

Zimplats Holdings Limited



REPORT FOR THE QUARTER ENDED 30 JUNE 2009

KEY FEATURES

- One lost time injury recorded.
- Excellent operational performance.
- Steady increase in metal prices during the quarter.
- US\$5 million operating profit recorded.
- Ngezi concentrator commissioned but later than originally anticipated.
- Additional ZAR200 million loan secured subsequent to quarter end.

SAFETY

Safety performance was unsatisfactory with one lost time injury recorded, bringing the total number of lost time injuries for the year to seven compared to the previous year's eleven.

PRODUCTION – Zimbabwe Platinum Mines (Private) Limited

		June Quarter 2009	March Quarter 2009	December Quarter 2008	September Quarter 2008
Mining					
Ore mined – opencast	Tonnes (000's)	0	0	258	270
Ore mined – underground	Tonnes (000's)	677	581	492	370
Total ore mined	Tonnes (000's)	677	581	750	640
Overall mine grade	4E g/t	3.38	3.36	3.30	3.21
Processing					
Ore milled	Tonnes (000's)	541	543	562	520
Mill grade	4E g/t	3.38	3.36	3.30	3.21
Recovery	4E%	83.7	83.6	83.8	82.1
Metal in concentrate	4E oz	49,028	48,859	49,656	44,383
Metal in converter matte	4E oz	47,746	49,624	59,397	33,765
Metal sales					
4E sales	Oz	48,391	48,567	61,030	32,879
Nickel	Tonnes	398	418	502	295
Copper	Tonnes	304	292	356	203

Total ore mined was 17% higher than the previous quarter as the ramping up of underground production continued. The ore stock pile at the end of June stood at 885,000 tonnes.

Milling was marginally lower than the previous quarter due to lower plant running time arising from a three day plant shut down to upgrade the main power supply line as well as an unscheduled power outage and equipment breakdowns.

FINANCIAL – Zimbabwe Platinum Mines (Private) Limited

Operating Income Statement	June Quarter 2009 US\$ 000's	March Quarter 2009 US\$ 000's	December Quarter 2008 US\$ 000's	September Quarter 2008 US\$ 000's
Revenue	44,082	35,127	25,742	15,360
Operating Costs	(39,039)	(34,021)	(37,351)	(31,996)
Operating Profit/(loss)	5,043	1,106	(11,610)	(16,636)

Despite a marginal decline in volume of metals sold, revenue was 25% up on the previous quarter due to the steady increase in metal prices during the period. Operating costs increased by 15% reflecting mainly the adverse effect of the strengthening of the South African Rand against the US\$, which resulted in an exchange loss of \$6 million. The “dollarization” of the Zimbabwe economy from February 2009 also resulted in an increase in costs previously denominated in Zimbabwe dollars, the full impact of which was felt in the quarter. Going forward however, the “dollarization” and the fact that 100% of the ore will be coming from underground, will result in operating costs being more stable and lower than current levels.

Cash and total cost of production	June Quarter 2009 US\$	March Quarter 2009 US\$	December Quarter 2008 US\$	September Quarter 2008 US\$
Cash cost of production per 4E ounce	853	604	514	906
Less by-product credits	(140)	(86)	(57)	(149)
Net cash cost per 4E ounce	713	518	457	757
Amortisation and depreciation	34	65	106	97
Total cost per 4E ounce *	747	583	563	854
Total revenue per 4E ounce	911	723	421	468
Surplus/(deficit) per 4E ounce**	24	54	(199)	(535)

Cash cost of production per 4E ounce was 41% above the previous quarter for the reasons outlined above. In addition, the lower production volumes also negatively affected unit costs.

**Net of by-product revenue.*

*** Total Revenue, less total cost/Total 4E ounces.*

PGM PRICES

The average pgm, gold and nickel prices for the past 4 quarters are as follows:

	June 2009 Quarter	March 2009 Quarter	December 2008 Quarter	September 2008 Quarter
Platinum (USD per oz)	1,225	1,028	859	1,551
Palladium (USD per oz)	248	200	190	334
Rhodium (USD per oz)	1,467	1,167	1,688	6,786
Gold (USD per oz)	948	907	785	868
Nickel (USD per tonne)	14,956	10,466	10,838	18,953

Some improvement in metal prices was recorded in the quarter. However, sustainable price recovery remains dependant on a turnaround in the fortunes of the world automotive industry, which at this time, is still uncertain. Currently, platinum prices are being supported by investor activity and a robust Chinese jewellery market.

PHASE 1 EXPANSION PROJECT

Good progress has been made in the implementation of the Ngezi Phase 1 expansion project, which despite all the difficulties, is still expected to be completed within the approved cost budget.

The development of the Portal 4 underground mine is on schedule to reach full production by May 2011.

Commissioning of the Ngezi concentrator began early in July, after a three month delay. The delay was mainly a result of the late delivery of critical equipment as well as difficult weather conditions experienced during the rainy season. The plant is currently ramping up production and is expected to reach full production capacity by the end of September 2009.

The ZAR300 million loan secured in the previous quarter has been fully drawn. However, the delay in the commissioning of the concentrator and the consequent adverse effect on cash flows has necessitated that an additional ZAR200 million loan be raised. The loan was secured subsequent to the quarter end and draw downs are currently in progress. The majority shareholder, Impala Platinum Holdings Limited, provided guarantees required by the lender.

SOCIO-POLITICAL ENVIRONMENT

The implementation of the intended government economic turn around programmes continue to be hampered by lack of investment funds. Delays in fully implementing the Global Political Agreement signed by the three parties as well as political difficulties among the coalition partners remain areas of concern for investors and donors. The operating and living environment has however continued to improve.

ALEX STEWART INTERNATIONAL LLC AUDIT

This matter is still to be concluded and discussions with the relevant government authorities are on-going.

SHAREHOLDER INFORMATION

Share price

The average share price for the quarter was A\$8.08 (previous quarter: A\$4.18).

Capital Structure

Major shareholders as at 30 June 2009:

Impala Platinum Holdings Limited	87.00%
Merrill Lynch (Australia) Nominees Pty Ltd	3.81%
HSBC Custody Nominees (Australia) Ltd	2.80%

Caution

Shareholders are advised to exercise extreme caution in their share dealings due to the very uncertain conditions prevailing in Zimbabwe.

Further, all stakeholders should be aware that there will be a continued negative impact on the operations of the company should the current level of metal prices be sustained.

Shareholder enquiries

Matters relating to the 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.

INFORMATION ON ZIMPLATS

Contact - Guernsey

Mr. Tony Link
Tel: +44 1481 737 217
Fax: +44 1481 738 917
Email: info@carey-olsen.com

Contact - Australia

Ms. Kathrine Brown
Tel: +61 2 9252 7880
Fax: +61 2 9252 7882
Email: kathrine.brown@zimplats.com

Contact - Zimbabwe

Mr. Patrick Maseva-Shayawabaya
Tel: +263 4 332 590
Fax: +263 4 332 496
Email: patrick.shayawabaya@zimplats.co.zw

Website: www.zimplats.com

In the report Zimplats refers to Zimplats Holdings Limited and/or its subsidiaries.