

Zimplats Holdings Limited



REPORT FOR THE QUARTER ENDED 31 MARCH 2020

KEY FEATURES

- Recorded two lost-time injuries
- Achieved 1.9 million fatality free shifts during the quarter
- Tonnes mined decreased 1% and tonnes milled increased 2% from the previous quarter
- Platinum and 6E production (platinum, palladium, rhodium, ruthenium, iridium and gold) increased 32% and 31%, respectively
- Cash cost per 6E ounce produced decreased 18%

SAFETY

Zimplats' safety performance improved during the quarter. Two lost-time injuries were recorded during the period versus four in the previous quarter. The Group achieved 1.9 million fatality free shifts during the period under review.

PRODUCTION

		March quarter 2020	December quarter 2019	% change	March quarter 2019	% change
Mining						
Ore mined	Tonnes (000's)	1 798	1 803	-	1 708	5
Head grade	6E g/t	3.46	3.48	(1)	3.48	(1)
Processing						
Ore milled	Tonnes (000's)	1 701	1 669	2	1 604	6
Recovery	6E%	79.0	79.1	-	78.9	-
Metal in final product						
Platinum	Ounces	69 987	53 107	32	66 495	5
Palladium	Ounces	59 304	45 367	31	55 149	8
Gold	Ounces	8 051	6 705	20	8 486	(5)
Rhodium	Ounces	6 269	4 837	30	5 898	6
Ruthenium	Ounces	5 414	3 883	39	5 012	8
Iridium	Ounces	2 595	2 009	29	2 406	8
6E total	Ounces	151 620	115 908	31	143 446	6
Silver	Ounces	12 009	12 836	(6)	11 968	-
Nickel	Tonnes	1 315	916	44	1 340	(2)
Copper	Tonnes	950	620	53	977	(3)
Cobalt	Tonnes	17	12	42	21	(19)

Production of mined ore was impacted by less operating days in the period under review and decreased marginally from the previous quarter.

Tonnes milled, however, increased by 2% due to higher running time. Running time in the previous quarter was affected by the planned mill relining shutdown at the Selous Metallurgical Complex (SMC) concentrator plant. 6E metal production increased by 31% from the previous quarter. During the previous period metal production was impacted by an increase in concentrate stocks and build-up of inventory in the furnace after a major rebuild shutdown. Some concentrate stocks produced in the previous quarter were smelted in the quarter under review.

FINANCIAL

	March quarter 2020	December quarter 2019	% change	March quarter 2019	% change
Total operating cash cost (US\$000)	90 430	93 108	3	95 394	5
Transfer from opening stock (to closing stocks) (US\$000)	2 157	(6 884)	(131)	(4 240)	(151)
Cash cost of metal produced (US\$000)	92 587	86 224	(7)	91 154	(2)
Operating cash cost per 6E ounce (US\$)	611	744	18	635	4

Operating cash costs decreased by 3% from the previous quarter. Due to the smelting of concentrates stockpiled in the previous quarter, US\$2.2 million was transferred from opening stock to operating cost. In the previous quarter US\$6.9 million was transferred from operating costs to closing stocks. Operating cash cost per 6E ounce decreased by 18% from the previous quarter largely as a result of the 31% increase in 6E metal production.

EXPLORATION

A total of US\$0.4 million was spent on exploration projects during the quarter and US\$1.1 million was committed.

COVID-19 UPDATE

Following Zimplats' previous announcement to the Australian Stock Exchange dated 2 April 2020, the Zimbabwean national lockdown which became effective on 30 March 2020, was extended by a further 14 days and will now expire on 3 May 2020. In terms of regulations, mining operations are exempted from the lockdown requirements and are classified as "essential services". Group operations continue to operate, subject to strict adherence to the World Health Organisation ("WHO") safety and hygiene standards. The *force majeure* declaration issued to Zimplats' operating subsidiary, Zimbabwe Platinum Mines (Private) Limited by Impala Platinum Limited, remains in place given the 14-day extension of the national lockdown in South Africa to 30 April 2020. In addition, the *force majeure* notifications issued by the operating subsidiary to contractors working on capital projects and other institutions were also extended.

SHAREHOLDER INFORMATION

Shareholder enquiries

Matters relating to shareholdings should be directed to the share registry at: Computershare Registry Services Pty Ltd, GPO Box 7054, Sydney NSW 1115, Australia. Tel: +61 3 9415 4000, Fax: +61 3 9473 2500.

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