

FLASH LIGHT

Jubilee Metals (JLP) – Corporate – Additional copper tailing resources acquired in Zambia

Market Cap £132m Share Price 6.3p

Jubilee today announces that it has tied up access to a further 115Mt of copper (cobalt) tailings (grading 0.3% copper and 0.05% Co) within 50km of its “Project Elephant” (with 150Mt of tailings). Today’s news fits right into Jubilee’s strategy in Zambia of securing sufficient feed for its Sable copper refinery at Kabwe and this should enable a near doubling of capacity at this existing plant to 25kt/yr of copper cathode over the short-term.

As with previous Zambian transactions, this will be a JV with Jubilee responsible for building and operating the tailings upgrade plant and having first rights on the oxide and sulphide concentrates. Returns will be split between the partners (minimum 70% to Jubilee) after an allocation for the capital cost of the plant. The proximity between the various projects in Zambia means that there could be some sharing of common fixed costs which would be of benefit both logistically and financially. Funding is expected to be from Jubilee cash flow and non-dilutive financing under negotiation currently.

WHI View: The key to the ongoing success at the Sable refinery is security of supply of raw material given that Sable does not have a captive raw material source. With its recent transactions for Projects “Roan” and “Elephant” in country, and in the light of today’s announcement, Jubilee has sight over a significant copper resource which it can process using its own technical expertise. We see Zambia as the earnings growth engine for Jubilee and see Jubilee establishing itself as the regional leader in copper tailings processing in a region which we see as offering many further opportunities.

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Outperform	2	3.3	0	0.0
Market Perform	0	0.0	0	0.0
Underperform	0	0.0	0	0.0
Sell	0	0.0	0	0.0
Total	60.0	100.0	58.0	100.0

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Company Name	Table of interest number	12-month recommendation history	Date
Jubilee Metals (JLP)	2,3,4,5,7	Corporate	28.01.20

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