

# Zimplats Holdings Limited

(ASX CODE: ZIM)  
(ARBN: 083 463 058)



**ASX ANNOUNCEMENT**  
**27 OCTOBER 2022**

## QUARTERLY REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2022

- This ASX announcement was approved and authorised for release by the board of directors of Zimplats Holdings Limited ('Zimplats' or the 'Company')
- The report covers the consolidated entity of Zimplats and its subsidiaries (together the 'Group')
- The report is presented in United States dollars (US\$)
- FY in this report refers to the Group's financial year, which ends on 30 June.

### KEY FEATURES

- Safety performance improved and no lost-time injuries were reported during the quarter
- No new Covid-19 positive cases were recorded during the quarter
- Mined tonnage increased by 2%, while milled tonnage decreased by 1% from the previous quarter
- 6E (platinum, palladium, rhodium, ruthenium, iridium, and gold) head grade declined by 1% compared to prior quarter
- 6E production was 8% lower than prior quarter
- Cash costs per 6E ounce increased by 10% to US\$801/oz compared to the previous quarter.

### SAFETY

Zimplats remains committed to ensuring a safe working environment for all employees and contractors and is pleased to report no lost-time injuries during the quarter.

### PRODUCTION

		September Quarter 2022	June Quarter 2022	% change	September Quarter 2021	% change
<b>Mining</b>						
Ore mined	Tonnes (000)	1 889	1 860	2	1 808	4
6E head grade	g/t	3.41	3.44	(1)	3.45	(1)
<b>Processing</b>						
Ore milled	Tonnes (000)	1 731	1 769	(2)	1 677	3
6E concentrators recovery	%	77.9	78.1	-	77.6	-
<b>Metal in final product</b>						
Platinum	Ounces	64 092	68 911	(7)	65 499	(2)
Palladium	Ounces	54 660	59 252	(8)	55 895	(2)
Gold	Ounces	7 236	8 436	(14)	7 803	(7)
Rhodium	Ounces	5 344	6 048	(12)	5 932	(10)
Ruthenium	Ounces	5 463	5 793	(6)	5 423	1
Iridium	Ounces	2 656	2 685	(1)	2 509	6
<b>6E total</b>		<b>139 452</b>	<b>151 125</b>	<b>(8)</b>	<b>143 061</b>	<b>(3)</b>
Silver	Ounces	12 760	12 889	(1)	12 049	6
Nickel	Tonnes	1 314	1 396	(6)	1 276	3
Copper	Tonnes	979	1 018	(4)	968	1
Cobalt	Tonnes	18	16	13	14	29

Mined tonnage increased by 2% quarter-on-quarter and 4% year-on-year following good operational performances across the mines.

Rukodzi Mine, the highest grade operation in the portfolio, was mined out at the end of the previous quarter. This impacted 6E head grade, which decreased slightly by 1% to 3.41g/t from 3.44g/t.

Ore milled decreased by 2% to 1.73 million tonnes from the 1.77 million tonnes milled in the previous quarter mainly due to power outages at the processing plants and a planned mill reline shutdown during the period.

6E metal in final product decreased by 8% from the prior quarter and 3% year-on-year, mainly due to decreased mill volumes, lower head grade and recovery, and the accumulation of inventory following the furnace reline shutdown during the quarter.

## FINANCIAL

	September quarter 2022	June quarter 2022	% change	September quarter 2021	% change
<b>Total operating cash costs (US\$000)</b>	116 020	110 806	(5)	100 372	(16)
Transfer to closing stocks (US\$000)	(4 314)	(1 106)	290	(3 104)	39
<b>Cash costs of metal produced (US\$000)</b>	111 706	109 700	(2)	97 268	(15)
Operating cash costs per 6E ounce (US\$)	801	726	(10)	680	(18)

Total operating cash costs increased by 5% from the prior quarter, driven mainly by a 2% increase in tonnes mined and inflationary pressures. A total of US\$4.3 million was transferred from operating costs as volumes mined during the quarter exceeded the tonnes milled. In addition, the quarter closed with stocks of concentrates that will be smelted in the second quarter. This resulted in the cost of metal produced increasing by 2% compared to previous quarter. The 8% decrease in 6E ounces produced and the 2% increase in cost of production resulted in 6E unit costs increasing by 10% to US\$801/oz from US\$726/oz in the previous quarter. Year-on-year unit costs increased by 18%, mainly due to the inflationary increase in operating cash costs and a 3% decrease in 6E ounces produced.

## EXPLORATION

A total of US\$0.4 million was spent on exploration projects, with a further US\$1.1 million committed as at 30 September 2022. Exploration activities included mineral resource evaluation, comprising approximately 6 103 metres of surface diamond drilling on mining lease ML 36.

## MAJOR PROJECTS UPDATE

Development of Mupani Mine and the upgrade of Bimha Mine (to replace Rukodzi which was depleted in FY2022, Ngwarati, and Mupfuti mines, which will be depleted in FY2025 and FY2028 respectively), progressed well during the quarter. A total of US\$252.2 million has been spent on the project to date. US\$82.4 million has been committed against a project budget of US\$468 million.

The third concentrator plant, which will increase milling capacity by 0.9 million tonnes per year (equivalent to about 80 000 6E ounces) was commissioned during the quarter. Cumulative project expenditure as at the end of the quarter amounted to US\$91.3 million, with US\$9.3 million committed against a project budget of US\$104.1 million. The plant is expected to ramp-up production to design capacity by the end of the second quarter.

Implementation of the US\$521 million smelter expansion and SO<sub>2</sub> abatement plant project is on course, with US\$28.8 million spent and US\$215 million committed as at end of the quarter.

Implementation of the 35MW solar plant which is Phase 1 of Zimplats' 185 MW solar project progressed during the quarter with a total of US\$0.5 million spent against a budget of US\$37 million. The solar plant is being constructed at Selous Metallurgical Complex and is targeted for completion in FY2024. Overall, the project has four implementation phases with the last phase scheduled for completion in FY2027 at a total project cost estimate of US\$201 million.

## COVID-19 UPDATE

There were no new Covid-19 cases reported during the quarter under review. The Group's Covid-19 code of practice, which incorporates guidelines from the Ministry of Health and Child Care and World Health Organisation continues to guide the Group's prevention and management of Covid-19.

## 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 2000 Australia. Tel: +61 2 8234 5000.

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