

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")

**First quarter production report for the period 1 July to 30 September 2015**

**Johannesburg, 30 October 2015:** Implats has released its first quarter production results for the period 1 July to 30 September 2015.

CEO Terence Goodlace commented: "The Group completed the R4 billion equity raising and the balance sheet has been positioned as planned. Group production for the quarter was impacted by a lock-up of platinum group metals in the Rustenburg smelter as a result of scheduled maintenance and Section 54 safety stoppages which contributed to lower than planned stoping volumes at Impala. The mining plan introduced at Zimplats in 2015 has gained momentum resulting in restored platinum output and Mimosa and Two Rivers performed in line with expectations. The implementation of the response plan for the lower-for-longer PGM prices is being advanced as we focus on shorter term cash preservation and profitability in a low price environment and continue our investment into key capital projects."

Operational information		Unaudited Quarter ended 30 September 2015	Unaudited Quarter ended 30 June 2015	Unaudited Quarter ended 30 September 2014
<b>Group Gross Refined Production</b>				
Platinum	000oz	304	344	280
Palladium	000oz	191	203	197
Rhodium	000oz	41	46	36
Nickel	000t	3.97	4.34	3.79
<b><u>Managed operations</u></b>				
<b>Impala</b>				
Tonnes Milled	000t	2 989	2 683	1 286*
Grade (6E)	g/t	4.04	4.12	4.23*
Merensky Ore Milled	%	47	45	50*
Refined Platinum Production	000oz	123	180	79*
<b>Marula</b>				
Tonnes Milled	000t	440	459	381
Grade (6E)	g/t	4.41	4.25	3.92
Platinum in Concentrate	000oz	21	20	16

Operational information		Unaudited Quarter ended 30 September 2015	Unaudited Quarter ended 30 June 2015	Unaudited Quarter ended 30 September 2014
<b>Zimplats</b>				
Tonnes Milled	000t	1 614	1 422	1 315
Grade (6E)	g/t	3.46	3.46	3.46
Platinum in Matte	000oz	66	35	52
<b><u>Jointly-managed operations</u></b>				
<b>Mimosa</b>				
Tonnes Milled	000t	672	663	636
Grade (6E)	g/t	3.95	3.94	3.92
Platinum in Concentrate	000oz	31	30	29
<b>Impala Refining Services (IRS)</b>				
Refined Platinum Production	000oz	181	165	202

*\*Post-strike ramp-up affected quarter*

## SAFETY

Safe production remains our principle priority and is a key component in delivering on the Group's strategic objectives. Regrettably, an employee passed away in a fall-of-ground incident at the jointly-managed Mimosa operation. The board of directors of Implats and the management team have extended their sincere sympathies to the family, friends and colleagues of Mr Erik Mukazi.

The Fatal Injury Frequency Rate (FIFR) across the Group improved by 47% during the quarter (0.031 per million man hours worked compared to 0.058 achieved in the 2015 financial year). Notwithstanding this however, the Total Injury Frequency Rate (TIFR) deteriorated to 13.09 per million man hours worked.

## PRODUCTION

Gross refined platinum production during the quarter increased by 8.6% to 304 000 ounces, compared to 280 000 ounces achieved in the prior corresponding period. This was primarily due to the impact of the ramp-up of operations at Impala Rustenburg following the five-month wage strike in the previous comparable quarter. Production during the quarter was impacted by planned furnace maintenance at the Rustenburg smelters resulting in a lock-up of 54 000 ounces of platinum. Consequently, refined platinum production decreased by 11.6% to 304 000 ounces when compared to 344 000 ounces achieved in the previous quarter ended 30 June 2015. Zimplats and Mimosa increased platinum output, while production declined marginally at Marula.

### Impala

Production in the quarter was impacted by a lock-up of material in the smelter due to planned maintenance as both No.3 and No.5 furnaces were taken off-line, safety stoppages, which contributed to lower than planned stoping volumes, as well as the initiation of closure proceedings at 8 Shaft and 12 Shaft mechanised section. While, refined platinum production improved significantly from the ramp-up affected comparable quarter in the prior year, refined platinum volumes decreased to 123 000 ounces from 180 000 ounces in the immediately prior quarter.

Refurbishment of a third smelting unit, the number 4 furnace, commenced in July 2015 and is scheduled for completion by the end of November 2015. Three furnaces will then be operational and all stockpiled material should be processed by the end of the March 2016. The additional furnace will provide further opportunity for business optimisation and toll refining.

Increased development from replacement shafts impacted mill grade negatively during the quarter resulting in a decline from 4.12g/t to 4.04g/t. Measures have been adopted to address this with increased Merensky tonnage planned from 16 and 20 Shafts towards year-end and improving mining quality in other mining areas. Production guidance for the full year is maintained at 720 000 to 740 000 platinum ounces.

### **Marula**

Tonnes milled during the review period increased by 16% to 440 000 tonnes, compared to 381 000 tonnes in the prior corresponding period as an unprotected labour stoppage, a fatal incident and safety closures at the mine impacted production in the previous comparable period. Head grade improved by 13% to 4.41g/t and platinum in concentrate production increased by 25% to 21 000 ounces, compared to 16 000 ounces in the prior corresponding period.

When compared to the immediately prior quarter, tonnes milled decreased by 4% to 440 000 tonnes, compared to 459 000 tonnes. Head grade improved by 3.8% to 4.41g/t and platinum in concentrate production increased to 21 000 ounces, compared to 20 000 ounces in the previous quarter. Community activism affecting production continues to be addressed by management at Marula. Production for the year is still estimated to be between 80 000 to 85 000 ounces of platinum in concentrate.

### **Zimplats**

Mill throughput increased by 23% to 1.61 million tonnes, compared to 1.32 million tonnes in the prior corresponding period due to the safety closure of the Bimha Mine in August 2014, following a collapse within a section of the underground working area. As a result, platinum in matte increased by 14 000 ounces (27%) to 66 000 ounces, compared to 52 000 ounces in the prior corresponding period a year ago.

Mill throughput increased by 13.5% to 1.61 million tonnes, compared to 1.42 million tonnes in the previous quarter ended 30 June 2015, as the benefits of open pit mining and re-establishment at Bimha started to materialise. As a result, platinum in matte increased by 14 000 ounces (27%) to 66 000 ounces, compared to 35 000 ounces in the previous quarter, which was affected by a lock-up of approximately 27 000 ounces of platinum in concentrate after a furnace outage following a shell break-out incident in May 2015.

Head grade was maintained at 3.46g/t. Material stock-piled during the Zimplats smelter outage could not be processed during this quarter due to capacity constraints at the Rustenburg smelter and will only be treated by IRS from November 2015 once the third furnace is brought on-line.

Platinum in matte production for the full year is maintained at between 250 000 and 260 000 ounces.

### **Mimosa**

Tonnes milled during the period increased by 1.4% to 672 000 tonnes, compared to 663 000 tonnes in last quarter and 636 000 tonnes in the quarter a year ago. The increased throughput together with a slightly improved grade and recoveries at the mine improved platinum production to 31 000 ounces, compared to 30 000 ounces in the prior quarter and 29 000 in the prior year. Platinum in concentrate production is expected to be maintained at around 110 000 ounces for the full year.

### **IRS**

IRS refined platinum production during the period increased to 181 000 ounces, compared to 165 000 ounces in the prior quarter both periods being impacted by the Zimplats smelter lock-up. This was lower than the 202 000 ounces produced in the comparable quarter a year ago when additional material was released following the strike.

### **EQUITY RAISING**

During the period, the Group successfully raised R4 billion through an equity raise, which will be spent on the completion of Impala Rustenburg's 16 and 20 Shafts.

### **OUTLOOK**

The Group confirms that full year refined production for the year will be between 1.45 and 1.50 million ounces of platinum for the year ending 30 June 2016. Group unit costs are expected to be approximately R20 000 per platinum ounce for the full year in line with guidance.

The above information has not been reviewed or reported on by the Group's external auditors.

### **QUERIES**

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