



## REPORT FOR THE QUARTER ENDED 31 MARCH 2011

### KEY FEATURES

- Two lost time injuries recorded in the quarter.
- Good operational and financial performance.
- ZAR loan converted into a US\$ Revolving Credit Facility.
- Ngezi Phase II Expansion project implementation on course.

### SAFETY

Two lost time injuries were recorded in the quarter bringing the year to date total to five. Although safety performance to date remains of a high standard, the objective remains zero harm.

### PRODUCTION – Zimbabwe Platinum Mines (Private) Limited

		March Quarter 2011	December Quarter 2010	September Quarter 2010	June Quarter 2010
<b>Mining</b>					
Ore mined – underground	Tonnes (000's)	1,062	1,021	1,016	967
Head grade	4E g/t	3.34	3.37	3.35	3.37
<b>Processing</b>					
Ore milled	Tonnes (000's)	1,007	1,036	1,043	1,074
Recovery	4E%	82.6	82.8	81.9	81.9
Metal in concentrate	4E oz	89,260	92,896	91,934	95,144
Metal in converter matte	4E oz	84,007	90,623	89,284	93,380
Nickel	Tonnes	810	850	861	898
Copper	Tonnes	593	606	621	647
<b>Metal sales</b>					
4E	Oz	85,069	90,017	89,440	90,418
Nickel	Tonnes	803	841	857	853
Copper	Tonnes	586	592	613	613

Mining and milling operations performed in line with expectation.

Ore mined was 4% higher than the previous quarter reflecting on-going ramp up of production at Bimha Mine.

Milled tonnage was lower than the previous quarter as both concentrators undertook five day maintenance shut downs. Metal production and sales volumes were lower than the previous quarter reflecting the lower milled tonnage as well as lower smelter running time as a result of a seven day maintenance shut down. Concentrates stockpiled during the smelter shutdown were processed subsequent to quarter end.

### FINANCIAL – Zimbabwe Platinum Mines (Private) Limited

Operating Income Statement	March Quarter 2011 US\$ 000's	December Quarter 2010 US\$ 000's	September Quarter 2010 US\$ 000's	June Quarter 2010 US\$ 000's
Revenue	130,539	139,869	110,098	115,293
Operating Costs	(64,959)	(65,127)	(61,102)	(58,820)
Operating Profit	65,580	74,742	48,996	56,473

Revenue was 7% lower than the previous quarter in line with the lower sales volume. Despite the significant decrease in production and sales volumes, operating costs were only marginally lower than the previous quarter due to higher fuel prices and plant planned maintenance costs. In addition, royalty rates were increased by an average of 18% with effect from January 2011. As a result, operating profit decreased by 12% to US\$66 million.

The ZAR loan facility with Standard Bank of South Africa was converted into a US\$88 million Revolving Credit Facility (RCF) in March 2011 to reduce exposure to the fluctuating ZAR and increase flexibility in debt management. In April 2011, the balance on the loan of US\$42 million was paid off. The RCF facility will be accessed as required during the implementation of the Ngezi Phase 2 Expansion project.

Cash and total cost of production	March Quarter 2011 US\$	December Quarter 2010 US\$	September Quarter 2010 US\$	June Quarter 2010 US\$
Cash cost of production per 4E ounce	702	636	599	536
Net cash cost per 4E ounce	433	385	387	325
Amortisation and depreciation	98	91	92	83
Total cost per 4E ounce *	531	476	479	408
Total revenue per 4E ounce	1,535	1,554	1,231	1,275
Surplus per 4E ounce**	735	827	540	656

Cash cost of production per 4E ounce was 10% above previous quarter driven largely by lower production volumes and the cost increases detailed above.

\*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:

	<b>March 2011 Quarter</b>	<b>December 2010 Quarter</b>	<b>September 2010 Quarter</b>	<b>June 2010 Quarter</b>
Platinum (USD per oz)	1,794	1,698	1,560	1,644
Palladium (USD per oz)	792	676	497	501
Rhodium (USD per oz)	2,353	2,225	2,289	2,707
Gold (USD per oz)	1,385	1,368	1,212	1,224
Nickel (USD per tonne)	26,900	23,605	21,187	22,469

Metal prices continued to trend upwards in line with moderate levels of economic recovery recorded in the major world economies.

## EXPANSION

Bimha Mine remains on course to reach design production capacity of 2mtpa in May 2011.

Implementation of Ngezi Phase II Project is proceeding as planned with work having commenced on several of the constituent parts of the project.

## RESOLUTION OF OUTSTANDING ISSUES WITH GOVERNMENT

### RBZ Debt

This matter remains unresolved and the process of assumption of the debt by the Government has not yet commenced.

### Indigenisation and Economic Empowerment

The government gazetted new indigenisation and economic empowerment regulations which compels all non-indigenous mining businesses to submit their plans to the Minister by May 2011. The operating subsidiary is currently reviewing the regulations.

### Additional Profits Tax (APT)

The operating subsidiary has appealed to the Special Court of Income Tax Appeals against the rejection of its objection to an amended APT assessment by the Tax Authorities.

### Share price

The average share price for the quarter was A\$13.61 (previous quarter: A\$14.38).

### Capital Structure

#### Major shareholders as at 31 March 2011:

Impala Platinum Holdings Limited	87.00%
HSBC Custody Nominees (Australia) Ltd	4.59%
Merrill Lynch (Australia) Nominees Pty Ltd	2.78%

### 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.

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