

Zimplats Holdings Limited



REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2010

KEY FEATURES

- One lost time injury recorded.
- Satisfactory operational performance.
- Lower metal prices realised.
- 13% decrease in operating profit.
- Ngezi Phase II Expansion project commenced.

SAFETY

Safety performance remains satisfactory although one lost time injury was recorded in the quarter.

PRODUCTION – Zimbabwe Platinum Mines (Private) Limited

		September Quarter 2010	June Quarter 2010	March Quarter 2010	December Quarter 2009
Mining					
Ore mined	Tonnes (000's)	1,016	967	917	863
Head grade	4E g/t	3.35	3.37	3.37	3.34
Processing					
Ore milled	Tonnes (000's)	1,043	1,074	1,053	1,100
Recovery	4E%	81.9	81.9	82.3	80.9
Metal in concentrate	4E oz	91,934	95,144	93,845	94,670
Metal in converter matte	4E oz	89,284	93,380	92,985	91,463
Nickel	Tonnes	861	898	884	802
Copper	Tonnes	621	647	632	573
Metal sales					
4E	Oz	89,440	90,418	93,842	90,081
Nickel	Tonnes	857	853	890	794
Copper	Tonnes	613	613	632	566

Mining and milling operations were in line with expectations.

Ore mined was 5% higher than the previous quarter reflecting the on-going ramp up of production at Bimha Mine.

Ore milled was 3% lower than the previous quarter due to a 7 day planned maintenance shutdown of the SMC concentrator. As a result, metal production was 4% lower than the previous quarter.

FINANCIAL – Zimbabwe Platinum Mines (Private) Limited

Operating Income Statement	September Quarter 2010 US\$ 000's	June Quarter 2010 US\$ 000's	March Quarter 2010 US\$ 000's	December Quarter 2009 US\$ 000's
Revenue	110,098	115,293	116,633	107,425
Operating Costs	(61,102)	(58,820)	(59,622)	(57,404)
Operating Profit	48,996	56,473	57,011	50,021

Revenue was 5% lower than the previous quarter reflecting both the lower sales volumes and metal prices. Despite the lower sales volumes, operating costs were 4% above the previous quarter due to an increase in mining fleet maintenance costs as well as the effect of the continued firming of the South African Rand. As a result, an operating profit of US\$49 million was realised, 13% lower than the previous quarter.

Cash and total cost of production	September Quarter 2010 US\$	June Quarter 2010 US\$	March Quarter 2010 US\$	December Quarter 2009 US\$
Cash cost of production per 4E ounce	599	536	561	559
Net cash cost per 4E ounce	387	325	365	393
Amortisation and depreciation	92	83	77	78
Total cost per 4E ounce *	479	408	444	471
Total revenue per 4E ounce	1,231	1,275	1,243	1,193
Surplus per 4E ounce**	540	656	605	556

Cash cost of production per 4E ounce was 12% above previous quarter due to the combined effect of the reasons detailed above and lower production volumes.

*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:

	September 2010 Quarter	June 2010 Quarter	March 2010 Quarter	December 2009 Quarter
Platinum (USD per oz)	1,560	1,644	1,565	1,393
Palladium (USD per oz)	497	501	442	349
Rhodium (USD per oz)	2,289	2,707	2,568	2,000
Gold (USD per oz)	1,212	1,224	1,049	1,102
Nickel (USD per tonne)	21,187	22,469	19,953	17,695

Although average metal prices realised were lower than the prior quarter, they have since recovered, with the exception of Rhodium, to levels higher than have been seen in the past 12 months.

EXPANSION

Bimha Mine is scheduled to reach full production of 2mtpa in May 2011 as previously reported. However; mine development is expected to be completed by end of December 2011 due to delay in the completion of the conveyor decline. There will be no overall impact on output.

Implementation of the Ngezi Phase II Expansion Project has commenced.

RESOLUTION OF OUTSTANDING ISSUES WITH GOVERNMENT

RBZ Debt

The Government is still considering the possibility of following a Parliamentary process ultimately leading to the government assuming the RBZ debt. This is bound to be a lengthy process.

Additional Profits Tax (APT)

The company believes the matter is finalised but discussions with the relevant arms of government are still on-going in an attempt to finalise the matter from all parties perspective.

Indigenisation and Economic Empowerment

Discussions with Government on Zimplats' empowerment proposals are still on-going.

SHAREHOLDER INFORMATION

Share price

The average share price for the quarter was A\$10.71 (previous quarter: A\$11.26).

Capital Structure

Major shareholders as at 30 September 2010:

Impala Platinum Holdings Limited	87.00%
HSBC Custody Nominees (Australia) Ltd	3.64%
Merrill Lynch (Australia) Nominees Pty Ltd	3.81%

Caution

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

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

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