



ZIMPLATS HOLDINGS LIMITED

ANNUAL REPORT 2009



ZIMPLATS 
Member of the Implats Group



ZIMPLATS HOLDINGS LIMITED

CONTENTS

ANNUAL REPORT 2009





MISSION STATEMENT

Zimplats' business is the production of platinum group metals from the Great Dyke in Zimbabwe.

VISION

Our vision is to be the best platinum company producing in excess of a million platinum ounces per annum whilst generating superior returns for the benefit of our shareholders, employees and Zimbabwe.

AIM

We will achieve our Mission and Vision through purposeful and focused attention on the:

- Extraction of mineral resources in a socially and environmentally friendly manner
- Safety and health of all our employees and visitors at the workplace
- Achievement of production targets through the effective and efficient utilisation of all resources at our disposal
- Establishment of effective systems and processes throughout the value chain to achieve cost and technological leadership in the industry
- Capability development, recognition and appropriate reward to our human resources
- Aggressive implementation of projects to achieve organic growth targets on budget

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ZIMPLATS OVERVIEW

01

Our vision is to be the best platinum company producing in excess of a **million platinum ounces per annum whilst generating superior returns for the benefit of our shareholders, employees and Zimbabwe.**



ACHIEVEMENTS 2009

OBJECTIVES	STATUS
Improve safety performance by 82% with zero fatalities and achieve zero harm by FY12.	A 36% reduction was achieved with 7 LTI's recorded compared to 11 in the prior year. There were no fatalities. Focus remains on achieving zero harm by 2012.
Integrate the environmental and safety systems and achieve certification on the OHSAS 18001 system.	During the year the company attained certification in both ISO9001:2008 and OHSAS 18001:2007. The ISO 14001 certification was retained.
Achieve the lower cost quartile of platinum producers.	This remains a medium term goal. Pleasingly, the cash cost per 4E ounce decreased by 3% to \$653 compared to the 2008 reporting year.
Continued implementation of skills training, retention and development strategies.	Both programmes have been implemented successfully and are monitored and reported on a regular basis. The recent improvement in the socio-economic environment in Zimbabwe and the global recession has also contributed positively to a reduction in skills losses.
Execute the Ngezi Phase 1 expansion project within the approved time schedule and cost budget.	Portal 4 development is on schedule. The Ngezi concentrator was successfully commissioned in July 2009, after a three month delay. Overall the project remains within the approved \$340 million budget.
Finalise plans for modular implementation of the Phase 2 expansion programme.	This was put on hold following the collapse in metal prices in mid-2008.

OBJECTIVES 2009/10

- » Improve safety performance by 71% with zero fatalities and achieve zero harm by FY12.
- » Retain certification on the ISO9001 and OHSAS 18001 systems.
- » Achieve the lower cost quartile of platinum producers.
- » Achieve feasibility study production levels from Portal 1 and the Ngezi concentrator.
- » Complete the remaining elements of the Phase 1 expansion project.
- » Finalise plans for modular implementation of the Phase 2 expansion programme.



ASX ANNOUNCEMENTS

DURING YEAR ENDED 30 JUNE 2009

Zimplats has promptly informed the public through announcements to the Australian Stock Exchange of matters that may affect the Company's share price. The publication of quarterly and other reports have kept the public informed of major developments within the Group.

KEY ANNOUNCEMENTS HAVE INCLUDED:

» **28 August 2008**

Annual Report 2008 released.

» **17 October 2008**

Results of the Annual General Meeting.

» **11 December 2008**

Cautionary announcement regarding the impact on the company of the fall in world metal prices.

» **2nd and 3rd February 2009**

Suspension and subsequent reinstatement to trading following lodgement of the December 2008 Quarterly Activities Report.

» **18 February 2009**

Release of results for the half year ended 31 December 2008 and Appendix 4D.



The company has successfully completed the majority of the Phase 1 expansion which will result in an 88% increase in platinum production from 96 000 ounces to 180 000 platinum ounces.

CHAIRMAN'S LETTER

DEAR SHAREHOLDER,

Over several years, shareholders' attention has been drawn to your board's deep concern about the difficult socio-economic situation that has prevailed in the country for the greater part of the past decade and its effects on the country's infrastructure and the operations of your company.

A coalition Government of all three political parties with representation in the Zimbabwe parliament took office during February 2009. Although much remains to be done, potentially favourable policy changes have been initiated and pleasingly this has resulted in an improvement in the operating and living environment in the country. However, the overall political climate remains fragile and is only sustainable if all parties remain fully committed to the success of the coalition government and the required regional/international support is forthcoming.

Your company had a successful year operationally but regrettably this did not translate into success in terms of profitability due to the dramatic collapse in metal prices in mid-2008 as the world economy moved into a recession. Consequently, a loss was recorded for the year, the first since operations commenced and it has been necessary for your company to increase borrowings significantly to fund operating losses in the first half of the year and to complete the Phase 1 expansion project. It is pertinent to remind shareholders that the effect of this Phase 1 expansion project by increasing the operational scale, moving to all ore sourced from underground mining and lowering transport costs by having a concentrator at Ngezi, will reduce your company's operating costs enabling it to operate profitably in periods of low prices.

Pleasingly there was a significant improvement in safety performance with no fatalities recorded and the number of lost time injuries declining from eleven for the previous year to seven in the year under review.

The company has successfully completed the majority of the Phase 1 expansion which will result in an 88% increase in platinum production from 96 000 ounces to 180 000 platinum ounces.



HEALTH, SAFETY AND ENVIRONMENT

After the poor safety performance in the previous year, there was an increased focus on safety at all levels which resulted in a reduction in lost time accidents and no fatalities. There is obviously scope for further improvement but management are to be commended for having reversed the negative trend. With an increased number of new and inexperienced employees due to join the ranks as the expansion project unfolds, management and employees will have to remain vigilant if a world class safety performance is to be achieved.

The company attained ISO 9001:2008 and OHSAS 18 001:2007 certifications during the year, commendable achievements.

There were no material environmental non-conformances during the year and your company retained its ISO 14 001 certification.

Zimplats played a leading role at both the local and national levels in the efforts to manage and control the cholera outbreak in Zimbabwe during the year.



PRODUCTION

It was planned to keep the open pit in production to April 2010 but these operations were indefinitely suspended in November 2008 after the collapse of metal prices from mid-2008 rendered them unviable. The ore body extractable by open cast methods remains an important source of ore in the future.

The underground mining operations, as planned, ramped up production in advance of the commissioning of the Phase 1 concentrator expansion. In the process a significant surface stockpile of ore was created. Underground ore production for the year constituted 80% of the mined tonnage.

The processing operations had a satisfactory year with milled tonnage slightly lower than the record tonnage for the previous year which was more than compensated for by an improved ore head grade as well as a marginal improvement in recoveries. Consequently, metal production was 1% up on the previous year.

The credit induced world wide recession resulted in a collapse in metal prices from July 2008. The basket price per ounce for the year for your company was thus 59% lower than that achieved in the previous year. As a

result, revenue for the year was lower by a similar percentage and for the first time since the company commenced operations, a loss after tax of \$25 million was recorded.

CORPORATE/STRATEGIC ACTIVITIES

Management have begun the process of engaging the new Government of Zimbabwe on the resolution of all issues related to the non-promulgation by government of legislation designed to give full effect to agreements that the company entered into. It is difficult to put a time frame to the conclusion of this process but there appears to be a willingness on the part of Government to resolve the outstanding issues.

The Zimbabwe Mines and Minerals Amendment Bill has been withdrawn and the Government is in the process of consulting stakeholders before a new bill is resubmitted to Parliament. It is hoped that the new legislation will take cognisance of the concerns raised by stakeholders, in particular the investor community.

The down turn in mining activities around the world as well as the improvement in living conditions in Zimbabwe since the new government took office, has reduced the skills flight from Zimbabwe. Your company has thus far been able to secure the skills it requires for the foreseeable future.

Power supply remains an area of concern to your board and management continues to explore long term power supply options.

EXPANSION PROJECT

Work on the Ngezi Phase 1 Expansion project has continued satisfactorily. The development of Portal 1 underground mine was completed and the mine reached full production during the year. Portal 4 development is on schedule to be completed by June 2010.

The Ngezi concentrator was commissioned in July 2009, three months behind schedule due to the late delivery of equipment and difficult weather conditions and is currently ramping up to full production.

Given the difficult operating and economic environment that prevailed in Zimbabwe and the global pressure on the supply and cost of equipment and services over much of the project life, it is a remarkable achievement that a project of this magnitude has been commissioned within an acceptable time frame and cost structure.

OUTLOOK

The profile of your company has changed significantly in the year under review. The essential conversion to the substantially lower cost underground ore production and the optimisation of the processing capacity is almost complete. With this restructuring the company has lowered the cost structure to a level where Zimplats has now positioned itself to be one of the lowest cost platinum producers and is profitable at the present basket of prices being achieved.

However, with the dramatic fall off in commodity prices in 2008 this essential restructuring has come at a cost and your company now has a debt profile of US\$140 million that will need careful managing in the short to medium term. It is important for me to stress that, without the active support of our major shareholder, securing this additional funding would not have been possible.

Zimbabwe appears to be on the verge of a new era and one would hope that this will result in political and economic stability being fully restored. This is an essential ingredient for the long-term economic recovery of the country.

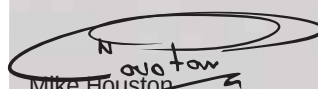
The mining sector can play an important role in this recovery but needs creditable investors who have both the financial and technical capacity to develop the exciting mineral resources Zimbabwe hosts, and the full support of the government of the day.

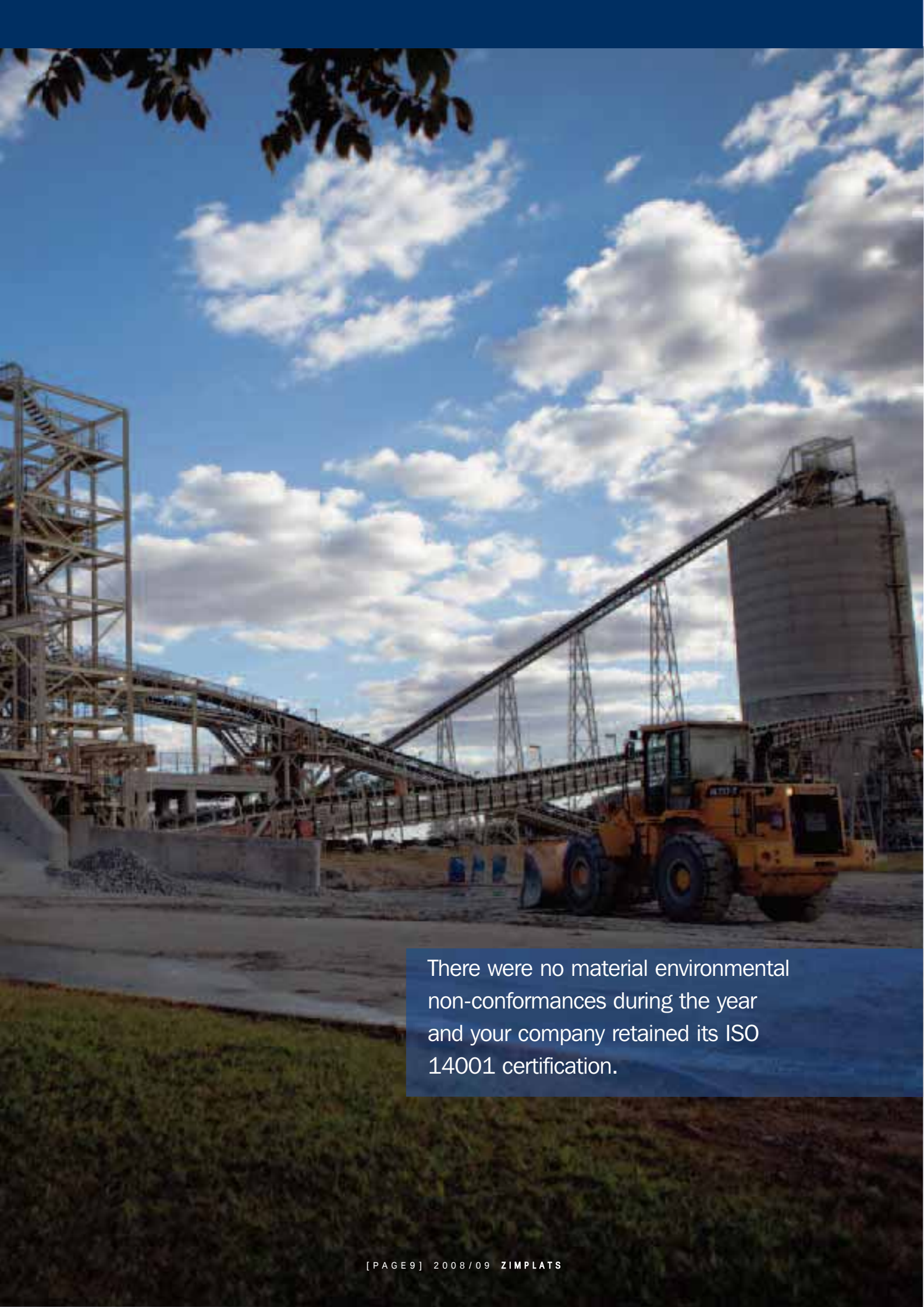
Zimplats has developed a world class mining operation in Zimbabwe and has demonstrated that it is ready and committed, given a conducive investment environment, to play its part in the recovery and growth of Zimbabwe by continuing to implement its expansion programme.

APPRECIATION

The management, employees and contractors of Zimplats have been through a very demanding year and I wish to thank them all for a first class effort. Implats, the majority shareholder, has continued to provide critical support and on behalf of the board, I wish to thank the Implats board and management.

I also wish to thank my fellow Directors for their continued support in what has been a challenging year.


Mike Houston
Chairman, 12 August 2009



There were no material environmental non-conformances during the year and your company retained its ISO 14001 certification.



Efforts have been stepped up to enhance focus on safety and we remain committed to the vision of zero-harm by 2012.

CHIEF EXECUTIVE OFFICER'S REPORT

KEY PERFORMANCE FEATURES

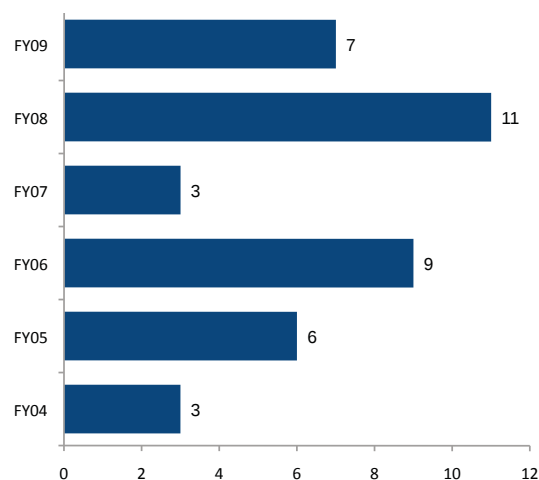
- » Improved safety performance
- » Very good mining and processing operations
- » Metal in matte produced, up 1% on prior year
- » Satisfactory progress achieved in implementing Ngezi Phase 1 expansion project
- » Additional ZAR500 million loan secured to fund expansion project
- » Revenue down by 59%, loss of \$25 million incurred

SAFETY

A total of seven lost time injuries were recorded during the year. Although this is still unsatisfactory, it was an improvement from the eleven lost time injuries and three fatalities recorded in the previous year. Efforts have been stepped up to enhance focus on safety and we remain committed to the vision of zero-harm by 2012. To this end the processing operations have achieved over 365 lost time injury free days.

In line with the company's objective to review its safety management system, Zimplats attained the ISO 9001:2008 and OHSAS 18001:2007 certifications during the year. Given the prevailing economic situation in Zimbabwe this was a major achievement.

LOST TIME INJURIES



OCCUPATIONAL HEALTH AND HYGIENE

The employee wellness programme operated well during the year and has taken firm root among employees.



Basic health care facilities at Ngezi Mine were expanded during the year to cater for the increase in the population of employees and their dependants.

Zimplats assisted the government in the efforts to avert a major cholera outbreak in the country during the year. Although there were very few incidents of infection among our employees and their dependants, no deaths attributable to the outbreak were recorded.

ENVIRONMENT

Zimplats retained its ISO 14001 certification and no material non-compliances were recorded during the year.

Rehabilitation work on the open pit back filled areas continued during the year with over three thousand seedlings planted. The open pit rehabilitation work was however slowed down due to cash flow constraints and will be completed in due course.

Zimplats won the Chamber of Mines of Zimbabwe annual Environmental Management competition.

OPERATIONS

MINING

Open Cast Operations

It was reported last year that discussions on a possible extension of the open pit operations by 18 months were in progress to enable the Ngezi concentrator to operate at its rated capacity prior to Portal 4 underground mine achieving full production. As previously advised, those discussions were terminated when it became clear that at the anticipated cost, open pit mining had become unviable following the collapse of metal prices from mid-2008. The open pit operations have therefore been indefinitely suspended but the reserves remain a possible source of ore in future as the expansion programme rolls out.

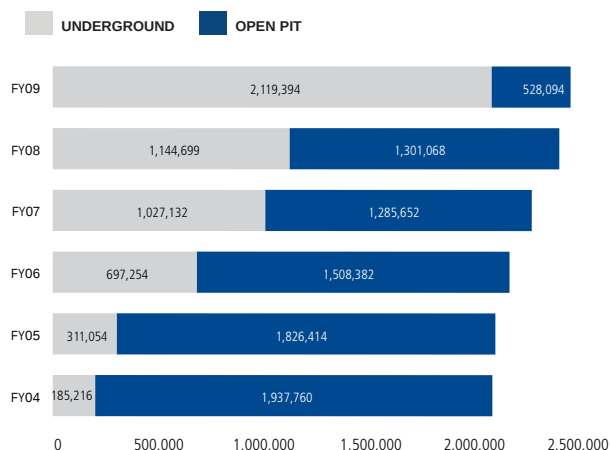
Before closure at the end of November 2008, open pit operations produced 528 000 tonnes of ore, down 59% on the previous year's production of 1.3 million tonnes at a marginally higher head grade of 3.06 g/t. Almost the entire open pit production was stockpiled to be used as feed stock for the new concentrator. At year end, there were 885 000 tonnes of ore on the stock pile.

Underground operations

Underground mining operations were excellent with total ore mined for the year of 2.12 million tonnes, an increase of 85% on the previous year's tonnage of 1,145 million. Portal 1 which reached full monthly production of 100 000 tonnes in June 2009, produced 779 000 tonnes for the year, up 402% on the previous year's 155 000 tonnes, whilst Portal 2 produced 1.2 million tonnes for the year, an increase of 23% on the previous year. Management is ramping up production from the existing portals prior to Portal 4 reaching full production of 2 million tonnes per annum.

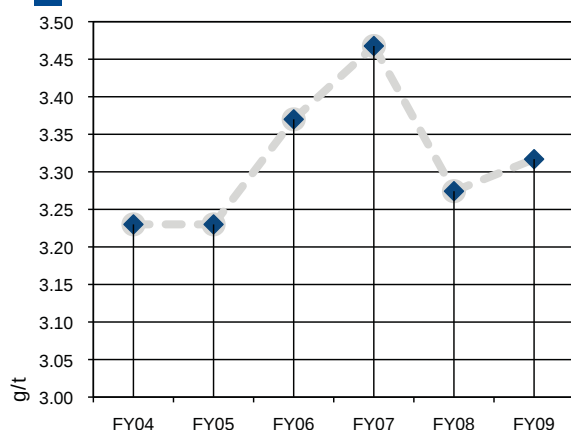
Portal 4, which is under development and is expected to reach full production by May 2011, produced 137 000 tonnes.

ORE MINED (TONNES)



Underground ore head grade for the year averaged 3.39 g/t, 2% down on the previous year's 3.44 g/t mainly as a result of lower than expected open pit and Portal 1 head grades. Grade control at Portal 1 was particularly difficult due to shallow dipping structures and poor ground conditions.

AVERAGE HEAD GRADE



Concentrator 4E recovery achieved of 83.5% was marginally higher than the previous year mainly due to the slightly higher mill grade of 3.3 g/t.

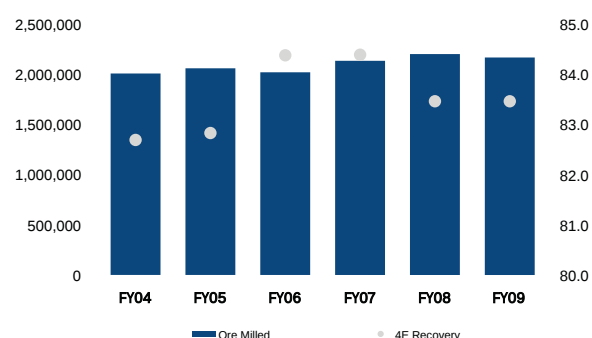
PROCESSING

Concentrator

The concentrator had a good production year although tonnes milled for the year at 2.16 million were 2% lower than the previous year's record tonnage of 2.2 million. The reduced tonnage milled was due to less operating days in the year compared to the previous year and lower plant running time, itself a result of an unscheduled two day plant shut down for the purpose of a mill girth gear change. In addition, an upgrade of the main power supply line necessitated a three day unplanned plant shut down.

Concentrator 4E recovery achieved of 83.5% was marginally higher than the previous year mainly due to the slightly higher mill grade of 3.3 g/t.

MILLED TONNES + RECOVERY





4E metal production for the year totalled 190 532 ounces, a 1% increase over the previous year.



The development of the Portal 1 underground mine was completed by end of September 2008 and the mine reached full production by June 2009.

Smelter

The smelter had a satisfactory production year with all the concentrates produced processed.

The damage arising from the smelter fire of 13 July 2008 was successfully repaired and completed by 5 August 2008. All the concentrates stockpiled during the repair shutdown were processed by mid-November 2008.

4E metal production for the year totalled 190 532 ounces, a 1% increase over the previous year. 4E metal sales at 190 794 ounces was in line with the production for the year.

NGEZI PHASE 1 EXPANSION PROJECT

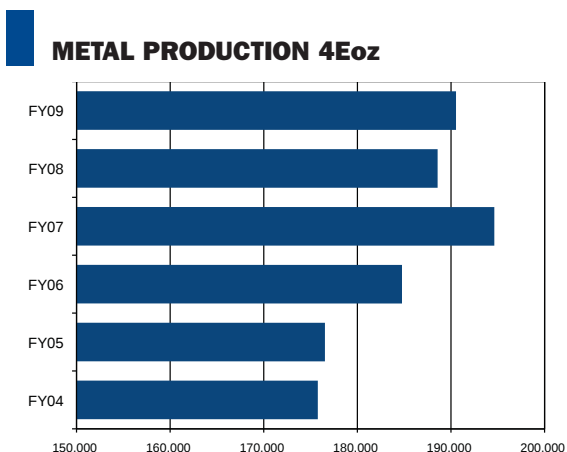
Satisfactory progress has been made in the implementation of the Ngezi Phase 1 expansion project despite the fact that the socio-economic environment made execution of a project of this magnitude extremely difficult.

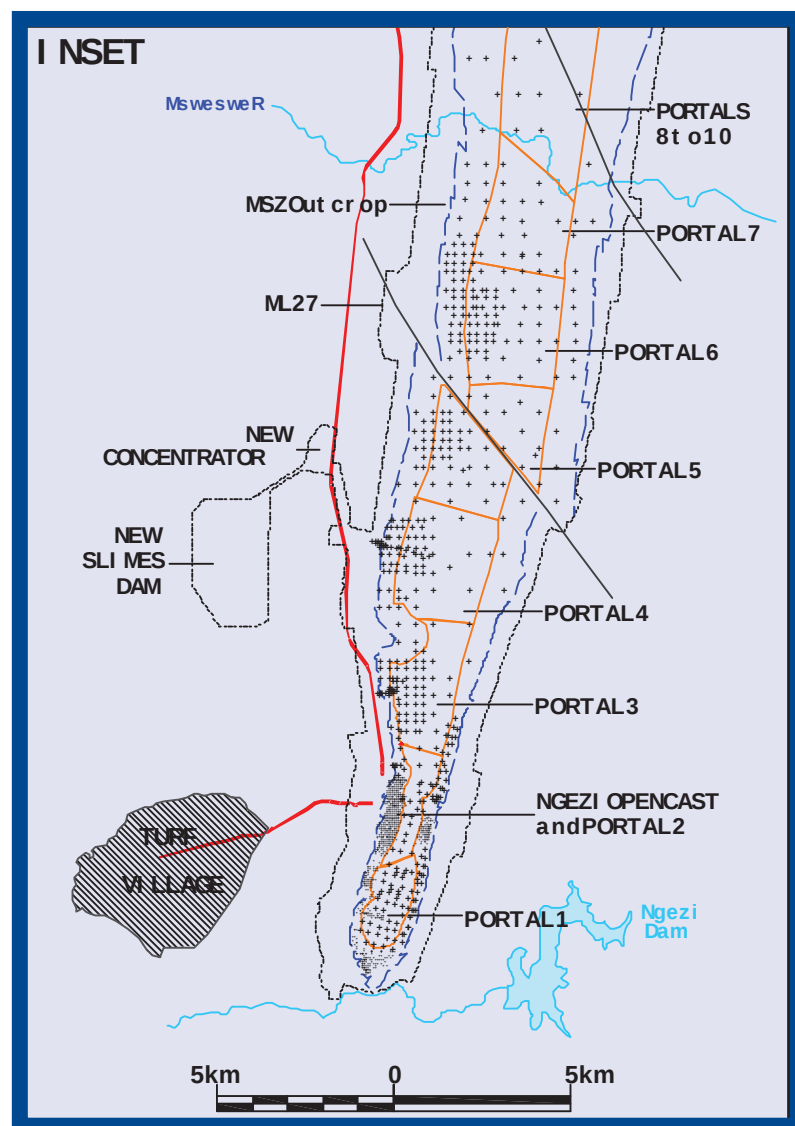
The development of the Portal 1 underground mine was completed by end of September 2008 and the mine reached full production of 1.2 million tonnes per annum by June 2009

The development of the Portal 4 underground mine is underway and remains on schedule to reach full annual production capacity of 2 million tonnes by May 2011.

Commissioning of the Ngezi concentrator began in early July 2009, after a three month delay attributed mainly to the late delivery of the mill girth gear and also difficult working conditions during the rainy season. The plant is currently ramping up production and is expected to reach full annual production of 2 million tonnes by end of September 2009.

Overall, the project remains within the approved project budget of \$340 million.





DRI LLI NG COVERAGE



EXPLORATION

Exploration drilling was suspended during the year as part of the company's cash conservation measures following the collapse of metal prices.



HUMAN RESOURCES

Despite the very difficult environment that prevailed in Zimbabwe for the greater part of the year, the industrial relations climate for the year was good.

The official "dollarization" of the Zimbabwe economy with effect from February 2009 and the resultant payment of salaries/wages to all employees in foreign currency has resulted in a very significant improvement in the welfare of employees. Whilst the total labour cost compared to the prior year increased by 37% to \$31.8 million, it must be viewed in the context of the combined effects of the significant increase in the average number of employees from 1,375 last year to 1,997 and the effect of skills retention strategies implemented in the latter part of the previous year, the full impact of which was felt in the current year.

The improvement in the living environment in Zimbabwe as well as the global economic recession resulted in a more stable skills situation. A total of 31 skilled employees left the company during the year, a 62% decrease from the previous year's 82.

Most of the skills required by the company to man its expanded operations have been secured. At year end, Zimplats had 2 136 employees. An additional 318 employees will be brought on board when the expansion project is completed.





COMMUNITY DEVELOPMENT

Zimplats was very active during the past year both within the communities it operates and also nationally.

Zimplats has undertaken a number of projects that not only benefit the company but the nation at large as follows:

1. Construction of a new 330 kva power sub-station for the national power utility, ZESA, in Selous, at a cost of \$25 million.
2. Financed the replacement of the aged computer systems at ZESA's national control centre at a cost of \$3 million.
3. Financed the replacement of aged transformers at ZESA's Norton sub-station at a cost of \$7 million.

Zimbabwe experienced a major cholera outbreak during the year. Zimplats donated ZAR5 million that was used in importing equipment and drugs required to manage and control the outbreak.

Zimplats also made available to communities around Ngezi Mine and Selous Metallurgical Complex, 60 tonnes of maize meal at the height of national food shortages in December 2008.

To improve agricultural productivity in the community around Ngezi Mine, a three year agricultural development programme was commenced in the year. The programme entails the provision of inputs and agricultural expertise. A total of 96 households participated in the programme in the 2008/09 agricultural season.

The emergence of Turf Growth Point as a thriving town continued during the year with the completion and occupation by Zimplats employees of an additional 166 houses. The commercial centre at Turf Growth Point, which was constructed and is owned by an independent property developer, was completed during the year and is now fully operational, providing shopping and banking facilities to the Ngezi community.

FINANCIAL RESULTS

Despite the volume of metal sales being slightly higher than the previous year, turnover for the year amounted to \$120 million, 59% lower than the previous year. This was attributed to the steep fall in metal prices from mid-2008, which saw the company's realised price per 4E ounce decline from \$1 555 last year to \$630 for the year to June 2009.

Total operating costs for the year amounted to \$149 million, a 2% decrease on the previous year's \$152 million due mainly to the lower mining costs following the closure of the open pit in November 2008. However, in the last quarter of the year operating costs were adversely affected by the "dollarization" of the Zimbabwe economy in February 2009 as well as the strengthening of the South African Rand against the US\$.

As a result of the lower metal prices realised, the company recorded its first ever loss of \$26 million before tax. The loss after tax for the year amounted to \$25 million, compared to a profit of \$124 million for the previous year.

As a consequence of the lower metal prices, cash generated from operations during the year was significantly reduced amounting to \$56 million, compared to \$125 million for the previous year. Capital expenditure, mainly on the Ngezi Phase 1 expansion project amounted to \$140 million.

The ramping up of underground production and the commissioning of the new Ngezi concentrator necessitated the holding of an increased level of consumable stores, which at \$20 million was up 59% on last year. The value of stocks also increased from \$15 million last year to \$29 million as a result of an increase in ore stocks, which will be processed in the Ngezi concentrator prior to the Portal 4 underground mine reaching full production.

The fall in metal prices during the year necessitated an increase in the borrowing component of the expansion project funding. Consequently, an additional ZAR500 million loan facility was secured from Standard Bank of South Africa. At year end, ZAR260 million of the loan had been drawn. The loan was secured with the active support of the majority shareholder, Impala Platinum Holdings Limited.

CORPORATE ACTIVITIES

During the course of the year concerted efforts were made to positively engage with the authorities with a view to resolving a number of long outstanding issues that are a hindrance to further growth and development of the company, including the following:

- Non-promulgation of legislation giving effect to contractual undertakings given to the company by the



Government in 2001, in particular exemption from Additional Profits Tax (APT). Shareholders were previously advised that, following an audit of the operating subsidiary by Alex Stewart International LLC (ASI), ASI had reported to the Reserve Bank of Zimbabwe that the company owed the tax authorities significant amounts in unpaid APT for the period to June 2007, plus penalties and interest for late payment. ASI had computed the APT liability at \$70 million, \$70 million late payment penalty and interest of \$125 million at an interest rate of 340% per annum, a total of \$265 million. On the basis of the ASI report, in April 2009, the Zimbabwe tax authorities issued an assessment on the operating subsidiary of \$140 million for the principal APT liability and late payment penalty. Following an objection to both the demand for payment of a tax that the Government had undertaken to exempt the company from and also the computation of the potential liability, the tax authorities issued an amended assessment of \$23 million for the principal

APT liability and penalty of \$5 million, a total of \$28 million. An objection has again been lodged to the assessment and the Government has been called upon to honour its obligations in terms of agreements in place. These discussions are yet to be concluded. To compound the problem, the Zimbabwe tax authorities have instituted recovery measures of the disputed APT liability by withholding Value Added Tax (VAT) refunds that are due to the company. At year end this amounted to \$4.0 million.

- Fulfilment by Government of undertakings made to the company regarding exemption from withholding tax on dividends as well as resolution of a disagreement with the tax authorities on the interpretation of the October 2006 amendment to the Value Added Tax Act. These discussions are still to be concluded.
- Historically, the operating subsidiary brought funds into Zimbabwe in advance of requirements to finance local



working capital requirements. The funds were placed with the Reserve Bank of Zimbabwe (RBZ) and drawings in Zimbabwe dollars were made as and when required. On cessation of the Zimbabwe dollar as a functional currency in February 2009, an amount of \$34 130 000 was held by RBZ who were unable to refund the deposit. The RBZ has recommended to the Government of Zimbabwe that it assumes the debt, which confirmation and the terms thereof are still awaited.

- As shareholders are aware, in May 2006 the company entered into a Release of Ground Agreement with the Government of Zimbabwe in terms of which the company released 36% of its mining claims to the government in exchange for empowerment credits and/or cash in the sum of \$51 million. To date the government has not informed Zimplats of its position with regard to empowerment credits or the amount due and discussions are on-going.

APPRECIATION

I wish to thank the board, management and all employees of Zimplats for their support during the past year. A special thanks to all our various contractors for their input.

The year just ended has been a very challenging one but also one in which some successes were recorded especially on the implementation of the Ngezi Phase 1 expansion project, mining and process production as well as safety performance. The expansion project will place the company on a favourable cost and production platform from which it will be better placed to confront future major downturns like the one we witnessed this year in the markets of our metals.

Alex Mhembere
Alex Mhembere

Chief Executive Officer , 12 August 2009

FIVE YEAR REVIEW

Summarised financial results

2009 **2008** **2007** **2006** **2005**
\$000 **\$000** **\$000** **\$000** **\$000**

INCOME STATEMENTS

Turnover	120 311	294 257	235 967	162 446	112 484
Platinum	81 807	153 868	102 253	84 755	64 948
Paladium	12 995	28 690	23 771	19 186	12 079
Gold	8 179	8 159	6 071	4 759	3 639
Rhodium	(1 985)	63 245	42 474	28 774	11 089
Nickel	14 835	31 509	52 655	19 559	17 657
Other	4 480	8 786	8 743	5 413	3 072
Cost of sales	(105 433)	(121 812)	(97 720)	(88 639)	(77 702)
Mining	(56 222)	(65 133)	(55 693)	(59 052)	(55 271)
Processing	(23 088)	(19 441)	(17 811)	(15 697)	(15 722)
Depreciation	(21 343)	(24 242)	(20 559)	(8 585)	(3 674)
Staff costs	(18 035)	(11 054)	(6 508)	(4 303)	(4 633)
Other	13 255	(1 942)	2 851	(1 002)	1 598
Gross Profit	14 878	172 445	138 247	73 807	34 782
Other (expense)/income	(7 256)	3 426	717	(444)	9 732
Operating costs	(32 522)	(30 482)	(24 224)	(16 385)	(18 945)
Net finance (expense)/income	(1 133)	125	2 667	274	(121)
(Loss)/profit before tax	(26 033)	145 514	117 407	57 252	25 448
Taxation	1 009	(21 136)	(17 823)	(9 516)	(4 221)
(Loss)/profit after tax	(25 024)	124 378	99 584	47 736	21 227
Attributable to minority interests	-	-	-	-	(2 428)
(Loss)/profit attributable to shareholders	(25 024)	124 378	99 584	47 736	18 799

BALANCE SHEETS

ASSETS					
Non-current assets	529 868	371 558	228 623	188 180	155 536
Property, plant and equipment	472 636	346 493	206 178	165 738	130 263
Mining interests	22 445	22 445	22 445	22 442	25 273
Financial assets and other receivables	34 787	2 620	-	-	-
Current assets	120 411	226 964	176 846	108 065	62 260
Total assets	650 279	598 522	405 469	296 245	217 796
EQUITY AND LIABILITIES					
Capital and reserves	415 167	442 655	329 400	230 593	183 934
Non-current liabilities	150 645	108 343	33 953	31 198	14 155
Deferred taxation	42 459	44 714	21 587	14 492	10 529
Borrowings	95 405	57 171	-	2 211	-
Mine rehabilitation provision	12 781	6 458	12 366	14 495	3 626
Current liabilities	84 467	47 524	42 116	34 454	19 707
Total equity and liabilities	650 279	598 522	405 469	296 245	217 796

Statistic review

2009
\$0002008
\$0002007
\$0002006
\$0002005
\$000

OPERATING STATISTICS

Ore mined (tonnes)	2 648 070	2 445 767	2 312 783	2 205 680	2 137 468
Open cast	528 094	1 301 068	1 285 651	1 508 382	1 826 414
Underground	2 119 976	1 144 699	1 027 132	697 298	311 054
Ore headgrade (g/t)	3.39	3.22	3.48	3.37	3.23
Ore milled (tonnes)	2 166 490	2 200 473	2 133 295	2 018 665	2 058 210
4E oz in matte produced	190 532	188 569	194 626	184 765	176 535
Platinum	95 965	94 403	96 518	90 318	86 755
Palladium	75 555	75 537	78 605	76 515	72 024
Gold	10 657	10 602	10 913	9 822	9 771
Rhodium	8 355	8 027	8 590	8 110	7 985
4E oz in matte sold	190 867	189 268	194 451	184 923	174 730
Platinum	96 014	94 318	96 624	90 414	85 763
Palladium	75 840	76 234	78 536	76 541	71 508
Gold	10 764	10 528	10 809	9 820	9 673
Rhodium	8 249	8 188	8 482	8 148	7 786
Financial ratios					
Gross margin (%)	12.4%	58.6%	58.6%	45.4%	30.9%
Return on equity (%)	-6.0%	28.1%	30.2%	20.7%	10.2%
Return on assets (%)	-3.8%	20.8%	24.6%	16.1%	8.6%
Current ratio	1.4	4.8	4.2	3.1	3.2
Operational indicators					
Capital expenditure (\$000)	140 665	179 830	64 501	31 435	26 961
Gross revenue per 4E oz (\$)	630	1 555	1 213	878	644
Total production cost per 4E oz (\$)	769	798	624	558	536
Cash cost per 4Eoz (\$)	653	670	511	511	489
Net cash cost per 4E oz (\$)	552	459	308	376	370

FIVE YEAR REVIEW

2009
US\$ 000

2008
US\$ 000

2007
US\$ 000

2006
US\$ 000

2005
US\$ 000

GROUP VALUE ADDED STATEMENT

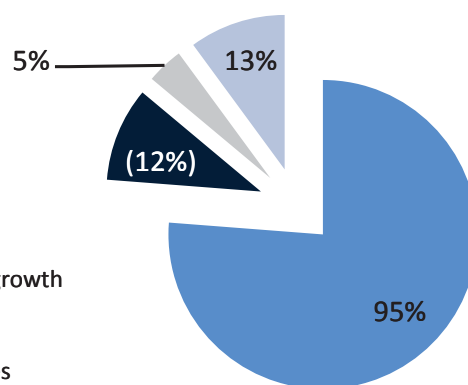
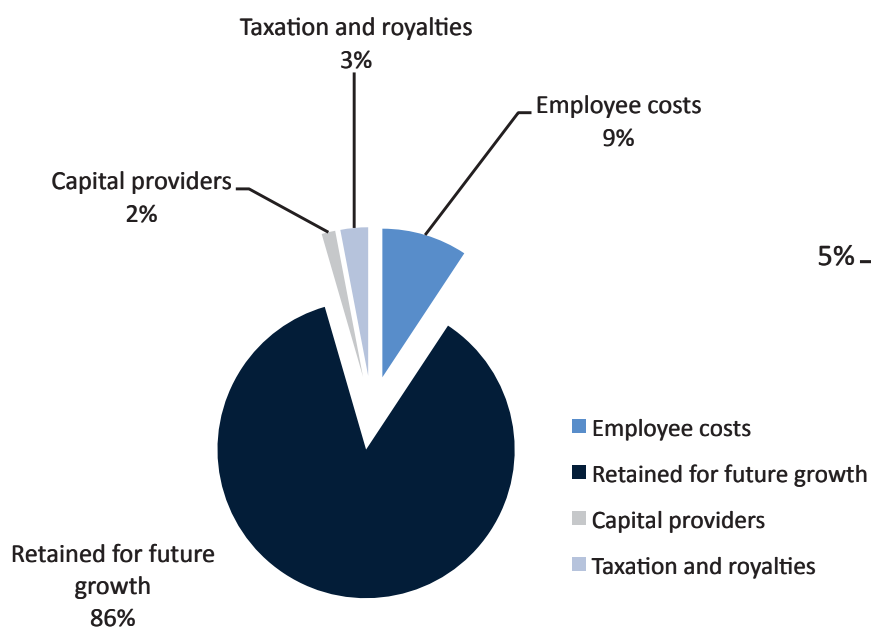
Sales	120 311	294 257	235 967	162 447	112 484
Net cost of products and services	88 371	92 735	79 658	84 069	67 126
Value added by operations	31 940	201 522	156 309	78 378	45 358
Income from interest	412	3 191	5 286	2 015	813
Total value added	32 352	204 713	161 595	80 393	46 171

Applied as follows to :

Employees as salaries, wages and benefits	30 717	19 203	13 428	8 403	8 097
The state as direct taxes	893	(1 991)	10 728	5 534	642
The state as royalty recipients	3 170	8 193	6 302	4 474	3 040
Providers of capital	1 545	3 066	2 619	1 527	934
Financing costs	1 545	3 066	2 619	1 527	934
Dividends	-	-	-	-	-

Total value distributed

Re-invested in the group	(3 973)	176 242	128 518	60 455	33 458
Amortisation and depreciation	22 953	28 737	21 839	8 736	8 652
Reserves retained	(26 926)	147 505	106 679	51 719	24 806
	32 352	204 713	161 595	80 393	46 171

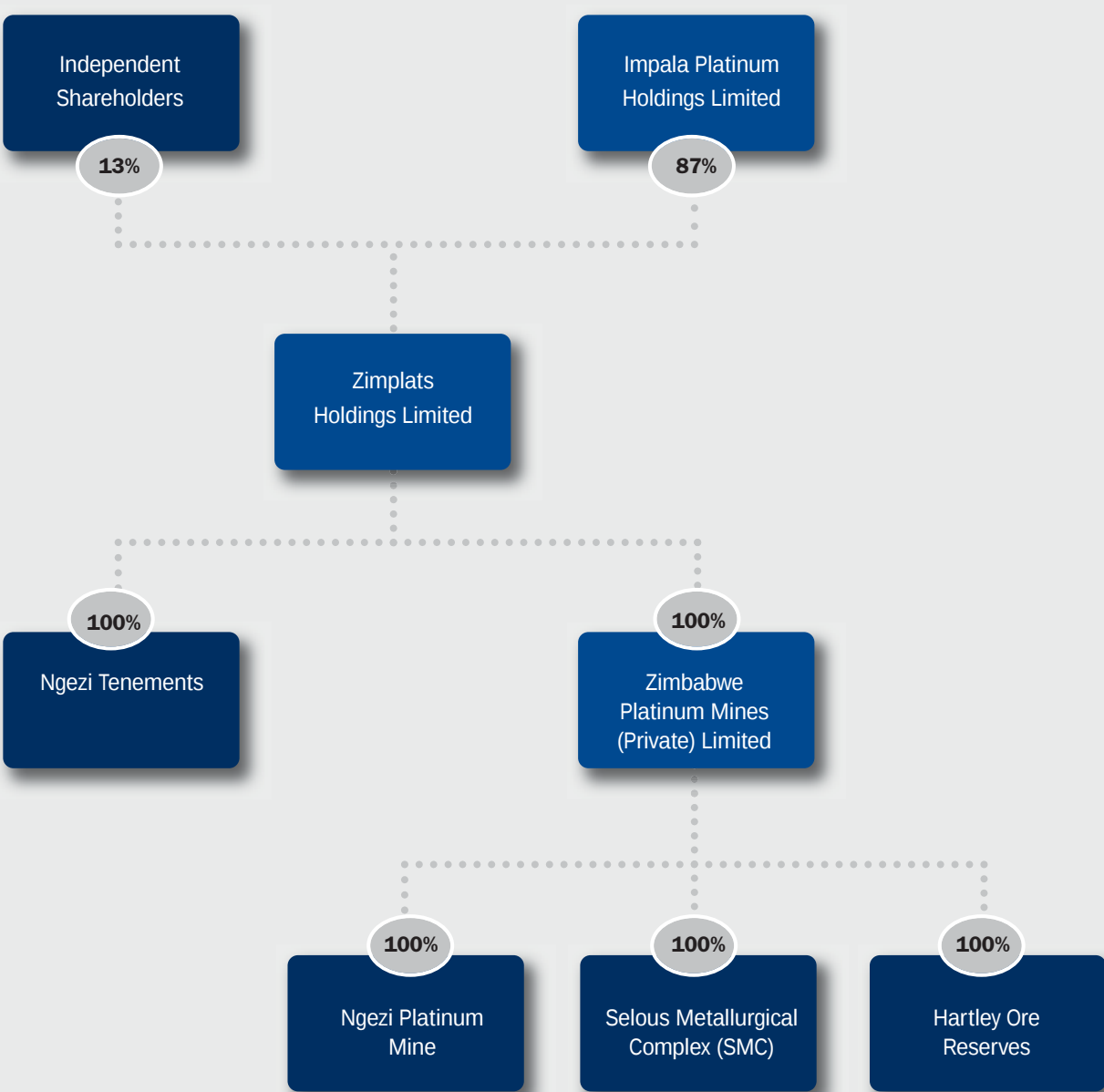


FY2008

FY2009

ORGANISATIONAL STRUCTURE

THE CORPORATE STRUCTURE OF THE COMPANY AND ITS PRINCIPLE ASSETS ARE SHOWN IN THE DIAGRAM BELOW:



BOARD OF DIRECTORS

MISSION STATEMENT

Zimplats' business is the production of platinum group metals from the Great Dyke in Zimbabwe.

VISION

Our vision is to be the best platinum company producing in excess of a million platinum ounces per annum whilst generating superior returns for the benefit of our shareholders, employees and Zimbabwe.

AIM

We will achieve our Mission and Vision through purposeful and focused attention on the:

- Extraction of mineral resources in a socially and environmentally friendly manner
- Safety and health of all our employees and visitors at the workplace
- Achievement of production targets through the effective and efficient utilisation of all resources at our disposal
- Establishment of effective systems and processes throughout the value chain to achieve cost and technological leadership in the industry
- Capability development, recognition and appropriate reward to our human resources
- Aggressive implementation of projects to achieve organic growth targets on budget



> From left to right

Standing: Khotso Mokhele, Les Paton, Alex Mhembe, Mike Houston, Patrick Maseva-Shayawabaya, Fred Roux, Greg Sebborn, Much Masunda, Rob Still, David Brown



CHAIRMAN
Mike Houston

EXECUTIVE DIRECTORS
Alex Mhembere
Chief Executive Officer
Patrick Maseva-Shayawabaya
Chief Financial Officer

NON-EXECUTIVE DIRECTORS
David Brown
Much Masunda
Khotso Mokhele
Les Paton

Fred Roux
Greg Sebborn
Rob Still

DIRECTORS

MANAGEMENT

ZIMPLATS EXECUTIVE COMMITTEE



- **Alexander Mhembere:** ACIS, ACMA, MBA

Chief Executive Officer

Alex joined the company on 1 October 2007. He has over nine years experience in the platinum mining industry, having formerly been the Managing Director of a Zimbabwean PGM producer.

Alex is also the Chief Executive Officer of the operating subsidiary, Zimbabwe Platinum Mines (Private) Limited.



- **Patrick Maseva-Shayawabaya:** BAcc (Hons) (UZ), CA(Z)

Chief Finance Officer

Patrick was appointed Chief Finance Officer on 1 April 2004 having joined Zimbabwe Platinum Mines (Private) Limited in 2001 as Finance Manager.

Patrick has over 18 years' experience in financial management at senior and executive levels. He was most recently the Financial Director of a multinational sugar growing and processing company in Zimbabwe.



- **Stanley Frost:** City & Guilds (Electrical Engineering),

Technical Director

Member of the Association of Mine Engineers

Stan joined Zimbabwe Platinum Mines (Private) Limited in 2001 as Chief Engineer and was appointed Zimplats Technical Director in January 2008. Stan is responsible for the company's expansion programme as well as the engineering function.

Stan has over 34 years' engineering and project management experience with mining, concentrating and smelting.



- **Walter Channon:** MSc (Met) Eng. Wits, BSc (Met) Eng. Wits, MSAIMM, MIMMM, C.Eng

Group Consulting Metallurgist

Wally was appointed group Consulting Metallurgist on 1 June 2006.

He joined Zimbabwe Platinum Mines (Private) Limited in 2001 and was until his current appointment General Manager- Processing with responsibility for the company's smelting and concentrating operations at SMC.

Wally has over 33 years' operational and executive experience in the metallurgical field, particularly with ferrochrome, gold and nickel. He has held operational responsibility for large smelting and refining plants, mostly within Zimbabwe.



- **Adrian Hutchings:**

Group Consulting Mining Engineer

Adrian joined Zimbabwe Platinum Mines (Private) Limited in 2003 as General Manager Mining and in that role was in charge of the company's mining operations. He was appointed Group Consulting Mining Engineer in January 2008 and is responsible for the development of new mines. Adrian has over thirty years mining experience and has held several senior management positions within the mining industry in Zimbabwe.



- **Enock Gwarisa:** BSc(UZ) MSAIMM

Senior General Manager – Processing

Enock was appointed General Manager - Processing on June 1, 2006. Prior to that he was the Concentrator Manager. Enock has over 25 years experience in mineral processing and extractive metallurgy. His experience includes process optimisation, plant design work, and running a group metallurgical research laboratory. Before joining Zimplats he was Senior Plant Manager of a multinational gold mining company in Zimbabwe.



- **Stanley Segula:** BSc (Mining Eng) Hons UZ, MBA, MMCCZ.

Senior General Manager – Mining

Stanley joined Zimbabwe Platinum Mines (Private) Limited on 1 April 2008 from his previous position as Mine and Smelter Manager with a multinational chrome mining organisation in Zimbabwe. He brings with him 18 years experience in platinum, gold, iron ore and chrome mining experience.



- **Charles Mugwambi:** BAcc (Hons) UZ, MDP (UNISA), MBL (UNISA)

General Manager – Treasury and Corporate Finance

Charles joined Zimbabwe Platinum Mines (Private) Limited in April 2008 with over 19 years experience in financial management and reporting, company secretarial matters and treasury management. He has worked for a number of multinational mining companies and was most recently General Manager Finance of a large chrome mining company.



- **Aaron Mudhuwiwa:** MBA

General Manager - Human Resources

Aaron joined the operating company in December 2008 from his previous position as Group Manager – Human Resources and External Affairs with a large multinational mining house in Zimbabwe where he worked for 30 years. He brings with him over 27 years of experience in Human Resources covering full deployment exposure to both mining operations and the corporate office.



- **Steven Ndoro:** BSc (Electrical Eng.) Hons UZ, MSc (Information Systems Eng.) UMIST, MIEE.

General Manager – Engineering:

Steve was appointed General Manager – Engineering on 1 June 2006.

Steve joined Makwiro in 2003 as Deputy Chief Engineer. He has over 19 years engineering experience gained at smelting and processing plants. His experience includes capital project management, and design and implementation of computerised planned maintenance systems. He was most recently Engineering Manager for a multinational sugar growing and processing company in Zimbabwe.



- **Busi Chindove:** B. Admin Hons (UZ), MSc (Cork)

Head of Corporate Affairs

Busi was appointed Head of corporate affairs on 1 November 2008. She previously worked for an FMCG group of companies as Head of Corporate Services.

She has over 20 years experience in corporate communication, public relations and marketing.

MARKET REVIEW

02

After the storm

After bottoming out in the wake of the 2008 financial crisis, platinum is regaining lost ground and positioning itself for a global recovery





After the storm

After bottoming out in the wake of the 2008 financial crisis, platinum is regaining lost ground and positioning itself for a global recovery

MARKET REVIEW

2008 – the year the bubble burst

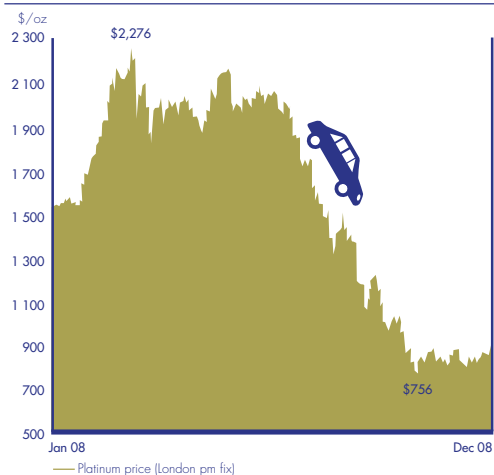
In March 2008 the platinum price peaked at an all-time high of \$2 276 an ounce, driven by the prevailing commodity boom and underpinned by major supply concerns, particularly in South Africa, where the platinum industry was contending with acute electricity shortages, a scarcity of skills and various operational and safety related difficulties.

These heady market conditions came to an abrupt halt in July as the US sub-prime crisis triggered a collapse in global financial markets and the worst economic recession in recent times. The world automotive industry – which absorbs around 2/3 of global PGM output for use in autocatalysts – was severely impacted.

Plummeting vehicle sales accompanied by massive investor liquidations of metal resulted in the platinum price dropping to a low of \$756 an ounce in October 2008.

The end of the ride

Plunging auto sales send platinum plummeting 68%





The low price was good news for investors

Perhaps predictably, the lower-price environment for platinum proved an ideal buying opportunity for both investors and the “platinum loving” Chinese jewellery community. As early as the third quarter of 2008, demand for platinum began to show signs of revival as Chinese retailers and manufacturers rebuilt their jewellery stocks. Many retailers cut prices of old high priced inventory to stimulate sales.

Toward the end of the year Japanese investors showed strong interest in platinum bars on the back of a low dollar price and a strong yen, resulting in a shortage of these products.

Exchange traded funds (ETFs), which are backed by physical metal, also took the opportunity to rebuild their positions in this lower priced environment. This trend has continued through the first half of 2009, resulting in investment interest in such funds returning, and even exceeding, pre-crash levels.

Production shortfalls stabilise supply and demand

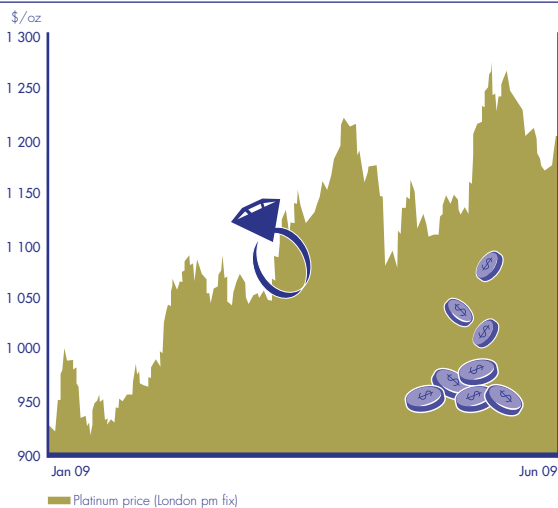
With the world economy in crisis, platinum demand shrinking on the back of lower vehicle sales and additional recycled metal coming from old Japanese jewellery, the scene was set for an oversupply of metal. However, failures by PGM producers in meeting production targets brought the supply/demand balance back to relative equilibrium.

South African operations troubled by electricity supply issues and various operational setbacks, Russian producers contending with sharply lower grades and processing difficulties, and the first mine closure in North America kept at least 0.5 million ounces off the market.

The combination of lower prices and unfavourable exchange rates has created a difficult environment for many new South African platinum projects and several have been delayed or even shelved. This, together with the current dearth of capital investment in the industry, will restrict the growth of future supply as demand for PGMs recovers towards previous levels.

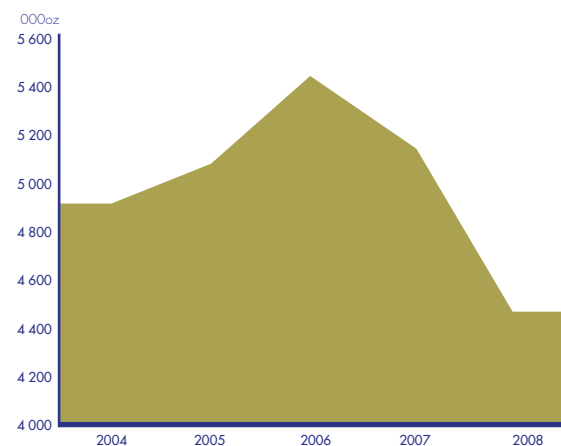
Investors cash in

Too good an opportunity to miss



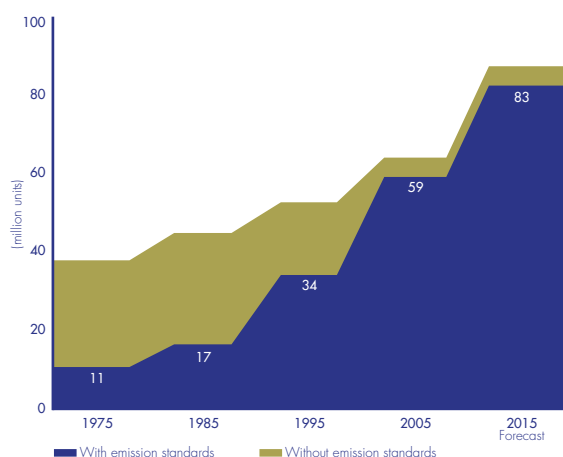
South African supply disappoints

Platinum production falls short of targets



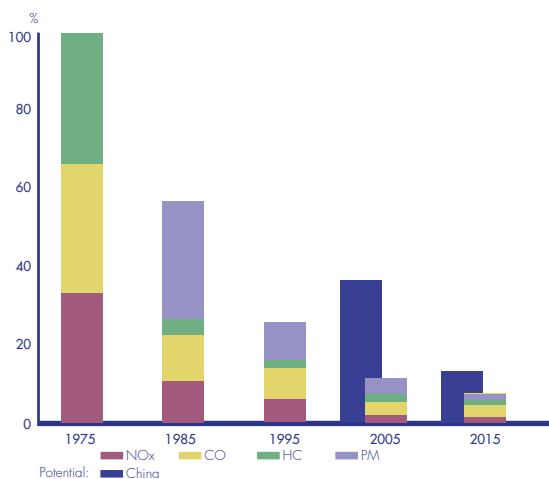
Global light duty vehicle sales

Autocatalysts are now standard in the majority of vehicles sold to the world



Exhaust pollution has been cut drastically in the world's mature markets

Falling emission* limits



* Average of key auto pollutants: nitrogen oxide, carbon monoxide, hydrocarbons and particulate matter

Outlook positive as global economy recovers

The gradual recovery of the world economy, with the inevitable revival in industrial production and consumer demand, will be the single biggest driver of platinum and PGM demand over the medium to longer term.

Other drivers of demand that will have a positive effect on the PGM market are:

• Tighter auto-emission legislation

Emission legislation has now spread to countries outside the developed world creating growing demand both in terms of the larger number of autocatalysts required as well as increased loadings of PGMs per catalyst in order to meet ever tightening regulatory obligations. At the same time the legislative net is widening to include older vehicles as well as a wider range of equipment such as motorbikes, construction vehicles, lawnmowers and marine engines.

• Incentives to scrap old cars

Governments in Europe, China, Brazil and more recently the US are incentivising the scrappage of older motorcars. This will serve to stimulate new-vehicle sales in the short term and consequently strengthen PGM demand. However, this could be mitigated in the medium term when these incentives fall away.

• Consumer demand for jewellery

Asian buyers, who were relatively sheltered from the financial crisis, are expected to continue purchasing platinum jewellery in the current low-price environment. The heavy buying by Chinese consumers in the first half of 2009 will more than compensate for weaknesses in the North American and European jewellery markets.

• A new ETF in America

To date, ETFs, which are big buyers of physical metal, have been a solely European phenomenon. The formation of a US-based platinum and palladium ETF will significantly boost demand.

PLATINUM					
(000 toz)	2005	2006	2007	2008	2009*
Demand					
Automotive	3 570	4 040	4 080	3 750	3 010
Jewellery	1 965	1 665	1 545	1 355	1 875
Industrial	1 720	1 830	1 870	1 780	1 570
Investment	10	(30)	150	400	330
Total Demand	7 265	7 505	7 645	7 285	6 785
Supply					
South Africa	5 030	5 435	5 145	4 465	4 560
Russian sales	850	800	800	800	775
Other	615	635	640	1 075	720
Recycle	775	855	925	970	850
Total Supply	7 270	7 725	7 510	7 310	6 905
Balance	5	220	(135)	25	120

PALLADIUM					
(000 toz)	2005	2006	2007	2008	2009*
Demand					
Automotive	4 605	4 800	5 025	4 760	4 450
Jewellery	1 430	1 000	750	875	950
Industrial	2 475	2 330	2 355	2 420	2 000
Investment	200	50	250	425	400
Total Demand	8 710	8 180	8 380	8 480	7 800
Supply					
South Africa	2 575	2 760	2 670	2 355	2 450
Russian sales	4 100	4 500	4 250	3 750	2 700
Other	1 595	1 315	1 265	1 180	995
Recycle	650	780	930	1 085	1 060
Total Supply	8 920	9 355	9 115	8 370	7 205
Balance	210	1 175	735	(110)	(595)

RHODIUM					
(000 toz)	2005	2006	2007	2008	2009*
Demand					
Automotive	719	825	844	761	663
Industrial	140	144	146	134	133
Total Demand	859	969	990	895	796
Supply					
South Africa	645	648	663	582	595
Russian sales	70	70	65	65	65
Other	36	38	38	37	42
Recycle	162	184	206	222	190
Total Supply	913	940	972	906	892
Balance	54	(29)	(18)	11	96

Source: Impala Platinum Holdings Limited

ORE RESERVES & MINERAL RESOURCE

03

The Great Dyke is a layered mafic-ultramafic body intruded into Archaean granites and greenstone belts. **The Dyke is highly elongate, slightly sinuous, 550km long, north-north-east trending with a maximum width of 12 km.**





The Dyke developed as a series of initially discrete magma chamber compartments, which coalesced as the chambers filled.

GREAT DYKE GEOLOGY

The Great Dyke is a layered mafic-ultramafic body intruded into Archaean granites and greenstone belts. The Dyke is highly elongate, slightly sinuous, 550km long, north-north-east trending with a maximum width of 12 km.

The Dyke developed as a series of initially discrete magma chamber compartments, which coalesced as the chambers filled. Each sub-chamber is divided into two major stratigraphic successions, a lower ultramafic sequence dominated from the base upwards by dunite, harzburgite and pyroxenite, and an upper mafic sequence consisting mainly of gabbro and gabbronorite. The platinum-bearing Main Sulphide Zone (MSZ) lies 5 to 50m below the base of the mafic sequence. Much of the MSZ and overlying mafic sequence have been removed by erosion. There are four remnants of MSZ and Zimplats owns approximately two thirds of the largest one, the Hartley Complex. The Hartley Complex is 100km long, straddles the boundary between the Sebakwe and Darwendale sub-chambers and contains approximately 80% of Zimbabwe's PGM Mineral Resources.

The MSZ is a continuous layer between 2 and 10 metres thick that forms an elongate basin. Layers of igneous rocks within the basin dip at between 5° and 20° near the margins and flatten out near the centre to form a flat-lying floor.

Typically, the MSZ consists of a 2-10 metre thick zone containing 2-8 % of iron - nickel - copper sulphides disseminated in pyroxenite. The base of this nickel - copper - rich layer is straddled by a one to five metre thick zone of elevated precious metal values (Pt, Pd, Au, and Rh). The base metal zone contains up to 5% sulphides while the sulphide content of the PGM zone is less than 0.5%. This change in sulphide content is related to the metal distribution in a consistent manner and is used as a marker. It can normally be located visually in drill core and with careful observation it can also be located underground.

The PGE content and distribution within the mineralized zone is consistent from hole to hole over large areas. The MSZ mineralisation is vertically gradational and distributed around a high-grade central zone. This gradation means that the selected cut on which resources are based is dependent on a view on what is likely to be economically mineable



rather than on a sharp geological boundary. Having a transitional boundary reduces the effect of dilution, particularly in the footwall where the gradation is more pronounced as the diluting material is not completely devoid of metals.

Extensive faulting on all scales has modified the synformal shape of the MSZ. Given the difficulty of visually locating the MSZ, the smaller faults give rise to inherent dilution of the Mineral Resources. Location and efficient traversing of the larger faults is an important component of the mining operation.

Post mineralization intrusions of various types and scales also disrupt the mineralization. Work to date has not located Bushveld style potholes but washouts have been located elsewhere in MSZ.

PGE distribution within the Hartley Complex is asymmetric with higher grade, narrower profiles along the western margin. As a consequence much of the exploration work has focused on the western margin and relatively little is known of the deeper zones and eastern areas.



GREAT DYKE GEOLOGY

MINERAL RESOURCE & ORE RESERVE STATEMENT AS AT JUNE 2009

MINERAL RESOURCES (Inclusive of Ore Reserves)												
	Tonnes Millions	Pt g/t	Pd g/t	Au g/t	Rh g/t	Ni (S)%	Cu %	4E g/t	Pt Moz	4E Moz	Thick m	
Ngezi South Open Pit												
Measured	15.0	1.64	1.29	0.27	0.16	0.09	0.06	3.36	0.8	1.6	2.75	
Total	15	1.64	1.29	0.27	0.16	0.09	0.06	3.36	0.8	1.6	2.75	
Ngezi Portals - Flat - P1-P7												
Measured	68.8	1.75	1.36	0.25	0.14	0.10	0.08	3.50	3.9	7.7	2.4	
Indicated	234.5	1.77	1.34	0.27	0.15	0.11	0.08	3.53	13.4	26.6	2.3	
c Total	303	1.77	1.35	0.27	0.15	0.11	0.08	3.5	17.2	34.4	2.4	
Ngezi Portals - Flat P8-P10												
Indicated	62.4	1.81	1.35	0.32	0.15	0.13	0.09	3.62	3.6	7.3	2.0	
Inferred	56	1.79	1.23	0.31	0.14	0.13	0.09	3.47	3.2	6.2	2.0	
c Total	118	1.80	1.30	0.31	0.14	0.13	0.09	3.6	6.8	13.5	2.0	
Ngezi Portals - Steep P3-P10												
Measured	23.0	1.63	1.38	0.24	0.14	0.11	0.10	3.40	1.2	2.5	2.3	
Indicated	164.1	1.69	1.35	0.28	0.14	0.12	0.09	3.47	8.9	18.3	2.2	
Inferred	79	1.77	1.21	0.30	0.14	0.13	0.09	3.42	4.5	8.6	2.0	
c Total	266	1.71	1.31	0.28	0.14	0.12	0.09	3.4	14.6	29.4	2.2	
Ngezi Mining Lease north of Portal 10												
Indicated	53.8	2.11	1.85	0.42	0.18	0.22	0.18	4.56	3.6	7.9	1.3	
Inferred	829	1.69	1.45	0.30	0.15	0.15	0.13	3.59	45.1	95.8	2.0	
Total	883	1.72	1.48	0.31	0.15	0.15	0.13	3.65	48.8	103.7	1.9	
Hartley												
Measured	28.3	2.24	1.77	0.33	0.19	0.14	0.12	4.53	2.0	4.1	1.6	
Indicated	143.1	2.01	1.49	0.31	0.16	0.13	0.11	3.97	9.3	18.3	1.9	
Inferred	46	1.99	1.44	0.30	0.16	0.13	0.10	3.89	3.0	5.8	1.9	
Total	218	2.04	1.51	0.31	0.17	0.13	0.11	4.03	14.2	28.2	1.9	
Oxides - all areas												
Indicated	16.8	1.75	1.32	0.25	0.14	0.10	0.07	3.46	0.9	1.9	2.5	
Inferred	61	1.77	1.45	0.29	0.15	0.12	0.10	3.65	3.5	7.2	2.1	
b Total	78	1.76	1.42	0.28	0.15	0.12	0.09	3.6	4.4	9.0	2.2	
Overall												
Measured	135.1	1.82	1.44	0.27	0.16	0.11	0.09	3.68	7.9	16.0	2.3	
Indicated	674.6	1.83	1.42	0.30	0.15	0.13	0.10	3.70	39.7	80.2	2.1	
Inferred	1,071	1.72	1.42	0.30	0.15	0.14	0.12	3.6	59.2	123.6	2.0	
a Total	1,880	1.77	1.42	0.30	0.15	0.13	0.11	3.6	106.9	219.8	2.1	

Notes

- a Mineral Resources have inherent dilution taken into account. Mining pillar losses are not accounted for in the resource estimates.
- b Oxides have lower metallurgical recovery than sulphides with conventional technology and are currently marginal to sub economic.
- c Thicknesses are discrete 2.5m, 2.25m and 2.0m over a whole portal. The chosen width is based on economic cut off.

4E refers to Pt+Pd+Rh+Au combined grade.

Ni (S)% is nickel in sulphide. This is amenable to recovery by floatation.

ORE RESERVES

		Tonnes Millions	Pt g/t	Pd g/t	Au g/t	Rh g/t	Ni (S)%	Cu %	4E g/t	Pt Moz	4E Moz	Thick m
	Proved	54.3	1.69	1.33	0.24	0.14	0.10	0.07	3.40	2.9	5.9	2.4
	Probable	163.1	1.71	1.32	0.26	0.14	0.11	0.08	3.43	9.0	18.0	2.3
c	Total	217.4	1.71	1.32	0.25	0.14	0.10	0.07	3.43	11.9	23.9	2.4
	Proved	54.3	1.69	1.33	0.24	0.14	0.10	0.07	3.40	2.9	5.9	2.4
	Probable	163.1	1.71	1.32	0.26	0.14	0.11	0.08	3.43	9.0	18.0	2.3
	Total	217.4	1.71	1.32	0.25	0.14	0.10	0.07	3.43	11.9	23.9	2.4

MAJOR CHANGES SINCE ANNUAL REPORT 2009

During financial year 2009, stoping commenced at Portal 4 and production built up to over 30 000 tonnes per month. The four 150m long ventilation raises were complete and work on installing the underground conveyor started. The ramp up at Portal 1 continued with production increasing to over 90 000 tonnes per month. Portal 2 production increased from 80 000 to 110 000 tonnes per month with the introduction of extra equipment to the portal. The open pit was finally closed in November 2008.

The main change to the ore reserve statement was the removal of the open pit mineral resources from the ore reserve with the closure of the open pit and its removal from the company's mining plans. The open pit mineral resources do, however, remain a relatively ready source of ore for the company's future expansion and could be returned to ore reserve classification should sufficiently favourable economic conditions prevail.

There was a slight increase in the Portal 2 ore reserve as material previously in the pillar between the open pit and underground and from the open pit itself was transferred into the Portal 2 footprint following the consistent success of efforts to mine this shallower material.

Depletions to the end of June 2009 have been allowed for in the estimates for the three operating portals.

Overall this resulted in a 4.8% reduction in ore reserve tonnage and a 4.3% reduction in contained platinum within the ore reserve

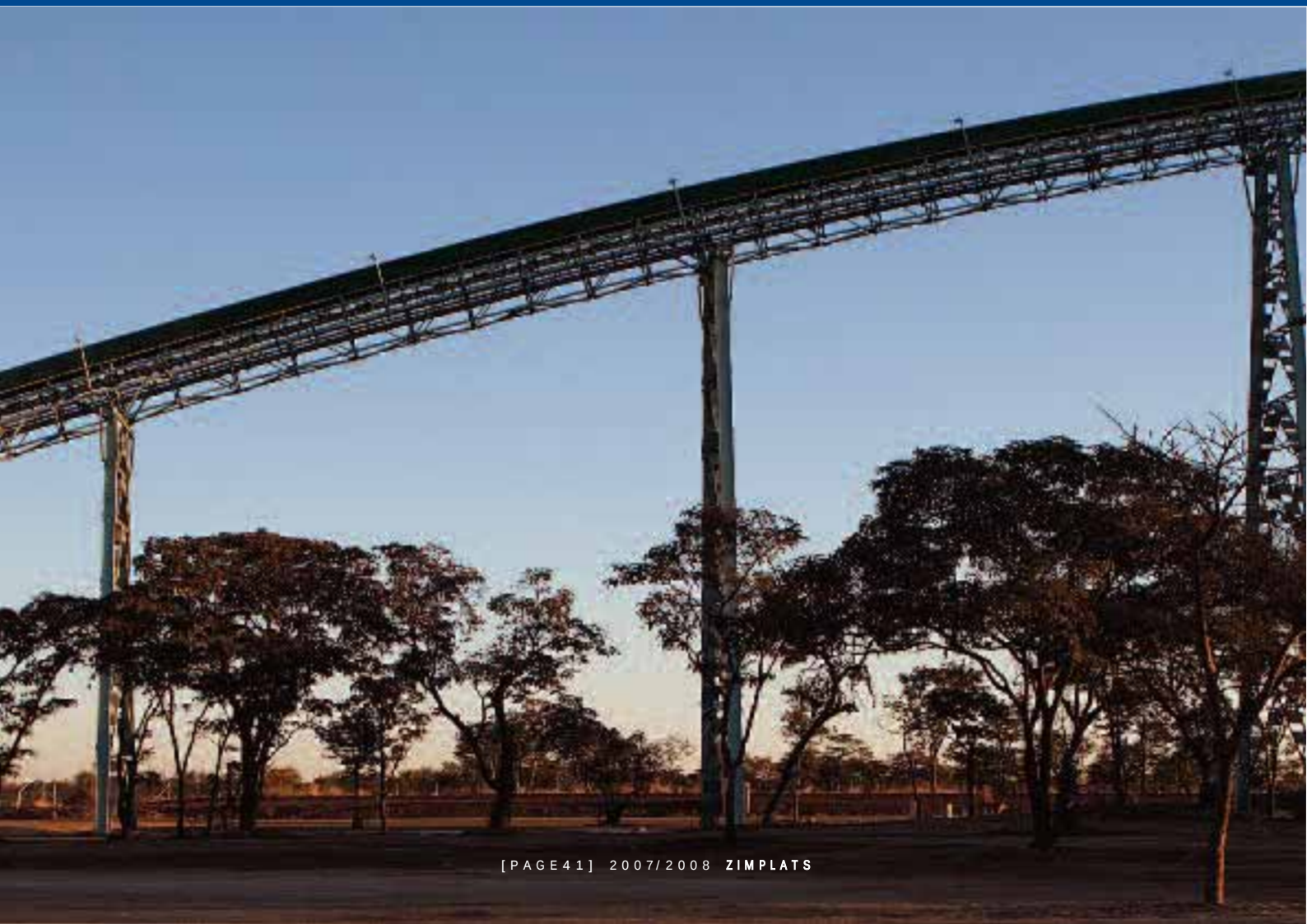
The main change to the mineral resource was mining depletion with a small increase due to the addition of material previously in the pillar between the planned open pit and Portal 2. Overall the mineral resources ended up 0.9% down in terms on tonnage and content on the year.

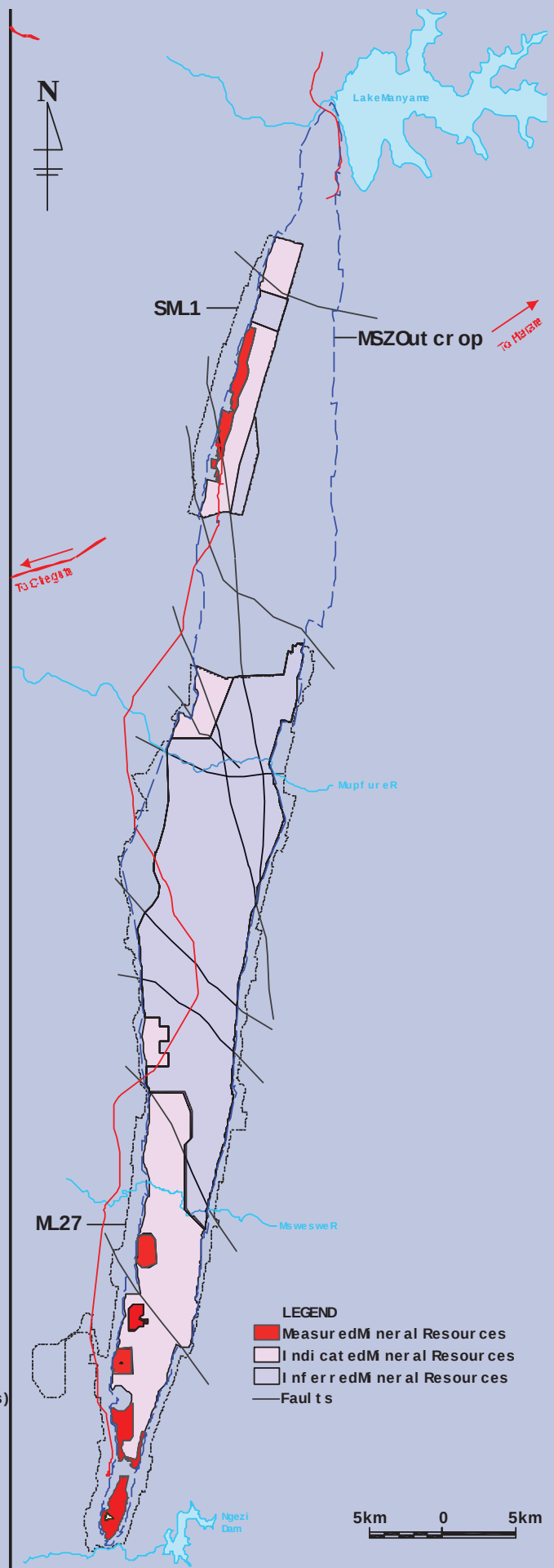
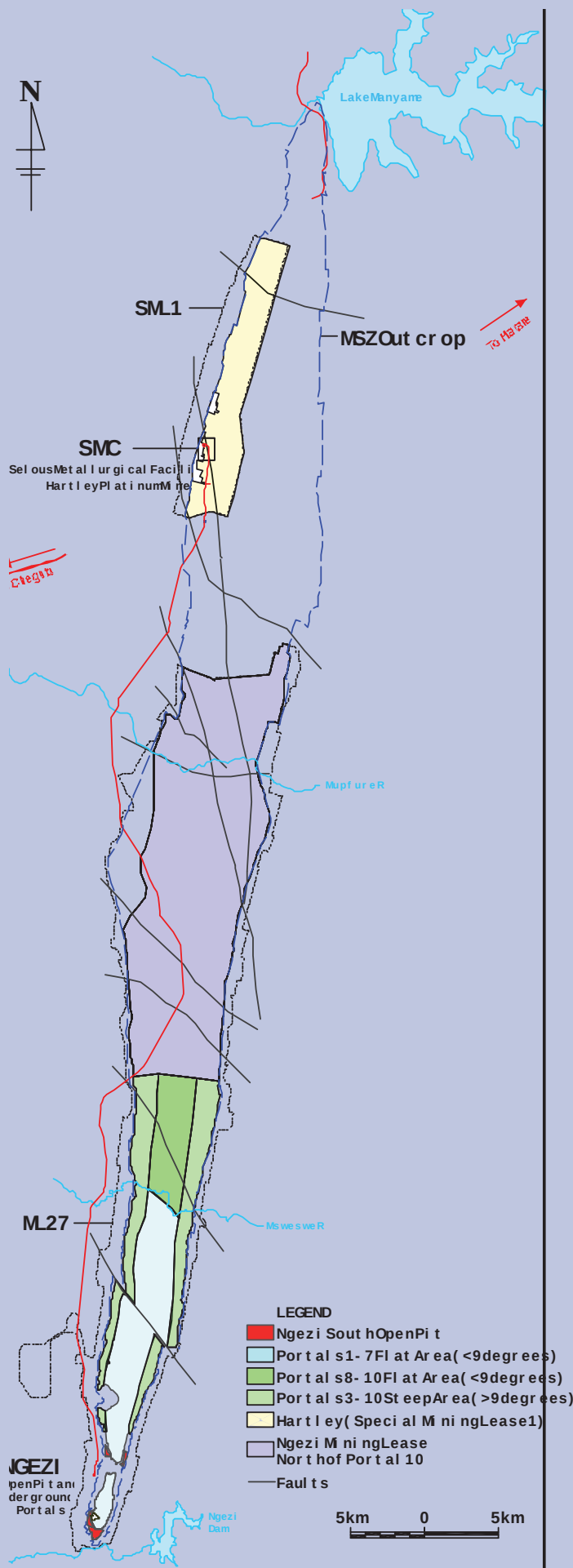
Mineral Resources (inclusive of Reserves)									
Orebody	Category	2009				2008			
		Tonnage (millions) Au (g/t)	Grade 3 PGE & Au g/t	Grade 5 PGE &	Pt oz (millions)	Tonnage (millions) Au (g/t)	Grade 3 PGE & Au g/t	Grade 5 PGE &	Pt oz (millions)
	Measured	135	3.68	3.89	7.9	138	3.68	3.89	8.1
	Indicated	675	3.70	3.90	39.7	674	3.70	3.90	39.7
	Inferred	1,071	3.59	3.79	59.2	1,071	3.59	3.79	59.2
Total		1,880	3.64	3.84	106.9	1,883	3.64	3.84	107.0
Ore Reserves									
	Proved	54.3	3.40	3.59	2.9	65.7	3.37	3.56	3.5
	Probable	163.1	3.43	3.62	9.0	162.6	3.43	3.63	9.0
Total		217.4	3.43	3.62	11.9	228.4	3.41	3.61	12.5

NOTES ON THE MINERAL RESOURCE AND ORE RESERVE DECLARATION

Notes

- Mineral resources are quoted inclusive of ore reserves.
- The ore reserves quoted reflect anticipated grades delivered to mill.
- Day to day operations are monitored using in-house lead collector fire assays with AA finish. The mineral resources and ore reserves in this statement are based largely on Genalysis nickel sulphide collector fire assays with ICP-MS finish. The differences between the methods are incorporated within the modifying factors that have been applied which means that there may be slight distortions in recovery and other parameters.
- Resources have been estimated using floating average and kriging techniques on data derived from surface diamond drill holes. Estimates are based on composite widths that vary depending on cut off grades, which are based on appropriate economic conditions.
- SRK completed a feasibility study on Portal 3 in 2007 but this has not been submitted to the board yet.
- The boundaries of the ore envelope are gradational, particularly in the footwall, so the choice of mining cut is affected by economic factors. The price of the suite of metals that is produced from the MSZ has fluctuated considerably in the last few years. It is still believed that the choice of mining cut is robust under a wide range of pricing conditions.
- Rounding-off of numbers may result in minor computational discrepancies.







COMPETENT PERSONS

The information in this report that relates to Mineral Resources and Ore Reserves of the Exploration and Evaluation Areas is based on information compiled by Andrew du Toit who is a Member of The Australasian Institute of Mining and Metallurgy.

Andrew du Toit is a full time employee of the company.

Andrew du Toit has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he (or she) is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Andrew du Toit consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The information in this report that relates to Mineral Resources and Ore Reserves of the Ngezi Open Pit and Underground Operational Areas (Portals 1 and 2) is based on information compiled by Sydney Simango who is a Member of The Australasian Institute of Mining and Metallurgy.

Sydney Simango is a full time employee of the company.

Sydney Simango has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he (or she) is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Sydney Simango consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

ANNUAL FINANCIAL REPORT

04

ZIMPLATS HOLDINGS LIMITED
ARBN: 083 463 058

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DIRECTORS' REPORT

The directors have pleasure in presenting their report, together with the financial report of Zimplats Holdings Limited (Zimplats) and the consolidated financial report of the group, being Zimplats and its controlled entities, for the year ended 30 June 2009.

PURPOSE OF THE COMPANY

Zimplats' main purpose is the production of platinum group metals from its reserves and resources on the Great Dyke in Zimbabwe. At present, the company's mining activities are operated by Zimbabwe Platinum Mines (Private) Limited, a controlled subsidiary.

REPORTING CURRENCY AND ROUNDING OF AMOUNTS

The financial reports have been prepared in United States dollars (US\$).

Zimplats is a company of a kind referred to in ASIC Class order 98/100 dated 10 July 1998. In accordance with that Class Order, amounts in the financial reports have been rounded off to the nearest thousand dollars, unless otherwise indicated.

CAPITAL

Authorised share capital

The authorised share capital of the company remains unchanged since last year at 500 million ordinary shares of 10 cents each.

Issued share capital

The issued share capital of the company remains unchanged at 107 637 649 shares.

Unissued share capital

In terms of the Articles of Association of the company, unissued shares are under the control of the directors.

EMPOWERMENT

Zimplats supports the Government of Zimbabwe in its endeavours to encourage Zimbabweans to acquire meaningful investments in major companies operating in key sectors of the economy.

In 2006, Zimplats signed a Release of Ground agreement with the Government of Zimbabwe in terms of which 36% of the company's mining claims were released to the Government in return for cash and/or empowerment credits. The formula for determining the empowerment credits due to the company for the claims released is incorporated into the agreement and in addition, there is also a clause which gives recognition to the social investments made by the company.

The Mines and Minerals Amendment Bill, which among other issues sought to provide a legal framework for shareholding by indigenous Zimbabweans in mining concerns has been withdrawn and will be resubmitted to the Zimbabwe Parliament after further consultations with stakeholders.

Zimplats will seek to ensure that the proposed legislation provides for due recognition of the company's existing agreements with government on empowerment credits for the released ground and social investments.

RESULTS FOR THE YEAR

The financial results for the year are set out on pages 58 to 91. The company recorded its first ever loss since operations commenced, due to the fall in metal prices that occurred from mid – 2008.

CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER CERTIFICATION

The Chief Executive Officer and Chief Financial Officer have made the following certification to the board:

- That the group financial reports present a true and fair view, in all material respects, of the financial condition and operational results of the group and are in accordance with relevant accounting standards.
- That the group has adopted an appropriate system of risk management and internal compliance and control which implements the policies adopted by the board and forms the basis of the statement given above.
- That the group's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

DIRECTORS

Composition of the board

The board of Zimplats Holdings Limited has remained unchanged since 1 October 2007 at which date Mr. A Mhembere was appointed as Chief Executive Officer of the group in place of Mr. Sebborn, who remains a director of the company.

Messrs. P Dunne, L J Paton and M A Rossouw resigned from the board of the operating subsidiary during the course of the year. Mr. S Bessit was appointed to the operating subsidiary board on 16 May 2009.

Chairman

- (Non-executive) – Michael John Houston
MSc (Business Strategy)
Appointed as director on 1 April 2004.

Mike Houston has 31 years of mining and executive experience in Zimbabwe. He joined the group in 2001 as Chief Operating Officer of the operating subsidiary, Zimbabwe Platinum Mines (Private) Limited and was appointed Chief Executive Officer of Zimplats Holdings Limited on 1 April 2004, a position from which he retired in December 2004.

Mike was appointed Chairman of the board on 1 January 2005. He is also Chairman of the Remuneration Committee.

Executive directors

- Chief Executive Officer – Alexander Mhembere
ACIS, ACMA, MBA
Appointed as director on 1 October 2007.

Alex Mhembere has over ten years experience in the platinum mining industry, having formerly been the Managing Director of a Zimbabwean PGM producer.

Alex is also the Chief Executive Officer of the operating subsidiary, Zimbabwe Platinum Mines (Private) Limited and a member of the Project Steering Committee

DIRECTORS' REPORT_continued

- **Chief Financial Officer – Patrick Maseva-Shayawabaya**
BAcc (Hons) (UZ), CA (Z)
Appointed as director on 1 April 2004.

Patrick Maseva-Shayawabaya has over 18 years experience in financial management at senior and executive levels. He is currently also Chief Financial Officer of Zimbabwe Platinum Mines (Private) Limited prior to which he was the Financial Director of a multi national sugar growing and processing company in Zimbabwe. He is a member of the Project Steering Committee.

NON-EXECUTIVE DIRECTORS

- **David Hugh Brown**
BCom (UCT), CTA (UCT), CA (SA)
Appointed as director on 30 March 2001.

David Brown is the Chief Executive Officer of Implats, prior to which he was Finance Director. He has experience within the information technology and mining industries, five years of which was gained in Europe.

- **Leslie John Paton**
BSc (Hons) Geology, BCom, Pr.Sci.Nat
Appointed as director on 4 February 2003.

Les Paton is an Executive Director of Implats. He has over 34 years' experience in the mining industry in southern Africa, of which 29 years have been in platinum exploration and mining.

Les is a member of the Remuneration Committee.

- **Muchadeyi Ashton Masunda**
BL (Hons), FCIArb (UK)
Appointed as director on 8 February 2007.

Much Masunda is the Chairman of the Commercial Arbitration Centre in Harare of which he is a founding director. He is also the Chairman of several Zimbabwean companies, among them Lafarge Cement Zimbabwe Limited, Meikles Limited and Old Mutual Life Assurance Company Zimbabwe Limited. He chairs the board of the operating subsidiary, Zimbabwe Platinum Mines (Private) Limited. He was elected ceremonial Mayor of Harare with effect from 1 July 2008.

Much is the Chairman of the Audit Committee.

- **Dr Khotso Mokhele**
BSc (Agriculture), MSc, PhD
Appointed as director on 8 February 2007.

Dr Khotso Mokhele is a non-executive director of Impala Platinum Holdings Limited. He is also non-executive Chairman of Mittal Steel South Africa Limited and Adcock Ingram Holdings limited, as well as a non-executive director of Afrox Limited and Tiger Brands Limited. He was, until his recent retirement, President and Chief Executive Officer of the National Research Foundation (South Africa).

- **Dr Fred Roux**

BSc, MSc, PhD, MBA

Appointed as director on 8 February 2007.

Dr Roux is the non-executive Chairman of Impala Platinum Holdings Limited.

- **Gregory Sebborn**

FCCA, CA (Z)

Appointed as director on 5 April 2001.

Greg Sebborn joined Zimplats in 1998 as Financial Director and in that role established the accounting and administrative framework of the company. He has been intimately involved in all crucial commercial issues since the Company's formation. Greg was appointed Deputy Chief Executive Officer on 1 April 2004 and Chief Executive Officer on 1 January 2005, a position that he held until his resignation on 31 August 2007. Greg remains a director of the company.

- **Robert George Still**

BCom (Wits), BCom (Hons) (UCT), CTA (Wits), CA (SA)

Appointed as director on 28 July 1998.

Rob Still is a founding member of the Board of Directors and was elected Chairman on 30 March 2001, a position he resigned from in December 2004. He has more than 22 years' experience in mining and mining finance and is currently the non-executive Chairman of a South African listed mining group. Rob is a member of the Remuneration Committee.

In terms of the Articles of Association of the company, one third of the directors, excluding the Chief Executive Officer, will retire by rotation each year.

The directors retiring by rotation at the Annual General Meeting are Messrs. M J Houston, P Maseva-Shayawabaya and L J Paton who retire in terms of the Articles of Association. All the retiring directors, being eligible offer themselves for re-election.

MEETINGS OF DIRECTORS

Attendance at board meetings during the year under review, including conference call meetings, is detailed below:

Attendee	Attended	Date of meeting				
		7 Aug 08	13 Nov 08	8 Dec 08	11 Feb 09	5 May 09
M J Houston	5/5	•	•	•	•	•
D H Brown	5/5	•	•	•	•	•
P Maseva-Shayawabaya	5/5	•	•	•	•	•
M A Masunda	5/5	•	•	•	•	•
A Mhembere	5/5	•	•	•	•	•
K Mokhele	4/5	•	•	x	•	•
L J Paton	5/5	•	•	•	•	•
F J P Roux	5/5	•	•	•	•	•
G Sebborn	5/5	•	•	•	•	•
R G Still	5/5	•	•	•	•	•

DIRECTORS' REPORT _continued

DIRECTORS' INTERESTS

There are no shares or share options held by either non-executive or executive directors of Zimplats at the date of release of this report. None of the non-executive or executive directors had any interests in the shares of the company's subsidiaries at any time during the year and up to the release of this report, nor did they have an interest in any significant contract with the group during the year and up to the date of this report. Non-executive directors are paid a cash fee only the aggregate of which is approved by shareholders, and they do not receive any equity based remuneration, bonus payments or retirement benefits.

EMPLOYMENT POLICIES AND REMUNERATION

Zimplats does not discriminate on the basis of race, religion, sex or disability and is committed to providing equal opportunities, safe working conditions and attractive remuneration to staff.

Policies on employment have been developed to suit prevailing conditions and in addition, a comprehensive policy on HIV/AIDS awareness, prevention and control has been introduced.

The company endeavours to attract and retain talented and suitably qualified and experienced staff through performance-based reward systems that operate throughout the organisation, including an incentive scheme that is directly linked to key performance fundamentals for the company. The performance of senior executives and managers was evaluated during the course of the year on the basis of identified key performance areas.

With Implats holding 87% of the issued shares, it is inappropriate that executive directors and senior executives should receive equity based remuneration, and they are therefore incentivised on the basis of criteria relating to the corporate performance and operations of Zimplats.

It is the remuneration policy of the company that executive directors and senior managers receive an annual base salary with superannuation equal to 10% of that base. In addition and subject to the attainment of specific performance targets, an incentive bonus of a maximum of up to six months base salary is also payable. Full use of a company vehicle is provided, as is medical aid cover for the executives and their immediate family. The company may terminate the appointment of executive directors' and senior managers at any time with three months written notice or the payment of three months salary in lieu of notice.

The board has considered carefully the content of Recommendation 8.2 of the ASX Corporate Governance Principles and Recommendations 2nd Edition and has decided that it is in the best interests of Zimplats and its shareholders not to fully adopt this recommendation. The retention of skilled management and staff remains very difficult for Zimplats and it is for this reason that the board is not willing to disclose details of remuneration and associated benefits paid to individuals on the board or executive team. It should be noted that the board believes that the remuneration paid to board members and executives is fair and reasonable given Zimplats' market capitalisation and the remuneration required to be paid to attract and retain key personnel in Zimbabwe.

Zimplats does however make the following disclosures with respect to the remuneration of board members and key personnel.

Fees paid during the year to non-executive directors amounted to \$329 000 and remuneration to executive directors and senior executives (a total of five persons) equated to \$941 000.

CORPORATE GOVERNANCE

Implats holds 87.00% of the company's issued shares. With this level of ownership and control, corporate governance

related activities are conducted in a different manner from the time the company was a fully independent entity. Many of the technical aspects of the business are fully integrated into the activities of the management of Implats, and are thus subject to a far greater degree of involvement by representatives of the major shareholder.

From a corporate perspective, Implats has the right to nominate a majority of directors. It is for this reason that the company does not meet the requirements of Recommendation 2.1 of the ASX Corporate Governance Principles and Recommendations which requires that the majority of directors are independent.

The Board is currently made up as follows:

Chairman	Independent non-executive	1 (M J Houston)
Executive directors	Zimplats nominees	2 (A Mhembere: P Maseva-Shayawabaya)
Non-executive directors	Implats nominees	5 (D H Brown: L J Paton: K Mokhele: F J P Roux: G Sebborn)
Non-executive directors	Independent	2 (M A Masunda: R G Still)
Total		<u>10</u>

Messrs Houston, Masunda and Still are considered to be independent as none of them: is a substantial shareholder in the company: has been employed within the group within the last three years: has a material contractual relationship within the group either directly or indirectly other than as a director.

The board of directors of Zimplats fully supports the highest standards of corporate governance and is committed to the principle of openness, integrity and accountability in dealing with all stakeholders. The board believes that for the full duration of the year under review the company's policies and practices have complied in all material respects with corporate governance best practice, including the ASX Corporate Governance Principles and Recommendations 2nd Edition, except for as otherwise herein stated.

An approval framework is in place that identifies materiality thresholds on matters delegated by the board to board committees and senior executives, and those matters that are reserved to the board.

In performing their duties, board members are entitled to obtain independent professional advice at the expense of the company.

RISK OVERSIGHT AND MANAGEMENT

The company has adopted the Implats Group Policy on Risk Management, which ensures an integrated approach to the management of risk in order that it becomes embedded in all business activities. This enables the sharing of information and best practice across the group.

A risk-based approach is applied as an integral part of strategic and operational planning, including that of projects. Operationally, line managers take full responsibility for the processes and all risks under their control, and it is standard practice for employees to complete pre-work risk assessments before the start of their daily operational tasks. The risk management processes and systems are in line with internationally recognised best practice, and are able to assess all internal and external forms of business risk.

The board is ultimately responsible for risk management and regularly reviews the strategic risks and assesses the effectiveness of management's application of risk management. Risk is a standard agenda item on board and management meetings, with the board and Audit Committee routinely appraised of the inherent risks and state of risk-management controls. The board sub-committees, external specialists and the internal and external audit functions assist the board in this.

From an internal control perspective, all accounting and administrative control systems are designed to provide

DIRECTORS' REPORT_continued

reasonable assurance that the group's accounting records accurately reflect that all transactions are executed and recorded in accordance with sound business practices, that assets are safeguarded and that protection is provided against serious risk of error or loss in a cost-effective manner. A delegated authority approval framework is in place, which enables employees to operate and act within clearly defined and communicated parameters.

Conventional insurance policies sufficient for the size and nature of the company's business provide additional cover and protection.

A description of company's Risk Management Policy will be available on the company's website in 2009.

CODE OF ETHICS

Zimplats is committed to the highest ethical standards in all its dealings with all stakeholders, and to this end has adopted a code of ethics to which all directors, employees and suppliers are expected to adhere. The policy provides clear guidance on business and personal conduct, conflicts of interest, the prevention of the dissemination of company information, the acceptance of donations and gifts, trading in company shares and the protection of the intellectual property and patents of the company. The policy provides a channel through which breaches of the code can be dealt with without fear of victimization, and outlines the disciplinary action (including dismissal or prosecution) that will be taken in the event of any contravention.

In order to further promote ethical behaviour and assure confidentiality, the company subscribes to an independent and anonymous 'whistleblower' programme.

The code will shortly be available on the company's website.

DEALINGS IN SECURITIES

The company observes a closed period from the end of the relevant accounting period to the announcement of the interim or year-end results, as the case may be, during which neither directors nor officers may deal, either directly or indirectly, in the shares of the company or its listed majority shareholder. Outside of any closed periods, prior written approval is required in order to deal in the said shares.

The Securities Trading Policy will be available on the company's website in 2009.

CONTINUOUS DISCLOSURE AND COMMUNICATIONS

As guided by the company's Communication Policy, shareholders, investors, analysts, the media, the market and employees are kept fully and timeously informed of all developments in the company through a variety of means, including:

- Engaging pro-actively and constructively with shareholders, government bodies, labour organizations and non-governmental organizations, including briefings and the hosting of visits to the company's operations.
- The timely and balanced continuous disclosure to the Australian Stock Exchange, with subsequent posting on the company's website, of all material matters concerning the group. The Chief Finance Officer has primary responsibility for ensuring that the company complies with its disclosure obligations in terms of the Listing Rules.
- Having designated authorised spokespersons within the company who are the only employees who may communicate with the media or other external parties in relation to matters subject to the Continuous Disclosure Policy.

The Continuous Disclosure Policy will be available on the company's website in 2009.

BOARD OF DIRECTORS – ZIMPLATS

The board fully recognises its responsibilities for setting the company's strategic direction, providing the leadership to put this into effect, supervising the management of the business and reporting to the shareholders on its stewardship. The board meets, either in person or by conference call, at least four times a year. One third of the board retires by rotation at the Annual General Meeting of the company, and may offer themselves as eligible for re-election.

The structure, size, effectiveness and composition of the board and its committees are monitored and evaluated regularly by board representatives of the major shareholder in consultation with the Chairman, fulfilling the role of a Nomination Committee. This is not in conformity with Recommendation 2.4 of the ASX Corporate Governance Principles and Recommendations which recommends the appointment of a formal Nomination Committee.

In order for the board of directors to discharge its responsibilities with respect to setting strategic direction and providing leadership to give effect to strategic plans, the board has established several committees.

REMUNERATION COMMITTEE

This committee consists of three members, all of whom are non-executive directors of the company and two of whom are considered as independents. The committee assists the board by reviewing and making recommendations in the following areas:

- Establishing performance objectives for executive directors.
- Review of performance and remuneration of executive directors.
- Review remuneration of senior management.
- Making recommendations to assist management to achieve established objectives.

The committee meets four times a year, attendance at which was as follows:

Attendee	Attended	Date of meeting			
		6 Aug 08	13 Nov 08	11 Feb 09	4 May 09
M J Houston - Independent	4/4	•	•	•	•
L J Paton – Implats nominee	4/4	•	•	•	•
R G Still - Independent	2/4	•	x	x	•

AUDIT COMMITTEE

The Audit Committee has been established to assist the board in fulfilling its corporate governance and oversight responsibilities in relation to the company's financial reports and financial reporting process, safeguarding of company assets, the operation of adequate systems and controls, risk management systems (financial and non-financial) and the internal and external audit process to add assurance and credibility to the company's financial reporting process.

The committee operates in accordance with a formal charter, which will be posted on the company's website.

The audit committee assists the board in fulfilling its responsibilities by reviewing and making recommendations on the following:

- The financial reporting process.
- The systems of internal control.
- The processes for the management of business risks.
- The internal and external audit process.
- The company's process for monitoring compliance with relevant laws and regulations.

DIRECTORS' REPORT_continued

The audit committee has the authority to conduct or authorise investigations into any matters within its scope of responsibilities.

The audit committee comprises five members, three of whom are independent non-executive directors and four of whom are directors of Zimbabwe Platinum Mines (Private) Limited. The board appoints committee members and the Chairman of the audit committee from amongst the directors. The Chairman of this committee is an independent non-executive director who is considered to have the appropriate qualifications and expertise to effectively carry out this role. Members are appointed for a three-year term of office. The audit committee meets four times a year with attendance at meetings during the year under review as follows:

Attendee	Attended	Date of meeting			
		6 Aug 08	6 Nov 08	5 Feb 09	29 Apr 09
M A Masunda - Independent	3/4	•	x	•	•
E Chitiga - Independent	4/4	•	•	•	•
D Earp - Implats nominee	4/4	•	•	•	•
D G Engelbrecht - Implats nominee	4/4	•	•	•	•
N P S Zhou - Independent	4/4	•	•	•	•

SHE COMMITTEE

The role of this committee is to monitor and review safety, health and environmental performance and standards. The committee gives support, advice and guidance on the effectiveness of management's efforts on SHE matters.

The SHE Committee consists of four members two of whom are independent and all of whom are non-executive directors of the operating subsidiary, Zimbabwe Platinum Mines (Private) Limited.

The Committee meets four times a year. Attendance at meetings during the year was as follows:

Attendee	Attended	Date of meeting			
		6 Aug 08	6 Nov 08	5 Feb 09	29 Apr 09
L J Paton	3/3	•	•	•	
E Chitiga	4/4	•	•	•	•
P A Dunne	4/4	•	•	•	•
R W Dey	1/1				•
N P S Zhou	4/4	•	•	•	•

PROJECT STEERING COMMITTEE

This committee has been established in order to ensure that all technical and commercial aspects of the planned expansions are subject to a high degree of scrutiny and review, so as to ensure the feasibility of proposed expansions.

This includes ensuring that all aspects of proposed expansions are subject to a full independent third party review.

A senior executive of Implats responsible for project planning and implementation chairs this committee.

Representatives from Zimplats, and also from Implats as required, sit on this committee and review ongoing progress in respect of all matters relating to the proposed expansion.

The committee meets regularly as required by the progress of the various aspects of the project.

INDEMNITY OF OFFICERS

Zimplats' Memorandum and Articles of Association includes indemnities in favour of persons who are or have been officers of the company. To the extent permitted by law, Zimplats indemnifies every person who is or has been an officer against:

- Any liability to any person (other than Zimplats or related entities) incurred while acting in their official capacity and in good faith; and
- Costs and expenses incurred by that person in that capacity in successfully defending legal proceedings and ancillary matters.

For this purpose, "officer" means any director or secretary of Zimplats or any of its controlled subsidiaries, and includes any other person who is concerned, or takes part in management of Zimplats, or is an employee of Zimplats or any controlled subsidiaries thereof.

Zimplats has given similar indemnities by Deed of Indemnity in favour of certain officers in respect of liabilities incurred by them whilst acting as an officer of Zimplats or any subsidiary of Zimplats.

No claims under the abovementioned indemnities have been made against Zimplats during or since the end of the financial year.

INSURANCE FOR OFFICERS

During and since the end of the financial year under review Zimplats has paid premiums in respect of contracts insuring persons who are or have been officers of the company against certain liabilities incurred in that capacity.

For this purpose, "officer" means any director or secretary of Zimplats or any of its controlled subsidiaries, and includes any other person who is concerned, or takes part in the management of Zimplats, or is an employee of Zimplats or any controlled subsidiaries thereof.

Under the abovementioned Deeds of Indemnity, Zimplats has undertaken to the relevant officer that it will insure them against certain liabilities incurred in their capacity as an officer.

AUDITORS

Messrs. PricewaterhouseCoopers have indicated their willingness to continue as the company's auditors. A resolution to authorize their re-appointment will be proposed at the forthcoming Annual General Meeting.

In line with best practise, the auditors to the company are requested to attend the Annual General Meeting in order to be available to answer shareholder questions concerning the conduct of the audit and the preparation and content of the audit report.

ANNUAL GENERAL MEETING

The Annual General Meeting of the company will be held at The Protea Hotel Balalaika, 20 Maude Street, Sandown, Sandton, Johannesburg, South Africa, on Friday 16 October 2009 at 11:00am. Full details are given in the Notice of Meeting on page 101.

By order of the board

DIRECTORS' DECLARATION

IN THE OPINION OF THE DIRECTORS OF ZIMPLATS HOLDINGS LIMITED:

1. the financial statements and notes, set out on pages 58 to 91, have been prepared in accordance with The Companies (Guernsey) Law 2008, including:
 - giving a true and fair view of the financial position of the company and group as at 30 June 2009 and of their performance, as represented by the results of their operations and their cash flows, for the year ended on that date; and
 - complying with International Financial Reporting Standards; and
2. there are reasonable grounds to believe that the company and its subsidiaries will be able to meet any obligations or liabilities to which they are or may become subject.

Signed in accordance with a resolution of the Directors:



A Mhembere

Chief Executive Officer



P Maseva-Shayawabaya

Chief Financial Officer

Harare

Zimbabwe

12 August 2009

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ZIMPLATS HOLDINGS LIMITED

We have audited the consolidated and separate financial statements of Zimplats Holdings Limited and its subsidiaries (the 'group'), as set out on pages 58 to 91, which comprise the statement of financial position as at 30 June 2009, and statement of comprehensive income, statement of changes in equity, and the cash flow statement for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Companies (Guernsey) Law. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the consolidated and separate financial position of Zimplats Holdings Limited as of 30 June 2009, and of its consolidated and separate financial performance, and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies (Guernsey) Law 2008.



PricewaterhouseCoopers Chartered Accountants (Zimbabwe)
Harare
17 August 2009

STATEMENTS OF FINANCIAL POSITION _as at 30 June 2009

		Group		Company	
	Notes	As at Jun-09 US\$ 000	As at Jun-08 US\$ 000	As at Jun-09 US\$ 000	As at Jun-08 US\$ 000
ASSETS					
Non-current assets					
Property, plant and equipment	1	495 081	368 938	6 308	6 319
Investments	2	-	-	72 015	72 015
Available-for-sale-financial assets	2	657	2 620	-	-
Inter-company receivables	3	-	-	64 540	31 592
Other receivables	5	34 130	-	-	-
Total non-current assets		529 868	371 558	142 863	109 926
Current assets					
Inventories	4	48 821	27 612	-	-
Trade and other receivables	5	55 184	121 311	12 678	5 632
Inter-company receivables	3	-	-	3 333	23 022
Cash and cash equivalents	6	16 406	78 041	1 751	21 457
Total current assets		120 411	226 964	17 762	50 111
Total assets		650 279	598 522	160 625	160 037
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital and share premium	7	99 929	99 929	99 929	99 929
Reserves	8	315 238	342 726	58 004	59 397
		415 167	442 655	157 933	159 326
Non-current liabilities					
Deferred taxation	9	42 459	44 714	-	-
Mine rehabilitation provision	10	12 781	6 458	-	-
Interest bearing loans and borrowings	11	95 405	57 171	-	-
Total non-current liabilities		150 645	108 343	-	-
Current liabilities					
Interest bearing loans and borrowings	11	20 265	1 160	-	-
Trade and other payables	12	64 202	46 364	2 692	711
Total current liabilities		84 467	47 524	2 692	711
Total equity and liabilities		650 279	598 522	160 625	160 037



A Mhembere
Chief Executive Officer

12 August 2009



P Maseva - Shayawabaya
Chief Financial Officer

INCOME STATEMENTS _for the year ended 30 June 2009

	Notes	Group		Company	
		Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000	Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000
Revenue	13	120 311	294 257	-	-
Cost of sales	14	(105 433)	(121 812)	-	-
Gross profit		14 878	172 445	-	-
Other net (expenses)/income	15	(7 256)	3 426	(1 302)	1 781
Operating expenses	16	(32 522)	(30 482)	(1 231)	(1 509)
(Loss)/profit from operations		(24 900)	145 389	(2 533)	272
Net finance (expenses)/income		(1 133)	125	1 140	2 019
Interest expense		(1 545)	(3 066)	-	(63)
Interest income		412	3 191	1 140	2 082
(Loss)/profit before taxation		(26 033)	145 514	(1 393)	2 291
Taxation	17	1 009	(21 136)	-	-
Net (loss)/profit for the year		(25 024)	124 378	(1 393)	2 291
Basic (loss)/earnings per share (cents)	21	(23.25)	115.55		

STATEMENTS OF **COMPREHENSIVE INCOME** _as at 30 June 2009

	Group		Company	
	Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000	Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000
(Loss)/profit for the year	(25 024)	124 378	(1 393)	2 291
Other comprehensive income:				
Exchange differences on translating foreign operations	(250)	-	-	-
Available-for-sale-financial assets	(2 567)	483	-	-
Income tax relating to components of other comprehensive income	353	-	-	-
Other comprehensive income, net of tax	(2 464)	483	-	-
Total comprehensive (loss)/income for the year	(27 488)	124 861	(1 393)	2 291

STATEMENTS OF **CHANGES IN EQUITY** _for the year ended 30 June 2009

	Share capital	Share premium	Foreign currency translation reserve	Acquisition equity reserve	Revaluation reserve	Available- for-sale investments reserve	Accumu- lated profit	Total
	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000
GROUP								
Balances at 30 June 2007	10 763	89 166	(17 960)	(10 045)	40 644	-	216 832	329 400
Capital reserve release	-	-	-	-	(5 327)	-	5 327	-
Impairment of Base Metal Refinery	-	-	-	-	(11 606)	-	-	(11 606)
Total comprehensive income for the year	-	-	(250)	-	-	483	124 378	124 861
Balances at 30 June 2008	10 763	89 166	(18 210)	(10 045)	23 711	483	346 537	442 655
Capital reserve release	-	-	-	-	2 315	-	(2 315)	-
Total comprehensive loss for the year	-	-	(250)	-	-	(2 214)	(25 024)	(27 488)
Balances at 30 June 2009	10 763	89 166	(18 460)	(10 045)	26 026	(1 731)	319 198	415 167
COMPANY								
Balances at 30 June 2007	10 763	89 166	-	-	-	-	57 106	157 035
Total comprehensive income for the year	-	-	-	-	-	-	2 291	2 291
Balances at 30 June 2008	10 763	89 166	-	-	-	-	59 397	159 326
Total comprehensive loss for the year	-	-	-	-	-	-	(1 393)	(1 393)
Balances at 30 June 2009	10 763	89 166	-	-	-	-	58 004	157 933

CASH FLOW STATEMENTS

_for the year ended 30 June 2009

		Group		Company	
	Notes	Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000	Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000
Operating activities					
Cash generated from/(used in) operations	19	69 379	131 256	(8 467)	(4 162)
Interest received		412	3 191	1 140	2 082
Exchange (losses)/gains realised	15	(11 080)	1 552	(1 554)	1 552
Interest paid		(1 545)	(3 066)	-	(63)
Income tax and withholding taxation paid		(893)	(7 776)	-	-
Cash in/(out) flows from operating activities		56 273	125 157	(8 881)	(591)
Investing activities					
Proceeds from disposal of assets		151	69	-	-
Acquisition of property, plant and equipment excluding movement in the rehabilitation asset		(140 665)	(179 830)	-	-
Purchase of other financial assets at fair value		(604)	(2 620)	-	-
Cash out flows from investing activities		(141 118)	(182 381)	-	-
Financing activities					
Finance lease liability repayments		(1 159)	(114)	-	-
Increase in long term receivables		(34 130)	-	-	-
Proceeds of interest bearing loans and borrowings		58 499	50 887	19 689	9 302
Loan advanced to subsidiary		-	-	(30 514)	(10 000)
Cash in/(out) flows from financing activities		23 210	50 773	(10 825)	(698)
Decrease in cash and cash equivalents		(61 635)	(6 451)	(19 706)	(1 289)
Movement in cash and cash equivalents					
Cash and cash equivalents at beginning of the year		78 041	84 492	21 457	22 746
Decrease in cash and cash equivalents		(61 635)	(6 451)	(19 706)	(1 289)
Cash and cash equivalents at end of the year 6		16 406	78 041	1 751	21 457

ACCOUNTING POLICIES

for the year ended 30 June 2009

Zimplats Holdings Limited is a company domiciled in Guernsey, Channel Islands. The consolidated financial statements of the group for the year ended 30 June 2009 comprise the company and its subsidiaries (together referred to as the group). The financial statements were authorised for issue by the Directors on 12 August 2009.

A) STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with International Financial Reporting Standards promulgated by the International Accounting Standards Board (IASB) and applicable Guernsey law. International Financial Reporting Standards (IFRSs) include standards and interpretations approved by the IASB as well as International Accounting Standards (IASs) and SIC interpretations issued under previous constitutions.

B) BASIS OF PREPARATION

The financial statements are presented in United States dollars. They are prepared on the historical cost basis with the exception of certain fixed property which is shown at valuation. Financial assets and financial liabilities are shown at fair value through the income statement or the statement of changes in equity. The accounting policies have been consistently applied by the Group and are consistent with those of the previous year, unless otherwise stated.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management and the board to exercise judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are as follows:

Depreciation (refer note 1).

Mine rehabilitation provision (refer note 10).

C) CHANGES IN ACCOUNTING POLICIES

The group has adopted the following accounting standards and interpretations of standards (IFRIC) as at 1 July 2008:

Standards and amendments early adopted:

The following new interpretations of International Financial Reporting Standards have become effective or have been early adopted:

- > IFRIC 17: Distributions of Non-Cash Assets to Owners (effective 1 July 2009). The adoption of IFRIC 17 applies to the accounting for distribution of assets other than cash as dividends to its shareholders. The implementation of this interpretation has no impact on the results of the group.
- > IFRIC 18: Transfers of Assets from Customers (effective 1 July 2009). This Interpretation applies to an entity that receives, from a customer, an item of property, plant and equipment the entity must then use either to connect the customer to a network or to provide the customer with ongoing access to a supply of goods or service. The implementation of this interpretation had no impact on the results of the group.

The following standards and amendments to standards have become effective or have been early adopted:

- > IFRS 3 Business Combinations (effective 1 July 2009). This comprehensive revision in IFRS 3 will have an impact on future acquisitions, for example transaction costs can not be seen as part of the purchase consideration.
- > IFRS 5 (amendment) Non-current assets held-for-sale and discontinued operations (effective 1 July 2009). The amendment clarifies that all of a subsidiary's assets and liabilities are classified as held for sale if a

ACCOUNTING POLICIES for the year ended 30 June 2009

partial disposal sale plan results in loss of control. The amendment has no material impact on the results of the group.

- > IFRS 7 (amendment) Financial Instruments: Disclosure (effective 1 January 2009). This amendment improves the disclosure requirements relating to fair value measurements and reinforces existing principles regarding disclosures of liquidity risk associated with financial instruments.
- > IAS 1 (amendment) Presentation of Financial Statements (effective 1 January 2009). This amendment has no impact on the results of the group.
- > IAS 16 (amendment) Property, Plant and Equipment (effective 1 January 2009). This amendment has no impact on the results of the group.
- > IAS 19 (amendment) Employee Benefits (effective 1 January 2009). This amendment has no impact on the results of the group.
- > IAS 20 (amendment) Accounting for Government Grants and Disclosure of Government Assistance (effective 1 January 2009). This amendment has no impact on the results of the group.
- > IAS 23 (amendment) Borrowing costs (effective 1 January 2009). Interest expense is now calculated using the effective interest method defined in IAS 39 'Financial Instruments: Recognition and Measurement'. This amendment has no impact on the results of the group.
- > IAS 32 (amendment) Financial Instruments: Presentation. This amendment has no impact on the results of the group.
- > IAS 27 (amendment) Consolidated and Separate Financial Statements (effective 1 July 2009). The amendment to IAS 27 may not be adopted without also adopting IFRS 3 (effective 1 July 2009). The amendment has no material impact on the results of the group.
- > IAS 28 (amendment) Investments in associates (effective 1 January 2009 and 1 July 2009). The amendment to IAS 28 is consequential from amendments to IFRS 3. This amendment has no impact on the results of the group.
- > IAS 29 (amendment) financial reporting in hyperinflationary economies (effective 1 January 2009). This amendment has no impact on the results of the group.
- > IAS 31 (amendments) Interests in joint ventures (effective 1 January 2009 and 1 July 2009). The amendment to IAS 31 is consequential from amendments to IFRS 3. This amendment has no impact on the results of the group.
- > IAS 36 (amendment) Impairment of assets (effective 1 January 2009). This amendment has no impact on the results of the group.
- > IAS 38 (amendment) Intangible assets (effective 1 January 2009). This amendment has no impact on the results of the group.
- > IAS 39 (amendments) financial instruments: Recognition and measurement (effective latest 1 July 2009). The amendments mainly clarify the principles relating to hedged risk portions of the cash flow and the accounting treatment of embedded derivatives for entities which made use of the reclassification amendment. These amendments have no impact on the results of the group.
- > IAS 40 (amendment) Investment property (effective 1 January 2009). This amendment has no impact on the results of the group.
- > IAS 1 and IAS 32 were early adopted in prior years.

D) BASIS OF CONSOLIDATION

The consolidated financial statements include those of Zimplats Holdings Limited, its subsidiaries and special purpose entities.

Subsidiaries

Subsidiary undertakings are those companies (including special purpose entities) in which the group, directly or indirectly, has an interest of more than one half of the voting rights or otherwise has the power to exercise control over the operations. Subsidiaries are consolidated from the date on which effective control is transferred to the group and are no longer consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest.

The excess of the cost of acquisition over the fair value of the group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement (see Note G).

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Subsidiary undertakings are accounted for at cost in the company.

E) FOREIGN CURRENCY TRANSLATION

i) Functional and presentation currency

Items included in the financial statements of each entity in the group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity. The consolidated financial statements are presented in United States dollars, which is the functional and presentation currency of Zimplats Holdings Limited.

ii) Group companies

Income statements of foreign subsidiaries, associates and joint ventures are translated into United States dollars at average exchange rates for the year and the assets and liabilities are translated at rates ruling at the balance sheet date. The exchange differences arising on translation of assets and liabilities of foreign subsidiaries and associates are transferred directly to other reserves. On disposal of the foreign entity such translation differences are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

iii) Transactions and balances

Foreign currency transactions are accounted for at the rates of exchange ruling at the date of the transaction. Monetary assets and liabilities are translated at year-end exchange rates. Gains and losses arising on settlement of such transactions and from the translation of foreign currency monetary assets and liabilities are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges or qualifying net investment hedges.

ACCOUNTING POLICIES for the year ended 30 June 2009

Translation differences on non-monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

F) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment assets are recorded at cost less accumulated amortisation and less any accumulated impairment losses. Pre-production expenditure, including evaluation costs, incurred to establish or expand productive capacity, to support and maintain that productive capacity incurred on mines is capitalised to property, plant and equipment. The recognition of costs in the carrying amount of an asset ceases when the item is in the location and condition necessary to operate as intended by management. Any net income earned while the item is not yet capable of operating as intended reduces the capitalised amount. Interest on borrowings, specifically to finance the establishment of mining assets, is capitalised during the construction phase.

The cost model is applied to value changes in the existing environmental rehabilitation obligation resulting from changes in the estimated timing or amount of the outflow of economic benefits or changes in the discount rate which is capitalised to the cost of the related asset during the current period. Any decrease in the cost of the asset is limited to its carrying amount and an increase to the cost of an asset is tested for impairment when there is an indication of improvement. These assets are depreciated over its useful life.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be reliably measured. All other repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Assets are not depreciated while the residual value equals or exceeds the carrying value of the asset. Amortisation is calculated on net of cost less residual value. Amortisation methods and amortisation rates are applied consistently within each asset class except where significant individual assets have been identified which have different amortisation patterns. Residual values are reviewed at least annually. Amortisation is not adjusted retrospectively for changes in the residual amount.

Original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is classified as research and written off immediately. The application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, devices, products, processes, systems or services before the start of commercial production or use is classified as development and capitalised if the technical feasibility of the project has been determined.

Other assets consist of furniture and fittings, information technology equipment, software development and vehicles.

i) Shafts, mining development and infrastructure

Individual mining assets are amortised using the units-of-production method based on their respective estimated economically recoverable proved and probable mineral reserves, limited to the life of mine.

ii) Metallurgical and refining assets

Metallurgical and refining assets are amortised using the units of production method based on the expected estimated economically recoverable proved and probable mineral reserves to be concentrated or refined by that asset.

iii) Land and buildings and infrastructure (Incl housing and mineral rights)

Land is not depreciated. Buildings, mineral rights and houses are depreciated over life of mine using units of production method and the economically recoverable proved and probable mineral reserves.

iv) Other assets

These assets are depreciated using the straight line method over the useful life of the asset as follows:

Asset Type	Estimated Useful Life
- Furniture fittings and office equipment	5 years
- Information technology	3 years
- Vehicles	5 & 10 years
- Other assets	5 years

v) Mining exploration

Expenditure on mining exploration in new areas of interest is charged against income as incurred. Costs related to property acquisitions, surface and mineral rights are capitalised to mining assets and are recorded at cost less accumulated amortisation and less any accumulated impairment losses.

vi) Development expenditure

Development expenditure incurred prior to the commencement of commercial levels of production including borrowing costs, is carried forward to the extent to which recoupment out of revenue, following the commissioning of the mine, is reasonably assured. No amortisation is provided in respect of development properties until they are commissioned. Thereafter, such amounts are amortised in accordance with the policy stated under "Mining assets".

vii) Care and maintenance

Projects transferred to care and maintenance are carried forward to the extent to which recoupment out of revenue following the return to production or sale of the mine is reasonably assured. Amortisation is provided in respect of properties in accordance with the policy stated under "Mining assets".

G) INTANGIBLE ASSETS

i) Goodwill

Goodwill arising on an acquisition represents the excess of the cost of the acquisition over the fair value of the net identifiable assets acquired. Goodwill is stated at cost less impairment losses (see note I). In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment in the associate. Any amounts arising from further acquisitions after control is already obtained representing the excess of the cost of acquisition over the fair value of the net identifiable assets acquired, is debited directly to equity.

ii) Excess of acquirer's interest

Excess of acquirer's interest arising on an acquisition represents the excess of the fair value of the net identifiable assets acquired over the cost of acquisition. Any excess of acquirer's interest is taken to the income statement on recognition.

ACCOUNTING POLICIES for the year ended 30 June 2009

H) INVENTORIES

i) Consumable inventories

Consumable inventories are stated at the lower of cost (on a weighted average basis) and net realisable value. The cost of consumable inventories includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

ii) Ore, concentrate and matte inventories

Platinum and palladium are considered as the main products and other platinum group and base metals produced are by-products. Ore, concentrate and matte inventories are valued at the lower of average cost of production and estimated net realisable value. The average cost of production is taken as the total costs incurred on mining, transportation of ore and processing of concentrate and matte. Net realisable value is based on the lower of cost of production and fair value less cost to complete and sell.

I) IMPAIRMENT

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets are considered to be impaired when the higher of the asset's fair value, less cost to sell, and its fair value in use is less than the carrying amount.

The recoverability of the long-lived assets is reviewed by management on a regular basis, based on estimates of future discounted cash flows. These estimates are subject to risks and uncertainties including future metal prices and exchange rates. It is therefore possible that changes could occur which may affect the recoverability of the mining assets. The recoverable amounts of the non-mining assets are determined by reference to market values. Where the recoverable amount is less than the carrying value, the impairment is charged against income to reduce the carrying value to the recoverable amount of the asset. The revised carrying amounts are amortised over the remaining lives of such affected assets. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment previously recognised will be reversed when changes in circumstances that have an impact on estimates occurred after the impairment was recognised. The reversal of an impairment will be limited to the lower of the newly calculated recoverable amount or the book value that would have existed if the impairment was not recognised. The reversal of an impairment is recognised in the income statement.

J) EMPLOYEE BENEFITS

i) Defined contribution retirement plans

The group participates in defined contribution retirement plans for certain of its employees. The pension plans are funded by payments from the employees and by the relevant group companies and contributions to these are expensed as incurred. The assets of the funds are held by independently managed funds and are governed by Zimbabwe law. The deemed benefit plans are multi employer plans, where sufficient information is not available to account for them as defined benefit plans, and they are in substance accounted for as defined contribution plans. Defined benefit plans are subject to actuarial valuations at intervals of no more than three years.

ii) Long term service benefits

The group net obligation in respect of long term service leave is the present value of expected payments to be made in respect of services provided by employees up to the reporting date.

iii) Cash-settled share-based payments

Selected executives and employees are allocated notional shares that confer the conditional right on a participant to be paid a cash bonus equal to the appreciation in the share price from the date of allocation to the date of surrender of the notional share.

iv) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than twelve months after balance sheet date are discounted to present value.

v) Bonus plans

The group recognises a liability and an expense for bonuses based on a formula that takes into consideration production and safety performance. The group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

K) PROVISIONS

A provision is recognised in the balance sheet when the group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Provisions are not recognised for future operating losses.

L) ENVIRONMENTAL REHABILITATION OBLIGATIONS

In accordance with the group environmental policy and applicable legal requirements, a provision for environmental rehabilitation is recognised when the land is disturbed as a result of mining activities.

i) Rehabilitation costs

The net present value of future rehabilitation cost estimates as at year end are recognised and provided for in full in the financial statements. The estimates are reviewed annually to take into account the effects of inflation and changes in the estimates. Discount rates that reflect the time value of money are utilised in calculating the present value. A change in the measurement of the liability, apart from unwinding the discount, is recognised in the income statement as a finance cost and is capitalised to the rehabilitation asset.

ii) Ongoing rehabilitation costs

The cost of the ongoing current programme to prevent and control pollution is charged against income as incurred.

ACCOUNTING POLICIES__for the year ended 30 June 2009

M) REVENUE AND EXPENSES

Revenue comprises the fair value of the consideration received or receivable, in respect of the sale of metals produced and received by the group. Revenue is shown, net of taxes and discounts, and it is recognised when the risks and rewards of ownership are transferred.

i) Sale of matte

Sales are recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer. Sales are determined as the gross invoiced price of the product.

ii) Government assistance

Government assistance is accounted for by applying the income approach and recognised through profit and loss on an accrual basis in as far as the conditions attached to such assistance have been or are expected to be met.

iii) Interest and dividend income

Interest income is recognised on a time-proportion basis using the effective interest method. Interest income on impaired loans is recognised as cash is collected or on a cost recovery basis as conditions warrant. Dividend income is recognised when the shareholders' right to receive payment is established.

iv) Net financing costs

Net financing costs comprise interest payable on borrowings, interest receivable on funds invested and dividend income. All interest and other costs incurred in connection with borrowings are expensed when incurred as part of net financing costs.

N) INCOME TAX

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes, the initial recognition of assets and liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefits will be realised.

O) FINANCIAL INSTRUMENTS

The Group's financial instruments consist primarily of cash and cash equivalents, trade and other receivables, borrowings and trade and other payables. The group does not hold or issue derivative financial instruments for trading purposes.

Financial instruments are recognised initially at cost. Subsequent to initial recognition these instruments are measured as set out below.

i) Trade and other receivables

Trade and other receivables are held at cost less impairment losses.

ii) Cash and cash equivalents

Cash and cash equivalents comprises bank and cash balances and call deposits. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts. The carrying amounts of cash and cash equivalents approximates their fair value.

iii) Borrowings

Long-term borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

iv) Trade and other payables

Accounts payable are stated at cost adjusted for payments made to reflect the value of the anticipated economic outflow of resources.

v) Financial assets

Financial assets are recognised when the group has rights or other access to economic benefits. Such assets consist of cash, equity instruments, a contractual right to receive cash or another financial asset, or a contractual right to exchange financial instruments with another entity on potentially favourable terms.

vi) Derivative financial instruments

The group does not use derivative financial instruments to manage its exposure to foreign exchange risk.

ACCOUNTING POLICIES for the year ended 30 June 2009

P) INVESTMENTS

The group classifies its investments in the following categories: financial assets held for trading at fair value through profit and loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification is dependent on the purpose for which the investments were acquired. Management determines the classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis. Purchases and sales of investments are recognised on the trade date - the date on which the group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs. Investments are derecognised when the rights to receive cash flows from the investment have expired or have been transferred and the group has transferred substantially all risks of rewards and ownership.

i) Financial assets held for trading at fair value through profit and loss

Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in price are classified as financial assets held for trading at fair value through profit and loss and are included in current assets.

ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the group provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except for those with maturities greater than twelve months after the balance sheet date. These are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheet. Loans and receivables are subsequently carried at amortised cost using the effective interest method less any accumulated impairment loss.

iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the group's management has the positive intention and ability to hold to maturity, and are included in non-current assets, except for those with maturities within 12 months from the balance sheet date which are classified as current assets. Held to maturity investments are subsequently carried at amortised cost using the effective interest method less any accumulated impairment loss.

iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Available-for-sale financial assets are subsequently carried at fair value. Unrealised gains and losses arising from changes in the fair value of non-monetary securities classified as available-for-sale are recognised in equity. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

The fair values of listed investments are based on current closing market prices. If the market for a financial asset is not active (and for unlisted securities), the group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

The group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are reversed through the income statement.

Q) LEASES

Leases where the lessee assumes substantially all of the benefits and risks of ownership are classified as finance leases. Finance leases are capitalised at the lower of the estimated present value of the underlying lease payments and the fair value of the asset. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term and short-term payables respectively. The interest element is expensed to the income statement, as a finance charge, over the lease period.

The property, plant and equipment acquired under finance leasing contracts is amortised in terms of the group accounting policy limited to the lease contract term.

Leases of assets under which substantially all the benefits and risks of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement in the period in which they occur. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

R) RISK MANAGEMENT

i) Credit risk

Financial assets which potentially subject the group to concentrations of credit risk, consist principally of cash equivalents and trade receivables. The group's cash equivalents are placed with high credit quality institutions. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

ii) Market risk

The principal amounts of monetary financial assets and liabilities are fixed and not subject to market related value adjustments.

iii) Currency risk

The group is exposed to foreign currency risk in entering contracts of supply in currencies other than the United States dollar. The group does not use forward exchange contracts to hedge its foreign currency risk.

S) SEGMENT REPORTING

The group operates within the mining industry. The activities of the group are entirely related to the development and mining of platinum group metals in Zimbabwe. The risks and rewards associated with the individual operations are not sufficiently dissimilar to warrant identification of separate geographical segments.

ACCOUNTING POLICIES__for the year ended 30 June 2009

T) SHARE CAPITAL

Ordinary shares are classified as equity.

U) DIVIDEND DISTRIBUTION

Dividend distribution to the company's shareholders is recognised as a liability in the group's financial statements in the period in which the dividends are approved by the board of directors.

V) CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The more significant areas requiring the use of management estimates and assumptions relate to mineral reserves that are the basis of future cash flow estimates and unit-of-production depreciation, depletion and amortisation calculations, environmental, reclamation and closure obligations, estimates of recoverable metals, asset impairments (including impairments of goodwill), write-downs of inventory to net realisable value, the fair value and accounting treatment of financial instruments and deferred taxation.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

i) Carrying value of property plant and equipment

Various units-of-production (UOP) depreciation methodologies are available to management e.g. centares mined, tonnes mined, tonnes milled or ounces produced. Management elected to depreciate all mining and processing assets using the centares mined methodology.

For mobile and other equipment, the straight-line method is applied over the estimated useful life of the asset which does not exceed the estimated mine life based on proved and probable mineral reserves as the useful lives of these assets are considered to be limited to the life of the relevant mine.

The calculation of the UOP rate of amortisation could be impacted to the extent that actual production in the future is different from current forecast production based on proved and probable mineral reserves. This would generally result from changes in any of the factors or assumptions used in estimating mineral reserves. Changes in mineral reserves could similarly impact the useful lives of assets depreciated on a straight-line basis, where those lives are limited to the life of the mine.

The recoverable amounts of cash generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. The group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable.

Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the recoverable amount of goodwill and tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including published reserves, resources, exploration potential and production estimates, together with economic factors such as spot and future metal prices, discount rates, foreign currency exchange rates, estimates of costs to produce reserves and future capital expenditure.

ii) Production start date

The group assesses the stage of each mine construction project to determine when a mine moves into the production stage. The criteria used to assess the start date are determined based on the unique nature of each mine construction project, such as the complexity of a plant and its location. The group considers various relevant criteria to assess when the mine is substantially complete, ready for its intended use and moves into the production stage.

Some of the criteria would include, but are not limited to the following:

- the level of capital expenditure compared to the construction cost estimates;
- completion of a reasonable period of testing of the mine plant and equipment;
- ability to produce metal in saleable form (within specifications); and
- ability to sustain ongoing production of metal.

iii) Income taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due.

Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

iv) Metal in process and product inventories

Costs that are incurred in or benefit the production process are accumulated as stockpiles, metal in process and product inventories. Net realisable value tests are performed at least annually and represent the estimated future sales price of the product based on prevailing metal prices, less estimated costs to complete production and bring the product to sale.

Although the quantities of recoverable metal are reconciled by comparing the grades of ore to the quantities of metal actually recovered (metallurgical balancing), the nature of the process inherently limits the ability to precisely monitor recoverability levels. As a result, the metallurgical balancing process is constantly monitored and the engineering estimates are refined based on actual results over time.

v) Environmental rehabilitation provisions

The group's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The group recognises management's best estimate for asset retirement obligations in the period in which they are incurred. Actual costs incurred in future periods can differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates can affect the carrying amount of this provision.

Estimated long-term environmental provisions, comprising pollution control, rehabilitation and mine closure, are based on the group's environmental policy taking into account current technological, environmental and regulatory requirements. Provisions for future rehabilitation costs have been determined, based on calculations which require the use of estimates.

ACCOUNTING POLICIES__for the year ended 30 June 2009

vi) Mineral reserves

The estimation of reserves impact the amortisation of property, plant and equipment, the recoverable amount of property, plant and equipment, the timing of rehabilitation expenditure and purchase price allocation.

Factors impacting the determination of proved and probable reserves are:

- the grade of mineral reserves may vary significantly from time to time (i.e. differences between actual grades mined and resource model grades);
- differences between actual commodity prices and commodity price assumptions;
- unforeseen operational issues at mine sites;
- changes in capital, operating, mining, processing and reclamation costs, discount rates and foreign exchange rates.

vii) Contingencies

The group has contingent liabilities in respect of legal claims arising in the ordinary course of business.



NOTES TO THE FINANCIAL STATEMENTS _for the year ended 30 June 2009

1A PROPERTY, PLANT AND EQUIPMENT

	Land, buildings and mining claims	Mining assets	Metallurgical assets	Vehicles	Information technology, services and environmental assets	Assets under construction	Total
GROUP	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000
Cost/valuation							
Opening balances at 1 July 2008	51 212	46 110	71 885	63 127	49 702	170 242	452 278
Additions	2 248	47 733	1 344	11 354	21 958	64 917	149 554
Disposals	(250)	-	-	(627)	-	-	(877)
Balances at 30 June 2009	53 210	93 843	73 229	73 854	71 660	235 159	600 955
Accumulated depreciation							
Opening balances at 1 July 2008	1 851	25 258	21 652	22 888	11 691	-	83 340
Depreciation charge	513	7 895	1 441	12 211	893	-	22 953
Disposals	-	-	-	(419)	-	-	(419)
Balances at 30 June 2009	2 364	33 153	23 093	34 680	12 584	-	105 874
Carrying amount 2009	50 846	60 690	50 136	39 174	59 076	235 159	495 081
Carrying amount 2008	49 361	20 852	50 233	40 239	38 011	170 242	368 938

Assets under construction consists mainly of capital expenditure on the Ngezi Phase 1 expansion project.

	Mining claims	Information technology and services	Vehicles	Total
COMPANY	US\$ 000	US\$ 000	US\$ 000	US\$ 000
Cost				
Opening balances at 1 July 2008	6 261	23	138	6 422
Balances at 30 June 2009	6 261	23	138	6 422
Accumulated depreciation				
Opening balances at 1 July 2008	-	17	86	103
Depreciation charge	-	1	10	11
Balances at 30 June 2009	-	18	96	114
Carrying amount 2009	6 261	5	42	6 308
Carrying amount 2008	6 261	6	52	6 319

The last independent valuation of the mining claims was completed in June 2004. The valuation is significantly higher than the values disclosed, and the directors are of the opinion that no adjustments are required in these financial statements.

On 31 May 2006, the Group entered into an agreement with the Government of Zimbabwe relating to the release of mining claims comprising 36% of Zimplats' resource base, with a market value of \$153 million, in exchange for empowerment credits amounting to \$102 million and a future payment of \$51 million in cash or an equity stake in a joint venture. The carrying value of the mining claims transferred was written-off in the income statement.

1B PROPERTY, PLANT AND EQUIPMENT

	Land, buildings and mining claims	Mining assets	Metallurgical assets	Vehicles	Information technology, services and environmental assets	Assets under construction	Total
GROUP	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000
Cost/valuation							
Opening balances at 1 July 2007	40 190	45 544	82 255	34 864	48 847	34 109	285 809
Additions	11 022	566	3 629	28 638	856	136 133	180 844
Disposals	-	-	(2 393)	(375)	(1)	-	(2 769)
Impairment of Base Metal Refinery	-	-	(11 606)	-	-	-	(11 606)
Balances at 30 June 2008	51 212	46 110	71 885	63 127	49 702	170 242	452 278
Accumulated depreciation							
Opening balances at 1 July 2007	1 489	13 160	17 445	16 038	9 054	-	57 186
Depreciation charge	362	12 098	6 600	7 039	2 638	-	28 737
Disposals	-	-	(2 393)	(189)	(1)	-	(2 583)
Balances at 30 June 2008	1 851	25 258	21 652	22 888	11 691	-	83 340
Carrying amount 2008	49 361	20 852	50 233	40 239	38 011	170 242	368 938
Carrying amount 2007	38 701	32 384	64 810	18 826	39 793	34 109	228 623

Assets under construction consists mainly of capital expenditure on the Ngezi Phase 1 expansion project.

Impairment of Base Metal Refinery - refer Note 8b.

	Mining claims	Information technology and services	Vehicles	Total
COMPANY	US\$ 000	US\$ 000	US\$ 000	US\$ 000
Cost				
Opening balances at 1 July 2007	6 261	23	198	6 482
Disposals	-	-	(60)	(60)
Balances at 30 June 2008	6 261	23	138	6 422
Accumulated depreciation				
Opening balances at 1 July 2007	-	15	110	125
Depreciation charge	-	2	13	15
Disposals	-	-	(37)	(37)
Balances at 30 June 2008	-	17	86	103
Carrying amount 2008	6 261	6	52	6 319
Carrying amount 2007	6 261	8	88	6 357

NOTES TO THE FINANCIAL STATEMENTS _for the year ended 30 June 2009

	Group		Company	
	Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000	Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000
2 INVESTMENTS				
Investment in the Ngezi/SMC Project	-	-	25 730	25 730
Investment in Mhondoro Holdings Limited (UK)	-	-	2 666	2 666
Investment in Zimbabwe Platinum Mines (Private) Limited	-	-	43 619	43 619
Available-for sale-financial assets				
Investments in listed shares				
Ordinary shares at fair value	a) 657	2 620	-	-
	<u>657</u>	<u>2 620</u>	<u>72 015</u>	<u>72 015</u>

- a) Changes in fair value of \$2 213 717 are recorded in the equity statement. The fair value of equity securities is based on their market price in an active market at the balance sheet date. None of the financial assets is either past due or impaired, nor were there any disposals in 2009 or 2008.

3 INTER-COMPANY RECEIVABLES

Non-current

a)	-	-	34 026	31 592
b)	-	-	30 514	-
	<u>-</u>	<u>-</u>	<u>64 540</u>	<u>31 592</u>

Current

b)	-	-	3 333	23 022
	<u>-</u>	<u>-</u>	<u>67 873</u>	<u>54 614</u>

Loans due from subsidiaries (refer note 23.2)

- a) These loans are unsecured, interest free and have no fixed terms of repayment.
- b) Loans, denominated in US\$, amounting to \$10 000 000 (# 1) and \$30 000 000 (# 2) have been extended to Zimbabwe Platinum Mines (Private) Limited as part finance towards the Ngezi Phase 1 expansion project. Loan # 1 is repayable in twelve equal instalments commencing in June 2008 with the final payment in September 2009, and is subject to interest at LIBOR plus 1% per annum.
Loan # 2 is subject to interest at LIBOR and the loan is repayable in twelve equal instalments commencing in January 2011 with the final payment due in December 2011.
Both loans are subordinated in favour of Standard Bank of South Africa with whom the operating subsidiary has loan facilities (refer note 11).

4 INVENTORIES

Ore, concentrate and matte stocks	28 587	14 930	-	-
Consumables	20 234	12 682	-	-
	<u>48 821</u>	<u>27 612</u>	<u>-</u>	<u>-</u>

	Group		Company	
	Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000	Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000
5 TRADE AND OTHER RECEIVABLES				
Non-current				
Other receivables a)	34 130	-	-	-
Current				
Trade receivables due from related parties (refer note 23)	20 819	96 032	-	-
Other receivables	31 303	24 607	12 678	5 632
Zimbabwe Revenue Authority	3 062	672	-	-
	<u>55 184</u>	<u>121 311</u>	<u>12 678</u>	<u>5 632</u>

- a) Prior to the "dollarisation" of the Zimbabwe economy in February 2009, the operating subsidiary, Zimbabwe Platinum Mines (Private) Limited brought funds into the country to fund Zimbabwe dollar expenses, ahead of time. The funds were placed with the Reserve Bank of Zimbabwe until such time that they were required and drawings were then made in Zimbabwe dollars. In February 2009, the Zimbabwe dollar ceased to be a functional currency and at that time the outstanding balance of funds placed with the Reserve Bank of Zimbabwe amounted to \$34 130 000 (2008: \$45 700 000). The Reserve Bank of Zimbabwe has acknowledged the indebtedness and recommended to the Government of Zimbabwe that it assumes the debt. The assumption of the debt and the terms thereof have not yet been agreed with the Government of Zimbabwe.

6 CASH AND CASH EQUIVALENTS

Bank balances	16 406	59 986	1 751	3 402
Call deposits	-	18 055	-	18 055
	<u>16 406</u>	<u>78 041</u>	<u>1 751</u>	<u>21 457</u>
The exposure by country is as follows:				
South Africa	704	-	-	-
Europe	15 702	32 341	1 751	21 457
Zimbabwe	-	45 700	-	-
	<u>16 406</u>	<u>78 041</u>	<u>1 751</u>	<u>21 457</u>

7 SHARE CAPITAL AND SHARE PREMIUM

a) Authorised				
500 000 000 ordinary shares of 10 cents each	<u>50 000</u>	<u>50 000</u>	<u>50 000</u>	<u>50 000</u>
b) Issued and fully paid				
107 637 649 (2008: 107 637 649) ordinary shares of 10 cents each	10 763	10 763	10 763	10 763
c) Share premium	<u>89 166</u>	<u>89 166</u>	<u>89 166</u>	<u>89 166</u>
At the end of the year	<u>99 929</u>	<u>99 929</u>	<u>99 929</u>	<u>99 929</u>

86 594 482 shares were issued at a premium of 52 cents per share on 27/28 July 1998, giving rise to a share premium of \$45 029 131. On 28 July 1998, a bonus issue of 1 767 236 shares was effected utilising \$176 724 of the share premium reserve. The premium on shares issued to 30 June 2003, in terms of the employee share option scheme, was \$228 565. The premium on employee share options sold as a result of the Impala offer was \$2 062 991. On 18 March 2005, a further 14 873 160 shares were issued to Impala at a premium of \$2.83 per share resulting in a share premium of \$42 022 254.

- d) The unissued shares are under the control of the directors. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

NOTES TO THE FINANCIAL STATEMENTS _for the year ended 30 June 2009

		Group		Company	
		Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000	Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000
8 RESERVES					
Foreign currency translation reserve	a)	(18 210)	(17 960)	-	-
Asset revaluation reserve	b)	26 026	23 711	-	-
Acquisition equity reserve	c)	(10 045)	(10 045)	-	-
Available-for-sale investments reserve	d)	(1 731)	483	-	-
Retained earnings	e)	319 198	346 537	58 004	59 397
		<u>315 238</u>	<u>342 726</u>	<u>58 004</u>	<u>59 397</u>

a) This comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations that are not integral to the operations of the group.

b) This reserve arises from the revaluation of property, plant and equipment. In 2008 the Base Metal Refinery, part of the Selous Metallurgical Complex surface plant, was impaired to a recoverable value of nil with the net book value of \$11 605 509 being written off against the original revaluation reserve. Management has assessed that the asset technology in the plant is obsolete.

c) On 5 November 2004, shareholders approved the acquisition of Implats Platinum Holding Limited's 30% interest in Zimbabwe Platinum Mines (Private) Limited (formerly Makwiro Platinum Mines (Private) Limited) in exchange for 14 873 160 shares in Zimplats Holdings Limited at an issue price of AU\$3.75 each. The effective premium on the share purchase was \$10 044 750.

d) This reserve arises from the fair value adjustment of financial assets held.

e) Represents accumulated profits to 30 June 2009.

9 DEFERRED TAXATION

Recognised deferred tax assets and liabilities are attributable to the following items:

Property, plant and equipment	41 676	43 931	-	-
Prepayments	783	783	-	-
	<u>42 459</u>	<u>44 714</u>	<u>-</u>	<u>-</u>

The movement on the deferred taxation account is as follows:

		Group			
		Opening Balance US\$ 000	Recognised in income statement US\$ 000	Recognised in equity US\$ 000	Closing Balance US\$ 000
Property, plant and equipment		43 931	(1 902)	(353)	41 676
Prepayments		783	-	-	783
		<u>44 714</u>	<u>(1 902)</u>	<u>(353)</u>	<u>42 459</u>

	Group		Company	
	Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000	Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000
10 MINE REHABILITATION PROVISION				
Rehabilitation obligation:				
At the beginning of the year	6 458	12 366	-	-
Current year provision	8 951	438	-	-
Charge to the income statement	672	618	-	-
	16 081	13 422	-	-
Less: utilised during the year	(3 300)	(6 964)	-	-
At the end of the year	12 781	6 458	-	-

The present value of the future rehabilitation obligation was calculated by inflating the current rehabilitation cost over 5 to 36 years for mining operations.

11 INTEREST BEARING LOANS AND BORROWINGS

Non-current

Standard Bank of South Africa	a)	90 439	50 887	-	-
Finance lease liability	b)	4 966	6 284	-	-
		95 405	57 171	-	-

Current

Standard Bank of South Africa	a)	18 947	-	-	-
Finance lease liability	b)	1 318	1 160	-	-
		20 265	1 160	-	-
Total borrowings		115 670	58 331	-	-

a) Zimbabwe Platinum Mines (Private) Limited has secured two loan facilities from the Standard Bank of South Africa Limited to finance the completion of the Ngezi Phase 1 Expansion Project. Loan # 1 is denominated in US\$ for \$80 million and bears interest at LIBOR plus 700 basis points. The loan is repayable in twelve equal quarterly instalments commencing in December 2009 and will be fully repaid by December 2012.

Loan # 2 is denominated in ZAR for ZAR300 million and bears interest at JIBAR plus 700 basis points. This loan is repayable in ten equal half yearly instalments commencing in December 2010 and will be fully repaid by April 2014. Subsequent to year end this loan facility was increased by ZAR200 million to ZAR500 million on the same terms and conditions.

Both loans are secured by cessions over cash, debtors and revenues. Impala Platinum Holdings Limited has provided political and commercial guarantees in favour of the Standard Bank of South Africa for both loan facilities.

b) This liability is secured by a finance lease agreement in respect of ore haulage vehicles. The effective interest rate is 12% per annum. Annual instalments of \$2 064 183 commenced on 1 November 2007 with the final payment on 30 June 2013. Contingent rent is payable based on the standby rate per hour per truck.

Reconciliation between total minimum lease payments and their present value

	Up to 1 Year US\$ 000	1 to 5 Years US\$ 000	Total US\$ 000
At 30 June 2009			
Amount at balance sheet date	2 082	6 217	8 299
Finance cost	(764)	(1 251)	(2 015)
Present value	1 318	4 966	6 284
At 30 June 2008			
Amount at balance sheet date	2 064	8 299	10 363
Finance cost	(904)	(2 015)	(2 919)
Present value	1 160	6 284	7 444

NOTES TO THE FINANCIAL STATEMENTS _for the year ended 30 June 2009

	Group		Company	
	Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000	Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000
12 TRADE AND OTHER PAYABLES				
Trade payables	55 694	25 125	-	-
Other payables	8 508	21 239	2 692	711
	<u>64 202</u>	<u>46 364</u>	<u>2 692</u>	<u>711</u>
13 REVENUE				
Current year sales	139 287	294 607	-	-
Pipeline sales adjustments	(18 976)	(350)	-	-
Total	<u>120 311</u>	<u>294 257</u>	<u>-</u>	<u>-</u>
Revenue consists entirely of matte sales to Impala Refinery Services Limited. Pipeline adjustments arise from value changes between year end and actual amounts received in consequence of market price fluctuations.				
14 COST OF SALES				
Mining	56 222	65 133	-	-
Processing	23 088	19 441	-	-
Stock movement	(13 255)	(2 569)	-	-
Staff costs	18 035	15 565	-	-
Depreciation of property, plant and equipment	21 343	24 242	-	-
Total cost of sales	<u>105 433</u>	<u>121 812</u>	<u>-</u>	<u>-</u>
15 OTHER NET INCOME				
Loss on disposal of plant and equipment	(59)	(117)	-	(23)
Foreign exchange (losses)/gains	(11 080)	1 552	(1 554)	1 552
Other	3 883	1 991	252	252
Total other net income	<u>(7 256)</u>	<u>3 426</u>	<u>(1 302)</u>	<u>1 781</u>
16 OPERATING EXPENSES				
Auditors' remuneration-current	292	117	20	20
Depreciation of property, plant and equipment	1 610	4 495	11	15
Charge for the year	22 953	28 737	11	15
Amount allocated to cost of sales	(21 343)	(24 242)	-	-
Directors' remuneration	1 020	785	614	582
Fees	329	322	260	258
Emoluments	691	463	354	324
Royalties	3 170	8 193	-	-
Staff costs	11 662	7 364	288	280
Other operating costs	14 768	9 528	298	612
Total operating costs	<u>32 522</u>	<u>30 482</u>	<u>1 231</u>	<u>1 509</u>
Average number of employees during the year	<u>1 997</u>	<u>1 375</u>	<u>4</u>	<u>4</u>

	Group		Company	
	Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000	Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000
17 TAXATION				
Current income tax	893	(2 048)	-	-
Deferred tax	(1 902)	23 127	-	-
Withholding tax charge on interest earned	-	57	-	-
Taxation provided	(1 009)	21 136	-	-
Reconciliation of tax charge:				
Notional tax on profit for the year	(3 905)	21 705	-	-
Permanent differences	2 896	(626)	-	-
Withholding tax charge on interest earned	-	57	-	-
Taxation provided	(1 009)	21 136	-	-
Company tax rate	15.00%	15.00%		
18 EMPLOYEE BENEFIT EXPENSES				
Wages and salaries	29 697	22 929	288	280
Pension costs- defined contribution plans	2 118	373	-	-
	31 815	23 302	288	280
19 CASH GENERATED FROM/(USED IN) OPERATIONS				
Reconciliation of profit before taxation to cash generated from/(used in) operations:				
(Loss)/profit before taxation	(26 033)	145 514	(1 393)	2 291
Adjustments for :	32 656	27 660	425	(3 533)
Depreciation of property, plant and equipment	22 953	28 737	11	15
Net finance expense/(income)	1 133	(125)	(1 140)	(2 019)
Foreign exchange losses/(gains)	11 080	(1 552)	1 554	(1 552)
Fair value (loss)/gain of available-for-sale financial assets	(2 567)	483	-	-
Foreign currency translation reserve	(250)	-	-	-
Loss on disposal of property, plant and equipment	307	117	-	23
Changes in working capital	62 756	(41 918)	(7 499)	(2 920)
Trade and other receivables	66 127	(52 732)	(7 046)	(2 643)
Inter-company receivables (non-current)	-	-	(2 434)	1 185
Inventories	(21 209)	(3 837)	-	-
Trade and other payables	17 838	14 651	1 981	(1 462)
Cash generated from/(used in) operations	69 379	131 256	(8 467)	(4 162)

NOTES TO THE FINANCIAL STATEMENTS _for the year ended 30 June 2009

		Group	
		Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000
20 CAPITAL COMMITMENTS			
The group has entered into contracts for the following and is committed to incur capital expenditure in respect thereof:			
	Contract length months		
General capital replacement	6	18 636	8 169
Ngezi expansion - Portal 2	3	-	139
Ngezi Phase 1 expansion	12	64 425	71 563
		<u>83 061</u>	<u>79 871</u>

The board has authorised a total of \$340 million to be incurred on the Ngezi Expansion Phase 1 project over the period to 2010.

The capital commitments will be financed from internal resources and borrowings as referred to in notes 3 and 11.

21 EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share is calculated by dividing the net profit by the weighted average number of ordinary shares in issue during the year.

(Loss)/profit attributable to equity holders of the company	(25 024)	124 378
Weighted average number of ordinary shares in issue	107 638	107 638
Basic (loss)/earnings per share US\$(cents)	<u>(23.25)</u>	<u>115.55</u>

22 PENSION OBLIGATIONS

Mining Industry Pension Fund

Pensions for certain employees are provided for through the Mining Industry Pension Fund in Zimbabwe. This is a defined contribution retirement fund. Contributions to the fund are 5% of pensionable remuneration. The group's contributions for the year amounted to:

564 349

National Social Security Scheme

This scheme was promulgated under the National Social Security Authority Act 1989. Contributions by all Zimbabwe employees are 3% of pensionable remuneration. The group's contributions for the year amounted to:

1 554 24
2 118 373

23 RELATED PARTIES

23.1 Related party relationships

a) Controlling entities

The immediate holding company is Impala Platinum BV which directly holds an 87% equity interest in Zimplats Holdings Limited (Guernsey). The ultimate holding company is Impala Platinum Holdings Limited (incorporated in South Africa) which directly holds a 100% equity interest in Impala Platinum BV.

b) Group enterprises Subsidiaries	Country of incorporation	Ownership interest	
		2009	2008
		%	%
Hartley Platinum Mines Limited	United Kingdom	100	100
Mhondoro Holdings Limited	United Kingdom	100	100
Always Investments (Private) Limited	Zimbabwe	100	100
Matreb Investments (Private) Limited	Zimbabwe	100	100
Mhondoro Mining Company Limited	Zimbabwe	100	100
Mhondoro Platinum Holdings Limited	Zimbabwe	100	100
Ngezi Platinum Limited	Zimbabwe	100	100
Selous Platinum (Private) Limited	Zimbabwe	100	100
Zimbabwe Platinum Mines (Private) Limited	Zimbabwe	100	100
Zimplats Corporate Services (Private) Limited	Zimbabwe	100	100

c) Directors and key management personnel

The directors named in the directors' report held office as directors of the company during the years ended 30 June 2009 and 2008 except for Mr. A Mhembere who was appointed Chief Executive Officer on 1 October 2007 following the resignation of Mr. G Sebborn on 31 August 2007. Mr. Sebborn remains on the board as a non-executive director.

	Group	
	Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000

23.2 Related party transactions and balances

a) Revenue

Sales of matte to Impala Refining Services Limited (note 13)	120 311	294 257
--	---------	---------

The group's only customer is Impala Refining Services Limited, which is a fellow wholly owned subsidiary of Impala Platinum Holdings Limited. Sales thereto are based on a long term agreement.

	Group		Company	
	Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000	Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000
b) Inter-company receivables				
Hartley Minerals Zimbabwe Proprietary Limited	-	-	27 959	27 959
Mhondoro Holdings Limited	-	-	382	377
Zimplats Corporate Services (Private) Limited	-	-	2 929	2 929
Zimbabwe Platinum Mines (Private) Limited	-	-	36 603	23 349
Due from subsidiaries (refer note 3)	-	-	67 873	54 614

The group had an outstanding trade receivable balance as at 30 June 2009 amounting to \$20 819 274 (2008: \$96 031 552) with one of its fellow subsidiary companies (refer notes 5 and 23.2a).

NOTES TO THE FINANCIAL STATEMENTS _for the year ended 30 June 2009

23.2 Related party transactions and balances (continued)

c) Transactions with directors and key management personnel

In addition to their salaries, the group also provides non-cash benefits to directors and executive officers. There were no loans extended to directors or executive officers during the year, nor were there any loans or transactions between the company and companies linked to directors or executive officers.

Fees paid during the year to non-executive directors totalled \$329 000, and remuneration to executive directors and key management personnel amounted to \$941 000.

24 FINANCIAL INSTRUMENTS

24.1 Loans and borrowings

This note provides information about the contractual terms of the group's interest bearing loans and borrowings, which are measured at amortised cost.

	Group		Company	
	Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000	Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000
Non-current liabilities				
Secured bank loans	90 439	50 887	-	-
Finance lease liability	4 966	6 284	-	-
	<u>95 405</u>	<u>57 171</u>	<u>-</u>	<u>-</u>
Current liabilities				
Secured bank loans	18 947	-	-	-
Finance lease liability	1 318	1,160	-	-
	<u>20 265</u>	<u>1 160</u>	<u>-</u>	<u>-</u>

The terms and conditions of outstanding loans were as follows:

				Group	
				Nominal interest rate	Year of maturity
				Face value US\$ 000	Carrying amount US\$ 000
30 June 2009					
Secured bank loans	US\$	LIBOR + 700bp	2012	75 787	75 787
Secured bank loans	ZAR	JIBAR + 700bp	2014	33 599	33 599
Finance lease liabilities	US\$	12.00%	2013	6 284	6 284
Total interest bearing liabilities				<u>115 670</u>	<u>115 670</u>
30 June 2008					
Secured bank loans	US\$	LIBOR + 700bp	2012	50 887	50 887
Finance lease liabilities	US\$	12.00%	2013	7 444	7 444
Total interest bearing liabilities				<u>58 331</u>	<u>58 331</u>

	Group	
	Year to Jun-09 US\$ 000	Year to Jun-08 US\$ 000

24.2 Group credit risk

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Carrying amount

Available-for-sale financial assets	657	2 620
Trade receivables due from related parties (refer note 23)	20 819	96 032
Other receivables	65 433	24 607
Zimbabwe Revenue Authority	3 062	672
Cash and cash equivalents	16 406	78 041
	<u>106 377</u>	<u>201 972</u>

The maximum exposure to credit risk for trade receivables at the reporting date by geographic region, type of customer and materiality, are all represented by Impala Refining Services Limited who are the group's only customer. Impala Refining Services is based in South Africa and itself is a fellow wholly owned subsidiary of Impala Platinum Holdings Limited.

Other receivables include an amount of \$34 130 000 owed to Zimbabwe Platinum Mines (Private) Limited by the Reserve Bank of Zimbabwe as per note 5 a).

Impairment losses

The ageing of trade receivables at the reporting date was:

Not past due	20 819	96 032
Past due 0 - 30 days	-	-
	<u>20 819</u>	<u>96 032</u>

Based on historic default rates, and that 100% of the balance is owed by a group company, the group believes that no impairment allowance is necessary in respect of trade receivables.

There were no impairment losses against other receivables at 30 June 2009, all of which are current and due within one year from the balance sheet date.

At 30 June 2009 the group did not have any collective impairment on its trade receivables (2008: nil).

NOTES TO THE FINANCIAL STATEMENTS _for the year ended 30 June 2009

24.3 Group liquidity risk

The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements:

	Carrying amount US\$ 000	Contractual cash flows US\$ 000	0-12 months US\$ 000	More than 12 months US\$ 000
30 June 2009				
Non-derivative financial liabilities				
Secured bank loans	109 386	109 386	18 947	90 439
Finance lease liabilities	6 284	6 284	1 318	4 966
Trade payables	55 694	55 694	55 694	-
	171 364	171 364	75 959	95 405
30 June 2008				
Secured bank loans	50 887	50 887	-	50 887
Finance lease liabilities	7 444	7 444	1 160	6 284
Trade payables	25 125	25 125	25 125	-
	83 456	83 456	26 285	57 171

The above non-derivative financial liabilities are all classified as financial liabilities measured at amortised cost. The group had no derivative financial liabilities at 30 June 2009 (2008: nil).

24.4 Group currency risk

Exposure to currency risk

The group's exposure to foreign currency risk was as follows based on notional amounts:

	30 June 2009		30 June 2008	
	ZAR	euro	ZAR	euro
Other payables	(260 763)	-	-	-
Cash and cash equivalents	2 041	-	-	6 978
Net exposure	(258 722)	-	-	6 978

The following significant exchange rates applied during the year:

	Average rate		Reporting date mid-spot rate	
	2009	2008	2009	2008
ZAR	9.04	-	7.761	-
euro	-	0.682	-	0.633

Sensitivity analysis

A 10% strengthening of the US\$ against the following currencies at 30 June would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2008.

24.4 Group currency risk (continued)

	Equity US\$ 000	Profit or loss US\$ 000
30 June 2009		
euro	(1)	(3 031)
30 June 2008		
euro	(1)	(1 002)

A 10% weakening of the US\$ against the above currencies at 30 June would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

24.5 Group interest rate risk

Profile

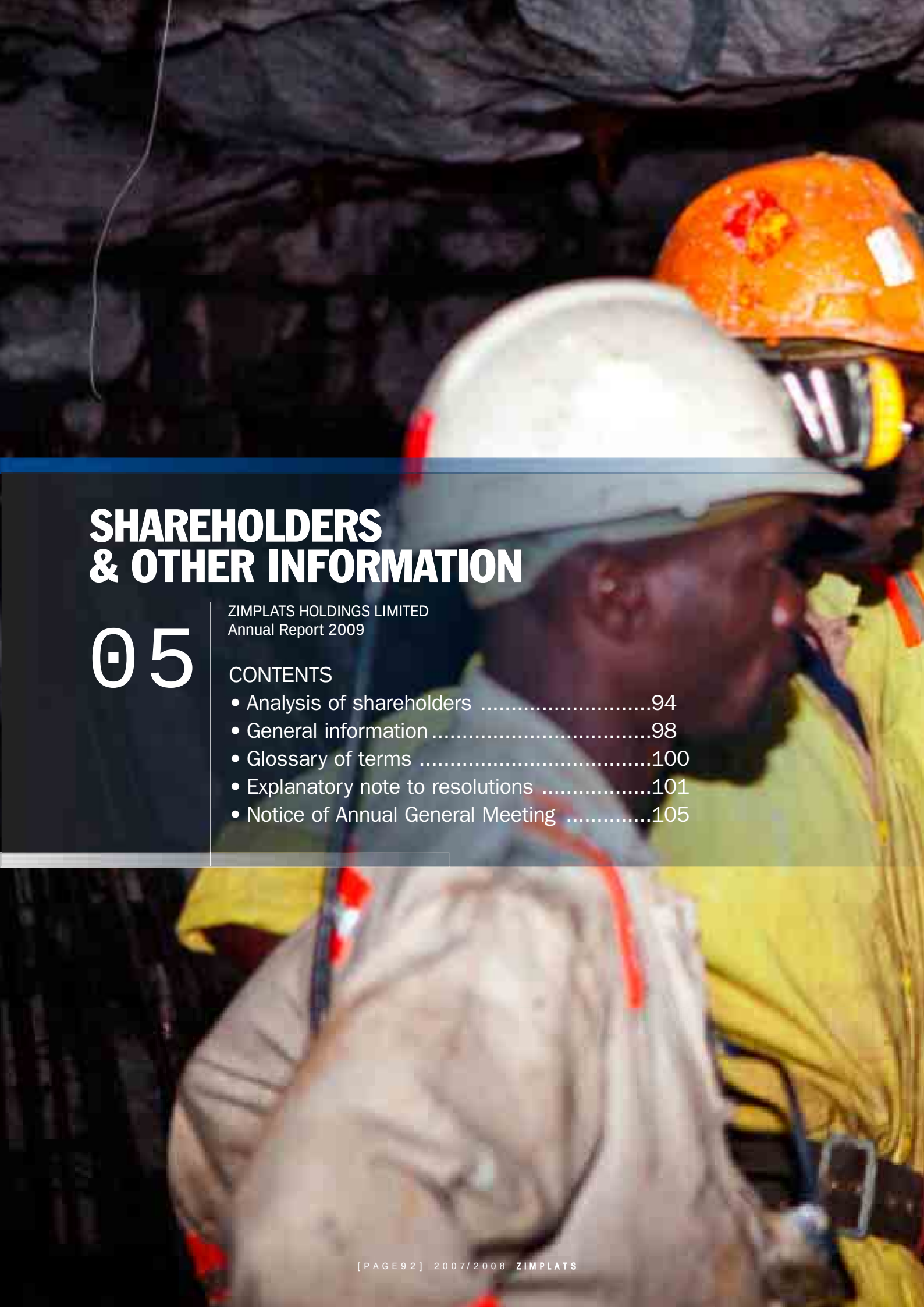
At the reporting date the interest rate profile of the group's interest-bearing financial instruments was:

	Carrying amount	
	2009	2008
Fixed rate instruments		
Financial assets	27 103	103 476
Financial liabilities	(55 694)	(25 125)
	<u>(28 591)</u>	<u>78 351</u>
Variable rate instruments		
Financial liabilities	<u>(90 439)</u>	<u>(50 887)</u>

25 CONTINGENT LIABILITIES

The Zimbabwe Revenue Authority (ZIMRA) has raised an assessment on the operating subsidiary for an amount of \$28 182 032 in respect of Additional Profits Tax (APT) and penalty for late payment of the tax. APT is payable by Special Mining Leaseholders under the Twenty-third schedule of the Zimbabwe Income Tax Act, but, in terms of written undertakings given to the company by the Government of Zimbabwe in 2001, the company is exempt from the tax. However legislation giving effect to this exemption was never promulgated, hence the demand by ZIMRA for the tax to be paid.

An objection has been lodged to the assessment. However, despite this process not having been concluded ZIMRA has commenced recovery of the disputed liability by withholding Value Added Tax refunds due to the company. Up to 30 June 2009, a total of \$4 million in Value Added Tax refunds had been withheld.



SHAREHOLDERS & OTHER INFORMATION

05

ZIMPLATS HOLDINGS LIMITED
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SHAREHOLDER & OTHER INFORMATION

ANALYSIS OF SHAREHOLDERS

SHAREHOLDING

Shareholding information is current at 30 June 2009.

Substantial shareholders

The number of shares held by substantial shareholders is set out below:

Shareholder	Ordinary Shares
Impala Platinum BV	93 644 430

Voting rights of ordinary shares

Pursuant to the Law of the Island of Guernsey, Zimplats has determined that for the purpose of the Annual General Meeting, all shares held in Zimplats shall be taken to be held by the persons who held them as registered shareholders at "11.00am GMT + 11:00 Sydney, Australian time", on Wednesday, 14 October 2009 ("entitlement time"). All shareholders of ordinary shares in Zimplats as at the "entitlement time" are entitled to attend and vote at the meeting.

On a show of hands, every member present or voting by proxy, attorney or representative shall have one vote.

On a poll, every member present or voting by proxy, attorney or representative, shall have one vote for each fully paid ordinary share held.

Top twenty shareholders	Number of ordinary shares	%
Impala Platinum BV	93 644 430	87.00
Merrill Lynch (Australia)	4 098 910	3.81
HSBC Custody Nominees (Australia) Limited	3 018 512	2.80
National Nominees Limited	1 329 839	1.24
Corporate Holdings Limited	842 379	0.78
ANZ Nominees Limited	686 413	0.64
W Ravesteyn & RA Ravesteyn	675 037	0.63
Citicorp Nominees Pty Limited	332 266	0.31
Emanuel Jose Dias	236 120	0.22
HSBC Custody Nominees (Australia) Ltd-GSCO ECA	226 083	0.21
P A Vanderspuy	224 222	0.21
Primeoak Limited	222 000	0.21
Dr David Samuel Kleinman	197 600	0.18
Wilhelm Kuhlmann	170 000	0.16
N D Hutchens	161 809	0.15
M D Hutchens	94 363	0.09
RA Ravesteyn	85 000	0.08
J P Morgan Nominees (Australia) Limited	81 304	0.08
Berne No 132 Nominees Proprietary Limited	74 306	0.07
Montana Finance Corporation Pty Limited	70 000	0.07
Top 20	106 470 593	98.94
Next 20	516 992	0.48
Next 20	192 446	0.18
Next 20	110 324	0.10
Next 20	71 571	0.07
Other	275 723	0.23
Total	107 637 649	100.00



SHAREHOLDER & OTHER INFORMATION

ANALYSIS OF SHAREHOLDERS

	Number of shareholders	%	Number of shares	%
1- 1 000	199	44.95	66 803	0.06
1 000 - 10 000	189	42.66	439 268	0.41
10 000 - 100 000	39	8.80	1 065 958	0.99
100 000 - 1 000 000	12	2.71	3 973 929	3.69
1 000 000 - 10 000 000	3	0.66	8 447 261	7.85
10 000 000 and over	1	0.22	93 644 430	87.00
Total	443	100.00	107 637 649	100.00

In terms of the definition under ASX Listing Rule 4.10.8, the number of shareholders holding less than a marketable parcel of ordinary shares is 26.

On-market buy-back

Zimplats has no current arrangements for an on-market buy-back of shares.

Trading volume

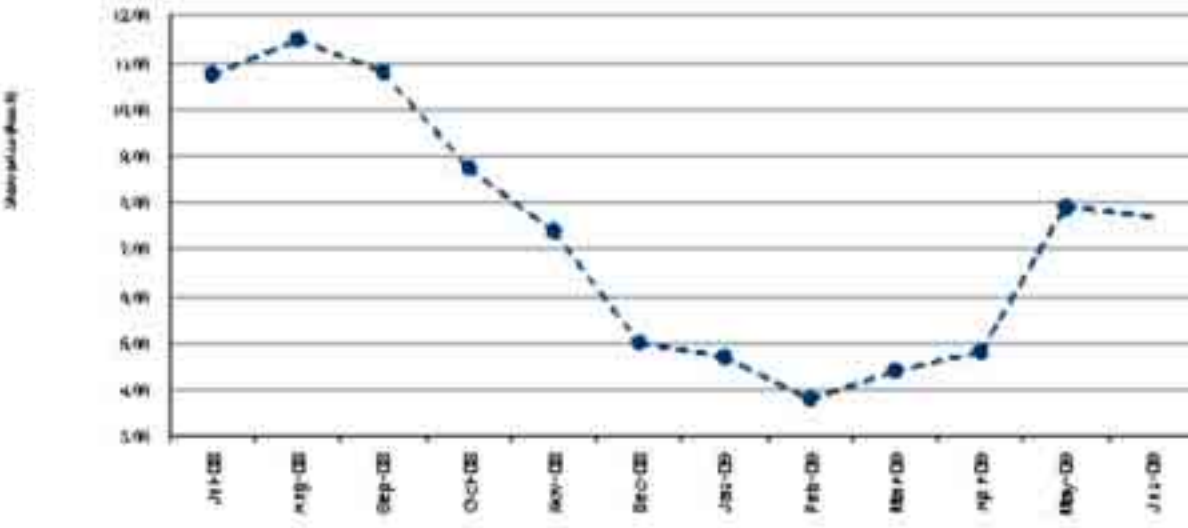
As a consequence of Implats shareholding of 87.00% (2008= 87.00%) at the date of this report, the volume of free-float shares traded on the ASX has remained at a low level throughout the year.

The second half of 2008 saw a collapse in world metal prices which was reflected in the significant drop in the share price.

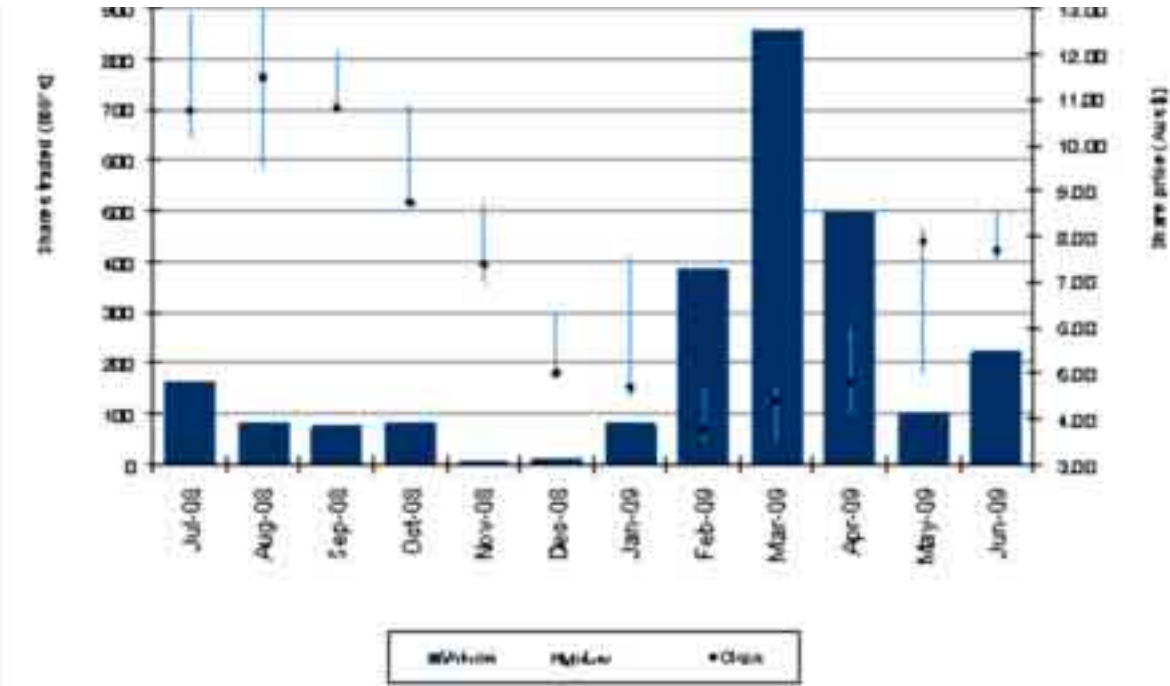
Whilst it is considered that negative investor perceptions of Zimbabwe have persisted, the establishment of a unity Government and political settlement in early 2009, combined with a slight improvement in metal prices, will have contributed to the mid year increase in the share price.



ZIMPLATS SHARE PRICE MOVEMENTS



ZIMPLATS SHARE PERFORMANCE ON THE ASX



SHAREHOLDER & OTHER INFORMATION

GENERAL INFORMATION

- In this report any reference to “Zimplats”, “Zimbabwe Platinum”, “the group” or “the company” means Zimplats Holdings Limited and/or its subsidiaries.
- Zimplats is a company incorporated in Guernsey, British Isles, registration number 34014. As such, the main laws controlling the corporate operations of the company are the laws of Guernsey.
- Zimplats is registered as a foreign company in Australia, number ARBN 083 463 058, and is listed on the Australian Stock Exchange with the code ZIM.
- Zimplats shares are freely transferable, subject to formal requirements and the registration of a transfer, which does not result in a contravention of, or failure to observe, a provision of law.
- Zimplats is not subject to Chapter 6 of the Australian Corporations Law dealing with the acquisition of shares, including substantial shareholdings and takeovers.
- Zimplats is not subject to the City Code on Takeovers and Mergers and the Rules Governing Substantial Acquisitions of Shares (UK) (the Code).
- All reported currency is expressed in United States dollars unless otherwise indicated.
- All weights expressed in ounces are troy ounces.



GLOSSARY OF TERMS

DEFINITIONS

Absa	Absa Bank Limited, South Africa.
AICD	Australian Institute of Company Directors.
ASIA	Associate of the Securities Institute of Australia.
ASIC	Australian Securities & Investments Commission.
ASX	Australian Stock Exchange Limited.
AurionGold	AurionGold Limited (formerly Delta Gold Limited).
AusIMM	The Australian Institute of Mining and Metallurgy.
bcms	bank cubic metres
BHP	Broken Hill Proprietary Company Limited.
Great Dyke	A large geologic formation in central Zimbabwe which is 550km long and ranging between 4km and 11km wide.
HMZ	Hartley Minerals Zimbabwe Pty Ltd, formerly BHP Minerals Zimbabwe Pty Ltd.
HPPMA	Hartley Platinum Project Mining Agreement.
IMMM	Institute of Materials, Minerals and Mining.
Implats	Impala Platinum Holdings Limited.
ISO 14001	International Standards Organisation Standard number 14001 (Standard for Environmental Management Systems).
JORC	Joint Ore Reserve Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Councils of Australia.
Makwiro	Zimbabwe Platinum Mines (Private) Limited, formerly Makwiro Platinum Mines (Private) Limited, formerly Hartley Management Company (Private) Limited.
SAIMM	Southern African Institute of Mining and Metallurgy.
SMC	Selous Metallurgical Complex.
US\$	United States Dollars.

TECHNICAL TERMS

4E	Four Elements. The grade may be measured as the combined content of the four precious metals – platinum, palladium, rhodium and gold.
Au	Chemical symbol for gold.
bankable standard	capable of supporting an application to a recognised project financier for project finance.
beneficiation	The separation of desired minerals from waste material during exploitation of a mineral deposit, by which the mineral is concentrated prior to refining.
bord and pillar mining method	also known as room and pillar mining method. Mining takes place on the reef horizon only. The main access declines are mined on dip and from these access declines, drives (bords) are developed on strike. In-situ reef pillars are left between these bords for support purposes. A typical bord length can vary from six to twelve metres with pillar dimensions of four to six metres square.
concentrate	Material that has been processed to increase the content of contained metal or mineral relative to the contained waste.
converting	The final stage of matte production in which excess sulphur and iron are removed by blowing air through the molten green matte to produce white matte.
Cu	Chemical symbol for copper.
cut-off grade	Lowest grade mineralised that qualifies as ore i.e. will meet all further operating costs for a given deposit.
fy	Financial year. The financial year for the group ends on 30 June of any year.
gangue	The unwanted material.
mafic	An igneous rock with high magnesium and iron content, usually dark in colour.
matte	A mixture of various base metal sulphides, containing the precious metals, which is produced during smelting and converting. Green matte refers to the product from smelting, and contains high levels of iron sulphides which are removed during converting to give a white matte containing minimal levels of iron.

GLOSSARY OF TERMS

TECHNICAL TERMS

metallurgy	The science of extracting metals from ore and preparing them for sale.				Ore Reserves are subdivided into Proved Ore Reserves and Probable Ore Reserves as follows:
Mineral Resource	Defined in the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves as “an identified in situ mineral occurrence from which valuable or useful minerals may be recovered”. Mineral resources are subdivided in measured, indicated and inferred categories as follows: measured mineral resource – means a mineral resource intersected and tested by drill holes, underground openings or other sampling procedures at locations which are spaced closely enough to confirm continuity and where geoscientific data are reliably known. A measured mineral resource estimate will be based on a substantial amount of reliable data, interpretation and evaluation which allows clear determination to be made of shapes, sizes, densities and grades; indicated mineral resource – means a mineral resource sampled by drill holes, underground openings or other sampling procedures at locations too widely spaced to ensure continuity but close enough to give a reasonable indication of continuity and where geoscientific data are known with a reasonable level of reliability. An indicated mineral resource estimate will be based on more data, and therefore be more reliable, than an inferred mineral resource estimate; inferred mineral resource – means mineral resource inferred from geoscientific evidence, drill holes, underground openings or other sampling procedures where the lack of data are such that continuity cannot be predicted with confidence and where geoscientific data may not be known with a reasonable level of reliability.				proved ore reserve – an ore reserve stated in terms of mineable tonnes/volume and grade in which the corresponding identified mineral resource has been defined in three dimensions by excavation or drilling (including minor extensions beyond actual openings and drill holes), and where the geological factors that limit the ore body are known with sufficient confidence that the mineral resource is categorised as “measured”; probable ore reserve – means an ore reserve stated in terms of mineable tonnes/volume and grade where the corresponding identified mineral resource has been defined by drilling, sampling or excavation (including extensions beyond actual openings and drill holes), and where the geological factors that control the ore body are known with sufficient confidence that the mineral resource is categorised as “indicated”.
		Pd			Chemical symbol for palladium.
		peak platinum value			This is the highest platinum value in the mineralisation and coincides with a sharp decrease in sulphide content and grain size.
		PGMs			Platinum group metals, being six elemental metals of the platinum group generally found together. They are platinum, palladium, rhodium, ruthenium, osmium and iridium.
		Pt			Chemical symbol for platinum.
		refining			The final stage of metal production in which the various base and precious metals contained in the white matte are separated from each other, by a wide variety of hydrometallurgical processes, to produce individual metals and/or metal salts of saleable purity.
		Rh			Chemical symbol for rhodium.
MSZ	Main Sulphide Zone – a thin layer of crystalline igneous rock containing small amounts of sulphide minerals located near the top of the ultramafic igneous sequence which forms the lower part of the Hartley Geologic Complex.	room and pillar mining method			Refer to bord and pillar mining method.
NI	Chemical symbol for nickel.	SAG			Semi autogenous grinding.
ore grade	The average amount of the valuable metal or mineral contained in a specific mass of ore.	smelting			Thermal processing whereby the base metal sulphide and precious metal minerals contained in the concentrate are separated from the gangue minerals in the molten state. The base metal sulphides and precious metal minerals report as green matte, while the gangue minerals report as slag.
Ore Reserves	Defined in the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves as “that part of measured or indicated mineral resource which could be mined, inclusive of dilution, and from which valuable minerals could be recovered economically under conditions realistically assumed at the time of reporting”. Ore Reserve estimates are derived from estimates of Mineral Resources modified by economic, mining, metallurgical, marketing, legal, environmental, social and governmental factors.	tailings			A finely ground waste product from ore processing.
		toll refining			The process where the final stage of refining is performed by a third party and the costs met by the miner.

LIST OF MEASURE

g/t	grams per tonne	moz	million ounces
kg	kilograms	mt	million tonnes
km	kilometres	mw	megawatts
kt	thousand tonnes	oz	troy ounces
m	metres	t	metric tonnes
micron	one millionth of a metre		

NOTICE TO THE MEMBERS

NOTICE TO MEMBERS OF ANNUAL GENERAL MEETING ZIMPLATS HOLDINGS LIMITED (ARBN 083 463 058)

Notice is hereby given that the tenth Annual General Meeting of the members of Zimplats Holdings Limited (Zimplats) will be held at The Protea Hotel Balalaika, 20 Maude Street, Sandown, Sandton, Johannesburg, South Africa on Friday, 16 October 2009 at 11:00 am for the following purposes:

1. To receive and consider the group and company annual financial statements, the Directors' Declaration, and the Report of the Auditors for the year ended 30 June 2009.
2. To appoint Messrs. PricewaterhouseCoopers as auditors for the ensuing year.
3. To approve the audit fees of \$20 000 for the year.
4. Election of Directors:
 - (a) To re-elect as a director, Mr. M J Houston who is retiring by rotation.
 - (b) To re-elect as a director, Mr. P Maseva-Shaywabaya who is retiring by rotation.
 - (c) To re-elect as a director, Mr. L J Paton who is retiring by rotation.
5. To determine that the maximum annual fees that may be payable to non-executive directors of the company with effect from 1 July 2009 be increased by \$90 000 to \$350 000 per annum.

Directors' Voting Exclusion

Pursuant to clause 20.3 of the Articles of Association of Zimplats and the ASX Listing Rules, Zimplats will disregard any votes cast on resolution 5 by:

- Any director who is to be paid a fee as a result of the passing of resolution 5; and
 - An associate of that director.
- However, the company need not disregard a vote if:
- It is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
 - It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides. (It is the intention of the Chairman of the meeting acting as proxy to cast any such votes in favour of all the resolutions)

NOTES

1. Pursuant to the Law of the Island of Guernsey, Zimplats has determined that for the purpose of the Annual General Meeting, all shares in Zimplats shall be taken to be held by the persons who held them as registered shareholders at 11:00am South African time (+2 GMT) on Wednesday 14 October 2009 (Entitlement Time).
2. All holders of ordinary shares in Zimplats at the Entitlement Time are entitled to attend and vote at the meeting. For further information on voting procedures, see the notes on the Proxy Information sheet.

EXPLANATORY NOTES TO RESOLUTIONS

Explanatory notes

to resolutions to be laid before the Annual General Meeting of shareholders to be held in Johannesburg at 11:00am on 16 October 2009.

Resolution 2 – Appointment of Messrs PricewaterhouseCoopers as auditors for the ensuing year.

Messrs PricewaterhouseCoopers have indicated that they are in a position to accept appointment as external auditors of Zimplats Holdings Limited for the year ending 30 June 2010.

Directors' Recommendation

The Directors unanimously recommend that you vote in favour of the resolution.

NOTICE TO THE MEMBERS

Resolution 3 – Approve the audit fee of US\$20 000 for the year ended 30 June 2009.

The audit fee is in respect of services rendered for the external audit of Zimplats Holdings Limited, and certain controlled subsidiary companies.

Directors' Recommendation

The Directors unanimously recommend that you vote in favour of the resolution.

Resolution 4 – Election of Directors

In terms of the Articles of Association of the company, one third of the directors, excluding the Chief Executive Officer, will retire by rotation each year.

(a) Re-election of Mr. M J Houston as a director of the company.

Mike Houston has over 30 years of mining and executive experience in Zimbabwe. He joined the group in 2001 as Chief Operating Officer of the operating subsidiary, Zimbabwe Platinum Mines (Private) Limited and was appointed Chief Executive Officer of Zimplats Holdings Limited on 1 April 2004, a position from which he retired in December 2004.

Mike was appointed Chairman of the board on 1 January 2005. He is also Chairman of the Remuneration Committee.

(b) Re-election of Mr. P Maseva -Shayawabaya as a director of the company.

Patrick Maseva-Shayawabaya has over 18 years experience in financial management at senior and executive levels. He is currently also Chief Financial Officer of Zimbabwe Platinum Mines (Private) Limited prior to which he was the Financial Director of a multi national sugar growing and processing company in Zimbabwe. He is a member of the Project Steering Committee.

(c) Re-election of Mr. L J Paton as a director of the company.

Les Paton is an Executive Director of Implats. He has over 34 years' experience in the mining industry in southern Africa, of which 29 years have been in platinum exploration and mining.

Les is a member of the Remuneration Committee.

Directors' Recommendation

All of the existing directors of the company, other than those directors standing for re-election, recommend that you vote in favour of the re-election of Messrs. M J Houston, P Maseva -Shayawabaya and L J Paton having regard to their respective qualifications to act as directors of your company.

Resolution 5 – Approval of fees payable to directors.

An increase in the annual maximum aggregate limit of fees that can be paid to non-executive directors is sought from the existing limit of \$260 000 to a new limit of \$350 000, which constitutes an increase of \$90 000

Directors' Recommendation

Directors are excluded from voting on their increases and accordingly make no recommendation to shareholders.

NOTES

ZIMPLATS HOLDINGS LIMITED

SHAREHOLDERS CALENDAR 2009

2009

2008/2009 year end	30 June
June 2009 quarter production report released	31 July
Annual report mailed	September
September quarter production report released	October
Annual General Meeting	16 October

2010

December 2009 quarter production report released	January
March 2010 quarter production report released	April
2009/2010 year end	30 June
June 2010 quarter production report released	July
Annual report mailed	September
September 2010 quarter production report released	October
Annual General Meeting	October

REALISING THE POWER OF OUR POTENTIAL

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WANTING TO BE KEPT UP TO DATE WITH ZIMPLATS NEWS?

1. Zimplats has a web page, which can be viewed at www.zimplats.com. Whilst visiting our page please register for e-mail alerts in order that you may be kept up to date with what is happening within the company.
2. Stock exchange information and announcements can be viewed on line at www.asx.com.au. The ASX company code is ZIM.

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