

Zimplats Holdings Limited



REPORT FOR THE QUARTER ENDED 31 DECEMBER 2019

KEY FEATURES

- Five lost-time injuries were recorded during the quarter
- Achieved one and half million fatality free shifts during the quarter
- Tonnes mined increased marginally from the previous quarter
- Tonnes milled decreased 2% from the previous quarter
- Platinum and six elements (platinum, palladium, gold, rhodium, ruthenium and iridium) (6E) production decreased 24% and 23% from the previous quarter respectively
- Cash cost per 6E ounce produced increased by 30% from the previous quarter.

SAFETY

Zimplats' safety performance deteriorated from one lost-time injury in the previous quarter to five in the current quarter. All accidents were investigated, and management is confident that after fully implementing the recommendations from the investigations, our safety record will turn around. The Group remains committed to its ultimate objective of "Zero Harm".

The Group achieved one and half million fatality free shifts during the quarter.

PRODUCTION

		December quarter 2019	September quarter 2019	% change	December quarter 2018	% change
Mining						
Ore mined	Tonnes (000)	1 803	1 796	-	1 673	8
6E head grade	g/t	3.48	3.49	-	3.48	-
Processing						
Ore milled	Tonnes (000)	1 669	1 705	(2)	1 635	2
6E recovery rate	%	79.1	79.2	-	79.0	-
Metal in final product						
Platinum	Ounces	53 107	70 000	(24)	65 605	(19)
Palladium	Ounces	45 367	59 795	(24)	53 865	(16)
Gold	Ounces	6 705	8 582	(22)	7 776	(14)
Rhodium	Ounces	4 837	5 580	(13)	5 840	(17)
Ruthenium	Ounces	3 883	5 468	(29)	4 972	(22)
Iridium	Ounces	2 008	2 033	(1)	2 452	(18)
6E total		115 908	151 458	(23)	140 510	(18)
Silver	Ounces	12 836	10 292	25	11 581	11
Nickel	Tonnes	916	1 358	(33)	1 278	(28)
Copper	Tonnes	620	1 034	(40)	918	(32)
Cobalt	Tonnes	12	43	(72)	18	(33)

Ore mined increased marginally from the previous quarter. Tonnes mined for the quarter was 8% higher than the quarter ended 31 December 2018, mainly due to improved fleet productivity and additional tonnage from Mupani Mine, which is still under development.

Tonnes milled decreased by 2% from the previous quarter due to lower running time. Running time for the quarter was constrained due to the planned mill reline shutdown at the Selous Metallurgical Complex concentrator. 6E metal production in final product decreased by 23% from the previous quarter mainly due to an increase in concentrate stocks and the build-up of

inventory in the furnace on start-up after the 122-day major rebuild shutdown. The furnace inventory build-up is expected to reverse during the financial year and it is anticipated that all the concentrates stockpiled will be smelted before the end of the year.

FINANCIAL

	December quarter 2019	September quarter 2019	% change	December quarter 2018	% change
Total operating cash cost (US\$000)	93 108	88 487	(5)	89 871	(4)
Transfer to closing stocks (US\$000)	(6 884)	(1 984)	247	(3 529)	(95)
Cash cost of metal produced (US\$000)	86 224	86 503	-	86 342	-
Operating cash cost per 6E ounce (US\$)	744	571	(30)	614	(21)

Total operating cash cost increased by 5% from the previous quarter. Costs for the previous quarter were low as the furnace was down on its major rebuild. Costs transferred to closing stocks increased from the previous quarter due to the increase in ore and concentrate stocks. Operating cash costs per 6E ounce increased by 30% from the previous quarter due to the 23% decrease in 6E ounces produced.

EXPLORATION

A total of US\$1.3 million was committed on exploration drilling projects conducted during the quarter on existing mines.

SHAREHOLDER INFORMATION

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.

Contact - Guernsey

Ms. Sara Bourne
Tel: +44 1481 737 245
Fax: +44 1481 711 220
Email: sara.bourne@careygroup.gg

Contact - Australia

Ms. Kathrine Brown
Tel: +61 2 8920 1031
Fax: +61 2 8920 2956
Email: kathrine.brown@zimplats.com.au

Contact - Zimbabwe

Mrs. Patricia Zvandasara
Tel: +263 4 886 888
Fax: +263 4 886 877
Email: patricia.zvandasara@zimplats.com

Website: www.zimplats.com