Regulatory Story

Jubilee Platinum PLC - JLP

Audited results for the year ended 30 June 2016

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14 November 2016

Jubilee Platinum PLC

("Jubilee" or the "Company" or the "Group")

Audited results for the year ended 30 June 2016

The directors of AIM traded Jubilee, the Mine-to-Metals company, are pleased to release its audited results for the year ended 30 June 2016. Shareholders are also advised that these results have been audited by the Group auditors Saffery Champness Their audit report is attached to this announcement as Annexure 1. In compliance with the JSE Limited's listings requirements a reconciliation of headline earnings is attached to this announcement as Annexure 2.

The Company confirms that the Annual Report and Accounts for the year ended 30 June 2016 has been posted to shareholders and is available on the Company's website (www.jubileeplatinum.com). Shareholders are also advised that the Notice of Annual General Meeting for the year ended 30 June 2016 was posted to Jubilee shareholders on 11 November 2016 and is also available on the Company's website. The Annual General Meeting will be held on Tuesday, 6 December 2016 at 11:00 am UK time at Fladgate LLP, 16 Great Queen Street, London, WC2B 5DG to transact the business as stated in the notice of Annual General Meeting.

Highlights Financial[1]

- Middelburg Operations and Power Plant disposal ("Disposal Group") completed for a gross cash sum of ZAR110.5 million (£5.3 million).
- Operating expenses from continuing operations (excluding share-based payment charges and impairments) are down 16.27% to £2.4 million (ZAR5.1 million)
- The Group reported a loss per share for the year ended 30 June 2016 on continuing operations of 0.38 pence (ZAR cents 8.07), a reduction of 15.6% on last year, and a loss per share on discontinued operations for the three months to 30 September 2016 of 0.03 pence (ZAR cents 0.67) (2015: loss per share on continuing operations of 0.45 pence (ZAR cents 8.12) and a loss per share on discontinued operations for the year ending 30 June 2015 of 0.10 pence (ZAR cents 1.76)).

Mining and exploration[1]

- Jubilee's subsidiary Company, Tjate Platinum Corporation Pty Ltd ("Tjate"), secured an Environmental Rehabilitation Guarantee ("ERG") Policy bond for £1.5 million (ZAR27 million) in terms of the Minerals and Petroleum Resources

Development Act ("MPRDA") of South Africa. Tjate awaits the notarial execution of the mining right for its Tjate Platinum Project by the Department of Minerals and Resources ("DMR").

Surface operation and processing [1]

- Co-Operation Agreement executed, 15 December 2015 between Jubilee and Hernic Ferrochrome Pty Ltd ("Hernic") to turn to account its platinum containing tailings ("Platinum Tailings"), stockpiled on its site, by producing chromite and PGM concentrates ("Hernic Tailings Project").
- Jubilee secured funding for the construction and commissioning of the Hernic Tailings Project.
- Construction of the 660 000 tonnes per year process plant for the Hernic Tailings Project commenced February 2015, reaching 45% completion on schedule and on budget by year-end with 71% completion reached post the period under review by end Q3 2016
- Construction of the Dilokong chromite recovery section (First Phase) of the Dilokong Tailings Treatment Plant ("DTTP") was concluded in February 2016, targeting the recovery of chromite from Dilokong Chrome Mine's ("DCM") platinum-bearing chromite tailings ("DCM Platinum Tailings") ("DCM Tailings Project"). DTTP reached its operational design capacity in mid-April 2016.
- Record production, revenues and earnings from DCM Project chromite achieved by year-end after two months continuous operations.
- DCM Project earnings at year-end reach £0.744 million (ZAR14.2 million) and increasing post the period under review to £2.291 million (ZAR41.905 million) end Q3 2016
- Attributable earnings to Jubilee from the DCM Project at year-end reach £0.456 million (ZAR8.7 million) and increasing post the period under review to £1.344 million (ZAR24.597) end Q3 2016

1= for income statement purposes currency conversions are at the average £: ZAR rates for the period under review and for balance sheet purposes currency conversions are at the closing rate as at the period end. All other currency conversions are at rates as at the time announced

Overview

In the period under review, the Company achieved significant milestones in the implementation of its Mine-to-Metals strategy to form a fully-integrated platinum mining Company.

The Company commissioned the First Phase of its DCM Tailings Project, reaching stable production in April 2016 while simultaneously commencing with the construction of the Hernic Tailings Project, targeting a combined processing in excess of 900 000 tonnes per annum of Platinum Tailings over the two Tailings Projects. The Company executed the cash sale of its non-core Ferro-alloy smelting operations ("Middelburg Operations") for a gross value of approximately £5.3 million (ZAR110.5 million), and redirected the funds towards the acquisition and commissioning of its platinum and chrome tailings projects.

The First Phase of the DCM Tailings Project targeted the production of a chromite concentrate while concurrently the Company concluded a detailed platinum processing option study. The option study was concluded post the period under review. The option study indicated the optimal strategy should include pre-concentration at DCM of the platinum in the chrome tailings and contracting with an existing platinum producer to upgrade further the platinum pre-concentrate in order to produce a saleable platinum concentrate. The Company engaged with a targeted toll processor to implement this preferred platinum processing strategy at DCM. Post year-end the DCM Tailings Project has continued to exceed the design specifications, reaching a production at the end of Q3 of the 2016 calendar year of 43 747 tonnes of saleable chromite concentrate, generating total revenues of £3.1 million (ZAR56.5 million).

The Company successfully completed a project funding agreement (the "Funding") for the execution and commissioning of its two platinum Tailings Projects.

The Funding comprised the combination of Senior Secured Debt (to a maximum of USD10 million), Unsecured Debt (to a maximum of USD5.3 million) and an equity placing (£2.3 million). This Funding package enabled Jubilee to execute simultaneously the two platinum Tailings Projects, while still pursuing the acquisition or securing of further surface or shallow platinum-bearing opportunities. These two Tailings Projects have grown the Company's access to, in excess of 4 million tonnes, of platinum-containing surface material.

The Hernic Tailings Project reached 45% completion at year-end with the Project expenditure equalling £4.5 million (ZAR 88.5 million). Post year-end and at the end of Q3 of the 2016 calendar year the Project had reached a completion of 71% with the un-audited Project expenditure reaching £7.5 million (ZAR137.6 million).

The Company's Tjate project progressed with the implementation of a Rehabilitation Guarantee Policy bond for £1.5 million (ZAR27 million) in terms of the Minerals and Petroleum Resources Development Act ("MPRDA") of South Africa. Tjate continues to await the execution of the mining right by the Department of Minerals and Resources ("DMR").

Jubilee executed a binding cash sale agreement, in aggregate of approximately £5.3 million (ZAR110.5 million) gross for its Middelburg operational assets, the disposal of which was approved by shareholders at a general meeting on 7 August 2015.

During the period under review the Company successfully managed its expenditure by selling its non-core assets and channelling the proceeds into the more profitable platinum Tailings Projects, thereby enabling the Company to grow its near-term earnings potential. The Company continues to actively pursue further projects consistent with our stated mission to grow the Company's processing capacity of at- or near-surface platinum bearing material.

The Company looks forward to bringing into operation its two platinum Tailings Projects within the current financial period while continuing to grow its revenue base and earnings projections and advancing its project portfolio.

Conditions in the global markets remained challenging as reflected in the platinum group metal ("PGM") prices. However, Jubilee's Platinum Tailings Projects remain robust at these metal prices; having the benefit of not being exposed to mining cost or associated mining risk.

The Company successfully responded to the current challenges and risks inherent to an exploration and production business and will continue to formulate preventative measures.

Chairman's statement

Dear Shareholder,

The theme of last year's report was that the resource industry in general was experiencing very difficult times with commodity prices and difficulty in accessing finance for survival, let alone growth. Towards the end of my report I stated that the Jubilee management team would not be intimidated by these difficult times and would continue with its Mine-to-Metals strategy despite the conditions.

I am very pleased to report that the management team did respond well to their challenges and Jubilee has made significant steps towards overall profitability and establishing a prominent emerging position in the South African platinum industry. Significantly we secured the Hernic project in December 2015 and completed building the Dilokong chromite recovery section in February 2016. The completion of these two projects will result in the Company having a process capacity capable of producing some 33 000 oz of platinum per annum with considerable contribution from chrome in the case of Dilokong.

We were successful in accessing finance for these two projects with the combination of debt and equity; this financing being achieved when the industry was still experiencing great difficult in accessing finance of any kind.

We continue, proactively and reactively, to search for new business additions to our model and feel confident that we will make gains in this area. We also recognise that a chrome/platinum dump mission in a finite environment can be self-limiting and therefore have expanded our investigations into other metals and other areas. We have recognised and it has been recognised within our industry, that the Company possesses considerable internal technical strength for dump re-treatment projects and outside the Company, has created a good strategic network to identify, investigate and financially interrogate what would be future dump re‐treatment projects. We intend to grow on these strengths for the balance of this year and into 2017.

We are somewhat disappointed that platinum has been so resilient at its lower levels and the much expected breakout in a positive way did not occur. I have been cynical over the link between gold and platinum and have often stated that the coupling has little sense since platinum is a commodity and should therefore respond to supply and demand fundamentals. More new cars have been sold within the developed and emerging world and yet the platinum price has continued to remain at around a USD1 000 per oz mark with moderate increases and decreases. Unlike other metals, platinum produced is sold without evidence of any significant inventories being built up which can distort the price or lead to price manipulation. The board sees a healthy market for platinum with expectation of higher prices but is confident of making good returns on investment at current platinum price levels. Our chrome operation at Dilokong has benefited considerably by increased prices for chrome and we are encouraged by our effort and opportunities in the local chrome arena.

On a more general note, the resource sector appears to be ready to move back to being a favoured sector as opposed to the "Cinderella" of stock markets. My experience has been that such changing sentiment can be rapid and management should not be caught asleep when they sense the change. I believe that significant opportunities can avail to Jubilee within its stated mission and an extension of that mission. Financing potential has definitely improved and now there exist considerable financial interest for new projects held by a strong management team with a track record.

The Group reported a loss per share for the year ended 30 June 2016 on continuing operations of 0.38 pence (ZAR cents 8.07) a reduction of 15.6% on last year and a loss per share on discontinued operations for the three months to 30 September 2016 of 0.03 pence (ZAR cents 0.67) (2015: loss per share on continuing operations of 0.45 pence (ZAR cents 8.12) and a loss per share on discontinued operations for the year ending 30 June 2015 of 0.10 pence (ZAR cents 1.76)).

Finally I would like to thank my fellow directors and particularly the executive directors who have performed extremely well in securing the two assets and positioning the company within South Africa. I would also like to thank management and external consultants who have integrated as individuals and companies into our business plan. I look forward to an exciting 2017 and expect to be announcing more acquisitions and accelerated growth, all designed to enhance shareholder value.

Colin Bird
Non-Executive Chairman
11 November 2016

Financial statements for the year ended 30 June 2016

Consolidated statement of comprehensive income for the year ended 30 June 2016

Figures in Sterling	2016	2015
Continuing operations	1 473 921	48 899
Revenue Cost of sales	(608 309)	(25 529)
Gross profit	865 612	23 370
Other income	10 725	8 586
Operating expenses	(4 690 862)	(2 843 607)
Operating loss	(3 814 525)	(2 811 651)
Investment revenue	144 077	65 283
Gain on non-current assets held for sale or disposal groups	84 680	–
Finance costs	(13 418)	(194 758)
Loss before taxation	(3 599 186)	(2 941 126)
Taxation	201 901	–
Loss from continuing operations	(3 397 285)	(2 941 126)
Discontinued operations		
Loss from discontinued operations	(276 660)	(504 196)
Loss for the year	(3 673 945)	(3 445 322)
Other comprehensive income:		
Exchange differences on translating foreign operations	2 653 926	(4 497 075)
Total comprehensive loss	(1 020 019)	(7 942 397)
Attributable to:		
Owners of the parent:		
Loss for the year from continuing operations	(3 412 174)	(2 906 928)
Loss for the year from discontinuing operations	(283 749)	(628 442)
Loss for the year attributable to owners of the parent	(3 695 923)	(3 535 370)
Non-controlling interest:		
Profit/(loss) for the year from continuing operations	14 889	(34 198)
Profit for the year from discontinuing operations	7 089	124 246

Profit for the year attributable to non-controlling interest	21 978	90 048
Total comprehensive loss attributable to:		
Owners of the parent	(1 009 610)	(8 006 476)
Non-controlling interest	(10 409)	64 079
	(1 020 019)	(7 942 397)
Basic and diluted loss per share (pence) – continuing operations	(0.38)	(0.45)
Basic and diluted loss per share (pence) – discontinued operations	(0.03)	(0.10)
Loss per share	(0.41)	(0.55)

Consolidated statement of financial position as at 30 June 2016

Figures in Sterling	2016	2015
Assets		
Non-current assets		
Property, plant and equipment	4 977 784	88 064
Intangible assets	61 838 764	59 069 353
Deferred tax	218 345	–
	67 034 893	59 157 417
Current assets		
Inventories	–	19 019
Other financial assets	555 159	–
Current tax receivable	15 870	15 900
Trade and other receivables	1 074 509	302 504
Cash and cash equivalents	4 414 908	360 829
	6 060 446	698 252
Non-current assets held for sale and assets of disposal groups	–	7 696 389
Total assets	73 095 339	67 552 058
Equity and liabilities		
Equity attributable to equity holders of parent		
Share capital	82 515 169	75 896 582
Reserves	17 997 713	16 742 258
Accumulated loss	(44 300 203)	(43 495 910)
	56 212 679	49 142 930
Non-controlling interest	(42 606)	365 071
	56 170 073	49 508 001
Liabilities		
Non-current liabilities		
Deferred tax	14 677 152	13 738 729
Current liabilities		
Other financial liabilities	–	811 890
Trade and other payables	2 248 114	876 617
Deferred income	–	346 041

	2 248 114	2 034 548
Liabilities of disposal groups	–	2 270 780
Total liabilities	16 925 266	18 044 057
Total equity and liabilities	73 095 339	67 552 058

The financial statements were authorised for issue and approved by the Board on 11 November 2015 and signed on its behalf by:

Leon Coetzer

Chief Executive Officer

Company number 04459850

Consolidated statement of changes in equity for the year ended 30 June 2016

Figures in Sterling	Share capital	Foreign currency translation reserve	Merger reserve	Share-based Payment reserve	Total reserves	Accumulated loss	Total attributable to equity holders of the Group	Non-controlling interest	Total equity
Balance at 1 July 2014	73 434 453	(7 169 662)	23 184 000	4 918 210	20 932 548	(40 428 540)	53 938 461	177 179	54 115 640
Changes in equity									
Total comprehensive income for the year	–	(4 471 106)	–	–	(4 471 106)	(3 535 370)	(8 006 476)	64 079	(7 942 397)
Issue of share capital net of costs	2 462 129	–	–	–	–	–	2 462 129	–	2 462 129
Warrants issued	–	–	–	748 816	748 816	–	748 816	–	748 816
Share options forfeited	–	–	–	(468 000)	(468 000)	468 000	–	–	–
Changes in ownership interest control not lost	–	–	–	–	–	–	–	123 813	123 813
Total changes	2 462 129	(4 471 106)	–	280 816	(4 190 290)	(3 067 370)	(4 795 531)	187 892	(4 607 639)
Balance at 1 July 2015	75 896 582	(11 640 768)	23 184 000	5 199 026	16 742 258	(43 495 910)	49 142 930	365 071	49 508 001
Changes in equity									
Total comprehensive income for the year	–	2 686 313	–	–	2 686 313	(3 695 923)	(1 009 616)	(10 409)	(1 020 019)
Issue of share capital net of costs	6 618 587	–	–	–	–	–	6 618 587	–	6 618 587
Disposal of subsidiaries	–	1 820 818	–	–	1 820 818	(1 820 818)	–	(397 268)	(397 268)
Warrants issued	–	–	–	304 925	304 925	–	304 925	–	304 925
Options issued under new scheme	–	–	–	1 155 847	1 155 847	–	1 155 847	–	1 155 847
Option cancelled under old scheme	–	–	–	(4 450 210)	(4 450 210)	4 450 210	–	–	–
Warrants exercised	–	–	–	(258 306)	(258 306)	258 306	–	–	–
Warrants lapsed	–	–	–	(3 932)	(3 932)	3 932	–	–	–
Total changes	6 618 587	4 507 131	–	(3 251 676)	1 255 455	(804 243)	7 069 749	(407 677)	6 662 072
Balance at 30 June 2016	82 515 169	(7 133 637)	23 184 000	1 947 350	17 997 713	(44 300 203)	56 212 679	(42 606)	56 170 073

Consolidated statement of cash flow for the year ended 30 June 2016

Figures in Sterling	2016	2015
Cash flows from operating activities		
Cash used in operations	(688 883)	(1 251 279)
Interest income	144 077	65 283
Finance costs	(13 418)	(194 758)
Net cash from operating activities	(558 224)	(1 380 754)
Cash flows from investing activities		
Purchase of property, plant and equipment	(4 548 858)	(5 904)
Sale of property, plant and equipment	–	(42 547)
Purchase of other intangible assets	(4 239)	(45 334)
Net cash flow from disposal of discontinued operations	3 986 126	–
Increase in other financial assets	(555 159)	–
Cash removed as part of disposal group	–	(163 002)
Net cash from investing activities	(1 122 130)	(256 787)
Cash flows from financing activities		
Net proceeds on share issues	5 865 560	1 413 280
Repayment of other financial liabilities	(102 490)	(264 323)
Net cash from financing activities	5 763 070	1 148 957
Total cash movement for the year	4 082 716	(488 584)
Total cash at the beginning of the year	360 829	733 399
Effect of exchange rate movement on cash balances	(28 637)	116 014
Total cash at end of the year	4 414 908	360 829

NOTES TO THE AUDITED RESULTS FOR THE YEAR ENDED 30 JUNE 2016

1. Basis of preparation

The Group and Company results for the year ended 30 June 2016 have been prepared using the accounting policies applied by the Company in its 30 June 2015 annual report which are in accordance with International Financial Reporting Standards (IFRS and IFRC interpretations) issued by the International Accounting Standards Board ("IASB") as adopted for use in the EU (IFRS, including the SAICA financial reporting guides as issued by the Accounting Practices Committee and the Companies Act 2006 (UK). They are presented in Pound Sterling.

This financial report does not include all notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2016 and any public announcements by Jubilee Platinum Plc after that date to the date of publication of these results.

All monetary information is presented in the functional currency of the Company being Great British Pound. The Group's principal accounting policies and assumptions have been applied consistently over the current and prior comparative financial period. The financial information for the year ended 30 June 2015 contained in this report does not constitute statutory accounts as defined by section 435 of the Companies Act 2006. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditor's report on those accounts was unqualified did not contain a statement under section 498(2)-(3) of the Companies Act 2006.

2. Financial review

Earnings per share for the year ended 30 June 2016 were as follows:

Basic loss for the year – continuing operations (£'000)	(3 412)	(2 907)
Basic loss for the year – discontinuing operations (£'000)	(283)	(628)
Total loss for the year	(3 695)	(3 535)
Weighted average number of shares in issue ('000)	906 241	644 852
Diluted weighted average number of shares in issue ('000)	906 241	644 852
Weighted average number of shares in issue discontinued operations ('000)	906 241	644 852
Diluted weighted average number of shares in issue discontinued operations ('000)	906 241	644 852
Loss per share – continuing operations (pence)	(0.38)	(0.45)
Loss per share – discontinuing operations (pence)	(0.03)	(0.10)
	(0.41)	(0.55)
Diluted loss per share – continuing operations (pence)	(0.38)	(0.45)
Diluted loss per share – discontinuing operations (pence)	(0.03)	(0.10)
	(0.41)	(0.55)
Loss per share – continuing operations (ZAR cents)	(8.07)	(8.12)
Loss per share – discontinuing operations (ZAR cents)	(0.67)	(1.76)
	(8.74)	(9.88)
Diluted loss per share – continuing operations (ZAR cents)	(8.07)	(8.12)
Diluted loss per share – discontinuing operations (ZAR cents)	(0.67)	(1.76)
	(8.74)	(9.88)

The Group reported a net asset value of 5.65 pence (112.38 ZAR cents) (2015: 6.60 pence (127.65 ZAR cents) per ordinary share. The total shares in issue as at 30 June 2016 were 991 087 994 (2015: 749 860 507).

3. Dividends

The Board did not declare any dividends for the period under review. (2015: Nil)

4. Auditor's review opinion

These results have been audited by the Group's auditors, Saffery Champness and their report is available for inspection at the Company's registered office. A copy of the report is also attached to the back of this announcement as annexure 1.

5. Board

There were no changes to the board during the period under review and up to the date of this announcement.

6. Share capital

	30 June 2016	30 June 2015
Authorised The share capital of the Company is divided into an unlimited number of ordinary shares of 1 pence each. Issued		
Ordinary shares of 1 pence each (£)	9 910 872	7 498 605
Share premium (£)	72 604 297	68 397 978
Total issued capital (£)	82 515 169	75 896 582
Number of shares in issue Ordinary shares	991 087 194	749 860 507

The Company issued the following shares during the period and up to the date of this annual report:

Date	Number Of Shares	Issue price Pence	Purpose of the issue
Opening balance	749 860 507		
1 July 2015	26 850 931	2.10	Debt
5 August 2015	1 264 837	4.00	Debt
5 August 2015	5 786 380	2.01	Warrants
5 August 2015	10 550 581	3.23	Warrants
5 August 2015	71 834 833	3.40	Cash
18 August 2015	10 000 000	2.63	Warrants
22 September 2015	2 000 000	3.16	Warrants
5 October 2015	2 706 765	3.40	Debt
14 October 2015	7 142 936	3.16	Warrants
20 October 2015	5 160 000	3.16	Warrants
12 November 2015	1 500 000	3.16	Warrants
11 December 2015	1 518 710	3.06	Acquisition
29 February 2016	3 750 000	3.16	Warrants
30 March 2016	89 285 714	2.80	Cash
27 May 2016	1 875 000	1.60	Warrants
Closing balance at year-end and at the date of this announcement	991 087 194		

The Company did not issue any shares after year-end to the date of this report other than those disclosed in note 10.2 below.

At year-end and at the last practicable date the Company had the following warrants outstanding:

Number of warrants	Issue date	Subscription price £s	End of exercise period	Volatility %	Spot at issue date pence
12 750 000	2014-02-21	0.03160	2017-02-21	69.01	1.975
10 550 581	2014-03-03	0.00323	2017-02-25	67.67	1.800
38 097 689	2013-12-23	0.03355	2016-12-30	65.02	3.150
3 591 742	2015-08-12	0.04750	2018-08-12	77.49	4.48
18 244 825	2016-03-23	0.04725	2019-03-23	83.81	2.94
83 234 837					

The fair value of these warrants was determined using the Black-Scholes Valuation Model with the inputs illustrated in the table above. A risk free rate of 0.5% were applied in the valuation. The company recognised a share-based payment charge against a share-based payment reserve the amount of £304 925 (2015: £748 816) in accordance with section 610 (2) of the United Kingdom Companies Act 2006. This charge relates to equity placings successfully completed.

7. Business segments

In the opinion of the Directors, the continuing operations of the Group companies comprise four reporting segments (of which the descriptions have been changed to better reflect the Group's strategy of becoming a platinum producer post the Disposal) being:

- the beneficiation of Platinum Group Elements ("PGEs") and associated metals and development of PGM smelters utilising exclusive commercialisation rights of the ConRoast smelting process, located in South Africa ("PGE beneficiation and development");
- the evaluation of the reclamation and processing of sulphide nickel tailings at BHP Billiton's Leinster, Kambalda and Mount Keith properties in Australia (Nickel tailings);
- the exploration and mining of Platinum Group Elements ("PGEs") and associated metals (Exploration and mining);
- the parent company operates a head office based in the United Kingdom, which incurred certain administration and corporate costs.

The results of the discontinued operations comprise two segments which have been combined into one segment referred to as Disposal Group being:

- base metal smelting in South Africa; and
- electricity generation in South Africa.

The Group's operations span five countries, South Africa, Australia, Madagascar, Mauritius and the United Kingdom. There is no difference between the accounting policies applied in the segment reporting and those applied in the Group financial statements. Mauritius and Madagascar do not meet the qualitative threshold under IFRS 8, consequently no separate reporting is provided.

Segment report for the year ended 30 June 2016

£s	PGE beneficiation and development	Nickel tailings	Exploration and mining	Other operations	Total continuing operations	Disposal group
Total revenues	(1 127 880)	–	–	(346 041)	(1 473 921)	(1 420 145)
Cost of sales	589 290	–	–	19 019	608 309	682 365
Forex losses	(7 658)	–	–	77 571	69 913	–
Loss before taxation	787 554	10 711	16 174	2 784 748	3 599 187	276 660
Taxation	–	–	–	–	–	–
Loss after taxation	787 554	10 711	16 174	2 784 748	3 599 187	276 660

Interest received	(120 301)	–	(75)	(23 701)	(144 077)	(193)
Interest paid	5	–	–	13 413	13 417	–
Depreciation and amortisation	597 613	–	838	–	598 451	–
Total assets	14 004 569	31 666 391	23 626 458	3 797 622	73 095 339	–
Total liabilities	(2 904 304)	(9 656 474)	(3 885 972)	(478 516)	(16 925 267)	–

Segment report for the year ended 30 June 2015

£s	PGE beneficiation and development	Nickel tailings	Exploration and mining	Other operations	Total continuing operations	Disposal group
Total revenues	(3 885)	–	–	(45 014)	(48 899)	(5 160 105)
Cost of sales	–	–	–	25 529	(25 529)	(2 167 422)
Forex losses	(31)	–	3 462	19 485	23 370	–
Loss before taxation	1 560 914	18 862	61 103	1 300 247	2 941 126	452 002
Taxation	–	–	–	–	–	52 194
Loss after taxation	1 560 914	18 862	61 103	1 300 247	2 941 126	504 196
Interest received	–	–	–	(65 283)	(65 283)	(1 017)
Interest paid	4	–	–	194 754	194 758	455
Depreciation and amortisation	694 487	–	1 949	–	696 436	744 361
Total assets	7 449 691	27 757 917	24 036 807	611 255	59 855 670	7 696 389
Total liabilities	(1 662 785)	(8 597 474)	(4 003 719)	(1 509 300)	(15 773 278)	(2 270 780)

8. Going concern

The Directors have adopted the going-concern basis in preparing the financial statements.

The Company has continued to progress with the implementation of its Mine-to-Metals platinum strategy, more specifically and with reference to the above:

8.1. On 22 March 2016, the Company successfully completed the project funding for the execution and commissioning of both its surface platinum processing projects. The funding comprises a combination of senior secured debt and unsecured debt. The senior secured debt is up to a maximum of USD10 million (ZAR153 million), with an initial advance of USD3 million (ZAR49.5 million) and a possible further advance of USD2 million (ZAR30.6 million) subject to and upon the terms and conditions contained in the agreement. The Borrower has agreed to accept and utilise the initial advance on the terms and conditions contained in the agreement, and acknowledges its right to call for a further advance as provided for in the agreement, in order to fund in aggregate its obligations to execute the two projects. The unsecured debt is to a maximum of USD5 million (ZAR76.5 million). The Company also completed an equity placing of £2.5 million (ZAR55.2 million) which was completed during March 2016 as announced on 22 March 2016.

8.2 On 30 September 2015, Jubilee completed the disposal of 100% of the issued shares in Jubilee Smelting and Refining Pty Ltd ("JSR"), and 70% of the issued shares in Power Alt Pty Ltd ("PA") to Siyanda Resources Pty Ltd ("Siyanda"), through its nominated special purpose vehicle Hornbill Investments Pty Ltd ("SPV") for a consideration of, in aggregate, ZAR110.5 million (approximately £5.3 million) ("the Disposal"). The Company received of 85% of the purchase consideration in cash. Ten per cent of the remaining 15% of the purchase consideration is held in escrow in an amount approximating to £0.390 million (ZAR8.9 million), net of closing adjustments including stock and supplier adjustments.

8.3 During the period under review the Company also successfully completed a number of equity placings for cash, raising in aggregate £4.5 million, net of issue expenses.

The Directors are of the opinion that the Group and Company are funded sufficiently to enable it to continue with its operations as a going concern.

9. Discontinued operations – disposal group held for sale

	Year to 30 June 2016 £s	Year to 30 June 2015 £s
Revenue	1 420 145	5 160 105
Cost of sales	(682 365)	(2 167 422)
Gross profit	737 780	2 992 683
Depreciation, amortisation and impairments	–	(744 361)
Finance costs	–	(455)
Interest received	193	1 017
Other operating expenses	(1 014 633)	(2 700 886)
Net loss before tax	(276 660)	(452 002)
Tax	–	(52 194)
Net loss after tax	(276 660)	(504 196)
Non-controlling interest	(7 089)	(124 246)
	(283 749)	(628 442)

The assets and liabilities of the disposal group are set out below:

Assets		
Property, plant and equipment	–	4 772 406
Taxation	–	4 015
Trade and other receivables	–	1 457 592
Intangible assets	–	1 299 374
Cash and cash equivalents	–	163 002
	–	7 696 389
Liabilities		
Other financial liabilities	–	290 811
Trade and other payables	–	1 264 820
Deferred tax	–	715 149
	–	2 270 780
Equity		
Retained earnings and foreign currency translation reserve	–	(5 002 008)

Minority interest	–	(423 601)
	–	(5 425 609)

On 30 September 2015, Jubilee completed the disposal of 100% of the issued shares in Jubilee Smelting and Refining Pty Ltd ("JSR"), and 70% of the issued shares in Power Alt Pty Ltd ("PA") to Siyanda Resources Pty Ltd ("Siyanda"), through its nominated special purpose vehicle Hornbill Investments Pty Ltd ("SPV") for a gross consideration of, in aggregate, ZAR110.5 million (approximately £5.3 million) ("the Disposal"). The Company received of 85% of the net purchase consideration in cash ("First Payment"). Ten per cent of the remaining 15% of the purchase consideration is held in escrow in an amount approximating to £0.68 million (ZAR13 million), net of closing adjustments including stock and supplier adjustments.The board considered it prudent to impair the balance of the purchase consideration to the income statement as it is the subject of an unsubstantiated warranty claim against the Company which is rejected by the Company and all necessary steps are taken to ensure release of the amount due. Pursuant to the disposal, loans to subsidiaries in an amount of £6 179 421 had been impaired.

	Year to 30 June 2016 £s	Year to 30 June 2015 £s
Cash flows from discontinued operations		
Cash flows from operating activities	(45 061)	(484 868)
Cash flows from financing activities	–	385 971
Net cash flows from discontinued operations	(45 061)	(98 897)
Opening cash balance on discontinued operations	163 003	261 900
Closing cash balance on discontinued operations	117 942	163 003
Consideration received		
Cash	4 104 068	–
Asset-deferred payments	749 241	–
	4 853 309	–
Net cash flow on acquisition		
Cash consideration received	4 104 068	–
Cash sold	(117 942)	
	3 986 126	
Profit/(loss) on disposal		
Proceeds received	4 853 310	4 853 310
Net asset value/Investments	(4 768 629)	(9 139 476)
	84 680	(4 286 166)

10. Events post balance sheet

10.1 Australia – Nickel in tailings surface project

Subsequent to the period-end, Braemore Nickel (Pty) Ltd ("Braemore") has received from BHP Billion (Pty) Ltd ("BHP") a notice of termination of the Tailings Supply Agreement relating to the Nickel containing material in Western Australia. Braemore rejects the termination notice since no factual or legal basis exists for such termination. Braemore has informed BHP that it intends to initiate legal proceeding to have the termination set aside. Management assesses that this has no impact on the carrying value of the Nickel Tailing Project intangible asset (per note 8) at the date of this report.

The Company's Australian subsidiary, Braemore Nickel (Pty) Ltd continued with ongoing internal review and optimisation of the process flowsheet for the recovery of Nickel from the Leinster project tailings ("Leinster Tailings"), in particular the Company's recent flowsheet optimisation in the liberation of minerals locked in tailings. This approach is currently being implemented in the recovery of PGM in associated sulphides from the South African tailings projects, specifically targeting the beneficiation of sulphite minerals which allows for significant enhancement in concentrate grade profiles which has improved the projected target performance and profitability of these tailings.

10.2 Warrants issued and dealings in securities

The Company has received notification on 10 November 2016 from a warrant holder to exercise 25,000,000 existing warrants in the issued share capital of Jubilee at a price of 3.55p (ZAR63.90c) per warrant share. The exercise of warrant shares amounts, in aggregate, to a cash value of GBP887, 500 (ZAR16 million). The warrant shares are expected to be admitted to AIM on 17 November 2016.

The Company also issued the final 1,848,167 new Jubilee ordinary shares ("Shares") at an average issue price of 2.44 pence per share to Dr. Matthews Phosa, who has elected to receive Shares in lieu of 100% of his director's remuneration accrued to him for the period 1 October 2014 to 31 July 2016. This is the final share issuance to Dr. Phosa and concludes the program of shares in lieu of director remuneration for Dr Phosa. The shares are issued under the authority of ordinary resolution number 12 and special resolution number 2 passed at the Company's Annual General Meeting held on 27 November 2013. The issue will bring Dr. Phosa's interest in the Company to 2,834,884 Shares, being 0.3% of the issued capital of the Company. The shares are expected to be admitted to AIM on 17 November 2016.

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Annexure 1

<u>Independent auditors' report to the members of Jubilee Platinum Plc</u>

We have audited the Company's financial statements of Jubilee Platinum Plc for the year ended 30 June 2016, which comprise the Consolidated Statements of Comprehensive Income, Consolidated Statements of Financial Position, Consolidated Statements of Cash Flows, Consolidated Statements of Changes in Equity and Notes to the Consolidated Financial Statements set out on pages 25 to 67. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of affairs of the Group and the parent company as at 30 June 2016 and of the Group's loss for the year then ended; and
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Andrew Gaskell
Senior Statutory Auditor

For and on behalf of

Saffery Champness
Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

11 November 2016

Annexure 2 - Headline earnings per share

Accounting policy

Headline earnings per share (HEPS) is calculated using the weighted average number of shares in issue during the period under review and is based on earnings attributable to ordinary shareholders, after excluding those items as required by Circular 2/2013 issued by the South African Institute of Chartered Accountants (SAICA).

	30 June 2016	30 June 2015
Headline loss per share comprises the following:		
Continuing operations		
Loss from continuing operations for the period attributable to ordinary shareholders	**(3 412)**	2 910
Impairment of other financial assets	**856**	50
Loss on sale of property plant and equipment	**1**	(60)
Loss on exchange differences	**81**	21
Headline loss from continuing operations	**(2 474)**	(2 897)
Weighted average number of shares in issue	**906 241**	644 851
Diluted weighted average number of shares in issue	**906 241**	644 851
Headline loss per share from continuing operations (pence)	**(0.27)**	(0.45)
Diluted headline loss per share from continuing operations (pence)	**(0.27)**	(0.45)
Headline loss per share from continuing operations (ZAR cents)	**(5.85)**	(8.09)
Diluted headline loss per share from continuing operations (ZAR cents)	**(5.85)**	(8.09)
Discontinued operations		
Loss from discontinued operations for the period attributable to ordinary shareholders	**(283)**	(628)
Impairment of other financial liabilities	**–**	50
Headline loss from discontinued operations	**(283)**	(579)
Weighted average number of shares in issue	**906 241**	644 851
Diluted weighted average number of shares in issue	**906 241**	644 851
Headline loss per share from discontinued operations (pence)	**(0.03)**	(0.09)
Diluted headline loss per share from discontinued operations (pence)	**(0.03)**	(0.09)
Headline loss per share from discontinued operations (ZAR cents)	**(0.67)**	(1.62)
Diluted headline loss per share from discontinued operations (ZAR cents)	**(0.67)**	(1.62)
Average conversion rate used for the period under review £:ZAR	**0.04667**	0.0555