

Zimplats Holdings Limited



REPORT FOR THE QUARTER ENDED 31 DECEMBER 2007

KEY FEATURES

- Unsatisfactory safety performance with one fatality and seven lost time injuries recorded.
- Mining and processing operations in line with expectations.
- Phase 1 expansion project remains on schedule.

SAFETY and ENVIRONMENT

Safety performance for the quarter was unsatisfactory. Regrettably, one fatality was recorded together with seven lost time injuries. This brought to nine the total number of lost time incidents recorded in the year to date. Management is working on ensuring that the company re-establishes a high level of safety consciousness in all its operations.

PRODUCTION – Zimbabwe Platinum Mines (Private) Limited

		December Quarter 2007	September Quarter 2007	June Quarter 2007	March Quarter 2007
Mining					
Ore mined – opencast	Tonnes (000's)	363	400	373	376
Ore mined – underground	Tonnes (000's)	267	255	267	251
Total ore mined	Tonnes (000's)	630	655	640	627
Overall mine grade	4E g/t	3.40	3.45	3.46	3.45
Processing					
Ore milled	Tonnes (000's)	538	567	521	580
Mill grade	4E g/t	3.40	3.46	3.49	3.46
Recovery	4E%	84.1	83.8	83.9	83.7
Metal in concentrate	4E oz	49,343	53,007	49,053	54,064
Metal in converter matte	4E oz	50,530	31,420	50,076	51,328
Metal sales					
4E sales	Oz	47,516	34,049	46,689	52,995
Nickel	Tonnes	406	278	421	449
Copper	Tonnes	276	189	288	303

Both mining and processing operations were satisfactory and generally in line with expectations.

Since the end of the quarter, operations have been adversely affected by power outages which resulted from problems within the power supply network in the sub-region. Although these problems have been resolved for now, management remains concerned about the ongoing power generation and transmission difficulties and the possible impact on operations.

The smelter has operated well since the furnace re-line and the processing of stockpiled concentrates is on course to be completed by end of February, subject to there being no further unscheduled power outages.

FINANCIAL – Zimbabwe Platinum Mines (Private) Limited

Operating cash flow	December Quarter 2007 US\$ 000's	September Quarter 2007 US\$ 000's	June Quarter 2007 US\$ 000's	March Quarter 2007 US\$ 000's
Revenue	60,672	38,574	63,083	67,103
Operating Costs	(34,264)	(22,254)	(30,968)	(31,212)
Operating Profit	26,408	16,319	32,115	35,891

Revenue was 57% up on the previous quarter reflecting the higher production and deliveries of matte arising from the processing of the concentrates stockpiled during the furnace re-line as well as the benefit of the continued rise in platinum, rhodium and gold prices. The nickel price however continued its downward trend.

Total operating costs were 54% higher than the previous quarter due in the main to the higher volume of metal produced. Costs for the period were negatively affected by high fuel prices, an exchange rate that did not adequately reflect the prevailing rate of inflation as well as an increase in the electricity tariff. Furthermore, \$1.7 million of replaced furnace lining was written-off.

The operating margin at 44% was marginally up on the previous quarter.

Cash and total cost of production	December Quarter 2007 US\$	September Quarter 2007 US\$	June Quarter 2007 US\$	March Quarter 2007 US\$
Cash cost of production per 4E ounce	561	518	534	488
Less by-product credits	(188)	(182)	(357)	(353)
Net cash cost per 4E ounce	373	336	177	135
Amortisation and depreciation	197	137	129	101
Total cost per 4E ounce *	570	473	306	236
Surplus per 4E ounce**	563	478	688	678

Unit costs were adversely affected by the factors outlined above. Higher platinum, rhodium and gold prices however resulted in surplus per 4E oz increasing by 18% to \$563.

*Net of by-product revenue

** Total Revenue, less total cost/Total 4E ounces.

PGM PRICES

The average pgm and gold prices for the past 4 quarters are as follows:

	December 2007 Quarter	September 2007 Quarter	June 2007 Quarter	March 2007 Quarter
Platinum (USD per oz)	1 491	1 294	1 272	1 191
Palladium (USD per oz)	354	350	363	345
Rhodium (USD per oz)	6 812	6 121	6 080	5 913
Gold (USD per oz)	805	668	667	650
Nickel (USD per tonne)	25 979	30 195	48 038	41 406

PHASE 1 EXPANSION PROJECT

Work on the Ngezi Phase 1 Expansion project remains on schedule despite the very challenging operating environment in Zimbabwe.

INDIGENISATION

The Indigenisation and Economic Empowerment Bill still awaits presidential assent for it to become law.

The Parliament of Zimbabwe adjourned until April before debate of The Mines and Minerals Amendment Bill had been completed. There are no indications as yet that the bill will be amended to take into account representations that have been made by the Chamber of Mines of Zimbabwe.

INVESTMENT INFORMATION

Share price

The average share price for the quarter was A\$13.00

Capital Structure

Major shareholders as at 31 December 2007

Impala Platinum Holdings Limited	86.91%
Corporate Holdings Limited	3.20%
Mr. Adrian Vanderspuy	2.60%

Caution

Shareholders are advised to exercise caution in their share dealings due to the uncertain conditions prevailing in Zimbabwe.

Shareholder enquiries

Matters relating to the 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.

INFORMATION ON ZIMPLATS

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In the report Zimplats refers to Zimplats Holdings Limited and/or its subsidiaries.