

Appendix 4E

Preliminary Final Report Zimplats Holdings Limited

ARBN: 083 463 058

Australian Stock Exchange code: ZIM

Year ended 30 June 2014

Results for announcement to the market

			2014 US\$000	2013 US\$000
1.	Revenue	Up 22%	575 978	471 647
2.	Profit before income tax	Up 18%	128 667	109 086
3.	Profit for the year attributable to members	Up 42%	97 133	68 254

The audited financial statements of Zimplats Holdings Limited and its subsidiaries (“together the Group”) for the year ended 30 June 2014, which include the independent auditor’s report, have been released and are available on the company’s website (www.zimplats.com).

Finance

- Revenue for the year increased by 22% from US\$472 million in the previous year to US\$576 million as a result of improved sales volumes due to increased production capacity following the commissioning of the Phase II concentrator. Metal prices improved marginally resulting in the gross revenue per platinum ounce increasing to US\$2 457 from US\$2 432 in prior year.
- Cost of sales amounted to US\$332 million, 34% higher than the previous year’s US\$248 million. The increase in cost of sales was driven by sales volume growth and higher cost of power following the full utilization of the power units prepaid at low tariffs. This led to a reduction in gross profit margins from 47% in prior year to 43% in the current year.
- Administrative and other expenses for the year were 4% lower than the previous year mainly due to lower selling expenses as the previous year’s selling expenses were affected by concentrates transported during furnace outages and the effect of the weaker South African Rand on services sourced from South Africa.
- As a result, operating cash cost per platinum ounce increased by 2.5% to US\$1 319.
- Royalties for the year amounted to US\$44 million, 13% higher than the previous year’s US\$39 million mainly due to higher turnover.
- Consequently, profit before income tax for the year amounted to US\$129 million, 18% higher than the US\$109 million for the previous year. The tax charge for the year at US\$32 million was 23% lower than the previous year mainly due to legacy tax charges that were incurred in prior year. Net profit for the year thus amounted to US\$97 million, an increase of 42% on the US\$68 million recorded in the previous year.
- Cash inflows from operating activities at US\$146 million were 18% higher than the US\$124 million realised in the previous year. At year end, the Group had bank borrowings amounting to US\$105 million and the cash balance was US\$39 million.

Safety

- Regrettably, one fatality was recorded by the Group during the year arising from a fall of ground incident at Ngwarati Mine.
- Notwithstanding the sad development, the number of lost time injuries (LTIs) recorded in the year (including the fatality) decreased from 12 to 6. This resulted in the lost time injury frequency rate (LITFR) improving by 41% compared to last year from 0.70 to 0.41.
- The total number of injuries at work for the year decreased from 38 to 20, a 47% improvement. As a result, the total injury frequency rate (TIFR) improved from 2.20 to 1.37.

Operations

- Ore mined of 5.62 million tonnes was 17% above last year as a result of the introduction of six production teams to ramp up production at Mupfuti Mine as well as deliberate steps undertaken to widen the mining height from 2.5 to 2.75 metres in some sections of Ngwarati, Rukodzi and Mupfuti mines.
- Post year end, there was an acceleration of the deterioration of ground conditions associated with the Mutambara Shear at Bimha Mine as more fully explained in the ASX announcement dated 20 August 2014.
- A total of 5.94 million tonnes were milled at the concentrators during the year, 27% above last year's 4.68 million due to increased capacity from the Ngezi Phase II concentrator module which was commissioned in the final quarter of the previous year.

Overall recovery rates at 81.7% were 1% below the prior year's performance due to the impact of lower grades and reduction in mass pull from 2.4% to 2.3%. The overall impact of grades and mass pull was somewhat offset by increasing reagent dosages at both concentrators.

- Platinum production (in converter matte) for the year was 239 700 ounces, 21% above the 198 100 ounces in prior year. 4E (platinum, palladium, rhodium and gold) production for the year at 486 900 ounces was 23% above prior year reflecting the benefit of the higher throughput to the smelter from the concentrators.

Capital Projects

- The implementation of the Ngezi Phase II Expansion project is progressing well. To date, US\$413 million of the project budget has been spent and US\$26 million has been committed.
- A total of US\$73 million was spent on expansion projects in the year compared to US\$128 million in the previous year.
- A total of US\$37 million was spent on stay in business projects in the year, 28% higher than the US\$29 million in prior year.

Mineral Resources and Ore Reserves

- There have been no material changes in the Group's mineral resources compared to those reported last year. The ore reserves have been restated in line with Impala Platinum Holdings Limited's standards. However, following the failure of pillars in a significant part of Bimha Mine, the mine designs and extraction factors across the property are being reviewed and this could affect the mineral resources and ore reserves going forward.

Dividend

- No dividend has been declared for the financial year ended 30 June 2014.

This report is based on audited financial statements.