

IMPALA PLATINUM HOLDINGS LIMITED  
(Incorporated in the Republic of South Africa)  
(Registration number 1957/001979/06)  
JSE Share code: IMP  
ADR code: IMPUY  
ISIN: ZAE000083648  
("Implats" or "the Group")

### Third quarter production report for the period 1 January to 31 March 2016

**Johannesburg, 26 April 2016:** Implats released third quarter production results for the period 1 January to 31 March 2016 today

Implats' CEO, Terence Goodlace, commented, "I am pleased to report that there has been encouraging progress across the Group in meeting our strategic objectives, which are aimed at building a stronger and more robust business. This last quarter was, however, completely overshadowed by the tragic fire at Rustenburg's 14 Shaft. We continue to mourn the loss of lives at Impala Rustenburg and our condolences are extended to the friends and families of our deceased colleagues."

Operational information		Unaudited Quarter ended 31 March 2016	Unaudited Quarter ended 31 March 2015	Unaudited Nine months 31 March 2016	Unaudited Nine months 31 March 2015
<b>Implats Gross Refined Production</b>					
Platinum	000oz	353	301	1 045	932
Palladium	000oz	219	176	633	589
Rhodium	000oz	53	37	137	126
Nickel	000t	3 957	3 747	12 432	11 581
<b>Impala</b>					
Tonnes Milled	000t	2 059	2 509	7 952	6 516
Grade (6E)	g/t	4.05	4.18	4.13	4.22
Merensky Ore Milled	%	36.5%	45.5%	43.1%	47.3%
Refined Platinum Production	000oz	142	143	468	396
<b>Marula</b>					
Tonnes Milled	000t	390	373	1 277	1 202
Grade (6E)	g/t	4.18	4.21	4.32	4.16
Platinum in Concentrate	000oz	17	16	59	53
<b>Zimplats</b>					
Tonnes Milled	000t	1 646	1 263	4 765	3 741
Grade (6E)	g/t	3.48	3.47	3.47	3.47
Platinum in Matte	000oz	89	52	220	155

Operational information		Unaudited Quarter ended 31 March 2016	Unaudited Quarter ended 31 March 2015	Unaudited Nine months 31 March 2016	Unaudited Nine months 31 March 2015
<b>Mimosa</b>					
Tonnes Milled	000t	676	622	1 987	1 923
Grade (6E)	g/t	3.84	3.93	3.90	3.92
Platinum in Concentrate	000oz	30	28	90	88
<b>IRS</b>					
Refined Platinum Production	000oz	210	158	577	536

## SAFETY

Implats remains committed to ensuring zero harm and the Group's safety strategy is premised on achieving safe production and specifically demands safe behaviour, an inherently safe work environment and leading safety practices. During the quarter ended 31 March 2016 the Group regrettably experienced three fatal incidents, two of the incidents occurred at Impala Rustenburg and one at Mimosa. Sadly, these three incidents resulted in a total of six fatalities. The board of directors of Implats and the management team have extended their sincere sympathies and support to the family, friends and colleagues of the deceased.

In one of these incidents, four employees tragically lost their lives in an underground fire at Impala Rustenburg's 14 Shaft on 22 January 2016. The entire Rustenburg operation was subsequently closed to engage employees on their safety readiness and emergency awareness, and to significantly refocus efforts to achieving zero-harm. The investigations into the cause of the fire are ongoing.

Following the fire in January 2016 and consequential safety stoppages, the Group has recorded no further serious safety-related incidents. During the period Two Rivers achieved three million fatality free shifts, a milestone which took four years and one month of safe production, while 10 Shaft in Rustenburg reached one million fatality free shifts, taking one year and six months to achieve.

## PRODUCTION

Gross refined platinum production for the quarter ended 31 March 2016 increased by 17% to 353 000 platinum ounces, compared to 301 000 platinum ounces in the prior comparable period. The increase is largely as a result of increased output from Zimplats, good operational performances from Marula, Two Rivers and Mimosa, higher volumes from Impala Refining Services (IRS), as well as the release of material stockpiled ahead of the smelter.

Over the nine-month period ended 31 March 2016, gross refined platinum production increased by 12% to 1.05 million platinum ounces from 932 000 platinum ounces in the previous comparable period.

## **Impala**

Tonnes milled at Impala Rustenburg declined to 2.01 million tonnes during the quarter ended 31 March 2016 from 2.51 million tonnes in the previous comparable quarter ended 31 March 2015. This was largely as a result of the fire at 14 Shaft and safety-related stoppages.

Following the tragic fire, all operations at 14 Shaft were suspended until 15 February 2016 when crews re-entered the upper conventional section of the mine. Stoping and development activities in the upper sections re-commenced on 22 February 2016. The lower trackless and conventional mining sections remain closed and all mining crews have been re-deployed to other mining areas in Rustenburg or tasked with the clean-up and repair operation.

The investigations into the cause of the fire are ongoing and the insured asset damage (estimated to be R375 million) and business interruption (still to be determined) will be covered by the Group's insurance programme. Optimisation of the repair plan to return the shaft to full production as soon as possible has shortened the timeline and it is now expected to be fully completed by March 2017.

Despite the severe impact on production volumes, grade and ore mix, refined platinum production for the quarter was maintained at 142 000 platinum ounces (143 000 platinum ounces for the quarter ended 31 March 2015) as most of the material that was built up in the first half of FY2016 due to the furnace rebuild, was treated in the period under review.

Tonnes milled over the nine-month period ended 31 March 2016 increased by 22% to 7.95 million tonnes, compared to 6.52 million tonnes in the prior corresponding period, which was impacted by the operational re-start following the wage strike. Consequently, refined platinum production for the nine months ended 31 March 2016 increased by 18% to 468 000 platinum ounces (396 000 platinum ounces in nine-months to 31 March 2015).

## **Marula**

Tonnes milled at Marula increased by 4.5% to 390 000 tonnes for the quarter ended 31 March 2016 compared to 373 000 tonnes reported in the prior corresponding period, which is despite production being significantly impacted by safety stoppages in the period. Platinum in concentrate production for the quarter consequently increased to 17 000 platinum ounces (16 000 platinum ounces in the quarter ended 31 March 2015).

Tonnes milled over the nine month period ended 31 March 2016 increased by 6.2% to 1.28 million tonnes, compared to 1.20 million tonnes in the prior corresponding period. In line with this, platinum in concentrate production for the nine month period ended 31 March 2016 rose 11% to 59 000 platinum ounces (53 000 platinum ounces in the nine month period ended 31 March 2015).

## **Zimplats**

Tonnes milled during the quarter ended 31 March 2016 increased by 30% to 1.65 million tonnes compared to 1.26 million tonnes reported in the prior corresponding period. Platinum production in matte for the quarter ended 31 March 2016 increased to 89 000 platinum ounces (52 000

platinum ounces for the quarter ended 31 March 2015) as a result of the increased milling rate and the release of stockpiled concentrates following a furnace outage in the final quarter of FY2015.

Mill throughput over the nine-month period ended 31 March 2016 increased by 27% to 4.77 million tonnes, compared to 3.74 million tonnes in the corresponding prior period. The higher throughput was directly attributable to the measures implemented to recover production losses as a result of the safety closure of the Bimha Mine in August 2014. Platinum in matte for the nine months ended 31 March 2016 was 42% higher at 220 000 ounces, compared to 155 000 platinum ounces in the prior comparable period.

Zimplats continues to engage with the Government of Zimbabwe with regards to the indigenisation implementation plan and the securing of a more conducive regulatory and fiscal framework for the mining industry in Zimbabwe.

### **Mimosa**

Tonnes milled at Mimosa increased by 8.7% to 676 000 tonnes for the quarter ended 31 March 2016 (622 000 tonnes in the quarter ended 31 March 2015) as additional material was milled from the stockpile. Platinum in concentrate production for the quarter increased as a result of the increased mill throughput to 30 000 ounces (28 000 ounces in the quarter ended 31 March 2015).

Tonnes milled during the nine-month period ended 31 March 2016 increased by 3.3% to 1.99 million tonnes, compared to 1.92 million tonnes in the corresponding prior period. The increased throughput resulted in 2.3% higher platinum in concentrate production of 90 000 platinum ounces compared to 88 000 platinum ounces in the prior comparable period.

### **IRS**

IRS refined platinum production for the quarter ended 31 March 2016 increased by 32.9%. Over the nine-month period ended 31 March 2016 production increased by 7.6% to 577 000 ounces, compared to 536 000 ounces in the previous comparable period. The increase in production is largely attributed to higher deliveries from third-party customers and the release of some material in the pipeline.

### **OUTLOOK**

Implats' full year guidance is estimated to be production of around 1.42 million refined platinum ounces and unit cost of R22 500 per refined platinum ounce.

The third quarter production report for the period 1 January to 31 March 2016 has not been reviewed and reported on by the external auditors of Implats.

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