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Jubilee Platinum Plc
("Jubilee" or "the Company")

Voluntary update on the Binding MOU on Acquisition of Target Company

Highlights:

- Jubilee secures near term platinum concentrate for its Middelburg smelter facilities through the acquisition of Chemstof (Pty) Ltd ("Chemstof")
- The acquisition includes a majority interest in Chemstof and all associated subsidiaries
- Chemstof subsidiaries includes near surface platinum containing chromitite reefs, an operating chrome ore beneficiation plant producing saleable chrome concentrate and an estimated 500 000 tons platinum-rich surface stockpile
- Jubilee is to construct a platinum concentrator to beneficiate PGE's from the surface stockpile and current platinum containing tailings from the chrome beneficiation plant

The Board of Jubilee, the AIM traded and JSE quoted platinum mine to metal specialist, is pleased to announce further details on the binding Memorandum of Understanding ("MOU"), announced on 5 April 2011, for the acquisition of an operating company that treats near-surface chrome ore bodies containing platinum group elements ("PGE").

Under the MOU Jubilee is purchasing majority interests in Chemstof and Chemstof's associated companies ("Chemstof Group"), which include an operating chrome ore beneficiation plant, prospecting, mining rights to near surface platinum containing chromitite reef and the rights to the 500,000 tons surface stockpile.

The Chemstof Group has a 500,000 tons surface stockpile of PGE-rich chrome ore tailings, containing potentially in excess of 40,000 ounces of PGEs. The Chemstof Group operates a 70,000 tons per month capacity chrome ore beneficiation plant producing a chromite concentrate for the chrome industry while continuing to deposit PGE-bearing chrome ore tailings onto the current surface stockpile. Additionally, the Chemstof Group holds the mining rights to a small open pit operation on MG (Middle Group) chromitite reefs and prospecting rights for ground which is prospective for UG1 (Upper Group) PGE-bearing chromitite reef, for which there is an estimated inferred resource of 5.6 million tonnes.

The consideration payable by Jubilee is performance linked, measured in earnings generated by Chemstof over a 12 month period following the acquisition. The consideration payable by Jubilee is ZAR 65.5 million (circa £6 million), of which approximately ZAR 10 million is payable in cash and the balance in Jubilee shares. The consideration is payable in three tranches over 12 months and the performance link is based on the Chemstof Group achieving a projected net profit of no less than ZAR 56.46 million (circa £5.2 million) over the 12-month period commencing 1 April 2011. Jubilee therefore expects that the acquisition has the potential to be almost entirely self funding.

This strategy is intended to therefore protect shareholders from significant dilution.

Jubilee will acquire 51% of the ordinary shares of Chemstof which holds the operating chrome beneficiation plant and 59% of the ordinary shares in Platcro Minerals CC which holds the mining and prospecting rights to the near surface reefs. The PGE processing plant and associated surface stockpile will be held in a newly formed company of which Jubilee will hold 65% of the ordinary shares.

Jubilee has agreed to commence with the construction of a PGE processing plant to produce platinum concentrate from the Chemstof Group's PGE-rich chrome ore tailings. The Company expects that the plant will be producing platinum concentrate for smelting at Jubilee's Middelburg plant within two years. It is envisaged that the majority of the estimated ZAR 50 million (circa £4.5 million) funding required for the PGE processing plant will be secured through project financing.

Leon Coetzer, Chief Executive Officer of Jubilee, said:

“Whilst Jubilee continues to advance the Tjate project to bankable feasibility stage, the Company recognises the need to access its own supply of near to medium-term platinum ore, the concentrate from which we are able to process at our ConRoast facility.

This acquisition will allow Jubilee to process the PGE-rich chrome ore tailings and, as such, provides ConRoast with a ready supply of own platinum for processing. This strengthens the Company's stated strategy of unlocking the value of platinum in platinum-bearing chomitite reefs and chrome ore tailings through its exclusive right to the ConRoast process, adding further to our competitive edge.

The acquisition is structured so as to ensure that Chemstof's chrome ore beneficiation operations produce significant profits by year end or the purchase price will be altered to reflect any underperformance by Chemstof.”

Andrew Sarosi, Director of Jubilee Platinum, who holds a B.Sc. Metallurgy and M.Sc. Engineering, University of Witwatersrand and is a member of The Institute of Materials, Minerals and Mining, is a 'qualified person' as defined under the AIM Rules for Companies and a competent person under the reporting standards. The technical parts of this announcement have been prepared under Andrew Sarosi's supervision and he has approved the release of this announcement.

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