

FACT SHEET

ZIMPLATS

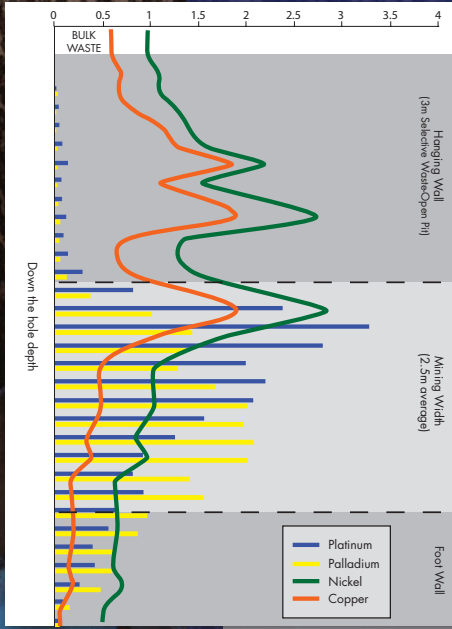




Zimplats is 87% owned by Implats. Its Ngezi operation is located on the Hartley Geological Complex on the Zimbabwean Great Dyke approximately 150 kilometres south-west of Harare. The Hartley Geological complex is the largest of the PGM bearing complex's containing 80% of the known PGM resources in Zimbabwe, two-thirds of which is held by Zimplats. In FY2016 the operation produced 251 000 ounces of refined platinum.

Zimplats operates four shallow mechanised underground mines, one open-pit and two concentrators at Ngezi. The Selous Metallurgical Complex (SMC), located some 77 kilometres north of the underground operations, comprises a concentrator and a smelter.

GEOLOGY



The Great Dyke is a layered complex similar to that of the Bushveld Complex. It extends for 550 kilometres and has a maximum width of 11 kilometres. Within the Great Dyke four geological complexes are known to contain PGM and base metal deposits. These are the Wedza Complex (Mimosa – Aquarius and Implats), the Selukwe Complex (Unki – Anglo

Platinum), the Hartley Geological Complex (Hartley and Ngezi Platinum Mines – Zimplats) and the Musengezi Complex. The stratigraphy is broadly divided between a lower ultramafic and an overlying mafic sequence. The ultramafic sequence hosts the P1 pyroxenite, which in turn hosts the economic PGM-bearing Main Sulphide Zone (MSZ). The MSZ is generally 2 to 3 metres thick. Optimal mineralisation varies and, in contrast to the Bushveld Complex, is often difficult to follow visually. Peak values for the PGM and base metals are vertically offset, with palladium peaking at the base, platinum in the centre and nickel towards the top.



MINING

Mining infrastructure consists of four portals (decline shafts) and one open pit. Mining commences at a depth of 50 metres below surface. The deepest operating depth is approximately 310 metres at Bimha Mine. Zimplats employs mechanised room and pillar mining to extract ore from stopes with a nominal width of 2.5 metres at dips of less than 9 degrees. Each production team consists of 20 to 30 rooms deploying a single boom face rig for drilling, a roof bolter for support drilling, a 10 tonne load and dump (LHD) and a 30 tonne dump truck.

A low angle shear in the deeper sections of the Bimha Mine has impacted ground conditions over a large area. The accelerated deterioration in conditions resulted in the temporary closure in July 2014. The affected production teams from this mine were redeployed to the other three underground mines. Redevelopment is on target and the mine will achieve design production volumes of 1.8Mt_{pa} in April 2018. The Ngezi South Open Pit, which was reopened during 2015, will then be shut down.

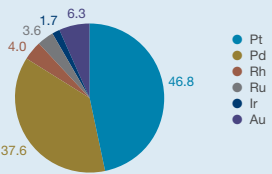
CAPITAL PROJECTS

The collapse at the Bimha mine necessitated a revision of the geotechnical and mine design parameters for both the Bimha and Mupfuti mines. The introduction of a new pillar layout at Mupfuti is nearing completion. To ensure that production levels are sustained at 260 000 ounces of platinum in matte beyond 2021, a bankable feasibility study on Portal 6 has been completed and approved by the Implats and Zimplats board. It is expected that USD148 million will be spent over the next five years on this project.

The refurbishment of the existing Selous-based base metals refinery (BMR) to treat Zimplats's smelter material has been put on hold. Studies into various smelter options to mitigate operational risk of a single furnace operation and to potentially treat other platinum concentrates in the country continue.



Zimplats MSZ 6E metal ratio (%)



Mineral Resources (inclusive reporting) as at 30 June 2016						
	Category	Tonnes (Mt)	Width (cm)	4E Grade (g/t)	6E Grade (g/t)	Platinum (Moz)
Ngezi portals (including Ngezi South Open Pit) – advanced to reserve						
MSZ	measured	65.7	250	3.44	3.62	3.6
	indicated	81.0	250	3.40	3.58	4.5
	Total	146.7		3.41	3.60	8.1
Ngezi portals – not advanced to reserve						
MSZ	measured	80.1	250	3.29	3.48	4.2
	indicated	385.3	239	3.25	3.53	20.7
	inferred	72.3	200	3.25	3.41	4.1
	Total	537.7		3.33	3.51	28.9
Mining lease north of Portal 10**						
MSZ	indicated	70.0	192	3.44	3.70	3.4
	inferred	1 021.0	239	3.22	3.50	50.2
	Total	1 091.0		3.23	3.51	53.6
Hartley						
MSZ	measured	28.3	158	4.53	4.78	2.0
	indicated	143.1	189	3.97	4.19	9.3
	inferred	46.3	191	3.89	4.10	3.0
	Total	217.7		4.03	4.25	14.2
Oxides – all areas						
MSZ	measured	16.0	250	3.42	3.61	0.9
	inferred	38.3	217	3.56	3.76	2.2
	inferred north of portal 10	21.0	239	3.17	3.44	1.0
	Total	75.4		3.42	3.64	4.1
Overall total		2 068.4		3.36	3.60	109.0
Mineral Reserves as at 30 June 2016						
	Category	Tonnes (Mt)	Width (cm)	4E Grade (g/t)	6E Grade (g/t)	Platinum (Moz)
MSZ	proved	51.3	276	3.31	3.50	2.7
	probable	60.1	275	3.31	3.49	3.2
	Total	115.5		3.31	3.50	5.9

**Mining lease north of Portal 10 essentially coincides with the area previously gazetted by the Zimbabwean government for compulsory acquisition.



HISTORY

In 1986 Delta Gold Limited (Delta) acquired rights to its first platinum resources on the Great Dyke. By 1998 it had extended its cover to include interests in all the platinum resources of the Hartley Complex. Delta brought BHP into a joint venture (2/3 BHP and 1/3 Delta) to develop Hartley Platinum Mine and development started in 1994. In 1998, Delta demerged its platinum interests into a special purpose vehicle; Zimplats. By 1999 Hartley had failed to meet its development targets and was put on care and maintenance by BHP. Zimplats subsequently took over BHP's share of Hartley and in 2001 it initiated the Ngezi/SMC project with the assistance of an Implats and ABSA Investment.

A 2.2 million tonne per year open pit mine was established at Ngezi and ore was trucked to Selous where it was processed in the Hartley Mine concentrator and smelting facilities, the SMC. The first converter matte was exported in April 2002. Implats progressively increased its shareholding in Zimplats until 2003 when it made an unconditional cash offer to minority shareholders in Zimplats.

Implats currently holds 87% of Zimplats. Zimplats started to develop underground operations at Ngezi in 2003. These replaced the open pit production in 2008 and have been expanded to the current 6.2 million tonne per year operation with four portals, an open pit and two new concentrator modules at Ngezi.

SUSTAINABLE DEVELOPMENT

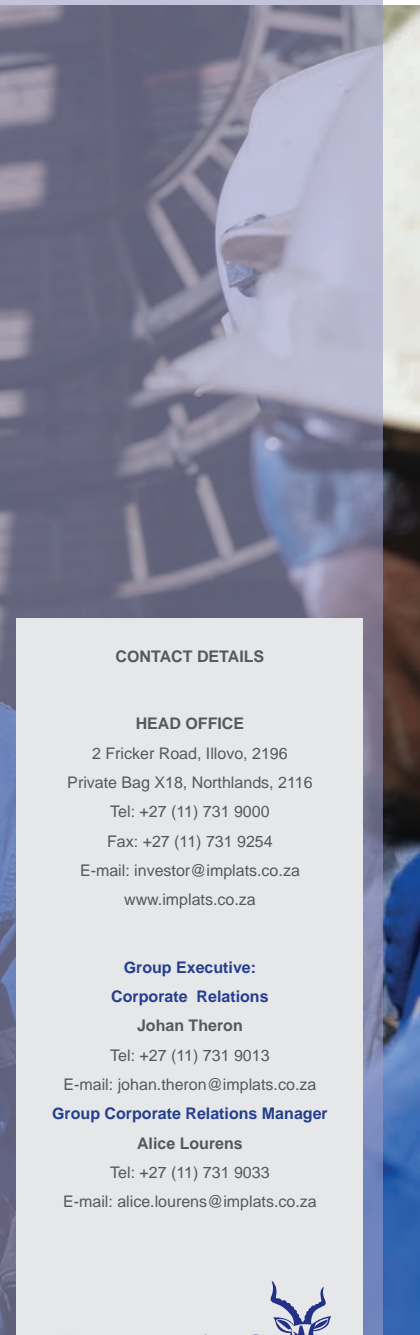
Zimplats remains committed to social development initiatives and engages in, develops and builds community relationships. It takes responsibility for economic, social and environmental issues that impact its people, communities and environments and is involved in a number of community projects in the area.

INDIGENISATION

The Government of Zimbabwe has been pursuing greater participation in the mining sector by indigenous Zimbabweans. The company continues to engage with the government with respect to agreeing plans in this regard.

ZIMPLATS – KEY STATISTICS

ZIMPLATS – KEY STATISTICS		FY2016	FY2015	FY2014	FY2013	FY2012
Production						
Tonnes milled ex mine	('000t)	6 406	5 164	5 939	4 683	4 393
Headgrade (6E)	(g/t)	3.48	3.47	3.47	3.53	3.53
Platinum in matte	('000oz)	289.8	190.0	197.6	157.1	149.2
PGM in matte	('000oz)	616.9	406.0	515.8	416.2	396.4
Labour efficiency						
Tonnes milled per employee costed** (t/man/annum)		1 240	1 076	1339	1159	1128
Cost						
Cost of sales	(Rm)	(6 198)	(4 181)	(3 934)	(2 708)	(2 076)
On-mine operations	(Rm)	(2 904)	(2 196)	(1 942)	(1 434)	(1 089)
Processing operations	(Rm)	(1 572)	(1 107)	(1 047)	(627)	(494)
Other	(Rm)	(1 722)	(878)	(945)	(647)	(493)
Total cost	(Rm)	4 721	3 650	3 208	2 283	1 795
	(\$m)	327	320	309	259	232
Unit costs						
per tonne milled	(R/t)	737	707	540	487	409
	(US\$/t)	51	62	52	55	53
per platinum ounce in matte	(R/oz)	16 291	19 211	13 383	11 524	9 594
	(US\$/oz)	1 130	1 683	1 291	1 307	1 239
Financial ratios						
Gross margin ex mine	(%)	8.2	10.3	34.1	34.9	43.4
Capital expenditure						
	(Rm)	981	968	1 166	1 381	2 104
	(US\$m)	68	85	112	157	272
Safety						
LTIFR	(pmmhw ⁺)	0.58	0.88	0.75	1.10	0.52
FIFR	(pmmhw ⁺)	–	–	0.068	–	–
Labour complement						
Own employees	(no)	3 046	3 214	3 325	2 929	2 791
Contractors	(no)	2 397	2 605	2 749	2 775	6 412
** Total employees excluding capital project employees						
+ Per million man hours worked						



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