Jubilee Platinum

ANNUAL REPORT

for the year ended 30 June 2012

a mines to metals company

44 Ru	45 Rh	46 Pd
76 Os	77 Ir	78 Pt

For further information, please contact:

Colin Bird/Leon Coetzer/Andrew Sarosi
Tel +44 (0) 207 584 2155 / Tel +27 (0) 11 465 1913 / Tel +44 (0) 175 222 1937

Matthew Robinson/Ben Thompson – corporate finance
Joanna Weaving – corporate broking
Tel +44 (0) 207 600 1658

Jerry Keen/Edward Mansfield
Shore Capital Stockbrokers Limited (Joint Broker)
Tel +44 (0) 207 408 4090

Leonard Eiser/Sharon Owens
Sasfin Capital
Tel +27 (0) 11 809 7500

Nick Rome/Anna Michniewicz/Ivana Petkova
Bishopsgate Communications Ltd
Tel +44 (0) 207 562 3350

Contents

Administrative information

DIRECTORS

Colin Bird *(Non-executive Chairman)*
Dr M Phosa *(Non-executive Director)*
Leon Coetzer *(Chief Executive Officer)*
Andrew Sarosi *(Executive Director)*
Christopher Molefe *(Non-executive Director)*
Eduard Victor *(Financial Director)*

SECRETARY

Capita Company Secretarial Services
34 Beckenham Road
Beckenham, Kent, BR3 4TU

Fusion Corporate Secretarial Services (Pty) Limited (SA)
(Represented by Melinda van den Berg)

REGISTERED OFFICE

United Kingdom
4th Floor
2 Cromwell Place
London, SW7 2JE

South Africa
Unit 8, Block B, 1st Floor
Stoney Ridge Office Park
Paulshof, 2068

AUDITORS

United Kingdom
BDO LLP
55 Baker Street
London, W1U 7EU
United Kingdom

South Africa
BDO South Africa Incorporated
22 Wellington Road
Parktown
Johannesburg, 2193

NOMINATED ADVISER

finnCap Limited
60 New Broad Street
London, EC2M 1JJ

JOINT BROKERS

finnCap Limited
60 New Broad Street
London, EC2M 1JJ

Shore Capital Stockbrokers Limited
Bond Street House
14 Clifford Street
London, W1S 4JU

SPONSOR

Sasfin Capital
29 Scott Street
Waverley, 2090

BANKERS

National Westminster Bank plc
246 Regent Street
London, W1B 3PB

REGISTRARS

United Kingdom
Capita Registrars
34 Beckenham Road
Beckenham, Kent, BR3 4TU

South Africa
Computershare Investor Services (Pty) Limited
70 Marshall Street
Johannesburg
South Africa, 2001

SOLICITORS

United Kingdom
Fasken Martineau
17 Hanover Square
London, W1S 1HU

South Africa
Eversheds Attorneys
22 Fredman Drive
Sandton, Johannesburg
South Africa, 2123

PUBLIC RELATIONS

Bishopsgate Communications
Third Floor, 3 London Wall Buildings
London Wall, London, EC2M 5SY

Chairman's statement

Dear Shareholder,

The Board of Jubilee Platinum Plc, the AIM and JSE listed "mine-to-metals" exploration and development company ("Jubilee" or "the Company" or "the Group"), is pleased to announce the results for the year ended 30 June 2012.

Highlights in the period under review

- Jubilee's subsidiary company, Tjate Platinum Corporation (Pty) Limited ("Tjate"), submitted a mining right application for its flagship Tjate Platinum Project located in the Limpopo province of South Africa.
- Tjate received a ZAR75 million (£6.25 million) cash offer for the Quartzhill farm portion of the Tjate Platinum Project from a major mining company.
- Jubilee received a Letter of Intent from Northam Platinum Limited ("Northam") to include principles of financial terms for a ConRoast agreement.
- Jubilee was awarded the right to recover platinum group metals ("PGMs") and base metals from more than 800,000 tonnes of platinum-bearing chrome tailings on surface at the Dilokong Chrome Mine.
- The Company's subsidiary Jubilee Smelting and Refining (Pty) Limited ("JSR"), commenced hot commissioning of the new fully contracted AC arc furnace at its Middellburg smelting operations.
- Jubilee's 51% owned electricity-generating subsidiary, Power Alt (Pty) Limited ("PowerAlt"), tendered to provide surplus power to South Africa's national electricity generating company in order to further bolster the Company's revenue base.
- The Company continued work on its Leinster Nickel tailings project.

Highlights post the period under review

- The Tjate Board resolved to accept the ZAR75 million (£6.25 million) cash offer for the Quartzhill farm and to negotiate a formal sale agreement.
- The Company's Middelburg smelting operations continued to increase production reaching a record 905 tonnes of alloy produced in July 2012 thereby achieving overall profitability of the operations for the month.
- PowerAlt was awarded the tender in August 2012 to supply power to South Africa's national electricity generating company and sale of electricity is expected to commence in November 2012. The National Energy Regulator of South Africa (NERSA) has approved the sale.
- The Company has acquired an additional 19% interest in its 51% owned electricity generating company PowerAlt by way of cash (ZAR13,139,000) (£1,017,501) or issue of Jubilee ordinary shares of equivalent cash value at Jubilee's election, in three tranches.
- Jubilee has increased its interest to 100% in JSR, the holding company of its Middelburg smelting company RST Special Metals (Pty) Limited ("RST") via a claims settlement agreement with JSR's shareholders under the terms of its Shareholders Agreement.
- The Company entered into a binding and exclusive Memorandum of Understanding ("MOU") to acquire for ZAR3.5 million (£271,000) cash, a 51% interest in a fully BEE empowered entity, which holds the prospecting rights for PGMs on a portion of a farm located in the eastern Bushveld of South Africa. The farm includes a PGM-bearing chromite tailings dump estimated to contain a minimum of 500,000 tonnes of material.
- The Company's subsidiary Braemore Platinum Smelters (Pty) Limited ("Braemore") entered into an agreement, which provides Braemore an exclusive option to purchase platinum-bearing surface assets existing on various mining claims in Zimbabwe.
- Jubilee was awarded an engineering contract to the value of USD $298,000 (£191,000) by an established platinum company to incorporate the ConRoast process as part of its overall project feasibility study.
- In Madagascar, Jubilee entered into a farm-in agreement with Indian Pacific Resources Limited ("IPR") in August 2012, granting IPR the right to prospect for iron ore on the Company's Ambodilafa concession. This agreement permits exploration and drilling on the Ambodilafa project to continue without funding from Jubilee. Jubilee retains all existing rights to the PGMs and non-iron ore commodities under the agreement.

- On 19 October 2012 the Company announced a placing of 20,175,439 new ordinary shares of 1 pence each in the Company (the "Placing Shares") to raise £1.725 million. The Placing Shares have been placed jointly by Shore Capital Stockbrokers Limited and finnCap Limited as agents to the Company, with major institutional investors at a price of 8.55 pence per share. These shares were admitted to trading on AIM market of the London Stock Exchange ("AIM") and the JSE Limited ("JSE"). The proceeds of the placing will be used, together with existing cash resources, to support growth within the Company's strategic business areas, through which Jubilee is implementing its mine-to-metals strategy.

Jubilee Platinum Plc made significant progress in its strategy of building a mine-to-metals company during the financial year under review. Jubilee has continued to grow its revenue base with the commissioning of a fully contracted arc furnace. Jubilee is increasing its access to on-surface platinum containing material through the successful tender to process the Dilokong Chrome tailings material. The Company's results highlight the growth in revenue post the commissioning and continued ramp-up of the new furnace at the Middelburg smelter operations.

The key challenges faced by Jubilee remain external and are not confined to Jubilee or indeed the resource sector. Specific to the South African platinum industry are the problems of poor demand for platinum, high labour costs and strikes, community dissatisfaction and difficult technical conditions.

Jubilee, to a large extent, has avoided these problems and our dump and small mining strategy gives us many advantages within this sector. ConRoast technology unlocks most of these advantages since our ability to handle PGM concentrates with high chrome makes us unique in the industry. Similarly, we do not employ a large workforce thereby reducing our risk to complex labour management issues and potential strikes.

During the period under review, we have acquired the PGM processing rights to a large surface tailings dam, advanced our smelter division to profitability and applied for a mining right for the Tjate Platinum Project. Discussions around our memorandum of understanding with Northam continue and numerous surface material and dump opportunities are being presented and evaluated.

The Company's corporate structure has been restructured to allow its subsidiaries to project finance each operating unit either by conventional loans or our preferred route, the accommodation of a strategic investor. The Company is in discussions with several financial institutions for project financing packages in each subsidiary; the objective being to drive growth in its projects and reduce reliance on issuing of Jubilee shares.

Platinum as a precious metal has developed a price link to gold but unlike the last decade has failed to maintain a 15% – 20% premium against that metal. The Board believes the current gold prices are a speculative distraction from the platinum supply/demand fundamentals, which are being neglected. The Board believes that modest global industrial growth will lead to shortages of platinum and commentators suggesting oversupply have simply got it wrong. Modest demand will put a focus on the various problems facing the South African platinum industry and we expect considerable platinum price gains before the calendar year end. Our strategy of low cost operations focused on platinum-bearing chrome and already mined dumps should allow us to take advantage of any upsurge in the price of platinum.

The Group's revenue for the second half of the year improved significantly. The loss for the year, after taxation of £7,880 million (2011: £7,589 million) of which £2,903 million (2011: £2,499 million) relates to depreciation and amortisation was incurred. The Group's loss per share was 2.43 pence (2011: 2.67 pence). A share based payment credit of (£0,275 million) (2011: charge £0,766 million) is included in the Group comprehensive income.

I would like to thank my fellow directors, management and employees for their outstanding efforts in yet another difficult year.

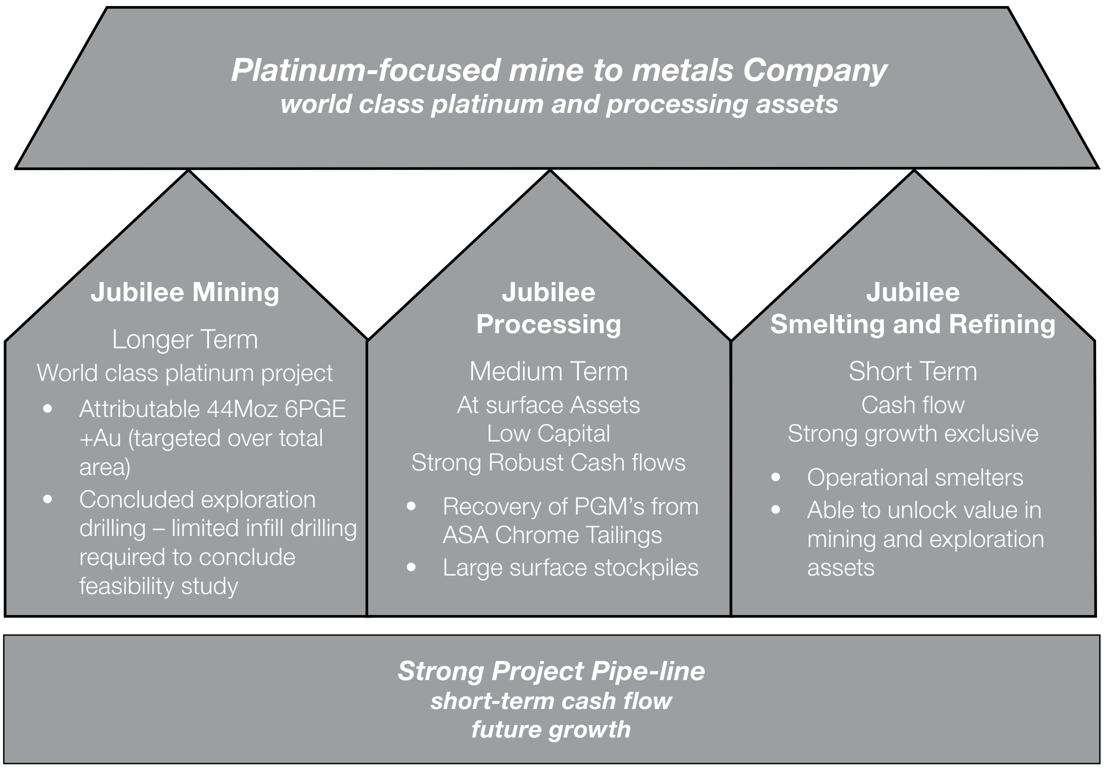
Colin Bird
Non-executive Chairman

22 November 2012

Chief Executive Officer's operations report

Jubilee Platinum Plc ("Jubilee" or "the Company" or "the Group") made significant progress during the financial year under review in the implementation of its mine-to-metals strategy. Jubilee successfully secured the processing rights to significant platinum containing surface stocks able to be processed and smelted through Jubilee's smelting facility at Middelburg. Jubilee has and will continue to grow its revenue base with the commissioning of a fully contracted new furnace while successfully increasing its access to on-surface platinum containing material through the tender to process the Dilokong Chrome tailings material.

Jubilee has shown persistent progress in all aspects of its business through the period under review. The Company's mining and exploration assets have seen continued investment to enable Jubilee to smelt its own concentrates through JSR in the near term.



Jubilee mining
(World class assets)

Jubilee's mining and exploration projects are significantly enhanced by the Company's ability to beneficiate concentrates from these projects, through its smelting and refining capability.

Tjate Platinum Project ("the Project")

The Project comprises three farms Dsjate 249 KT, Fernkloof 539 KS and Quartzhill 542 KS and is located in the eastern Bushveld of South Africa. The Project contains a SAMREC-compliant resource of 25 million ounces 6PGE+Au in the indicated and inferred resource category or 22 million ounces 3PGE+Au in the Indicated resource categories. The targeted potential resource for the entire Tjate Project is approximately 70 million ounces 6PGE+Au net of geological losses.

The resource statement tabled below covers the Dsjate and Fernkloof farms but excludes the Quartzhill farm portion ("Quartzhill") of the Project.

Category	Tonnes (Mt)	3PGE +Au (g/t)	3PGE+Au (Mozs)	6PGE+Au (g/t)	6PGE+Au (Mozs)
Indicated	11.561	5.28	1.964	–	–
Inferred	120.919	5.24	20.365	6.01	25.602
Total	**132.480**	**5.24**	**22.329**	**6.01**	**25.602**

In November 2011, the Company received, on behalf of Tjate, a ZAR75 million (£6.25 million) cash offer ("the Offer"), from a major mining company ("the Mining Company") for Quartzhill. Since the year end the Tjate Board resolved to accept the Offer and has advised the Mining Company of its decision. The Offer is subject to contract, the approval of the Department of Mineral Resources ("DMR") and other relevant regulatory bodies, the Mining Company's Board approval and due diligence.

The Tjate Board believe, as confirmed by independent mining industry consultant Snowden Mining Industry Consultants (Pty) Limited ("Snowden") opinion, that Quartzhill can be considered to be a non-core asset. Any economic value from the farm would accrue to Tjate shareholders only in the very long term, estimated at more than 30 years from initial mining on the Project. Quartzhill has not been drilled and it is distant from the planned initial mine infrastructure, which may impact unfavourably on any future mine economics in this area. The mineable value of Quartzhill has been subordinated in the mine works programme and excluded from the current mine plan proposed in Tjate's mining right application submitted to the DMR.

The Tjate Board and the Company believe the Offer provides value for Tjate shareholders and that this cash offer gives Jubilee and all the Tjate shareholders the potential to monetise, in the short term, a very long-term and therefore non-core asset. Additionally the Offer validates the Company's original decision to earn into Tjate.

The DMR have not as yet approved Tjate's application for a mining right on the Dsjate, Fernkloof and Quartzhill farms. The application was submitted in June 2011. Tjate and the Company believe that the delay is a result of a considerable backlog in applications with the DMR.

Jubilee processing
(Targeting at surface material unlocked by the ConRoast process)

Jubilee's processing division operations targets surface and near surface stocks containing PGM's and base metals (copper and nickel). Many of the targeted PGM's in surface stocks require further beneficiation which is perfectly suited for Jubilee's unique and exclusive ConRoast smelting process. PGM's contained in surface tailings and waste dumps have become a key focus in the industry since the PGM's can be unlocked at low operating costs in the absence of mining with a low capital entry requirement. Jubilee has demonstrated its unique ability to process a variety of such material through its Middelburg smelting operation, setting Jubilee apart from its peers.

Jubilee currently holds PGM and chrome prospecting rights to portions of the Bokfontein and Elandsfontein farms on the western limb of South Africa's platinum rich Bushveld igneous complex within its subsidiary Maude Mining and Exploration (Pty) Limited. Jubilee submitted its mining right application for these farms in February 2011 to access the near surface chrome seams containing PGM's. Jubilee continues to engage with the DMR to expedite the mining right to these reefs.

Jubilee significantly enhanced its access to near term PGM's with the successful award of the tender to beneficiate PGM's and base metals locked in the surface chrome tailings at the Dilokong chrome mine in June 2012. The surface stocks are estimated to contain up to 800,000 tons of platinum containing material. Jubilee commissioned the drilling company Dump & Dune to establish the detailed PGM and base metal deposition in the tailings dam. The drilling was concluded at the end of August 2012 producing 90 samples and is currently being analysed for both PGM and base metal content. Jubilee plans to upgrade the PGM's in surface material at the Dilokong mine at a rate of 240,000 tons per year prior to beneficiate the PGM's and base metals in the existing smelting process.

Jubilee has targeted two further such tailings dams and currently awaits the outcome of the two tenders submitted by Jubilee to beneficiate PGM's and base metals from these surface stocks.

Jubilee Smelting and Refining ("JSR")

(Patented process solutions – outpacing peers)

As reported in the 2011 annual report, Jubilee commenced a capital investment programme to renew JSR's existing smelting infrastructure and to install a new 5 MVA Arc furnace. The new furnace started producing alloy in January 2012 with production steadily being increased during the reporting period. Commissioning of the new furnace included several planned inspections of the furnace's auxiliary equipment and furnace refractory lining. JSR specifically targets the processing of waste and tailings materials that require a very specific smelting and refractory solution to cater for the varying feed conditions. This smelting solution is uniquely offered by JSR's Middelburg smelter operations.

The Middelburg smelters' capacity have been fully contracted and production levels steadily increased during the reporting period to producing 905 tons of alloy in July 2012 reaching the key target of producing positive cash flow from the combined operations.

The private power plant, PowerAlt, which is 51% owned by Jubilee, supplies the Middelburg smelting operations with its power needs and is able to produce excess power to what is required by the smelters. PowerAlt submitted a tender to supply 5.1MW of unutilised power capacity to Eskom, South Africa's national electricity generation company, to further bolster the company's revenue base. Eskom awarded the tender to PowerAlt in August 2012 to commence with the supply of electricity from November 2012.

ConRoast

Jubilee has leveraged off its exclusive access to the ConRoast process to target platinum containing material both at surface as well as near surface chromite reefs. The successes achieved by Jubilee in securing this material now offer Jubilee the opportunity to commence with own production of platinum concentrate material for further processing in its smelter complex.

Jubilee has furthered its strategic relationship with Sylvania Platinum targeting the processing and beneficiation of PGM's and base metal concentrates from Sylvania Platinum's Volspruit project. The two companies have concluded the scoping and pre-feasibility study for the processing solution which is currently under review.

The discussions with Northam Platinum are continuing with both companies signing an extension to the Memorandum of Understanding signed in 2010, in the form of a Letter of Intent that defines the principles for the commercial terms of such a potential transaction.

Madagascar – Ambodilafa project

The Ambodilafa project is located some 160 kilometres south west of the Madagascan capital Antananarivo and 45 kilometres west of the coastal town of Nosy Varika. The project comprises a large mafic-ultramafic intrusion with important ultramafic lithologies (peridotite and pyroxenite) and an intense magnetic feature (identified previously in aeromagnetic survey) coincident with outcropping banded iron formation in the north of the intrusion.

The Company previously identified a drill target in the ultramafic lithologies by way of coincident kilometre-scale areas of nickel copper and chrome soil sampling anomalies.

The Company awarded a drilling contract in early 2011 to a local Madagascan company to drill up to four boreholes totalling about 1,300 metres in the prospective drilling target in the northwestern sector of its Ambodilafa project licence area for nickel. The contractor failed to perform to contract and by the end of the calendar year 2011 it had not commenced drilling. As a consequence the Company declared a breach of contract due to non-performance and is taking legal action against the contractor to recover funds advanced to it and for consequential damages. The Madagasy Court granted an interim order freezing the contractor's assets pending the outcome of the litigation. Malagasy litigation procedure involves a succession of court hearings, at each of which the parties lodge supporting and counter claims with one month's notice, for each party to respond, until one of the parties ceases to lodge any further claim whereupon a court hearing is then held for decision. This litigation continues and the Company expects a court decision in the near future.

In April 2012, the Company's Option and Addendum ("Extension") Agreement ("the Agreement") with Impala Platinum Holdings Limited ("Implats") expired. In light of no exploration results from Jubilee since the Extension, no further funding was received from Implats. The Agreement was mutually terminated with Implats proposing not to retain its 30% earned-in interest in the Ambodilafa Project.

Subsequent to year end, 24 August 2012 the Company entered into to a farm-in agreement with unlisted Indian Pacific Resources Limited ("IPR") to explore the potential iron ore opportunity identified by both the Company and IPR on the Ambodilafa concession. IPR is an Australian-based company actively exploring an iron ore prospect in Madagascar, some 68 kilometres north east of Ambodilafa. IPR is in negotiations for a reverse takeover by Australian listed (ASX: APP), APA Financial Services Limited. IPR is to farm-in in stages up to a 90% interest in all commodities ("the Commodities") other than platinum group metals, metals traded on the London Metals Exchange and chrome ("Other Commodities") in Jubilee's Ambodilafa tenement area. IPR will spend US$3 million over 42 months. At each earn-in stage the Company has the option to follow its position. If IPR discovers Other Commodities in the area, the Company as owner will have the option to farm-in to the Other Commodities on the same farm-in terms as IPR has for the Commodities.

Australia – Leinster Nickel Tailings project

In Australia, the Company has rights under the Tailings Supply Agreement ("Agreement") to test the reprocessing nickel sulphide tailings ("the Tailings") from the Australian Leinster Nickel operation ("the Tailings") to recover nickel and other minor metals.

The Company completed a scoping study on the processing of the Tailings in February 2009 in part towards an Engineering Study and Economic Evaluation (ESEE) of the project.

The Company drilled fresh samples of the Tailings for testwork in early 2012. The fresh samples were required following an independent review of the project in 2010 with recommendations for complementary testwork, primarily pre-flotation, in order to refine the scoping study flowsheet. Mintek, South Africa's national mineral research organisation commenced this work in March 2012.

Looking ahead

The period under review continued to be challenging set against the backdrop of the persistent uncertainties in world financial markets. The platinum metal price has come under pressure due to concerns over a prolonged recovery of world financial markets and constrained growth in the platinum sector. Events such as the labour strike action in parts of South Africa's platinum mining sector, post the reporting period, has supported a rally in the platinum price as fears grow of a potential short supply of platinum to meet the recovery in the platinum demand. This illustrates the fine balance of supply and demand fundamentals of the platinum industry.

The outlook for platinum remains positive with supply and demand fundamentals continuing to support the upward movement in the metal's price.

Jubilee has reached a critical milestone in the development of its stated mine-to-metals strategy with the successful award of the processing rights to extract PGM's from surface chrome tailings at the Dilokong Chrome mine allowing Jubilee to produce own platinum concentrate for its smelting operations in the near term. Jubilee is poised to distinguish itself as an emerging platinum mining company with positive cash flows from its processing operations, underwritten by a world-class project pipe line containing both near and long-term projects, able to produce platinum concentrates for Jubilee's smelter operations.

Leon Coetzer

Chief Executive Officer

22 November 2012

Report of the Directors

The Directors present their report together with the financial statements for the year ended 30 June 2012.

Principal activities

The Group and Company are principally engaged in exploration and exploitation of natural resources. Jubilee Platinum Plc is UK domiciled and incorporated in England and Wales.

Business review

A review of the Group's operations during the year ended 30 June 2012 and future developments is contained in the Chairman's Statement and in the Chief Executive Officer's Operations Report on pages 3 to 8.

The Directors could not recommended the payment of a dividend (2011: Nil) due to losses incurred.

Financial review

The loss for the year after taxation was £7.9 million (2011: £7.6 million). The loss per share has decreased from 2.67 pence in 2011 to 2.43 pence in 2012.

Administrative expenses amounted to £8.9 million (2011: £6.7 million), which include overheads and corporate costs attributable to the business. A share-based payment credit of £0.3 million (2011: charge £0.8 million) is included in the Group Comprehensive Income in line with the requirements of IFRS 2.

Risk review

The Board and the Executive Committee keep the risks inherent in an exploration and production business under constant review. The principal risks for an exploration and production company and the measures taken by the Group to mitigate them are detailed below these are the principal risks and uncertainties:

- Exploration risk is the risk of investing cash and resources on projects which may not provide a return. The Group addresses this risk by using its skills, experience and local knowledge to select only the most promising areas to explore. Priorities are set by the Board and the Executive Committee based on advice from the Executive team.
- Political risk is the risk that assets will be lost through expropriation, unrest or war. The Group minimises political risk by operating in countries with relatively stable political systems, established fiscal and mining codes and a respect for the rule of law.
- Commodity risk is the risk that the price earned for minerals will fall to a point where it becomes uneconomical to extract them from the ground and to process. The principal metals in the Group's portfolio are platinum group metals, nickel and copper. The price of these metals has been stable during the financial year. The economics of all the Group's projects are kept under close review on a regular basis.
- Funding risk is the risk associated with the impact on a project's cash flow from higher funding costs or lack of availability of funds.
- *Security of tenure*
  The Group investigates its rights to explore and extract minerals from all of its material properties and, to the best of its knowledge, those rights are expected to be in good standing. However, no assurance can be given, that the Group will be able to secure the grant of mineral rights and tenures on terms satisfactory to it, or that governments in the jurisdiction in which the Group operates will not revoke or significantly alter such rights or tenures or that such rights or tenures will not be challenged or impugned by third parties, including local governments or other claimants.

Financial risk

The three main types of financial risk faced by the Group are liquidity risk, currency risk and credit risk.

Liquidity risk is the risk of insufficient working and investment capital. The Group's goal is to finance its exploration and smelting activities from cash flow from operations but in the absence of such cash flow the Group relies on the issue of equity share capital and option agreements to finance its activities. Jubilee has secured a US$2 million Standby Equity Distribution Agreement ("SEDA"), which will allow the Company to seek potential acquisition opportunities in near term mining projects consistent with its mine-to-metals and ConRoast growth strategy. The drawdown of funds and the equity distribution is controlled by the Board.

Currency risk is the risk of the possibility that one currency will devalue to the exchanger's detriment. The Group finances its overseas operations by transferring Great British Pounds and US Dollars to meet local operating costs. The Group does not hedge its exposure to foreign currency risk and is therefore exposed to currency fluctuations between these two currencies and local currencies.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises principally from the Group's investment in cash deposits. The Group seeks to deposit funds with reputable financial institutions with high credit ratings until such time as it is required. The Group does not have any significant credit risk exposure on trade and other receivables. The carrying amount of financial assets recorded in the financial statements represents the Group's maximum exposure to credit risk.

The Group maintains tight financial and budgetary control to keep its operations cost effective to mitigate these financial risks.

More information on financial instruments is included in note 3 of the consolidated financial statements.

Key performance indicators

The key indicators of performance for the Group is its success in identifying, acquiring, developing and divesting of investment in projects so as to create shareholder value.

The Group carries out its operations by way of execution of operational plans that are approved and budgeted in advance by the Board. Operational progress is reviewed by the Board on a regular basis and actual costs are compared to budgets.

Control of bank and cash balances is a priority for the Group and these are budgeted and monitored closely to ensure that the Group maintains adequate liquidity to meet financial commitments as they arise.

The Board continues to assess viable projects suitable for investment.

Corporate governance

In formulating the Company's corporate governance procedures, the Board of Directors take due regard of the principles of good governance as set out in the UK Corporate Governance Code issued by the Financial Reporting Council and the size and stage of development of the Group. The Group also takes due regard of the Quoted Companies Alliance ("QCA") Guidelines on Corporate Governance for Smaller Quoted Companies and complied in all material respects with the principles of the King Code III on corporate governance ("King III"), to the extent required by JSE Listing Requirements.

The Board relies on the following committees to review, on an ongoing basis, all rules, regulations and all risks applicable to the Group:

1. Remuneration and Nomination committee.
2. Audit and Risk committee.

The Board comprised of three Executive Directors and three non-executive Directors. Colin Bird chaired the Board and Leon Coetzer was the Chief Executive Officer during the period.

The company does not, as recommended in King III:

- have an independent non-executive Chairman. It has operated as from 1 August 2010 with non-executive Chairman, Mr Colin Bird, who is not regarded as independent. The Board believes that this situation can be supported because the Chairman has considerable corporate experience and skills, which the Board considers essential at chairman level.
- have independent non-executive Directors serving on the Audit Committee and the Chairman of the Board is a member of the Audit Committee. The Board believes that the situation can be supported because all non-executive Directors have considerable corporate experience and skills.
- have an internal audit department. The Board believes that the situation can be supported due to the hands on involvement of the Directors in all subsidiaries.
- have a formal corporate citizen/corporate social responsibility programme or Social and Ethics committee in place due to financial constraints.

Disclosure in this annual report demonstrates the Group's commitment to comply with the principles of King III as well as the actual compliance achieved. The Board is committed to apply the principles of King III, which came into effect on 1 May 2011. It was concluded that most practices and disclosures are already in line with King III. Areas which require focus will be addressed during the current year and compliance with King III will be reported on in the 2013 annual report.

The Directors' policies are as follows:

The Remuneration and Nomination committee regularly reviews the Group's nominations and appointments policy. The policy is aligned with all necessary legislation and regulations that include, but are not limited to, the requirements of the South African Companies Act and JSE Listing Requirements.

The policy sets out the process for the nomination and appointment of directors and key executives. There is a formal process for the appointment of directors. Information is provided to shareholders of the director's education, qualifications, experience and other directorships. In terms of the policy, executive management requires permission to be appointed to external Boards. This reduces the potential for conflicts of interest and helps to ensure that management is able to devote sufficient time and focus to group business.

In accordance with the policy, the Board takes cognisance of the knowledge, skills and experience of prospective directors, as well as other attributes considered necessary for the role. The Board also considers the need for demographic representation when making a new appointment. Furthermore, candidates are subject to a "fit and proper" enquiry, as required by the JSE.

Remuneration of executive Directors is established by reference to the remuneration of executives of equivalent status both in terms of level of responsibility of the position and by reference to their job qualifications and skills. The Remuneration and Nomination Committee also have regard to the terms which may be required to attract an executive of the equivalent experience to join the Board from another company. Such packages include performance related bonuses and the grant of share options. The Remuneration and Nomination Committee consists of Colin Bird and Christopher Molefe and met once during the year to consider the emoluments of the executive Directors.

The structure of the Board ensures that no one individual or group dominates the decision making process. The Board meets on a regular basis and provides effective leadership, overall control and direction to the Group's affairs through the schedule of matters reserved for its decision. This includes the approval for the budget and business plan, major capital expenditure, acquisitions and disposals, risk management policies and the approval of the financial statements. Formal agendas, papers and reports are sent to the Directors in a timely manner prior to Board meetings. The Board delegates certain of its responsibilities to Board committees which have clearly defined terms of reference. Between the Board meetings referred to above, an Executive Management Committee consisting of the executive Directors meets on a regular basis. The Board met every quarter and most of the directors attended all scheduled meetings.

All Directors have access to the advice and services of the Company Secretary, who is responsible for ensuring that all Board procedures are followed. Any Director may take independent professional advice at the Company's expense in the furtherance of his duties.

A minimum of one third of the Directors retire from office at every Annual General Meeting ("AGM") of the Company. In general, those Directors who have held office the longest time since their election are required to retire. A retiring Director may be re-elected and a Director, appointed by the Board since the last AGM, can also be re-elected. In the latter case the Director's period of prior appointment by the Board will not be taken into account for the purposes of rotation.

The Audit and Risk Committee consists of Colin Bird and Christopher Molefe and meets as appropriate but at least twice a year. During the 2012 financial year the committee met once to consider the Group's financial reporting (including accounting policies) and the internal financial controls designed to identify and prevent the risk of loss. Colin Bird was appointed to the Audit and Risk committee due to his ability and knowledge within the industry. The Audit and Risk Committee has reviewed the systems in place and considers these to be appropriate. The Committee also sets principles for recommending the use of external auditors for non-audit services. The Audit and Risk Committee has considered and satisfied itself of the appropriateness and expertise of the financial director (Mr Eduard Victor) and the finance function, and is unanimously satisfied of his continuing suitability for the financing function.

The Board attaches importance to maintaining good relationships with all its shareholders and ensures that all price sensitive information is released to all shareholders at the same time and in accordance with the AIM rules and the JSE Limited rules. The Company's principal communication with its investors is through the AGM and through the annual report and interim statement. The Company maintains a website, in compliance with AIM Rule 26, containing up-to-date information of the Group's activities as well as all recent LSE Regulatory News Service and JSE SENS announcements.

Capita Company Secretarial Services acted as company secretary for the financial year.

Compliance with the Bribery Act
The Board acknowledge the UK Bribery Act 2010 which came into force on 1 July 2011. It is the policy of the Board to comply with all laws and regulations including this Act.

Internal control
The Board is responsible for maintaining an appropriate system of internal controls to safeguard shareholders' investments and Group assets.

The Directors monitor the operation of internal controls. The objective of the system is to safeguard Group assets, maintain proper accounting records and ensure that the financial information used within the business and for publication is reliable. Any such system of internal control can only provide reasonable but not absolute assurance against material misstatement or loss.

Internal financial control procedures undertaken by the Board include:

- regular review of financial reports and monitoring performance.
- prior approval of all significant expenditure including all major investment decisions.
- review and debate of treasury policy.

Risk assessment and the review of internal controls are undertaken by the Board in the context of the Group's overall strategy. The review covers the key business operational, compliance and financial risks facing the Group. In arriving at its judgement of what risks the Group faces, the Board has considered the Group's operations in the light of the following:

- the nature and extent of risks which it regards as acceptable for the Group to bear within its overall business objective.
- the threat of such a risk becoming a reality.
- the Group's ability to reduce the incidence and impact of risk on its performance.
- the cost and benefits to the Group of operating the relevant controls.

The Board has reviewed the operation and effectiveness of the Group's system of internal control for the financial year and the period up to the date of approval of these financial statements and consider it to be adequate.

Relations with shareholders
Communication with shareholders is given a high priority by the Board and the Directors are available to enter into dialogue with shareholders. All shareholders are encouraged to attend and vote at the Annual General Meeting during which the Board is available to discuss issues affecting the Company.

Going concern
The directors have adopted the going concern basis in preparing the financial statements. Further disclosure of the Directors' consideration of going concern is made in note 2 of these annual financial statements.

Legal proceedings
Other than as disclosed in the CEO's report the directors are not aware of any legal proceedings or other material conditions that may impact on the company's ability to continue mining or exploration activities.

Special resolutions
There were no special resolutions passed during the financial year.

Director interest in securities of the company

The Directors who served during the year and their interests in the shares of the Company as at beginning and end of the year were as follows:

	Ordinary shares		Share options	
	30 June 2012	30 June 2011	**30 June 2012**	30 June 2011
C Bird*	**4,118,950**	4,118,950	**2,650,000**	2,650,000
C Molefe	**–**	–	**200,000**	200,000
A Sarosi@	**–**	–	**1,650,000**	1,650,000
L Coetzer#	**–**	–	**3,000,000**	3,000,000
Dr M Phosa	**–**	–	**500,000**	500,000
E Victor~	**–**	–	**2,600,000**	2,600,000

Share-based payments (Note 19)	**Outstanding beginning**	**Granted**	**Forfeited/ Cancelled**	**Outstanding/ Exercisable Options**	**Average exercise price**
C Bird*	2,650,000	–	–	2,650,000	41p
C Molefe	200,000	–	–	200,000	36p
A Sarosi@	1,650,000	–	–	1,650,000	32p
L Coetzer#	3,000,000	–	–	3,000,000	35p
Dr M Phosa	500,000	–	–	500,000	35p
E Victor~	2,600,000	–	–	2,600,000	28p

There has been no change in the Directors' interests in the share capital of the Company from 30 June 2012 to the date of posting this annual report.

* *Resigned as CEO with effect from 1 August 2010 and was appointed non-executive Chairman.*
\# *Appointed as CEO with effect from 1 August 2010.*
@ *Stepped down as Financial Director on 1 August 2010.*
~ *Appointed as Financial Director on 1 August 2010.*

Remuneration in respect of Directors was as follows:

	Share-based payment £'000	Fees £'000	Salaries £'000	Bonus £'000	**Total 2012 £'000**	Total 2011 £'000
C Bird**	–	–	80	–	**80**	177
A Sarosi*	–	–	74	–	**74**	109
M A Burne***	–	–	–	–	**–**	4
C Molefe**	–	37	–	–	**37**	21
L Coetzer*	–	–	272	–	**272**	739
E Victor*	337	–	90	3	**430**	121
Dr M Phosa**	–	50	–	–	**50**	167
	337	87	516	3	**943**	1,466

* *Executive* ****Non-executive.*
** *Non-Executives are not remunerated with reference to attendance of meetings.*
*** *Resigned on 1 August 2010.*

No options were exercised by the Directors in the year ended 30 June 2012.

Mr Colin Bird
Non-executive Chairman (not independent)

Mr Bird has a Higher National Diploma in Mining Engineering, is a Fellow of the Institute of Materials, Minerals and Mining and a UK Chartered Engineer. He also holds a UK and South African Mine Managers Certificate for coal mines. The formative part of his career was spent in the UK coal mining industry and thereafter he moved to the Zambian copper belt and then to South Africa to work in a management position with Anglo Coal and BP Coal. On his return to the UK he was Technical and Operations Director of Costain Mining Limited, which involved responsibility for coal operations in the UK, Venezuela and Spain. In addition to his coal mining activities he has been involved in the management of Nickel, Copper, Gold and other diverse mineral operations. He has founded and floated several public companies in the resource sector and served on resource company Boards in the UK, Canada and South Africa.

Dr Mathews Phosa
Non-executive Vice-Chairman (not independent)
Dr Phosa is an attorney by profession, and was one of the first four members of the African National Congress (ANC) to enter South Africa in 1990 from exile to start the process of negotiations with the then National Party Government. He subsequently served as Premier of Mpumalanga from 1994 to 1999 where he pioneered planning interaction between the private sector and government. He serves on the national Executive Committee of the ANC, is Treasurer General of the ANC and currently holds chairman, vice-chairman and Board member duties for over 10 prominent companies, including Vuka Forrest Holdings Pty Limited, University of South Africa, Value Logistics and Command Holdings. Dr Phosa plays a vital role in realising the companies' business strategies, particularly with regard to integrating previously disadvantaged persons into the economic framework of South African businesses.

Mr Christopher Molefe
Non-executive Director (not independent)
Mr Molefe was formerly the Chief Executive of Royal Bafokeng Resources (Pty) Limited and is presently the Non-Executive Chairman of Merafe Resources Limited and a Non-Executive Director of Capital Oil (Pty) Limited, both in South Africa. Mr Molefe has held several positions in Corporate Banking and industry for the previous 20 years. He commenced his career as Group Human Resource Manager at Union Carbide Africa Corporation. His subsequent positions include; Manager of Corporate Affairs at Mobil Oil Southern Africa (Pty) Limited; an Executive Director at Black Management Forum; a Financial Analyst at Chase Manhattan Bank; the Marketing Manager at African Bank Limited; an Executive Manager at Transnet (Propnet) (Pty) Limited; and an Executive Director at Dipapatso Media (Pty) Limited.

Mr Leon Coetzer
Chief Executive Officer
Mr Coetzer is a qualified chemical engineer. Before joining Jubilee, he was employed for 20 years within the Anglo American plc stable, of which 16 years were spent at Anglo Platinum. His last position was Head of Process Control and Instrumentation where he defined and managed the automation and process control strategy for Anglo Platinum. The programme has established itself as a recognised world leader in its field. He was a member of the Executive Process Committee, the Research and Development Council, and advisor to the asset optimisation initiative at Anglo Platinum. Throughout his career, he has managed both technical and production units of large operations, including both platinum concentrators and smelters, and was selected to partake in Anglo American's global leadership programme. He is a member of the advisory Board of the process engineering faculties at both the University of Pretoria and the University of Stellenbosch and is also a member of the South African Institute of Mining and Metallurgy, and a member of the South African Institute of Directors.

Mr Andrew Sarosi
Executive Director
Mr Sarosi is a mineral processing engineer and consultant with 35 years' experience in developing, managing, commissioning and troubleshooting in gold and silver ore, tungsten, tin, copper and zinc ore processing plants in Saudi Arabia, Ethiopia, South Africa and the United Kingdom. Between 1959 and 1969 he was employed by Gold Fields Limited South Africa and from 1969 to 1976 he worked for Gold Fields in London. Between 1978 and 1985 Mr Sarosi was the senior metallurgist at Amax Hemerdon Limited. Between 1986 and 1988 and then between 1990 and 1995 he was the commissioning engineer and mill superintendent at Mahd Ad' Dahab Mine in Saudi Arabia. In the interim from 1988 to 1990 he was a metallurgical advisor and representative commissioning engineer at Mackay and Schnellmann Limited. From 1996 he embarked on a career as an independent consultant and in August 2002 he was appointed as a Technical Manager of Jubilee and was subsequently appointed as the Technical Director in January 2006. He is currently a consultant to the mineral resources industry and an advisor to Lion Mining Finance Limited.

Mr Eduard Victor
Financial Director
Mr Victor is currently Finance Director for Jubilee. After serving his traineeship with Malan & Du Preez and six years' accounting experience, he became the Financial Manager of Harmony Gold Mining Company Limited. He is also the former Executive Business Manager of Pan African Resources plc. Mr Victor joined the Jubilee team in September 2008.

Major shareholders

The Directors are aware of the following substantial shareholdings of 3% or more of the share capital of 288,121,806 Ordinary 1 pence shares at 30 June 2012.

Ordinary shares of 1p each	Number	Percentage
M & G Investment Management	57,538,948	19.97
JP Morgan Asset Management	20,964,918	7.28
Investec Asset Management	17,808,830	6.18
Barclays Stockbrokers	16,961,795	5.89
TD Waterhouse, stockbrokers	14,043,770	4.87
Hargreaves Lansdown Asset Management	11,959,338	4.15
Self Trade, stockbrokers	10,394,388	3.61
Non-public shareholders*	4,118,950	1.43
Public shareholders	284,002,856	98.57

* *The non-public shareholders represent shares held by the Company's Directors.*

Share issues

Details of the shares issued in the year are disclosed in Note 18 to the Financial Statements.

Post reporting date events

Details of post reporting date events are disclosed in Note 24 of the Financial Statements.

Creditors payment policy and practice

The Group and Company's policy is to settle terms of payment with suppliers when agreeing terms of business, to ensure that the suppliers are aware of the terms of payment and to abide by them. The Group and Company settles its trade payables in accordance with this policy. Trade payables of the Group as at 30 June 2012 were equivalent to 60 (2011: 66) days' purchases, based on the average daily amount invoiced by suppliers to the Group during the year.

Qualifying Indemnity Provision

The Company had a Corporate Guard Directors and Officers Insurance cover in place during the year under review and up to date of this report.

Political and charitable donations

The Group made no charitable or political donations in the year (2011: £Nil).

Auditors

The Directors review the terms of reference for the auditors and obtain written confirmation that the firm has complied with its ethical guidance on ensuring its independence. BDO South Africa Incorporated and BDO LLP provide audit services to the Company as well as corporation tax compliance services. The level of fees charged is reviewed by the Board to ensure they remain competitive and to ensure no conflicts of interest arise.

Statement of disclosure to auditors

The Directors have taken all reasonable steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to ensure that the Company's auditors are aware of that information. As far as the Directors are aware, there is no relevant audit information of which the Company and Group's auditors are unaware.

On behalf of the Board

L Coetzer
Chief Executive Officer

22 November 2012

Statement of Directors’ responsibilities

Directors’ responsibilities

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable laws and regulations.

Company Law requires the directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group and elected to prepare the company’s financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. Under Company Law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for that period. The Directors are also required to prepare financial statements in accordance with the rules of the AIM market of the London Stock Exchange for companies trading securities on the AIM as well as in accordance with the rules and regulations of the JSE.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company’s transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the requirements of the respective Companies Acts of the United Kingdom and South Africa. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Website publication

The Directors are responsible for ensuring the annual report and the financial statements are made available online. Financial statements are published on the Company’s website in accordance with legislation in the United Kingdom and South Africa governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company’s website is the responsibility of the Directors. The Directors’ responsibility also extends to the ongoing integrity of the financial statements contained therein.

Report by the Audit and Risk Committee

for the year ended 30 June 2012

The Corporate Laws Amendment Act 24 of 2006 (CLAA) came into effect on 14 December 2007. The composition of the Audit and Risk Committee is in line with the provisions of the CLAA and is chaired by Mr Christopher Molefe. During the financial year ended 30 June 2012, in addition to the duties set out on page 10 of the corporate governance report, the Audit and Risk Committee carried out its functions as follows:

- Nominated the appointment of BDO South Africa Incorporated and BDO LLP (together "BDO") as the registered independent auditors after satisfying itself through enquiry that BDO is independent as defined in terms of the CLAA.
- Determined the fees to be paid to BDO and their terms of engagement.
- Ensured that the appointment of BDO complied with the CLAA and any other legislation relating to the appointment of auditors.
- Reviewed the nature of non-audit services provided by the external auditors to ensure that the fees for such services become so significant that as to call to question their independence.

The Audit and Risk Committee satisfied itself through enquiry that BDO SA Inc and BDO LLP as statutory auditors are independent of the Company.

The Audit and Risk Committee has considered and satisfied itself of the appropriateness and expertise of the financial director, Mr Eduard Victor, and is unanimously satisfied of his continuing suitability for the position.

The Audit and Risk Committee recommended the financial statements for the year ended 30 June 2012 for approval to the Board. The Board has subsequently approved the financial statements, which will be open for discussion at the forthcoming annual general meeting.

Christopher Molefe
Chairman – Audit and Risk Committee

22 November 2012

Independent auditor's report (United Kingdom)

To the shareholders of Jubilee Platinum Plc

We have audited the financial statements of Jubilee Platinum Plc for the year ended 30 June 2012 which comprise the consolidated and company statement of comprehensive income, the consolidated and company statement of financial position, the consolidated and company statement of cash flows, the consolidated and company statement of changes in equity and the related notes. 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.

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.

Respective responsibilities of Directors and auditors

As explained more fully in the statement of Directors' responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and the parent Company's affairs as at 30 June 2012 and of the Group's and the parent Company's loss for the year then ended;
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter – going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 2 to the financial statements concerning the Group and Company's ability to continue as a going concern. The Group and Company is reliant on its ability to successfully raise further financing to fund future working capital and development needs. Although the Directors are confident of being able to obtain further sources of funding, this cannot be guaranteed and indicates the existence of a material uncertainty, which may cast significant doubt on the Group and Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Group and Company were unable to continue as a going concern.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report (United Kingdom)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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's 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.

Anne Sayers *(Senior Statutory Auditor)*
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

22 November 2012

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Independent auditor's report (South Africa)

To the shareholders of Jubilee Platinum Plc

We have audited the annual financial statements of Jubilee Platinum Plc, as set out on pages 21 to 67, which comprise the consolidated and company statements of financial position as at 30 June 2012, and the consolidated and company statements of comprehensive income , the consolidated and company statements of changes in equity and the consolidated and company statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, and the directors' report.

Directors' responsibility for the financial statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the consolidated and company financial position of Jubilee Platinum Plc as at 30 June 2012, and the consolidated and company financial performance and consolidated and company cash flows for the year then ended in accordance with International Financial Reporting Standards and AC 500 as issued by the Accounting Practices Board or its successor body.

Emphasis of matter – going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 2 to the financial statements concerning the Group and Company's ability to continue as a going concern. The Group and Company is reliant on its ability to successfully raise further financing to fund future working capital and development needs. Although the Directors are confident of being able to obtain further sources of funding, this cannot be guaranteed and indicates the existence of a material uncertainty, which may cast significant doubt on the Group and Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Group and Company were unable to continue as a going concern.

BDO South Africa Incorporated
Registered Auditors
Per: Ursula van Eck
Partner

22 November 2012

22 Wellington Road
Parktown
2193
South Africa

Consolidated statement of comprehensive income

for the year ended 30 June 2012

	Notes	2012 £'000	2011 £'000
Revenue	5	**3,725**	5,503
Cost of sales		**(3,532)**	(5,241)
		193	262
Other income		**500**	–
Administrative expenses		**(8,911)**	(6,772)
Operating loss	6	**(8,218)**	(6,510)
Finance income	7	**249**	149
Finance cost	7	**(583)**	(648)
Loss before tax expense		**(8,552)**	(7,009)
Taxation income/(expense)	9	**672**	(580)
Loss for the year		**(7,880)**	(7,589)
Other comprehensive (loss)/income			
Exchange (loss)/gain on translation of foreign subsidiaries		**(6,844)**	4,116
Total comprehensive loss for the year		**(14,724)**	(3,473)
Loss attributable to:			
Equity shareholders		**(6,783)**	(6,821)
Non-controlling interest		**(1,097)**	(768)
		(7,880)	(7,589)
Total comprehensive loss attributable to:			
Equity shareholders		**(13,627)**	(2,705)
Non-controlling interest		**(1,097)**	(768)
		(14,724)	(3,473)
Loss per share			
Basic and diluted loss per share (pence)	10	**(2.43)**	(2.67)

The accompanying accounting policies and notes on pages 25 to 53 form an integral part of these financial statements.

Consolidated statement of financial position

as at 30 June 2012

		2012 £'000	2011 £'000
ASSETS			
Non-current assets			
Intangible assets	11	**81,917**	88,222
Property, plant and equipment	12	**11,878**	15,360
Total non-current assets		**93,795**	103,582
Current assets			
Trade and other receivables	15	**1,413**	3,121
Inventory	16	**256**	830
Tax receivable		**22**	–
Cash and cash equivalents	3	**1,063**	2,007
Total current assets		**2,754**	5,958
TOTAL ASSETS		**96,549**	109,540
LIABILITIES			
Non-current liabilities			
Other financial liabilities	21	**(1,164)**	(2,504)
Deferred tax	9	**(17,502)**	(17,721)
Total non-current liabilities		**(18,666)**	(20,225)
Current liabilities			
Loans from related parties	23	**(2,164)**	(1,280)
Trade and other payables	17	**(1,526)**	(2,575)
Deferred income	20	**(202)**	–
Other financial liabilities	21	**(873)**	(981)
Tax payable		**–**	(625)
Total current liabilities		**(4,765)**	(5,461)
TOTAL LIABILITIES		**(23,431)**	(25,686)
NET ASSETS		**73,118**	83,854
EQUITY			
Share capital	18	**2,881**	2,565
Share premium		**61,543**	57,595
Merger reserve		**23,184**	23,184
Share based payments reserve	19	**4,896**	5,171
Currency translation reserve		**7,659**	14,503
Retained deficit		**(27,840)**	(21,057)
TOTAL EQUITY		**72,323**	81,962
Equity interest of non-controlling interests		**795**	1,892
NET EQUITY		**73,118**	83,854

The financial statements were authorised for issue and approved by the Board on 22 November 2012 and signed on its behalf by:

Leon Coetzer
Chief Executive Officer

Consolidated statement of cash flows

for the year ended 30 June 2012

		2012 £'000	2011 £'000
Cash flows from operating activities			
Loss for the year before taxation		**(8,552)**	(7,009)
Adjustments for:			
Interest received	7	**(249)**	(149)
Interest paid	7	**583**	648
Depreciation	12	**1,750**	1,278
Share-based payment	6	**(275)**	766
Amortisation of intangibles	11	**1,152**	1,221
Operating loss before working capital changes		**(5,591)**	(3,245)
Working capital changes		**1,233**	(3,660)
Decrease/(Increase) in inventory		**574**	(148)
Decrease/(Increase) in receivables		**1,708**	(2,191)
(Decrease) in payables		**(1,049)**	(1,321)
Cash generated by operations		**(4,358)**	(6,905)
Interest received	7	**249**	149
Interest paid	7	**(583)**	(648)
Taxation paid		**–**	–
Net cash from operating activities		**(4,692)**	(7,404)
Cash flows from investing activities			
Acquisition of subsidiary, net of cash acquired	13	**–**	(6,578)
Funding of deposit account for business combination		**–**	7,652
Purchase of intangible fixed assets	11	**(80)**	(2,284)
Purchase of property, plant and equipment	12	**(740)**	(1,472)
Net cash used in investing activities		**(820)**	(2,682)
Cash flows from financing activities			
Issue of shares	18	**4,422**	–
Issue costs	18	**(158)**	–
Deferred income	20	**202**	–
Loans advanced from shareholders	23	**884**	–
Repayment of other financial liabilities	21	**(1,448)**	–
Acquisition of non-controlling interest	14	**–**	(1,640)
Net cash generated from financing activities		**3,902**	(1,640)
Net (decrease)/increase in cash and cash equivalents		**(1,610)**	(11,726)
Cash and cash equivalents at beginning of the year		**2,007**	12,997
Effects of foreign exchange on cash and cash equivalents		**666**	736
Cash and cash equivalents at the end of the year		**1,063**	2,007

The accompanying accounting policies and notes on pages 25 to 53 form an integral part of these financial statements

Consolidated statement of changes in equity

for the year ended 30 June 2012

	Share capital £'000	Share premium £'000	Merger reserve £'000	Share-based payment reserve £'000	Currency translation reserve £'000	Retained deficit £'000	Non-controlling interest £'000	Total equity £'000
Balance at 1 July 2010	**2,545**	**56,977**	**23,184**	**3,005**	**10,387**	**(12,948)**	**–**	**83,150**
Issue of share capital	20	618	–	–	–	–	–	638
Share-based payment charge	–	–	–	766	–	–	–	766
Deferred consideration transferred	–	–	–	1,400	–	–	–	1,400
Total comprehensive loss for the year	–	–	–	–	4,116	(6,821)	(768)	(3,473)
Loss for the year	–	–	–	–	–	(6,821)	–	(6,821)
Other comprehensive income/(loss)	–	–	–	–	4,116	–	(768)	3,348
Acquisition of subsidiary	–	–	–	–	–	–	3,012	3,012
Acquisition of non-controlling interest	–	–	–	–	–	(1,288)	(352)	(1,640)
Balance at 30 June 2011	**2,565**	**57,595**	**23,184**	**5,171**	**14,503**	**(21,057)**	**1,892**	**83,854**
Issue of share capital	316	4,106	–	–	–	–	–	4,422
Share issue costs	–	(158)	–	–	–	–	–	(158)
Share-based payment credit	–	–	–	(275)	–	–	–	(275)
Total comprehensive loss for the year	–	–	–	–	(6,844)	(6,783)	(1,097)	(14,724)
Loss for the year	–	–	–	–	–	(6,783)	–	(6,783)
Other comprehensive income/(loss)	–	–	–	–	(6,844)	–	(1,097)	(7,941)
Balance at 30 June 2012	**2,881**	**61,543**	**23,184**	**4,896**	**7,659**	**(27,840)**	**795**	**73,118**
Notes	18			19				

The accompanying accounting policies and notes on pages 25 to 53 form an integral part of these financial statements.

1. GENERAL INFORMATION

The Group and Company are principally engaged in exploration and exploitation of natural resources. Jubilee Platinum Plc is a publicly listed company incorporated in England and Wales and with operations in South African, Madagascar, Mauritius and Australia. The Company's ordinary shares are traded on the JSE Limited in South Africa and the Alternative Investment Market ("AIM") operated by the London Stock Exchange.

The Company's registered offices are:

United Kingdom
4th Floor
2 Cromwell Place
London, SW7 2JE

South Africa
Unit 8, Block B, 1st Floor
Stoney Ridge Office Park
Corner Witkoppen and Waterford Place
Paulshof, 2068

The Company has a dual primary listing on the AIM of the London Stock Exchange and JSE Limited ("JSE").

2. ACCOUNTING POLICIES

The principal accounting policies are summarised below.

Basis of preparation

The financial statements are presented in Great British Pounds, rounded to the nearest thousand.

These financial statements have been prepared in accordance with IFRS and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The consolidated annual financial statements have been prepared on the historical cost basis, except for financial instruments accounted for at their fair values, and incorporate the principal accounting policies set out below.

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

Going concern

The financial period under review reflects a challenging financial period which included the construction, commissioning and slow ramp-up of the new Arc furnace at the Middelburg smelter operations. The post year-end results indicate an increase in revenues and reduced operational losses for the period following the commissioning and ramp up of the new Arc furnace. The overall net loss after tax for the full period under review was £7.880 million which includes £2.903 million in depreciation and amortisation charges. The directors have prepared cash flow forecasts which indicate that the Company will require additional funding within the next 12 months in order to meet its commitments as they fall due and to continue funding the expenditure required to progress projects with near term cash generation potential.

The Board believes that it will be able to obtain further funding needed beyond that of the US$2 million Standby Equity Distribution Agreement ("SEDA"), which will allow it to seek potential acquisition opportunities in near term mining projects and in support of the overall business and remains confident that it retains the continuing support from its major shareholders to provide additional funding should other sources not be forthcoming. However, the Directors appreciate that this lack of formal agreements mean there can be no certainty that the additional funding will be secured within the necessary timescale. Nevertheless, with the expectation of the Company formally agreeing new funding from its major shareholders and other financial investors, the Directors have a reasonable expectation that the Company has adequate resources to continue trading for the foreseeable future and have therefore concluded that it is appropriate to prepare the financial statements on a going concern basis.

These conditions indicate the existence of a material uncertainty which may cast doubt about the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

2. **ACCOUNTING POLICIES *(continued)***

New standards and interpretations

The annual financial statements have been drawn up on the basis of accounting standards, interpretations and amendments effective at the beginning of the accounting period.

Standards and interpretations

Standards and interpretations adopted in the current year

The group and company adopted the following statements and interpretations during the financial year with no significant financial impact:

IAS 24 – Related parties (effective 1 January 2011)

IFRIC 14 – The limit on a defined benefit asset, Minimum funding requirements and their interaction (effective 1 January 2011)

Significant standards and interpretations in issue but not yet effective

At the date of authorisation of these financial statements the following new and amended standards and interpretations were in issue but not yet adopted.

IFRS 7	Financial instruments: disclosures (effective 1 July 2013)
IFRS 9	Financial instruments (effective 1 January 2015)
IFRS 10	Consolidated financial statements (effective 1 January 2013)
IFRS 11	Joint arrangements (effective 1 January 2013)
IFRS 12	Disclosure of interest in other entities (effective 1 January 2013)
IAS 1	Presentation of financial statements (effective 1 July 2012)
IAS 16	Property, plant and equipment (effective 1 January 2013)
IAS 19	Employee benefits (effective 1 January 2013)
IAS 27	Consolidated and separate financial statements – consequential amendments resulting from the issue of IFRS 10, 11 and 12 (effective 1 January 2013)
IAS 28	Investments in associates and joint ventures (effective 1 January 2013)
IAS 32	Financial instruments: Presentation (Annual improvements 2009 – 2011 cycle) (effective 1 January 2013)
IAS 34	Interim financial reporting (annual improvements 2009 – 2011 cycle) (effective 1 January 2013)

The directors believe that neither the new nor the revised statements and interpretations will have a significant impact on the Group's accounting policies.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the non-controlling interest in excess of the minority's interest in the subsidiary's equity are recorded as a debit to non-controlling interest regardless of whether there is an obligation in the part of the holders of non-controlling interests for losses.

2. ACCOUNTING POLICIES *(continued)*

Special purpose vehicles

Special purpose entity ("SPV") are consolidated when the substance of the relationship between an entity and the SPE indicates that the SPE is controlled by that entity. Control may arise through the predetermination of the activities of the SPE (operating on "autopilot") or otherwise. The non-controlling interest of consolidated SPE's are identified separately from the Group's equity therein. Although inter-company transactions are eliminated on consolidation the non-controlling interest recognised separately from the Group's equity represents the full net asset value of the non-controlling interest in the SPE on the date of consolidation.

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The cost of the business combination is measured as the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquiree. Any costs directly attributable to the business combination are charged to profit or loss. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 Revised Business Combinations are recognised at their fair values at the acquisition date.

The interest of non-controlling shareholders in the acquiree is initially measured at the non-controlling shareholders proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Goodwill

Goodwill represents the excess of the cost of a business combination over the interest in the fair value of identifiable assets, liabilities and contingent liabilities acquired. Cost comprises the fair values of assets given, liabilities assumed and equity instruments issued.

Goodwill is capitalised as an intangible asset with any impairment in carrying value being charged to the consolidated statement of comprehensive income. Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess is credited in full to the consolidated statement of comprehensive income on the acquisition date.

Merger reserve

The difference between the fair value of an acquisition and the nominal value of the shares allotted in a share exchange has been credited to a merger reserve account, in accordance with the merger relief provisions of the Companies Act 2006 and accordingly no share premium for such transactions is set-up. This reserve arose from obtaining a 90% or more interest in the shares of another entity by virtue of the share for share exchange.

Purchase of non-controlling interest in a controlled entity

The cost of the purchase of shares is measured at the aggregate of the fair value of assets given at the date of exchange, liabilities incurred or assumed and the fair value of the equity instruments issued by the Group in exchange for shares purchased in a controlled entity. Any costs directly attributable to the transaction, are charged to the statement of comprehensive income.

Foreign currencies

The functional currency and presentation currency of the company is UK Pounds Sterling, rounded to the nearest £'000.

Transactions entered into by group entities in currency other than the currency of the primary economic environment in which they operate (the "functional currency") are recorded at rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the reporting date.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to Pounds Sterling at the foreign exchange rates ruling at the dates the fair value was determined.

2. ACCOUNTING POLICIES *(continued)*

Foreign currencies *(continued)*

On consolidation, the results of the operations are translated into Pounds Sterling at average rates approximating to those ruling when the transactions took place. All assets and liabilities of foreign operations are translated at the rate ruling at the reporting date. Exchange differences arising on the translation of foreign operations are recognised directly in equity (the “currency translation reserve”).

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation, recognised in other comprehensive income and accumulated in the separate component of equity, shall be reclassified from equity to profit or loss (as a reclassification adjustment) when the gain or loss on disposal is recognised.

Intangible assets – exploration and evaluation

Exploration and evaluation costs, including the costs of acquiring licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the consolidated entity has obtained the legal rights to explore an area are recognised in the statement of comprehensive income.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

(i) the expenditures are expected to be recouped through successful development and exploitation of the area of interest; or

(ii) activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units (“CGU”) to which the exploration activity related.

The recoverable amount is determined as the higher of a) its fair market value less costs to sell or b) the sum of cash flows, on a net present value basis (value in use), from continued operations of the CGU.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified from intangible assets to mining property and development assets within property, plant and equipment.

Intangible assets – development costs

Development costs relating to major development programmes are capitalised. Initial development and pre-production costs relating to a new technology, including amortisation and depreciation to develop the technology are capitalised until commissioning of production facilities. Development costs consist primarily of expenditure to develop the technology to commercialisation. Development cost will be capitalised if the company can demonstrate the following:

- technical feasibility of completion of the asset;
- the ability to use or sell the asset;
- The intention to complete the intangible asset to use or sell;
- the availability of adequate technical, financial and other resources to complete the development and to use and sell the intangible;
- an ability to demonstrate how the asset will generate future economic benefits; and
- the ability to measure reliably the expenditure attributable to the asset.

Development costs capitalised has a finite life and are amortised on a straight line basis over the useful life of the asset. Day-to-day development costs to maintain production are expensed as incurred.

2. **ACCOUNTING POLICIES *(continued)***

Intangible assets – development costs *(continued)*

Amortisation for each period is recognised in profit and loss.

The Group reviews the carrying amount of development assets and development costs when circumstances suggest the carrying amount may not be recoverable. Recoverability is assessed using estimates of future cash flows on a discounted basis, including revenues, operating costs and future capital expenditures. Where necessary an impairment in carrying amount is recorded. Any impairment is recorded within administrative expenses.

Intangible assets – Nickel project – exploration and evaluation

Core drilling costs and other costs relating to the pilot plan test and to complete the Definite Feasibility Study ("DFS") on the reclamation and processing of the sulphite nickel tailings are capitalised to the Nickel Project.

The Nickel project asset is assessed for impairment if (i) sufficient data exists to determine definite feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. For the purposes of impairment testing, the Nickel tailings asset is allocated to cash-generating units ("CGU") to which it relates.

The recoverable amount is determined as the higher of: (a) its fair market value less costs to sell or (b) the sum of cash flows, on a net present value basis, from continued operations of the CGU.

Once the definite feasibility and commercial viability of the Nickel tailings resources are demonstrable, the asset will first be tested for impairment and then reclassified from intangible assets to mining property and development assets within property, plant and equipment.

Property, plant and equipment

Property, plant and equipment are initially recognised at cost. Cost includes costs directly attributable to bringing an asset to working condition for its intended use. Subsequent to initial recognition all items are recognised at cost less depreciation and any impairment losses.

Land is not depreciated. Depreciation of plant and equipment is calculated on a straight line basis using rates which are designed to write off the assets over their estimated useful lives as follows:

– Buildings	20 years
– Plant and equipment	3 – 8 years
– Furniture and fittings	10 years
– Motor vehicles	5 years
– Computer	3 years

Deprecation for each period is recognised in profit or loss. Capital work in progress is not depreciated until the asset is ready for use, at which point it is transferred to the appropriate category.

The residual value, useful life and depreciation method of each asset is reviewed at each financial period end and adjusted prospectively if appropriate.

The Group reviews the carrying amount of plant and equipment when circumstances suggest that the carrying amount may not be recoverable. Recoverability is assessed using the higher of net realisable value and value in use. Where necessary an impairment is recorded. Any impairment is recorded within administrative expenses.

The gain or loss arising from the derecognition of an item of property plant and equipment is included in profit and loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

2. ACCOUNTING POLICIES *(continued)*

The Company's investments in subsidiaries

In its separate financial statements the Company recognises its investments in subsidiaries at cost, less any provision for impairment. The cost of acquisition includes directly attributable professional fees and other expenses incurred in connection with the acquisition.

Taxation

Deferred tax

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised except for differences arising on investments in subsidiaries where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Deferred tax is not provided for on initial recognition of goodwill, initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affect neither accounting or taxable profit and investment in subsidiaries and the Group is able to control the timing of the reversal of the difference and is probable that the differences will not reverse in the foreseeable future.

Recognition of the deferred tax assets is restricted to those instances where it is probable that the taxable profit will be available against which the difference can be utilised. Deferred tax is also based on rates enacted or substantively enacted at the reporting date and expected to apply when the related deferred tax asset is realised or liability settled.

Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

The identifiable assets acquired and liabilities assumed in a business combination are recognised at their fair values at the acquisition date. Deferred tax is recognised on temporary differences resulting from fair value adjustments. Temporary differences arise when the tax bases of the identifiable assets acquired and liabilities assumed are not affected by the business combination or are affected differently. The resulting deferred tax asset or liability affects goodwill recognised on business combinations.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated income statement because it excludes items or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for the current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Inventory

Inventories are stated at the lower of cost and net realisable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventories by the method most appropriate to the particular class of inventory, with the majority being valued on a first-in first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Work-in-progress is valued at the average cost of production. Production costs are allocated to platinum, palladium, gold, rhodium, ruthenium, iridium, copper and nickel.

Financial instruments

Financial instruments are recognised when the Group becomes a party to the contractual provision of the instrument. These financial instruments are recognised initially at fair value. For instruments not at fair value through profit or loss, any directly attributable transaction costs are included.

2. **ACCOUNTING POLICIES *(continued)***

Financial instruments *(continued)*

Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial assets or substantially transfers all risk and rewards of the asset to another party without retaining control. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

The subsequent measurement of financial instruments is stated below:

The Group classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Trade and other receivables

Trade and other receivables are classified as loans and receivables and are measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit and loss when there is objective evidence that the asset is impaired.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Group will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the statement of comprehensive income. On confirmation that the receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, on deposit and other short term readily realisable liquid instruments. Cash and cash equivalents have been classified as loans and receivables are initially recognised at fair value and subsequently measured at amortised cost.

Trade and other payables

Trade and other payables are measured at amortised cost using the effective interest rate method.

Interest-bearing liabilities

Interest-bearing debt is measured at amortised cost using the effective interest rate method.

Loans to/from related parties

Loans to subsidiaries are measured at amortised cost using the effective interest rate method.

Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

2. ACCOUNTING POLICIES *(continued)*

Impairment of non-financial assets *(continued)*

Goodwill, intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually at the financial year end, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised immediately in the statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase. An Impairment loss recognised for goodwill is not reversed.

Retirement benefits: defined contribution schemes

Contributions to defined contribution pension schemes are charged to the consolidated statement of comprehensive income in the year to which they relate.

Share capital

Ordinary shares are classified as equity. Incremental external cost directly attributable to the issue of the ordinary shares or share options are recognised in equity as a deduction, net of tax from the proceeds.

Revenue

Revenue is measured at the fair value of the consideration received or receivable (net of discounts and direct taxes).

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Significant risk and rewards pass to the customer upon delivery of the goods or removal of it by the customer.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

2. **ACCOUNTING POLICIES *(continued)***

Revenue *(continued)*

The method to determine the stage of completion of a transaction is determined by measuring the services performed to date as a percentage of total services to be performed.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Finance income

Interest income is recognised on a time proportionate basis, taking into account the principle outstanding and the effective interest rate over the period to maturity, when it is determined that such income will accrue to the Group.

Borrowing cost

All interest and other borrowing costs incurred in connection with the financial liabilities are expensed as incurred and reported as part of financing costs in the statement of comprehensive income, unless incurred in the confirmation of a qualifying asset in which case it is capitalised to that asset.

Leasing

Where substantially all of the risks and rewards incidental to ownership of a leased asset have been transferred to the Group (a “finance lease”), the asset is treated as if it had been purchased outright. The amount initially recognised as an asset is the lower of the fair value of the leased property and the present value of the minimum lease payments payable over the term of the lease. The corresponding lease commitment is shown as a liability.

Lease payments are analysed between capital and interest. The interest element is charged to the consolidated statement of comprehensive income over the period of the lease and is calculated so that it represents a constant proportion of the lease liability. The capital element reduces the balance owed to the lessor.

Finance leases are classified as other financial liabilities on the statement of financial position.

Where substantially all of the risks and rewards incidental to ownership are not transferred to the Group (an “operating lease”), the total rentals payable under the lease are charged to the consolidated statement of comprehensive income on a straight-line basis over the lease term. The aggregate benefit of lease incentives is recognised as a reduction of the rental expense over the lease term on a straight-line basis. The land and buildings elements of property leases are considered separately for the purposes of lease classification.

Share-based payments

The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value at the date of grant. The equity-settled share-based payments are expensed to the statement of comprehensive income over a straight-line basis over the vesting period based on the Group’s estimate of shares that will eventually vest.

Where equity instruments are granted to persons other than employees, the statement of comprehensive income is charged with the fair value of goods and services received over a straight-line basis over the vesting period based on the Group’s estimate of shares that will eventually vest, except where it is in respect to costs associated with the issue of shares, in which case it is charged to the share premium account.

In the consolidated and separate financial statements, share-based payments granted to employees of subsidiaries are accounted for as equity-settled. The investment in the subsidiary is debited with the cost of the share-based payment.

2. ACCOUNTING POLICIES *(continued)*

Government grants

Government grants are recorded as deferred income when they become receivable and are then recognised as income on a systematic basis over the periods necessary to match the grants with the related cost which they are intended to compensate.

Capital contributions on plant and equipment are credited at a rate of 15% per annum on a straight line basis to profit and loss based on the estimated useful life of the plant and equipment.

Critical estimates and judgements

Details of the Group's significant accounting judgements and critical accounting estimates are as follows:

- Impairment testing (Note 11)
  The recoverable amounts of individual assets have been determined based on the higher of value-in-use calculations and fair values less cost to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact on estimates and may then require a material adjustment to the carrying value of assets.

  The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy. The recoverable amounts of cash-generating units will be determined based on value-in-use calculations. These calculations require the use of estimates.

- Determination of fair values of intangible assets acquired in business combinations (Note 14)
  On the acquisition of a company, fair values reflective of the conditions that exist are attributed to the identifiable assets (including intangibles), liabilities, and contingent liabilities acquired. Fair values are determined by reference to active market value or, if unavailable, by reference to the current market price of similar assets or obligations, or by discounting expected future cash flows to their present values, using either market values or risk free rates adjusted for risk. The key assumption applied in the value-in use calculation is a discount factor of 10%.

- Taxation (Note 9)
  The Group is subject to income tax in several jurisdictions and significant judgement is required in determining the provision for income taxes. During the ordinary course of business, there are transactions and calculations for which the ultimate tax determination is uncertain. As a result, the company recognises tax liabilities based on estimates of whether additional taxes and interest will be due. These tax liabilities are recognised when, despite the company's belief that its tax return positions are supportable, the company believes that certain positions are likely to be challenged and may not be fully sustained upon review by tax authorities. The company believes that its accruals for tax liabilities are adequate for all open audit years based on its assessment of many factors including past experience and interpretations of tax law. This assessment relies on estimates and assumptions and may involve a series of complex judgements about future events. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences will impact income tax expense in the period in which such determination is made.

- Net realisable value of inventory (Note 16)
  Judgement is required when determining the net realisable value of inventory on hand. In determining net realisable value the estimated future revenue obtainable in the current economic conditions is used as a factor in valuing the recoverable amount.

- Share based payments (Note 19)
  In order to calculate the charge for share based payments as required by IFRS 2, the Group makes estimates principally relating to the assumptions used in its option-pricing model.

- Residual value, useful lives and depreciation methods (Note 12)
  Judgement has been used in estimation the residual values and useful lives of items of property, plant and equipment.

3. FINANCIAL INSTRUMENTS

The Group's financial instruments were categorised as follows:

	Loans and receivables £'000	Financial liabilities at amortised cost £'000	Total £'000
30 June 2012			
Assets as per statement of financial position			
Trade and other receivables	**848**	**–**	**848**
Cash and cash equivalents	**1,063**	**–**	**1,063**
	1,911	**–**	**1,911**
Liabilities as per statement of financial position			
Trade and other payables	**–**	**(1,125)**	**(1,125)**
Borrowings	**–**	**(2,037)**	**(2,037)**
Loans from related parties	**–**	**(2,164)**	**(2,164)**
	–	**(5,326)**	**(5,326)**

	Loans and receivables £'000	Financial liabilities at amortised cost £'000	Total £'000
30 June 2011			
Assets as per statement of financial position			
Trade and other receivables	2,445	–	2,445
Cash and cash equivalents	2,007	–	2,007
	4,452	–	4,452
Liabilities as per statement of financial position			
Trade and other payables	–	(2,182)	(2,182)
Borrowings	–	(3,485)	(3,485)
Loans from related parties	–	(1,280)	(1,280)
	–	(6,947)	(6,947)

Fair values

The fair values of the Group's financial instruments approximates to the book values.

The main risks arising from the Group's financial instruments are credit risk, liquidity risk and currency risk. The Directors review and agree policies for managing these risks and these are summarised below. There have been no substantive changes to the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless other stated in this note.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and Company. The Group and Company has adopted a policy of only dealing with creditworthy counterparties, as assessed by the Directors using relevant available information.

Credit risk also arises on cash and cash equivalents and deposits with banks and financial institutions. The Group and Company cash and cash equivalents are only held in banks and financial institutions which are independently rated with a minimum credit agency rating of A.

The Groups maximum exposure to credit risk is on financial assets as disclosed in the first table of this note.

There were no bad debts recognised during the period and there is no provision required at reporting date.

3. FINANCIAL INSTRUMENTS *(continued)*

Trade receivables analysis

	Total £'000	Not past due £'000	Past due 60 days £'000	90 days £'000	120 days £'000
2012					
Trade receivables not impaired	**693**	**136**	**52**	–	505
Trade receivables impaired	**–**	**–**	**–**	–	–
	693	**136**	**52**	–	505
2011					
Trade receivables not impaired	1,663	357	573	–	733
Trade receivables impaired	–	–	–	–	–
	1,663	357	573	–	573

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. Short-term payables are classified as those payables that are due within 30 days.

The Company relies on the continuous support of its shareholders for additional funding as and when required.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements for a period of at least 45 days.

The following table sets out contractual maturities analysis:

	Up to 3 months	3 to 12 months	1 to 2 years	2 to 5 years
2012				
Trade and other payables	**1,526**	**–**	**–**	**–**
Loans and other borrowings	**218**	**655**	**626**	**538**
	1,744	**655**	**626**	**538**

	Up to 3 months	3 to 12 months	1 to 2 years	2 to 5 years
2011				
Trade and other payables	1,030	1,545	–	–
Loans and other borrowings	245	736	974	1,530
	1,275	2,281	974	1,530

3. FINANCIAL INSTRUMENTS *(continued)*

Currency risk

The functional currencies of the companies in the Group are Pounds Sterling, South African Rand, Australian Dollars and Madagascar Ariary. The Group does not hedge against the effects of movements in exchange rates. These risks are monitored by the Board on a regular basis.

The following table discloses the year end rates applied by the Group for the purposes of producing the financial statements:

Foreign currency units to £1.00 GBP	Australian Dollar	South African Rand	Madagascar Ariary
At 30 June 2012	**1.53**	**12.91**	**3,388.72**
At 30 June 2011	1.51	10.94	3,110.62

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Liabilities		Assets	
	2012 £'000	2011 £'000	**2012 £'000**	2011 £'000
South African Rands	**(6,720)**	(7,863)	**3,386**	4,718
Australian Dollars	**(3)**	(1)	**25**	4
Madagascar Ariary	**(1)**	(17)	**8**	67

The Company does not have any material financial assets or liabilities denominated in any currency other than the Great British Pounds and ZAR. The Company principally enters into transactions in Great British Pounds and consequently is not materially exposed to foreign currency fluctuations in its monetary assets and liabilities.

Borrowing facilities

The Group finances its operations through the issue of equity share capital. Interest rate fluctuations on borrowings are not expected to give rise to a material risk.

The Group manages the interest rate risk associated with the Group cash and cash equivalent assets by ensuring that interest rates are as favourable as possible, whether this is through investment in floating or fixed interest rate deposits, whilst managing the access the Group requires to the funds for working capital purposes. A 1% increase in interest rates would not have had a material impact on the Group's financial statements, therefore no additional sensitivity analysis was considered necessary.

The interest rate profile of the Group's and Company's financial assets at 30 June 2012 was as follows:

	Pound Sterling £'000	South African Rand £'000	Australian Dollar £'000	Madagascar Ariary £'000	Total £'000
Cash at bank floating interest rate	**176**	**43**	**–**	**–**	**219**
Cash at bank on which no interest is received	**19**	**795**	**25**	**5**	**844**
	195	**838**	**25**	**5**	**1,063**

3. FINANCIAL INSTRUMENTS *(continued)*

Borrowing facilities *(continued)*

The interest rate profile of the Group's and Company's financial assets at 30 June 2011 was as follows:

	Pound Sterling £'000	South African Rand £'000	Australian Dollar £'000	Madagascar Ariary £'000	Total £'000
Cash at bank floating interest rate	282	1,350	–	17	1,649
Cash at bank on which no interest is received	–	353	5	–	358
	282	1,703	5	17	2,007

There is no significant difference between the carrying value and fair value of cash and cash equivalents.

The interest rate profile of the Group's and Company's financial liabilities at 30 June 2012 was as follows:

The only interest-bearing liability is as disclosed in statement of financial position, under other financial liabilities. A 1% interest rate change will have no material effect on the financial statements.

Interest rate risk

The only interest rate risk the group is exposed to relates to finance leases and Interest bearing borrowings as set out in note 22. These borrowings are linked to the South African bank's prime rate.

2012 Financial liabilities	**Weighted interest rate %**	**1 year or less £'000**	**2 to 5 years £'000**	**Total £'000**
Finance leases	**9.75**	**39**	**–**	**39**
Interest-bearing borrowings	**12.84**	**834**	**1,164**	**1,998**

2011 Financial liabilities	Weighted interest rate %	1 year or less £'000	2 to 5 years £'000	Total £'000
Finance leases	10.25	102	41	143
Interest-bearing borrowings	12.65	1,261	2,902	4,163

A 1% increase in interest rates would not have had a material impact on the Group's financial statements, therefore no additional sensitivity analysis was considered necessary.

4. CAPITAL MANAGEMENT

The Group considers its capital to comprise its ordinary share capital, share premium and accumulated retained losses as well as the reserves (consisting of share based payments reserve, currency translation reserve and merger reserve).

The Group's objectives when maintaining capital is:

– to safeguard the entity's ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders.

The Company meets its capital needs by equity financing. The Group sets the amount of capital it requires in proportion to risk. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company and Group do not have any derivative instruments or hedging instruments. It has been determined that a sensitivity analysis will not be representative of the Company's and Group's position in relation to market risk and therefore, such an analysis has not been undertaken.

5. **REVENUE AND SEGMENTAL ANALYSIS**

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

- the evaluation and development of PGM smelters utilising exclusive commercialisation rights of the ConRoast smelting process, located in South Africa ("Evaluation and Development");
- the evaluation of the reclamation and processing of sulphide nickel tailings in Leinster, Kambalda and Mount Keith properties in Australia ("Nickel tailings");
- development of Platinum Group Elements (PGE's) and associated metals ("PGE development") in South Africa;
- Base Metal Smelting in South Africa;
- Electricity Generation in South Africa; and
- the Parent Company operates a head office based in the United Kingdom which incurred certain administration and corporate costs.

The Group's operations span five countries, South Africa, Australia, Madagascar, Mauritius and the United Kingdom within two regional segments. There is no difference between the accounting policies applied in the segment reporting and those applied in the Group financial statements.

30 June 2012	South Africa evaluation and develop-ment £'000	South Africa PGE develop-ment £'000	South Africa base metal smelting £'000	South Africa electricity generation £'000	Australia nickel tailings £'000	Total segments £'000	Other operations £'000	Total £'000
Total revenues	–	604	5,369	2,397	–	**8,370**	–	**8,370**
Intercompany revenue	–	–	(2,248)	(2,397)	–	**(4,645)**	–	**(4,645)**
Revenue from external customers	–	604	3,121	–	–	**3,725**	–	**3,725**
(Loss)/Profit before taxation	(3,712)	(4,714)	(6,702)	1,190	66	**(13,872)**	(1,524)	**(15,396)**
Taxation	(6)	–	884	(206)	–	**672**	–	**672**
Comprehensive loss	(3,718)	(4,714)	(5,818)	984	66	**(13,200)**	(1,524)	**(14,724)**
Finance income	–	10	–	231	–	**242**	7	**249**
Finance cost	–	–	(243)	(340)	–	**(583)**	–	**(583)**
Depreciation and Amortisation	(10)	(1,163)	(1,250)	(539)	–	**(2,962)**	(1)	**(2,963)**
Non-current asset additions	–	80	740	–	–	**820**	–	**820**
Total assets	50,438	19,724	11,361	4,396	9,074	**94,993**	1,556	**96,549**
Total liabilities	(48)	(299)	(17,555)	(5,419)	(12)	**(23,333)**	(98)	**(23,431)**

Certain of the Group's major customers account for a significant portion of the Group's revenue (more than 10%). Accordingly there is a concentration of credit risk in this regard. The directors consider the customers to be of good quality.

5. REVENUE AND SEGMENTAL ANALYSIS *(continued)*

June 2011	South Africa evaluation and develop-ment £'000	South Africa PGE develop-ment £'000	South Africa base metal smelting £'000	South Africa electricity generation £'000	Australia nickel tailings £'000	Total segments £'000	Other operations £'000	Total £'000
Total revenues	–	2,515	4,404	1,890	–	8,809	–	8,809
Intercompany revenue	–	–	(1,416)	(1,890)	–	(3,306)	–	(3,306)
Revenue from external customers	–	2,515	2,988	–	–	5,503	–	5,503
Loss/(Profit) before taxation	(482)	(1,451)	(3,608)	288	–	(5,253)	(1,756)	(7,009)
Taxation	–	–	(419)	(136)	(24)	(579)	(1)	(580)
Comprehensive loss	(482)	(1,451)	(4,027)	92	36	(5,832)	(1,757)	(7,589)
Finance income	–	68	–	9	–	77	72	149
Finance cost	–	–	(4)	(643)	–	(647)	–	(647)
Depreciation and Amortisation	(11)	(1,168)	(1,090)	(216)	(6)	(2,491)	(8)	(2,499)
Non-current asset additions	1,663	607	1,472	–	14	3,756	–	3,756
Total assets	50,364	11,851	12,076	6,560	26,163	107,014	2,526	109,540
Total liabilities	(131)	(310)	(2,959)	(3,932)	(3)	(7,335)	(18,350)	(25,685)

6. OPERATING LOSS

The operating loss includes the following:

	2012 £'000	2011 £'000
The operating loss include the following:		
Auditor's remuneration (current auditor)		
Statutory audit service – UK	**84**	65
Statutory audit service – SA	**78**	75
Operating leases	**78**	–
Depreciation	**1,751**	1,278
Amortisation	**1,152**	1,221
Directors' emoluments	**606**	570
Share-based payments	**(275)**	766

7. FINANCE INCOME/(COSTS)

	2012 £'000	2011 £'000
Bank interest received/receivable	**249**	149
Finance leases	**(12)**	(2)
Interest-bearing borrowings	**(340)**	(641)
Other interest	**(231)**	(5)
	(583)	(648)

8. STAFF COSTS (INCLUDING DIRECTORS)

	2012 £'000	2011 £'000
Salaries	**1,600**	918
Directors' fees and remuneration	**576**	570
Social security cost	**30**	30
Defined contribution benefit costs	**–**	–
Share-based payments	**(275)**	766
Total staff costs	**1,931**	2,284

The Group averaged 72 (11 administrative) employees during the period ended 30 June 2012 (2011: 61 employees (10 administrative)).

Directors have been assessed as the only key management of the Group.

Key management personnel remuneration

	2012 £'000	2011 £'000
Directors' short-term benefits		
Directors' fees	**87**	76
Directors' salaries	**519**	494
Total Director remuneration	**606**	570
Share-based payments (options)	**337**	766
Total Director remuneration	**943**	1,336
The amounts set out above include remuneration for the highest paid Director as follows:		
Short-term benefits	**272**	245
Share-based payments	**–**	766
Total	**272**	1,011

No Directors exercised any share options during the period (2011: £Nil).

The Company provides the Directors and Officers with Directors' and Officers' liability insurance at a cost of £5,000 (2011: £5,000). This cost is not included in the above remuneration.

9. TAXATION

Major components of the tax expense (income)

	2012 £'000	2011 £'000
Current		
Local income tax – current period	**–**	24
Local income tax – recognised in current tax prior periods	**(453)**	–
	(453)	24
Deferred		
Originating and reversing temporary differences	**206**	556
Arising from previously unrecognised tax loss/tax/credit/temporary difference	**–**	–
Arising from prior period adjustments	**(425)**	–
	(219)	556
	(672)	580

The tax assessed for the year is higher (2011: lower) than the standard rate of corporation tax in the UK.

	2012 £'000	2011 £'000
Reconciliation of the tax expense		
Reconciliation between accounting profit and tax expense		
Accounting (loss)	**(8,552)**	(7,009)
Tax at the applicable tax rate of 28% (2011: 28%)	**(2,395)**	(1,963)
Tax effect of adjustments on taxable income		
Non-deductible expenditure	**206**	1,168
Prior period over provision	**(878)**	–
Assessed loss not recognised	**2,395**	1,375
	(672)	580
Deferred tax		
Deferred tax (liability)		
Capital allowance for tax purposes	**(1,401)**	(946)
Fair value adjustment arising from business combinations	**(17,294)**	(17,294)
Tax losses available for set off against future taxable income	**1,193**	519
	(17,502)	(17,721)
Reconciliation of deferred tax asset/(liability)		
At beginning of the year	**(17,721)**	(16,575)
Increase/(Decrease) in tax loss available for set off against future taxable income	**249**	–
Originating temporary differences on capital allowance	**(455)**	(1,665)
Prior period over/(under) provision of deferred tax	**425**	519
	(17,502)	(17,721)

10. LOSS PER SHARE AND HEADLINE LOSS PER SHARE

The loss for the year attributable to shareholders is £6.78 million (2011: loss £6.82 million). This is divided by the weighted average number of ordinary shares in issue calculated to be 279,146,630 (2011: 255,835,000).

	2012	2011
Basic, headline and diluted loss per share (pence)	**(2.43)**	(2.67)

The fully diluted loss per share is based on the loss for the financial year divided by the weighted average number of shares and potential shares being 288,921,630 (2011: 265,610,000) in issue during the year which are in the money at the year-end.

11. INTANGIBLE ASSETS

	PGE's exploration expenditure £'000	Nickel tailings project £'000	Development cost £'000	Goodwill £'000	Total £'000
Cost as at 1 July 2010	**46,027**	**24,892**	**9,787**	**–**	**80,706**
Acquired through business combination	–	–	1,442	598	2,040
Additions	2,048	14	600	–	2,662
Amortisation for the year	–	–	(1,221)	–	(1,221)
Foreign currency translation	2,320	1,252	464	–	4,036
Net book value as at 1 July 2011	**50,395**	**26,158**	**11,072**	**598**	**88,222**
At cost	50,395	26,158	12,620	598	89,770
Accumulated amortisation	–	–	(1,548)	–	(1,548)
Acquired through business combination	–	–	–	–	–
Additions	26	54	–	–	80
Amortisation for the year	–	–	(1,152)	–	(1,152)
Foreign currency translation	(3,342)	(65)	(1,826)	–	(5,233)
Net book value as at 30 June 2012	**47,079**	**26,147**	**8,094**	**598**	**81,917**
At cost	47,079	26,147	10,794	598	84,617
Accumulated amortisation and impairments	–	–	(2,700)	–	(2,700)

Development costs relate to the ConRoast technology, converting and autoclave process, CVMR® process and leaching and hydro-processing. The remaining amortisation period is 96 months (2011: 108 months).

The PGE's Exploration expenditure relates to the exploration of the subsidiaries Tjate Platinum Corporation (Pty) Limited and Maude Mining and Exploration (Pty) Limited.

The Group tests the intangible assets carrying amounts, annually for impairment or more frequently if there are indications that they may be impaired. The carrying amounts are considered to be not impaired. The review was performed in accordance with the Group's accounting policies, there were no indicators of impairment of any of the intangible assets.

12. PROPERTY, PLANT AND EQUIPMENT

	2012			2011		
	Cost £'000	**Accumulated depreciation £'000**	**Carrying value £'000**	Cost £'000	Accumulated depreciation £'000	Carrying value £'000
Land	**373**	**–**	**373**	440	–	440
Buildings	**1,482**	**(239)**	**1,243**	1,718	(99)	1,619
Plant and equipment	**12,898**	**(2,694)**	**10,177**	11,396	(1,135)	10,261
Furniture and fittings	**221**	**(163)**	**85**	241	(145)	96
Motor vehicles	**52**	**(52)**	**–**	52	(18)	33
Computer	**12**	**(12)**	**–**	12	(12)	–
Capital work in progress	**–**	**–**	**–**	2,911	–	2,911
	15,038	**(3,160)**	**11,878**	16,769	(1,409)	15,360

Land and buildings comprise 6.4563 hectares of Portion 349 of the farm Middelburg Town situated in Middelburg, South Africa.

The net carrying amount of property, plant and equipment includes the following amounts in respect of assets held under finance leases (note 21)

	2012 £'000	2011 £'000
Plant and equipment	**106**	188

Reconciliation of net book value of property, plant and equipment – 2012

	Opening balance £'000	**Additions £'000**	**Acquired through business combi-nation £'000**	**Foreign currency translation £'000**	**Deprecia-tion £'000**	**Reclassi-fication £'000**	**Total £'000**
Land	**440**	**–**	**–**	**(67)**	**–**	**–**	**373**
Buildings	**1,619**	**–**	**–**	**(236)**	**(139)**	**–**	**1,243**
Plant and machinery	**10,261**	**27**	**–**	**(1,696)**	**(1,559)**	**3,144**	**10,177**
Furniture and fittings	**96**	**–**	**–**	**(20)**	**(18)**	**27**	**85**
Motor vehicles	**33**	**–**	**–**	**–**	**(33)**	**–**	**–**
Computer	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Capital work in progress	**2,911**	**713**	**–**	**(453)**	**–**	**(3,171)**	**–**
	15,360	**740**	**–**	**(2,472)**	**(1,750)**	**–**	**11,878**

12. PROPERTY, PLANT AND EQUIPMENT *(continued)*

Reconciliation of net book value of property, plant and equipment – 2011

	Opening balance £'000	Additions £'000	Acquired through business combi-nation £'000	Foreign currency translation £'000	Deprecia-tion £'000	Total £'000
Land	–	–	440	–	–	440
Buildings	–	–	1,711	7	(99)	1,619
Plant and machinery	5	146	11,170	69	(1,129)	10,261
Furniture and fittings	62	16	55	–	(37)	96
Motor vehicles	43	–	–	–	(11)	33
Computer	3	–	–	–	(3)	–
Capital work in progress	–	1,310	1,588	12	–	2,911
	113	1,472	14,964	88	(1,278)	15,360

The Group test property, plat and equipment carrying amounts annually for impairment or more frequently if there are indications that they may be impaired. The carrying amount is not considered to be impaired and the review was performed in accordance with the Group's accounting policies.

13. ACQUISITION OF SUBSIDIARIES

Acquisitions during the prior period

During the 2011 Financial year Jubilee acquired the following subsidiaries.

Thos Begbie Holdings (Pty) Limited on 1 October 2010
Power Alt (Pty) Limited on 8 March 2011

Thos Begbie Holdings (Pty) Limited

On 1 October 2011, the date on which control passed and all the suspensive conditions set out in the agreement were met, the Group acquired 70% of the voting equity instruments of Thos Begbie Holdings (Pty) Limited, a company whose principal activities are:

- Providing brownfield site to the group for future expansion;
- Smelting of ferroalloy metals; and
- Leveraging the access to these processing facilities to establish a complete "mine-to-metals" company in the ferroalloy industry.

Following an implementation agreement dated 30 April 2010 between Thos Begbie Holdings and Jubilee Platinum Plc, the offer was implemented by way of a scheme of arrangements in accordance with Part 26 of the Companies Act of 2006. Upon the scheme becoming effective, Thos Begbie Holdings became a subsidiary (70%) of Jubilee.

Jubilee acquired 70% of Thos Begbie Holdings' share capital via a cash transaction.

Had Thos Begbie Holdings been part of the Group for the year from 1 July 2011 the following results would have been included in the Group's financial statements.

	£'000
Revenue	5,891
Loss before taxation	3,409

13. ACQUISITION OF SUBSIDIARIES *(continued)*

Details of the fair value of identifiable assets and liabilities acquired, purchase consideration and goodwill at the acquisition date are as follows:

	Book value £'000	Accounting policy alignment	Fair value adjustment £'000	Fair value £'000
Property, plant and equipment	14,616	348	–	14,964
Intangible assets	–	–	1,442	1,442
Trade and other receivables	760	–	–	760
Cash and cash equivalents	223	–	–	223
Loans payable	(6,068)	–	–	(6,068)
Loans receivable	85	–	–	85
Trade and other payables	(1,166)	–	–	(1,166)
Deferred tax	–	–	(404)	(404)
Deferred tax	(621)	–	–	(621)
	7,829	348	1,038	9,216
Non-controlling interest				(3,012)
Non-controlling interest – Power Alt (49%)				(354)
Non-controlling interest – Thos Begbie Holdings (30%)				(2,658)
Positive goodwill				(597)
Consideration settled in cash				(6,801)
Cash and cash equivalents				223
Net cash purchase price				(6,578)

The accounting policy alignment relates to the capitalisation of borrowing costs in respect of special purpose vehicle, Power Alt (Pty) Limited.

No borrowing cost were capitalised for the period ended 30 June 2011.

14. ACQUISITION OF NON-CONTROLLING INTEREST/BUSINESS CONTRIBUTIONS

During the year ended 30 June 2011, the Company acquired 70% of the voting equity instruments in Thos Begbie Holdings (Pty) Limited now Jubilee Smelting & Refining (Pty) Limited (Refer note 14). At the date of acquisition, Power Alt (Pty) Limited was consolidated into Thos Begbie Holdings (Pty) Limited as a special purpose vehicle in terms of SIC 12 Consolidation – Special Purpose Entities, as the substance of the relationship indicated that Thos Begbie Holdings (Pty) Limited controls Power Alt (Pty) Limited. On 8 March 2010, the Company acquired 51% of the voting equity instruments in Power Alt (Pty) Limited. This transaction was accounted for as an equity transaction – a transaction with owners in their capacity as owners.

The effect of the change in the Company's ownership was as follows:

	£'000
Retained earnings as at 1 October 2010	(354)
Earnings from 1 October 2010 to 8 March 2011	(336)
Non-controlling interest at the date of acquisition	(690)
51% acquired	352
Consideration settled in cash	(1,640)
Recognised in equity attributable to owners	1,288

15. TRADE AND OTHER RECEIVABLES

	Notes	2012 £'000	2011 £'000
Trade receivables	(i)	**693**	1,663
Other receivables	(ii)	**621**	1,402
Prepayments and accrued income		**84**	38
Rent deposits	(iii)	**15**	17
		1,413	3,121

(i) Trade receivables comprise contractual arrangements that vary from customer to customer. Payment terms are conditional on finalisation of assay results and expiry of quotational periods. It is usual for receivables to take up to 180 days to be received. Included in trade and other receivables is an amount of £505,000 due from a related party. (Thos Begbie & Company (Pty) Ltd).

(ii) Included within other receivables is an amount of £481,439 of VAT recoverable (2011: £638,000) from South African Revenue Services. The remaining other receivables are non-interest-bearing and generally repayable between 30 – 60 days.

(iii) Rent deposits are refundable upon completion of the lease relating to a property.

There is no significant difference between the carrying value and fair value of receivables.

16. INVENTORY

	2012 £'000	2011 £'000
Raw material	**256**	830

An amount of £703,427 (2011: £682,000) has been expensed to cost of sales for stock sold during the year.

17. TRADE AND OTHER PAYABLES

	2012 £'000	2011 £'000
Trade payables	**1,125**	2,182
Accruals and other payables	**401**	393
	1,526	2,575

Trade and other payables are scheduled for repayment within 60 days of year end (2011: 66 days)

18. SHARE CAPITAL

Authorised	2012 £'000	2011 £'000
500,000,000 Ordinary shares of 1p each	**5,000**	5,000
Allotted, called up and fully paid		
288,121,806 Ordinary shares of 1p each (2011: 256,536,092)	**2,881**	2,565

The directors are authorised until the next Annual General Meeting to issue ordinary shares as they deem fit.

18. SHARE CAPITAL *(continued)*

During the period the Company issued the following Ordinary 1 pence shares:

Date	Issue price	Number of shares	Nominal value £'000
1 July 2010	**Opening balance**	**254,463,290**	**2,545**
17 August 2010	Preference shares in Kplats at 30.5p per share	850,798	8
22 December 2010	CVMR Feasibility Study at 31 p per share	1,222,004	12
30 June 2011	**Closing balance**	**256,536,092**	**2,565**
13 October 2011	Placing of shares at 14p per share	31,585,714	316
30 June 2012	**Closing balance**	**288,121,806**	**2,881**

The following describes the nature and purpose of each reserve within owners' equity:

Reserve	**Description and purpose**
Share premium	Amount subscribed for share capital in excess of nominal value.
Merger reserve	Amount subscribed for share capital in excess of nominal value when shares are issued in exchange for at least a 90% interest in the shares of a another company.
Share based payments reserve	Reserve created for equity settled share-based payments to employees and consultants.
Currency translation reserve	Gains and losses arising on translating the net assets of overseas operations into pound sterling.
Retained deficit	Cumulative net gains and losses recognised in the consolidated comprehensive income.

19. SHARE-BASED PAYMENTS

Equity-settled share option plan

The plan provides for a grant price equal to the average quoted market price of the Company shares on the date of grant. The vesting period is generally after two years from the date of grant. If the options remain unexercised after a period of 10 years from the date of grant, they expire with immediate effect at that date. Furthermore, options are forfeited if the employee leaves the Group before the options vest.

The Company has granted options to directors and staff to (refer Directors' report for directors interests) subscribe for ordinary 1p shares as follows:

	2012		2011	
	Options	**Weighted average exercise price (pence)**	Options	Weighted average exercise price (pence)
Outstanding at the beginning of period	**11,975,000**	**35**	10,850,000	37
Granted during the year	**–**	**–**	2,000,000	36
Forfeited during the year	**(200,000)**	**–**	(875,000)	–
Outstanding at the end of the period	**11,775,000**	**34**	11,975,000	35
Exercisable at the end of the period	**9,775,000**	**35**	3,400,000	35

The weighted average exercise period of the options outstanding at year-end was six years (2011: six years).

The highest and lowest price of the Company's shares during the year was 22p and 10p respectively. The share price at the year-end was 10.13p.

19. SHARE-BASED PAYMENTS *(continued)*

The inputs into the Black Scholes models are as follows:

	2012	2011
Weighted average share price	**27 pence**	29 pence
Weighted average exercise price	**34 pence**	36 pence
Expected volatility	**61%**	61%
Expected life	**10 years**	7 years
Risk free rate	**2%**	2%

Expected volatility was determined by calculating the historical volatility of the Group's share price over the previous five years. The expected life used in the model has been based on the terms of the options, the vesting period, and exercise restrictions.

The Group recognised a total (income)/expense of £(0.3) million (2011: £0.8 million) related to equity-settled share-based payment transactions during the year.

Reconciliation of share-based payments

	2012	2011
Opening balance	**5,171**	3,005
Share-based credit	**(612)**	–
Share-based charge	**337**	766
Deferred consideration	**–**	1,400
Closing balance	**4,896**	5,171

20. DEFERRED INCOME – GOVERNMENT GRANT

	2012 £'000	2011 £'000
Opening balance	**–**	**–**
Income received in the current year	**202**	–
Closing balance	**202**	**–**

A Government grant was awarded to the Group due to the completion of the new AC Arc Furnace in RST Special Metals (Pty) Limited (Subsidiary). This grant will be paid in four stages as certain milestones are achieved. The total awarded grant amounted to £672,782 of which £201,835 was paid in June 2012.

This non-taxable income will be realised from 1 July 2012 over the life time of the new AC Arc Furnace which is estimated at 6.67 years.

The remainder of the grant will be paid as revenue and employment targets are achieved in RST Special Metals (Pty) Limited. The Directors are confident that those targets will be met.

21. OTHER FINANCIAL LIABILITIES

As at 30 June 2012, the Group had the following material liabilities:

Finance lease liabilities

Future lease payments are due as follows:

	2012 £'000	2011 £'000
Not later than one year	**39**	102
Later than one year and not later than five years	**–**	41
	39	143
Deferred finance charges	**1**	11
	40	154
Non-current liabilities	**–**	41
Current liabilities	**39**	102
	39	143

The finance lease is repayable in 36 average monthly instalments of £8,000 per month and bears interest at 10.25% per annum.

The finance lease agreement is secured by certain plant and equipment with a net book value of £106,000 (2011: £188,000). Refer note 13.

Interest-bearing borrowings

Repayment of borrowings:

	2012 £'000	2011 £'000
Not later than one year	**1,050**	1,261
Later than one year and not later than five years	**1,324**	2,902
	2,374	4,164
Deferred finance charges	**(376)**	(824)
	1,998	3,340
Non-current liabilities	**1,164**	2,462
Current liabilities	**834**	878
	1,998	3,340

Interest-bearing borrowings comprise Investec Bank Project Junior and Senior Project loans which bear interest between 11% and 13% and are repayable in quarterly instalments of £287,935 with final payments between 31 March 2013 and 31 March 2015.

The loans are secured by Jubilee's shareholders loan in PowerAlt (Pty) Limited and a pledge of the Power Alt (Pty) Limited shares as disclosed in Note 14.

Total other financial liabilities

	2012 £'000	2011 £'000
Total non-current liabilities	**1,164**	2,504
Total current liabilities	**873**	981
	2,037	3,485

21. OTHER FINANCIAL LIABILITIES *(continued)*

Total operating lease commitments

Leasing arrangements relates to office facilities

	2012 £'000	2011 £'000
Non-cancellable operating lease payments	**1,164**	2,504
Up to one year	**78**	22
Two to five years	**102**	57
	180	79

22. SHAREHOLDER ANALYSIS

For the year ended 30 June 2012

Register date: 30 June 2012

Issued Share Capital: 288,121,806 at 1p each

Shareholder spread	Number of shareholders	%	Number of shares	%
1 – 5 000 shares	940	57.9174	1,640,486	0.569
5 001 – 10 000 shares	248	15.2803	1,967,185	0.683
10 001 – 50 000 shares	263	16.2046	6,154,297	2.136
50 001 – 100 000	62	3.8201	4,356,185	1.512
100 001 – 1 000 000	83	5.1140	26,480,032	9.191
1 000 001 shares and over	27	1.6636	247,523,621	85.909
	1,623	100.00	288,121,806	100.00

Distribution of shareholders	Number of shareholders	%	Number of shares	%
Private shareholders	1,044	64.3253	59,153,154	20.5306
Deceased accounts	2	0.1232	4,897	0.0017
Nominee companies	556	34.2575	226,995,365	78.7845
Limited companies	12	0.7393	1,213,769	0.4213
Bank and bank nominees	4	0.2464	198,714	0.0690
Other institutions	5	0.3080	555,907	0.1929
	1,623	100.00	288,121,806	100.00

Public/Non-public shareholders	Number of shareholders	Number of shares	%
Non-public shareholders			
Directors and associates of the Company holdings	1	4,118,950	1.42
Public shareholders	1,622	284,002,856	98.58
	1,623	288,121,806	100.00

23. RELATED PARTIES

Loans from related parties	2012 £'000	2011 £'000
Harrison White (Pty) Limited*	**436**	326
Astra Group Holdings (Pty) Limited*	**564**	514
Thos Begbie and Company (Pty) Limited**	**1,164**	440
	2,164	1,280

(*) Minority shareholders in Power Alt (Pty) Limited.

(**) Company controlled by directors who have significant influence over Thos Begbie Holdings (Pty) Limited. These loans are interest free, unsecured with no specific terms of repayment.

During the year the following related party transactions were entered into with its directors/shareholders:

Matuba Holdings (Pty) Limited (shareholder in Tjate Platinum Corporation (Pty) Limited) received £71,667 in lieu of services.

GDA a related party to Mr G Anderson (a director in Braemore Nickel (Pty) Limited) received £6,133 for director fees.

Trade and other receivables

	2012 £'000	2011 £'000
Thos Begbie & Company (Pty) Limited	**505**	733

Related parties also include subsidiaries – refer to note 12 in the Company financial statements and Directors refer to the Directors' report.

24. POST REPORTING DATE EVENTS

Cash offer for Tjate's Quartzhill farm

The Tjate Board resolved to accept a ZAR75 million (£6.250 million) cash offer for the Quartzhill farm of its Tjate Platinum Project. The negotiation for a formal sale agreement is still in progress.

Dilokong chrome tailings

Jubilee commissioned a drilling company to establish the detailed PGM and base metal deposition in the Dilokong Chrome mine tailings dam. The surface stocks are estimated to contain up to 800,000 tonnes of platinum containing material. The drilling was concluded at the end of August 2012 producing 90 samples and is currently being analysed for both PGM and base metal content. Jubilee plans to upgrade the PGM's in the surface material at the Dilokong mine at a rate of 240,000 tonnes per year prior to beneficiating the PGM's and base metals in its existing smelting process.

Power supply contract awarded

Power Alt's tender to supply unutilised power to South Africa's national electricity generation company, was awarded in August 2012, NERSA approved the award. The commencement of the supply of power from will further bolster the Company's revenue base.

Power Alt (Pty) Limited additional shares negotiation

The Company has successfully concluded negotiations to increase its interest in Power Alt to 70% subject to approval from the project's financer.

Acquisition of Jubilee Smelting and Refining Proprietary Limited (JSR)

Jubilee has increased its interest to 100% in its subsidiary Jubilee Smelting and Refining (Pty) Limited ("JSR"), the holding company of its Middelburg smelting company RST Special Metals (Pty) Limited ("RST") via a claims settlement agreement with JSR's shareholders under the terms of its Shareholders Agreement.

24. POST REPORTING DATE EVENTS *(continued)*

Eastern Bushveld

The Company entered into a binding and exclusive MOU to acquire a 51% interest, for ZAR3.5 million cash, in a fully BEE empowered entity, which holds the prospecting rights for PGMs on a portion of a farm located in the eastern Bushveld of South Africa, The farm includes a PGM-bearing chromite tailings dump estimated to contain a minimum of 500 000 tonnes of material.

Surface material in Zimbabwe

The Company's subsidiary Braemore Platinum Smelters (Pty) Limited entered into an agreement, which provides it an exclusive option to purchase platinum-bearing surface assets existing on various mining claims in Zimbabwe.

Farm-in agreement Indian Pacific Resources Limited (Madagascar)

Jubilee entered into a farm-in agreement on 24 August 2012 with unlisted Indian Pacific Resources Limited ("IPR") to explore the potential iron ore opportunity identified by both the Company and IPR on Jubilee's Ambodilafa concession in Madagascar. IPR is to farm-in in stages up to a 90% interest in all commodities ("the Commodities") other than platinum group metals and metals that are traded on the London Metals Exchange and chrome ("Other Commodities"). IPR will spend USD$3 million over 42 months. At each earn-in stage the Company has the option to follow its position. If IPR discovers Other Commodities in the area, the Company, as owner will have the option to farm-in to the Other Commodities on the same farm-in terms as IPR has for the Commodities.

Issue of equity

On 19 October 2012 the Company announced a placing of 20 175 439 new ordinary shares of 1 pence each in the Company (the "Placing Shares") to raise £1.725 million. The Placing Shares have been placed jointly by Shore Capital Stockbrokers Limited and finnCap Limited as agents to the Company, with major institutional investors at a price of 8.55 pence per share. These shares were admitted to trading on AIM market of the London Stock Exchange ("AIM") and the JSE Limited ("JSE").

The proceeds of the placing will be used, together with existing cash resources, to support growth within the Company's strategic business areas, through which Jubilee is implementing its mine-to-metals strategy.

Notes

Company financial statements

for the year ended 30 June 2012

Company statement of comprehensive income

for the year ended 30 June 2012

	Notes	**2012 £'000**	2011 £'000
Revenue		**–**	–
Cost of sales		**–**	–
		–	–
Other income		**–**	–
Administrative expenses		**(1,120)**	(2,171)
Operating loss	2	**(1,120)**	(2,171)
Finance income	14	**8**	605
Loss before tax expense		**(1,112)**	(1,566)
Taxation (expense)		**–**	–
Loss for the year		**(1,112)**	(1,566)
Total comprehensive income/(loss) for the year attributable to the equity owners of the parent		**(1,112)**	(1,566)

Company statement of financial position

as at 30 June 2012

	Note	2012 £'000	2011 £'000
ASSETS			
Non-current assets			
Investments in subsidiaries	3	**45,471**	45,471
Total non-current assets		**45,471**	45,471
Current assets			
Trade and other receivables	4	**35,078**	32,261
Cash and cash equivalents	5	**211**	202
Total current assets		**35,289**	32,463
TOTAL ASSETS		**80,760**	77,934
LIABILITIES			
Current liabilities			
Trade and other payables	6	**(35)**	(85)
Total current liabilities		**(35)**	(85)
TOTAL LIABILITIES		**(35)**	(85)
NET ASSETS		**80,725**	77,849
EQUITY			
Share capital	8	**2,881**	2,565
Share premium		**61,543**	57,595
Merger reserve		**23,184**	23,184
Share-based payments reserve	9	**4,896**	5,171
Retained deficit		**(11,779)**	(10,667)
TOTAL EQUITY		**80,725**	77,849

The financial statements were authorised for issue and approved by the Board on 22 November 2012 and signed on its behalf by:

Leon Coetzer
Chief Executive Officer

Company statement of cash flows

for the year ended 30 June 2012

		2012 £'000	2011 £'000
Cash flows from operating activities			
Loss for the year before taxation		**(1,112)**	(1,566)
Adjustments for:			
Finance income		**(8)**	(605)
Depreciation		**–**	5
Share-based payment	9	**(275)**	766
Operating loss before working capital changes		**(1,395)**	(1,400)
Working capital changes		**(2,867)**	(3,217)
(Increase)/Decrease in receivables		**(2,818)**	(3,216)
(Decrease)/Increase in payables		**(50)**	16
Cash generated by operations		**(4,263)**	(4,616)
Finance income		**8**	605
Net cash inflow from operating activities		**(4,255)**	(4,011)
Cash flows from investing activities			
Increase in loans and investments		**–**	(8,701)
Net cash used in investing activities		**–**	(8,701)
Cash flows from financing activities			
Issue of shares		**4,422**	638
Issue costs		**(158)**	–
Net cash generated from financing activities		**4,264**	638
Net increase/(decrease) in cash and cash equivalents		**9**	(12,074)
Cash and cash equivalents at beginning of the year		**202**	12,276
Cash and cash equivalents at the end of the year		**211**	202

The 2011 Company statement of cash flows has been restated to more accurately reflect to movements in disclosure line items.

On the basis that the restatement of the cash flow statement has not affected to company statement of financial position then a company statement of financial position at 1 July 2010 has not been presented.

Company statement of changes in equity

as at 30 June 2012

	Share capital £'000	Share premium £'000	Merger reserve £'000	Share based payment reserve £'000	Retained deficit £'000	Total equity £'000
As at 1 July 2010	**2,545**	**56,977**	**23,184**	**3,005**	**(9,101)**	**76,610**
Issue of share capital	20	618	–	–	–	638
Share-based payment charge	–	–	–	766	–	766
Deferred consideration transferred	–	–	–	1,400	–	1,400
Total comprehensive loss for the year	–	–	–	–	(1,566)	(1,566)
Balance at 30 June 2011	**2,565**	**57,595**	**23,184**	**5,171**	**(10,667)**	**77,848**
Issue of share capital	316	3,948	–	–	–	4,264
Share-based payment credit	–	–	–	(275)	–	(275)
Total comprehensive loss for the year	–	–	–	–	(1,112)	(1,112)
Balance at 30 June 2012	**2,881**	**61,543**	**23,184**	**4,896**	**(11,779)**	**80,725**
Notes	8			9		

Notes to the Company financial statements

for the year ended 30 June 2012

1. ACCOUNTING POLICIES

All accounting policies relevant to the Company have been disclosed within the notes to the consolidated financial statements.

2. OPERATING LOSS

	2012 £'000	2011 £'000
The operating loss includes the following:		
Auditor's remuneration (current auditor)		
Statutory audit service – UK	**84**	65
Operating leases	**17**	22
Depreciation	**–**	5
Directors' emoluments	**333**	295
Share-based (credit)/payments	**(275)**	766

3. INVESTMENTS

Unlisted investments

Cost	**2012 £'000**	2011 £'000
Acquisition of shares in subsidiaries:		
Opening balance	**45,471**	36,770
Additions	**–**	8,701
At 30 June	**45,471**	45,471

		Holding		Number of shares	
Subsidiaries of Jubilee Platinum Plc Direct	**Country of registration**	**2012 %**	2011 %	**2012**	2011
Maude Mining and Exploration (Pty) Limited	South Africa	**65**	65	**653**	653
Mineral Resources of Madagascar Sarl	Madagascar	**100**	100	**10,000**	10,000
Windsor Platinum Investments (Pty) Limited	South Africa	**100**	100	**10,000**	10,000
New Plats (Tjate) (Pty) Limited	South Africa	**49**	49	**169**	169
Braemore Resources Limited	United Kingdom	**100**	100	**100**	100
Jubilee Smelting & Refining (Pty) Limited (i)	South Africa	**70**	70	**70**	70
Power Alt (Pty) Limited (ii)	South Africa	**51**	51	**51**	51
Antsahabe (Madagascar) Sarl	Madagascar	**100**	100	**100**	100

		Holding	
Indirect		**2012 %**	2011 %
Via Windsor Platinum Investments (Pty) Limited			
Tjate Platinum Corporation (Pty) Limited	South Africa	**63**	63
Dullstroom Plats (Pty) Limited	South Africa	**100**	100
Via Braemore Resources Limited			
Braemore Platinum Limited	United Kingdom	**100**	100
Braemore Holdings (Mauritius) (Pty) Limited	Mauritius	**100**	100
Braemore Platinum (Pty) Limited	South Africa	**100**	50
Via Braemore Holdings (Mauritius) (Pty) Limited			
Braemore Platinum (SA) (Pty)Limited	South Africa	**50**	50
Via Braemore Platinum (SA) (Pty) Limited		**50**	100
Braemore Platinum Smelters (Pty) Limited	South Africa	**100**	100
Braemore Platinum Resources (Pty) Limited	South Africa	**100**	100
Braemore Precious Metals Refiners (Pty) Limited	South Africa	**100**	100
Braemore Nickle (Pty) Limited	South Africa	**100**	100
Via Jubilee Smelting & Refining (Pty) Limited(i)			
RST Special Metals (Pty) Limited	South Africa	**100**	100
RST Base Metals (Pty) Limited	South Africa	**100**	100
Via Braemore Platinum Limited			
Braemore Nickel (Pty) Limited	Australia	**100**	100
		Preference shares %	Preference shares
K Plats (Pty) Limited	South Africa	**100**	100

(I) Formerly Thos Begbie Holdings (Pty) Limited.

(II) The shares have been pledged to Investec Bank Limited (Lender) as security over borrowing facilities in the amount of £3,340,000 (2011: £1,998,000). (Note 22). The Lender has the right with the power to exercise such right in its own name or in the name of Jubilee Platinum PLC, to receive payment of that portion of the dividends and other benefits which become due in respect of the shares from time to time.

The Group owns the ordinary share capital of all the above subsidiaries in the percentages shown above and in each case this holding confers the respective voting rights and rights to dividend distribution except for its holding in Newplats (Tjate) (Pty) Limited (“Newplats”) where the group holds 49% of the ordinary shares in issue and all of the issued preference shares in Newplats.

The ordinary shares held by the Group in each case confers all voting and dividend distribution rights to the Group and the remaining 51% ordinary shareholders of Newplats have vested all their voting and dividend distribution rights to the preference shares which are held 100% by Jubilee in that company.

The financial year ends of all the companies in the Group are June, except PowerAlt which is February. The financial results of PowerAlt for the period from 1 March to 30 June are reviewed for purposes of inclusion into the Group accounts. Consistent accounting policies were applied. In addition, as PowerAlt mainly transacts with companies in the Group, completeness and accuracy of balances can be taken from audits of those related Group companies.

4. TRADE AND OTHER RECEIVABLES

	2012 £'000	2011 £'000
Other receivables (i)	**47**	12
Prepayments and accrued income	**44**	34
Loans due from group companies (ii)	**34,984**	32,212
Rent deposits (iii)	**3**	3
	35,078	32,261

(i) Other receivables are non-interest-bearing and generally repayable between 30 – 60 days.

(ii) Refer to note 12 of Company financial statements for details of loans due from group companies.

(iii) Rent deposits are refundable upon completion of the lease relating to a property.

5. CASH AND CASH EQUIVALENTS

	Pound Sterling £'000	South African Rand £'000	Total £'000
Cash at bank floating interest rate	**176**	**3**	**179**
Cash at bank on which no interest is received	**19**	**13**	**32**
	195	**16**	**211**

	Pound Sterling £'000	South African Rand £'000	Total £'000
Cash at bank floating interest rate	184	18	202
Cash at bank on which no interest is received	–	–	–
	184	18	202

6. TRADE AND OTHER PAYABLES

	2012 £'000	2011 £'000
Trade payables	**–**	50
Accruals and other payables	**35**	35
	35	85

Trade and other payables are scheduled for repayment within 60 days of year end (2011: 66 days)

7. FINANCIAL INSTRUMENTS

The Company's financial instruments were categorised as follows:

	Loans and receivables £'000	Financial liabilities at amortised cost £'000	Total £'000
30 June 2012			
Assets as per statement of financial position			
Trade and other receivables	**35,034**	**–**	**35,034**
Cash and cash equivalents	**211**	**–**	**211**
	35,245	**–**	**35,245**
Liabilities as per statement of financial position			
Trade and other payables		**(35)**	**(35)**
	–	**(35)**	**(35)**

	Loans and receivables £'000	Financial liabilities at amortised cost £'000	Total £'000
30 June 2011			
Assets as per statement of financial position			
Trade and other receivables	32,226	–	32,226
Cash and cash equivalents	202	–	202
	32,428	–	32,428
Liabilities as per statement of financial position			
Trade and other payables	–	(85)	(85)
	–	(85)	(85)

Further information regarding financial instruments and capital management is disclosed in notes 5. Risk and Capital management is disclosed in note 3 and 4 of the Group financial statements.

Trade receivables analysis

2012	**Total £'000**	**Not past due £'000**	**Past due 60 days £'000**	**90 days £'000**	**120 days £'000**
Trade receivables not impaired	**34,984**	**34,984**	**–**	**–**	**–**
Trade receivables impaired	**–**	**–**	**–**	**–**	**–**
	34,984	**34,984**	**–**	**–**	**–**
2011					
Trade receivables not impaired	32,212	32,212	–	–	–
Trade receivables impaired	–	–	–	–	–
	32,212	32,212	–	–	–

Trade receivables are all due from related parties and as such is not past due with no formal repayment plans.

8. SHARE CAPITAL

Authorised	2012 £'000	2011 £'000
500,000,000 Ordinary shares of 1p each	**5,000**	5,000
Allotted, called up and fully paid		
288,121,806 Ordinary shares of 1p each (2011: 256,536,092)	**2,881**	2,565
	2,881	2,565

The directors are authorised unit the next Annual General Meeting to issue ordinary shares as they deem fit.

During the period the Company issued the following Ordinary 1 pence shares:

Date	Issue price	Number of shares	Nominal value £'000
1 July 2010	**Opening balance**	**254,463,290**	**2,545**
17 August 2010	Preference shares in Kplats at 30.5p per share	850,798	8
22 December 2010	CVMR Feasibility Study at 31 p per share	1,222,004	12
30 June 2011	**Closing balance**	**256,536,092**	**2,565**
13 October 2011	Placing of shares at 14p per share	31,585,714	316
30 June 2012	**Closing balance**	**288,121,806**	**2,881**

9. SHARE-BASED PAYMENTS

Equity-settled share option plan

The plan provides for a grant price equal to the average quoted market price of the Company shares on the date of grant. The vesting period is generally after two years from the date of grant. If the options remain unexercised after a period of 10 years from the date of grant, they expire with immediate effect at that date. Furthermore, options are forfeited if the employee leaves the Group before the options vest.

The Company has granted options to subscribe for ordinary 1p shares as follows:

	2012		2011	
	Options	**Weighted average exercise price (pence)**	Options	Weighted average exercise price (pence)
Outstanding at the beginning of period	**11,975,000**	**35**	10,850,000	37
Granted during the year	**–**	**–**	2,000,000	36
Forfeited during the year	**(200,000)**	**–**	(875,000)	–
Outstanding at the end of the period	**11,775,000**	**34**	11,975,000	35
Exercisable at the end of the period	**9,775,000**	**35**	3,400,000	35

The weighted average exercise period of the options outstanding at year-end was six years (2011: 6 years).

The highest and lowest price of the Company's shares during the year was 22p and 10p respectively. The share price at the year-end was 10.13p.

The inputs into the Black Scholes models are as follows:

	2012	2011
Weighted average share price	**27 pence**	29 pence
Weighted average exercise price	**34 pence**	36 pence
Expected volatility	**61%**	61%
Expected life	**10 years**	7 years
Risk free rate	**2%**	2%

Expected volatility was determined by calculating the historical volatility of the Group's share price over the previous five years. The expected life used in the model has been based on the terms of the options, the vesting period, and exercise restrictions.

The Group recognised a total expense/(income) of £(0.3) million (2011: £0.8 million) related to equity-settled share-based payment transactions during the year.

Reconciliation of share-based payments

	2012	2011
Opening balance	**5,171**	3,005
Share-based credit	**(612)**	–
Share-based charge	**337**	766
Deferred consideration	**–**	1,400
Closing balance	**4,896**	5,171

10. PROPERTY, PLANT AND EQUIPMENT

	2012			2011		
	Cost £'000	**Accumulated depreciation £'000**	**Carrying value £'000**	Cost £'000	Accumulated depreciation £'000	Carrying value £'000
Furniture and fittings	**35**	**(35)**	**–**	35	(35)	–
	35	**(35)**	**–**	35	(35)	–

	Opening balance £'000	**Additions £'000**	**Acquired through business combinations £'000**	**Disposals £'000**	**Foreign currency translation £'000**	**Depreciation £'000**	**Reclassification £'000**	**Total £'000**
2012								
Furniture and fittings	**–**	**–**	**–**	**–**	**–**	**–**		**–**
	–	**–**	**–**	**–**	**–**	**–**		**–**
2011								
Furniture and fittings	5	–	–	–	–	(5)	–	–
	5	–	–	–	–	(5)	–	–

11. COMMITMENTS

Total operating lease commitments

Leasing arrangements relates to office facilities

	2012 £'000	2011 £'000
Non-cancellable operating lease payments		
Up to one year	**22**	22
Two to five years	**88**	57
	110	79

12. RELATED PARTIES

The Company continues to lend support to its subsidiaries in the conduct of its operations. The outstanding receivables as at 30 June 2012, from the subsidiaries are as follows:

	2012 £'000	2011 £'000
Windsor Platinum Investments (Pty) Limited	**23,588**	20,721
Maude Mining and Exploration (Pty) Limited	**213**	213
Dullstroom Plats (Pty) Limited	**157**	157
Braemore Resources Limited	**1,701**	1,776
Braemore Platinum Smelters (Pty) Limited	**4,481**	4,601
Mineral Resources of Madagascar Sarl	**3,063**	2,856
Braemore Nickel (Pty) Limited	**593**	566
Thos Begbie Holdings (Pty) Limited	**448**	448
PowerAlt (Pty) Limited (i)	**740**	874
	34,984	32,212

(i) The shareholders loan ceded to Investec Bank Limited as security over Borrowing Facilities in the amount of £1,998,000 (2011: £3,340,000) (Note 22).

13. STAFF COSTS

	2012 £'000	2011 £'000
Salaries	**33**	95
Directors' fees and remuneration	**334**	281
Share based payments	**(275)**	766
Total staff costs	**92**	1,142

The Company averaged six employees during the period (2011: six employees). All employees are engaged in administrative/production roles.

14. FINANCE INCOME

	2012 £'000	2011 £'000
Interest received	**8**	71
Interest received – Group companies	**–**	534
	8	605

15. REVENUE AND SEGMENTAL ANALYSIS

Refer Group Financial statements Note 5.

16. TAXATION

	Major components of the tax expense (income)	
	2012	2011
Current		
Local income tax – current period	**–**	–
Local income tax – recognised in current tax prior periods	**–**	–
	–	–
Deferred		
Originating and reversing temporary differences	**–**	–
Arising from previously unrecognised tax loss/tax/credit/temporary difference	**–**	–
Arising from prior period adjustments	**–**	–
	–	–
	–	–

The tax assessed for the year is lower (2011: lower) than the standard rate of corporation tax in the UK.

17. LOSS PER SHARE AND HEADLINE LOSS PER SHARE

Refer Group Financial statements Note 10.

18. POST REPORTING DATE EVENTS

Issue of equity

On 19 October 2012 the Company announced a placing of 20,175,439 new ordinary shares of 1 pence each in the Company (the "Placing Shares") to raise GBP1.725 million. The Placing Shares have been placed jointly by Shore Capital Stockbrokers Limited and finnCap Limited as agents to the Company, subject to the admission of the shares to trading on AIM market of the London Stock Exchange ("AIM") and the JSE Limited ("JSE"), with major institutional investors at a price of 8.55 pence per share.

The proceeds of the placing will be used, together with existing cash resources, to support growth within the Company's strategic business areas, through which Jubilee is implementing its mine-to-metals strategy.

Supplementary information

Administration expense details

	2012 £'000	2011 £'000
Administrative expenses	**1,696**	596
Amortisation	**1,152**	1,221
Audit fees	**201**	176
Consulting fees	**306**	299
Depreciation	**1,750**	1,278
Directors' emoluments	**606**	600
Management fees	**518**	383
Repairs and maintenance	**852**	1,099
Salaries	**1,600**	918
Travelling	**230**	202
Total	**8 991**	6,772

The supplementary information presented does not form part of the financial statements and is unaudited.

Notice is hereby given that the Annual General Meeting of Jubilee Platinum plc will be held at finnCap Limited, 60 New Broad Street, London, EC2M 1JJ on 17 December 2012 at 11:00 for the following purposes:

To consider and if thought fit, to pass the following resolutions, Resolutions 1 to 7 will be proposed as ordinary resolution and 8 will be a special resolution:

1. To receive the reports of the Directors and Auditors and the financial statements for the year ended 30 June 2012.
2. To re-elect Eduard Victor, as a Director of the Company
3. To re-elect Dr Mathews Phosa as a Director of the Company
4. To re-elect Colin Bird as a Director of the Company
5. To re-appoint BDO South Africa Incorporated and BDO LLP as auditor of the Company from the conclusion of the meeting to the conclusion of the next meeting at which the reports of the Directors and Auditors and the financial statements are laid before the Company.
6. To authorise the Directors to determine the Auditors' remuneration
7. That the Directors be generally and unconditionally authorised in substitution for any such authority previously granted pursuant to and in accordance with section 551 of the Companies Act 2006 of the United Kingdom ("the Act"), in substitution for all previous powers granted to them (but without prejudice to the continuing power of the directors to allot shares in the Company or grant rights to subscribe for, or convert any security into shares in the Company (together "relevant securities") pursuant to an offer or agreement made by the Company before the date this resolution is passed),
   (a) to exercise all the powers of the Company to allot and make offers to allot relevant securities up to an aggregate nominal amount GBP1,000,000 (representing approximately 33% of the total issued share capital of the Company, as at the last practicable date prior to publication of the Notice of meeting);
   (b) such authority shall, unless previously renewed, extended, revoked or varied by the Company in general meeting, expire on the conclusion of the next Annual General Meeting of the Company to be held or 31 March 2014 (whichever is earlier) provided that the Company may, at any time before such expiry, make an offer or enter into an agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities pursuant to any such offer or agreement; as if the authority conferred hereby had not expired.

SPECIAL RESOLUTION

8. That the Directors be and they are hereby empowered pursuant to sections 570 and 571 of the Companies Act 2006 of the United Kingdom ("the Act") and in terms of the Listing Requirements of the JSE Limited, in substitution for all previous powers granted there under, to allot equity securities (within meaning of section 560 of the Act), for cash pursuant to the authority granted by resolution 7 above as if section 561 (1) of the Act did not apply to:
   (a) the allotment of equity securities on a *pro rata* basis in favour of shareholders where the equity securities respectively attributable to the interests of all shareholders are proportionate (as nearly as may be) to the respective number of Ordinary Shares held by them, but subject to such exclusions and other arrangements as the Directors may deem necessary or expedient to deal with legal or practical problems in respect of overseas holders, fractional entitlements or otherwise; and
   (b) the allotment (other than pursuant to sub-paragraph (a) above) of equity securities with a nominal value of up to GBP313,200 (representing approximately 10 per cent of the issued share capital of the Company, as at the last practicable date prior to publication of the Notice of meeting),

   providing that this power shall expire at the conclusion of the next Annual General Meeting of the Company to be held or 31 March 2014 (whichever is earlier) save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement as if the authority conferred hereby had not expired.

The allotment of shares for cash in accordance with this resolution shall comply, to the extent required by UK law and with the provisions of the Listings requirements of the JSE Limited pertaining to general issue of shares for cash in that the minimum percentage of voting rights that is required for this resolution to be adopted is 75% to be cast on the resolution.

The following conditions, which comply with the JSE Limited's Listings Requirements, must also be met:

- that securities be of a class already in issue;
- that securities be issued to public shareholders and not to related parties;
- that a paid press announcement giving full details, including the impact on net asset value and earnings per share, be published at the time of any issue representing, on a cumulative basis within a financial year, 5% or more of the number of securities in issue prior to the issue/s;
- that issues in the aggregate in any one financial year shall not exceed 15% of the Company's issued share capital of that class; and
- that, in determining the price at which an issue of securities will be made in terms of this authority, the maximum discount permitted shall be 10% of the weighted average traded price of those securities over the 30 business days prior to the date that the price of the issue is determined or agreed by the directors.

By order of the Board

Registered office:

4th Floor
2 Cromwell Place
London, SW7 2JE

22 November 2012

NOTES

1. A member entitled to attend and vote at this Annual General Meeting is entitled to appoint a proxy or proxies to attend, and, on poll, to vote in his stead. A proxy need not be a member of the Company. If a member wishes his proxy to speak on his behalf at the Annual General Meeting he will need to appoint his own choice of proxy (not the chairman) and give his instructions directly to the proxy. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy. Completion of a form of proxy does not preclude a member from attending the Annual General Meeting, speaking and voting thereat.
2. Pursuant to Regulation 41 of the Uncertified Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of member at: 18:00 on 15 December 2012 or, if the general meeting is adjourned, at 18:00 on the day two days prior to the adjourned meeting, shall be entitled to attend and vote at the Annual General Meeting.
3. Any form of proxy and power of attorney or other authority under which it is signed, or notarially certified or office copy of such power or authority, in order to be valid, must be lodged with or posted to the South African transfer secretaries, Computershare Investor Services (Pty) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) or the United Kingdom registrars, Capita Registrars, 34 Beckenham Road, Beckenham, Kent, BR3 4TU not less than 48 hours before the time of the Annual General Meeting.
4. A member may appoint more than one proxy, provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact Computershare Investor Services (Pty) Limited or Capita Registrars who will arrange for the appropriate documentation to be provided.
5. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
6. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments [see above] also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.
7. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
8. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment as above. In the case of a member, which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
9. The revocation notice must be received by Capita Registrars or Computershare Investor Services (Pty) Limited, no later than 48 hours before the time of the Annual General Meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to 10 below, your proxy appointment will remain valid.
10. Appointment of a proxy does not preclude you from attending the Annual General Meeting and voting in person. If you have appointed a proxy and attend the Annual General Meeting in person, your proxy appointment will automatically be terminated.
11. A person authorised by a corporation is entitled to exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the corporation. On a vote on a resolution on a show of hands, each authorised person has the same voting rights as the corporation would be entitled to. On a vote on a resolution on a poll, if more than one authorised person purports to exercise a power in respect of the same shares:
    (a) If they purport to exercise the power in the same way as each other, the power is treated as exercised in that way;
    (b) If they do not purport to exercise the power in the same way as each other, the power is treated as not exercised.

12. A shareholder present in person or by proxy shall have one vote on a show of hands. On a vote by poll every member present in person or by proxy shall have one vote for every ordinary share of which he is the holder. As at 18:00 on 15 December 2012, the Company's issued share capital comprised 313,220,211 ordinary shares of 1p each and the total number of voting rights in the Company as at 18:00 on 15 December 2012 was 313,220,211.
13. A statement or summary of transactions of the Director (and their family interests) in the share capital of the Company and copies of all Directors' service contracts of more than one year's duration will be available for inspection at the registered office during usual business hours (weekends and public holidays excepted) until the date of the Annual General Meeting, and at the place of this meeting for at least 15 minutes before such meeting until the conclusion of such meeting.
14. The reason for special resolution number 8 is to empower the Directors of the Company to allot equity securities for cash in terms of the Act in order to give effect to the provisions of any placement agreement and the effect thereof is to allow the allotment of equity securities for cash to the places in terms of the Act.

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Ref. No. W2CF

Form of proxy

Shareholders may vote by proxy by returning this form of proxy duly completed to Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, to arrive no later than 18:00 on 15 December 2012. Before completing this form of proxy ("form"), please see the explanatory notes overleaf and also refer to the Notice of Annual General Meeting and its accompanying notes.

I/We want the following person (called a 'proxy') to vote on my/our behalf. (The proxy need not be a member of the Company.)

(Please place a mark in one box only to indicate your choice.)

The chairman of the Annual General Meeting ☐ (Please leave this box blank if you are selecting someone other than the chairman.)

OR

The following person: ____________________ ____________

(Please leave this box blank if you have selected the chairman.) Do **not** insert your own name(s).

Number of shares appointed over

to attend, speak and vote on my/our behalf at the Annual General Meeting of Jubilee Platinum plc to be held on 17 December 2012 at 11:00 and at any adjournment of such meeting. I/We would like my/our proxy to vote on the resolutions proposed at this meeting as indicated on this form. Unless otherwise instructed, the proxy may vote as he sees fit or abstain in relation to any business of this meeting.

Signature

(In the case of joint shareholders any one joint holder may sign)

Date

Name ____________________

Address ____________________

____

		For	Against	Abstain
ORDINARY RESOLUTIONS				
1.	To receive the reports of the Directors and auditors and the financial statements for the year ended 30 June 2012			
2.	To re-elect Eduard Victor as a Director of the Company			
3.	To re-elect Dr Matthew Phosa as a Director of the Company			
4.	To re-elect Colin Bird as a Director of the Company			
5.	To re-appoint BDO South Africa Inc and BDO LLP as auditor of the Company			
6.	To authorise the Directors to determine the auditors remuneration			
7.	To authorise the Directors to allot and issue shares pursuant to section 551 of the Companies Act 2006			
SPECIAL RESOLUTION				
8.	To authorise the allotment of equity securities for cash pursuant to section 570 and section 571 of the Companies Act 2006 of the UK and in terms of the Listing Requirements of the JSE			

Notes to the form of proxy

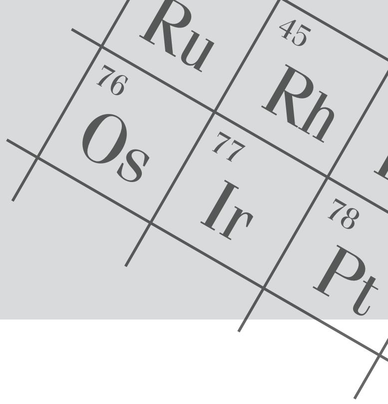
Notes:

1. Should a member wish to nominate any other person, strike out "the chairman of the meeting or" and insert the name of the alternative proxy who need not be a member of the company.
2. Please indicate with an X in the boxes above how you wish your votes to be cast. In the absence of any specific direction, the proxy will vote or abstain as he/she thinks fit.
3. An appointment by a corporation must be under the common seal (if any) or, if none, under the hand of a duly authorised officer.
4. Any one of the joint holders may attend or appoint a proxy to attend at the meeting but the vote of the senior present, in person or by proxy, will be accepted to the exclusion of the other. Seniority shall be determined by the order in which the names stand in the register of shareholders in respect of the joint holding.
5. To be valid this proxy must be deposited at the registered office of the South African transfer secretaries, Computershare Investor Services (Pty) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107 or the United Kingdom registrars, Capita Registrars, 34 Beckenham Road, Beckenham, Kent, BR3 4TU at least 48 hours before the time appointed for holding the meeting or adjourned meeting (as the case may be).

Send the completed form in the
Business Reply Envelope provided

or

use a stamped envelope addressed to:
PXS
34 BECKENHAM ROAD
BECKENHAM
KENT BR3 4TU



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www.jubileeplatinum.com

Jubilee Platinum plc 4th Floor 2 Cromwell Place London SW7 2JE
telephone - +44 (0) 20 7584 2155 fax - +44 (0) 020 7589 7806