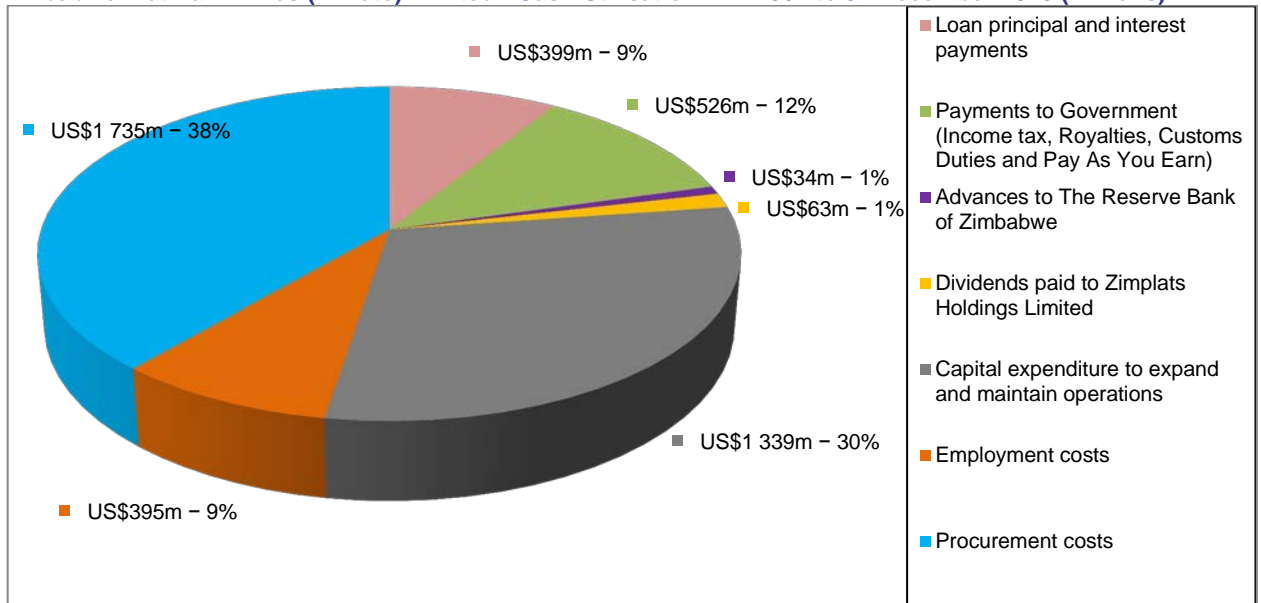




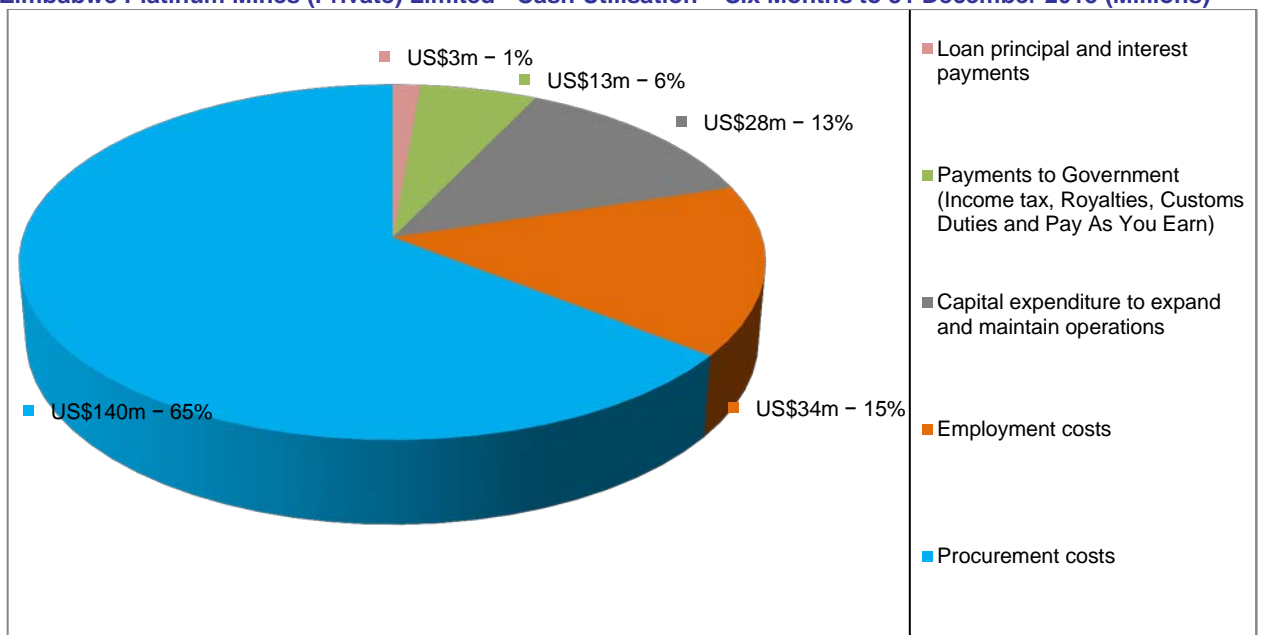
REPORT FOR THE QUARTER ENDED 31 DECEMBER 2015

KEY FEATURES

Zimbabwe Platinum Mines (Private) Limited - Cash Utilisation – FY2002 to 31 December 2015 (Millions)



Zimbabwe Platinum Mines (Private) Limited - Cash Utilisation – Six Months to 31 December 2015 (Millions)



- No fatal accidents
- One lost-time injury (LTI) was recorded
- Bimha Mine re-development is progressing well
- Tonnes mined were 1% higher than the previous quarter
- Tonnes milled and 4E (platinum, palladium, gold and rhodium) metal in concentrate decreased by 7% from the previous quarter
- Revenue decreased by 11% from the previous quarter
- Insurance proceeds of US\$4.2 million were confirmed as receivable in respect of the partial collapse of Bimha Mine
- A loss from operations after royalties of US\$1.8 million was recorded for the quarter

SAFETY

One lost-time injury was recorded during the quarter.

PRODUCTION

		December Quarter 2015	September Quarter 2015	% Change	December Quarter 2014	% Change
Mining						
Ore mined	Tonnes (000)	1 641	1 625	1	1 152	42
Head grade	4E g/t	3.23	3.21	1	3.25	(1)
Processing						
Ore milled	Tonnes (000)	1 505	1 614	(7)	1 163	29
Recovery	4E%	80.7	80.9	-	81.5	(1)
Metal in concentrate	4E oz	126 178	134 975	(7)	99 202	27
Metal in converter matte	4E oz	129 244	133 505	(3)	102 476	26
Nickel in converter matte	Tonnes	1 218	1 271	(4)	1 080	13
Copper in converter matte	Tonnes	868	900	(4)	767	13
Metal sales						
In converter matte						
4E	Oz	129 378	131 476	(2)	108 544	19
Nickel	Tonnes	1 197	1 244	(4)	1 044	15
Copper	Tonnes	904	882	2	738	22

Ore mined increased by 1% from the previous quarter mainly due to the 12 800 tonnes increase in ore mined from the open-pit operation. Production from the underground mines was largely unchanged from the previous quarter.

The overall 4E head grade increased by 1% from the previous quarter due to better grade performance at Bimha and Mupfuti mines.

The volume of ore milled in the quarter decreased by 7% from the previous quarter due to lower operating time as the mills for the two concentrators were relined during the quarter. This resulted in the 4E metal in concentrate produced decreasing by 7% compared to the previous quarter.

The 4E metal recovery rate at 80.7% was marginally lower than the previous quarter.

The smelter operated well over the quarter, smelting approximately 1 400 tonnes of concentrates from the stockpile in addition to all the concentrates produced. This resulted in the 4E metal in converter matte produced decreasing by only 3% from the previous quarter, despite the 7% decrease in the metal produced by the concentrators.

FINANCIAL

	December Quarter 2015 US\$ 000	September Quarter 2015 US\$ 000	% Change	December Quarter 2014 US\$ 000	% Change
Revenue	96 317	108 076	(11)	100 590	(4)
Operating costs*	(99 935)	(99 393)	(1)	(91 380)	(9)
Other operating income – insurance proceeds	4 212	-	n/a	-	n/a
Profit from operations before royalties*	594	8 683	(93)	9 210	(94)
Royalties	(2 393)	(2 686)	11	(6 823)	65
(Loss)/profit from operations after royalties*	(1 799)	5 997	(130)	2 388	(175)

*Excluding fair value adjustments and tax penalties

Revenue decreased by 11% from the previous quarter, mainly due to the drop in metal prices compounded by a 2% decrease in 4E sales volume.

Operating costs were well managed and only marginally increased in comparison to the previous quarter.

A full and final settlement of US\$4.2 million was confirmed as receivable by the Group's insurers in respect of certain property, plant and equipment which were damaged as a result of the partial collapse of Bimha Mine in 2014.

Cash and total cost of production	December Quarter 2015 US\$	September Quarter 2015 US\$	% Change	December Quarter 2014 US\$	% Change
Cash cost per 4E ounce	620	606	(2)	734	16
Net cash cost per 4E ounce	530	504	(5)	600	12
Amortisation and depreciation	155	151	(3)	166	7
Total cost per 4E ounce *	684	655	(4)	766	11
Total revenue per 4E ounce	744	822	(9)	1 001	(26)

*Net of by-product revenue.

Cash cost per 4E ounce increased by 2% from the previous quarter largely due to lower production volumes.

Local spend in Zimbabwe (excluding payments to government and related institutions) for the quarter increased by 46% to US\$64 million and total payments to government in direct and indirect taxes increased from US\$7 million reported in the previous quarter to US\$8 million.

METAL PRICES

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

	December Quarter 2015	September Quarter 2015	% Change	December Quarter 2014	% Change
Platinum (US\$ per oz)	907	988	(8)	1 229	(26)
Palladium (US\$ per oz)	606	615	(1)	787	(23)
Rhodium (US\$ per oz)	697	746	(7)	1 163	(40)
Gold (US\$ per oz)	1 105	1 124	(2)	1 200	(8)
Nickel (US\$ per tonne)	9 420	10 538	(11)	15 794	(40)

CAPITAL PROJECTS

The Ngezi Phase 2 expansion project implementation is progressing well, with a total of US\$447 million of the project budget having been spent as at 31 December 2015. Implementation of the outstanding components of the Phase 2 expansion project remains on schedule for overall project completion in 2016.

A total of US\$12.2 million was spent on the refurbishment of the Selous Metallurgical Complex base metal refinery project and US\$9.9 million was committed as at 31 December 2015.

The Bimha Mine re-development is on schedule to reach full production in April 2018 as planned.

The impact of the declining metal prices on cash flows has resulted in the reprioritisation of capital projects with some projects being deferred to future periods.

RESOLUTION OF OUTSTANDING ISSUES WITH GOVERNMENT

Reserve Bank of Zimbabwe Debt

As indicated in the report for the quarter ended 30 September 2015, the Reserve Bank of Zimbabwe (Debt Assumption) Act, 2015 (No.2 of 2015) became law in Zimbabwe in August 2015. This Act provides for the assumption by the State of certain debts incurred by the Reserve Bank of Zimbabwe (RBZ), subject to those debts having been validated and reconciled by the Government of Zimbabwe's Ministry of Finance and Economic Development.

The amount of US\$34 million owed by the RBZ to Zimbabwe Platinum Mines (Private) Limited (the operating subsidiary) is listed in this Act as one of the debts which is to be assumed by the State, subject to the debt being validated and reconciled by the Ministry of Finance and Economic Development. The operating subsidiary is engaging the relevant authorities in Zimbabwe so that the validation and reconciliation of the US\$34 million debt can be finalised. Stakeholders will be updated on any developments on this issue.

Indigenisation and Economic Empowerment

As reported previously, the company was awaiting approval from the RBZ of the sale of a 10% equity stake in the operating subsidiary to the Zimplats Employee Share Ownership Trust (ESOT) as part of the company's indigenisation implementation plan (IIP). The RBZ, in December 2015, advised the company that it had deferred making a decision on the matter until the Government of Zimbabwe's Ministry of Youth, Indigenisation and Economic Empowerment had finalised and announced the new indigenisation implementation modalities which that Ministry was working on at the time.

The Minister of Youth, Indigenisation and Economic Empowerment on 8 January 2016 issued guidelines for the implementation of the Indigenisation and Economic Empowerment Act (Chapter 14:33) in Zimbabwe. The company is presently considering the implications of these guidelines on the sale of the 10% equity stake in the operating subsidiary to the ESOT and also on the operating subsidiary's IIP in general. The company will be engaging the Government further on the matter.

Acquisition of Portion of Mining Lease Area

As previously reported, on 1 March 2013 the Government of Zimbabwe issued a preliminary notice of its intention to compulsorily acquire land measuring 27 948 hectares within the operating subsidiary's special mining lease area. On 27 March 2013 the operating subsidiary lodged a formal objection to the preliminary notice to compulsorily acquire the land.

On 28 December 2015 the Government of Zimbabwe wrote to the operating subsidiary requesting the release of the 27 948 hectares of ground referred to in the preliminary notice that was issued on 1 March 2013. The operating subsidiary responded to the Government of Zimbabwe reiterating its previous position and also seeking constructive dialogue in an endeavour to resolve the matter amicably.

SHAREHOLDER INFORMATION

Share price

The average share price for the quarter was AU\$4.17 (previous quarter: AU\$6.47).

Capital Structure

Major shareholders as at 31 December 2015:

Impala Platinum BV	87.00%
J P Morgan Nominees Australia Limited	3.81%
Citicorp Nominees Pty Limited	3.69%
HSBC Custody Nominees (Australia) Limited	2.55%
National Nominees Limited	1.11%

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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