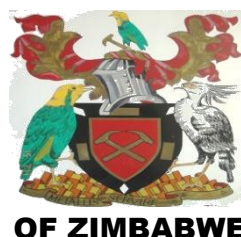


## THE CHAMBER OF MINES



### Mining Industry 2016 First Quarter Performance Report

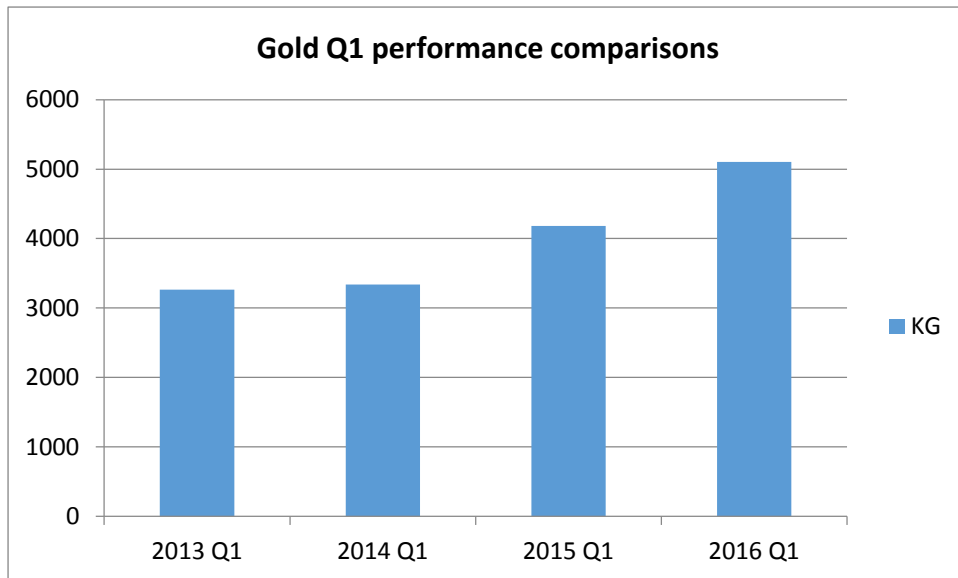
#### 1. Production performance

The mining industry recorded a robust performance in the first quarter of 2016 compared to the same period in 2015, with majority of minerals recording stellar output growth. Apart from Chrome and Coal all major minerals recorded increases in volumes produced ranging from 8% to 64%.

Mineral	Total 2015 Vol	Total 2016 Vol	% change
Asbestos \t	-	-	N/A
Chrome \t	57,290.00	-	-100%
Coal \t	1,380,642.00	1,374,250.00	0%
Cobalt \t	97.41	121.05	24%
Copper \t	2,106.21	2,570.17	22%
Gold \kg	4,180.42	5,060.39	21%
Graphite \t	1,542.00	1,671.20	8%
High Carbon Ferrochrome \t	31,776.00	1,158.00	-96%
Iridium \kg	115.78	190.41	64%
Iron Ore \t	-	-	N/A
Nickel \t	4,440.48	4,874.17	10%
Palladium \kg	2,394.24	3,462.71	45%
Platinum \kg	3,019.63	4,320.95	43%
Rhodium \kg	272.09	365.66	34%
Ruthenium \kg	242.93	308.74	27%

*Please note that the production figure for coal in respect of the month of March is an estimate based on the production of the previous month.*

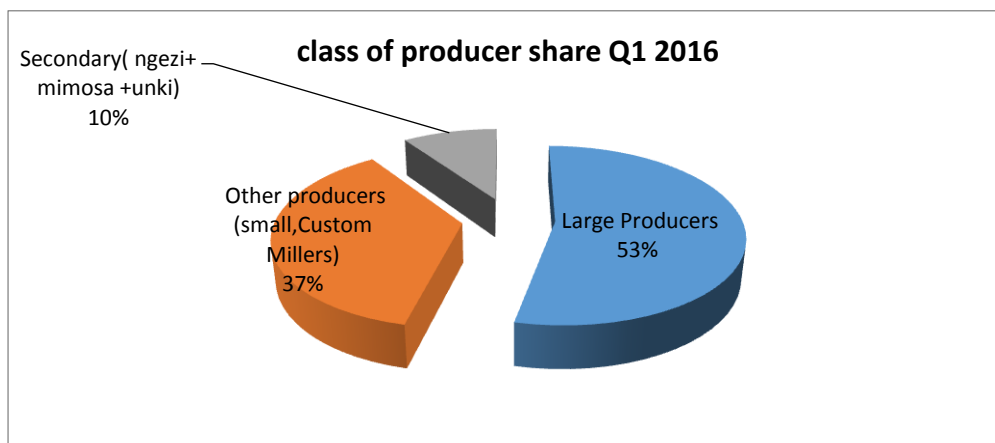
## 2. Gold performance



	2013 Q1	2014 Q1	2015 Q1	2016 Q1
KG	3266.21	3336.98	4180.42	5104.84

### Gold output analysis by class of producer

production by class	Q1 2015	Q1 2016	Change
Large Producers	2,594.48	2,735.27	5%
Other producers (small, Custom Millers)	1,215.24	1,876.10	54%
Secondary( ngezi+ mimosa +unki)	370.70	493.47	33%
Total Gold Production	4,180.42	5,104.84	22%



### 3. Value (US\$) of mineral output

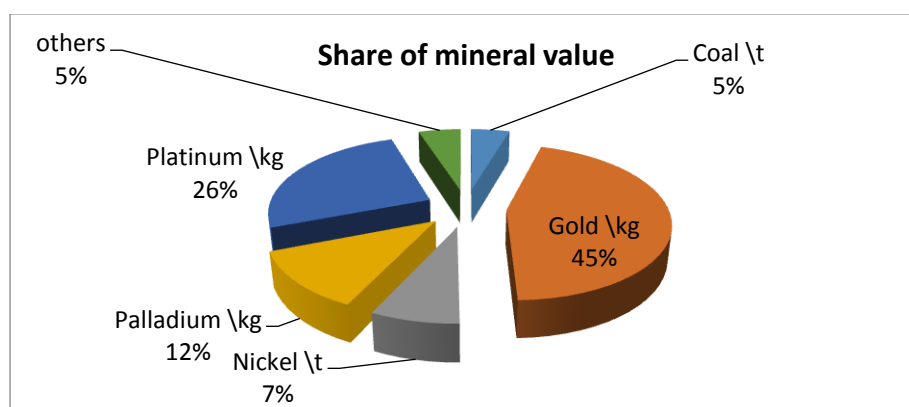
Despite the robust performance in the volumes of minerals produced and on the backdrop of depressed prices, the total at mine value for the minerals produced decline 3.45% to US\$419.96 million in the first quarter of 2016 compared to US\$434.96 million in the same period in 2015.

Outside gold, platinum and iridium all minerals recorded declines in value in the first quarter of 2016 compared to the same period last year. Gold which benefited from both firm price and increased output recorded a stellar 17% increase in value from \$161.67 million generated in Q1 2015 to \$189.65 million in the same period in 2016. Platinum was up 6% to \$108.97 million in 2016 compared to \$102.65 million in 2015.

#### Mineral Values (in USD ) for the first Quarter 2016

Mineral	Q1 2015 US\$	Q1 2016 US\$	% Change
Asbestos \t	-	-	N/A
Chrome \t	5,628,568.49	-	-100%
Coal \t	24,134,788.00	19,238,321.00	-20%
Cobalt \t	1,245,950.51	1,023,206.12	-18%
Copper \t	8,967,491.98	8,520,533.38	-5%
Gold \kg	161,669,030.59	189,650,832.17	17%
Graphite \t	907,542.00	832,534.00	-8%
High Carbon Ferrochrome \t	21,614,588.00	1,540,621.00	-93%
Iridium \kg	1,272,318.97	1,755,558.56	38%
Iron Ore \t	-	-	N/A
Nickel \t	44,723,983.70	30,945,461.86	-31%
Palladium \kg	53,126,284.73	50,785,072.17	-4%
Platinum \kg	102,646,668.85	108,967,654.42	6%
Rhodium \kg	8,746,519.55	6,454,311.40	-26%
Ruthenium \kg	279,440.14	248,528.92	-11%
<b>Total</b>	<b>434,963,175.51</b>	<b>419,962,635.00</b>	<b>-3%</b>

#### Distribution of Mineral Value



#### 4. Price Developments in Q1 2016

With the exception of gold, all precious metals were trading below the levels recorded in the first quarter of 2015. The average gold prices for January at US\$1097.38 was 12.3% lower than that of the corresponding period of 2015. However by the March 2016 average gold price was 5.7% higher than the same period of 2015. The higher gold price is a positive development for the Zimbabwean gold sector, however sustained higher prices are needed to place the gold sector on a sound footing given the need to recapitalise and grow the sector. Below are gold price tables for January to April 2015 and 2016.

##### 2016 Prices US\$/oz

Month	Gold	Silver	Platinum	Palladium
Jan	1097.38	14.02	854.10	499.90
Feb	1199.91	15.07	920.24	505.55
Mar	1246.34	15.42	968.43	567.38
Apr	1242.26	16.26	994.19	575.10

##### 2015 Prices US\$/oz

Date	Gold	Silver	Platinum	Palladium
Jan	1251.85	17.10	1243.48	784.33
Feb	1227.19	16.84	1197.60	786.11
Mar	1178.63	16.22	1138.64	786.32
Apr	1197.91	16.32	1150.10	768.80

Platinum Group metal prices trended upwards during the first quarter of 2016. However, the average monthly prices for the first quarter of 2016 were lower than those for the corresponding months of 2015. Platinum started the year with prices being 31.3% lower than 2015 January average and ended the quarter with March prices being 14.9% lower than those recorded in March 2015.

##### Nickel Prices US\$/t

Month	2016	2015
Jan	8507.29	14849.19
Feb	8298.5	14573.84
Mar	8717.25	13755.5
Apr	8897.83	12830.93

Average nickel prices exhibited a positive trend during the quarter. Prices were however lower than those recorded in 2015 as shown on the table above.

## Output outlook

Based on the production for the 3 months, the projected production for 2016 is estimated as follows:

Mineral	Projected production for 2016
• Gold	24 241 kg
• Platinum	17 283 kg
• Palladium	13 848 kg
• Coal	3.726 million tons
• Nickel	16 496 kg