ZIMPLATS HOLDINGS LIMITED

ARBN : 083 463 058

Half Year Directors' Report and Condensed Interim Financial Statements

31 December 2014

ZIMPLATS HOLDINGS LIMITED
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FOR THE HALF YEAR ENDED 31 DECEMBER 2014

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ZIMPLATS HOLDINGS LIMITED
DIRECTORS' REPORT

The directors present the condensed consolidated financial statements of Zimplats Holdings Limited ("the Company") and its subsidiaries (together "the Group") for the half year ended 31 December 2014, as well as the review report for the period.

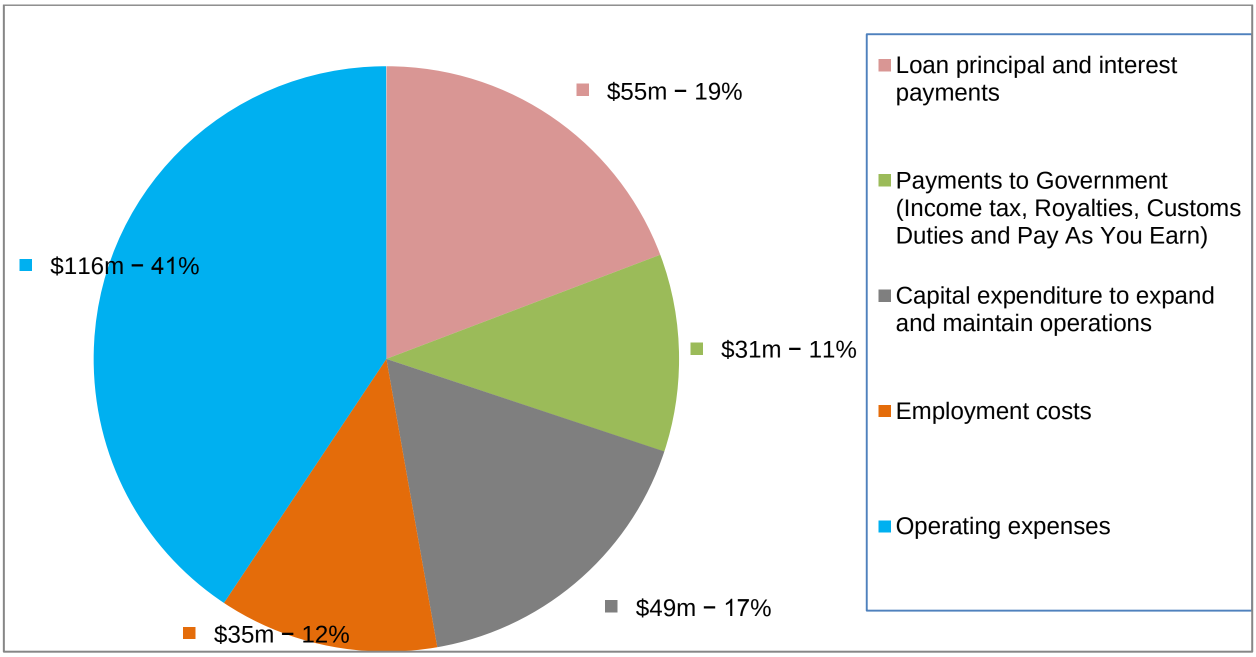
Directors

The directors of the Company at any time during and since the end of the half year are:

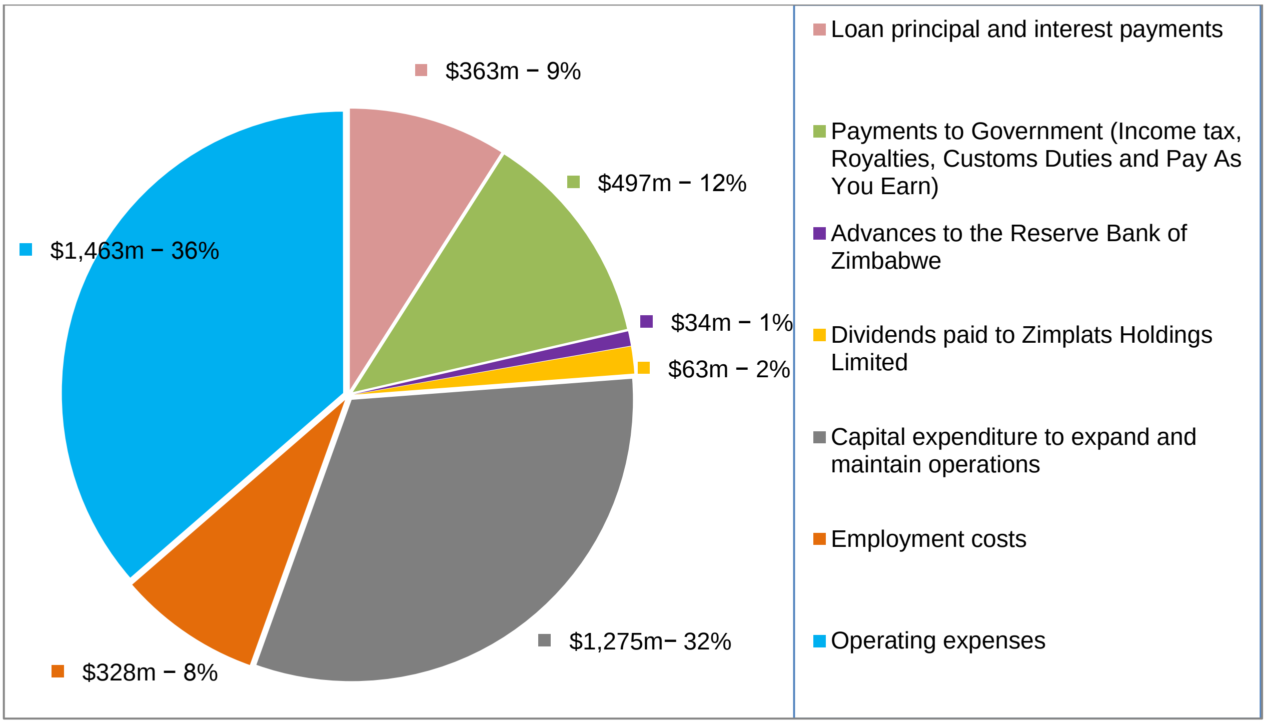
Names	Period of directorship
Muchadeyi Ashton Masunda (Acting Chairman: non-executive)	Appointed 8 February 2007
Alexander Mhembere (Chief Executive Officer)	Appointed 1 October 2007
Stewart Magaso Mangoma (Chief Finance Officer)	Appointed 1 March 2013
Brenda Berlin (non-executive)	Appointed 1 March 2010
Terence Philip Goodlace (non-executive)	Appointed 10 August 2012
Michael John Houston (non-executive)	Appointed 1 April 2004 Resigned 15 August 2014
Dr. Khotso David Kenneth Mokhele (non-executive)	Appointed 8 February 2007
Leslie John Paton (non-executive)	Appointed 4 February 2003
Andile Hesperus Sangqu (non-executive)	Appointed 1 April 2014
Robert George Still (non-executive)	Appointed 28 July 1998
Nyasha Puza Siyabora Zhou (non-executive)	Appointed 1 March 2010

Review of performance

Zimbabwe Platinum Mines (Private) Limited cash utilisation (Half year to December 2014) – US$ millions



Zimbabwe Platinum Mines (Private) Limited cash utilisation (FY2002 to FY2015 – year to date) – US$ millions



Safety, Health and Environment

Four Lost Time Injuries ("LTIs") were reported in the half year compared to one fatality reported in the same period last year resulting in the lost time injury frequency rate ("LTIFR") increasing from 0.14 to 0.59.

The Group's Employee Wellness Programmes (including non-communicable diseases) was effective during the half year with a good turnout for voluntary counselling and testing.

The rehabilitation of the closed open pit mine is progressing well with 60% of the pit now rehabilitated. The Group's water conservation programmes performed better in the half year with total recycled water increasing by 17% compared to the same period last year.

Operations

Bimha Mine was closed as a precautionary measure to safeguard employees and assets in August 2014 following the subsidence of ground and continued deterioration of ground conditions in a section of the mine. Six of the affected eight production fleets at Bimha Mine were successfully redeployed in order to offset potential production losses. However, productivity from these teams has been impacted by constrained redundancy. During the half year under review, studies by internal and external experts were further advanced to fully understand the nature/extent of the ground collapse and structural geological settings. Following a detailed risk assessment, the Board initiated the re-development of Bimha Mine which commenced in December 2014 with two mining fleets deployed to re-establish reef access. No significant further ground movements have been observed and management continues to closely monitor the situation.

In an effort to further ameliorate the impact of closing Bimha Mine, the Board approved the initiation of further contracted open-pit mining to supplement ore supply to the processing operations. First production is expected in the fourth quarter of the year ending 30 June 2015.

Tonnes milled decreased by 17% to 2.48 million tonnes compared to the same period last year owing to ore supply constraints as a result of the precautionary closure of Bimha Mine.

The Four Elements (platinum, palladium, rhodium and gold) ("4E") mill head grade at 3.253 g/t was marginally lower than 3.264 g/t recorded in the same period last year due to dilution arising from faults and barren intrusions at some of the mines. The redeployment of fleets from a higher grade Bimha Mine to low grade Ngwarati and Mupfuti Mines also had an effect on the overall grade performance for the half year.

Platinum and 4E metal production for the half year at 102,420 ounces and 208,143 ounces were 12% and 11% lower than the same period last year in line with lower mills throughput.

Metal	Half year to 31 December 2014	Half year to 31 December 2013	Variance	Year to 30 June 2014
Platinum (oz)	102,420	116,040	(12%)	239,660
Palladium (oz)	84,631	93,009	(9%)	197,623
Gold (oz)	11,588	13,440	(14%)	27,250
Rhodium (oz)	9,504	10,531	(10%)	22,333
Ruthenium (oz)	8,313	9,248	(10%)	19,781
Iridium (oz)	3,869	4,335	(11%)	9,146
Silver (oz)	18,399	22,716	(19%)	46,027
Nickel (t)	2,039	2,355	(13%)	4,830
Copper (t)	1,416	1,733	(18%)	3,521
Cobalt (t)	25	31	(21%)	64

Metal Prices

Metal prices were on a downward trend during the period under review with average platinum prices dropping by 6% from the same period last year as show in the table below.

Metal	Half year to 31 December 2014 (Average)	Half year to 31 December 2013 (Average)	Variance	Year to 30 June 2014 (Average)
Platinum (oz)	1,332	1,424	(6%)	1,431
Palladium (oz)	825	724	14%	752
Gold (oz)	1,242	1,299	(4%)	1,295
Rhodium (oz)	1,188	937	27%	986
Ruthenium (oz)	56	57	(2%)	59
Iridium (oz)	541	583	(7%)	544
Silver (oz)	18	21	(14%)	21
Nickel (t)	17,179	13,910	24%	15,230
Copper (t)	6,806	7,115	(4%)	7,014
Cobalt (t)	30,857	27,341	13%	28,492

Financial

Revenue decreased by 12% to US$234 million from the same period last year owing to the decrease in platinum sales volume from 113,876 ounces to 103,092 ounces and lower metal prices.

The collapse within a section of the underground working area of Bimha Mine triggered by the accelerated deterioration of ground conditions associated with the Mutambara Shear and the precautionary closure of Bimha Mine in August 2014 resulted in the damage and inaccessibility of certain underground infrastructure and equipment with a net carrying amount of US$22.9 million, which has been written-off during the half year ended 31 December 2014. An insurance claim is in the process of being finalised for associated plant and equipment, and any compensation received will offset the impact of the write-off.

Total operating costs (excluding the Bimha write-off) decreased by 7% to US$206.3 million mainly owing to lower production. Cash operating cost per platinum ounce produced increased by 10% to US$1,481 due to the impact of lower production volumes on fixed costs.

Consequently, profit before income tax of US$4.7 million was realised, 90% lower than US$45.6 million achieved in the same period last year. The net profit attributable to members at US$3.9 million was 88% lower than same period last year of US$32.2 million largely due to lower sales volumes and metal prices coupled with the Bimha write-off.

At the end of the half year, the Group had bank borrowings of US$105 million and a cash balance of US$97.1 million. The bank borrowings have a final maturity date of 31 December 2017 with staged repayments. In January 2015, the Group repaid US$30 million and made a drawdown of US$24 million on the revolving debtor discounting facility.

Capital Projects

Mupfuti Mine development, which is part of Phase II Project, remains on track. Project completion is expected in 2015.

In line with the Zimbabwe Agenda for Sustainable Socio-Economic Transformation ("Zim Asset") and the Government of Zimbabwe's thrust on beneficiation, the Group made a strategic decision to refurbish and commission the mothballed Selous Metallurgical Complex Base Metal Refinery ("BMR") at an estimated cost of $134 million. Orders for long lead items have already been placed and implementation of the project started in July 2014 and is expected to be completed by June 2016.

The Reserve Bank of Zimbabwe Debt

There have been no developments on this matter.

Indigenisation and Economic Empowerment

The Group continues to engage with the Government of Zimbabwe with regard to Zimbabwe Platinum Mines (Private) Limited's Indigenisation Implementation Plan**.** Stakeholders will be advised if there are any material developments.

Taxation Issues

Additional Profits Tax

The Special Court for Income Tax Appeals has not yet handed down its judgment in this matter which was heard in September 2014.

Income Tax – Capital Redemption Allowances: Appeals Against Penalty and Interest

The Special Court for Income Tax Appeals has not yet handed down its judgment pertaining to the penalty case which was heard in September 2014. The review application against interest is yet to be set down for hearing in the High Court.

Events After Reporting Period

Zimbabwe Platinum Mines (Private) Limited had sought relief from the High Court of Zimbabwe against a directive by the Zimbabwe Revenue Authority (ZIMRA) to levy royalty fees at the rates stipulated in the Mines and Minerals Act (as read with the Finance Act) rather than the Mining Agreement (MA). Shareholders are advised that a ruling has now been made by the High Court of Zimbabwe in favour of the Group.

The Group had complied with ZIMRA's directive to pay royalty fees at the higher rates, on a without prejudice basis, with effect from January 2010. The case was heard in the High Court on 7 March 2013 and the Judge that presided over the case reserved judgment. The judgment ruled that the MA takes precedence over the Finance Act provisions and accordingly, the Group should pay royalty fees as per the MA.

AMhembere

A Mhembere
Chief Executive Officer
10 February 2015

ZIMPLATS HOLDINGS LIMITED
APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

The directors of the Company are responsible for the maintenance of adequate accounting records and the preparation of the interim financial statements and related information in a manner that fairly presents the state of the affairs of the Company. These interim financial statements are prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting".

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.

The interim financial statements have been prepared on a going-concern basis as the directors believe that the Company and its subsidiaries will continue to be in operation in the foreseeable future.

The interim financial statements, as set out on pages 8 to18 have been approved by the Board of Directors and are signed on their behalf by:

AMhembere

A Mhembere
Chief Executive Officer
10 February 2015

S M Mangoma
Chief Finance Officer

pwc

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders of Zimplats Holdings Limited

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Zimplats Holdings Limited as at 31 December 2014 and the related condensed consolidated statements of comprehensive income, changes in equity and cash flows for the six month period then ended. The company's directors are responsible for the preparation and presentation of these condensed consolidated interim financial information in accordance with the International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers

PricewaterhouseCoopers
Chartered Accountants (Zimbabwe)
Harare
25 February 2015

PricewaterhouseCoopers, Building No. 4, Arundel Office Park, Norfolk Road, Mount Pleasant
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T: +263 (4) 338362-8, F: +263 (4) 338395, www.pwc.com

T I Rwodzi – Senior Partner
The Partnership's principal place of business is at Arundel Office Park, Norfolk Road, Mount Pleasant, Harare, Zimbabwe where a list of the Partners' names is available for inspection.

ZIMPLATS HOLDINGS LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

	Notes	Group 31 Dec 2014 (reviewed) US$ 000	30 June 2014 (audited) US$ 000	31 Dec 2013 (reviewed) US$ 000
ASSETS				
Non-current assets				
Property, plant and equipment	1	1 043 159	1 045 579	1 018 614
Long term receivables	2	3 413	6 826	10 239
Prepayments	3	-	-	2 778
Total non-current assets		1 046 572	1 052 405	1 031 631
Current assets				
Inventories		56 997	57 466	53 437
Trade and other receivables	4	162 564	203 211	147 378
Prepayments	3	18 208	24 481	34 180
Cash at bank and on hand	5	97 132	38 600	17 057
Total current assets		334 901	323 758	252 052
Total assets		1 381 473	1 376 163	1 283 683
EQUITY AND LIABILITIES				
Capital and reserves				
Share capital	6	10 763	10 763	10 763
Share premium	6	89 166	89 166	89 166
Accumulated profit		931 111	927 197	862 222
		1 031 040	1 027 126	962 151
Non-current liabilities				
Borrowings	7	50 000	75 000	105 000
Deferred taxation		123 751	121 846	114 942
Mine rehabilitation provision		13 831	13 661	15 987
Other liabilities		1 390	2 724	2 477
Total non-current liabilities		188 972	213 231	238 406
Current liabilities				
Borrowings	7	55 000	30 000	1 089
Trade and other payables		83 470	81 298	65 424
Current tax payable		20 609	22 785	5 524
Other liabilities		2 382	1 723	11 089
Total current liabilities		161 461	135 806	83 126
Total equity and liabilities		1 381 473	1 376 163	1 283 683

The notes on pages 12 to 18 form an integral part of these condensed interim financial statements.

AMhembere

A Mhembere
Chief Executive Officer

S M Mangoma
Chief Finance Officer

10 February 2015

ZIMPLATS HOLDINGS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2014

	Notes	Group Half year to 31 Dec 2014 US$ 000 (reviewed)	Half year to 31 Dec 2013 US$ 000 (reviewed)	Year to 30 June 2014 US$ 000 (audited)
Revenue		233 526	266 654	575 978
Cost of sales		(162 395)	(163 523)	(332 272)
Gross profit		71 131	103 131	243 706
Administrative expenses		(21 359)	(24 670)	(43 775)
Royalty expense		(17 807)	(21 542)	(44 377)
Derecognition of property, plant and equipment	8	(22 905)	-	-
Other expenses, net		(4 728)	(11 150)	(27 064)
Profit from operations		4 332	45 769	128 490
Net finance income/(expenses)	9	378	(192)	177
Finance cost		(404)	(986)	(1 461)
Finance income		782	794	1 638
Profit before income tax		4 710	45 577	128 667
Income tax expense	10	(796)	(13 419)	(31 534)
Profit for the period		3 914	32 158	97 133
Profit attributable to:				
Owners of the parent		3 914	32 158	97 133
Non controlling interest		-	-	-
Other comprehensive income:				
Items that will not be reclassified to profit or loss		-	-	-
Items that may be subsequently reclassified to profit or loss		-	-	-
Other comprehensive income for the period, net of tax		-	-	-
Total comprehensive income for the period		3 914	32 158	97 133
Basic earnings per share (cents)	11	4	30	90
Diluted earnings per share (cents)	11	4	30	90

The attached notes form an integral part of these condensed interim financial statements.

ZIMPLATS HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2014

	Share capital US$ 000	**Share premium** US$ 000	**Accumulated profit** US$ 000	**Total** US$ 000
GROUP				
Balance as at 30 June 2014	10 763	89 166	927 197	1 027 126
Total comprehensive income for the period	-	-	3 914	3 914
Profit for the period	-	-	3 914	3 914
Balance as at 31 December 2014 (Reviewed)	10 763	89 166	931 111	1 031 040
Balance as at 30 June 2013	10 763	89 166	830 064	929 993
Total comprehensive income for the period	-	-	32 158	32 158
Profit for the period	-	-	32 158	32 158
Balance as at 31 December 2013 (Reviewed)	10 763	89 166	862 222	962 151
Balance as at 30 June 2013	10 763	89 166	830 064	929 993
Total comprehensive income for the year	-	-	97 133	97 133
Profit for the year	-	-	97 133	97 133
Balance as at 30 June 2014 (Audited)	10 763	89 166	927 197	1 027 126

The attached notes form an integral part of these condensed interim financial statements.

ZIMPLATS HOLDINGS LIMITED

STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2014

		Group		
	Notes	Half year to 31 Dec 2014 (reviewed) US$ 000	Half year to 31 Dec 2013 (reviewed) US$ 000	Year to 30 June 2014 (audited) US$ 000
Cash flows from operating activities				
Profit before income tax		4 710	45 577	128 667
Adjustments to profit before income tax	12	59 169	39 720	92 120
Cash from changes in working capital	12	48 277	(9 842)	(49 747)
Finance cost		(3 883)	(4 568)	(8 469)
Income tax and withholding tax paid		(517)	(13 577)	(16 162)
Net cash generated from operating activities		107 756	57 310	146 409
Cash flows from investing activities				
Purchase of property, plant and equipment	12	(49 438)	(43 487)	(110 184)
Proceeds from disposal of property, plant and equipment		116	167	239
Finance income		109	121	291
Net cash out flows from investing activities		(49 213)	(43 199)	(109 654)
Cash flows from financing activities				
Finance lease liability repaid		-	(1 089)	(2 181)
Net cash out flows from financing activities		-	(1 089)	(2 181)
Increase in cash and cash equivalents		58 543	13 022	34 574
Movement in cash and cash equivalents				
Cash and cash equivalents at beginning of the period		38 600	4 033	4 033
Exchange (losses)/gains on cash and cash equivalents		(11)	2	(7)
Increase in cash and cash equivalents		58 543	13 022	34 574
Cash and cash equivalents at end of the period	5	97 132	17 057	38 600

The attached notes form an integral part of these condensed interim financial statements.

GENERAL INFORMATION

Zimplats Holdings Limited (the "Company") is a public company domiciled in Guernsey, Channel Islands and is listed on the Australian Stock Exchange ("ASX"). The address of its registered office is Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey GY1 1EW, Channel Islands. The condensed consolidated financial statements for the half year ended 31 December 2014 comprise the Company and its subsidiaries (together "the Group").

The Group's principal business is producing platinum group metals (which primarily include platinum, palladium, rhodium, iridium, ruthenium and osmium) and associated metals From the Great Dyke in Zimbabwe.

These condensed interim financial statements were approved for issue on 10 February 2015. The condensed interim financial statements have been reviewed, not audited.

A. BASIS OF PREPARATION

The condensed interim consolidated financial statements for the half year ended 31 December 2014 have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting".

The condensed interim financial statements do not include all the notes of the type normally included in the annual financial statements for the year ended. Accordingly, these financial statements should be read in conjunction with the annual financial statements for the year ended 30 June 2014 which have been prepared in accordance with International Financial Reporting Standards ("IFRS") and any public announcements made by the Company during the period under the ASX Listing Rules.

The condensed interim financial statements are expressed in United States of America dollars ("US$"). The condensed interim financial statements have been prepared under the historical cost convention except for the following:

- Certain financial assets and financial liabilities that are measured at fair value: and
- Liabilities for cash-settled share-based payment arrangements are measured with a binomial option model.

B. SEGMENT REPORTING

The Group operates within the mining industry. The activities of the Group are entirely related to the development and mining of platinum group metals in Zimbabwe. The risks and rewards associated with the individual operations are not sufficiently dissimilar to warrant identification of separate business segments.

C. ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

There are no new IFRS or International Financial Reporting Standards Interpretations Committee ("IFRIC") interpretations that are effective for the first time this interim period that would be expected to have a material effect on the Group. Management continuously assesses the impact of the new Standards on the financial statements.

D. **ESTIMATES**

The preparation of interim 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 expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 30 June 2014, with the exception of changes in estimates that are required in determining the provision for income taxes.

E. **FINANCIAL RISK**

The Group's activities expose it to a variety of financial risks: market risk (including price risk, currency risk and cash flow interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The condensed interim consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should therefore be read in conjunction with the Group's annual financial statements as at 30 June 2014.

There have been no significant changes in the risk management department since year end or in any risk management policies.

Liquidity risk

Compared to year end, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

F. **SEASONALITY OF OPERATIONS**

The operations of the business are not affected by any seasonal matters.

G. **EXCEPTIONAL ITEMS**

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. They are material items of income or expense that have been shown separately due to the significance of their nature or amount.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2014

		Group		
		31 Dec 2014 US$ 000	31 Dec 2013 US$ 000	30 June 2014 US$ 000
1	**PROPERTY PLANT AND EQUIPMENT**			
	Opening balance	1 045 579	996 130	996 130
	Additions	53 410	49 670	118 125
	Disposals	(97)	(142)	(211)
	Derecognition (note 8)	(22 905)	-	-
	Depreciation	(32 828)	(27 044)	(62 215)
	Impairment	-	-	(6 250)
	Closing Balance	1 043 159	1 018 614	1 045 579
2	**LONG TERM RECEIVABLES**			
	Reserve Bank of Zimbabwe debt:			
	Beginning of the period	6 826	13 652	13 652
	Effects of discounting	(3 413)	(3 413)	(6 826)
	Carrying amount	3 413	10 239	6 826
	Fair value approximates the carrying amount.			
3	**PREPAYMENTS**			
	Zimbabwe Electricity Transmission and Distribution Company	2 778	11 111	6 944
	Downpayments on capital items	9 526	-	13 908
	Insurance	420	301	1 058
	Other	5 484	25 546	2 571
		18 208	36 958	24 481
	Short-term portion	(18 208)	(34 180)	(24 481)
	Long-term portion	-	2 778	-
4	**TRADE AND OTHER RECEIVABLES**			
	Trade receivables	114 306	129 053	167 697
	Value added tax receivable	40 143	9 398	29 417
	Other receivables	8 115	8 927	6 097
		162 564	147 378	203 211

As at 31 December 2014, the fair values of trade and other receivables were equal to their carrying amounts.

Trade receivables consist of receivables from a related party, Impala Refining Services Limited. As payment terms are contractual, trade receivables were fully performing and none were past due or impaired as of 31 December 2014 (2013:nil). There is no impairment on the other receivables balance. The carrying amounts of the Group's trade and other receivables are all denominated in United States dollars. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above.

		Group		
		31 Dec 2014 US$ 000	31 Dec 2013 US$ 000	30 June 2014 US$ 000
5	**CASH AND CASH EQUIVALENTS**			
	Cash at bank and on hand	97 132	17 057	38 600
	Cash and cash equivalents	97 132	17 057	38 600
	The net exposure to foreign currency denominated balances was:			
	Bank balances (ZAR000's)	58	127	1 168
	The exposure by country is as follows:			
	Europe	66 108	4 700	12 751
	Zimbabwe	31 024	12 357	25 849
		97 132	17 057	38 600

The carrying amount of the cash and cash equivalents approximates its fair value. Cash at bank and on hand includes US$53 135 171 (2013: US$1 597 841) in short term deposits.

		Group		
		31 Dec 2014	31 Dec 2013	30 June 2014
6	**SHARE CAPITAL AND SHARE PREMIUM**	US$ 000	US$ 000	US$ 000
	Authorised			
	500 000 000 ordinary shares of US$0.10 each	50 000	50 000	50 000
	Issued and fully paid			
	107 637 649 (2013: 107 637 649) ordinary shares of US$0.10 each	10 763	10 763	10 763
	Share premium	89 166	89 166	89 166
	At the end of the period	99 929	99 929	99 929

The unissued shares are under the control of the directors subject to limitations imposed by the Companies (Guernsey) Law 2008, the Articles and Memorandum of Association of the Company.

		Group		
		31 Dec 2014	31 Dec 2013	30 June 2014
7	**BORROWINGS**	US$ 000	US$ 000	US$ 000
	Non-current			
	Bank borrowings	50 000	105 000	75 000
		50 000	105 000	75 000
	Current			
	Bank borrowings	55 000	-	30 000
	Finance lease liability	-	1 089	-
		55 000	1 089	30 000
	Total borrowings	105 000	106 089	105 000

The carrying amounts of the borrowings approximate fair value and are within level 2 of the fair value hierarchy.

The carrying amounts of the Group's borrowings are all denominated in United States Dollars.

Bank borrowing

A loan facility from Standard Bank of South Africa Limited for general business purposes is in place. The loan is secured by a cession over cash, trade receivables and revenue. Impala Platinum Holdings Limited has provided political and commercial guarantees.

The loan is denominated in United States of America dollars ("US"), is a revolving facility of $105 million (2013: $105 million) and bears interest at 3 months LIBOR plus a 7% margin. Capital repayments are required if the loan balance exceeds the available facility amount. The facility has a final maturity date of 31 December 2017. US$30 million was repaid in January 2015. At the end of the reporting period the Group had no undrawn borrowing facility (2013: nil).

Revolving debtor discounting facilty

A revolving debtor discounting facility of US$24 million was established to provide for the sale of a portion of the Company's receivables to Standard Bank of South Africa Limited, the proceeds of which would be used for general working capital purposes at a discount rate of LIBOR plus 3.5% per annum. Maturity date is 30 November 2015 and repayment is on demand. The facility is secured by a cession over the Company's cash and trade receivables. At period end no receivables had been sold to Standard Bank of South Africa Limited (2013:nil). The facility operates as a bank overdraft and the full US$24 million was drawn down in January 2015.

	Group		
	Half year to 31 Dec 2014 US$ 000	Half year to 31 Dec 2013 US$ 000	Year to 30 June 2014 US$ 000
8 DERECOGNITION OF PROPERTY, PLANT AND EQUIPMENT			
Asssets written off during the period	(22 905)	-	-

The collapse within a section of the underground working area of Bimha Mine triggered by the accelerated deterioration of ground conditions associated with the Mutambara Shear and the precautionary closure of Bimha Mine in August 2014 resulted in the damage and inaccessibility of certain underground infrastructure and equipment with a net carrying amount of US$22.9 million, which has been written-off during the half year ended 31 December 2014.

	Group		
	Half year to 31 Dec 2014	Half year to 31 Dec 2013	Year to 30 June 2014
9 NET FINANCE (INCOME)/EXPENSES	**US$ 000**	**US$ 000**	**US$ 000**
Finance cost			
Interest expense on bank borrowings	3 882	3 999	7 821
Interest expense on finance leases	-	79	159
Rehabilitation unwinding of the discount	494	779	1 126
Community share ownership trust donation liability unwinding of the discount	-	253	464
Borrowing cost capitalised	(3 972)	(4 124)	(8 109)
	404	986	1 461
Finance income	(782)	(794)	(1 638)
Short term bank deposits	(99)	(66)	(134)
Finance income on ZETDC prepayment	(673)	(673)	(1 347)
Other	(10)	(55)	(157)
Net finance (income)/expenses	(378)	192	(177)

10 INCOME TAX EXPENSE			
Current income tax	(1 110)	3 351	14 563
Current year	-	2 942	7 370
Adjustment in respect of prior years	(1 471)	-	6 306
Withholding tax	361	409	887
Deferred tax	1 906	10 068	16 971
	796	13 419	31 534

11 EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share is calculated by dividing the net profit by the weighted average number of ordinary shares in issue during the period.			
Profit attributable to equity holders of the Company	3 914	32 158	97 133
Weighted average number of ordinary shares in issue	107 638	107 638	107 638
Basic earnings per share US$(cents)	4	30	90

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Group did not have any shares with a potential dilutive impact (2013: nil).

Diluted earnings per share US$(cents)	4	30	90

	Group		
	Half year to 31 Dec 2014	Half year to 31 Dec 2013	Year to 30 June 2014
12 CASH GENERATED FROM/(USED IN) OPERATIONS	**US$ 000**	**US$ 000**	**US$ 000**
Adjustments to profit before income tax:			
Net finance (income)/cost	(378)	192	(177)
Depreciation	32 828	27 044	62 215
Tax penalties and interest charges	1 653	5 284	12 637
Foreign currency adjustment	5	1 430	1 916
Provision for obsolete inventories	393	-	1 082
Provision for share appreciation rights	(1 631)	2 382	1 372
Bad debts arising from other receivables written-off	-	-	25
Effect of discounting on the long-term receivables	3 413	3 413	6 826
Derecognition of property, plant and equipment (note 8)	22 905	-	-
Impairment loss on property, plant and equipment	-	-	6 250
Gain on disposal of property, plant and equipment	(19)	(25)	(26)
Total adjustment to profit before income tax:	59 169	39 720	92 120
Changes in working capital :			
Trade and other receivables (including prepayments)	46 920	(9 863)	(53 244)
Per the statement of financial position	46 920	(9 863)	(53 219)
Bad debts arising from other receivables written-off	-	-	(25)
Inventories	76	5 530	419
Per the statement of financial position	469	5 530	1 501
Provision for obsolete inventories	(393)	-	(1 082)
Liabilities	956	4 120	(4 200)
Per the statement of financial position	(675)	6 755	(2 364)
Provision for share appreciation rights	1 631	(2 382)	(1 372)
Interest accrued present day value adjustment	-	(253)	(464)
Mine rehabilitation	(324)	(367)	(808)
Per the statement of financial position	170	412	(1 914)
Change in estimate - rehabilitation asset	-	-	2 232
Interest accrued present day value adjustment	(494)	(779)	(1 126)
Tax penalties and interest charges	(1 653)	(4 661)	(8 664)
Trade and other payables	2 302	(4 601)	16 750
Per the statement of financial position	2 172	949	16 823
Exchange adjustment	6	(1 428)	(1 909)
Interest payable movement	-	489	489
Tax penalties and interest charges	(549)	(5 284)	-
Finance income on ZETDC prepayment converted to power units	673	673	1 347
Cash from changes in working capital	48 277	(9 842)	(49 747)

In the statement of cash flows, the purchase of property, plant and equipment comprises of:

Additions (including borrowing cost capitalised)	53 410	49 670	118 125
Mine rehabilitation asset adjustment	-	-	2 232
Leased assets capitalised	-	(2 059)	(2 064)
Borrowing cost capitalised	(3 972)	(4 124)	(8 109)
	49 438	43 487	110 184

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2014

	Group		
	31 Dec 2014	**31 Dec 2013**	**30 June 2014**
13 CAPITAL COMMITMENTS	**US$ 000**	**US$ 000**	**US$ 000**
The Group has entered into contracts for the following and is committed to incur capital expenditure in respect of:			
Commitments contracted for	30 200	66 781	41 900

	Group		
	Half year to	**Half year to**	**Year to**
	31 Dec 2014	**31 Dec 2013**	**30 June 2014**
14 RELATED PARTY TRANSACTIONS AND BALANCES	**US$ 000**	**US$ 000**	**US$ 000**
a) Revenue			
Sales of matte to Impala Refining Services Limited	233 526	266 654	575 978

The Group's only customer is Impala Refining Services Limited, which is a wholly owned subsidiary of Impala Platinum Holdings Limited. Sales thereto are based on a long term agreement.

	Group		
	31 Dec 2014	**31 Dec 2013**	**30 June 2014**
b) Inter-company receivables/(payables)	**US$ 000**	**US$ 000**	**US$ 000**
Impala Refining Services Limited (refer to note 4 and 14a)	114 306	129 053	167 697
Impala Platinum Holdings Limited	(6 127)	359	(5 583)

15 CONTINGENT LIABILITY

Additional Profits Tax (APT)

In December 2010, the Zimbabwe Revenue Authority (ZIMRA) issued an amended APT assessment to Zimbabwe Platinum Mines (Private) Limited for the period to 30 June 2007 on which the deduction of prior year income tax losses were disallowed as a deduction in the computation of APT. As a result of the disallowance, the previously assessed and paid APT liability for the period to June 2007 increased by $26.9 million to $50.4 million. An objection lodged by the Group against the amended assessment was dismissed after which the Group lodged an appeal at the Special Court of Tax Appeals. ZIMRA has however agreed that payment of the disputed liability be deferred until the court has ruled on the matter. The Group has an estimated contigent liability of $49.5 million in respect of APT (excluding interest) based on the computation for the tax periods 2007 to 2015.

16 EVENTS AFTER REPORTING PERIOD

Zimbabwe Platinum Mines (Private) Limited had sought relief from the High Court of Zimbabwe against a directive by the Zimbabwe Revenue Authority (ZIMRA) to levy royalty fees at the rates stipulated in the Mines and Minerals Act (as read with the Finance Act) rather than the Mining Agreement (MA). A ruling has now been made by the High Court of Zimbabwe in favour of the Group.

The Group had complied with ZIMRA’s directive to pay royalty fees at the higher rates, on a without prejudice basis, with effect from January 2010. The case was heard in the High Court on 7 March 2013 and the Judge that presided over the case reserved judgment. The judgment ruled that the MA takes precedence over the Finance Act provisions and accordingly, the Group should pay royalty fees as per the MA.