Jubilee Metals Group Plc
Registration number (4459850)
Altx share code: JBL
AIM share code: JLP
ISIN: GB0031852162

10 November 2020

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

Audited results for the year ended 30 June 2020
Notice of Annual General Meeting and availability of Annual Financial Statements

Jubilee, the AIM and Altx traded metals processing company is pleased to announce its audited results for the year ended 30 June 2020.

Financial Highlights

- Total revenue for the year increased by a strong 132 %, to £ 54.8 million (ZAR 1.1 billion)[1] [2019: £ 23.6 million (ZAR 432.6 million)]
- Adjusted Group EBITDA increased sharply by 132 % to £ 22.6 million (ZAR 446.4 million) (adjusted EBITDA excludes depreciation, impairments and other non-cash charges and gains)
- Earnings growth of 162 % to £ 18.3 million (ZAR 361.1 million) [2019: £ 7.00 million (ZAR 128.3 million)] and a return on equity of 21.2 %, [2019: 10.5 %]
- Earnings per share up 96 %, to 0.94 pence (ZAR 18.47 cents) [2019: 0.48 pence (ZAR 8.75 cents)]
- Jubilee delivered strong cash flows from its operating activities of £ 19.4 million (ZAR 415.4 million) [2019: positive cash flow of £ 4.76 million (ZAR 84.79 million)]
- During the year under review, a total of £ 26.1 million (ZAR 557.9 million) was invested in acquisitions and purchases of property, plant and equipment, nearly doubling the previous year's total investment of £ 13.5 million (ZAR 240 million), while at the same time, a further £ 4.2 million (ZAR 89.1 million) of external debt obligations were repaid
- Operating profit boosted by 226 %, to £ 15.9 million (ZAR: 313.2 million) [2019: profit of £ 4.87 million (ZAR89.38 million)], with an operating margin of 29 % (2019: 20.7 %)
- Balance sheet strengthened substantially, with total assets increasing by 28 %, to £ 130.6 million (ZAR 2.8 billion) [2019: £ 102.0 million (ZAR 1.8 billion)]
- Total equity increased to £ 94.2 million (ZAR 2 billion), from £ 78.7 million (ZAR 1.4 billion) a year earlier, maintaining a strong equity ratio of 72 % (2019: 77 %)
- Overall, the Group's gearing remains low, with current assets* covering 92.7% (2019: 126.74 %) of total short and long term liabilities

** current assets include inventory, trade and other receivables and cash and cash equivalents*

Operational Highlights

- PGM[2] Operations delivered a record production of 40 743 ounces (2019: 23 847 ounces) for the year, generating PGM revenue of £ 34.5 million (ZAR 681.9 million), compared to £ 15.8 million (ZAR 288.9 million) in the previous year

- Chrome Operations delivered 377 883 tonnes of chrome concentrate (2019: 181 947 tonnes), generating chrome revenue of £ 17.2 million (ZAR 338.2 million) [(2019: £ 7.8 million (ZAR 143.7 million)]
- Jubilee completed the acquisition of the Sable Zinc Refinery in Kabwe, Zambia for a cash consideration of £ 9.2 million (US$ 12.0 million) (ZAR 176.0 million). The refinery is situated immediately adjacent to the large stock piles of zinc, lead and vanadium that Jubilee has contracted from BMR Group Plc ("BMR")

Investment Highlights

- Jubilee acquired 100 % of the rights to the PGM tailings situated at Jubilee's Inyoni Operations (previously Hernic) located in the Bushveld Complex, South Africa
- Jubilee has also acquired 100% of all further rights to the chrome contained in all of the historical tailings at Inyoni Operations as described above
- Jubilee implemented its option to acquire Enviro Mining Limited from BMR. Enviro Processing Limited is a subsidiary of Enviro Mining Limited that owns the small scale mining licence in Zambia
- Jubilee has secured the rights to approximately 150 million tonnes of copper containing surface tailings, targeted to be upgraded at site and refined at its Sable Refinery in Zambia. This will be done through a joint operation with the mining rights holder. Project Elephant alone holds the potential to produce copper concentrates in excess of the total Sable Refinery capacity of 14 000 tonnes per annum of copper cathode
- Post the period under review Jubilee secured the rights to approximately 2 million tonnes of copper run-of-mine ("ROM") material with the potential of increasing the ROM material to 4 million tonnes, as well as a targeted 2.5 million tonnes of copper containing tailings ("Project Roan")
- Post the period under review Jubilee secured the rights to an additional 115 million tonnes of copper and cobalt tailings. This increases Jubilee's total secured rights to copper and cobalt tailings to approximately 270 million tonnes

1= For income statement purposes conversions are at the average £:ZAR rates for the period under review and for balance sheet purposes at the spot rate as at year end. All other conversions are at rates at the time announced.
2= 6 Element Platinum Group Metals (platinum, palladium, rhodium, ruthenium, iridium + gold).

Operational Highlights post the period under review

- PGM and chrome operations delivered record quarterly operational earnings of £ 15.17 million (ZAR 332.36 million), surpassing the previous operational record set during the full H1 2020 period
- Jubilee's PGM operations hit its highest quarterly PGM production, reaching 15 044 PGM ounces produced during Q3 2020
- PGM record production supported by 136 162 tonnes of chrome concentrate produced under tolling agreements from third party ore suppliers during Q3 2020
- Chrome Operations improved its attributable earnings margin, achieving 23 % for Q3 2020 compared to 7 % for H1 2020

Key financial and operational indicators

GROUP	Unit	12m to 30-Jun-20	12m to 30-Jun-19
GROUP RESULT			
Revenue	£'000	54 775	23 586
Adjusted attributable earnings [1]	£'000	25 088	10 055
Adjusted attributable earnings margin	%	46	43
EBITDA	£'000	22 664	12 546
Adjusted EBITDA [2]	£'000	22 643	8 952
Adjusted EBITDA margin	%	41	38
PGM			
PGM £ revenue	£'000	34 590	15 750
PGM $ revenue	$'000	43 594	20 003
Attributable PGM £ earnings	£'000	21 486	8 158
Attributable PGM $ earnings	$'000	27 079	10 361
Attributable PGM earnings margin	%	62	55
Attributable PGM ounces produced	oz	40 743	23 847
PGM $ revenue per ounce	$/oz	1 070	839
PGM attributable $ earnings per ounce	$/oz	665	434
Adjusted PGM production $ unit cost[3]	$/oz	541	471
CHROME			
Chrome £ revenue	£'000	17 158	7 835
Chrome $ revenue[4]	$'000	21 624	9 950
Attributable chrome £ earnings	£'000	803	1 309
Attributable chrome $ earnings	$'000	1 013	1 662
Attributable chrome earnings margin	%	5	17
Attributable chrome tonnes produced	tonnes	377 883	181 947
Chrome $ revenue per tonne	$/t	57	55
Chrome attributable $ earnings per tonne	$/t	3	9

1. *Attributable earnings refers to earnings allocated to the group based on the group's contractual rights in each project.*
2. *Adjusted EBITDA refers to EBITDA adjusted for non-cash expenses including impairments, gain on bargain purchase, share based payments and other non-cash charges and gains.*
3. *The adjusted PGM production unit cost includes all direct and indirect costs attributable to the project including allocated corporate charges. The costs for the period under review includes all the operating costs for the Windsor PGM JV allocated to the Jubilee attributable PGM ounces.*
4. *The chrome revenue is recognised on an ex-works basis after costs of export logistics including freight, shipping and marketing.*

Chief Executive Officer's overview

This reporting period again showcases the strength and resilience of Jubilee's business strategy with sustained, strong growth in all aspects of the Company despite the unprecedented challenges faced as a result of the COVID-19 pandemic.

Naturally, Jubilee was not immune to the pandemic as South Africa declared a nationwide lockdown to fight the spread of the virus, forcing the temporary suspension of all operations in March, with a gradual restart of the operations permitted over the following two months. During this period, Jubilee implemented the required safety measures for the protection of all staff in strict adherence with lockdown rules and regulations as set out by the South African Government.

For the reporting period, Group Revenue increased sharply by 132 %, to £ 54.8 million (ZAR 1.1 billion) and adjusted Group EBITDA increased 153 % to £ 22.6 million (ZAR 446.4 million) (adjusted EBITDA excludes depreciation, impairment and other non-cash charges and gains).

Jubilee's results reinforce the Company's confidence in what it refers to as *"The Jubilee Way",* continuously striving to translate leading in-house processing and metals recovery excellence into industry leading operational efficiencies. Jubilee's achievements in the chrome industry in particular, with the introduction of its in-house developed Fine Chrome recovery plant and its state of the art Inyoni PGM recovery plant, are examples of *"The Jubilee Way"* in action.

As a product of these achievements, Jubilee is also seeing an increase in approaches from established industry players looking to partner and work with Jubilee in order to improve overall operational efficiencies and target previously discarded metal values. This is evidence that Jubilee's brand as a leading metals recovery company has travelled across metal groups and mining jurisdictions and holds the potential to contribute significantly to future growth.

During the period under review, Jubilee further diversified its operations across metals and mining jurisdictions. Notably, the Company added copper and cobalt to its existing chrome and PGM operations. Jubilee has set a bold target of reaching 25 000 tonnes of copper units per annum, and as such has concluded several strategic agreements in this regard.

In Zambia, the Company is seeking to replicate the success of its PGM and Chrome operations, and this has been a significant period seeing rapid growth. Jubilee has already secured the rights to vast copper and cobalt tailings resources following its acquisition of the Sable Refinery, which are in addition to the rights that the Company holds over the Kabwe zinc, lead and vanadium tailings in Zambia. Jubilee is targeting to establish the Sable Refinery as a multi metal refinery in Zambia on the back of its surface held tailings rights.

In August 2019, Jubilee acquired the Sable Refinery from Glencore in Zambia and commenced with the commissioning of the copper refinery circuit in December 2019. This was followed by three key transactions in Zambia, whereby Jubilee secured access to approximately 270 million tonnes of historical copper and cobalt tailings material, which will be upgraded and refined at the Sable Refinery as well as third party partnered refiners. Jubilee is committed to rapidly building its copper production profile, ensuring it is perfectly poised to take a commanding role in the copper space in Zambia.

In June 2020, Jubilee implemented its option to acquire Enviro Mining Limited from BMR. Enviro Processing Limited is a subsidiary of Enviro Mining Limited that owns the small-scale mining licence in Zambia.

Jubilee's South African operations continued to deliver further growth, despite the operational interruptions experienced during the lockdown period, delivering 40 743 6E PGM ounces (increase of 71 % on the previous period). During the period Windsor PGM Operations reached full operational capacity and in November 2019, Jubilee concluded the acquisition of all rights to the historical PGM and chrome tailings at Inyoni Operations. The chrome operations, which further enable the PGM business by firstly recovering the chrome from the ore to deliver a PGM rich feed stream to the PGM recovery plants, also excelled, producing 377 883 tonnes of chrome concentrate (increase of 108 % on the previous period) thanks to Jubilee's industry leading chrome recovery efficiencies. This performance facilitated Jubilee's ability to successfully contract third party run-of-mine chrome feed, coupled with secure offtake agreements for chrome concentrate, ensuring that the production capacity at its Windsor Chrome Operations will be fully utilised throughout the next three years, with the option to further extend the supply agreement. This contract alone significantly increases Jubilee's access to PGM rich chrome tailings which are in addition to the large tailing resources already owned by the Company.

Post period end, Jubilee continued to expand its chrome operations with the addition of a further 35 000 tonnes of processing capacity through another joint operation agreement, whereby Jubilee takes control of the management of a previously under utilised chrome facility named Windsor 8. Jubilee also entered into a further management and processing agreement, under which Jubilee has been appointed to manage and operate an additional chrome beneficiation plant adjacent to its Inyoni PGM operations. This additional processing includes the processing of a minimum of 40 000 tonnes of chrome ore per month for a 3 year period, which may be extended.

Under each of these agreements Jubilee retains ownership of the PGM containing discard from the chrome operations. While the chrome operations, on their own, now form a notable profit contributing segment of the overall business and continue to grow, at the same time, they ensure a long term, ongoing and sustainable supply of additional high quality PGM rich feed material for the PGM operations, over and above the existing tailing resource already owned by the Company.

The continued growth in operations is further demonstrated by the unaudited operational results achieved for Q3 2020, producing record 15 044 6E PGM ounces and 136 162 tonnes of chrome concentrate for the 3 month period.

As has been evidenced, Jubilee's South African business has matured substantially, with operations continuing to grow on the back of improved efficiencies and the full contribution of its Windsor PGM operations. The Company has shifted its focus from rapid growth to sustained performance and quality earnings through extended longevity and the strong potential to grow organically, as well as through strategic partnering and acquisitions.

Chairman's statement

The year under review has again been very strong, with new records being broken, productivity improvements implemented and the acquisition of major new projects in South Africa and in Zambia expanding our operational, jurisdictional and earnings footprint. We have significantly increased our portfolio of operations in Southern Africa and continue with our exposure to a broad commodity basket that includes PGMs, chrome, copper, lead, zinc, vanadium and cobalt, seeing another impressive increase in earnings of 162 % to £18.3 million (ZAR 361 million).

With the increasing awareness globally of the need to reduce mine waste exposure and the vast amount of historic on-surface waste material globally, governments and corporate mining entities have an obligation to implement a mine waste treatment solution. There is the recognition of the potential value of such mine waste, although few companies have the abilities or expertise to implement mine waste recovery projects. This is where Jubilee, with its proven technical know-how, comes in. We turn potential waste liabilities into assets through implementing our bespoke environmentally conscious metal recovery solutions that ensure a zero-effluent policy. Importantly the projects have defined reserves with the tonnage and a grade known in advance, and do not have the expenses related to traditional mining techniques. Our specialised solutions have exceptionally low capital intensity and operating costs, which delivers robust margins that we can see this year.

The Jubilee business has gone through a period of significant maturity during the period and in the immediate months post-period end. We have expanded our project portfolio in both South Africa and, importantly, in Zambia. The expansion into Zambia is significant for us, where we continue to establish our multi-metal recovery and refining operations, and is proof that the know-how and experience we have accumulated from operating in South Africa can be translated into other jurisdictions across the African continent, and beyond.

Our operations in South Africa have all performed to expectation and often above, this being achieved during a period of fluctuating commodity prices where we have seen distressed chrome prices and depressed PGM prices, notwithstanding the high palladium and rhodium prices. Despite the overall lower metal prices, the Company's strategy of having a diversified commodity basket and integrating PGMs and chrome has paid off handsomely.

The expansion of the operations in South Africa and in Zambia is testament to the team's proven technical abilities and exceptional hard work during the period. Further details of each of our projects can be found in the Chief Executive's Report, but with the exception of the Windsor PGM and Chrome projects, most of our acquisitions in South Africa have been in and around expanding existing projects, where, given our knowledge of the operational and financial risks, acquisition and implementation risks have been well managed and mitigated. The year under review, has seen the South African output of PGMs nearly doubling to 40 743 ounces on a 6E basis and reaching 377 883 tonnes of chrome concentrate.

In Zambia, the completion of our acquisition of the Sable Refinery has allowed the Company to become a copper producer, early on after acquisition. The acquisition of the Sable Refinery, brought into operation in December and January, adjacent to our Kabwe tailings resource, has provided Jubilee with the opportunity to enter the copper arena in the country, where primary deposits are still readily available from third parties on various scales and in excess of 1 billion tonnes of dump and tailings material exists. We produced and sold our first copper cathode from tails in March 2020 and has since brought the cobalt steam on-line. The refinery has reached full operational readiness to step up production in-line with the commissioning of our copper tailings projects.

Securing the rights to 150 million tonnes of copper containing surface tailings in June was a further significant step in Zambia for us. This project together with our Project Roan holds the potential to produce copper concentrates in excess of the Sable Refinery's capacity and the potential result of this on our earnings will be significant. In addition, the joint operation agreement signed in August this year, post period end, secures the rights to process a further feed-stock of 2 million tonnes of copper run-of-mine material. This was followed in November by the very significant agreements to collectively secure a further 115 million tonnes of copper and cobalt tailings. Jubilee has now amassed a total of 270 million tonnes of copper and cobalt tailings. This enables Jubilee to rapidly roll out its strategy of having a decentralised facility feeding capacity at the Sable Refinery and partnering with further refiners to process the quantum of copper targeted to be produced by Jubilee. This further diversifies our revenue streams and most importantly, is very profitable for us.

The copper acquisitions described above take Jubilee into the realm of a significant Zambian producer, well in excess of the aforementioned 2021 build-up. The zinc circuit construction at the Sable Refinery has been delayed due to the COVID-19 pandemic restrictions, but we are planning to recommence construction once border sanctions are lifted. We are expecting to recommence the construction in Q1 2021.

During the year, we have built on our local and global reputation as a maturing specialist dump recovery company and this has brought many potential opportunities to the Company. We are fully engaged in pursuing these opportunities and increasing our cashflows at a pace commensurate with our opportunities. Our brand *"The Jubilee Way"* is gaining respect from the trade and investment industries and over the last year our space has attracted much attention and we are well placed to take advantage of that attention. Copper prices are currently very strong and are forecasted to be even stronger in the coming years. We feel that chrome has seen an unprecedented bottom, and the fundamentals for PGMs remain good in the mid-term. Our operational, research and business development teams have shown considerable resilience and tenacity during a year of exceptional growth, accompanied by exceptional challenges and we feel well prepared to accept new challenges and increase the rate of growth of the business.

Like most businesses, we have not escaped the challenges of the COVID-19 pandemic and I am personally saddened by the tragic consequences of this pandemic, both to individuals and business undertakings in general. Our employees are our most important asset and the management at Jubilee has applied maximum thought and implementation to schemes directed toward limiting the effect on our employees and our business overall.

I would like to take this opportunity to thank all management and employees, who remain positive during this period of uncertainty which unfortunately is still with us. Global business resumption is likely to be stop start, and the only economy currently performing well is China. They, of course, are dependent on the rest of the world to kickstart their economies in order to have global supply demand fundamentals evident before the outbreak of the pandemic. We as a company are on a strong footing to face the challenges that the remainder of the year will present and are hopeful for an environment which is more stable and therefore more predictable.

Finally, I would like to thank our CEO, Leon Coetzer, for his resilience for maintaining and increasing operational levels and overseeing new business acquisitions. Leon has continued to put together an excellent team of likeminded individuals, who I know will respond well to all of the challenges that our rapid growth presents.

Colin Bird
Non-executive Chairman
9 November 2020

Notice of Annual General Meeting and availability of the Group's Annual Financial Statements

The Company also hereby gives notice of its 2020 Annual General Meeting, which will be held on 3 December 2020 at 9:00 am UK time at the Company's South African offices at Ground Floor, Support Services Place, Jigsaw Office Park, 7 Einstein Street, Highveld Techno Park, Centurion, Gauteng, South Africa to transact the business as stated in the notice of Annual General Meeting. The Group's Annual Financial Statements for the year ended 30 June 2020 has been posted to the website, www.jubileemetalsgroup.com together with the notice of the Company's 2020 Annual General Meeting. Shareholders are advised that the Notice of Annual General Meeting, for the year ended 30 June 2020 has been posted to Jubilee shareholders today, 10 November 2020.

In light of current restrictions on public gatherings and to ensure shareholders can comply with the government measures, the Company has concluded that shareholders will not be permitted to attend in person. The Company therefore requests that shareholders cast their votes by proxy to be received 48 hours (excluding non-business days) in advance of the time of the Annual General Meeting.

Instructions on how shareholder can cast their votes for the Annual General Meeting are included in the Notice of Annual General Meeting.

Salient Dates:

Record date to determine which shareholders on the register are entitled to receive the notice of AGM (SA)	Friday, 30 Oct 2020
Notice of AGM posted to shareholders	Tuesday, 10 Nov 2020
Last date to trade in order to participate in and vote at the AGM (SA)	Tuesday, 24 Nov 2020
Record date to determine which shareholders are entitled to participate and vote at the AGM (SA)	Friday, 27 Nov 2020
Record date to determine which shareholders are entitled to participate and vote at the AGM (UK)	Tuesday, 1 Dec 2020
Latest time date for receipt of proxy forms and other uncertificated instructions 09h00 (UK) 11h00 (SA)	Tuesday, 1 Dec 2020
Annual General Meeting 09h00 (UK) 11h00 (SA)	Thursday, 3 Dec 2020
Results of AGM released on SENS and RNS	Thursday, 3 Dec 2020

Group statements of financial position at 30 June 2020

Figures in Sterling	30 June 2020	30 June 2019
Assets		
Non-current assets		
Property, plant and equipment	**20 076 448**	17 901 768
Intangible assets	**72 901 175**	46 937 992
Investments in associates	**450 598**	1 895 477
Loans to Group companies	**-**	-
Other financial assets	**3 406 644**	5 709 324
	96 834 865	72 444 561
Current assets		
Inventories	**2 140 239**	1 660 691
Deferred tax asset	**3 223 254**	-
Trade and other receivables	**13 083 307**	4 864 399
Contract assets	**5 408 622**	4 207 330
Cash and cash equivalents	**9 947 822**	18 865 288
	33 803 244	29 597 708
Total assets	**130 638 109**	102 042 269
Equity and liabilities		
Equity attributable to equity holders of parent		
Share capital and share premium	**114 585 392**	105 820 411
Reserves	**10 317 560**	22 319 022
Accumulated loss	**(33 201 211)**	(51 842 702)
	91 701 741	76 296 731
Non-controlling interest	**2 479 277**	2 393 081
	94 181 018	78 689 812
Liabilities		
Non-current liabilities		
Other financial liabilities	**10 428 719**	10 396 736
Deferred tax liability	**10 944 698**	6 018 620
Provisions	**694 358**	-
	22 067 775	16 415 356
Current liabilities		
Other financial liabilities	**1 460 968**	2 272 459
Trade and other payables	**12 422 880**	4 664 642
Contract liabilities	**505 468**	-
	14 389 316	6 937 101
Total liabilities	**36 457 091**	23 352 457
Total equity and liabilities	**130 638 109**	102 042 269

The financial statements were authorised for issue and approved by the Board on 9 November 2020 and signed on its behalf by:

Leon Coetzer

Chief Executive Officer

Company number: 04459850

Group statements of comprehensive income for the year ended 30 June 2020

Figures in Sterling	**30 June 2020**	30 June 2019
Continuing operations		
Revenue	**54 774 818**	23 585 845
Cost of sales	**(29 687 220)**	(10 709 445)
Gross profit	**25 087 598**	12 876 400
Other income	**1 470 631**	385 000
Operating expenses	**(10 670 041)**	(8 388 378)
Operating profit	**15 888 188**	4 873 022
Investment revenue	**125 264**	30 058
Fair value adjustments	**(5 021 585)**	5 021 585
Gain on bargain purchase through business combinations	**6 606 755**	-
Impairments	**-**	-
Finance costs	**(2 420 875)**	(1 112 909)
Share of loss from associates	**(1 444 879)**	(865 489)
Profit before taxation	**13 732 868**	7 946 267
Taxation	**4 495 716**	(969 971)
Profit for the year	**18 228 584**	6 976 296
Earnings for the year		
Attributable to:		
Owners of the parent	**18 320 392**	6 993 587
Non-controlling interest	**(91 808)**	(17 291)
	18 228 584	6 976 296
Earnings per share (pence)	0.94	0.48
Diluted earnings per share (pence)	0.93	0.47
Reconciliation of other comprehensive income:		
Profit for the year	**18 228 584**	6 976 296
Other comprehensive income:		
Exchange differences on translation foreign operations	**(12 388 588)***	679 636
Total comprehensive profit	**5 839 996**	7 655 932
Total comprehensive profit attributable to:		
Owners of the parent	**6 317 824**	7 626 600
Non-controlling interest	**(477 828)**	29 332
	5 839 996	7 655 932

** This amount arose on translation of foreign operations and is excluded when calculating earnings per share.*

Group statements of changes in equity for the year ended 30 June 2020

Figures in Sterling	Share capital and share premium	Translation reserve	Merger reserve	Share-based payment reserve	Convertible notes reserve	Total reserves	Accumulated loss	Total attributable to equity holders of the Group/ Company	Non-controlling interest	Total equity
Group										
Balance at 1 July 2018	**94 065 073**	**(4 220 464)**	**23 184 000**	**2 468 578**	**-**	**21 432 114**	**(59 057 860)**	**56 439 327**	**2 363 401**	**58 802 728**
Changes in equity										
Profit for the year	-	-	-	-	-	-	**6 993 589**	**6 993 589**	**29 332**	**7 022 921**
Other comprehensive income	-	**633 013**	-	-	-	**633 013**	-	**633 013**	-	**633 013**
Total comprehensive income for the year	-	633 013	-	-	-	633 013	6 993 589	7 626 602	29 332	7 655 932
Issue of share capital net of costs	11 765 355	-	-	-	-	-	-	11 765 355	-	11 765 355
Share warrants issued	(10 017)	-	-	231 593	-	231 593	-	221 575	-	221 575
Share warrants expired	-	-	-	(180 736)	-	(180 736)	180 736	-	-	-
Equity component of convertible loan note	-	-	-	-	203 040	203 040	-	203 040	-	203 040
Changes in fair value of NCI interest – control not lost	-	-	-	-	-	-	40 835	40 835	-	40 835
Changes in ownership interest – control not lost	-	-	-	-	-	-	-	-	348	348
Total changes	11 755 338	633 013	-	50 857	203 040	886 908	7 215 159	19 857 405	29 680	19 887 085
Balance at 30 June 2019	**105 820 411**	**(3 587 451)**	**23 184 000**	**2 519 435**	**203 040**	**22 319 022**	**(51 842 700)**	**76 296 733**	**2 393 081**	**78 689 812**
Changes in equity										
Profit for the year	-	-	-	-	-	-	**18 320 392**	**18 320 392**	**(477 828)**	**17 842 564**
Other comprehensive income	-	**(12 002 568)**	-	-	-	**(12 002 568)**	-	**(12 002 568)**	-	**(12 002 568)**
Total comprehensive income for the year	-	**(12 002 568)**	-	-	-	**(12 002 568)**	**18 320 392**	**6 317 824**	**(477 828)**	**5 839 996**
Issue of share capital net of costs	**8 764 981**	-	-	-	-		-	**8 764 981**	-	**8 764 981**
Share warrants issued	-	-	-	**205 903**	-	**205 903**	-	**205 903**	-	**205 903**
Share options exercised/lapsed	-	-	-	**(324 597)**	-	**(324 597)**	**321 097**	**(3 500)**	-	**(3 500)**
Share options issued	-	-	-	**119 800**	-	**119 800**	-	**119 800**	-	**119 800**
Business Combinations	-	-	-	-	-	-	-	-	**564 024**	**564 024**
Total changes	**8 764 981**	**(12 002 568)**	-	**1 106**	-	**(12 001 462)**	**18 641 489**	**15 405 008**	**86 196**	**15 491 204**
Balance at 30 June 2020	**114 585 392**	**(15 590 019)**	**23 184 000**	**2 520 541**	**203 040**	**10 317 560**	**(33 201 211)**	**91 701 741**	**2 479 277**	**94 181 018**

Group statements of cash flows for the year ended 30 June 2020

Figures in Sterling	**30 June 2020**	30 June 2019
Cash flows from operating activities		
Cash generated from operations	**21 734 025**	5 514 036
Interest income	**125 264**	30 058
Finance costs	**(2 420 875**	(787 390)
Net cash from operating activities	**19 438 414**	4 756 704
Cash flows from investing activities		
Purchase of property, plant and equipment	**(1 389 730)**	(4 496 478)
Sale of property, plant and equipment	**246 783**	17 060
Purchase of intangible assets	**(16 713 185)**	(2 181 981)
Business combinations	**(8 008 355)**	(6 826 281)
Receipt of loans	**-**	49 368
Net cash from investing activities	**(25 864 467)**	(13 438 312)
Cash flows from financing activities		
Net proceeds on share issues	**5 696 282**	10 671 831
Decrease in other financial liabilities	**(4 168 296)**	(630 693)
Proceeds from other financial liabilities	**-**	10 933 550
Net cash from financing activities	**1 527 986**	20 974 688
Total cash movement for the year	**(4 898 066)**	12 293 080
Total cash at the beginning of the year	**18 865 288**	6 376 153
Effect of exchange rate movement on cash balances	**(4 019 400)**	196 055
Total cash at end of the year	**9 947 822**	18 865 288

Notes to the Group financial statements for the year ended 30 June 2020

1. Statement of accounting policies

Jubilee Metals Group PLC is a public company listed on AIM of the LSE and Altx of the JSE, incorporated and existing under the laws of England and Wales, having its registered office at 1st Floor, 7/8 Kendrick Mews, London, SW7 3HG, United Kingdom.

The Group and Company results for the year ended 30 June 2020 have been prepared using the accounting policies applied by the Company in its 30 June 2020 annual report, which are in accordance with International Financial Reporting Standards ("IFRS") and IFRC interpretations, as issued by the International Accounting Standards Board ("IASB") and 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).

The financial statements are presented in Pound Sterling. For income statement purposes conversions are at average exchange rates and for balance sheet purposes at the closing rate as at the period end. All other conversions are at rates as at the time announced.

2. Earnings per share

	Group	
Figures in Sterling	**30 June 2020**	**30 June 2019**
Earnings attributable to ordinary equity holders of the parent (£)	**18 320 392**	6 993 587
Weighted average number of shares for basic earnings per share	**1 955 965 289**	1 466 127 746
Effect of dilutive potential ordinary shares		
Share options and warrants	**19 299 151**	9 570 223
Diluted weighted average number of shares for diluted earnings per share	**1 975 264 440**	1 475 697 969
Basic earnings per share (pence)	**0.94**	0.48
Diluted basic earnings per share (pence)	**0.93**	0.47

The Group reported a net asset value of 4.46 pence (ZAR 95.26 cents) (2019: 4.24 pence (ZAR 75.60 cents)) per ordinary share. Tangible net asset value for the period under review was 1.01 pence (ZAR 21.52 cents) (2019: 1.71 pence (ZAR 30.51 cents)).

The total number of ordinary shares in issue as at 30 June 2020 was 2 112 509 573 (2019: 1 855 300 673) shares.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of this announcement. There were no share transactions post year end to the date of this announcement that could have impacted earnings per share had it occurred before year end.

3. Share Capital, Share Premium and Warrants

Share capital and share premium
Authorised

The share capital of the Company is divided into an unlimited number of ordinary shares of £0.01 each.

	Group	
	30 June 2020	30 June 2019
Ordinary shares of 1 pence each (£)	**21 125 096**	18 553 007
Share premium (£)	**93 460 296**	87 267 404
Total issued capital (£)	**114 585 392**	105 820 411

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

Date issued	Number of shares	Issue price – pence	Purpose
Opening balance	1 855 300 673		
20 November 2019	162 208 900	4.00	Placing
24 June 2020	95 000 000	3.40	Debt
Closing balance at year-end	**2 112 509 573**		

The Company did not issue any shares after year-end to the date of this announcement. During the year cash transaction costs accounted for as a deduction from the share premium account amounted to £ 655 322 (2019: £ 612 805). The company recognised a share-based payment expense in the share premium account in an amount of £ 205 903 (2019: £ 10 017) in accordance with section 610 (2) of the United Kingdom Companies Act 2006. The charge relates to the issue of new Jubilee shares and the amount was accounted for as a deduction from the share premium account.

Warrants

At year-end and at the date of this announcement the Company had the following warrants outstanding:

Issue date	Number of warrants	Subscription price (pence)	Expiry date	Share price at issue date (pence)
1/19/2018	65 277 778	6.12	1/19/2023	3.55
12/28/2018	32 362 460	3.86	1/19/2023	2.40
3/20/2019	1 473 055	3.38	3/20/2021	2.45
11/19/2019	8 429 195	4.00	11/3/2022	4.13
6/22/2020	4 750 000	3.40	6/22/2023	3.90
	112 292 488			

Reconciliation of the number of warrants in issue	Group	
	30 June 2020	30 June 2019
Opening balance	**99 113 293**	77 114 345
Issued during the year[1]	**13 179 195**	33 835 515
Expired during the year	**-**	(11 836 567)
Closing balance	**112 292 488**	99 113 293

1= The warrants issued are subject to the Company renewing its authority to issue convertible equity instruments at its next Annual General Meeting.

4. Business Combinations

4.1 Acquisition of Sable Zinc Limited (Zambia)

As announced on 21 March 2019, Jubilee executed the acquisition of 100% of the issued capital of Sable Zinc Kabwe Limited in Zambia for a cash consideration of £ 9.2 million (US$ 12 million) (ZAR 176 million) (the "Acquisition"). The Acquisition was funded through a combination of debt and equity. Jubilee secured a convertible loan note for £ 6.1 million (US$ 8 million) (ZAR 117.3 million) with ACAM LP and successfully completed a placing of 491 814 444 new Jubilee shares at an issue price of 2.25 pence per share to raise £ 11.1 million (US$ 14.5 million) (ZAR 212.6 million) before expenses.

The fair value of the purchase consideration, assets and liabilities acquired are as follows:

Figures in Sterling	Group 30 June 2020
Fair value of the purchase consideration paid in cash	10 093 925

On 23 August 2019 the Acquisition became unconditional ("Closing Date"), Jubilee gained control and commenced with the implementation of a fully integrated multi-metal refinery in Zambia.

The purchase consideration for the Acquisition was paid in cash, in stages as follows:

- US$6 000 000 on 23 August 2019 ("Closing Date");
- US$ 3 000 000 (US$2 825 786 plus interest on the present value of future payments in an amount of US$ 174 214) 23 February 2020; and
- US$ 3 000 000 (US$ 2 661 689 plus interest on the present value of future payments in an amount of US$ 338 311) on 23 August 2020.

The purchase consideration payable was measured at fair value as were the assets and liabilities acquired. The portion of the purchase consideration paid post the period under review is included in other financial liabilities in an amount of £ 2 393 437 (US$ 2 950 126). During the period under review interest in an amount of £ 367 114 (US$ 462 652) was recognised in profit and loss.

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of the acquisition:

Figures in Sterling	**Group 30 June 2020**
Land and Buildings	1 233 019
Property, Plant and Equipment	9 157 329
Trade Receivables	184 800
Inventories	389 288
Other current assets	2 433 660
Cash and Cash Equivalents	136 526
Long term liabilities	(3 858 713)
Trade payables	(440 079)
Other current liabilities	(36 360)
Fair value of assets acquired	**9 199 470**
Goodwill recognised at acquisition	894 455
Total net assets at acquisition	**10 093 924**

The only fair value adjustment was made to property, plant and equipment with a resultant upward fair value adjustment of £ 9.6 million recognised on the acquisition date. The goodwill is attributable mainly to the synergies expected to be achieved from integrating Sable Zinc into the group's existing mine-to-metals operations in Zambia. The Integrated Kabwe Project seeks to establish a fully integrated metal recovery and refining operational footprint in Zambia. The Kabwe Project combines access to large surface material with the adjacent multi-metal refining capabilities.

There were no acquisitions made by Sable Zinc Limited in the previous period. There were also no transactions recognised that would require separate disclosure from the assets and liabilities acquired. The acquired assets contributed to the Group's revenue for the period under review in an amount of £ 1.9 million and earnings in an amount of £ 1.7 million.

4.2 Acquisition of Enviro Mining Limited (Mauritius)

During 2018 Jubilee executed a shareholders and operating agreement with BMR and Kabwe Operations Limited ("KOL"). In terms of these agreements, Jubilee provided funding in amount of £ 0.3 million in exchange for an initial 15% interest in KOL. These agreements were updated ("Updated Agreements") to better align with Jubilee's role as operator and provider of a processing plant.

In terms of the Updated Agreements, Jubilee's nominated subsidiary BHM also acquired 100% of the issued shares of EML (comprising 2 ordinary shares of US$1 each), a subsidiary of BMR which owns EPL and E-Props, for a contingent consideration of £ 2 803 434 . The transfer of ownership of 100% in EML was completed in June 2020, the date that Jubilee gained control over EML. Pursuant to this transaction Jubilee gained 100% shareholding in KOL effective June 2020 and in addition to this BMR and Jubilee agreed on the following:

- BMR be issued with Royalty Instrument by Jubilee which will entitle BMR to a 12.5% royalty interest in the distributable earnings generated by the Kabwe Operations, but only after Jubilee has secured at minimum a 20% return on its investment into the Kabwe Operations and all costs, taxes, liabilities and depreciation of the Kabwe Operations have been accounted for, save that the aforementioned royalty shall be diluted to 11% of earnings in the event that Jubilee's capital investment into Kabwe Operations exceeds US$ 15 million;

- BMR novating all its shareholders' loans it currently has with EML/EPL/E-Props to BHM; and

- BMR shall immediately after the transfer of ownership commence with the demerger from EML of all assets not covered by the Operating Agreement.

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of the acquisition:

Figures in Sterling	**Group 30 June 2020**
Intangibles	14 105 859
Land and buildings	344 909
Property, plant and equipment	288 996
Other receivables	10 590
Cash and cash equivalents	2 594
Deferred tax	(4 024 447)
Trade and other payables	(101 154)
	10 627 347
Non-controlling interest	(564 024)
Fair value of contingent consideration	(2 803 434)
Pre-existing contractual relationships settled	(653 137
Gain on bargain purchase	**6 606 752**

The only fair value adjustment was made to intangibles with a resultant upward fair value adjustment of £13.4 million recognised on the acquisition date.

The gain on bargain purchase arose following on an acquisition by Jubilee of 100% of Kabwe Operations Limited and taking full control over the operational and financial management of the Integrated Kabwe Project. The assets and liabilities acquired enhances the commercial performance of Jubilee's Integrated Kabwe Project. Furthermore the assets that the seller retained are being demerged from the assets and liabilities of Enviro Mining Limited.

There were no acquisitions made by Enviro Mining Limited in the previous period. There were also no transactions recognised that would require separate disclosure from the assets and liabilities acquired. The acquired assets did not contribute to the group's revenue and earnings for the period under review.

5. Segmental analysis

In the opinion of the Directors, the operations of the Group companies comprise of four reporting segments being:

- the beneficiation of precious metals through operating processing plants for the recovery of metals and minerals, currently recovering PGMs and Chrome and targeting base metals including lead, zinc, vanadium and copper from (mainly) the waste material produced as part of the mining cycle ("Base metals beneficiation");

- a combination of targeted process consulting and developing, focussed on the development and implementation of process solutions, specifically targeting both liquid and solid waste streams from mine processes. This includes existing pilot operations as part of the process development cycle to provide mature solutions which includes extractive-metallurgy, pyro-metallurgy and hydro-metallurgy ("Business Development");
- the exploration and mining of PGMs (Exploration and mining); and
- the parent company operates a head office based in the United Kingdom, which incurs certain administration and corporate costs. ("Corporate").

The Group's operations span six countries, South Africa, Australia, Madagascar, Mauritius, Zambia 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 2020

Figures in Sterling	**Base metal beneficiation**	**Business development**	**Exploration and mining**	**Corporate**	**Total**
Total revenues[1]	**54 774 818**	**-**	**-**	**-**	**54 774 818**
Cost of sales	**(29 683 413)**	**(3 807)**	**-**	**-**	**(29 687 220)**
Forex	**723 787**	**-**	**-**	**(65 433)**	**658 354**
Profit/(loss) before	**20 107 447**	**(10 093)**	**(956)**	**(6 363 527)**	**13 732 871**
Taxation	**3 541 615**	**-**	**-**	**954 101**	**4 495 716**
Profit/(loss) after taxation	**23 649 062**	**(10 093)**	**(956)**	**(5 409 427)**	**18 228 586**
Interest received	**101 214**	**-**	**167**	**23 883**	**125 264**
Interest paid	**(2 245 776)**	**-**	**35**	**(175 134)**	**(2 420 875)**
Depreciation and	**(6 501 760)**	**-**	**-**	**-**	**(6 501 760)**
Total assets	**90 719 255**	**3 159 299**	**33 507 643**	**3 251 912**	**130 638 109**
Total liabilities	**(32 402 376)**	**-**	**(3 601 416)**	**(453 299)**	**(36 457 091)**

1=South Africa contributed to 94% of total revenue, with Zambia and Mauritius contributing 3% each of total revenue.

Segment report for the year ended 30 June 2019

Figures in Sterling	Base metals beneficiation	Business development	Exploration and mining	Corporate	Total
Total revenues	23 585 846	-	-	-	23 585 846
Cost of sales	(10 709 444)	-	-	-	(10 709 444)
Forex losses	(8 163)	(6 711)	-	246 226	231 352
Interest received	21 802	-	207	8 050	30 059
Interest paid	(933 307)	-	-	(179 604)	(1 112 911)
Loss before taxation	4 357 520	(229 145)	(231 989)	4 049 881	7 946 266
Taxation	(15 870)	-	-	(954 101)	(969 971)
Loss after taxation	4 341 649	(229 145)	(231 989)	3 095 780	6 976 295
Depreciation, amortisation and	(3 400 232)	(70 359)	(231 568)	-	(3 702 159)
Total assets	43 389 556	15 872 277	25 885 711	16 894 725	102 042 269
Total liabilities	(15 602 932)	(3 343 970)	(1 398 627)	(3 006 927)	(23 352 457)

6. Going Concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Group Annual Report which is available on www.jubileemetalsgroup.com.

Jubilee operates several chrome-Platinum Group Metal ("PGM") operations in South Africa and is constructing a zinc-lead (vanadium) plant at Kabwe in Zambia after already commissioning the copper and cobalt circuits (the 'Sable' refinery). The Company has a growth pipeline identified and significant opportunities to find new projects in Africa (or globally); more specifically it is looking to increase its copper (cobalt) production in Zambia to make full use of its Sable Refinery. The company model is to treat its own waste materials and to supplement these with third party ores and wastes where possible. This year has been nothing if not eventful for Jubilee, but further progress and material catalysts are expected over the course of 2020. Jubilee has a high-margin business with cash on hand, and there are plenty of opportunities for Jubilee to capitalise on its robust business model through the global COVID-19 crisis and beyond.

Jubilee's business strategy is based on three core business pillars:

1. Process Research and development
    a. Consists of a combination of targeted process consulting and research and development, focussed on the development and implementation of process solutions, specifically targeting both liquid and solid waste streams from mine processes.
    b. Our research and development includes existing pilot operations as part of the process development cycle to provide mature solutions which includes extractive-metallurgy, pyro-metallurgy and hydro-metallurgy.
    c. This process has led to many previously non-viable environmental and metals recovery projects becoming commercially viable. With the growing demand for solutions to mining wastes and the growing requirement for 'Environmental, Social & Corporate Governance' ("ESG") in mining investments the pedigree, experience and ability of Jubilee will be of increasing importance.
    d. Following a very strong demand in Africa, Jubilee has concluded two acquisitions in Zambia to advance its footprint in other jurisdictions.
2. Operations
    a. Jubilee owns and operates recovery plants for the recovery of metals and minerals, currently recovering precious metals including PGMs and Chrome and targeting base metals including lead, zinc, vanadium and copper.
    b. Jubilee has a low-cost, high-margin business that capitalises on Jubilee's experienced, technical management team which has developed innovative processing techniques to generate cash from (mainly) the waste material produced as part of the mining cycle; "the Jubilee Way".
3. Project Funding
    a. We are able to provide funding to support our partners within smaller or larger companies to implement the waste recovery projects. Such funding would be aimed at especially assisting in instances where the company holding the mineral right prefers to be a passive investment partner.

b. Our successful research and development work has set the pace for the Company to partner with strategic owners of rights and waste material to form joint operations where Jubilee plays the important role of operator and in some instances funder.

The Group meets its day-to-day working capital requirements through cash generated from operations. The Group's current operational projects are all fully funded and self-sustaining.

The current global economic climate creates to some extent uncertainty particularly over:

(a) the trading price of metals; and

(b) the exchange rate fluctuation between the US$ and the ZAR and thus the consequence for the cost of the company's raw materials as well as the price at which product can be sold.

In January 2020, an outbreak of a coronavirus, now classified as COVID-19, was detected in China's Hubei province. During the following months, COVID-19 has spread steadily throughout the World and on 11 March 2020, The World Health Organisation ("WHO") declared the outbreak a global pandemic. In order to stem the spread of the virus, Governments around the World are taking drastic steps which include compulsory closure of various businesses, shops and schools and are also heavily restricting of movement of people with lockdown.

The outbreak of COVID-19 has resulted in business disruption and stock market volatility. On 23 March 2020, the President of South Africa announced a 21 day nationwide lockdown in the country to combat the potential rapid rise of COVID-19 infection rates. As a result Jubilee was forced to put its South African operations under care and maintenance for the 21 day period. There were no such restrictions imposed in Zambia. The Group had anticipated the lockdown decision and measures were put in place identifying high risk situations and personnel. Management had been proactive in minimising cost and maximising production and saleable stocks were liquidated to minimise any negative financial effects on operations.

Following this 21 day nationwide lockdown, Jubilee announced on 17 April 2020 that certain operations in South Africa had recommenced production under strict health and safety measures to ensure that its employees and team were, and remain to be, adequately and appropriately protected. On 7 May 2020, Jubilee announced that all of its operations in South Africa and Zambia had recommenced operations.

There has been minimal financial impact of COVID-19 on the underlying operations in Zambia, and although the Company has faced challenges in South Africa, the business model is robust and benefits from a broad commodity basket providing resilience with fluctuating metals prices.

That said, due to the continuing global development of COVID-19, the degree of uncertainty involved and the unprecedented nature of the challenges posed by the coronavirus situation, the Directors will continue monitoring the situation closely.

The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, commodity prices and currency fluctuations, indicates that the Group should be able to operate within the level of its current cash flow earnings forecasted for the next twelve months.

The Group is adequately funded and has access to further equity placings, which together with contracts with a number of high profile customers strengthens the Group's ability to meet its day-to-day working capital requirements, including its capital expenditure requirements. As a consequence, the directors believe that the Group is suitably funded and placed to manage its business risks successfully despite identified economic uncertainties.

The directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, thus continuing to adopt the going concern basis of accounting in preparing the annual financial statements.

7. Events after the reporting period

7.1 Copper tailings resource secured (Zambia)

On 6 August 2020, Jubilee signed a joint venture agreement with a private Zambian company (the "JV Agreement") securing the rights to process 2 million tonnes copper Run-Of-Mine material containing in excess of 2% copper (the "ROM Material"). Under the JV Agreement, there is a further potential to increase the supply of copper ore to approximately 4 million tonnes with an additional 2.5 million tonnes of copper containing tailings available for processing (together "the Project" or "Project Roan"). The Project will target the near-term production of copper concentrate through a dedicated newly constructed copper concentrating facility (the "Processing Facility") for which Jubilee has completed the design for the construction at a targeted brownfield site adjacent to the tailings (the "Site"). The Processing Facility will be commissioned in two phases with the first copper concentrate and revenues expected within four months.

Jubilee will construct, own and operate the Processing Facility while its JV Partner will deliver the ROM Material and Tailings at no cost to the JV. The JV Partner is tasked with producing the copper concentrates, which will be sold on an arms-length basis with Jubilee's Sable Refinery holding a first right to such concentrate. The participation in the earnings received by Jubilee and the JV Partner is linked to the source of the processed material while Jubilee retains 100% of all earnings generated through the refining of the copper concentrate at its Sable Refinery. A typical market analysis indicates the targeted copper concentrate produced by the JV attracts in the order of 38% of contained copper value prior to being refined to copper cathode at the Sable Refinery which is sold at London Metal Exchange prices. Jubilee may also under the JV Agreement secure and process its own third-party ROM ("Jubilee ROM") for processing at the Processing Facility. Jubilee will implement the Project in phases to accelerate the production of a saleable, intermediate product within four months prior to completion of the full scope of the Processing Facility.

7.2 Supply of Chrome and PGM ROM Feed secured

On 24 August 2020 Jubilee has executed a processing agreement whereby Jubilee has been appointed as operator to re-commission and operate the existing run of mine ("ROM") chrome beneficiation plant (the "Chrome Plant"') adjacent to its Inyoni Operations ("Inyoni") (together the "Processing Agreement"). The Processing Agreement is backed by a guaranteed supply of a minimum of 40 000 tonnes per month of chrome and PGM containing ROM which has the potential to be increased to 80 000 tonnes per month. The PGM bearing tails produced by the Chrome Plant will be further processed at Jubilee's adjacent Inyoni PGM recovery plant. The PGM rich tails, which will be produced under the Processing Agreement and supplied to Inyoni, are in addition to the existing PGM tailings resources already owned by Jubilee and the PGM tails produced by its Windsor operations. The Processing Agreement not only significantly extends the life of the existing PGM resource but also offers the potential for Jubilee to significantly expand its Inyoni Operations.

As part of the Processing Agreement Jubilee will fund an estimated £ 1.34 million (ZAR 30 million) capital required to upgrade the chrome ore beneficiation plant whereby capital plus interest will be recovered by Jubilee under a fixed charge per ROM ton processed over the first three years of the Processing Agreement. Jubilee will fund the capital required from its own cash reserves.

The additional ROM feed processed by the chrome ore beneficiation plant to firstly recover the chrome will produce new PGM enriched tailings which is fed directly to the Inyoni PGM recovery plant. To accommodate this additional PGM feed Inyoni will reduce the rate at which it is reclaiming PGM feed material solely from its existing PGM surface tailings resources, thereby extending the life of its existing PGM resources. The additional tailings offers Jubilee the opportunity for a modest capital investment, to expand the Inyoni Operations increasing its monthly PGM ounce production to 3 500 PGM ounces per month. The designs for the expansion are currently being considered by Jubilee and if approved will be funded by the Company.

7.3 Kabwe mining licence renewed

The Company has received notification from the Minister of Mines and Mineral Development in Zambia of the approval of the Company's application for the renewal of Small Scale Mining Licence 7081-HQ-SML in Kabwe, Zambia (the "Licence"). The Licence is in respect to the minerals lead, zinc, copper and cobalt.

The Licence renewal has been approved for a period of ten years and is subject to a number of customary conditions specified by the Minister of Mines and Mineral Development.

7.4 Conclusion of copper cobalt tailings supply and development agreements – Zambia

On 5 November 2020, Jubilee has successfully concluded further copper tailings transactions to secure the rights to an additional approximately 115 million tonnes of copper and cobalt containing surface tailings in Zambia (the "Tailings"). Jubilee has secured the exclusive processing rights to the material through its subsidiary Braemore Platinum Limited ("Braemore") by entering into tailings supply and process development agreements (the "Agreements") with a number of privately held entities who collectively hold both the mining rights to the tailings and the property title on which the tailings are located (the "Tailings Partners"). The Agreements include both the formation of a development partnership with a well-established Zambian private entity who has invested in securing various tailings assets, as well as securing the rights to the processing of the Tailings from the resource owners.

The Agreements secure Braemore the exclusive right to process the approximately 115 million tonnes of copper containing tailings through the implementation of a copper and cobalt processing facility (the "Project"). In addition, the Project benefits from detailed resource analyses and vast historical process test programmes performed by the Tailings Partners through the appointment of various independent well established consulting firms. This affords Jubilee the opportunity to interpret these results and incorporate its in-house expertise and IP to significantly accelerate the Project development cycle.

Key Terms of the Agreements

Under the terms of the Agreements, Braemore secures the exclusive right to gain free unrestricted access to the tailings resources and to uplift and process the tailings to recover copper and cobalt for on-sale into the market. Braemore is appointed as the exclusive operator and solution provider to bring to account the Tailings. In recognition of this right afforded to Braemore, the Tailings Partners are entitled to a future earnings share from the processing of their respective tailings by Braemore ranging from 17% to 30%. Such earnings share includes a capital charge allocated to each Tailings Partner by Braemore in respect of the capital expended by Braemore for the implementation and commissioning of the processing facility for the respective Tailings.

The partnership with the Tailings Partners affords Braemore immediate access to the information derived from numerous sampling and test campaigns undertaken by the Tailings Partners, as well as their continued support in the implementation of the Project. In part recognition of the investment undertaken by the Tailings Partners, Braemore has in addition agreed to a milestone based investment in relation to the development of the Project. The Agreements combine Jubilee's proven track record of implementing and operating projects through its in-house expertise, with established and locally respected presence in Zambia of the Tailings Partners.

Ends

For further information visit www.jubileemetalsgroup.com, follow Jubilee on Twitter (@Jubilee_Metals) or contact:

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Annexure 1

Audit Opinion

Independent auditor's report to the members of Jubilee Metals Group Plc

Opinion

We have audited the financial statements of Jubilee Metals Group plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2020 which comprise the Group and Company Statements of Financial Position, the Group and Company Statements of Comprehensive Income, the Group and Company Statements of Changes in Equity, the Group and Company Statements of Cash Flows and notes to the financial statements, including a summary of significant accounting policies set out on pages 45 to 100 of the financial statements. 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.

In our opinion, the financial statements:

- give a true and fair view of the state of affairs of the group and of the parent company as at 30 June 2020 and of the group's and parent company's profit for the period then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to SME listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
Revenue recognition Revenue for the year was £54.8m, representing a significant increase from 2019. 2020 saw the acquisition of Sable Zinc Kabwe Limited resulting in new copper revenue as well as additional material at Windsor. Revenue has been derived from the sale of copper, chrome and platinum group metals.	Our audit procedures included the following: • Obtaining a sample of sales contracts and understanding the key performance conditions and pricing terms; • Evaluating the Group's revenue recognition policy and management's application of the policy to the recording of revenue;

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The Group recorded revenues at Sable Zinc Kabwe Limited, being its first surface processing revenues generated outside of South Africa.

The Group applies IFRS 15 and therefore approaches its revenue recognition policy by reference to the performance obligations inherent in its contracts.

The Group's revenue recognition accounting policy is set out in note 1.12.1.

Due to the significance and growth of revenue in the financial statements, revenue recognition is a key audit matter.

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- Understanding how the Group's revenue recognition policy was applied to revenue streams at Kabwe, Zambia;
- Observing the sales processes during a site visit at Kabwe, Zambia, and Inyoni, South Africa;
- Comparing exchange rates used in management's calculations by reference to external sources;
- Substantive tests agreeing sales invoices to underlying concentrates analyses and pricing to external sources; and
- Testing around the period end to review the treatment of sales around the year end.

Based on our procedures, we noted no material exceptions and consider management's key assumptions to be within reasonable ranges. We consider that revenue recognition has been recognised appropriately and in accordance with the Group's revenue recognition policy and IFRS 15.

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Acquisition of Sable Zinc Kabwe Limited

In August 2019 the purchase of 100% of the share capital of Sable Zinc Kabwe Limited, a Zambian company, became effective following the satisfaction of conditions precedent.

The Board determined the transaction meets the definition of a business as defined in IFRS 3. The assets and liabilities acquired were therefore measured at fair value at the acquisition date. The principal asset acquired in the business combination was a processing plant located at Kabwe, Zambia, which was recognised on acquisition date at its fair value of £9.2m.

The total consideration for the transaction was $11.5m (£10.1m) paid in three tranches.

The business combination accounting resulted in the recognition of goodwill of £0.9m. The Board determined that goodwill was not impaired at 30 June 2020.

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Our audit procedures included the following:

- Obtaining the Share Purchase Agreement setting out the key terms of the transaction;
- Discussing with management their view of the appropriate accounting treatment of the overall transaction, including the rationale underlying the recognition of the transaction as a business combination;
- Testing the basis upon which the effective date of the acquisition was determined;
- Reviewing the basis upon which the fair values of assets and liabilities acquired were determined, including by reference to external valuation reports performed by third parties;
- Reviewing evidence of impairment of resulting goodwill;

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Due to the significance of the transaction we consider this acquisition to be a key audit matter.	• Ensuring that the Group's results for the year under review reflect only revenues generated post acquisition; • Testing the legal basis for the assignment of debt from the acquiree's former parent company to the Group; and • Performing an onsite visit in Kabwe, Zambia, to verify the existence of assets and understand the operation. Based on our procedures, we noted no material exceptions and consider management's key assumptions to be within reasonable ranges.
Acquisition of Enviro Mining Limited At 30 June 2019, the Group held an option to acquire 100% of the issued share capital of Enviro Mining Limited, a Mauritian company. That option was subsequently exercised and the Group gained control of Enviro Mining Limited and its Zambian subsidiaries. The option carried no exercise price, and the exercise resulted in the derecognition of the option asset and a loss on derecognition of £5m. The Board determined that the acquired operations constituted a business. Therefore, it considered the fair value of the consideration as well as the assets and liabilities acquired. On exercise of the option, Jubilee simultaneously acquired the 12.5% of Kabwe Operations Limited not previously held by the Group and granted a royalty to BMR Group Plc. The royalty relates to the future earnings of the Kabwe Project relating to zinc, lead and vanadium. The value of the royalty depends on a number of factors, such as the amount of capital expended by the Group, the timing of cash flows and earnings, future metals prices, and the time value of money. The fair value of the contingent consideration was therefore a significant judgement made by the Directors. Similarly, when assessing the fair values of the assets and liabilities acquired in the business combination, the Board identified	Our audit procedures included the following: • Obtaining the formal agreement with BMR Group Plc which set out the terms of the option exercise and royalty; • Obtaining documentary evidence of the Group's exercise of the option; • Challenging management on their judgement of the date from which the Group gained control of Enviro Mining Limited; • Testing management's assessment of whether the acquisition of Enviro Mining Limited constituted a business combination and making enquiries of management about the acquiree's activities at the acquisition date; • Obtaining and examining management's cash flow forecasts in support of the fair value of the mining licence and royalty and challenging key assumptions in the model; • Obtaining a summary of the Group's acquisition accounting and underlying workings; • Challenging the assumptions applied in a cash flow model of the Kabwe Project and assessing the appropriateness of the methodology

that a subsidiary of Enviro Mining Limited, Enviro Processing Limited, a Zambian company, holds the small-scale mining licence associated with the Kabwe Project. The fair value of this licence was assessed and valued by reference to future cash flows and therefore subject to significant judgement. For these reasons, the acquisition of Enviro Mining Limited and its subsidiaries is considered a key audit matter.	applied in identifying the fair value of the small-scale mining licence; • Challenging management on the justification and rationale for the recognition of a gain on bargain purchase arising from the transaction; and • Considering the relevant tax base and rate based on the expected future realisation of the small-scale licence intangible asset. Based on our procedures, we noted no material exceptions and consider management's key assumptions to be within reasonable ranges.
Impairment of intangibles assets The carrying value of intangible assets included in the Group's Statement of Financial Position at 30 June 2020 was £73m. Of this total, £36.4m is attributable to the Group's mining right associated with the Tjate project in South Africa. The Directors assess at each reporting period whether there is any indication that an asset may be impaired. The Group's intangible assets with an indefinite useful life are tested for impairment at each reporting date, including goodwill. The determination of recoverable amount, being the higher of value-in-use and fair value less costs to dispose, requires judgement on the part of management in both identifying and then valuing the relevant Cash Generating Units, especially for projects where there is an uncertain timeframe. Any impairment in these CGUs could lead to consequent impairments of the Company's investments in subsidiaries or intercompany loans. These were carried at £36.9m and £65.8m respectively at 30 June 2020. Deferred tax liabilities are recognised on certain intangible assets following business combinations and these liabilities are reassessed at each reporting period by reference to expectations as to how these	Our audit procedures included the following: • Assessing whether the methodology used by the Directors to calculate recoverable amounts is in accordance with IAS 36; • Assessing the available evidence in support of the recoverable amount in relation to the Tjate Project, including in support of value in use calculations, and determining whether the assumptions applied are reasonable and supportable given the current macroeconomic climate; • Performing sensitivity analyses on key assumptions and testing the mathematical accuracy of models; • Challenging inputs to models including comparison with external data sources; • Reviewing correspondence and other sources for evidence of impairment; • Reviewing the recoverability of intercompany loans within the Company and indicators of impairment in investments in subsidiaries; • Obtaining management's IFRS 9 Expected Credit Loss analysis in respect of intercompany loans and examining the assumptions being applied;

assets will be realised and the tax base and rate in the relevant jurisdiction. Due to the significance of the intangible assets to Group financial statements, the significant judgements involved in these assessments and the potential impact on the Company's investments and intercompany loans, the potential impairment of intangible assets is a key audit matter.	• Assessing the appropriateness and completeness of the related disclosures in note 9, intangible assets, of the Group financial statements; • Performing an examination of cash flow forecasts for all material projects to understand the expected future cash flows; and • Reviewing the treatment and correct classification of newly acquired intangible assets. Based on our procedures, we noted no material exceptions and consider management's key assumptions to be within reasonable ranges.
Acquisition of intangible assets at Inyoni The Group has operated the Inyoni Project (formerly Hernic) for a number of years, where it has historically processed waste material under a series of access and earnings sharing agreements. During the year the Group purchased full earnings rights to both platinum group metals and chrome at Inyoni. The total consideration for the purchases was ZAR 284.67m (£13.4m). This purchase has been recorded as an addition to intangible assets. Management determined an appropriate amortisation policy by reference to the quantum of material remaining. Due to the size of the addition, the acquisition of these rights is a key audit matter.	Our audit procedures included the following: • Obtaining the purchase documentation to determine whether the Group had acquired physical material as inventory or legal rights as intangible assets; • Testing consideration to the asset purchase agreement and subsequent cash payments; • Agreeing the accounting entries though to the consolidated financial statements and the recognition of the purchase as an addition to intangible assets; • Examining the basis for the amortisation policy applied to the asset; and • Reviewing the suitability of disclosures associated with the transaction. Based on our procedures, we noted no material exceptions and consider management's key assumptions to be within reasonable ranges.
Loan to Horizon In June 2020, Jubilee entered into a joint operation with Star Tanganika Limited in respect of Project Elephant. As part of the agreement, Jubilee agreed to advance a loan to Horizon Corporation Limited, Star Tanganika Limited's parent company, of $5m.	Our audit procedures included the following: • Obtaining the Joint Venture Agreement which governs the arrangement and identifying key terms; • Obtaining management's assessment of the key judgements and resulting accounting presentation;

Under the terms of the loan agreement, the loan is repayable on a date contingent upon the commencement of the project and other factors. Of the $5m facility, £3.2m was drawn during the period to 30 June 2020, by way of an equity issue to Horizon Corporation. The loan represents a financial asset carried at fair value. This required significant management judgement and therefore the issue is key audit matter.	• Obtaining and challenging management's latest project model to support the timeframe for recovery of the loan and in support of impairment and credit loss assessment; • Confirming the share issue to records; and • Reviewing the suitability of disclosures associated with the transaction. Based on our procedures, we noted no material exceptions and consider management's key assumptions to be within reasonable ranges.

Our application of materiality

We apply the concept of materiality in planning and performing our audit, in evaluating the effect of any identified misstatements and in forming our audit opinion. Our overall objective as auditor is to obtain reasonable assurance that the financial statements as a whole are free from material misstatement, whether due to fraud or error. We consider a misstatement to be material where it could reasonably be expected to influence the economic decisions of the users of the financial statements.

We have determined a materiality of £2,000,000 (2019: £1,000,000) for both the Group and Company financial statements. This is based on 2 % of net assets per draft financial information at the planning stage. We did not consider there to be any reason to revise materiality during the audit.

An overview of the scope of our audit

We tailored the scope of our audit to ensure that we obtained sufficient evidence to support our opinion on the financial statements as a whole, taking into account the structure of the Group and the Parent Company, the accounting processes and controls and the industry in which the Group operates.

As Group auditors we carried out the audit of the Company financial statements and, in accordance with ISA (UK) 600, obtained sufficient evidence regarding the audit of 8 subsidiaries undertaken by component auditors in South Africa, Zambia and Mauritius. These 8 subsidiaries were deemed to be significant to the Group financial statements either due to size or their risk characteristics. The Group audit team directed, supervised and reviewed the work of the component auditors in South Africa, Zambia and Mauritius, which involved issuing detailed instructions, holding regular discussions with component audit teams and performing detailed review of working papers. Audit work in South Africa, Zambia and Mauritius was performed at materiality levels of £250,000 which is lower than Group materiality.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 36, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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 auditor's 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.

Jamie Cassell (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP
Chartered Accountants
Statutory Auditors
71 Queen Victoria Street
London
EC4V 4BE
9 November 2020

Annexure 2

Headline earnings per share

1. 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 1/2019 issued by the South African Institute of Chartered Accountants (SAICA). In compliance with paragraph 18.19 (c) of the JSE Listings Requirements the table below represents the Group's Headline earnings and a reconciliation of the Group's loss reported and headline earnings used in the calculation of headline earnings per share:

2. Reconciliation of headline earnings per share

	30 June 2020		30 June 2019	
	Gross £'000	**Net £'000**	Gross £'000	Net £'000
Earnings for the period attributable to ordinary shareholders		**18 320**		6 994
De-recognition of other financial assets through profit or loss	**5 021**	**4 067**	-	-
Gain on bargain purchase	**(6 607)**	**(6 607)**	-	-
Share of impairment loss from equity accounted associate	**1 964**	**1 375**	783	564
Fair value adjustments of other financial assets	**-**	**-**	(5 022)	(3 616)
Impairment of intangible assets	**-**	**-**	231	166
Headline earnings from continuing operations		**17 155**		4 108
Weighted average number of shares in issue ('000)		**1 955 965**		1 466 128
Diluted weighted average number of shares in issue ('000)		**1 975 264**		1 475 698
Headline earnings per share from continuing operations (pence)		**0.88**		0.28
Headline earnings per share from continuing operations (ZAR cents)		**17.30**		5.14
Diluted headline earnings per share from continuing operations (pence)		**0.87**		0.28
Diluted headline earnings per share from continuing operations (ZAR cents)		**17.13**		5.11
Average conversion rate used for the period under review £:ZAR		**0.0507**		0.0545