

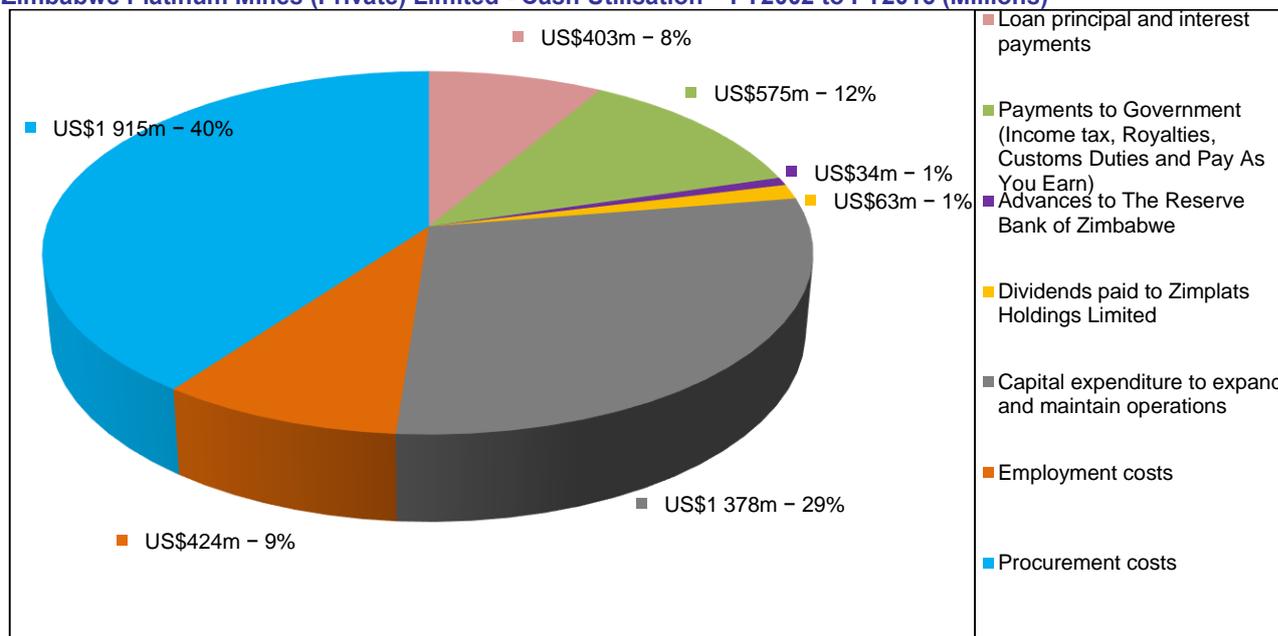
Zimplats Holdings Limited



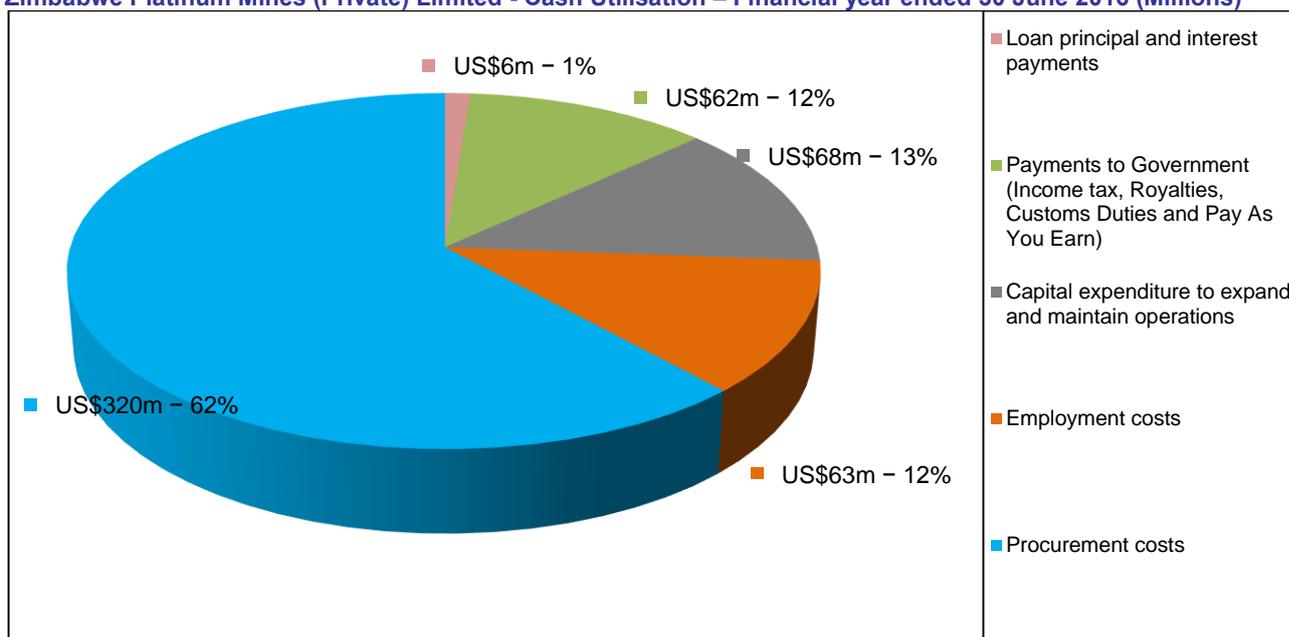
REPORT FOR THE QUARTER ENDED 30 JUNE 2016

KEY FEATURES

Zimbabwe Platinum Mines (Private) Limited - Cash Utilisation – FY2002 to FY2016 (Millions)



Zimbabwe Platinum Mines (Private) Limited - Cash Utilisation – Financial year ended 30 June 2016 (Millions)



- No fatal accidents
- One lost-time injury (LTI) was recorded during the quarter
- Bimha Mine re-development is progressing well
- Tonnes mined were 2% better than the previous quarter
- Tonnes milled were marginally lower than the previous quarter
- 4E (platinum, palladium, gold and rhodium) production in matte increased by 4% from the previous quarter
- Revenue decreased by 7% from the previous quarter
- Profit from operations after royalties of US\$25.6 million was realised during the quarter compared to US\$6.7 million recorded in the previous quarter

SAFETY

One LTI was recorded during the quarter.

PRODUCTION

		June Quarter 2016	March Quarter 2016	% Change	June Quarter 2015	% Change
Mining						
Ore mined	Tonnes (000)	1 675	1 639	2	1 480	13
Head grade	4E g/t	3.24	3.24	-	3.22	1
Processing						
Ore milled	Tonnes (000)	1 641	1 646	-	1 422	15
Recovery	4E%	80.9	80.7	-	81.1	-
Metal in concentrate	4E ounces	138 201	138 446	-	119 427	16
Metal in converter matte	4E ounces	142 148	136 499	4	71 084	99
Nickel in converter matte	Tonnes	1 312	1 244	5	752	74
Copper in converter matte	Tonnes	960	891	8	536	79
Metal sales						
In converter matte						
4E	Ounces	143 647	136 575	5	68 255	110
Nickel	Tonnes	1 284	1 268	1	705	82
Copper	Tonnes	980	897	9	534	83
In concentrates						
4E	Ounces	-	41 757	(100)	-	n/a
Nickel	Tonnes	-	409	(100)	-	n/a
Copper	Tonnes	-	282	(100)	-	n/a

Tonnes mined improved by 2% from the previous quarter due to an 8% increase in tonnage from the Mupfuti Mine as well as sustained operational performances across all the other mines.

Head grade (4E) at 3.24g/t was maintained at the previous quarter levels as initiatives to improve head grade continue to be implemented.

Milled ore volumes and 4E metal in concentrate throughput were also maintained at the previous quarter levels.

Production of 4E metal in converter matte rose by 4% from the previous quarter, due to longer running times at the smelter, as well as the draining of furnace inventory in preparation for the matte-end wall rebuild shutdown.

FINANCIAL

	June Quarter 2016 US\$ 000	March Quarter 2016 US\$ 000	% Change	June Quarter 2015 US\$ 000	% Change
Revenue	128 908	138 477	(7)	64 646	99
Operating costs	(100 066)	(128 386)	22	(98 980)	(1)
Profit/(loss) from operations before royalties	28 842	10 091	186	(34 335)	184
Royalties	(3 210)	(3 375)	5	107 632	103
Profit from operations after royalties	25 632	6 716	282	73 298	(65)

Revenue decreased by 7% from the previous quarter owing to the effect of lower 4E sales volumes, which decreased by 19% as stockpiled concentrates (41 757 ounces of 4E) were exported in the earlier period, partially offset by higher metal prices. Total revenue per 4E ounce increased by 16%.

Operating costs decreased by 22% in comparison to the previous quarter mainly due to the lower sales volumes.

Royalties were 5% lower than the previous quarter, which was in line with the decrease in revenue.

Cash and total cost of production	June Quarter 2016 US\$	March Quarter 2016 US\$	% Change	June Quarter 2015 US\$	% Change
Cash cost per 4E ounce	612	558	(10)	886	31
Net cash cost per 4E ounce	517	469	(10)	754	31
Amortisation and depreciation	74	125	41	284	74
Total cost per 4E ounce *	591	594	1	1 039	43
Total revenue per 4E ounce	897	777	15	947	(5)

*Net of by-product revenue.

Cash cost per 4E ounce increased by 10% from the previous quarter largely due to the lower sales volumes as stockpiled concentrates boosted sales in the previous quarter.

Local spend in Zimbabwe (excluding payments to government and related institutions) for the quarter increased by a significant 79% to US\$92 million, while total payments to government in direct and indirect taxes increased to US\$42 million from US\$7 million reported in the previous quarter.

METAL PRICES

The average platinum, palladium, rhodium, gold and nickel prices achieved were as follows:

	June Quarter 2016	March Quarter 2016	% Change	June Quarter 2015	% Change
Platinum (US\$ per oz)	1 004	914	10	1 127	(11)
Palladium (US\$ per oz)	568	523	9	760	(25)
Rhodium (US\$ per oz)	662	631	5	1 030	(36)
Gold (US\$ per oz)	1 259	1 180	7	1 193	6
Nickel (US\$ per tonne)	8 816	8 496	4	13 020	(32)

CAPITAL PROJECTS

The implementation of the Ngezi Phase 2 expansion project is progressing well and a total of US\$453 million of the project budget had been spent as at 30 June 2016.

A total of US\$22.1 million was spent on the refurbishment of the Selous Metallurgical Complex base metal refinery and US\$1 million was committed as at 30 June 2016.

The redevelopment of Bimha Mine remains on schedule to reach full production in April 2018.

Some capital projects amounting to US\$59 million that were planned to be implemented in the year to 30 June 2016 were deferred to future periods due to cash constraints arising from the soft metal prices.

RESOLUTION OF OUTSTANDING ISSUES WITH GOVERNMENT

Reserve Bank of Zimbabwe Debt

Zimbabwe Platinum Mines (Private) Limited (the operating subsidiary) remains in discussion with the relevant authorities in Zimbabwe on the US\$34 million debt owed by the Reserve Bank of Zimbabwe (RBZ) to the operating subsidiary.

Indigenisation and Economic Empowerment

The operating subsidiary is still in discussion with the Government of Zimbabwe (the Government) regarding its indigenisation implementation plan (IIP).

Acquisition of Portion of Mining Lease Area

The operating subsidiary has been involved in discussions with the Government in an effort to achieve an amicable resolution of this matter. However, on 29 June 2016, the operating subsidiary was served with an application filed in the Administrative Court of Zimbabwe in which the Government was seeking an order authorising the acquisition by the Government of the portion of the operating subsidiary's mining lease area, which was as described in the preliminary notice that was issued by the Government in 2013. Zimplats Holdings Limited was cited as the respondent in the application. Papers opposing the application were filed on behalf of Zimplats Holdings Limited and the operating subsidiary. The matter is therefore pending in the Administrative Court of Zimbabwe. The operating subsidiary will however still seek to engage the Government in constructive dialogue in an endeavour to have the matter resolved amicably.

SHAREHOLDER INFORMATION

Share price

The average share price for the quarter was AU\$3.62 (previous quarter: AU\$3.25).

Capital Structure

Major shareholders as at 30 June 2016:

Impala Platinum BV	87.00%
J P Morgan Nominees Australia Limited	4.86%
Citicorp Nominees Pty Limited	3.69%
HSBC Custody Nominees (Australia) Limited	1.71%
National Nominees Limited	1.01%

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.

Contact - Guernsey

Ms. Claire McSwiggan
Tel: +44 1481 737 281
Fax: +44 1481 711 220
Email: claire.mcschwiggan@careygroup.gg

Contact - Australia

Ms. Kathrine Brown
Tel: +61 2 8920 1031
Fax: +61 2 8920 2956
Email: kathrine.brown@zimplats.com.au

Contact - Zimbabwe

Mr. Stewart Mangoma
Tel: +263 4 886 888
Fax: +263 4 886 877
Email: stewart.mangoma@zimplats.com

Website: www.zimplats.com