

## Appendix 4D

### Half Year Report

#### Zimplats Holdings Limited

ARBN: 083 463 058

Australian Stock Exchange code: **ZIM**

### Half year ended 31 December 2013

#### Results for announcement to the market

			2013 US\$000	2012 US\$000
1.	Revenue from ordinary activities	Up 51%	266,654	176,489
2.	Profit/(loss) from ordinary activities after tax attributable to members	Up 604%	32,158	(6,386)
3.	Net Profit/(loss) attributable to members	Up 604%	32,158	(6,386)

The directors' report and financial statements for the half year ended 31 December 2013 have been released and are available on the Zimplats website.

#### FINANCE

- Revenue increased by 51% to US\$267 million from the same period last year due to a 62% increase in platinum sales volume from 70 225 ounces to 113 876 ounces. The impact of the increase in sales volume was offset by a 7% decrease in gross revenue per platinum ounce to US\$2 342. Sales volumes for the period were high due to the commissioning of the second concentrator module at Ngezi in April 2013. The results for the same period last year were affected by the planned 42 days furnace reline shutdown from August to September 2012 and the 21 days furnace fire outage in November 2012.
- Total operating costs increased by 52% to US\$221 million from the same period last year mainly due to increased production volumes and higher cost of power. Cash cost per platinum ounce decreased by 10% to US\$1 346 due to the 62% increase in platinum production.
- Consequently, profit before tax amounted to US\$46 million, 189% higher than the US\$16 million for the same period last year. The net profit attributable to members at US\$32 million was 604% above the same period last year's US\$6 million loss mainly due to higher sales volumes.
- At the end of the half year, the group had a cash balance of US\$17 million and long-term bank borrowings of US\$105 million. The bank borrowings have a final maturity of 31 December 2017 with staged payments commencing in January 2015.

#### SAFETY

- The Mining Inspectorate investigations on the major accident where an employee subsequently died from medical complications (unrelated to the accident) have been concluded and the incident has been classified as a work fatality. The Zimplats team is saddened by this fatality and extends its heartfelt condolences to the families, friends and colleagues of the deceased. There were no other lost time injuries incurred in the half year, and the lost time injury frequency rate improved from 1.03 to a record 0.14.

## **OPERATIONS**

- Tonnes mined increased by 13% to 2.68 million tonnes, compared to same period last year. This was due to accelerated production ramp-up at the new underground mine (Mupfuti) and improved production efficiencies at the established mines. Three production fleets were introduced at Mupfuti Mine during the period, increasing production from the mine by 261% to 374,000 tonnes. However, Bimha Mine production was lower than the same period last year due to a shear zone in the southern section of the mine which is affecting ground stability through pillar scaling and footwall heaving. Short term contingency plans have been identified and implemented to manage the shear zone while work on the long term stabilisation measures is on-going.
- Tonnes milled increased by 37% to 2.98 million tonnes compared to the same period last year due to additional capacity at Ngezi concentrator following the commissioning of the Phase II module in April 2013.
- 4E mill grade for the period at 3.264g/t was 2% lower than the same period last year due to the milling of partially oxidized low grade ore from old stockpiles.

## **EXPANSION PROJECTS**

Development of the new underground mine (Mupfuti) remains on schedule to reach design production in early 2015. Three production fleets were introduced during the period

## **ORE RESERVES**

- There has been no material change in the company's ore reserves as reported last year.

## **DIVIDEND**

- No dividend has been declared for the half year to December 2013.

This report is based on accounts which have been reviewed by auditors.