

Zimplats Holdings Limited



REPORT FOR THE QUARTER ENDED 31 MARCH 2009

KEY FEATURES

- Good safety performance
- Satisfactory mining and milling performance
- PGM prices achieved higher than previous quarter
- Operating profit recorded for the quarter
- Commissioning of Ngezi concentrator delayed by one month
- ZAR300 million loan secured to finance completion of Ngezi Phase 1 expansion project

SAFETY

Safety performance was good with no lost time injury recorded.

PRODUCTION – Zimbabwe Platinum Mines (Private) Limited

		March Quarter 2009	December Quarter 2008	September Quarter 2008	June Quarter 2008
Mining					
Ore mined – opencast	Tonnes (000's)	0	258	270	244
Ore mined – underground	Tonnes (000's)	581	492	370	347
Total ore mined	Tonnes (000's)	581	750	640	591
Overall mine grade	4E g/t	3.36	3.30	3.21	3.23
Processing					
Ore milled	Tonnes (000's)	543	562	520	570
Mill grade	4E g/t	3.36	3.30	3.21	3.23
Recovery	4E%	83.6	83.8	82.1	82.3
Metal in concentrate	4E oz	48,859	49,656	44,383	48,889
Metal in converter matte	4E oz	49,624	59,397	33,765	50,917
Metal sales					
4E sales	Oz	48,567	61,030	32,879	50,255
Nickel	Tonnes	418	502	295	427
Copper	Tonnes	292	356	203	299

Mining and milling operations were satisfactory and in line with expectations.

Total ore mined was 23% lower than the previous quarter due to the closure of open pit mining operations in November 2008. Ramping up of underground mining production continued with underground ore mined being 18% above the previous quarter.

At the end of March 2009, the company had an ore stock pile of 783 000 tonnes. The ore will be processed in the Ngezi concentrator during the ramp up of underground mining production.

Both SAG and Ball mill re-lines were successfully carried out in the quarter.

FINANCIAL – Zimbabwe Platinum Mines (Private) Limited

Operating Income Statement	March Quarter 2009 US\$ 000's	December Quarter 2008 US\$ 000's	September Quarter 2008 US\$ 000's	June Quarter 2008 US\$ 000's
Revenue	35,127	25,742	15,360	93,060
Operating Costs	(34,021)	(37,351)	(31,996)	(43,518)
Operating Profit/(Loss)	1,106	(11,610)	(16,636)	49,542

Revenue was 36% up on the previous quarter despite a 20% reduction in volume of metals sold. This was due to a gradual increase in metal prices, particularly platinum, palladium and gold. Operating costs were 9% below prior quarter despite an upsurge in local costs following the official "dollarization" of the Zimbabwe economy in February 2009 reflecting both the lower production volume as well as the lower cost structure following the closure of the open pit mining operations.

Cash and total cost of production	March Quarter 2009 US\$	December Quarter 2008 US\$	September Quarter 2008 US\$	June Quarter 2008 US\$
Cash cost of production per 4E ounce	604	514	906	801
Less by-product credits	(86)	(57)	(149)	(182)
Net cash cost per 4E ounce	518	457	757	619
Amortisation and depreciation	65	106	97	87
Total cost per 4E ounce *	583	563	854	706
Total revenue per 4E ounce	723	421	468	1 851
Surplus/(deficit) per 4E ounce**	54	(199)	(535)	963

Cash cost of production per 4E ounce was 18% above the previous quarter due to a decrease in production volumes realised in the quarter.

*Net of by-product revenue.

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

PGM PRICES

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

	March 2009 Quarter	December 2008 Quarter	September 2008 Quarter	June 2008 Quarter
Platinum (USD per oz)	1,028	859	1,551	2,044
Palladium (USD per oz)	200	190	334	452
Rhodium (USD per oz)	1,167	1,688	6,786	9,786
Gold (USD per oz)	907	785	868	890
Nickel (USD per tonne)	10,466	10,838	18,953	22,539

The world automotive industry is still in a state of despair and therefore any short-term improvement to current PGM prices is unlikely.

PHASE 1 EXPANSION PROJECT

Satisfactory progress has been made on the Ngezi Phase 1 expansion project. However, due to late delivery of equipment that is on the project critical path, the commissioning of the new Ngezi concentrator that was scheduled for end of April 2009 will be delayed by a month. As previously advised, the project will, on completion, result in an 80% increase in metal production.

It was previously reported that the collapse in metal prices would result in the company having a projected cash deficit even though the expansion project is still expected to be completed within the approved budget of US\$340 million. We advise that an additional ZAR300 million loan has since been secured from a South African bank to finance the completion of the expansion project.

SOCIO-POLITICAL ENVIRONMENT

A coalition government involving all three parties with representation in the Zimbabwe Parliament took office in February 2009. In the short period of its existence, the new government has made some positive policy changes. However, government operations and therefore its ability to address Zimbabwe's myriad problems are currently hampered by a lack of funds.

ALEX STEWART INTERNATIONAL LLC AUDIT

This matter is still to be concluded. Management has had positive interactions with the concerned Government agencies and remain convinced that the matter will be satisfactorily resolved.

Share price

The average share price for the quarter was A\$ 4.18 (previous quarter: A\$ 7.52).

Capital Structure

Major shareholders as at 31 March 2009:

Impala Platinum Holdings Limited	87.00%
Corporate Holdings Limited	3.14%
Mr. Adrian Vanderspuy	2.60%

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.

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