

## **Jubilee Metals Group PLC**

**Registration number (4459850)**

**AltX share code: JBL**

**AIM share code: JLP**

**ISIN: GB0031852162**

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

### **Jubilee's Chrome Processing Capacity at Windsor Fully Committed and Acquisition of Rights to new Chrome Processing Facility**

*Dissemination of a Regulatory Announcement that contains inside information according to REGULATION (EU) No 596/2014 (MAR). Not for release, publication or distribution in whole or in part in, into or from any jurisdiction where to do so would constitute a violation of the relevant laws or regulations of such jurisdiction.*

Jubilee Metals Group ("Jubilee" or the "Company"), the AIM and AltX traded metals processing company, is pleased to announce that it has entered into a third party Run-Of-Mine ("ROM") chrome ore offtake agreement that fully commits its Windsor chrome beneficiation plant ("Windsor") for the next three years (the "Offtake Agreement"), with an option for this to be extended further.

Under the terms of the Offtake Agreement, Jubilee commits to the production of 40 000 tonnes per month of chrome concentrate or, subject to the chrome content in the ROM, saleable chrome concentrate, while also retaining the rights to all discard material including the contained PGMs.

In addition, Jubilee has also successfully entered into a joint venture agreement ("JV Agreement") with a privately held South African company ("JV Partner") to secure the rights to a further 35 000 tonnes per month chrome processing capacity ("Windsor 8"). Under the JV Agreement Jubilee will assume operational control of the Windsor 8 facility (the "Facility") while also committing to upgrade it by incorporating Jubilee's processing solutions.

### **Highlights**

- Jubilee secures third party ROM Offtake Agreement for Windsor targeting the production of 40 000 tonnes per month of chrome concentrate for the next three years
- The Offtake Agreement secures supply of quality feed to Windsor and supports 100% operating capacity for the next three years, while continuing to further supplement the existing PGM feed material to Jubilee's PGM plants
- Jubilee has locked in a chrome sale price for the chrome production under the Offtake Agreement to secure a firm chrome earnings margin in addition to the earnings generated by the recovery of PGMs from the chrome discard
- Jubilee also executes a JV Agreement to secure Windsor 8, being the rights to an additional 35 000 tonnes per month chrome processing capacity at the Facility

- The Facility is strategically located to provide Jubilee with more opportunities to secure further third party ROM supply and associated PGM material
- Commencement of production at Windsor 8 is targeted by end September 2020

**Leon Coetzer, CEO of Jubilee, commented:** *“Jubilee continues to aggressively drive its expansion across both its South African and Zambian operations. Our significant progress in Zambia, as announced last week, is followed by the successful implementation of these two key agreements supporting the expansion of our South African chrome and PGM operations. These agreements have been secured on the back of Jubilee’s track record of continuously driving to set new industry standards.*

*“The Offtake Agreement, which supports Windsor’s capacity to produce 40 000 tonnes per month of chrome concentrate, secures not only a constant feed source for Windsor under a protected operational margin, but also significantly increases Jubilee’s surface PGM resources from the discard of the chrome operations. The successful completion of the Offtake Agreement is credit to the Jubilee team’s ability to consistently achieve exceptional chrome recovery efficiencies well above the norm in the industry.*

*“With Windsor fully committed to working at full capacity, Jubilee has also successfully secured Windsor 8 under a JV Agreement, being the rights to a further 35 000 tonnes per month of chrome processing capacity. The new Facility and JV partner were carefully selected to establish a presence in a strategic location which will provide Jubilee with further opportunities to increase our chrome ore supply.”*

### **Key Terms of the Agreements**

Under the terms of the Offtake Agreement, Windsor will receive a minimum guaranteed ROM supply targeting the production of 40 000 tonnes per month of chrome concentrate, linking to the chrome content of the ROM. The Offtake Agreement secures both a committed feed of material to Windsor as well as the continued production of upgraded PGM discard material for further processing at Jubilee’s PGM recovery plants.

On the back of this Offtake Agreement Jubilee has also successfully entered into the Joint Venture Agreement with its JV Partner to secure the rights to a further 35 000 tonnes per month chrome processing capacity (being Windsor 8). Under the JV Agreement Jubilee will assume operational control of the Facility while also committing to upgrade the Facility by incorporating Jubilee’s processing solutions. The Facility is strategically located to expand Jubilee’s reach providing it with more opportunities to secure further third party chrome material supplies.

Jubilee has locked in the forward sale price of the produced chrome concentrate at its Windsor operation to hedge the Company against a volatile chrome price driven mainly by uncertainty in the current supply and demand fundamentals of the metal. The fixed forward sale price secures a firm earnings margin for Windsor while allowing Windsor 8 to take advantage of any short-term price fluctuations. The earnings margin of Windsor is strongly influenced by the efficiencies achieved by Windsor and excludes the added benefit of the recovered PGM ounces from the discard. Windsor is budgeted to operate at a chrome alone margin ranging between a minimum of 14% to a maximum of 25% per tonne of chrome concentrate with the additional PGM margin secured for Jubilee’s PGM operations.

Under the terms of the JV Agreement, Jubilee and its JV Partner formed an unincorporated joint venture (“Joint Venture”) with Jubilee holding the rights to 70% of all earnings generated by the Joint Venture. Jubilee may at any time during the next five years elect to incorporate the Joint Venture under a new subsidiary. All capital plus interest invested into the Joint Venture by Jubilee shall first be repaid prior to any distribution of earnings from the Joint Venture. Jubilee has committed to invest an estimated ZAR 10 million (GBP 440 000) towards the upgrade of Windsor 8. Jubilee is further appointed as the manager of the Joint Venture and the operator of Windsor 8, currently owned by the JV Partner. Windsor 8 benefits from the shared services offered by Windsor to dilute its overhead and position itself as one of the lowest cost, third party chrome beneficiation facilities. The PGM containing discard from Windsor 8 will be acquired by Jubilee under an existing agreement with the JV Partner.

United Kingdom

13 August 2020

For further information visit [www.jubileemetalsgroup.com](http://www.jubileemetalsgroup.com) or contact:

**Jubilee Metals Group PLC**

Colin Bird/Leon Coetzer

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

**Nominated Adviser** - SPARK Advisory Partners Limited

Andrew Emmott/James Keeshan

Tel: +44 (0) 20 3368 3555

**Broker** - Shard Capital Partners LLP

Damon Heath/Erik Woolgar

Tel +44 (0) 20 7186 9900

**Joint Broker** – WHIreland

Harry Ansell/Katy Mitchell

Tel: +44 (0) 20 7220 1670/+44 (0) 113 394 6618

**JSE Sponsor** - Sasfin Capital (a member of the Sasfin group)

Sharon Owens

Tel +27 (0) 11 809 7500

**PR & IR Adviser** - St Brides Partners Limited

Catherine Leftley/Beth Melliush

Tel +44 (0) 20 7236 1177