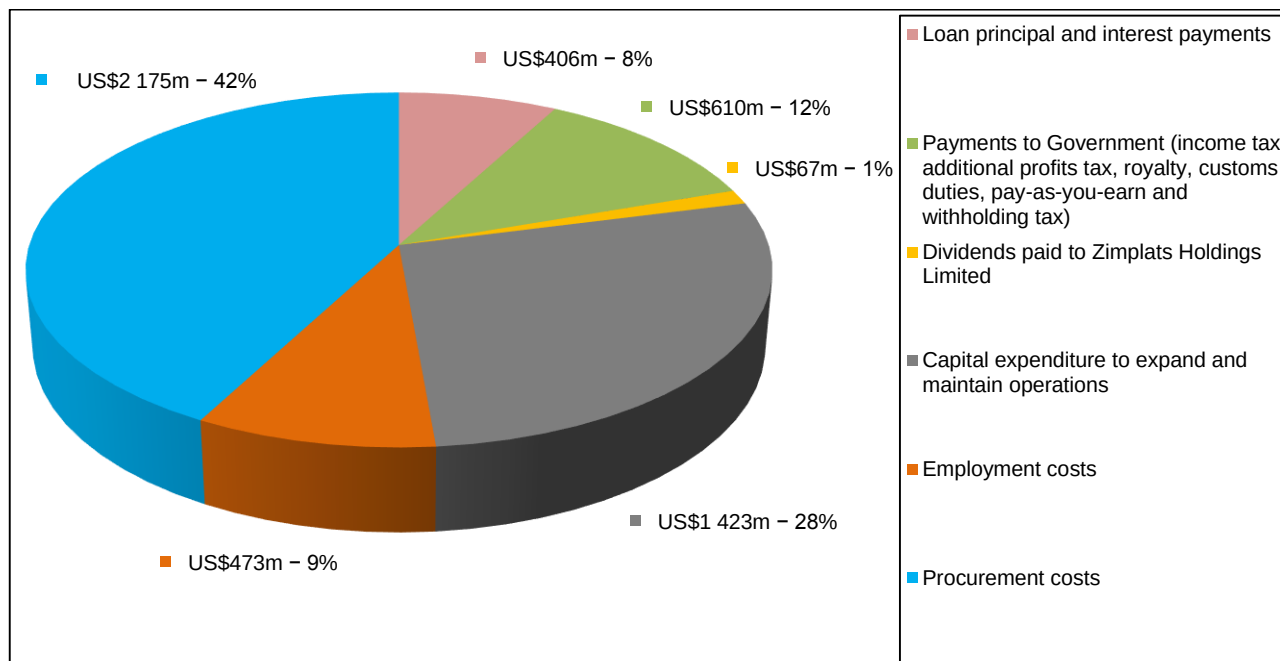




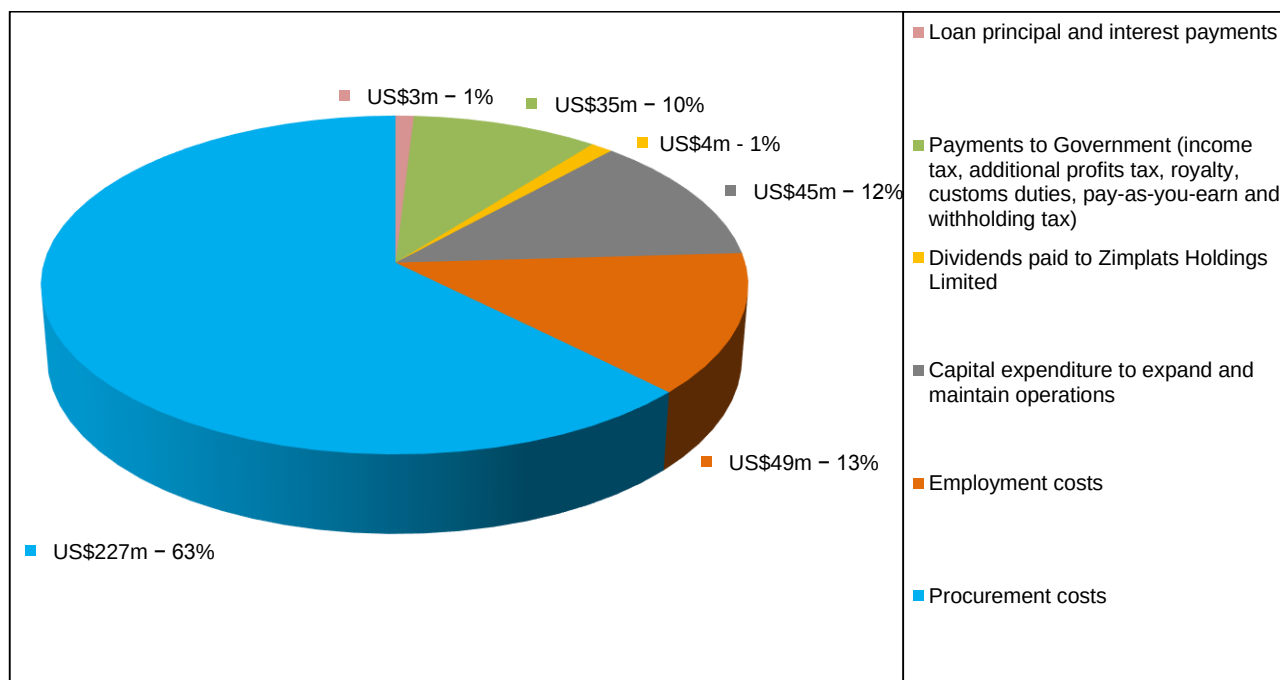
REPORT FOR THE QUARTER ENDED 31 MARCH 2017

KEY FEATURES

Zimbabwe Platinum Mines (Private) Limited - Cash Utilisation – FY2002 to 31 March 2017 (Millions)



Zimbabwe Platinum Mines (Private) Limited - Cash Utilisation – for the nine months ended 31 March 2017 (Millions)



- No fatal accidents or lost-time injuries were recorded during the quarter
- Bimha Mine re-development project on schedule
- Mupani Mine development on course
- Tonnes mined decreased by 3% from the previous quarter
- Tonnes milled decreased by 2% from the previous quarter
- Four elements (platinum, palladium, gold and rhodium) (4E) production in final product (converter matte and concentrate sold) increased by 1%, from the previous quarter
- Gross revenue per 4E ounce increased by 21% from the previous quarter
- Revenue decreased by 6% from the previous quarter
- An additional reversal of impairment on a long term receivable of US\$8 million was recognised during the quarter (US\$13 million reversed in the previous quarter)
- Profit from operations after royalties increased to US\$42.2 million from US\$20.6 million in the previous quarter.

SAFETY

No fatal accidents or lost-time injuries were recorded during the quarter.

PRODUCTION

		March Quarter 2017	December Quarter 2016	% Change	March Quarter 2016	% Change
Mining						
Ore mined	Tonnes (000)	1 688	1 735	(3)	1 639	3
Head grade	4E g/t	3.25	3.24	-	3.24	-
Processing						
Ore milled	Tonnes (000)	1 567	1 603	(2)	1 646	(5)
Recovery	4E%	80.8	80.0	1	80.7	0
Metal in concentrate	4E ounces	132 117	133 414	(1)	138 446	(5)
Metal in final product	4E ounces	135 831	135 236	-	136 499	-
<i>In converter matte</i>	<i>4E ounces</i>	<i>135 831</i>	<i>133 877</i>	<i>1</i>	<i>136 499</i>	<i>-</i>
<i>In concentrate</i>	<i>4E ounces</i>	<i>-</i>	<i>1 359</i>	<i>(100)</i>	<i>-</i>	<i>n/a</i>
Nickel in final product	Tonnes	1 222	1 195	2	1 244	(2)
<i>In converter matte</i>	<i>Tonnes</i>	<i>1 222</i>	<i>1 195</i>	<i>2</i>	<i>1 244</i>	<i>(2)</i>
<i>In concentrate</i>	<i>Tonnes</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Copper in final product	Tonnes	940	905	4	891	5
<i>In converter matte</i>	<i>Tonnes</i>	<i>940</i>	<i>896</i>	<i>5</i>	<i>891</i>	<i>5</i>
<i>In concentrate</i>	<i>Tonnes</i>	<i>-</i>	<i>9</i>	<i>(100)</i>	<i>-</i>	<i>n/a</i>
Metal sales						
In converter matte						
4E	Ounces	132 253	133 978	(1)	136 575	(3)
Nickel	Tonnes	1 196	1 167	2	1 268	(6)
Copper	Tonnes	917	885	4	897	2
In concentrate sold						
4E	Ounces		36 331	(100)	41 757	(100)
Nickel	Tonnes		330	(100)	409	(100)
Copper	Tonnes		254	(100)	282	(100)

Tonnes mined were 3% lower than the previous quarter largely as a result of the redeployment of a production team from ore to waste development at Mupani Mine. The quarter also had slightly less operating days compared to the previous quarter.

Due to a sustained focus on grade control, the 4E head grade at 3.25g/t improved marginally from the previous quarter.

Ore milled and 4E metal in concentrate produced decreased by 2% and 1% respectively from the previous quarter due to the seven-day shutdown of the Ngezi concentrator for a periodic mill reline. This was partly offset by higher operating time at the SMC concentrator which in the previous quarter was down for a periodic reline of the semi-autogenous grinding (SAG) mill.

Overall, 4E metal production in converter matte increased by 1% from the previous quarter.

FINANCIAL

	March Quarter 2017 US\$ 000	December Quarter 2016 US\$ 000	% Change	March Quarter 2016 US\$ 000	% Change
Revenue	131 266	139 185	(6)	138 477	(5)
Net operating costs	(85 782)	(115 170)	26	(128 386)	33
Profit from operations before royalties	45 484	24 015	89	10 091	351
Royalties	(3 265)	(3 401)	4	(3 375)	3
Profit from operations after royalties	42 219	20 614	105	6 716	529

Revenue decreased by 6% from the previous quarter mainly due to 22% lower 4E metal sales volumes. The metal sales volumes for the previous quarter benefitted from the sale of concentrates stockpiled during a planned furnace shutdown in the first quarter. The impact of lower sales volumes on revenue was partly offset by the increase in metal prices.

Net operating costs decreased by 26% in comparison to the previous quarter largely due to the 22% lower 4E sales volumes. In addition, the previous quarter's net operating costs were impacted by the sale of concentrates which attract higher transport charges. The net operating expenses for the quarter benefitted from an export incentive of US\$5.3 million (US\$2.2 million in the previous quarter) and a reversal of impairment of US\$8 million (US\$13 million in the previous quarter) on the previously written off Reserve Bank of Zimbabwe (RBZ) debt.

As previously reported, the Government of Zimbabwe issued to the Company's main operating subsidiary, Zimbabwe Platinum Mines (Private) Limited, treasury bills with a total nominal value of US\$34 million in settlement of the principal amount owed by RBZ. The treasury bills were disposed during the quarter for a consideration of US\$21 million which was received in the quarter. The treasury bills had been discounted using a rate of 27.5% to arrive at a fair value of US\$13 million which was recognised in the income statement for the previous quarter.

Royalties were 4% lower than the previous quarter, in line with the decrease in revenue.

Cash and total cost of production	March Quarter 2017 US\$	December Quarter 2016 US\$	% Change	March Quarter 2016 US\$	% Change
Cash cost per 4E ounce	612	600	(2)	558	(10)
Net cash cost per 4E ounce	499	493	(1)	469	(6)
Amortisation and depreciation	135	131	(3)	125	(8)
Total cost per 4E ounce*	634	624	(2)	594	(7)
Gross revenue per 4E ounce	993	817	21	777	28

*Net of by-product revenue.

Cash costs per 4E ounce were well managed and rose only 2% compared to the previous quarter. The rise was mainly due to the salary increase for the national employment council (NEC) graded employees and maintenance work done during concentrator reline shutdown. In addition, the strengthening of the South African Rand against the United States Dollar had a negative impact on the cost of goods and services procured from South Africa.

Total revenue per 4E ounce was 21% higher than the previous quarter as a result of higher metal prices.

Local spend in Zimbabwe (excluding payments to government and related institutions) for the quarter decreased from US\$61 million recorded in the previous quarter to US\$51 million.

Total payments to government in direct and indirect taxes decreased from US\$11 million reported in the previous quarter to US\$10 million.

METAL PRICES

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

	March Quarter 2017	December Quarter 2016	% Change	March Quarter 2016	% Change
Platinum (US\$ per oz)	981	945	4	914	7
Palladium (US\$ per oz)	766	685	12	523	46
Rhodium (US\$ per oz)	849	704	21	631	34
Gold (US\$ per oz)	1 219	1 219	-	1 180	3
Nickel (US\$ per tonne)	10 274	10 804	(5)	8 496	21

CAPITAL PROJECTS

The redevelopment of Bimha Mine remains on schedule to reach full production in April 2018. A total of US\$32 million had been spent on the project as at 31 March 2017 against an approved total project budget of US\$92 million.

The development of Mupani Mine (replacement mine for Ngwarati and Rukodzi mines) is on schedule targeting to reach the ore contact by May 2020 and full production in August 2025. A total of US\$8 million had been spent on the project as at 31 March 2017 against an approved total project budget of US\$264 million.

RESOLUTION OF OUTSTANDING ISSUES WITH GOVERNMENT

Indigenisation and Economic Empowerment

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

Acquisition of Portion of Mining Lease Area

As reported previously, on 13 January 2017 the Government of Zimbabwe issued, through a Government Gazette Extraordinary, a preliminary notice in terms of which the Government gave fresh notice that it intended to compulsorily acquire land measuring 27 948 hectares within the operating subsidiary's special mining lease area. The new notice repealed all previous notices issued by the Government of Zimbabwe in respect of its proposed compulsory acquisition of this portion of the operating subsidiary's mining lease area. The operating subsidiary lodged an objection to the proposed compulsory acquisition. The operating subsidiary is however currently engaging the Government of Zimbabwe on the matter.

SHAREHOLDER INFORMATION

Share price

The average share price for the quarter was AU\$5.96 (previous quarter: AU\$5.62).

Major shareholders as at 31 March 2017

Impala Platinum BV	87.00%
J P Morgan Nominees Australia Limited	5.09%
Citicorp Nominees Pty Limited	3.73%
HSBC Custody Nominees (Australia) Limited	2.42%

Shareholder enquiries

Matters relating to the shareholdings should be directed to the share registry at: Computershare Registry Services Pty Ltd, GPO Box 7054, Sydney NSW 1115, Australia. Tel: +61 3 9415 4000, Fax: +61 3 9473 2500.

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