

FACT SHEET

# ZIMPLATS



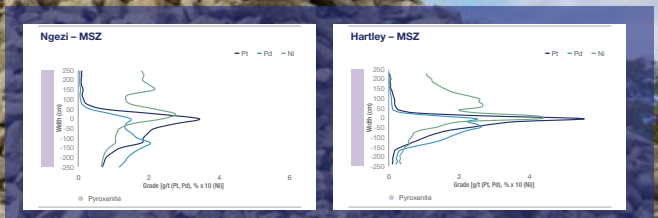


# GEOLOGY

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 – Sibanye-Stillwater and Implats), the Selukwe Complex (Unki – Anglo Platinum), the Hartley Geological Complex (Hartley and Ngezi Platinum Mines – Zimplats) and the Musengezi Complex.

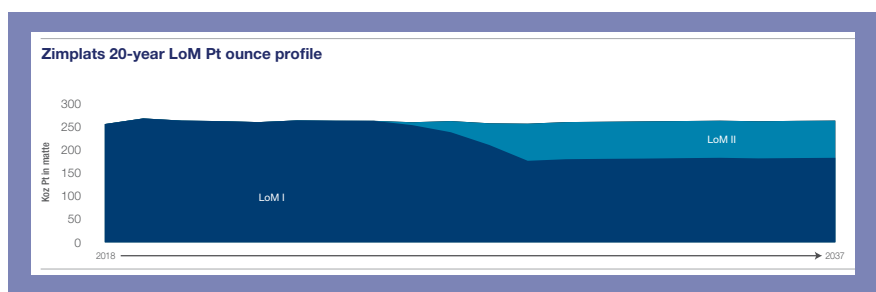
The stratigraphy is broadly divided between a lower ultramafic and an overlying mafic sequence. The ultramafic sequence hosts the P1 pyroxenite, which in turn hosts the economic PGM-bearing Main Sulphide Zone (MSZ). The MSZ is generally 2 to 3 metres thick. Optimal mineralisation varies and, in contrast 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.





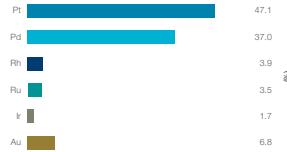
Mineral Resources (inclusive reporting) as at 30 June 2017						
	Category	Tonnes (Mt)	Width (cm)	4E Grade (g/t)	6E Grade (g/t)	Platinum (Moz)
<b>Ngezi portals</b>						
MSZ	measured	140.2	250	33	3.52	7.4
	indicated	436.5	234	37	3.55	23.6
	inferred	99.7	214	22	3.39	5.5
	<b>Total</b>	<b>676.4</b>		<b>3.34</b>	<b>3.52</b>	<b>36.5</b>
<b>Mining lease north of Portal 10**</b>						
MSZ	indicated	70.0	192	3.44	3.70	3.4
	inferred	1 021.0	239	3.22	3.50	50.2
	<b>Total</b>	<b>1 091.0</b>		<b>3.23</b>	<b>3.51</b>	<b>53.6</b>
<b>Hartley</b>						
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
	<b>Total</b>	<b>217.7</b>		<b>4.03</b>	<b>4.25</b>	<b>14.2</b>
<b>Oxides – all areas</b>						
MSZ	measured	16.0	250	3.42	3.61	0.9
	inferred	59.3	225	3.42	3.64	3.2
	<b>Total</b>	<b>75.4</b>		<b>3.42</b>	<b>3.64</b>	<b>4.1</b>
<b>Overall total</b>		<b>2 060.4</b>		<b>3.36</b>	<b>3.60</b>	<b>108.5</b>
Mineral Reserves as at 30 June 2017						
	Category	Tonnes (Mt)	Width (cm)	4E Grade (g/t)	6E Grade (g/t)	Platinum (Moz)
MSZ	proved	63.6	266	25	3.43	3.3
	probable	101.5	265	26	3.44	5.3
	<b>Total</b>	<b>165.1</b>		<b>25</b>	<b>3.43</b>	<b>8.6</b>

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





Zimplats MSZ 6E metal ratio



## MINING

Mining infrastructure consists of five portals (decline shafts) and one open pit. The deepest operating depth is currently 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 impacted ground conditions over a large area resulting in extensive support pillar failure that led to cascading collapse of a larger footprint. Geotechnical investigations recommended a new pillar layout, which was also adopted at Mupfuti and Bimha Mines. The extraction ratio based on the new pillar layout is below 70%, compared to above 80% on the old layout. Redevelopment is on target and Bimha will achieve design production volumes in April 2018. The Ngezi South Open Pit will then be shut down.

## CAPITAL PROJECTS

To ensure that production levels are sustained at 260 000 ounces of platinum in matte beyond 2021, the Mupani Mine feasibility study was approved in November 2016. The project is expected to cost USD148 million over five years.

Given the challenging price environment, capital allocation has been aligned with the business' ability to generate cash. A decision to reline and upgrade the current furnace has been taken rather than pursue the development of a second furnace.



## 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.

## 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		FY2017	FY2016	FY2015	FY2014	FY2013
<b>Production</b>						
Tonnes milled ex mine	('000t)	<b>6 716</b>	6 406	5 164	5 939	4 683
Headgrade (6E)	(g/t)	<b>3.49</b>	3.48	3.47	3.47	3.53
Platinum in matte and concentrate	('000oz)	<b>281.1</b>	289.8	190.0	197.6	157.1
PGM in matte and concentrate	('000oz)	<b>601.7</b>	616.9	406.0	515.8	416.2
<b>Labour efficiency</b>						
Tonnes milled per employee costed** (t/man/annum)		<b>1 285</b>	1 240	1 076	1339	1159
<b>Cost</b>						
<b>Cost of sales</b>	(Rm)	<b>(5 753)</b>	(6 198)	(4 181)	(3 934)	(2 708)
On-mine operations	(Rm)	<b>(2 828)</b>	(2 904)	(2 196)	(1 942)	(1 434)
Processing operations	(Rm)	<b>(1 514)</b>	(1 572)	(1 107)	(1 047)	(627)
Other	(Rm)	<b>(1 411)</b>	(1 722)	(878)	(945)	(647)
<b>Total cost</b>	(Rm)	<b>4 787</b>	4 721	3 650	3 208	2 283
	(\$m)	<b>351</b>	327	320	309	259
<b>Unit costs</b>	(R/t)	<b>713</b>	737	707	540	487
per tonne milled	(US\$/t)	<b>52</b>	51	62	52	55
per platinum ounce in matte	(R/oz)	<b>17 030</b>	16 291	19 211	13 383	11 524
	(US\$/oz)	<b>1 249</b>	1 130	1 683	1 291	1 307
<b>Financial ratios</b>						
Gross margin ex mine	(%)	<b>18.3</b>	8.2	10.3	34.1	34.9
<b>Capital expenditure</b>						
	(Rm)	<b>863</b>	981	968	1 166	1 381
	(US\$m)	<b>63</b>	68	85	112	157
<b>Safety</b>						
LTIFR	(pmmhw <sup>+</sup> )	<b>0.21</b>	0.58	0.88	0.75	1.10
FIFR	(pmmhw <sup>+</sup> )	<b>–</b>	–	–	0.068	–
<b>Labour complement</b>						
Own employees	(no)	<b>3 064</b>	3 046	3 214	3 325	2 929
Contractors	(no)	<b>2 878</b>	2 397	2 605	2 749	2 775

\*\* Total employees excluding capital project employees

+ Per million man hours worked



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