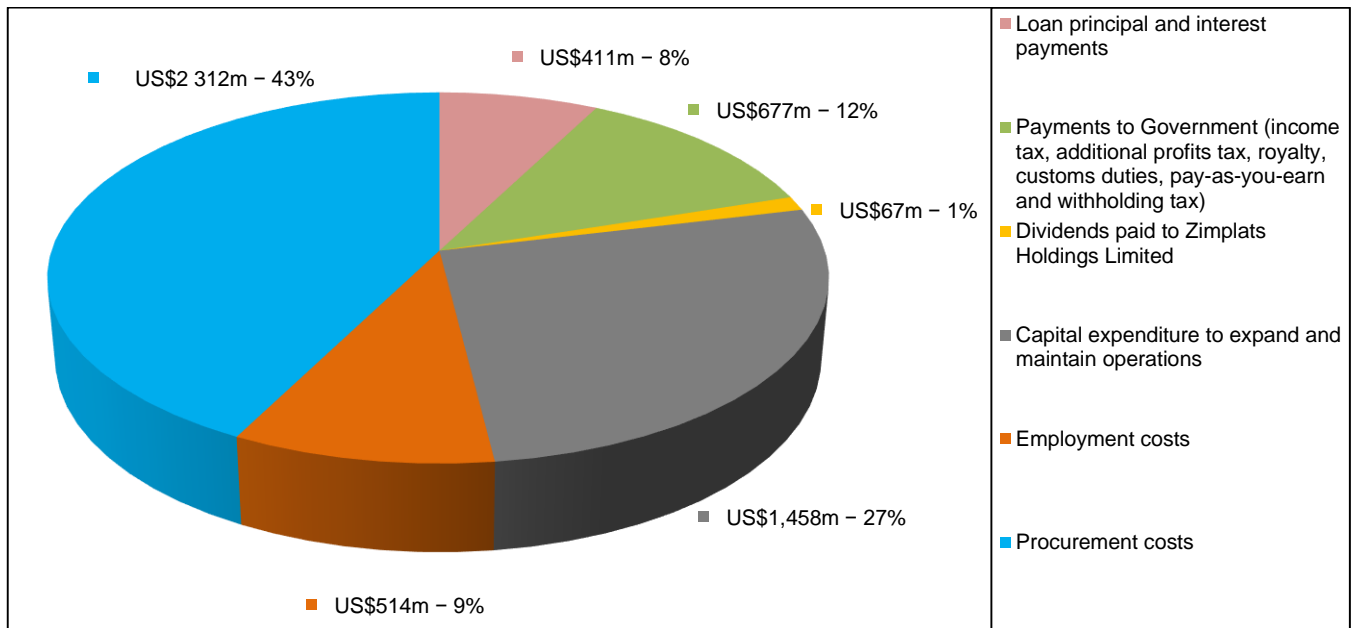




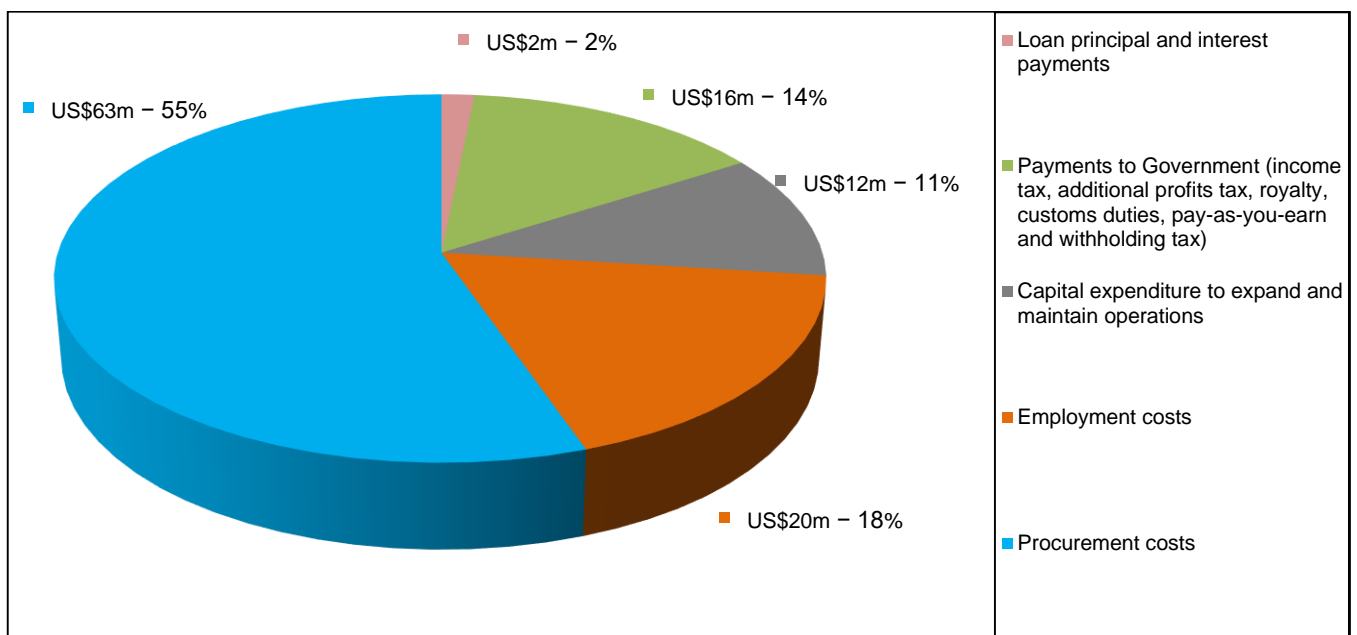
**REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2017**

**KEY FEATURES**

**Zimbabwe Platinum Mines (Private) Limited - Cash utilisation – FY2002 to 30 September 2017 (millions)**



**Zimbabwe Platinum Mines (Private) Limited - Cash utilisation – for the quarter ended 30 September 2017 (millions)**



- No lost-time injury (LTI) was recorded during the quarter
- Bimha Mine re-development and Mupani Mine development projects are on schedule
- Tonnes mined decreased by 2% from the previous quarter
- Tonnes milled decreased by 8% from the previous quarter
- Furnace shut down for a 49-day reline period
- Four elements (platinum, palladium, gold and rhodium) (4E) production in final product (converter matte and concentrates stockpiled for sale) decreased by 12% from the previous quarter
- Gross revenue per 4E ounce increased by 10% from the previous quarter
- Revenue decreased 29% from the previous quarter
- Gross profit margin improved to 34% from 32% recorded in the previous quarter
- Profit from operations decreased by 21% to US\$24.1 million from US\$30.3 million in the previous quarter.

## SAFETY

Safety performance for the quarter was excellent with no LTI reported.

## PRODUCTION

		September Quarter 2017	June Quarter 2017	% Change	September Quarter 2016	% Change
<b>Mining</b>						
Ore mined	Tonnes (000)	1 832	1 862	(2)	1 732	6
Head grade	4E g/t	3.24	3.24	-	3.24	-
<b>Processing</b>						
Ore milled	Tonnes (000)	1 690	1 844	(8)	1 703	(1)
Recovery	4E%	80.8	80.8	-	80.9	-
Metal in concentrate	4E ounces	142 365	155 181	(8)	143 520	(1)
Metal in final product	4E ounces	139 146	158 898	(12)	138 670	-
<i>In converter matte</i>	<i>4E ounces</i>	94 150	158 898	(41)	103 697	(9)
<i>In concentrate stockpiled for sale</i>	<i>4E ounces</i>	44 996	-	n/a	34 972	29
Nickel in final product	Tonnes	1 302	1 462	(11)	1 239	5
<i>In converter matte</i>	<i>Tonnes</i>	879	1 462	(40)	909	(3)
<i>In concentrate stockpiled for sale</i>	<i>Tonnes</i>	424	-	n/a	330	28
Copper in final product	Tonnes	999	1 116	(10)	908	10
<i>In converter matte</i>	<i>Tonnes</i>	685	1 116	(39)	664	3
<i>In concentrate stockpiled for sale</i>	<i>Tonnes</i>	314	-	n/a	245	28
<b>Metal sales</b>						
In converter matte						
4E	Ounces	98 608	152 938	(36)	100 392	(2)
Nickel	Tonnes	924	1 402	(34)	871	6
Copper	Tonnes	716	1 069	(33)	633	13

Tonnes mined and milled decreased by 2% and 8%, respectively, from the previous quarter due to an extra nine operating days in the previous quarter.

4E head grade, at 3.24g/t, was the same as the previous quarter.

4E metal in concentrate produced decreased by 8%, which is in line with the change in the volume of ore milled.

The furnace was switched off for a planned 49-day sidewall reline at the end of August 2017. Metal produced from the concentrators during the shutdown will be exported as concentrate during the quarter ending 31 December 2017.

Overall, 4E metal production in converter matte and concentrates stockpiled for sale was 12% lower compared to the previous quarter, largely due to the decrease in the number of operating days.

## FINANCIAL

	September Quarter 2017 US\$000	June Quarter 2017 US\$000	% Change	September Quarter 2016 US\$000	% Change
Revenue	102 096	143 595	( 29)	98 503	4
Net operating costs	(75 482)	(109 696)	31	(79 899)	6
<b>Profit from operations before royalties</b>	<b>26 614</b>	<b>33 899</b>	<b>( 21)</b>	<b>18 604</b>	<b>43</b>
Royalties	(2 542)	(3 573)	29	(2 453)	( 4)
<b>Profit from operations after royalties</b>	<b>24 072</b>	<b>30 326</b>	<b>( 21)</b>	<b>16 151</b>	<b>49</b>

The table below shows the analysis of revenue by metal.

Metal	September Quarter 2017 US\$000	June Quarter 2017 US\$000	% Change	September Quarter 2016 US\$000	% Change
Platinum	43 259	61 830	(30)	51 282	(16)
Palladium	35 187	49 038	(28)	28 283	24
Gold	6 152	9 330	(34)	6 181	-
Rhodium	4 345	7 409	(41)	2 415	80
<b>4E total</b>	<b>88 943</b>	<b>127 607</b>	<b>(30)</b>	<b>88 161</b>	<b>1</b>
Nickel	8 519	9 375	(9)	7 444	14
Copper	3 544	4 454	(20)	2 138	66
Iridium	781	1 616	(52)	578	35
Ruthenium	136	286	(52)	87	56
Cobalt	126	186	(32)	45	180
Silver	47	71	(34)	51	(8)
<b>Grand total</b>	<b>102 096</b>	<b>143 595</b>	<b>(29)</b>	<b>98 503</b>	<b>4</b>

Revenue decreased by 29% from the previous quarter mainly due to a 36% decrease in the volume of 4E metal sold, which was partly offset by a general increase in metal prices.

Net operating costs decreased by 31% compared to the previous quarter, largely due to the 36% decrease in 4E sales volumes.

Royalty and commission expenses decreased by 29% from the previous quarter in line with the lower revenue.

Cash and total cost of production	September Quarter 2017 US\$	June Quarter 2017 US\$	% Change	September Quarter 2016 US\$	% Change
Cash cost per 4E ounce	614	620	1	587	(5)
Net cash cost per 4E ounce	480	515	7	484	1
Amortisation and depreciation	118	112	( 5)	139	15
Total cost per 4E ounce*	598	627	5	624	4
Gross revenue per 4E ounce	1 035	939	10	981	6

\*Net of by-product revenue.

The cash cost per 4E ounce was 1% better than the previous quarter despite the decrease in production volumes. This is a reflection that the cost containment initiatives currently underway are yielding good results.

Gross revenue per 4E ounce increased by 10% from the previous quarter due to higher metal prices. Net cash cost per 4E ounce improved by 5% compared to the previous quarter due to an increase in by-product revenue per 4E ounce.

Amortisation and depreciation costs per 4E ounce increased by 5% from the previous quarter due to the 12% decrease in 4E metal production.

Total payments to Government in direct and indirect taxes decreased to US\$16 million from the US\$51 million reported in the previous quarter. The previous quarter payments to Government included US\$30 million additional profits tax.

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

## METAL PRICES

	September Quarter 2017	June Quarter 2017	% Change	September Quarter 2016	% Change
Platinum (US\$ per oz)	952	941	1	1 086	(12)
Palladium (US\$ per oz)	901	819	10	675	33
Rhodium (US\$ per oz)	1 034	947	9	618	67
Gold (US\$ per oz)	1 278	1 257	2	1 335	(4)
Nickel (US\$ per tonne)	10 519	9 248	14	10 262	3

## CAPITAL PROJECTS

The redevelopment of Bimha Mine remains on schedule to reach full production in April 2018. A total of US\$41 million had been spent on the project as at 30 September 2017 against an approved total project budget of US\$100 million.

The development of Mupani Mine (the replacement for the Ngwarati and Rukodzi mines) remains on schedule, targeting ore contact by May 2020 and full production in August 2025. A total of US\$13 million had been spent on the project as at 30 September 2017 against an approved total project budget of US\$264 million.

## RESOLUTION OF OUTSTANDING ISSUES WITH GOVERNMENT

### Indigenisation and economic empowerment

Discussions with the Government of Zimbabwe regarding the operating subsidiary's indigenisation implementation plan are continuing.

### Acquisition of a portion of the mining lease area

As reported previously, on 13 January 2017, the Government of Zimbabwe issued, through a Government Gazette Extraordinary, a preliminary notice in terms of which it gave fresh notice of its intention to compulsorily acquire land measuring 27 948 hectares within the operating subsidiary's special mining lease area. The operating subsidiary lodged an objection to the proposed acquisition. Following the objection being lodged, on 24 May 2017, the Government served the operating subsidiary with an order of compulsory acquisition and on 26 June 2017 the Government filed a court application seeking confirmation of the acquisition. The operating subsidiary responded to the court application and is currently engaging the Government on the matter.

## SHAREHOLDER INFORMATION

### Share price

The average share price for the quarter was AU\$4.46 (previous quarter: AU\$5.32).

### Capital structure

#### Major shareholders as at 30 September 2017:

Impala Platinum BV	87.00%
JP Morgan Nominees Australia Limited	5.37%
Citicorp Nominees Pty Limited	3.72%
HSBC Custody Nominees (Australia) Limited	2.16%

### Shareholder enquiries

Matters relating to 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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