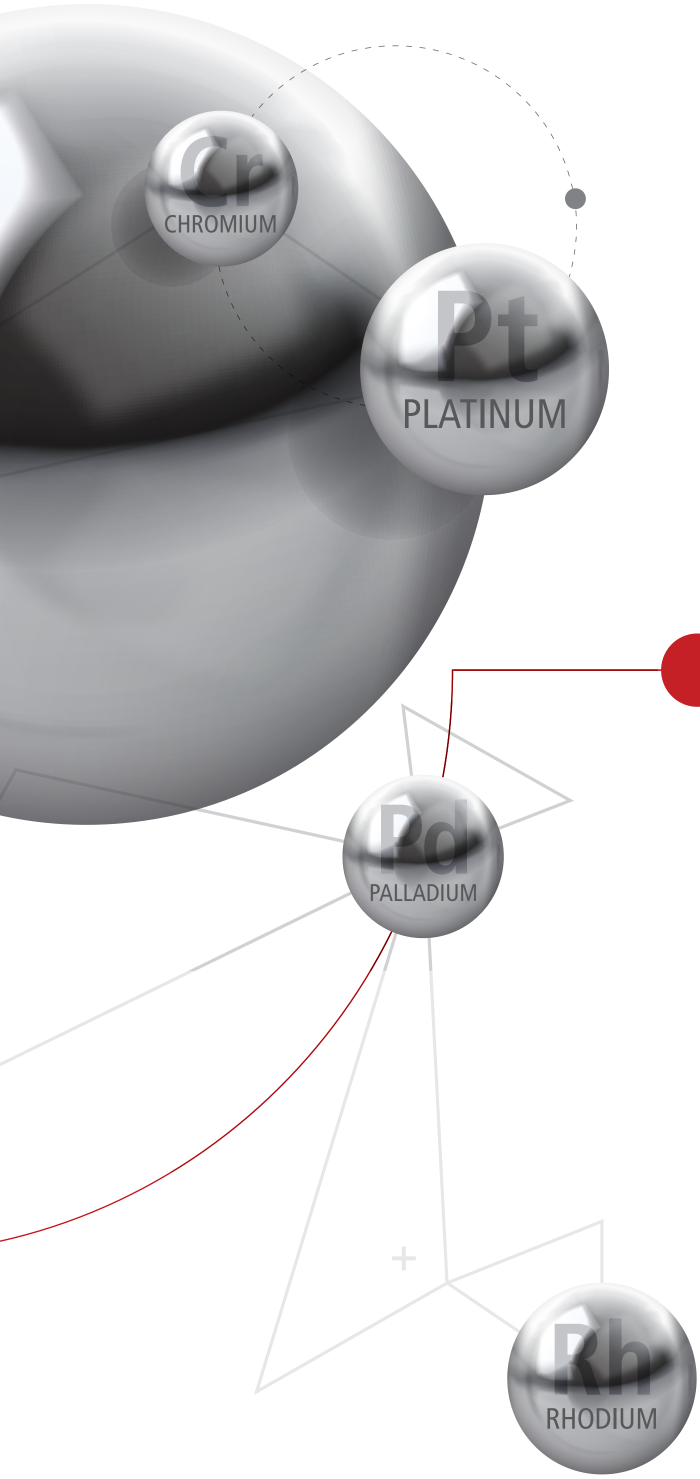
tharisa



2021 integrated annual report

enriching lives through innovating the resources company of the future

Purpose statement

Enriching lives through innovating the resources company of the future

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

VISION

To generate value by becoming a GLOBALLY SIGNIFICANT, LOW-COST PRODUCER OF STRATEGIC COMMODITIES THAT ARE REQUIRED TO DELIVER A SUSTAINABLE FUTURE

www.tharisa.com

CONTENTS

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.

www.tharisa.com

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**

Scope and boundary

Tharisa (or the Company) is pleased to present this, its eighth Integrated Annual Report since listing on the JSE, and the sixth 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) , governance, strategy, risks, opportunities, and prospects. The report covers the financial year from 1 October 2020 to 30 September 2021.

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 2021 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 102 to 141 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 155 to 162.

Report navigation guide

Page reference

COVID-19 — And the impact it has had on our organisation

Online link — More information can be found online

WHY INVEST IN THARISA

Safety is a CORE VALUE

Six years fatality free

Five million fatality-free shifts

Lost Time Injury Frequency Rate (LTIFR) of **0.34 per 200 000 man hours worked**

Not a **single employee has lost their job** as a direct result of COVID-19 since the beginning of the pandemic

Established a **COVID-19 command centre, clinic,** and **on-site vaccination site** for employees, contractors, family, and communities in line with government regulations

1 Production and margin growth

Tharisa has consistently grown its production profile. With the extension of the open-pit life of mine (LOM) and the addition of the Vulcan fine chrome recovery and beneficiation plant, this production profile is set to grow further, while margins are set to increase due to an overall lowering of production unit costs. Significantly, unit output of carbon emissions will also reduce, aligned with Tharisa's decarbonisation plan for 2030 and 2050.

The Tharisa Mine produced 157.8 koz of PGMs and 1.51 Mt of chrome concentrates in FY2021 and has provided FY2022 production guidance of between 165 koz to 175 koz PGMs (6E basis) and 1.75 Mt to 1.85 Mt of chrome concentrates. COVID-19 remains a risk to the Company and guidance is premised on the current level of economic activity being maintained.

2 Real portfolio optionality and diversification

With a solid foundation over the past decade, and a balance sheet supportive of a diversification strategy, Tharisa has commenced its ambitions to diversify, both in commodity and geographically, while at the same time increasing its beneficiation capacities, aligned with its ambitions of maximising value additions to the commodities it produces.

Salene Chrome, a high value chrome operation in Zimbabwe, has commenced mining. The construction of the Chrome Plant is nearing completion and commissioning of the Chrome Plant is expected in Q1 FY2022.

Karo Platinum's implementation studies have been completed, showing a clear path to mechanised open-pit platinum group metals (PGM) production, commencing within two years, while the option over Salene Manganese may be exercised within the year.

The Arxo Metals Beneficiation Site has been expanded and has continued to produce PGM metal and various alloys using the Company's own raw materials.

3 Operational flexibility

The Group's key differentiator is its large-scale and open-pit resource that allows for the extraction of five Middle Group (MG) Chromitite Layers using mechanised mining. The Tharisa Mine has a 20-year open-pit LOM and the ability to extend operations underground by at least 40 years.

The mechanised nature of the open-pit operation has ensured that the operations remain within the lower cost quartile of PGM and chrome producers.

Tharisa Minerals has two independent processing plants. The integrated process involves primary 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 thereof to be shut down without impacting the entire operation.

4 Integrated marketing and sales with logistical support

The majority of PGM concentrate is sold to Impala Platinum and to 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 global diversified markets. Production of specialty grade chrome concentrates made up 24.2% of the year's total own 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.

5 Capital growth and capital returns

Tharisa had a cash balance of US$83.4 million at the end of the year and debt of US$36.9 million, resulting in a positive net cash position of US$46.6 million, with a significant portion of capital spent on the construction of the Vulcan Plant being internally funded. 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 5c has been proposed, bringing the cash return to US 9c per share for FY2021, a payment ratio of 18.5% of NPAT.

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

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.

The foundation of the Company is built on the 4 Ds

DISCOVER	**Long-life,** low operating cost assets
DEVELOP	**Impactfully develop** these **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

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.

Total proposed dividend for the year

+157.1%

US 9 cents per share

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.

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

The past year has seen the Company 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 return ability.

Expand and roll out the business sustainably

- Vulcan Plant built and commissioning
- Salene Chrome acquisition – mining commenced, plant cold commissioning
- Karo Project implementation study completed

Further optimise existing operations

- Throughput increased leading to increase in PGM and chrome output
- Improved recoveries and continuous improvement
- MetQ manufacture of Vulcan Plant key equipment and Salene Chrome plant, with Arxo Logistics delivering Salene Chrome mobile plant

Continue to invest in innovative thinking

- Commercialisation of Vulcan fine chrome recovery technology
- Expansion of Arxo Metals R&D Beneficiation Site and alloy production
- Production of PGM alloy and further development of downstream processes
- Investigate alternative energy solutions using own products

Become a global and diversified business

- Salene Chrome acquisition – mining commenced, plant cold commissioning
- Karo Project implementation study completed
- Tharisa evaluating option to acquire controlling interest in Karo Project

Be the investment of choice in our chosen sector

- Improved share liquidity and JSE index inclusion
- Expanded shareholder base
- De-leveraged balance sheet positioned for growth
- Record dividend

Responsibly enrich the lives of all our stakeholders

- + Six years fatality free
- Carbon reduction targets announced
- Continued investment in community upliftment

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 – enabling Tharisa to be a large-scale producer for several decades
- Mechanised operations and skilled labour force
- Independent processing plants providing operational flexibility
- Capacity to produce PGMs and metallurgical and specialty grade concentrates for differentiated markets
- Positioned on the lower end of the PGM cost curve; profitable throughout the cycle
- Integrated marketing, sales, and logistics platforms
- 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
- Proven management track record

SAFETY AND ESG – FOUNDATIONS FOR SUSTAINABLE GROWTH

Letter from the chairman of the Climate Change and Sustainability Committee and Lead Independent Non-Executive Director, Dr Carol Bell

This is the first time I write to you as chair of our newly formed Climate Change and Sustainability Committee. Given the importance of addressing climate change and ensuring a sustainable future for Tharisa, we concluded that this Committee should include all members of the Board of Directors, such that the Board is fully informed to make strategic investment decisions in the context of our plans to deliver a sustainable future.

The Committee's activities complement those of our SHE Committee and Risk Committee and ensure that we have a clear picture of our current carbon footprint and the pathway to net zero. I look forward to reporting back to you in a year's time on the initial achievements of the programme we have in mind.

Just as our business is continuously evolving, so do the risks and challenges a modern resource company such as ours must address. Having become the standard for risk analysis in our industry, the annual EY Mining Risk report this year highlights Environment and Social and Decarbonisation as risks numbers 1 and 2 respectively. Our licence to operate (risk number 3 this year and number 1 in 2020) is something that we have always focused on as a right that must be earned through being better custodians of the environment, having better relationships with our communities and stakeholders, and making our world a better place to live. Mitigating the potentially adverse impacts of mining on the environment and human health and wellbeing have always been a priority for Tharisa. We must now also concentrate on ensuring that our values on sustainability and mitigating climate change are reflected through our value chain.

The first step for Tharisa this year was to calculate our baseline from which future improvements would be calculated. We have set achievable and realistic goals in our endeavours to contribute to meeting global carbon reduction targets. We are committed to reducing our carbon emissions by 30% by 2030 (from a 2020 financial year baseline that uses 2019 data). We are also developing a roadmap to be net carbon neutral by 2050 (decarbonisation targets). As already stated, investment decisions taken by Tharisa's Board will be informed by these decarbonisation targets, alongside the current financial investment criteria.

The safety and health of our people is a core value, and it is a privilege to report to you that in the year under review we achieved five million fatality-free shifts with the Company being six years fatality free. While our lost time injury frequency rate at the end of September was 0.34, up from previous quarters, we are only all too acutely aware of the psychological impact that COVID-19 has had on the focus of our employees, and their general wellbeing. With a devastating 4th wave hitting South Africa where we operate from, I can only compliment our team wholeheartedly on how they, despite these circumstances, managed to not only produce output safely but managed to improve on all matrixes on a year-by-year basis. I salute the Tharisa Team.

Our care for our employees during the COVID-19 pandemic is something about which the Board is proud. Not a single employee lost their job as a direct result of COVID-19, and we have upgraded our medical facilities substantially to become an accredited vaccination site available to not only our employees but also to the community neighbouring the Tharisa Mine. It is also worth noting that our community is a 6% shareholder in the Tharisa Mine and has benefited financially, alongside other stakeholders, from the strong return generated by the Company over the past year.

Bearing in mind the evolving requirements of stakeholders, we have improved our disclosure on various levels and enhanced disclosure of our activities beyond mining.

Our ambition is to provide stakeholders with a more holistic perspective of our business, our values, and how we are approaching the globally significant challenge of addressing climate risk. This will be with us for decades and we appreciate that there will be many additional challenges on the road ahead. With the right application and focus throughout the organisation, we look forward to reporting our progress to you in a measurable and proportionate way as Tharisa delivers its contribution to decarbonisation and greater sustainability while continuing to deliver economic returns.

Thank you for joining us on this journey. I would like to pay tribute to the Tharisa management team, which has worked tirelessly and risen to the challenge again over the past year to ensure the wellbeing of colleagues and safe operations at the mine. They are ready, as is this Committee and the Board, for what lies ahead.

Dr Carol Bell

To generate value by becoming a globally significant, low-cost producer of strategic commodities that are required to deliver a sustainable future

- + Six years fatality free
- Five million fatality-free shifts
- Employees offered private medical aid and provident fund
- COVID-19 clinic, isolation, and vaccination facilities at Tharisa Minerals

- Planned 30% reduction in carbon footprint by 2030
- Net carbon neutral by 2050
- On-site solar solutions being evaluated
- R&D for renewable energy projects progressing

- Community is a 6% shareholder in Tharisa Minerals
- Provide infrastructure services to the community
- Direct employment of more than 700 people from local community
- Interns, graduates and learnership programmes
- 60 learners in AET programme

- Direct taxes paid of US$39.3 million
- Indirect taxes paid of US$22.3 million
- US$55 million spent on Vulcan Plant with 90% local spend and ~1 000 contractors for construction and new direct employment of over 100 people
- Establishment of Climate Change and Sustainability Committee

FINANCIAL AND NON-FINANCIAL HIGHLIGHTS

Safety

Six years | Fatality free

Reef mined

5.38 Mt

+ 8.2% | 2020: 4.97 Mt

PGM production (5PGE + AU)

157.8 koz

+ 11.0% | 2020: 142.1 koz

Recovery of 77.6%

Chrome concentrate production

1.51 Mt

+ 12.7% | 2020: 1.34 Mt

Recovery of 63.3%

Revenue

US$596.3 m

+ 46.9% | 2020: US$406.0 m

Total dividend

US 9 c

+ 157.1% | 2020: US 3.5 c

Operating profit

US$178.8 m

+ 104.1% | 2020: US$87.6 m

EBITDA

US$224.3 m

+ 97.8% | 2020: US$113.4 m

Profit before tax

US$185.3 m

+ 144.5% | 2020: US$75.8 m

Headline earnings per share

US 38.3 c

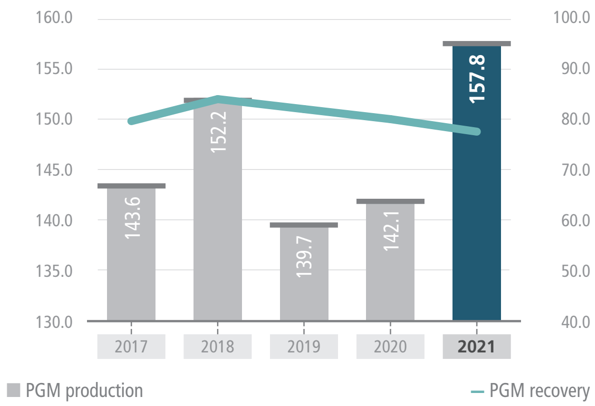
+ 126.6% | 2020: US 16.9 c

Earnings per share

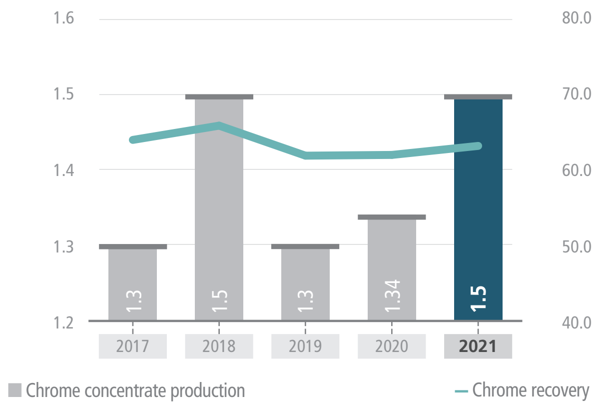
US 37.4 c

+ 130.9% | 2020: US 16.2 c

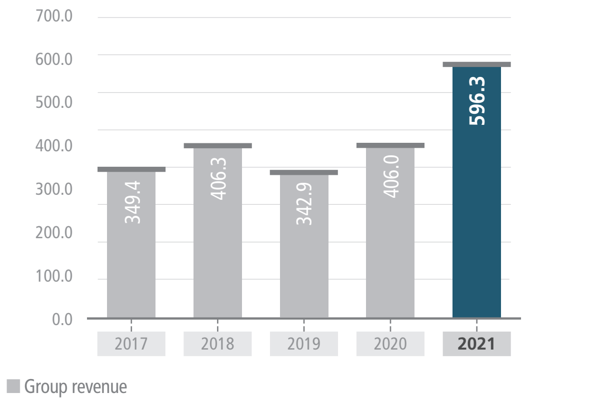
PGM production (koz) and recovery (%)



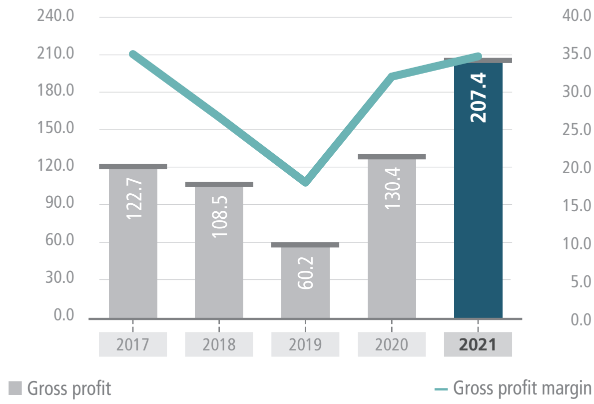
Chrome concentrate production (Mt) and recovery (%)



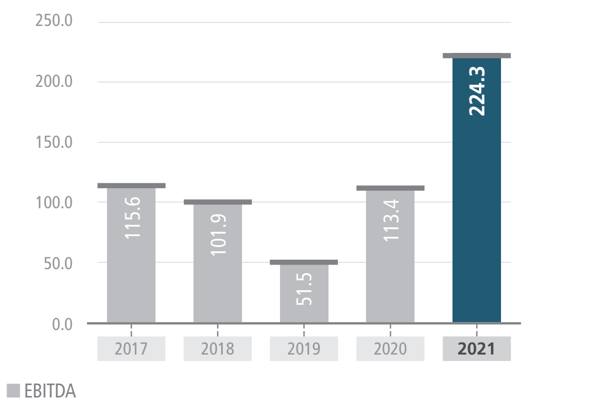
Group revenue (US$m)



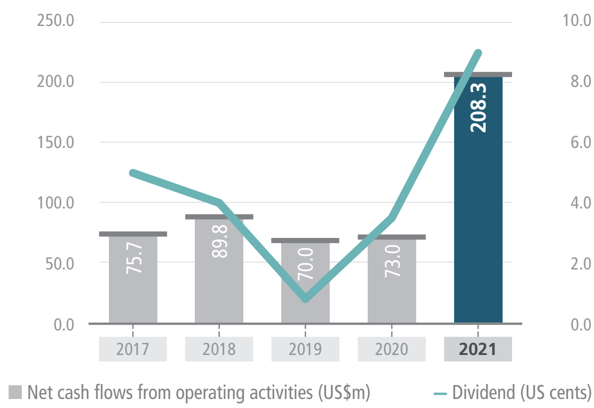
Gross profit (US$m) and margin (%)



EBITDA (US$m)



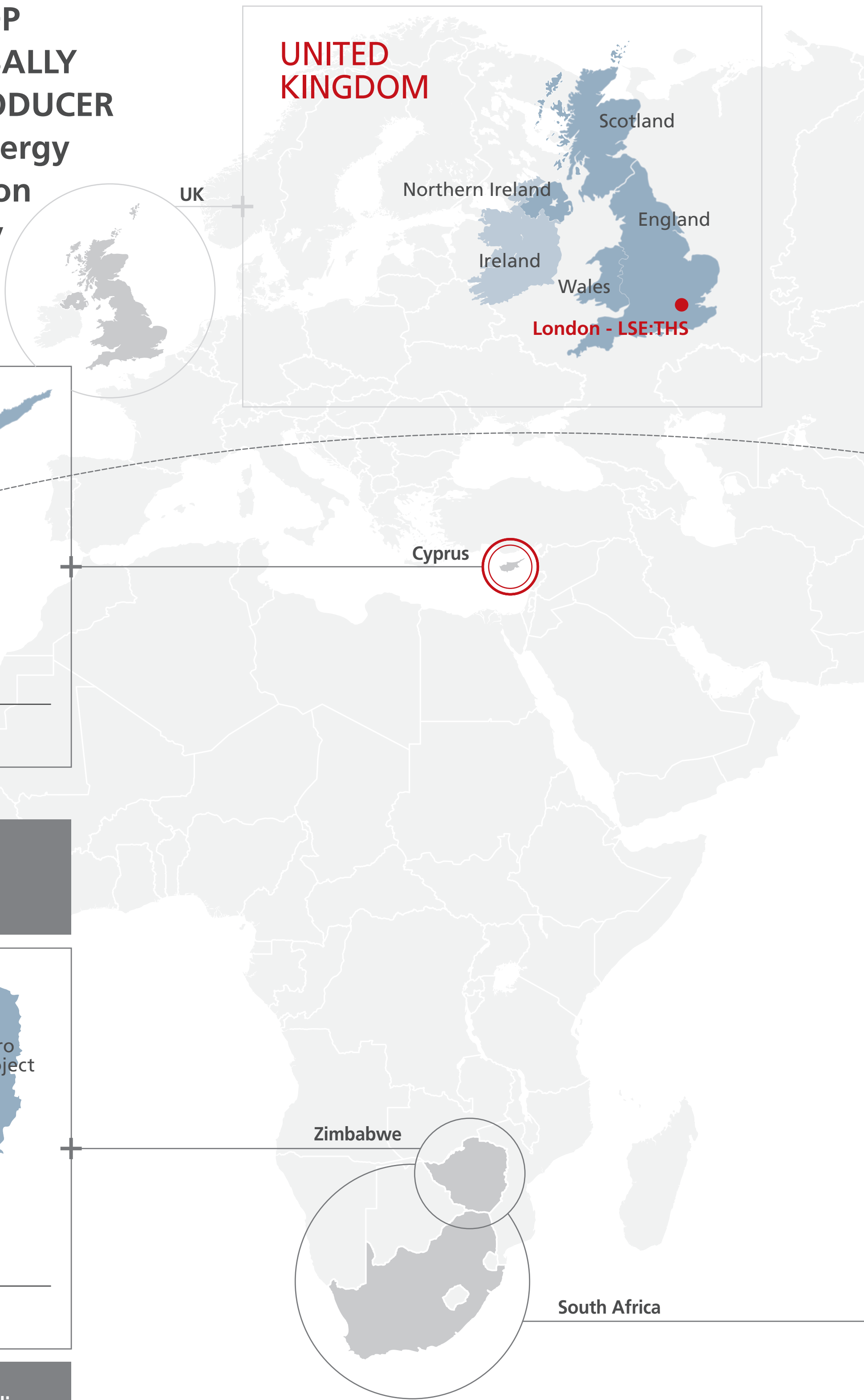
Net operating cash flow (US$m) and dividend (US cents)



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 THE COMPANY INTO A GLOBALLY SIGNIFICANT, LOW-COST PRODUCER OF METALS, critical to the energy transition and decarbonisation of economies, remains firmly on track.



CYPRUS

3

Number of operating companies

Acquired the entire issued share capital of **Salene Chrome** on 31 March 2021 for a cash consideration of US$3.0 million

ZIMBABWE

2

Number of operating companies

Tharisa is a 26.8% shareholder in **Karo Mining Holdings**, owner of a Tier 1 PGM Project on the Great Dyke

China

CHINA AND INDONESIA

Tharisa sells and exports to China

Provides China with 10% of all its chrome concentrate, with 80% in total from South Africa

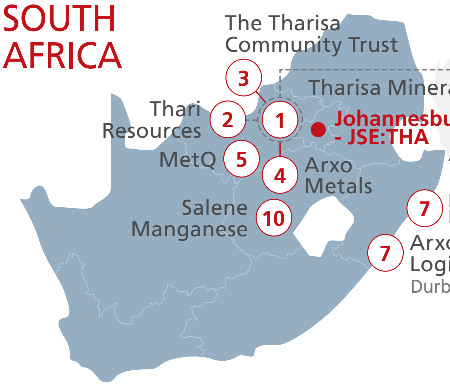
Demand driven by Chinese domestic consumption and export

Indonesia

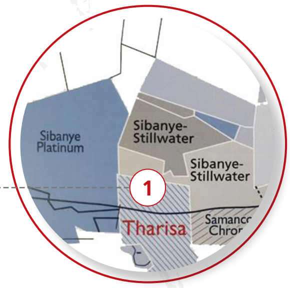
Sells and exports to Indonesia

More information can be found at www.tharisa.com/ourfootprint

SOUTH AFRICA



SOUTH AFRICA continued

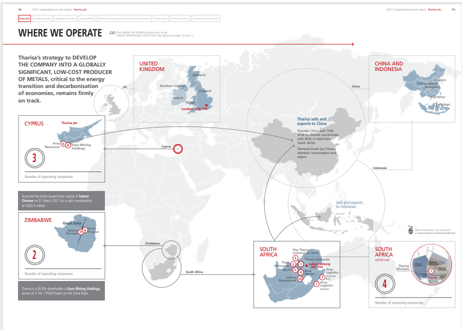


4

Number of operating companies

GROUP OPERATIONAL STRUCTURE

The Group has a FOCUSED OPERATIONAL STRUCTURE TO DELIVER ON AND SUPPORT ITS STRATEGY.



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

INVESTMENT HOLDING COMPANY

Tharisa plc (Cyprus)

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.

1 Operating and producing companies

1 Tharisa Minerals — 74%

Tharisa Minerals is 74% 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 a 20-year open-pit life and the ability to extend operations underground by at least an additional 40 years.

6 Arxo Resources — 100%

Arxo Resources markets and sells chrome concentrates to customers globally.

7 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 and Durban

9 Salene Chrome — 100%

Open-pit high value chrome mine adjacent to the Great Dyke in Zimbabwe.

5 MetQ — 100%

MetQ manufactures equipment used in the mining industry, with a particular focus on beneficiation.

2 Growth and development projects

8 Karo Mining Holdings — 26.8%

Karo Mining Holdings' strategy is to establish an integrated PGM mining and refining complex in Zimbabwe. Karo Platinum, an indirect subsidiary of Karo Holdings, was awarded a Special Grant over 23 903 ha in the Great Dyke to develop a PGM mining complex, and has completed implementation studies for phase I.

2 Thari Resources 20%

BEE SHAREHOLDERS

3 Tharisa Community Trust 6%

4 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.

10 Salene Manganese Option for 70%

Salene Manganese's principal activity is a manganese exploration and mining company. The mining right is for the mining of iron ore and manganese ore.

1 For more information on our OPERATING COMPANIES see pages 38 to 45

2 Find further information on our EXPLORATION AND GROWTH PROJECTS on pages 38 to 45

GROUP HISTORY

2006

February
Prospecting rights granted

March
Tharisa Minerals incorporated

2008

February
Tharisa Limited incorporated

September
Mining rights for Tharisa Mine granted

October
Commenced trial mining

December
US$65 million seed capital raised

2009

March
Acquired 74% shareholding in Tharisa Minerals

November
Commenced production of first chrome concentrate

2011

January
US$95 million investment by Fujian Wuhang and Hong Kong HeYi Mining

April
US$150 million pre-listing capital raised

August
Genesis Plant is commissioned at 100 ktpm capacity

Tharisa Community Trust registered

November
Tharisa Community Trust receives 6% of Tharisa Minerals donated by Tharisa PLC

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

2012

February
Secured project finance facility of ZAR1 billion

May
First bulk rail shipment

July
Tharisa Minerals water use licence granted

December
Voyager Plant is commissioned at 300 ktpm capacity

2013

July
Challenger Plant is commissioned

2014

April
Listed on JSE, capital raised US$47.9 million

September
Commissioning of high energy PGM flotation circuit

2021

SIX YEARS fatality free, FIVE million fatality-free shifts

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

March
COVID-19 pandemic

September
Five years fatality free

October
Vulcan Plant restarts construction

2019

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

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

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

October
Transaction for the acquisition of mining fleet effective

November
Increased dividend declared and an improved dividend policy

2016

June
Listed on the LSE

November
Maiden distribution to shareholders

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

TEN-YEAR REVIEW

		Year ended 30 September				
	Unit	**2021**	2020	2019	2018	2017
On-mine lost time injury frequency rate**		**0.34**	0.09	0.27	0.18	0.07
On-mine employees including contractors		**4 412*** **	3 082	2 826	2 430	2 256
Other group employees		**57**	48	129	86	75
Reef mined	kt	**5 379.9**	4 971.1	4 627.1	4 875.0	5 025.1
Stripping ratio	$m^3:m^3$	**11.6**	12.1	8.3	7.9	7.5
Reef milled	kt	**5 600.0**	5 036.1	4 836.0*	5 105.3	4 916.2
PGM flotation feed	kt	**4 248.2**	3 765.9	3 605.9	3 718.1	3 599.2
PGM rougher feed grade	g/t	**1.49**	1.46	1.47	1.51	1.56
PGM recovery	%	**77.6**	80.1	82.1	84.1	79.7
6E PGMs produced	koz	**157.8**	142.1	139.7	152.2	143.6
Average PGM contained metal basket price	US$/oz	**3 074**	1 704	1 081	923	786
Average PGM contained metal basket price	ZAR/oz	**45 336**	27 691	15 531	12 038	10 492
Cr_2O_3 ROM grade	%	**17.9**	18.2	18.1	18.2	17.8
Chrome recovery	%	**63.3**	62.1	62.0	66.0	64.1
Chrome yield	%	**26.9**	26.7	26.7	28.4	27.1
Chrome concentrates produced (excluding third party)	kt	**1 506.1**	1 344.8	1 290.0	1 448.0	1 331.2
Metallurgical grade	kt	**1 141.5**	1 023.2	977.9	1 080.3	1 008.1
Specialty grades	kt	**364.6**	321.6	312.1	367.7	323.1
Third-party chrome production	kt	**223.0**	169.8	241.1	221.8	20.0
Metallurgical grade chrome concentrate contract price	US$/t CIF China	**154**	140	162	186	200
Metallurgical grade chrome concentrate contract price	ZAR/t CIF China	**2 284**	2 231	2 322	2 415	2 667
Average exchange rate	ZAR:US$	**14.8**	16.2	14.4	13.1	13.4
Group revenue	US$m	**596.3**	406.0	342.9	406.3	349.4
Gross profit	US$m	**207.4**	130.4	60.4	108.5	122.7
Net profit for the year	US$m	**131.5**	54.9	8.4	51.0	67.7
EBITDA	US$m	**224.3**	113.4	51.6	101.9	115.6
Headline profit	US$m	**103.1**	44.9	12.8	49.1	57.8
Headline earnings per share	US cents	**38.3**	16.9	5	19	22
Gross profit margin	%	**34.8**	32.1	17.7	26.7	35.1
Net cash flow from operating activities	US$m	**208.4**	73.0	69.9	89.8	75.7
Net (cash)/debt	US$m	**(46.6)**	21.1	12.0	10.6	(0.1)
Capital expenditure	US$m	**106.0**	70.6	43.9	48.2	26.4
Dividend	US cents	**9.0**	3.5	0.75	4.0	5.0

* *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 2016	2015	2014	2013	2012
On-mine lost time injury frequency rate**		0.36	0.06	0.14	0.14	0.19
On-mine employees including contractors		2 187	2 000	1 938	1 688	1 562
Other Group employees		52	59	66	67	67
Reef mined	kt	4 837.2	4 183.2	3 908.5	3 305.6	1 433.1
Stripping ratio	m^3 waste:m^3reef	7.3	10.7	10.6	8.4	10.9
Reef milled	kt	4 656.3	4 400.4	3 913.1	3 865.7	1 094.0
PGM flotation feed	kt	3 575.6	3 446.2	3 060.4	2 894.2	693.1
PGM rougher feed grade	g/t	1.65	1.62	1.63	1.41	1.27
PGM ounces produced	5PGE + Au koz	132.6	118.0	78.2	57.4	8.0
PGM recovery	%	69.9	65.8	48.8	43.7	28.3
Average PGM basket price	US$/oz	736	885	1 103	1 132	1 104
Average PGM basket price	ZAR/oz	10 881	10 593	11 622	10 617	8 855
Cr_2O_3 ROM grade	%	18.0	18.3	19.4	20.7	22.1
Chrome recovery	%	62.7	58.0	59.4	–	–
Chrome yield	%	26.7	25.5	27.7	30.9	31.0
Chrome concentrates produced	kt	1 243.7	1 122.2	1 085.2	1 192.8	338.8
Metallurgical grade	kt	974.3	1 009.4	937.0	1 130.3	338.8
Specialty grades	kt	269.4	112.8	148.2	62.5	0.0
Metallurgical grade chrome concentrate contract price	US$/t CIF China	120	158	158	165	191
Metallurgical grade chrome concentrate contract price	ZAR/t CIF China	1 751	1 903	1 676	1 546	1 534
Average exchange rate	ZAR:US$	14.8	12.0	10.6	9.2	8.1
Group revenue	US$ million	219.6	246.8	240.7	215.5	53.9
Gross profit/(loss)	US$ million	54.5	43.1	32.6	25.9	(8.2)
Net cash flows from/(used in) operating activities	US$ million	22.2	41.4	22.4	(3.0)	(9.2)
Net profit/(loss) for the year	US$ million	15.8	6.0	(54.9)	(47.4)	(30.0)
EBITDA	US$ million	43.0	29.0	16.5	13.9	(28.3)
Headline profit/(loss)	US$ million	14.3	4.7	(48.9)	(46.8)	(26.0)
Headline earnings per share	US$ cents	6	2	(20)	(19)	(340)
Gross profit/(loss) margin	%	24.8	17.5	13.5	12.0	(15.3)
Net debt	US$ million	41.4	40.7	66.5	105.9	84.5
Capital expenditure*	US$ million	12.3	24.6	24.3	24.3	189.0
Dividend		1.0	–	–	–	–

* *Includes deferred stripping of US$2.4 million (2015: US$15.2 million)*
** *Per 200 000 man hours worked*

CHAIRMAN'S REVIEW

Dear Stakeholder

I am proud of Tharisa and our people who have pursued significant and sustainable growth in extraordinary times as the world is firmly focused on the impacts of climate change. The world's drive to reduce our carbon footprint while simultaneously dealing with the continued disruptive effects of COVID-19, are two key points of reflection as I look back at our FY2021 achievements.

Safety is a core value in our business to which we are committed and so it is pleasing to celebrate an excellent safety record which has led to six fatality-free years. Tharisa has proven its ability to grow during challenging times, delivering on improved operational performance, which has led to significant financial returns for all stakeholders.

With focus on our growth strategy and maximising the value of the resources under our control, we have extended the mineral inventory life of the open-pit mine by seven years at the Tharisa Mine, achieved record production for FY2021, commenced with the commissioning of the Vulcan Plant using proprietary groundbreaking technology. In Zimbabwe we have commenced with open-pit mining and the construction and commissioning of our chrome plant at Salene Chrome and completing the implementation study for the Karo Project.

These achievements are at a time when the global resources industry is undergoing one of its most dramatic changes. Focus on environmental, social and governance (ESG) issues is reaching a zenith, with regulatory overlays, both push and pull factors, driving this change. But we should not be afraid of this regulation; we must embrace it and the opportunities it presents. At Tharisa we have an ability, both singularly and collectively, to move ahead of these regulations. Resource companies are by their nature agile, even adventurous, given we are often the first to explore new areas that other industries would never dare venture to. At Tharisa we are embedding the ethos of sustainability into all facets of our organisation through ESG integration.

Mining is not an option but the way in which it is done is. The changing world that we live in needs the resources industry, just as the mega trends we are witnessing need the raw materials to flourish. Economic growth, while temporarily stunted by COVID-19, will continue, with renewed urbanisation, both from rural to urban and existing urban to new urban economies, following this growth trajectory. All commodities are required to ensure this transition happens and it must be done in a way that benefits all participants. With climate change being a major topic, the commodities that both we and our counterparts produce are vital in ensuring that this development, and growth are achieved with a low-carbon and sustainable world in mind.

Innovating the resources company of the future

1	2	3	4	5	6
Integrated PGM and chrome co-producer located in prime geological area	**10-year** operational track record	**20-year** LOM open pit **+40 years** underground	**R&D** developing innovative end-use products and technologies	**Profitable** throughout the cycle	**Consistent** dividend payer

Our commodities are in high demand, and we are constantly striving to capture more of the value chain to increase financial returns to our stakeholder. We continue to invest in our innovative thinking, with research and development having expanded our beneficiation capabilities, not only with our Vulcan fine chrome recovery plant but also with major developments at our beneficiation site, operated by Arxo Metals. I look forward to sharing these successes with you all as they reach commercial status and viability.

Sustainability is core to everything we do and to achieve this from a long-term business perspective, we will not stray from our drive to achieve further vertical integration, another trend that is clear in our industry, where companies strive to capture the value chain to the fullest and move away from the previous trend of specialisation.

Underpinning the pillars of our growth strategy is our commitment to enriching the lives of all our stakeholders and so I am excited about the prospects and successful development of the Tharisa growth strategy.

To my colleagues, I thank you all for being a part of this exciting journey and together we will deliver again.

Loucas Pouroulis
Executive Chairman

HOW THARISA CREATES SHARED VALUE

Business model

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.

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

CREATING VALUE

Inputs

Through our PEOPLE

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

With our ASSETS AND INFRASTRUCTURE

- Mining and exploration rights
- Significant resource
- Long-term open-pit life of mine
- Processing plants
- Regulatory compliance
- Access to road and rail networks
- Access to port facilities

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

Through consistent INNOVATION

- Optimisation – mining and processing
- Research and development
  - New technology
  - Development of niche products
  - Piloting PGM-rich alloy smelting and refining technology

From our STAKEHOLDERS

- Employees
- Shareholders
- Communities
- Customers
- Suppliers
- Government
- Municipalities
- Regulators

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

Our activities

What we do

Mineral extraction
- Mining of five MG Chromitite Layers
- Owner mining model
- Exploration for the future

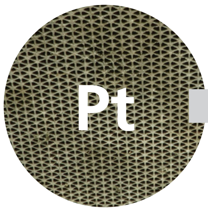
Beneficiation
- Producing PGMs and chrome concentrates, including metallurgical grade and specialty grade

Research and development
- Improving recoveries
- 1 MW DC furnace to produce PGM-rich alloys
- Development of Vulcan process

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

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

Outputs



Platinum

Rhodium

Palladium

Chromium

More information can be found at www.tharisa.com/corporate-strategy.php

HOW THARISA CREATES SHARED VALUE continued

Outcomes

PEOPLE

Over 700 people employed from the local community
US$4.9 million spent on skills development training
88 interns, graduates, and learnerships
Six years fatality free
0.34 LTIFR per 200 000 man hours worked

ASSETS AND INFRASTRUCTURE

Production of saleable product: **5.60 Mt reef milled with 157.8 koz PGMs and 1.51 Mt chrome concentrates produced**
Depletion of resources: **5.38 Mt reef mined**
Responsible management and efficient use of our assets

FINANCIAL

Operating profit: **US$178.8 million**
Cash generated from operations: **US$208.4 million**
Direct and indirect taxes and royalties: **US$61.6 million**
Total dividend: **US 9 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 MG Chromitite Layers
Vulcan Plant and Salene Chrome Plant

STAKEHOLDERS

Total salary cost: **US$59.6 million**
Shareholder returns (HEPS): **US 38.3 cents per share**
Customers: **quality of products, consistent deliveries**

ENVIRONMENT

Total energy consumption: **202 256 MWh**
Cumulative rehabilitation provision: **US$21.1 million**
Total water consumption: **1 591 031 m³**
Total CO_2 emissions (Scope 1): **98 815 tCO_2e**

CREATING VALUE

Our full value chain

Tharisa Minerals

RESOURCES
MINING
PROCESSING
LARGE SCALE
MECHANISED
DERISKED

Find further information on our VALUE CREATION PROCESS see **page 1**

- 854.4 Mt resources at 1.47 g/t 5PGE + Au; and 20.02% Cr_2O_3

- 20-year open-pit LOM
- 40-year underground extension
- Mined 5.4 Mt of ROM reef

- Milled 5.6 Mt of ROM
- 157.8 koz of PGMs produced
- 1.51 Mt of chrome concentrates

- One of the world's largest single chrome resources

- Mechanised open-pit mining

- In production
- Operational flexibility
- Major capex complete

ARXO METALS

Beneficiation
- Production of specialty grade chrome concentrates

Research & 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
- 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

KARO MINING HOLDINGS

- Development of highly prospective integrated PGM mining complex
- Replication of phased development and innovative approach

SALENE CHROME

- Mining and chrome plant commission commenced
- Addition of higher grade chrome concentrate to the Tharisa basket of chrome products

SALENE MANGANESE

- A manganese and iron ore mining company.

CHIEF EXECUTIVE OFFICER'S REVIEW

SUSTAINABLE GROWTH is our stated strategy.

"Sustainability" at Tharisa is integral to every facet of our business, including the PROTECTION OF OUR PEOPLE, the DELIVERY OF SUSTAINABLE EMPLOYMENT, INFRASTRUCTURE and LIFE IMPROVEMENTS for the communities within which we operate, MAXIMISING THE MITIGATION OF THE ENVIRONMENTAL IMPACT from our operations through our carbon emission reduction plan, and the delivery of value to all our stakeholders.

The measures taken with the Tharisa Mine in South Africa over the past three years have delivered that growth – the delivery of sustainable safety, sustainable production, sustainable reserve growth, and sustainable cash flow generation. Yet this is only the first phase of our growth strategy as we look to continue improving our performance and broadening our business through diversification for the benefit of all our stakeholders.

Safety is the core value of our sustainability strategy at Tharisa. It is the foundation on which we will achieve our strategic goals. With more than 3 000 employees and contractors at the Tharisa Mine, plus up to 1 000 contractors for the Vulcan Plant build, we celebrated six fatality-free years and five million fatality-free shifts this year.

We continue to deal with COVID-19, a pandemic that has impacted South Africa particularly hard, yet we have successfully provided tangible measures to protect our employees. With the onset of the new Omicron variant, we believe that these measures will allow us to manage the potential onset of Southern Africa's fourth wave, ensuring the livelihoods and lives of our employees are prioritised. Not a single employee has lost their place of employment as a direct result of COVID-19. This is how we see "sustainability", where Tharisa is a market leader, not only in South Africa, but globally as an internationally renowned mining organisation.

The Tharisa Mine, the core of our operations with vast strategic value, has one of the longest life PGM and chrome reserves in South Africa, with over 50 years of mining ahead of us. It is the driver of our business and the template for growth into the next phases of our development. Over the past four years, the mine has experienced a double-digit increase in production in both PGM ounces and chrome concentrate tonnes. Shareholders have benefited from this platform and our constant increased production, with growth in production of PGMs and chrome of approximately 11% and 19% respectively since FY2019, encapsulating two years of COVID-19-impacted challenges. Shareholders have also been rewarded through the payment of dividends over the past year in the order of US$21.3 million excluding the proposed year-end dividend of US 5 cents per share.

		FY2021	FY2020	% change
Reef mined	kt	**5 379.9**	4 971.1	8.2
PGMs produced (6E)	koz	**157.8**	142.1	11.0
Chrome concentrates produced (excluding third party)	kt	**1 506.1**	1 344.8	12.0

Phoevos Pouroulis
Chief Executive Officer

The alignment of purpose, and the delivery on commitments in a safe and sustainable manner, have allowed us to continue to make a positive impact.

Tharisa has always been a responsible corporate citizen. In FY2021, we paid more than US$61 million in direct and indirect taxes, nearly doubling our payments from FY2020, boosting South Africa's economy during a challenging year. These tax contributions, including Income Tax, Pay as You Earn Tax (PAYE) and Mining Royalties, increased by over 114%, making up 63% of the tax spend by the Company. Currently, Tharisa employs more than 700 people from the local community; has a comprehensive intern, graduates and learnership programme in place; and more than 60 people are enrolled in adult education and training, which is open to anyone from the community, not just Tharisa employees.

To ensure sustainable returns, we have adopted an integrated approach and created a multi-faceted model with mining, processing, marketing, sales, and logistics operations. This sustainability is clearly demonstrated with the construction and commissioning of the Vulcan fine chrome recovery and beneficiation plant, on budget, which will increase Tharisa's production of chrome concentrates by approximately 20% through processing what was previously waste material and improving chrome recoveries from approximately 60% to over 80%. The Vulcan beneficiation plant saw 90% of the capital expenditure spent through local and regional suppliers and will see the creation of 100 permanent new jobs, further benefiting the communities within which we operate.

With our innovative thinking we are perfectly positioned to support and provide critical metals and solutions to the challenge of decarbonisation. Through becoming a globally diversified resources company, we are making steady progress in fulfilling our strategy of becoming the investment of choice in our sector. I would like to thank our Board, shareholders, and all contributors to the success of Tharisa over the past year and welcome all of you to join us for the next chapter in our growth.

CHIEF EXECUTIVE OFFICER'S REVIEW continued

Looking to the fiscal year ahead, our growth trajectory is underpinned by the ongoing development and implementation of our ESG strategy and policies. We have invested through the appointment of dedicated in-house specialists to ensure we achieve the goals we have set ourselves, as well as establishing a Climate Change and Sustainability Committee, which will function alongside the Safety, Health and Environment Committee and the Social and Ethics Committee. We have defined our path to becoming carbon neutral by 2050 and reducing our carbon footprint by 30% by 2030 and are well on the way to achieving both these goals.

With the new Vulcan Plant set to deliver significant increases in our chrome production, as well as our unstinting focus on research and development in further beneficiation activities through Arxo Metals, our sustainable growth strategy remains entrenched in the year to come.

The importance of extending the open-pit LOM by seven years has not been fully appreciated but in essence is an extension of 50% of our open-pit mine, with minimal capital expenditure, allowing us to continue production at the current rates while deferring underground mining and minimising the transition risk from open pit to underground operations.

Tharisa continues to evaluate other accretive opportunities, including further leveraging our wholly owned logistics business in the face of global headwinds in freight and logistics challenges.

Wholly owned Salene Chrome Zimbabwe, a low cost open-pit chrome deposit, is in production with the commissioning of the chrome plant underway, providing us with in-country operating experience and cash flows as we gear up to develop the larger Karo Platinum project. Two phases of exploration drilling have been completed over the Karo Platinum project area, which has an historical estimated 96m PGM ounces of JORC-compliant resource in its licences, where 22 000 assays were processed. A maiden long-life open pit mineral resource and mineral reserve for Phase 1 of the operations has been declared. On 12 October 2021, Tharisa announced that the Karo Platinum implementation studies had been completed and the project is now progressing into project execution and development. Tharisa is evaluating its option to acquire a controlling interest and execute on the project development.

Our sustainable growth strategy is based on six pillars, which have since been stress-tested by the extraordinary circumstances of volatile global economics, COVID-19, and a logistics complexity that looks set to remain challenging for the medium term. In our report this year, we show that we have achieved and delivered under each of these pillars. Success to date with this growth platform gives the Tharisa Board the utmost confidence that we will further build on these pillars and transform Tharisa into a unique, sustainable resources business, incorporating all aspects of the value chain and fulfilling our purpose of, 'Enriching lives through innovating the resources company of the future'.

Six pillars driving growth

Sustainable growth strategy is firmly entrenched built on the six strategic pillars

Continued focus on technology as an enabler is the differentiator

Delivery on these pillars will ensure a stronger foundation – proven resilience through the pandemic

Firmly positioned to play a critical role in the global energy transition through the metals we mine

Realistic forecasts that stretch our operating ability

Our safety focus and ESG remain core

This past financial year has been the best performance year on record. With the Vulcan Plant scheduled to generate significant chrome production growth and excellent PGM production performance in the new financial year, we are positioned to achieve production guidance while expanding our footprint into Zimbabwe.

The team's focus on maximising returns through innovation is gaining momentum and our R&D projects are progressing to capture value in a unique manner. The reliance on one industry and end market has proven challenging with global supply chain issues, reinforcing our drive for diversification of products and markets. Creating higher value, lower volume products mitigates many of these challenges.

As a company that is playing a critical role in the energy transition through the metals, we mine, we believe Tharisa must embrace the future through the application of innovation and technology to support the global imperative. Our commitment to improving the lives of those we employ and the communities within which we work, combined with the returns we deliver for all our stakeholders, can only be achieved with sustainability at the core of Tharisa's strategy.

Our sincere gratitude goes out to the Tharisa team, the lifeblood of our organisation. The alignment of purpose, and the delivery on commitments in a safe and sustainable manner have allowed us to continue to make a positive impact. These are exciting times and the global objective to decarbonise the planet through new processes and technologies allow Tharisa to play an even greater role in creating the resources company of the future. With our innovative thinking we are perfectly positioned to support and provide critical metals and solutions to this challenge. Through becoming a globally diversified resources company, we are making steady progress in fulfilling our strategy of becoming the investment of choice in our sector. I would like to thank our Board, shareholders, and all contributors to the success of Tharisa over the past year and welcome all of you to join us for the next chapter in our growth."

Phoevos Pouroulis
Chief Executive Officer

Positioned for growth

1 Delivery on operational performance

PGM
+11% at 157.8 koz

CHROME
+12% at 1 506.1 kt

+

2 Favourable commodity pricing

PGM
+80.4% at US$3 074/oz

CHROME
+10.0% at US$154/t

=

3 Healthy cash flow generated

Net cash flows from operations
US$208.4 m

+

De-leveraging of the balance sheet
Net cash of US$46.6 m

+

Investment for the future
Capex spend US$106.0 m

+

Record dividend payment
US 9 cents = US$24.3 m

CHIEF FINANCE OFFICER'S REVIEW

Positioned to fund the sustainable growth strategy.

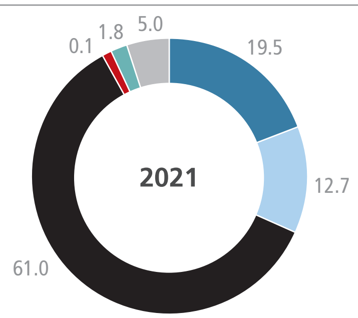
Our strong operational performance, as we delivered increased and sustainable PGM ounces and chrome tonnes into a rising commodity market, set the foundation for an exceptional suite of financial numbers, with the cash we have generated being used for continued on-mine investment, growth capital and return of cash to shareholders.

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 25.5% (2020: 18.8%).

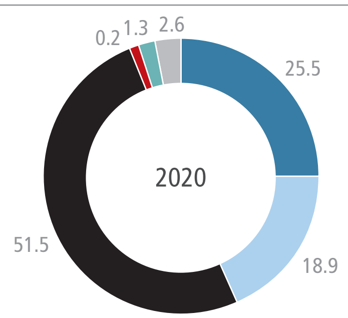
Revenue for the year was US$596.3 million (2020: US$406.0 million), an increase of 46.9% on the previous year. Gross profit amounted to US$207.4 million (2020: US$130.4 million), an increase of 59.0%, benefiting from the increase of 80.4% in the PGM basket price for the period, and a 10.0% increase in the metallurgical grade chrome concentrate price on the back of increased sales volumes of 6.5% and 17.4% for PGMs and chrome respectively.

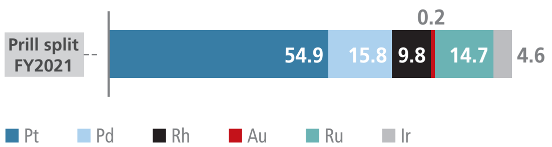
A breakdown of the PGM revenue is depicted in the graphs below, reflecting the strong increase in the rhodium price, which averaged US$19 473/oz (2020: US$8 368/oz) for the period, an increase of 132.7%, and therefore increased contribution to the revenue basket. Platinum prices averaged US$1 074/oz (2020: US$876/oz), an increase of 22.6%, and palladium prices averaged US$2 506/oz (2020: US$2 053/oz), an increase of 22.1%.

Revenue (%)



Revenue (%)





The strong rhodium prices resulted in rhodium contributing the dominant share of revenues at 61% of PGM revenue.

The chrome revenue comprises US$166.4 million from the sale of metallurgical grade chrome concentrates and US$37.5 million from the sale of specialty grade chrome concentrates (chemical and foundry), with the specialty grades typically commanding a pricing premium of between US$30/t and US$50/t.

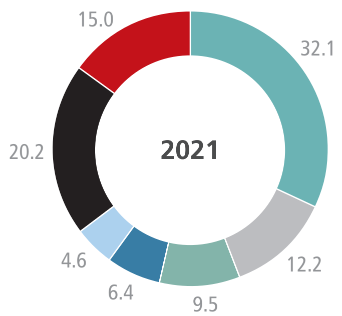
Michael Jones
Chief Finance Officer

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, allocating 80% (2020: 75%) to the PGM segment and 20% (2020: 25%) to the chrome segment.

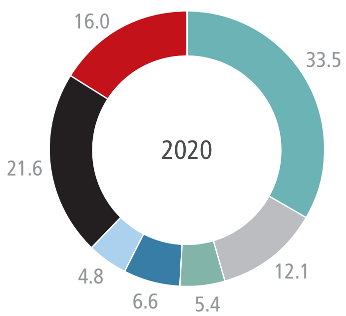
However, cost pressures including mining costs, as the drill and blast pattern was changed, and the increase in logistics costs (inland logistics and sea freight) with constraints on the global supply chain, impacted on the profitability of the Group. Regulatory payments such as the mining royalty, which is effectively the cost for the lease of the mining right due to the government, increased on the back of the increased commodity prices and full utilisation of the available tax shield. With the ongoing commitment to limiting the impact of our operations on the environment, a revised Environmental Management Plan has been submitted to the Department of Mineral Resources and Energy (DMRE) with an alternative plan building on the establishment of a post-mining economy with socioeconomic benefits. Accordingly, the Group has provided an additional amount of US$6.3 million as a charge through the statement of profit or loss for rehabilitation.

The major on-mine segmental cash cost of sales (excluding selling expenses) are summarised in the following graphs.

On mine cash costs of sales (%)



On mine cash costs of sales (%)



Mining Diesel Royalties Electricity and utilities Consumables Labour Overheads

CHIEF FINANCE OFFICER'S REVIEW continued

Cash costs (i.e., excluding non-cash flow items such as depreciation) on a per cube and per run of mine (ROM) tonne mined basis are detailed below, together with the cash costs per tonne milled. Costs relating to deferred stripping (which are capitalised) of US$25.4 million (2020: US$22.7 million) were excluded from the per tonne milled analysis.

	Units	**30 September 2021**	30 September 2020	Change %
Cubes mined	Mm^3	**19.2**	18.9	1.6
Cost per cube mined	$US\$/m^3$	**8.9**	6.9	29.0
Reef tonnes mined	Mt	**5.4**	5.0	8.2
Cost per reef tonne mined	US$	**31.9**	26.3	21.3
Tonnes milled	Mt	**5.6**	5.0	11.2
On-mine cash cost per tonne milled	US$	**40.5**	34.8	16.4
Consolidated cash cost per tonne milled	US$	**44.4**	38.6	15.0

Mining costs per cube increased primarily due to a change in the drilling pattern to improve grades and fragmentation.

The overall inflation environment in South Africa, as measured by the PPI, reflected increasing inflationary pressures at 7.8% (2020: 0.5%), with the US$ZAR exchange rate strengthening on average by 8.6%. In South Africa, diesel costs, which comprise 12% of Tharisa's on-mine cash costs, increased by 3.6% per litre from ZAR13.08 (US$0.8) per litre to ZAR13.55 (US$0.9) per litre. Electricity costs, while not being a significant input cost at approximately 6% of the on-mine cash costs, increased by 11.1% per kilowatt hour.

Selling costs (inland logistics and sea freight) incurred with the transport of the metallurgical grade chrome concentrate from the mine to the customer at China Main ports increased by 22.3% from US$59.2/t to US$72.4/t.

Gross profit amounted to US$207.4 million (2020: US$130.4 million), with a gross profit margin of 34.8% (2020: 32.1%).

Other operating expenses amounted to US$44.8 million (2020: US$35.3 million), an increase of 26.9%. The major cost within other operating expenses was employee costs at US$25.3 million (2020: US$19.9 million), comprising 56.6% (2020: 56.3%).

EBITDA amounted to US$224.3 million (2020: US$113.4 million).

Finance costs of US$4.9 million (2020: US$6.9 million) related primarily to the term loan in Tharisa Minerals (settled on 31 March 2021), asset equipment finance, and trade finance facilities utilisation.

The Group generated a profit before tax of US$185.3 million (2020: US$75.8 million).

The tax charge amounted to US$53.7 million (2020: US$20.8 million), an effective charge of 29.0% (2020: 27.4% charge). A normalised tax rate should be circa 25%. Cash taxes paid amounted to US$17.4 million.

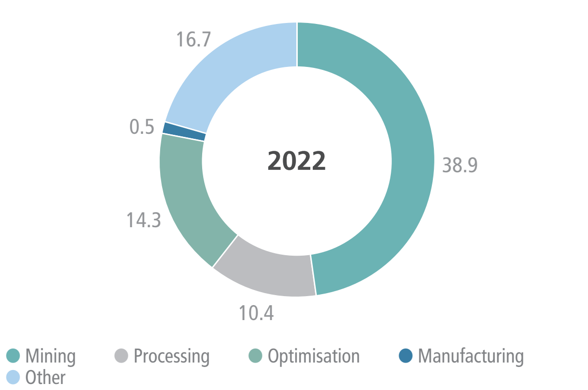
Unredeemed capex available within the Group for set-off against future profits has been fully utilised.

Basic earnings per share for the period amounted to US 37.4 cents (2020: US 16.2 cents).

Of the total capex spend for the period of US$106.0 million, approximately US$26.6 million related to additions to the mining fleet and US$73.0 million related to other mining assets. Of the US$73.0 million, US$33.0 million related to expansion capital, principally the Vulcan Plant construction with US$25.4 million being capitalised deferred stripping costs.

For FY2022, the Company has guided capital expenditure of US$80.8 million (excluding capitalised deferred stripping costs and capital expenditure on the Karo Project where the option has not yet been exercised by the Company), with a focus on fleet management.

Budgeted CAPEX (US$m)

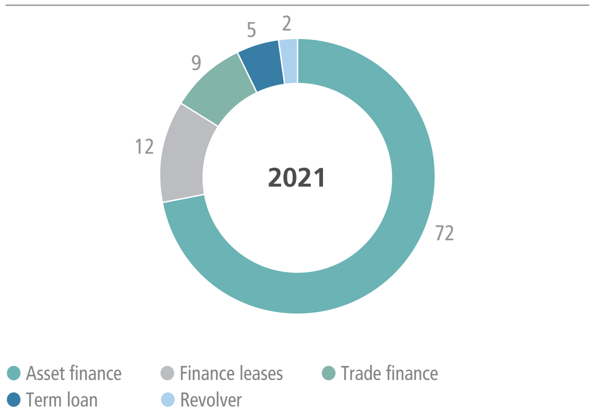


Free cash flow amounted to US$102.4 million, an increase of some US$100.0 million compared to the previous year (2020: US$2.4 million).

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$32.3 million.

The senior debt facilities comprising a term loan, revolving credit facilities, and an overdraft were repaid on 31 March 2021. Of the total interest-bearing debt of US$35.8 million, US$31.1 million was US$ denominated and US$4.7 million was ZAR denominated. Tharisa Minerals has negotiated further asset-backed finance facilities in the amount of US$15.0 million and an overdraft of US$10.0 million.

Debt position (%)



Cash and cash equivalents at 30 September 2021 amounted to US$83.4 million, resulting in a favourable net debt to equity ratio of -10.3%.

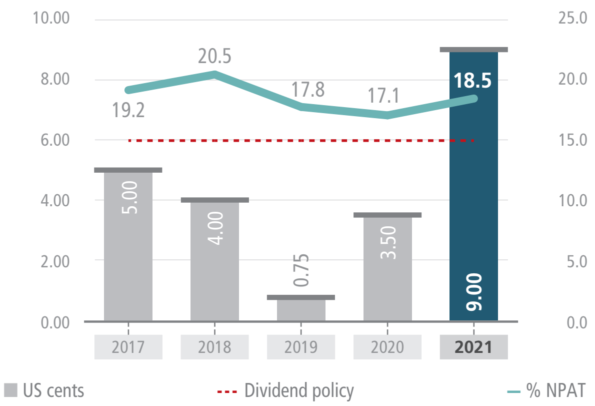
There is continued focus on working capital management, with the current ratio at 2.4 times.

I would like to take this opportunity to thank our financiers, key suppliers, and customers for their continued support contributing to the successful financial year.

Dividend

In accordance with Tharisa's dividend policy of distributing at least 15% of annual NPAT, the Board has proposed a final dividend of US 5 cents per ordinary share subject to the necessary shareholder approval. This is in addition to the interim dividend of US 4 cents per ordinary share. The total dividend amounts to US 9 cents per ordinary share, a payout ratio of 18.5%.

Consistent dividend payer



Michael Jones
Chief Finance Officer

MARKET REVIEW

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

South Africa, with its rich mineral wealth, hosts approximately 80% of the world's PGM and 70% of the world's chrome resources. These industries have benefited from significant investment, increased employment, and community upliftment, while the country benefits from foreign revenue generation and resulting taxes, including significant royalty payments, as the companies involved in the sustainable extraction of these resources continue to invest.

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 – standout performer of the year (again)

PGMs are vital industrial metals valued for their durability, resistance to corrosion, 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.

South Africa is responsible for roughly 75% of the total refined platinum production.

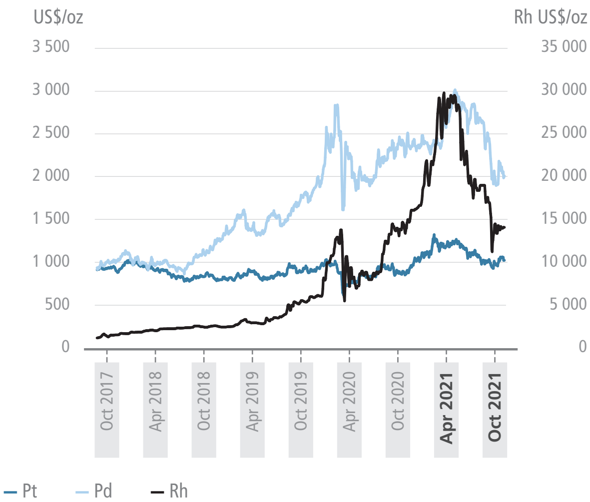
The PGM basket price increased by over 80% on an annual basis and achieved record basket prices for the second year in a row.

The average basket price for the year was US$3 074/oz, up from an average price of US$1 704/oz for the 2020 financial year. The ZAR/US$ exchange rate was volatile throughout the year, averaging ZAR/US$14.83 versus ZAR/US$16.22 for the prior period. PGM basket price in ZAR terms was ZAR45 336/oz, up from ZAR27 690/oz in 2020, as compared to ZAR15 531/oz in 2019.

Tharisa believes in the unique properties of PGMs, which will mean the long-term demand for the metals remains healthy, coupled with reduced and disciplined producer supply of new ounces into the market.

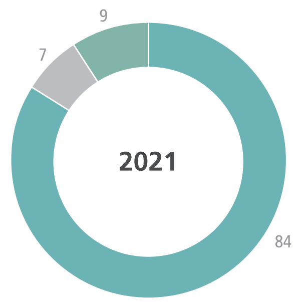
While the upside price movement may be perceived to have overrun, the fundamentals of PGMs in the longer term remain robust, "driven" by a healthy outlook for the internal combustion engine (in the short and medium term), investment demand, and industrial demand. While substitution will take place between palladium and platinum in catalytic converters over time, the inability to substitute the minor metals, the major of these being rhodium, ensures that the PGM basket price will remain robust for at least the next five-year period.

PGM price chart

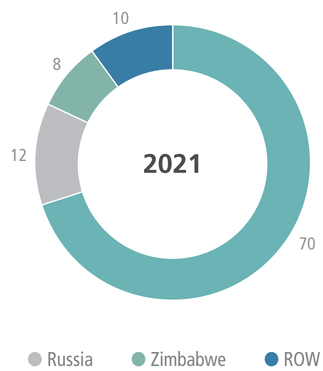


The Company's favourable prill split towards palladium and rhodium, the latter of which Tharisa produced over 15.4 koz for the year, means it has an exposure to the two PGM metals that remain in deficit from a primary production point of view, with rhodium irreplaceable in the catalytic process of an internal combustion engine. The increased demand for palladium and rhodium is likely to continue as structural demand changes continue to take place in autocatalytic demand from India, China, and Europe, as a result of tightening emission standards.

Rhodium production (%)



Platinum production (%)



The ever-rapid deployment of fuel cell technology and the hydrogen economy, influenced by the pressure to reduce carbon footprints, should be supportive for continued platinum demand. As the World Platinum Investment Council stated in their most recent outlook, "Longer term, however, signs of an established recovery are present, benefiting in particular the industrial and automotive sectors. Demand growth appears likely due to higher loadings and rising production of heavy-duty vehicles, increasing platinum substitution for palladium, industrial demand growth, and growing investor interest in the burgeoning hydrogen economy."

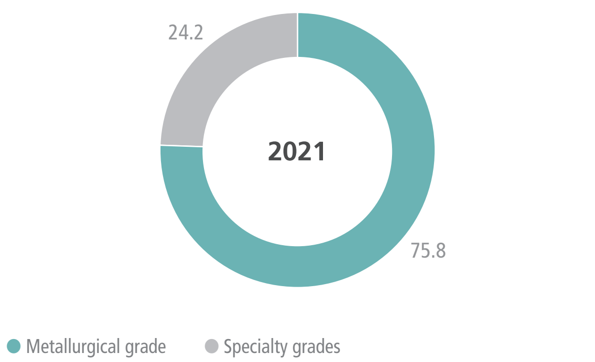
		Year ended 30 September 2021	Year ended 30 September 2020	Year-on-year movement %
Average PGM basket price	US$/oz	**3 074**	1 704	80.4
Average metallurgical grade chrome concentrate contract price	US$/t	**154**	140	10.0

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 12% to 1.50 Mt, with an average metallurgical price received of US$154/t, an increase of 10%.

Chrome production (%)



Metallurgical chrome prices traded at the US$165/t level at the end of the reporting period. An alleviation of power control measures in China is anticipated post the reporting period, which will spur production and consequently the demand for the consumption of chrome ore. Global supply chain disruptions are likely to contribute to the decline in port inventory in China. Increased costs (particularly with regards to logistics) will disrupt supply/demand balances, unless prices are significantly elevated to absorb these additional expenses.

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

Tharisa remains a significant player in the speciality 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%

Metallurgical grade
- Cr_2O_3 – 30% to 45%
- SiO_2 – <4%
- Key ingredient for stainless steel

4%

Chemical grade
- Cr_2O_3 – 45% to 47%
- SiO_2 – <1.2%
- Used to produce sodium dichromate

2%

Foundry grade
- Cr_2O_3 – >46%
- SiO_2 – <1%
- High-thermal conductivity and low-thermal expansion
- Moulds for metal castings

<1%

Refractory grade
- Cr_2O_3 – 46%
- SiO_2 – <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 have an impact on both 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 BUSINESS RISKS

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.

The following tables summarise the material risks identified by management in consultation with stakeholders and with reference to the Group's business model and strategy.

RISK	IMPACT	MITIGATION
Safety		
The safety and health of our people is our core value Operating in a safe manner is a key performance indicator for all executives and managers at Tharisa and its subsidiaries	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	Strive for zero-harm working environment 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 DMRE inspectorate and other regulatory bodies Key performance indicator in Group cash bonus scheme to incentivise safe behaviour Ensure alignment and standardisation across all jurisdictions and operations
COVID-19 pandemic		
Keeping people safe is of paramount importance to Tharisa	Employees contracting COVID-19 Decrease in face-to-face safety interaction and reinforcement High absenteeism Loss of cohesive operating teams Remote access failure Logistics constraints Global economic slowdown Cybercrime targeting business operations The impact of the COVID-19 pandemic is as yet not fully quantifiable as the pandemic is ongoing	Tharisa has put measures in place that at a minimum comply with government regulations and adhere to best practices. Rigorous screening and testing measures are in place. Succession planning is in place in the event of illness. Quarantine and health facilities have been established, as well as a vaccination site where employees and contractors can receive a COVID-19 vaccine. A comprehensive communication strategy to employees and contractors is in place to provide educational awareness to employees on the impact, prevention and treatment of COVID-19 The Company has taken these steps proactively but there are no guarantees that the measures put in place will ensure the Company and its operations will not be affected by the pandemic

RISK	IMPACT	MITIGATION
Political uncertainty		
South Africa – the burgeoning unemployment, increasing government debt and negligible GDP growth has led to a negative response to political certainty Negative business confidence Zimbabwe – limited international sanctions still exist and may affect the stability of the economy Hyper-inflation and monetary policy uncertainty Negative business confidence and political uncertainty Lack of currency liquidity	Unattractive investment destination(s) for international investors Potential for further credit rating downgrades Political civil unrest adversely impacting mine production	The South African government has indicated commitment and intent in ensuring South Africa remains politically stable and that the economy advances Pledges by global concerns to invest in the country will serve to improve business confidence, unlock investment by local concerns, and build GDP growth Continuous drive by the Republic of Zimbabwe to create investor-friendly environment Establishment and awarding of Special Economic Zones in Zimbabwe to assist capital flows and investment
Regulatory compliance		
Tharisa Minerals' right to mine is dependent on strict adherence to various legal and legislative requirements Non-compliance with the Mineral and Petroleum Resources Development Act (MPRDA) and/or Mining Charter and/or the Group's Social and Labour Plan 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 Non-compliance with the Mines and Minerals Act of Zimbabwe and mining regulations promulgated under such Act	Cost of compliance to changes in the Mining Charter Non-compliance, resulting in potential legal sanctions, including fines, penalties and risks to the right to mine via a forfeiture or cancellation Access to forms of capital hindered	Ensure compliance with current MPRDA and applicable legislation Mining Charter provides some certainty Ensure compliance with the terms of the Mining Charter while making use of the phasing-in period Ensure compliance with the Group's Social and Labour Plan Proactive engagement with regulatory authorities and industry organisations Ongoing communication and awareness with investors 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 investment Routine audits are carried out by regulatory/competent authorities in line with the relevant legislative prescripts to ensure compliance Regular internal inspections are conducted by the SHE Department to ensure compliance with regulatory requirements, including the MCOPs and SOPs

PRINCIPAL BUSINESS RISKS continued

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

RISK	IMPACT	MITIGATION
Market/customer concentration		
The bulk of Tharisa's chrome production is exported to China. This gives the Group significant exposure to a single market Proposal by the South African government to impose a chrome tax	Customer base largely located in China, with accompanying exposure to Chinese markets	No reliance on a dominant customer within that market Tharisa has strategically diversified its production through the increase of specialty grade chrome concentrates, which make up approximately 25% of Tharisa's total chrome production Chemical and foundry grade chrome concentrates sold into diversified global markets The development of Salene Chrome in Zimbabwe will further broaden our chrome products, especially higher grade chrome products PGM concentrate sold to leading precious metal refiners on a long-term offtake basis Lobbying of government has thus far shelved the proposed chrome tax in South Africa
Environment		
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	Harm to the environment Increased costs of remediation and rehabilitation due to legislative changes Potential legal sanctions, including mine stoppage and class action suits Poor image of mining companies	Conduct all mining and processing operations in an environmentally responsible manner Compliance with applicable national and local laws and regulations Monitor compliance against EMPR, licences and Equator Principles Compliance with provision for rehabilitation and mine closure Ongoing environmental impact monitoring, management and evaluation Ongoing internal and external compliance audits/inspections Update/amendment of licences, permits and authorisations Community engagements through Social and Labour Plans (SLP) and local forums Ongoing engagements with competent authorities to source advice on new or amended regulations
Climate change		
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 risk, arising from Tharisa being perceived as not contributing to addressing climate risk in a timely and meaningful way by providers of capital	Rising temperature levels can affect the availability of natural elements that are required by the mine, such as access to water Rising temperatures can affect the physical wellbeing of the workforce The availability of capital will reflect how well companies are seeking to decarbonise their operations and supply chains Carbon taxes may be implemented to encourage companies to improve their carbon footprints	Disclosure and reporting on Annual CO_2 emissions Expand and implement a roadmap to reduce operational CO_2 emissions with a targeted reduction of 30% set by 2030 and a drive to become net carbon neutral by 2050. Engaging with our supply chain on their commitment to decarbonisation Closer cooperation with suppliers and ensuring the latest technology is employed to reduce CO_2 emissions In South Africa: Introduction and implementation of energy- and water-efficient ways of product processing Construction of new water storage facilities to cater for projected water shortages Forming part of the water management forums in the catchment area Electricity generation from renewable sources wherever possible Fleet replacement with more modern and/or hybrid drivetrains

PRINCIPAL BUSINESS RISKS continued

RISK	IMPACT	MITIGATION
Local stakeholders		
Tharisa Minerals' neighbours are impacted by its operations in terms of dust, noise, water usage and security The perceptions of stakeholders, including different sections of the community and various levels of government, are varied and multi-layered	Local stakeholder discontent has the potential to disrupt operations Safety and health of the community Complaints to regulatory authorities and risk of intervention Potential for adverse litigation Poor image of mining companies	Ongoing environmental impact monitoring Property purchase agreements being concluded with local landowners Partner with government and local municipality to develop identified land within the municipal spatial development area to which the community may be relocated Ongoing discussions with the DMRE and other government bodies Positive engagements with the local community with a focus on sustainable community projects Focus on recruiting from local communities as much as possible if there is a skills match Rolling out our vaccination site to the greater community as per government regulations
Access to resources and infrastructure		
Tharisa's mining, processing, manufacturing logistics, and marketing operations rely on sustainable access to water, electricity and road and rail infrastructure	Production interruptions Failure to meet delivery and customer commitments and contracts	Two independent processing plants provide flexibility in times of electricity and water curtailments Multi-modal transport optionality via bulk or containers, road and/or rail Integrated agreement for rail transportation and port facilities concluded with Transnet 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 Mine water reticulation system and construction of new water storage facilities Salt and water balancing have improved water quality. Supply potable water from Samancor Mine (Randwater line) Drilling and licensing of new boreholes to ensure water supply volumes remain positive The increased depth of the mine pit is providing more ingression of water, which is dewatered for surface use The deeper the open pits (current mining area), the more water ingression into the pit, leading to more water being dewatered to the surface for use Open-pit diesel-powered mining fleet reduces reliance on electricity Generators installed at the processing plants to mitigate electrical supply curtailments

RISK	IMPACT	MITIGATION
Labour		
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	Labour disruptions in South Africa remain a risk, particularly with the current political climate, which may contribute to heightened labour and community unrest Potential damage to property Loss of production	Monthly liaison with shop stewards and regular contact with regional leadership Ongoing training programmes Adequate insurance cover in the event of damage to property arising from unrest All levels of employees are incentivised through bonus and incentive schemes, leading to improved productivity and employee retention Tharisa has completed year 1 of a four-year wage agreement without disruptions, providing certainty for both parties Care for employees during COVID-19, with additional safety and health measures put in place, while Tharisa managed to survive the first, second and third waves without any retrenchments of workforce
Management of resources and reserves		
Management and planning of the extraction of the multiple MG layers of the reef is critical to the business model Tharisa's success depends on it extracting the maximum value per tonne of the reef while avoiding pit dilution and undue sterilisation of the resource	Sub-optimal quantity and quality of reef results in poor processing plant recoveries, which impacts production and financial performance Sterilisation of resources reduces the life of mine and inhibits mining flexibility Loss of production as a result of low ROM stockpiles ahead of the plants	Owner mining model enables in-house management and control of all mining activities, with a focus on correct mining practices with optimal quality and quantity of ROM Investment in the latest technology and machinery for optimal mining practices In-house mining skills Accuracy and execution of mine plan Mining employees managed on KPIs
Unscheduled breakdowns		
The Group's performance is reliant on the consistent mining and production of PGM and chrome concentrates from the Tharisa Mine	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 Loss of production as a result of low ROM stockpiles ahead of the plants	Optimisation of the existing mining fleet Developed engineering and geological skills that are integral to in-house mining Preventative maintenance programme for the fleet and plant Long-lead item spares in stock Ensure adequate ROM stockpiles (target two months) while supplementing times of low ROM with purchase of ROM from third parties
Cyber security		
The Group performance may be materially and adversely impacted by a cyber-attack on its IT system	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	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 that limit its exposure to internal and third-party access. The Group has implemented and continuously uses globally accepted best-in-class software and protocols to filter malicious and criminal content. It also uses the latest antivirus and security programmes Insurance against cyber-attacks, including backup and restoration assistance Internal backups and scheduled backup tests for integrity and continuity

OPERATIONAL REVIEW

Tharisa's co-product model UTILISING A HIGHLY SKILLED WORKFORCE USING MODERN, MECHANISED MINING IN AN OPEN-PIT ENVIRONMENT proved effective during this difficult period.

Expansion and project roll-out

Innovative thinking (Technology)

Reef mined

5.38 Mt

+ 8.2% | 2020: 4.97 Mt

PGM production (5PGE + AU)

157.8 koz

+ 11.0% | 2020: 142.1 koz

Chrome concentrate production

1.51 Mt

+ 12.7% | 2020: 1.34 Mt

Tharisa acknowledges that the SAFETY OF ITS PEOPLE IS CRITICAL TO ITS SUCCESS.

Tharisa continues to DELIVER OPERATIONAL IMPROVEMENTS FOLLOWING INVESTMENT IN OUR ASSETS, the ongoing optimisation of the open pit, and the flexibility of the processing and distribution capacity.

Open-pit extension by

Seven years

Optimised existing operations

Tharisa's ability to mine and beneficiate its products was evidenced in FY2021, where the Company improved across major metrics and the sustainable operational outlook continues to be aligned with the consistent improvements of these parameters.

Tharisa recorded its sixth fatality-free year and achieved a milestone of five million fatality-free shifts on 1 June 2021.

Driven by a strong volumetric performance that has seen run of mine (ROM) volume increase by 8.2% to 5.38 Mt (2020: 4.97 Mt), including creating additional crushing flexibility and further de-risking the operations with a stockpile build-up, the Company was able to increase grade steadily and consistently throughout the year, setting a new benchmark. With the plant design based on performing best with consistent and correct feed grade, recoveries at both the smaller volume Genesis Plant (focused more on chrome recovery) and the larger volume Voyager Plant (designed to extract maximum value out of the PGMs) increased, leading to better PGM and chrome concentrate production year on year, with PGM output up by 11% to 157.8 koz (2020: 142.1 koz) and chrome concentrate production up 12% to 1.51 Mt (2019: 1.34 Mt), with specialty grade making up 24% of total chrome concentrate production at 364.6 kt (2020: 321.6 kt).

Third-party chrome production was up 31.3% to 223.0 kt (2020: 169.8 kt).

As detailed in the market review, the prices of the two commodity groups improved year on year, up 80.4% for the PGM basket to US$3 074/oz (2020: US$1 704/oz), while the average metallurgical grade chrome concentrate contract price was up 10% to US$154/t CIF China (2020: US$140/t).

Key operating numbers

		Year ended 30 Sep 2021	Year ended 30 Sep 2020	Year-on-year movement %
Reef mined	kt	**5 379.9**	4 971.1	8.2
PGMs produced (6E)	koz	**157.8**	142.1	11.0
Chrome concentrates produced (excluding third party)	kt	**1 506.1**	1 344.8	12.0
Average PGM basket price	US$/oz	**3 074**	1 704	80.4
Average metallurgical grade chrome concentrate contract price	US$/t	**154**	140	10.0

Tharisa's FY2022 production guidance is between 165 koz to 175 koz PGMs (6E basis) and 1.75 Mt to 1.85 Mt of chrome concentrates. COVID-19 remains a risk to the Company and guidance is premised on the current level of economic activity being maintained.

On 11 March 2020, the World Health Organisation declared the COVID-19 (also known as the Coronavirus) outbreak to be a pandemic in recognition of its rapid spread across the globe.

Many governments took and continue to take stringent and economically costly steps to help contain the spread of the virus. Initial steps included self-isolation/quarantine by those potentially affected, implementing social distancing measures, controlling or closing borders, and "locking-down" cities/regions, or even entire countries. In addition, many countries, while slowly opening up their economies, remain cautious. Working from home and limited public engagements are still common while immunisation drives are being implemented. While economies have opened, they are by no means back to their full capacity, and this has a continued effect on economic growth and activity.

The financial effect of this pandemic continues to have an impact on the global economy, and overall business activities cannot be estimated with reasonable certainty at this stage, although a better understanding of the effects has been documented. Management continues to consider the unique circumstances and the risk exposures of the Group and has concluded that the main impact on the Group's business may arise from:

- an interruption of production either on a partial or whole basis;
- a disruption of the logistics operations;
- partial supply chain disruptions;
- the unavailability of personnel; and
- the impact on the demand fundamentals for its products, thereby impacting on commodity prices.

OPERATIONAL REVIEW continued

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 LTIFR for FY2021 was 0.34 (2020: 0.09) per 200 000 man hours worked. The mine achieved six years fatality free and five million fatality-free shifts.

Tharisa Minerals

Tharisa Minerals is 74% owned by Tharisa 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. Through innovative engineering, the mined reef is processed at two independent plants extracting both PGMs and chrome concentrates. This 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 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 being used in different applications.

On 18 November 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 56 to 61). Tharisa Mine's open-pit mining will now continue through to 2041, seven years longer than previously indicated, while also de-risking the development of the operation for underground mining. This development further cements the reputation of the Tharisa Mine as a world-class, long-life asset that underpins our business and will continue to provide a sustainable, low-cost platform for over 50 years.

		Year ended 30 Sep 2021	Year ended 30 Sep 2020	Year-on-year movement %
Reef mined	kt	**5 379.9**	4 971.1	8.2
Stripping ratio	$m^3:m^3$	**11.6**	12.1	(4.1)
Reef milled	kt	**5 600.0**	5 036.1	11.2
PGM flotation feed	kt	**4 248.2**	3 765.9	12.8
PGM rougher feed grade	g/t	**1.49**	1.46	2.1
PGM recovery	%	**77.6**	80.1	(3.1)
6E PGMs produced	koz	**157.8**	142.1	11.0
Platinum produced	koz	**86.7**	78.7	10.2
Palladium produced	koz	**24.9**	23.0	8.3
Rhodium produced	koz	**15.4**	13.5	14.1
Average PGM contained metal basket price	US$/oz	**3 074**	1 704	80.4
Platinum price	US$/oz	**1 080**	876	23.3
Palladium price	US$/oz	**2 513**	2 147	17.0
Rhodium price	US$/oz	**18 860**	8 348	125.9
Average PGM contained metal basket price	ZAR/oz	**45 336**	27 691	63.7
Cr_2O_3 ROM grade	%	**17.9**	18.2	(1.6)
Chrome recovery	%	**63.3**	62.1	1.9
Chrome yield	%	**26.9**	26.7	0.7
Chrome concentrates produced (excluding third party)	kt	**1 506.1**	1 344.8	12.0
Metallurgical grade	kt	**1 141.5**	1 023.2	11.6
Specialty grades	kt	**364.6**	321.6	13.4

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 20 years with a projected 40-year underground mining operation. The open pit is divided into the east pit and west pit, and extracts reef from five MG Chromitite Layers.

In FY2019, the Company redesigned the open pit of the Tharisa Mine, in order to ensure optimal use of our non-renewable resource. With volume ramp up steady in FY2020, despite the impact of COVID-19, the reconfiguration contributed to the mine improving operationally on nearly all metrics in both FY2020 and more significantly, in FY2021.

This led to Tharisa Minerals mining 8.2% more ROM tonnage at 5.4 Mt of ROM for FY2020, while maintaining a healthy stripping ratio of 11.6 m^3:m^3 (2020: 12.1 m^3:m^3), again well ahead of the LOM requirements of 9.8 m^3:m^3. Together with the improvements already shown in FY2020, the operational flexibility created, in particular in the second half of FY2021, meant the mining mix once again approached close to optimal levels. The mine had approximately two-months ROM stockpile ahead of the plants at the end of FY2021.

Processing

The PGMs in the MG ore mined by Tharisa Minerals occur in the silicates and are not associated with the 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 Merensky and UG2 ores, resulting in a low matte fall during smelting, reducing base metal refining requirements.

Tharisa Minerals' two independent processing plants are designed specifically 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 at 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.

Operating in parallel, the independent plants provide processing flexibility and production stability by allowing one plant to be shut down without hampering the production of 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 of the two independent processing plants 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.

Together with the improvements already shown in FY2020, the operational flexibility created, in particular in the second half of FY2021, meant the mining mix once again approached close to optimal levels.

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.

The PGM rougher feed grade for the year improved by 2.1% to 1.49 g/t (2020: 1.46 g/t), while the Cr_2O_3 ROM feed grade was marginally weaker at 17.9% (2020: 18.2%) for the year.

Tharisa Minerals targets recoveries of 85% for PGMs and 65.0% for chrome. In FY2020 PGM recoveries were 77.6%, below the targeted recovery of 85%, mainly due to weak recoveries in the first half. Chrome recovery improved to 63.3% from 62.1% in 2020.

OPERATIONAL REVIEW continued

During the year, the Group increased PGM output by 11% to 157.8 koz (2020: 142.1 koz) and chrome concentrate production was up 12% to 1.51 Mt (2020: 1.34 Mt), with specialty grades making up 24.2% of total chrome concentrate production at 364.6 kt (2020: 321.6 kt). Third-party chrome production was up 31.3% to 223.0 kt (2020: 169.8 kt).

Specialty chrome recovery circuits are integrated into the feed circuit of the Genesis Plant, known as the Challenger Plant. The Challenger Plant, which is 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.

Vulcan Plant

Developed by Tharisa's R&D team, the Vulcan Plant was cold commissioned in October 2021, and once fully commissioned, is expected to materially increase the chrome recoveries from ~62% to ~82%, resulting in increased chrome production of approximately 20% at low incremental unit operating costs and driving Tharisa further down the cost curve. The plant, which will process live tailings produced by the independent Voyager and Genesis plants, will ensure further beneficiation of the Company's chrome production at the Tharisa Mine, while reducing unit output of carbon emissions.

Vulcan is the first large-scale plant to produce chrome concentrates from chrome 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.

Of the total capex, over 90% was procured locally in South Africa, with up to 1 000 contractors locally sourced and over 100 new permanent jobs created.

Internally funded by Tharisa, Vulcan recommenced construction in October 2020, after the lifting of restrictions by the South African government during the height of the first wave of the COVID-19 pandemic.

Sales

The Group's market advantage is its exposure to both the PGM and chrome markets. This dual exposure gives the Group a hedge against volatility in either of the commodity prices.

Tharisa Minerals continues to supply the majority of its PGM concentrate to Impala Platinum in terms of its offtake agreement and is paid a variable percentage of the contained 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 US$3 074/oz, up 80.4% year on year.

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 are derived from metallurgical grade chrome concentrate, which included 200.0 kt of third-party chrome concentrates.

Specialty grade chrome concentrates produced within the Group are sold in terms of an agency and offtake agreement.

The chemical grade chrome concentrate is jointly marketed by Tharisa and an independent third party.

Chrome prices and sales improved year on year, with Tharisa increasing output by 12% to 1.6 Mt, with an average metallurgical price received of US$154/t, an increase of 10%.

Metallurgical chrome prices traded at the US$165/t level at the end of the reporting period. An alleviation of power control measures in China is anticipated post the reporting period, which will spur production and consequently the demand for the consumption of chrome ore.

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 via South African ports to major stainless steel and ferrochrome producers in China and Indonesia.

Arxo Metals

Arxo Metals owns the Challenger Plant, which is integrated into Tharisa Minerals' Genesis Plant. The Challenger Plant is dedicated to the production of 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 for the sale of its concentrates to customers in the chemical and foundry industries globally. Arxo Metals accounted for the production of 127.5 kt of chemical grade chrome concentrate (2020: 83.9 kt) and 25.5 kt of foundry grade chrome concentrate (2020: 30.1 kt) in FY2021.

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. Arxo Metals unlocks greater value from the K3 UG2 chrome plant using innovative processing already in use at our operations. The chrome production for FY2021 from the K3 UG2 chrome plant was 223.0 kt, up from 169.8 kt in FY2020, as more normal production was resumed following many months of COVID-19 induced curtailments in the prior year.

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. The creation of increased value PGM and chrome products through the expansion and optimisation of the Group's processing operations is its core focus.

Arxo Metals operates a 1 MW DC furnace, owned by Tharisa Minerals, which produces PGM alloy, and is continuing its research work into refining processes. Having recently expanded its facilities with new premises in Brits, South Africa, it now houses not only PGM alloy production but many metal production facilities, in line with the Company's stated strategy of maximising value for the raw materials it produces.

Arxo Metals continues to evaluate low-capital, low-energy, value-adding beneficiation projects through in-house research and development.

Arxo Resources

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

In FY2021, Arxo Resources sold 1.3 Mt (2020: 1.1 Mt) metallurgical grade chrome concentrates, of which 1.1 Mt was produced by Tharisa Minerals.

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.

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 to international customers through bulk and container shipping. Exports take place mainly via the Richards Bay Dry Bulk Terminal and the Durban container port on the South African coast.

Arxo Logistics has the exclusive use of the Marikana railway siding for chrome exports. Arxo Logistics also has a good relationship with both South Africa's transport parastatal, Transnet, and the port authorities.

Arxo Logistics shipped a total of 1.33 Mt (2020: 1.17 Mt) of chrome concentrate in FY2021, mostly to main ports in China, including third-party materials.

Of this, 99.6% was shipped in bulk, which is preferred by customers due to ease of handling and reduced port charges, as well as reduced levels of administration.

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 container 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 and is planning to expand this service offering in the year ahead.

During the year under review, more material has been moved utilising road transport, as transport disruptions by Transnet necessitated the switch to road usage. Notwithstanding this, all material was delivered on time by Arxo Logistics.

OPERATIONAL REVIEW continued

MetQ

MetQ is a South African-based company that specialises in the manufacturing and distribution of mineral processing equipment, with a manufacturing facility based in Rosslyn, Pretoria, South Africa. It was acquired by Tharisa with effect from 1 October 2019.

The company was founded in 1979 with a good understanding of the problems faced by the South African mining industry. METQ developed and built its own polyurethane spraying equipment to spray solventless polyurethane as a wear-resistant coating. METQ could then recondition damaged spirals. This brought on an enormous cost saving for the mining industry, as mines no longer had to replace damaged spirals.

METQ later built spirals and hydrocyclones and assembled complete plants. The first such plant was built and exported in 1986. Since then, METQ has added more product ranges that includes hydrosizers, steel fabrication, building of modular plants, research and development, and other services associated with mining.

During this financial year MetQ manufactured key equipment for the Vulcan Plant, as well as the chrome plant for Salene Chrome.

Development projects

The Great Dyke in Zimbabwe is a geological feature of great significance, as it hosts the world's second largest deposits of PGMs and chrome, outside of South Africa's Bushveld Complex. The Great Dyke, which hosts the Main Sulphide Zone (MSZ), is an elongated, slightly sinuous, 550-km long, layered igneous intrusion, with a width of 4 – 11 km, in central Zimbabwe. The Great Dyke bisects the country in a north-north-east orientation and is a 2.5-billion-year-old layered igneous intrusion comprising igneous rocks ranging in composition from ultramafic to mafic.

Karo Holdings

Tharisa plc (Tharisa) has a 26.8% shareholding in Karo Mining Holdings Limited (KMH), with subsidiaries Karo Platinum Private Limited (Karo Platinum) and Karo Refining Private Limited (Karo Refining), which comprise the Karo Project, located on the Great Dyke of Zimbabwe.

The project is located in the Mashonaland West province of Zimbabwe, approximately 80 km southwest of Harare and 35 km southeast of Chegutu. The country is well connected by road and rail infrastructure, with several border crossings from this landlocked country. The Karo Project area covers approximately 23 903 ha located on the Great Dyke.

The Great Dyke is a PGM-bearing geological feature that runs from a north to south direction, and it is approximately 550 km in length and up to 11 km wide, second to the Bushveld Complex of South Africa in terms of its PGM resource base. It is sub divided into distinct sub chambers, namely the Musengezi, Darwendale, Sebakwe, Wedza, and Selukwe sub chambers. The Zimplats Holdings Limited (Zimplats) operations are located in the Sebakwe sub chamber (Ngezi) and the Selous Metallurgical Plant is located in the Darwendale sub chamber. The Unki Mine is located in the Selukwe sub chamber, and the Mimosa operations are located in the Wedza sub chamber. All of the aforementioned mines target the PGMs contained in the MSZ.

The project is located south of the Zimplats Selous Metallurgical Plant and north of the Zimplats Ngezi operations. It is accessible by tar road from Harare, and the closest railway line is approximately 22 km direct distance from the project site. The Ngezi Mining Lease area borders directly to the south.

The project concession area, measuring 23 903 ha, was previously held by Zimplats under its Special Mining Lease. On 6 June 2018, Zimplats released the project concession area to the government, resulting in Zimplats holding two separate and non-contiguous mining leases over the Selous Metallurgical Complex (SMC) area and the Ngezi area. Due to the vast size of the mining concessions that Zimplats held, the project concession area was never developed.

Zimplats had declared an indicated and inferred resource over the Karo Project area, with the last declaration made in June 2017. The declaration states that the project area contains 96.4 Moz of PGMs (4E basis).

KMH acquired the project area in March 2018 and entered into the Investment Framework Agreement with the Republic of Zimbabwe.

KMH has completed an implementation study and is busy finalising legal agreements with the Republic of Zimbabwe.

Salene Chrome

Tharisa acquired Salene Chrome Zimbabwe (Pvt) Limited (Salene Chrome) for US$D3.0 million with effect from 31 March 2021. Salene Chrome is a development stage, low-cost, open-pit asset, located in the Great Dyke in Zimbabwe. The acquisition provides geographic diversification with access to a premium chrome product, a short development timeline, and a low capital requirement.

The Salene Chrome project is located in a Special Economic Zone, 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.

Certain geological exploration work has been undertaken over a seven-kilometre strike from the south of the Salene Chrome East special grant areas, including trenching, pitting, and drilling, and limited trial mining (undertaken by Salene Chrome), as well as metallurgical test work and infrastructure planning, thereby de-risking the investment. Tharisa incurred an amount of US$2.0 million on the initial exploration programme. Based on the results of the exploration and metallurgical test work, an internal discounted cash flow model produced a net present value for Salene Chrome East of US$6.9 million, premised on a life of open pit of seven years, annual chrome concentrate production of 80 kt, a medium-term chrome concentrate price of US$252/t CIF China, capex spend of US$5.0 million, and applying a discount rate of 11.8%. Salene Chrome, as a development stage asset, is not presently income producing.

Mineral Resource estimate

The internally generated resource estimate is based on the results of the drilling and pitting operations in the southeastern 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 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 to date been undertaken on the Salene Chrome West special grant area. Based on historical mining activity in the Salene Chrome West area, it is considered to be prospective for gold, copper, and nickel.

Mining has commenced and the construction of the Chrome Plant is nearing completion with commissioning planned for Q1 FY2022.

Outlook

The continued improved performance over the past 12 months was achieved safely, even in the face of COVID-19 uncertainty. The challenge of the pandemic persists on numerous fronts, yet Tharisa has set increased FY2022 production guidance provided for the Tharisa Mine, particularly due to the investment made in the Vulcan Plant. In Zimbabwe, the exciting developments with Salene Chrome, in the construction phase, as well as the progress on the development of Karo Platinum, will contribute to Tharisa's growth trajectory over the next two years.

Tharisa remains a key participant in the global transition to a low-carbon economy through the critical metals we produce. Not only will Tharisa contribute to this, but the Company will deliver on its stated goals of reaching 30% reduction in emissions by 2030 and carbon neutrality by 2050 through the extraordinary skills and initiatives of our own research and development team, as well as the adoption of leading technologies.

FY2022 guidance is between 165 koz to 175 koz PGMs (6E basis) and 1.75 Mt to 1.85 Mt of chrome concentrates. COVID-19 remains a risk to the Company and guidance is premised on the current level of economic activity being maintained.

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	FY2021 US$/oz	FY2020 US$/oz	Change %
Platinum	1 080	876	23.3
Palladium	2 513	2 147	17.0
Rhodium	18 860	8 348	125.9

Metallurgical grade chrome concentrate	The typical metallurgical grade produced by Tharisa is 40.0% to a 42.0% chrome (as Cr_2O_3) with the silica (SiO_2) lower than 5.0%.
Chemical grade chrome concentrate	The typical chemical grade produced by Tharisa is 44.0% to 46.0% Cr_2O_3 with the SiO_2 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% Cr_2O_3 with the SiO_2 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	FY2021 US$/t	FY2020 US$/t	Change %
42% metallurgical grade	154	140	10.0

SUSTAINABILITY

Safety milestones

28 September 2021
Six
Fatality-free years – Mining

05 November 2021
Seven
Fatality-free years – Process

01 June 2021
5 000 000
Fatality-free shifts (Tharisa Minerals)

01 June 2021
5 000
Fatality-free production shifts (Mining)

05 March 2021
Six years
LTI free – Process Laboratory

06 March 2021
365
MTC free days – Voyager Plant

10 February 2021
Three million
Fatality-free shifts – Mining

31 March 2021
7 000
Fatality-free production shifts – Process

SUSTAINABILITY continued

Safety

0 Fatalities	0 Fatality frequency rate

Health

2 296 Employees and contractors voluntarily tested for HIV/Aids	13.7% employees HIV/Aids prevalence among employees and contractors	12.3% contractors
6 696 Number of COVID-19 screenings	7 608 Employees and contractors screened for TB/silicosis	5 140 Employees and contractors who underwent hearing tests

COVID-19*

Employees vaccinated: 1 108 Family members: 23	Contractors vaccinated: 1 030	Total vaccinated: 2 138

** As at 12 December 2021*

Environment

200 256 MWh Total energy consumption	98 815 tCO_2e Total CO_2 emissions (Scope 1)	US$21.1 m Cumulative rehabilitation provision
1 591 031 m^3 Total water consumption	40.1 M litres Total diesel usage	629.14 t Domestic waste

Data is applicable to Tharisa Minerals for FY2021

Tharisa's business is reliant on a healthy, skilled, competent, and committed workforce. The safety of the Group's people is of the utmost importance to Tharisa and takes precedence over all production objectives. Tharisa aims to explore, mine, process, market, and distribute its products to customers without harm to anyone.

Tharisa acknowledges the significance of all our stakeholders and the impact we may have on them, their businesses and their environment.

Tharisa is proud of its safety milestones. With more than 3 000 employees and contractors at the Tharisa Mine, we celebrated six fatality-free years and five million fatality-free shifts with seven fatality-free years for the processing plants. These safety milestones are achieved through strict adherence to and reliance on safety, health and environmental monitoring, and management systems, which are complemented by operating procedures and highly skilled and trained employees.

We continue to deal with COVID-19, a pandemic that has affected the globe and continues to impact the lives and livelihoods of all its people. We have put the infrastructure in place to care for our employees with an on-site COVID-19 command centre, and an isolation and vaccination facility. We are working closely with our healthcare provider to ensure we remain at the forefront of the latest advice and techniques in dealing with this pandemic. Tharisa's vaccination drive is paying dividends and at the time of writing some two-thirds of the workforce was vaccinated. Tharisa has managed to limit the spread of the pandemic to single digits, while the COVID-19 committee continues to assess the situation within the organisation and ensure compliance with all regulations.

Tharisa employees who contract COVID-19 are fully cared for, and if necessary, specialist medical skills are used in private hospitals to care for employees during this difficult period. Tharisa's COVID-19 quarantine facility and clinic remain fully operational 24/7. The facility has helped with the safe quarantining of the employees while they wait for their results. This has assisted in curbing the rise in infections, all underpinned by the Company's proactive approach to dealing with the pandemic.

In ensuring that employees are fit to perform their responsibilities, they undergo an annual medical fitness examination at the Occupational Health Centre, which is open to both employees and contractors. This further ensures Tharisa complies with the Mine Health and Safety Act provision on annual medical fitness examinations.

Tharisa continues to show commitment to the health and safety of its employees and has deployed several programmes to ensure the wellbeing of its workforce. The programme on voluntary HIV/AIDS testing was well received with approximately 2 296 employees from Tharisa and its contractors participating. Employees who tested positive receive counselling, and are encouraged to participate in the ARV Programme, as advised by a suitably qualified health professional.

Environment

Mining by its very nature has an impact on the environment. Tharisa aims to manage and mitigate its impacts in an environmentally responsible manner and to ensure the wellbeing of all stakeholders. Growing regulatory and social pressures, increasing demands for limited and threatened natural resources, and the changing costs of energy and water all highlight the business imperative of responsible environmental management.

The natural environment remains the cornerstone of human existence. Mining is one of the ways through which economies around the world thrive on extraction or beneficiation. Tharisa aims to conduct its operations in a sustainable manner, which is ensuring that mitigation of environmental impacts is dealt with for the wellbeing of our stakeholders. The idea of co-existence and co-management of the natural environment is engraved in the principles of sustainability and stewardship.

The growing call to tackle climate change has not only increased regulatory scrutiny but the need to adopt resource-efficient management across value chains. Tharisa is no exception; the management of natural resource intakes, sustainability, and the principle of Re-use, Reduce and Recycling has become a business imperative.

Total energy consumption FY2021 200 256 MWh	**Total energy consumption FY2020** 185 807 MWh
Total CO_2 emissions (Scope 1) FY2021 98 815 tCO_2e	**Total CO_2 emissions (Scope 1) FY2020** 82 829 tCO_2e
Cumulative rehabilitation provision FY2021 US$21.1 million	**Cumulative rehabilitation provision FY2020** US$17.3 million
Total water consumption FY2021 1 591 031 m^3	**Total water consumption FY2020** 1 290 346 m^3

SUSTAINABILITY continued

Monitoring

The management of natural resource intakes, such as raw water, is closely monitored and reported on monthly to assist Tharisa in understanding its resource consumption patterns throughout the business cycle. The monitoring and management of the resource intake have benefits for Tharisa and the natural environment and remain an integral part of ensuring the Company attains and maintains its social licence to operate.

Tharisa Minerals continues to monitor its raw water intake due to the scarcity of water in the region.

Supply of adequate and reliable energy to Tharisa Minerals from the state energy utility, Eskom, remains stable at the Tharisa Mine, but erratic in the country as a whole, and there are adequate internal mitigants in place in the case of unplanned power interruptions. The Tharisa Mine has enough standby generating capacity to withstand Stage 4 loadshedding, and given the operational flexibility of its processing plants, is able to manage electricity usage further should the need arise. Energy remains a critical part of Tharisa Minerals' operations and the safety of employees.

Tharisa Minerals has the required and applicable legislative permits that legitimise its operations. Furthermore, Tharisa Minerals has an approved and amended EMPr regarding the MPRDA and approved ROD 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.

Document	Responsible authority	Legislation	Document type
Registered Mining Right	DMRE	Mineral and Petroleum Resources Development Act (MPRDA) No. 28 of 2002	Mining permit/licence
TM Amended Mining Right 2016	DMRE	Mineral and Petroleum Resources Development Act (MPRDA) No. 28 of 2002	Mining permit/licence
WUL Tharisa Minerals 2012	DWS	National Water Act 36 of 1998	Licence
Tharisa Minerals Amended WUL 2020	DWS	National Water Act 36 of 1998	Licence
DACE ROD 26 Oct 2009	DACE/DEFF	National Environmental Management Act (NEMA) No. 107 of 1998	Authorisations
DME ROD 19 Sept 2008	DMRE	Mineral and Petroleum Resources Development Act (MPRDA) No. 28 of 2002	Authorisations
DMR Authorisation 24 June 2015	DMRE	Mineral and Petroleum Resources Development Act (MPRDA) No. 28 of 2002	Authorisations
DMRE Environmental Authorisation 08 Aug 2021 – Fuel and Waste Storage	DMRE	Mineral and Petroleum Resources Development Act (MPRDA) No. 28 of 2002	Authorisations
DMRE ROD 14 Aug 2020 – Tharisa WWTP	DMRE	Mineral and Petroleum Resources Development Act (MPRDA) No. 28 of 2002	Authorisations
Radiation Control Authorisation	Department of Health	Hazardous Substances Act (15 of 1973)	Permit
Municipal Health Services – Graves relocation	Municipal Health Services	National Health Act No. 61 of 2003	Authorisations

Tharisa's disclosure on environmental matters that are regarded as material due to their impact on the business' sustainability include:

Environmental Matters	Impact
Resource Efficiency (Energy and Water)	High
Conservation Management (Biodiversity, Land Use Management, and Closure and Rehabilitation)	High
Environmental Compliance	High
Waste Management	High
Climate Change	High
Adoption and implementation of new legislative provisions	High

Non-compliance comes with serious reputational and financial implications for the Company, and the organisation must ensure there is internal capacity and alignment with any legislative developments and amendments that are relevant to the mine's existence. Tharisa Minerals is aware of the legislative changes that have been effected within South Africa's legal regime, which include the Carbon Tax Act 15 of 2019 and the Greenhouse Gas Reporting Regulations as amended.

Tharisa has been proactive in responding to climate change in terms of the Company's impact on the sustainability of the mining operation and the short, medium, and long-term effects this phenomenon has on the health and wellbeing of the Company's people. In responding to the effects of climate change, the leadership has taken decisive steps to contribute to the fight against climate change and started initiatives through which Tharisa can reduce its carbon footprint by 30% by 2030 and ultimately achieve carbon neutrality by 2050.

Biodiversity

Mining by its nature has an impact on the natural environment and managing this natural environment proactively and for the long term remains vital for the sustainability of the business and environment. Tharisa operates using procedures that safeguard the biodiversity within the mine's vicinity. Tharisa Minerals has Biodiversity Action Plans (BAPs) in place and biodiversity stewardship remains an integral part of operations. Due to COVID-19 restrictions, the removal of invasive species is the only biodiversity initiative that was implemented in FY2021. Tharisa has completed the eradication of invasive species on the western side of the mine and the team is mobilising to start on the east side of the mine in the new financial year. We are using an independent service provider to advise on the technical aspects of the project and the labour for execution is sourced from the local community.

Environmental rehabilitation

Tharisa Minerals takes careful consideration of the impact of its business and mining model throughout the lifecycle of the mine, ensuring that it conducts its mining and processing, in such a way that its impact on the environment is reduced as much as possible. Moreover, where it is possible and safe, operations are concurrently rehabilitated while mining.

In line with the legislative provisions regulating mines in South Africa, the rehabilitation provision is reviewed annually by independent and experienced specialists in line with the approved EMPr to ensure that there is compliance with the commitments. For 2020 and 2021 the rehabilitation provision is a cumulative figure of US$21.1 million.

Energy

A constant and reliable power supply is critical to the sustainability of the Tharisa Mine. The main source of electrical supply is the country's power utility, Eskom. Power interruptions remain a threat to the safety of employees, production efficiencies, and increased maintenance costs on plant equipment. Furthermore, the power interruptions require Tharisa to utilise diesel generators to ensure continued supply and translate into increased Scope 1 emissions. Standby generating capacity is enough to withstand Stage 4 loadshedding, a problematic and sporadic occurrence that has been evident over the past few years, where Eskom does not have enough generating capacity available to meet demand and throttles usage to ensure grid stability.

Tharisa Minerals consumed 200 256 MWh of electricity in FY2021. Development of initiatives that will help reduce Scope 1 and Scope 2 emissions are underway. The type of fuel consumed in the year includes diesel, acetylene, and liquified petroleum gas (LPG). During the year under review, 40.1 million litres of diesel were utilised.

Carbon emissions

Tharisa's management is committed to reducing its carbon emissions by 30% by 2030 (from its 2020 financial year baseline, which uses 2019 data), and it continues to develop a roadmap to be net carbon neutral by 2050 (decarbonisation targets). Investment decisions taken by Tharisa's Board will take into account these decarbonisation targets, alongside the current financial investment criteria. Furthermore, the development of this roadmap will ensure that the pre-defined decarbonisation targets are achieved through the deployment of numerous sustainability initiatives, including but not limited to renewable electricity generation and utilisation, reducing the use of electricity produced from fossil fuel and enabling electricity grid power purchases to be optimised. Tharisa will also look to reduce the carbon intensity of fuels used in its truck fleet as vehicles come to be replaced, taking advantage of advances in alternative fuels, including hydrogen and battery electric drivetrains.

SUSTAINABILITY continued

Carbon emissions

FY2021		
Scope 1	**Scope 2**	**Scope 3**
98 815 tCO_2e	212 272 tCO_2e	4 926 110 tCO_2e*

FY2020		
Scope 1	**Scope 2**	**Scope 3**
82 829 tCO_2e	182 343 tCO_2e	2 285 059 tCO_2e

** The Scope 3 values have increased due to a change in methodology. The benchmark values for ferrochrome smelting were published by the South African Government recently and the calculation for the downstream processing of sold products (Scope 3 Category 10) have been amended in line with the new methodology.*

Carbon tax

South Africa remains a significant global emitter due to its reliance on electricity that is generated by fossil fuels. The country is a signatory of the Paris Agreement on Climate Change and is compelled to adhere to the international emission reduction commitment to reduce the country's greenhouse gas emissions. In ensuring that these commitments are achieved, South Africa has a Carbon Tax Act, which is now law. As an open-pit operator, Tharisa does not have a carbon tax liability according to the study that was commissioned on understanding the legal implications of the Act on Tharisa. However, Tharisa has registered with the South African Revenue Service (SARS) for carbon tax returns, as prescribed by the provision of the SARS Act. Tharisa has filed its carbon tax returns for the year under review.

Materials

Tharisa continued to measure the tonnages of explosives material used for the financial year, as explosives are a contributor to GHGs. In ensuring that we measure the explosives materials used, disclosure of the consumed material is important.

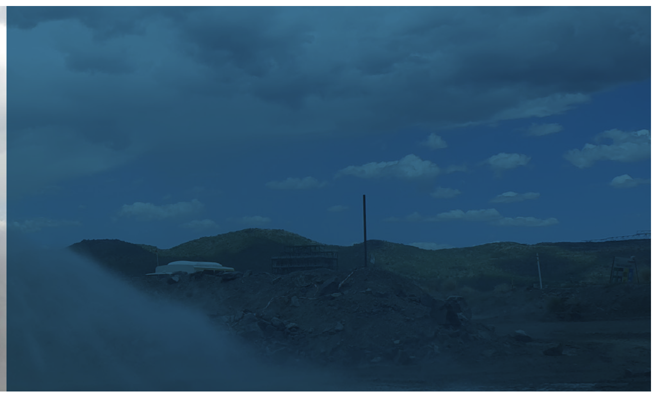
Consumed material	**FY2021**	FY2020
Explosives (t)	**18 272**	15 763

Water management

Water conservation management is one way of ensuring that one of the critical natural resources used throughout the mining value chain is managed in accordance with best practice and, where possible, water is recycled and reused in Tharisa's operations. The local community has been made aware of the importance of water conservation, as the region is a drought-prone area, therefore awareness campaigns on water conservation are important.

Water shortages remain a business risk. Tharisa has invested in boreholes to ensure continued supply of water to the mine during water shortages, either due to reduced supply from the water scheme allocations or to natural droughts. Raw water is supplied from the Buffelspoort Dam and a specific allocation from Rand Water, in addition to the borehole water and excess water from the mining pits. Tharisa Mine has a positive water balance, which is closely monitored by an on-site team. Any changes that affect the water balance are dealt with swiftly.

Water quality is closely monitored to assess the impact of the water used in the milling operations and beneficiation on the receiving natural environment. Surface and groundwater monitoring is conducted regularly through biomonitoring of the water table as per licence conditions.



Air quality

Dust monitoring is conducted across various locations within the mine and the nearby areas to ensure compliance with the relevant legislative prescripts. Dust suppressant is applied to reduce dependence on water for dust suppression, when necessary.

Waste management

Tharisa Minerals manages and monitors its activities to ensure compliance with the relevant legislative prescripts and to mitigate and reduce the impact of waste on the environment. The waste management activities of the mine are regulated in accordance with the MPRDA and not with the National Environmental Management Waste Act (NEMWA). The different waste produced by the mine is disposed of in accordance with the relevant procedures and legislative prescripts applicable to the waste generated. The waste rock is deposited on the permitted waste rock dumps, while it is also used for backfill in the mining pit.

Waste produced	Unit	**FY2021**	FY2020
Waste rock	Mm3	**17.6**	16.1
Tailings	Mm3	**4.1**	3.7
Domestic waste	t	**1501.3**	637.4
Hazardous waste: Used oil	kℓ	**393.4**	357.8
Hazardous waste: Other	t	**671.5**	356.4

Human resources

Human capital development

Training and development

R38.5 million **Total amount spent on training**	R23.3 million **Amount spent compulsory training**	R15.2 million **Amount spent on accredited training**
6 439 **Employees who received training**	43 **Employees received bursary**	45 **Learnerships/internships**

Our people

Diversity

1 831 **Total number of employees at Tharisa Minerals**	1 372 **Male** **77%**	411 **Female** **23%**

Designated groups*							**Non-designated**		
Male			**Female**				**Male**	**Foreign Nationals**	
African	Coloured	Indian	African	Coloured	Indian	White	White	Male	Female
1 261	21	2	375	3	2	34	112	20	1

* *"Designated groups" means black people, women and people with disabilities.*

Tharisa Minerals

Our people at other Group companies

236 **Total number of employees at other Group companies**	161 **Male** **68%**	75 **Female** **32%**

SUSTAINABILITY continued

Psychometrics

Tharisa employs a full time Registered Industrial Psychologist, with a major focus on psychometric assessments, helping management understand employees needs and requirements, while contextualising the information and ensuring a better operational outcome. For the year under review, 80 Individuals were assessed and are in grade D2 and higher in line with the Patterson grading system.

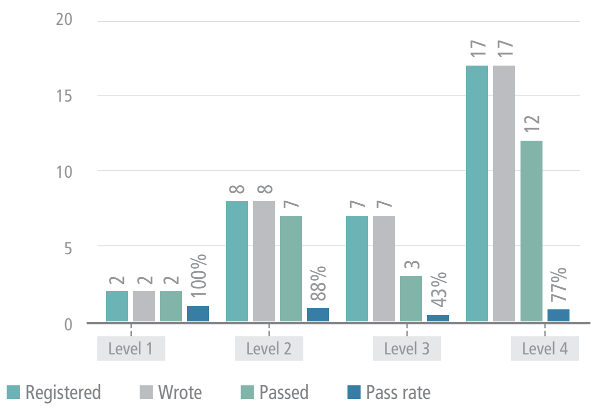
Coaching and counselling

Tharisa provides counselling sessions as part of its employee wellness programme. For the year under review, the Company conducted 489 counselling screening sessions (average of 40 individuals per month), conducted by the Industrial Psychologist and two registered social workers.

External counselling referrals amounted to 542 sessions (average of 45 individuals per month), conducted by three psychologists located in Rustenburg, Marikana and Brits. Tharisa continues to ensure that all cases are closed in accordance with the recommendations from the psychologists.

Adult education and training

Adult education and training enrolments



In FY2020, 50 adults had enrolled and in FY2021, 17 have enrolled. This drop is significant; however, the effect of COVID-19 continues to affect the programme negatively. We are hopeful that the number will improve with more of the population being vaccinated in the future.

Social review

Tharisa Minerals is committed to the socio-economic upliftment of the host communities in which the mine operates. The Company strives to minimise potentially negative social impacts while promoting opportunities for these local communities. Tharisa Minerals will continue its commitment to community initiatives through its social and labour plan to address job creation; poverty alleviation; and basic infrastructure, education and development needs.

Community

Total CSI/SLP spend	ZAR2.2 million
Number of active CSI/SLP projects	3
Areas of CSI/SLP spend	
Basic needs	ZAR180 000
Education	ZAR600 000
Infrastructure development	ZAR1.1 million
Enterprise development	ZAR330 000
Dividend to Community Trust declared	R4.4 million

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

Our strategy for the social and economic advancement of host communities is informed by the local municipality's Integrated Development Plan (IDP) and is translated into action through local initiatives incorporated into the mine's Social and Labour Plans (SLP). Key municipal initiatives include local economic development projects, bursary awards to qualifying Grade 12 graduates, internships, work-integrated learning opportunities, and apprenticeship opportunities for youths.

Community relationships

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

Within Ward 32, the municipal area in which the mine operates, are several villages and smallholdings, resulting in a diverse range of stakeholders from employee families to farmers. Tharisa engages with small farm owners separately from the other communities due to different and diverse needs and cultures.

The broader communities are represented by an elected ward committee as per different wards, led by a municipal ward councillor. Monthly meetings are held with the ward committee to address issues affecting both the mine and the communities.

Mine management is proactive in building and maintaining stakeholder relationships with the local communities and a dedicated management team monitors and manages Tharisa's social and economic impacts in terms of SLPs and other CSI initiatives.

Tharisa Minerals has established engagement forums dealing with different community issues. These forums also engage with the steering committee for the local community neighbouring the Tharisa Mine. The Company furthermore maintains its relationship with the community through a dedicated community liaison officer and via these engagement forums, which include the local municipality.

SLPs and CSI

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

Consistent with its corporate and social responsibility, the Group established The Tharisa Community Trust, which holds a direct, unencumbered 6% equity interest in Tharisa Minerals, for the benefit of members of the local community in which the Tharisa Mine is located.

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 them with the necessary skills to make them employable, not only by Tharisa Minerals but also by other mines in the area.

During FY2021, 60 community members benefited from basic numeracy and literacy training provided by Tharisa Minerals, at no cost to the beneficiaries. Other human development interventions include awarding 45 internships and learnerships and giving bursaries to 43 employees.

Eight engineering learnerships were awarded to members of the local community and on completion of 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 graduates have been sourced nationally, 46% of them are from the North-west Province, where the Tharisa Mine is situated.

Being a highly mechanised operation, the Tharisa Mine is not labour intensive, making it impossible for Tharisa Minerals to meet the employment needs of the local communities alone. A database from which people are identified for recruitment and training interventions has been established by the mine, in collaboration with the local communities. From the beginning of May to the end of November 2021, a total number of 126 people from local communities were employed by contractors on site.

THARISA MINERALS: MINERAL RESOURCE AND MINERAL RESERVE STATEMENT

Introduction

The Mineral Resource and Mineral Reserve of Tharisa Minerals was prepared under the guidance of the Competent Person (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 2021.

The previous declaration of the Mineral Resource and Mineral Reserve was dated September 2020. 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, the end of Aug FY2021 mining face and one-month forecast from the production schedule. 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 CP.

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 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 35 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 Unit DSF01, 2nd Floor, Block D, Southdowns Office Park, 22 Karee Street, Southdowns, Centurion, 0157. 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

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).

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 chromite. The MG Chromitite Layers at the Tharisa Mine are a typical stack of tabular deposits.

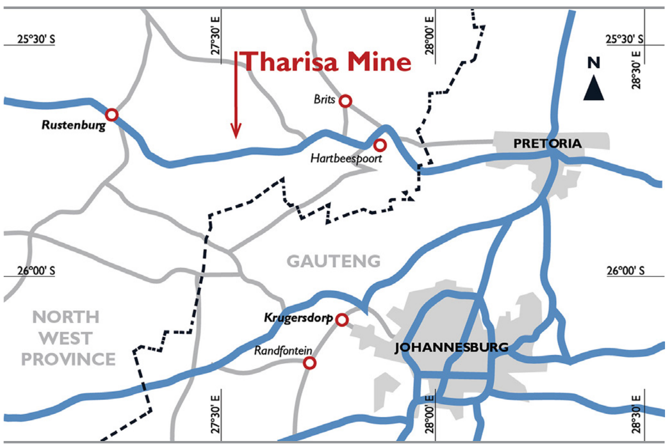


Figure 1: Location of the Tharisa Mine

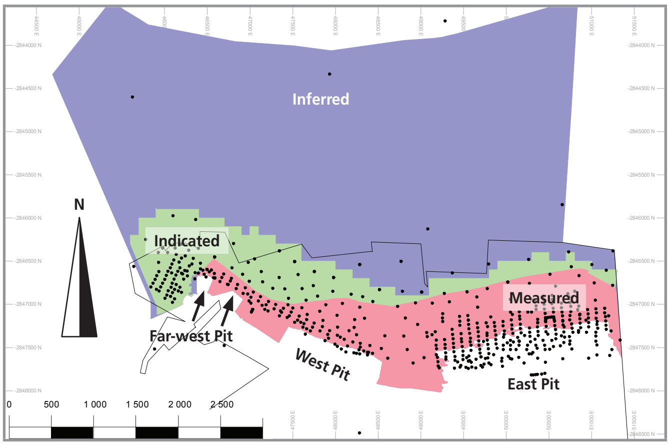


Figure 2: Image of the Tharisa Mine plan showing borehole locations and the extent of the open pits

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.

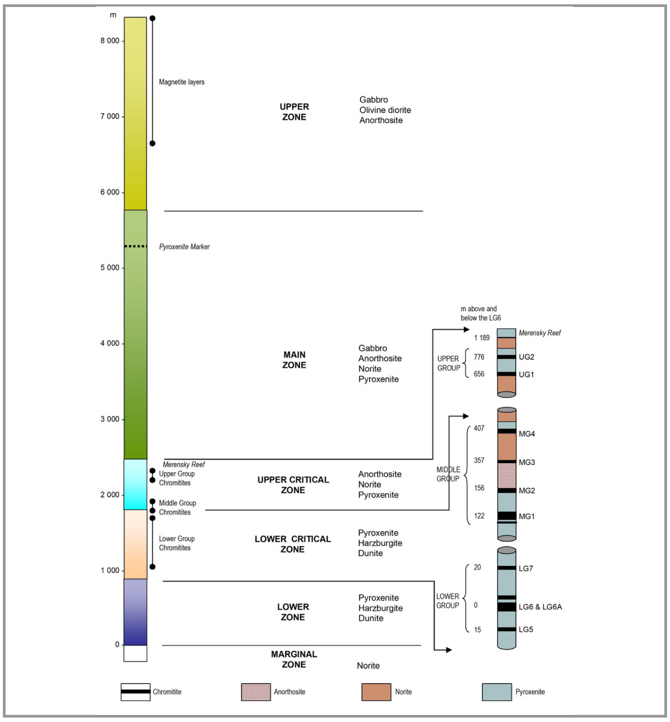


Figure 3: Stratigraphic map

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 pit perimeter.

The previous declaration of the Mineral Resource and Mineral Reserve was dated September 2020. 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 revised interpretation in the west and far west. 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 2021 is reported inclusive of Mineral Reserve.

THARISA MINERALS: MINERAL RESOURCE AND MINERAL RESERVE STATEMENT continued

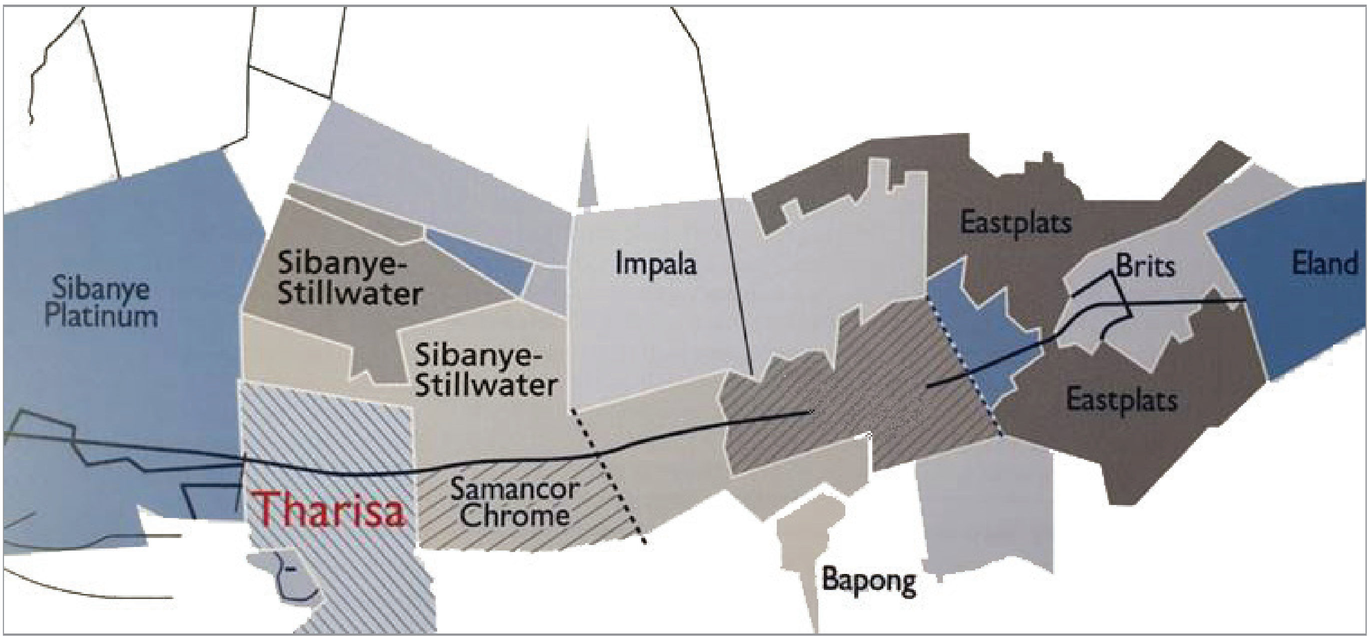


Figure 4: Map of the location of the Tharisa Mine

Mineral Resource estimate

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_2O_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_2O_3	Mt	24.47	21.80	124.79	171.06

2020	Unit	Measured	Indicated	Inferred	Total
Tonnes	Mt	105.69	85.74	668.15	859.58
6PGE + Au grade	g/t	1.77	1.50	1.52	1.55
5PGE + Au grade	g/t	1.69	1.43	1.45	1.47
3PGE + Au grade	g/t	1.32	1.07	1.12	1.14
Cr_2O_3 grade	%	22.66	22.60	19.26	20.01
Contained 6PGE + Au	Moz	6.01	4.14	32.63	42.79
Contained 5PGE + Au	Moz	5.73	3.83	31.10	40.67
Contained 3PGE + Au	Moz	4.50	2.95	24.13	31.57
Contained Cr_2O_3	Mt	23.95	19.38	128.67	172.00

Mineral Reserve declaration

The Mineral Reserve estimate for September 2021 was based on a revised and updated LOM for the open pit. This estimation was underpinned by an updated mining model and incorporates the current economic conditions, current on-mine mining methodology and survey 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 geological losses, mining losses, mining dilution, and metallurgical recovery. As part of the LOM process, a reconciliation was done as the basis for the modifying factors to be applied. The reconciliation completed with the below modifying factors on the different pits were deemed appropriate to form the basis of the Mineral Reserve estimate.

Parameter	Unit	East pit	West pit	Far-west pit
MG4A dilution thickness	m	0.53	0.51	0.51
MG4 dilution thickness	m	0.83	0.71	0.71
MG3 dilution thickness	m	0.75	0.60	0.60
MG2 dilution thickness	m	1.30	0.83	0.83
MG1 dilution thickness	m	0.48	0.44	0.44
Mining losses	%	6.0	6.0	10.0
Geological losses	%	5.0	7.5	15.0

The variance between the 2020 and 2021 Mineral Reserve estimation is due to:

- Mining depletion
- Updated geological model and an updated coding of the MG layers in the western pit area
- Updated open pit design based on the updated pit optimisation results
- Removal of a portion of the underground Mineral Reserves due to the increase of the open pit depths.

The pricing assumptions are the averages of individual estimates from local and international analysts, underpinned by averages from S&P's CapitalIQ platform. The Chrome forecasts are further supported by historical data from Ferralloynet.

The LOM plan was designed to extract the MG Chromitite Layers, firstly from open-pit mining to a maximum depth of 260 m 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. This was updated for the 2021 Mineral Reserve estimate by removing the areas falling within the updated open pit economic pit limits. The increase in pit depths had no impact on the position of the underground portal positions.

The Mineral Reserve tonnage increased by 16.7 Mt due to the final pit limit increase of the open pits. Pit design and updated MG Chromitite Layers accounted for a 26.4 Mt increase, mining depletion accounted for a 4.5 Mt decrease and the underground Mineral Reserves reduced by 6.2 Mt.

The PGM (3PGE + Au) and Cr_2O_3 grades remained similar to the 2020 quality estimates. No Inferred Mineral Resources were included in the open-pit LOM plan. Inferred Mineral Resources formed part of the underground mine plan, but were not considered as part of the Mineral Reserve estimate. If excluded from the underground mine plan, the underground project may not be feasible.

The open-pit LOM schedule was based on a targeted ROM production rate of 5.64 Mtpa over a period of 15 years before the East open pit is depleted and up to the depletion of the West pit after an additional five years. The final open pit ROM material will be produced during 2041. The open pit LOM increased by eight years due to the increase in the open pit limits. The East open pit transitions to underground mining from 2036 onwards and the West open pit from 2041 onwards.

The Mineral Reserve for the underground project was derived from the Measured and Indicated Mineral Resource portion included as part of the underground LOM plan. The underground section was scheduled to ramp up during the final phase of the open pit operation, targeting the MG2 and MG4 Chromitite Layers from the final open pit highwall. The Mineral Reserve for the underground section extends to a maximum depth of 270 m, constrained by the Mineral Resource classification. It would be reasonable to expect that the underground LOM can be extended to a maximum depth of 700 m, pending further fieldwork and study work.

The 2021 Mineral Reserve estimate was based on the approved Mineral Resource models, modified mining models, and mine designs. An updated LOM production schedule was completed for the open pit as the basis for the 2021 Mineral Reserve estimate. 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.

THARISA MINERALS: MINERAL RESOURCE AND MINERAL RESERVE STATEMENT continued

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_2O_3 grade	**%**	**18.7**	**17.2**	**18.5**
Contained 3PGE + Au[(1)]	**Moz**	**2.7**	**0.5**	**3.3**
Contained Cr_2O_3[(2)]	**Mt**	**14.6**	**2.8**	**17.4**
Open pit 2020	Unit	Proved	Probable	Total
Tonnes	Mt	66.2	6.1	72.4
5PGE + Au grade	g/t	1.40	1.09	1.37
3PGE + Au grade	g/t	1.08	0.84	1.06
Cr_2O_3 grade	%	18.4	14.1	18.1
Contained 3PGE + Au[(1)]	Moz	2.2	0.3	2.4
Contained Cr_2O_3[(2)]	Mt	12.2	0.9	13.1
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_2O_3 grade	**%**	**18.7**	**20.6**	**20.0**
Contained 3PGE + Au[(1)]	**Moz**	**0.2**	**0.5**	**0.8**
Contained Cr_2O_3[(2)]	**Mt**	**1.1**	**2.7**	**3.8**
Underground 2020	Unit	Proved	Probable	Total
Tonnes	Mt	8.1	17.1	25.1
5PGE + Au grade	g/t	1.57	1.62	1.60
3PGE + Au grade	g/t	1.23	1.24	1.24
Cr_2O_3 grade	%	19.3	20.6	20.1
Contained 3PGE + Au	Moz	0.3	0.7	1.0
Contained Cr_2O_3	Mt	1.6	3.5	5.1
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**	**1.42**
3PGE + Au grade	**g/t**	**1.11**	**1.11**	**1.11**
Cr_2O_3 grade	**%**	**18.7**	**18.7**	**18.7**
Contained 3PGE + Au[(1)]	**Moz**	**2.9**	**1.0**	**4.0**
Contained Cr_2O_3[(2)]	**Mt**	**15.7**	**5.6**	**21.3**
Total open pit and underground 2020	Unit	Proved	Probable	Total
Tonnes	Mt	74.3	23.2	97.5
5PGE + Au grade	g/t	1.42	1.48	1.43
3PGE + Au grade	g/t	1.09	1.13	1.10
Cr_2O_3 grade	%	18.5	18.9	18.6
Contained 3PGE + Au	Moz	2.5	1.0	3.4
Contained Cr_2O_3	Mt	13.8	4.4	18.2

** 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

Year-on-year deferral of waste could have a substantial impact on the open pit Mineral Reserve and sustained delivery of chrome and PGM product. Waste-stripping production risks are being addressed and year-on-year improvements are achieved, but it is still below current planned waste-stripping targets.

An auditable and ongoing reconciliation process could add significant value to the appropriate understanding of the systematic contribution of process plant recoveries and dilution and losses on the mining operations related to plant feed grades, mining methodology and equipment allocation to sustain cost-effective production performance. Plans are currently being investigated to address this risk. Flow diagrams were approved and will be implemented during the latter periods of 2021.

Current long-term PGM and chrome prices were adopted for the pit optimisation process as the basis for the open pit techno-economic mining limits. Sustained low commodity prices over the long term will materially impact on the overall value of the operation and can have a material impact on the size of the open pit Mineral Reserve.

Due to a pit selection strategy that was based on value and extended life, sustained low-cost and efficient mining, with a specific focus on waste backfill and processing recoveries, are critical to sustainably deliver value from the open pit operation.

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.

BOARD OF DIRECTORS

Executive directors

Loucas Pouroulis (83)

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 responsibility for the development of strategy and the identification of 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 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 considered uneconomical by the majors. By the 1990s, he had established Petra Diamonds and, since 2000, has established among others, Eland Platinum, Tharisa, Kameni, Keaton Energy, Salene Chrome and the Karo Mining Group.

Phoevos Pouroulis (47)

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 19 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 (59)

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 the financial reporting management of the Group. Michael has more than 12 years' executive financial management experience in the mining sector. In addition, he has 20 years' experience in investment banking, focusing on mergers and acquisitions and capital raisings of both equity and debt.

Non-executive directors

Shelley Wai Man Lo (46)

Non-executive director

Appointed: **10 February 2021**

Bachelor of Economics (University of Hong Kong)

Shelley Wai Man Lo, a Chinese National, 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 (58)

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, Zhong 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*

Independent non-executive directors

Carol Bell (63)

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. Carol has broad public company experience and currently serves on the Bonheur board. She is also a non-executive director of the BlackRock Energy and Resources Income Trust and serves on the Board of the Development Bank of Wales and The Football Association of Wales. Carol 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 the National Museum of Wales, Vice Chair of the Wales Millennium Centre, Chair of the British School at Athens, and Treasurer of the Institute for Archaeo-metallurgical Studies.

Roger Davey (76)

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 a number of boards, including Atalaya Mining Plc, Central Asia Metals plc and Highfield Resources Limited.

David Salter (63)

Independent non-executive director
(Former Lead Independent Director from 13 February 2014 to 30 September 2021)

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 the development and management of mining companies, including both 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 (Guernsey) Limited and is a non-executive director of a number of unlisted companies in the mining, property and agricultural sectors.

Antonios Djakouris (74)

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.

Omar Kamal (49)

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 27 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, Quiqup and Arab Bank Switzerland as Chairman of the Fintech Committee. In the same context, Omar makes a personal strategic contribution towards 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.

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*

CORPORATE GOVERNANCE

Introduction

Tharisa is incorporated in Cyprus and is therefore 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 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 remain 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.

The Company has its registered office in Cyprus and is subject to Cyprus disclosure and transparency legislation, Cyprus market abuse legislation, and the European Commission Market Abuse Regulation EU596/2014, and for such purposes considers Cyprus as its home state, where such term requires interpretation. The LSE Listing Rules invoke the application of certain provisions of the UK Disclosure and Transparency Rules where similar provisions do not exist under the national law of its home state. The Company considers that the requirements under the UK Disclosure and Transparency Rules are met under corresponding national law, but nonetheless the Company aims to apply the relevant UK Disclosure and Transparency Rules applicable to the Company in circumstances where there may be a deemed discrepancy. For the purposes of the present corporate governance report, a reference to Disclosure and Transparency Rules shall be a joint reference to applicable UK and Cyprus transparency rules. 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 the fact that accountability, integrity, fairness, transparency and integrated thinking 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 the application of 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 76 to 84.

The Board believes that the Company is compliant 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 reviewed 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.

In light of his tenure on the Board and as Lead Independent Director, David Salter has handed over the reins of the Lead Independent Director role to Carol Bell. This change is effective from 1 October 2021.

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 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 from 1 October 2021)
David Salter (Lead Independent Director until 30 September 2021)
Antonios Djakouris
Omar Kamal
Roger Davey

Non-executive directors

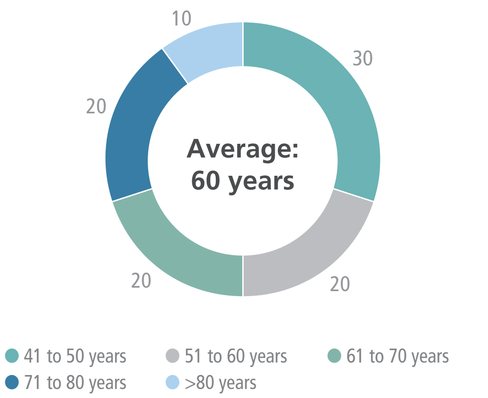
Zhong Liang Hong
Shelley Wai Man Lo

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.

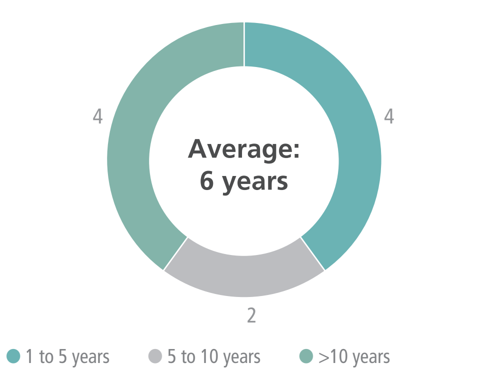
The Board is structured in such a way that there is a clear balance of authority, ensuring that no one director has unfettered powers. The size of the Board is regulated by the Company's Articles of Association and directors are appointed through a formal process.

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.

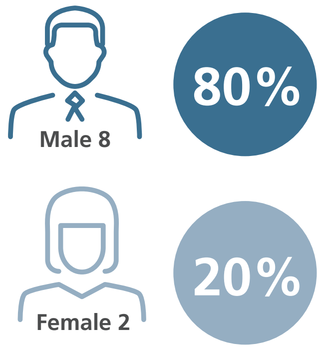
Age (%)



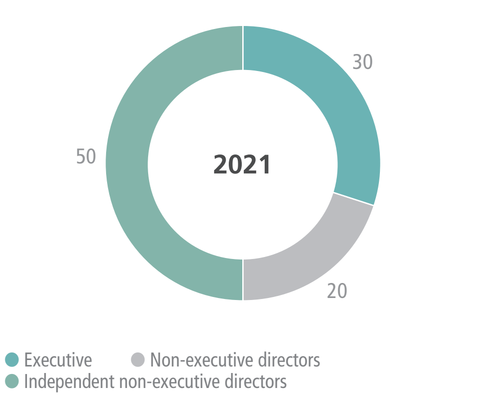
Tenure (%)



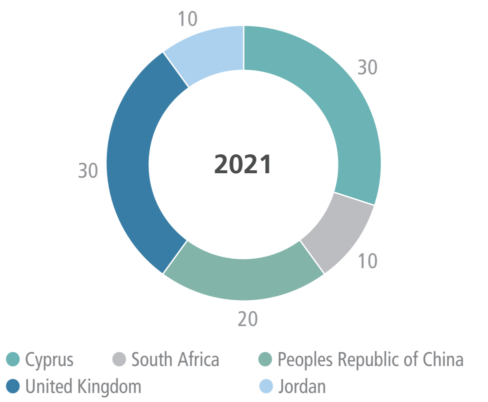
Gender



Independence (%)



Nationalities (%)



Experience

- 5 Mining and metallurgy
- 1 Energy, oil and gas
- 5 Finance
- 6 Strategy and risk
- 3 Commodity markets
- 1 Information technology

Please note that some Board members have skills and expertise in more than one area

Board diversity

The Nomination Committee reviews and assesses the size, structure, and composition of the Board on an ongoing basis to ensure it is appropriately diversified. In this assessment, it takes into account 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, and 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, and 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.

During the assessment process, the Nomination Committee also considers the relationship between executive and non-executive directors. The Board believes that 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

Role 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 creation of value and its various stakeholders. The Board is fundamentally important to the achievement of the Company's mission and financial objectives and the fulfilment of its corporate responsibilities in a sustainable manner 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 they operate. 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 71.

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 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 on a regular basis, at least quarterly, and all directors participate in the key 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;
- actively 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 make an active contribution at meetings.

The chairman's performance is appraised by the non-executive directors 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 includes:

- 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 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.

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 with regard to 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 in a constructive manner, without becoming involved in the day-to-day running of the business.

The key responsibilities of non-executive directors include oversight to 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 a true and fair reflection of its actions and financial performance and that the necessary internal control systems are implemented and monitored on a regular basis;
- 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 are required to have sufficient time to perform their duties as directors and to make a meaningful contribution. They should be prepared to question and challenge the opinions of executive directors 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 meet without the presence of the executive directors at least twice a year. Non-executive directors met twice during the year under review.

Board appointments

Members of the Board are appointed by the Company's shareholders. 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. Pursuant to the terms of the Board Charter, appointments to the Board are made on 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 to 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 typically 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. Shelley Wai Man Lo was appointed on 10 February 2021 and will accordingly retire at the next AGM and will 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 to not have vacated their office. David Salter, Antonios Djakouris, and Shelley Wai Man Lo will be retiring by rotation at the upcoming AGM. All three directors have

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made themselves available for re-election. A brief curriculum vitae of each director standing for election or re-election appears on pages 62 and 63.

Board support for election or re-election is not automatic. The Nomination Committee assesses the composition of the Board and 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 makes a determination as to whether it will endorse a director standing for election or re-election. Having assessed the performance of the directors standing for election, and specifically the independence of David Salter and Antonios Djakouris, 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.

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.

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	David Salter	Loucas Pouroulis Antonios Djakouris	CEO
Remuneration Committee	Antonios Djakouris	David Salter Carol Bell 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

Post year-end changes to the composition and chairmanship of Board committees, effective from 1 October 2021

	Chairman	Members	By standing invitation
Nomination Committee	Carol Bell	Loucas Pouroulis David Salter Antonios Djakouris	CEO
Remuneration Committee	Carol Bell	David Salter Antonios Djakouris Roger Davey	CEO CFO

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, independent internal auditors, CFO, and CEO attend committee meetings by invitation. The committee meets with the internal and external auditor, without any executive directors being present.

Both the internal and external auditors have unrestricted access to the chairman of the committee and to 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.

In terms of the Audit Committee's oversight role in the integrated reporting process, it takes into account all factors and risks that may impact on the integrity of the integrated 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 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 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 98 and 99.

The appropriateness of the expertise and experience of the CFO is considered on an annual basis and the committee is satisfied as to 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 four 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 Chief Operating Officer (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, with specific focus on COVID-19 specific risks. 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 on the Company and the Group on an ongoing basis. The Risk Committee meets as often as is deemed necessary and met only once during the year under review due to the impact of the COVID-19 pandemic.

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Nomination Committee

During the year under review, the Nomination Committee was chaired by David Salter in his capacity as the Lead Independent Director. Other members of the Nomination Committee were Antonios Djakouris, an independent non-executive director, 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 proposal to appoint Shelley Wai Man Lo as non-executive director to replace Vaneese Wing Ye Chu, who retired by rotation at the AGM held in February 2021, and recommended the appointment to the Board.

The committee also 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 so as 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.

Carol Bell has been appointed to, and has taken over the chairmanship of, the Nomination Committee in line with her appointment as Lead Independent Director, with effect from 1 October 2021.

Remuneration Committee

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

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, and performance-based remuneration schemes. The committee also deliberated extensively on the performance criteria of the 2018 and 2019 awards in terms of the Tharisa Share Award Plan, which had been based on the respective budgets at the time of the awards, and the performance criteria of the 2020 awards, which had been based on market guidance. Taking into account 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 safe, the committee exercised its discretion and approved the full vesting of the respective tranches of the 2018, 2019, and 2020 awards on 30 June 2021. The main principles on which the committee based its decision were the outstanding performance of management and all employees of the Group under extremely challenging circumstances, the experience of employees during the period, the fact that there were no COVID-19 related layoffs, and the experience of shareholders during the period in the form of a significant improvement in the share price and return of cash to shareholders through the continued payment of dividends by the Company. In addition, the committee considered the impact of the COVID-19 pandemic on the construction of the Vulcan Plant and the consequential impact on production and economic KPIs, which were not achievable as a result of COVID-19 induced delays. Construction recommenced early October 2020, the cost of which was being funded internally.

The committee met formally twice during the year under review.

Carol Bell has been appointed as chairman of the Remuneration Committee with effect from 1 October 2021. Antonios Djakouris, David Salter, and Roger Davey remain members of the committee.

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
- fair labour practices, which include the freedom of association, right to collective bargaining, and the elimination of forced labour, child labour, and discrimination
- promotion of greater responsibility toward the environment
- prevention of bribery and corruption
- the Organisation for Economic Co-operation and Development's recommendations regarding corruption
- the Equator Principles
- 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 of its products or services on the environment, health, and public safety and 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 the prevention of pollution, 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, 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.

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 the identification of 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.

During the year, the committee considered various opportunities presented to it and recommended the acquisition of 100% of the shareholding in Salene Chrome Zimbabwe to the Board for approval. The acquisition was approved by the Board, effective 31 March 2021.

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

Climate Change and Sustainability Committee

During the year under review, 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 new 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. Meetings of the committee are attended by the COO, Group Executive: Legal, CTO, Head of Investor Relations and Communications, and the Group ESG Manager by invitation.

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The purpose of the committee 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 provides support to management in ensuring that the Company addresses issues of climate change and sustainability 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.

The focus of this committee, in the near term, is oversight of the implementation of the Company's carbon action plan to becoming 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 shall have access to sufficient resources in order 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 will be held as often as necessary, but at least twice a year. The committee held its first meeting in November 2021.

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
Number of meetings held	**4**	**5**	**1**	**2**	**1**	**4**	**1**	**3**
Loucas Pouroulis	4	–	1	–	1	–	–	2*
Phoevos Pouroulis	4	4#	1#	2#	1	4#	1	2*
Michael Jones	4	5#	–	2#	1	–	–	3
David Salter	4	5	1	2	1	4	1	3
Antonios Djakouris	4	5	1	2	1	4	1	2#
Omar Kamal	4	5	–	–	1	3#	1	3#
Carol Bell	4	5	1#	2	1	4	0	3
Roger Davey	4	1#	–	2	1	4	–	3
Zhong Liang Hong	3	–	–	–	0	–	–	1#
Vaneese Wing Ye Chu**	1	1#	–	–	0	–	–	–
Shelley Wai Man Lo***	3	3#	–	–	1	2#	–	3#

 # By invitation
** Recused from one meeting*
*** Retired by rotation on 10 February 2021*
**** Appointed 10 February 2021*

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 the manner in which their responsibilities should be discharged in the best interests of the Group.

Sanet Findlay is a full-time employee within the Group and 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 assessed and considered the performance and qualifications of the Company Secretaries formally 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 leadership of the Lead Independent Director, conducts an evaluation of 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 during October 2019. There were no material findings and remedial action is being taken to address areas that can be improved upon. The Board is satisfied that the evaluation process assists in the improvement of performance and effectiveness of the Board.

Board evaluations are generally undertaken on an annual or biennial basis. 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.

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 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 that 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 annual report. None of the directors or Company Secretaries of the Company, or of 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 holds the opinion that the sponsor has discharged its responsibilities with due care during the period.

Information technology governance

The Board Charter commits the Board to assuming ultimate responsibility for ensuring that effective information technology (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

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the governing of IT to the Audit Committee. 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 any and all material findings are addressed appropriately.

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 in order that the Group's capital investment is allocated appropriately and responsively to ensure that Tharisa's business model remains both sustainable and competitive. The Group produces a number of raw materials required for decarbonising the global economy and it also directs its research and development activities towards not only minimising its direct carbon footprint, but also to contribute to the global 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 in an effort to limit the global increase in temperature.

During the year under review, 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 71.

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 reduce its carbon emissions by 30% by 2030 (from its FY2020 baseline, which uses 2019 data) and the development of a roadmap is continuing to 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 roadmap being developed will ensure that the pre-defined decarbonisation targets are achieved through the deployment of numerous sustainability initiatives. The decarbonisation targets are one part of Tharisa's broader sustainability programme, and a further detailed framework will be announced during FY2022.

External audit

Ernst & Young Cyprus Limited acts as 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 10 February 2021. The external auditor has unrestricted access to the chairman of the Audit Committee and the Lead Independent Director.

Internal audit

The Audit Committee reviewed the need for an in-house internal audit function on a regular basis. During the year under review, the Audit Committee reached the conclusion that the Group had reached a size and stage of development that justified the creation of an in-house internal audit function and recommended the appointment of a Group Head of Internal Audit to the Board. Mr Suren Singh joined Tharisa as Group Head of Internal Audit on 1 June 2021. A Chartered Accountant by profession, he has spent three decades in internal audit, ranging from government to retail to automotive and most recently as Chief Internal Auditor at an international gold producer.

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 that 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 system of internal control, 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 in a courteous, dignified and respectful manner 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 in 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 by 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. It is the duty of the Audit Committee to 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.

Each report received via the safety and ethics hotline, or through 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 which 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, 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 on a quarterly basis. 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 (Pty) Ltd operates and ensures 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 on a regular basis. 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, 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 discussion on 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, in order 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, conducts an evaluation of 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 governance framework of the Board 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 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 are required to have sufficient time to perform their duties as directors and to make a meaningful contribution. They should be prepared to question and challenge the opinions of executive directors and provide fresh insight into the Group's strategic direction. **Accountability** Certain 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' overall 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 that are 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 that 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 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 in order 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 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; 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 the year under review. The purpose of the committee 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. Furthermore, the Committee will provide support to management in ensuring that the Company addresses issues of climate change and sustainability through the development and implementation of a Climate Change and Sustainability Policy and Sustainability framework. The Committee will also provide 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 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 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 change to or departure from the accounting policies and practices of the Company and its subsidiaries; • approval of annual financial statements and interim reports and of any ancillary documents related thereto.
Governing structures and delegation	
6. Primary role and responsibilities of the governing body The governing body should serve as the 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 to 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, 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 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, taking into account 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 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 so as 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 and directors who are seeking election or re-election are subject to a performance appraisal. The Board, upon recommendation by the Nomination Committee, makes a determination as to 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 in their fiduciary duties and responsibilities. In this respect, the induction programme typically 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 the manner in which 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 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. **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-evaluation 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 is 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 the successful implementation of 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 contribute 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 a way that 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 on a continuous basis 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 setting and achieving its strategic objectives	The Board Charter commits the Board to assuming 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 levels of performance by differentiating between excellent and mediocre performance. By ensuring that employees are recognised and rewarded for their performance in a fair and equitable manner, 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 plus 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 in a fair and transparent manner 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 ensure 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

Summary of year

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 relevant in the context of the disruption caused by the COVID-19 pandemic. The committee has deliberated on the impact of the pandemic on the business and how this should be reflected in decisions around remuneration.

We have again been impressed by the resilience of the business, the leadership shown by Tharisa's executive team, and the dedication of the entire workforce, during an exceptionally challenging period. The committee is pleased to advise that throughout the South African national lockdown period, salaries were paid in full and there were no retrenchments.

For the financial year beginning 1 October 2021, the committee will continue to apply the existing remuneration policy, save for the Tharisa Share Award Plan (Share Award Plan 2014). A key change to the policy for the new financial year relates to the new Long-Term Incentive Plan (LTIP 2021).

LTIP 2021

As advised in the remuneration report in the 2020 Integrated Annual Report, 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. This work was undertaken during FY2020 and shareholders approved the LTIP 2021 at the AGM held on 10 February 2021. Following approval of the LTIP 2021, no further awards will be granted under the Share Award Plan 2014.

The committee believes that the LTIP 2021 will motivate and retain key employees, while strengthening the relationship between long-term performance and reward. The plan is designed to be fully consistent with good practice for companies listed in Johannesburg and London and introduces a number of features which help create long-term alignment with institutional investor expectations.

Under the LTIP 2021, executive directors and other members of senior management qualify to receive Performance Share Awards. These have a similar structure to the Conditional Awards granted under the existing Share Award Plan 2014. The LTIP 2021 does not provide for Appreciation Rights. It is the committee's current intention to make grants of Performance Share Awards on an annual basis.

Central to the operation of the LTIP 2021 is a shift to measuring performance over a three-year period, consistent with standard practice for incentive schemes of this kind at listed companies in both South Africa and the UK. This differs from the approach under the Share Award Plan 2014, where performance is assessed over three one-year periods for each award of shares. Measuring performance over three years ensures focus on continued performance over a longer-term period. In addition, and recognising the preferences of institutional investors based in the UK, a separate post-vesting holding period applies to Performance Share Awards granted to executive management. This means that any shares which vest at the end of the three-year performance period must be held for a minimum of a further two years before they can be sold (this excludes any shares which are required to be sold to satisfy tax liabilities due at the point of vesting). Once vested, these shares will not be forfeited if the participant resigns within the two-year period. Vested shares qualify for dividends.

Among other things, the LTIP 2021 also includes extended recovery and withholding provisions, giving the committee the flexibility to apply claw-back to awards in a broader set of circumstances than currently applies under the Share Award Plan 2014.

The LTIP 2021 also provides the flexibility for the committee to grant Restricted Stock Awards to employees, recognising that this is common practice among global companies. This approach will enable Tharisa to compete on a level playing field for the best executive talent. The committee intends to use Restricted Stock Awards for selected members of staff who will not receive Performance Share Awards. Executive directors will not receive Restricted Stock Awards.

More information on the terms of the LTIP 2021 is included in the remuneration policy section of this report.

The first award in terms of the LTIP 2021 will be made on 8 December 2021 following release of the FY2021 results. Initial awards will be granted at a level of 125% of cost to company for executive management (including the Executive Chairman, but excluding the Chief Executive Officer) and 175% of cost-to-company remuneration to the Chief Executive Officer.

The vesting of the first award on 8 December 2024 will be 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
  - 1st interim measurement based on performance against guidance for FY2022 (11.11%)
  - 2nd interim measurement based on performance against guidance for FY2023 (11.11%)
  - 3rd and final measurement based on performance against guidance for FY2024 (11.11%)

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
  - 1st interim measurement based on performance against guidance for FY2022 (11.11%)
  - 2nd interim measurement based on performance against guidance for FY2023 (11.11%)
  - 3rd and final measurement based on performance against guidance for FY2024 (11.11%)

REMUNERATION REPORT continued

For the financial reporting period ending 30 September 2022, the minimum chrome concentrate production is 1.75 Mt.

- 33.34% vesting on vesting date 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.

In considering the achievement of the production targets, the committee will also have regard to EBITDA performance over the performance period. The committee will have the discretion to reduce the level of vesting against the production measures if it is not satisfied with EBITDA performance over the period based on the Board's planning at the start of the performance period. This is intended to reduce the risks of executives being incentivised on the basis of 'production at all costs'. In addition, and notwithstanding the extent to which any performance targets are satisfied, the committee also has the ability 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.

The committee is satisfied that this framework provides an appropriate mix of targets for the first award under the LTIP 2021. The committee will review on an annual basis the measures and targets to apply to future awards under the plan.

It is worth highlighting that the committee did consider whether to apply a Total Shareholder Return (TSR) measure to a portion of the award, recognising that TSR links reward closely to the shareholder experience and is commonly used in long-term incentives by companies in the mining sector. However, we have not gone down this route at this stage as we have been unable to identify an appropriate number of genuine comparator companies against which we can measure performance, and there is limited correlation between the historic TSR performance of other listed miners and Tharisa. As the Company continues to develop we will actively review whether it would be appropriate to use a TSR measure for long-term incentive awards to be made in the future.

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 10 February 2021, the resolutions to approve the remuneration policy and the remuneration implementation report were passed, with the resolution approving the remuneration policy receiving 100% of the votes and the resolution approving the remuneration implementation plan receiving 90.84% support. The Remuneration Committee and the Board thank shareholders for this strong level of support.

At the forthcoming AGM to be held on 23 February 2022, 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.

Remuneration committee

All members of the committee are independent non-executive directors. The committee comprises Antonios Djakouris, David Salter, Carol Bell and Roger Davey. During the year under review, the committee was chaired by Antonios Djakouris.

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
- 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
- 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 the performance criteria of the 2020 awards, which had been based on market guidance. Taking into account 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 safe, the committee exercised its discretion and approved the full vesting of the respective tranches of the 2018, 2019 and 2020 awards on 30 June 2021.

The main principles on which the committee based its decision, were:
- the outstanding performance of management and all employees of the Group under extremely challenging circumstances
- the experience of employees during the period, with no COVID-19 related layoffs, and
- the experience of shareholders during the period in the form of a significant improvement in the share price and return of cash to shareholders through the continued payment of dividends by the Company.

The committee considered the forecast results for FY2021 and believed that all stakeholders would benefit from a record performance during FY2021 with all key metrics forecast to be achieved. In addition, the committee considered the impact of the COVID-19 pandemic on the construction of the Vulcan Plant and the consequential impact on production and economic KPIs, which were not achievable as a result of COVID-19 induced delays. Construction recommenced early October 2020, the cost of which was being funded internally.

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 twice during the year under review.

Carol Bell has been appointed as chairman of the Remuneration Committee with effect from 1 October 2021. Antonios Djakouris, David Salter and Roger Davey remain members of the committee.

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, 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 high-calibre human resources with the necessary skills to effectively manage operations 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 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 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 2021, some 69% of employees eligible to belong to a union were unionised with 31% 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 REPORT continued

Remuneration of key positions such as CEO and CFO is determined by making reference to remuneration surveys and benchmarking to peer companies in the mining sector for companies listed on the JSE and the LSE. 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.

Fixed remuneration

Across the Group, 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 in the mining industry 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, the employee is 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 bands of 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 15% of the individual employee's guaranteed annual remuneration package for on-target performance, capped at a maximum of 25% of the employee's guaranteed remuneration package for 'stretch' performance. From FY2022, the percentage has been amended to 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 at the Tharisa Mine 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 at the Tharisa Mine 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, which is determined with reference to the achievement of a specified EBITDA 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
- the value-added factor for executive management, which is measured with respect to the achievement of annual Group consolidated EBITDA against budget for the bonus period, with a different percentage being allocated to on-target and exceptional performance, and zero percentage being allocated for unacceptable performance.

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 E1 and below.

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 based on individualised targets and performance, rather than on generic principles. The bonuses are paid weekly and bonus calculations are based on individual performance per shift or per day, ensuring that employees are motivated to perform on a daily basis.

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 in the quarter applicable to the bonus. 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 before the end of the quarter applicable to the bonus 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. With effect from 1 October 2021, the cash bonus percentage has been increased to between 15% and 30% of the individual employee's guaranteed annual remuneration package.

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
- 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.

No new ordinary shares were issued into the treasury share account during the financial year and 2 808 065 ordinary shares were transferred from the treasury shares account to satisfy the vesting of the Conditional Awards and exercise of Appreciation Rights by the participants of the Share Award Plan 2014.

There is currently no minimum shareholding requirement for executive directors and executive management.

Long-term incentives: LTIP 2021

As set out in the Statement from the chairman of the Remuneration Committee, 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 intended to be granted to executive directors and other senior executives. Restricted Stock Awards will be granted to selected other employees at the discretion of the committee typically with a Patterson Grade E2 and above.

REMUNERATION REPORT continued

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 will set targets for the Performance Share Awards which are challenging but achievable and which are consistent with Tharisa's long-term strategic goals. A summary of the measures which the committee intends to apply to the first awards are set out on page 91. These include targets linked to PGM and chrome concentrate production as well as strategic measures, always subject to 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.

Notwithstanding the extent to which any performance targets are satisfied, the committee also has the ability under the rules of the plan to increase or reduce the level of vesting to ensure that the ultimate level of vesting is reflective of the underlying business performance of the Group or any wider circumstances that may have impacted on performance.

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 led 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 anticipated 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 anticipated 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 ten 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$	**FY2021**	FY2020
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 2021 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 2020 of 3%. The executive directors receive a USD denominated guaranteed remuneration, which was not adjusted during FY2021. All non-bargaining unit employees, including executive directors, received a cost of living adjustment of 4.5% from 1 October 2021.

Short-term incentives

The committee reviewed the financial year and noted that it had been a record year for Tharisa on all metrics including safety, production, key financial metrics the interim dividend paid and the proposed final dividend. Notably, EBITDA almost doubled to US$224.3 million exceptional numbers in light of the pandemic. Taking into account the achievement of the safety factors, performance and EBITDA 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. Details of the performance conditions attaching to awards granted under this plan are set out below.

2015 award

The second awards under the Share Award Plan 2014 were made on 30 June 2015, comprising both Conditional Awards and Appreciation Rights. The vesting of these awards was 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 would be forfeited.
- Subject to there being no fatality during a vesting period, the vesting of each tranche was subject to the following conditions, as determined on the date of the awards:
  - 33.34% of the vesting was conditional upon the participant's continued employment in good standing
  - 33.33% of the vesting was conditional on the achievement of certain PGM production metrics
  - 33.33% of the vesting was conditional on the achievement of certain chrome concentrate production metrics.

These performance conditions for the performance period, being 1 July to 30 June for each vesting period, were measured at each vesting date and applied to the tranche which was eligible for vesting at that date.

As a consequence of the fatality that occurred on 28 September 2015, the vesting of the first tranche of the 2015 awards granted on 30 June 2015 was forfeited. The second tranche of the Conditional Awards vested on 30 June 2017 and the second and final tranche of the Appreciation Rights vested on the same date. The final tranche of the Conditional Awards vested on 30 June 2018. All the tranches of the 2015 award have now vested.

The Appreciation Rights granted on 30 June 2015 were scheduled to lapse on 30 June 2020, being five years from the date of the award. During the 2020 financial year, the committee exercised its discretion in terms of the rules of the Share Award Plan 2014 and approved an extension of the exercise period by 12 months to 30 June 2021. Against the backdrop of the considerable market volatility triggered by the COVID-19 global pandemic, the committee had agreed during FY2020 that, although the Appreciation Rights were not 'out the money (i.e. they could have been exercised as the market price remained above the exercise price at the time of extending the exercise window), it would not be in the interests of the Company for participants to be forced to exercise Appreciation Rights and sell shares (to settle the associated tax obligations) by 30 June 2020, recognising the negative external message that this may send. The committee's decision to extend the exercise period applied to all participants holding vested but unexercised Appreciation Rights (not just executive directors). All 2015 Appreciation Rights were subsequently exercised prior to the deadline of 30 June 2021.

2016 award

The third awards under the Share Award Plan 2014 were made on 30 June 2016, comprising both Conditional Awards and Appreciation Rights. The vesting of these awards for eligible and participating employees other than executive directors and members of the Group executive management was 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 would be forfeited.
- Subject to there being no fatality during a vesting period, the vesting of each tranche was subject to the following conditions, as determined on the date of the awards:
  - 33.34% of the vesting was conditional upon the participant's continued employment in good standing
  - 33.33% of the vesting was conditional on the achievement of certain PGM production metrics
  - 33.33% of the vesting was conditional on the achievement of certain chrome concentrate production metrics.

Vesting conditions for executive directors and members of the Group executive management were as follows:

- 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 would be forfeited.
- Subject to there being no fatality during a vesting period, the vesting of each tranche was subject to the following conditions, as determined on the date of the awards:
  - 65.0% of the vesting was conditional upon the achievement of the individual key performance metrics set for the participant
  - 17.5% of the vesting was conditional on the achievement of certain PGM production metrics
  - 17.5% of the vesting was conditional on the achievement of certain chrome concentrate production metrics.

These performance conditions for the performance period, being 1 July to 30 June for each vesting period, were measured at each vesting date and applied to the tranche which was eligible for vesting at that date.

The first and second tranches of both the Conditional Awards and Appreciation Rights vested on 30 June 2017 and 30 June 2018 respectively, and the third tranche of the Conditional Awards vested on 30 June 2019. All the tranches of the 2016 award have now vested. Appreciation Rights granted on 30 June 2016 were scheduled to lapse on 30 June 2021 and all Appreciation Rights have now been exercised.

2017 award

The fourth awards under the Share Award Plan 2014 were made on 30 June 2017, comprising both Conditional Awards and Appreciation Rights. The vesting of these awards was 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 would be forfeited.

REMUNERATION REPORT continued

- Subject to there being no fatality during a vesting period, the vesting of each tranche was subject to the following conditions, as determined on the date of the awards:
  - 33.34% of the vesting was conditional upon the participant's continued employment in good standing
  - 33.33% of the vesting was conditional on the achievement of certain PGM production metrics, being
    - 33.33% of which vesting on a minimum production of 147.4 k 6E PGM ounces
    - 16.67% of which vesting on production above 140.0 k 6E PGM ounces, but below 147.4 6E PGM ounces and
    - 33.33% of which forfeited in the event that production was below 140.0 k 6E PGM ounces
  - 33.33% of the vesting was conditional on the achievement of certain chrome concentrate production metrics, being
    - 33.33% of which vesting on a minimum production of 1.33 Mt of total chrome concentrates
    - 16.67% of which vesting on production above 1.26 Mt, but below 1.33 Mt of total chrome concentrates and
    - 33.33% of which forfeited in the event that production was below 1.26 Mt of total chrome concentrates.

These performance conditions for the performance period, being 1 July to 30 June for each vesting period, were measured at each vesting date and applied to the tranche which was eligible for vesting at that date. The first and second tranches of both the Conditional Awards and Appreciation Rights vested on 30 June 2018 and 30 June 2019 respectively, and the third tranche of the Conditional Awards vested on 30 June 2020.

Based on the fact that the vesting period had been fatality free and taking into account the impact of the COVID-19 pandemic on production, the committee exercised its discretion in determining the vesting percentages applicable to the third and final vesting on 30 June 2020, and determined the third tranche to vest in full for participants employed in good standing at the vesting date, notwithstanding the fact that the 6E PGM production during the vesting period had been 142.1 koz. Chrome production during the vesting period qualified for full vesting (33.33%). All the tranches of the 2017 award have now vested.

The Appreciation Rights granted on 30 June 2017 are scheduled to lapse on 30 June 2022.

2018 award

The fifth awards under the Share Award Plan 2014 were made on 30 June 2018, 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 certain PGM production metrics, being
    - 16.67% of which vesting on a minimum production of 163.7 k 6E PGM ounces
    - 8.34% of which vesting on production above 155.5 k 6E PGM ounces, but below 163.7 6E PGM ounces and
    - 16.67% of which forfeited in the event that production was below 155.5 k 6E PGM ounces
  - 16.67% of the vesting is conditional on the achievement of certain chrome concentrate production metrics, being
    - 16.67% of which vesting on a minimum production of 1.49 Mt of total chrome concentrates
    - 8.34% of which vesting on production above 1.42 Mt, but below 1.49 Mt of total chrome concentrates and
    - 16.67% of which forfeited in the event that production was below 1.42 Mt of total chrome concentrates
  - 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 D and lower, and measured against budgeted EBITDA of the Tharisa Group for executive directors, Group executive management and employees in Patterson band E and higher) being:
    - 33.33% of which vesting in the event that the budgeted (adjusted) EBITDA is achieved or exceeded
    - 16.67% of which vesting in the event that between 95% and 100% of the budgeted (adjusted) EBITDA is achieved and
    - 33.33% of which 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.

As previously reported, the committee determined that only 50% of the first tranches of both the Conditional Awards and Appreciation Rights vested on 30 June 2019. The remaining 50% was forfeited as a consequence of the production and EBITDA metrics not having been met.

Based on the fact that the second vesting period was fatality free, the committee had determined during FY2020 that only 33.33% of the second tranches of both the Conditional Awards and Appreciation Rights vested on 30 June 2020 for participants employed in good standing on the vesting date. The remaining 66.67% was forfeited as a consequence of the production and EBITDA metrics not having been met.

Taking into account 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 safe, the committee exercised its discretion and approved the full vesting of the third tranche of the 2018 Conditional Awards on 30 June 2021. The main principles on which the committee based its decision, were the outstanding performance of management and all employees of the Group under extremely challenging circumstances, the experience of employees during the period, with no COVID-19 related layoffs, and the experience of shareholders during the period in the form of a significant improvement in the share price and return of cash to shareholders through the continued payment of dividends by the Company. The committee considered the forecast results for FY2021 and believed that all stakeholders would benefit from a record performance during FY2021 with all key metrics forecast to be achieved. All tranches of the 2018 award have now vested.

2019 award

The sixth awards under the Share Award Plan 2014 were 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 certain PGM production metrics, being
    - 16.67% of which vesting on a minimum production of 177.6 k 6E PGM ounces
    - 8.34% of which vesting on production above 168.7 k 6E PGM ounces, but below 177.6 6E PGM ounces and
    - 16.67% of which forfeited in the event that production was below 168.7 k 6E PGM ounces
  - 16.67% of the vesting is conditional on the achievement of certain chrome concentrate production metrics, being
    - 16.67% of which vesting on a minimum production of 1.57 Mt of total chrome concentrates
    - 8.34% of which vesting on production above 1.49 Mt, but below 1.57 Mt of total chrome concentrates and
    - 16.67% of which forfeited in the event that production was below 1.49 Mt of total chrome concentrates
  - 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 vesting in the event that the budgeted (adjusted) EBITDA is achieved or exceeded
    - 16.67% of which vesting in the event that between 95% and 100% of the budgeted (adjusted) EBITDA is achieved and
    - 33.33% of which 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.

Based on the fact that the vesting period has been fatality free, the committee determined that only 33.33% of the first tranches of both the Conditional Awards and Appreciation Rights vested on 30 June 2020 for participants employed in good standing on the vesting date. The remaining 66.67% was forfeited as a consequence of the production and EBITDA metrics not having been met.

As was the case with the 2018 awards, the committee 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 safe, and exercised its discretion to approve the full vesting of the second tranche of the 2019 awards on 30 June 2021. It was further agreed to re-align the performance conditions relating to PGM and chrome concentrate production to the market guidance publicly disclosed and referenced to at the commencement of the respective financial reporting period applicable to the vesting period going forward.

The committee based its decision on the same principles outlined under the 2018 award above.

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
- subject to there being no fatality during a vesting period, 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 considered the impact of the COVID-19 pandemic on the construction of the Vulcan Plant and the consequential impact on production and economic KPIs, which were not achievable 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 recommenced early October 2020, the cost of which was being funded internally.

REMUNERATION REPORT continued

Executive directors' and other key management remuneration

	Fixed remuneration			Variable remuneration			
US$'000	Basic salary	Expense allowance	Provident fund contributions and risk benefits	Share-based payments	Bonus paid	**Total 2021**	Total 2020
L Pouroulis	734	–	–	1 314	149	**2 197**	906
P Pouroulis	483	8	47	1 264	110	**1 912**	706
M Jones	405	–	35	737	97	**1 274**	551
Other key management	988	–	97	1 034	220	**2 361**	1 574

Non-executive directors' fees for the year under review

US$'000	Annual fee	Audit Committee	Nomination Committee	Remuneration Committee	SHE Committee	Other in Group companies	**Total 2021**	Total 2020
JD Salter	43	18	25	18	25	51	**180**	174
A Djakouris	43	25	18	25	18	–	**129**	129
OM Kamal	43	18	–	–	–	–	**61**	61
C Bell	43	18	–	18	18	–	**97**	97
RO Davey	43	–	–	18	18	–	**79**	79
ZL Hong	43	–	–	–	–	–	**43**	43
VWY Chu[1]	15	–	–	–	–	–	**15**	2
SWM Lo[2]	27	–	–	–	–	–	**27**	–

[1] *Retired from the Board on 10 February 2021*
[2] *Appointed to the Board on 10 February 2021*

The Risk Committee comprises all members of the Board and does not carry a fee. The Social and Ethics and the New Business Committees do not carry a fee.

Other disclosures

No payments were made in relation to loss of office during FY2021 nor were any payments made to any former directors.

Executive directors' interests in the Share Award Plan 2014

Conditional awards

				As at 30 September 2021					
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 2018	88 046	17.96	–	**–**	**88 046**	**25.20**	**–**	**–**	**–**
30 June 2019	217 020	20.08	–	**–**	**108 510**	**25.20**	**–**	**108 510**	**151**
30 June 2020	578 424	13.27	–	**–**	**192 808**	**25.20**	**–**	**385 616**	**538**
Total	883 490		–		**389 364**		**–**	**494 126**	**689**
P POUROULIS									
30 June 2018	79 864	17.96	–	**–**	**79 864**	**25.20**	**–**	**–**	**–**
30 June 2019	239 712	20.08	–	**–**	**119 856**	**25.20**	**–**	**119 856**	**167**
30 June 2020	635 664	13.27	–	**–**	**211 888**	**25.20**	**–**	**423 776**	**592**
Total	955 240		–		**411 608**		**–**	**543 632**	**759**
M JONES									
30 June 2018	64 492	17.96	–	**–**	**64 492**	**25.20**	**–**	**–**	**–**
30 June 2019	130 776	20.08	–	**–**	**65 388**	**25.20**	**–**	**65 388**	**91**
30 June 2020	345 804	13.27	–	**–**	**115 268**	**25.20**	**–**	**230 536**	**322**
Total	541 072		–		**245 148**		**–**	**295 924**	**413**

[#] *Market value based on closing share price of ZAR20.70 and ZAR/USD exchange rate of ZAR14.83 at 30 September 2021*

Appreciation rights

Director and offer date	Unvested balance	Market value at date of award ZAR	Allocated	Value at date of award ZAR	As at 30 September 2021 Vested	Exercised	Total vested but not exercised	Forfeited	Lapsed	Total unvested
L POUROULIS										
9 April 2014	–	38.00	–	–	–	–	–	–	80 526	–
30 June 2015	–	6.44	–	–	–	79 192*	–	–	–	–
30 June 2016	–	10.14	–	–	–	402 306	–	–	–	–
30 June 2017	–	17.53	–	–	–	–	321 588	–	–	–
30 June 2018	–	17.96	–	–	–	–	110 054	–	–	–
30 June 2019	162 765	20.08	–	–	162 765	–	217 015	–	–	–
Total	162 765		–		162 765	481 498	648 657	–	80 526	–
P POUROULIS										
9 April 2014	–	38.00	–	–	–	–	–	–	67 105	–
30 June 2015	–	6.44	–	–	–	65 993*	–	–	–	–
30 June 2016	–	10.14	–	–	–	335 255	–	–	–	–
30 June 2017	–	17.53	–	–	–	–	282 882	–	–	–
30 June 2018	–	17.96	–	–	–	–	99 826	–	–	–
30 June 2019	179 784	20.08	–	–	179 784	–	239 706	–	–	–
Total	179 784		–		179 784	401 248	622 414	–	67 105	–
M JONES										
9 April 2014	–	38.00	–	–	–	–	–	–	60 394	–
30 June 2015	–	6.44	–	–	–	59 394*	–	–	–	–
30 June 2016	–	10.14	–	–	–	301 730	–	–	–	–
30 June 2017	–	17.53	–	–	–	–	238 212	–	–	–
30 June 2018	–	17.96	–	–	–	–	80 612	–	–	–
30 June 2019	98 082	20.08	–	–	98 082	–	130 773	–	–	–
Total	98 082		–		98 082	361 124	449 597	–	60 394	–

** In terms of the rules of the Tharisa Share Award Plan, vested but unexercised Appreciation Rights lapse five years from the date of the award. Due to the extraordinary collapse of the global stock market as a consequence of the COVID-19 pandemic and the potential negative impact on the share price in the event that executive directors were forced to exercise Appreciation Rights that were due to lapse on 30 June 2020, the Remuneration Committee recommended and the Board approved the extension of the expiry date of the 2015 Appreciation Rights by 12 months to 30 June 2021.*

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 2021.

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 principal activity of the Company 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 remains unchanged from the previous year. 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 74% shareholding in Tharisa Minerals, which owns and operates the Tharisa Mine, an open pit PGM and chrome mine located in the Bushveld Complex of South Africa.

Financial results

The results of the Group are disclosed in the condensed consolidated statement of profit or loss and other comprehensive income on pages 102 to 141 of this report.

Dividends

It is the Group's policy to pay a minimum of 15% of its consolidated net profit after tax as a dividend.

A dividend of US 3.50 cents per share was proposed by the Board on 27 November 2020, approved by shareholders on 10 February 2020, and paid on 10 March 2021.

The following dividends were declared in respect of the year ended 30 September 2021:

- An interim ordinary dividend of US 4.0 cents per share was declared by the Board on 25 May 2021 and paid on 30 June 2021.
- A final ordinary dividend of US 5.0 cents per share was proposed by the Board on 30 November 2021, and is subject to shareholder approval at the AGM.

The total dividend for FY2021 is therefore US 9.0 cents per share, equating to 18.5% of its consolidated net profit after tax (2020: US 3.5 cents per share).

Share capital and treasury shares

The authorised share capital of the Company comprises 10 000 million ordinary shares of US$0.001 each and 1 051 convertible redeemable preference shares of US$1 each.

No new shares were issued during the year under review.

During the financial year, the Company transferred 2 808 065 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, 271 284 379 shares had voting rights and 3 715 621 were held in treasury at 30 September 2021. At 30 September 2021, the issued and fully paid ordinary share comprised 275 000 000 ordinary shares.

Main risks

The main financial risks faced by the Group are disclosed in note 34 of the consolidated annual financial statements, which are available on the Company's website, www.tharisa.com.

Future developments

Karo Holdings

Tharisa has a 26.8% shareholding in Karo Holdings, with subsidiaries Karo Platinum and Karo Refining, which comprise the Karo Project, comprising an integrated PGM mining and refining complex, located on the Great Dyke of Zimbabwe.

Karo Platinum was awarded PGM rights under a Special Grant under the Zimbabwe Mines and Minerals Act, covering an area of 23 903 ha in the Great Dyke to develop a PGM mining complex. The PGM complex is in the designated Karo Selous Special Economic Zone, providing numerous incentives. After the Special Grant award in 2018, Karo Platinum was awarded a Mining Lease in March 2021, over the mining area for the life of mine.

Two phases of exploration drilling have been completed over the project area. A maiden long-life open pit resource and reserve for Phase 1 of the operations has been declared. On 12 October 2021, Tharisa announced that the Karo Platinum implementation studies had been completed. The project is now progressing into project execution and development.

Zimplats had declared an indicated and inferred mineral resource over the Karo Project area, with the last declaration made in June 2017. The declaration states that the project area contains 96.4 Moz of PGMs (4E basis).

Tharisa is evaluating its farm-in rights to acquire a controlling interest.

Branches

The Group did not operate any branches during the financial year ended 30 September 2021.

Members of the Board of Directors

The members of the Board as at 30 September 2021 and at the date of this report are:

- Loucas Christos Pouroulis (Executive Chairman)
- Phoevos Pouroulis (CEO)
- Michael Gifford Jones (CFO)
- John David Salter (Lead Independent Director until 30 September 2021)
- Carol Bell (Lead Independent Director from 1 October 2021)
- 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)

Biographical details of the members of the Board appear in the Board of Directors section of the Integrated Annual Report, which is available at www.tharisa.com.

There has been no change in the allocation of responsibilities of the Board between 30 September 2020 and 30 September 2021.

During the year, the composition of the Board changed as follows:

- Vaneese Wing Ye Chu retired by rotation on 10 February 2021
- Shelley Wai Man Lo was appointed on 10 February 2021

Changes in the allocation of responsibilities of the Board with effect from 1 October 2021

Carol Bell was appointed as a member and chairman of the Nomination Committee and chairman of the Remuneration Committee. She replaced David Salter, who relinquished the chairmanship of the Nomination Committee, and Antonios Djakouris, who stepped down as the chairman of the Remuneration Committee. Both David Salter and Antonios Djakouris remain as independent non-executive directors and members of the Nomination Committee and Remuneration Committee.

In addition, David Salter stepped down as Lead Independent Director and Carol Bell, having served as an independent non-executive director on Tharisa's Board since 2016, was appointed as Lead Independent Director.

There has been no other change in the composition or the allocation of responsibilities of the Board of Directors of the Company between 30 September 2021 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 38 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 10 February 2021. Ernst & Young Cyprus Limited has expressed its willingness to continue in office and its reappointment will be proposed at the AGM.

On behalf of the Board

Phoevos Pouroulis
Michael Jones
Cyprus

30 November 2021

REPORT OF THE AUDIT COMMITTEE

The Audit Committee is pleased to present its report for the 2021 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's independent external auditor, independent internal auditors (until 31 May 2021), Group Head of Internal Audit (from 1 June 2021), 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 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 is available on the Company's website.

Role

The committee is accountable to the Board and to 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 so as 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 on 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 that 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 amongst 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.

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, it is the committee's recommendation 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 23 February 2022.

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, as recently amended. 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. Assurance on the IT systems and processes is provided by the Group's internal audit function and external consultants 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 if 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 FY2022 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

The Audit Committee regularly reviewed the need for an in-house internal audit function. During the year under review, the Audit Committee concluded that the Group had grown to a size and stage of development that justified the creation of an in-house internal audit function and embarked on a process to bring the internal audit function in-house and to appoint an internal Group Head of Internal Audit. Suren Singh was appointed as Group Head of Internal Audit on 1 June 2021. Until 31 May 2021, the independent internal audit function was fulfilled by Deloitte.

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 terms of engagement, scope of the internal audit workstreams, any deviations or changes thereto, and the internal audit plan for FY2022. It reviewed significant findings, management comments thereon and action plans. The committee discussed with the Group's internal audit function their 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.

In addition, the committee considered and approved the Internal Audit Charter.

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 2020, which outlined issues identified by the JSE during its normal proactive monitoring of listed companies' financial statements for compliance with IFRS.

Tharisa's annual financial statements for the year ended 30 September 2019 and its interim results for the six months ended 31 March 2020 had been selected as part of the JSE's proactive review process. The committee studied the correspondence received from the JSE and considered and approved the responses prepared by the Company.

Other

During the year under review, the committee confirmed the adequacy of the Group's whistleblowing arrangements and policies and procedures for preventing corrupt behaviour and detecting fraud and bribery. It also considered and approved the Whistleblower's Investigation Procedure.

The chairman of the Audit Committee reported to the Board after each meeting of the Audit Committee.

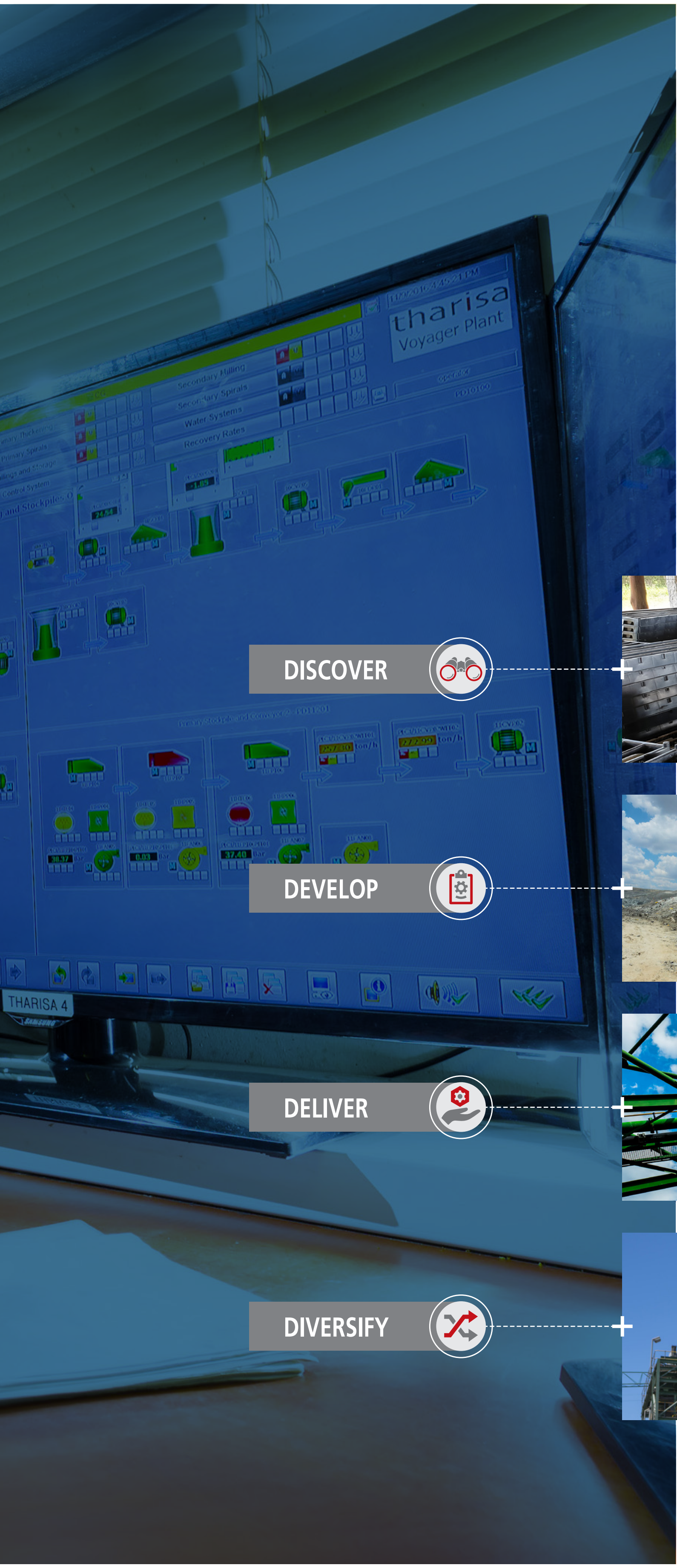
On recommendation of the Audit Committee, the Board approved:
- the annual financial statements for the year ended 30 September 2021
- the Integrated Annual Report for the year ended 30 September 2021 and
- the notice of the annual general meeting to be held on 23 February 2022.

For more information on the composition and responsibilities of the Audit Committee, please refer to page 69.

A Djakouris
Chairman of the Audit Committee

29 November 2021

FINANCIAL REVIEW


tharisa
Voyager Plant
THARISA 4
DISCOVER
DEVELOP
DELIVER
DIVERSIFY

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The condensed consolidated financial statements for the year ended 30 September 2021 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 30 November 2021 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 Company and Group will continue to be in operation in the foreseeable future. The consolidated annual financial statements have been approved by the Board on 30 November 2021.

The directors, whose names are stated below, hereby confirm that:
- The condensed consolidated financial statements set out on pages 102 to 141 of this document, fairly present in all material respects the financial position, financial performance and cash flows of Tharisa plc and subsidiaries in terms of IFRS;
- No facts have been omitted or untrue statements made that would make the condensed 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 within the combined assurance model pursuant to principle 15 of the King IV Report on Governance for South Africa, 2016. Where we are not satisfied, we have disclosed to the Audit and Risk Committee and the auditors the deficiencies in design and operational effectiveness of the internal financial controls and any fraud that involves directors, and have taken the necessary remedial action.

Phoevos Pouroulis **Michael Jones**

Cyprus
30 November 2021

Condensed consolidated statement of profit or loss and other comprehensive income

for the year ended 30 September 2021

	Notes	2021 US$'000	2020 US$'000
Revenue	5	**596 345**	405 995
Cost of sales	6	**(388 926)**	(275 563)
Gross profit		**207 419**	130 432
Other income		**764**	918
Net foreign exchange gain/(loss)		**15 477**	(8 378)
Other operating expenses	7	**(44 822)**	(35 327)
Results from operating activities		**178 838**	87 645
Finance income		**1 391**	944
Finance costs		**(4 893)**	(6 926)
Changes in fair value of financial assets at fair value through profit or loss	21	**10 540**	476
Changes in fair value of financial liabilities at fair value through profit or loss	21	**(370)**	(5 773)
Share of loss of investment accounted for using the equity method	11	**(251)**	(614)
Profit before tax		**185 255**	75 752
Tax	8	**(53 714)**	(20 801)
Profit for the year		**131 541**	54 951
Other comprehensive income			
Items that may be classified subsequently to profit or loss:			
Foreign currency translation differences for foreign operations, net of tax		**20 450**	(24 118)
Other comprehensive income/(loss), net of tax		**20 450**	(24 118)
Total comprehensive income for the year		**151 991**	30 833
Profit for the year attributable to:			
Owners of the Company		**100 469**	43 296
Non-controlling interest		**31 072**	11 655
		131 541	54 951
Total comprehensive income for the year attributable to:			
Owners of the Company		**113 471**	27 431
Non-controlling interest		**38 520**	3 402
		151 991	30 833
Earnings per share			
Basic earnings per share (US$ cents)	9	**37.4**	16.2
Diluted earnings per share (US$ cents)	9	**37.3**	16.2

The notes on pages 108 to 141 are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS continued

Condensed consolidated statement of financial position

as at 30 September 2021

	Notes	2021 US$'000	2020 US$'000
ASSETS			
Non-current assets			
Property, plant and equipment	10	**380 461**	278 960
Intangible assets		**2 942**	1 427
Investment accounted for using the equity method	11	**10 274**	10 303
Financial and other assets	12	**15 854**	6 791
Deferred tax assets		**1 177**	1 140
Total non-current assets		**410 708**	298 621
Current assets			
Inventories	13	**58 269**	41 864
Trade and other receivables	14	**136 554**	112 056
Contract assets		**2 440**	2 101
Financial and other assets	12	**3 041**	2 169
Current taxation		**8 949**	497
Cash and cash equivalents	15	**83 436**	49 293
Total current assets		**292 689**	207 980
Total assets		**703 397**	506 601
EQUITY AND LIABILITIES			
Share capital and premium	16	**289 818**	286 929
Other reserve		**47 245**	47 245
Foreign currency translation reserve		**(91 848)**	(104 850)
Retained earnings		**199 217**	122 085
Equity attributable to owners of the Company		**444 432**	351 409
Non-controlling interests		**6 842**	(30 580)
Total equity		**451 274**	320 829
Non-current liabilities			
Provisions	17	**19 931**	14 684
Borrowings	18	**20 590**	16 132
Deferred tax liabilities		**87 565**	39 102
Total non-current liabilities		**128 086**	69 918
Current liabilities			
Borrowings	18	**16 260**	54 481
Other financial liabilities		**485**	6 144
Current taxation		**286**	176
Trade and other payables	19	**104 566**	52 952
Contract liabilities		**2 440**	2 101
Total current liabilities		**124 037**	115 854
Total liabilities		**252 123**	185 772
Total equity and liabilities		**703 397**	506 601

The condensed consolidated financial statements were authorised for issue by the Board of Directors on 30 November 2021.

Phoevos Pouroulis
Director

Michael Jones
Director

The notes on pages 108 to 141 are an integral part of these condensed consolidated financial statements.

Condensed consolidated statement of changes in equity

for the year ended 30 September 2021

		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 2019		267	284 926	47 245	(88 985)	79 318	322 771	(33 982)	288 789
Total comprehensive (loss)/income for the year									
Profit for the year		–	–	–	–	43 296	43 296	11 655	54 951
Other comprehensive income:									
Foreign currency translation differences		–	–	–	(15 865)	–	(15 865)	(8 253)	(24 118)
Total comprehensive (loss)/income for the year		–	–	–	(15 865)	43 296	27 431	3 402	30 833
Transactions with owners of the Company									
Contributions by and distributions to owners									
Dividends paid	26	–	–	–	–	(667)	(667)	–	(667)
Issue of ordinary shares	16	2	1 734	–	–	–	1 736	–	1 736
Equity-settled share-based payments		–	–	–	–	138	138	–	138
Contributions by and distributions to owners of the Company		2	1 734	–	–	(529)	1 207	–	1 207
Total transactions with owners of the Company		2	1 734	–	–	(529)	1 207	–	1 207
Balance at 30 September 2020		269	286 660	47 245	(104 850)	122 085	351 409	(30 580)	320 829

The notes on pages 108 to 141 are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS continued

Condensed consolidated statement of changes in equity

for the year ended 30 September 2021

	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 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
Other comprehensive income:									
Foreign currency translation differences		–	–	–	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									
Contributions by and distributions to owners									
Dividends paid	26	–	–	–	–	(20 181)	(20 181)	(1 098)	(21 279)
Issue of ordinary shares	16	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

Companies which 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% to 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 on pages 108 to 141 are an integral part of these condensed consolidated financial statements.

Condensed consolidated statement of cash flows

for the year ended 30 September 2021

	Notes	2021 US$'000	2020 US$'000
Cash flows from operating activities			
Profit for the year		**131 541**	54 951
Adjustments for:			
Depreciation of property, plant and equipment	10	**36 024**	27 949
Profit on disposal of property, plant and equipment	10	**–**	(9)
Share of loss of investment accounted for using the equity method	11	**251**	614
Impairment loss/(reversal) and net realisable value write down of inventory	13	**789**	(114)
Write off of property, plant and equipment	10	**4 950**	3 090
Expected credit loss allowance		**100**	–
Equity-settled share-based payments		**3 560**	138
Changes in fair value of financial assets at fair value through profit or loss	12	**(10 540)**	(476)
Changes in fair value of financial liabilities at fair value through profit or loss	12	**370**	5 773
Net foreign exchange (gain)/loss		**(15 477)**	8 378
Interest income		**(1 391)**	(944)
Interest expense		**4 893**	6 926
Tax		**53 714**	20 801
		208 784	127 077
Changes in:			
Inventories		**(13 442)**	(7 352)
Trade and other receivables and contract assets		**(11 385)**	(50 577)
Trade and other payables and contract liabilities		**39 674**	5 419
Provisions		**2 150**	1 767
Cash generated from operations		**225 781**	76 334
Income tax paid		**(17 412)**	(3 376)
Net cash flows from operating activities		**208 369**	72 958
Cash flows from investing activities			
Interest received		**1 106**	597
Additions to property, plant and equipment	10	**(106 006)**	(70 558)
Additions to intellectual property		**–**	(311)
Net cash outflow from business combination	20	**(3 079)**	(1 486)
Proceeds from disposal of property, plant and equipment	10	**1**	770
Additions to investments accounted for using the equity method	11	**–**	(1 866)
Additions to other financial assets	12	**(2 282)**	(1 556)
Net cash flows used in investing activities		**(110 260)**	(74 410)
Cash flows from financing activities			
Net (payment of)/proceeds from bank credit facilities	18	**(15 553)**	2 487
Advances received	18	**26 787**	18 118
Repayment of borrowings	18	**(48 208)**	(15 609)
Principal lease payments	18	**(4 597)**	(5 673)
Dividends	26	**(21 279)**	(667)
Interest paid		**(3 003)**	(4 311)
Net cash flows used in financing activities		**(65 853)**	(5 655)
Net increase/(decrease) in cash and cash equivalents		**32 256**	(7 107)
Cash and cash equivalents at the beginning of the year		**49 293**	59 201
Effect of exchange rate fluctuations on cash held		**1 887**	(2 801)
Cash and cash equivalents at the end of the year	15	**83 436**	49 293

The notes on pages 108 to 141 are an integral part of these condensed consolidated financial statements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Notes to the condensed consolidated financial statements

for the year ended 30 September 2021

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 2021 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 2020. 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). These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended 30 September 2021, 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 30 November 2021.

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 Dollars (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: ZAR15.05 (2020: ZAR16.70)
- Average rate: ZAR14.83 (2020: ZAR16.22)

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 2021.

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 2021:
- IFRS 3 *Business Combinations* (Amendment)
- IAS 1 and IAS 8 *Definition of Material* (Amendment)
- Conceptual Framework

In addition to the above, the Group has early adopted Amendments to IAS 16: *Property, Plant and Equipment: Proceeds before Intended Use.*

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 2021.

2.2 STANDARDS AND INTERPRETATIONS ADOPTED IN THE CURRENT YEAR continued

IFRS 3 *Business Combinations* (Amendment)

The IASB issued amendments to the definition of a business in IFRS 3 – *Business Combinations* to help entities determine whether an acquired set of activities and assets is a business or not. It clarifies the minimum requirements for a business, removes the assessment of whether market participants are capable of replacing any missing elements, includes guidance to help entities assess whether an acquired process is substantive, narrows the definitions of a business and of outputs, and introduces an optional fair value concentration test.

The amendment had to be applied to transactions that are either business combinations or asset acquisitions for which the acquisition date was on or after the beginning of the first annual reporting period beginning on or after 1 January 2020. Consequently, entities do not have to revisit such transactions that occurred in previous periods. The Group acquired Salene Chrome Zimbabwe (Private) Limited during the year ended 30 September 2021 (refer to note 20) and by applying the amendments of IFRS 3 concluded that the activities and relevant outputs of Salene Chrome Zimbabwe (Private) Limited represents a business combination.

IAS 1 and IAS 8 *Definition of Material* (Amendment)

During October 2018, the IASB issued amendments to IAS 1 – *Presentation of Financial Statement* and IAS 8 – *Accounting Policies, Changes in Accounting Estimates and Errors* to align the definition of material across the standards and to clarify certain aspects of the definition. The new definition states that, information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific entity.

The amendments clarify that materiality depends on the nature or magnitude of information, or both. An entity needs to assess whether the information, either individually or in combination with other information, is material in the context of the financial statements.

The definition of material in the Conceptual Framework and IFRS Practice Statement 2: Making Materiality Judgements was amended to align with the revised definition of materiality in IAS 1 and IAS 8.

The amendments were effective for reporting periods beginning on or after 1 January 2020 and had to be applied prospectively.

Although the amendments to the definition of material did not have a significant impact on the Group's consolidated financial statements, the introduction of the term obscuring information in the definition could potentially impact how materiality judgements are made in practice, by elevating the importance of how information is communicated and organised in the financial statements.

Conceptual Framework

The IASB revised its Conceptual Framework. The primary purpose of the Framework is to assist the IASB (and the Interpretations Committee) by identifying concepts that it uses when setting standards.

Key changes include:

- Increasing the prominence of stewardship in the objective of financial reporting, which is to provide information that is useful in making resource allocation decisions;
- Reinstating prudence, defined as the exercise of caution when making judgements under conditions of uncertainty, as a component of neutrality;
- Defining a reporting entity, which might be a legal entity or a portion of a legal entity;
- Revising the definition of an asset as a present economic resource controlled by the entity as a result of past events;
- Revising the definition of a liability as a present obligation of the entity to transfer an economic resource as a result of past events;
- Removing the probability threshold for recognition, and adding guidance on derecognition;
- Adding guidance on the information provided by different measurement bases, and explaining factors to consider when selecting a measurement basis.

Stating that profit or loss is the primary performance indicator and that, in principle, income and expenses in other comprehensive income should be recycled where the relevance or true representation of the financial statements would be enhanced.

The adoption of the revised Conceptual Framework did not have a material impact on the Group.

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss. The amendment must be applied retrospectively, effective for annual periods beginning on or after 1 January 2022 only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment. Earlier application is permitted. With the commissioning of the Vulcan Plant expected to be completed during the 2022 financial year, the Group early adopted the amendment. As the Group did not generate sales from assets not fully operating as intended to during the financial years ended 30 September 2020 and 30 September 2021, the application had no impact on the Group's results.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

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 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
- *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
- *Interest Rate Benchmark Reform – Phase 2* Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

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 2021. The condensed consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended 30 September 2021 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 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 intrinsic 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.

4. OPERATING SEGMENTS continued

	PGM US$'000	Chrome US$'000	Agency and trading US$'000	Manufacturing US$'000	Total US$'000
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**
2020					
Revenue	218 619	161 267	24 109	2 000	405 995
Cost of sales					
Manufacturing costs	(132 038)	(58 761)	(12 584)	(1 598)	(204 981)
Selling costs	(396)	(44 140)	(4 477)	–	(49 013)
Freight services	–	(17 979)	(3 590)	–	(21 569)
	(132 434)	(120 880)	(20 651)	(1 598)	(275 563)
Gross profit	86 185	40 387	3 458	402	130 432

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 2021, the relative sales value of PGM concentrate increased compared to the relative sales value of chrome concentrates and consequently the allocation basis of shared costs was revised to 80.0% for PGM concentrate and 20.0% for chrome concentrates. The allocation basis of shared costs was 75.0% (PGM concentrates) and 25.0% (chrome concentrate) for the year ended 30 September 2020.

Cost of sales includes a charge for the write off of property, plant and equipment totalling US$5.0 million (2020: US$3.1 million) which mainly relates to mining equipment. The write off/impairment has been allocated to the PGM and chrome segments in accordance with the allocation basis of shared costs as described in the preceding paragraph.

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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

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
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**
2020					
South Africa	218 619	24 497	918	2 000	246 034
China	–	39 719	12 108	–	51 827
Singapore	–	33 918	8 075	–	41 993
Hong Kong	–	50 005	2 382	–	52 387
United Arab Emirates	–	9 344	–	–	9 344
Other countries	–	3 784	626	–	4 410
	218 619	161 267	24 109	2 000	405 995

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% (2020: 10.0%) of the Group's revenues.

	2021		2020	
	Segment	**US$'000**	Segment	US$'000
Customer 1	**PGM**	**296 020**	PGM	174 592
Customer 2	**PGM and Agency and trading**	**57 518**	PGM and Agency and trading	44 433
Customer 3	**Chrome and Agency and trading**	**41 036**	Chrome and Agency and trading	33 416
Customer 4	**Chrome**	**40 661**	Chrome	24 507
Customer 5	**Chrome**	**35 167**	–	–

(ii) Specified non-current assets

	2021 US$'000	2020 US$'000
South Africa	**373 418**	280 029
Zimbabwe	**19 874**	10 303
Cyprus	**385**	358
	393 677	290 690

Non-current assets includes property, plant and equipment, intangible assets and the investment accounted for using the equity method.

5. REVENUE

	PGM US$'000	Chrome US$'000	Agency and trading US$'000	Manufacturing US$'000	Total US$'000
2021					
Revenue recognised at a point in time					
Variable revenue based on initial results	**375 036**	**138 169**	**26 539**	**–**	**539 744**
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	**(6 298)**	**–**	**–**	**–**	**(6 298)**
Total revenue	**353 388**	**203 875**	**36 494**	**2 588**	**596 345**
2020					
Revenue recognised at a point in time					
Variable revenue based on initial results	191 066	119 081	19 427	–	329 574
Quantity adjustments	(2 465)	211	(47)	–	(2 301)
Revenue based on fixed selling prices	–	23 996	1 139	2 000	27 135
Revenue recognised over time					
Freight services	–	17 979	3 590	–	21 569
Revenue from contracts with customers	188 601	161 267	24 109	2 000	375 977
Fair value adjustments	30 018	–	–	–	30 018
Total revenue	218 619	161 267	24 109	2 000	405 995

During the year ended 30 September 2021, revenue from freight services of US$2.1 million (2020: US$1.0 million) was recognised which was classified as a contract liability at 30 September 2020.

	2021 US$'000	2020 US$'000
Variable revenue recognised:		
PGM revenue recognised in preceding year based on initial results	**(50 023)**	(35 296)
PGM revenue based on final results	**64 369**	36 715
PGM revenue adjustment recognised in current year	**14 346**	1 419
Chrome revenue recognised in preceding year based on initial results	**(32 394)**	(35 153)
Chrome revenue based on final results	**32 238**	35 199
Chrome revenue adjustment recognised in current year	**(156)**	46

The year ended 30 September 2021 includes PGM revenue of US$78.4 million (2020: US$62.0 million) and chrome revenue of US$45.4 million (2020: US$32.4 million) that was based on provisional results as final prices and surveys were not yet available at 30 September 2021.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

6. COST OF SALES

	2021 US$'000	2020 US$'000
Mining		
Drill and blast	**29 573**	21 496
Load and haul	**26 197**	16 011
Diesel	**25 614**	17 117
Salaries and wages	**26 980**	19 546
Provident fund contributions	**3 727**	2 978
Maintenance	**28 160**	23 090
Depreciation	**18 932**	15 506
Cost of commodities	**23 156**	14 870
Write off of property, plant and equipment	**4 950**	3 090
	187 289	133 704
Processing		
Salaries and wages	**15 122**	11 890
Provident fund contributions	**2 024**	1 697
Utilities	**15 129**	11 699
Materials and consumables	**21 384**	15 862
Contractor and equipment hire	**12 115**	8 830
Overhead	**3 416**	2 250
Depreciation	**16 085**	11 581
	85 275	63 809
State royalties	**23 788**	9 814
Change in inventories – finished products and ore stockpile	**(11 585)**	(2 346)
Selling costs	**69 752**	49 013
Freight services	**34 407**	21 569
Cost of sales	**388 926**	275 563

7. OTHER OPERATING EXPENSES

	2021 US$'000	2020 US$'000
Directors and staff costs		
Non-executive directors	**631**	626
Employees: salaries	**17 504**	14 701
bonuses	**1 831**	784
provident fund, medical aid and other contributions	**1 823**	1 854
	21 789	17 965
Audit – external audit services	**579**	436
Audit – other services	**–**	19
Bank charges and related fees	**809**	711
Consulting and business development cost	**2 082**	2 454
Corporate and social investment	**246**	366
Depreciation	**1 007**	862
Equity-settled share-based payment expense	**3 560**	1 939
Internal audit	**91**	28
Expected credit loss allowance	**100**	–
Listing fees and investor relations	**346**	152
Health and safety	**1 818**	1 426
Insurance	**2 619**	1 817
Legal and professional	**1 763**	556
Office administration, rent and utilities	**1 557**	1 060
Research and development	**605**	183
Security	**919**	1 110
Telecommunications and IT related	**3 929**	3 259
Training	**403**	159
Travelling and accommodation	**94**	304
Sundry	**506**	521
	44 822	35 327

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

8. TAX

Corporate income tax for the year	2021 US$'000	2020 US$'000
Cyprus	**1 774**	1 032
South Africa	**5 895**	2 535
	7 669	3 567
Special contribution for defence in Cyprus*	**–**	1
Deferred tax: originating and reversal of temporary differences	**44 814**	17 128
Dividend withholding tax	**1 231**	105
Tax charge	**53 714**	20 801

** 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	2021 %	2020 %
Cyprus	**12.5**	12.5
South Africa	**28.0**	28.0
Zimbabwe*	**–**	–
Guernsey	**–**	–
Hong Kong	**16.5**	16.5
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:	2021 US$'000	2020 US$'000	2021 US$'000	2020 US$'000
Profit before tax	**185 255**	75 752	**185 255**	75 752
Notional tax on profit before tax, calculated at the Cypriot/South African income tax rate of 12.5%/28.0% (2020: 12.5%/28.0%)	**23 157**	9 469	**51 871**	21 211
Tax effects of:				
Different tax rates from the standard Cypriot/South African income tax rate	**26 989**	10 895	**(6 097)**	(1 388)
Tax exempt income				
Fair value adjustments	**(722)**	(22)	**(1 616)**	(50)
Interest received	**(6)**	(137)	**(14)**	(306)
Currency gains	**(37)**	(18)	**(82)**	(41)
Other	**(5)**	(1)	**(11)**	(1)
Non-deductible expenses				
Share of loss of equity-accounted investments	**31**	77	**70**	171
Investment related	**558**	345	**1 249**	773
Interest paid	**–**	9	**–**	20
Currency losses	**192**	–	**430**	–
Capital expenses	**240**	50	**538**	111
Special contribution for defence in Cyprus	**2**	1	**5**	2
Dividend withholding tax – accrued preference dividends	**2 068**	–	**4 577**	–
Dividend withholding tax – current year dividends	**1 232**	105	**2 760**	236
Recognition of deemed interest income for tax purposes	**15**	28	**34**	63
Tax charge	**53 714**	20 801	**53 714**	20 801

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% (2020: 5.0%) is charged on dividends declared.

The Group's consolidated effective tax rate for the year ended 30 September 2021 was 29.0% (2020: 27.5%).

At 30 September 2021, the Group's unredeemed capital balance available for offset against future mining taxable income in South Africa was fully utilised (2020: US$106.2 million).

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.

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.

	2021	2020
Basic and diluted earnings per share		
Profit for the year attributable to ordinary shareholders (US$'000)	**100 469**	43 296
Weighted average number of issued ordinary shares for basic earnings per share ('000)	**268 859**	266 611
Dilutive impact of SARS ('000)	**599**	744
Weighted average number of issued ordinary shares for diluted earnings per share ('000)	**269 458**	267 355
Earnings per share		
Basic (US$ cents)	**37.4**	16.2
Diluted (US$ cents)	**37.3**	16.2
Headline and diluted headline earnings per share		
Headline earnings for the year attributable to ordinary shareholders (US$'000)	**103 107**	44 938
Weighted average number of issued ordinary shares for basic headline earnings per share ('000)	**268 859**	266 611
Dilutive impact of SARS ('000)	**599**	744
Weighted average number of issued ordinary shares for diluted headline earnings per share ('000)	**269 458**	267 355
Headline earnings per share		
Basic (US$ cents)	**38.3**	16.9
Diluted (US$ cents)	**38.3**	16.8

Reconciliation of profit to headline earnings

	2021				2020
	Gross US$'000	**Tax US$'000**	**Non-controlling interest US$'000**	**Net US$'000**	Net US$'000
Profit attributable to ordinary shareholders				**100 469**	43 296
Adjustments:					
Impairment of property, plant and equipment	**4 950**	**(1 386)**	**(926)**	**2 638**	1 646
Profit on disposal of property, plant and equipment	**–**	**–**	**–**	**–**	(4)
Headline earnings				**103 107**	44 938

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

10. PROPERTY, PLANT AND EQUIPMENT

	Freehold land and buildings US$'000	Mining assets and infrastructure US$'000	Mining fleet US$'000	Right-of-use asset: mining fleet US$'000
30 September 2021				
Cost				
Balance at 30 September 2020	**14 280**	**289 263**	**70 885**	**14 799**
Additions	**3 747**	**73 004**	**26 574**	**–**
Lease agreements entered into	**–**	**–**	**–**	**1 985**
Business combination (note 20)	**–**	**4 687**	**–**	**–**
Disposals	**–**	**–**	**–**	**–**
Re-measurement	**–**	**–**	**–**	**(175)**
Write offs	**(30)**	**(917)**	**(5 559)**	**(624)**
Transfers	**(216)**	**159**	**237**	**(810)**
Exchange differences on translation	**1 512**	**30 705**	**7 448**	**1 615**
Balance at 30 September 2021	**19 293**	**396 901**	**99 585**	**16 790**
Accumulated depreciation				
Balance at 30 September 2020	**982**	**80 916**	**24 245**	**6 305**
Charge for the year	**267**	**16 244**	**14 803**	**3 028**
Business combination (note 20)	**–**	**11**	**–**	**–**
Disposals	**–**	**–**	**–**	**–**
Write offs	**–**	**(241)**	**(1 693)**	**(518)**
Transfers	**–**	**(42)**	**(73)**	**(499)**
Exchange differences on translation	**104**	**8 624**	**2 462**	**661**
Balance at 30 September 2021	**1 353**	**105 512**	**39 744**	**8 977**
30 September 2020				
Cost				
Balance at 30 September 2019	14 731	273 346	58 085	16 543
Additions	303	44 067	24 731	–
Lease agreements entered into	–	–	–	617
Transfers	11	254	–	–
Business combination	660	682	–	–
Disposals	–	–	(3 017)	–
Re-measurement	–	–	–	74
Write offs	–	(2 759)	(3 040)	(919)
Exchange differences on translation	(1 425)	(26 327)	(5 874)	(1 516)
Balance at 30 September 2020	14 280	289 263	70 885	14 799
Accumulated depreciation				
Balance at 30 September 2019	865	79 483	16 719	4 674
Charge for the year	202	11 439	11 772	2 867
Business combination	–	340	–	–
Disposals	–	–	(2 303)	–
Write offs	–	(2 759)	(140)	(745)
Exchange differences on translation	(85)	(7 587)	(1 803)	(491)
Balance at 30 September 2020	982	80 916	24 245	6 305

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
1 325	**3 868**	**567**	**1 891**	**396 878**
862	**1 427**	**392**	**–**	**106 006**
–	**–**	**–**	**172**	**2 157**
–	**–**	**17**	**–**	**4 704**
–	**(4)**	**(1)**	**–**	**(5)**
–	**–**	**–**	**196**	**21**
–	**(1 390)**	**(11)**	**(492)**	**(9 023)**
12	**(3)**	**7**	**–**	**(614)**
132	**351**	**43**	**201**	**42 007**
2 331	**4 249**	**1 014**	**1 968**	**542 131**
489	**3 528**	**366**	**1 087**	**117 918**
190	**972**	**128**	**392**	**36 024**
–	**–**	**1**	**–**	**12**
–	**(4)**	**–**	**–**	**(4)**
–	**(1 081)**	**(11)**	**(529)**	**(4 073)**
–	**–**	**–**	**–**	**(614)**
51	**365**	**25**	**115**	**12 407**
730	**3 780**	**509**	**1 065**	**161 670**
1 284	5 338	807	2 108	372 242
175	1 194	88	–	70 558
–	–	–	–	617
–	(265)	–	–	–
58	25	40	–	1 465
(66)	(8)	–	–	(3 091)
–	(4)	–	(31)	39
–	(1 912)	(308)	–	(8 938)
(126)	(500)	(60)	(186)	(36 014)
1 325	3 868	567	1 891	396 878
398	4 741	586	796	108 262
122	1 086	89	372	27 949
31	12	29	–	412
(19)	(8)	–	–	(2 330)
–	(1 906)	(298)	–	(5 848)
(43)	(397)	(40)	(81)	(10 527)
489	3 528	366	1 087	117 918

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

10. PROPERTY, PLANT AND EQUIPMENT continued

	2021 US$'000	2020 US$'000
Net book value		
Freehold land and buildings	**17 940**	13 298
Mining assets and infrastructure	**291 389**	208 347
Mining fleet	**59 841**	46 640
Right-of-use mining fleet	**7 813**	8 494
Motor vehicles	**1 601**	836
Computer equipment and software	**469**	340
Office equipment and furniture, community and site office improvements	**505**	201
Right-of-use buildings and premises	**903**	804
	380 461	278 960

Included in additions to mining assets and infrastructure are additions to the deferred stripping asset of US$25.8 million (2020: US$22.7 million).

The estimated economically recoverable proved and probable mineral reserve was reassessed at 1 October 2020 which gave rise to a change in accounting estimate. The remaining reserve that management had previously assessed was 97.5 Mt (at 1 October 2019). At 1 October 2020, the remaining reserve was assessed to be consistent at 97.5 Mt. Therefore, the reserve increased by 5.4 Mt which equals the depletion of the reserve during the year ended 30 September 2020.

As a result, the expected useful life of the plant increased. The impact of the change on the actual depreciation expense, included in cost of sales, is a reduced depreciation charge of US$0.6 million. The change in estimate was recognised prospectively.

Included in mining assets and infrastructure are projects under construction of US$61.0 million (2020: US$25.6 million) and included in computer equipment and software are projects under construction of US$0.5 million (2020: no balance).

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 2021 (2020: no capitalisation of borrowing costs).

Capital commitments

At 30 September 2021, the Group's capital commitments for contracts to purchase property, plant and equipment amounted to US$31.9 million (2020: US$30.7 million).

Securities

At 30 September 2021, the majority of the Group's mining fleet was pledged as security against the equipment loan facility (refer to note 18).

Write offs

During the year ended 30 September 2021, the Group scrapped individual assets totalling US$5.0 million (2020: US$3.1 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 premature failures are identified through the measurement of the hours depreciated for each component in relationship to the expected useful live. 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.

11. INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

The investment accounted for using the equity method represents the investment of 26.8% of the issued share capital of Karo Mining Holdings Limited (Karo Holdings), a company incorporated in Cyprus.

Karo Holdings' principal place of business is in Cyprus. The functional and presentation currency of Karo Holdings and its subsidiaries is the US$. The table below details Karo Holdings' interest in subsidiaries as at 30 September 2021 and 30 September 2020.

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*	100%	Zimbabwe	Platinum mining
Karo Coal Mines (Private) Limited**	100%	Zimbabwe	Coal
Karo Power Generation (Private) Limited**	100%	Zimbabwe	Power generation
Karo Refinery (Private) Limited**	100%	Zimbabwe	PGM smelting and refining

* *50% of the shareholding in this company will be transferred to an investment entity owned by the Republic of Zimbabwe, the communities and employees.*
** *25% of the shareholding in this company will be transferred to an investment entity owned by the Republic of Zimbabwe, the communities and employees.*

The Group entered into a Shareholders Agreement with Leto Settlement, a related party, whereby management of the Karo Project will exclusively vest in the Company or any of its subsidiaries. Any decisions about the relevant activities require unanimous consent of the shareholders. The Group has determined that a joint arrangement exists and consequently has classified its investment in Karo Holdings as a joint venture. The Group accounts for joint ventures using the equity method in the consolidated financial statements.

The Company has an option, at its election, to subscribe for shares directly in Karo Platinum by way of a farm-in agreement. In terms of the option, the Company has the right but not the obligation, to fund Karo Platinum in return for a direct shareholding in Karo Platinum. As a consequence of the farm-in arrangement, the Company may at its election, in addition to its indirect shareholding through the 26.8% shareholding in Karo Holdings, acquire a direct shareholding in Karo Platinum of up to 40.0% of the issued share capital of Karo Platinum.

The price payable for any new equity shares to be subscribed for in Karo Platinum will be determined with reference to an independent valuation of Karo Platinum at that time in accordance with the South African code for the reporting of mineral asset valuation 'SAMVAL Code', taking into account factors including country risk and the leverage of Karo Platinum. Depending on the status of the project, the following valuation methodologies as provided for in the SAMVAL Code together with the agreed discount rates shall be applied:
- Up to an inferred resource – historical cost multiple, less a 60% discount;
- Up to a measured resource and reserve – comparable company market multiples less a 50% discount;
- On or after completion of a bankable feasibility study – income approach (which is determined using a discounted cash flow valuation) less a discount of 30%.

Karo Holdings will retain a minimum 10% indirect shareholding in Karo Platinum should the Company exercise its farm-in option in full.

During the year ended 30 September 2021, Karo Platinum completed the mining section of the pre-feasibility study with the objective to declare a Mineral Reserve that is compliant with the SAMREC Code (2016). A detailed LOM plan was completed to declare the Mineral Reserve estimate for the open pit operations. The Mineral Reserve estimate was derived from the Measured and Indicated Mineral Resources contained within the LOM plan. Consequently, at 30 September 2021, a measured resource and reserve exist which in terms of the Shareholders Agreement will attract a discount of 50% to the comparable company market multiple valuation. Refer to notes 12 and 21.

Investment in Karo Holdings	2021 US$'000	2020 US$'000
Opening balance	10 303	8 781
Interest capitalised	222	270
Advances during the year	–	1 866
Share of total comprehensive loss	(251)	(614)
	10 274	10 303
Shares acquired	4 500	4 500
Loan advance	8 353	8 131
Total share of comprehensive loss from joint venture	(2 579)	(2 328)
Total investment	10 274	10 303

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

11. INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD continued

Summarised consolidated financial information of Karo Holdings	2021 US$'000	2020 US$'000
Summarised statement of financial position		
Non-current assets	**207**	216
Current assets (excluding cash and cash equivalents)	**360**	107
Cash and cash equivalents	**54**	227
Loan payable	**(8 353)**	(8 131)
Trade and other payables and income tax payable	**(1 892)**	(1 105)
Net deficit (100%)	**(9 624)**	(8 686)
Summarised statement of comprehensive income		
Operating expenses	**(696)**	(2 004)
Finance costs	**(223)**	(274)
Tax	**(19)**	(14)
Total comprehensive loss	**(938)**	(2 292)

Summarised statement of changes in equity

	2021			2020		
	Share capital US$'000	Retained earnings US$'000	Total US$'000	Share capital US$'000	Retained earnings US$'000	Total US$'000
Balance at 1 October	**1**	**(8 687)**	**(8 686)**	1	(6 395)	(6 394)
Net loss for the year	**–**	**(938)**	**(938)**	–	(2 292)	(2 292)
Balance at 30 September	**1**	**(9 625)**	**(9 624)**	1	(8 687)	(8 686)

Arxo Finance plc, a wholly owned subsidiary of the Company provided funding of US$7.9 million (2020: US$7.9 million) to Karo Holdings as a repayable debt facility. In addition, interest receivable of US$0.5 million (2020: US$0.3 million) was capitalised to the loan receivable. The loan bears interest at US Libor plus 250 basis points and is unsecured.

12. FINANCIAL AND OTHER ASSETS

	Fair value hierarchy	2021 US$'000	2020 US$'000
Non-current assets			
Financial assets			
Investments in money markets, current accounts, cash funds and income funds	Level 2	**7 702**	6 791
Right to acquire shares in Karo Platinum (Private) Limited	Level 3	**5 870**	–
Other assets			
Prepaid investment in Karo Platinum (Private) Limited	Amortised cost	**2 282**	–
		15 854	6 791
Current assets			
Financial assets			
Discount facility	Level 1	**3 023**	–
Investments in equity instruments	Level 1	**18**	8
Option to acquire shares in Salene Chrome Zimbabwe (Private) Limited	Level 3	**–**	178
Other assets			
Prepaid investment in Salene Chrome Zimbabwe (Private) Limited	Amortised cost	**–**	1 976
Loan receivable	Amortised cost	**–**	7
		3 041	2 169

12. FINANCIAL AND OTHER ASSETS continued

Investments in money markets, current accounts, cash funds and income funds – fair value through profit or loss

Investment in money market and current accounts totalling US$6.3 million (2020: US$5.6 million) is managed by Centriq Insurance Company Limited (Centriq). The investment serves as security for the guarantee issued by Centriq to the Department of Mineral Resources and Energy for the rehabilitation provision. The guarantee issued by Centriq has a fixed cover period from 1 December 2020 to 30 November 2023.

Investment in cash funds and income funds of US$1.4 million (2020: US$1.2 million) managed by Stanlib Collective Investments. The investment is ceded to Lombard Insurance Group (Lombard) against a US$0.8 million (ZAR12.0 million) (2020: US$0.7 million (ZAR12.0 million)) guarantee issued by Lombard on behalf of Arxo Logistics Proprietary Limited to Transnet Freight Rail, a division of Transnet SOC Limited.

These investments are separately administered and the Group's right of access to these funds is restricted.

The investments in cash funds and income funds are held at fair value through profit or loss (designated). The underlying investments are in money market and other funds and the fair value has been determined by reference to their quoted prices.

Right to acquire shares in Karo Platinum (Private) Limited (Karo Platinum)

The Company had been granted the right to acquire up to 40% of the issued share capital of Karo Platinum, a company incorporated in Zimbabwe, at a discount to the market value (refer to note 11). The asset represents the fair value gain (50% discount to the market value as the project is at a measured resource and reserve stage) of the discount on the purchase.

Prepaid investment in Karo Platinum

As part of the evaluation of the right to acquire shares in Karo Platinum, the Company incurred exploration and evaluation costs which have been capitalised.

Discount facility

Discount facility relates to fair value adjustments on the limited recourse disclosed receivables discounting facility in terms of which 98.0% of the sales value of platinum, palladium and gold (included in PGM) and 45% of the sales value of rhodium are discounted at LIBOR plus 302 basis points (2020: LIBOR plus 326 points). The facility is for US$33.0 million (2020: US$33.0 million). The balance is held at fair value through profit or loss.

Investments in equity instruments – fair value through profit or loss

Investments at fair value through profit or loss are valued based on quoted market prices at the end of the reporting period without any deduction for transaction costs. The investment represents shares in the Bank of Cyprus Public Co Limited.

Option to acquire shares in Salene Chrome Zimbabwe (Private) Limited

At 30 September 2020, the Company had a call option to acquire a 90.0% shareholding in Salene Chrome, a company incorporated in Zimbabwe, at an exercise price of US$90. At 30 September 2020, the Company completed a discounted cash flow model to determine the fair value of the project. A fair value gain of US$0.2 million was recognised in profit or loss. The call option originally expired on 30 September 2020 but was extended to 31 March 2021.

The call option lapsed at 31 March 2021 and at the same date, the Company entered into a purchase agreement whereby the Company acquired 100% of the issued share capital of Salene Chrome at a purchase consideration of US$3.0 million. Consequently during the year ended 30 September 2021, the Company derecognised the fair value asset of the call option.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

13. INVENTORIES

	2021 US$'000	2020 US$'000
Finished products	**15 972**	12 978
Ore stockpile	**17 553**	8 962
Consumables	**25 533**	19 810
	59 058	41 750
(Impairment)/impairment reversal and net realisable value write down	**(789)**	114
Total carrying amount	**58 269**	41 864

Inventories are stated at the lower of cost or net realisable value. Low-grade chrome concentrates to the value of US$1.2 million are carried at the realisable value after a net realisable value write down of US$0.1 million. The net realisable write down was allocated to the chrome segment.

Certain PGM finished products, which were written down to the net realisable value (2020: US$0.5 million write down) during the year ended 30 September 2020, were impaired in full during the year ended 30 September 2021. The provision and net realisable value write down were allocated to the PGM segment. In addition, certain consumables and spares were provided for during the year ended 30 September 2021 as its operational use become doubtful. The provision is allocated 80.0% and 20.0% to the PGM and chrome operating segments respectively.

14. TRADE AND OTHER RECEIVABLES

	2021 US$'000	2020 US$'000
Trade receivables	**33 596**	61 474
PGM discounting receivable	**77 286**	37 059
Total trade receivables	**110 882**	98 533
Other receivables – related parties (refer to note 22)	**1 951**	1 440
Deposits, prepayments and other receivables	**8 901**	4 250
Accrued income	**2 902**	1 119
Value added tax receivable (VAT)	**11 918**	6 714
	136 554	112 056

Trade and other receivables of the Group are expected to be recoverable within one year from each reporting date. Trade receivables are unsecured, non-interest bearing and payment terms vary from 0 to 120 days (2020: 0 to 120 days). An expected credit loss allowance of US$0.1 million was recognised during the year ended 30 September 2021. The expected credit loss allowance relates to the manufacturing segment, is customer specific and is based on the respective customer's observable current financial position. No impairment of trade receivables was recognised during the year ended 30 September 2020.

14. TRADE AND OTHER RECEIVABLES continued

The table below summarises the maturity of trade receivables:

	2021 US$'000	2020 US$'000
Current	**109 986**	98 011
Less than 90 days past due but not impaired	**53**	13
Greater than 90 days past due but not impaired	**843**	509
	110 882	98 533
The credit exposure of trade receivables by country is as follows:		
South Africa	**93 139**	70 873
China	**5 923**	10 723
Hong Kong	**297**	8 890
Singapore	**9 827**	4 232
Australia	**1 696**	–
United Arab Emirates	**–**	3 815
	110 882	98 533
The foreign currency denominated balances, translated to US$ included in trade receivables were as follows:		
ZAR'000	**7 383**	58 783
EUR'000	**–**	7
US$'000	**103 499**	–
GBP'000	**–**	34

At 30 September 2021, the Group had certain unresolved tax matters. Included in trade and other receivables is an amount of 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$3.6 million) and May 2017 to February 2018 (US$1.9 million). On 27 February 2020, a Founding Affidavit was filed with the High Court of South Africa to which no formal response has been received from SARS. The Group is in process of filing a supplementary affidavit to re-enforce its position, to which SARS has a period of 15 days to respond to. Failing which the Group will then put the matter on the Court's unopposed roll for finalisation.

15. CASH AND CASH EQUIVALENTS

	2021 US$'000	2020 US$'000
Bank balances	**72 945**	47 103
Short-term bank deposits and money market investments	**10 491**	2 190
	83 436	49 293
The credit exposure by country is as follows:		
South Africa	**55 669**	29 093
Hong Kong	**18 831**	13 813
Mauritius	**1 017**	644
United Kingdom	**2 338**	–
Zimbabwe	**1 385**	–
Cyprus	**3 872**	5 247
Other countries	**324**	496
	83 436	49 293

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

15. CASH AND CASH EQUIVALENTS continued

The credit exposure by bank and credit ratings are as follows:

		2021 US$'000	2020 US$'000
Nedbank	BB-	**42 597**	19 679
HSBC	A+	**18 841**	13 843
Bank of China	A	**6 350**	6 345
Bank of Cyprus	B-	**3 872**	5 259
Citibank	A	**4 409**	2 652
Stanlib Corporate Money Market	AA+	**5 748**	–
Absa	BB-	**1 272**	994
Other	AA+ to BB-	**347**	521
		83 436	49 293

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 2021, an amount of US$1.0 million (2020: US$0.9 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 (2020: US$0.3 million) was provided as security against certain credit facilities of the Group.

16. SHARE CAPITAL AND RESERVES

	30 September 2021		30 September 2020	
Share capital	**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**	270 000 000	270
Issued to treasury shares	**–**	**–**	5 000 000	5
Balance at the end of the year	**275 000 000**	**275**	275 000 000	275
Treasury shares				
Balance at the beginning of the year	**6 523 686**	**6**	3 389 678	3
Issued	**–**	**–**	5 000 000	5
Transferred as part of management share award plans	**(2 808 065)**	**(2)**	(1 865 992)	(2)
Balance at the end of the year	**3 715 621**	**4**	6 523 686	6
Issued and fully paid	**271 284 379**	**271**	268 476 314	269
Share premium				
Balance at the beginning of the year	**268 476 314**	**286 660**	266 610 322	284 926
Shares issued	**2 808 065**	**2 887**	1 865 992	1 734
Balance at the end of the year	**271 284 379**	**289 547**	268 476 314	286 660
Total share capital and premium		**289 818**		286 929

16. SHARE CAPITAL AND RESERVES continued

Share capital

There were no allotments during the year ended 30 September 2021. Allotments during the year ended 30 September 2020 were in respect of 5 000 000 ordinary shares issued as treasury shares to satisfy the vesting of Conditional Awards and potential future settlement of Appreciation Rights of the participants' of the Tharisa Share Award Plan.

During the year ended 30 September 2021, 2 808 065 (2020: 1 865 992) 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 2021, 3 715 621 (2020: 6 523 686) 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.

Share premium

The share premium represents the excess of the issue price of ordinary shares over their nominal value, to the extent that it is registered at the Registrar of Companies in Cyprus, less share issue costs. The share premium is not distributable for dividend purposes.

During the years ended 30 September 2021 and 30 September 2020, the increases in the share premium account related to the issue and allotment of ordinary shares granted in terms of the Share Award Plan.

17. 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.

	2021			2020		
	Restoration US$'000	**Decommis-sioning US$'000**	**Total provision US$'000**	Restoration US$'000	Decommis-sioning US$'000	Total provision US$'000
Provision for rehabilitation						
Opening balance	**6 181**	**8 503**	**14 684**	6 424	6 677	13 101
Recognised in profit and loss	**6 333**	**–**	**6 333**	(183)	–	(183)
Capitalised/(reversal) to mining assets and infrastructure	**–**	**(4 182)**	**(4 182)**	–	1 949	1 949
Unwinding of discount	**649**	**893**	**1 542**	541	562	1 103
Exchange differences	**574**	**980**	**1 554**	(601)	(685)	(1 286)
Closing balance	**13 737**	**6 194**	**19 931**	6 181	8 503	14 684

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

17. 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 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**
30 September 2020					
Provision for restoration	6 424	(363)	722	(602)	6 181
Provision for decommissioning	6 677	1 164	1 348	(686)	8 503
	13 101	801	2 070	(1 288)	14 684

The current estimated rehabilitation cost to be incurred mostly between financial years 2032 and 2046 (2020: between financial years 2032 and 2046) taking escalation factors into account is US$60.5 million (ZAR911.1 million) (2020: US$24.2 million (ZAR404.9 million)). The estimate was calculated by an independent external expert. The increase 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.

The current estimated rehabilitation cost is projected to a future value based on a weighted average long-term inflation rate of 6.8% (2020: 6.7%). The net present value of the rehabilitation estimated future value is discounted based on a weighted average SWAP curve. The calculated interest rate was 9.6% (2020: 9.3%).

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.

18. BORROWINGS

	2021 US$'000	2020 US$'000
Non-current		
Equipment loan facility	**14 307**	12 738
Lease liabilities	**2 273**	2 838
Atrafin loan	**2 951**	–
Property loans	**617**	556
Loan from related party	**442**	–
	20 590	16 132
Current		
Equipment loan facility	**10 527**	7 730
Lease liabilities	**3 112**	3 844
Atrafin loan	**700**	–
Property loans	**47**	43
Loan from related party	**100**	–
Bank credit facilities	**1 774**	17 345
Facilities	**–**	23 849
Loan	**–**	1 670
	16 260	54 481

18. BORROWINGS continued

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. The total facility amounts to US$30 million, bears interest rates between the one-month US Libor plus 325 basis points and the 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 2021, the Group complied with all financial covenants.

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 have a lease term of 12 months or less and leases of low-value assets such as computer equipment. Lease expenses of US$0.3 million (2020: US$0.1 million) and US$0.1 million (2020: US$0.1 million) were included in cost of sales and administrative expenses respectively for the year ended 30 September 2021.

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 2021, the remaining term of these leases vary between two and four and a half years (2020: three and three and 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 twenty four and sixty months (2020: fourteen and sixty one 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 (2020: South African prime interest rate plus 375 basis points). The leases are secured by the mining fleet leased.

Lease payments due:	2021 US$'000	2020 US$'000
Within one year	**3 406**	4 281
Two to five years	**2 505**	3 018
	5 911	7 299
Less future finance charges	**(526)**	(617)
Present value of minimum lease payments due	**5 385**	6 682
Present value of minimum lease payments due:		
Within one year	**3 302**	3 840
Two to five years	**2 083**	2 842
	5 385	6 682

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

18. BORROWINGS continued

Atrafin loan

The loan from Atrafin LLC is for a total amount of 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.

Property loans

As part of the business combination (refer to note 20), 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 bear interest at the RSA prime rate and are repayable in 10 years from 1 October 2019. 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 one-month US Libor plus 1.6% pa and the three-month US Libor plus 3.05% pa (2020: one-month US Libor plus 1.6% pa and three-month US Libor plus 3.0% 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 (refer to note 20). The loan is repayable in 36 equal monthly instalments commencing on 1 April 2022, bears interest at the three-month US Libor plus 500 basis points and is unsecured.

Facilities

The Facilities (ZAR800 million) comprised of:

- a three year senior secured amortising term loan of US$26.6 million (ZAR400 million),
- a three year secured committed revolving facility of US$19.9 million (ZAR300 million); and
- an overdraft facility of US$6.6 million (ZAR100 million).

The Facilities were paid off in full during the year ended 30 September 2021.

Other loan

A subsidiary of the Company, Arxo Metals Proprietary Limited, entered into a loan agreement with Rand York Minerals Proprietary Limited for the advance of US$6.0 million (ZAR90 million). The loan was settled in full during the year ended 30 September 2021.

Commercial Asset Finance

Tharisa Minerals Proprietary Limited entered into a commercial asset finance facility with Absa Bank Limited to the value of US$10.0 million (ZAR150.0 million) during the year ended 30 September 2021. The facility bears interest at the South African Prime rate less 125 basis points and is repayable monthly in arrears over 36 months. In addition, Tharisa Minerals Proprietary Limited obtained a bank overdraft from Absa Bank Limited to the value of US$10.0 million (ZAR150.0 million). At 30 September 2021, neither the facility nor the overdraft has been drawn on.

18. BORROWINGS continued

	Facilities US$'000	Equipment loan facility US$'000	Lease liabilities US$'000	Atrafin loan US$'000	Bank credit facilities US$'000	Other loan US$'000	Property loans US$'000	Loan from related party US$'000	Total borrowings US$'000
Balance 30 September 2020	23 849	20 468	6 682	–	17 345	1 670	599	–	70 613
Changes from financing cash flows									
Advances: bank credit facilities	–	–	–	–	115 174	–	–	–	115 174
Repayment: bank credit facilities	–	–	–	–	(130 727)	–	–	–	(130 727)
Net repayment of bank credit facilities	–	–	–	–	(15 553)	–	–	–	(15 553)
Advances received	10 068	13 349	–	3 370	–	–	–	–	26 787
Repayment of borrowings	(37 095)	(9 232)	–	–	–	(1 881)	–	–	(48 208)
Principal lease payments	–	–	(4 597)	–	–	–	–	–	(4 597)
Repayment of interest	(447)	(775)	(560)	–	(151)	(70)	(28)	–	(2 031)
Changes from financing cash flows	(27 474)	3 342	(5 157)	3 370	(15 704)	(1 951)	(28)	–	(43 602)
Foreign currency translation differences	3 008	2 211	761	(54)	–	211	65	–	6 202
Liability-related changes									
Lease agreements entered into	–	–	2 354	–	–	–	–	–	2 354
Re-measurement of lease liabilities	–	–	214	–	–	–	–	–	214
Business combination (note 20)	–	–	–	–	–	–	–	529	529
Interest expense	617	876	567	26	133	70	28	13	2 330
Revaluation of foreign denominated loan	–	(2 063)	(36)	309	–	–	–	–	(1 790)
Total liability-related changes	617	(1 187)	3 099	335	133	70	28	542	3 637
Balance at 30 September 2021	–	24 834	5 385	3 651	1 774	–	664	542	36 850
Non-current borrowings	–	14 307	2 273	2 951	–	–	617	442	20 590
Current borrowings	–	10 527	3 112	700	1 774	–	47	100	16 260
Total borrowings	–	24 834	5 385	3 651	1 774	–	664	542	36 850

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

18. BORROWINGS continued

	Facilities US$'000	Equipment loan facility US$'000	Lease liabilities US$'000	Bank credit facilities US$'000	Other loan US$'000	Property loans US$'000	Other US$'000	Total borrowings US$'000
Balance 30 September 2019	29 279	11 599	11 580	14 900	3 858	–	–	71 216
Changes from financing cash flows								
Advances: bank credit facilities	–	–	–	95 326	–	–	–	95 326
Repayment: bank credit facilities	–	–	–	(92 839)	–	–	–	(92 839)
Net repayment of bank credit facilities	–	–	–	2 487	–	–	–	2 487
Advances received	6 164	11 954	–	–	–	–	–	18 118
Repayment of borrowings	(9 394)	(4 323)	–	–	(1 886)	–	(6)	(15 609)
Lease payments	–	–	(5 673)	–	–	–	–	(5 673)
Repayment of interest	(2 272)	(865)	–	(269)	(273)	–	–	(3 679)
Changes from financing cash flows	(5 502)	6 766	(5 673)	2 218	(2 159)	–	(6)	(4 356)
Foreign currency translation differences	(2 612)	(1 359)	(948)	–	(302)	(61)	–	(5 282)
Liability-related changes								
Lease agreements entered into	–	–	715	–	–	–	–	715
Re-measurement of lease liabilities	–	–	40	–	–	–	–	40
Business combination	–	–	–			660	6	666
Interest expense	2 684	957	906	227	273	–	–	5 047
Revaluation of foreign denominated loan	–	2 505	62	–	–	–	–	2 567
Total liability-related changes	2 684	3 462	1 723	227	273	660	6	9 035
Balance at 30 September 2020	23 849	20 468	6 682	17 345	1 670	599	–	70 613
Non-current borrowings	–	12 738	2 838	–	–	556	–	16 132
Current borrowings	23 849	7 730	3 844	17 345	1 670	43	–	54 481
Total borrowings	23 849	20 468	6 682	17 345	1 670	599	–	70 613

19. TRADE AND OTHER PAYABLES

	2021 US$'000	2020 US$'000
Trade payables	**44 467**	23 924
Accrued expenses	**22 767**	14 163
Leave pay accrual	**5 328**	4 481
Value added tax payable	**261**	1 531
Provision for mining royalty	**30 953**	8 571
Other payables – related parties (note 22)	**509**	237
Other payables	**281**	45
	104 566	52 952
Trade payables in foreign currency balances translated to US$ were as follows:		
US$	**94**	1 483
ZAR	**44 366**	22 150
EUR	**3**	291
GBP	**4**	–
	44 467	23 924

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

Effective 31 March 2021, the Company acquired 100% of the issued share capital of Salene Chrome Zimbabwe (Private) Limited (Salene Chrome), a company incorporated in Zimbabwe from the Leto Settlement, a related party (refer to note 22) for a cash consideration of US$3.0 million. The cash consideration excludes capital expenses previously incurred by the Company on exploration activities. Salene Chrome holds six special grants on the Great Dyke in Zimbabwe for the prospecting and mining of minerals including chrome.

The Company previously had a call option to acquire 90.0% of the issued share capital of Salene Chrome for a consideration of US$90 and was required to fund and undertake an initial exploration programme with a spend of up to US$3.2 million. Leto Settlement would have retained a 10% free carried shareholding in Salene Chrome and would have been entitled to a 3% commission on the Cost, Insurance and Freight (CIF) sales value of the chrome concentrates and any other commodities sold.

The call option agreement lapsed at 31 March 2021. On the same day, the Company entered into a purchase agreement to acquire 100% of the issued share capital of Salene Chrome. Commission payable to Leto Settlement on the CIF sales value of the chrome concentrates and any other commodities sold remains unchanged at 3% of CIF sales value, except that it is to be capped at US$10.0 million and subject to certain profitability measures. The commission payable represents a contingent consideration. The profitability measures will be impacted by a number of unknown future events of which certain are outside the control of the Group, and as such, no contingent consideration has been recognised.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

20. BUSINESS COMBINATION continued

The following table summarises the fair value of the assets and liabilities of Salene Chrome at 31 March 2021:

	Fair value recognised on acquisition US$'000
Assets	
Property, plant and equipment	4 692
Trade and other receivables	109
Cash and cash equivalents	2
	4 803
Liabilities	
Borrowings	(529)
Trade and other payables	(609)
	(1 138)
Total identifiable net assets at fair value	3 665
Less cash and cash equivalents acquired	(2)
Goodwill arising on acquisition	1 392
Total cash flow on acquisition	5 055
Less amounts already spent (note 12)	(1 976)
Cash outflow on business combination	3 079

Below a summary of Salene Chrome's statement of profit or loss for the year ended 30 September 2021 as if the acquisition has taken place as at 1 October 2020, as well as a summary of Salene Chrome's statement of profit or loss since the acquisition date for the six months ended 30 September 2021 included in the consolidated statement of profit or loss for the year ended 30 September 2021.

	Year ended 30 September 2021 US$'000	Six months ended 30 September 2021 US$'000
Operating expenses	(359)	(248)
Profit on exchange differences	174	174
Operating loss	(185)	(74)
Finance costs	(33)	(20)
Net loss after tax	(218)	(94)

The purchase consideration was funded from existing cash resources of the Group. The transaction cost was US$0.1 million.

The goodwill recognised is attributed to the Special Economic Zone status of Salene Chrome, existing bilateral relationships with the Government of Zimbabwe, supplier relationships and knowledge of the workforce. The goodwill is not tax deductible.

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.

21. FINANCIAL RISK MANAGEMENT continued

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.

		Fair value		
Financial instrument	Fair value level	**2021 US$'000**	2020 US$'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	**7 702**	6 791	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
Discount facility	Level 2	**3 023**	–	Quoted market metal prices and exchange rate
Investments in equity instruments	Level 1	**18**	8	Quoted market price
Option to acquire shares in Salene Chrome Zimbabwe (Private) Limited	Level 3	**–**	178	Discounted cash flow model
Trade and other receivables measured at fair value				
PGM receivable	Level 2	**85 472**	37 059	Quoted market metal prices and exchange rate (refer below)
Financial liabilities measured at fair value				
Discount facility	Level 2	**–**	6 035	Quoted market metal prices and exchange rate
Forward exchange contracts	Level 2	**485**	109	Quoted market closing exchange rates

There have been no transfers between fair value hierarchy levels in the current year.

Fair value gains and losses recognised in the financial instruments during the year:

	2021 US$'000	2020 US$'000
Changes in fair value of financial assets at fair value through profit or loss		
Investments in equity instruments	**10**	(15)
Investments in money markets, current accounts, cash funds and income funds	**223**	313
Discount facility	**4 615**	–
Right to acquire shares in Karo Platinum (Private) Limited	**5 870**	–
Option to acquire shares in Salene Chrome Zimbabwe (Private) Limited	**(178)**	178
	10 540	476
Changes in fair value of financial liabilities at fair value through profit or loss		
Discount facility	**–**	(5 940)
Forward exchange contracts	**(370)**	167
	(370)	(5 773)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

22. RELATED PARTY TRANSACTIONS AND BALANCES

	2021 US$'000	2020 US$'000
Loans receivable		
Karo Mining Holdings Limited	**8 353**	8 131
Alta Steenkamp	**–**	7
Trade and other receivables (note 14)		
Thys and Alta Steenkamp	**188**	169
The Tharisa Community Trust	**65**	4
Rocasize Proprietary Limited	**3**	27
Karo Mining Holdings Limited	**796**	348
Karo Zimbabwe Holdings (Private) Limited	**321**	255
Karo Platinum (Private) Limited	**417**	223
Karo Power Generation (Private) Limited	**146**	135
Salene Chrome Zimbabwe (Private) Limited	**–**	265
Salene Mining Proprietary Limited	**15**	14
	1 951	1 440
Loan payable (note 18)		
Leto Settlement	**542**	–
Trade and other payables (note 19)		
Karo Mining Holdings Limited	**–**	94
Karo Zimbabwe Holdings (Private) Limited	**315**	6
Karo Platinum (Private) Limited	**29**	28
Rocasize Proprietary Limited	**55**	1
	399	129
Amounts due to Directors		
A Djakouris	**21**	20
J Salter	**23**	22
O Kamal	**12**	12
C Bell	**17**	18
R Davey	**16**	15
Z Hong	**9**	9
V Chu	**–**	2
Lo Wai Man	**10**	–
J Hu	**–**	10
	110	108
Total other payables	**509**	237

22. RELATED PARTY TRANSACTIONS AND BALANCES continued

	2021 US$'000	2020 US$'000
Property loans		
Ross Two-10-Properties Proprietary Limited	**153**	138
Rohcon Engineering Proprietary Limited	**193**	174
PCMQ Proprietary Limited	**199**	180
Thys & Alta Properties Proprietary Limited	**119**	107
	664	599
Revenue		
Salene Manganese Proprietary Limited	**420**	80
Karo Platinum (Private) Limited	**5**	–
Salene Technologies Proprietary Limited	**–**	2
Cost of sales		
Rocasize Proprietary Limited	**511**	331
Salene Chrome Zimbabwe (Private) Limited	**–**	38
Other income		
Karo Zimbabwe Holdings (Private) Limited	**–**	3
Karo Platinum (Private) Limited	**–**	2
Rocasize Proprietary Limited	**9**	9
Consulting fees received		
Rocasize Proprietary Limited	**14**	12
Salene Chrome Zimbabwe (Private) Limited (before acquisition)	**54**	88
Karo Platinum (Private) Limited	**183**	224
Karo Power Generation (Private) Limited	**10**	133
Karo Zimbabwe Holdings (Private) Limited	**10**	181
Rent paid		
Ross Two-10-Properties Proprietary Limited	**–**	4
Rohcon Engineering Proprietary Limited	**–**	4
PCMQ Proprietary Limited	**23**	34
Thys & Alta Properties Proprietary Limited	**9**	16
Donations paid		
The Music for the Children Foundation	**–**	25
Interest receivable		
Karo Mining Holdings Limited	**222**	270
Interest paid		
Ross Two-10-Properties Proprietary Limited	**11**	11
Thys & Alta Properties Proprietary Limited	**4**	–
Rohcon Engineering Proprietary Limited	**14**	14
Dividends paid		
Thari Resources Proprietary Limited	**845**	–
The Tharisa Community Trust	**253**	–

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

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
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**
2020						
Non-Executive Directors	626	–	–	–	–	626
Executive Directors	1 637	7	387	73	59	2 163
Other key management	1 098	24	279	113	60	1 574
	3 361	31	666	186	119	4 363

Share-based awards to the Directors and to the key management for the year under review are as follows:

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**

2020 Ordinary shares	Opening balance	Inclusion of additional employee	Allocated	Vested	Forfeited	Total
LTIP – executive directors	1 626 960	–	1 559 892	(456 262)	(350 788)	2 379 802
LTIP – key management	1 246 246	–	967 470	(362 384)	(275 174)	1 576 158
2021 Ordinary shares						
SARS – executive directors	**440 631**	**–**	**–**	**(440 631)**	**–**	**–**
SARS – key management	**293 919**	**(50 907)**	**–**	**(243 012)**	**–**	**–**
2020 Ordinary shares						
SARS – executive directors	1 229 864	–	–	(263 053)	(526 180)	440 631
SARS – key management	913 032	–	–	(206 350)	(412 763)	293 919

Option to acquire shares in Salene Manganese Proprietary Limited

On 9 July 2019, the Company has been granted a call option to acquire a 70.0% shareholding in Salene Manganese Proprietary Limited (Salene Manganese), a company incorporated in South Africa. The purchase consideration to acquire 70.0% of the shareholding will be equal to 70.0% of the market value of Salene Manganese. Salene Manganese's principal activity is a manganese exploration and mining company. Salene Manganese purchased a Mining Right issued over the farm Macarthy 559, Kuruman district in South Africa. The Mining Right is for the mining of iron ore and manganese ore. At 30 September 2021 the call option has not yet been exercised. The call option is exercisable on or before 14 August 2022.

Management assessed the terms and conditions of this call option and considered whether potential voting rights in Salene Manganese from the future exercise of the option are substantive, as defined in IFRS 10. This assessment took into account, among others, a number of conditions precedent, including the current status of the Group's internal review and approval processes of the transaction, the status of the required internal Group approval, JSE Listings Requirements pertaining to related party transactions, as well as other regulatory approvals. Based on this evaluation, management concluded that the Group did not control Salene Manganese nor did it have the ability to exercise the right as at 30 September 2021.

22. RELATED PARTY TRANSACTIONS AND BALANCES continued

Relationships between parties:

Thari Resources Proprietary Limited
A shareholder of Tharisa Minerals Proprietary Limited.

The Tharisa Community Trust and Rocasize Proprietary Limited
The Tharisa Community Trust is a shareholder of Tharisa Minerals Proprietary Limited and 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 Technologies Proprietary Limited, Salene Manganese Proprietary Limited and Salene Mining Proprietary Limited
A director of the Company is also a director of these companies.

Thys and Alta Steenkamp
Former shareholders of MetQ Proprietary Limited.

Ross Two-10-Properties Proprietary Limited, Rohcon Engineering Proprietary Limited, PCMQ Proprietary Limited & Thys & Alta Properties Proprietary Limited
A former director of MetQ Proprietary Limited is also a director of these companies.

The Leto Settlement
The beneficial shareholder of Medway Developments Limited, a material shareholder in the Company.

Salene Chrome Zimbabwe (Private) Limited
This company was a wholly owned subsidiary of the Leto Settlement, the beneficial shareholder of Medway Developments Limited, a material shareholder in the Company until 31 March 2021.

Karo Mining Holdings Limited, Karo Zimbabwe Holdings (Private) Limited, Karo Platinum (Private) Limited and Karo Power Generation (Private) Limited
The Company owns 26.8% of the issued share capital of Karo Mining Holdings Limited. Karo Mining Holdings Limited owns 100% of the issued share capital of Karo Zimbabwe Holdings (Private) Limited, Karo Platinum (Private) Limited and Karo Power Generation (Private) Limited.

23. CONTINGENT LIABILITIES

Diesel rebates

At 30 September 2021, the Group had certain unresolved tax matters. Included in trade and other receivables is an amount of 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$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 a yet to be determined date. 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$16.7 million (ZAR250.9 million) (2020: US$8.3 million (ZAR124.2 million)), with the amount net of tax estimated to be US$12.0 million (ZAR180.6 million) (2020: US$5.9 million (ZAR89.4 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.

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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

23. CONTINGENT LIABILITIES continued

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 therefore 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 Plan (EMP) 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 socioeconomic 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 17 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 2021, there is no litigation (2020: 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

	2021 US$'000	2020 US$'000
Capital commitments		
Authorised and contracted	**30 639**	20 015
Authorised and not contracted	**1 298**	10 682
	31 937	30 697

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$ were converted at the closing rates of exchange ruling at 30 September 2021.

Guarantees

Tharisa Minerals Proprietary Limited entered into an equipment loan facility of US$30.0 million (2020: 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.

The Company guarantees US$20 million (ZAR300.0 million) in respect of the Commercial Asset Finance and overdraft facilities available to Tharisa Minerals Proprietary Limited to Absa Bank Limited.

The Company has provided suretyship for the payment of certain consumables by Tharisa Minerals Proprietary Limited up to US$10.0 million (ZAR150 million) for a period up to 31 December 2030.

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$19.2 million (ZAR288.4 million) (2020: ZAR255.8 million).

24. CAPITAL COMMITMENTS AND GUARANTEES continued

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$1.3 million (ZAR19.4 million) (2020: US$1.2 million (ZAR19.4 million)).

The Company guarantees performance of payment to a maximum amount of US$2.7 million (ZAR40.5 million) due from time to time between two third-party suppliers and Tharisa Minerals Proprietary Limited for the supply and sale of mining materials.

The Company issued guarantees limited to US$20.0 million (2020: US$30.0 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$0.8 million (ZAR12.0 million) (2020: US$0.7 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 2021, US$6.1 million has been paid up.

The Company issued guarantees limited to US$0.6 million (ZAR9 million) (2020: US$0.5 million (ZAR9 million)) as securities for bank facilities to be provided to MetQ Proprietary Limited.

25. EVENTS AFTER THE REPORTING PERIOD

On 30 November 2021, the Board has proposed a final dividend of US$5.00 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.

26. DIVIDENDS

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$4.2 million (2020: no dividend) during the year ended 30 September 2021. The dividend paid to non-controlling shareholders amounted to US$1.1 million.

During the year ended 30 September 2020, the Company declared and paid a final dividend of US$0.25 cents per share in respect of the financial year ended 30 September 2019.

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	213800WW4YWMVVZIJM90
Sector	General mining
Issued share capital as at 30 September 2021	275 000 000
Issued share capital (excluding treasury shares) as at 30 September 2021	271 284 379

	JSE	LSE
Market capitalisation as at 30 September 2021	ZAR5.57 billion	GBP267.0 million
Closing share price as at 30 September 2021	ZAR20.70	GBP1.00
12-month high	ZAR31.01	GBP1.56
12-month low	ZAR14.00	GBP0.70

SHAREHOLDER ANALYSIS

Analysis of shareholders as at 30 September 2021

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	**1 496**	**1 262 321**	**0.46**	**0.47**
Holding 10 001 to 100 000 shares	**146**	**5 382 205**	**1.96**	**1.98**
Holding 100 001 to 1 000 000 shares	**63**	**21 752 963**	**7.91**	**8.02**
Holding 1 000 001 to 5 000 000 shares	**18**	**31 796 108**	**11.56**	**11.72**
Holding 5 000 001 to 100 000 000 shares	**7**	**101 463 776**	**36.90**	**37.40**
Holding > 100 000 000 shares	**1**	**109 627 006**	**39.86**	**40.41**
Treasury shares	**–**	**3 715 621**	**1.35**	**–**
Total	**1 731**	**275 000 000**	**100.00**	**100.0**

Major shareholders	Number of shares	Percentage of issued share capital	Percentage of voting rights
Shareholders holding 10% or more			
Medway Developments Limited	**109 627 006**	**39.86**	**40.41**
Rance Holdings Limited	**39 226 509**	**14.26**	**14.46**
Fujian Wuhang Stainless Steel Co. Limited	**27 870 211**	**10.13**	**10.27**
Shareholders holding 5% or more			
	176 723 726	**64.25**	**65.14**

Public and non-public shareholders	Number of shareholders	Number of shares	Percentage of issued share capital	Percentage of voting rights
Public	1 713	83 820 746	30.48	30.90
Non-public				
Directors and associates of the Company and its subsidiaries	15	10 739 907	3.91	3.96
Persons interested (other than directors), directly or indirectly, in 10% or more	3	176 723 726	64.26	65.14
Total	**1 731**	**271 284 379**	**98.65**	**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:

	2021				2020			
	Beneficial		Non-beneficial		Beneficial		Non-beneficial	
Director	Direct	Indirect	Direct	Indirect	Direct	Indirect	Direct	Indirect
Loucas Pouroulis	**1 017 568**				803 419			
Phoevos Pouroulis	**933 628**	**6 928 432**			707 245	6 928 432		
Michael Jones	**689 653**				554 823			
David Salter	**–**	**–**	**–**	**–**	–	–	–	–
Antonios Djakouris	**43 250**	**–**	**–**	**–**	43 250	–	–	–
Omar Kamal	**–**	**–**	**–**	**–**	–	–	–	–
Carol Bell	**61 250**				61 250			
Roger Davey	**–**	**–**	**–**	**–**	–	–	–	–
Zhong Liang Hong	**–**	**–**	**–**	**–**	–	–	–	–
Vaneese Wing Yee Chu°	**–**	**–**	**–**	**–**	–	–	–	–
Shelley Wai Man Lo^	**–**	**–**	**–**	**–**	–	–	–	–
Total	**2 745 349**	**6 928 432**			2 169 987	6 928 432		

° *Retired by rotation on 10 February 2021*
^ *Appointed on 10 February 2021*

There have been no changes in directors' interests in the share capital between 30 September 2021 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, 23 February 2022 at 10:00 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, 10 December 2021
Last day to trade to be eligible to vote	Tuesday, 15 February 2022
Record date to be eligible to vote at the AGM	Friday, 18 February 2022
Last day for lodging forms of instruction (by 08:00 UK time)	Friday, 18 February 2022
Last day for lodging forms of proxy (by 10:00 SA time)	Monday, 21 February 2022
Annual general meeting (10:00 SA time (UTC+2))	Wednesday, 23 February 2022

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, 18 February 2022.

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 2021, including the management report and the report of the independent auditor, such annual financial statements having been approved by the Board on 30 November 2021.

Additional information in respect of ordinary resolution number 1

The condensed consolidated financial statements for the year ended 30 September 2021 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 2021, 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 of the Group for the financial year ending 30 September 2022, to hold office until conclusion of the next AGM of the Company, and that the remuneration for the financial year ending 30 September 2022 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 3.2)

Re-election of directors retiring by rotation

3.1 "RESOLVED THAT David Salter, 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."

3.2 "RESOLVED THAT Antonios Djakouris, 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."

Election of director appointed by the Board

3.3 "RESOLVED THAT Shelley Wai Man Lo, who retires in accordance with the Company's Articles of Association and who, being eligible, offers himself for 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. David Salter and Antonios Djakouris are retiring by rotation.

In terms of clause 156 of the Company's Articles of Association, the Board has the power to appoint any person as an additional director to the Board, provided that a director so appointed shall hold office only until the next AGM of the Company and shall then be eligible for election. Shelley Wai Man Lo was appointed by the Board on 10 February 2021, and is accordingly required to retire. Being eligible, she is offering herself for election.

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 62 and 63 of the Integrated Annual Report of which this notice of AGM forms part.

NOTICE OF ANNUAL GENERAL MEETING continued

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 and Antonios Djakouris' independence was considered and reviewed 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 which 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 their 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 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.

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 27 500 000 (twenty seven million five hundred thousand) ordinary shares, being 10% of the number of listed equity securities in issue at the date of this notice, being 275 000 000 (two hundred and seventy-five million) 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 27 500 000 (twenty seven million five hundred thousand) ordinary shares, representing 10% of the number of listed equity securities in issue as at the date of this notice, being 275 000 000 (two hundred and seventy-five million) 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."

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 87 to 93 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 85 to 93 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.

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 142 of the Integrated Annual Report
- Share capital of Tharisa – refer to page 142 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 62 and 63 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 5.0 cents per ordinary share is declared for the financial year ending 30 September 2021, 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, 4 March 2022."

Additional information in respect of ordinary resolution number 8

The Board has proposed a final cash dividend of US 5.0 cents per ordinary shares for the financial year ended 30 September 2021.

If approved by shareholders, the recommended final dividend will be paid on Wednesday, 16 March 2022. Shareholders on the principal Cyprus register will be paid in US dollar, shareholders whose shares are held through Central Securities Depositary 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 30 November 2021, 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 5.0 cents per share. Shareholders who are South African tax resident companies are exempt from dividend tax and will receive the dividend of US 5.0 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	Tuesday, 30 November 2021
Currency conversion rates announced	Thursday, 24 February 2022
Last day to trade cum dividend rights on the JSE	Tuesday, 1 March 2022
Last day to trade cum dividend rights on the LSE	Wednesday, 2 March 2022
Shares will trade ex-dividend rights on the JSE	Wednesday, 2 March 2022
Shares will trade ex-dividend rights on the LSE	Thursday, 3 March 2022
Record date for payment on both JSE and LSE	Friday, 4 March 2022
Dividend payment date	Wednesday, 16 March 2022

No dematerialisation or rematerialisation of shares within Strate will be permitted between Wednesday, 2 March 2022 and Friday, 4 March 2022, both days inclusive. No transfers between registers will be permitted between Thursday, 24 February 2022 and Friday, 4 March 2022, 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 08:00 UTC on Friday, 18 February 2022. 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 08:00 UTC on Friday, 18 February 2022. 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 10:00 (SA time) on Monday, 21 February 2022, 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 10:00 on Friday, 18 February 2022.

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 153 and 154 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 08:00 and 10:00 on Wednesday, 23 February 2022 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 10:10 on Wednesday, 23 February 2022, 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

14 December 2021

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, 23 February 2022 at 10:00 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 David Salter as a director			
Ordinary resolution number 3.2: Re-election of Antonios Djakouris as a director			
Ordinary resolution number 3.3: Election of Shelley Wai Man Lo as 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 2021/2022

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 10:00 SA time on Monday, 21 February 2022, being no later than 48 hours before the AGM to be held at 10:00 SA time on Wednesday, 23 February 2022. 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 08:00 on Friday, 18 February 2022. 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_2O_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_2O_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
Depositary	Computershare Investor Services PLC
Depositary interests or DI	the dematerialised depositary interests issued by the Depositary 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_2O_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 tonnage, densities, shape, physical characteristics and mineral content can be estimated with a reasonable level of confidence. Designating a resource as "Indicated" is based on information from exploration, sampling and testing of material gathered from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological or grade continuity but are spaced close enough for continuity to be assumed
Inferred Mineral Resource	an Inferred Mineral Resource is that part of a Mineral Resource for which volume or tonnage, grade and mineral content can be estimated with only a low level of confidence. It is inferred from geological evidence and sample and assumed but not verified geologically or through analysis of grade continuity. Designating a Mineral Resource "Inferred" is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that may be limited in scope or of uncertain quality and reliability
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
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 the tonnage, densities, physical characteristics, grade and mineral content can be estimated with a high level of confidence. Describing a resource as "Measured" is based on detailed and reliable information from exploration, sampling and testing of material from locations such as outcrops, trenches, pits, workings and drill holes. The locations are spaced closely enough to confirm geological and grade continuity
metallurgical grade concentrate	saleable chromium-rich product typically of 42% Cr_2O_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
Mineral Reserve	the economically mineable material derived from a measured or indicated Mineral Resource or both, which includes diluting and contaminating materials and allows for losses that are expected to occur when the material is mined. Appropriate assessments to a minimum of a pre-feasibility study for a project and a LOM plan for an operation must have been completed, including consideration of, and modification by, realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors (the modifying factors)

GLOSSARY continued

Mineral Resource	a concentration or occurrence of material of economic interest in or on the earth's crust in such form, quality and quantity that there are reasonable and realistic prospects for eventual economic extraction. The location, quantity, grade, continuity and other geological characteristics of a Mineral Resource are known, or estimated from specific geological evidence, sampling and knowledge interpreted from an appropriately constrained and portrayed geological model. Mineral Resources are subdivided, and must be so reported, in order of increasing confidence in respect of geoscientific evidence, into Inferred, Indicated or Measured categories
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
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
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 depositary and which is responsible for the electronic settlement system used by the JSE
stripping ratio	the ratio, measured in m3 to m3 at which waste and inter-burden are removed, relative to ore mined
STS	standard threshold shift

GLOSSARY continued

t	tonne
tCO_2e	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, held 74% by Tharisa
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
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

STAKEHOLDER ENGAGEMENT

Tharisa believes that stakeholder engagement is a business imperative and that strong lines of communication between stakeholders ensure the success of the Group and secure its place within the community. 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.

SHAREHOLDERS

- Interim and integrated annual reporting
- Quarterly production updates
- Annual general meeting (AGM)
- SENS/RNS announcements
- Annual report
- Company website
- Face to face and online meetings

EMPLOYEES

- Regular employee engagement forum meetings at the Tharisa Mine
- Tharisa newsletters and posters
- Tharisa induction and ongoing skills development training
- Company website
- Daily supervisor/manager interaction
- Ongoing safety training on the Tharisa Mine
- Tharisa wellness programmes and campaigns
- Social media campaigns using LinkedIn and Twitter

LABOUR UNIONS

- Union recognition and negotiations at Tharisa Minerals
- Monthly liaison with shop stewards
- Regular contact with union leadership
- Tharisa Mine labour forum meets monthly

COMMUNITIES

- AET, leadership and bursaries
- Community forums
- Local upliftment and wellness programmes and projects
- Regular meetings with various community leadership structures
- CSI programmes
- Career-sharing information for pupils

CUSTOMERS

- Regular customer meetings
- Electronic and telephonic communication
- Customer site visits
- Commodity conferences

GOVERNMENT

- Monthly, quarterly and integrated annual reports to the DMRE
- Regular engagement with local and provincial government and municipalities
- Scheduled and unannounced site visits by regulators

SUPPLIERS

- Procurement policies, tender process
- Verbal and electronic communication
- Contract terms negotiated and agreed
- Standard contract terms for suppliers of goods

SOUTH AFRICAN STATE-OWNED ENTITIES

- Regular face-to-face meetings
- Electronic communication
- Joint task team with Transnet to develop rail siding

FINANCIERS

- Reporting on a monthly, bi-annual and annual basis
- Presentations and meetings with management
- Tharisa Mine site visits by debt providers
- Telephonic and electronic communication, particularly on working capital facilities
- Annual review of working capital facilities

ANALYSTS

- Roadshows and analyst briefings
- Interim and annual reporting
- Annual report
- Four quarterly production reports
- Company website and social media
- SENS/RNS announcements
- Site visits

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 from 1 October 2021)
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)
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https://twitter.com/tharisa_sa

https://www.linkedin.com/company/8630834/admin/

https://www.youtube.com/channel/UCae5tLPf9W_CK5P024AKFyA

About Tharisa

Tharisa is an integrated resource group critical to the energy transition and decarbonisation of economies. It incorporates mining, processing, exploration, and the beneficiation, marketing, sales, and logistics of PGMs and chrome concentrates, using innovation and technology as enablers. Its principal asset is the Tharisa Mine located in the south-western limb of the Bushveld Complex, South Africa. The mechanised mine has a 20-year open-pit life and the ability to extend operations underground by at least an additional 40 years. Tharisa also owns Salene Chrome, a development stage, low-cost, open-pit asset, located adjacent to the Great Dyke in Zimbabwe. Tharisa plc is listed on the Johannesburg Stock Exchange (JSE: THA) and the Main Board of the London Stock Exchange (LSE: THS).

www.tharisa.com