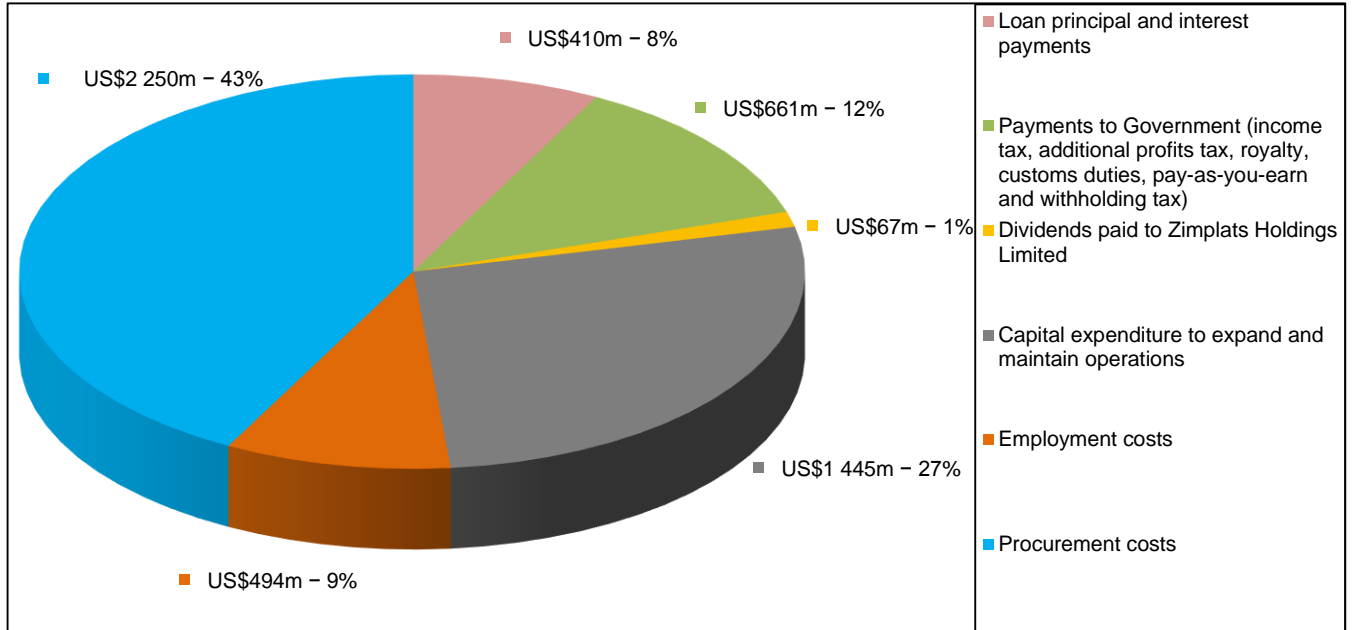




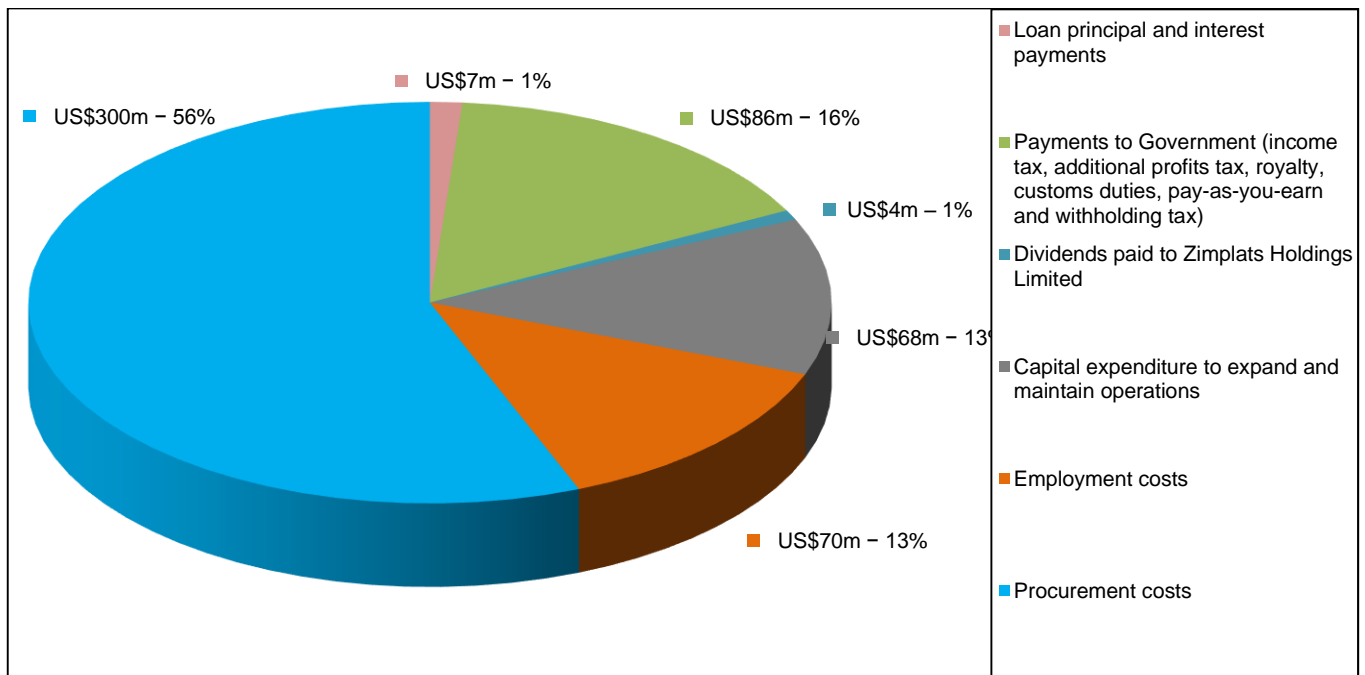
REPORT FOR THE QUARTER ENDED 30 JUNE 2017

KEY FEATURES

Zimbabwe Platinum Mines (Private) Limited - Cash utilisation – FY2002 to 30 June 2017 (Millions)



Zimbabwe Platinum Mines (Private) Limited - Cash utilisation – for the year ended 30 June 2017 (Millions)



- Three lost-time injuries (LTI) were recorded during the quarter
- Bimha Mine re-development and Mupani Mine development projects on schedule
- Tonnes mined increased by 10% from the previous quarter
- Tonnes milled increased by 18% from the previous quarter
- Four elements (platinum, palladium, gold and rhodium) (4E) production in final product (converter matte) increased by 17% from the previous quarter
- Gross revenue per 4E ounce decreased by 5% from the previous quarter
- Revenue increased by 9% from the previous quarter
- Profit from operations after royalties decreased by 28% to US\$30.3 million from US\$42.2 million reported in the previous quarter.

SAFETY

Zimbabwe Platinum Mines (Private) Limited (“the operating subsidiary”) celebrated a significant safety milestone during the quarter after recording 365 LTI-free days on 9 April 2017. Regrettably, subsequent to this record performance, three LTIs were recorded during the period.

PRODUCTION

		June Quarter 2017	March Quarter 2017	% Change	June Quarter 2016	% Change
Mining						
Ore mined	Tonnes (000)	1 862	1 688	10	1 675	11
Head grade	4E g/t	3.24	3.25	-	3.24	-
Processing						
Ore milled	Tonnes (000)	1 844	1 567	18	1 641	12
Recovery	4E%	80.8	80.8	-	80.9	-
Metal in concentrate	4E ounces	155 181	132 117	17	138 201	12
Metal in converter matte	4E ounces	158 898	135 831	17	142 148	12
Nickel in converter matte	Tonnes	1 462	1 222	20	1 312	11
Copper in converter matte	Tonnes	1 116	940	19	960	16
Metal sales						
In converter matte						
4E	Ounces	152 938	132 253	16	143 647	6
Nickel	Tonnes	1 402	1 196	17	1 284	9
Copper	Tonnes	1 069	917	17	980	9

Tonnes mined increased by 10% from the previous quarter due to an extra nine operating days in the quarter.

4E head grade, at 3.24g/t, was marginally lower than the previous quarter due to dilution from faults and barren geological intrusives in the areas mined during the quarter.

Ore milled and 4E metal in concentrate produced increased by 18% and 17% respectively owing to an increase in the overall plant running time due to the extra nine days. In the previous quarter running time was affected by the seven-day planned reline shutdown at the Ngezi concentrator.

Overall, 4E metal production in converter matte increased by 17% from the previous quarter in line with the increase in milling throughput.

FINANCIAL

	June Quarter 2017 US\$ 000	March Quarter 2017 US\$ 000	% Change	June Quarter 2016 US\$ 000	% Change
Revenue	143 595	131 266	9	128 908	11
Net operating costs	(109 696)	(85 782)	(28)	(100 066)	(10)
Profit from operations before royalties	33 899	45 484	(25)	28 842	18
Royalties	(3 573)	(3 265)	(9)	(3 210)	(11)
Profit from operations after royalties	30 326	42 219	(28)	25 632	18

Revenue increased by 9% from the previous quarter mainly due to the 16% increase in 4E metal sales volumes, which was partly offset by a general decrease in metal prices.

Net operating costs increased by 28% in comparison to the previous quarter largely due to the 16% increase in sales volumes (4E). The net operating expenses for the previous quarter benefitted from the US\$8 million recognised in relation to the previously written off Reserve Bank of Zimbabwe (RBZ) debt.

Royalties were 9% higher than the previous quarter, in line with the increase in revenue.

Cash and total cost of production	June Quarter 2017 US\$	March Quarter 2017 US\$	% Change	June Quarter 2016 US\$	% Change
Cash cost per 4E ounce	620	612	(1)	612	(1)
Net cash cost per 4E ounce	515	499	(3)	517	-
Amortisation and depreciation	112	135	17	74	(51)
Total cost per 4E ounce*	627	634	1	591	(6)
Gross revenue per 4E ounce	939	993	(5)	897	5

*Net of by-product revenue.

Cash costs per 4E ounce increased marginally from the previous quarter.

Amortisation and depreciation cost per 4E ounce improved by 17% from the previous quarter in line with the increase in metal production.

Gross revenue per 4E ounce decreased by 5% from the previous quarter due to lower metal prices.

Local spend in Zimbabwe (excluding payments to government and related institutions) increased to US\$114 million from the US\$51 million recorded in the previous quarter.

Total payments to government in direct and indirect taxes increased to US\$51 million from the US\$10 million reported in the previous quarter.

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

METAL PRICES

	June Quarter 2017	March Quarter 2017	% Change	June Quarter 2016	% Change
Platinum (US\$ per oz)	941	981	(4)	1 004	(6)
Palladium (US\$ per oz)	819	766	7	568	44
Rhodium (US\$ per oz)	947	849	12	662	43
Gold (US\$ per oz)	1 257	1 219	3	1 259	-
Nickel (US\$ per tonne)	9 248	10 274	(10)	8 816	5

CAPITAL PROJECTS

The redevelopment of Bimha Mine remains on schedule to reach full production in April 2018. A total of US\$36 million had been spent on the project as at 30 June 2017 against an approved total project budget of US\$92 million.

The development of Mupani Mine (the replacement mine for Ngwarati and Rukodzi mines) is on schedule, targeting ore contact by May 2020 and full production in August 2025. A total of US\$11 million had been spent on the project as at 30 June 2017 against an approved total project budget of US\$264 million.

RESOLUTION OF OUTSTANDING ISSUES WITH GOVERNMENT

Indigenisation and economic empowerment

The operating subsidiary remains in discussions with the Government of Zimbabwe (“the Government”) regarding its indigenisation implementation plan.

Acquisition of a portion of the mining lease area

As reported previously, on 13 January 2017, the Government 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 the parties are currently engaged in discussions to find an amicable resolution of the matter.

SHAREHOLDER INFORMATION

Share price

The average share price for the quarter was AU\$5.32 (previous quarter: AU\$5.96).

Capital structure

Major shareholders as at 30 June 2017:

Impala Platinum BV	87.00%
JP Morgan Nominees Australia Limited	5.35%
Citicorp Nominees Pty Limited	3.73%
HSBC Custody Nominees (Australia) Limited	2.18%

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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