022	Unit	Proved	Probable	Total
Tonnes	Mt	76.2	30.9	107.2
5PGE + Au grade	g/t	1.42	1.49	1.45
3PGE + Au grade	g/t	1.12	1.14	1.12
Cr ₂ O ₃ grade	%	19.0	19.2	19.1
Contained 3PGE + Au ⁽¹⁾	Moz	2.7	1.1	3.9
Contained Cr ₂ O ₃ ⁽²⁾	Mt	14.5	5.9	20.5
Total open pit and underground 2021	Unit	Proved	Probable	Total
Tonnes	Mt	83.4	29.7	113.1
5PGE + Au grade	g/t	1.43	1.45	1.44
3PGE + Au grade	g/t	1.11	1.11	1.11
Cr ₂ O ₃ grade	%	18.7	18.7	18.7
Contained 3PGE + Au	Moz	2.9	1.0	4.0
Contained Cr ₂ O ₃	Mt	15.7	5.6	21.3

* Due to rounding up of the figures, some totals may not add up in the table

⁽¹⁾ Average PGE process plant recovery estimates range from 78.9% to 83.9%

⁽²⁾ Average chrome-yield estimates range from 33.9% to 37.8%

Material risks

The ongoing deferral of overburden waste removal will materially impact the sustainable exposure of reef. Based on this, special waste removal projects will be implemented from FY2023. Interim, waste pre-stripping capacity will be introduced in FY2023 and two additional excavator fleets will be introduced from FY2024. The practical deployment of up to 10 million BCM per annum waste stripping capacity was sufficiently allowed for. The successful deployment of these initiatives is essential to sustain the levels of ROM production and support the Mineral Reserve estimate.

An auditable and ongoing reconciliation process must be introduced in FY2023 to measure and understand the systematic contribution of mining dilution and losses due to mining practices to support the levels of ROM production, and process plant recoveries to the saleable products. The frequency must be appropriate to define the source of the incremental losses and dilution, specifically in the light of the exceptional mining losses measured in FY2022. Appropriate measurement and controls must be implemented to prevent further impacts on the Mineral Reserve estimate.

The applied blasting restrictions limits the available pit room in the West and East open pits. The constraints allowed for in the LOM plan were based on the ongoing community relocation processes currently in place. The late mining access to these areas would affect the strategic and practical deployment of the pits that could impact the sustained delivery of ROM ore and the Mineral Reserve estimate.

Reporting codes and compliance

The Mineral Resource and Mineral Reserve estimates for Tharisa Minerals were stated in accordance with the principles and guidelines of the SAMREC Code. All the required regulatory permits have been obtained or applied for. The directors are unaware of any legal proceedings or impediments to the continued operation of Tharisa Mine.

Environmental management and funding

Tharisa Minerals has obtained all environmental approvals and authorisations required for the operation of the Tharisa Mine. The estimated long-term environmental provision, comprising rehabilitation and mine closure, was based on the Group's environmental policy, considering the current technological, environmental, and regulatory requirements. Details of the Group's environmental liability and funding will be detailed in the consolidated financial statements.



MINERAL RESOURCE AND MINERAL RESERVE STATEMENT – KARO PLATINUM

Introduction

The Mineral Resource and Mineral Reserve of Karo Platinum was prepared under the guidance of the Competent Persons' (CP) in accordance with the requirements of the South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves, 2016 (SAMREC Code). The estimates are as of 30 September 2022.

The previous declaration of the Mineral Resource was for the Karo Project was by Zimplats (2017). The current Mineral Resource declaration relies on the geological model and Mineral Resource model of March 2022 for the Main Sulphide Zone ("MSZ") of the Great Dyke.

The data referenced in this section for the Karo Platinum Project is reported on a 100% basis and on an attributable basis (59.5%).

Overview

The Karo Project on the Great Dyke is located south of the Zimplats Selous Metallurgical Plant and north of the Zimplats Ngezi operations. It is approximately 80 km southwest of Harare and 35 km southeast of Chegutu and is accessible by tar road from Harare (Figure 1). The closest railway line is approximately 22 km direct distance from the project site.

Definitions

The declaration of the Mineral Resource and Reserve was undertaken in terms of the guidelines of SAMREC Code (2016 edition).

Statement by Competent Person

Ken Lomberg of Pivot Mining Consultants Proprietary Limited (previously Coffey Mining South Africa Proprietary Limited) (Island House, Constantia Office Park, Cnr 14th Ave and Hendrik Potgieter Rd, Johannesburg, 1709), is the CP for the Mineral Resource declaration, and is registered with the South African Council for Natural Scientific Professions (Private Bag X540, Silverton, 0127, Gauteng province, South Africa), registration number 400038/01. He holds BSc (Hons) Geology, BCom and MEng (Mining Engineering) degrees. Mr Lomberg is a geologist with 38 years' experience, including the Mineral Resource estimation in respect of PGM and chromitite in the Bushveld Complex.

The Mineral Reserve was prepared under the supervision of Jaco Lotheringen of Ukwazi Mining Studies in his role as Mineral Reserve CP. He holds a BEng (Mining) degree. He is registered with the Engineering Council of South Africa (ECSA, Private Bag X691, Bruma, South Africa), registration number 20030022. The current address of the CP is Building C: Suite 1 – Level 04, The Gate Centurion, 130 Akkerboom Street, Zwartkop, Centurion, 0051. He is a principal mining engineer with appropriate experience in the estimation, assessment, and evaluation of relevant mineral reserves based on the class of deposit and mining methodology.

The Company has written confirmation from Messrs Lomberg and Lotheringen that the information disclosed is in compliance with the SAMREC Code (2016) and that they have consented to the inclusion of this information in the form and context in which it appears.

Mining rights summary

Karo Zimbabwe was incorporated as a wholly owned subsidiary of KMH and acquired the Karo Project concession area measuring 23 903 ha under its now 85% owned subsidiary Karo Platinum. In March 2018, Karo Platinum was granted the right to mine for five years pursuant to a Special Grant issued on 8 June 2018. Subsequently the Special Grant was superseded by a Mining Lease over the same concession area for the life of mine. The Mining Lease was issued on 12 March 2021.

Mineral Resource Geology and mineralisation

The MSZ of the Great Dyke, Zimbabwe, constitutes the target deposit. The Great Dyke is an elongated, slightly sinuous, 550 km long, layered igneous intrusion, with a width of 4 – 11 km, in central Zimbabwe (Figure 2). The Great Dyke bisects the country in a north-north-east orientation and is a 2.5 billion-year-old, layered igneous intrusion comprising ultramafic to mafic igneous rocks.

The exploration drilling strategy was targeted to investigate the shallower areas of the MSZ along outcrop on both the eastern and western sides of the Great Dyke. Based on available information that suggested the western flank would more likely be higher grade, drilling commenced on the western side of the project area. Subsequently drilling was undertaken on the eastern side. The project has been sub-divided into five areas of current work, namely; KPE (Karo Project East), KPNE (Karo Project North East), KPSE (Karo Project South East), KPSW (Karo Project South West) and KPW (Karo Project West).

A comprehensive exploration programme was undertaken by Karo Platinum. The initial exploration programme comprised some 240 diamond core drill holes totalling 32 677 m which took place from November 2018 to April 2019. This programme was followed by a second phase of drilling comprising 77 diamond core holes totalling 7 642 m which was completed in December 2020. A third phase of drilling was completed in June 2021 with 16 Additional drill holes being drilled for 1 887 m. The total number of drill holes completed by June 2022 were 333 for 42 209 m. All exploration activities were performed in accordance with industry good practice including comprehensive QA/QC programmes. The programmes generated some 23 300 samples that were assayed by an accredited independent laboratory, Intertek.



Figure 1: Illustrative location of the Karo Platinum Project

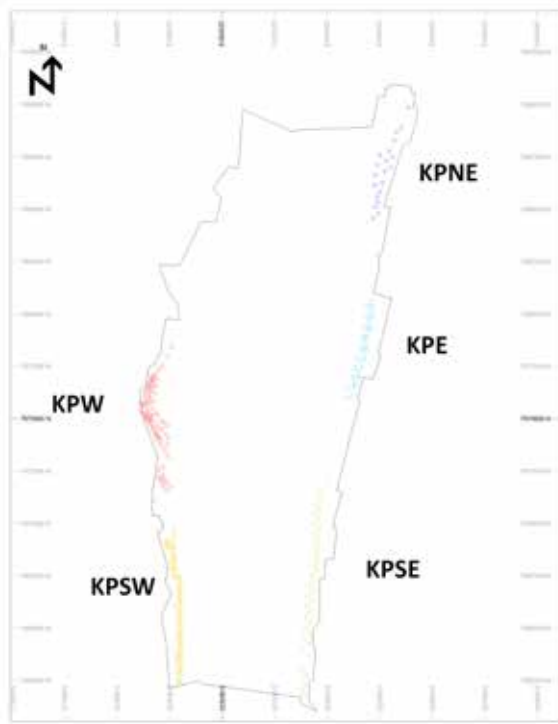


Figure 2: Image of the Karo Project Lease area plan showing drill hole locations.

The geological interpretation is based on the available public domain information (regional mapping, geophysics etc) and drilling supplemented by a regional structural interpretation and in-house geophysical survey commissioned by Karo.

The stratigraphy of the Great Dyke is divided vertically into an ultramafic sequence, dominated from the base upwards by cyclic repetitions of dunite, harzburgite and pyroxenite, and an upper mafic sequence consisting mainly of gabbro and gabbronorite. The Great Dyke has a V to Y-shape in section, with the layering dipping from the east and west towards the centre where it flattens at the axis of the intrusion.

The MSZ is a lithologically continuous layer, typically between 2 and 3 m thick. It generally contains iron-nickel-copper sulphides, while elevated PGE concentrations occur towards its base. Peak values for the PGEs and base metals are commonly offset, while the ratio between platinum and palladium also varies vertically. It is often difficult to identify mineralisation visually in the MSZ.

The project area is located on both the eastern and western flanks of the Great Dyke. There is no outcrop as the mafic and ultramafic rocks weather easily to a black cotton soil. The area is underlain by both the Mafic and Ultramafic sequences dipping at 20° to the east on the western side of the Great Dyke and 32° to the west on the eastern side of the Great Dyke. The MSZ is estimated to be up to 1 000 m deep in the southern end of the tenement and 600 m deep in the northern end of the tenement.

A Mineral Resource estimate was undertaken for each of the five areas of the Karo Project (KPE, KPNE, KPSE, KPSW, KPW). The base of the MSZ was determined for each intersection. Using the base of the MSZ

as a marker, an optimised cut was determined for each 100 m x 100 m block.

Prior to the estimation, the data was collated and verified with the quality controls for logging, sampling, and assays being used. Based on the analysis of the data set, no cutting or capping was deemed necessary. The Pt, Pd, Rh, Au, Ru, Ir, Cu, Ni and Co concentrations as well as density for each block were estimated independently by inverse distance weighting (power 2). The model was checked visually and statistically to ensure that the results can be confidently reported.

Based on the available data the level of oxidation was estimated to be 25 m below surface. This provided an upper limit to the declaration of the Mineral Resource. The depth extension of the Mineral Resource was informed by the drill spacing of the deepest drill holes.

Geological loss was estimated at 15%. Where major geological features exist and the MSZ is absent, these were excluded prior to the geological loss being applied.

The grade of the KPW section was considered too low to have “reasonable prospects for eventual economic extraction”.

The classification of the Mineral Resource was informed by the ability to confirm geological and/or grade continuity which related mostly to the drill hole spacing and coverage (Figure 3). Cognisance was taken of the practice used by the operating mines on the Great Dyke.

The Karo Minerals Resource at 31 September 2022 is reported in Table 1 (100% basis) and Table 2 (59.5% attributable basis) and are inclusive of Mineral Reserve.

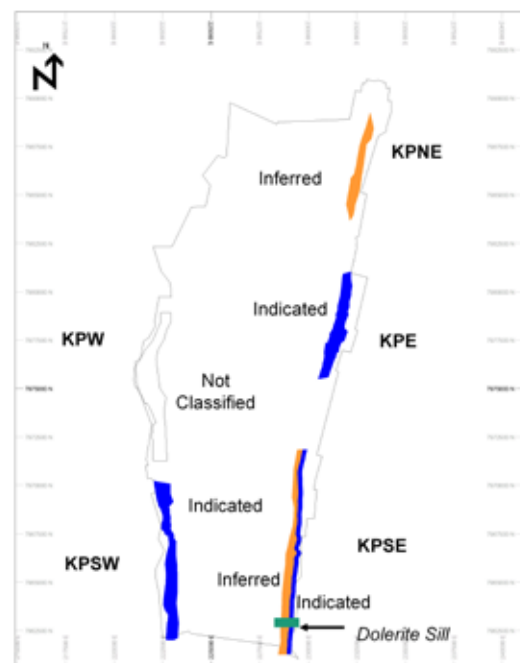


Figure 3: Map showing the Mineral Resource classification

MINERAL RESOURCE AND MINERAL RESERVE STATEMENT – KARO PLATINUM continued

Table 1: Mineral Resource Declaration (30 September 2022)(100%)
SAMREC Code (2016)

	Tonnage (Mt)	Thickness (m)	Density (tm3)	3PGE+Au (g/t)	Pt:Pd:Rh:Ru:Ir:Co	5PGE+Au (g/t)	Pt:Pd:Rh:Ru:Ir:Co	Cu (%)	Ni (%)	Co (%)
Measured										
Indicated	109.58	3.27	3.10	1.93	44:43:4:8	2.06	42:40:4:4:2:8	0.11	0.12	0.006
Inferred	42.49	4.23	3.07	1.87	46:40:4:10	1.99	43:38:4:4:2:9	0.10	0.12	0.005
Total	152.07	3.50	3.09	1.91	45:42:4:9	2.04	42:39:4:4:2:8	0.10	0.12	0.005
		Dip (°)		3PGE+Au (koz)		5PGE+Au (koz)		Cu (t)	Ni (t)	Co (t)
Measured										
Indicated		24.3		6 798		7 248		116 100	131 000	6 300
Inferred		21.4		2 558		2 719		41 700	51 600	2 000
Total		23.6		9 356		9 967		157 800	182 600	8 300

Table 2: Mineral Resource Declaration (30 September 2022)(59.5%)
SAMREC Code (2016)

	Tonnage (Mt)	Thickness (m)	Density (tm3)	3PGE+Au (g/t)	Pt:Pd:Rh:Ru:Ir:Co	5PGE+Au (g/t)	Pt:Pd:Rh:Ru:Ir:Co	Cu (%)	Ni (%)	Co (%)
Measured										
Indicated	65.20	3.27	3.10	1.93	44:43:4:8	2.06	42:40:4:4:2:8	0.11	0.12	0.01
Inferred	25.28	4.23	3.07	1.87	46:40:4:10	1.99	43:38:4:4:2:9	0.10	0.12	0.005
Total	90.48	3.50	3.09	1.91	45:42:4:9	2.04	42:39:4:4:2:8	0.10	0.12	0.005
		Dip (°)		3PGE+Au (koz)		5PGE+Au (koz)		Cu (t)	Ni (t)	Co (t)
Measured										
Indicated		24.3		4 045		4 313		69 100	77 900	3 800
Inferred		21.4		1 522		1 618		24 800	30 700	1 200
Total		23.6		5 567		5 930		93 900	108 600	5 000

1. The Mineral Resource estimate is reported in accordance with the guidelines of The SAMREC Code, 2016 Edition
2. The Mineral Resource is reported inclusive of Mineral Reserve
3. The Mineral Resource is reported as contained in-situ estimates
4. No cut-off grades were applied in the Mineral Resource estimate
5. Approximately 6% of the Mineral Resource is considered as transitional (partly weathered material)
6. Numbers may not add up due to rounding of decimals

Reporting codes and compliance

The Mineral Resource and Mineral Reserve estimates for the Karo Project are stated in accordance with the principles and guidelines of the SAMREC Code. All the required regulatory permits have been obtained or applied for. The directors are unaware of any legal proceedings or impediments to the continued operation of Karo Project.

Environmental management and funding

Karo Mining Holdings plc has obtained the mining and processing environmental approvals and authorisations required for the progression of the Karo Project. The estimated long-term environmental provision, comprising rehabilitation and mine closure, was based on the Group's environmental policy, considering the current technological, environmental, and regulatory requirements.

Details of the Group's environmental liability and funding will be detailed in the consolidated financial statements.

Mineral Reserve

Regulatory compliance

Mr Lothringen is independent of Tharisa plc and Karo Platinum (Private) Limited (“Karo Platinum”) and has no direct or indirect interests in Tharisa plc or the Karo Project. All work completed by Ukwazi for Tharisa plc was strictly in return for professional fees and payment for the work was not in any way dependent on the outcome thereof.

The Mineral Reserve estimation and reporting is subject to the following key criteria:

- The Karo Mineral Reserve estimate as initially reported by Tharisa plc on 30 March 2022 (with an effective date of June 2021) remains unchanged
- Subsequent to the June 2021 Mineral Reserve estimate, additional exploration activities were conducted
- Technical studies and optimisation of the life of mine (“LOM”) plan are currently under way. These studies will be based on the updated geological information resulting from the additional exploration activities
- The Tharisa plc attributable beneficial interest in Karo Platinum is 59.5%
- Karo Platinum (“the company”) monitors complaints and litigation against the company as part of its risk mitigation systems, policies and procedures. The company confirmed that there is no material litigation against the company that threatens its mineral rights, tenure or operations
- The details of the Mineral Resource and Mineral Reserve estimates, based on the technical study work currently in progress will be contained in the Karo Platinum Competent Persons Report to be published by Tharisa plc during the second quarter of 2023.

Mining lease

In 2018, Karo Platinum was awarded a Special Grant (number 6876) in terms of the Mines and Mineral Act in the Mashonaland West mining district. The Special Grant was awarded over an area of 23 903 ha to mine platinum group metals. A mining lease application was submitted to the Mining Affairs Board and approved in March 2021 for the duration of the LOM.

The figure on the right shows an outline of the approved mining lease area relative to the delineated surface areas.

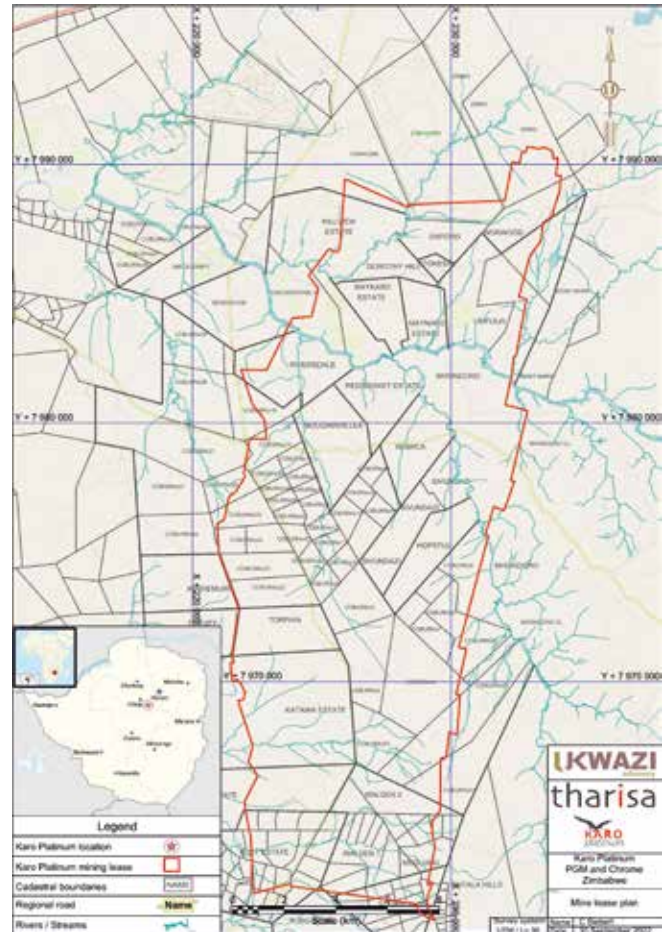


Figure 2: Mining lease area

Karo Platinum intend to extract base metals associated with the mining of the platinum group metals contained within the MSZ. Base metals were not specifically included in the mining lease issued. Part X, section 169, subsection (e) of the Mines and Mineral Act, provides the mining lease holder the exclusive right to prospect for any base minerals, and if discovered the holder will have the right to extract such minerals within the vertical limits of the defined mining lease area. It is reasonable to assume that Karo Platinum has the right to mine, extract and sell any associated base minerals contained within the platinum group metals mineralisation of the MSZ.

MINERAL RESOURCE AND MINERAL RESERVE STATEMENT – KARO PLATINUM continued

Mineral Reserve

The mining engineering study work as basis for the Mineral Reserve estimate was conducted to an appropriate pre-feasibility level (“PFS”) of accuracy and detail as defined in The SAMREC Code, Table 2 guidelines. A structured and tested process was followed that considered mining and non-mining-related modifying factors:

- Mine design criteria
- Mining model
- Reconciliation processes
- Mine planning criteria
- Pit optimisation and pit selection
- Optimal pit and waste dump designs
- LOM production schedule
- Equipment selection
- Mining cost estimation
- Mineral Reserve estimation.

The PFS was based on the development of a 2.1 million tonnes per annum (“Mtpa”) run of mine (“ROM”) operation, comprising several open pits. The study was based on a contractor mining model for a truck and shovel open pit operation, delivering ROM reef to a centrally located concentrator plant. The open pits were designed to access the upper levels of the MSZ up to a maximum depth of up to 130m below surface, dependent on practical constraints and techno-economic viability.

A detailed LOM plan was completed to declare the Mineral Reserve estimate for the surface mining operations, based on the geological model used as basis for the Mineral Resource estimate. Various technical aspects were considered in the mine design and schedule including the geotechnical parameters, mining methodology, mining sequence, production rates and practical mining considerations. The LOM production schedule included approximately 36% ROM material from Inferred Mineral Resources, scheduled towards the end of the LOM, predominantly from the KPNE (Northeast) pit. The mining-related modifying factors applied included various mining recovery factors that were considered appropriate to declare a Mineral Reserve. A summary of the mining related modifying factors is shown in Table 1 below.

Table 1: Summary of mining related modifying factors

Description	Unit	Amount
Geological loss	%	5
Mining loss	%	5
Dilution	%	Mining dilution included as part of the mining modelling process

Geological loss

The geological loss is defined by the Mineral Resource geologist and is an indication of Mineral Resource estimation error, modelling inaccuracies or structural complexity of the deposit.

Mining loss

The estimation of mining loss requires an understanding of the Mineral Resource estimation methodology, mine geology, blasting practices, and mining equipment. The sources of mining losses for the open pits generally includes mining activities close to geological features; a misaligned excavator bucket size, relative to the layer thickness; incorrect loading at the reef contacts; losses due to blasting activities; and general material handling losses.

Mining dilution

Site-specific dilutions were added to the in-situ Mineral Resources, to define a practically mineable unit. The methodology applied to determine the dilution is as follows:

- On the reef contacts (where the in-situ Mineral Resource block consists of a percentage reef material and a percentage waste material), the tonnage and grade of the Mineral Resource block was defined as the weighted average tonnage and grade of the materials contained in the original Mineral Resource block
- In cases where the total in-situ Mineral Resource block is reef, the corresponding Mineral Resource block was defined as a 100% ROM block with the same grade attributes as the in-situ blocks.

Figure 3 below provides a general isometric representation of the planned mining method. Access to the reef horizon will be established from a combination of highwall and in-pit access ramps. Waste material will be removed from the pits via low-wall ramps to designated surface waste rock dumps until adequate in-pit space becomes available for backfill placement of the waste material.

ROM material from the pits will be transported with large-capacity mining dump trucks to surface stockpiles. Front-end-loaders will be used to load road haulers that will haul the ROM material to the blending stockpiles or ROM bin, at the concentrator plant.

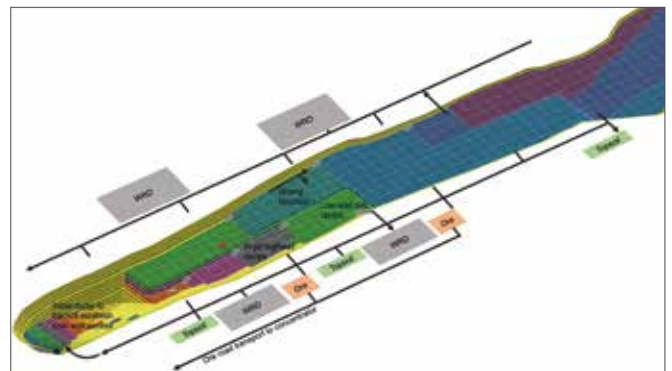


Figure 3: General isometric representation of mining method and pit access

The designed open pits for KPSE (Southeast open pit) and KPSW (Southwest open pits) are shown in Figure 4.

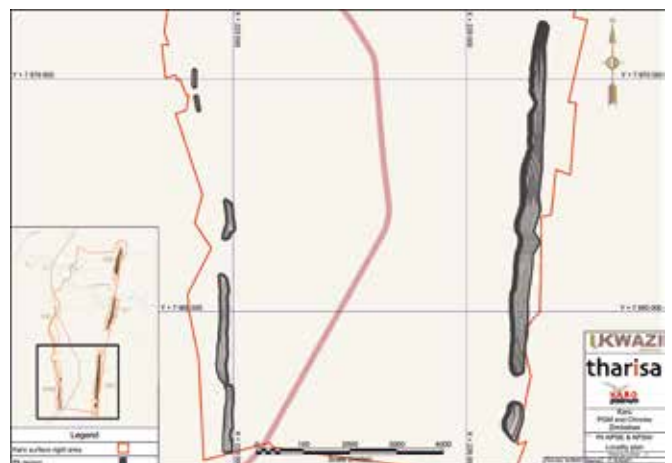


Figure 4: KPSE and KPSW pit designs

The KPE (Eastern) pit design is shown in Figure 5.

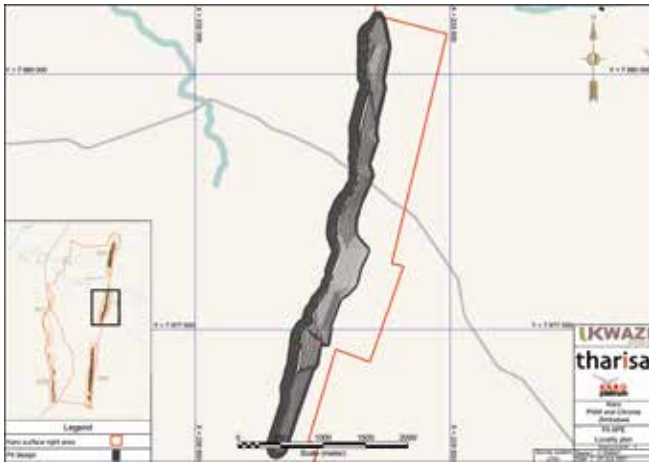


Figure 5: KPE pit design

Various purchase or lease agreements (including re-settlement agreements) related to surface rights or surface usage rights are yet to be concluded to permit the consolidated project development plan.

Based on the promulgated rights of the mining lease holder, the involvement of the Zimbabwean Government and the economic, social and industrial importance of the project, it is reasonable to assume that all the required surface areas to facilitate the development of surface infrastructure to support the planned mining operations, will be obtained through the payment of appropriate compensation.

Various regulatory approvals related to environmental authorisations are yet to be finalised to permit project infrastructure development and planned mining activities, these mainly relate to:

- A certificate was issued for the project development by the Environmental Management Agency on 15 August 2022 that expires on 14 August 2024. The environmental certificate (for the development phase) issued by the Director General is valid for two years and may be extended for an additional year if the project commenced within the stipulated period. The following infrastructure and pit development areas were excluded from the Environmental and Social Impact Assessment and will require an amendment
 - Construction and operation of bulk power facilities
 - Construction and operation of bulk water supply networks and waste disposal sites
 - Development of up to 350-kilo tonne per month, including additional opencast pits (KPSW, KPE and KPNE) and supplementary supporting infrastructure

- The appropriate authorisations for the project in terms of the Water Act (Chapter 20:24 of 1998) have not been granted and must be obtained prior to conducting project-related activities, specifically the commencement of infrastructure development and mining activities impacting on the bed or banks of watercourses
- The bulk water supply to the project site was excluded from the scope of the approved Environmental and Social Impact Assessment and will be considered in a separate Environmental and Social Impact Assessment which will be submitted as an addendum to the approved Environmental and Social Impact Assessment report
- Based on the Environmental Management Agency certificate issued, certain special conditions were noted that included the submission of the approved designs for the tailings storage facility and processing plant (including the design report) before the commencement of construction activities and the approved Siting of Works Plan by the Ministry of Mines and Mining Development to the Environmental Management Agency before the commencement of production operations.

Mineral Reserve estimate

The Mineral Resources were reported inclusive of the Mineral Reserve. The Mineral Reserve estimate was derived from Indicated Mineral Resources contained within the LOM plan. No Inferred Mineral Resources were included. Probable Mineral Reserves were derived from Indicated Mineral Resources. No Probable Mineral Reserves were derived from Measured Mineral Resources.

The Mineral Reserve estimate was based on surface mining operations. No Mineral Reserves were estimated for underground mining operations, surface stockpiles or tailings. The basis of the Mineral Reserve estimate was the delivery of ROM material to the concentrator plant or related ROM stockpile.

The consolidated Mineral Reserve (100% project basis) as at 30 September 2022 for the surface mining operations was estimated at 35.5Mt at 2.18g/t (3PGE+Au). The Mineral Reserve estimates, on a 100% project basis and Tharisa plc beneficial attributable basis (59.5%) are shown in Table 3 and Table 4 respectively.

MINERAL RESOURCE AND MINERAL RESERVE STATEMENT – KARO PLATINUM continued

Table 3: Mineral Reserve estimate as at 30 September 2022 – Reported on a 100% project basis

Mineral Reserve classification	Tonnage (Mt)	3PGE+Au grade (g/t)	5PGE+Au grade (g/t)	Cu grade (%)	Ni grade (%)	Contained 3PGE+Au (Moz)	Contained 5PGE+Au (Moz)	Contained Cu (kt)	Contained Ni (kt)
Proved	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.0	0.0
Probable	35.5	2.18	2.31	0.09	0.10	2.48	2.63	30.2	35.1
Total	35.5	2.18	2.31	0.09	0.10	2.48	2.63	30.2	35.1

Notes:

- The Mineral Reserve estimate is reported in accordance with the guidelines of The SAMREC Code, 2016 Edition
- The Mineral Resources were reported inclusive of the Mineral Reserve
- The Mineral Reserve is reported as delivered run of mine material to the concentrator plant, or related run of mine stockpile
- Mineral Reserve estimated based on the following 3PGE+Au cut-off grades: KPSE pit – 0.41g/t, KPSW pit – 0.41g/t and KPE pit – 0.27g/t
- Tonnage estimates are in metric units and reported as million tonnes ("Mt")
- 3PGE + Au = Pt grade (g/t) + Pd grade (g/t) + Rh grade (g/t) + Au grade (g/t)
- 5PGE + Au = Pt grade (g/t) + Pd grade (g/t) + Rh grade (g/t) + Ir grade (g/t) + Ru grade (g/t) + Au grade (g/t)
- Numbers may not add up due to rounding
- Mineral Reserve reported on a 100% project basis
- The reported Mineral Reserve estimate was based on the PFS completed in June 2021. Future Mineral Reserve estimates may be materially different based on additional geological information and metallurgical test work obtained and technical studies currently in progress.

Table 4: Mineral Reserve estimate as at 30 September 2022 – Reported on a 59.5% attributable basis

Mineral Reserve classification	Tonnage (Mt)	3PGE+Au grade (g/t)	5PGE+Au grade (g/t)	Cu grade (%)	Ni grade (%)	Contained 3PGE+Au (Moz)	Contained 5PGE+Au (Moz)	Contained Cu (kt)	Contained Ni (kt)
Proved	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.0	0.0
Probable	21.1	2.18	2.31	0.09	0.10	1.48	1.56	18.0	20.9
Total	21.1	2.18	2.31	0.09	0.10	1.48	1.56	18.0	20.9

Notes:

- The Mineral Reserve estimate is reported in accordance with the guidelines of The SAMREC Code, 2016 Edition
- The Mineral Resources were reported inclusive of the Mineral Reserve
- The Mineral Reserve is reported as delivered run of mine material to the concentrator plant, or related run of mine stockpile
- Mineral Reserve estimated based on the following 3PGE+Au cut-off grades: KPSE pit – 0.41g/t, KPSW pit – 0.41g/t and KPE pit – 0.27g/t
- Tonnage estimates are in metric units and reported as million tonnes ("Mt")
- 3PGE + Au = Pt grade (g/t) + Pd grade (g/t) + Rh grade (g/t) + Au grade (g/t)
- 5PGE + Au = Pt grade (g/t) + Pd grade (g/t) + Rh grade (g/t) + Ir grade (g/t) + Ru grade (g/t) + Au grade (g/t)
- Numbers may not add up due to rounding
- Mineral Reserve reported on a 59.5% attributable basis
- The reported Mineral Reserve estimate was based on the PFS completed in June 2021. Future Mineral Reserve estimates may be materially different based on additional geological information and metallurgical test work obtained and technical studies currently in progress.



The Mineral Reserve estimate as reported by Tharisa plc on 30 March 2022 (with an effective date of June 2021) remains unchanged as compared to the 30 September 2022 estimate.

Mineral Reserve related risks

The major risks associated with the estimated Mineral Reserve are:

- Additional exploration activities occurred after the estimation of the June 2021 Mineral Reserve estimate. Technical studies (based on the updated geological information) and optimisation of the LOM is currently in progress. The optimised LOM plan targets an average concentrator feed grade of 2.8g/t (3PGE + Au). This is significantly higher than the 2.18g/t (3PGE + Au) on which the June 2021 Mineral Reserve was based. The outcome of the updated technical study work and optimisation of the LOM plan will materially impact on the estimated Mineral Reserve.
- Several rivers, dams, seasonal streams, and wetlands branch throughout the project area. Specific mining related restrictions around these features have not been finalised. The potential mining restrictions around the features may restrict planned pit perimeters and impact on the estimated Mineral Reserve
- A large number of settlements and communities is established across the mining right area. Appropriate relocation plans must be developed for targeted mining and infrastructure development areas. The estimated Mineral Reserve may be impacted if appropriate agreements are not timeously concluded with the communities
- Geotechnical-related risks may relate to slope failures, changes in flow rates of watercourses and surface water features or may be associated with movements of structures and infrastructure adjacent to, or within the mine. Geotechnical design parameters were received for two mining pits, KPE and KPSE. From these detailed designs, assumptions were made for waste material and applied to other project areas. The following is noted for the pit designs
 - No design parameters or geotechnical test work were available for the KPSW and KPNE areas (KPNE not included in the Mineral Reserve estimate)
 - No definition of waste material type exists in the geological model, as defined in the geotechnical designs
 - General conservative conclusions were drawn from the designs and applied to other project areas
 - Future studies may indicate steeper or shallower highwall designs, potentially impacting on the estimated Mineral Reserve
- The commodity pricing and associated United States Dollar exchange rates is a significant sensitivity driver to the project and has the potential to impact on the estimated Mineral Reserve.

The details of the Mineral Resource and Mineral Reserve estimates, based on the technical study work update currently in progress will be contained in the Karo Platinum Competent Persons Report to be published by Tharisa plc during the second quarter of 2023.



BOARD OF DIRECTORS



EXECUTIVE DIRECTORS

Loucas Pouroulis (84)
Chairman

Appointed: 27 October 2010

Mining and Metallurgical Engineering (Hons)
(National Technical University, Athens, Greece)



Loucas Pouroulis is the Executive Chairman of the Group, with the responsibility of developing strategy and identifying new opportunities for the Group. He began his career in Cyprus in 1962, and his initial postgraduate training took place in Germany, Sweden and Cyprus. Loucas is trained as a mining and metallurgical engineer and has more than 50 years' experience in mining exploration, project management, financing and production in open-pit and underground mining operations, including PGM and gold mines. He immigrated to South Africa in 1964 and then joined Anglo American, where he rose rapidly through the management ranks and received extensive training and experience. In 1971, Loucas began to pursue his own mining interests, initially focusing on gold mining opportunities that were considered uneconomical by the majors. By the 1990s, he had established Petra Diamonds and, since 2000, has established Eland Platinum, Tharisa, Kameni, Keaton Energy, Salene Chrome and the Karo Mining Group.



Phoevos Pouroulis (48)
Chief Executive Officer (CEO)

Appointed: 27 October 2010

Bachelor of Science and Business
Administration (Boston University, USA)



Phoevos Pouroulis is the Chief Executive Officer of the Group, with responsibility for overall strategy and management. Phoevos has held various senior managerial and operational positions in his career spanning more than 20 years. He has extensive experience in project management, mining design, commissioning and mining operations, including coal, chrome and PGM mines, having been involved in South Africa's mining industry since 2003. He has served as Commercial Director for Chromex Mining and was a founding member of Keaton Energy. Phoevos currently serves on the board of the World Platinum Investment Council.



Michael Jones (60)
Chief Finance Officer (CFO)

Appointed: 30 January 2013

Bachelor of Accounting (University of
KwaZulu-Natal, Pietermaritzburg, South Africa);
CA (SA); Member of the South African Institute
of Chartered Accountants



Michael Jones is the Chief Finance Officer of the Group and is responsible for the overall financial operation, funding and financial reporting management of the Group. Michael has more than 12 years' executive financial management experience in the mining sector. In addition, he has over 20 years' experience in investment banking, focusing on mergers and acquisitions and capital raising of both equity and debt.

NON-EXECUTIVE DIRECTORS



Shelley Wai Man Lo (47)
Non-executive director

Appointed: 10 February 2021

Bachelor of Economics
(University of Hong Kong)



Shelley Wai Man Lo, a Chinese National and representative of Rance Holdings, has more than 20 years' experience in accounting, project investment and management in the infrastructure business in Hong Kong and mainland China. She is the General Manager – Roads of NWS Holdings Limited. Before joining the NWS group, she worked in the audit department of Deloitte, Hong Kong. Ms Lo is a member of both the Hong Kong and American Institutes of Certified Public Accountants.



Zhong Liang Hong (59)
Non-executive director

Appointed: 1 April 2018

Bachelor (Ferrous Metallurgy) (Shanghai
Metallurgy Technology Academy)



Zhong Liang Hong is a Chinese national with 35 years' experience in commodity trading. Representing Fujian Wuhang Stainless Steel Co. Limited and Huachuang Singapore Pte Limited, he has a strong understanding of analysis and forecasting of commodity markets and end-user demand. He started his career in 1980 at the Baosteel Group. In 2001 he founded Shanghai Hongli Metal Material Co. Limited and is still the Chairman of this company. In 2002 he expanded his business to import manganese into China and became the sole manganese agent in China acting for BHP Billiton.

Committee key:

- Audit Committee
- Risk Committee
- Nomination Committee
- Remuneration Committee
- Safety, Health and Environment Committee
- Social and Ethics Committee
- New Business Committee
- Climate Change and Sustainability Committee
- Chairman
- By invitation



Carol Bell (64)
Lead Independent Director from 1 October 2021

Appointed: 22 March 2016

Master of Arts in Natural Sciences (University of Cambridge); PhD Archaeology (University College, London)



Carol Bell has more than 40 years' experience in the energy and allied industries, including a successful career as a Managing Director of Chase Manhattan Bank's Global Oil & Gas Group, Head of European Equity Research at JP Morgan and several years as an equity research analyst in the oil and gas sector at Credit Suisse First Boston and UBS Phillips & Drew. Carol began her career in corporate planning and business development at Charterhouse Petroleum and RTZ Oil and Gas. She has broad public company experience and currently serves on the Bonheur board and is also a non-executive director of the BlackRock Energy and Resources Income Trust. Carol also serves on the Board of the Development Bank of Wales and The Football Association of Wales and is one of the founder-directors of Chapter Zero, a network for non-executive directors to engage with climate risk. She is also Vice-President of the National Museum of Wales, Vice-Chair of the Wales Millennium Centre, Senior Independent Director of the National Physical Laboratory and Treasurer of the Institute for Archaeo-metallurgical Studies.



Antonios Djakouris (75)
Independent non-executive director

Appointed: 11 October 2011

Chartered Accountant and Fellow of the Institute of Chartered Accountants in England and Wales



Antonios Djakouris is a qualified Chartered Accountant and has over 30 years' experience as a manager and director, having served in the accounting profession and in a number of posts with the Bank of Cyprus, including internal audit, credit review and retail banking, and as Group General Manager in charge of operations. From 2003 to 2009, he directed the Bank of Cyprus group's overseas operations, including banks in the United Kingdom, Australia, Russia, Romania and Ukraine. Antonios currently serves in an honorary capacity on the Board and Executive Committee of the Cyprus Anti-Cancer Society, one of the largest charities in Cyprus.

INDEPENDENT NON-EXECUTIVE DIRECTORS



Roger Davey (77)
Independent non-executive director

Appointed: 1 June 2017

Master of Science in Mineral Production Management (Royal School of Mines, Imperial College, London); Master of Science in Water Resource Management and Water Environment (Bournemouth University); Associate of the Camborne School of Mines ("ACSM"); Chartered Engineer; European Engineer; Member of the Institute of Materials, Minerals and Mining ("IMMM").



Roger Davey, a British national, has more than 40 years' operational experience at senior management and director level in the mining industry in South America, Africa and Europe. His experience at senior management level includes financing, feasibility studies, construction, development, commissioning and operational management of both underground and surface mining operations in gold and base metals. Previous positions include being the Senior Mining Engineer at NM Rothschild (London) (1998 to 2010) in the Mining and Metals project finance team, where he was responsible for the assessment of the technical risk associated with current and prospective project loans Director, Vice-President and General Manager of Minorco (AngloGold) subsidiaries in Argentina (1994 to 1997), where he was responsible for the development of the Cerro Vanguardia open pit gold-silver mine in Patagonia, Operations Director of Greenwich Resources plc, London (1984 to 1992), with gold interests in Sudan, Egypt and Australia Production Manager for Blue Circle Industries in Chile (1979 to 1984) and various production roles from graduate trainee to mine manager, in Gold Fields of South Africa (1971 to 1978). Roger serves on several boards, including Atalaya Mining Plc, Central Asia Metals plc and Highfield Resources Limited.



David Salter (64)
Independent non-executive director

Appointed: 27 October 2010

Bachelor of Science Engineering (Hons); PhD in Mineral Technology (Imperial College, London); Fellow of the South African Institute of Mining and Metallurgy (FSAIMM)



David Salter has more than 30 years' experience in developing and managing mining companies, including open pit and underground PGM mining operations. David's most recent public company roles were Chairman of Keaton Energy until its sale to Wescoal in 2017 and Managing Director of Eland Platinum until its sale to Xstrata in 2007. He serves on the board of Sirius Finance (Cyprus) Limited and is a non-executive director of a number of unlisted companies in the mining, property and agricultural sectors.



Omar Kamal (50)
Independent non-executive director

Appointed: 11 June 2014

Bachelor in Economics and Political Science (University of Jordan); PhD in Management (Finance and Banking) (Coventry University in collaboration with Harvard Islamic Finance Programme at Harvard University)



Omar Kamal has more than 28 years' international experience in banking, investment management, strategic advisory services and high-growth entrepreneurship. He has served at high-growth companies and multibillion-dollar corporates in various executive capacities. Until August 2015, he was the co-Group CEO of a business group owned by a prominent family with global reach based in Geneva, Switzerland. Prior to that, he was one of the initial founders and acted as the CIO of a regional bank in the Middle East and, before that, was a partner with Ernst & Young on the advisory and consulting side. Omar continues to serve on the boards of a number of listed and unlisted companies, among others, Cambridge Scientific Innovation ("CSI"), Cybsafe, Crowdemotion, Quicqu and Arab Bank Switzerland as Chairman of the Fintech Committee. In the same context, Omar makes a personal strategic contribution toward digital innovation and transformation. Omar is a member of the Young President Organisation ("YPO") and a Learning Chair of the London Stars Chapter in the UK.

CORPORATE GOVERNANCE

Introduction

Tharisa is incorporated in Cyprus and is subject to Cyprus Companies Law. With a primary listing on the JSE under the general mining sector, Tharisa is subject to the JSE Listings Requirements and the requirements of the South African Code of Corporate Practices and Conduct laid out in King IV. Tharisa also has a secondary standard listing of its depositary interests on the London Stock Exchange ("LSE") and is subject to the LSE Listing Rules and Disclosure and Transparency Rules applicable to a secondary standard listing. In addition, Tharisa is listed on the A2X Exchange in South Africa with effect from 6 February 2019. Tharisa's primary listing on the JSE and secondary standard listing on the main board of the LSE remains unaffected by the secondary listing on A2X. The A2X is a licensed stock exchange authorised to provide a secondary listing venue for companies and is regulated by the South African Financial Sector Conduct Authority in terms of the Financial Markets Act 19 of 2012. The listing on A2X provides an opportunity to improve liquidity and attract new investors through the lower trading costs offered by this trading platform. There are no additional regulatory requirements or ongoing obligations to comply with.

While the UK Corporate Governance Code published by the Financial Reporting Council does not apply to the Company, the Board recognises the importance of good governance and considers the principles and recommendations contained therein.

The Board is fully committed to accountability, integrity, fairness, transparency and integrated thinking, which are essential to the Group's long-term sustainability and to its ongoing ability to create value for investors and other stakeholders. It endorses and accepts full responsibility for applying the principles necessary to ensure that effective corporate governance is practised consistently throughout the Group.

In discharging this responsibility, the Board strives to comply with the requirements set out in King IV. The Company's disclosure on its application of King IV principles is set out on pages 112 to 120. The complete King IV Report on Corporate Governance for South Africa 2016 is available at <https://www.iodsa.co.za/page/king-IV>.

The Board believes that the Company complies with the Cyprus Companies Law and the Company's Articles of Association.

In terms of King IV, independent non-executive directors serving for more than nine years are subject to a rigorous annual review by the Board to evaluate their continued independence. Having served for more than nine years, David Salter's and Antonios Djakouris' independence was considered and assessed by the Board during the year under review. In doing so, the Board considered and assessed the presence or absence of any interest, position, association, or relationship that could potentially influence or cause bias in their decision-making process and concluded that it was satisfied that there were no such factors present that impaired David Salter's and Antonios Djakouris' independence. Both David Salter and Antonios Djakouris continued to bring an independent and objective view and unfettered judgement distinct from that of shareholders and management and continue to be classified as independent non-executive directors.

The Board also believes that the Company is compliant with the JSE Listings Requirements and King IV in all material respects, other than having an Executive Chairman, which has been mitigated by the appointment of the Lead Independent Director.

Board composition

Executive directors

Loucas Pouroulis (Executive Chairman)
Phoevos Pouroulis (CEO)
Michael Jones (CFO)

Independent non-executive directors

Carol Bell (Lead Independent Director)
David Salter
Antonios Djakouris
Omar Kamal
Roger Davey

Non-executive directors

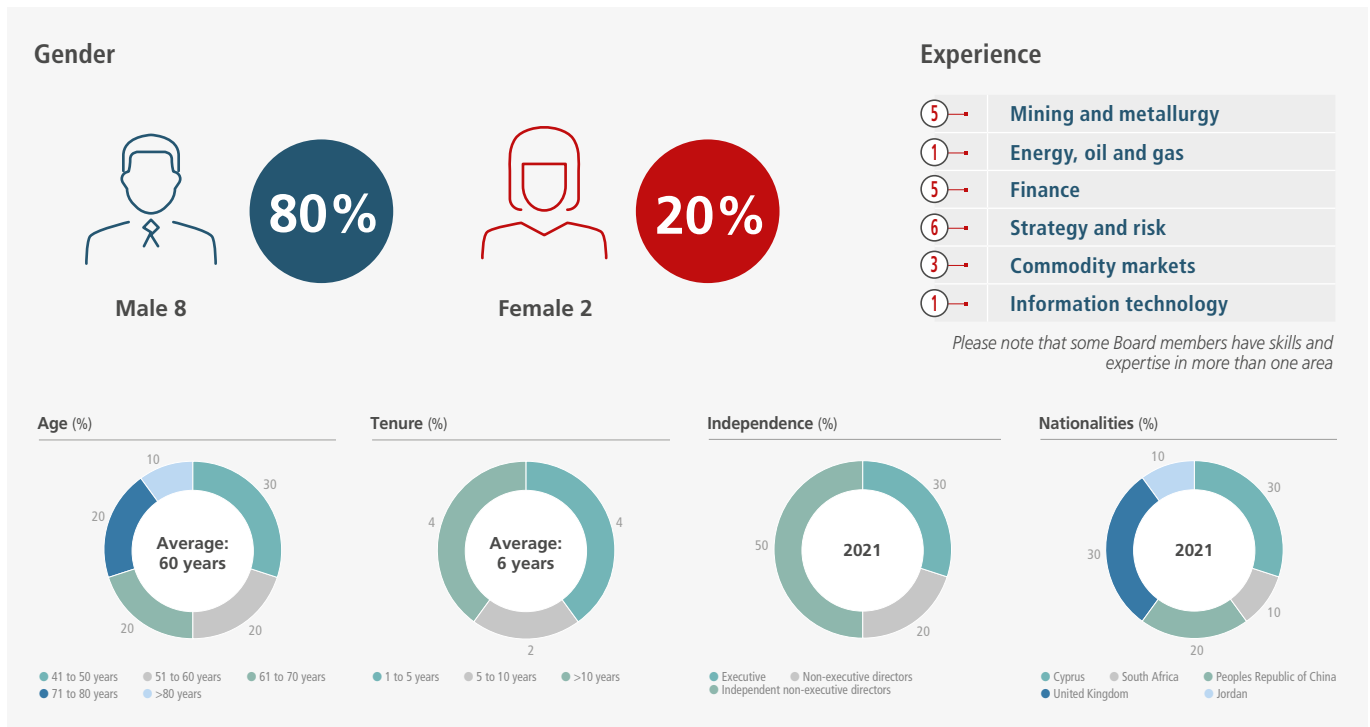
Zhong Liang Hong
Shelley Wai Man Lo

The Company has a unitary board, which both leads and controls the Company. It comprises three executive directors and seven non-executive directors. Five of the seven non-executive directors are independent.

The Board is structured so that there is a clear balance of authority, ensuring that no one director has unfettered powers. The size of the Board is regulated by the Company's Articles of Association and directors are appointed through a formal process.

The Nomination Committee identifies suitable candidates for appointment as directors. Directors are required to be individuals of calibre and credibility with the necessary skills and experience to bring judgement, independent of management, on issues of strategy, performance, resources, diversity, standards of conduct, and evaluation of performance. Merit, commitment, integrity and diversity are the core considerations in ensuring that the Board and its committees have an appropriate blend and balance of perspectives, knowledge, and experience to discharge their duties effectively and competently, having regard to the strategic direction of the Group.

There has been no change to the board composition during the year under review.



Board diversity

The Nomination Committee reviews and assesses the Board’s size, structure, and composition on an ongoing basis to ensure it is appropriately diversified. In this assessment, it takes into consideration that the perspective of Board members is influenced by a combination of three different sets of attributes:

- experiential attributes such as skills, education, functional experience, industry experience and accomplishments
- demographic attributes such as gender, race, ethnicity, culture, religion, generational cohort and
- personal attributes such as personality, interests and values.

The Board recognises that having a blend of attributes across all facets of diversity will lead to more thorough and robust decision-making processes and direction and therefore strives to ensure its diverse composition.

Acknowledging the benefits that can be achieved through diversity, and specifically the meaningful participation of women who possess the appropriate skills and experience as members of the Board, the Board will continue to focus on the long-term goal of improving gender representation at Board level. At present, the two female directors represent 20% of the total number of directors and 29% of the non-executive directors.

Similarly, recognising the value of age, ethnic and cultural diversity at Board level, the Board encourages the inclusion and consideration of prospective candidates’ backgrounds and a range of suitable skills based on merit and against objective criteria, and with due regard for the benefits of diversity on the Board.

In compliance with King IV, the JSE Listings Requirements and international best practice, the Nomination Committee and Board have adopted a Board level diversity policy, without introducing voluntary targets with regard to gender and racial diversification of the Board. The Nomination Committee and the Board are committed to maintaining a diverse Board of Directors with appropriate skills, without setting numerical targets. When undertaking searches for new Board members, diversity and inclusion are key considerations within these processes, alongside recruiting for skills and experience relevant to governing the Company effectively. The Board will also pursue opportunities to increase the number of female and racially and ethnically diverse Board members over time, provided that it is consistent with the skills and diversity requirements of the Board.

The Nomination Committee also considers the relationship between executive and non-executive directors during the assessment process. The Board believes there is an appropriate balance between executive and non-executive directors. The Board is satisfied that the current members of the Board collectively possess the skills, knowledge, and experience required to discharge the responsibilities of the Board effectively to achieve the Group’s objectives, promote shareholder interests, and to create value for stakeholders over the long term.

CORPORATE GOVERNANCE continued

Roles and responsibilities of the Board

The Board is the ultimate governing authority, responsible for the Company's strategy, key policies, ethics, and corporate governance, as well as approving the Company's financial objectives and targets, and its approach to environmental stewardship. The Board recognises that strategy, performance, risk, and sustainability are inseparable and that the execution of strategy can have a material impact on the Company's value creation and its various stakeholders. The Board is fundamentally important to the achievement of the Company's mission and financial objectives and the sustainable fulfilment of its corporate responsibilities and provides effective leadership on an ethical foundation.

The Board is the ultimate custodian of the governance framework, which commits the Company and its representatives to act according to the highest standards of fairness, accountability, responsibility, transparency, ethics, and sustainability. The Company's approach to corporate governance strives to be stakeholder inclusive and based on good communication. This approach has been integrated into every aspect of the Company's business.

The Board ensures that the Group is, and is seen to be, a responsible corporate citizen by having regard not only for the financial aspects of the business of the Group but also the impact that the business operations have on the environment and the society in which it operates. In recognition of the importance of this aspect of the Group's business, the Board has established a Climate Change and Sustainability Committee. Read more about this committee on page 105.

The Board has adopted a Board Charter setting out the role, functions, obligations, rights, responsibilities, and powers of the Board and the policies and practices of the Board in respect of its duties, functions, and responsibilities. The Board has also adopted terms of reference for each of its committees. The Board Charter and terms of reference are available on the Company's website.

The directors who are also members of the Executive Committee of the Company are involved in the day-to-day business activities of the Company and are responsible for ensuring that the decisions of the Executive Committee, as approved by the Board, are implemented in accordance with the mandate given by the Board and Executive Committee.

The Board may only allot and issue shares if authorised to do so by shareholders. The Board must also obtain shareholder approval before a purchase by the Company of its own shares can be effected.

The Board is satisfied that the approved delegation of authority framework contributes to role clarity and the effective exercise of responsibilities.

All non-executive directors have unrestricted access to the Chairman, management, the Group Company Secretary, the Assistant Company Secretary, and the external and internal auditors.

The Board considers and satisfies itself, on an annual basis, of the qualifications, experience, and arm's length relationship between the Company Secretaries and the Board.

Board meetings are held regularly, at least quarterly, and all directors participate in the critical areas of decision making.

Role of the Executive Chairman

There is a clear distinction between the roles of the Executive Chairman and the CEO. The Executive Chairman is responsible for ensuring the integrity and effectiveness of the Board and its committees, which includes:

- providing overall leadership to the Board, without limiting the principle of collective responsibility for Board decisions
- presiding over meetings of the Board and meetings of shareholders
- acting as facilitator at Board meetings to ensure that no director, or group of directors, dominate the discussion, that sufficient debate takes place, that the opinions of all directors relevant to the subject under discussion are solicited and expressed freely, that conflicts of interests are managed and that Board discussions lead to appropriate decisions
- participating in the selection of Board members and overseeing a formal succession plan for the Board and certain senior management appointments
- encouraging collegiality among Board members and management while at the same time maintaining an arm's length relationship
- mentoring to enhance directors' confidence, especially new or inexperienced directors, and encouraging them to contribute at meetings actively.

The non-executive directors appraise the Chairman's performance on an annual basis, or such other basis as the Board may determine.

Role of the CEO

The Board's authority conferred on management is delegated through the CEO and the authority and accountability of management is accordingly considered to be the authority and accountability of the CEO. The CEO provides executive leadership and is accountable to the Board for the implementation of strategies, objectives, and decisions within the framework of the delegated authorities, values, and policies of the Company, which include:

- recommending or appointing the executive members and ensuring proper succession planning and performance appraisals
- developing the Company's strategy and vision for Board consideration and approval
- developing and recommending annual business plans and budgets that support the Company's long-term strategy to the Board
- monitoring and reporting to the Board on performance against and conforming with strategic imperatives
- ensuring that the Company has appropriate management structures and a management team to effectively carry out the Company's objectives, strategy, and business plans
- ensuring that the assets of the Company are properly maintained and safeguarded and not unnecessarily placed at risk
- setting the tone from the top in providing ethical leadership and creating an ethical environment and not causing or permitting any decision or internal or external practice or activity by the Company that may be contrary to commonly accepted business practice, good corporate governance, or professional ethics
- acting as the chief spokesperson of the Company.

The non-executive directors monitor and evaluate the CEO in achieving the approved targets and objectives. The Remuneration Committee considers the results of such evaluation to guide it in its appraisal of the performance and remuneration of the CEO.

Role of the Lead Independent Director

The Lead Independent Director:

- chairs the Nomination Committee and is a member of all other Board committees
- facilitates meetings of the non-executive directors
- acts as a sounding board to the Executive Chairman and the CEO
- leads the non-executive directors in the appraisal of the Executive Chairman and CEO
- provides leadership and advice to the Board when the Executive Chairman has a conflict of interest, without detracting from the authority of the Executive Chairman and
- acts as an intermediary for the other Board members and shareholders about concerns that have not been resolved through the normal channels.

Role of the non-executive directors

The role of non-executive directors is to bring independent judgement and to challenge executive directors constructively, without becoming involved in the day-to-day running of the business.

The key responsibilities of non-executive directors include oversight of the Board on issues relating to:

- strategic direction, by providing an objective, informed, and creative insight based on their own experience, to act as a constructive critic in assessing the strategic objectives devised by the CEO and to ensure that the necessary financial and human resources are in place for the Company to meet its objectives
- monitoring performance of executive management with regard to the progress made towards achieving the Company's strategy and objectives and, in doing so, playing an important role in key executive appointments, removals where necessary, and succession planning
- remuneration, through the work of the Remuneration Committee, by objectively and independently determining appropriate levels of remuneration of executive directors
- risk and strategic risk in particular, through the work of the Risk Committee, by reviewing the risk philosophy, strategy, and policies as recommended by executive management and ensuring compliance with such policies, and with the overall risk profile of the Company
- integrity of financial information, through the work of the Audit Committee, by ensuring that the Company accounts properly to its shareholders by presenting an accurate and fair reflection of its actions and financial performance and that the necessary internal control systems are implemented and monitored regularly
- standards of conduct of the Board and executive management.

Tharisa's non-executive directors bring diverse experience and expertise to the Board. They are required to have a clear understanding of the Group's strategy and must be sufficiently familiar with the Group's businesses to be effective contributors to the development of the Group's strategy and the identification and monitoring of risks faced by the Group. Non-executive directors must have sufficient time to perform their duties as directors and make a meaningful contribution. They should be prepared to challenge executive directors' opinions and provide fresh insight into the Group's strategic direction. Non-executive directors assess the performance of the Executive Chairman and CEO and serve on various Board committees. Non-executive directors have a standing invitation to meet without the presence of the executive directors after every board meeting or when required.

Board appointments

The Company's shareholders appoint members of the Board.

The Board also has the power to appoint directors, subject to such appointments being approved by shareholders at the next annual general meeting ("AGM") following such appointment. In compliance with the JSE Listings Requirements, shareholders may not consent in writing to the appointment of directors. Pursuant to the terms of the Board Charter, appointments to the Board are made on the recommendation of the Nomination Committee. A formal policy detailing the procedures for appointments to the Board has been adopted by the Company.

Non-executive directors are required to be individuals of calibre and credibility, be independent of management, and possess the necessary skills and expertise to bring judgement to bear on issues of strategy, performance, resources, diversity, standards of conduct, and evaluation of performance.

Directors are required to conduct themselves, at all times, in a professional manner, having due regard for their fiduciary duties and responsibilities to the Company and to ensure that sufficient time is made available to devote to their duties as Board members. Directors are further required to be diligent in discharging their duties to the Company, seek to acquire sufficient knowledge of the business of the Company, and endeavour to keep abreast of changes and trends in the business environment and markets in which the Company operates, in order to be able to provide meaningful direction to the Company's business activities and operations.

Director induction

Upon appointment, all new directors are provided with induction materials to familiarise them with the Group's operations, business environment and executive management and to induct them in their fiduciary duties and responsibilities. The induction programme involves an information pack comprising, *inter alia*, the Group structure, a list of the top shareholders, Board packs and minutes of previous Board meetings, annual and interim reports, Articles of Association, the Board Charter, committee terms of reference, information on directors' and officers' insurance, a guide to the JSE Listings Requirements, and a memorandum on dealings in securities, market abuse and insider trading. Periodic site visits are arranged for existing and new non-executive directors to improve their understanding of the Group's operations.

Retirement by rotation and re-election of directors

In terms of the Company's Articles of Association, any directors appointed by the Board during the course of the financial year shall hold office only until the next AGM of the Company following their appointment and shall then retire and be eligible for election.

In accordance with the Company's Articles of Association, one-third of non-executive directors must retire from office at each AGM. Executive directors are not subject to retirement by rotation. The non-executive directors retiring at each AGM are those directors who have been the longest serving since their last election. Retiring directors are eligible for re-election and, if so re-elected, are deemed not to have vacated their office. Carol Bell, Omar Kamal, and Roger Davey will be retiring by rotation at the upcoming AGM.

CORPORATE GOVERNANCE continued

All three directors have made themselves available for re-election. A brief curriculum vitae of each director standing for election or re-election appears on pages 94 and 95.

Board support for election or re-election is not automatic. The Nomination Committee assesses the composition of the Board and the performance of individual Board members on an annual basis prior to recommending any directors for election or re-election by shareholders at the AGM. Upon recommendation by the Nomination Committee, the Board decides whether it will endorse a director standing for election or re-election. Having assessed the performance of the directors standing for election, it is the recommendation of the Board that all three directors be re-elected.

Board meetings

The Board meets formally at least four times per year and at such other times as may be required. The Board met four times during the year under review. In addition, four informal mid-cycle briefing calls were held during the period.

Key focus areas and decisions of the Board during FY2022

In addition to the standard agenda items such as feedback by the chairmen of the various board committees on the key deliberations and activities of those committees, consideration of detailed reports on the operational and financial performance of the Group, climate change and sustainability, investor relations and legal and governance matters. The Board deliberated on the following key areas during the year under review:

The Company's Board committees during the year were constituted as follows:

Q1 FY2022	Q2 FY2022	Q3 FY2022	Q4 FY2022
<ul style="list-style-type: none"> • Approved the FY2021 annual financial results • Approved the FY2021 integrated annual report • Proposed a final cash dividend of US 5.0 cents per ordinary share • Considered and agreed to support the re-election of the directors retiring by rotation at the AGM • Discussed the market context in which the Group operates • Considered and discussed the top strategic risks facing the Group • Considered the Company's production guidance for FY2022 	<ul style="list-style-type: none"> • Considered and approved the acquisition of the 26% minority shareholding in Tharisa Minerals at a consideration of ZAR390 million • Approved the issue of 13.90 million ordinary shares <i>in lieu</i> of the purchase consideration • Held the Company's second virtual AGM • Considered and discussed the various research and development projects being undertaken by the Group's research and development arm • Considered the operating and market context within which the Group operates • Considered and discussed the top strategic risks facing the Group • Considered management's succession plan and new senior appointments • Considered implementation of the Group's Vision 2025 strategy • Discussed risk considerations as a consequence of the Russia/Ukraine conflict and mitigating actions being taken by management 	<ul style="list-style-type: none"> • Considered the operating and market context within which the Group operates • Considered the progress of the Karo Project and its funding requirements • Considered the top strategic risks facing the Group • Considered implementation of the Group's Vision 2025 strategy • Considered reputational risk matters • Considered and approved the Group's interim financial results for FY2022 • Declared an interim dividend of US 3.0 cents per share 	<ul style="list-style-type: none"> • Considered and approved, in principle, the issue of a US dollar denominated bond to be listed on the Victoria Falls Stock Exchange by Karo Mining Holdings as part of the fundraising for the Karo Project • Considered and approved, in principle, Arxo Finance's subscription for US\$10 million of the Karo Mining Holding bond notes • Considered and agreed on the Nomination Committee's assessment of the independence of non-executive directors • Performed the annual assessment of the independence of non-executive directors with a tenure longer than nine years • Considered and approved the recommendations by the Remuneration Committee on executive remuneration • Considered implementation of the Group's Vision 2025 strategy • Considered the Company's production guidance for FY2023 • Interrogated and approved the FY2023 budget • Considered the progress of the Karo Project and its funding requirements

Q1 FY2022	Q2 FY2022	Q3 FY2022	Q4 FY2022
	<ul style="list-style-type: none"> Exercised Tharisa's farm-in option to acquire a controlling interest in Karo Mining Holdings at a consideration of US\$27 million to take control of the Karo Project in Zimbabwe Approved the issue of 13.69 million ordinary shares <i>in lieu</i> of the purchase consideration 		<ul style="list-style-type: none"> Considered the top strategic risks facing the Group Considered reputational risk matters

Key focus areas for FY2023

- Board succession planning
- Continue implementation of Vision 2025 strategy
- Continue development of the Karo Project
- Monitor continued optimisation of existing operations
- Continue striving to be the investment of choice

Board committees

Certain responsibilities are reserved for the Board, while others are delegated to Board committees, each with formal mandates and terms of reference, without reducing the individual and collective responsibilities of Board members' overall fiduciary duties and responsibilities. The terms of reference of each Board committee determines, *inter alia*, the composition, purpose, scope of mandate, and powers and duties of the committee. Board committees provide feedback to the Board through reports by their respective chairmen and provide the Board with copies of minutes of committee meetings.

All directors receive notice and packs for committee meetings and are encouraged to join meetings of Board committees of which they are not members.

Terms of reference of the various committees are compliant with the provisions of the Company's Articles of Association and the JSE Listings Requirements. The terms of reference are reviewed on a regular basis and are available on the Company's website.

All committees have satisfied their responsibilities in compliance with their respective terms of reference during the year under review.

CORPORATE GOVERNANCE continued

The Company's Board committees during the year were constituted as follows:

	Chairman	Members	By standing invitation
Audit Committee	Antonios Djakouris	David Salter Omar Kamal Carol Bell	CFO CEO Group Head of Internal Audit
Risk Committee	Antonios Djakouris	Loucas Pouroulis Phoevos Pouroulis Michael Jones David Salter Omar Kamal Carol Bell Roger Davey Zhong Liang Hong Shelley Wai Man Lo	Chief Operation Officer (COO) Group Executive: Legal Chief Technical Officer (CTO) Group Head of Internal Audit
Nomination Committee	Carol Bell	Loucas Pouroulis David Salter Antonios Djakouris	CEO
Remuneration Committee	Carol Bell	David Salter Antonios Djakouris Roger Davey	CEO CFO
Safety, Health and Environment Committee	David Salter	Antonios Djakouris Carol Bell Roger Davey	CEO COO CTO
Social and Ethics Committee	David Salter	Antonios Djakouris Omar Kamal Carol Bell Phoevos Pouroulis	
New Business Committee	Roger Davey	David Salter Carol Bell Loucas Pouroulis Phoevos Pouroulis	CFO COO Group Executive: Legal CTO
Climate Change and Sustainability Committee	Carol Bell	Loucas Pouroulis Phoevos Pouroulis Michael Jones David Salter Antonios Djakouris Omar Kamal Roger Davey Zhong Liang Hong Shelley Wai Man Lo	COO Group Executive: Legal CTO Group ESG Manager

Audit Committee

The Audit Committee, which must comprise at least three independent non-executive directors, is chaired by Antonios Djakouris, an independent non-executive director. Other members of the committee are David Salter, Omar Kamal, and Carol Bell, all independent non-executive directors. The Board is satisfied that the committee's members have the appropriate mix of qualifications and experience in order to fulfil their responsibilities appropriately. The Group's independent external auditor, Group Head of Internal Audit, CFO, and CEO attend committee meetings by invitation. The committee meets with the external auditors and Group Head of Internal Audit, without any executive directors being present.

Both the Group Head of Internal Audit and external auditors have unrestricted access to the chairman of the committee and the Lead Independent Director.

The Audit Committee provides the Board with additional assurance regarding the quality and reliability of financial information used by the Board and the financial statements of the Group. The committee

reviews the internal and financial control systems, accounting systems, and reporting and internal audit functions. It liaises with the Group's external auditor and monitors compliance with legal requirements.

Furthermore, the Audit Committee assesses the performance of financial management, approves external audit fees and budgets, monitors non-audit services provided by the external auditor against an approved policy, and ensures that management addresses any identified internal control weakness. In addition, the committee oversees the integrated reporting process, risk management systems, information technology risks (as they relate to financial reporting), the Group's whistleblowing arrangements, and policies and procedures for preventing corrupt behaviour and detecting fraud and bribery.

During the year under review, the Audit Committee considered and recommended the appointment of BDO as external auditors of the Karo Group to the Karo Mining Holdings board for approval. BDO has also been appointed as external auditors of the other Zimbabwean operations within the Group.



In terms of the Audit Committee's oversight role in the integrated reporting process, it considers all factors and risks that may impact the integrity of the integrated annual report. In this regard, the committee considers and reviews the findings and recommendations of the Risk, Safety, Health and Environment, and Climate Change and Sustainability Committees insofar as they are relevant to the functions of the Audit Committee. The committee also reviews and evaluates the disclosure of material sustainability issues in the integrated annual report, in conjunction with the Risk, Safety, Health and Environment, and Climate Change and Sustainability Committees, with specific focus on ensuring that the disclosure is reliable and does not conflict with the financial information. It recommends and/or approves the engagement of external assurance providers on material sustainability issues and ensures that the appropriate measures of progress towards achieving disclosed climate change risk mitigation actions are included in the integrated annual report disclosures.

The committee has unrestricted access to all Company and Group information and may seek information from any employee. The committee may also consult external professional advisers in executing its duties.

The chairman of the Audit Committee is required to report to the Board after each meeting of the committee and the minutes of meetings of the Audit Committee are provided to the Board.

For more information on the activities of the committee during the year under review, refer to the report of the Audit Committee on pages 132 to 133.

The appropriateness of the expertise and experience of the CFO is considered on an annual basis and the committee is satisfied with the appropriateness of the expertise of Michael Jones, the CFO.

The Audit Committee meets as often as is deemed necessary but is required to meet at least twice a year. The committee met five times during the year under review.

Risk Committee

Control of the complete process of risk management, the evaluation of its effectiveness and approval of recommended risk management and internal control strategies, systems, and procedures are key Board responsibilities. For this reason, the Risk Committee comprises the entire Board. The Risk Committee is chaired by Antonios Djakouris. Risk Committee meetings are attended by the COO, Group Executive: Legal, Chief Technical Officer ("CTO"), and Group Head of Internal Audit by invitation.

The Risk Committee reviews management reports on the adequacy and effectiveness of the Group's operational risk management functions, ensures compliance with the Group's risk management policies, and reviews the adequacy of the Group's insurance coverage.

During the year under review, in-depth risk reviews were undertaken at operating subsidiary and business unit level throughout the Tharisa Group. The committee conducted a high-level review of the residual risks identified by management during these reviews. It continues to monitor progress made by risk owners in identifying mitigating factors, performing gap analyses, and implementing additional mitigating measures where required. In addition, the committee identifies, reviews and evaluates non-operational and strategic risks impacting the Company and the Group on an ongoing basis. The Risk

Committee meets as often as is deemed necessary and met once during the year under review.

Nomination Committee

During the year under review, the Nomination Committee was chaired by Carol Bell in her capacity as the Lead Independent Director. Other members of the Nomination Committee were David Salter and Antonios Djakouris, independent non-executive directors, and Loucas Pouroulis, the Executive Chairman. Loucas Pouroulis is entitled to participate and contribute to the Nomination Committee, but is not entitled to vote on any matter before the Nomination Committee. In the event of a tied vote, the chairman of the committee has a casting vote. The CEO attends meetings by invitation if required.

The Nomination Committee ensures that the procedures for appointments to the Board are formal and transparent by making recommendations to the Board on all new Board appointments in accordance with the Company's policy for Board appointments. It does so by evaluating the Board performance, undertaking performance appraisals of the executive and non-executive directors, evaluating the effectiveness of Board committees, and making recommendations to the Board. The Nomination Committee also considers and approves the Board succession plans.

The work of the Nomination Committee during the year followed both its terms of reference and established good practice in corporate governance. The committee conducted a review of the structure, size, and composition of the Board, with specific emphasis on skills, knowledge, independence, and diversity of the Board members. During the period under review, the committee considered the independence of non-executive directors. Consideration was given, among others, as to whether the individual non-executive directors are sufficiently independent of the Company to effectively carry out their responsibilities as directors, whether they are independent in judgement and character, and that there are no conflicts of interest in the form of contracts, relationships, shareholding, remuneration, employment, or related-party disclosures that could affect their independence.

The committee determined that David Salter, Antonios Djakouris, Omar Kamal, Carol Bell, and Roger Davey are independent. Zhong Liang Hong and Shelley Wai Man Lo are not considered independent due to their association with significant shareholders.

The Nomination Committee met formally once during the year under review.

Remuneration Committee

All members of the Remuneration Committee are independent non-executive directors. During the year under review, the committee was chaired by Carol Bell, and the other committee members were David Salter, Antonios Djakouris, and Roger Davey. The CEO and CFO are invited to attend committee meetings to make presentations, except when their remuneration is under consideration.

The Remuneration Committee considers the remuneration framework of the Executive Chairman, CEO, CFO, and other members of the executive management of the Company and its subsidiaries, regarding local and international benchmarks. As far as the remuneration of the Executive Chairman and the CEO is concerned, the committee considers and if appropriate, recommends the remuneration of the Executive Chairman and the CEO to the Board for final approval.

CORPORATE GOVERNANCE continued

The committee also considers bonuses, which are discretionary and based upon general economic variables, the performance of the Company and each individual's performance against personalised key performance indicators, allocations in terms of the Group's incentive schemes, and certain other employee benefits and schemes.

During the year, the committee reviewed various aspects of the Group's remuneration structure, including executive salaries, both short-term and long-term performance-based remuneration schemes and annual cost of living adjustments. It continued its work around the methodology for setting appropriate salary levels for the executive team with Korn Ferry through benchmarking executive remuneration packages against an appropriate peer group and the median of a mining industry group developed by Korn Ferry. The committee was satisfied that it had developed a satisfactory method to ensure that the executive team was being fairly remunerated compared to the peer group.

The committee also considered and approved an interim relief measure proposed by the executive team in light of the financial pressure placed on employees due to fuel and food inflation. In terms of the interim relief measure, all employees on Patterson Grades up to and including E5 had been granted either a provident fund payment holiday or additional bonuses paid for two months depending on where the employees are located, the cost of the contributions being covered by the employer companies.

The committee met formally six times during the year under review.

Safety, Health and Environment Committee

All members of the committee are independent non-executive directors. The committee is chaired by David Salter and other members are Antonios Djakouris, Carol Bell, and Roger Davey. The CEO and COO attend the meeting by invitation.

The Safety, Health and Environment Committee develops and reviews the Group's framework, policies and guidelines on safety, health, and environmental management, monitors key indicators on accidents and incidents, and considers developments in relevant safety, health, and environmental practices and regulations.

The committee met four times during the year under review.

Social and Ethics Committee

As required by the JSE Listings Requirements, the Board established a Social and Ethics Committee. The committee is chaired by David Salter and other members are Antonios Djakouris, Omar Kamal, Carol Bell, and Phoevos Pouroulis.

The committee's objective is, *inter alia*, to assist the Board in ensuring that the Company and the other entities in the Group are and remain committed, socially responsible corporate citizens by creating a sustainable business and regard for the Company's economic, social, and environmental impact on the communities in which it operates. This includes, among others, public safety, HIV/Aids, environmental management, corporate social investment, consumer relationships, labour and employment, the promotion of equality, and ethics management.

The committee has an independent role with accountability to both the Board and the Company's shareholders. The committee does not assume the functions of management of the Company. These functions remain the responsibility of the Company's executive directors, executive management, and senior managers.

It is the committee's responsibility to monitor the Group's activities, having regard to any relevant legislation, other legal requirements or prevailing codes of best practice, with regard to matters relating to, among others, the following:

- (i) Social and economic development, focusing on the Company's standing in terms of the goals and purposes of the 10 United Nations Global Compact Principles, among others:
 - upholding and respecting human rights
 - upholding fair labour practices, which include the freedom of association, the right to collective bargaining, and the elimination of forced labour, child labour, and discrimination
 - upholding the promotion of greater responsibility toward the environment
 - upholding the prevention of bribery and corruption
 - upholding the Organisation for Economic Co-operation and Development's recommendations regarding corruption
 - upholding the Equator Principles
 - upholding the Employment Equity Act and the Broad-Based Black Economic Empowerment Act, applicable to South African subsidiaries.
- (ii) Good corporate citizenship and the impact of the Group's activities and its products or services on the environment, health, and public safety, the Company's employment relationships, and its contribution toward the educational development of its employees. In order to ensure that Tharisa is and is seen to be a responsible corporate citizen, the committee oversees and monitors, on an ongoing basis, the consequences of the Group's activities and outputs on:
 - the workplace, by ensuring employment equity, fair remuneration, safety, health, dignity, and development of employees and the Group's standing in relation to the International Labour Organisation Protocol on decent work and working conditions
 - the economy, by working towards economic transformation
 - the prevention, detection, and response to fraud and corruption
 - society, by upholding public health and safety, consumer protection, community development, and protection of human rights
 - the environment, by ensuring pollution prevention, minimising waste disposal, and protecting biodiversity.
- (iii) Ethical leadership and ethical behaviour, by reviewing the Company's Code of Ethics and making recommendations to the Board for approval reviewing results of whistleblowing activities reviewing significant cases of employee conflicts of interest, misconduct, fraud, or any other unethical activity by employees or the Company and ensuring that the Company's ethics performance is assessed, monitored, reported and disclosed.

The committee is pleased to report that it has fulfilled its mandate in terms of its terms of reference and that there are no instances of material non-compliance to report.

The committee meets as often as it deems necessary but, in any case, at least once a year and at such other times as determined. The committee met once during the year under review.

New Business Committee

The New Business Committee is responsible for the investigation and assessment of new projects and business opportunities, particularly from a strategic, technical and operational point of view, and identifying project-related risks, and safety, health, and environmental

risks. The committee is not authorised to approve individual projects or investments or commit the Company, but works with executive management to review and evaluate new business opportunities and initiatives and make recommendations to the Board for approval. The committee has the right of access to management and/or external consultants, and the right to seek additional information or explanations.

The committee is chaired by Roger Davey and other members are David Salter, Carol Bell, Loucas Pouroulis, and Phoevos Pouroulis. The CFO, COO, Group Executive: Legal, and CTO attend meetings as invitees. All members of the Board who are not committee members have a standing invitation to attend the meetings.

During the year, the committee considered various opportunities presented to it.

The committee meets as often as necessary to undertake its role effectively. The committee met formally three times during the year under review.

Climate Change and Sustainability Committee

During FY2021, the Board established the Climate Change and Sustainability Committee, delegating the responsibility for overseeing the climate change and sustainability strategy, policies, and functions of the Group. This committee functions alongside the Safety, Health and Environment and the Social and Ethics committees. Given the significance of the subject matter, not only for the business but also for all stakeholders and the planet, the committee comprises, for the

time being, all members of the Board and is chaired by Carol Bell. The committee meetings are attended by the COO, Group Executive: Legal, CTO, and the Group ESG Manager by invitation.

The committee's purpose is to provide stewardship and enhance the Group's and, in particular Tharisa Minerals', efforts in fighting climate change, driving sustainability and maintaining the social licence to operate within communities. Furthermore, the committee supports management in ensuring that the Company addresses climate change and sustainability issues through the development and implemented a climate change and sustainability policy and sustainability framework. The committee also provides oversight on the Company's sustainability strategy and reporting and all matters under the theme of climate change and sustainability.

In the near term, the focus of this committee is oversight of the implementation of the Company's carbon action plan to become net carbon neutral by 2050. It will also guide the Group towards its goal of creating a circular economy while producing critical metals for the decarbonisation of global economies.

The committee has access to sufficient resources to carry out its duties, including the authority to obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference and to invite those persons to attend meetings of the committee.

Meetings are held as often as necessary, but at least twice a year. The committee held four meetings during the year under review.

Attendance at meetings

Attendance at Board and committee meetings during the year under review is set out below:

Director	Board	Audit Committee	Nomination Committee	Remuneration Committee	Risk Committee	SHE Committee	Social and Ethics Committee	New Business Committee	Climate Change and Sustainability Committee
Number of meetings held	4	5	1	6	1	4	1	3	4
Loucas Pouroulis	3	–	0	–	1	–	–	2	3
Phoevos Pouroulis	4	4 [#]	1 [#]	5 [#]	1	4 [#]	1	3 [#]	4
Michael Jones	4	5 [#]	–	5 [#]	1	–	–	3	4
David Salter	4	5	1	6	1	4	1	3	4
Antonios Djakouris	4	5	1	6	1	4	1	3 [#]	4
Omar Kamal	4	5	–	–	1	3 [#]	1	3 [#]	3
Carol Bell	4	5	1	6	1	4	1	3	4
Roger Davey	4	1 [#]	1 [#]	5	1	4	–	3	4
Zhong Liang Hong	0	–	–	–	0	–	–	–	0
Shelley Wai Man Lo	4	3 [#]	–	–	1	3 [#]	–	3 [#]	4

[#] By invitation

CORPORATE GOVERNANCE continued

Group Company Secretary

The role of the Group Company Secretary is, *inter alia*, to provide guidance and advice to the Board with respect to matters relating to the JSE Listings Requirements, the LSE Listings Rules, Disclosure Guidance and Transparency Rules, Cyprus Companies Law, King IV, market abuse laws and regulations, and other corporate governance-related matters. In addition to her statutory duties, the Group Company Secretary provides individual directors, the Board as a whole, and the various committees with guidance as to how their responsibilities should be discharged in the best interests of the Group.

Sanet Findlay is a full-time employee within the Group and is based in South Africa. She holds a Bachelor of Science and a Bachelor of Law, a CIS professional postgraduate qualification: Company Secretarial and Governance Practice and has been an Associate member of the Chartered Governance Institute of Southern Africa (formerly Chartered Secretaries Southern Africa) since 2003. She has experience as a Group Company Secretary of JSE and LSE-listed companies since 2009. She is not a director of Tharisa or any of its subsidiaries and maintains an arm's length relationship with the Board.

Lysandros Lysandrides acts as the Assistant Company Secretary and holds a Bachelor of Law and a postgraduate diploma in Legal Practice (UK). He is an associate member of the Institute of Chartered Secretaries and Administrators (UK), a Fellow of the Chartered Institute of Legal Executives (UK), and a registered practising Cyprus attorney at law. He has experience as a company secretary and legal adviser to companies listed on the LSE and Cyprus Stock Exchange. Lysandros has been appointed as an external adviser to Tharisa and its Cyprus subsidiaries and maintains an arm's length relationship with the Board.

The Board formally assessed and considered the performance and qualifications of the Company Secretaries and is satisfied that the Company Secretaries are competent, suitably qualified, and experienced.

The appointment and removal of the Company Secretaries are matters reserved for the Board as a whole.

Board evaluation

The Nomination Committee, under the leadership of the Lead Independent Director, evaluates the performance of the Board, its committees, the Executive Chairman, CEO, CFO, the Company Secretary, and the performance and contribution of the individual non-executive directors. The Board committees conduct a self-evaluation against their respective terms of reference and each individual Board member is evaluated by fellow Board members using an evaluation questionnaire. The results of the evaluation process are considered by the Nomination Committee prior to their presentation to the Board. Results and any identified training requirements are discussed with individual directors if deemed necessary. An extensive evaluation was conducted in October 2019. There were no material findings and remedial action was taken to address areas that can be improved. The Board is satisfied that the evaluation process assists in the improvement of performance and effectiveness of the Board.

A comprehensive evaluation will be undertaken in FY2023.

Conflicts of interest

Disclosure of other directorships, personal financial interests and any other conflicts of interest, and those of related persons, in any matter before the Board is a standing Board agenda item and a register is kept of all such disclosures. Directors recuse themselves from discussion on any matters in which they may have a conflict of interest. Non-executive directors are required to inform the Board of any proposed new directorships and the Board reserves the right to review such additional appointments to ensure that no conflict of interest would arise and to ensure that a director accepting a new appointment would be able to continue to fulfil his or her obligations as a member of the Board.

Share dealing and insider trading

All directors of the Company and its major subsidiaries, senior executives, the Company Secretaries, and employees and advisers who, by virtue of their positions, have access to financial and other price-sensitive information are regarded as insiders and are required, at all times, to obtain prior authorisation to deal in the Company's shares.

Directors of the Company and its major subsidiaries and Persons Discharging Managerial Responsibilities (PDMRs) are reminded of their obligation to inform all their associates, as defined by the JSE Listings Requirements, and investment managers of the fact that dealings by the directors and their associates in Tharisa shares have to be pre-approved and/or disclosed to the Company within the stipulated timeframe to facilitate the release of the required announcements in terms of the JSE Listings Requirements. A similar requirement exists under the UK Market Abuse Regime for PDMRs and persons closely associated with them. The Company's directors, executives and employees who are classified as insiders are not permitted to deal in the Company's shares during closed periods or when they are in possession of non-public information.

An appropriate communication is sent to all such directors, PDMRs and employees alerting them that the Company is entering a closed period. Closed periods are observed as required by the JSE Listings Requirements, including the period from the end of the interim and annual financial reporting periods to the announcement of the financial results for the respective periods, and during periods that the Company is under a cautionary announcement. The UK Market Abuse Regulation stipulates a closed period of 30 calendar days before the announcement of the interim and/or annual results. The Company applies the longer duration in any given financial reporting period.

Directors of the Company and its major subsidiaries and PDMRs were made aware of an amendment to the JSE Listings Requirements, which expands the definition of a transaction (for purposes of directors' dealings in securities) to include the use of the issuer's securities as security, guarantee, collateral or otherwise granting a charge, lien or other encumbrance over the securities. In the past, disclosure of such security arrangements had only been required at the time of enforcement against the security, and not at the time the relevant security agreement was entered into. In terms of the amended Listings Requirements, separate transactions are regarded to occur, and an announcement is required at the time a security agreement is entered into, at the time when a right of the secured party is exercised, and at the time that an existing security agreement is amended or terminated. All existing transactions entered into prior to the amendment of the Listings Requirements must be disclosed in



the integrated annual report. None of the directors or Company Secretaries of the Company, its major subsidiaries, or any PDMRs had entered into any such transactions prior to the amendment to the Listings Requirements, which came into effect on 2 December 2019.

Succession planning

The Board, assisted by the Nomination Committee, is responsible for overseeing succession planning and ensuring that appropriate strategies are in place to ensure the smooth continuation of roles and responsibilities of members of the Board and senior management.

Compliance

Compliance with financial reporting requirements and accounting standards falls within the ambit of the Audit Committee. The Group's statutory and regulatory compliance resides with the Legal, Risk and Compliance Officer and reports on compliance are presented to the Audit and Social and Ethics Committees. In addition to the formal authorisation processes required for dealings in the Company's shares, the Group has various policies and procedures in place governing the declaration of interests, the accepting and granting of gifts and an approved delegation of authorities matrix that governs the delegation of authority and value limits within the Group and ensures that all transactions are approved appropriately.

No incidents of non-compliance were identified and no significant penalties or regulatory censures were imposed on the Company or any of its subsidiaries during the year under review.

The Board is satisfied that the Company complied with the Cyprus Companies Law, its Articles of Association, and the requirements of the JSE Listings Requirements pursuant to the Company's primary listing on the JSE during the year under review. The Board also acknowledges the role and responsibilities of its JSE sponsor, Investec Bank Limited, and believes that the sponsor has discharged its responsibilities with due care during the period.

Information technology ("IT") governance

The Board Charter commits the Board to assume ultimate responsibility for ensuring that effective IT systems, internal control, auditing and compliance policies, and procedures and processes are implemented to avoid or mitigate key IT-related business risks. The Board has delegated responsibility for governing IT to the Audit Committee. An assurance on the IT systems and processes is provided by the Group's internal auditors, and/or other professional consultants if required, and findings are reported to the Audit Committee, which ensures that all material findings are addressed appropriately.

A Group Chief Information Officer, responsible for the Group's strategy and implementation of Information Technology and Information Systems across all Group companies, has been appointed with effect 1 October 2022.

Climate change governance

The Board is ultimately responsible for the strategic direction of the Group and monitoring that Tharisa and its subsidiaries are operating responsibly. Tharisa has evolved its approach to dealing with stakeholders, focusing on actively healing rather than merely avoiding harm. Both the risks and opportunities presented by climate change are debated actively by the Board when developing the Group's strategy. Investment decisions, likewise, factor in climate risk, as well as the business opportunities that arise from decarbonisation of energy so that the Group's capital investment is allocated

appropriately and responsibly to ensure that Tharisa's business model remains both sustainable and competitive. The Group produces several raw materials required for decarbonising the global economy. It also directs its research and development activities towards minimising its direct carbon footprint and contributing to the worldwide goal of achieving net-zero carbon emissions by 2050. The Board supports the Paris Climate Agreement, which was adopted in 2015 to address the negative impact of climate change by substantially reducing global greenhouse gas emissions to limit the global increase in temperature.

During FY2021, the Board established the Climate Change and Sustainability Committee, delegating the responsibility for overseeing the climate change and sustainability strategy, policies, and functions of the Group. Read more about this committee on page 105.

Tharisa has seen an intense focus on the impacts of climate change and is acutely aware of its accountability in reducing the Group's carbon footprint. The mining industry is a critical contributor to the global economy and the delivery of critical metals for the worldwide energy transition. It is also essential for the mining industry to minimise the environmental impact of its activities and Tharisa has been reviewing its operations with respect to establishing a corporate plan to reduce its carbon emissions while continuing to grow its operations in producing metals that are needed to effect the energy transition away from fossil fuels and deliver the decarbonisation of economies. Tharisa's management is committed to reducing its carbon emissions by 30% by 2030 (from its FY2020 baseline, which uses 2019 data) and the development of a roadmap is continuing to be net carbon neutral by 2050. Investment decisions taken by Tharisa's Board will be informed by these decarbonisation targets, alongside the current financial investment criteria. Furthermore, this developed roadmap will ensure that the pre-defined decarbonisation targets are achieved by deploying numerous sustainability initiatives.

Read more on Tharisa's sustainability initiatives on pages 50 to 79.

External audit

Ernst & Young Cyprus Limited acts as an external auditor to the Group and its independence is reviewed by the Audit Committee on an annual basis. The appointment of the external auditor was approved at the AGM on 23 February 2022. The external auditor has unrestricted access to the chairman of the Audit Committee and the Lead Independent Director.

During the year under review, the Audit Committee and the Karo Mining Holdings board approved the appointment of BDO as external auditor to the Karo Group, comprising Karo Mining Holdings, Karo Zimbabwe Holdings and Karo Platinum. BDO has also been appointed as the external auditors of the Group's other Zimbabwean operations, including Salene Chrome Zimbabwe.

Internal audit

During FY2021 Tharisa established an in-house internal audit function and the Group Head of Internal Audit is responsible for the internal audit function for the Tharisa Group. He is a member of the South Africa Institute of Chartered Accountants ("SAICA"), The Institute of Internal Auditors ("IIA"), The Information Systems Audit and Control Association ("ISACA") and The Association of Certified Fraud Examiners ("ACFE") and is subject to the code of ethics of these professional bodies.

The purpose of the Tharisa internal audit function is to provide independent, objective assurance and consulting services designed to

CORPORATE GOVERNANCE continued

add value and improve the Group's operations. The Internal Audit Charter sets out the internal audit function's objectives, authority and responsibilities.

The internal audit function evaluates the adequacy and effectiveness of controls in responding to risks within the Group's governance, operations and information systems, including information security and cyber security. It derives its authority from the Audit Committee, to which it reports every quarter.

The Group Head of Internal Audit and internal audit team have unrestricted access to all functions, records, property, assets, personnel, and other documentation and information that the Group Head of Internal Audit considers necessary to enable the internal audit team to carry out its responsibilities. It may obtain the necessary assistance of personnel in subsidiary companies and divisions of Tharisa where they perform audits, as well as other specialised services from within or outside the Company. Furthermore, the Group Head of Internal Audit has full and free access to the chairman and members of the Audit Committee, the Lead Independent Director, the Chairman of the Board and the external auditors.

The internal audit function plays a role in:

- developing and maintaining a culture of accountability, integrity and adherence to high ethical standards
- facilitating the integration of risk management into the day-to-day business activities and processes and
- promoting a culture of cost-consciousness and self-assessment.

Internal audit has a responsibility to advise on governance, risk management and control issues and is required to report inadequately addressed risks and ineffective control processes to management and/or the Audit Committee. Reporting is escalated to a level consistent with the internal audit assessment of the risk. Management is responsible and accountable for addressing weaknesses and inefficiencies and taking the necessary corrective action.

The Group Head of Internal Audit and staff of the internal audit function have accountability to, amongst others:

- provide assurance to the Audit Committee as to the adequacy and effectiveness of the Group's governance, risk management and controls
- develop and implement an annual audit plan using an appropriate risk-based methodology, including any risks or control concerns identified by management, including any special tasks or projects requested by management and the Audit Committee
- maintain a professional audit staff with sufficient knowledge, skills, experience, and professional certifications to meet the requirements of this charter
- establish a quality assurance programme by which the Group Head of Internal Audit assures the operation of internal audit activities
- issue periodic reports to the Audit Committee and management, as well as summarised results of audit activities
- assist in the investigation of significant suspected fraudulent activities within the organisation and notify management and the Audit Committee of the results and
- consider the scope of work of the external auditors and regulators, as appropriate, to provide optimal audit coverage to the Group at a reasonable overall cost.

Management cannot place any restrictions on the scope of the audits. However, it is recognised that management and the Audit Committee provide general direction as to the scope of work and the activities to

be audited and may request internal audit to undertake special reviews or audits. Opportunities for improving management control, profitability, and the Company's image may be identified during audits, which are communicated to the appropriate management level.

Recommendations on standards of control to apply to a specific activity are included in the written report of audit findings and opinions given to management for review and implementation. A written report is issued and distributed within a reasonable time after receiving the written management responses. All significant control weaknesses are followed up on a monthly basis to ensure the remedial action has been implemented by management and the appropriate feedback is given to the Audit Committee on the status of such remedial action.

The internal auditor is responsible for conducting reviews with professional scepticism, recognising that the application of audit procedures may produce evidential matter indicating the possibility of errors or irregularities. Deterrence of fraud is however the responsibility of management.

Internal audit will assist in the investigation of fraud to determine if controls need to be implemented or strengthened and design audit tests to help disclose the possibilities for similar frauds in the future. It will recommend improvements to correct the weaknesses and incorporate appropriate tests in future audits to disclose the existence of similar weaknesses in other areas of the organisation.

Internal audit maintains an open relationship with external auditors and any other assurance providers. Consistent with the Internal Audit strategy, internal audit plans its activity to help ensure the adequacy of overall audit coverage and to minimise duplication of assurance effort. The external auditors have full and unrestricted access to all internal audit strategies, plans, working papers and reports.

Independence and objectivity are essential to the effectiveness of the internal audit function. Internal audit has no direct authority or responsibility for the activities it reviews or for developing or implementing procedures. In addition, internal audit staff generally do not assume a role other than in an advisory capacity in the design, installation or operation of control procedures.

Internal audit reports functionally to the chairman of the Audit Committee and administratively to the Chief Finance Officer for the efficient and effective operation of internal audit function. The Audit Committee decides on the Group Head of Internal Audit appointment and removal and is responsible for his performance appraisal.

Independence is protected by ensuring that the internal audit function is free from control or undue influence by any party in selecting and applying audit techniques, procedures, and programmes. Internal Audit is free from control or undue influence in the determination of facts revealed by the examination or in the development of recommendations or opinions resulting from the examination. The internal audit function is free from undue influence in selecting areas, activities, personal relationships, and managerial policies to be examined.

The internal audit function has oversight of the independent anonymous safety and ethics hotline administered by Whistleblowers Proprietary Limited. It investigates all reports received via the

Whistleblowers hotline and through other channels and makes recommendations to management.

The Audit Committee ensures that the Internal Audit function is subjected to an independent quality review as and when the Audit Committee determines it appropriate as a measure to ensure that the function remains effective.

Internal control systems

To meet the Company's responsibility to provide reliable financial information, the Company maintains financial and operational systems of internal control. These controls are designed to provide reasonable assurance that transactions are concluded in accordance with management's authority that the assets are adequately protected against material losses, unauthorised acquisition, use or disposal and those transactions are properly authorised and recorded. The systems include a documented organisational structure and division of responsibility and established policies and procedures, which are communicated throughout the Group, and the careful selection, training, and development of people.

The Audit Committee monitors the operation of the internal control systems to determine whether there are deficiencies. Corrective actions are taken to address control deficiencies as they are identified. The Board, operating through the Audit Committee, oversees the financial reporting process and internal control systems.

There are inherent limitations to the effectiveness of any internal control system, including the possibility of human error and the circumvention or overriding of controls.

Code of Business Ethics and Conduct

The Group's Code of Business Ethics and Conduct reaffirms the high standards of business conduct required of all employees, officers, and directors of Tharisa. It forms part of the Company's continuing effort to ensure that it complies with all applicable laws, as an effective programme to prevent and detect violations of law, and for the education and training of employees, officers, and directors. In most circumstances, the code sets standards that are higher than the law requires and adherence to the code aims to preserve the confidence and support of the public and Tharisa's shareholders.

Tharisa expects its employees, officers, and directors to:

- act with honesty, integrity, and fairness in all dealings, both internally and externally
- comply with all laws and regulations applicable to the Group
- comply with Group policies and procedures
- protect the health, safety, and wellbeing of co-workers, suppliers, and the communities in which the Group operates
- protect the environment by prudent use of resources such as water and energy and to limit waste disposal by recycling
- protect and not disclose Tharisa's confidential information
- avoid any potential conflicts of private interests with the interests of the Group, including, but not limited to, improper communications with competitors or suppliers regarding bids for contracts, having close relationships with contractors or suppliers, and involvement with any other businesses that have interests adverse to Tharisa, interests in Tharisa, or compete with Tharisa
- not give or accept gifts, gratuities, or hospitality from customers or suppliers of inappropriate value, that could incur obligations or that could influence judgement

- avoid any situations or relationships that could interfere with an individual's ability to make decisions in Tharisa's best interests
- to act courteously, dignified and respectfully when dealing with co-workers and third parties and to refrain from discriminatory, harassing, or bullying behaviour, whether expressed verbally, in gesture, or through behaviour.

Furthermore, it is Tharisa's policy not to discriminate against any employee on the basis of race, religion, national origin, language, gender, sexual orientation, HIV status, age, political affiliation, or physical or other disability. Tharisa desires to create a challenging and supportive environment where individual contributions and teamwork are highly valued. In order to establish such an environment, all individuals are expected to support this policy of non-discrimination and Tharisa's equal employment opportunity policies.

Human rights, modern slavery and human trafficking

Tharisa acts ethically and with integrity in all business dealings and has the necessary systems and controls in place to safeguard against any form of transgression of human rights. Tharisa will continue to raise awareness of human rights among its employees, suppliers, and the communities in which it operates.

Modern slavery encapsulates slavery, servitude, and forced or compulsory labour. Tharisa has a zero-tolerance approach to any form of modern slavery and is committed to ensuring that there is no slavery or human trafficking in its supply chain, or any part of its business.

Anti-bribery and corruption policy

Tharisa is committed to doing business ethically. Tharisa does not tolerate corruption, fraud, and bribery and does not allow donations to any political parties through any of its operations. The Group's anti-corruption policy outlines potential risks and steps to mitigate the risk of bribery and corruption, together with a reporting guideline. All employees, suppliers, and other associated persons are made aware of these policies and procedures with regard to ethical behaviour, business conduct, and transparency.

Independent anonymous safety and ethics hotline

The Group has a zero-tolerance approach to safety transgressions, theft, fraud, corruption, violation of the law, and unethical business practices by employees or suppliers.

A 24-hour independent anonymous safety and ethics hotline monitored by an independent external party is fully operational and facilitates the reporting and resolution of safety and ethical violations. This confidential and anonymous hotline provides an impartial facility for employees, service providers, customers, and other stakeholders to report any safety or ethics-related matter such as safety concerns, unsafe behaviour and practices, hazardous conditions, fraudulent activity, corruption, statutory malpractice, financial and accounting reporting irregularities, and other deviations from safe and ethical behaviour. The Audit Committee must ensure that arrangements are in place for the independent investigation of such matters and appropriate follow-up action. No action will be taken against anyone reporting legitimate concerns, even if there is no proven unlawful conduct.

CORPORATE GOVERNANCE continued

Each report received via the safety and ethics hotline, or any other channel, is considered and assessed by the Group Head of Internal Audit in terms of the nature of the incident and the level of staff implicated. For the following instances, the Group Head of Internal Audit consults with the Audit Committee Chairperson and together they decide on the most appropriate follow-up action:

- reports that concern individuals that are at the highest level of management of the Group and/or individuals that are responsible for overseeing one or more departments, or
- incidents that indicate a serious or pervasive violation that puts Tharisa at risk (whether from a reputational or financial perspective).

Based on this assessment, the Group Head of Internal Audit, in conjunction with the CFO and/or COO and/or CEO, determines whether to investigate the matter with internal audit resources or request the senior management within the function/region to investigate where this is appropriate or required. In certain circumstances it could be appropriate to engage an outside forensic expert to investigate. All incidents are investigated and the outcomes of the investigations are reported to the Audit Committee every quarter. Based on the outcome of the investigation, appropriate action is taken, which may include, where deemed necessary, a disciplinary process in accordance with the Tharisa Human Resources Disciplinary Process.

Whistle Blowers Proprietary Limited operates and ensures the confidentiality of the hotline/tip-off process and that the anonymity of the individual using the hotline is protected while they are in possession of the information, as well as protecting the rights of the individuals referred to in the complaint.

Investor relations

The CEO and CFO, supported by the Investor Relations function, interact with institutional investors and qualified private investors on the performance of the Group through presentations and scheduled meetings regularly. The Company also participates in selected South African and international conferences and conducts roadshows in South Africa and internationally.

A wide range of information and documents, including copies of presentations given to investors, integrated annual reports and notices of shareholder meetings, are made available on the Company's website www.tharisa.com on an ongoing basis.

Shareholders are encouraged to visit the investors' section of the website frequently to be kept informed of the corporate timetable, including dates for the AGMs, forms of proxy and relevant shareholder information.





KING IV APPLICATION

Principle

Summary of how Tharisa applies the King IV Principles

Leadership, ethics and corporate citizenship

1. Leadership

The governing body should lead ethically and effectively

Integrity

The Board is guided in all matters by the Board Charter, which sets out its role and responsibilities. The Board subscribes to and promotes the highest standards of integrity and good corporate governance, itself acting ethically and setting the tone for an ethical organisational culture. The Board's ethical approach is further strengthened by the diverse experience of its non-executive directors, the majority of whom are independent.

Disclosure of other directorships, personal financial interests, and any other conflicts of interest, and those of related persons, in any matter before the Board is a standing Board agenda item and a register is kept of all such disclosures. Directors recuse themselves from discussing any matters in which they may have a conflict of interest.

The values and principles of Tharisa are defined in the Company's Code of Business Ethics and Conduct, which seeks to ensure compliance with relevant legislation and regulations in a manner that is beyond reproach.

The Social and Ethics Committee assists the Board by monitoring ethical leadership and ethical behaviour, by reviewing the Company's Code of Ethics and making recommendations to the Board for approval, reviewing results of whistleblowing activities, reviewing significant cases of employee conflicts of interest, misconduct or fraud, or any other unethical activity by employees or the Company and ensuring that the Company's ethics performance is assessed, monitored, reported, and disclosed.

Competence

Upon appointment, all new directors are provided with induction materials to familiarise them with the Group's operations, business environment, and members of executive management. Periodic site visits are arranged for existing and new non-executive directors to improve their understanding of the Group's operations.

Directors are required to be diligent in discharging their duties to the Company, seek to acquire sufficient knowledge of the business of the Company, and endeavour to keep abreast of changes and trends in the business environment and markets in which the Company operates to be able to provide meaningful direction to the Company's business activities and operations.

The Nomination Committee, under the leadership of the Lead Independent Director, evaluates the effectiveness and performance of the Board, its committees, and individual directors. Results and any identified training requirements are discussed with individual directors if deemed necessary.

Responsibility

The Board is responsible for control of the Company and the strategic direction of the Group. The Board exercises such control through the Board's governance framework and its committees. The Board Charter contains a list of matters reserved for the Board.

The non-executive directors bring diverse experience and expertise to the Board. They must have a clear understanding of the Group's strategy and must be sufficiently familiar with the Group's businesses to be effective contributors to the development of the Group's strategy and the identification and monitoring of risks faced by the Group. Non-executive directors must have sufficient time to perform their duties as directors and make a meaningful contribution. They should be prepared to challenge executive directors' opinions and provide fresh insight into the Group's strategic direction.

Accountability

Specific responsibilities are reserved for the Board, while others are delegated to Board committees, each with formal mandates and terms of reference. This delegation, however, does not reduce the individual and collective responsibilities of Board members' general fiduciary duties and responsibilities.

Fairness and transparency

The Board is the ultimate custodian of the governance framework, which commits the Company and its representatives to act according to the highest standards of fairness, accountability, responsibility, transparency, ethics, and sustainability. The Board ensures that the Group is, and is seen to be, a responsible corporate citizen, by having regard not only for the financial aspects of the business of the Group, but also the impact that the business operations have on the environment and the societies in which it operates.



Principle

Summary of how Tharisa applies the King IV Principles

Leadership, ethics and corporate citizenship continued

2. Organisational ethics

The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture

The Board Charter outlines the Board's effective management of ethics. The Group's Code of Business Ethics and Conduct reaffirms the high standards of business conduct required of all employees, officers, and directors of Tharisa. In most circumstances, the code sets standards higher than the law requires.

A 24-hour safety and ethics hotline, monitored by an independent external party, facilitates the detection and resolution of safety and ethics violations. This confidential and anonymous hotline provides an impartial facility for employees, service providers, customers, and other stakeholders to report any safety or ethics-related matter such as safety concerns, unsafe behaviour and practices, hazardous conditions, fraudulent activity, corruption, statutory malpractice, financial and accounting reporting irregularities, and other deviations from safe and ethical behaviour. The Audit Committee ensures arrangements are in place for the independent investigation of such matters and appropriate follow-up action.

3. Responsible corporate citizenship

The governing body should ensure that the organisation is, and is seen to be, a responsible corporate citizen

The Board ensures that the Group is, and is seen to be, a responsible corporate citizen by having regard not only for the financial aspects but also for the impact that the business operations have on the environment and the society in which they operate.

The Board Charter outlines the Board's responsibilities in this regard. Tharisa is committed to the promotion of sound safety, health, and environmental practices to protect, enhance, and invest in the wellbeing of the economy, society, and the environment. The Board agrees with the principles of the 2015 Paris Agreement to mitigate climate change and the Group is taking steps to reduce its carbon footprint. Tharisa has evolved its approach to dealing with stakeholders and the environment, focusing actively on healing, rather than merely avoiding harm.

The Board focuses on these matters through its Risk, Safety, Health and Environment Social and Ethics, and Climate Change and Sustainability Committees.

The Social and Ethics Committee assists the Board by monitoring the Group's activities relating to good corporate citizenship and the impact of the Group's activities and its products or services on the environment, health and public safety, the Company's employment relationships, and its contribution toward the educational development of its employees. In order to ensure that Tharisa is seen to be a responsible corporate citizen, the committee oversees and monitors, on an ongoing basis, the consequences of the Group's activities and outputs on:

- the workplace, by ensuring employment equity, fair remuneration, safety, health, dignity and development of employees and the Group's standing in relation to the International Labour Organization Protocol on decent work and working conditions
- the economy, by working towards economic transformation
- the prevention, detection and response to fraud and corruption
- society, by upholding public health and safety, consumer protection, community development and protection of human rights and
- the environment by ensuring the prevention of pollution, minimising waste disposal, and protecting biodiversity.

The Climate Change and Sustainability Committee was established by the Board during FY2021. The committee's purpose is to provide stewardship and enhance the Group's, and in particular Tharisa Minerals', efforts in fighting climate change and driving sustainability and attaining a social licence to operate within communities. The committee supports management in ensuring that the Company addresses climate change and sustainability issues through the development and implementation of a Climate Change and Sustainability Policy and Sustainability framework. The committee also provides oversight on the Company's sustainability strategy and reporting and all matters under the theme of climate change and sustainability.

KING IV APPLICATION continued

Principle

Summary of how Tharisa applies the King IV Principles

Strategy, performance and reporting

4. Strategy and performance

The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance, and sustainable development are all inseparable elements of the value creation purpose

The Board recognises that strategy, risk, performance, and sustainability are inseparable. The Board is also responsible for aligning the strategic objectives, vision, and mission of the Group with performance and sustainability considerations. The Board reviews and approves Group strategy, ensuring alignment with the purpose of the Company, key value drivers, sustainability, and legitimate interests and expectations of stakeholders.

In terms of the Board Charter, approval of the strategy, business plans and annual budgets and any subsequent material changes in strategic direction or material deviations in business plans and/or annual budgets are matters reserved for the Board.

The CEO provides executive leadership and is accountable to the Board for the implementation of strategies, objectives, and decisions within the framework of the delegated authorities, values, and policies of the Company, which include:

- developing the Company's strategy and vision for Board consideration and approval
- developing and recommending annual business plans and budgets that support the Company's long-term strategy to the Board
- monitoring and reporting to the Board on performance against and conformance with strategic imperatives
- ensuring that the Company has appropriate management structures and a management team to effectively carry out the Company's objectives, strategy, and business plans.

5. Reporting

The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance, and its short, medium and long-term prospects

The Company has controls to ensure the integrity of the Integrated Annual Report. It is reviewed by the finance team, CFO, CEO, the Company Secretaries, senior management, JSE sponsor, external auditor, Group Head of Internal Audit, and the Audit Committee to ensure that the information is a true reflection of the Group's activities, prior to approval by the Board.

The Audit Committee provides the Board with additional assurance regarding the quality and reliability of financial information and the financial statements of the Group. The Audit Committee also has an oversight role in the integrated reporting process and takes into account all factors and risks that may impact the integrity of the integrated annual report.

The Board Charter sets out the Board's responsibilities in relation to reporting and the following are matters reserved for the Board:

- adoption of any material changes to or departure from the accounting policies and practices of the Company and its subsidiaries
- approval of annual financial statements, interim reports, and any ancillary documents related thereto.

Governing structures and delegation

6. Primary role and responsibilities of the governing body

The governing body should serve as a focal point and custodian of corporate governance in the organisation

The Board is the ultimate custodian of the governance framework, which commits the Company and its representatives to act according to the highest standards of fairness, accountability, responsibility, transparency, ethics, and sustainability. The Board's approach to corporate governance strives to be stakeholder inclusive and based on good communication.

The Board is committed to the highest standards of corporate governance and believes that accountability, integrity, fairness, transparency, and integrated thinking are essential to the Group's long-term sustainability and its ongoing ability to create value for investors and other stakeholders.

The Board is responsible for aligning the strategic objectives, vision, and mission of the Group with performance and sustainability considerations. In terms of the Board Charter, approval of the strategy, business plans, annual budgets, and any subsequent material changes in strategic direction or material deviations in business plans and/or annual budgets are matters reserved for the Board. The Board ensures that risks impacting the business are adequately examined and mitigated by management.

The Board, its committees, and individual directors have unrestricted access to all Company and Group information, and the Company Secretaries, and may also consult external professional advisers in executing their duties.

The number of meetings of the Board and its committees held and attendance thereat is set out in the integrated annual report.

The Board is satisfied that it has fulfilled its responsibilities in accordance with the Board Charter during the financial year.

Principle**Summary of how Tharisa applies the King IV Principles****Governing structures and delegation** continued**7. Composition of the governing body**

The governing body should comprise an appropriate balance of knowledge, skills, experience, diversity, and independence for it to discharge its governance role and responsibilities objectively and effectively

Composition

The unitary Board, which both leads and controls the Company, comprises three executive directors, being the Executive Chairman, CEO, and CFO, and seven non-executive directors. Five of the seven non-executive directors are independent of management. The Board is structured in such a way such that there is a clear balance of authority, ensuring that no one director has unfettered powers.

Size and composition of the Board

The size of the Board is regulated by the Company's Articles of Association and directors are appointed through a formal process. The Nomination Committee assists with the process by identifying suitable candidates for appointment as directors. Directors are required to be individuals of high calibre and credibility with the necessary skills and experience to bring judgement independent of management, on issues of strategy, performance, resources, diversity, standards of conduct, and evaluation of performance.

The Nomination Committee also assesses the structure and composition of the Board on an ongoing basis, considering the size of the Board and the knowledge, skills, experience, and demographics of the directors to ensure it is appropriately diversified with regard to among others, gender, race, nationality, skills, geographic and industry experience, age, personalities, and other characteristics of directors. Merit and diversity are the core considerations in ensuring that the Board and its committees have an appropriate blend of perspectives to discharge their duties effectively and competently, having regard to the strategic direction of the Group. The Nomination Committee has adopted a Board level diversification policy without introducing a voluntary target. At present, the two female directors represent 20% of the total number of directors and 29% of the non-executive directors.

As part of the assessment process, the Nomination Committee considers the relationship between the executive and non-executive directors and makes recommendations to the Board. The Board believes that there is an appropriate balance between executive and non-executive directors and is satisfied that the current members of the Board collectively possess the skills, knowledge, and experience required to effectively discharge the responsibilities of the Board to achieve the Group's objectives, promote shareholder interests, and to create value for stakeholders over the long term.

Independence

The Nomination Committee considers the independence of non-executive directors. Consideration is given, among others, as to whether the individual non-executive directors are sufficiently independent of the Company to effectively carry out their responsibilities as directors, whether they are independent in judgement and character, and that there are no conflicts of interest in the form of contracts, relationships, shareholding, remuneration, employment, or related-party disclosures that could affect their independence.

Independent non-executive directors serving for more than nine years are subject to a rigorous annual review by the Board to evaluate their continued independence. The Board assesses, among others, the presence or absence of any interest, position, association, or relationship that could potentially influence or cause bias in their decision-making process.

Periodic rotation and nomination for re-election

In accordance with the Company's Articles of Association, one-third of non-executive directors must retire from office at each AGM. Retiring directors are eligible for re-election. Executive directors are not subject to retirement by rotation.

The Nomination Committee reviews and assesses the composition of the Board on an annual basis prior to recommending any individual director for election or re-election by shareholders at the AGM.

Board support for re-election is not automatic; directors seeking election or re-election are subject to a performance appraisal. Upon recommendation by the Nomination Committee, the Board determines whether it will endorse a director standing for election or re-election.

KING IV APPLICATION continued

Principle

Summary of how Tharisa applies the King IV Principles

Governing structures and delegation continued

7. Composition of the governing body continued

The governing body should comprise an appropriate balance of knowledge, skills, experience, diversity, and independence for it to discharge its governance role and responsibilities objectively and effectively

Succession planning

The Board, assisted by the Nomination Committee, is responsible for overseeing succession planning and ensuring that appropriate strategies are in place to ensure the smooth continuation of roles and responsibilities of members of the Board and senior management.

Induction and mentorship

Upon appointment, all new directors are provided with the necessary information to induct them into their fiduciary duties and responsibilities. In this respect, the induction programme includes Articles of Association, the Board Charter, committee terms of reference, information on directors' and officers' insurance, a guide to the JSE Listings Requirements, and a memorandum on dealings in securities, market abuse, and insider trading. Periodic visits are arranged for new and existing non-executive directors to improve their understanding of the Group's operations.

All directors, new and existing, have access to the Company Secretaries for guidance as to how their responsibilities should be discharged in the best interests of the Group.

It is the Executive Chairman's role to mentor and enhance directors' confidence, especially new or inexperienced directors, and to encourage them to make an active contribution at meetings and to undergo training if required.

Conflicts of interest

Disclosure of other directorships, personal financial interests, any other conflicts of interest, and those of related persons, in any matter before the Board is a standing Board agenda item and a register is kept of all such disclosures. Directors recuse themselves from discussing any matters in which they may have a conflict of interest. Non-executive directors are required to inform the Board of any proposed new directorships and the Board reserves the right to review such additional appointments to ensure that no conflict of interest would arise and to ensure that a director accepting a new appointment would be able to continue to fulfil his or her obligations as a member of the Board.

Lead Independent Director

The Lead Independent Director ("LID") chairs the Nomination Committee and is a member of all other Board committees. The LID facilitates meetings of the non-executive directors, acts as a sounding board to the Executive Chairman and the CEO, and leads the non-executive directors in the appraisal of the Executive Chairman and CEO. In addition, the LID provides leadership and advice to the Board when the Executive Chairman has a conflict of interest, without detracting from the authority of the Executive Chairman, and acts as an intermediary for the other Board members and shareholders with regard to concerns that have not been resolved through the normal channels.

8. Committees of the governing body

The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement, and assist with balance of power and the effective discharge of its duties

The Board is assisted in fulfilling its duties by well-structured committees, namely the Audit Committee, Risk Committee, Remuneration Committee, Nomination Committee, Safety, Health and Environment Committee, Social and Ethics Committee, New Business Committee and Climate Change and Sustainability Committee. These committees function according to the Board approved terms of reference in executing their mandates for which the Board remains ultimately responsible. The terms of reference of all committees are available on the Company's website.

The committees are appropriately constituted and all committees are empowered to obtain such external independent advice as may be required to enable them to discharge their duties. The majority of the directors on the committees are non-executive and independent.

Details of the various Board committees, their composition, and role and responsibilities are set out in the integrated annual report.

9. Evaluation of performance of the governing body

The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness

The Board and its committees conduct annual or biennial self-evaluations of the performance of the Board, its committees, the Executive Chairman, CEO, CFO, Group Company Secretary and individual directors. The results of the evaluations are reviewed and considered by the Nomination Committee, the Board, and the respective committees. The LID, assisted by the Group Company Secretary, coordinates the evaluation process. The Board is satisfied that the evaluation process assists in the improvement of performance and effectiveness of the Board. Due to the challenges presented by the global COVID-19 pandemic, the evaluation that was due to have been undertaken in 2021 has been postponed to 2022.

Principle**Summary of how Tharisa applies the King IV Principles****Governing structures and delegation** continued**10. Appointment and delegation to management**

The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities

CEO

The Board's authority conferred on management is delegated through the CEO and the authority and accountability of management are accordingly considered to be the authority and accountability of the CEO. The CEO is the highest decision-making officer in the Group and is accountable to the Board for successfully implementing the Group's strategy and overall management of the Group.

In addition to the CEO's responsibilities relating to the development and implementation of the Group strategy, he is responsible for:

- recommending or appointing the executive members and ensuring proper succession planning and performance appraisals
- ensuring that the assets of the Company are properly maintained and safeguarded and not unnecessarily placed at risk
- setting the tone from the top in providing ethical leadership and creating an ethical environment and not causing or permitting any decision or internal or external practice or activity by the Company that may be contrary to commonly accepted business practice, good corporate governance or professional ethics
- acting as the chief spokesperson of the Company.

The CEO is not a member of any Board committees other than the Risk and Climate Change and Sustainability Committees, which comprise the whole Board, and the Social and Ethics Committee. He attends the Audit, Remuneration, Nomination Committee, and Safety, Health and Environment Committee meetings as an invitee, if required.

The non-executive directors monitor and evaluate the CEO in achieving the approved targets and objectives and the results of such evaluation are considered by the Remuneration Committee to guide it in its appraisal of the performance and remuneration of the CEO.

The Board and Nomination Committee oversee succession planning of the CEO and other senior executives and officers.

The roles of the Executive Chairman and the CEO are not fulfilled by the same person and there is a clear distinction between the roles and responsibilities of the chairman and the CEO, as set out in the Board Charter.

Subsidiary companies and delegation of authority

While boards of subsidiary companies function independently, the Company requires decision-making involvement in a defined list of matters to ensure that material decisions are in the interest of the Group.

The Group has approved delegation of authorities matrices in place, which govern the delegation of authority and value limits within the Group and ensure that all transactions are approved appropriately. The Board is satisfied that the approved delegation of authorities matrices contributes to role clarity and the effective exercise of responsibilities.

Company Secretaries

The role of the Company Secretaries is, *inter alia*, to provide guidance and advice to the Board with respect to statutory, regulatory, and corporate governance-related matters. In addition to their statutory duties, the Company Secretaries provide individual directors, the Board as a whole, and the various committees with guidance as to the manner in which their responsibilities should be discharged in the best interests of the Group.

The appointment and removal of the Company Secretaries are matters reserved for the Board as a whole.

The Board formally assesses and considers the performance and qualifications of the Company Secretaries and is satisfied that the Company Secretaries are competent, suitably qualified, and experienced, while maintaining an arm's length relationship with the Board.

KING IV APPLICATION continued

Principle

Summary of how Tharisa applies the King IV Principles

Governance functional areas

11. Risk governance

The governing body should govern risk in such a way that it supports the organisation in setting and achieving its strategic objectives

The Board has delegated responsibility to monitor risk activities of the Company to the Risk Committee while remaining ultimately accountable. The Risk Committee comprises the full Board. The Board has delegated the responsibility to design, implement, and monitor Tharisa's risk management plan to the senior management. The Board, through the Risk Committee, sets limits for the levels of risk tolerance and appetite and the implementation and management of the risk management plan is monitored by the Risk Committee. Management performs risk assessments continuously and provides regular feedback to the Risk Committee and the Board.

A risk register is maintained by management and presented to the Risk Committee and the Board to ensure continuous monitoring of the management of risk. The Risk Committee and the Audit Committee provide assurance to the Board regarding the efficacy of the risk management process, after consultation with the internal and external auditors, where applicable.

12. Technology and information governance

The governing body should govern technology and information in a way that supports the organisation's setting and achieving its strategic objectives

The Board Charter commits the Board to assume ultimate responsibility for ensuring that effective IT systems, internal control, auditing and compliance policies, and procedures and processes are implemented in order to avoid or mitigate key IT-related business risks. The Board has delegated responsibility for the governing of IT to the Audit Committee. Assurance on the IT systems and processes is provided by the Group's internal audit function and findings are reported to the Audit Committee, which ensures that any and all material findings are addressed appropriately.

13. Compliance governance

The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes, and standards in a way that supports the organisation being ethical and a good corporate citizen

Tharisa is incorporated in the Republic of Cyprus and is therefore subject to the Cyprus Companies Law CAP113. With a primary listing on the JSE under the general mining sector, Tharisa is subject to the JSE Listings Requirements and the requirements of the South African Code of Corporate Practices and Conduct laid out in King IV. Tharisa also has a secondary standard listing of its shares, through the settlement of corresponding depositary interests, on the main market of the London Stock Exchange ('LSE') and is thus subject to the Listing Rules, Disclosure Guidance and Transparency Rules, the Prospectus Regulation Rules, as well as the UK Market Abuse Regime as implemented through the EU Market Abuse Regulation 596/2014 and as amended by the Market Abuse Exit Regulations 2019.

Compliance with financial reporting requirements and accounting standards falls within the ambit of the Audit Committee.

The Group's statutory and regulatory compliance resides with the Legal, Risk and Compliance Officer and reports on compliance are presented to the Audit and Social and Ethics Committees.

In addition to the formal authorisation processes required for dealing in the Company's shares, the Group has various policies and procedures in place governing the declaration of interests, accepting and granting of gifts, and approved delegation of authorities matrices, governing the delegation of authority and value limits within the Group.

The Board is also of the opinion that the Company is compliant with the JSE Listings Requirements and King IV in all material respects, other than having an Executive Chairman, which has been mitigated by the appointment of a LID.



Principle

Summary of how Tharisa applies the King IV Principles

Governance functional areas continued

14. Remuneration governance

Remuneration policy

The Remuneration Committee ensures that the policies around the remuneration of directors and executives are fair and effected responsibly. The remuneration policy applies to all employees who are permanently employed and is not applicable to employees of third-party contractors. The non-executive directors' fees are determined by the Board.

The objective of the Group's remuneration policy is to establish responsible, fair, and equitable reward, which does not discriminate on the basis of race, gender, sex, pregnancy, marital status, family responsibility, ethnic or social origin, colour, sexual orientation, age, disability, religion, HIV status, conscience, belief, political opinion, culture, language, birth, or on any other arbitrary ground.

The Group's remuneration policy reflects the dynamics of the market and the context in which the Group operates. The policy plays a vital role in attracting, motivating, and retaining employees, management, and directors with the necessary skills to effectively manage operations and grow the business, creating a strong performance-orientated environment and aligning employees' and shareholders' interests. The Group regularly seeks and uses remuneration survey services.

The Group aims to create and enforce a high-performance culture that motivates employees to achieve more than just satisfactory performance levels by differentiating between excellent and mediocre performance. By ensuring that employees are recognised and rewarded for their performance fairly and equitably, the Group strives to remunerate employees equitably according to the value they contribute to the Group.

Basic remuneration packages and benefits are set at a competitive level by benchmarking prevailing market rates in the mining industry and are reviewed on an annual basis.

Guaranteed cost-to-company remuneration consists of a cash component including certain benefits.

Short-term and long-term incentives are geared to a number of performance factors in the business and achievement of individual performance. The remuneration philosophy establishes accountability by linking total reward to business objectives fairly and transparently in a bid to find a balance between shareholder return requirements, affordability, and incentivisation.

Remuneration policy and remuneration implementation report

The Company provides full disclosure of remuneration of executive and non-executive directors, as well as key management, as required by the JSE Listings Requirements and King IV.

The remuneration policy is published in the remuneration policy and remuneration implementation report, which forms part of the integrated annual report, and is subject to separate non-binding advisory votes by shareholders at the AGM.

15. Assurance

The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports

The Audit Committee oversees the combined assurance framework and receives regular reports on assurance matters from the external auditor, internal audit function, and executive management.

The Audit Committee oversees the internal audit function, including reviewing the effectiveness of internal controls, approving the annual internal audit plans and fees, and recommending appointment of the internal auditor/s.

The Audit Committee approves the non-audit services provided by the external auditors, recommends approval of the audit fees, considers the effectiveness and independence of the external auditor, and recommends the appointment/reappointment of the external auditor.

The Risk Committee and the Audit Committee provide assurance to the Board regarding the efficacy of the risk management process, after consultation with the internal and external auditors, where applicable.

KING IV APPLICATION continued

Principle

Summary of how Tharisa applies the King IV Principles

Stakeholder relationships

16. Stakeholder relationships

In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time

The Board has delegated authority to management to proactively deal with stakeholder relationships.

Stakeholder perceptions are closely managed through engagement on multiple levels, which allows management to manage and mitigate any potential issues, reducing the likelihood of reputational risk.

The Board and management are striving to achieve the appropriate balance between various stakeholder groupings, in the best interests of the Company.

The Cyprus Companies Law and the JSE Listings Requirements contain appropriate protection of shareholders and the Articles of Association do not remove such protection. Senior management, the Group Company Secretary, and the investor relations team ensures that all shareholders are treated equitably.

Senior management ensures that timely, relevant, and accurate information is provided to all stakeholders to maintain their trust and confidence in the Group.

The CEO and CFO, supported by the investor relations function, interact with institutional investors on the performance of the Group through presentations and scheduled meetings on a regular basis.

The Company also participates in selected international conferences and conducts roadshows internationally.

A wide range of information and documents, including copies of presentations given to investors, integrated annual reports, and notices of shareholder meetings, are made available on the Company's website www.tharisa.com on an ongoing basis. Shareholders are encouraged to visit the investors' section of the website frequently to be kept informed of relevant shareholder information.

The Board encourages directors, shareholders, and relevant stakeholders to attend the AGM and other shareholders' meetings. The AGM is also attended by the chairmen of the Audit, Remuneration and Social and Ethics committees and the designated partner responsible for the external audit.



REMUNERATION REPORT

Statement from the Chairman of the Remuneration Committee

The focus of the Remuneration Committee during the year has been on ensuring that Tharisa's remuneration policy and the implementation of the policy remain in line with best practice, taking account of the specifics of the business and provides an appropriate compensation framework for our employees across the Group. For the financial year beginning 1 October 2022, the committee continued to apply the existing remuneration policy.

Non-binding advisory vote at the AGM

In terms of King IV recommendations, and the JSE Listings Requirements, the Company's remuneration policy and the remuneration implementation report, must be tabled for two separate non-binding advisory votes at every AGM. The purpose of the non-binding advisory votes is to enable shareholders of the Company to express their views on the Group's remuneration policy, and on its implementation.

At the AGM held on 23 February 2022, the resolutions to approve the remuneration policy and the remuneration implementation report were passed, with the resolution approving the remuneration policy receiving 98.65% of the votes and the resolution approving the remuneration implementation plan receiving 94.79% support. The Remuneration Committee and the Board thank shareholders for this strong level of support.

At the forthcoming AGM to be held on 22 February 2023, shareholders will again be asked to approve the remuneration policy and the remuneration implementation report by way of separate resolutions. It is the recommendation of the Remuneration Committee and the Board that the remuneration policy and the remuneration implementation report be approved.

In the event that either the remuneration policy or the remuneration implementation report is voted against by 25% or more of the voting rights exercised by shareholders, the Board, through the Remuneration Committee, will seek to engage further with shareholders.

Remuneration Committee, its responsibilities and areas of focus during the year under review

All members of the committee are independent non-executive directors. The committee comprises Carol Bell, Antonis Djakouris, David Salter and Roger Davey. During the year under review, the committee was chaired by Carol Bell.

The responsibilities and duties of the committee are governed by terms of reference that are aligned with the recommendations of King IV and incorporate best practice. The terms of reference are available on the Company's website.

While the committee establishes, maintains, reviews and governs the Group's remuneration policy, it focuses mainly on the remuneration of executive directors, executives and senior management. The committee considers the remuneration framework of the Executive Chairman, CEO, CFO and other members of the executive management of the Company and its subsidiaries, with reference to international and local benchmarks.

The committee also considers the rules and performance requirements for the Group-wide cash bonus scheme, allocations in terms of the

Group's long-term incentive schemes, discretionary bonuses and certain other employee benefits and schemes.

Both internal and external factors are taken into account in determining the remuneration framework, to ensure ongoing relevance and appropriateness in the context of the macroeconomic climate and the Group's business objectives, among others:

- inflation
- commodity prices
- safety
- bargaining unit negotiations and settlements in the industry
- production
- position on the cost curve
- profitability and cash flows
- skills availability and retention
- individual productivity and key performance indicators.

During the year, the committee

- reviewed various aspects of the Group's remuneration policy, structure, and performance-based remuneration schemes
- considered the fixed total guaranteed packages and variable short-term and long-term incentives of executive management against market data of a comparator group comprising companies with a similar profile to Tharisa from an investor's point of view and approved annual increases for all employment levels outside of the bargaining unit
- reviewed and approved targets for the cash bonus scheme
- reviewed the KPIs of the Executive Chairman and the CEO.

The committee also considered and approved an interim relief measure proposed by the executive team in light of the financial pressure placed on employees due to fuel and food price inflation. In terms of the interim relief measure, all employees on Patterson Grades up to and including E5 were granted either a provident fund payment holiday or additional bonuses paid for two months depending on where the employees are located, the cost of the contributions being covered by the employer companies.

During FY2020, the committee engaged an independent consulting firm, Korn Ferry, to assist with the design of a new long-term incentive arrangement to support Tharisa's strategic objectives while also reflecting the expectations of leading institutional investors. Shareholders approved the LTIP 2021 at the AGM held on 10 February 2021.

Through FY2021 and FY2022, the committee engaged Korn Ferry again to assist the committee with the benchmarking of key executive base salaries. Construction of a valid bespoke peer group supported by the Korn Ferry's Global Mining Survey Median. Given that the Global Mining Industry comparator was available for all four senior Group executives, the committee decided to use the median level of base salary on this measure as its benchmark to ensure comparability across the four positions. The committee believed that it was appropriate that Group executives should be paid in line with this median, given their performance.

During FY2021, the committee had deliberated extensively on the performance criteria of the 2018 and 2019 awards in terms of the Share Award Plan 2014, which had been based on the respective budgets at the time of the awards, and had agreed to amend the vesting conditions of these two awards to align them with the performance criteria of the 2020 awards, which were based on the achievement of market guidance rather than the budget at the time of

REMUNERATION REPORT continued

the granting of the awards. These amended vesting conditions were applied consistently to the vesting of the third tranche of the 2019 awards on 30 June 2022.

In light of the reduction of Tharisa's share price, following volatility of global equity markets, particularly at the time of the 2022 vesting of Conditional Awards, the committee elected to settle the third tranche of the 2019 awards and the second tranche of the 2020 awards, which vested at 67.7% and 80.0% respectively based on the vesting criteria, entirely in cash. This option was pursued in order to avoid creating an overhang of shares to be sold to cover participants' tax obligations and the potential share of remaining newly allotted shares in the market by participants, which could place further downward pressure on the Tharisa share price.

Members of the committee are entitled to seek independent professional advice on any matter pertaining to the Company and the Group, at the Company's expense.

The committee met formally six times during the year under review.

Group remuneration policy

Objective and philosophy

The objective of the Group's remuneration policy is to establish responsible, fair and equitable reward, which does not discriminate on the basis of race, gender, sexual orientation, pregnancy, marital status, family responsibility, ethnic or social origin, colour, sexual orientation, age, disability, religion, HIV status, conscience, belief, political opinion, culture, language, birth or on any other arbitrary ground.

The Group's remuneration policy reflects the dynamics of the market and the context in which the Group operates. The policy plays a vital role in attracting, motivating and retaining high-calibre human resources with the necessary skills to manage operations effectively and grow the business, creating a strong performance-orientated environment and aligning employee interests with those of the Group's stakeholders in order to achieve the Group's strategic objectives and to promote an ethical culture and responsible citizenship among all Group companies and employees.

Furthermore, it aims to encourage and support a high performance and safety conscious culture while remaining flexible and adaptable to changes in the business and the market in which the Group operates. The Group regularly refers to independent remuneration surveys and benchmarks.

The remuneration policy applies to all employees who are permanently employed and is not applicable to employees of third-party contractors. The policy seeks to set out principles and practices around the management of employee remuneration.

Executive and employee remuneration comprises fixed and variable components, including:

- a fixed basic annual package, including benefits
- variable performance bonuses
- ownership of shares through participation in a long-term incentive scheme.

The Group aims to create and enforce a high-performance culture that motivates employees to achieve more than just satisfactory levels of performance by differentiating between excellent and mediocre performance. By ensuring that employees are recognised and

rewarded for their performance in a fair, transparent and equitable manner, the Group strives to remunerate employees equitably according to the value they contribute to the Group.

The continual striving for, and achievement of, increased volumes mined, improved plant recoveries and increased production in a safe working environment, together with the retention of high calibre employees, supported by low management turnover are indicators that the policy is being achieved.

There is no dominant bargaining unit at the Group's Tharisa Mine operation, with the Association of Mineworkers and Construction Union of South Africa ("AMCU"), Solidarity and the National Union of Mineworkers ("NUM") being represented at the Tharisa Mine. As at 30 September 2022, some 66% of employees eligible to belong to a union were unionised with 34% not being members of any of the bargaining units.

Executive directors

The remuneration of the executive directors is consistent with the remuneration policy principles as set out above. Each director is remunerated fairly and the remuneration paid to each director takes into account the individual director's level of responsibility, skills and experience. All executive directors have employment contracts, are remunerated in accordance with their function and position, and are not remunerated for their roles as directors.

Executive directors are subject to the Group's standard terms and conditions of employment with notice periods being six months. In line with the remuneration guidelines of King IV, no executives have extended employment contracts or special termination benefits. Should the Group elect to invoke the non-compete provisions of the employment contracts on termination, payments linked to the duration of the non-compete will be made.

Remuneration of key positions such as CEO and CFO is determined by benchmarking to listed peer companies in the mining sector based on Korn Ferry's Global Mining Survey Median. The executive directors are eligible to participate in the short-term cash bonus scheme and long-term incentive arrangements, as set out below.

While ensuring that the total remuneration of executive management remains fair and reasonable in the context of the achievement of the Group's strategic objectives, the Remuneration Committee is committed to reviewing and monitoring the overall Group remuneration and wage gap.

There is no minimum shareholding requirement for executive directors and senior executive management.

Fixed remuneration

Guaranteed cost-to-company (fixed) remuneration packages and benefits (guaranteed pay) are determined per job grade, set at a competitive level by benchmarking prevailing market rates and are reviewed on an annual basis. The mining industry is, however, a very competitive market with a scarcity of appropriate skills and top-end salary scales are often paid to attract and retain critical skills. While the employee remuneration is set at a guaranteed cost-to-company amount, South African based employees are required to participate in the compulsory group provident fund, medical aid and risk benefits with the costs thereof being deducted from the cost to company amount. The risk benefits include life cover, disability, funeral and dread disease cover. Various other allowances are paid at certain job levels or to certain job categories.

Salaries are reviewed annually, taking into consideration the economic environment, country inflation, overall business and financial performance of the Group, affordability, market trends, individual merit and scarcity of skills.

Variable remuneration

Short-term and long-term incentives are geared to a number of performance factors in the business and achievement of individual performance, and do not form part of guaranteed remuneration. The remuneration philosophy establishes accountability by linking total reward to business objectives and execution thereof, in a fair and transparent manner in a bid to find a balance between shareholder return requirements, affordability and incentivisation. Actual participation in both short-term and long-term incentive schemes remains subject to approval by the Remuneration Committee.

Short-term cash bonus scheme

The Group has implemented a short-term cash bonus scheme for all employees. The primary purpose of the cash bonus scheme is to create a culture of zero tolerance concerning non-compliance with safety requirements in supporting injury free, sustainable operations. A further objective of the bonus scheme is to reward superior performance, drive a culture of cost efficiency, and enhance teamwork and productivity.

Throughout all employee grades, the cash bonus is calculated at between 15% and 30% of the guaranteed annual remuneration package for on-target performance.

These bonuses are not guaranteed, but are dependent on the achievement of safety standards and are payable only upon the achievement of production targets and personal performance standards. The quantum of bonuses is calculated in terms of a number of different bonus formulae, specific to an individual's area and grade of employment. The bonus formulae include a number of factors, with varying weighting, including:

- safety and fatality factors, which take into account the number of lost-time injuries ("LTIs") and fatalities during the bonus period
- the value-added factor applicable to employees, which is a combined calculation of the performances of a number of measures relating to the mining and processing plants compared to budget, such as reef tonnes delivered to ROM pad, chrome feed grade and PGM feed grade, tonnes milled, plant running time, chrome recoveries, PGM recoveries with a different percentage being allocated to threshold, on-target and exceptional performance, and a zero percentage being applied for unacceptable performance
- the key performance indicator ("KPI") factor, which is dependent on the individual's performance assessment for the applicable bonus period
- the profit factor for the applicable bonus period as determined by the Remuneration Committee
- the disciplinary factor, which is determined with reference to the aggregate number of written warnings received by an individual as a result of misconduct in terms of the Group's policies and procedures.

In addition to the fatality and safety factors, the bonus formula for executive management (including executive directors) includes the performance factor applicable to executive management, which is dependent on:

- the executive's KPI factor at 40%
- ROIC at 30%

- Vision 2025 strategy at 20%
- ESG at 10%

The bonuses are payable bi-annually in arrears for executive management (including executive directors), quarterly in arrears for senior management, management and employees graded Patterson Grade E2 and above, and monthly in arrears for employees of Grades C5 and above.

For employees at the Tharisa Mine working in various mining disciplines (drilling, blasting, loading and hauling, and engineering) a bonus scheme is in operation which pays bonuses on a monthly basis based on individualised targets and performance, rather than on generic principles.

An employee will not be entitled to any bonus in the event that prior to the payment date, the employee had been suspended pending a disciplinary enquiry or had been given a final written warning in terms of the employer company's policies and procedure. If an employee ceases to be employed before the payment date of the cash bonus, the bonus will be forfeited.

However, if an employee's employment with any employer company terminates due to death, ill-health, injury or disability as established to the satisfaction of the Remuneration Committee, retirement, retrenchment, or such other reason provided for in the rules of the cash bonus scheme, such employee will qualify for a pro rata bonus, based on the number of days served in the relevant bonus period.

The Remuneration Committee reviews and approves bonus targets to ensure that they are fair and transparent and that they support the aim to achieve maximum shareholder return.

Long-term incentives: Share Award Plan 2014

To date, long-term incentives have been provided through the Share Award Plan 2014, approved by shareholders in 2014.

Under the Share Award Plan 2014, the following awards were made:

- Conditional Awards represent a specified number of shares in the Company, contingent on the achievement of performance conditions established by the Remuneration Committee. The vesting dates for these awards were also established by the Remuneration Committee and vesting takes place in three equal tranches.
- Appreciation Rights, which are rights to receive such number of shares in the Company equal to the increase in the market price of such shares on the JSE, between the date of grant and the date of exercise of the award. The award may be exercised between the vesting date as set by the Remuneration Committee and the fifth anniversary of the date of grant. Vesting of Appreciation Rights is contingent upon the achievement of performance conditions set by the Remuneration Committee and vesting takes place in two equal tranches.

Performance conditions have been attached to the vesting of the Conditional Awards and Appreciation Rights awarded to various employees at Paterson grade C5 and above, including:

- the achievement of certain minimum safety standards to reinforce the Tharisa Group's emphasis on safety and the strive for a zero harm work environment, the vesting of all tranches of the Conditional Awards and Appreciation Rights awarded in terms of the Share Award Plan 2014 being conditional upon there being no fatality at the Tharisa Mine during the vesting period
- continued employment in good standing at the date of vesting

REMUNERATION REPORT continued

- the achievement of certain PGM and chrome concentrate production metrics
- the achievement of the individual key performance metrics set for the individual participant
- the achievement of certain financial metrics.

The number of awards and the performance conditions attached thereto are determined by the Remuneration Committee at the date of grant and included in the notice of the award. A summary of the awards granted to the executive directors and the performance conditions attached to the awards is included in the remuneration implementation report.

The Share Award Plan 2014 makes provision for the partial vesting of awards in the event of a participant ceasing to be in the employ of the Group due to death, injury, disability, ill-health, redundancy or retirement (classified as 'good leavers') and in the event of certain corporate actions, including an offer to acquire the entire share capital of the Company, a scheme of arrangement, restructuring and voluntary winding up of the Company. Provided that the performance and safety metrics are met, the vesting is pro-rated based on the number of days served during the relevant vesting period under these circumstances.

The Share Award Plan 2014 also makes provision for individual participant and plan limits. On an individual basis, the aggregate number of shares realisable by any individual participant may not exceed 1 273 903 shares, being 0.5% of the ordinary issued share capital at the date of approval of the Share Award Plan 2014. The aggregate number of shares that can be issued to all participants, is limited to 12 739 032 shares, being 5% of the ordinary issued share capital at the date of approval of the Share Award Plan 2014. Vested awards may, at the election of the Remuneration Committee, be either share-settled or cash-settled as provided in the rules of the Share Award Plan 2014. To date, the preferred approach has been to issue treasury shares to settle vested awards.

Following the vesting in June 2022, only one tranche of awards granted under the Share Award Plan 2014 remain unvested, namely the third tranche of the 2020 Conditional Awards.

Long-term incentives: LTIP 2021

The LTIP 2021 replaces the Share Award Plan 2014 following shareholder approval at the AGM on 10 February 2021.

Under the LTIP 2021, the following awards may be made:

- Performance Share Awards represent a right to acquire a specified number of shares in the Company, contingent on the achievement of performance conditions established by the committee. The vesting dates for these awards are also established by the committee and will be at least three years from the date of grant.
- Restricted Stock Awards represent a right to acquire a specified number of shares in the Company conditional on the achievement of performance conditions. The vesting dates for these awards are established by the committee.

Performance Share Awards are granted to executive directors and other senior executives. Restricted Stock Awards are granted to selected other employees at the discretion of the committee typically with a Patterson Grade E2 and above.

The number of awards and the performance conditions attached thereto will be determined by the committee at the date of grant and included in the notice of the award. The committee sets targets for

the Performance Share Awards which are challenging but achievable and which are consistent with Tharisa's long-term strategic goals. These include targets linked to PGM and chrome concentrate production as well as strategic measures, always subject to a profitability criteria, all of which are critical to the successful implementation of Group strategy over the longer-term. Awards will also be reduced in the event of a fatality at the Tharisa Mine during the vesting period. A summary of the measures applied to the first awards made in December 2021 are set out on pages 126 to 127.

Notwithstanding the extent to which any performance targets are satisfied, the committee also has the ability under the rules of the plan to reduce the level of vesting to ensure that the ultimate level of vesting is reflective of the underlying business performance of the Group or wider circumstances.

Dividends are payable on all vested shares.

The LTIP 2021 provides for a post-vesting holding period to be applied to awards at the discretion of the committee. Such a holding period only applies to Performance Share Awards granted to executive management and requires these participants to hold any shares which vest at the end of the three-year vesting period for a further two years (subject to any sales which are required to settle any tax liabilities due at the point of vesting).

The LTIP 2021 makes provision for the partial vesting of awards in the event of a participant ceasing to be in the employ of the Group due to death, injury, disability, ill-health, redundancy, retirement and in the event of certain corporate actions, including an offer to acquire the entire share capital of the Company, a scheme of arrangement and voluntary winding up of the Company. In these circumstances, and subject to the achievement of the relevant performance conditions, awards will vest and will be subject to a reduction based on the period between the award date and the date of leaving.

The LTIP 2021 includes recovery and withholding provisions which permit the committee to require individuals to repay amounts in the event of the occurrence of certain specific circumstances, including a material misstatement of financial results, an error or miscalculation in the calculation of awards, fraud or gross misconduct having been committed by the relevant individual, or actions by the relevant individual which lead to corporate failure or material reputational damage having been suffered by the Company.

The LTIP 2021 also makes provision for individual participant and plan limits. On an individual basis, the aggregate number of Performance Share Awards and/or Restricted Stock Awards which may be held by any individual participant may not exceed 2 750 000 shares, being 1.0% of the ordinary issued share capital at the date of approval of the Long-Term Incentive Plan. The aggregate number of shares that can be issued to all participants is limited to 13 750 000 shares, being 5% of the ordinary issued share capital at the date of approval of the Long-Term Incentive Plan. Vested awards may, at the election of the committee, be either share-settled or cash-settled as provided in the rules of the LTIP 2021.

No award shall be granted under the LTIP 2021 more than 10 years after the adoption date.

Remuneration of non-executive directors

Appointment of non-executive directors is governed by the Company's Articles of Association and the terms of appointment are set out in a formal letter of appointment. The initial term of



appointment is three years and appointment can be extended thereafter. Continuation of appointment is conditional upon satisfactory performance, retirement by rotation and re-election at AGMs as required by the Articles of Association.

Appointment as a non-executive director may be terminated at any time by the Company in accordance with the Articles of Association and Cypriot Companies Law, or upon resignation. Upon termination of the appointment or resignation as a director for any reason, non-executive directors are not entitled to any damages for loss of office and no fee is payable in respect of any unexpired portion of the term.

Non-executive directors are entitled to receive fees for their time, responsibilities and services as non-executive directors. An annual fee is paid to all directors and additional fees are paid based on membership and chairmanship of Board committees. Non-executive directors' fees are determined by the Board and are payable quarterly in arrears. Non-executive directors are not entitled to bonuses or to participate in the Group's short-term and long-term incentives. The office of a non-executive director is not pensionable.

The Board has agreed to maintain the non-executive directors' fees for the 2022 financial year unchanged, as follows:

US\$	FY2022	FY2021
Annual fee	42 500	42 500
Committee chairman	25 000	25 000
Committee member	18 000	18 000

Remuneration implementation report

This remuneration implementation report explains the application of the remuneration policy for the 2022 financial year and sets out the remuneration received by the directors in respect of the year. The Group Remuneration Policy was complied with during the year under review.

Fixed remuneration

The majority of the employees of the Group are based in South Africa and the guaranteed remuneration is paid in ZAR. Employees at Patterson Grade C5 and above received a cost of living factor adjustment with effect from 1 October 2021 of 4.5%. The executive directors receive a USD denominated guaranteed remuneration, which was also adjusted by 4.5% with effect from 1 October 2022. A cost of living adjustment of 4.5% for all non-bargaining unit employees, including executive directors, was approved by the Remuneration Committee from 1 October 2022.

Short-term incentives

The committee reviewed the financial year and noted that it had been an exceptional year for Tharisa on all metrics including safety, production and key financial metrics. Considering the achievement of the safety factors, performance and profitability metrics achieved it was agreed that the executive management had met the criteria of the short-term cash bonus scheme.

Long-term incentives

Awards of long-term incentives have to date been granted under the Share Award Plan 2014 and the LTIP 2021. Details of the performance conditions attaching to awards granted under these two plans are set out below.

Share Award Plan 2014

2014, 2015 and 2016 awards

All tranches of the 2014, 2015 and 2016 Conditional Awards and Appreciation Rights have vested. Appreciation Rights are scheduled to lapse five years from the date of the award and all Appreciation Rights granted in 2014, 2015 and 2016 have either been exercised or lapsed and these awards are now closed.

2017 award

All tranches of the Conditional Awards and Appreciation Rights granted in 2017 have vested. All unexercised Appreciation Rights granted in 2017 lapsed on 30 June 2022 and this award is now closed.

2018 award

All tranches of the 2018 Conditional Awards and Appreciation Rights have vested. Unexercised Appreciation Rights granted in 2018 are scheduled to lapse on 30 June 2023.

2019 award

The sixth award under the Share Award Plan 2014 was made on 30 June 2019, comprising both Conditional Awards and Appreciation Rights. The vesting of these awards is subject to:

- there being no fatality at the Tharisa Mine during the vesting period. In the event of a fatality occurring during a particular vesting period, the vesting for that tranche is forfeited
- subject to there being no fatality during a vesting period, the vesting of each tranche is subject to the following conditions, as determined on the date of the awards:
 - 33.33% of the vesting is conditional upon the participant's continued employment in good standing
 - 16.67% of the vesting is conditional on the achievement of market guidance for PGM production publicly disclosed and referenced to the commencement of the respective financial reporting period
 - 16.67% of the vesting is conditional on the achievement of market guidance for chrome concentrate production publicly disclosed and referenced to the commencement of the respective financial reporting period
 - 33.33% of the vesting is conditional on the achievement of certain financial metrics (measured against budgeted EBITDA (adjusted for actual commodity selling prices and USD:ZAR exchange rates) of Tharisa Minerals for employees in Patterson band E1 and lower, and measured against budgeted EBITDA of the Tharisa Group for executive directors, Group executive management and employees in Patterson band E2 and higher), being
 - 33.33% of which vests in the event that the budgeted (adjusted) EBITDA is achieved or exceeded
 - 16.67% of which vests in the event that between 95% and 100% of the budgeted (adjusted) EBITDA is achieved and
 - 33.33% of which is forfeited in the event that the EBITDA was below 95% of the budgeted, adjusted EBITDA.

These performance conditions for the performance period, being 1 July to 30 June for each vesting period, are measured at each vesting date and applied to the tranche which was eligible for vesting at that date.

In respect of the 2021 vesting, the committee had considered the excellent production results achieved by the Group, despite interruptions, and management's outstanding response to the COVID-19 pandemic by keeping operations running and employees

REMUNERATION REPORT continued

safe, and had exercised its discretion to approve the full vesting of the second tranche of the 2019 awards on 30 June 2021. It had further agreed to realign the performance conditions relating to PGM and chrome concentrate production to the market guidance publicly disclosed and referenced to the commencement of the respective financial reporting period applicable to the vesting period going forward. The principles on which the committee had based this decision had been detailed in the 2021 integrated annual report.

Based on the above vesting conditions, the third and final tranche of the 2019 award vested at 67.7% (the budgeted EBITDA not having been achieved) on 30 June 2022.

All tranches of the 2019 award have now vested.

2020 award

The seventh and final awards under the Share Award Plan 2014 were made on 30 June 2020, comprising Conditional Awards only. The vesting of these awards is subject to:

- there being no fatality at the Tharisa Mine during the vesting period; in the event of a fatality occurring during a particular vesting period, the vesting for that tranche is forfeited
- the vesting of each tranche is subject to the participant's continued employment in good standing during the vesting period
- vesting is also subject to the following conditions, as determined on the date of the awards:
 - 40% of the vesting is conditional upon the achievement of market guidance for PGM production publicly disclosed and referenced to the commencement of the respective financial reporting period
 - 40% of the vesting is conditional on the achievement of market guidance for chrome concentrate production publicly disclosed and referenced to the commencement of the respective financial reporting period, adjusted to exclude the production from the Vulcan Plant
 - 20% of the vesting is conditional on the achievement of specific targets linked to the construction of, and production from, the Vulcan Plant. These targets are currently considered commercially confidential but the current intention is to disclose them retrospectively at the end of the vesting period for the final tranche of the awards.

These performance conditions for the performance period, being 1 July to 30 June for each vesting period, are measured at each vesting date and applied to the tranche which was eligible for vesting at that date.

Having achieved the publicly disclosed market guidance for PGM and chrome concentrate production and referenced to the commencement of the financial reporting period, the committee had considered the impact of the COVID-19 pandemic on the construction of the Vulcan Plant and the consequential impact on production and economic metrics, which had not been achieved as a result of COVID-19 induced

delays, and exercised its discretion to approve 100% vesting of the first tranche of the 2020 awards on 30 June 2021. Construction had recommenced early October 2020.

Based on the above vesting conditions, the second tranche of the 2020 Awards vested at 80% (the Vulcan Plant construction and production metrics not having been achieved) on 30 June 2022.

LTIP 2021 2021 award

The first awards under the LTIP 2021 were made on 8 December 2021, comprising Performance Share Awards granted to executive directors and senior executives and Restricted Stock Awards granted to other employees as determined by the Remuneration Committee, typically with a Patterson Grade E2 and above. These awards will vest on the third anniversary of the grant, being 8 December 2024. The three-year vesting period is divided into three annual measurement periods, the result of each being aggregated at the end of the vesting period to determine the final vesting percentage. The award, on vesting, may at the election of Tharisa be either share settled or cash settled as provided in the rules of the Plan. The vesting of this award on 8 December 2024 is subject to continued employment in good standing (as determined by the Remuneration Committee) throughout the vesting period and the following performance targets:

- 33.33% vesting based on PGM production measured against market guidance
 - first interim measurement based on performance against guidance for FY2022 (one third of the total 33.33%)
 - second interim measurement based on performance against guidance for FY2023 (one third of the total 33.33%)
 - third and final measurement based on performance against guidance for FY2024 (one third of the total 33.33%)

For the financial reporting period ending 30 September 2022, the minimum PGM production guidance is 165 koz.

- 33.33% vesting based on chrome production measured against market guidance
 - first interim measurement based on performance against guidance for FY2022 (one third of the total 33.33%)
 - second interim measurement based on performance against guidance for FY2023 (one third of the total 33.33%)
 - third and final measurement based on performance against guidance for FY2024 (one third of the total 33.33%)

For the financial reporting period ending 30 September 2022, the minimum chrome concentrate production is 1.75 Mt.

- 33.34% vesting based on strategic measures – all three interim measurement periods based on an equal allocation to:



- return on invested capital (ROIC) exceeding the weighted average cost of capital (WACC) of the Group
- performance against the ESG Plan and
- tracking on achievement of Vision 2025.

The award will be reduced in each annual measurement period by one-third for each fatality during that measurement period.

For the avoidance of doubt, if any performance condition is not met in any annual measurement period and consequentially is forfeited (either wholly or partially) as a result of failure to achieve the performance condition, but the performance condition is achieved in

subsequent measurement periods, and subject to continued employment, the awards will vest for that period as provided.

The Performance Share Awards granted to executive directors and senior management on 8 December 2021 are subject to a post-vesting holding period of two years.

REMUNERATION REPORT continued

Executive directors' and other key management remuneration

US\$'000	Fixed remuneration			Variable remuneration			Total 2022	Total 2021
	Basic salary	Expense allowance	Provident fund contributions and risk benefits	Share-based payments	Bonus paid			
L Pouroulis	762	–	–	307	133	1 202	2 197	
P Pouroulis	527	8	43	337	100	1 015	1 912	
M Jones	423	–	33	184	86	726	1 274	
Other key management	1 380	20	95	817	588	2 900	2 361	

Non-executive directors' fees for the year under review

US\$'000	Annual fee	Audit Committee	New Business Committee	Remuneration Committee	SHE Committee	Other in Group companies	Total 2022	Total 2021
JD Salter	43	18	18	18	25	47	169	180
A Djakouris	43	25	–	18	18	–	104	129
OM Kamal	43	18	–	–	–	–	61	61
C Bell	43	18	18	25	18	–	122	97
RO Davey	43	–	25	18	18	–	104	79
ZL Hong	43	–	–	–	–	–	43	43
SWM Lo ¹	43	–	–	–	–	–	43	27

¹ Appointed to the Board on 10 February 2021.

Notes to committee fees

- The Risk Committee and Climate Change and Sustainability Committee comprise all members of the Board and do not carry a fee.
- The Social and Ethics Committee does not carry a fee.
- Up to and including FY2021 the New Business Committee did not carry a fee. From 1 October 2021, the New Business Committee carries the standard committee fee of US\$18 000, with the chairman's fee being US\$25 000.
- Up to and including FY2021 the Nomination Committee carried the standard committee fee of US\$18 000, with the chairman's fee being US\$25 000. From 1 October 2021, the Nomination Committee does not carry a fee.

Other disclosures

No payments were made in relation to loss of office during FY2022 nor were any payments made to any former directors.

Executive directors' interests in the Share Award Plan 2014

Conditional Awards

As at 30 September 2022

Director and offer date	Opening balance of unvested	Market value at date of award ZAR	Allocated	Value at the date of award ZAR	Vested	Vesting price ZAR	Forfeited	Total unvested	Market value of unvested awards [#] US\$'000
L Pouroulis									
30 June 2019	108 510	20.08	–	–	72 344	21.40	36 166	–	–
30 June 2020	385 616	13.27	–	–	154 246	21.40	38 562	192 808	221
Total	494 126		–		226 590		74 728	192 808	221
P Pouroulis									
30 June 2019	119 856	20.08	–	–	79 908	21.40	39 948	–	–
30 June 2020	423 776	13.27	–	–	169 510	21.40	42 378	211 888	243
Total	543 632		–		249 418		82 326	211 888	243
M Jones									
30 June 2019	65 388	20.08	–	–	43 594	21.40	21 794	–	–
30 June 2020	230 536	13.27	–	–	92 214	21.40	23 054	115 268	132
Total	295 924		–		135 808		44 848	115 268	132

[#] Market value based on closing share price of ZAR20.75 and ZAR/USD exchange rate of ZAR18.07 at 30 September 2022.

Executive directors' interests in the Long-Term Incentive Plan 2021

Performance Share Awards

As at 30 September 2022

Director and offer date	Opening balance of unvested	Market value at date of award ZAR	Allocated	Value at the date of award ZAR	Vested	Vesting price ZAR	Forfeited	Total unvested	Market value of unvested awards [#] US\$'000
L Pouroulis									
8 December 2021		–	667 902	21.53	–	–	–	667 902	767
Total			667 902		–	–	–	667 902	767
P Pouroulis									
8 December 2021		–	686 150	21.53	–	–	–	686 150	788
Total			686 150		–	–	–	686 150	788
M Jones									
8 December 2021		–	397 556	21.53	–	–	–	397 556	457
Total			397 556		–	–	–	397 556	457

[#] Market value based on closing share price of ZAR20.75 and ZAR/USD exchange rate of ZAR18.07 at 30 September 2022.

Appreciation Rights

As at 30 September 2022

Director and offer date	Unvested balance	Market value at date of award ZAR	Allocated	Value at date of award ZAR	Vested	Exercised	Total vested but not exercised	Forfeited	Lapsed	Total unvested
L Pouroulis										
30 June 2017		17.53	–	–	–	321 588	–	–	–	–
30 June 2018		17.96	–	–	–	–	110 054	–	–	–
30 June 2019		20.08	–	–	–	–	217 015	–	–	–
Total			–	–	–	321 588	327 069	–	–	–
P Pouroulis										
30 June 2017		17.53	–	–	–	282 882	–	–	–	–
30 June 2018		17.96	–	–	–	–	99 826	–	–	–
30 June 2019		20.08	–	–	–	–	239 706	–	–	–
Total			–	–	–	282 882	339 532	–	–	–
M Jones										
30 June 2017		17.53	–	–	–	238 212	–	–	–	–
30 June 2018		17.96	–	–	–	–	80 612	–	–	–
30 June 2019		20.08	–	–	–	–	130 773	–	–	–
Total			–	–	–	238 212	211 385	–	–	–

DIRECTORS' REPORT

The Board of Directors of Tharisa plc ("the Company") presents to the members its report, together with the condensed consolidated financial statements of the Company and its subsidiaries (together with the Company, "the Group") for the year ended 30 September 2022.

The Company is a Cypriot-incorporated public company with a primary listing on the Johannesburg Stock Exchange under the general mining sector and a secondary, standard listing of its shares, through the settlement of corresponding depositary interests, on the main market of the London Stock Exchange.

Principal activity

The Company's principal activity is that of an investment holding company with controlling interests in PGMs and chrome mining, processing operations and associated sales and logistics operations. The principal activity of the Group is the exploitation of metals and minerals, principally PGMs and chrome, and associated sales and logistics operations. Its major investment is its wholly owned subsidiary, Tharisa Minerals, which owns and operates the Tharisa Mine, an open-pit PGM and chrome mine located in the Bushveld Complex of South Africa. In addition, the Company has a 70% shareholding in Karo Mining Holdings plc, which has an indirect 85% interest in a development stage, low-cost, open-pit PGM asset located on the Great Dyke in Zimbabwe.

Operational review

Tharisa is an integrated resource group critical to economies' energy transition and decarbonisation. It incorporates mining, processing, exploration, and the beneficiation, marketing, sales, and logistics of PGMs and chrome concentrates, using innovation and technology as enablers. Its multi-operational business has been transformed from a single pit mine to a portfolio of assets complementing the business and operating in metals that are vital for the future sustainability of this planet.

Financial results

The results of the Group are disclosed in the condensed consolidated statement of profit or loss and other comprehensive income on page 137 of this report.

Dividends

The Group's policy is to pay a minimum of 15% of its consolidated net profit after tax as a dividend.

A dividend of US 5.0 cents per share was proposed by the Board on 30 November 2021, approved by shareholders on 23 February 2022, and paid on 16 March 2022.

The following dividends were declared in respect of the year ended 30 September 2022:

- The Board declared an interim ordinary dividend of US 3.0 cents per share on 26 May 2022 and was paid on 29 June 2022.
- A final ordinary dividend of US 4.0 cents per share was proposed by the Board on 5 December 2022 and is subject to shareholder approval at the AGM.

The total dividend for FY2022 is therefore US 7.0 cents per share, equating to 17.7% of consolidated net profit after tax (2021: US 9.0 cents per share).

Share capital and treasury shares

The Company's authorised share capital comprises 10 000 million ordinary shares of US\$0.001 each and 1 051 convertible redeemable preference shares of US\$1 each.

During the financial year under review, the Company issued 27 596 743 new ordinary shares in lieu of the purchase consideration for the following acquisitions:

- 13 903 743 ordinary shares in respect of the acquisition of the 26% minority shareholding in Tharisa Minerals
- 13 693 000 ordinary shares in respect of the exercise of Tharisa's farm-in option to acquire a controlling interest in Karo Mining Holdings to take control of the Karo Project in Zimbabwe

During the financial year, the Company transferred 865 243 ordinary shares from its treasury shares account to satisfy the vesting of the Conditional Awards and exercise of Appreciation Rights by the participants of the Share Award Plan.

Following these transactions, 299 746 365 shares had voting rights and 2 850 378 were held in treasury at 30 September 2022. At 30 September 2022, the issued and fully paid ordinary share comprised 302 596 743 ordinary shares.

Main risks

The main financial risks faced by the Group are disclosed in note 33 of the consolidated annual financial statements, which are available on the Company's website, www.tharisa.com.

Future developments

Karo Platinum Project

Tharisa's development pipeline has been focused on developing the Karo Platinum Project.

The Mining Lease area for the Karo Project covers an area of 23 903 ha. It is located within the Great Dyke in the Mashonaland West District of Zimbabwe, approximately 80 km southwest of Harare and 35 km southeast of Chegutu.

The Great Dyke is a PGM-bearing geological feature that runs north to south. At approximately 550 km in length and up to 11 km wide, it is second to the Bushveld Complex of South Africa in terms of its PGM resource base. The project, situated within a designated special economic zone ("SEZ"), is in the southern portion of the middle chamber of the Great Dyke and is supported by good infrastructure, including road and power access in the project area.

On 31 March 2022, Tharisa exercised its farm-in option and acquired a controlling interest in Karo Mining for a purchase consideration of US\$27.0 million, which was settled through the issue of 13.69 million new Tharisa shares to The Leto Settlement ("Leto"), a related party, thereby increasing Tharisa's shareholding in Karo Mining from 26.8% to 66.3%. After the acquisition on 31 March 2022, Tharisa increased its stake in Karo Mining to 70%, with Leto holding 30%.

The Republic of Zimbabwe has a 15% stake on a free carry basis at the Karo Platinum level, held via Generation Minerals.

The increased shareholding in the Karo Platinum Project aligns with Tharisa's growth strategy. It is a natural evolution for Tharisa as it fulfils its strategy of becoming an integrated diversified developer of new metal assets. It also meets the Company's strict capital allocation policy, ensuring all three aspects of capital are met, namely continuous investment, growth capital and shareholder returns.

The Karo Platinum Project meets all of the strategic investment criteria for Tharisa, being open pit, quick to market, providing returns in line with Tharisa's stated strategy while providing diversification for the Group.

The Karo Project has a 24-month design and construction schedule - starting 1 July 2022, with the first ore in the mill ("FOIM") planned for July 2024. The capital and working capital cost to FOIM is budgeted at US\$391 million.

Branches

The Group did not operate any branches during the financial year ended 30 September 2022.

Members of the Board of Directors

The members of the Board as at 30 September 2022 and at the date of this report are:

- Loucas Christos Pouroulis (Executive Chairman)
- Phoevos Pouroulis (CEO)
- Michael Gifford Jones (CFO)
- Carol Bell (Lead Independent Director)
- David Salter (Independent non-executive director)
- Antonios Djakouris (Independent non-executive director)
- Omar Marwan Kamal (Independent non-executive director)
- Roger Owen Davey (Independent non-executive director)
- Zhong Liang Hong (Non-executive director)
- Shelley Wai Man Lo (Non-executive director)

There has been no change in the composition or the allocation of responsibilities of the Board of Directors of the Company between 30 September 2022 and the date of approval of the consolidated and Company financial statements.

Group Company Secretary

Sanet Findlay serves as the Group Company Secretary and Lysandros Lysandrides as the Assistant Company Secretary.

The Board formally assessed and considered the performance and qualifications of the Company Secretaries and is satisfied that they are competent, suitably qualified, and experienced. They are not directors of the Company, nor are they related or connected to any of the directors, and the Board is satisfied that they maintain an arm's length relationship with the Board. Their contact details are as follows:

Sanet Findlay
2nd Floor, The Crossing
372 Main Road
Bryanston, 2191
South Africa

Lysandros Lysandrides
31 Evagoras Avenue
6th Floor Evagoras House
1066, Nicosia
Cyprus

Events after the reporting period

Events after the reporting period are disclosed in note 37 of the consolidated financial statements, which are available on the Company's website.

Independent auditor

Ernst & Young Cyprus Limited, with Stavros Pantzaris being the designated registered auditor, was appointed as the independent external auditor of the Company and of the Group on 23 February 2022. Ernst & Young Cyprus Limited has expressed willingness to continue in office and its reappointment will be proposed at the AGM.

On behalf of the Board

Phoevos Pouroulis
Cyprus

Michael Jones

1 December 2022

REPORT OF THE AUDIT COMMITTEE

The Audit Committee is pleased to present its report for the 2022 financial year.

Composition

All members of the committee are independent non-executive directors. The committee is chaired by Antonios Djakouris and other members of the committee are David Salter, Omar Kamal and Carol Bell. The Board is satisfied that the members of the committee have the appropriate mix of qualifications and experience in order for the committee to fulfil its responsibilities appropriately.

The Group independent external auditors, Group Head of Internal Audit, Chief Finance Officer and Chief Executive Officer attend committee meetings by invitation. As with all other committees, all directors are encouraged to attend Audit Committee meetings by invitation according to the King IV recommendations. The committee also meets with the external auditors and the Group Head of Internal Audit without any executive directors being present.

The committee met formally five times during the year under review and discharged its responsibilities in terms of the approved terms of reference, which are available on the Company's website.

Role

The committee is accountable to the Board and shareholders. It provides the Board with additional assurance regarding the quality and reliability of the financial statements of the Group and financial information used by the Board. It, however, does not relieve members of the Board of their fiduciary duties and responsibilities and Board members must exercise due care and judgement to comply with their legal obligations. The committee has unrestricted access to all Company and Group information and may seek information from any employee. The committee may also consult external professional advisers in executing its duties.

The chairman of the committee reports to the Board after each meeting of the committee and the minutes of meetings of the committee are provided to the Board.

Activities of the committee during the year Annual financial statements and integrated annual report

The committee reviewed and monitored the integrity of financial reports, including the interim financial statements and annual financial statements, and assessed the financial reporting process, procedures and controls, which it found to be effective. It reviewed the accounting policies and procedures adopted by the Group and ensured that financial statements were prepared based on appropriate accounting policies and in accordance with IFRS, IFRS as adopted by the EU, the Cyprus Companies Law and the JSE Listings Requirements. It also evaluated significant judgements by management, material factors and risks that could impact the consolidated financial statements and the completeness of the financial and sustainability disclosures.

With the assistance of the Tharisa Subsidiaries' Audit Review Committee, the committee considered all entities included in the consolidated Group IFRS financial statements, to ensure it has access to all the financial information of the Company and the Group. The chairman of the Tharisa Subsidiaries' Audit Review Committee reports on its meetings to the committee and minutes of the meetings of the Tharisa Subsidiaries' Audit Review Committee are circulated to the committee.

The committee also assessed and confirmed the appropriateness of the going concern assumption used in the annual financial statements, taking into account among others, commodity prices, funding facilities and management's budgets and forecasts.

The committee reviewed the integrated annual report, reporting process and governance and financial information included in the

integrated annual report for accuracy and recommended to the Board that the annual financial statements and the financial information included in the integrated annual report be approved.

From FY2023, the chairman of the Karo Group Audit Committee will report on its meetings to the committee and minutes of the meetings of the Karo Group Audit Committee will also be circulated to the committee.

External audit

During the year under review, the committee considered and approved the terms of engagement, scope of the external audit and audit fees.

It reviewed audit findings and management's response thereto and monitored and encouraged cooperation between the external auditor and the Group's internal audit function. It considered the nature and extent of the non-audit services that the external auditor may have provided. All non-audit services provided by the external auditor are preapproved on the basis that the provision of these services does not affect the independence of the external auditor. During the year, EY provided only tax compliance services as non-audit services. None of the non-audit services were provided on a contingent fee basis.

The committee also discussed with the external auditor their opinion of the level of ethical conduct of the Group, its executives and senior managers and held separate meetings with management and the external auditor. The external auditor's right to direct access to the chairman of the Audit Committee and the Lead Independent Director was reiterated.

In addition, the committee evaluated the independence, effectiveness, expertise and performance of the external auditor. As part of this process, the committee considered and assessed the Partner Accreditation Pack provided by EY Cyprus in compliance with section 22 of the JSE Listings Requirements, which comprised the following documents:

- The most recent firm-wide control procedures review report for EY Cyprus as a firm ("European Standards/ISQC1 inspection"), issued by the Cyprus Public Audit Oversight Board ("CyPAOB")
- The most recent Association of Chartered Certified Accountants ("ACCA") and Institute of Certified Public Accountants of Cyprus ("ICPAC") inspection report of EY Cyprus as a firm ("ISQC1 inspection") which also includes the engagement review inspection
- A summary of the outcome of the engagement partner's latest internal quality review
- A copy of the EY Cyprus 2021 Transparency Report which contains the ISQC1 information as specified by the JSE
- The results of the Audit Quality Review Programme, together with the most recent independent regulatory inspection visits, combined with other ongoing monitoring procedures, which provide EY Cyprus with a basis to conclude that its internal quality control systems are designed appropriately and are operating effectively, and that no systemic deficiencies have been identified
- A summary of legal and disciplinary proceedings against EY Cyprus, which were concluded within the past seven years (none).
- The latest proof of registration of EY Cyprus as a JSE-accredited audit firm.

Based on the information provided in the Partner Accreditation Pack, the committee confirmed that EY Cyprus and the designated individual audit partner, Stavros Pantzaris, are accredited on the JSE's list of auditors and following an assessment of their suitability for appointment, the committee recommends that EY Cyprus, and Stavros Pantzaris as the designated audit partner, be reappointed



as external auditor at the Company's AGM to be held on 22 February 2023.

In August 2022, the committee recommended the appointment of BDO as external auditors of the Karo Group to the Karo Mining Holdings board for approval.

Internal control, risk management and information technology

The committee is responsible for reviewing the effectiveness and adequacy of internal controls, including financial controls, risk management systems and information technology risks relating to financial reporting. It is also responsible for considering the significant findings of any internal investigations into control weaknesses, fraud or misconduct and management's response thereto. During the year, the committee engaged Deloitte to conduct an assessment of the design adequacy of the key internal financial controls of the Group. The primary objective of the review was to assist management to strengthen the internal financial control environment if required and to give the Chief Executive Officer and the Chief Finance Officer a level of assurance with regard to making the required statement regarding the adequacy and effectiveness of internal financial controls as required in terms of section 3.84(k) of the JSE listing requirements. This workstream also provided additional assurance to management and the Audit and Risk Committees regarding the adequacy and effectiveness of the controls in place to manage and monitor the financial reporting and its supporting processes.

The Board has delegated responsibility for IT governance to the committee. The Group's internal audit function and external consultants provide assurance on the IT systems and processes for more specialised work, and findings are reported to the committee. This ensures that any and all material findings are addressed appropriately. The committee receives quarterly reports prepared by the Head of IT and monitors the adequacy and effectiveness of the Group's information technology controls and risks. The Head of IT attends meetings of the Audit Committee by invitation to provide further information or clarification if required by the committee.

Having considered, analysed, reviewed and debated information provided by management, the Group's internal audit function and external auditor, the committee considered that the internal controls of the Group were adequate and effective in all material aspects throughout the year under review.

Budget

The committee reviewed and recommended the FY2023 budget for approval by the Board.

Dividend

The committee reviewed and recommended the interim and final dividend proposals for approval by the Board.

Internal audit

During the year under review, the committee reviewed the effectiveness and adequacy of the internal control systems and reviewed and considered reports from the Group's internal audit function. It monitored the status of implementation of recommendations on identified control weaknesses by management and obtained the internal audit function's opinion of the level of ethical conduct of the Group, its executives and senior managers.

The committee also considered and approved the internal audit plan for FY2022. It reviewed significant findings, management comments thereon and action plans. The committee discussed with the Group Head of Internal Audit the internal audit function's experiences and views on the level of access to required information and resources, and any difficulties encountered relating to their internal audit work, such as restrictions in the identification of risk areas and/or the scope

of internal control workstreams and reiterated their right to direct access to the chairman of the Audit Committee and the Lead Independent Director.

Combined assurance

The committee considered the combined assurance received from management and the internal and external auditors and is satisfied that the significant risks facing the Group were being appropriately addressed. To this end, the Audit Committee examined and encouraged the cooperation between the internal audit function and the external auditors.

Chief Finance Officer and finance function

The committee reviewed the performance, qualifications and expertise of Michael Jones, the Chief Finance Officer, and is satisfied with his suitability to act as Chief Finance Officer of the Company and the Group. It also confirmed that the finance department as a whole was adequately resourced and experienced to execute the Group's finance function.

JSE proactive monitoring process

The JSE implemented a proactive review and monitoring process in 2010. In terms of this process, the financial statements of every listed company will be selected for review at least once every five years. The JSE has partnered with the Department of Accountancy at the University of Johannesburg ("UJ") whose academic employees assist with the initial review process. The process involves the JSE identifying the companies to be reviewed during a particular calendar year and providing the names of these companies and the appropriate financial information to the UJ team. The JSE and UJ have jointly developed a framework under which each review is to be conducted. The reviewed reports are then considered by the JSE, who then engages with the listed company.

During the year under review, the committee considered the JSE's report on the proactive monitoring of financial statements for 2021, which outlined issues identified by the JSE during its normal proactive monitoring of listed companies' financial statements for compliance with IFRS. The committee ensured that appropriate action has been taken with regard to these findings in preparing the Group annual financial statements.

Other

During the year under review, the committee confirmed the adequacy of the Group's whistleblowing arrangements, policies, and procedures for preventing corrupt behaviour and detecting fraud and bribery. Reports on investigations undertaken with regard to whistleblower reports received via the Safety and Ethics Hotline and other sources are shared with the Audit Committee.

The chairman of the Audit Committee reported to the Board after each meeting of the Audit Committee.

On recommendation of the Audit Committee, the Board approved the following:

- the annual financial statements for the year ended 30 September 2022
- the integrated annual report for the year ended 30 September 2022; and
- the notice of the annual general meeting to be held on 22 February 2023.

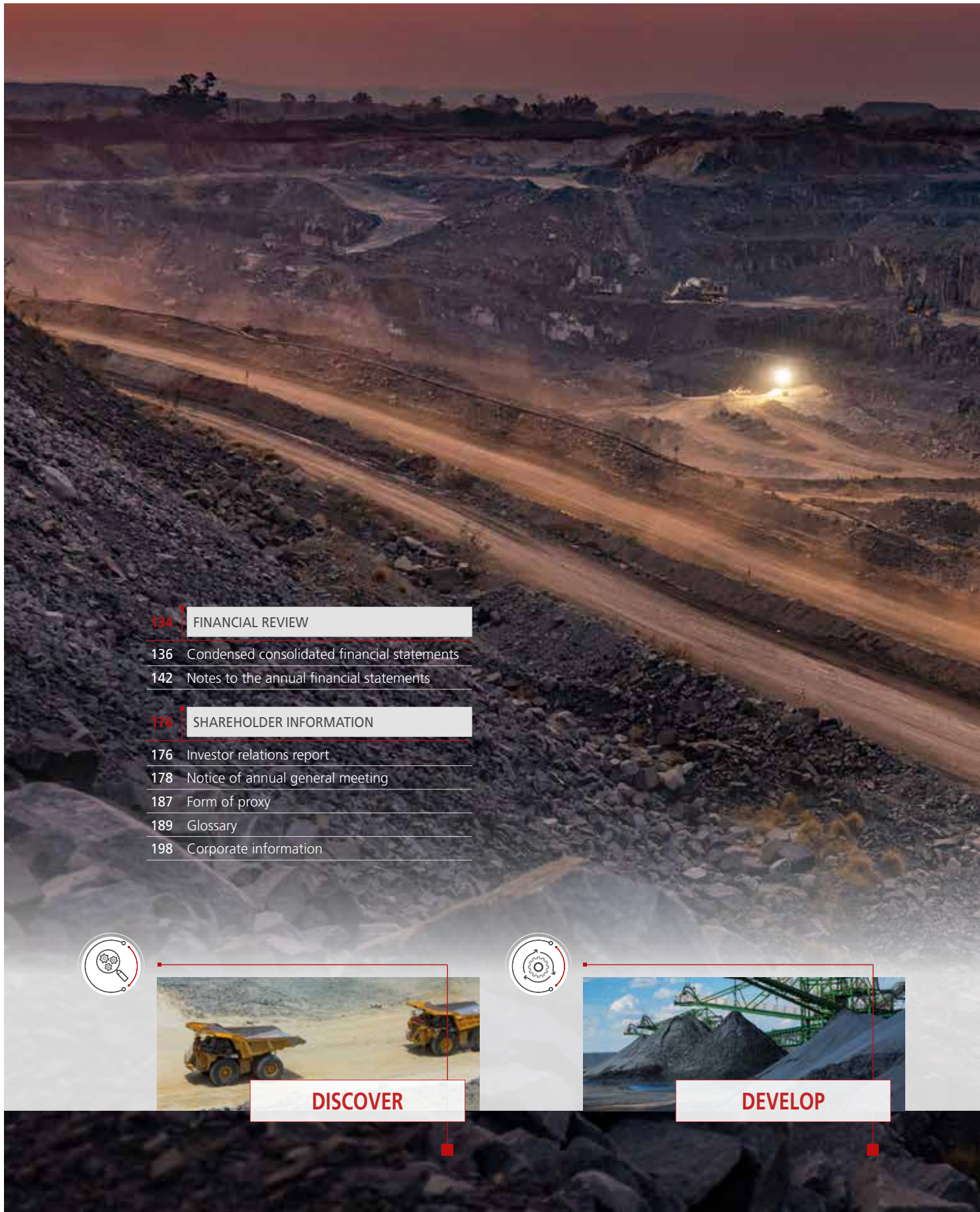
For more information on the composition and responsibilities of the Audit Committee, please refer to page 102.

A Djakouris

Chairman of the Audit Committee

30 November 2022

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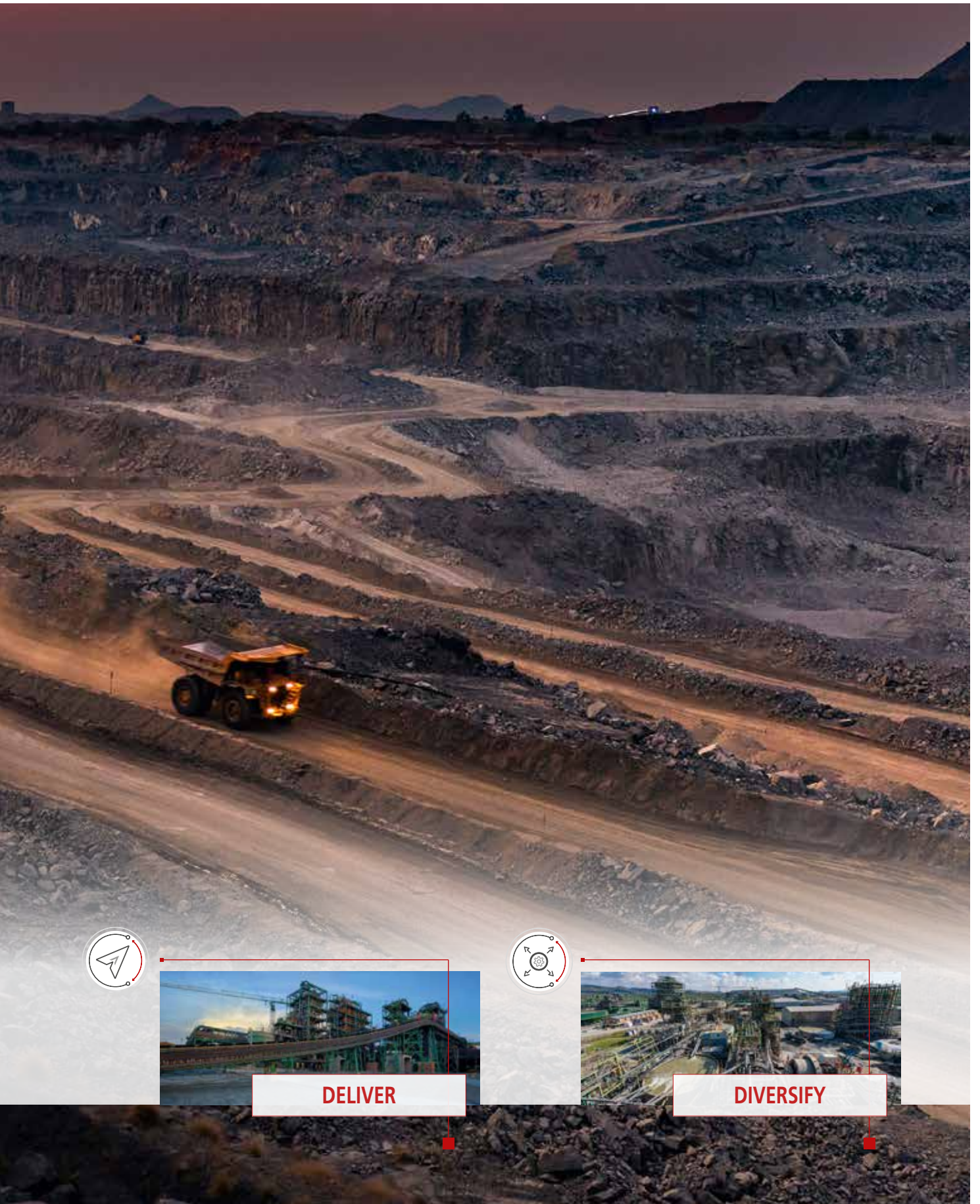
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DISCOVER



DEVELOP



DELIVER



DIVERSIFY

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The condensed consolidated financial statements for the year ended 30 September 2022 have been extracted from the audited financial statements of the Group, but have not been audited. The auditor's report on the audited financial statements does not report on all of the information contained herein. Shareholders are therefore advised that in order to obtain a full understanding of the financial position and results of the Group, these condensed consolidated financial statements should be read together with the full audited financial statements and full audit report.

These condensed consolidated financial statements and the audited financial statements, together with the audit report, are available on the Company's website, www.tharisa.com, and are available for inspection at the registered address of the Company.

The directors take full responsibility for the preparation of this report and the correct extraction of the financial information from the underlying financial statements.

The directors of the Company are responsible for the maintenance of adequate accounting records and the preparation of the financial statements and related information in a manner that fairly presents the state of affairs of the Company. These financial statements are prepared in accordance with International Financial Reporting Standards and incorporate full and responsible disclosure in line with the accounting policies of the Group, which are supported by prudent judgement.

The directors are also responsible for the maintenance of effective systems of internal control, which are based on established organisational structure and procedures. These systems are designed to provide reasonable assurance as to the reliability of the financial statements, and to prevent and detect material misstatement and loss.

Ernst & Young Cyprus Limited has expressed an unmodified audit opinion in the Independent Auditor's Report dated 1 December 2022 on the audited consolidated financial statements. That report also includes the communication of key audit matters and is available on the Company's website: www.tharisa.com.

The preparation of these condensed results was supervised by the Chief Finance Officer, Michael Jones, a Chartered Accountant (SA).

The condensed consolidated financial statements have been prepared on a going concern basis, as the directors believe that the Group will continue to be in operation in the foreseeable future. The consolidated annual financial statements have been approved by the Board on 1 December 2022.

The directors, whose names are stated below, hereby confirm that:

- The condensed consolidated financial statements, fairly present in all material respects the financial position, financial performance and cash flows of Tharisa plc and subsidiaries and of Tharisa plc company in terms of IFRS;
- To the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the condensed consolidated financial statements false or misleading;
- Internal financial controls have been put in place to ensure that material information relating to Tharisa plc and its consolidated subsidiaries have been provided to effectively prepare the condensed consolidated financial statements of Tharisa plc;
- The internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- Where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have remediated the deficiencies/taken steps to remedy the deficiencies; and
- We are not aware of any fraud involving directors.

Phoevos Pouroulis

Cyprus
1 December 2022

Michael Jones

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 30 September 2022

	Notes	2022 US\$'000	2021 US\$'000
Revenue	5	685 996	596 345
Cost of sales	6	(440 336)	(388 926)
Gross profit		245 660	207 419
Other income		720	764
Net foreign exchange gain		2 049	15 477
Other operating expenses	7	(63 880)	(44 822)
Results from operating activities		184 549	178 838
Finance income		1 376	1 391
Finance costs		(4 758)	(4 893)
Changes in fair value of financial assets at fair value through profit or loss	21	(5 627)	10 540
Changes in fair value of financial liabilities at fair value through profit or loss	21	1 521	(370)
Gain on acquisition of subsidiary	20	48 391	–
Share of loss of investment accounted for using the equity method	11	(5 229)	(251)
Profit before tax		220 223	185 255
Tax	8	(53 067)	(53 714)
Profit for the year		167 156	131 541
Other comprehensive income			
<i>Items that may be classified subsequently to profit or loss:</i>			
Foreign currency translation differences for foreign operations, net of tax		(69 749)	20 450
Other comprehensive (loss)/income, net of tax		(69 749)	20 450
Total comprehensive income for the year		97 407	151 991
Profit for the year attributable to:			
Owners of the company		153 881	100 469
Non-controlling interest		13 275	31 072
		167 156	131 541
Total comprehensive income for the year attributable to:			
Owners of the company		87 942	113 471
Non-controlling interest		9 465	38 520
		97 407	151 991
Earnings per share			
Basic earnings per share (US cents)	9	53.8	37.4
Diluted earnings per share (US cents)	9	53.8	37.3

The notes are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 September 2022

	Notes	2022 US\$'000	2021 US\$'000
ASSETS			
Non-current assets			
Property, plant and equipment	10	569 580	380 461
Intangible assets		940	2 942
Investment accounted for using the equity method	11	–	10 274
Financial and other assets		6 019	15 854
Deferred tax assets		1 174	1 177
Total non-current assets		577 713	410 708
Current assets			
Inventories	12	73 240	58 269
Trade and other receivables	13	149 669	136 554
Contract assets		2 078	2 440
Financial and other assets		19	3 041
Current taxation		7 302	8 949
Cash and cash equivalents	14	143 300	83 436
Total current assets		375 608	292 689
Total assets		953 321	703 397
EQUITY AND LIABILITIES			
Share capital and premium	15	345 897	289 818
Other reserve		47 245	47 245
Foreign currency translation reserve		(192 519)	(91 848)
Retained earnings		358 403	199 217
Equity attributable to owners of the Company		559 026	444 432
Non-controlling interests	15	61 355	6 842
Total equity		620 381	451 274
Non-current liabilities			
Provisions	16	12 376	19 931
Borrowings	17	23 048	20 590
Other financial liabilities	18	16 779	–
Deferred tax liabilities		112 341	87 565
Total non-current liabilities		164 544	128 086
Current liabilities			
Borrowings	17	39 836	16 260
Other financial liabilities	18	526	485
Current taxation		2 056	286
Trade and other payables	19	123 900	104 566
Contract liabilities		2 078	2 440
Total current liabilities		168 396	124 037
Total liabilities		332 940	252 123
Total equity and liabilities		953 321	703 397

The condensed consolidated financial statements were authorised for issue by the Board of Directors on 1 December 2022.

Phoevos Pouroulis
Director

Michael Jones
Director

The notes are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 September 2022

Attributable to owners of the Company									
	Notes	Share capital US\$'000	Share premium US\$'000	Other reserve US\$'000	Foreign currency translation reserve US\$'000	Retained earnings US\$'000	Total US\$'000	Non-controlling interest US\$'000	Total equity US\$'000
Balance at 1 October 2020		269	286 660	47 245	(104 850)	122 085	351 409	(30 580)	320 829
Total comprehensive income for the year									
Profit for the year		–	–	–	–	100 469	100 469	31 072	131 541
<i>Other comprehensive income:</i>									
Foreign currency translation differences	15	–	–	–	13 002	–	13 002	7 448	20 450
Total comprehensive income for the year		–	–	–	13 002	100 469	113 471	38 520	151 991
Transactions with owners of the Company									
<i>Contributions by and distributions to owners</i>									
Dividends paid	26	–	–	–	–	(20 181)	(20 181)	(1 098)	(21 279)
Issue of ordinary shares	15	2	2 887	–	–	–	2 889	–	2 889
Equity-settled share-based payments		–	–	–	–	(3 156)	(3 156)	–	(3 156)
Contributions by and distributions to owners of the Company		2	2 887	–	–	(23 337)	(20 448)	(1 098)	(21 546)
Total transactions with owners of the Company		2	2 887	–	–	(23 337)	(20 448)	(1 098)	(21 546)
Balance at 30 September 2021		271	289 547	47 245	(91 848)	199 217	444 432	6 842	451 274

The notes are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

continued

for the year ended 30 September 2022

Notes	Attributable to owners of the Company							
	Share capital US\$'000	Share premium US\$'000	Other reserve US\$'000	Foreign currency translation reserve US\$'000	Retained earnings US\$'000	Total US\$'000	Non-controlling interest US\$'000	Total equity US\$'000
Balance at 1 October 2021	271	289 547	47 245	(91 848)	199 217	444 432	6 842	451 274
Total comprehensive income for the year								
Profit for the year	–	–	–	–	153 881	153 881	13 275	167 156
<i>Other comprehensive income:</i>								
Foreign currency translation differences	15	–	–	(65 939)	–	(65 939)	(3 810)	(69 749)
Total comprehensive income for the year								
	–	–	–	(65 939)	153 881	87 942	9 465	97 407
Transactions with owners of the Company								
<i>Contributions by and distributions to owners</i>								
Dividends paid	26	–	–	–	(23 106)	(23 106)	(164)	(23 270)
Issue of ordinary shares	15	29	56 050	–	–	56 079	–	56 079
Acquisition of non-controlling interest – Tharisa Minerals (Pty) Ltd	15	–	–	(34 732)	25 578	(9 154)	(16 473)	(25 627)
Increase in shareholding of subsidiaries – Karo Mining Holdings plc	15	–	–	–	4 509	4 509	(4 509)	–
Acquired through business combination	20	–	–	–	–	–	66 181	66 181
Shares issued by subsidiary to non-controlling shareholders	20	–	–	–	–	–	13	13
Equity-settled share-based payments		–	–	–	(1 676)	(1 676)	–	(1 676)
Contributions by and distributions to owners of the Company		29	56 050	–	(34 732)	5 305	45 048	71 700
Total transactions with owners of the Company		29	56 050	–	(34 732)	5 305	45 048	71 700
Balance at 30 September 2022		300	345 597	47 245	(192 519)	358 403	61 355	620 381

Companies that do not distribute 70% of their profits after tax, as defined by the relevant tax law, within two years after the end of the relevant tax year, will be deemed to have distributed as dividends 70% of these profits. Special contribution for defence at 17% and general health system contribution at 1.7%–2.65% for deemed distributions after 1 March 2019 will be payable on such deemed dividends to the extent that the ultimate shareholders are both Cyprus tax resident and Cyprus domiciled. The amount of the deemed distribution is reduced by any actual dividends paid out of the profits of the relevant year at any time. This special contribution for defence is payable by the Company for the account of the shareholders.

The notes are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 30 September 2022

	Notes	2022 US\$'000	2021 US\$'000
Cash flows from operating activities			
Profit for the year		167 156	131 541
Adjustments for:			
Depreciation of property, plant and equipment	10	38 796	36 024
Loss on disposal of property, plant and equipment	10	1 482	–
Share of loss of investment accounted for using the equity method	11	5 229	251
Impairment of goodwill		1 852	–
Net realisable value writedown of inventory	12	3 562	789
Impairment of property, plant and equipment	10	8 366	–
Write off of property, plant and equipment	10	1 328	4 950
Expected credit loss allowance	13	47	100
Equity-settled share-based payments		1 709	3 560
Changes in fair value of financial assets at fair value through profit or loss	21	5 627	(10 540)
Changes in fair value of financial liabilities at fair value through profit or loss	21	(1 521)	370
Gain on acquisition of subsidiary	20	(48 391)	–
Net foreign exchange gain		(2 049)	(15 477)
Interest income		(1 376)	(1 391)
Interest expense		4 758	4 893
Tax	8	53 067	53 714
		239 642	208 784
Changes in:			
Inventories		(28 172)	(13 442)
Trade and other receivables and contract assets		(30 126)	(11 385)
Trade and other payables and contract liabilities		41 128	39 674
Provisions		(7 599)	2 150
Cash generated from operations		214 873	225 781
Income tax paid		(41 197)	(17 412)
Net cash flows from operating activities		173 676	208 369
Cash flows from investing activities			
Interest received		1 327	1 106
Additions to property, plant and equipment	10	(105 014)	(106 006)
Cash inflow/(outflow) from business combination	20	4 984	(3 079)
Proceeds from disposal of property, plant and equipment	10	1 727	1
Additions to investments accounted for using the equity method	11	(4 965)	–
Refunds from/(additions to) other assets		316	(2 282)
Net cash flows used in investing activities		(101 625)	(110 260)
Cash flows from financing activities			
Net proceeds from/(repayment of) bank credit facilities	17	22 026	(15 553)
Advances received	17	20 942	26 787
Repayment of borrowings	17	(14 406)	(48 208)
Principal lease payments	17	(3 793)	(4 597)
Dividends paid	26	(23 270)	(21 279)
Interest paid		(4 017)	(3 003)
Net cash flows used in financing activities		(2 518)	(65 853)
Net increase in cash and cash equivalents		69 533	32 256
Cash and cash equivalents at the beginning of the year		83 436	49 293
Effect of exchange rate fluctuations on cash held		(9 669)	1 887
Cash and cash equivalents at the end of the year	14	143 300	83 436

The notes are an integral part of these condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 30 September 2022

1. REPORTING ENTITY

Tharisa plc ("the Company") is a company domiciled in Cyprus. These condensed consolidated financial statements of the Company for the year ended 30 September 2022 comprise the Company and its subsidiaries (together referred to as "the Group"). The Group is primarily involved in platinum group metals ("PGM") and chrome mining, processing, trading and the associated logistics. The Company is listed on the main board of the Johannesburg Stock Exchange and has a secondary standard listing on the main board of the London Stock Exchange and a secondary listing on the A2X Exchange in South Africa.

2.1 BASIS OF PREPARATION

Statement of compliance

These condensed consolidated financial statements have been prepared in accordance with the Listings Requirements of the Johannesburg Stock Exchange and, as a minimum, contain the information required by International Accounting Standards 34 Interim Financial Reporting. Selected explanatory notes are included to explain events and transactions that are significant to obtain an understanding of the changes in the financial position and performance of the Group since the last consolidated financial statements as at and for the year ended 30 September 2021. These condensed consolidated financial statements do not include all the information required for full consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). The condensed consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended 30 September 2022, which have been prepared in accordance with IFRS.

Statutory consolidated financial statements of the Company were additionally prepared in accordance with IFRS as adopted by the EU and the requirements of the Cyprus Companies Law, Cap. 113. These have been approved and issued on the same date and there are no differences in the two sets of consolidated financial statements.

These condensed consolidated financial statements were approved by the Board of Directors on 1 December 2022.

Basis of measurement

The condensed consolidated financial statements are prepared on the historical cost basis except as otherwise stated in the accounting policies set out below.

Functional and presentation currency

The condensed consolidated financial statements are presented in United States dollar ("US\$") which is the Company's functional currency and presentation currency. Amounts are rounded to the nearest thousand.

The following US\$: ZAR exchange rates were used in preparing the condensed consolidated financial statements:

- Closing rate: ZAR18.07 (2021: ZAR15.05)
- Average rate: ZAR15.82 (2021: ZAR14.83)

Going concern

These condensed consolidated financial statements have been prepared on a going concern basis.

Accounting policies

The accounting policies adopted in the preparation of the condensed consolidated financial statements are consistent with those applied in the preparation of the Group's consolidated financial statements for the year ended 30 September 2022.

2.2 STANDARDS AND INTERPRETATIONS ADOPTED IN THE CURRENT YEAR

The Group has adopted the following new and/or revised standards and interpretations which became effective for the year ended 30 September 2022:

- *Interest Rate Benchmark Reform – Phase 2 Amendments to IFRS 9, IAS 39, IFRS 4, IFRS 7 and IFRS 16*

The nature and effect of the changes as a result of the adoption of these new accounting standards are described below. The adoption of all other standards, amendments or interpretations had no impact on the results for the year ended 30 September 2022.

The amendments focus on the effects on financial statements when an entity replaces the old interest rate benchmark with an alternative benchmark rate as a consequence of the global regulatory reform of key interbank offered rates ("IBORs"). For the transition from an IBOR benchmark rate with an alternative nearly risk-free interest rate ("RFR"), the amendments include a practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform and that the transition from an IBOR benchmark rate to an RFR takes place on an economically equivalent basis with no value transfer having occurred, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest.

The US Libor that the Group is exposed to will cease to exist by June 2023. The Group is in discussions with debt counterparties as to new reference rates on the IBOR linked borrowings, including the consideration of the Secured Overnight Financing Rate ("SOFR") which is the recommended US\$ Libor alternative. The adoption and initial application of these amendments had no impact on the Group's results, but the Group will assess the impact on the balances and cash flows linked to the rate changes arising from the IBOR reform once negotiations with debt counterparties are more advanced and more information is available on the replacement interest rates.

2.2 STANDARDS AND INTERPRETATIONS ADOPTED IN THE CURRENT YEAR continued

Refer to note 17 for the IBOR linked borrowings that at the date of this report have not yet transitioned to alternative risk-free rates in terms of the IBOR reform and its contractual maturities.

For the Caterpillar equipment loan facility and the bank credit facilities which transitioned from US\$ Libor to SOFR, the Group applied the practical expedient available within the amendments as the transition was a direct consequence of the IBOR reform and was completed on an economically equivalent basis. The transition had no material impact on the results for the year ended 30 September 2022.

2.3 STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

The new standards, interpretations and amendments to standards listed below are not effective and have not been early adopted, but will be adopted once these new standards, interpretations and amendments become effective. The Group notes the new standards, amendments and interpretations which have been issued but are not yet effective and does not plan to early adopt any of the standards, amendments and interpretations. There are no other standards that are not yet effective and that would be expected to have a material impact on the Group in the current or future reporting periods.

- *Classification of Liabilities as Current or Non-current – Amendments to IAS 1*
- *Annual Improvements to IFRS Standards 2018–2020*
- *Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37*
- *Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12*
- *Lease Liability in a Sale and Leaseback – Amendments to IFRS 16*
- *Reference to the Conceptual Framework – Amendments to IFRS 3*
- *Definition of Accounting Estimate – Amendments to IAS 8*
- *Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2*

3. USE OF JUDGEMENTS AND ESTIMATES

Preparing the condensed consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated financial statements, significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements at and for the year ended 30 September 2022. The condensed consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended 30 September 2022 which contain detail of significant judgements and estimates.

4. OPERATING SEGMENTS

For management purposes, the chief operating decision maker of the Group, being the executive directors of the Company and the executive directors of the subsidiaries, reports its results per segment. The Group currently has the following four segments:

- PGM segment
- Chrome segment
- Agency and trading segment
- Manufacturing segment

The operating results of each segment are monitored separately by the chief operating decision maker in order to assist them in making decisions regarding resource allocation as well as enabling them to evaluate performance. Segment performance is evaluated on a PGM ounce production and sales basis and a chrome concentrate tonnes production and sales basis. The agency and trading segment performance is evaluated on third-party chrome concentrate tonnes production and sales basis. Third-party logistics, third-party trading and third-party chrome operations are evaluated individually but aggregated together as the agency and trading segment. For the manufacturing segment, performance is evaluated on sales and gross profit basis.

The Group's administrative costs, financing (including finance income and finance costs) and income taxes are managed on a group basis and are not allocated to a segment.

Due to the integrated nature of the Group's PGM and chrome concentrate production processes, assets are reported on a consolidated basis and cannot necessarily be allocated to a specific segment. Consequently, assets are not disclosed per segment in the following segmental information.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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for the year ended 30 September 2022

4. OPERATING SEGMENTS continued

	PGM US\$'000	Chrome US\$'000	Agency and trading US\$'000	Manufacturing US\$'000	Total US\$'000
2022					
Revenue	346 781	295 178	40 526	3 511	685 996
Cost of sales					
Manufacturing costs	(193 362)	(90 799)	(21 190)	(3 229)	(308 580)
Selling costs	(785)	(69 490)	(9 238)	–	(79 513)
Freight services	–	(45 475)	(6 768)	–	(52 243)
	(194 147)	(205 764)	(37 196)	(3 229)	(440 336)
Gross profit	152 634	89 414	3 330	282	245 660
2021					
Revenue	353 388	203 875	36 494	2 588	596 345
Cost of sales					
Manufacturing costs	(205 008)	(63 608)	(13 600)	(2 551)	(284 767)
Selling costs	(540)	(54 297)	(14 915)	–	(69 752)
Freight services	–	(29 213)	(5 194)	–	(34 407)
	(205 548)	(147 118)	(33 709)	(2 551)	(388 926)
Gross profit	147 840	56 757	2 785	37	207 419

The shared costs relating to the manufacturing of PGM and chrome concentrates are allocated to the relevant operating segments based on the relative sales value per product on an ex-works basis. During the year ended 30 September 2022, the relative sales value of chrome concentrates increased compared to the relative sales value of PGM concentrate compared to the comparative year and consequently the allocation basis of shared costs was revised to 70.0% for PGM concentrate and 30.0% for chrome concentrates. The allocation basis of shared costs was 80.0% (PGM concentrates) and 20.0% (chrome concentrate) for the year ended 30 September 2021.

Cost of sales includes a charge for the write off of property, plant and equipment totalling US\$1.3 million (2021: US\$5.0 million) which mainly relates to mining equipment. The write off has been allocated to the PGM and chrome segments in accordance with the allocation basis of shared costs as described in the preceding paragraph. Refer to the condensed consolidated statement of profit or loss for a reconciliation between the gross profit and net profit after tax.

Geographical information

The following table sets out information about the geographical location of:

- (i) the Group's revenue from external customers; and
- (ii) the Group's property, plant and equipment, intangible assets and investment accounted for using the equity method (specified non-current assets).

The geographical location analysis of revenue from external customers is based on the country of establishment of each customer.

The geographical location of the specified non-current assets is based on the physical location of the asset in the case of property, plant and equipment and intellectual property and the location of the operation to which they are allocated in the case of goodwill.

4. OPERATING SEGMENTS continued
(i) Revenue from external customers

	PGM US\$'000	Chrome US\$'000	Agency and trading US\$'000	Manufacturing US\$'000	Total US\$'000
2022					
South Africa	346 781	47 276	4 040	2 703	400 800
China	–	96 388	24 554	–	120 942
Singapore	–	79 779	5 485	–	85 264
Hong Kong	–	59 536	1 433	–	60 969
Australia	–	3 358	–	–	3 358
Japan	–	8 748	4 846	–	13 594
Other countries	–	93	168	808	1 069
	346 781	295 178	40 526	3 511	685 996
2021					
South Africa	353 388	37 502	4 961	2 567	398 418
China	–	52 433	27 496	–	79 929
Singapore	–	43 796	–	–	43 796
Hong Kong	–	53 277	3 774	–	57 051
United Arab Emirates	–	7 923	–	–	7 923
Australia	–	5 802	–	–	5 802
Japan	–	3 142	–	–	3 142
Other countries	–	–	263	21	284
	353 388	203 875	36 494	2 588	596 345

Revenue represents the sales value of goods supplied to customers, net of value added tax. The following table summarises sales to customers with whom transactions have individually exceeded 5.0% (2021: 5.0%) of the Group's revenues.

	2022		2021	
	Segment	US\$'000	Segment	US\$'000
Customer 1	PGM	262 073	PGM	296 020
Customer 2	PGM, agency and trading	84 449	PGM, agency and trading	57 518
Customer 3	Chrome	53 721	Chrome, agency and trading	41 036
Customer 4	Chrome, agency and trading	49 160	Chrome	40 661
Customer 5	Chrome, agency and trading	37 487	Chrome	35 167

(ii) Specified non-current assets

	2022 US\$'000	2021 US\$'000
South Africa	350 008	373 418
Zimbabwe	220 152	19 874
Cyprus	360	385
	570 520	393 677

Non-current assets include property, plant and equipment, intangible assets and the investment accounted for using the equity method.

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5. REVENUE

	PGM US\$'000	Chrome US\$'000	Agency and trading US\$'000	Manufacturing US\$'000	Total US\$'000
2022					
Revenue recognised at a point in time					
Variable revenue based on initial results	360 082	204 178	29 856	–	594 116
Quality and quantity adjustments	(27 573)	(1 751)	(24)	–	(29 348)
Revenue based on fixed selling prices	–	47 276	3 926	3 511	54 713
Revenue recognised over time					
Freight services	–	45 475	6 768	–	52 243
Revenue from contracts with customers	332 509	295 178	40 526	3 511	671 724
Fair value adjustments (refer to note 21)	14 272	–	–	–	14 272
Total revenue	346 781	295 178	40 526	3 511	685 996
2021					
Revenue recognised at a point in time					
Variable revenue based on initial results	375 036	138 169	26 539	–	539 744
Quality and quantity adjustments	(15 350)	(1 009)	(316)	–	(16 675)
Revenue based on fixed selling prices	–	37 502	5 077	2 588	45 167
Revenue recognised over time					
Freight services	–	29 213	5 194	–	34 407
Revenue from contracts with customers	359 686	203 875	36 494	2 588	602 643
Fair value adjustments (refer to note 21)	(6 298)	–	–	–	(6 298)
Total revenue	353 388	203 875	36 494	2 588	596 345

During the year ended 30 September 2022, revenue from freight services of US\$2.4 million (2021: US\$2.1 million) was recognised which was classified as a contract liability at 30 September 2021 (2021: 30 September 2020).

6. COST OF SALES

2022	Mining US\$'000	Processing US\$'000	Manufacturing US\$'000	Total US\$'000
Drill and blast	26 842	–	–	26 842
Load and haul	25 379	–	–	25 379
Diesel	36 707	–	–	36 707
Maintenance	29 964	–	–	29 964
Salaries and wages	29 172	16 376	1 277	46 825
Provident fund contributions	3 738	2 109	118	5 965
Mining contractor	2 210	–	–	2 210
Depreciation	21 303	15 186	104	36 593
Cost of commodities	20 270	–	–	20 270
Write off of property, plant and equipment	1 313	–	–	1 313
Utilities	–	16 408	50	16 458
Materials and consumables	–	19 927	2 073	22 000
Overheads	–	6 528	235	6 763
Contractor and equipment hire	–	14 840	–	14 840
	196 898	91 374	3 857	292 129
State royalties				31 082
Change in inventories – finished products and ore stockpile				(14 631)
Selling costs				79 513
Freight services				52 243
Cost of sales				440 336
2021	Mining US\$'000	Processing* US\$'000	Manufacturing* US\$'000	Total US\$'000
Drill and blast	29 573	–	–	29 573
Load and haul	26 197	–	–	26 197
Diesel	25 614	–	–	25 614
Maintenance	28 160	–	–	28 160
Salaries and wages	26 980	13 879	1 243	42 102
Provident fund contributions	3 727	1 861	163	5 751
Depreciation	18 932	15 993	92	35 017
Cost of commodities	23 156	–	–	23 156
Write off of property, plant and equipment	4 950	–	–	4 950
Utilities	–	15 056	73	15 129
Materials and consumables	–	17 853	3 531	21 384
Overheads	–	2 956	460	3 416
Contractor and equipment hire	–	12 115	–	12 115
	187 289	79 713	5 562	272 564
State royalties				23 788
Change in inventories – finished products and ore stockpile				(11 585)
Selling costs				69 752
Freight services				34 407
Cost of sales				388 926

* The manufacturing cost of sales were previously disclosed as part of processing cost of sales. For improved disclosure and to be consistent with disclosure for the year ended 30 September 2022, the manufacturing cost of sales were disaggregated. The disaggregation of the disclosure had no impact on the net profit after tax and earnings per share for the year ended 30 September 2021.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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for the year ended 30 September 2022

7. OTHER OPERATING EXPENSES

	2022 US\$'000	2021 US\$'000
Directors and staff costs		
Non-executive directors	642	631
Employees: salaries	19 215	17 504
bonuses	2 889	1 831
provident fund, medical aid and other contributions	2 226	1 823
	24 972	21 789
Audit – external audit services	808	579
Bank charges and related fees	774	809
Consulting and business development cost	1 798	2 082
Corporate and social investment	247	246
Depreciation	2 203	1 007
Equity-settled share-based payment expense	1 709	3 560
Internal audit	20	91
Expected credit loss allowance	47	100
Consumables and repairs and maintenance	2 138	–
Impairment of goodwill (note 10)	1 852	–
Impairment of property, plant and equipment	8 366	–
Write offs of property, plant and equipment	15	–
Loss on disposal of property, plant and equipment	1 482	–
Listing fees and investor relations	735	346
Health and safety	2 572	1 818
Insurance	3 318	2 619
Legal and professional	1 653	1 763
Office administration, rent and utilities	1 747	1 557
Research and development	692	605
Security	1 036	919
Telecommunications and IT related	4 471	3 929
Training	499	403
Travelling and accommodation	333	94
Sundry	393	506
	63 880	44 822

8. TAX

	2022 US\$'000	2021 US\$'000
Corporate income tax for the year		
Cyprus	4 121	1 774
South Africa	36 474	5 895
	40 595	7 669
Special contribution for defence in Cyprus*	1	–
Deferred tax: originating and reversal of temporary differences	9 899	44 814
Dividend withholding tax	2 572	1 231
Tax charge	53 067	53 714

* Amount is less than US\$1 000.

The entities within the Group are taxed in the countries in which they are incorporated and operate at the relevant tax rates as follows:

Country	2022 %	2021 %
Cyprus	12.5	12.5
South Africa	28.0	28.0
Zimbabwe*	–	–
Guernsey	0.0	0.0
China	25.0	25.0

* Tax exempt for the first five years, thereafter 15% income tax rate (special economic zone companies).

Reconciliation between tax charge and accounting profit at applicable tax rates:	2022 US\$'000	2021 US\$'000	2022 US\$'000	2021 US\$'000
Profit before tax	220 223	185 255	220 223	185 255
Notional tax on profit before tax, calculated at the Cypriot/ South African income tax rate of 12.5%/28.0% (2021: 12.5%/28.0%)	27 528	23 157	61 662	51 871
Tax effects of:				
Different tax rates from the standard Cypriot/South African income tax rate	27 722	26 989	(3 716)	(6 097)
Impact of change in South African tax rate – deferred tax	(1 486)	–	(3 333)	–
Tax exempt income				
Gain on business combination	(6 049)	–	(13 550)	–
Fair value adjustments	–	(722)	–	(1 616)
Interest received	(50)	(6)	(113)	(14)
Currency gains	(55)	(37)	(127)	(82)
Other	–	(5)	–	(11)
Non-deductible expenses				
Share of loss of equity-accounted investments	654	31	1 464	70
Fair value adjustments	734	–	1 644	–
Investment-related expenses	1 014	558	2 271	1 249
Interest paid	30	–	70	–
Currency losses	27	192	98	430
Capital expenses	147	240	322	538
Impairment of goodwill (note 10)	232	–	519	–
Impairment of property, plant and equipment (note 10)	539	–	1 208	–
Special contribution for defence in Cyprus	1	2	2	5
Dividend withholding tax – accrued preference dividends	444	2 068	995	4 577
Dividend withholding tax – current year dividends	184	1 232	411	2 760
Deferred tax – unremitted distributable reserves of foreign subsidiaries	1 252	–	2 804	–
Prior year underprovision of current income tax	102	–	229	–
Deferred tax not raised: assessed losses	89	–	199	–
Recognition of deemed interest income for tax purposes	8	15	8	34
Tax charge	53 067	53 714	53 067	53 714

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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for the year ended 30 September 2022

8. TAX continued

Tax is recognised on management's best estimate of the weighted average annual income tax rate expected for the full financial year applied to the pre-tax income of the year. Under certain conditions interest income may be subject to defence contribution at the rate of 30.0% in Cyprus. Such interest income is treated as non-taxable in the computation of corporation taxable income. In certain instances, dividends received from abroad may be subject to defence contribution at the rate of 17.0%.

In terms of the Double Taxation Agreement between Cyprus and South Africa, dividend withholding tax at a rate of 5.0% (2021: 5.0%) is charged on dividends declared. The Group's consolidated effective tax rate for the year ended 30 September 2022 was 24.1% (2021: 29.0%).

At 30 September 2022, the Group's unredeemed capital balance available for offset against future mining taxable income in South Africa was fully utilised (2021: fully utilised).

Effective for the 2023 financial year, the South African corporate tax rate will decrease from 28.0% to 27.0%. For the year ended 30 September 2022, the Group's South African deferred tax assets and liabilities have been adjusted by applying the newly enacted 27.0% South African corporate tax rate.

Other than Cyprus and South Africa, no provision for tax in other jurisdictions was made as these entities either sustained losses for taxation purposes or did not earn any assessable profits. At 30 September 2022, the Group had unutilised tax losses of US\$0.7 million (2021: US\$nil) available for offset against future taxable income. No deferred tax asset has been raised as it is doubtful whether future taxable profits will exist for offset against these tax losses. The tax losses don't expire provided that the entity remains operational.

9. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share and headline and diluted headline earnings per share have been based on the profit attributable to the ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding. Treasury shares are excluded from the weighted average number of ordinary shares outstanding. Vested Share Appreciation Rights ("SARS") issued to employees at award prices lower than the current share price, results in a potential dilutive impact on the weighted average number of issued ordinary shares and have been included in the calculation of dilutive weighted average number of issued ordinary shares. The average market value of the Company's shares for the purposes of calculating the potential dilutive effect of SARS was based on quoted market prices for the year during which the options were outstanding.

	2022	2021
Basic and diluted earnings per share		
Profit for the year attributable to ordinary shareholders (US\$'000)	153 881	100 469
Weighted average number of issued ordinary shares for basic earnings per share ('000)	285 776	268 859
Dilutive impact of SARS ('000)	125	599
Weighted average number of issued ordinary shares for diluted earnings per share ('000)	285 901	269 458
Earnings per share		
Basic (US\$ cents)	53.8	37.4
Diluted (US\$ cents)	53.8	37.3
Headline and diluted headline earnings per share		
Headline earnings for the year attributable to ordinary shareholders (US\$'000)	117 393	103 107
Headline earnings per share		
Basic (US\$ cents)	41.1	38.3
Diluted (US\$ cents)	41.1	38.3

9. **EARNINGS PER SHARE** continued
Reconciliation of profit to headline earnings

	2022				2021
	Gross US\$'000	Tax US\$'000	Non- controlling interest US\$'000	Net US\$'000	Net US\$'000
Profit attributable to ordinary shareholders				153 881	100 469
Adjustments:					
Gain on acquisition: fair value remeasurement of existing 28.38% shareholding	(33 503)	–	–	(33 503)	–
Gain on acquisition: purchase of shares at a discount	(14 888)	–	–	(14 888)	–
Write off of property, plant and equipment	1 328	(372)	(304)	652	2 638
Impairment of property, plant and equipment	8 366	(34)	–	8 332	–
Impairment of goodwill	1 852	–	–	1 852	–
Loss on disposal of property, plant and equipment	1 482	(415)	–	1 067	–
Headline earnings				117 393	103 107

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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for the year ended 30 September 2022

10. PROPERTY, PLANT AND EQUIPMENT

	Freehold land and buildings US\$'000	Mineral rights US\$'000	Mining assets and infrastructure US\$'000	Mining fleet US\$'000
30 September 2022				
Cost				
Balance at 30 September 2021	19 293	–	396 901	99 585
Additions	7 559	–	59 243	34 794
Lease agreements entered into	–	–	–	–
Business combination (note 20)	–	201 750	1 570	–
Disposals	–	–	(790)	(5 486)
Remeasurement	–	–	–	–
Write offs	(3)	–	(87)	(5 219)
Transfers	494	–	399	8 277
Exchange differences on translation	(4 143)	–	(69 907)	(20 680)
Balance at 30 September 2022	23 200	201 750	387 329	111 271
Accumulated depreciation and impairment				
Balance at 30 September 2021	1 353	–	105 512	39 744
Depreciation charge for the year	257	–	16 566	18 325
Business combination (note 20)	–	–	17	–
Disposals	–	–	(106)	(2 967)
Write offs	(3)	–	(37)	(3 943)
Impairment	–	–	8 356	–
Transfers	–	–	–	5 394
Exchange differences on translation	(254)	–	(19 818)	(8 738)
Balance at 30 September 2022	1 353	–	110 490	47 815
30 September 2021				
Cost				
Balance at 30 September 2020	14 280	–	289 263	70 885
Additions	3 747	–	73 004	26 574
Lease agreements entered into	–	–	–	–
Business combination	–	–	4 687	–
Disposals	–	–	–	–
Remeasurement	–	–	–	–
Write offs	(30)	–	(917)	(5 559)
Transfers	(216)	–	159	237
Exchange differences on translation	1 512	–	30 705	7 448
Balance at 30 September 2021	19 293	–	396 901	99 585
Accumulated depreciation				
Balance at 30 September 2020	982	–	80 916	24 245
Depreciation charge for the year	267	–	16 244	14 803
Business combination	–	–	11	–
Disposals	–	–	–	–
Write offs	–	–	(241)	(1 693)
Transfers	–	–	(42)	(73)
Exchange differences on translation	104	–	8 624	2 462
Balance at 30 September 2021	1 353	–	105 512	39 744

Right-of-use asset: mining fleet US\$'000	Motor vehicles US\$'000	Computer equipment and software US\$'000	Office equipment and furniture, community and site office improvements US\$'000	Right-of-use asset: buildings US\$'000	Total US\$'000
16 790	2 331	4 249	1 014	1 968	542 131
–	1 005	1 929	484	–	105 014
163	–	–	–	59	222
–	152	18	20	–	203 510
–	(18)	(4)	(2)	–	(6 300)
4	–	–	–	4	8
–	–	(196)	(8)	–	(5 513)
(8 765)	18	(429)	6	–	–
(1 736)	(499)	(1 370)	(182)	(298)	(98 815)
6 456	2 989	4 197	1 332	1 733	740 257
8 977	730	3 780	509	1 065	161 670
1 663	400	1 087	167	331	38 796
–	65	10	9	–	101
–	(13)	(3)	(2)	–	(3 091)
–	–	(193)	(9)	–	(4 185)
–	6	–	4	–	8 366
(5 394)	–	16	(16)	–	–
(1 036)	(166)	(703)	(80)	(185)	(30 980)
4 210	1 022	3 994	582	1 211	170 677
14 799	1 325	3 868	567	1 891	396 878
–	862	1 427	392	–	106 006
1 985	–	–	–	172	2 157
–	–	–	17	–	4 704
–	–	(4)	(1)	–	(5)
(175)	–	–	–	196	21
(624)	–	(1 390)	(11)	(492)	(9 023)
(810)	12	(3)	7	–	(614)
1 615	132	351	43	201	42 007
16 790	2 331	4 249	1 014	1 968	542 131
6 305	489	3 528	366	1 087	117 918
3 028	190	972	128	392	36 024
–	–	–	1	–	12
–	–	(4)	–	–	(4)
(518)	–	(1 081)	(11)	(529)	(4 073)
(499)	–	–	–	–	(614)
661	51	365	25	115	12 407
8 977	730	3 780	509	1 065	161 670

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10. PROPERTY, PLANT AND EQUIPMENT continued

	2022 US\$'000	2021 US\$'000
Net book value		
Freehold land and buildings	21 847	17 940
Mineral right	201 750	–
Mining assets and infrastructure	276 839	291 389
Mining fleet	63 456	59 841
Right-of-use mining fleet	2 246	7 813
Motor vehicles	1 967	1 601
Computer equipment and software	203	469
Office equipment and furniture, community and site office improvements	750	505
Right-of-use buildings and premises	522	903
	569 580	380 461

Included in additions to mining assets and infrastructure are additions to the deferred stripping asset of US\$15.1 million (2021: US\$25.8 million).

The estimated economically recoverable proved and probable mineral reserve of Tharisa Minerals Proprietary Limited was reassessed at 18 November 2021 which gave rise to a change in accounting estimate. Following an annual review of its Minerals Resource and Mineral Reserve statement, the open-pit life of mine was extended by seven years. The remaining reserve that management had previously assessed was 97.5 Mt (at 1 October 2020). At 18 November 2021, the remaining reserve was assessed to be 113.6 Mt. As a result, the expected useful life of the plant, included in mining assets and infrastructure, increased. The impact of the change on the actual depreciation expense, included in cost of sales, is a reduced depreciation charge of US\$2.1 million. The change in estimate was recognised prospectively.

Included in mining assets and infrastructure are projects under construction of US\$28.7 million (2021: US\$61.0 million and included in computer equipment and software were projects under construction of US\$0.5 million).

Freehold land and buildings comprises various portions of the farms Elandsdrift 467 JQ, Buffelspoort 343 JQ and Farm 342 JQ, North West Province, South Africa. All land is freehold. Property, plant and equipment, with the exception of motor vehicles, is insured at approximate cost of replacement. Motor vehicles are insured at market value. Land is not insured. No borrowing costs were capitalised during the year ended 30 September 2022 (2021: no capitalisation of borrowing costs).

Capital commitments

At 30 September 2022, the Group's capital commitments for contracts to purchase property, plant and equipment amounted to US\$32.0 million (2021: US\$31.9 million).

Securities

At 30 September 2022, the majority of the Group's mining fleet was pledged as security against the asset backed facilities (refer to note 17).

Write offs

During the year ended 30 September 2022, the Group scrapped individual assets with net book values totalling US\$1.3 million (2021: US\$5.0 million). The write offs during both the financial years relate to certain computer software programmes no longer in use and yellow fleet equipment identified as no longer fit for use and premature component failures.

The mining component pre-mature failures are identified through the measurement of the hours depreciated for each component in relationship to the expected useful life. A write off is recognised for each component that did not reach its expected useful life. Further to this, mining fleet is also written off as identified from fleet that is confirmed as obsolete by management.

Impairment of assets

During the year ended 30 September 2022, it became evident that the operational performance of MetQ Proprietary Limited ("MetQ") is not as expected and the Group believes that an impairment indicator is present. MetQ was tested for impairment on a MetQ CGU level by using its value in use. The recoverable amounts of the CGU with a net book value of US\$2.0 million were calculated and amount to US\$1.4 million at 30 September 2022. Consequently, a provision for impairment of US\$0.6 million was recognised in other operating costs. An impairment charge of US\$0.4 million was firstly allocated to the goodwill within the CGU and the remaining amount of the impairment charge has been allocated to property, plant and equipment within the mining assets and infrastructure (US\$113 thousand), motor vehicles (US\$6 thousand) and office equipment and furniture (US\$6 thousand) asset categories. The cash flows were discounted using a real discount rate of 12.6%. The MetQ CGU forms part of the manufacturing segment.

10. PROPERTY, PLANT AND EQUIPMENT continued

Effective 1 July 2022, the Zimbabwean government enacted an export ban on chrome concentrates to support the local beneficiation industry. Local downstream selling prices of chrome concentrates are unfavourable to Salene Chrome Zimbabwe (Private) Limited ("Salene Chrome") and consequently operations were ceased while allowing the Group to evaluate and develop downstream opportunities. The Group believes that the change in operational circumstances during the year ended 30 September 2022 represents an impairment indicator. The Group performed a value in use calculation on a Salene Chrome CGU level by using a discounted cash flow forecast covering a period of 72 months, which equals the mine plan, a chrome concentrate selling price of US\$132 and a weighted average cost of capital of 10.5%. The Group believes that the CGU with a carrying amount of US\$12.4 million has a recoverable amount of US\$2.8 million and consequently has made a provision for impairment of US\$9.6 million. The impairment charge has been recognised in other operating costs. The impairment charge was first allocated to the goodwill within the CGU and the remainder of the impairment charge of US\$8.2 million has been allocated to property, plant and equipment within the mining asset and infrastructure asset category. The Salene Chrome CGU forms part of the chrome segment.

11. INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

The investment accounted for using the equity method represented the investment of 28.38% (2021: 26.8%) of the issued share capital of Karo Mining Holdings plc ("Karo Mining"), a company incorporated in Cyprus. Karo Mining's principal place of business is in Cyprus. The functional and presentation currency of Karo Mining and its subsidiaries is the US dollar.

As there were certain contractual arrangements requiring decisions about the relevant activities to be unanimous consent, the Group determined that a joint arrangement existed and consequently classified its investment in Karo Mining as a joint venture at 30 September 2021. The Group accounts for joint ventures using the equity method in the consolidated financial statements.

Effective 7 February 2022, the Company acquired an additional 1.58% of the issued share capital of Karo Mining increasing its shareholding to 28.38% for a cash subscription of 22 new ordinary shares for US\$5.0 million.

Effective 30 March 2022, the Company acquired a controlling interest in Karo Mining by increasing its shareholding to 66.34% of the issued share capital of Karo Mining. The additional 37.96% of the issued share capital of Karo Mining was acquired from the Leto Settlement, a related party (refer to note 22) for a purchase consideration of US\$29.4 million. The purchase consideration was settled through the issue of 13 693 000 new ordinary shares of the Company to the Leto Settlement.

The call option that existed at 30 September 2021 allowing the Company, at its election, to directly subscribe for shares in Karo Platinum (Private) Limited ("Karo Platinum") (up to 40.0% of the issued share capital of Karo Platinum) by way of a farm-in agreement was restructured on 30 March 2022 and replaced by the acquisition of the additional 37.96% in Karo Mining at a discount to the fair value (refer to note 20).

Investment in Karo Mining	2022 US\$'000	2021 US\$'000
Opening balance	10 274	10 303
Interest capitalised	112	222
Share of total comprehensive loss	(5 229)	(251)
Additional investment (1.58%)	4 965	–
Reclassification of loan receivable to other financial assets	(8 466)	–
Carrying value of pre-existing shareholding prior to the acquisition of controlling interest on 30 March 2022	1 656	10 274
Acquisition of subsidiary (note 20)	(1 656)	–
Carrying value	–	10 274
Shares acquired	–	4 500
Loan advance	–	8 353
Total share of comprehensive loss from joint venture	–	(2 579)
Total investment	–	10 274

The Company provided funding of US\$8.5 million (including accrued interest) (2021: US\$8.4 million) to Karo Mining as a repayable debt facility. The loan, subsequently transferred and held through a wholly owned subsidiary Arxo Finance plc, was previously classified as part of the investment in Karo Mining. At 30 March 2022 (acquisition date, refer to note 20), the Group reclassified the loan to other financial assets and transferred the loan from Arxo Finance plc to the Company. Subsequent to the acquisition, the loan was eliminated on consolidation. Effective 19 May 2022, Karo Mining converted the loan to ordinary shares and issued an additional 38 new ordinary shares to the Company as consideration. The additional shares issued represented 1.21% of the issued share capital of Karo Mining which increased the Company's shareholding to 67.55%.

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11. INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

continued

	2022 US\$'000	2021 US\$'000
Summarised consolidated financial information of Karo Mining		
Summarised statement of financial position*		
Non-current assets	1 659	207
Current assets (excluding cash and cash equivalents)	339	360
Cash and cash equivalents	4 984	54
Loan payable	(8 466)	(8 353)
Other financial liabilities	(17 879)	–
Trade and other payables and income tax payable	(3 741)	(1 892)
Net deficit (100%)	(23 104)	(9 624)
Summarised statement of comprehensive income*		
Operating expenses	(444)	(696)
Option granted to NCI to call upon shares in Karo Platinum (Private) Limited	(17 879)	–
Finance costs	(112)	(223)
Tax	(10)	(19)
Total comprehensive loss	(18 445)	(938)
Summarised statement of changes in equity*		
Opening balance	(9 624)	(8 686)
Shares issued during the period	4 965	–
Net loss for the period/year	(18 445)	(938)
Balance at the end of the period/year	(23 104)	(9 624)

* Balances are reflected at 30 March 2022 immediately prior to the acquisition of a controlling shareholding in Karo Mining.

12. INVENTORIES

	2022 US\$'000	2021 US\$'000
Finished products	31 778	15 972
Ore stockpile	19 939	17 553
Consumables	25 085	25 533
	76 802	59 058
Net realisable value writedown	(3 562)	(789)
Total carrying amount	73 240	58 269

Inventories are stated at the lower of cost or net realisable value. Low-grade chrome concentrates to the value of US\$1.6 million (2021: US\$1.2 million) are carried at the realisable value after a net realisable value write down of US\$0.7 million (2021: US\$0.1 million). The net realisable writedown was allocated to the chrome segment.

Certain PGM finished products were provided for in full to the value of US\$2.0 million (2021: US\$0.7 million). The provision was allocated to the PGM segment.

In addition, certain consumables and spares were provided for during the year ended 30 September 2022 as their operational use became doubtful. The provision to the value of US\$0.9 million (2021: no provision) is allocated 70.0% and 30.0% to the PGM and chrome operating segments respectively.

13. TRADE AND OTHER RECEIVABLES

	2022 US\$'000	2021 US\$'000
Trade receivables	54 925	33 596
PGM discounting receivable	76 750	77 286
Total trade receivables	131 675	110 882
Other receivables – related parties (refer to note 22)	57	1 951
Deposits, prepayments and other receivables	4 342	8 901
Accrued income	4 660	2 902
Value added tax receivable (VAT)	8 935	11 918
	149 669	136 554

The table below summarises the maturity of trade receivables:

	2022 US\$'000	2021 US\$'000
Current	130 916	109 986
Less than 90 days past due but not impaired	390	53
Greater than 90 days past due but not impaired	369	843
	131 675	110 882

At 30 September 2022, the Group had certain unresolved tax matters. Included in the VAT receivable, is an amount of US\$4.6 million (ZAR82.3 million) (2021: US\$5.5 million (ZAR82.3 million)) which relates to diesel rebates receivable from the South African Revenue Service ("SARS") in respect of the mining operations. SARS rejected diesel claims relating to the periods from September 2011 to April 2017 (US\$3.0 million) and May 2017 to February 2018 (US\$1.6 million).

14. CASH AND CASH EQUIVALENTS

	2022 US\$'000	2021 US\$'000
Bank balances	106 873	72 945
Short-term bank deposits and money market investments	36 427	10 491
	143 300	83 436

The amounts reflected approximate fair value.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are generally call deposit accounts and earn interest at the respective short-term deposit rates.

At 30 September 2022, an amount of US\$2.1 million (2021: US\$1.0 million) was provided as security for a bank guarantee issued in favour of a trade creditor of a subsidiary of the Group and US\$0.3 million (2021: US\$0.3 million) was provided as security against certain credit facilities of the Group.

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15. SHARE CAPITAL AND RESERVES

Share capital	30 September 2022		30 September 2021	
	Number of shares	US\$'000	Number of shares	US\$'000
Authorised – ordinary shares of US\$0.001 each				
As at 30 September	10 000 000 000	10 000	10 000 000 000	10 000
Authorised – convertible redeemable preference shares of US\$1 each				
As at 30 September	1 051	1	1 051	1
Issued				
Ordinary shares				
Balance at the beginning of the year	275 000 000	275	275 000 000	275
Issued during the year	27 596 743	28	–	–
Balance at the end of the year	302 596 743	303	275 000 000	275
Treasury shares				
Balance at the beginning of the year	3 715 621	4	6 523 686	6
Transferred as part of management share award plans	(865 243)	(1)	(2 808 065)	(2)
Balance at the end of the year	2 850 378	3	3 715 621	4
Issued and fully paid	299 746 365	300	271 284 379	271
Share premium				
Balance at the beginning of the year	271 284 379	289 547	268 476 314	286 660
Shares issued	28 461 986	56 050	2 808 065	2 887
Balance at the end of the year	299 746 365	345 597	271 284 379	289 547
Total share capital and premium		345 897		289 818

Share capital

During the year ended 30 September 2022, the Company issued 13 693 000 ordinary shares to The Leto Settlement, a related party, as consideration for the controlling interest in Karo Mining Holdings plc (refer to note 20). In addition, the Company issued 10 695 187 and 3 208 556 ordinary shares to Thari Resources Proprietary Limited and The Tharisa Community Trust respectively, both related parties, as consideration for the acquisition of the non-controlling interest in Tharisa Minerals Proprietary Limited.

During the year ended 30 September 2022, 865 243 (2021: 2 808 065) ordinary shares were transferred from treasury shares to satisfy the vesting/exercise of Conditional Awards and Appreciation Rights by the participants of the Tharisa Share Award Plan.

At 30 September 2022, 2 850 378 (2021: 3 715 621) ordinary shares were held in treasury.

All shares rank equally with regard to the Company's residual assets. The holders of ordinary shares, other than treasury shares, are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Non-controlling interests

Non-controlling interests at 30 September 2022 comprise amounts attributable to the Government of Zimbabwe for its 15% share in Karo Platinum (Private) Limited as well as amounts attributable to the Leto Settlement for its 30% share in Karo Mining Holdings plc.

Non-controlling interests at 30 September 2021 comprised amounts attributable to Black Economic Empowerment shareholders in South Africa for their respective shareholding in the ordinary shares of Tharisa Minerals Proprietary Limited together with associated foreign exchange translations.

The non-controlling interest share of total comprehensive income for the year amounts to US\$9.5 million (2021: US\$38.5 million).

Acquisition of non-controlling interest of Tharisa Minerals (Proprietary) Limited

Effective 16 February 2022, the Company acquired 20.0% of the issued share capital of Tharisa Minerals (Proprietary) Limited ("Tharisa Minerals") for a purchase consideration of US\$19.9 million (ZAR300.0 million) from Thari Resources Proprietary Limited, a related party (refer to note 22). The purchase consideration was settled through the issue of 10 695 187 new ordinary shares in the Company. Post the acquisition, the Company owned 94.0% of the issued ordinary shares of Tharisa Minerals.

On 20 May 2022, the Company purchased the remaining 6.0% of the issued ordinary shareholding of Tharisa Minerals from the Tharisa Community Trust for a purchase consideration of US\$5.7 million (ZAR90.0 million) with the purchase consideration being settled through the issue of 3 208 556 new ordinary shares in the Company.

15. SHARE CAPITAL AND RESERVES continued

	2022 US\$'000
Shares issued as consideration	25 627
Reduction in non-controlling interest	(16 473)
Reduction to equity attributable to ordinary shareholders	9 154

Increase in shareholding in Karo Mining Holdings plc ("Karo Mining")

The Company acquired the controlling interest in Karo Mining at 30 March 2022 (refer to note 20) increasing its shareholding to 66.34%. Subsequent to the acquisition, the Company subscribed for additional new shares issued by Karo Mining, increasing its shareholding to 70.0% at 30 September 2022.

	2022 US\$'000
Consideration for additional new shares issued by Karo Mining	–
Reduction in non-controlling interest	(4 509)
Increase to equity attributable to ordinary shareholders	4 509

16. PROVISIONS

The Group has a legal obligation to rehabilitate the mining area, once the mining operations cease. The provision has been calculated based on total estimated rehabilitation costs, discounted back to their present values. The pre-tax discount rates are adjusted annually and reflect current market assessments. These costs are expected to be utilised mostly towards the end of the life of mine and associated infrastructure. The provision is determined using commercial closure cost assessments and not the inflation adjusted Department of Mineral Resources and Energy published rates.

	2022			2021		
	Restoration US\$'000	Decommissioning US\$'000	Total provision US\$'000	Restoration US\$'000	Decommissioning US\$'000	Total provision US\$'000
Provision for rehabilitation						
Opening balance	13 737	6 194	19 931	6 181	8 503	14 684
Recognised in profit or loss	(6 071)	–	(6 071)	6 333	–	6 333
Capitalised/(reversal) to mining assets and infrastructure	–	(622)	(622)	–	(4 182)	(4 182)
Unwinding of discount	1 197	543	1 740	649	893	1 542
Exchange differences	(1 673)	(929)	(2 602)	574	980	1 554
Closing balance	7 190	5 186	12 376	13 737	6 194	19 931

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16. PROVISIONS continued

The table below illustrates the movement in the provision as a result of mining operations and changes in variables.

	Opening balance US\$'000	Mining operations US\$'000	Changes in variables/ estimates US\$'000	Exchange differences US\$'000	Closing balance US\$'000
30 September 2022					
Provision for restoration	13 737	918	(5 792)	(1 673)	7 190
Provision for decommissioning	6 194	1 132	(1 211)	(929)	5 186
	19 931	2 050	(7 003)	(2 602)	12 376
30 September 2021					
Provision for restoration	6 181	3 049	3 933	574	13 737
Provision for decommissioning	8 503	1 119	(4 408)	980	6 194
	14 684	4 168	(475)	1 554	19 931

The current estimated rehabilitation cost to be incurred taking escalation factors into account is US\$41.3 million (ZAR745.9 million) (2021: US\$60.5 million (ZAR911.1 million)). The estimate was calculated by an independent external expert. The change is due to the changes in future inflation and discount rates, the considerations of the closure objectives as set out in the Environmental Management Plan and what is most likely to occur as these impacts are being reconsidered, and then also the expected timing of performing this work which is driven to a large extent by the most likely life of mine. Refer to note 23.

The current estimated rehabilitation cost is projected to a future value based on a weighted average long-term inflation rate of 6.81% (2021: 6.87%). The net present value of the rehabilitation estimated future value is discounted based on a weighted average SWAP curve. The calculated interest rate was 9.61% (2021: 9.64%). An insurance company has provided a guarantee to the Department of Mineral Resources and Energy to satisfy the legal requirements with respect to environmental rehabilitation and the Group has pledged as collateral its investments in interest-bearing instruments to the insurance company to support this guarantee.

17. BORROWINGS

	2022 US\$'000	2021 US\$'000
Non-current		
Asset backed facilities	21 262	17 258
Lease liabilities	1 786	2 273
Property loans	–	617
Loan from related party	–	442
	23 048	20 590
Current		
Asset backed facilities	13 681	11 227
Lease liabilities	1 793	3 112
Property loans	553	47
Loan from related party	–	100
Bank credit facilities	23 809	1 774
	39 836	16 260

The fair value of borrowings approximates its carrying amounts as the interest rates charged are variable and considered to be market related. At 30 September 2022, the Group has unutilised borrowing facilities available of US\$31.2 million (2021: US\$28.8 million).

17. BORROWINGS continued**Asset backed facilities**

Asset backed facilities comprise of the equipment loan facility, the loan from Atrafin, the commercial asset finance and the Wesbank revolving facility. These facilities were disclosed on a disaggregated basis for the year ended 30 September 2021. Since the purpose of these facilities are similar in nature, all utilised for acquiring equipment which serves as security against these facilities, these facilities have been disclosed on an aggregated basis for the year ended 30 September 2022. The aggregation of the disclosure had no impact on the balance sheet as at 30 September 2021 nor any impact on the net profit after tax and earnings per share for the year ended 30 September 2021.

	2022 US\$'000	2021 US\$'000
Non-current		
Equipment loan facility	12 725	14 307
Atrafin loan	2 143	2 951
Commercial asset finance	5 407	–
Revolving facility	987	–
Asset backed facilities	21 262	17 258
Current liabilities		
Equipment loan facility	10 974	10 527
Atrafin loan	812	700
Commercial asset finance	1 478	–
Revolving facility	417	–
Asset backed facilities	13 681	11 227

Equipment loan facility

The equipment loan facility represents funding for certain Caterpillar mining equipment, both replacement parts and new mining equipment, from Caterpillar Financial Services Corporation. On 2 June 2022, the interest rate was changed from the one-month US Libor to the one-month Secured Overnight Finance Rate ("SOFR"). The total facility amounts to US\$35 million (2021: US\$30 million), bears interest rates between the one-month SOFR plus 325 basis points and the one-month SOFR plus 350 basis points (2021: one-month US Libor plus 325 basis points and one-month US Libor plus 350 basis points) and is repayable over 48 months. The acquired equipment serves as security for the loan facility.

The equipment loan facility contains the following Group financial covenants:

- Net debt to tangible net worth not higher than 1.4 times;
- Net debt to EBITDA lower than 2.0 times; and
- EBITDA to interest greater than 4.0 times.

At 30 September 2022 and 30 September 2021, the Group complied with all financial covenants.

Atrafin loan

The loan from Atrafin LLC is for a total amount of US\$3.7 million (2021: US\$3.7 million), bears interest at the six-month US Libor plus 200 basis points and is repayable in ten equal bi-annual instalments ending May 2026. The balance outstanding at 30 September 2022 amounted to US\$3.0 million (2021: US\$3.7 million).

Commercial asset finance

Tharisa Minerals Proprietary Limited entered into a commercial asset finance facility with Absa Bank Limited to the value of US\$8.3 million (ZAR150.0 million) during the year ended 30 September 2021. The balance outstanding at 30 September 2022 amounted to US\$6.9 million (2021: US\$nil). The facility bears interest at the South African Prime rate less 115 basis points and is repayable monthly in arrears over 48 months. The equipment acquired by utilising this facility serves as security. As part of the commercial asset finance facility, Absa Bank Limited provided Tharisa Minerals Proprietary Limited with a bank overdraft facility to the value of US\$8.3 million (ZAR150.0 million). At 30 September 2022, the overdraft facility was available in full.

Revolving facility

Tharisa Minerals Proprietary Limited entered into a revolving facility with Wesbank Corporate Finance for a facility of US\$6.9 million (ZAR125 million) during the year ended 30 September 2022. The facility bears interest at the RSA prime rate less between 65 and 115 basis points and is repayable monthly in arrears between 36 and 48 months commencing in November 2022. The facility is for financing mining equipment and specifically includes drill rigs and excavators. Such equipment serves as security for the facility.

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17. BORROWINGS continued

Lease liabilities

The Group entered into a number of lease arrangements for the renting of office buildings, premises, computer equipment, vehicles and mining fleet. The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that do not contain a purchase option and that have a lease term of 12 months or less and leases of low-value assets such as computer equipment. Lease expenses of US\$0.2 million (2021: US\$0.3 million) and US\$0.1 million (2021: US\$0.1 million) were included in cost of sales and other operating expenses respectively for the year ended 30 September 2022.

The duration of leases relating to buildings and premises is for a period of five years, payments are due at the beginning of the month escalating annually on average by 8.0%. At 30 September 2022, the remaining term of these leases vary between one and five and a half years (2021: two and four a half years). These leases are secured by cash deposits varying from one to three times the monthly lease payments.

The duration of leases relating to the mining fleet and manufacturing equipment are for periods between twelve and forty eight months (2021: twenty four and sixty months) and bear interest at interest rates between the South African prime interest rate and the South African prime interest rate plus 375 basis points (2021: South African prime interest rate plus 375 basis points). The leases are secured by the mining fleet leased.

	2022 US\$'000	2021 US\$'000
Lease payments due:		
Within one year	2 030	3 406
Two to five years	1 883	2 505
	3 913	5 911
Less future finance charges	(334)	(526)
Present value of lease payments due	3 579	5 385
Present value of lease payments due:		
Within one year	1 793	3 112
Two to five years	1 786	2 273
	3 579	5 385

Property loans

As part of the acquisition of MetQ Proprietary Limited during the year ended 30 September 2020, the Group acquired industrial premises and buildings. MetQ Proprietary Limited acquired these buildings and premises immediately before the business combination and secured funding in the form of loans owing to the previous owners. These loans are repayable upon securing external financing. The acquired properties serve as security for the loans.

Bank credit facilities

The bank credit facilities relate to pre-shipment finance and discounting of the letters of credit by the Group's banks following performance of the letter of credit conditions by the Group, which results in funds being received in advance of the normal payment date. Interest on these facilities at the reporting date varied between the one-month SOFR plus 165 basis points and the one-month SOFR plus 305 basis points and the one-month US Libor plus 1.6%, (2021: one-month US Libor plus 1.6% pa and three-month US Libor plus 3.05% pa). Inventory serves as security for credit facilities.

Loan from related party

The loan from related party arose as part of the business combination of Salene Chrome Zimbabwe (Private) Limited. The loan was settled in full during the year ended 30 September 2022.

17. BORROWINGS continued

	2022						2021
	Asset backed facilities US\$'000	Lease liabilities US\$'000	Bank credit facilities US\$'000	Property loans US\$'000	Loan from related party US\$'000	Total borrowings US\$'000	Total borrowings US\$'000
Opening balance	28 485	5 385	1 774	664	542	36 850	70 613
Changes from financing cash flows							
Advances: bank credit facilities	–	–	209 904	–	–	209 904	115 174
Repayment: bank credit facilities	–	–	(187 878)	–	–	(187 878)	(130 727)
Net proceeds/(repayment of) bank credit facilities	–	–	22 026	–	–	22 026	(15 553)
Advances received	20 942	–	–	–	–	20 942	26 787
Repayment of borrowings	(13 906)	–	–	–	(500)	(14 406)	(48 208)
Principal lease payments	–	(3 793)	–	–	–	(3 793)	(4 597)
Repayment of interest	(1 403)	(406)	(306)	–	(55)	(2 170)	(2 031)
Changes from financing cash flows	5 633	(4 199)	21 720	–	(555)	22 599	(43 602)
Foreign currency translation differences	(6 358)	(766)	–	(111)	–	(7 235)	6 202
Liability-related changes							
Lease agreements entered into	–	2 712	–	–	–	2 712	2 354
Remeasurement of lease liabilities	–	8	–	–	–	8	214
Business combination	–	–	–	–	–	–	529
Interest expense	1 515	448	315	–	13	2 291	2 330
Revaluation of foreign denominated loan	5 668	(9)	–	–	–	5 659	(1 790)
Total liability-related changes	7 183	3 159	315	–	13	10 670	3 637
Closing balance	34 943	3 579	23 809	553	–	62 884	36 850
Non-current borrowings	21 262	1 786	–	–	–	23 048	20 590
Current borrowings	13 681	1 793	23 809	553	–	39 836	16 260
Total borrowings	34 943	3 579	23 809	553	–	62 884	36 850

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18. OTHER FINANCIAL LIABILITIES

	Fair value hierarchy	2022 US\$'000	2021 US\$'000
Non-current liabilities			
Option granted to NCI to call upon shares in Karo Platinum (Private) Limited	Level 3	16 779	–
Current liabilities			
PGM discount facility hedging derivative	Level 2	337	–
Forward exchange contracts	Level 2	189	485
		526	485

Option granted to NCI to call upon shares in Karo Platinum (Private) Limited (refer to note 20)

As part of the Amendment to the Project Framework Agreement, the Republic of Zimbabwe has an option to increase its shareholding in Karo Platinum (Private) Limited ('Karo Platinum') by 11.0% exercisable after 24 months of the signing of the Amendment dated 30 March 2022, but before 36 months, payable in cash at the net present value of Karo Platinum at 30 March 2022. The increase in the shareholding may, at the election of Karo Mining Holdings, be affected either through a sale of shares in Karo Platinum by Karo Zimbabwe Holdings (Private) Limited or by means of a share subscription by the Republic of Zimbabwe. This shareholding will not be on a free funded carry basis.

19. TRADE AND OTHER PAYABLES

	2022 US\$'000	2021 US\$'000
Trade payables	42 753	44 467
Accrued expenses	24 982	22 767
Leave pay accrual	4 932	5 328
Value added tax payable	89	261
Provision for mining royalty	50 444	30 953
Other payables – related parties (note 22)	113	509
Other payables	587	281
	123 900	104 566

The amounts above are unsecured, non-interest bearing and payable within one year from the reporting period. The amounts reflected above approximate fair value, due to the short term thereof.

20. BUSINESS COMBINATION

Acquisition of Karo Mining Holdings plc

Effective 30 March 2022, the Group acquired an additional 37.96% of the issued share capital of Karo Mining Holdings plc ("Karo Mining"), a company incorporated in Cyprus. The investment in Karo Mining previously was recognised as an investment accounted for using the equity method (note 11). Following the acquisition of the controlling interest in Karo Mining, the Group's shareholding in Karo Mining was 66.34%.

The additional 37.96% of the issued share capital of Karo Mining was acquired from the Leto Settlement, a related party (refer to note 22) for a purchase consideration of US\$29.4 million. The purchase consideration was settled through the issue of 13 693 000 new ordinary shares of the Company to the Leto Settlement. The Group determined that the acquisition of Karo Mining represented a business and accordingly accounted for the acquisition as a business combination in terms of IFRS 3.

The Group assessed that from 30 March 2022 it exercises control over Karo Mining. The Group concluded that it has power over Karo Mining as the Group has the ability to appoint the majority of the board of directors of Karo Mining, owns the majority of the issued share capital and has the majority of the decision-making rights over relevant activities. From 30 March 2022, the Group is exposed and has the right to variable returns from Karo Mining which results from its 66.34% shareholding and has the ability to use the shareholding to affect its return on its investment. The Group controls the development activities and is actively involved with the development of Karo Mining and more specifically Karo Platinum.

Effective 30 March 2022, the Investment Project Framework Agreement entered into between the Republic of Zimbabwe and the Leto Settlement was amended by changing the shareholding in Karo Platinum (Private) Limited ('Karo Platinum'), an indirect subsidiary of Karo Mining to 85.0% by Karo Zimbabwe Holdings (Private) Limited and 15.0% by the Republic of Zimbabwe, on a free funded carry basis. Before the amendment, the Republic of Zimbabwe was entitled to a 50.0% shareholding in Karo Platinum. The remaining entities are all indirect wholly owned subsidiaries of Karo Mining.

20. BUSINESS COMBINATION continued

The table below details Karo Mining's interest in subsidiaries as at 30 March 2022 (acquisition date) and at 30 September 2022 (collectively referred to as "Karo Group"):

Company name	Effective interest	Country of incorporation and principal place of business	Principal activity
Karo Zimbabwe Holdings (Private) Limited	100%	Zimbabwe	Investment holding
Karo Platinum (Private) Limited*	85%	Zimbabwe	Platinum mining, smelting and refining
Karo Coal Mines (Private) Limited	100%	Zimbabwe	Dormant
Karo Power Generation (Private) Limited	100%	Zimbabwe	Power generation
Karo Refinery (Private) Limited	100%	Zimbabwe	Dormant

* At 30 September 2022 the shares equalling 15.0% of the issued share capital of Karo Platinum has not been transferred to the Republic of Zimbabwe. The Group believes that there are no substantive barriers preventing the shares from being transferred. Consequently, the 15.0% shareholding of the Republic of Zimbabwe in Karo Platinum has been accounted for as non-controlling interest in the acquisition accounting of Karo Mining and subsidiaries.

The transaction cost on the acquisition was US\$0.1 million which is classified as other operating expenses.

The fair values of the net identifiable assets acquired were determined independently by using the sum of the parts methodology. The market multiple approach was used to determine the fair value of Karo Platinum (Private) Limited while the net asset value approach was used to determine the fair values of the remaining entities. Since the effective acquisition date is 30 March 2022, the Karo Group's results have been consolidated within the Group's results. Up to the effective acquisition date the Karo Group's results were equity accounted at the Group's proportionate share in the investment (refer to note 11).

Below a summary of the Karo Group's statement of profit or loss for the year ended 30 September 2022 as if the acquisition took place as at 1 October 2021, as well as a summary of Karo Group's statement of profit or loss since the acquisition date for the six-months ended 30 September 2022 included in the consolidated statement of profit or loss for the year ended 30 September 2022.

	Year ended 30 September 2022 US\$'000	Six months ended 30 September 2022 US\$'000
Operating expenses	(2 207)	(1 763)
Fair value adjustments	(10 909)	6 970
Finance costs	(139)	(27)
Tax	(31)	(21)
Net (loss)/profit after tax	(13 286)	(5 159)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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for the year ended 30 September 2022

20. BUSINESS COMBINATION continued

The following table summarises the fair value of the assets and liabilities of the Karo Group comprising Karo Mining and its subsidiaries at the date of acquisition:

	Fair value recognised on acquisition US\$'000
Assets	
Property, plant and equipment	203 409
Inventories	2
Trade and other receivables	337
Cash and cash equivalents	4 984
	208 732
Liabilities	
Borrowings	(8 466)
Other financial liabilities	(17 879)
Deferred tax	(30 263)
Tax liability	(6)
Trade and other payables	(3 735)
	(60 349)
Total identifiable net assets at fair value	148 383
Non-controlling interest	(66 181)
Total attributable net assets acquired	82 202
Consideration	
Book value of existing shareholding (note 11)	(1 656)
Prepaid investment in Karo Platinum (Private) Limited	(2 710)
Gain on acquisition: fair value of existing 28.38% shareholding	(33 503)
Gain on acquisition: purchase of shares at a discount	(14 888)
Total purchase price to be settled by the issue of ordinary shares	(29 445)
Net cash acquired	4 984
Cash inflow from business combination	4 984

The fair value of receivables acquired approximates their carrying amount due to the short-term nature thereof. The purchase of shares at a discount represents a bargain purchase on the acquisition (US\$14.9 million). The non-controlling interest represents the proportionate share of the fair value of the net identifiable assets.

Subsequent to acquiring the controlling interest in Karo Mining, the Group increased its shareholding in Karo Mining by converting the loan receivable to ordinary shares and by subscribing to additional shares issued by Karo Mining (described in the following paragraphs). Refer to note 15 for the consequential decrease in the non-controlling interest in Karo Mining.

Effective 19 May 2022, the Company acquired the loan receivable from Arxo Finance plc (a wholly owned subsidiary of the Company) that was receivable from Karo Mining, refer to note 16. The loan was converted to ordinary shares issued by Karo Mining. Karo Mining issued an additional 38 new ordinary shares to the Company as consideration. The loan payable (including accrued interest) amounted to US\$8.5 million. The additional shares issued represented 1.21% of the issued share capital of Karo Mining which increased the Company's shareholding to 67.55%.

Effective 2 June 2022, Karo Mining issued an additional 44 new ordinary shares for a cash subscription of US\$9.9 million to the Company. The additional shares issued represented 1.29% of the issued share capital of Karo Mining which increased the Company's shareholding to 68.84%.

Effective 10 August 2022, Karo Mining issued an additional 45 new ordinary shares for a cash subscription of US\$10.2 million to the Company. The additional shares issued represented 1.22% of the issued share capital of Karo Mining which increased the Company's shareholding to 70.00%.

20. BUSINESS COMBINATION continued

Effective 7 September 2022, Karo Mining issued an additional 44 051 new ordinary shares for a cash subscription of US\$44 thousand to the Company and the non-controlling shareholder. The Company subscribed to 30 835 ordinary shares while the non-controlling shareholder subscribed to 13 216 ordinary shares. The shares were subscribed to according to the existing proportionate share of each shareholder. The cash subscription was not settled at 30 September 2022 by the non-controlling shareholder.

21. FINANCIAL RISK MANAGEMENT**Fair values**

The Board of Directors considers that the fair values of significant financial assets and financial liabilities approximate to their carrying values at each reporting date.

Financial instruments carried at fair value:

The following table presents the carrying values of financial instruments measured at fair value at the end of each reporting period across the three levels of the fair value hierarchy defined in IFRS 13, *Fair Value Measurement*, with the fair value of each financial instrument categorised in its entirety based on the lowest level of input that is significant to that fair value measurement.

The impact of COVID-19 should already be priced into the inputs, which for the Group, mostly relates to commodity price risk used in the level 1 and 2 fair valuation techniques as determined by the market. The level 3 valuation techniques were adjusted internally by amending the cash flows associated with the discounted cash flow valuations.

The levels are defined as follows:

Level 1: fair values measured using quoted prices (unadjusted) in active markets for identical financial instruments (highest level).

Level 2: fair values measured using quoted prices in active markets for similar financial instruments, or using valuation methodologies in which all significant inputs are directly or indirectly based on observable market data.

Level 3: fair values measured using valuation methodologies in which any significant inputs are not based on observable market data.

Financial instrument	Fair value level	Fair value		
		2022 US\$'000	2021 US\$'000	Valuation technique and key inputs
Financial assets measured at fair value				
Investments in money markets, current accounts, cash funds and income funds	Level 2	6 019	7 702	Quoted market price for similar instruments
Right to acquire shares in Karo Platinum (Private) Limited	Level 3	–	5 870	Comparable company market multiple valuation and a Monte Carlo Simulation model
PGM discount facility hedging derivative	Level 2	–	3 023	Quoted market metal prices and exchange rate
Investments in equity instruments	Level 1	19	18	Quoted market price
Trade and other receivables measured at fair value				
PGM discounting receivable	Level 2	76 750	77 286	Quoted market metal prices and exchange rate (refer below)
Financial liabilities measured at fair value				
Option granted to NCI to call upon shares in Karo Platinum (Private) Limited	Level 3	16 779	–	Discounted cash flow valuation and a Monte Carlo Simulation model
PGM discount facility hedging derivative	Level 2	337	–	Quoted market metal prices and exchange rate
Forward exchange contracts	Level 2	189	485	Quoted market closing exchange rates

There have been no transfers between fair value hierarchy levels in the current year.

Refer to note 13 for the fair value recognised relating to the PGM discounting receivable.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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21. FINANCIAL RISK MANAGEMENT continued

Fair value gains and losses recognised in the financial instruments during the year:

	2022 US\$'000	2021 US\$'000
Changes in fair value of financial assets at fair value through profit or loss		
Investments in equity instruments	1	10
Investments in money markets, current accounts, cash funds and income funds	242	223
PGM discount facility hedging derivative	–	4 615
Right to acquire shares in Karo Platinum (Private) Limited	(5 870)	5 870
Option to acquire shares in Salene Chrome Zimbabwe (Private) Limited	–	(178)
	(5 627)	10 540
Changes in fair value of financial liabilities at fair value through profit or loss		
PGM discount facility hedging derivative	174	–
Option granted to NCI to call upon shares in Karo Platinum (Private) Limited	1 100	–
Forward exchange contracts	247	(370)
	1 521	(370)

Level 3: Option granted to NCI to call upon shares in Karo Platinum (Private) Limited ("Karo Platinum")

Refer to notes 11 and 20. The Republic of Zimbabwe has an option to increase its shareholding in Karo Platinum by 11.0% exercisable after 24 months from 30 March 2022, but before 36 months, payable in cash at the current net present value of Karo Platinum at 30 March 2022. The option represents a financial instrument which is recognised at fair value through profit or loss. At 30 September 2022, the Group completed an independent reviewed valuation of Karo Platinum. In determining the fair value, the discounted cash flow valuation technique was used. The following significant inputs were used in determining the fair value:

The initial fair value loss of US\$17.9 million recognised during the interim period ending 31 March 2022 was recognised in the profit or loss of Karo Zimbabwe Holdings (Private) Limited immediately prior to the acquisition of the controlling interest in Karo Mining Holdings Limited by the Group. The Group's proportionate share of the loss is classified in the share of loss of investment accounted for using the equity method in the statement of profit or loss.

PGM basket price (6E)	US\$/oz	2 140
Base metal basket price	US\$/t	15 099
Life of Mine		17 years
Annual throughput	kt	205
6E PGM grade per tonne feed	g/t	3.6
Annual production (6E)	koz	194
PGM recovery	%	78% first two years, thereafter 82%
WACC	%	10.3%
Tax holiday	years	First 5

The Monte-Carlo simulation was used in determining the fair value of Karo Platinum at the end of the 36-month period (31 March 2025). The option value has been determined by averaging the discounted values between month 25 and 36 (the period in which the option can be exercised). The following significant inputs were used:

Strike price:	US\$71.8 million	Independently verified net present value of Karo Platinum as at 30 March 2022 using a discounted cash flow model
Valuation of 11.0% of Karo Platinum at 30 September 2022:	US\$59.5 million	Discounted cash flow model
Volatility:	4.4%	Sector volatility (converted to monthly)
Drift:	1.5%	Risk-free rate (converted to monthly) based on the US risk-free zero yield curve at 31 August 2022 based on the Svensson method and includes a country risk premium for the operations being in Zimbabwe. The country risk premium for Zimbabwe was sourced from Damodaran.
Time step:	1.0	Annual time intervals
Discount rate:	0.83%	Converted to monthly

A sensitivity analysis was performed on the option value with the following results in the fair value of the option:

Sensitivity	Option value US\$'000	(Decrease)/ increase in profit or loss and equity US\$'000
Discount rate minus 5.0%	16 795	(16)
Discount plus 5.0%	16 763	16
Volatility minus 10.0%	16 299	480
Volatility plus 10.0%	17 296	(517)

22. RELATED PARTY TRANSACTIONS AND BALANCES

	2022 US\$'000	2021 US\$'000
Loans receivable (note 11)		
Karo Mining Holdings plc (before acquisition)	–	8 353
Trade and other receivables (note 13)		
Thys and Alta Steenkamp*	–	188
The Tharisa Community Trust	–	65
Rocasize Proprietary Limited	31	3
Karo Mining Holdings plc ((before acquisition)	–	796
Karo Zimbabwe Holdings (Private) Limited (before acquisition)	–	321
Karo Platinum (Private) Limited (before acquisition)	–	417
Karo Power Generation (Private) Limited (before acquisition)	–	146
The Leto Settlement	13	–
Salene Mining Proprietary Limited	13	15
	57	1 951
Loan payable (note 17)		
Leto Settlement	–	542
Trade and other payables (note 19)		
Karo Zimbabwe Holdings (Private) Limited (before acquisition)	–	315
Karo Platinum (Private) Limited (before acquisition)	–	29
Rocasize Proprietary Limited	–	57
	–	401
Amounts due to directors		
A Djakouris	18	21
J Salter	21	23
O Kamal	13	12
C Bell	23	17
R Davey	20	16
Z Hong	9	9
Lo Wai Man	9	10
	113	108
Total other payables	113	509
Property loans payable		
Ross Two-10-Properties Proprietary Limited*	–	153
Rohcon Engineering Proprietary Limited*	–	193
PCMQ Proprietary Limited*	–	199
Thys & Alta Properties Proprietary Limited*	–	119
	–	664

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22. RELATED PARTY TRANSACTIONS AND BALANCES continued

	2022 US\$'000	2021 US\$'000
Revenue		
Salene Manganese Proprietary Limited	1 035	420
Karo Platinum (Private) Limited (before acquisition)	–	5
Cost of sales		
Rocasize Proprietary Limited	541	511
Other income		
Rocasize Proprietary Limited	23	9
Consulting fees received		
Salene Manganese Proprietary Limited	45	–
Rocasize Proprietary Limited	8	14
Salene Chrome Zimbabwe (Private) Limited (before acquisition)	–	54
Karo Mining Holdings plc (before acquisition)	6	–
Karo Platinum (Private) Limited (before acquisition)	188	183
Karo Power Generation (Private) Limited (before acquisition)	7	10
Karo Zimbabwe Holdings (Private) Limited (before acquisition)	28	10
Rent paid		
PCMQ Proprietary Limited*	–	23
Thys & Alta Properties Proprietary Limited*	–	9
Interest receivable		
Karo Mining Holdings plc (before acquisition)	112	222
Interest paid		
The Leto Settlement	13	–
Ross Two-10-Properties Proprietary Limited*	–	11
Thys & Alta Properties Proprietary Limited*	–	4
Rohcon Engineering Proprietary Limited*	–	14
Dividends paid		
Thari Resources Proprietary Limited	–	845
The Tharisa Community Trust	164	253

* The Group previously disclosed related party transactions with Thys and Alta Steenkamp, PCMQ Proprietary Limited, Thys & Alta Properties Proprietary Limited, Ross Two-10-Properties Proprietary Limited and Rohcon Engineering Proprietary Limited. These related party relationships have ceased.

22. RELATED PARTY TRANSACTIONS AND BALANCES continued

Compensation to key management

	Salary and fees US\$'000	Expense allowances US\$'000	Share-based payments US\$'000	Provident fund and risk benefits US\$'000	Bonus US\$'000	Total US\$'000
2022						
Non-executive directors	642	–	–	–	–	642
Executive directors	1 712	8	828	76	319	2 943
Other key management	1 380	20	817	95	588	2 900
	3 734	28	1 645	171	907	6 485
2021						
Non-executive directors	631	–	–	–	–	631
Executive directors	1 622	8	3 315	82	356	5 383
Other key management	988	22	1 034	97	220	2 361
	3 241	30	4 349	179	576	8 375

Share-based awards to the directors and to the key management for the year under review are as follows:

2022 ordinary shares	Opening balance	Inclusion of employee	Allocated	Vested	Forfeited	Total
LTIP – executive directors	1 333 682	–	1 751 608	(611 816)	(201 902)	2 271 572
LTIP – key management	695 276	145 650	1 319 717	(388 628)	(129 808)	1 642 207
2021 ordinary shares	Opening balance	Resignation	Allocated	Vested	Forfeited	Total
LTIP – executive directors	2 379 802	–	–	(1 046 120)	–	1 333 682
LTIP – key management	1 576 158	(272 700)	–	(608 182)	–	695 276
2021 ordinary shares						
SARS – executive directors	440 631	–	–	(440 631)	–	–
SARS – key management	293 919	(50 907)	–	(243 012)	–	–

Option to acquire shares in Salene Manganese Proprietary Limited

On 9 July 2019, the Company was granted a call option to acquire a 70.0% shareholding in Salene Manganese Proprietary Limited, a company incorporated in South Africa. The option was exercisable at the fair market value and consequently had no impact on the Group's statement of profit or loss. The call option was exercisable on or before 14 August 2022, consequently the option lapsed.

Relationships between parties*Thari Resources Proprietary Limited*

A former shareholder of Tharisa Minerals Proprietary Limited, refer to note 15.

The Tharisa Community Trust and Rocasize Proprietary Limited

The Tharisa Community Trust is a former shareholder of Tharisa Minerals Proprietary Limited, refer to note 15. The Tharisa Community Trust owns 100% of the issued ordinary share capital of Rocasize Proprietary Limited.

The Music for the Children Foundation

A Director of the company is a Trustee of the non-profit organisation.

Salene Manganese Proprietary Limited and Salene Mining Proprietary Limited

A director of the Company is also a director of these companies.

The Leto Settlement

Leto Settlement is the beneficial shareholder of Medway Developments Limited, a material shareholder in the Company.

Karo Mining Holdings plc, Karo Zimbabwe Holdings (Private) Limited, Karo Platinum (Private) Limited, Karo Power Generation (Private) Limited, Karo Coal Mines (Private) Limited and Karo Refinery (Private) Limited

The Company owned 26.8% of the issued share capital of Karo Mining Holdings plc before acquiring the controlling interest at 30 March 2022 (refer to note 20). Karo Mining Holdings Limited owns 100% of the issued share capital of Karo Zimbabwe Holdings (Private) Limited, Karo Power Generation (Private) Limited, Karo Coal Mines (Private) Limited and Karo Refinery (Private) Limited and 85% of the issued share capital of Karo Platinum (Private) Limited.

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23. CONTINGENT LIABILITIES

Diesel rebates

At 30 September 2022, the Group had certain unresolved tax matters. Included in trade and other receivables is an amount of US\$4.6 million (ZAR82.3 million) (2021: US\$5.5 million (ZAR82.3 million)) which relates to diesel rebates receivable from the South African Revenue Service ('SARS') in respect of the mining operations. SARS rejected diesel claims relating to the period from September 2011 to February 2018. The Group is taking the necessary action to recover the amount due.

Mining royalty

The Group has objected and appealed to the assessments issued by SARS imposing an additional mining royalty in relation to the 2015 and 2017 years of assessment in an amount of US\$5.7 million (ZAR102.3 million) (2021: US\$6.8 million (ZAR102.3 million)) (inclusive of penalties and interest). Due to the technical nature of the matter at hand, the matter underwent two separate Alternate Dispute Resolution processes and the matter is now set to be heard at the tax court on 14 August 2023. SARS increased the gross sales value of the PGM sales to the minimum specified condition (of 150 parts per million) as set out in the legislation by adjusting the average PGM grade on a linear basis. SARS did not take into account the increase in the associated costs to bring the concentrate to the minimum specified condition whether on a linear basis or otherwise. This is inconsistent with both past practice by SARS and industry applied norms. The Group objected and appealed against the assessment on the basis that it is not in terms of the applicable legislation. The Group, together with its legal adviser, has re-assessed the basis on which it is liable for payment of the mining royalty challenging both the linear basis of grossing up the sales value and determining the incremental costs which would be incurred in bringing the concentrate to the minimum specified standard.

In the event that SARS would be successful, the Group estimates the incremental mining royalty for the period up to the current year of assessment to be US\$20.0 million (ZAR361.9 million) (2021: US\$16.7 million (ZAR250.9 million)), with the amount net of tax estimated to be US\$10.0 million (ZAR180.6 million) (2021: US\$12.0 million (ZAR180.6 million)). If the Group is successful with a favourable outcome of calculating the mining royalty on the re-assessed basis, it would result in a refund of past royalty payments with a net inflow to the Group.

The principles being applied have not been tested by either SARS or the judiciary and there is therefore uncertainty on the possible outcome of the legal process which could lead to an outflow (royalty payable to SARS) or inflow (amount recovered by the Group from SARS). Furthermore, the time period to reach finality may be protracted. Accordingly, no estimate of the contingent amount receivable has been made.

Rehabilitation provision

The Group's mining and exploration activities are subject to extensive environmental laws and regulations. The Group has made, and expects to make in the future, expenditures to comply with such laws and regulations, but cannot predict the full amount of such future expenditures. Estimated future rehabilitation costs are based principally on legal and regulatory requirements. Tharisa Minerals Proprietary Limited's approved Environmental Management Programme ("EMPr") commits the company to completely backfill the pit voids to natural ground level and restore the pre-mining land potential, namely agricultural land with grazing and wilderness capabilities. The company has evaluated alternative mine closure strategies building on the establishment of a post-mining economy with socio-economic benefits. An amended application has been submitted to the Department of Mineral Resources and Energy ("DMRE") seeking its approval for a backfill of the pit voids concurrent with mining only, also called in-pit dumping, which results in a partial void and associated pit lake which is profiled and "made safe" before rehabilitation of the surface with the residual waste rock stockpiles remaining on surface ("pit-lake option"). In conjunction with the submission of this application, the company has also engaged with the relevant government departments to ensure their support for this submission. This application has been submitted supported by the necessary specialty studies. As there is uncertainty as to the successful outcome of the application, the company has applied a probability weighted factor in calculating the mine closure liability applying a 60% probability to the successful approval of the pit-lake option. In the alternative, the company has applied a 40% probability to an alternative "make safe" option with the partial backfilling of the pit whereby the walls of the pit will be profiled at 24 degrees and, with the passage of time, result in a pit-lake forming in the void. The rehabilitation expense and provision referenced in note 26 has been accounted for on this basis. The company is confident of the successful outcome in its engagement with the DMRE. No adjustment for any effects on the company that may result from a complete backfill of the voids, if any, has been made in the financial statements. It is not possible to determine and measure any additional requirements that may be required as the amended EMP is at an advanced stage through the various approval levels, hence no provision has been made for these potential additional requirements.

Other

As at 30 September 2022, there is no litigation (2021: no litigation), current or pending, which is considered likely to have a material adverse effect on the Group. Refer to note 24 for guarantees.

24. CAPITAL COMMITMENTS AND GUARANTEES

	2022 US\$'000	2021 US\$'000
Capital commitments		
Authorised and contracted	28 937	30 639
Authorised and not contracted	3 027	1 298
	31 964	31 937

The above commitments are with respect to property, plant and equipment and are outstanding at the respective reporting period. All contracted amounts will be funded through existing funding mechanisms within the Group and cash generated from operations. Balances denominated in currencies other than the US dollar were converted at the closing rates of exchange ruling at 30 September 2022.

Guarantees

Tharisa Minerals Proprietary Limited entered into an equipment loan facility of US\$35.0 million (2021: US\$30.0 million) with Caterpillar Financial Services Corporation. The equipment loan facility is secured by a first notarial bond over the equipment and is guaranteed by the Company.

Tharisa Minerals Proprietary Limited guarantees US\$16.6 million (ZAR300.0 million) (2021: US\$20 million (ZAR300.0 million)) to Absa Bank Limited in respect of the Commercial Asset Finance and overdraft facilities.

The Company guarantees a total of US\$12.7 million (ZAR229 million) (2021: US\$12.2 million (ZAR183 million)) to third party suppliers of Tharisa Minerals Proprietary Limited.

An insurance company has provided a guarantee to the Department of Mineral Resources and Energy to satisfy the legal requirements with respect to environmental rehabilitation and the Group has pledged as collateral its investments in interest bearing instruments to the insurance company to support this guarantee. The total value of the guarantee is US\$18.7 million (ZAR337.5 million) (2021: US\$19.2 million (ZAR288.4 million)).

The Company issued a guarantee to Absa Bank Limited which guarantees the payment of certain liabilities of Arxo Logistics Proprietary Limited to Transnet totalling US\$1.1 million (ZAR19.4 million) (2021: US\$1.3 million (ZAR19.4 million)).

The Company issued guarantees limited to US\$20.0 million (2021: US\$20.0 million) as securities for trade finance facilities provided by two banks to Arxo Resources Limited.

A guarantee was issued to Lombard Insurance Company Limited which guarantees the payment of certain liabilities of Arxo Logistics Proprietary Limited to Transnet totalling US\$0.7 million (ZAR12.0 million) (2021: US\$0.8 million (ZAR12.0 million)).

The Company and Arxo Metals Proprietary Limited jointly indemnify a third party for any claims which may result from negligence or breach in terms of the plant operating agreement between Arxo Metals Proprietary Limited and the third party.

The Company holds an indirect 100% equity interest in Tharisa Fujian Industrial Co., Limited, the registered capital of which is US\$10.0 million. Up to 30 September 2022, US\$6.1 million has been paid up.

25. EVENTS AFTER THE REPORTING PERIOD

On 1 December 2022, the Board has proposed a final dividend of US 4.0 cents per share, subject to the necessary shareholder approval at the Annual General Meeting.

The Board of Directors is not aware of any matter or circumstance arising since the end of the financial year that will impact these financial results.

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26. DIVIDENDS

During the period ended 30 September 2022, the Company declared and paid a final dividend of US 5.0 cents per share in respect of the financial year ended 30 September 2021. In addition, an interim dividend of US 3.0 cents per share was declared and paid in respect of the financial year ended 30 September 2022.

During the period ended 30 September 2021, the Company declared and paid a final dividend of US 3.5 cents per share in respect of the financial year ended 30 September 2020. In addition, an interim dividend of US 4.0 cents per share was declared and paid in respect of the financial year ended 30 September 2021.

A subsidiary of the Company, Tharisa Minerals Proprietary Limited, declared and paid an ordinary dividend of US\$2.7 million (2021: US\$4.2 million) during the year ended 30 September 2022. The dividend paid to non-controlling shareholders amounted to US0.2 million (2021: US\$1.1 million).

A subsidiary of the Company, Arxo Logistics Proprietary Limited, declared an ordinary dividend of US\$1.0 million (2021: no dividend) during the year ended 30 September 2022.



INVESTOR RELATIONS REPORT

SHARE INFORMATION

Tharisa plc is listed on the Johannesburg Stock Exchange and the London Stock Exchange

Company	Tharisa plc
JSE share code	THA
LSE share code	THS
A2X share code	THA
ISIN	CY0103562118
LEI	213800WW4YWMVZIJM90
Sector	General mining
Issued share capital as at 30 September 2022	302 596 743
Issued share capital (excluding treasury shares) as at 30 September 2022	299 746 365

	JSE	LSE
Market capitalisation as at 30 September 2022	ZAR6.22 billion	GBP314.7 million
Closing share price as at 30 September 2022	ZAR20.75	GBP1.05
12-month high	ZAR34.75	GBP1.71
12-month low	ZAR19.16	GBP0.95

SHAREHOLDER ANALYSIS

Analysis of shareholders as at 30 September 2022

Analysis of ordinary shareholders	Number of shareholders	Number of shares	Percentage of issued share capital	Percentage of voting rights
Holding 1 to 10 000 shares	2 130	1 491 486	0.49	0.50
Holding 10 001 to 100 000 shares	163	5 748 240	1.90	1.92
Holding 100 001 to 1 000 000 shares	80	25 716 236	8.50	8.58
Holding 1 000 001 to 5 000 000 shares	18	30 690 499	10.14	10.24
Holding 5 000 001 to 100 000 000 shares	8	112 779 898	32.27	37.63
Holding > 100 000 000 shares	1	123 320 006	40.75	41.14
Treasury shares	–	2 850 378	0.94	–
Total	2 400	302 596 743	100.00	100.00

Major shareholders	Number of shares	Percentage of issued share capital	Percentage of voting rights
Shareholders holding 10% or more			
Leto Settlement, directly and indirectly through Medway Developments Limited	123 320 006	40.75	41.14
Rance Holdings Limited	38 526 509	12.73	12.85
Shareholders holding 5% or more			
Fujian Wuhang Stainless Steel Co. Limited	26 737 540	8.84	8.92
	174 891 055	57.80	58.35

	Number of shareholders	Number of shares	Percentage of issued share capital	Percentage of voting rights
Public and non-public shareholders				
Public	2 382	126 802 216	41.90	42.30
Non-public				
Directors and associates of the Company and its subsidiaries	16	11 097 634	3.67	3.70
Persons interested (other than directors), directly or indirectly, in 10% or more	2	161 846 515	53.49	53.99
Total	2 400	299 746 365	99.06	100.00

Disclosure of directors' interests in the Company's share capital

The aggregate direct and indirect interests of the directors in the issued share capital of the Company are as follows:

Director	2022				2021			
	Beneficial		Non-beneficial		Beneficial		Non-beneficial	
	Direct	Indirect	Direct	Indirect	Direct	Indirect	Direct	Indirect
Loucas Pouroulis	1 206 005				1 017 568			
Phoevos Pouroulis	1 107 810	6 928 432			933 628	6 928 432		
Michael Jones	777 384				689 653			
David Salter	–	–	–	–	–	–	–	–
Antonios Djakouris	43 250	–	–	–	43 250	–	–	–
Omar Kamal	–	–	–	–	–	–	–	–
Carol Bell	61 250				61 250			
Roger Davey	–	–	–	–	–	–	–	–
Zhong Liang Hong	–	–	–	–	–	–	–	–
Shelley Wai Man Lo	–	–	–	–	–	–	–	–
Total	3 195 699	6 928 432			2 169 987	6 928 432		

There have been no changes in directors' interests in the share capital between 30 September 2022 and the date of issue of this integrated annual report.

NOTICE OF ANNUAL GENERAL MEETING

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)

Notice is hereby given that the annual general meeting (AGM) of shareholders of Tharisa will be held via remote electronic platform Microsoft Teams on Wednesday, 22 February 2023 at 11:00 SA time (UTC+2) to consider and, if deemed fit, pass, with or without modification, the ordinary and special resolutions as set out in this notice of AGM and to deal with such other business as may be dealt with at the AGM. Tharisa will be assisted by Computershare Investor Services Proprietary Limited, who will also act as scrutineers.

This notice of AGM, the Integrated Annual Report containing the condensed, consolidated financial statements and the audited annual financial statements together with all relevant reports, are available on the Company's website www.tharisa.com and available for inspection at the registered office of the Company.

Under the Companies Law, a member has the right to request an item to be included in the agenda for an AGM, as well as to request that a specific resolution be tabled and resolved upon, provided that such request is accompanied by an adequate explanation and justification for its inclusion which the Company deems to be reasonable and within the best interests of the Company and its stakeholders as a whole and provided further that such member, or members acting collectively, hold in aggregate 5% of the ordinary share capital of the Company. Requests of this nature are to be received by the Company in writing or electronically, at least 42 days before the scheduled date of the AGM.

IDENTIFICATION

Shareholders are advised that any person attending or participating in an AGM of shareholders must present reasonably satisfactory identification before being entitled to participate in and vote at the AGM and the person presiding at the AGM must be reasonably satisfied that the right of any person to participate in and vote (whether as shareholder or proxy for a shareholder) has been reasonably verified.

IMPORTANT DATES

Record date to receive notice of the AGM	Friday, 9 December 2022
Last day to trade to be eligible to vote	Tuesday, 14 February 2023
Record date to be eligible to vote at the AGM	Friday, 17 February 2023
Last day for lodging forms of instruction (by 09:00 UK time)	Friday, 17 February 2023
Last day for lodging forms of proxy (by 11:00 SA time)	Monday, 20 February 2023
Annual general meeting (11:00 SA time (UTC+2))	Wednesday, 22 February 2023

Accordingly, the date on which a person must be registered as a shareholder in the register of the Company to be entitled to attend and vote at the AGM will be Friday, 17 February 2023.

RESOLUTIONS FOR CONSIDERATION AND ADOPTION

Ordinary business

1. ORDINARY RESOLUTION NUMBER 1

Adoption of the annual financial statements

To receive the audited annual financial statements for the year ended 30 September 2022, including the management report and the report of the independent auditor, such annual financial statements having been approved by the Board on 1 December 2022.

Additional information in respect of ordinary resolution number 1

The condensed consolidated financial statements for the year ended 30 September 2022 are included in the Integrated Annual Report of which this notice of AGM forms part. The complete audited annual financial statements, together with the relevant reports for the year ended 30 September 2022, are available on the Company's website, www.tharisa.com. Copies of the audited financial statements, management report and report of the auditor are also available for collection at the registered office of the Company, and available for dispatch at the request of shareholders, free of charge and either in printed copy or in electronic (email) format, by contacting the Group Company Secretary at secretarial@tharisa.com.

This resolution is non-binding, therefore no minimum voting threshold is required for ordinary resolution number 1.

2. ORDINARY RESOLUTION NUMBER 2

Reappointment of external auditor

"RESOLVED THAT Ernst & Young Cyprus Limited, with Stavros Pantzaris being the designated registered auditor, be reappointed as the independent external auditor of the Company and the Group for the financial year ending 30 September 2023, to hold office until conclusion of the next AGM of the Company, and that the remuneration for the financial year ending 30 September 2023 be determined by the Audit Committee."

Additional information in respect of ordinary resolution number 2

In accordance with clause 195 of the Company's Articles of Association and sections 153 to 155 of the Companies Law, Ernst & Young Cyprus Limited is proposed to be reappointed as the external auditor of the Company, until the conclusion of the next AGM. The Audit Committee conducted an assessment of the performance and the independence of the external auditor and compliance with the JSE Listings Requirements and recommends the reappointment as independent auditor of the Company and the Group.

The percentage of voting rights required for ordinary resolution number 2 to be adopted is more than 50% in favour, of the voting rights exercised on this resolution by all shareholders present or represented by proxy and entitled to vote at the AGM.

3. ORDINARY RESOLUTION NUMBER 3 (COMPRISING ORDINARY RESOLUTIONS NUMBERS 3.1, 3.2 AND 3.3)

Re-election of directors retiring by rotation

3.1 "RESOLVED THAT Carol Bell, who retires in accordance with the Company's Articles of Association and who, being eligible, offers herself for re-election, be re-elected as a director of the Company."

3.2 "RESOLVED THAT Omar Kamal, who retires in accordance with the Company's Articles of Association and who, being eligible, offers himself for re-election, be re-elected as a director of the Company."

3.3 "RESOLVED THAT Roger Davey, who retires in accordance with the Company's Articles of Association and who, being eligible, offers himself for re-election, be elected as a director of the Company."

Additional information in respect of ordinary resolutions numbers 3.1, 3.2 and 3.3

In terms of clause 110 of the Company's Articles of Association, one-third of the non-executive directors of the Company for the time being are required to retire from office at each AGM. The directors of the Company to retire in every year shall be those who have been longest serving since their last election. A retiring director shall be eligible for re-election. Carol Bell, Omar Kamal and Roger Davey are retiring by rotation.

A brief curriculum vitae in respect of the directors referred to in ordinary resolutions numbers 3.1, 3.2 and 3.3 above appears on pages 94 and 95 of the Integrated Annual Report of which this notice of AGM forms part.

The Board recommends to shareholders the re-election of the retiring directors as set out in ordinary resolutions numbers 3.1, 3.2 and 3.3.

The percentage of voting rights required for ordinary resolutions numbers 3.1, 3.2 and 3.3 to be adopted is more than 50% in favour of the voting rights exercised on such resolution by all shareholders present or represented by proxy and entitled to vote at the AGM.

NOTICE OF ANNUAL GENERAL MEETING continued

SPECIAL BUSINESS

4. ORDINARY RESOLUTION NUMBER 4

General authority to directors to allot and issue ordinary shares

“RESOLVED THAT the authorised but unissued shares in the capital of the Company, limited to 30 259 674 (thirty million two hundred and fifty-nine thousand six hundred and seventy-four) ordinary shares, being 10% of the number of listed equity securities in issue at the date of this notice, being 302 596 743 (three hundred and two million five hundred and ninety-six thousand seven hundred and forty-three) ordinary shares (for which purposes any shares approved to be allotted and issued by the Company in terms of the Share Award Plan for the benefit of employees shall be excluded), be and are hereby placed under the control and authority of the directors and that they be and are hereby authorised to allot, issue and grant options over and otherwise dispose of such shares to such persons on such terms and conditions and at such times as they may from time to time and at their discretion deem fit. This is subject to the provisions of the Companies Law, as may be amended from time to time, the Company’s Articles of Association, the JSE Listings Requirements and the LSE Listing Rules and Disclosure and Transparency Rules which may apply to the Company. Such authority shall be valid until the conclusion of the next AGM of the Company.”

Additional information in respect of ordinary resolution number 4

The Board may only allot and issue shares or grant rights over shares if authorised to do so by the shareholders. This resolution seeks authority for the Board to allot, issue and deal in shares up to a maximum of 10% of the Company’s issued share capital.

The percentage of votes required for ordinary resolution number 4 to be adopted is more than 50% in favour of the voting rights exercised on such resolution by all shareholders present or represented by proxy and entitled to vote at the AGM.

5. ORDINARY RESOLUTION NUMBER 5

Dis-application of pre-emption rights

“RESOLVED THAT, subject to the JSE Listings Requirements, the Board be and is hereby authorised to dis-apply the pre-emption rights, with respect to the authority conferred on the Board to issue and allot ordinary shares, up to a maximum of 10% of the Company’s issued share capital. This authority will expire at the conclusion of the Company’s next AGM.”

Additional information in respect of ordinary resolution number 5

In terms of section 60B of the Companies Law, if the Board wishes to allot any unissued shares, grant rights over shares or sell treasury shares for cash (other than pursuant to an employee share scheme) it must first offer them to existing shareholders in proportion to their holdings. There may be circumstances, however, where the Board requires the flexibility to finance business opportunities through the issue or sale of shares or related securities without a pre-emptive offer to existing shareholders. This can only be done under the Companies Law if the shareholders have first waived their pre-emption rights. This resolution seeks authority for the Board to dis-apply pre-emption rights for shares up to a maximum of 10% of the Company’s issued share capital. If granted, this authority will expire at the conclusion of the Company’s next AGM.

The percentage of votes required for ordinary resolution number 5 to be adopted is more than 50%, in favour, of the voting rights exercised on such resolution by all shareholders present or represented by proxy and entitled to vote at the AGM.

6. ORDINARY RESOLUTION NUMBER 6

General authority to issue shares for cash

“RESOLVED THAT, subject to ordinary resolutions numbers 4 and 5 being passed, the Board be authorised, by way of a general authority, to allot and issue shares (and/or any options or convertible securities) for cash to such persons on such terms and conditions as the Board may from time to time in its discretion deem fit, subject to the provisions of the Company’s Articles of Association, the Companies Law, as may be amended from time to time, the JSE Listings Requirements and the LSE Listing Rules and Disclosure and Transparency Rules which may apply to the Company, and subject to the following limitations, namely that:

- i. The equity securities which are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue.
- ii. Any such issue will only be made to “public shareholders” as defined in the JSE Listings Requirements and not to related parties, unless the JSE otherwise agrees.
- iii. In respect of securities, which are the subject of the general issue of shares for cash, such issue may not exceed 30 259 674 (thirty million two hundred and fifty-nine thousand six hundred and seventy-four) ordinary shares, representing 10% of the number of listed equity securities in issue as at the date of this notice, being 302 596 743 (three hundred and two million five hundred and ninety-six thousand seven hundred and forty-three) ordinary shares, provided that: any equity securities issued under this authority during the period must be deducted from the number above in the event of a subdivision or consolidation of issued equity securities during the period contemplated above, the existing authority must be adjusted accordingly to represent the same allocation ratio the calculation of the listed equity securities is a factual assessment of the listed equity securities as at the date of the notice of AGM, excluding treasury shares.

- iv. This authority shall be valid until the Company's next AGM.
- v. A SENS announcement giving full details of the issue will be published at the time of any issue representing, on a cumulative basis within the period of this authority, 5% or more of the number of ordinary shares in issue prior to the issue concerned.
- vi. The maximum discount permitted at which equity securities may be issued is 10% of the weighted average traded price on the JSE of those shares measured over the 30 business days prior to the date that the price of the issue is agreed between the Company and the party subscribing for the securities. The JSE should be consulted for a ruling if the Company's securities have not traded in such 30 business day period."
- vii. related parties may participate in a general issue for cash through a bookbuild process provided
 - (i) the approval by shareholders contemplated in paragraph 5.52(e) expressly affords the ability to the issuer to allow related parties to participate in a general issue for cash through a bookbuild process;
 - (ii) related parties may only participate with a maximum bid price at which they are prepared to take-up shares or at book close price. In the event of a maximum bid price and the book closes at a higher price the relevant related party will be "out of book" and not be allocated shares;
 - (iii) equity securities must be allocated equitably "in the book" through the bookbuild process and the measures to be applied must be disclosed in the SENS announcement launching the bookbuild.

Additional information in respect of ordinary resolution number 6

In accordance with the Company's Articles of Association, and the JSE Listings Requirements, the shareholders of the Company have to approve a general issue of shares for cash. This authority will be subject to the Company's Articles of Association, the Companies Law and the JSE Listings Requirements. The Board considers it advantageous to renew this authority to enable the Company to take advantage of any business opportunity that may arise in the future.

Any issue of shares for cash will be subject to approval by 90% of the Board members.

This ordinary resolution number 6 is required, under the JSE Listings Requirements, to be passed by achieving a 75% majority of the voting rights exercised on this resolution by all shareholders present or represented by proxy and entitled to vote at the AGM.

7. ORDINARY RESOLUTION NUMBER 7 (COMPRISING ORDINARY RESOLUTIONS NUMBERS 7.1 AND 7.2)

7.1 Approval of remuneration policy

"RESOLVED THAT the Group remuneration policy, as described in the remuneration report on pages 122 to 125 of the Integrated Annual Report of which this notice of AGM forms part, be approved by way of a non-binding advisory vote, as recommended in King IV."

Additional information in respect of ordinary resolution number 7.1

In terms of King IV recommendations and the JSE Listings Requirements, the Company's remuneration policy should be tabled for a non-binding advisory vote at every AGM.

The purpose of the non-binding advisory vote is to enable shareholders of the Company to express their views on the Group's remuneration policies. Accordingly, the shareholders of the Company are requested to endorse the Company's remuneration policy as recommended by King IV.

This resolution is non-binding, therefore no minimum voting threshold is required for ordinary resolution number 7.1.

7.2 Approval of remuneration implementation report

"RESOLVED THAT the Group remuneration implementation report, as described in the remuneration report on pages 121 to 129 of the Integrated Annual Report of which this notice of AGM forms part, be approved by way of a non-binding advisory vote."

Additional information in respect of ordinary resolution number 7.2

In terms of King IV recommendations and the JSE Listings Requirements, the Company's remuneration implementation report should be tabled for a non-binding advisory vote at every AGM.

The purpose of the non-binding advisory vote is to enable shareholders of the Company to express their views on the Group's implementation of the remuneration policy. Accordingly, the shareholders of the Company are requested to endorse the Company's remuneration implementation report.

This resolution is non-binding, therefore no minimum voting threshold is required for ordinary resolution number 7.2.

In the event that either the remuneration policy or the remuneration implementation report is voted against by 25% or more of the voting rights exercised by shareholders, the Board, through the Remuneration Committee, will seek to engage further with shareholders.

NOTICE OF ANNUAL GENERAL MEETING continued

8. SPECIAL RESOLUTION NUMBER 1

General authority to repurchase shares

“RESOLVED THAT the Company, and any of its subsidiaries, be authorised, by way of a general authority, in terms of the provisions of the JSE Listings Requirements, the Companies Law and as permitted by the Company’s Articles of Association, to acquire, as a general repurchase, the issued ordinary shares of the Company, upon such terms and conditions and in such manner as the Board may from time to time determine, but subject to the applicable requirements of the Company’s Articles of Association, the provisions of the Companies Law, the JSE Listings Requirements and the LSE Listing Rules and Disclosure and Transparency Rules, where applicable, and provided that:

- i. The maximum number of ordinary shares to be acquired shall not exceed 10% of the Company’s ordinary shares in issue at the date on which this special resolution number 1 is passed.
- ii. The repurchase of shares will be effected through the order books operated by the JSE and LSE trading system and done without any prior understanding or arrangement between the Company and the counterparty (reported trades are prohibited).
- iii. The Company has been given authority to repurchase its shares by its Articles of Association.
- iv. This general authority shall only be valid until the Company’s next AGM, provided that it shall not extend beyond 12 months from the date of passing of this special resolution number 1.
- v. In determining the price at which the Company’s ordinary shares are acquired by the Company in terms of this general authority, the maximum premium and/or discount at which such ordinary shares may be acquired shall not exceed the lesser of:
 - 5% of the weighted average of the market price at which such ordinary shares are traded on the JSE, as determined over the five business days immediately preceding the date of the repurchase of such ordinary shares by the Company
 - the price quoted for the last independent trade of, or the highest current independent bid for any number of shares on the JSE where the purchase is carried out.
- vi. At any point in time, the Company may only appoint one agent to effect any repurchases on the Company’s behalf.
- vii. A resolution has been passed by the Board confirming that the Board has authorised the repurchase and that the Company satisfied the net assets test contemplated under section 169A of the Companies Law.
- viii. The Company may not repurchase ordinary shares during a prohibited period, as defined in the JSE Listings Requirements or any applicable EU Market Abuse Regulations, unless the Company has a repurchase programme in place where the dates and quantities of the ordinary shares to be traded during the relevant period are fixed and not subject to any variation and full details of the programme have been disclosed to the JSE in writing prior to the commencement of the prohibited period.
- ix. A SENS announcement will be published giving such details as may be required in terms of the JSE Listings Requirements as soon as the Company has cumulatively repurchased 3% of the number of shares in issue at the date of the passing of this special resolution number 1 and for each 3% in aggregate of the initial number of shares acquired thereafter, and in the media when required in terms of the Companies Law.
- x. The Board undertakes that it will not implement the proposed authority to repurchase shares, unless the directors are of the opinion that, for a period of 12 months after the date of the repurchase:
 - the Company and the Group will be able, in the ordinary course of business, to pay its debts
 - the assets of the Company and the Group, fairly valued in accordance with IFRS, will be in excess of the liabilities of the Company and the Group
 - the share capital and reserves of the Company and the Group will be adequate for ordinary business purposes and
 - the working capital of the Company and the Group will be adequate for ordinary business purposes.”

Additional information in respect of special resolution number 1

Under section 57A of the Companies Law, the Board must obtain authorisation by special resolution from the shareholders before they can effect the purchase by the Company of any of its own shares. In certain circumstances it may be advantageous for the Company to purchase its own shares and this resolution seeks authority to do so. The Board will exercise this power only in accordance with the requirements of the Companies Law and the JSE Listings Requirements, and when, in view of market conditions prevailing at the time, it believes that the effect of such purchases will be to increase earnings per share and is in the best interests of the shareholders generally. Save to the extent purchased pursuant to the Companies Law, any shares purchased in this way will be cancelled and the number of shares in issue will be reduced accordingly.

The Company may hold in treasury any of its own shares that it purchases pursuant to the Companies Law and the authority conferred by this resolution. Repurchased shares may be held in treasury for a period not exceeding a maximum of two calendar years from the repurchase date. This gives the Company the ability to reissue treasury shares quickly and cost-effectively and provides the Company with greater flexibility in the management of its capital base. It also gives the Company the opportunity to satisfy awards under the Share Award Plan using treasury shares. Once held in treasury, the Company is not entitled to exercise any rights, including the right to attend and vote at meetings, in respect of the shares and no dividend or other distribution of the Company’s assets may be made to the Company in respect of treasury shares.

In accordance with the Companies Law, this resolution specifies the maximum number of shares that may be acquired and the maximum and minimum prices at which shares may be bought. If granted, this authority will expire at the conclusion of the Company’s next AGM, provided that it shall not extend beyond 12 months from the date of passing of this special resolution number 1.

Please refer to the additional disclosure of information contained in this notice of AGM, which disclosure is required in terms of the JSE Listings Requirements.

The percentage of the voting rights required for special resolution number 1 to be adopted is 75% in favour of the voting rights exercised on this resolution by all shareholders present or represented by proxy and entitled to vote at the AGM.

Additional disclosure requirements in terms of the JSE Listings Requirements

In compliance with the JSE Listings Requirements, the information listed below has been included in the Integrated Annual Report of which this notice of AGM forms part:

- Major shareholders – refer to page 176 of the Integrated Annual Report
- Share capital of Tharisa – refer to page 176 of the Integrated Annual Report.

Material changes

Other than the facts and developments reported on in the Annual Report, there have been no material changes in the affairs or the financial position of the Company and its subsidiaries since the date of signature of the audit report and the date of this notice of AGM.

Directors' responsibility statement

The directors, whose names appear on pages 94 and 95 of this Integrated Annual Report, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution number 1 and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, that all reasonable enquiries to ascertain such facts have been made and that the proposed resolution contains all such information required by law and the JSE Listings Requirements.

9. ORDINARY RESOLUTION NUMBER 8

Final dividend

"RESOLVED THAT a final cash dividend in the amount of US 4.0 cents per ordinary share is declared for the financial year ending 30 September 2022, such dividend being payable to shareholders registered on the register of members of the Company as of close of business on the record date, being Friday, 3 March 2023."

Additional information in respect of ordinary resolution number 8

The Board has proposed a final cash dividend of US 4.0 cents per ordinary share for the financial year ended 30 September 2022.

If approved by shareholders, the recommended final dividend will be paid on Wednesday, 15 March 2023. Shareholders on the principal Cyprus register will be paid in US dollar, shareholders whose shares are held through Central Securities Depository Participants (CSDPs) and brokers and are traded on the JSE will be paid in South African rand (ZAR) and holders of depositary interests traded on the LSE will be paid in sterling (GBP). The currency equivalents of the dividend will be based on the weighted average of the South African Reserve Bank's daily rate at approximately 10:30 (UTC +2) on 5 December 2022, being the currency conversion date.

Tax implications of the dividend

Shareholders are advised that the dividend declared will be paid out of income reserves and may therefore be subject to dividend withholding tax depending on the tax residency of the shareholder.

South African tax residents

South African shareholders are advised that the dividend constitutes a foreign dividend. For individual South African tax resident shareholders, dividend withholding tax of 20% will be applied to the gross dividend of US 4.0 cents per share. Shareholders who are South African tax resident companies are exempt from dividend tax and will receive the dividend of US 4.0 cents per share. This does not constitute legal or tax advice and is based on taxation law and practice in South Africa. Shareholders should consult their brokers, financial and/or tax advisers with regard to how they will be impacted by the payment of the dividend.

UK tax residents

UK tax residents are advised that the dividend constitutes a foreign dividend and that they should consult their brokers, financial and/or tax advisers with regard to how they will be impacted by the payment of the dividend.

Cyprus tax residents

Individual Cyprus tax residents are advised that the dividend constitutes a local dividend and that they should consult their brokers, financial and/or tax advisers with regard to how they will be impacted by the payment of the dividend.

NOTICE OF ANNUAL GENERAL MEETING continued

Shareholders and depositary interest holders should note that information provided should not be regarded as tax advice. The timetable for the dividend declaration is as follows:

Declaration and currency conversion date	Monday, 5 December 2022
Currency conversion rates announced	Thursday, 23 February 2023
Last day to trade cum dividend rights on the JSE	Tuesday, 28 February 2023
Last day to trade cum dividend rights on the LSE	Wednesday, 1 March 2023
Shares will trade ex-dividend rights on the JSE	Wednesday, 1 March 2023
Shares will trade ex-dividend rights on the LSE	Thursday, 2 March 2023
Record date for payment on both JSE and LSE	Friday, 3 March 2023
Dividend payment date	Wednesday, 15 March 2023

No dematerialisation or rematerialisation of shares within Strate will be permitted between Wednesday, 1 March 2023 and Friday, 3 March 2023, both days inclusive. No transfers between registers will be permitted between Thursday, 23 February 2023 and Friday, 3 March 2023, both days inclusive.

The percentage of the voting rights required for ordinary resolution number 8 to be adopted is 50% in favour of the voting rights exercised on this resolution by all shareholders present or represented by proxy and entitled to vote at the AGM. By virtue of Article 176 of the Articles of Association of the Company, shareholders are informed that they may vote to decrease the dividend declaration proposed by the Board but shall not be entitled to increase it.

10. ORDINARY RESOLUTION NUMBER 9

Directors' authority to implement ordinary and special resolutions

"RESOLVED THAT each and every director of the Company and/or the Group Company Secretary be and are hereby authorised to do all such things and sign all such documents as may be necessary for or incidental to the ordinary and special resolutions passed at the AGM."

Additional information in respect of ordinary resolution number 9

The percentage of voting rights required for ordinary resolution number 9 to be adopted is more than 50% in favour of the voting rights exercised on this resolution by all shareholders present or represented by proxy and entitled to vote at the AGM.

PROXIES

An ordinary shareholder entitled to attend and vote at the virtual AGM is entitled to appoint a proxy or proxies to attend and act in his/her stead. A proxy need not be a member of the Company. For the convenience of registered members of the Company, a form of proxy is attached hereto.

In terms of section 128C of the Companies Law, shareholders and their proxies shall have the right to ask questions on the items to be discussed and resolutions proposed to be passed at the AGM. The Company shall endeavour to answer such questions, provided that they are relevant to the matters at hand, do not disrupt or delay proceedings, have not already been previously answered or contained in information readily available to shareholders elsewhere and the answers do not constitute sensitive information that may harm the Company or its business operations if disclosed.

Voting by shareholders whose shares are registered on the Cyprus principal register and the South African branch register (JSE)

The attached form of proxy is only to be completed by those ordinary shareholders who:

- hold ordinary shares in certificated form or
- are recorded on the sub-register in 'own name' dematerialised form.

Ordinary shareholders who have dematerialised their ordinary shares through a CSDP or broker other than with "own name" registration and who wish to attend the virtual AGM, must instruct their CSDP or broker to provide them with the relevant letter of representation to attend the AGM by electronic means and they must provide the CSDP or broker with their voting instructions in terms of their custody agreement entered into between them and the CSDP or broker. Please also refer to "Electronic Participation" below.

Unless shareholders advise their CSDP or broker, in terms of their agreement, by the cut-off time stipulated therein, that they wish to attend the AGM or send a proxy to represent them, their CSDP or broker will assume that they do not wish to attend the AGM or send a proxy.

Shareholders who are unsure of their status or the action they should take, are advised to consult their CSDP, broker or financial adviser.

The attached form of proxy must be executed in terms of the Company's Articles of Association and in accordance with the relevant instructions set out on the form and for administrative reasons, it is requested that forms of proxy be lodged with the Company's transfer secretaries not less than 48 hours before the time set down for the AGM. If required, additional forms of proxy may be obtained from the transfer secretaries or through the Company's website.



Voting by depositary interest holders (LSE)

Holders of depositary interests will be sent a form of instruction separately to this Notice of AGM by the depositary, Computershare Investor Services PLC. On receipt, holders of depositary interests should complete the form of instruction in accordance with the instructions printed thereon to direct Computershare Company Nominees Limited as the custodian of their shares how to exercise their votes or (by following the instructions on the form of instruction) indicate that they intend to attend the AGM in person or by proxy. If a holder of depositary interests indicates, in this manner, that they intend to attend the AGM, Computershare Company Nominees Limited shall issue a letter of representation to the holder of depositary interests giving them authorisation to attend the AGM. To be valid, the form of instruction must be completed in accordance with the instructions set out in the form and returned as soon as possible to the offices of the depositary at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, England so as to be received no later than 09:00 UTC on Friday, 17 February 2023. Please also refer to “**Electronic Participation**” below.

Depositary interest holders who are CREST members and who wish to issue an instruction through the CREST electronic voting appointment service may do so by using the procedures described in the CREST manual (available from www.euroclear.com/CREST). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting services provider(s), who will be able to take the appropriate action on their behalf.

In order for instructions made using the CREST service to be valid, the appropriate CREST message (a CREST voting instruction) must be properly authenticated in accordance with the specifications of Euroclear UK & Ireland Limited (EUI) and must contain the information required for such instructions, as described in the CREST manual (available via www.euroclear.com/CREST).

The message, regardless of whether it relates to the voting instruction or to an amendment to the instruction given to the depositary must, in order to be valid, be transmitted so as to be received by the issuer’s agent (ID 3RA50) no later than 09:00 UTC on Friday, 17 February 2023. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST voting instruction by the CREST applications host) from which the issuer’s agent is able to retrieve the CREST voting instruction by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the transmission of CREST voting instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that the CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a CREST voting instruction is transmitted by means of the CREST service by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST voting instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

VOTING

In accordance with the Company’s Articles of Association, all resolutions put to a vote at the AGM shall be decided on a poll. Every shareholder of the Company shall have one vote for every share held in the Company by such shareholder. If you are in any doubt as to what action you should take in respect of the resolutions provided for in this notice, please consult your CSDP, broker, banker, attorney, accountant or other professional adviser. An abstention from voting is not a vote and will accordingly not be counted in the calculation of votes for and against resolutions.

LODGEMENT OF FORMS OF PROXY AND LETTERS OF REPRESENTATION

Forms of proxy and letters of representation should be delivered or posted to the Company’s transfer secretaries, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, South Africa (Private Bag X9000, Saxonwold, 2132, South Africa), or can be emailed to Computershare at proxy@computershare.co.za or to the Company at ir@tharisa.com, so as to be received by no later than 11:00 (SA time) on Monday, 20 February 2023, in accordance with clause 99 of the Company’s Articles of Association. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend the virtual AGM, provided that he has obtained a letter of representation to attend the AGM from his CSDP and taken the necessary steps outlined below.

ELECTRONIC PARTICIPATION

The AGM will be held electronically and Tharisa has made provision for shareholders (or their proxies) to participate in the AGM by joining a Microsoft Teams virtual meeting room.

Shareholders or their duly appointed proxy(ies) (Participant/s) who wish to participate in the AGM via electronic communication, must apply to the Company’s transfer secretaries at proxy@computershare.co.za by no later than 11:00 on Friday, 17 February 2023.

NOTICE OF ANNUAL GENERAL MEETING continued

Participants are advised that they will not be able to vote during the meeting. Should they wish to have their vote counted at the meeting, Participants must act in accordance with the general proxy and form of instruction submission instructions outlined on pages 184 and 185 of this notice.

Shareholders must take note of the following:

- A limited number of telecommunication lines will be available.
- Each Participant will be contacted between 09:00 and 11:00 on Wednesday, 22 February 2023 via email and/or SMS. Participants will be provided with a link to the virtual meeting room and a PIN code to allow them to dial-in.
- The cut-off time for dialling in on the day of the meeting will be at 11:10 on Wednesday, 22 February 2023, and no late dial-in will be possible.

The following information is required:

- Full name of the shareholder
- Identity number, passport number or other form of identification of the shareholder
- Email address
- Mobile phone number
- Name of CSDP/broker (if the shares are in dematerialised form)
- Contact person at the CSDP/broker
- Contact number at the CSDP/broker
- Number of shares held
- Letter of representation issued by (name of broker/CSDP)

Terms and conditions for participation in the virtual AGM via electronic communication

1. The cost of dialling in using a telecommunication line to participate in the AGM is for the expense of the Participant and will be billed separately by the Participant's own telephone service provider.
2. The Participant acknowledges that the telecommunication lines are provided by a third party and indemnifies Tharisa against any loss, damage, penalty or claim arising in any way from the use or possession of the telecommunication lines whether or not the problem is caused by any act or omission on the part of the shareholder/Participant or anyone else.
3. Shareholders who wish to participate in the meeting by dialling in must note that they will not be able to vote during the meeting. Such shareholders, should they wish to have their votes counted at the meeting, must act in accordance with the general instructions contained in this notice of AGM by:
 - (a) completing the form of proxy; or
 - (b) contacting their CSDP/broker with their voting instructions.
4. The application will only be successful if the emailed application contains the required information and the terms and conditions have been complied with.

By order of the Board

Sanet Findlay
Group Company Secretary

15 December 2022



FORM OF PROXY

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)

This form of proxy relates to the virtual annual general meeting (AGM) of shareholders of the Company to be held via remote electronic platform Microsoft Teams on Wednesday, 22 February 2023 at 11:00 SA time (UTC +2) and should be completed only by registered certificated shareholders and shareholders who have dematerialised their shares with "own name" registration.

All other dematerialised shareholders holding shares other than with 'own name' registration who wish to attend the virtual AGM must inform their CSDP or broker of their intention to attend the AGM and request their CSDP or broker to issue them with the relevant letter of representation. In order to have their votes counted, shareholders must provide their CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker whether or not they choose to attend the virtual AGM. These shareholders must not complete this form of proxy. Please also refer to notes 14 and 15 below.

This form of proxy should be read with the notice of AGM. Please print clearly and refer to the notes at the end of this form for an explanation on the use of this form of proxy and the rights of the shareholder and the proxy.

I/We

of address

being the holder of

Tharisa shares, hereby appoint (see notes 1 and 3)

1. or failing him/her

2. or failing him/her

the chairman of the AGM, as my/our proxy to act for me/us and on my/our behalf at the AGM which will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at any adjournment thereof; and to vote for and/or against the resolutions and/or abstain from voting in respect of the Tharisa shares registered in my/our name(s), in accordance with the following instructions (see note 3):

	For	Against	Abstain
Ordinary business			
Ordinary resolution number 1 is non-binding and does not require a minimum threshold			
Ordinary resolutions numbers 2 and 3 require support of a simple majority (more than 50%) of the votes exercised in respect of each resolution adopted			
Ordinary resolution number 1: Adoption of annual financial statements			
Ordinary resolution number 2: Reappointment of external auditor			
Ordinary resolution number 3.1: Re-election of Carol Bell as a director			
Ordinary resolution number 3.2: Re-election of Omar Kamal as a director			
Ordinary resolution number 3.3: Re-election of Roger Davey as a director			
Special business			
Ordinary resolutions numbers 4 and 5 require support of a simple majority (more than 50%) of the votes exercised in respect of each resolution to be adopted			
Ordinary resolution number 6 requires a 75% majority of the votes exercised to be adopted			
Ordinary resolutions 7.1 and 7.2 are non-binding and do not require a minimum threshold			
Special resolution number 1 requires support of at least 75% of the votes exercised to be adopted			
Ordinary resolutions numbers 8 and 9 require support of a simple majority (more than 50%) of the votes exercised in respect of each resolution to be adopted			
Ordinary resolution number 4: Control of authorised but unissued shares			
Ordinary resolution number 5: Dis-application of pre-emptive rights			
Ordinary resolution number 6: General authority to issue shares for cash			
Ordinary resolution number 7.1: Approval, through a non-binding advisory vote, of the Group remuneration policy			
Ordinary resolution number 7.2: Approval, through a non-binding advisory vote, of the Group remuneration implementation report			
Special resolution number 1: General authority to repurchase shares			
Ordinary resolution number 8: Final dividend			
Ordinary resolution number 9: Directors' authority to implement ordinary and special resolutions			

Please indicate with an "X" in the space provided above how you wish your votes to be cast.

Signed at _____ on _____ 2022/2023

Signature _____

Assisted by (if applicable) (see note 7) _____

NOTES TO THE FORM OF PROXY

1. A registered shareholder may appoint an individual as a proxy, including an individual who is not a shareholder of the Company, to participate in, speak and vote at a shareholders' meeting on his/her behalf. Should this space be left blank, the proxy will be exercised by the chairman of the meeting.
2. The person whose name appears first on the form of proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow.
3. A proxy may delegate his/her authority to act on your behalf to another person, subject to any restriction set out in this form of proxy.
4. A shareholder's instructions to the proxy must be indicated by the insertion of an "X", or the number of votes exercisable by that shareholder, in the appropriate box provided. The proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder at the AGM, but only as directed on this form of proxy.
5. If there is no clear indication as to the voting instructions to the proxy, the form of proxy will be deemed to authorise the proxy to vote or to abstain from voting at the AGM as he/she deems fit in respect of all the shareholder's votes exercisable.
6. For administrative reasons, it is requested that the completed form of proxy be lodged with the transfer secretaries of the Company, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, South Africa (Private Bag X9000, Saxonwold, 2132, South Africa) or emailed to proxy@computershare.co.za, so as to be received by them by no later than 11:00 SA time on Monday, 20 February 2023, being no later than 48 hours before the AGM to be held at 11:00 SA time on Wednesday, 22 February 2023. Forms of instruction must be lodged with Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom, so as to be received by them by no later than 09:00 on Friday, 17 February 2023. The chairman of the AGM may, in his discretion, accept proxies that have been delivered after the expiry of the aforementioned period up to and until the time of commencement of the AGM, at his sole discretion.
7. This form of proxy must be dated and signed by the shareholder appointing the proxy. The completion of blank spaces does not have to be initialled, but any alteration or correction made to this form of proxy must be initialled by the signatory/ies. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Company.
8. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the Company or waived by the chairman of the AGM. CSDPs or brokers registered in the Company's sub-register voting on instructions from beneficial owners of shares registered in the Company's sub-register, are requested to identify the beneficial owner in the sub-register on whose behalf they are voting and return a copy of the instruction from such owner to the Company's transfer secretaries, together with this form of proxy.
9. The chairman of the meeting shall be entitled to decline or accept the authority of a person signing the form under a power of attorney or on behalf of a company, unless the power of attorney is deposited at the Company's transfer secretaries not later than 48 hours before the meeting.
10. The appointment of the proxy or proxies will be suspended at any time to the extent that the shareholder chooses to act directly and in person in the exercise of any of his/her rights as a shareholder at the AGM.
11. The appointment of the proxy is revocable unless expressly stated otherwise in this form of proxy. The proxy appointment may be revoked by cancelling it in writing, or making a later inconsistent appointment of a proxy and delivering a copy of the revocation instrument to the proxy and to the Company's transfer secretaries. Please note the revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder, as of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered to the Company's transfer secretaries and the proxy, as aforesaid.
12. The appointment of the proxy remains valid only until the end of the AGM or any adjournment or postponement thereof, unless it is revoked by the shareholder before then on the basis set out above.
13. Holders of depositary interests on the LSE must not complete this form of proxy. Holders of depositary interests will be sent a separate form of instruction by the depositary, Computershare Investor Services PLC. On receipt, holders of depositary interests should complete the form of instruction in accordance with the instructions printed thereon to direct Computershare Company Nominees Limited as the custodian of their shares how to exercise their votes.
14. The AGM will be held electronically and Tharisa has made provision for shareholders (or their proxies) to participate in the AGM by joining a Microsoft Teams virtual meeting room.
15. Shareholders or their duly appointed proxy(ies) are advised that they will not be able to vote during the meeting. Should they wish to have their vote counted at the meeting, they must provide their CSDP or broker with their voting instructions or lodge their proxies or letters of instruction with Computershare, whichever is applicable.



GLOSSARY

In this Integrated Annual Report, unless otherwise indicated, the words in the first column have the meanings stated opposite them in the second column, words in the singular include the plural and vice versa, words denoting one gender include the other, and words denoting natural persons include juristic persons and associations of persons and vice versa.

4PGE or 3PGE + Au	Platinum Group Metals comprising platinum, palladium, rhodium and gold
5PGE + Au	Platinum Group Metals comprising platinum, palladium, rhodium, ruthenium, iridium and gold
6PGE + Au	5PGE plus osmium
AET	adult education and training
AGM	the Annual General Meeting of the Company
AMCU	the Association of Mineworkers and Construction Union of South Africa
Appreciation right	the award which takes the form of a right to call for shares of an aggregate market value or receive a cash amount equal to the increase (if any) between the date an award is granted and the exercise date of the market value of such number of shares as is specified in the notice of award and has vested
ART	antiretroviral treatment
Arxo Logistics	Arxo Logistics Proprietary Limited (Registration number 2009/006720/07), a private company duly registered and incorporated in South Africa, a wholly owned subsidiary of the Company
Arxo Metals	Arxo Metals Proprietary Limited (Registration number 2011/143342/07), a private company duly registered and incorporated in South Africa, an indirect wholly owned subsidiary of the Company
Arxo Resources	Arxo Resources Limited (Registration number HE221459), a public company duly registered and incorporated in Cyprus, a wholly owned subsidiary of the Company
Award	the award granted under the Share Award Plan in the form of a conditional award or an appreciation right
Au	gold
BAPS	biodiversity action plans
BEE	Black Economic Empowerment, as defined in the MPRDA and "broad-based socioeconomic empowerment" as defined in the Mining Charter
BMI	BMI Drilling Proprietary Limited (Registration number 2010/001913/07)
Board	the Board of Directors of the Company
Bushveld Complex	a major intrusive igneous body in the northern part of South Africa, that has undergone remarkable magmatic differentiation, and the leading source of PGMs and chromium
Calibre	Calibre Clinical Consultants Proprietary Limited (Registration number 2005/005494/07), a private company duly registered and incorporated in South Africa
CBT	computer-based training
certificated shares	Shares which are held and represented by a share certificate or other tangible document of title, which shares have not been dematerialised in terms of the requirements of Strate

GLOSSARY continued

Challenger or Challenger Plant	the integrated beneficiation plant adjacent to the Genesis Plant for the production of chemical and foundry grade concentrate owned by Arxo Metals
Charter Scorecard	the Scorecard for the Mining Charter published pursuant to section 100(2)(a) of the MPRDA under Government Gazette No. 26661 of 13 August 2004, as amended by General Notice 1002 of 27 September 2018
chemical grade concentrate	the main ingredient in the production of chrome chemicals. The critical specifications are a minimum of 45% Cr ₂ O ₃ , and a maximum of 1.28% SiO ₂
chrome	used to reference any form of chromium, Cr or chrome concentrate
chrome concentrate	any combination of chemical, foundry and/or metallurgical grade concentrate with a predominance of metallurgical grade concentrate
chrome alloys	a chrome alloy produced directly through smelting using carbon as a reducing agent in the presence of fluxes, which alloy is used as primary raw material in the production of stainless steel
chromite	a hard, black, refractory chromium-spinel mineral consisting of varying proportions of the oxides of iron chromium, aluminium and magnesium
chromitite	a rock composed essentially of chromite, that typically occurs as layers or irregular masses exclusively associated with magmatic complexes. The bulk of the world's exploitable chromitite occurs almost exclusively in layered complexes
chromitite layers	thick accumulations of chromite grains to form monomineralic bands or layers, which chromitite layers are typically greater than 30 cm thick
chromium or Cr	the element chromium (Cr) is classified as a metal and is situated between other metals such as vanadium (V), manganese (Mn) and molybdenum (Mo) in the periodic table of elements
CIF	cost, insurance and freight as defined in Incoterms 2010
cm	centimetres
Coffey	Coffey Mining (South Africa) Proprietary Limited (Registration number 2006/030152/07), a private company duly registered and incorporated in South Africa
Company, Tharisa	Tharisa plc, a company incorporated under the laws of Cyprus with registration number HE223412
Competent Person's Report or CPR	a report compiled by an independent Competent Person (CP) relating to the technical aspects of a mine that may include a techno-financial model
Conditional award	an award which takes the form of a contingent right to receive, at no or nominal cost, such number of ordinary shares or receive a cash amount as is specified in the notice of award and has vested
CSE	the Cyprus Stock Exchange
CSI	corporate social investment
Cr ₂ O ₃	chromium (III) oxide
CREST	the relevant system (as defined in the Uncertificated Securities Regulations) in respect of which Euroclear UK & Ireland is the operator
CSDP Markets Act	a Central Securities Depository Participant as defined in section 1 of the Financial Markets Act
Cyprus	the Republic of Cyprus
Cyprus Companies Law	Companies Law, Chapter 113 of the laws of Cyprus, as amended, supplemented or otherwise modified from time to time
dematerialise, dematerialised or dematerialisation	the process by which physical share certificates are replaced with electronic records of ownership in accordance with the rules of Strate

dematerialised shares	shares which are held in electronic form as uncertificated securities in accordance with the requirements of Strate
Depository	Computershare Investor Services PLC
Depository interests or DI	the dematerialised depository interests issued by the Depository in respect of the underlying ordinary shares
Disclosure and Transparency Rules or DTR	the Disclosure and Transparency Rules made by the FCA under Part VI of the Financial Markets Act, 2000
DMRE	the South African Department of Mineral Resources and Energy
DWS	Department of Water and Sanitation, South Africa
EIA	environmental impact assessment
EMP	the environmental management plan in terms of the MPRDA
EMPR	environmental management programme report
Eskom	Eskom Holdings SOC Limited
Equator Principles	the set of voluntary guidelines adopted and interpreted in accordance with International Finance Corporate Performance Standards and the World Bank's EHS guidelines, adopted by Equator Principle Financial Institutions, as updated from time to time
Euroclear UK & Ireland	Euroclear UK & Ireland Limited, the operator of CREST
the FCA	the Financial Conduct Authority of the United Kingdom
FCA	Free carrier – a trade term requiring the seller to deliver goods to the carrier or another person nominated by the buyer at the seller's premises or another named place. Costs for transportation and risk of loss transfer to the buyer after delivery to the carrier
FEED	front-end engineering and design
FIFR	fatality injury frequency rate
foundry grade	concentrate saleable chromium-rich product typically more than 45% Cr ₂ O ₃ less than 1% SiO ₂ and a specific particle size distribution
g/t	grammes per tonne
GBP	British pound, the lawful currency of the United Kingdom
Genesis or Genesis Plant	the 100 000 tpm nameplate capacity processing plant for the production of PGM and chrome concentrate, owned by Tharisa Minerals
GHG	greenhouse gas
Group	the Company including all its subsidiaries
HDSA	historically disadvantaged South Africans as defined in the MPRDA and the Mining Charter
HRD	human resources development
ICDA	the International Chromium Development Association
IDP	Individual development plans
IFRS	International Financial Reporting Standards
illuvial chrome	at surface chrome fines generated from seams as a result of weathering
Impala Platinum	Impala Platinum Limited, a subsidiary of Impala Platinum Holdings Limited (Registration number 1957/001979/06), a public company duly registered and incorporated in South Africa

GLOSSARY

continued

Incoterms 2010	the Incoterms rules are a series of pre-defined commercial terms published by the International Chamber of Commerce that are widely used in international commercial transaction or procurement processes
Indicated Mineral Resource	an Indicated Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation
Inferred Mineral Resource	an Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration
Investec Bank	Investec Bank Limited (Registration number 1969/004763/06), a public company duly registered and incorporated in South Africa
Investment agreement	the Investment Project Framework Agreement entered into between Karo Holdings and the Republic of Zimbabwe on 22 March 2018
Ir	Iridium
IWUL	integrated water use licence
JSE or Johannesburg Stock Exchange	JSE Limited (Registration number 2005/022939/06), a public company duly registered and incorporated in South Africa and licensed in terms of the Financial Markets Act, No. 19 of 2012
JSE Listings Requirements	the Listings Requirements of the JSE, as amended from time to time
K3 UG2 chrome plant	the chrome concentrate recovery plant associated with Sibanye-Stillwater's K3 plant
Karo Holdings	Karo Mining Holdings Limited (Registration number HE380340), a public company duly registered and incorporated in Cyprus; held 70% by Tharisa plc
Karo Platinum	Karo Platinum (Private) Limited (Registration number 7178/2013), a private company duly registered and incorporated in Zimbabwe
Karo Refining	Karo Refining (Private) Limited (Registration number 666/2015), a private company duly registered and incorporated in Zimbabwe
King IV	the King IV Code on Corporate Governance 2016 (South Africa)
km	thousand metres
koz	thousand ounces
kt	thousand tonnes
ktpm	thousand tonnes per month
Leto Settlement	a discretionary trust established in accordance with the trusts (Guernsey) Law 1989 by Artemis Trustees Limited, in its capacity as trustee of the Zeus Settlement, out of a portion of the trust assets of the Zeus Settlement, for the benefit of Adonis Pouroulis, his wife and children
Listing	the primary listing of Tharisa, a foreign registered company, in the "General Mining" sector of the Main Board of the JSE under the abbreviated name "Tharisa", JSE code "THA" and ISIN CY0103562118
Listing Rules	the Listing Rules made by the FCA under Part VI of the Financial Markets Act, 2000



LOM	life of mine, being the expected remaining years of production based on production rates and ore Mineral Reserves
London Stock Exchange or LSE	the London Stock Exchange plc
LTI	lost-time injury resulting in the injured being unable to attend/return to work to perform the full duties of his/her regular work, as per advice of a suitably qualified medical professional, on the next calendar day after the injury
LTIFR	lost-time injury frequency rate, the number of lost-time injuries per 200 000 hours worked
Main Market	the Main Market of the LSE
Measured Mineral Resource	a Measured Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proved Mineral Reserve or to a Probable Mineral Reserve
metallurgical grade concentrate	saleable chromium-rich product typically of 42% Cr ₂ O ₃
MET Q	MetQ Proprietary Limited Registration number 2003/018862/07 a South African registered business
MG0	chromitite layer that consists of chromitite dissemination with more chromitite layers and stringers, that are developed in the footwall pyroxenite of the MG1 Chromitite Layer
MG1	chromitite layer that typically has a massive chromitite content with minor feldspathic pyroxenite partings or layering. In some areas the MG1 Chromitite Layer has developed into two chromitite layers separated by a feldspathic pyroxenite
MG2	chromitite layer that consists of three groupings of chromitite layers which from the base are the MG2A Chromitite Layer, MG2B Chromitite Layer and the MG2C Chromitite Layer. The partings are typically feldspathic pyroxenite. The parting between the MG2B Chromitite Layer and MG2C Chromitite Layer includes a platiniferous chromitite stringer
MG3	chromitite layer that is occasionally a massive chromitite layer but more often a very irregular assemblage of chromitite layers and stringers within a norite and/or anorthosite. The top of the package typically consists of thin chromitite stringers and dissemination of chromite in norite which develops into a massive layer at the base
MG4	the MG4 Chromitite Layer consists of a lower chromitite (MG4(0) Chromitite Layer) (approximately 0.6 m thick) immediately overlain by a norite (approximately 0.85 m thick) followed by the chromitite layer of the MG4 Chromitite Layer (approximately 1.8 m thick), overlain by another parting, of feldspathic pyroxenite composition, some 3.2 m thick and finally overlain by the chromitite of the MG4A Chromitite Layer (approximately 1.5 m thick)
MG4A	the MG4A Chromitite Layer consists of a number of chromitite layers within a pyroxenite host rock
MG Chromitite Layers	group of five chromite layers that are known in the lower and upper critical zone of the Bushveld Complex
MHSA	the Mine Health and Safety Act, 1996 of South Africa
MHSC	the Mine Health and Safety Council of South Africa

GLOSSARY continued

Mineral Reserve	a Mineral Reserve is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. The reference point at which Mineral Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported
Mineral Resource	a 'Mineral Resource' is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling
Mines and Minerals Act	the Mines and Minerals Act of Zimbabwe [Chapter 21:05]
Mining Charter	the Broad-based Socio-economic Empowerment Charter for the South African Mining Industry (together with the Charter Scorecard), published pursuant to section 100(2)(a) of the MPRDA under Government Gazette No. 26661 of 13 August 2004 and thereafter amended by General Notice 1002 of 27 September 2018
Mining Right	a new order Mining Right, granted by the DMRE in terms of the MPRDA, which provides the holder thereof the required legal title to mine
MPRDA	Mineral Petroleum Resources Development Act
MQA	Mining Qualifications Authority of South Africa
Mt	million tonnes
MTC	medical treatment case
Mtpa	million tonnes per annum
MW	megawatt
MWh	megawatt hour
NEMA	National Environmental Management Act of 2008 of South Africa
NEMWA	National Environmental Management Waste Act of 2008 of South Africa
NQF	National Qualifications Framework of South Africa
NUM	the National Union of Mineworkers of South Africa
NWA	National Water Act of 1998 of South Africa
OEM	original equipment manufacturer
Official List	the official list of the FCA
oz	a troy ounce which is exactly 31.1034768 grams
ozpa	oz per annum
pa	per annum
Pd	Palladium
PDMRs	Person/s Discharging Managerial Responsibility – persons who have access to price sensitive information on a regular basis and who may therefore not deal in a company's securities in a closed period
Pivot	Pivot Mining Consultants Proprietary Limited (Registration number 2006/030152/07), a private company duly registered and incorporated in South Africa

PGE	Platinum group elements
PGMs	Platinum Group Metals being platinum, palladium, rhodium, ruthenium, iridium, and osmium
PGM concentrate	the commercially acceptable flotation concentrate containing PGMs
PRC or China	the Peoples Republic of China
prill split	a breakdown by mass of the various PGM metals contained in PGM containing materials
Proved Mineral Reserve	a Proved Mineral Reserve is the economically mineable part of a Measured Mineral Resource. A Proved Mineral Reserve implies a high degree of confidence in the Modifying Factors
Probable Mineral Reserve	a Probable Mineral Reserve is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Mineral Reserve is lower than that applying to a Proved Mineral Reserve
Prospecting Right	a prospecting right granted by the DMRE in terms of the MPRDA
Pt	Platinum
reef	in the context of this Integrated Annual Report, reef refers to any or all of the MG and UG Chromitite Layers
Rh	Rhodium
RNS	the Regulatory News Service of the LSE
ROM	run of mine, being the ore tonnage extracted to be processed
Ru	Ruthenium
Salene Chrome	Salene Chrome Zimbabwe (Private) Limited (Registration number 920/2015), formerly Maroon Blue Consultants (Private) Limited, a private company duly incorporated and registered in Zimbabwe
SAMREC Code	the South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (The SAMREC Code) 2016 Edition
SAMVAL Code	the South African Code for the Reporting of Mineral Asset Valuation (The SAMVAL Code) 2016 Edition
SENS	the Stock Exchange News Service of the JSE
SETA	Sector Education Training Authority, South Africa
Share Award Plan or TSAP	the Tharisa Share Award Plan approved by the shareholders
Shares	all the issued ordinary shares of the Company of nominal value of US\$0.001 each
SHE	safety, health and environment
SIB	stay in business capital expenditure
Sibanye-Stillwater	Sibanye-Stillwater Limited (Registration number 2014/243852/06) a public company duly incorporated and registered in South Africa
SiO ₂	silicon dioxide
SLP	Social and Labour Plan aimed at promoting employment and advancement of the social and economic welfare of all South Africans while ensuring economic growth and socioeconomic development as stipulated in the MPRDA
SOP	standard operating procedures
South Africa or SA	the Republic of South Africa
Standard listing	a listing on the standard segment of the official list

GLOSSARY

continued

Strate	Strate Limited (Registration number 1998/022242/06), a limited liability public company duly registered and incorporated in South Africa, which is a registered central securities depository and which is responsible for the electronic settlement system used by the JSE
stripping ratio	the ratio, measured in m ³ to m ³ at which waste and inter-burden are removed, relative to ore mined
STS	standard threshold shift
t	tonne
tCO ₂ e	tonnes of carbon dioxide equivalent
TB	tuberculosis
Tharisa	Tharisa plc (Registration number HE223412), a public company duly registered and incorporated in Cyprus
Tharisa Mine	Tharisa Minerals' wholly owned PGM and chrome mining and processing operations located in the magisterial district of Rustenburg (North West region), South Africa, situated in the Bushveld Complex
Tharisa Minerals	Tharisa Minerals Proprietary Limited (Registration number 2006/009544/07), a company duly registered and incorporated in South Africa, a wholly owned subsidiary of Tharisa plc
The Disclosure and Transparency Law	Law 190(I)/2007, as amended (law providing for transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market), governed by the Cyprus Securities and Exchange Commission
tpa	tonnes per annum
tpm	tonnes per month
Transnet	Transnet SOC Limited
UG1	the Upper Group 1 chromitite layer that is a well developed and consistent marker in the critical zone of the Bushveld Complex that consists of a massive chromitite, chromitiferous pyroxenite, bands of anorthosite, chromitite and norites and stringers of chromitites
UG2	the Upper Group 2 chromitite layer of the Bushveld Complex that is well known and typically contains PGMs in a concentration that is sufficient for economic extraction
UG Chromitite Layers	the Upper Group Chromitite Layers of the Bushveld Complex
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland
UK Listing Authority or UKLA	the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of the FSMA and in the exercise of its functions in respect of admission to the official list
USA	the United States of America
US\$	United States dollar, the lawful currency of the US
VCT	voluntary counselling and testing
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.
Voyager or Voyager Plant	a 300 000 tpm nameplate capacity processing plant for the production of PGM and chrome concentrate, owned by Tharisa Minerals



Vulcan or Vulcan Plant	groundbreaking use of existing technologies in fine chrome recovery
WPIC	World Platinum Investment Council
ZAR or R or rand	South African rand, the lawful currency of South Africa
Zimbabwe	the Republic of Zimbabwe

CORPORATE INFORMATION

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

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Phoevos Pouroulis (Chief Executive Officer)
Michael Gifford Jones (Chief Finance Officer)
Carol Bell (Lead Independent director)
David Salter (Independent non-executive director)
Antonios Djakouris (Independent non-executive director)
Omar Marwan Kamal (Independent non-executive director)
Roger Davey (Independent non-executive director)
Shelley Wai Man Lo (Non-executive director)
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