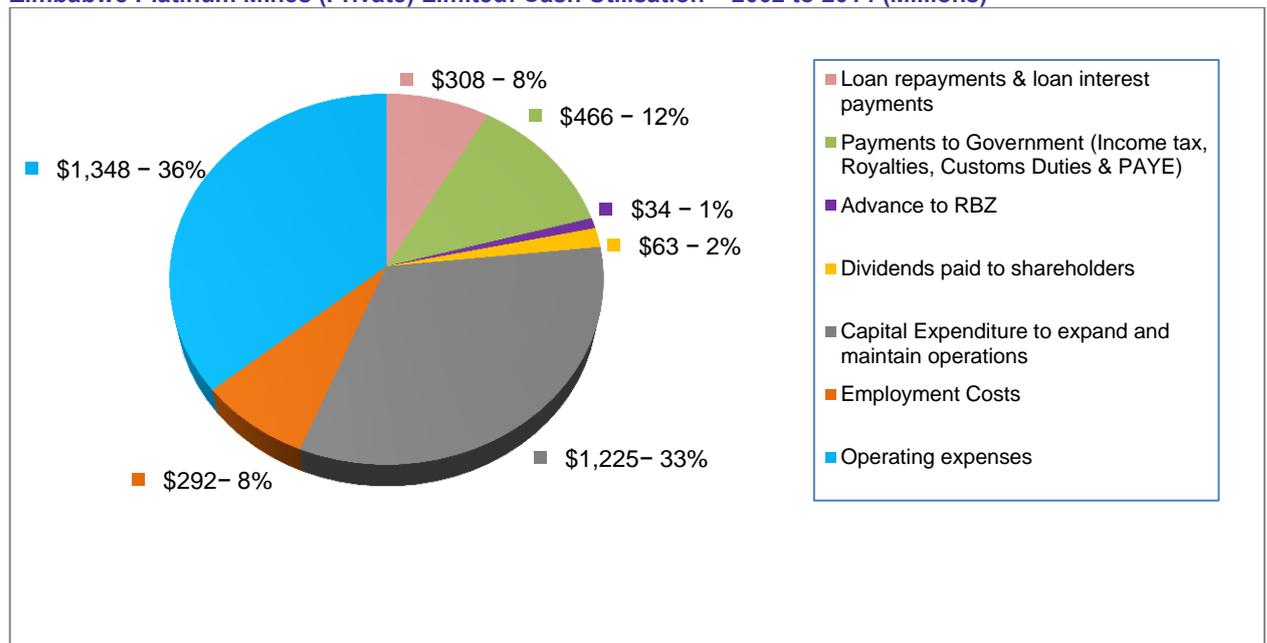




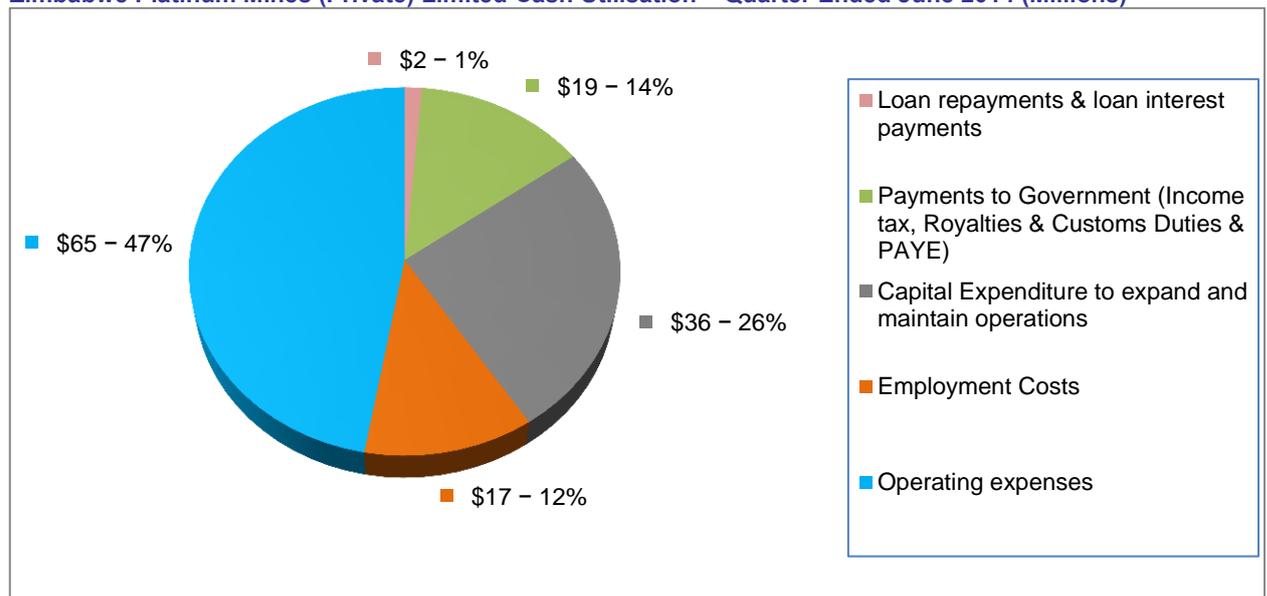
REPORT FOR THE QUARTER ENDED 30 JUNE 2014

CASH UTILISATION

Zimbabwe Platinum Mines (Private) Limited: Cash Utilisation – 2002 to 2014 (Millions)



Zimbabwe Platinum Mines (Private) Limited Cash Utilisation – Quarter Ended June 2014 (Millions)



KEY FEATURES

- Two Lost Time Injuries (LTIs) recorded in the quarter.
- Satisfactory operational and cost performance.
- Improved profitability as a result of increased sales volumes and stronger metal prices.
- Ngezi Phase II expansion progressing well.
- Indigenisation implementation remains under review.

SAFETY

Two LTIs were recorded in the quarter compared to three in the previous quarter. This has increased the LTIs for the year to six, compared to twelve recorded in the previous year. As a result, the Lost Time Injury Frequency Rate (LTIFR) for the year was at 0.41, which is a commendable 41% lower than the previous year.

PRODUCTION – Zimbabwe Platinum Mines (Private) Limited

		June Quarter 2014	March Quarter 2014	% Change	June Quarter 2013	% Change
Mining						
Ore mined	Tonnes (000's)	1,539	1,405	10	1,226	26
Head grade	4E g/t	3.27	3.24	1	3.26	0
Processing						
Ore milled	Tonnes (000's)	1,536	1,423	8	1,434	7
Recovery	4E%	81.5	81.8	(0)	82.9	(2)
Metal in concentrate	4E oz	131,639	121,148	9	124,782	5
Metal in converter matte	4E oz	135,696	118,150	15	124,237	9
Nickel	Tonnes	1,287	1,189	8	1,261	2
Copper	Tonnes	912	877	4	958	(5)
Metal sales						
In converter matte						
4E	Oz	130,557	114,193	14	118,416	10
Nickel	Tonnes	1,234	1,134	9	1,236	(0)
Copper	Tonnes	901	838	7	955	(6)

Tonnes mined increased by 10% from the previous quarter mainly due to production ramp-up at Mupfuti Mine and improved productivity at the other mines.

The head grade (4E) at 3.27g/t was 1% better than the previous quarter reflecting improved grade control at the mining operations.

Tonnes milled increased by 8% from the previous quarter due to increased ore supply, resulting in the metal (4E) in concentrate produced increasing by 9%.

The metal recovery rate (4E) at 81.5% was marginally lower than the 81.8% realised in the previous quarter.

Metal (4E) in converter matte increased from 118,150 ounces to 135,696 ounces mainly due to the increase in ore milled. In addition, the smelter ran consistently in the quarter which cleared some excess inventory still in the system.

Post quarter end, a major fall of ground incident was recorded at the Bimha Mine. The deterioration of ground conditions associated with the Mutambara Shear was carefully monitored and impacted approximately 50% of the current mining area at the Bimha mine. As a result, normal operations were suspended and all employees and machinery withdrawn from the area - No injuries and/or damage to trackless mining machinery was recorded. Crews from the affected mining areas have already been re-deployed to other mining areas and portals. Throughput at the Zimplats operation is planned at 6.2 million tonnes per annum and the initial production loss estimate indicates a 9.5% reduction in tonnage throughput in FY2015, and 3% lower in the ensuing years. A full rock engineering analysis is underway to better understand the back area failure and once this is completed, an updated set of mitigation measures will be communicated and implemented.

FINANCIAL – Zimbabwe Platinum Mines (Private) Limited

	June Quarter 2014 US\$ 000's	March Quarter 2014 US\$ 000's	% Change	June Quarter 2013 US\$ 000's	% Change
Revenue	166,687	137,809	21	125,891	32
Operating Costs*	(116,636)	(101,700)	(15)	(103,412)	(4)
Operating Profit	50,051	36,109	39	22,479	164

**Excluding share based payments, fair value adjustments, tax penalties and foreign exchange differences*

Revenue increased by 21% from the previous quarter due to 14% increase in 4E sales volumes, 6% increase in gross revenue per 4E oz and 26% increase in nickel prices. Consequently, operating profit increased by 39% from the previous quarter to US\$50 million.

Cash and total cost of production	June Quarter 2014 US\$	March Quarter 2014 US\$	% Change	June Quarter 2013 US\$	% Change
Cash cost per 4E ounce	595	698	15	592	(0)
Net cash cost per 4E ounce	396	535	26	441	10
Amortisation and depreciation	160	123	(30)	137	(17)
Total cost per 4E ounce *	556	658	15	578	4
Total revenue per 4E ounce	1,277	1,207	6	1,063	20

**Net of by-product revenue.*

The cash cost per ounce (4E) was 15% lower than the previous quarter due largely to higher metal production.

The company's local spend (excluding payments to government and related institutions) increased by 25% to US\$63 million. Total payments to Government both in direct and indirect taxes at US\$19 million were marginally lower than the previous quarter at US\$ 20 million.

PGM PRICES

The average PGM, gold and nickel prices are as follows:

	June Quarter 2014	March Quarter 2014	% Change	June Quarter 2013	% Change
Platinum (US\$ per oz)	1,447	1,428	1	1,466	(1)
Palladium (US\$ per oz)	815	745	9	713	14
Rhodium (US\$ per oz)	1,045	1,028	2	1,059	(1)
Gold (US\$ per oz)	1,289	1,293	(0)	1,414	(9)
Nickel (US\$ per tonne)	18,458	14,642	26	14,949	23

EXPANSION

The Mupfuti Mine development remains on schedule to reach design capacity in early 2015. There are now six production fleets at the mine following the introduction of two additional fleets this quarter. However, the attainment of the Phase II design capacity of 6.2 million tonnes per annum for the entire operation will be impacted by the Bimha Mine incident as explained above.

RESOLUTION OF OUTSTANDING ISSUES WITH GOVERNMENT

Taxation Issues

Penalty on prior year Income tax case

The operating subsidiary's appeal against the levying of a penalty by the Zimbabwe Revenue Authority (ZIMRA) on the additional prior years' income taxes has now been set down for hearing in the Special Court for Income Tax Appeals on Wednesday, 24 September 2014.

Additional Profits Tax Court Case

This matter will be heard by the Special Court for Income Tax Appeals on Monday, 15 September 2014.

RBZ Debt

The Government of Zimbabwe has initiated the process of taking over the Reserve Bank of Zimbabwe's (RBZ) debt by issuing the Reserve Bank of Zimbabwe (Debt Assumption) Bill, 2014, which was published in the Zimbabwe Extraordinary Government Gazette of 6 June 2014. The \$34 million owed to the operating subsidiary by the RBZ is listed in the Bill's schedule of prior debts. In terms of the Bill, prior debts will have to be validated and reconciled by the Ministry of Finance before being assumed by the State. The Bill will have to be passed by Parliament and assented to by the President for it to become law.

Indigenisation and Economic Empowerment

The company remains engaged in discussions with the Minister of Youth Development, Indigenisation and Economic Empowerment with regard to the company's indigenisation implementation plan.

SHAREHOLDER INFORMATION

Share price

The average share price for the quarter was AU\$7.14 (previous quarter: AU\$6.98).

Capital Structure

Major shareholders as at 30 June 2014:

Impala Platinum Holdings Limited	87.00%
HSBC Custody Nominees (Australia) Ltd	4.29%
Citicorp Nominees Pty Ltd	3.03%

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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