

Zimplats Holdings Limited



REPORT FOR THE QUARTER ENDED 30 JUNE 2020

KEY FEATURES

- Recorded one lost-time injury
- Attained 2.4 million fatality free shifts during the quarter
- No COVID-19 cases reported to date and no related operational interruptions during the quarter
- Tonnes mined increased 2% and tonnes milled decreased 1% from the previous quarter
- Six elements (platinum, palladium, rhodium, ruthenium, iridium and gold) (6E) production increased 6%
- Cash cost per 6E ounce produced decreased 8% from the previous quarter

SAFETY

Zimplats' safety performance improved from two lost-time injuries in the previous quarter to one in the quarter under review. The Group achieved 2.4 million fatality free shifts during the quarter.

PRODUCTION

		June Quarter 2020	March Quarter 2020	% Change	June Quarter 2019	% Change
Mining						
Ore mined	Tonnes (000's)	1 829	1 798	2	1 673	9
Head grade	6E g/t	3.49	3.46	1	3.48	-
Processing						
Ore milled	Tonnes (000's)	1 676	1 701	(1)	1 570	7
Recovery	6E%	78.7	79.0	-	78.8	-
Metal in final product						
Platinum	Ounces	73 785	69 987	5	67 978	9
Palladium	Ounces	63 563	59 304	7	57 258	11
Gold	Ounces	8 576	8 051	7	8 496	1
Rhodium	Ounces	6 727	6 269	7	5 905	14
Ruthenium	Ounces	5 772	5 414	7	5 143	12
Iridium	Ounces	2 767	2 595	7	2 356	17
6E total	Ounces	161 190	151 620	6	147 136	10
Silver	Ounces	13 982	12 009	16	12 914	8
Nickel	Tonnes	1 402	1 315	7	1 319	6
Copper	Tonnes	1 058	950	11	1 004	5
Cobalt	Tonnes	18	17	6	24	(25)

Ore mined increased by 2% from the previous quarter mainly due to the increase in the number of operating days.

Tonnes milled reduced by 1% from the previous quarter due to lower running time at the concentrators. Running time for the quarter under review was affected by the planned mill reline shutdown at the Selous Metallurgical Complex (SMC) concentrator plant. 6E metal production in final product increased by 6% from the previous quarter, benefiting from the treatment of reverts stockpiled when the furnace was drained in June 2019 for the 122-day major rebuild shutdown.

FINANCIAL

	June Quarter 2020	March Quarter 2020	% Change	June Quarter 2019	% Change
Total operating cash costs (US\$000)	92 683	90 430	(2)	77 076	(20)
Transfer (to closing stocks)/from opening stock (US\$000)	(1 240)	2 157	157	5 097	124
Cash cost of metal produced (US\$000)	91 444	92 587	1	82 173	(11)
Operating cash costs per 6E ounce (US\$)	567	611	7	558	(2)

Total operating cash costs increased by 2% from the previous quarter owing to increased production and sales. Additional costs were incurred to minimise the spread of COVID-19 among employees and the community in which the Group operates. A total of US\$1.2 million was transferred from operating costs to closing stocks during the quarter compared to US\$2.2 million transferred from closing stocks to operating costs in the previous quarter. Operating cash costs per 6E ounce decreased by 7% from the previous quarter, mainly due to the 6% increase in 6E metal production and improved efficiencies.

EXPLORATION

A total of US\$0.3 million was spent on exploration projects during the quarter and US\$0.7 million was committed.

COVID-19 UPDATE

The Group continued to operate as part of the essential services in Zimbabwe, subject to strict adherence to World Health Organisation ("WHO") safety and hygiene standards. The *force majeure* notification issued to Zimplats' operating subsidiary, Zimbabwe Platinum Mines (Private) Limited, was lifted in May 2020. Contractors working on capital projects who were issued with *force majeure* notifications, had returned to site by the end of the quarter.

By the end of the quarter, the Group had not recorded any confirmed COVID-19 cases at its operations.

SHAREHOLDER INFORMATION

Shareholder enquiries

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

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