



[Jubilee Metals Group PLC](#) - JLP

Jubilee Executes Processing Agreement

Released 07:00 18-Apr-2018



RNS Number : 2212L
Jubilee Metals Group PLC
18 April 2018

Jubilee Metals Group PLC
("Registration number: 4459850")
AIM share code: JLP
AltX share code: JBL
ISIN: GB0031852162
("Jubilee" or "the Company")

Jubilee executes processing agreement with Eland Platinum, a wholly-owned subsidiary of Northam Platinum (Collectively "Northam")

Highlights

- Agreement executed with Northam to utilise its existing platinum recovery plant for the processing of Jubilee's PlatCro material
- Northam to fund refurbishment of the platinum recovery circuit
- Jubilee will commence transporting of platinum rich material to Northam from June 2018
- Targeting a minimum processing rate of 60 000 tonnes per month producing an estimated 2 800 PGM ounces per month from February 2019
- Project earnings from the sale of PGM¹ concentrate based on a profit share model with Jubilee retaining the majority of earnings
- Jubilee looking to expand its strategic relationship with Northam

1 = Platinum Group Metals (6E platinum, palladium, rhodium, iridium, osmium, and gold)

Leon Coetzer, Chief Executive commented:

"I am pleased to announce our processing agreement with Northam. The structure of the agreement captures the intent of both companies to develop a lucrative partnership in the processing of PGM and chrome rich material. It also opens the door to grow our partnership to engage in similar further opportunities with one of the world's largest platinum producers.

I am looking forward to working closely with the Northam team as we share our processing capabilities and expertise to maximise value extraction from the PlatCro PGM rich material."

Processing Agreement

The processing agreement entered into between Jubilee and Eland Platinum Proprietary Limited ("Eland Platinum"), a wholly-owned subsidiary of Northam Platinum Limited, is on the basis that Jubilee will deliver its platinum rich PlatCro material, post chrome removal, to Eland Platinum at an expected rate of 60 000 tonnes per month. All capital costs associated with the refurbishment of Eland Platinum's platinum recovery plant will be carried by Eland Platinum.

Material shall be delivered to Eland Platinum from June 2018 with the aim of creating a stockpile of approximately 290 000 tonnes of material by end January 2019. It is expected that the Eland Platinum processing plant will commence processing of the Jubilee material from February 2019 at a minimum rate of 60 000 tonnes per month at an agreed fixed processing cost. In return Eland Platinum will acquire the platinum material from Jubilee and recover the contained PGMs at a targeted rate of approximately 2 800 PGM ounces per month, calculating to an estimated monthly project revenue of USD 2.4 million at today's prices. All earnings generated by the sale of the recovered PGM ounces will be shared at an agreed earning split, with Jubilee retaining a significant majority of the earnings.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

The financial information in this announcement is unaudited.

18 April 2018

Contacts

Jubilee Metals Group PLC

Colin Bird/Leon Coetzer

Tel: +44 (0) 20 7584 2155 / Tel: +27 (0) 11 465 1913

Andrew Sarosi

Tel: +44 (0) 1752 221937

JSE Sponsor

Sasfin Capital, (a member of the Sasfin group)

Sharon Owens

Tel: +27 (0) 11 809 7500

Nominated Adviser

SPARK Advisory Partners Limited

Mark Brady/Andrew Emmott

Tel: +44 (0) 20 3 368 3555

Broker

Shard Capital Partners LLP

Damon Heath/Erik Woolgar

Tel: +44 (0) 20 7 186 9900

This information is provided by RNS

The company news service from the London Stock Exchange

END