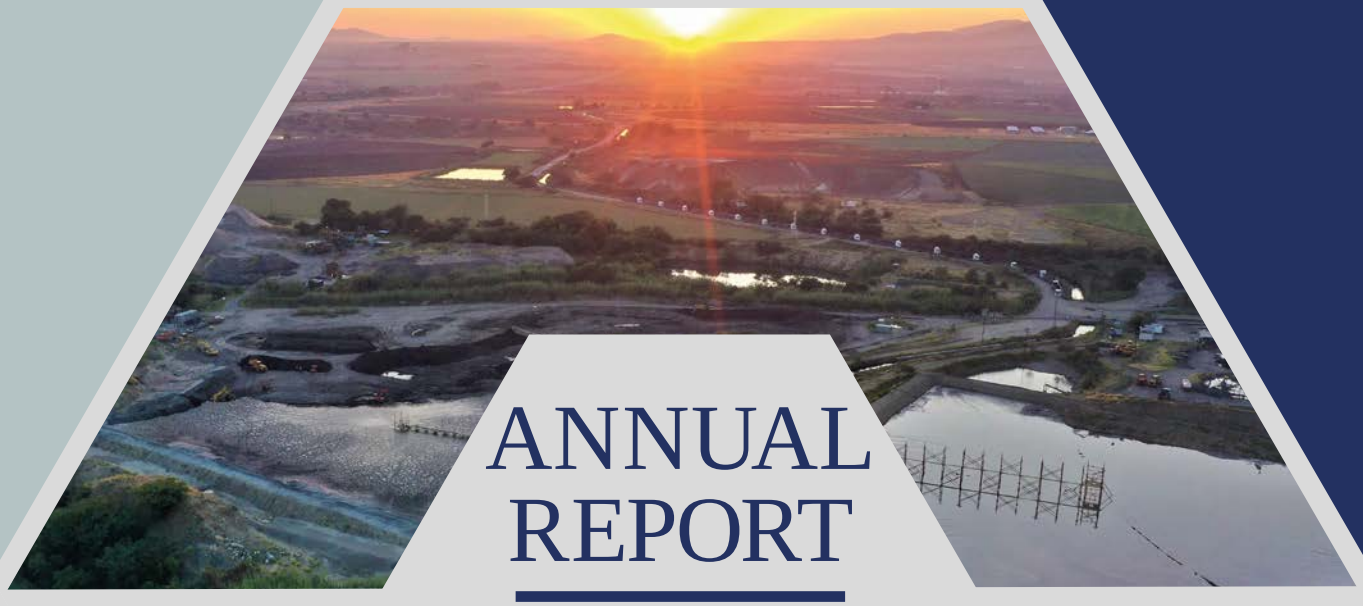
Jubilee Metals Group



ANNUAL REPORT

2020

Inyoni team members

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Abbreviations

"BMR"	BMR Group Plc
"BPS"	Braemore Platinum Smelters (Pty) Ltd, a wholly owned subsidiary of Jubilee
"BPMR"	Braemore Precious Metals Refiners (Pty) Ltd, a subsidiary of Jubilee and operator of the Group's PGM and chrome operations
"Braemore Plant"	the PGM concentrate processing plant owned by Braemore Platinum Smelters at Inyoni Operations, together with all equipment, components, machinery, parts and spares associated with that plant and the tailings recovery and chrome beneficiation plant built at Dilokong Chrome Mine (Pty) Ltd and subsequently moved to Inyoni Operations, owned by Braemore Platinum Smelters
"Company" or **"JMG"** or **"Jubilee"** or **"the Company"**	Jubilee Metals Group PLC
"CGU"	Cash-generating unit
"DCM"	Dilokong Chrome Mine
"DCM Project"	the Group's chrome operations in Steelpoort, Mpumalanga
"EBITDA"	earnings before interest, tax, depreciation and amortisation
"EML"	Enviro Mining Limited, a company incorporated in Mauritius, a subsidiary of Jubilee and the company that owns the Integrated Kabwe Project through Jubilee's Zambian based Enviro Processing Limited
"EPL"	Enviro Processing Limited, a company incorporated in Zambia and a subsidiary of Jubilee
"Inyoni PGM Operations"	the Group's PGM plant near Brits, where PGMs are recovered
"GBP"	Great British Pound or Pound Sterling
"Group"	Jubilee Metals Group and all of its subsidiaries and associated companies.
"Income Tax Act"	the South African Income Tax Act no. 58 of 1962, as amended from time to time
"Integrated Kabwe Project"	Kabwe Surface zinc, lead and vanadium project in Zambia
"Inyoni Chrome Operations"	the Group's chrome plant near Brits, where chrome concentrate is recovered
"IP"	oral or written information, data or material in relation to the Group's operations and projects which is deemed proprietary, or confidential and not generally known by the public and includes discoveries, ideas, concepts, research, development, processes, procedures, maps, diagrams, technical information, "know-how," pricing policies and financial information, methods of production, use, operation and application, invented, owned or developed by the Group, proprietary data regarding mineral anomalies and exploration results, business practices, pricing, product philosophy and position relative to competitors

Abbreviations

continued

"JTTC"	Jubilee Tailings Treatment Company (Pty) Ltd, a wholly owned subsidiary of Jubilee and operator of the DCM Project
"JP"	Jubilee Processing (Pty) Ltd, a wholly owned subsidiary of Jubilee and operator of the Windsor Plant
"Kabwe Operations" or **"KOL"**	Kabwe Operations Limited, a company incorporated in Mauritius and established for the purpose of executing the Integrated Kabwe Project
"Notes"	notes to the financial statements
"PGE"	Platinum Group Elements
"PGM" or "PGMs"	Platinum Group Metals (platinum, palladium, rhodium, ruthenium, iridium + gold)
"Windsor Chrome Operations" or **"Windsor Chrome"**	the Group's chrome operations at Windsor SA
"Windsor PGM Operations	the Group's PGM operations at Windsor SA
"Windsor Plant"	the Group's PGM and chrome processing plant at Windsor SA
"Windsor SA"	Windsor SA (Pty) Ltd, a wholly owned subsidiary of the Company
"Windsor 8"	A South African based facility at which, through a joint operation agreement, Jubilee has the rights to 35 000 tonnes per month of chrome processing capacity
"Sable Refinery"	the multi metal refinery acquired in Zambia, owned by Sable Zinc Kabwe Limited, a subsidiary of Jubilee acquired in August 2019
"SLP"	Social Labour Programme
"SAMREC"	the South African code for the reporting of exploration results, mineral resources and mineral reserves
"Tjate Platinum Project"	the Tjate Platinum Project situated on the eastern limb of the Bushveld Complex. The Project is located down-dip of Anglo Platinum's Twickenham and Impala Platinum's Marula mines. Its Merensky and UG2 platinum reefs (Reefs) targeted for initial mining lie between 600 metres and 1,000 metres below surface. The Project is independently judged to contain arguably the world's largest undeveloped defined block of platinum ore. The property covers 5,140 hectares on three farms and the area has been independently appraised to contain a potential net 65 million ounces of platinum group elements (PGEs) and gold.
"USD"	the United States Dollar
"ZAR"	the South African Rand
"ZMK"	the Zambian Kwacha
"Sterling"	British Pound

Chairperson's statement

"The Company's strategy of having a diversified commodity basket and integrating PGMs and Chrome has paid off handsomely"

Colin Bird
Non-executive Chairperson

Dear Shareholder,

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

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

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

Our operations in South Africa have all performed to expectation and often above, this being achieved during a period of fluctuating commodity prices where we have seen distressed chrome prices and depressed PGM prices, notwithstanding the high palladium and rhodium prices.

Despite the overall lower metal prices, the Company's strategy of having a diversified commodity basket and integrating PGMs and chrome has paid off handsomely.

The expansion of the operations in South Africa and in Zambia is testament to the team's proven technical abilities and exceptional hard work during the period. Further details of each of our projects can be found in the Chief Executive's Report, but with the exception of the Windsor PGM and Chrome projects, most of our acquisitions in South Africa have been in and around expanding existing projects, where, given our knowledge of the operational and financial risks, acquisition and implementation risks have been well managed and mitigated.

The year under review, has seen the South African output of PGMs nearly doubling to 40 743 ounces on a 6E basis and reaching 377 883 tonnes of chrome concentrate.

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

Securing the rights to 150 million tonnes of copper containing surface tailings in June was a further significant step in

Chairperson's statement

continued

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

The copper acquisitions described above takes Jubilee into the realm of a significant Zambian producer, well in excess of the aforementioned 2021 build-up.

The zinc circuit construction at the Sable Refinery has been delayed due to the COVID-19 pandemic restrictions, but we are planning to recommence construction once border sanctions are lifted. We are expecting to recommence the construction in Q1 2021.

During the year, we have built on our local and global reputation as a maturing specialist dump recovery company and this has brought many potential opportunities to the Company. We are fully engaged in pursuing these opportunities and increasing our cashflows at a pace commensurate with our opportunities.

Our brand "*The Jubilee Way*" is gaining respect from the trade and investment industries and over the last year our space has attracted much attention and we are well placed to take advantage of that attention.

Copper prices are currently very strong and are forecasted to be even stronger in the coming years. We feel that chrome has seen an unprecedented bottom, and the fundamentals for PGMs are good in the mid-term.

Our operational, research and business development teams have shown considerable resilience and tenacity during a year of exceptional growth, accompanied by exceptional challenges and we feel well prepared to accept new challenges and increase the rate of growth of the business.

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

I would like to take this opportunity to thank all management and employees, who remain positive during this period of uncertainty which unfortunately is still with us.

Global business resumption is likely to be stop start, and the only economy currently performing well is China. They, of course, are dependent on the rest of the world to kickstart their economies in order to have global supply demand fundamentals evident before the outbreak of the pandemic.

We as a company are on a strong footing to face the challenges that the remainder of the year will present and are hopeful for an environment which is more stable and therefore more predictable.

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

Colin Bird
Non-executive Chairman

9 November 2020

Chief Executive Officer's report

"These results reinforce the Company's confidence in what it refers to as *"The Jubilee Way"*, continuously striving to translate leading in-house processing and metals recovery excellence into industry leading operational efficiencies"

Leon Coetzer
Chief Executive Officer

Financial Highlights

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

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

Operational Highlights

- PGM[2] Operations delivered a record production of 40 743 ounces (2019: 23 847 ounces) for the year, generating PGM revenue of £ 34.5 million (ZAR 681.9 million), compared to £ 15.8 million (ZAR 288.9 million) in the previous year
- Chrome Operations delivered 377 883 tonnes of chrome concentrate (2019: 181 947 tonnes), generating chrome revenue of £ 17.2 million (ZAR 338.2 million) [2019: £ 7.8 million (ZAR 143.7 million)]
- Jubilee completed the acquisition of the Sable Zinc Refinery in Kabwe, Zambia for a cash consideration of £ 9.2 million (US$ 12.0 million) (ZAR 176.0 million). The refinery is situated immediately adjacent to the large stock piles of zinc, lead and vanadium that Jubilee has contracted from BMR
- Jubilee acquired 100 % of the rights to the PGM tailings situated at Jubilee's Inyoni Operations (previously Hernic) located in the Bushveld Complex, South Africa
- Jubilee has also acquired 100% of all further rights to the chrome contained in all of the historical tailings at Inyoni Operations as described above
- Jubilee implemented its option to acquire Enviro Mining Limited from BMR. Enviro Processing Limited is a subsidiary of Enviro Mining Limited that owns the small scale mining license in Zambia. Refer to note 27.2 for details of the transaction

1= For income statement purposes conversions are at the average £:ZAR rates for the period under review and for balance sheet purposes at the spot rate as at year end. All other conversions are at rates at the time announced.

2= 6 Element Platinum Group Metals (platinum, palladium, rhodium, ruthenium, iridium + gold).

Chief Executive Officer's report

continued

- Jubilee has secured the rights to approximately 150 million tonnes of copper containing surface tailings, targeted to be upgraded at site and refined at its Sable Refinery in Zambia. This will be done through a joint operation with the mining rights holder. Project Elephant alone holds the potential to produce copper concentrates in excess of the total Sable Refinery capacity of 14 000 tonnes per annum of copper cathode

Highlights post the period under review

- PGM and chrome operations delivered record high quarterly operational earnings of £ 15.17 million (ZAR 332.36 million), surpassing the previous operational record set during the full H1 2020 period
- Jubilee's PGM operations hit its highest quarterly PGM production ever, reaching 15 044 PGM ounces produced during Q3 2020
- PGM record production supported by 136 162 tonnes of chrome concentrate produced under tolling agreements from third party ore suppliers during Q3 2020
- Chrome Operations improved its attributable earnings margin, achieving 23% for Q3 2020 compared to 7% for H1 2020
- Operational performance reflects Jubilee's successful drive to expand its operations by supplementing its own surface resources, with third party ore supply agreements to secure a sustainable business strategy
- Jubilee's copper operations in Zambia continue to make significant progress, with the copper ore upgrade facility at its Sable Refinery nearing completion as part of its overall expansion plan
- All long lead items have been secured for the construction and implementation of Project Roan, which is set to more than double Jubilee's copper production over the short term
- Jubilee has secured the rights to approximately 2 million tonnes of copper run-of-mine material ("ROM"), with the potential of increasing the ROM to 4 million tonnes, as well as a targeted 2.5 million tonnes of copper containing tailings ("Project Roan"). Jubilee concluded a strategic partnership through a 50/50 joint operation to turn Project Roan to account
- Jubilee secured the rights to an additional 115 million tonnes of copper and cobalt tailings. This increases Jubilee's total secured rights to copper and cobalt tailings to approximately 270 million tonnes

Windsor Operations

Chief Executive Officer's report

continued

Key financial and operational indicators

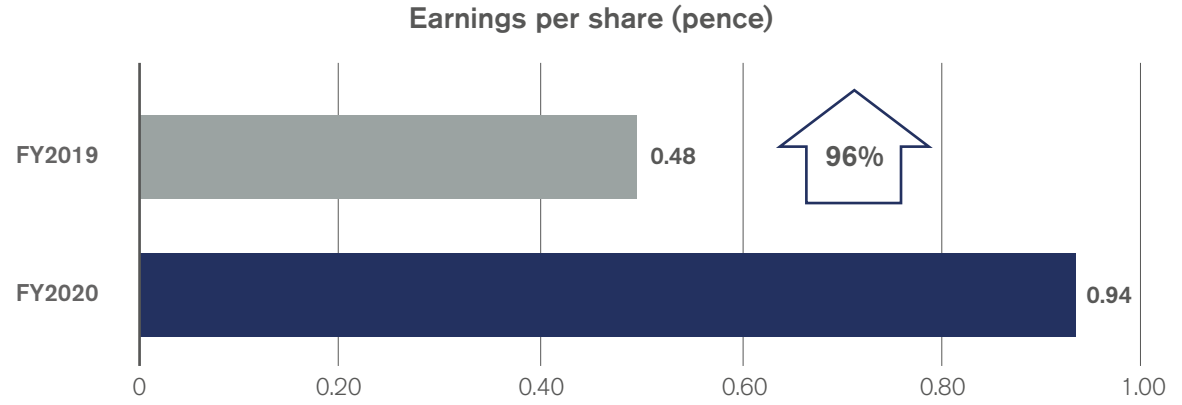
	Unit	12 months to 30 June 2020	12 months to 30 June 2019
Group			
Revenue	£'000	**54 775**	23 586
Adjusted attributable earnings[1]	£'000	**25 088**	10 055
Adjusted attributable earnings margin	%	**46**	43
EBITDA	£'000	**22 210**	12 546
Adjusted EBITDA[2]	£'000	**22 643**	8 952
Adjusted EBITDA margin	%	**41**	38
PGM			
PGM £ revenue	£'000	**34 590**	15 750
PGM $ revenue	$'000	**43 594**	20 003
Attributable PGM £ earnings	£'000	**21 486**	8 158
Attributable PGM $ earnings	$'000	**27 079**	10 361
Attributable PGM earnings margin	%	**62**	55
Attributable PGM ounces produced	oz	**40 743**	23 847
PGM $ revenue per ounce	$/oz	**1 070**	839
PGM attributable $ earnings per ounce	$/oz	**665**	434
Adjusted PGM production $ unit cost[3]	$/oz	**541**	470
Chrome			
Chrome £ revenue	£'000	**17 158**	7 835
Chrome $ revenue[4]	$'000	**21 624**	9 950
Attributable chrome £ earnings	£'000	**803**	1 309
Attributable chrome $ earnings	$'000	**1 013**	1 662
Attributable chrome earnings margin	%	**5**	17
Attributable chrome tonnes produced	tonnes	**377 883**	181 947
Chrome $ revenue per tonne	$/t	**57**	55
Chrome attributable $ earnings per tonne	$/t	**3**	9

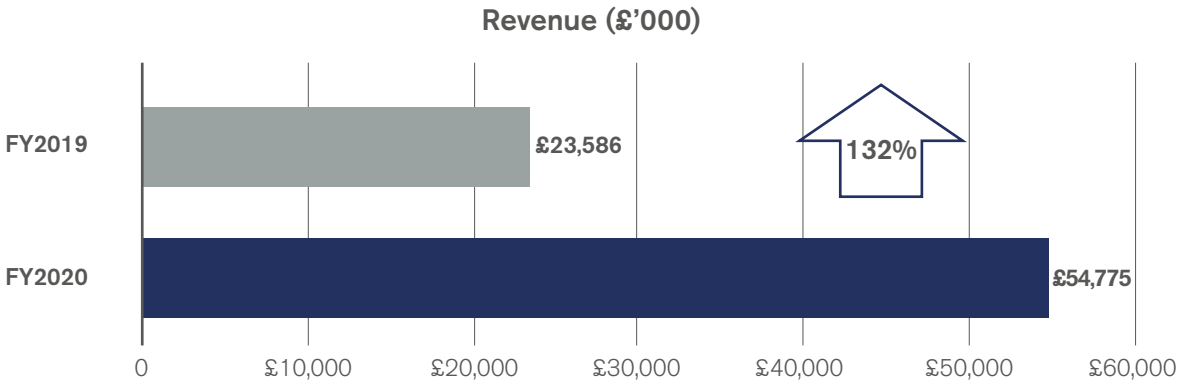
1. Attributable earnings refers to earnings allocated to the group based on the group's contractual rights in each project.
2. Adjusted EBITDA refers to EBITDA adjusted for non-cash expenses including impairments, gain on bargain purchase, share based payments and foreign exchange differences on transactions.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

Chief Executive Officer's report

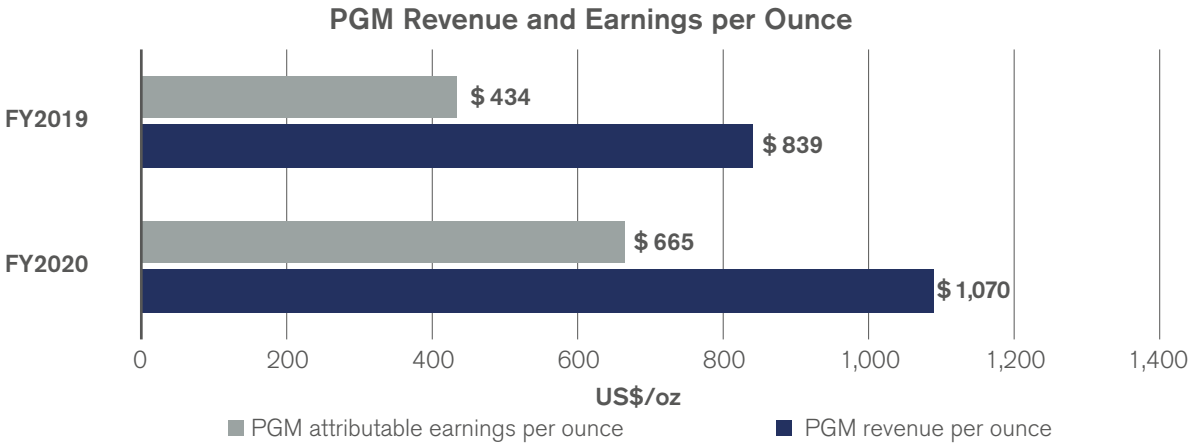
continued

Financial performance





Operational performance



Chief Executive Officer's report

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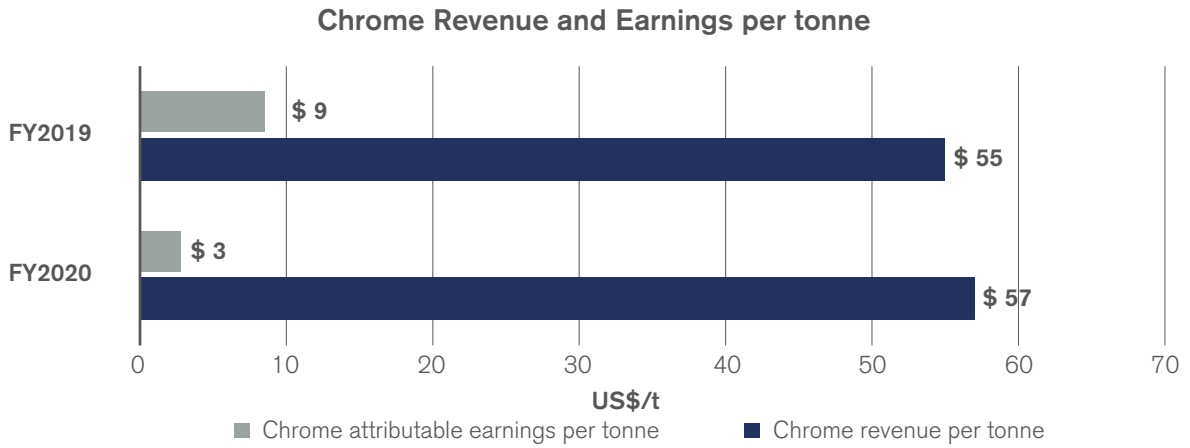
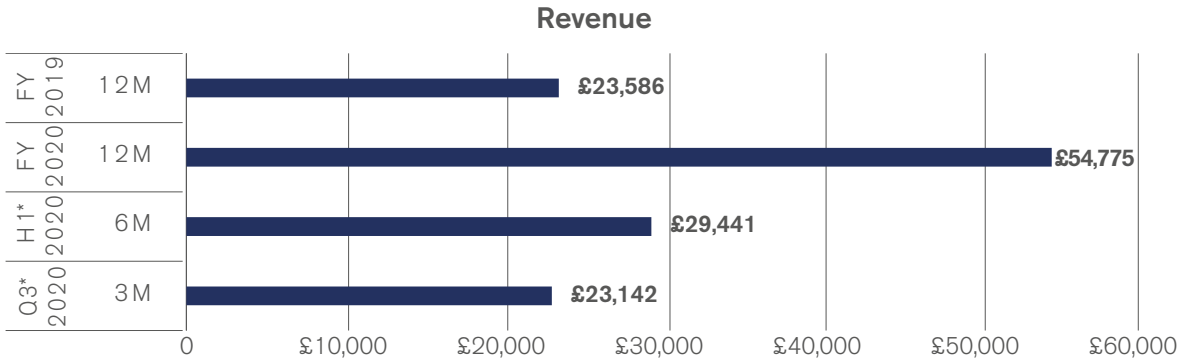
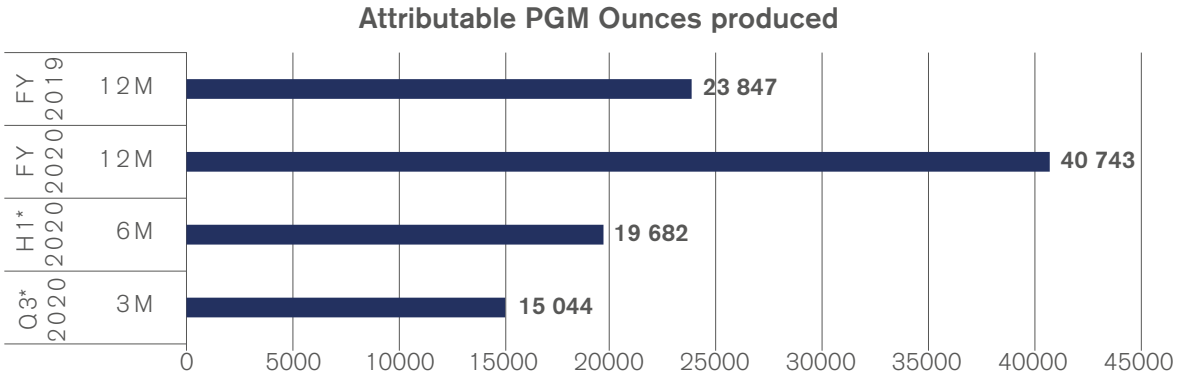
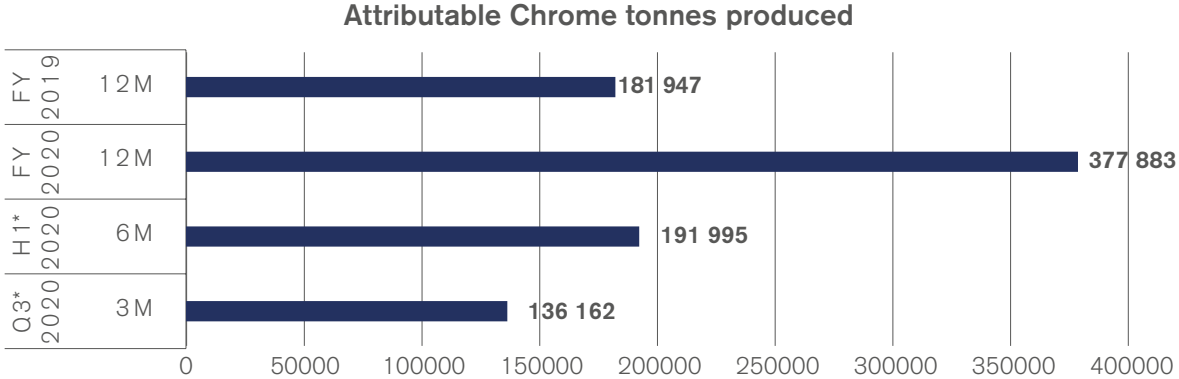


Post period performance







* Q3 2020 and H1 2020 figures are unaudited

Chief Executive Officer's report

continued

Chief Executive Officer's Overview

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

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

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

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

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

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

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

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

In June 2020, Jubilee implemented its option to acquire Enviro Mining Limited from BMR. Enviro Processing Limited is a subsidiary of Enviro Mining Limited that owns the small scale mining licence in Zambia. Refer to note 27.2 for details of the transaction.

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

Chief Executive Officer's report

continued

significantly increases Jubilee's access to PGM rich chrome tailings which are in addition to the large tailing resources already owned by the Company.

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

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

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

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

Group Operations

Chrome Operations

Jubilee's chrome operations form an integral part of the Company's overall chrome and PGM strategy, targeting the upfront recovery of chrome from the ore to produce a PGM containing discard stream, which is supplied to the PGM operations.

Jubilee has placed significant focus on achieving industry leading chrome operational efficiencies, which enabled the Company to rapidly expand its chrome operations by offering chrome mining companies access to Jubilee's highly efficient and cost effective chrome processing facilities.

The chrome markets are notoriously volatile, which was further exacerbated by the COVID-19 pandemic. Jubilee has countered the chrome price volatility by securing long term ore supply and offtake agreements for the majority of its installed chrome processing capacity under a fixed operating margin, ensuring a protected profitability.

Under the terms of these ore supply agreements the chrome operations have locked in long term ore supply, which also guarantees a sustained PGM feed to its PGM operations. Jubilee has responded to the challenge of depressed chrome prices by consistently achieving exceptional chrome recovery efficiencies, well above the industry norm.

At the time of reporting, Jubilee had already secured a feed ore supply of 100 000 tonnes per month for a minimum 3 year period, with the built-in option of extending the ore supply agreements further into the future.

Chief Executive Officer's report

continued

Moreover, Jubilee secured an additional 35 000 tonnes per month chrome processing capacity, under a joint operation agreement, to take control of a previously underutilised chrome facility, which Jubilee upgraded and commissioned and incorporated into Jubilee's specialised chrome processing techniques.

Key operational indicators for the period under review:

- Chrome concentrate tonnes produced 377 883 tonnes up 108 %, from 181 947 tonnes in 2019
- Chrome revenue up 123 % to £ 17.2 million, from £ 7.7 million in 2019
- Combined chrome processing capacity increased to 230 000 tonnes per month
- Secured ore supply agreements totaling 135 000 tonnes per month

Windsor Chrome Operations – South Africa

Figure 1 Local Economic Development Project Bokfontein community job creation

Windsor Chrome is a South African based chrome beneficiation facility principally supplied with feed through offtake agreements with reliable third party chrome ore suppliers. In addition, Windsor Chrome has access to historical chrome tails. Acquired by Jubilee in January 2019, it holds the capacity to process approximately 60 000 tonnes per month of ROM feed material.

Prior to the publication of the annual report but after the financial year end, Jubilee entered into a third party ROM chrome ore offtake agreement that fully commits Windsor Chrome for the next three years, with an option for this to be extended. Under the terms of the offtake agreement, Jubilee has secured a minimum of 60 000 tonnes per month of chrome containing ROM feed to Windsor, targeting the production of approximately 40 000 tonnes per month of saleable chrome concentrate. Jubilee also retains the rights to all discard material including the contained PGMs. Jubilee locked in a chrome sale price for the chrome production under the offtake agreement to secure a chrome earnings margin, ensuring a constant feed source to its PGM operations under a protected chrome operational margin.

Windsor 8 Chrome Operations

Post period end, in August 2020, Jubilee secured Windsor 8 through the execution of a joint operation agreement, which gives Jubilee the rights to an additional 35 000 tonnes per month of chrome processing capacity. Under the joint operation agreement, Jubilee agreed to assume operational control of Windsor 8 whilst also committing to upgrading the facility by incorporating Jubilee's specialised processing solutions. Commissioning of the upgraded chrome facility at Windsor 8, commenced at the time of publication of the annual report and is expected to reach full production during Q4 2020.

Figure 2 New Windsor 8 Project

Chief Executive Officer's report

continued

Figure 3 New Windsor 8 Project

Post period end, in August 2020, Jubilee announced the execution of a processing agreement whereby it has been appointed as the operator to re-commission and operate the existing ROM chrome beneficiation plant adjacent to the Inyoni Operations (the "Processing Agreement"). The Processing Agreement is backed by a guaranteed supply of a minimum of 40 000 tonnes per month of chrome and PGM containing ROM, which has the potential to be increased to 80 000 tonnes per month.

This is in addition to the already 95 000 tonnes per month of chrome processing capacity secured at Windsor Chrome and Windsor 8. These joint venture agreements further supplement the PGM tailings resources already owned by Jubilee and produced by its Windsor operations offering the Company the opportunity to expand its PGM operations and delivering sustained long term earnings.

Inyoni Chrome Operations – South Africa

During the period, in November 2019, Jubilee extended its rights at the Inyoni Operations to include all chrome contained in the historical tailings holding the potential to expand the economic value of the operations. Under the extended rights Jubilee increased the scope of the operation to include the re-mining of the historical tailings to take control of the feed supply allowing the operation to potentially fully utilize the installed feed chrome and PGM plant capacity of approximate 50 000 tonnes per month.

Figure 4 Team member at Inyoni Operations

DCM Project – South Africa

Jubilee's Fine Chrome process solution successfully targets the recovery of very fine chrome containing particles previously discarded by the chrome industry.

The success of this process was demonstrated at the DCM operation.

The planned roll-out of the fine chrome solution across Jubilee's operations was impacted by the restrictions on the importing of goods and services as well as supply chain disruptions as a result of the COVID-19 pandemic. In March 2020 the Company took the decision to relocate the Fine Chrome facility from the DCM site to its much larger Inyoni Operations to offer a larger earnings potential to the Group.

Figure 5 Fine chrome facility moved to Inyoni

PGM Operations

Jubilee's PGM Operations offer the Company exposure to a full PGM basket of metals, which includes Palladium and Rhodium setting new record highs during the period under review.

The overall PGM basket price declined during the COVID-19 pandemic impacting both the supply and demand sides of the market. Despite this, Jubilee's PGM division responded well by delivering improved efficiencies partly buffering the impact of the lower metal prices, once again delivering a record performance. During the period, Jubilee saw the commencement of the Windsor PGM Operations in August 2019, with the ramp up to full capacity in November 2019 and the acquisition of 100% of rights to current and future PGM earnings at the Inyoni Operations. The PGM operations were further bolstered by the ore supply agreements executed by the Group's chrome division securing long term access to PGM feed supply.

Chief Executive Officer's report

continued

Key operational indicators for the period under review:

- PGM Ounces produced up 71 % to 40 743 ounces (2019: 23 847 ounces)
- PGM revenue up 150 % to £ 37.1 million (2019: £ 14.9 million)
- PGM attributable earnings up 163 % to £ 21.5 million (2019: £ 8.2 million)

All in cost per PGM ounce produced US$ 541 (2019: US$ 470)

Windsor PGM Operations – South Africa

Figure 6 Windsor Operations

Windsor PGM is a South African based PGM recovery joint operation with Northam Platinum's Eland Platinum operations. Under the joint operation, Windsor PGM has secured access to the PGM recovery operations for the recovery of the PGMs contained in the tailings produced by Windsor Chrome Operations.

The joint operation has significantly exceeded its target of processing 60 000 tonnes per month of PGM containing feed since being brought on-line during August 2019. In November 2019, the Windsor PGM Operations were ramped up to full capacity, exceeding 5 000 PGM ounces produced for the month of November alone. The Windsor PGM operations lost 2 months of operational time due to a temporary shutdown as a result of the impact of COVID-19.

Inyoni PGM Operations – South Africa

Inyoni is a modern state of the art PGM and Chrome recovery facility holding a capacity to process up to 50 000 tonnes per month of feed material.

In October 2019, Jubilee acquired 100 % of the rights to the PGM tailings located at the Inyoni Operations. This acquisition transformed Jubilee from a contracting joint operation partner to 100 % owner of the economic rights without any additional risk to the Company. By gaining full control of the operations, Jubilee is able, at its election, to increase throughput and further optimise certain aspects of the operation.

Integrated Kabwe Project – Zambia

Jubilee first established its fully integrated multi-metal recovery and refining operational footprint in Zambia with the acquisition of the multi-metal Sable Refinery adjacent to the Company's Kabwe tailings resource, in August 2019, reaching a significant milestone in the Company's international roll-out strategy, as well as widening its commodity exposure. The acquisition served as an entry point for Jubilee into Zambia presenting the Company with a very well-placed platform from which to pursue the various base metal opportunities presented by the country, and to begin actively engaging with third party suppliers to develop strategic partnerships as part of the expansion of the Integrated Kabwe Operations.

Jubilee completed the commissioning of the copper circuits at the Kabwe Sable Refinery during November 2019. Later in the period, in May 2020, Jubilee also announced the successful commissioning of the cobalt production line to compliment the producing copper refinery and sulphuric acid plant at the Kabwe Sable Refinery.

Chief Executive Officer's report

continued

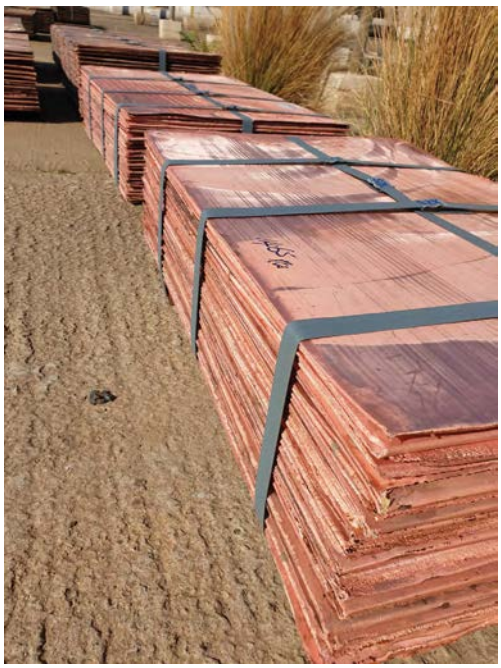


Figure 7 Copper plate at Sable Zinc Refinery

Jubilee has commenced the construction of the zinc refinery circuit targeting the processing of both its Kabwe surface tailings, as well third party zinc ROM in the area. The construction was temporarily placed on hold due to the COVID-19 related restrictions on the cross border import of services and equipment. The Company expects to recommence construction during Q1 2021.

Copper Operations

Jubilee's copper operations have seen rapid growth during the period under review and up to the time of reporting. The Company is focused on replicating its success in South Africa with PGMs and Chrome in Zambia where there is a huge supply of on-surface copper waste material, with the view to taking a leading role in the processing of surface tailings by applying technical know-how and IP.

Vital to the Company's strategy is its commitment to ensuring that there is a significant reduction in environmental hazard and waste left behind from centuries of mining activity, and Zambia is a focal point of concern relating to this mine waste exposure. Using Jubilee's proprietary knowledge and expertise in physical and chemical processing, this clean-up can be incentivised by extracting the metals contained at attractive cash margins, before re-depositing the tailings in an environmentally secure tailings facility, minimising the future impact.

Key operational indicators for the period under review:

- Jubilee acquires the Sable Refinery in August 2019
- Secured access to more than 150 million tonnes of copper tailings
- Targeting to reach in excess 25 000 tonnes of copper per annum
- Copper production will be increased in line with the commissioning of Project Roan and Project Elephant (refer below)
- Copper refining line commissioned in December 2019 holding a copper production capacity of 14 000 tonnes per annum
- Cobalt refining line commissioned in May 2020

Project Elephant – Zambia

On 18 June 2020, Jubilee announced that it had secured the rights to approximately 150 million tonnes of copper containing surface tailings targeted to be upgraded at site and refined at the Sable Refinery. Jubilee acquired the rights through its nominated subsidiary, which entered into a joint operation agreement with the mining rights holder Star Tanganika Limited. Project Elephant alone holds the potential to produce copper concentrates in excess of the total Sable Refinery capacity of 14 000 tonnes per annum of copper cathode. The project is the first of what Jubilee hopes will be a series of targeted copper tailings resources, making a substantial contribution to the Company's strategy to achieve in excess of 25 000 tonnes per annum of copper production to deliver sustainable quality earnings. Jubilee plans to construct a copper concentrator at the tailings resources, which can supply both concentrate to the Sable Refinery, while selling excess concentrate into the market.

Chief Executive Officer's report

continued

Project Roan – Zambia

Post period end, in August 2020, Jubilee announced the signing of a joint operation agreement with a private Zambian company securing the rights to process 2 million tonnes of copper ROM material containing in excess of 2% copper. Under the joint operation agreement, there is also potential to increase the supply of copper ore to approximately 4 million tonnes, with an additional 2.5 million tonnes of copper containing tailings available for processing. The Project will target the near-term production of copper concentrate through a dedicated newly constructed copper concentrating facility for which Jubilee has completed the design, and which will target a processing rate of approximately 600 000 feed tonnes per annum, producing copper concentrate for further refining at its Sable Refinery. The additional copper units supplied to the Sable Refinery hold the potential to significantly enhance the earnings margin, targeting a unit cost of approximately US$ 4 000 per tonne of copper cathode, offering a potential payback of the project capital within one year.

In addition to Project Elephant and Project Roan Jubilee concluded a further transaction securing access to an additional 115 million tonnes of copper and cobalt tailings, increasing Jubilee's secured access to copper and cobalt tailings to approximately 270 million tonnes. This additional tails are located within a 50km radius of Project Elephant offering the potential to integrate components of the two projects which would results in significant capital savings. The additional tailings transaction puts Jubilee well on track to reach its stated 25 000 tonnes of copper units per annum.

Looking Forward

The world is facing a very uncertain period with the COVID-19 pandemic causing suffering to persons and businesses. Jubilee has been able to maintain its growth momentum despite these challenges and for that I thank the support of every member of the Jubilee team as well as our valued service providers. We face a period of significant capitalisation during the next reporting period as we will drive hard, the implementation of both our copper and cobalt strategy and the expansion of our chrome and PGM operations. I am confident that we will be able to continue to fund the capitilisation of our projects through the combination of our own cash generation and the funds secured from institutional lenders. I look forward to reporting on the progress we make with the implementation of our projects.

Leon Coetzer
Chief Executive Officer

9 November 2020

Community training

Report of the Directors

The Directors present their report together with the financial statements for the year ended 30 June 2020.

Principal activities and place of incorporation

Jubilee is UK domiciled and incorporated in England and Wales and is governed by UK Law. Its primary listing is on the Alternative Investment Market of the London Stock Exchange ("AIM") and it has a secondary listing on the Alternative Exchange of the JSE Limited ("Altx"). Jubilee's principal activities are that of recovering PGMs and chrome through the reprocessing of historical surface mine waste and materials. The Group has also diversified its portfolio to include other countries and other elements and metals such as copper, cobalt, lead, zinc and vanadium in Zambia.

Business review

A review of the Group and Company's operations for the period under review and future developments is contained in the Strategic Report on pages 3 to 16.

Dividends

The Directors did not recommend the payment of a dividend for the year under review (2019: £ nil).

Financial overview

Earnings per share

Figures in Sterling	June 2020	June 2019
Earnings attributable to ordinary equity holders of the parent	**18 320 392**	6 993 587
Weighted average number of shares for basic earnings per share	**1 955 965 289**	1 466 127 746
Effect of dilutive potential ordinary shares		
Share options and warrants	**19 299 151**	9 570 223
Diluted weighted average number of shares for diluted earnings per share	**1 975 264 440**	1 475 697 968
Basic earnings per share (pence)	**0.94**	0.48
Diluted basic earnings per share (pence)	**0.93**	0.47

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

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

Risk review

The Board and the Executive Committee keep the risks inherent in the processing of potential and current surface assets, the mining and exploration and the operational and production business under constant review. The principal risks for the Group and the measures taken by the Board and Executive Committee to mitigate them are detailed below:

- Surface assets processing risk is the risk of employing resources and cash to potential projects, which subsequent to due diligence proves not to be feasible nor profitable for the Group. The Executive Committee addresses this risk through the implementation of an investment criteria matrix, which sets out the initial requirements and/or steps to be followed prior to commitment of whatsoever nature to any new project including but not limited to executive time, costs and other resources within the organisation. This risk is also mitigated through the very strong technical skills set that exists within the technical team of the Group.

- Exploration and Production risk is the risk of investing cash and resources on projects, which may not provide a return. Exploration and subsequent mining operations are subject to hazards normally encountered in exploration, development and production.
- Although it is intended to take adequate precautions during each stage of development of any new or potential projects to minimise risk, the possibility of a materially adverse impact on the Group's operations and its financial results always exists. The mining and manufacturing industries in South Africa and Zambia are under great economic pressures and competition increases as resources and surface assets are depleted.
- While the Group has good relations with its employees, these relations may be impacted by changes in the scheme of labour relations, which may be introduced by the relevant governmental authorities. The Group, now being an operational business is developing and maintaining policies appropriate to the stage of development of its various projects. Recruiting and retaining skilled and qualified personnel are critical to the Group's success. The number of persons skilled in the acquisition, exploration, processing and development of mining properties is limited and competition for such persons is intense. The Group addresses this risk by using its skills, experience and local knowledge to select only the most promising areas to explore. Members of staff are encouraged to discuss with management matters of interest to the employees and subjects affecting day-to-day operations of the Group. The Board and the Executive Committee, based on advice from the Executive team, set priorities.
- 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 or to process them. The principal metals in the Group's portfolio are PGMs, chrome, nickel, copper, lead, zinc and vanadium. The price of these metals has been unstable during the period under review. 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. All projects are subjected to a detailed due diligence, which includes an analysis of the impact of funding costs on each project.
- 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.
- Jubilee's business model is based on the processing of primary and secondary waste and discard streams; Jubilee's responsible processing of these streams assists in reducing the negative impact of same on the environment and also reducing the health risks of the environmental liability that is created by the above ground material; this makes the business model very attractive. Jubilee does not require any mining rights or mining licenses to process its streams; it therefore has limited exposure to political instability.
- The risk of a global pandemic as is currently being experienced by the COVID-19 pandemic.

The COVID-19 pandemic announced by The World Health Organisation is having a markedly negative impact on global stock markets, currencies and general business activity. Lockdown restrictions were put in place in South Africa for a 21 day period from 23 March 2020, and with Jubilee having operations in South Africa and Zambia, the impact of possible further local guidelines and restrictions must be considered and managed accordingly.

The safety and wellbeing of Jubilee's employees and contractors is the highest priority for the Company at this time. The Company has developed policies and is evolving procedures to address the health and wellbeing of its directors, consultants and contractors, and their families, in the face of the COVID-19 outbreak.

Strict policies have been developed and implemented at the Group's operations to ensure that employees, customers, suppliers and visitors are adequately protected through implemented access control measures, social distancing measures as well a step-by-step procedural manual in the event of any suspected cases.

Report of the Directors

continued

All of the Company's operations are continuing as at the date of this report, and guidance is being continually monitored. The impact of the COVID-19 pandemic on all operations, and therefore the financial impact, are so far minimal, however given the unprecedented nature of the situation this is subject to change. The Company will continue to provide updates on our business and operations as necessary.

Financial risks

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 surface processing activities from cash flows from operations, but in the absence of such cash flows the Group relies on the issue of equity share capital, project debt funding and option agreements to finance its activities. The draw-down of funds and equity distribution is controlled and managed by the Board.

Currency risk is the risk of the possibility that one currency will devalue to the exchanger's detriment. The Group's PGMs, chrome and copper metals are priced in US$ while operating costs are incurred in ZAR and ZMK. The Group has, in an effort to minimise the impact of currency movements on revenue, agreed with selected customers to invoice in US$ to protect revenues from being dependent, inter alia, on prevailing exchange rates and commodity prices which are hugely affected by global economic climates. Movements in exchange rates and commodity prices do however impact the profitability of the Group as certain operating costs are incurred in ZAR and ZMK.

The Group finances its operations by transferring £ and US$ to meet local and offshore 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. Transfer of currency is managed by the Executive Committee of the Company to ensure that currency devaluation is minimised.

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

The Group and Company maintain tight financial and budgetary control to keep its operations cost-effective to mitigate these financial risks. More information on financial instruments and risk management is included in note 24 to the consolidated financial statements.

Corporate governance

In formulating the Company's corporate governance procedures, the Board of Directors takes due regard of the principles of good governance as set out in the UK Corporate Governance Code issued by the Financial Reporting Council.

Taking into account the size, the industry that the Company operates in, the nature of the Group's operations and the stage of development of the Company, the Board underwrites best practice in corporate governance as appropriate. As a public company listed on AIM the Board acknowledges that it is responsible and accountable to all stakeholders, shareholders, suppliers, staff, clients, customers and contractors.

The Board adopted the principles of the 2018 Quoted Companies Alliance Corporate Governance Code – ("the QCA Code") to support the Company's governance framework. The Directors acknowledge the importance of the ten principles set out in the QCA Code and below a table illustrates the Company's compliance or explanation where not fully compliant.

Application and explanation of the QCA Code:

	Principle	Level of Compliance	Explanation if not compliant (if applicable)
	DELIVER GROWTH		
1	Establish a strategy and business model which promote long-term value for shareholders	The Company's strategy and business model is clearly promoted in its annual reports and six monthly updates where detailed information is published on its strategy, its progress towards achieving its short and long term strategies and this information is reviewed and updated regularly and communicated to shareholders.	NA
2	Seek to understand and meet shareholder needs and expectations	The CEO and/or Chairman, where appropriate, respond to shareholder queries directly (whilst remaining cognisant of the Market Abuse Regulations' restrictions on inside information and within the requirements of the AIM Rules for Companies). Non-deal roadshows are arranged throughout the year to meet with existing shareholders and potential new stakeholders to maintain, as much as possible, transparency and dialogue with the Market. Investor presentations and interviews can be found on the Company's website. Shareholders with queries can email info@jubileemetalsgroup.com	NA
3	Take into account wider stakeholder and social responsibilities and their implications for long-term success	Our business model and strategy is clear and is set out in our Annual Report. The vision of the business is to be a diversified metals recovery company with a focus on reprocessing of historical surface mine waste and materials. The Company's Chairman and Chief Executive Officer have regular road shows and investor shows to reach out to the wider stakeholder group to ensure a presence in the market about the Company's growth strategies, its projects and its responsibilities in this regard. The Company's Executive Committee currently plays an important role in the day-to-day management of the Company. The committee consists of selected members of senior executive management in the Group as well as the CEO and one non-executive director. The Board works closely with the executive team with clear and open communication both within and outside of the Board room. The Company has an open-door policy from the executive team down where employees' opinions and suggestions are valued and listened to. The objectives of Jubilee's metals recovery strategy are three-fold: Secure low risk, low capital intensive, long-term commodity production at an attractive point on the global cost curve from mine waste by using advanced environmentally sustainable metal recovery techniques. This ensures a much lower cost entry point to produce metals compared to traditional mining; Diversify across multiple commodities and in different countries including PGMs, chrome, cobalt, copper, zinc, lead, vanadium and gold to hedge income risk and to align with global trends; and Rehabilitate the adverse footprint left by legacy mining in accordance with acceptable International Environmental Standards.	NA

Report of the Directors

continued

	Principle	Level of Compliance	Explanation if not compliant (if applicable)
4	Embed effective risk management, considering both opportunities and threats throughout the organisation	As part of risk management, regular meetings of project executives and executives of the Company are held to discuss and update new business opportunities which includes a risk assessment of the new opportunities and how this can be mitigated or eliminated prior to engaging in same. All other risk management areas are disclosed in the Company's annual report. These are reviewed and updated regularly given the growth phase that the Company is in at present. The Company's auditors also provide recommendations when necessary to the Company on risk management at each annual audit.	NA
	MAINTAIN A DYNAMIC MANAGEMENT FRAMEWORK		
5	Maintain the board as a well-functioning, balanced team led by the chair	The Board comprises two executive directors and four non-executive directors. The Board is supported by its sub committees being the Remuneration and Nomination and Audit and Risk Committees. Members of the Board are all individuals of high calibre and have many years' experience in the mining industry. Each Board member is expected to dedicate sufficient time to the business of the Company as may be necessary to fulfil their duties. Biographies of the Board are disclosed each year in the Company's annual report and updated annually. Refer to pages 29-31 of this report for biographies of the Board. Directors are re-elected by rotation every three years. The Company is of the view that the current Board is appropriately resourced to meet its obligations in compliance with the code. The need for changes or additions to the Board are reviewed regularly and will be addressed in line with the Company's growth profile.	NA
6	Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities	The Remuneration Committee is responsible for Board appointments and assessing the suitability of potential new board members as and when required. It also assesses the appropriateness of the size and composition of the Board. The Board currently comprises two executive and four non-executive directors.	The Company continues to assess the developing skills required to fill the role of an independent non-executive director on the Board.

	Principle	Level of Compliance	Explanation if not compliant (if applicable)
6	Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities *(continued)*	The Committee is of the view that the current Board composition is appropriate with an appropriate balance of industry specific, financial and investor relation skills and experience. It does however require an independent non-executive director to bring a required balance of independent presence on the Board. More details of the skills and experience of the directors are provided in the annual report. The Board has access to external advisors where necessary. The Board is kept abreast of developments of governance, legal, accounting changes and AIM regulations. The Company's lawyers provide updates on governance issues to the Board, the Company's NOMAD provides annual Board AIM Rules refresher training as well as the initial training as part of a new Director's induction. All Directors have access to the Company's NOMAD, company secretary, lawyers and auditors as and when required and are able to obtain advice from other external bodies when necessary.	The Company is mindful of the issue of gender balance, although Board appointments are made with the primary aim of ensuring that the candidate offers the required skills, knowledge and experience.
7	Evaluate board performance based on clear and relevant objectives, seeking continuous improvement	The Company is currently undergoing a growth phase, which requires both the Board and management to be evaluated and their effectiveness to be reviewed regularly. There is a strong flow of communication between the Directors. The Company has formulated a framework for both the Board and management to be evaluated on performance and skills and to be remunerated accordingly. The framework includes performance measurement on project level as well as company level and aims to incentivise and motivate members of the Board and management to participate in the growth and performance of the Company.	The Board continues to build on the governance structure already in place. On-going review of the functioning of the Board and ensuring that the highest level of governance is maintained whilst being mindful of the size and stage of development of the Company. Whilst the Board has not undertaken any formal training this is something that will be considered as the business grows and the Board establishes further.

Report of the Directors

continued

	Principle	Level of Compliance	Explanation if not compliant (if applicable)
8	Promote a corporate culture that is based on ethical values and behaviours	Ethical values, corporate culture and behaviour and respect is not negotiable and the Company promotes and supports a proper corporate culture based on ethical values and behaviour towards fellow team members and the organisation's stakeholders and shareholders. Issues of bribery and corruption are taken seriously, The Company has a zero-tolerance approach to bribery and corruption and has an anti-bribery and corruption policy in place to protect the Company, its employees and those third parties to which the business engages with. The policy is provided to staff upon joining the business and training is provided to ensure that all employees within the business are aware of the importance of preventing bribery and corruption. Each employee is required to sign an agreement to confirm that they will comply with the policies. Annually staff are provided with refresher courses to ensure that the issues of bribery and corruption remain at the forefront of people's mind. There are strong financial controls across the business to ensure ongoing monitoring and early detection.	NA
	BUILD TRUST		
9	Maintain governance structures and processes that are fit for purpose and support good decision-making by the board	The Board had one formal meeting during the year under review. Papers are circulated well in advance of the meetings, giving directors ample time to review the documentation and enabling an effective meeting. Resulting actions are tracked for appropriate delivery and follow up. Each Committee has terms of reference outlining the specific responsibilities delegated to it. There are certain matters that are reserved for the Board, they include: ▪ approval of the Group's strategic aims and objectives; ▪ approval of the Group's annual operating and capital expenditure budgets and any material changes to them; ▪ Review of Group performance and ensuring that any necessary corrective action is taken; ▪ Extension on the Group's activities into new business or geographical areas; ▪ Any decision to cease to operate all or any part of the Group's business; ▪ Major changes to the Group's corporate structure and management and control structure; ▪ Any changes to the Company's listing; ▪ Changes to governance and key business policies; ▪ Ensuring maintenance of a sound system of internal control and risk management; ▪ Approval of half yearly and annual report and accounts and preliminary announcements of final year results; and ▪ Reviewing material contracts and contracts not in the ordinary course of business.	Board members are regularly updated by the CEO, on the Company's development and the progress of its projects and although this is not formally documented, the Company will use its best endeavours to document such discussions. As the Company grows, the Directors will ensure that the governance framework remains in place to support the development of the business.

	Principle	Level of Compliance	Explanation if not compliant (if applicable)
10	Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders	The Company communicates with shareholders and other relevant stakeholders through a number of forums the most important of which are announcements through the Regulatory News Services of the AIM market. These include interim and annual financial results updates as well as six monthly updates released to update shareholders on the operational and financial performance of its business operations. The Company's annual general meeting ("AGM") is also a forum for shareholders and stakeholders to engage with the Board and the auditors on any questions they may have pertaining to the resolutions contained in the notice of the AGM which, is circulated well in advance of the AGM. Informal discussions are also facilitated after the AGM to afford discussions outside of the AGM agenda. The Company furthermore holds regular webcasts where shareholders and stakeholders can register online and participate in an update presented by the Company on its business operations followed by a question and answer session afterwards. These webcasts are also published on the Company's website at www.jubileemetalsgroup.com The Company's website also contains regular video interviews with the CEO and can be viewed at www.jubileemetalsgroup.com	NA

The Board relies on the Remuneration Committee and the Audit and Risk Committee to review, on an ongoing basis, all rules, regulations and all risks applicable to the Group and Company.

The Board comprises two Executive Directors and four Non-Executive Directors. Colin Bird is the Non-Executive Chairman of the Board and Leon Coetzer is the Chief Executive Officer.

The Remuneration Committee regularly reviews the Group's nomination and appointment policy. The policy is aligned with all necessary legislation and regulations.

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 candidate Directors' 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 the Group's business.

In accordance with the policy, the Board takes cognisance of the knowledge, skills and experience of candidate 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.

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 has regard to the terms that 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.

Report of the Directors

continued

The structure of the Board ensures that no one individual or Group dominates the decision-making process. The Board meets informally 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 that have clearly defined terms of reference. Between the Board meetings referred to above, an Executive Steering Committee consisting of Executive Directors and management meets on a regular basis.

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 retires 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 Directors' 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. On 5 November 2020 Nicholas Taylor was appointed as member of the Audit and Risk Committee. During the 2020 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. 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 Group Chief Financial Officer, Mr. Pedja Kovacevic, and is unanimously satisfied of his suitability for the position.

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. 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.

Link Company Matters Limited acted as Company Secretary for the period under review.

Improving Community Education

Jubilee donated laptops to the Bokfontein Community Forum in order to improve connectivity and access to educational material.

During the year, Jubilee successfully sponsored the training of 10 community members of the Tjate community in a logistics learnership programme.

In its commitment to BBEEE (Broad Based Black Economic Empowerment), Jubilee signed local empowerment contracts for transport, general employment contracts and security in the Bokfontein community, providing approximately 40 employment opportunities.

Integrated Water Project

Jubilee successfully implemented an integrated water project designed to capture and articulate water in the area and installed a water system to assist in water distribution in the Bokfontein community. This allowed for proper irrigation of local farming operations, resulting in an increased harvest aiding the local community feeding scheme.

Reducing the Spread of Covid-19

COVID-19 personal protective equipment and sanitizer was donated to the communities of Bokfontein (Brits area) and Tjate (Greater Sekhukhune District Municipality) in order to protect community members from the pandemic.

All staff were provided with Covid-19 education and personal protective equipment

Enterprise Development

In addition to the investment in education mentioned above, Jubilee assisted many small businesses via the transfer of key enterprise development skills, mentoring and assisting, among others, a local plumbing business successfully establish itself in the industry.

Reducing the amount of mining waste residue

Jubilee's innovative capacity and technical leadership enables the Company to generate significant value from resources that were previously believed to be irrecoverable and sat as primarily on surface waste. In doing so, Jubilee is creating carbon negative ecosystems by significantly reducing the amount of waste residue from mining processes by extracting the metal contained within the material and depositing the residue from the reprocessing in an environmentally friendly manner with a zero-effluent policy.

Producing carbon reducing metals for a cleaner environment

The metals we recover and their uses are as follows:

Copper – as an efficient conductor of heat and electricity, copper is instrumental in many renewable energy systems.

PGMs – platinum is a key element in fuel cell technology. PGMs are used in secondary catalysts to reduce emissions by up to 90% in the fertiliser production process .

Chrome – in addition to its leading end use in the production of stainless steel, chrome is employed in nuclear power generation, wind technologies, carbon capture & storage and LED manufacturing.

Zinc – required for wind and geothermal energy generation and storage.

Compliance with the Bribery Act

The Board acknowledges 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. Staff and management are made aware of these laws and regulations and are urged to familiarise themselves with the same, including the consequences of any breach of the law or regulations.

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; and
- review and debate of treasury policy.

Report of the Directors

continued

The Board, in context of the Group's overall strategy, undertakes a risk assessment and a review of internal controls. 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 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; and
- 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 considers 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 Group and Company.

Going concern

The Directors have adopted the going-concern-basis in preparing the financial statements. Further disclosure of the Directors' assessment of going-concern is made in note 30 to these annual financial statements.

Legal proceedings

Jubilee has entered into arbitration proceedings with Riverfort Global Opportunities PCC. The Company's advisors are of the opinion that any claims made by Riverfort Global Opportunities PCC, have little merit and the Company intends to vigorously defend all of the claims made.

Other than as disclosed above, the Directors are not aware of any other legal proceedings or other material conditions that may impact on the Company's ability to continue its mining or exploration activities.

Special resolutions

During the period under review shareholders voted in favour of the following special resolution tabled at its AGM held in December 2019:

- The Company was authorised to make one or more market purchases (as defined in section 693(4) of the Act) of ordinary shares of the Company. The maximum aggregate value of ordinary shares which may be purchased is £ 2 773 675 (representing approximately 14.95% of the issued share capital of the Company at the time of the resolution being passed.)

Report of the Directors

continued

Directors' interests in securities of the Company

The Directors' interests in the shares of the Company as at the end of the year and the date of this report were as follows:

	Number of ordinary shares	
	30 June 2020	**30 June 2019**
C Bird (Direct)	**11 547 555**	11 047 555
L Coetzer (Direct)	**27 810**	27 810
Dr M Phosa (Indirect)[1]	**2 727 384**	2 834 884
Total	**14 302 749**	13 910 249

1= Dr Phosa holds his interest in Jubilee through his trust NMP Trust of which he is a trustee.

The Directors' interests in share options of the Company as at the end of the year were as follows:

Strike price	**Par value**	**3.5p**	**4p**	**6p**	**Total**
Leon Coetzer	7 000 000	8 000 000	4 000 000	4 000 000	23 000 000
Colin Bird	5 000 000	4 000 000	2 000 000	2 000 000	13 000 000
Chris Molefe	–	–	500 000	500 000	1 000 000
Dr Matthews Phosa	–	500 000	500 000	500 000	1 500 000
Total	**12 000 000**	**12 500 000**	**7 000 000**	**7 000 000**	**38 500 000**

Refer to note 20 on page 84 of this report for details of the options awarded. The remuneration of the directors during the period under review was as follows:

Figures in Sterling	**Remuneration paid**	**Benefits in kind**	**Other Services**	**Total 2020**	**Total 2019**
C Bird	90 000	9 126	–	**99 126**	88 406
C Molefe	16 410	–	–	**16 410**	18 492
L Coetzer	460 704	–	–	**460 704**	280 210
Dr Phosa	32 821	–	–	**34 308**	34 308
Dr Kirby	21 259	–	47 473	**68 732**	43 275
	621 194	9 126	47 473	**677 793**	464 690

Refer to note 6 on page 69 of this report for details of director remuneration and employee costs.

Report of the Directors

continued

Board of Directors

There were no changes to the Board during the period under review. Post the period under review Nicholas Taylor (based in the UK and aged 51) was appointed to the board as non-executive director effective 1 October 2020.

Abbreviated biographies of the Directors

Mr Colin Bird

Non-Executive Chairman

Mr Bird is a chartered engineer, a Fellow of the Institute of Materials, Minerals and Mining and holds both a UK and South African Mine Managers Certificate. 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 mining operations in the UK, Europe and Latin America. He has been involved in the management of nickel, copper, gold and many 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

Dr Mathews Phosa is a prominent political and business leader in South Africa. He played a key role in the countries negotiations that led to the peaceful end of four decades of apartheid rule in 1994 and ushered in a democratic government.

Dr Phosa qualified with a Bachelor of Law degree (Mercantile Law) then Baccalaureus Procurationis, from the University of the North ((BProc LLB (UNIN) and later was awarded an Honorary Doctor of Law Degree (PhD (HON) in Law) from Boston University, USA in 1995.

He served his legal Articles of Clerkship at the well-known law firm Godfrey Rabin Attorneys from 1979 to 1981. He subsequently established the first black owned law practice in Nelspruit, Mpumalanga in 1981 under the name Phosa, Mojapelo and Makgoba Attorneys and worked as a partner until 1985.

In 1985, Dr Phosa, was forced into exile by the apartheid government and a year later became the regional commander in Mozambique of Umkhonto we Sizwe, the military wing of the African National Congress (ANC). He led his troops on mission after mission until the tide of liberation turned in the ANC's favour.

In 1990, he was one of the first four members of the ANC that returned to South Africa from exile after the unbanning of the party. After the first democratic elections in 1994, he was appointed by South Africa's first black President, Nelson Mandela, as the first Premier of Mpumalanga, one of the nine newly-established provinces in the country. He held this position until 1999 after which he became a member of the National Executive Committee of the ANC.

At the ANC's 52nd National Conference in 2007, Dr Phosa was elected Treasurer General, a position he held until 2012.

Dr Phosa serves on a number of boards, including Jubilee Metals Group, Hans Merensky, Vuka Timbers, Mathews Phosa & Associates, Phosa Loots Inc Attorneys, Frans Schutte & Mathews Phosa Inc Attorneys, Renaissance Capital, Bauba Platinum, M3P Mining & Engineering, Salene Manganese and Value Logistics to name a few.

Phosa served on the board of Special Olympics International and is Chairperson of Special Olympics South Africa (SOSA). He has been instrumental in awakening the movement in South Africa since 2006. SOSA is an NPO founded to provide year-round sports training and athletic competition in a variety of Olympic-type sports for children and adults with intellectual disabilities.

Phosa is among South Africa's longest-serving university Council Chairpersons. He was Unisa's Council Chairperson from 2003 to 2015, appointed by the then Minister of Education, Kader Asmal to chair Unisa's Council through a particularly challenging phase: the 2004 merger of Unisa, Technikon SA and Vista University's Distance Education Campus. Phosa's background as a negotiator made him more than equal to the task.

Dr Phosa is a prolific author who speaks nine languages. He has two anthologies in Afrikaans poetry to his name under the title "Deur die oog van 'n naald" – some of which have been prescribed in the school curriculum for our national matric syllabus. Phosa launched an English anthology called "Chants of Freedom" on 2 June 2015.

The Executive Management of the University of the Free State (UFS) appointed Dr Mathews Phosa as Visiting Professor to the UFS in 2006 for a period of three years. Dr Phosa was involved with the training of the UFS School of Management's MBA students. Dr Phosa was awarded a Lifetime Achievement Award for his contribution to transformation and empowerment at the 12th Oliver Empowerment Awards ceremony on 26 April 2013.

Dr Phosa attended the 25th anniversary celebrations of the signing of the Brazzaville Accord on Peace in Southern Africa in Brazzaville in February 2014 where he was awarded the Congolese Order of Merit by President Denis Sassou Nguesso (President of the Republic of the Congo). (*The Congolese Order of Merit is the highest decoration of the Republic and was instituted by Abbé Fulbert Youlou, first president, on 25 February 1959 to be awarded to heads of state and other eminent persons and for outstanding acts and services to the Republic. It is both a military and civilian award. Congo-Brazzaville is a small former French colony with a population of less than four million people and the order is rare.*)

Dr Phosa was the only recipient to receive two awards at the African Achievers Awards in Abuja, Nigeria on 8 July 2016. The first award bestowed on him was for "*Leadership Excellence in Africa*". The second was a "*Life time Achiever*" Award. He dedicated the first to good governance and democracy and the second he dedicated to our former President, the late cde Nelson Mandela.

Dr Phosa made history when he became the first man to be presented with an award by the African Women in Leadership Organisation at their 8th edition of the African Woman In Leadership Organisation (AWLO) Conference in Washington DC, USA on 18 August 2016. Dr Phosa was awarded the "*African Man of the Year*" Award in recognition of his tireless effort in showcasing and supporting the creativity of African women.

Mr Christopher Molefe

Non-Executive Director

Mr Molefe was formerly the Chief Executive of Royal Bafokeng Resources Proprietary Ltd and recently resigned from Merafe Resources Limited and Capital Oil Proprietary Ltd, both in South Africa. He served as Chairman of Transfrontier Capital Proprietary Ltd and Sabicor Proprietary Ltd. 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 Proprietary Ltd; 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) Proprietary Ltd and an Executive Director at Dipapatso Media Proprietary Ltd. He currently serves on Galileo Resources Plc's board as Non-Executive Director.

Report of the Directors

continued

Mr Leon Coetzer

Chief Executive Officer

Leon Coetzer is a qualified chemical engineer. He has been employed within the Anglo American plc stable for 20 years, 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 of Anglo American, and advisor to the asset optimisation initiative at Anglo Platinum and Anglo American. 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. Leon was appointed Chief Executive Office of Braemore Resources in 2008. Braemore Resources was responsible for the commercialisation of the patented ConRoast pyro-metallurgical process which was commercialised at its Smelters in Middelburg. Leon oversaw the acquisition of Braemore by Jubilee Metals Group Plc (formerly Jubilee Platinum Plc) and was appointed Chief Executive Officer of Jubilee in 2010. 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.

Dr Evan Kirby

Technical Director

Dr Kirby is a metallurgist with extensive experience in the mining sector. He spent 16 years in South Africa with Impala Platinum, Rand Mines and then Rustenburg Platinum Mines. During this time, he worked in management, process development, plant expansions and on new projects. In 1992, he moved to Australia, and had engineering company management & technical position in projects covering a wide variety of metals & minerals, including many world-leading developments. In 2002, Evan established his consulting business, Metallurgical Management Services. His clear understanding of the relationships between geology, mining, metallurgy, and production has contributed to the technical and financial success of many projects. He has served as a director of Mining companies listed on the ASX and AIM (London).

Nicholas Taylor

Non-Executive Director

Nick is currently a consultant with EMR Capital, a specialist resource private equity manager, and is a non-executive director at Maya Gold & Silver Inc., a TSX-listed mineral exploration and development company. Having qualified in the UK with Price Waterhouse as a Chartered Accountant, Nick spent over 20 years in investment banking, focusing principally on the mining and minerals sector where he has significant experience of corporate transactions, particularly public and private M&A, capital raising and deal structuring. Initially with Deutsche Bank, he rose to become Managing Director, European Head of Metals & Mining and, moving to Hong Kong, spent 4 years as Managing Director, Co-Head of Asia Pacific Natural Resources Investment Banking. Subsequently, he joined The Royal Bank of Canada as Managing Director, European Head of Natural Resources Investment Banking.

Nick is based in the UK and holds an MA in Natural Sciences from the University of Cambridge.

Report of the Directors

continued

Major shareholders

The Directors are aware of the following substantial shareholdings of 3 % or more of the share capital of 2 112 509 573 ordinary shares at 30 June 2020:

Ordinary shares of 1p each	Number	%
JIM Nominees Ltd	290 244 675	13.74
HSBC Global Custody Nominee (UK) Ltd AC944 287	164 070 588	7.77
HSBC Global Custody Nominee (UK) Ltd AC329 888	144 377 107	6.83
Hargreaves Lansdown (Nominees) Ltd	141 653 052	6.70
HSBC Global Custody Nominee (UK) Ltd AC800 757	108,685,000	5.14
Barclays Direct Investing Nominees Ltd	71 678 412	3.39

Share issues, options and warrants

Details of shares issued, options granted and warrants issued during the year are disclosed in note 20 on page 85 of the financial statements.

Post-reporting date events

Refer to note 31 of the financial statements for details of post balance sheet events.

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.

Qualifying indemnity provision

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

UK Streamlined Energy and Carbon Reporting

The Group's UK energy and carbon information is not disclosed as the Company and UK subsidiaries qualify as low energy users in the UK.

Political and charitable donations

The Group made no charitable or political donations during the period under review (2019: £ Nil).

Report of the Directors

continued

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. Saffery Champness LLP provides audit services to the Company. Any non-audit- related services have to be recommended by the Audit and Risk Committee and approved by the Board. The level of fees charged is reviewed by the Board to ensure they remain competitive and to ensure no conflicts of interest arise. Saffery Champness LLP were re-appointed at the group's Annual General Meeting in December 2019 and in accordance with the company's articles, a resolution proposing that Saffery Champness LLP be reappointed as auditor of the company will be put at a General Meeting.

Statement of disclosure to auditors

The Directors have taken all reasonable steps 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

9 November 2020

Company number 04459850

Inyoni operations

Directors' s172 statement

As the Board of Jubilee Metals Group Plc we are aware that the decisions we make may affect the lives of many people. The Board makes a conscious effort to try and understand the interests of our stakeholders, and to reflect them in the choices we make in creating long-term sustainable success for the business.

The Board views engagement with our shareholders and wider stakeholder groups as essential work. We are aware that we need to listen to each stakeholder group, so that we can understand specific interests, and foster effective and mutually beneficial relationships. By understanding our stakeholders, we can build their needs into the decisions we take.

Throughout this Annual Report, we provide examples of how we:

- Consider the likely consequences of long-term decisions;
- Foster relationships with stakeholders;
- Understand our impact on our local community and the environment; and
- Demonstrate the importance of behaving responsibly.

This section serves as our section 172 statement and should be read in conjunction with the Strategic Report on pages 3-16 of this report and the Company's Corporate Governance Statement on page 19 of this report. Section 172 of the Companies Act 2006 requires Directors to act in a way that they consider, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole, taking into account the factors listed in s172 in regard to:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly between members of the Company.

The Directors continue to have regard for the interests of the Company's employees and other stakeholders, including the impact of its activities on the community, the environment and the Company's reputation, when making decisions. Acting in good faith and fairly between members, the Directors consider what is most likely to promote the success of the Company for its members in the long term.

The Company promotes sustainable metal production to benefit our employees, investors, communities and governments. We regularly review our principal stakeholders and how we engage with them. The stakeholder voice is brought into the boardroom throughout the annual cycle through information provided by management and also by direct engagement with stakeholders themselves. The relevance of each stakeholder group may increase or decrease depending on the matter or issue in question, so the Board seeks to consider the needs and priorities of each stakeholder group during its discussions and as part of its decision making.

Directors' s172 statement

continued

The following table acts as our s172 (1) statement by setting out the key stakeholder groups, their interests and how Jubilee Metals Group Plc has engaged with them over the reporting period.

Stakeholder	Their interest	How we engage
Investors	▪ Business sustainability ▪ High standard of governance ▪ Comprehensive review of financial performance of the business ▪ Ethical behaviour ▪ Awareness of long term strategy and direction ▪ Continual approval of market perception of the business ▪ Delivering long term value	▪ Annual and Interim reports ▪ Regular operations and market updates ▪ RNS Announcements ▪ Investor relations section on website ▪ Annual General Meeting ▪ Shareholder circulars ▪ Shareholder liaison through the Board ▪ Board encourages open dialogue with the Company's investors ▪ Social media
Regulatory bodies	▪ Compliance with regulations ▪ Worker pay and conditions ▪ Health & Safety ▪ Waste and environment ▪ Insurance ▪ Environmental Protection	▪ Stock Exchange announcements ▪ Annual Report ▪ Website ▪ Direct contact with regulators ▪ Compliance updates at Board meetings ▪ Communications with South African, Zambian and other relevant Governments and departments ▪ Engagement with local community leaders
Environment	▪ Sustainability ▪ Waste Management ▪ Energy usage	▪ Adhere to local environmental codes ▪ Environmental, Social & Corporate Governance (refer to page 19 of this report for more detail)
Community	▪ Community outreach ▪ Human Rights ▪ Sustainable growth minimising adverse impacts	▪ Meeting with key community representatives ▪ Inter-action with communities in which we operate ▪ Environmental, Social & Corporate Governance (refer to page 19 of this report for more detail) ▪ Reaching out
Contractors and joint venture partners	▪ Terms and conditions of contract ▪ Health & Safety ▪ Human rights	▪ Open and active dialogue with all contractors and JV partners providing feedback on successes and challenges ▪ Anti-bribery policy ▪ Whistleblowing policy

Statement of 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 compliance with the JSE's Altx listing rules.

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 Companies Act of the United Kingdom. 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.

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

L Coetzer
Chief Executive Officer

9 November 2020

Company number 04459850

Report of the Audit and Risk Committee

for the year ended 30 June 2020

The Audit and Risk Committee is chaired by Mr Colin Bird. During the financial year ended 30 June 2020 the Audit and Risk Committee carried out its functions as follows:

- Nominated the re-appointment of Saffery Champness LLP as the registered independent auditors after satisfying itself through enquiry that Saffery Champness LLP is independent as defined in terms of the Corporate Laws Amendment Act ("CLAA").
- Determined the fees to be paid to Saffery Champness LLP and their terms of engagement.
- Ensured that the re-appointment complied with the CLAA and any other legislation relating to the appointment of auditors.
- Reviewed the nature of any 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 Saffery Champness LLP as statutory auditors are independent of the Company.

On 5 November 2020, Nicholas Taylor was appointed member of the committee. The Audit and Risk Committee has considered and satisfied itself of the appropriateness and expertise of the newly appointed Group Chief Financial Officer, Mr. P Kovacevic, and is unanimously satisfied of his suitability for the position for the ensuing year.

The Audit and Risk Committee recommended the financial statements for the year ended 30 June 2020 for approval to the Board. The Board has subsequently approved the financial statements, which will be tabled for approval at the forthcoming Annual General Meeting.

Colin Bird
Chairman – Audit and Risk Committee

9 November 2020

Company number 04459850

Independent auditor's report to the members of Jubilee

Opinion

We have audited the financial statements of Jubilee Metals Group plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2020 which comprise the Group and Company Statements of Financial Position, the Group and Company Statements of Comprehensive Income, the Group and Company Statements of Changes in Equity, the Group and Company Statements of Cash Flows and notes to the financial statements, including a summary of significant accounting policies set out on pages 47 to 105. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Independent auditor's report to the members of Jubilee

continued

Key audit matters

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

Key Audit Matter	How our audit addressed the key audit matter
Revenue recognition Revenue for the year was £54.8m, representing a significant increase from 2019. 2020 saw the acquisition of Sable Zinc Kabwe Limited resulting in new copper revenue as well as additional material at Windsor. Revenue has been derived from the sale of copper, chrome and platinum group metals. The Group recorded revenues at Sable Zinc Kabwe Limited, being its first surface processing revenues generated outside of South Africa. The Group applies IFRS 15 and therefore approaches its revenue recognition policy by reference to the performance obligations inherent in its contracts. The Group's revenue recognition accounting policy is set out in note 1.12.1. Due to the significance and growth of revenue in the financial statements, revenue recognition is a key audit matter.	Our audit procedures included the following: ▪ Obtaining a sample of sales contracts and understanding the key performance conditions and pricing terms; ▪ Evaluating the Group's revenue recognition policy and management's application of the policy to the recording of revenue; ▪ Understanding how the Group's revenue recognition policy was applied to revenue streams at Kabwe, Zambia; ▪ Observing the sales processes during a site visit at Kabwe, Zambia, and Inyoni, South Africa; ▪ Comparing exchange rates used in management's calculations by reference to external sources; ▪ Substantive tests agreeing sales invoices to underlying concentrates analyses and pricing to external sources; and ▪ Testing around the period end to review the treatment of sales around the year end. Based on our procedures, we noted no material exceptions and consider management's key assumptions to be within reasonable ranges. We consider that revenue recognition has been recognised appropriately and in accordance with the Group's revenue recognition policy and IFRS 15.

Independent auditor's report to the members of Jubilee

continued

Key Audit Matter	How our audit addressed the key audit matter
Acquisition of Sable Zinc Kabwe Limited In August 2019 the purchase of 100% of the share capital of Sable Zinc Kabwe Limited, a Zambian company, became effective following the satisfaction of conditions precedent. The Board determined the transaction meets the definition of a business as defined in IFRS 3. The assets and liabilities acquired were therefore measured at fair value at the acquisition date. The principal asset acquired in the business combination was a processing plant located at Kabwe, Zambia, which was recognised on acquisition date at its fair value of £9.2m. The total consideration for the transaction was $11.5m (£10.1m) paid in three tranches. The business combination accounting resulted in the recognition of goodwill of £0.9m. The Board determined that goodwill was not impaired at 30 June 2020. Due to the significance of the transaction we consider this acquisition to be a key audit matter.	Our audit procedures included the following: ▪ Obtaining the Share Purchase Agreement setting out the key terms of the transaction; ▪ Discussing with management their view of the appropriate accounting treatment of the overall transaction, including the rationale underlying the recognition of the transaction as a business combination; ▪ Testing the basis upon which the effective date of the acquisition was determined; ▪ Reviewing the basis upon which the fair values of assets and liabilities acquired were determined, including by reference to external valuation reports performed by third parties; ▪ Reviewing evidence of impairment of resulting goodwill; ▪ Ensuring that the Group's results for the year under review reflect only revenues generated post acquisition; ▪ Testing the legal basis for the assignment of debt from the acquiree's former parent company to the Group; and ▪ Performing an onsite visit in Kabwe, Zambia, to verify the existence of assets and understand the operation. Based on our procedures, we noted no material exceptions and consider management's key assumptions to be within reasonable ranges.

Independent auditor's report to the members of Jubilee

continued

Key Audit Matter	How our audit addressed the key audit matter
Acquisition of Enviro Mining Limited At 30 June 2019, the Group held an option to acquire 100% of the issued share capital of Enviro Mining Limited, a Mauritian company. That option was subsequently exercised and the Group gained control of Enviro Mining Limited and its Zambian subsidiaries. The option carried no exercise price, and the exercise resulted in the derecognition of the option asset and a loss on derecognition of £5m. The Board determined that the acquired operations constituted a business. Therefore, it considered the fair value of the consideration as well as the assets and liabilities acquired. On exercise of the option, Jubilee simultaneously acquired the 12.5% of Kabwe Operations Limited not previously held by the Group and granted a royalty to BMR Group Plc. The royalty relates to the future earnings of the Kabwe Project relating to zinc, lead and vanadium. The value of the royalty depends on a number of factors, such as the amount of capital expended by the Group, the timing of cash flows and earnings, future metals prices, and the time value of money. The fair value of the contingent consideration was therefore a significant judgement made by the Directors. Similarly, when assessing the fair values of the assets and liabilities acquired in the business combination, the Board identified that a subsidiary of Enviro Mining Limited, Enviro Processing Limited, a Zambian company, holds the small-scale mining licence associated with the Kabwe Project. The fair value of this licence was assessed and valued by reference to future cash flows and therefore subject to significant judgement. For these reasons, the acquisition of Enviro Mining Limited and its subsidiaries is considered a key audit matter.	Our audit procedures included the following: ▪ Obtaining the formal agreement with BMR Group Plc which set out the terms of the option exercise and royalty; ▪ Obtaining documentary evidence of the Group's exercise of the option; ▪ Challenging management on their judgement of the date from which the Group gained control of Enviro Mining Limited; ▪ Testing management's assessment of whether the acquisition of Enviro Mining Limited constituted a business combination and making enquiries of management about the acquiree's activities at the acquisition date; ▪ Obtaining and examining management's cash flow forecasts in support of the fair value of the mining licence and royalty and challenging key assumptions in the model; ▪ Obtaining a summary of the Group's acquisition accounting and underlying workings; ▪ Challenging the assumptions applied in a cash flow model of the Kabwe Project and assessing the appropriateness of the methodology applied in identifying the fair value of the small-scale mining licence; ▪ Challenging management on the justification and rationale for the recognition of a gain on bargain purchase arising from the transaction; and ▪ Considering the relevant tax base and rate based on the expected future realisation of the small-scale licence intangible asset. Based on our procedures, we noted no material exceptions and consider management's key assumptions to be within reasonable ranges.

Independent auditor's report to the members of Jubilee

continued

Key Audit Matter	How our audit addressed the key audit matter
Impairment of intangibles assets The carrying value of intangible assets included in the Group's Statement of Financial Position at 30 June 2020 was £73m. Of this total, £36.4m is attributable to the Group's mining right associated with the Tjate project in South Africa. The Directors assess at each reporting period whether there is any indication that an asset may be impaired. The Group's intangible assets with an indefinite useful life are tested for impairment at each reporting date, including goodwill. The determination of recoverable amount, being the higher of value-in-use and fair value less costs to dispose, requires judgement on the part of management in both identifying and then valuing the relevant Cash Generating Units, especially for projects where there is an uncertain timeframe. Any impairment in these CGUs could lead to consequent impairments of the Company's investments in subsidiaries or intercompany loans. These were carried at £36.9m and £65.8m respectively at 30 June 2020. Deferred tax liabilities are recognised on certain intangible assets following business combinations and these liabilities are reassessed at each reporting period by reference to expectations as to how these assets will be realised and the tax base and rate in the relevant jurisdiction. Due to the significance of the intangible assets to Group financial statements, the significant judgements involved in these assessments and the potential impact on the Company's investments and intercompany loans, the potential impairment of intangible assets is a key audit matter.	Our audit procedures included the following: ▪ Assessing whether the methodology used by the Directors to calculate recoverable amounts is in accordance with IAS 36; ▪ Assessing the available evidence in support of the recoverable amount in relation to the Tjate Project, including in support of value in use calculations, and determining whether the assumptions applied are reasonable and supportable given the current macroeconomic climate; ▪ Performing sensitivity analyses on key assumptions and testing the mathematical accuracy of models; ▪ Challenging inputs to models including comparison with external data sources; ▪ Reviewing correspondence and other sources for evidence of impairment; ▪ Reviewing the recoverability of intercompany loans within the Company and indicators of impairment in investments in subsidiaries; ▪ Obtaining management's IFRS 9 Expected Credit Loss analysis in respect of intercompany loans and examining the assumptions being applied; ▪ Assessing the appropriateness and completeness of the related disclosures in note 9, intangible assets, of the Group financial statements; ▪ Performing an examination of cash flow forecasts for all material projects to understand the expected future cash flows; and ▪ Reviewing the treatment and correct classification of newly acquired intangible assets. Based on our procedures, we noted no material exceptions and consider management's key assumptions to be within reasonable ranges.

Independent auditor's report to the members of Jubilee

continued

Key Audit Matter	How our audit addressed the key audit matter
Acquisition of intangible assets at Inyoni The Group has operated the Inyoni Project (formerly Hernic) for a number of years, where it has historically processed waste material under a series of access and earnings sharing agreements. During the year the Group purchased full earnings rights to both platinum group metals and chrome at Inyoni. The total consideration for the purchases was ZAR 284.67m (£13.4m). This purchase has been recorded as an addition to intangible assets. Management determined an appropriate amortisation policy by reference to the quantum of material remaining. Due to the size of the addition, the acquisition of these rights is a key audit matter.	Our audit procedures included the following: ▪ Obtaining the purchase documentation to determine whether the Group had acquired physical material as inventory or legal rights as intangible assets; ▪ Testing consideration to the asset purchase agreement and subsequent cash payments; ▪ Agreeing the accounting entries though to the consolidated financial statements and the recognition of the purchase as an addition to intangible assets; ▪ Examining the basis for the amortisation policy applied to the asset; and ▪ Reviewing the suitability of disclosures associated with the transaction. Based on our procedures, we noted no material exceptions and consider management's key assumptions to be within reasonable ranges.
Loan to Horizon In June 2020, Jubilee entered into a joint operation with Star Tanganika Limited in respect of Project Elephant. As part of the agreement, Jubilee agreed to advance a loan to Horizon Corporation Limited, Star Tanganika Limited's parent company, of $5m. Under the terms of the loan agreement, the loan is repayable on a date contingent upon the commencement of the project and other factors. Of the $5m facility, £3.2m was drawn during the period to 30 June 2020, by way of an equity issue to Horizon Corporation. The loan represents a financial asset carried at fair value. This required significant management judgement and therefore the issue is key audit matter.	Our audit procedures included the following: ▪ Obtaining the Joint Venture Agreement which governs the arrangement and identifying key terms; ▪ Obtaining management's assessment of the key judgements and resulting accounting presentation; ▪ Obtaining and challenging management's latest project model to support the timeframe for recovery of the loan and in support of impairment and credit loss assessment; ▪ Confirming the share issue to records; and ▪ Reviewing the suitability of disclosures associated with the transaction. Based on our procedures, we noted no material exceptions and consider management's key assumptions to be within reasonable ranges.

Independent auditor's report to the members of Jubilee

continued

Our application of materiality

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

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

An overview of the scope of our audit

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Independent auditor's report to the members of Jubilee

continued

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Independent auditor's report to the members of Jubilee

continued

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

9 November 2020

Group and Company statements of financial position

at 30 June 2020

Figures in Sterling	Note(s)	Group 2020	Group 2019	Company 2020	Company 2019
Assets					
Non-current assets					
Property, plant and equipment	8	**20 076 448**	17 901 768	**–**	–
Intangible assets	9	**72 901 175**	46 937 992	**–**	–
Investments in subsidiaries	10	**–**	–	**36 903 778**	36 903 778
Investments in associates	11	**450 598**	1 895 477	**870 000**	3 032 996
Loans to Group companies	12	**–**	–	**65 817 570**	52 352 297
Other financial assets	13	**3 406 644**	5 709 324	**–**	5 021 585
		96 834 865	72 444 561	**103 591 348**	97 310 656
Current assets					
Inventories	14	**2 140 239**	1 660 691	**–**	–
Deferred tax asset	29	**3 223 254**	–	**–**	–
Trade and other receivables	15	**13 083 307**	4 864 399	**353 498**	316 917
Contract assets	15	**5 408 622**	4 207 330	**–**	–
Cash and cash equivalents	16	**9 947 822**	18 865 288	**4 271 611**	11 556 209
		33 803 244	29 597 708	**4 625 109**	11 873 126
Total assets		**130 638 109**	102 042 269	**108 216 457**	109 183 782
Equity and liabilities					
Equity attributable to equity holders of parent					
Share capital and share premium	19	**114 585 392**	105 820 411	**114 585 392**	105 820 411
Reserves		**10 317 560**	22 319 022	**25 907 579**	25 906 473
Accumulated loss		**(33 201 211)**	(51 842 702)	**(32 729 803)**	(25 550 029)
		91 701 741	76 296 731	**107 763 168**	106 176 855
Non-controlling interest	10	**2 479 277**	2 393 081	**–**	–
		94 181 018	78 689 812	**107 763 168**	106 176 855
Liabilities					
Non-current liabilities					
Other financial liabilities	22	**10 428 719**	10 396 736	**–**	–
Deferred tax liability	29	**10 944 698**	6 018 620	**–**	954 101
Provisions		**694 358**	–	**–**	–
		22 067 775	16 415 356	**–**	954 101
Current liabilities					
Other financial liabilities	22	**1 460 968**	2 272 459	**–**	1 602 656
Trade and other payables	23	**12 422 880**	4 664 642	**453 289**	450 170
Contract liabilities	23	**505 468**	–	**–**	–
		14 389 316	6 937 101	**453 289**	2 052 826
Total liabilities		**36 457 091**	23 352 457	**453 289**	3 006 927
Total equity and liabilities		**130 638 109**	102 042 269	**108 216 457**	109 183 782

The accompanying accounting policies and notes on pages 52 to 105 form an integral part of these financial statements.

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

Leon Coetzer
Chief Executive Officer

Company number: 04459850

Group and Company statements of comprehensive income

for the year ended 30 June 2020

Figures in Sterling	Note(s)	Group 2020	Group 2019	Company 2020	Company 2019
Continuing operations					
Revenue	3	**54 774 818**	23 585 845	**–**	–
Cost of sales		**(29 687 220)**	(10 709 445)	**–**	–
Gross profit		**25 087 598**	12 876 400	**–**	–
Other income		**1 470 631**	385 000	**–**	–
Operating expenses		**(10 670 041)**	(8 388 378)	**(1 190 691)**	(568 407)
Operating profit/(loss)	4	**15 888 188**	4 873 022	**(1 190 691)**	(568 407)
Investment revenue	5	**125 264**	30 058	**95 435**	126 005
Fair value adjustments	13	**(5 021 585)**	5 021 585	**(5 021 585)**	5 021 585
Gain on bargain purchase through business combinations	27.2	**6 606 755**	–	**–**	–
Impairments		**–**	–	**(2 162 996)**	(1 183 068)
Finance costs	5	**(2 420 875)**	(1 112 909)	**(175 135)**	(179 604)
Share of loss from associates	11	**(1 444 879)**	(865 489)	**–**	–
Profit/(loss) before taxation		**13 732 868**	7 946 267	**(8 454 972)**	3 216 511
Taxation	7	**4 495 716**	(969 971)	**954 101**	(954 101)
Profit/(loss) for the year		**18 228 584**	6 976 296	**(7 500 871)**	2 262 410
Earnings/(loss) for the year					
Attributable to:					
Owners of the parent		**18 320 392**	6 993 587	**(7 500 871)**	2 262 410
Non-controlling interest	10	**(91 808)**	(17 291)	**–**	–
		18 228 584	6 976 296	**(7 500 871)**	2 262 410
Earnings per share (pence)	18	**0.94**	0.48		
Diluted earnings per share (pence)		**0.93**	0.47		
Reconciliation of other comprehensive income:					
Profit/(loss) for the year		**18 228 584**	6 976 296	**(7 500 871)**	2 262 410
Other comprehensive income:					
Exchange differences on translation of foreign operations	21	**(12 388 588)**	679 636	**–**	–
Total comprehensive profit/(loss)		**5 839 996**	7 655 932	**(7 500 871)**	2 262 410
Total comprehensive profit/(loss) attributable to:					
Owners of the parent		**6 317 824**	7 626 600	**(7 500 871)**	2 262 410
Non-controlling interest		**(477 828)**	29 332	**–**	–
		5 839 996	7 655 932	**(7 500 871)**	2 262 410

Group and Company statements of changes in equity

for the year ended 30 June 2020

Figures in Sterling	Share capital and share premium	Translation reserve	Merger reserve	Share-based payment reserve	Convertible notes reserve	Total reserves	Accumulated loss	Total attributable to equity holders of the Group/ Company	Non-controlling interest	Total equity
Group										
Balance at 1 July 2018	**94 065 073**	**(4 220 464)**	**23 184 000**	**2 468 578**	**–**	**21 432 114**	**(59 057 860)**	**56 439 327**	**2 363 401**	**58 802 728**
Changes in equity										
Profit for the year	–	–	–	–	–	–	6 993 587	6 993 589	29 332	7 022 921
Other comprehensive income	–	633 013	–	–	–	633 013	–	633 013	–	633 013
Total comprehensive income for the year	–	633 013		–	–	633 013	6 993 587	7 626 602	29 332	7 655 932
Issue of share capital net of costs	11 765 355	–	–	–	–	–	–	11 765 355	–	11 765 355
Share warrants issued	(10 017)	–	–	231 593	–	231 593	–	221 575	–	221 575
Share warrants expired	–	–	–	(180 736)	–	(180 736)	180 736	–	–	–
Equity component of convertible loan note	–	–	–	–	203 040	203 040	–	203 040	–	203 040
Changes in fair value of NCI interest – control not lost	–	–	–	–	–	–	40 835	40 835	–	40 835
Changes in ownership interest – control not lost	–	–	–	–	–	–	–	–	348	348
Total changes	11 755 338	633 013	–	50 857	203 040	886 908	7 215 159	19 857 405	29 680	19 887 085
Balance at 30 June 2019	**105 820 411**	**(3 587 451)**	**23 184 000**	**2 519 435**	**203 040**	**22 319 022**	**(51 842 700)**	**76 296 733**	**2 393 081**	**78 689 812**
Changes in equity										
Profit for the year	**–**	**–**	**–**	**–**	**–**	**–**	**18 320 392**	**18 320 392**	**(477 828)**	**17 842 564**
Other comprehensive income	**–**	**(12 002 568)**	**–**	**–**	**–**	**(12 002 568)**	**–**	**(12 002 568)**	**–**	**(12 002 568)**
Total comprehensive income for the year	**–**	**(12 002 568)**	**–**	**–**	**–**	**(12 002 568)**	**18 320 392**	**6 317 824**	**(477 828)**	**5 839 996**
Issue of share capital net of costs	**8 764 981**	**–**	**–**	**–**	**–**	**–**	**–**	**8 764 981**	**–**	**8 764 981**
Share warrants issued	**–**	**–**	**–**	**205 903**	**–**	**205 903**	**–**	**205 903**	**–**	**205 903**
Share options exercised/lapsed	**–**	**–**	**–**	**(324 597)**	**–**	**(324 597)**	**321 097**	**(3 500)**	**–**	**(3 500)**
Share options issued	**–**	**–**	**–**	**119 800**	**–**	**119 800**	**–**	**119 800**	**–**	**119 800**
Business Combinations	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**564 024**	**564 024**
Total changes	**8 764 981**	**(12 002 568)**	**–**	**1 106**	**–**	**(12 001 462)**	**18 641 489**	**15 405 008**	**86 196**	**15 491 204**
Balance at 30 June 2020	**114 585 392**	**(15 590 019)**	**23 184 000**	**2 520 541**	**203 040**	**10 317 560**	**(33 201 211)**	**91 701 741**	**2 479 277**	**94 181 018**
Notes	19			20					10	

Translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Merger reserve comprises the difference between the fair value of an acquisition and the nominal value of the shares allotted in a share exchange.

Share based payment reserve comprises the fair value of an equity-settled share based payment.

Convertible notes reserve comprises the amount allocated to the equity component for the convertible notes issued by the Company.

Non-controlling interest comprises the differences between the carrying value of non-controlling interests and the consideration paid/received, where there has been a transaction involving non-controlling interests that do not result in a loss of control.

Group and Company statements of changes in equity

for the year ended 30 June 2020

Figures in Sterling	Share capital and share premium	Merger reserve	Share-based payment reserve	Convertible instrument reserve	Total reserves	Accumulated loss	Total attributable to equity holders of the Group/ Company	Total equity
Company								
Balance at 1 July 2018	**94 065 073**	**23 184 000**	**2 468 578**	**–**	**25 652 578**	**(27 993 176)**	**91 724 475**	**91 724 475**
Changes in equity								
Total comprehensive income for the year	–	–	–	–	–	2 262 410	2 262 410	2 262 410
Issue of ordinary shares	11 765 355	–	–	–	–	–	11 765 355	11 765 355
Share warrants issued	(10 017)	–	231 593	–	231 593	–	221 575	221 575
Share warrants expired	–	–	(180 736)	–	(180 736)	180 737	–	–
Equity component of convertible loan note	–	–	–	203 040	203 040	–	203 040	203 040
Total changes	11 755 338	–	50 857	203 040	253 897	2 443 147	14 452 380	14 452 380
Balance at 30 June 2019	**105 820 411**	**23 184 000**	**2 519 435**	**203 040**	**25 906 473**	**(25 550 029)**	**106 176 855**	**106 176 855**
Changes in equity								
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**(7 500 871)**	**(7 500 871)**	**(7 500 871)**
Issue of ordinary shares	**8 764 981**	**–**	**–**	**–**	**–**	**–**	**8 764 981**	**8 764 981**
Share warrants issued	**–**	**–**	**205 903**	**–**	**205 903**	**–**	**205 903**	**205 903**
Share options lapsed	**–**	**–**	**(324 597)**	**–**	**(324 597)**	**321 097**	**(3 500)**	**(3 500)**
Share options issued	**–**	**–**	**119 800**	**–**	**119 800**	**–**	**119 800**	**119 800**
Total changes	**8 764 981**	**–**	**1 106**	**–**	**1 106**	**(7 179 774)**	**1 586 313**	**1 586 313**
Balance at 30 June 2020	**114 585 392**	**23 184 000**	**2 520 541**	**203 040**	**25 907 579**	**(32 729 803)**	**107 763 168**	**107 763 168**
Notes	19		20					

Group and Company statements of cash flows

for the year ended 30 June 2020

		Group		Company	
Figures in Sterling	**Note(s)**	**2020**	**2019**	**2020**	**2019**
Cash flows from operating activities					
Cash generated from/(used in) operations	17	**21 734 025**	5 514 036	**(901 951)**	(1 041 849)
Interest income		**125 264**	30 058	**95 435**	126 005
Finance costs		**(2 420 875)**	(787 390)	**(175 134)**	(91 785)
Net cash from operating activities		**19 438 414**	4 756 704	**(981 650)**	(1 007 629)
Cash flows from investing activities					
Purchase of property, plant and equipment	8	**(1 389 730)**	(4 496 478)	**–**	–
Sale of property, plant and equipment	8	**246 783**	17 060	**–**	–
Purchase of intangible assets	9	**(16 713 185)**	(2 181 981)	**–**	–
Business combinations		**(8 008 335)**	(6 826 281)	**–**	–
Loans to group companies		**–**	–	**(10 396 570)**	(4 161 570)
(Repayment)/receipt of loans		**–**	49 368	**–**	–
Net cash from investing activities		**(25 864 467)**	(13 438 312)	**(10 396 570)**	(4 161 570)
Cash flows from financing activities					
Net proceeds on share issues		**5 696 282**	10 671 831	**5 696 278**	10 671 831
Decrease in other financial liabilities		**(4 168 296)**	(630 693)	**(1 602 656)**	(302 732)
Proceeds from other financial liabilities		**–**	10 933 550	**–**	2 108 430
Net cash from financing activities		**1 527 986**	20 974 688	**4 093 622**	12 477 529
Total cash movement for the year		**(4 898 066)**	12 293 080	**(7 284 598)**	7 308 330
Total cash at the beginning of the year		**18 865 288**	6 376 153	**11 556 209**	4 247 879
Effect of exchange rate movement on cash balances		**(4 019 400)**	196 055	**–**	–
Total cash at end of the year	16	**9 947 822**	18 865 288	**4 271 611**	11 556 209

Notes to the Group and Company financial statements

for the year ended 30 June 2020

1. Statement of accounting policies

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

The Group and Company results for the year ended 30 June 2020 have been prepared using the accounting policies applied by the Company in its 30 June 2020 annual report, which are in accordance with International Financial Reporting Standards ("IFRS") and IFRC interpretations, as issued by the International Accounting Standards Board ("IASB") and adopted for use in the EU (IFRS), including the SAICA financial reporting guides as issued by the Accounting Practices Committee and the Companies Act 2006 (UK).

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

1.1 Consolidation

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all entities, which are controlled by the Company. Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights to variable return from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

The results of subsidiaries are included in the consolidated financial statements from the effective date of acquisition to the effective date of disposal. Adjustments are made when necessary to the financial statements of subsidiaries to bring their accounting policies in line with those of the Group.

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

When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Non-controlling interests in the net assets of consolidated subsidiaries are identified and recognised separately from the Group's interest therein, and are recognised within equity. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for non-controlling interest.

Notes to the Group and Company financial statements

continued

1. Statement of accounting policies continued

Transactions which result in changes in ownership, where the Group had control of the subsidiary, both before and after the transaction, are regarded as equity transactions and are recognised directly in the statement of changes in equity. The difference between the fair value of consideration paid or received and the movement in non-controlling interest for such transactions is recognised in equity attributable to the owners of the parent.

Where a subsidiary is disposed of and a non-controlling shareholding is retained, the remaining investment is measured to fair value with the adjustment to fair value recognised in profit or loss as part of the gain or loss on disposal of the controlling interest.

Business combinations

The Group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued. Costs directly attributable to the business combination are expensed as incurred, except the costs to issue debt which are amortised as part of the effective interest and costs to issue equity which are included in equity.

Contingent consideration is included in the cost of the combination at fair value as at the date of acquisition. Subsequent changes to the assets, liabilities or equity which arise as a result of the contingent consideration are not affected against goodwill, unless they are valid measurement period adjustments.

The acquiree's identifiable assets, liabilities and contingent liabilities which meet the recognition conditions of IFRS 3: Business Combinations, are recognised at their fair values at acquisition date, except for non-current assets (or disposal group) that are classified as held for sale in accordance with IFRS 5: Non-current Assets Held-for-Sale and Discontinued Operations, which are recognised at fair value less costs to sell.

Contingent liabilities are only included in the identifiable assets and liabilities of the acquiree where there is a present obligation at acquisition date. On acquisition, the Group assesses the classification of the acquiree's assets and liabilities and reclassifies them where the classification is inappropriate for Group purposes. This excludes lease agreements and insurance contracts whose classification remains as per their inception date.

Non-controlling interest arising from a business combination is measured either at their share of the fair value of the assets and liabilities of the acquiree or at fair value. The treatment is not an accounting policy choice but is selected for each individual business combination, and disclosed in the note for business combinations. In cases where the Group held a non-controlling shareholding in the acquiree prior to obtaining control, that interest is measured to fair value as at acquisition date. The measurement to fair value is included in profit or loss for the year.

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 not amortised but is tested on an annual basis for impairment. If goodwill is assessed to be impaired, that impairment is not subsequently reversed. Goodwill arising on acquisition of foreign entities is considered an asset of the foreign entity. In such cases the goodwill is translated to the functional currency of the Group at the end of each reporting period with the adjustment recognised in equity through to other comprehensive income.

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 gain on bargain purchase is credited in full to the consolidated statement of comprehensive income on the acquisition date.

1. Statement of accounting policies continued

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 a 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.

1.2 Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits associated with the item will flow to the Company; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised. Subsequent to initial recognition, property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated over their expected useful lives to their estimated residual value. Plant under construction is not depreciated until it is commissioned and operational.

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 equipment	3 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimates. The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or 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.

Notes to the Group and Company financial statements

continued

1. Statement of accounting policies continued

1.3 Intangible assets and goodwill

Goodwill

Goodwill is measured at cost less accumulated impairment losses. Any subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. Goodwill is not amortised but is tested on an annual basis for impairment. Refer to 1.1 for treatment of goodwill arising from business combinations.

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:

- the expenditures are expected to be recouped through successful development and exploitation of the area of interest; or
- 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 continuing interest.

Exploration and evaluation assets are assessed for impairment on an annual basis 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 ("CGUs") 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.

If an intangible asset has an indefinite useful life, it is tested for impairment annually and individually to determine whether the indefinite life continues to be supportable. Only once a prospect, to bring the project to account, becomes feasible, will the useful life of the intangible asset be determinable.

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.

1. Statement of accounting policies continued

Development costs capitalised have 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.

Amortisation for each period is recognised in the statement of comprehensive income.

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, impairment in carrying amount is recorded. Any impairment is recorded in the statement of comprehensive income.

Intangible assets – Base metal beneficiation

Intangible assets with finite useful lives are recognised if it is probable that future economic benefits that are attributable to the asset and will flow to the Group and if the cost of the asset can be measured reliably. Management assesses the probability of expected future economic benefits using reasonable and supportable assumptions that represent its best estimate of the set of economic conditions that exist over the useful life of the asset. Intangible assets – base metal beneficiation are measured initially at cost. These intangible assets are amortised over the useful life of the assets with reference to the assets' contribution to the Group's economic benefits that are derived from these assets.

The Group reviews the carrying amount of these intangible assets for impairment on an annual basis. Recoverability is assessed using estimates of future cash flows on a discounted basis. Where necessary, an impairment of these assets' carrying value is recorded. Any impairment is recorded in the statement of comprehensive income.

1.4 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.

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 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.

Impairment of financial assets

At each reporting date the Group assesses all financial assets, other than those at fair value through profit or loss, to determine whether there is objective evidence that a financial asset or Group of financial assets has been impaired. For amounts due to the Group, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment.

In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator of impairment. If any such evidence exists for available-for-sale financial assets, the cumulative loss measured as the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss is removed from equity as a reclassification adjustment to other comprehensive income and recognised in profit or loss.

Notes to the Group and Company financial statements

continued

1. Statement of accounting policies continued

Impairment losses are recognised in profit or loss. Impairment losses are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised. Reversals of impairment losses are recognised in the statement of comprehensive income, except for equity investments classified as available-for-sale. Impairment losses are also not subsequently reversed for available-for-sale equity investments which are held at cost because fair value was not determinable.

Where financial assets are impaired through use of an allowance account, the amount of the loss is recognised in the statement of comprehensive income within operating expenses. When such assets are written off the write-off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited to the statement of comprehensive income.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial re-organisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. In accordance with IFRS9, the allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in profit or loss. Trade and other receivables are classified as loans and receivables.

Contract assets and contract liabilities

Revenue recognised at the period end for inventories sold and delivered, but subject to final pricing are recognised as contract assets.

Payments received in advance for inventories sold but which is only delivered and invoiced post the year end are recognised as contract liabilities.

Cash and cash equivalents

Cash and cash equivalents comprise cash-on-hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially recognised at fair value and subsequently at amortised cost.

Loans to/(from) Group companies

These include loans to and from holding companies, fellow subsidiaries, subsidiaries, joint ventures and associates and are recognised initially at fair value plus direct transaction costs. Loans to Group companies are classified as loans and receivables are reviewed for impairment at the end of each reporting period.

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently 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 related parties are measured at amortised cost using the effective interest rate method.

1. Statement of accounting policies continued

1.5 Non-current assets held for sale and disposal groups

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets held for sale (or disposal group) are measured at the lower of its carrying amount and fair value less costs to sell.

A non-current asset is not depreciated (or amortised) while it is classified as held for sale, or while it is part of a disposal group classified as held for sale.

Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale are recognised in profit or loss.

1.6 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities/(assets) for the current and prior periods are measured at the amount expected to be paid to/(recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

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 nor 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.

Notes to the Group and Company financial statements

continued

1. Statement of accounting policies continued

Tax expenses

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. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is allocated between continuing and discontinued operations. Deferred tax adjustments in respect of discontinued operations are included on the face of the statement of comprehensive income under the heading (loss)/profit from discontinued operations.

Current tax and deferred taxes are charged or credited to profit or loss if the tax relates to items that are credited or charged, in the same or a different period, to profit or loss.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.7 Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the method most appropriate to the particular class of inventory, with the majority being valued on a first-in first-out basis. The same cost formula is used for all inventories having a similar nature and use to the entity.

When inventories are sold, the carrying amount of such inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories is recognised as an expense in the period the write down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.8 Impairment of assets

The Group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the Group also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period; and
- tests goodwill acquired in a business combination for impairment annually.

1. Statement of accounting policies continued

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the CGU to which the asset belongs is determined.

The recoverable amount of an asset or a CGU is the higher of its fair value less costs to sell and its value-in-use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the CGUs, or groups of CGUs, that are expected to benefit from the synergies of the combination.

An impairment loss is recognised for CGUs if the recoverable amount of the unit is less than the carrying amount of the units. The impairment loss is allocated to reduce the carrying amount of the assets of the unit in the following order:

- first, to reduce the carrying amount of any goodwill allocated to the CGU; and
- then, to the other assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets, other than goodwill, may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset, other than goodwill, attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation, other than goodwill, is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.9 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

1.10 Share-based payments

Goods or services received or acquired in a share-based payment transaction are recognised when the goods or the services are received. A corresponding increase in equity is recognised if the goods or services were received in an equity-settled share-based payment transaction or a liability if the goods or services were acquired in a cash-settled share-based payment transaction. When the goods or services received or acquired in a share-based payment transaction do not qualify for recognition as assets, they are recognised in profit or loss.

For equity-settled share-based payment transactions the goods or services received and the corresponding increase in equity are measured, directly, at the fair value of the goods or services received, provided that the fair value can be estimated reliably. If the fair value of the goods or services received cannot be estimated reliably, their value and the corresponding increase in equity, indirectly, are measured by reference to the fair value of the equity instruments granted.

Notes to the Group and Company financial statements

continued

1. Statement of accounting policies continued

If the share-based payments granted do not vest until the counterparty completes a specified period of service the Group accounts for those services as they are rendered by the counterparty during the vesting period (or on a straight-line basis over the vesting period). If the share-based payments vest immediately the services received are recognised in full.

For share-based payment transactions in which the terms of the arrangement provide either the entity or the counterparty with the choice of whether the entity settles the transaction in cash (or other assets) or by issuing equity instruments, the components of that transaction are recorded as a cash-settled share-based payment transaction if, and to the extent that, a liability to settle in cash or other assets has been incurred, or as an equity-settled share-based payment transaction if, and to the extent that, no such liability has been incurred.

1.11 Provisions and contingencies

Provisions are recognised when:

- the Group has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation. Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision. Provisions are not recognised for future operating losses. If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

1.12 Revenue

The Group applies IFRS 15 using the cumulative effect method. Revenue is recognised to the extent that it is probable that economic benefits will flow to the Group and the amount of revenue can be reliably measured.

1.12.1 Revenue accounting policy

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when considers that it has met the performance conditions specified in its contracts with customers. In the Group's material contracts this occurs when it transfers control over a product to a customer. Revenue is recognised to depict the transfer of goods to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods, which is achieved through a five step methodology.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership had been transferred to the customer, recovery of the consideration was probable, the associated costs and possible return of goods could be estimated reliably, there was no continuing management involvement with the goods and the amount of revenue could be measured reliably.

1. Statement of accounting policies continued

1.12.2 Sale of Commodities

Revenue is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer and the costs incurred in respect of the transaction can be measured reliably. The risks and rewards of ownership are considered to have been transferred to the buyer on delivery of the goods.

PGM concentrate

A sales contract is entered into with the customer and revenue from PGM concentrate is recognised when the buyer takes ownership and control of the PGM concentrate. On the date of delivery the transaction price is determined based on provisional variables. Adjustments to the transaction price may be required due to movements in market prices, content quantities and penalties, which represent variable transaction price components, up to the date of final pricing. Final pricing is based on the monthly average market price in the month of settlement.

For PGM concentrate sales, revenue is initially recognised at end of the delivery month and measured at the fair value of the consideration receivable. The fair value of the consideration is subsequently adjusted based on movements in the metal market price up to the date of final pricing, typically four months after the delivery month.

Chrome concentrate

For chromite concentrate sales, revenue is initially recognised on delivery and measured at the fair value of the consideration receivable. On the date of delivery the transaction price is determined based on provisional variables. Adjustments to the transaction price may be required due to movements in market prices, content quantities and penalties, which represent variable transaction price components, up to the date of final pricing. Final pricing is based on the monthly average market price in the month of settlement.

The fair value of the consideration is subsequently adjusted for any changes to the final consideration receivable. Changes to the fair value of the consideration receivable are recognised as an adjustment to revenue in profit and loss and trade debtors in the statement of financial position.

Copper Cathodes

For copper cathodes sales, revenue is initially recognised on the delivery date and measured at the fair value of the consideration receivable. On the date of delivery the selling price is determined based on the average official three month price as quoted on the LME ("London Metal Exchange") over the market days of the pricing period or a cash settlement price (at the election of the buyer) less applicable discounts. The pricing period is typically two months from the date of delivery.

Cost of sales

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The related cost of providing services recognised as revenue in the current period is included in cost of sales. Contract costs comprise:

- costs that relate directly to the specific contract;
- costs that are attributable to contract activity in general and can be allocated to the contract; and
- such other costs as are specifically chargeable to the customer under the terms of the contract.

Notes to the Group and Company financial statements

continued

1. Statement of accounting policies continued

1.13 Translation of foreign currencies

Functional and presentation currency

Items included in the financial statements of each of the Group entities are measured using the currency of the primary economic environment in which the entity operates (functional currency).

The consolidated financial statements are presented in Pound Sterling, which is the Group functional and presentation currency.

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Pound Sterling, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to profit or loss and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in Pound Sterling by applying to the foreign currency amount the exchange rate between the Pound Sterling and the foreign currency at the date of the cash flow.

The results and financial position of a foreign operation are translated into the functional currency using the following procedures:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each item of profit or loss are translated at exchange rates at the dates of the transactions; and
- all resulting exchange differences are recognised to other comprehensive income and accumulated as a separate component of equity.

Exchange differences arising on a monetary item that forms part of a net investment in a foreign operation are recognised initially to other comprehensive income and accumulated in the translation reserve. They are recognised in profit or loss as a reclassification adjustment through to other comprehensive income on disposal of net investment.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation are treated as assets and liabilities of the foreign operation.

1. Statement of accounting policies continued

The cash flows of a foreign subsidiary are translated at the exchange rates between the functional currency and the foreign currency at the dates of the cash flows.

1.14 Investments in subsidiaries, joint arrangements and associates

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.

The Company's investments in associates

The Company's investments in associates are less impairments. The Group's associates are accounted for using the equity method. The carrying amount of the investment is adjusted to recognise changes in the Company's share of net assets of the associate since the acquisition date. Any goodwill relating to associate is included in the carrying value of the investment and is not tested for impairment separately. The statement of profit or loss reflects the Group's share of the results of operations of the associate. When there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, if applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Company and the associate are eliminated to the extent of the interest in the associate.

The Company's investments in joint operations

A joint operation is a joint arrangement in which the parties that share joint control have rights to the assets, and obligations for the liabilities, relating to the arrangement. This includes situations where the parties benefit from the joint activity through a share of the output, rather than by receiving a share of the results of trading. In relation to its interest in a joint operation, the Group recognises: its share of assets and liabilities; revenue from the sale of its share of the output and its share of any revenue generated from the sale of the output by the joint operation; and its share of expenses. All such amounts are measured in accordance with the terms of the arrangement, which is usually in proportion to the Group's interest in the joint operation. These amounts are recorded in the Group's financial statements on the appropriate lines.

1.15 Critical judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, in the period of the revision and future periods if the revision affects both current and future periods.

Critical accounting estimates and judgments are those that have a significant risk of causing material adjustment and are often applied to matters or outcomes that are inherently uncertain and subject to change. As such, management cautions that future events often vary from forecasts and expectations and that estimates routinely require adjustment.

Examples of judgements that do not involve estimation are:

- when substantially all the significant risks and rewards of ownership of assets are transferred;
- whether or not to consolidate an investee company;
- whether an acquisition is a Business Combination or an outright purchase of assets;
- whether the terms of a financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding; or
- whether a joint arrangement is categorised as a Joint Venture or a Joint Operation.

Notes to the Group and Company financial statements

continued

1. Statement of accounting policies continued

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

Contingent consideration

Contingent consideration is a financial liability recorded at fair value. The amount of contingent consideration to be paid is based on the occurrence of future events, such as the achievement of expected ad estimated project outputs, earnings and sales forecasts. Accordingly, the estimate of fair value contains uncertainties as it involves judgment about the likelihood and timing of achieving these milestones as well as the discount rate used. Changes in fair value of the contingent consideration obligation result from changes to the assumptions used to estimate the probability of success for each milestone, the anticipated timing of achieving the milestones and the discount period and rate to be applied. A change in any of these assumptions could produce a different fair value, which could have a material impact on the results from operations.

Fair value assessments

In determining the fair value of assets and liabilities management uses a number of model inputs including discount rates, commodity prices, recoveries, currency forecasts, life of mine and grade to determine the fair value based on discounted cash flows. Fair value assessments are also made with reference to effective interest rates and consideration of any impact that the global COVID-19 pandemic may have on outputs. All these inputs may change over time and may have a material impact on the fair value of assets and liabilities at each reporting period.

Impairment testing

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 including intangible assets and inventories. The Group tests annually whether intangible assets and inventories have suffered any impairment, in accordance with the accounting policy. The recoverable amounts of CGUs will be determined based on value-in-use calculations. These calculations require the use of estimates.

Taxation

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if certain criteria are met.

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. 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 the income tax expense in the period in which such determination is made. Refer to note 7 for details on tax.

Net realisable value of inventory

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.

1. Statement of accounting policies continued

Share-based payments

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. Refer to note 19 and 20 for details on valuation of share-based payments, including options granted and warrants granted.

Residual value, useful lives and depreciation methods

Judgement has been used in estimating the residual values and useful lives of items of property, plant and equipment. Refer to note 8 for detail of the values of property, plant and equipment.

2. Adoption of New and Revised Standards

Adoption of new and revised standards

During the financial year, the Group has adopted the following new IFRSs (including amendments thereto) and IFRIC interpretations that became effective for the first time.

Standard	Effective date, annual period beginning on or after
IFRS 16 *Leases*	1 January 2019
IFRIC Interpretation 23 – *Uncertainty over Income Tax Treatments*	1 January 2019
Amendments to IFRS 9 – *Prepayment Features with Negative Compensation*	1 January 2019
Amendments to IAS 28 – *Long-term Interests in Associates and Joint Ventures*	1 January 2019
Annual improvements 2015-2017 cycle	1 January 2019
Amendments to IAS 19: *Plan amendment, Curtailment or Settlement*	1 January 2019

Their adoption has not had any material impact on the disclosures or amounts reported in the financial statements except as set out below:

The Board notes that IFRS 16 requires a significant change in the financial report for lessees. The Board has assessed its current contractual obligations relating to its portfolio of surface assets and mining rights and has not identified any material leases which would create Right of Use assets upon adoption of IFRS 16; however it notes the required treatment for such arrangements and will introduce a policy for the collection and management of the necessary information in support of any future IFRS 16 recognition of a lease.

Notes to the Group and Company financial statements

continued

2. Adoption of New and Revised Standards continued

Standards issued but not yet effective:

At the date of authorisation of these financial statements, the following standards and interpretations relevant to the Group and which have not been applied in these financial statements, were in issue but were not yet effective. In some cases, these standards and guidance have not been endorsed for use in the European Union including at 1 July 2020, Covid 19-Related Rent Concessions (Amendment to IFRS 16 Leases).

Standard	Effective date, annual period beginning on or after
Conceptual Framework and Amendments to References to the Conceptual Framework in IFRS Standards	1 January 2020
Amendments to IFRS 3 *Business Combinations*	1 January 2020
Amendments to IAS 1 and IAS 8: *Definition of Material*	1 January 2020
Interest Rate Benchmark Reform: *amendments to IFRS 9, IAS 39 and IFRS 7*	1 January 2020
Covid 19-Related Rent Concessions (Amendment to IFRS 16 *Leases*)	1 June 2020
Updating a Reference to the Conceptual Framework (Amendments to IFRS 3 *Business Combinations*)	1 January 2022
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	1 January 2022
Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*)	1 January 2022
Annual improvements 2018-2020 cycle	1 January 2022
Classification of Liabilities as Current or Non-Current: *amendments* to IAS 1	1 January 2022
IFRS 17 – *Insurance Contracts*	1 January 2023
Amendments to IFRS 17 – *Insurance Contracts*; and Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4 *Insurance Contracts*)	1 January 2023

The directors are evaluating the impact that these standards will have on the financial statements of the Group. It is not expected that these standards will have a material impact on the financial statements.

3. Revenue

	Group 30 June		Company 30 June	
Figures in Sterling	**2020**	**2019**	**2020**	**2019**
Revenue from contracts with customers				
Chrome concentrate	**17 157 715**	7 835 448	**–**	–
PGM concentrate	**34 590 259**	15 750 397	**–**	–
Copper cathode	**3 026 844**	–	**–**	–
Total	**54 774 818**	23 585 845	**–**	–

The Group generates revenue primarily from the sale of PGM and Chrome concentrates. Its operations in Zambia has commenced with the production of Copper Cathode during H2 2020. The Group does not incur costs to fulfil its contracts with customers. The only performance obligation for revenue recognition from contracts with customers is the delivery of the concentrates. The Group's contracts with customers do not contain any significant financing component.

3. Revenue continued

Figures in Sterling	Group 30 June 2020	Group 30 June 2019	Company 30 June 2020	Company 30 June 2019
Customer contract assets/(liabilities)				
Chrome – contract assets	**–**	802 013	**–**	–
Chrome – contract liabilities	**(505 468)**	–	**–**	–
PGM – contract assets	**5 408 622**	3 405 317	**–**	–
Total	**4 903 154**	4 207 330	**–**	–

For chrome concentrate sales, revenue is initially recognised at the fair value of the consideration received, subsequently adjusted for movements in the metal market price up to the date of delivery. Payments received in advance for chrome concentrate that is only delivered and invoiced post the year end are recognised as contract liabilities. The chrome projects earn revenue through the recovery and sale of chrome concentrate to customers considered to be of a high quality. The Windsor and Inyoni Chrome Operations earn revenue through the recovery and sale of chrome concentrate to customers considered to be of a high quality. Payment terms are typically within two months of delivery save where a prepayment was received in advance. Revenue recognised at the period end for inventories sold and delivered, but subject to final pricing are recognised as contract assets.

For PGM concentrate sales, revenue is initially recognised at end of the delivery month and measured at the fair value of the consideration receivable. The fair value of the consideration is subsequently adjusted based on movements in the metal market price up to the date of final pricing, typically four months after the delivery month. PGM Operations earn revenue from the sale of PGM concentrate ounces recovered at Jubilee's Inyoni and Windsor PGM Operations and are delivered to one major customer considered to be of a high quality.

For copper cathodes sales, revenue is initially recognised at the fair value of the consideration received, subsequently adjusted for movements in the metal market price up to the date of final pricing which is normally two months after the date of delivery. Payment terms are typically on delivery of the final invoice.

4. Operating profit/(loss)

Operating profit/(loss) for the year is stated after accounting for the following:

Figures in Sterling	Group 30 June 2020	Group 30 June 2019	Company 30 June 2020	Company 30 June 2019
Premise rental – contractual amounts	**76 747**	99 688	**33 600**	33 424
Equipment rental- contractual amounts	**14 051**	88 894	**–**	–
Provision for impairment of intangible assets	**–**	231 568	**–**	–
Impairment of investment in subsidiaries	**–**	–	**–**	951 500
Fees paid for audit of group financial statements	**91 000**	74 000	**81 900**	74 000
Group auditor non-audit fees:				
Corporate tax fees	**–**	2 000	**–**	–
Audit of UK subsidiaries	**4 000**	4 000	**–**	4 000
Loss on exchange differences	**(919 682)**	(231 345)	**65 433**	(246 226)
Amortisation of intangible assets	**2 475 441**	724 939	**–**	–
Depreciation of property, plant and equipment	**4 026 319**	2 762 007	**–**	–
Share-based payment charges – options	**119 800**	–	**119 800**	–
Share-based payment charges – warrants	**–**	221 575	**–**	221 575
Employee costs	**479 631**	1 554 349	**28 000**	28 000

Refer to note 6 on page 69 for details of employee costs.

Notes to the Group and Company financial statements

continued

5. Finance costs/investment income

	Group 30 June		Company 30 June	
Figures in Sterling	**2020**	**2019**	**2020**	**2019**
Finance costs				
Non-current borrowings	**2 420 875**	1 112 909	**175 134**	179 604
	2 420 875	1 112 909	**175 134**	179 064
Investment income				
Bank interest received	**125 264**	30 058	**–**	–

6. Employee costs

	Group 30 June		Company 30 June	
Figures in Sterling	**2020**	**2019**	**2020**	**2019**
Employee costs (note 4)	**479 631**	1 554 349	**28 000**	28 000
Directors' fees and remuneration	**677 793**	464 690	**169 616**	162 420
Share-based payments	**119 800**	–	**119 800**	–
Total employee costs	**1 277 224**	2 019 039	**317 416**	190 420

The Group averaged 205 employees, including directors during the period ended 30 June 2020 (2019: 32 employees). The Group has 176 operational employees and 29 in administration. The employee cost of operational employees are included in cost of sales in the consolidated statement of comprehensive income in an amount of £ 3.6 million.

Refer to note 26 for details of related parties' remuneration and note 20 for details of options granted. Refer to page 28 for details of director remuneration disclosed in the Directors' Report. The Company provides Directors' and Officers' liability insurance at an annual cost of £ 10 071 (2019: £6 000). This cost is not included in the above remuneration.

	Group		Company	
Directors' fees and remuneration	**2020**	**2019**	**2020**	**2019**
Directors' short-term benefits				
Directors' fees (including benefits in kind)	**148 357**	137 205	**148 357**	135 867
Directors' salaries[1]	**529 436**	304 809	**21 259**	22 553
Provision for unpaid remuneration[2]	**–**	22 676	**–**	4 000
Total Director remuneration	**677 793**	464 690	**169 616**	162 420

1= The highest paid director is Mr L Coetzer with annual remuneration of £ 460 002 (2019: £ 280 210).

2= Total accrued unpaid Director Remuneration of £ 629 457 (2019: £ 680 878) is included in accruals. The amount is to be settled either in cash or through the issue of new Jubilee shares under the authority of ordinary resolution number 12 and special resolution number 2, passed at the Company's Annual General Meeting held on 27 November 2013.

7. Taxation

Figures in Sterling	Group 2020	Group 2019	Company 2020	Company 2019
Major components of the tax expense (income)				
Current				
Local income tax – current period	–	–	–	–
Local income tax – recognised in current tax prior periods	–	(15 870)	–	–
Deferred				
Deferred tax arising from the recognition of other financial assets through profit or loss	–	(954 101)	–	(954 101)
Deferred tax de-recognised of fair value adjustments on other financial assets through profit or loss	**954 101**	–	**954 101**	–
Deferred tax arising from previously unrecognised tax losses and temporary differences	**3 223 254**	–	–	–
Deferred tax arising from other adjustments and temporary differences	**318 361**	–	–	–
	4 495 716	(969 971)	**954 101**	(954 101)
Reconciliation of the tax expense				
Reconciliation between accounting profit and tax expense:				
Accounting profit/(loss)	**13 732 868**	7 946 267	**(8 454 972)**	3 216 511
Tax at the applicable tax rate of 28% (2019: 28%)	**3 845 203**	2 224 955	**(2 367 392)**	900 623
Tax effect of adjustments on taxable income				
Non-deductible expenditure	**1 790 389**	560 806	**2 021 876**	200 918
Non-taxable income	**(1 849 891)**	–	–	–
Share of results of associates	**404 566**	242 336	–	–
Deferred tax on fair value adjustments	**(954 101)**	(969 971)	**(954 101)**	(954 101)
Deferred tax arising from previously unrecognised tax losses and temporary differences	**(3 541 615)**	–	–	–
Assessed losses available for offset against future taxable income and losses utilised	**(2 977 056)**	(1 028 097)	**345 516**	(1 343 877)
Other adjustments	**(1 213 211)**	–	–	242 336
	(4 495 716)	969 971	**(954 101)**	954 101

The Group has estimated tax losses of £16 million (2019: £30.2 million) to carry forward against future periods.

Notes to the Group and Company financial statements

continued

8. Property, plant and equipment

Group Figures in Sterling	2020 Cost/ Valuation	2020 Accumulated depreciation	2020 Carrying value	2019 Cost/ Valuation	2019 Accumulated depreciation	2019 Carrying value
Land	**1 133 971**	**–**	**1 133 971**	686 082	–	686 082
Buildings	**1 459 444**	**(343 370)**	**1 116 074**	709 041	(71 087)	637 954
Plant and machinery	**40 566 573**	**(23 262 233)**	**17 304 340**	20 960 473	(5 113 935)	15 846 538
Furniture and fixtures	**246 771**	**(159 505)**	**87 266**	210 009	(125 379)	84 630
Motor vehicles	**500 789**	**(448 395)**	**52 394**	796 661	(167 881)	628 780
IT equipment	**45 228**	**(32 635)**	**12 593**	49 049	(31 265)	17 784
Assets under construction	**369 810**	**–**	**369 810**	–	–	–
Total	**44 322 586**	**(24 246 138)**	**20 076 448**	23 411 315	(5 509 547)	17 901 768
Company						
Furniture and fixtures	**18 162**	**(18 162)**	**–**	18 162	(18 162)	–
IT equipment	**16 987**	**(16 987)**	**–**	16 987	(16 987)	–
Total	**35 149**	**(35 149)**	**–**	35 149	(35 149)	–

Reconciliation of property, plant and equipment – Group – 2020

Figures in Sterling	Opening balance	Additions	Additions through business combinations	Transfers/ Disposals	Foreign exchange movements	Depreciation	Total
Land	**686 082**	**–**	**663 254**	**–**	**(215 365)**	**–**	**1 133 971**
Buildings	**637 954**	**81 195**	**914 674**	**–**	**(376 034)**	**(141 715)**	**1 116 074**
Plant and machinery	**15 846 538**	**1 164 650**	**9 161 633**	**(9 351)**	**(5 252 601)**	**(3 606 529)**	**17 304 340**
Furniture and fixtures	**84 630**	**18 348**	**91**	**(629)**	**(14 958)**	**(216)**	**87 266**
Motor vehicles	**628 780**	**39 965**	**–**	**(236 528)**	**(105 015)**	**(274 808)**	**52 394**
IT equipment	**17 784**	**667**	**–**	**–**	**(2 807)**	**(3 051)**	**12 593**
Work in progress	**–**	**84 905**	**284 601**	**–**	**304**	**–**	**369 810**
	17 901 768	**1 389 730**	**11 024 253**	**(246 508)**	**(5 966 476)**	**(4 026 319)**	**20 076 448**

8. Property, plant and equipment continued

Reconciliation of property, plant and equipment – Group – 2019

Figures in Sterling	Opening balance	Additions	Additions through business combinations	Transfers/ Disposals	Foreign exchange movements	Depreciation	Total
Land	–	–	684 898	–	1 184	–	686 082
Buildings	–	14 579	637 954	–	54 505	(69 084)	637 954
Plant and machinery	10 261 807	4 278 912	3 678 512	–	182 560	(2 555 253)	15 846 538
Furniture and fixtures	50 077	11 857	–	–	1 569	21 127	84 630
Motor vehicles	49 302	178 511	574 565	(17 060)	4 150	(160 688)	628 780
IT equipment	3 053	12 619	–	–	221	1 891	17 784
	10 364 239	4 496 478	5 575 929	(17 060)	244 189	(2 762 007)	17 901 768

1. The Braemore Plant is pledged as security for certain financial liabilities disclosed in note 22.

9. Intangible assets

	2020			2019		
Group Figures in Sterling	Cost/ Valuation	Accumulated amortisation and impairments	Carrying value	Cost/ Valuation	Accumulated amortisation and impairments	Carrying value
Exploration[1]	**35 992 160**	**(2 544 625)**	**33 447 535**	38 991 757	(2 544 625)	36 447 132
Business development[2]	**15 626 197**	**(7 981 514)**	**7 644 683**	14 287 011	(8 339 105)	5 947 907
Base metals beneficiation[3]	**32 024 910**	**(215 953)**	**31 808 957**	4 542 953	–	4 542 953
Nickel tailings	**17 517 327**	**(17 517 327)**	**–**	17 388 046	(17 388 046)	–
Total	**101 160 594**	**(28 259 419)**	**72 901 175**	75 209 767	(28 271 775)	46 937 992

Reconciliation of intangible assets – Group – 2020

Figures in Sterling	Opening balance	Additions	Additions through business combinations*	Foreign exchange movements	Amortisation	Total
Exploration	**36 447 132**	**108 219**	**–**	**(3 107 816)**	**–**	**33 447 535**
Business development	**5 947 907**	**2 777 323**	**–**	**(42 708)**	**(1 037 839)**	**7 644 683**
Base metals beneficiation	**4 542 953**	**13 827 643[3]**	**15 000 316**	**(124 359)**	**(1 437 596)**	**31 808 957**
	46 937 992	**16 713 185**	**15 000 316**	**(3 274 883)**	**(2 475 435)**	**72 901 175**

** Included in additions through business combinations, is an amount of £ 894 455 representing goodwill that arose from the acquisition of Sable Zinc Kabwe Limited. Refer to note 27 for details on additions to intangible assets through business combinations. No impairment was recognised against goodwill during the period under review. There was no brought forward goodwill.*

Notes to the Group and Company financial statements

continued

9. Intangible assets continued

Reconciliation of intangible assets – Group – 2019

Figures in Sterling	Opening balance	Additions	Additions through business combinations	Foreign exchange movements	Amortisation	Impairment loss	Total
Base metals beneficiation[3]	3 442 984	1 082 224	–	17 745	–	–	4 542 953
Exploration[1]	36 281 613	161 836	–	235 252	–	(231 568)	36 447 132
Business development[2]	4 661 000	2 031 458	–	(19 613)	(724 939)	–	5 947 907
	44 385 597	3 275 518	–	233 384	(724 939)	(231 568)	46 937 992

Management performs annual impairment reviews on intangible assets, including goodwill. When reviewing for factors that impact the carrying value of the intangible assets, management takes into consideration the nature of the asset, the stage of development of the asset, the value or the expected future value that the asset will contribute to the Group's current and future earnings as well as market conditions and prevailing commodity prices that may impact the carrying values of the Group's intangible assets. Amortisation of intangible assets is included in operating expenses in profit or loss. None of the Group's intangible assets are pledged as surety for liabilities.

In the prior period a provision for impairment was recognised against the Group's intangible for Madagascar in an amount of £ 231 568, due to the uncertainties around this asset.

1. *This intangible asset relates to the exploration of the Tjate Platinum Project. The intangible asset has an indefinite useful life which is tested for impairment annually and individually to determine whether the indefinite life continues to be supportable. An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Group. The Tjate Project's Merensky and UG2 platinum reefs (Reefs) targeted for initial mining lie between 600 metres and 1,000 metres below surface. The Tjate Project is independently judged to contain arguably the world's largest undeveloped defined block of platinum ore. The property covers 5,140 hectares on three farms and the area has been independently appraised to contain a potential net 65 million ounces of platinum group elements (PGEs) and gold. This represents the resource targeted for future exploratory drilling. Only once a prospect, to bring the Tjate Project to account, becomes feasible, will the useful life of the intangible asset be determinable.*

   The recoverable amounts of intangibles are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates ad expected changes to selling prices and direct costs during the period. Jubilee commissioned an independent review and update of the project and economics, which had last been addressed in 2017, in order to assess the most suitable and appropriate way forward for project-execution readiness, the further work needed and related estimate of time line and costs. The independent review confirmed the value and viability of the project and recommended a project execution methodology. Key assumptions are summarized below:

   NPV_{10} = ZAR 1.399million at IRR of 13.4%. The ZAR continued to depreciate against the US Dollar following the evaluation further strengthening the economic viability of the project since cost is incurred in ZAR while revenues are generated in US Dollars. Cognisance must also be given to the sensitivity of value against the US$ as this is a ZAR project. On the back of the economic viability of the project and as part of the approved mine works program for the Tjate project, Jubilee continued with the implementation of the Social Labour Program for the period under review. ZAR 2 310 937 has been expended on the project during the period under review (2019: ZAR 2 940 061).

2. *Business development intangibles consists of a combination of targeted process consulting focussed on the development and implementation of process solutions, specifically targeting both liquid and solid waste streams from mine processes. The Group's business development intangibles include existing pilot operations as part of the process development cycle to provide mature solutions which includes extractive-metallurgy, pyro-metallurgy and hydro-metallurgy. This process has led to many previously non-viable environmental and metals recovery projects becoming commercially viable and very strong demand in Africa is being experienced.*

   2.1 Included in business development costs is an amount of £ 3 157 710 (2019: £ 3 001 761) representing models developed by Base Metal Technologies focussing on:

   - *Increased liberation techniques to support the recovery of the metals and minerals associated with base metals. This development lead to the implementation of the Fine Grinding Circuit implemented at the Hernic Project.*
   - *Fine air bubble generation to improve the attachment of the valuable base metals and precious metals to the bubble surface as part of the recovery process. This development has led to the implementation of the fine bubble generator at the Inyoni and Windsor Operations.*
   - *Accelerated base metal leaching as part of the improving the kinetics of a base metal leach process. The process research and development processes developed to date is currently being implemented in the recovery of PGMs in associated sulphides from the South African tailings projects, specifically targeting the beneficiation of sulphite minerals which allows for significant enhancement in concentrate grade profiles which has improved the projected target performance and profitability of these tailings.*

9. Intangible assets continued

- *The costs incurred during the process research and development phase, include studies and other development testing costs which are being utilised by the Group in implementing and developing new projects that are similar to that of the nickel tailing project in Australia. These costs are recovered through revenues generated by existing projects benefiting and applying the research and development concept developed.*

These development costs are allocated to the relevant projects where the technology and techniques are applied to generate project revenues.

2.2 Included in business development costs is an amount of £ 281 231 (2019: £ 943 366) which relates to the ConRoast technology, converting and autoclave process, CVMR® process and leaching and hydro-processing. During the period under review the ConRoast process has contributed to the process solution being developed for the Group's Windsor PGM Operations which is the key reason for Jubilee receiving a premium for its produced PGM concentrates free of any chrome penalties. The Windsor PGM Operations commenced production during H2 2019.

2.3 Included in business development intangible assets is an amount of £ 4 169 079 (2019: £ 2 002 795) relating partially to a fine chrome recovery technique acquired as part of the Group's acquisition of the Windsor Chrome Operations and partially developed in-house development costs. Management estimates the recoverable amount of this intangible to be higher than its carrying value and no impairment was required. The amortisation of this intangible is recognised in cost of sales.

3. Base metal beneficiation intangibles relates to the Group's intangible assets at its Windsor, DCM and Inyoni Operations as well as its Kabwe Operations. These assets are amortised over the useful life of the assets. Management performs an impairment review on these assets on a regular basis. Management considered the recoverable amount of these intangibles at the period end to be higher than their carrying value and no impairment was required.

Jubilee owns and operates a chrome and PGM processing facility at Inyoni with a processing capacity of 55 000 tonnes per month. Previously, Jubilee had a Co-Operation Agreement ("Hernic Agreement") with Hernic whereby Jubilee had the rights to all PGM earnings from the tailings at Hernic until it secured a 30 % return on investment, where after Hernic secured the majority of earnings. Under the Hernic Agreement, all of the chrome concentrate produced was returned to Hernic Ferrochrome for its own use or sale to the market. As announced on 24 October 2019, Jubilee has entered into a Framework and Tailings Purchase Agreement ("Tailings Agreement") with K2018239983 (SOUTH AFRICA) (PTY) LTD ("NewCo"), a subsidiary of one of the world's largest ferrochrome producers to acquire 100 % of the rights to PGM earnings from the current and future tailings produced at Jubilee's Inyoni Operations (previously Hernic) located in the Bushveld Complex, South Africa. In addition to the current unprocessed 1.70 million tonnes of historical tailings at the Hernic Operations and the 630 000 tonnes of previously processed tailings, Jubilee has acquired the rights to a further c. 1 million tonnes of PGM rich material. As announced on 5 November 2019, NewCo has exercised its rights in terms of the Exclusive Agreement announced on 24 October 2019, to sell all further chrome rights to the chrome contained in all of the historical tailings at Inyoni to Jubilee. Under the Exclusive Agreement, Jubilee has acquired 100 % of all further chrome rights to the chrome contained in all of the historical tailings at Inyoni. At the period end, the carrying value of the rights acquired amounted to £ 11.7 million. The purchase consideration was paid in tranches the last of which were made on 19 March 2020. In terms of the acquisition agreement the final payment was adjusted for certain PGM and chrome variables which, resulted in a downward adjustment to the total purchase consideration of £ 2.2 million. The total foreign exchange difference for the transaction resulted in a gain of £ 0.004 million.

10. Investment in subsidiaries

Subsidiary	Company Carrying amount 2020	Company Carrying amount 2019
Braemore Resources Ltd	**18 712 852**	18 712 852
New Plats (Tjate)(Pty) Ltd	**13 815 228**	13 815 228
Windsor Platinum Investments (Pty) Ltd	**3 425 823**	3 425 823
Mineral Resources of Madagascar Sarl[1]	**917 034**	917 034
K Plats (Pty) Ltd	**649 734**	649 734
Kabwe Operations Limited	**300 000**	300 000
Antsahabe (Madagascar) Sarl[1]	**34 466**	34 466
Maude Mining and Exploration (Pty) Ltd	**141**	141
	37 855 278	37 855 278
Provision for impairment of investment in subsidiaries[1]	**(951 500)**	(951 500)
	36 903 778	36 903 778

1. Due to the uncertainties around this asset the directors deemed it prudent to impair the investment in Madagascar until such time as the outcome of discussions with potential buyers progresses to conclusion of a potential transaction. Jubilee continues to seek potential investors for the farm-in or purchase of the exploration right of Mineral Resources of Madagascar Sarl, with specific reference to the nickel values of Ambodilafa.

Notes to the Group and Company financial statements

continued

10. Investment in subsidiaries continued

Subsidiaries of Jubilee Direct	Country of incorporation	Holding 2020 %	Holding 2019 %	Number of ordinary shares held 2020	Number of ordinary shares held 2019
Mineral Resources of Madagascar Sarl	Madagascar	**100**	100	**10 000**	10 000
Windsor SA (Pty) Ltd	South Africa	**100**	100	**10 000**	10 000
Braemore Resources Ltd	United Kingdom	**100**	100	**100**	100
K Plats (Pty) Ltd	South Africa	**100**	100	**100**	100
Kabwe Operations Ltd	Mauritius	**100**	87.5	**6 000 000**	5 250 000
Antsahabe (Mauritius) Ltd	Mauritius	**100**	100	**100**	100
Maude Mining and Exploration (Pty) Ltd[1]	South Africa	**65**	65	**653**	653
New Plats (Tjate) (Pty) Ltd[2]	South Africa	**49**	49	**169**	169

Subsidiaries of Jubilee Indirect	Country of incorporation	Interest in the ordinary issued capital 2020 %	Interest in the ordinary issued capital 2019 %
Via Windsor SA (Pty) Ltd			
Tjate Platinum Corporation (Pty) Ltd	South Africa	**63**	63
Dullstroom Plats (Pty) Ltd	South Africa	**100**	100
Via K-Plats (Pty) Ltd			
Maude Mining and Exploration (Pty) Ltd	South Africa	**26**	26
Via Braemore Resources Ltd			
Braemore Platinum Ltd	United Kingdom	**100**	100
Braemore Holdings (Mauritius) (Pty) Ltd	Mauritius	**100**	100
Base Metal Technologies (Pty) Ltd	Australia	**100**	100
Via Braemore Holdings (Mauritius) (Pty) Ltd			
Braemore Platinum (Pty) Ltd	South Africa	**100**	100
Jubilee Metals Solutions (Zambia) (Pty) Ltd	Zambia	**100**	100
Jubilee Metals Laboratories Ltd	Zambia	**70**	70
Sable Zinc Kabwe Limited	Zambia	**100**	–
Enviro Mining Ltd	Mauritius	**100**	–
Enviro Processing Ltd	Zambia	**95**	–
Enviro Properties Ltd	Zambia	**99**	–
Sable Zinc Kabwe Ltd	Zambia	**100**	–
Via Braemore Platinum (Pty) Ltd			
Braemore Platinum Resources (Pty) Ltd	South Africa	**100**	100
Braemore Platinum Smelters (Pty) Ltd	South Africa	**100**	100
Jubilee Processing (Pty) Ltd	South Africa	**100**	100
Braemore Precious Metals Refiners (Pty) Ltd	South Africa	**73.75**	73.75
Jubilee Tailings Treatment Company (Pty) Ltd	South Africa	**100**	100

1. *Maude Mining and Exploration (Pty) Ltd is held 65% directly by Jubilee and 26% indirectly through K-Plats (Pty) Ltd, resulting in Maude Mining and Exploration (Pty) Ltd being accounted for as a subsidiary of Jubilee.*
2. *Jubilee is a major shareholder and controls the board of the company.*

10. Investment in subsidiaries continued

The registered address for all United Kingdom companies is 1st Floor 7/8 Kendrick Mews, London SW7 3HG, United Kingdom.

The registered address for South African companies is Ground Floor, Support Services Place, Jigsaw Office Park, 7 Einstein Street, Highveld Techno Park, Centurion, 0157.

The registered address for all Mauritian companies is Royal Road, Level 6, Green Cross Building, Belle Rose, Mauritius, BRN: C15132100.

The registered address for all Zambian companies is Plot 6004, Sibweni Road, Northmead, Lusaka.

The registered address for the Australian company is Level 3, 88 William Street, Perth WA 6000 GPO Box 2570, Perth, 6001.

Non-controlling interests in equity

Reconciliation of non-controlling interests' share in the profit/(loss) reported for the year:

Subsidiary Figures in Sterling	% Non-controlling interest	2020	2019	Cumulative non-controlling interest SOFP 2020	Cumulative non-controlling interest SOFP 2019
Maude Mining & Exploration (Pty) Ltd	9.00	**(57)**	(109)	**(35 622)**	(42 609)
Tjate Platinum Corporation (Pty) Ltd	37.00	**(245)**	52	**2 308 288**	2 765 411
Braemore Precious Metals Refiners (Pty) Ltd	26.25	**(82 088)**	4 972	**(333 870)**	(309 176)
Jubilee Metals Laboratories Limited	30.00	**(8 804)**	(20 678)	**(21 041)**	(18 990)
Kabwe Operations Limited	12.50	**(614)**	(1 528)	**(2 502)**	(1 555)
Enviro Processing Limited	5.00	**–**	–	**564 024**	–
Total		**(91 808)**	(17 291)	**2 479 277**	2 393 081

Reconciliation of non-controlling interests' share in net assets/(liabilities):

Name of the company	% Non-controlling interest	Net 2020	Net 2019
Maude Mining & Exploration (Pty) Ltd	9.00	**(5 671)**	87
Tjate Platinum Corporation (Pty) Ltd	37.00	**6 237 342**	2 764 049
Braemore Precious Metals Refiners (Pty) Ltd	26.25	**(998 159)**	(317 734)
Jubilee Metals Laboratories Ltd	30.00	**(54 502)**	(19 059)
Kabwe Operations Ltd	12.50	**(4 773)**	(2 284)
Enviro Processing Ltd	5.00	**(3 145 661)**	–
Total		**2 028 576**	2 425 059

All other consolidated subsidiaries are wholly owned. The nature of the above subsidiaries' business principal activities are that of recovering base metals from and reprocessing of historical surface mine waste and materials as well as exploration.

The financial year-ends of all the subsidiaries in the Group are June. The carrying amounts of subsidiaries are shown net of impairment losses.

Notes to the Group and Company financial statements

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11. Investments in associates

Figures in Sterling		% holding		Carrying amount		Share of loss	
Company	**Investment type**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
BMR Group Plc (UK)	Unlisted	**29.01**	29.01	**450 598**	1 895 477	**(1 444 879)**	(865 489)

In 2018 Jubilee acquired a 29.01 % interest in BMR. The investment is accounted for as an investment in associate as Jubilee does not control the board of BMR nor does it control the day to day operations of BMR.

At Group level, the carrying amounts of investments in associates are measured using the equity method and are shown initially at cost adjusted for the post-acquisition share of the associate's profit and losses, net of impairment losses. At Company level investments in associates are carried at cost less any impairments.

The following table illustrates summarised financial information for the Group's investment in BMR:

	Group		Company	
Figures in Sterling	**30 June 2020 £s**	**30 June 2019 £s**	**30 June 2020 £s**	**30 June 2019 £s**
Carrying value at the beginning of the year	**1 895 477**	2 760 966	**3 032 996**	–
Cost of acquisition	**–**	–	**–**	3 032 996
Equity accounted loss for the year	**(1 444 879)**	(865 489)	**–**	–
Impairment	**–**	–	**(2 162 996)**	–
Carrying value at year end	**450 598**	1 895 477	**870 000**	3 032 996

The Company assessed the carrying value of its investment in BMR at the period end. Factors that were considered included a valuation of the fair value of the investment in BMR based on a discounted cash flow applying a number of inputs and using an estimated discount rate. The excess of the carrying value over the fair value was recognised as a provision for impairment in the statement of comprehensive income in an amount of £ 2 162 996.

11. Investments in associates continued

Summarised financial information in respect of BMR is set out below and represents amounts in associates' financial statements.

At the date of this report BMR did not have audited results available for the period ended 31 December 2019. The financial results presented below represents the provisional unaudited results of BMR for the period ended 30 June 2020.

Figures in Sterling	30 June 2020	30 June 2019
Current assets	**285 550**	807 036
Non-current assets	**3 828 824**	11 848 004
Current liabilities	**(1 324 415)**	(1 576 819)
Non-current liabilities	**–**	(1 720 865)
Equity	**2 789 959**	9 357 356
Income	**–**	–
Net finance cost	**(491)**	(430)
Expenses	**(240 180)**	(1 132 986)
Impairment loss on intangibles	**(6 771 362)**	(2 500 000)
Taxation	**2 031 409**	650 000
Loss for the year	**(4 980 624)**	(2 983 416)
Made up as follows:		
Loss from operations	**(4 987 046)**	(2 474 114)
Other comprehensive income to be/not to be reclassified to profit and loss in subsequent periods, net of tax	**6 422**	(509 302)
	(4 980 624)	(2 983 416)
Share of loss of associate (29.01%)[1]	**(1 444 879)**	(865 489)

1= In recognising its share of the loss of BMR Jubilee assessed the carrying value of BMR's Kabwe assets taking into account updated market inputs for its Integrated Kabwe Project. As a result Jubilee recognised a further share of loss of associate in an amount of £ 1 375 061 net of a deferred tax charge of £ 589 311, representing an impairment on the carrying value of the Kabwe exploration assets at 30 June 2020. Jubilee's total share of loss of associate recognised during the period under review is therefore £ 1 444 879 (2019: loss of £ 865 489).

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12. Loans to group companies

Figures in Sterling	Company 30 June 2020	Company 30 June 2019
Subsidiaries		
Windsor SA (Pty) Ltd	**31 074 853**	25 096 003
Jubilee Processing (Pty) Ltd	**12 155 565**	7 356 242
Braemore Platinum Smelters (Pty) Ltd	**6 962 490**	13 444 287
Braemore Holdings (Mauritius) (Pty) Ltd	**6 591 810**	1 747 283
Braemore Platinum Ltd	**3 072 700**	–
Kabwe Operations Ltd	**1 877 772**	999 803
Braemore Resources Ltd	**1 703 305**	1 703 305
Jubilee Tailings Treatment Company (Pty) Ltd	**1 070 291**	1 070 271
Base Metal Technologies (Pty) Ltd	**739 363**	731 367
Jubilee Metals Solutions Ltd	**520 057**	154 371
Maude Mining and Exploration (Pty) Ltd[1]	**212 536**	212 536
Dullstroom Plats (Pty) Ltd[1]	**156 795**	156 796
Tjate Platinum Corporation (Pty) Ltd	**49 365**	49 365
	66 186 902	52 721 629
Provision for impairment of loans to subsidiaries	**(369 332)**	(369 332)
	65 817 570	52 352 297

1. *A provision for credit losses has been made against the loans to Maude Mining and Exploration (Pty) Ltd and Dullstroom Plats (Pty) Ltd as these companies are in the development phase of their operations.*

The loans are unsecured, interest-free and have no fixed repayment terms. All loans are not purchased nor originally credit impaired and meets the criteria to be classified at amortised cost. They are disclosed as non-current assets in the statement of financial position. The Company reviews the loans annually and where deemed necessary, a provision is made for any credit losses of loans where the loan is not considered to be recoverable within a reasonable period of time.

13. Other financial assets

	Group		Company	
Figures in Sterling	**2020**	**2019**	**2020**	**2019**
At fair value through profit or loss – designated				
Loan to Horizon Corporation Limited	**3 068 499**	–	**–**	–
Fair value of Jubilee's option to acquire 100% of Enviro Mining Limited and Kabwe Operations Limited	**–**	5 021 585	**–**	5 021 585
Total at fair value through profit or loss	**3 068 499**	5 021 585	**–**	5 021 585

Loan to Horizon Corporation Limited

On 18 June 2020, Jubilee has secured the rights to approximately 150 million tonnes of copper containing surface tailings targeted to be upgraded at site and refined at its Sable Refinery in Zambia through a joint operation ("JO") with Star Tanganika Limited ("Tanganika"), the mining rights holder.

Under the agreement the parties target to process the tailings to recover copper concentrates for on sale into the market. Braemore Platinum Limited ("Braemore"), Jubilee's nominated subsidiary, was appointed as operator tasked with the financial, operational and administrative management of all aspects of the project. Jubilee's Sable Refinery may acquire the copper concentrate at agreed offtake terms for the production of copper metal while excess concentrates will be sold in the market.

13. Other financial assets continued

Braemore has agreed to advance the equivalent of £ 3.95 million (US$ 5 million) funding ("Initial Investment") to Tanganika's owners Horizon Corporation Limited ("Horizon") which, investment will be applied in part for the continued project development of a second copper tailings dam of similar size, held by Horizon. Under the JO, the Initial Investment is funded through cash of approximately £ 0.9 million (US$ 1.2 million) and the issue of new Jubilee shares of approximately £ 3.1 million (US$ 3.8 million). At the period end the cash portion of the Initial Investment in an amount of £ 0.9 million (US$ 1.2 million) is disclosed as a loan commitment.

Under the JO, Braemore will provide all of the operational and capital funding required for the JO and will hold a right to 75 % of all earnings generated by the JO until such time as 1.5 times of all capital invested by Braemore (being the aggregate of the Initial Investment and any further funding provided to the JO) has been returned by the JO where after Braemore's right to earnings will remain at 60 % for the life of the JO. Such 1.5 times of capital invested by Braemore will be interest bearing. The carrying amount of the loan approximates its fair value at the period end.

Fair value of Jubilee's option to acquire Enviro Mining Limited and Kabwe Operations Limited

In the previous financial year Jubilee reviewed the fair value of its 91.1% effective interest in the Kabwe Project. Jubilee has re-developed the project economics and technical requirements to secure a viable refinery in Zambia. This was done in parallel with the Company's acquisition of the Sable Zinc Refinery in Zambia. A fair value of £5 021 585 was recognised in other financial assets to reflect the current estimated fair value of Jubilee's interest in the Integrated Kabwe Project. A corresponding deferred tax liability in an amount of £ 954 101 was recognised in the statement of financial position.

Following the exercise of the option Jubilee derecognised the other financial asset in an amount of £5 021 585 with a corresponding deferred tax charge of £ 954 101 through profit and loss.

As announced on 6 August 2018, Updated Agreements were concluded with BMR to better align with Jubilee's role to deliver a successful project. Jubilee has full control of the execution methodology and funding requirements to bring the Kabwe Project to account. In terms of the Updated Agreements, Jubilee exercised an option to acquire 100 % of the issued shares of Kabwe Operations Limited ("KOL"), Enviro Mining Limited ("EML"), a subsidiary of BMR and the company that owns the Kabwe Project through BMR's Zambian based Enviro Processing Limited ("EPL").

In terms of the updated agreements, Jubilee granted BMR a 12.5% royalty interest in the distributable earnings generated by the Kabwe Project, subject to Jubilee securing at minimum a 20% return on its investment into the Kabwe Project and all costs, taxes, liabilities and depreciation of the Kabwe Project have been accounted for. The aforementioned royalty shall be diluted to 11% of earnings in the event that Jubilee's capital investment into the Project exceeds US$ 15 million. Refer to note 27.2 for details of the acquisition of 100% of KOL, EML and EPL.

	Group		Company	
Figures in Sterling	**2020**	**2019**	**2020**	**2019**
Loans and receivables				
Enviro Processing Limited	**–**	375 385	**–**	–
Kgato Investments (Pty) Ltd (Note 26)	**337 740**	312 354	**–**	–
Other	**205**	–	**–**	–
Total loans and receivables	**337 945**	687 739	**–**	–
Total other financial assets	**3 406 444**	5 709 324	**–**	5 021 585
Non-current assets				
At fair value through profit or loss	**3 068 499**	5 021 585	**–**	5 021 585
Loans receivable	**337 945**	687 739	**–**	–
	3 406 444	5 709 324	**–**	5 021 585

None of the Group's other financial assets are pledged as surety for any liabilities.

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14. Inventories

	Group		Company	
Figures in Sterling	**2020**	**2019**	**2020**	**2019**
Raw materials	**1 126 526**	1 462 717	**–**	–
Final product	**440 758**	–	**–**	–
Consumables	**572 955**	197 974	**–**	–
	2 140 239	1 660 691	**–**	–

Raw materials and consumables are carried at cost. Raw materials include Run-of-Mine ore for processing at the Group's processing plants. It is expected that all Run-of-Mine ore will be processed within 12 months, which is equal to a stock value of £ 1 126 526 (2019: £ 1 462 717). During 2020 £ 214 081 (2019: £ 993 587) was recognised as an expense for inventories carried at net realisable value. This is recognised in cost of sales. Included in final product is 6 277 tonnes of saleable chrome concentrate (2019: nil). Inventories are not pledged as surety for any liabilities.

15. Trade and other receivables

	Group		Company	
Figures in Sterling	**2020**	**2019**	**2020**	**2019**
Trade receivables	**10 096 070**	3 988 129	**–**	–
Value Added Tax	**2 065 885**	54 649	**–**	–
Prepayments	**522 838**	103 020	**46 808**	28 527
Other receivables	**334 901**	313 160	**303 404**	285 104
Deposits	**63 613**	405 441	**3 286**	3 286
	13 083 307	4 864 399	**353 498**	316 917
Customer contract assets[1]				
Chrome concentrate	**–**	802 013	**–**	–
PGM concentrate	**5 408 622**	3 405 317	**–**	–
	5 408 622	4 207 330	**–**	–

The Directors consider that the carrying value of trade and other receivables is approximately equal to their fair value.

1. *Contract assets represent a provision for the Group's rights to receive revenue for product sold and delivered at year end but subject to final pricing post year end. These assets are transferred to trade receivables when invoiced post year end.*

16. Cash and cash equivalents

	Group		Company	
Figures in Sterling	**2020**	**2019**	**2020**	**2019**
Cash on hand	**1 196**	388	**–**	–
Bank balances	**9 946 626**	18 864 900	**4 271 611**	11 556 209
	9 947 822	18 865 288	**4 271 611**	11 556 209

Cash and cash equivalents comprise cash and short term bank deposits with an original maturity of 1 month or less. The Group has no overdraft facilities. The carrying amount of these assets are approximately equal to their fair value.

17. Cash used in operations

	Group		Company	
Figures in Sterling	**2020**	**2019**	**2020**	**2019**
Profit/(loss) before taxation	**13 732 868**	7 946 267	**(8 454 972)**	3 216 511
Adjustments for:				
Depreciation and amortisation	**6 501 760**	3 486 946	**—**	—
Profit on sale of fixed assets	**(275)**	—	**—**	—
Share of loss from equity accounted investment	**1 444 879**	865 489	**—**	—
Interest received	**(125 264)**	(30 058)	**(95 435)**	(126 005)
Finance costs	**2 420 875**	787 390	**175 134**	91 785
Fair value adjustments	**5 021 585**	(5 021 585)	**5 021 585**	(5 021 585)
Impairment of intangibles	**—**	231 568	**—**	—
Impairment of investment in associate	**—**	—	**2 162 996**	—
Impairment of loans	**—**	—	**—**	951 500
Share-based payments	**322 203**	221 573	**322 203**	221 573
Gain on bargain purchase through business combinations	**(6 606 755)**	—	**—**	—
Changes in working capital:				
Inventories	**(90 260)**	637 154	**—**	—
Trade and other receivables	**(6 786 675)**	(5 777 443)	**(36 581)**	(267 543)
Trade and other payables	**5 899 090**	2 166 731	**3 119**	(108 085)
	21 734 025	5 514 036	**(901 951)**	(1 041 849)

18. Earnings and dividends per share

Earnings per share

Basic earnings per share amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

The following table reflects the income and share data used in the basic earnings per share computation:

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

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements. The potential dilution of basic earnings per share from the convertible loan note as disclosed in note 22, was not included in the calculation of diluted earnings per share as the convertible loan notes are antidilutive for the period under review. There were no share transactions post year end to the date of this report that could have impacted earnings per share had it occurred before year end.

Dividend per share

The Board has resolved not to declare any dividend to shareholders for this reporting period (2019: Nil).

Notes to the Group and Company financial statements

continued

19. Share capital and share premium

	Group		Company	
	2020	2019	2020	2019
Authorised				
The share capital of the Company is divided into an unlimited number of ordinary shares of £0.01 each.				
Issued share capital fully paid				
Ordinary shares of 1 pence each (£)	**21 125 096**	18 553 007	**21 125 096**	18 553 007
Share premium (£)	**93 460 296**	87 267 404	**93 460 296**	87 267 404
Total issued capital (£)	**114 585 392**	105 820 411	**114 585 392**	105 820 411

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

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

1. *Refer to note 13 for details of a loan that the Company funded through the issue of new ordinary shares, on behalf of one of its subsidiaries that advanced loan funding to Horizon Corporation Limited. The Company did not issue any shares after year-end to the date of this report.*

During the year cash transaction costs accounted for as a deduction from the share premium account amounted to £ 747 412 (2019: £ 612 805).

The company recognised a share-based payment expense in the share premium account in an amount of £ 205 903 (2019: £ 10 017) in accordance with section 610 (2) of the United Kingdom Companies Act 2006. The charge relates to the issue of new Jubilee shares and the amount was accounted for as a deduction from the share premium account. Refer to note 20 for a reconciliation of the share-based payment reserve account.

Warrants

At year-end and at the last practicable date the Company had the following warrants outstanding:

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

19. Share capital and share premium continued

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

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

Information on valuation inputs for warrants issued

Fair value was determined by using the Black-Scholes Valuation Model.

The following inputs were used:

	2020	2019
Average spot at issue date (pence) (refer table above)	**4.01**	2.40
Average expected volatility	**63.19%**	52.91%
Expected warrant life	**3 years**	3 years
Expected dividends	**Nil**	Nil
The risk free interest rate	**0.23%**	1.62%

The weighted average remaining life of share warrants at the year-end was 2.70 years (2019: 3.84) and the weighted average exercise price 5.16 (2019: 5.3) pence. Expected volatility was determined by calculating the historical volatility of the group's share price over the last year.

There are no performance conditions associated with the warrants issued. Warrants have different lives and for the purposes of valuing the warrants an expected warrant life of three years has been applied.

20. Share-based payments

20.1 Equity-settled share option plan

Reconciliation of the number of options in issue	Group and Company 2020	Group and Company 2019
Opening balance	**65 450 000**	65 450 000
Exercised during the year	**(500 000)**	–
Issued during the year	**61 000 000**	–
Expired/cancelled during the year	**(15 150 000)**	–
Closing balance	**110 800 000**	65 450 000

Notes to the Group and Company financial statements

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20. Share-based payments continued

The following options are outstanding at year end:

Option Holder Strike price	1	3.5	4	4.5	5.5	6	8	Total
Leon Coetzer	7 000 000	8 000 000	4 000 000	–	–	4 000 000	–	23 000 000
Colin Bird	5 000 000	4 000 000	2 000 000	–	–	2 000 000	–	13 000 000
Chris Molefe	–	–	500 000	–	–	500 000	–	1 000 000
Matthews Phosa	–	500 000	500 000	–	–	500 000	–	1 500 000
	12 000 000	**12 500 000**	**7 000 000**	**–**	**–**	**7 000 000**	**–**	**38 500 000**
Management and personnel	**650 000**	**1 900 000**	**11 500 000**	**13 000 000**	**24 000 000**	**17 250 000**	**4 000 000**	**72 300 000**
Total	**12 650 000**	**14 400 000**	**18 500 000**	**13 000 000**	**24 000 000**	**24 250 000**	**4 000 000**	**110 800 000**

Information on valuation inputs for new options granted

Fair value was determined by using the Black-Scholes Valuation Model.

The following inputs were used for new options issued:

	2020	2019
Spot at grant date (pence)	**2.23**	–
Expected volatility	**71.01%**	–
Expected option life	**5 years**	–
Expected dividends	**–**	–
The risk free interest rate	**0.23%**	–

The weighted average remaining life of share options at the year-end was 8.13 (2019: 6.13) years and the weighted average exercise price 4.56 (2019: 3.9) pence. Expected volatility was determined by calculating the historical volatility of the group's share price over the last year.

There are no performance conditions associated with the share options awarded during the prior year. All options have a 10-year life and for the purposes of valuing the options an expected option life of five years has been applied.

20.2 Share based payment reserve

Reconciliation of the share based payment reserve

	Group and Company 2020	Group and Company 2019
Opening balance	**2 519 435**	2 468 578
New options granted	**119 800**	–
Options lapsed/exercised	**(324 597)**	–
Warrants granted	**205 903**	231 593
Warrants lapsed	**–**	(180 736)
Closing balance	**2 520 541**	2 519 435

21. Other comprehensive income

	Group	
Components of other comprehensive income	**2020**	**2019**
Exchange differences, net of tax, arising on translation of foreign operations attributable to ordinary equity holders of the parent	**(12 002 568)**	633 013
Non-controlling interest	**(386 020)**	46 623
Exchange differences arising on translation of foreign operations	**(12 388 588)**	679 636

The foreign exchange losses incurred on the translation of foreign operations is mainly attributable to the Group's acquisition of two Zambian businesses. The devaluation of the Zambian Kwacha against the British Pound of 39% contributed significantly to other comprehensive losses. The second largest contributor of the loss includes the translation of South African operations with the ZAR devaluing by 20% against the British Pound during the period under review.

22. Other financial liabilities

	Group		Company	
Figures in Sterling	**2020**	**2019**	**2020**	**2019**
At fair value through profit or loss				
Contingent consideration – business combinations	**2 803 434**	–	**–**	–

Refer to note 27 for details of business combinations.

			Group		Company	
	Maturity date	**Interest rate**	**2020**	**2019**	**2020**	**2019**
Held at amortised cost						
Mezzanine funding	28/04/2020	12%	**–**	1 602 656	**–**	1 602 656
SEDA draw down facility	1/12/2021	13%	**405 646**	2 121 955	**–**	–
Senior Secured debt	04/02/2022	11%	**1 687 209**	2 629 832	**–**	–
Senior convertible loan note	21/03/2022	12%	**6 992 250**	6 006 186	**–**	–
Other		–%	**1 148**	308 566	**–**	–
			9 086 253	12 669 195	**–**	1 602 656
Repayment of other financial liabilities held at amortised cost:						
Current – not later than one year			**1 460 968**	2 272 459	**–**	–
Non-current – later than one year and not later than five years			**7 625 285**	10 396 736	**–**	–
			9 086 253	12 669 195	**–**	–

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Notes to the Group and Company financial statements

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22. Other financial liabilities continued

Finance costs of £ 2 420 875 (2019: £ 1 112 909) were recognised in profit and loss during the period under review. Included in the SEDA draw down facility is an accrual for royalty payments in an amount of £ 405 646 (2019: £ 685 747). The SEDA draw down facility capital and interest were paid in full during the period under review. The remaining royalty obligations are secured through a notarial bond over the Braemore Plant. The senior secured debt is secured through a notarial bond over the Windsor SA Plant. The senior convertible loan note is secured over a share pledge of the shares in the capital of certain project companies in Mauritius and Zambia.

	Group		Company	
Figures in Sterling	**2020**	**2019**	**2020**	**2019**
Total other financial liabilities	**11 889 687**	12 669 195	**–**	–
Current – not later than one year	**(1 460 968)**	(2 272 459)	**–**	–
Non-current – later than one year and not later than five years	**10 428 719**	10 396 736	**–**	–

23. Trade and other payables

	Group		Company	
Figures in Sterling	**2020**	**2019**	**2020**	**2019**
Trade payables	**6 017 563**	1 239 338	**28 665**	25 546
Value added tax	**624 959**	203 863	**–**	–
Accruals	**4 541 110**	2 398 646	**120 537**	120 537
Other payables	**1 239 248**	822 795	**304 087**	304 087
	12 422 880	4 664 642	**453 289**	450 170
Contract liabilities[1]				
Chrome Concentrate	**505 468**	–	**–**	–

1. Contract liabilities represents payments received in advance for product that is only delivered and invoiced post year end.

24. Financial instruments

The Group's financial instruments were categorised as follows:

Group	Loans and receivables	Financial liabilities at amortised cost	Financial assets at fair value though profit or loss	Total
30 June 2020				
Assets as per statement of financial position				
Other financial assets	**337 945**	**–**	**3 068 499**	**3 406 444**
Trade and other receivables	**10 430 972**	**–**	**–**	**10 430 972**
Contract assets	**5 408 622**	**–**	**–**	**5 408 622**
Cash and cash equivalents	**9 947 822**	**–**	**–**	**9 947 822**
	26 125 361	**–**	**3 068 499**	**29 193 860**
Liabilities as per statement of financial position				
Trade payables	**–**	**6 017 563**	**–**	**6 017 563**
Financial liabilities held at amortised cost	**–**	**9 086 253**	**–**	**9 086 253**
Contract liabilities	**–**	**505 468**	**–**	**505 468**
Other payables	**–**	**6 405 116**	**–**	**6 405 116**
	–	**22 014 400**	**–**	**22 014 400**
30 June 2019				
Assets as per statement of financial position				
Other financial assets	687 739	–	5 021 585	5 709 324
Trade and other receivables	8 508 619	–	–	8 508 619
Cash and cash equivalents	18 865 288	–	–	18 865 288
	28 061 646	–	5 021 585	33 083 231
Liabilities as per statement of financial position				
Trade and other payables	–	1 239 338	–	1 239 338
Financial liabilities held at amortised cost	–	12 669 195	–	12 669 195
Other payables	–	3 425 301	–	3 425 301
	–	17 333 834	–	17 333 834

Company	Loans and receivables	Financial liabilities at amortised cost	Financial assets at fair value though profit or loss	Total
30 June 2020				
Assets as per statement of financial position				
Cash and cash equivalents	**4 271 611**	**–**	**–**	**4 271 611**
Trade and other receivables	**303 404**	**–**	**–**	**303 404**
Loans to group companies	**65 817 570**	**–**	**–**	**65 817 570**
	70 392 585			**70 392 585**
Liabilities as per statement of financial position				
Other payables	**–**	**424 624**	**–**	**424 624**
Trade and other payables	**–**	**28 665**	**–**	**28 665**
	–	**453 289**	**–**	**453 289**

Notes to the Group and Company financial statements

continued

24. Financial instruments continued

Company	Loans and receivables	Financial liabilities at amortised cost	Financial liabilities at amortised cost	Total
30 June 2019				
Assets as per statement of financial position				
Cash and cash equivalents	11 556 209		–	11 556 209
Other financial assets	–		5 021 585	5 021 585
Trade and other receivables	285 104		–	285 104
Loans to group companies	52 352 297		–	52 352 297
	64 193 610		5 021 585	69 215 195
Liabilities as per statement of financial position				
Other payables		424 624	–	424 624
Financial liabilities held at amortised cost		1 602 656		1 602 656
Trade and other payables		25 546	–	25 546
		2 052 826	–	2 052 826

Fair values

The fair values of the Group's financial instruments approximate book value.

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 is the risk of financial loss to the Group if a customer or counterparty fails to meet its contractual obligations to the Group. The risk arises principally from the Group's receivables from customers and contract assets. The Group has adopted a policy of only dealing with creditworthy counterparties, as assessed by the Directors using relevant available information.

Trade receivables comprise a well-established customer base. The Group has a small number of customers which are considered to be of high credit standing. Management evaluates credit risk relating to customers on an ongoing basis with reference to the individual characteristics of each customer, the countries in which the customers operate and the industry in which they operate. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

There were no credit losses recognised during the period. No provision has been made for credit losses as the Group transacts with customers with no history of bad credibility or non-payment of contractual obligations.

24. Financial instruments continued

Trade receivables analysis

Group	Total	Not past due	30 days	60 days and over
30 June 2020				
Trade receivables not impaired	**10 096 070**	**6 640 762**	**1 899 682**	**1 555 626**
Trade receivables impaired	**–**	**–**	**–**	**–**
	10 096 070	**6 640 762**	**1 899 682**	**1 555 626**
30 June 2019				
Trade receivables not impaired	3 988 129	3 988 129	–	–
Trade receivables impaired	–	–	–	–
	3 988 129	3 988 129	–	–

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 Group manages liquidity risk through an ongoing review of future commitments and credit facilities. 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:

Group	Total	Up to 3 months	3 to 12 months	1 to 5 years
2020				
Trade and other payables	**7 256 812**	**7 256 812**	**–**	**–**
Financial liabilities held at amortised cost	**9 086 253**	**–**	**1 460 968**	**7 625 285**
Accruals	**4 541 110**	**4 541 110**	**–**	**–**
	20 884 175	**11 797 922**	**1 460 968**	**7 625 285**
2019				
Trade and other payables	1 239 339	1 239 339	–	–
Financial liabilities held at amortised cost	12 669 195	–	4 063 025	8 606 170
Accruals	2 398 646	2 398 646	–	–
	16 307 180	3 637 985	4 063 025	8 606 170

Notes to the Group and Company financial statements

continued

24. Financial instruments continued

Company	Total	Up to 3 months	3 to 12 months	2 to 5 years
2020				
Trade and other payables	**28 665**	**28 665**	**–**	**–**
	28 665	**28 665**	**–**	**–**
2019				
Trade and other payables	25 546	25 546	–	–
Loans and other borrowings	1 602 656	1 602 656	–	–
	1 628 202	1 628 202	–	–

Currency risk

The Group is exposed to fluctuations in foreign currencies arising from having deposits in various currencies as well as the purchase of goods and services in currencies other than the Group's measurement currency.

Jubilee operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the South African Rand, the Zambian Kwacha, the US Dollar and the Pound Sterling. The Group is exposed to currency risk on Zambian and South African assets, cash reserves, deposits received, trade receivables, and trade payables. The most significant of these being the inter-company loans which it holds with its South African subsidiaries. Revenues and borrowing costs are more sensitive to movement in US Dollar exchange rates in 2020 than 2019 because of decreased USD denominated borrowings and the fact that part of the Group's revenue is priced in USD per ton. The impact on profitability of any change in the US Dollar can be substantial. Exchange rates obtained when converting US dollars to rand are set by foreign exchange markets, over which the Group has no control. The relationship between currencies and commodities, which includes the PGM (4E) basket and chrome prices, is complex, and changes in exchange rates can impact on commodity prices, and vice versa.

The Group does not hedge its foreign exchange on funding of projects or when negotiating contracts for revenue and is mainly exposed to the spot rate fluctuations in currencies. The Group's activities do not include long lead items that would require hedging.

Currency movements mainly include movements that arise as a result of South African Rand-denominated projects that are re-valued at each period-end and revenue sales transaction prices that are based on, amongst other variables, commodity prices.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

The table below classifies the Group's foreign currency risk between the different functional currencies as at year-end, and the respective balance thereof:

Exchange rates used for conversion of foreign items were:

	2020	2019
ZAR: £ (Average)	**1:0.0507**	1:0.05452
ZAR: £ (Spot)	**1:0.0468**	1:0.05610

24. Financial instruments continued

The functional currencies of the companies in the Group are the Pound Sterling, United States Dollar, South African Rand, Zambian Kwacha, Australian Dollar and Madagascar Ariary. The Group does not hedge against the effects of movements in exchange rates. These risks are monitored by the Board and executive management 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	United States Dollar	Australian Dollar	South African Rand	Zambian Kwacha	Madagascar Ariary
At 30 June 2020	**1.23**	**1.79**	**21.36**	**22.57**	**4 818**
At 30 June 2019	1.27	1.81	17.83	16.26	4 540

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

	Liabilities		Assets	
Group	**2020**	**2019**	**2020**	**2019**
South African Rand	**(7 099 773)**	(4 122 194)	**21 155 708**	10 065 630
Zambian Kwacha	**(1 284 204)**	(8 786)	**2 262 681**	46 145
United States Dollar	**(15 531 093)**	(11 131 986)	**2 704 047**	18 143 554
Australian Dollar	**–**	(1 157)	**1 589**	1 323
Madagascar Ariary	**(9 883)**	(9 883)	**3 863**	3 863

The Company does not have any material financial assets or liabilities denominated in any currency other than the Pound Sterling, the United States Dollar, the Zambian Kwacha and the ZAR.

The following table summarises the sensitivity of financial instruments held at reporting date to movements in the exchange rate of the South African Rands, Australian Dollars and Madagascar Ariary for the Group, with all other variables held constant. These currencies have been assessed using the sensitivities indicated in the table. These are based on reasonably possible changes, over a financial year, using the observed range of actual historical rates for the preceding five-year period.

	Impact on profit/equity	
	2020	**2019**
Judgements of reasonable currency exposure		
10 % strengthening of ZAR against £	**1 561 771**	660 382
10 % weakening of ZAR against £	**(1 405 593)**	(594 344)
10 % strengthening of ZMK against £	**108 720**	4 151
10 % weakening of ZMK against £	**(97 848)**	(3 736)
10 % strengthening of USD against £	**(1 425 227)**	779 063
10 % weakening of USD against £	**1 282 705**	(701 157)

Notes to the Group and Company financial statements

continued

24. Financial instruments continued

Borrowing facilities

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

Interest rate risk

The Group manages the interest rate risk associated with the Group's 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. The only interest liability is as disclosed in the statement of financial position, under other financial liabilities. A 1% interest rate change will have no material effect on the financial statements.

The interest rate profiles of the Group and Company's financial assets at 30 June 2020 were as follows:

	Pound Sterling	United States Dollars	South African Rand	Australian Dollar	Zambian Kwacha	Madagascar Ariary	Total
Group							
Cash at bank floating interest rate	**5 552**	**454 113**	**8 331 196**	**–**	**–**	**–**	**8 790 861**
Cash at bank on which no interest is received	**21 021**	**983 676**	**138 707**	**1 430**	**10 081**	**2 046**	**1 156 961**
Third party loans	**–**	**3 068 699**	**–**	**–**	**–**	**–**	**3 068 699**
	26 573	**4 506 488**	**8 469 903**	**1 430**	**10 081**	**2 046**	**13 016 521**
Company							
Cash at bank floating interest rate	**5 552**	**454 112**	**3 787 618**	**–**	**–**	**–**	**4 247 282**
Cash at bank on which no interest is received	**21 021**	**3 308**	**–**	**–**	**–**	**–**	**24 329**
	26 573	**457 420**	**3 787 618**	**–**	**–**	**–**	**4 271 611**

The interest rate profile of the Group and Company's financial assets at 30 June 2019 was as follows:

	Pound Sterling	United States Dollars	South African Rand	Australian Dollar	Zambian Kwacha	Madagascar Ariary	Total
Group							
Cash at bank floating interest rate	5 542	11 542 668	609 068	–	–	–	12 157 278
Cash at bank on which no interest is received	844	6 220 144	477 333	1 165	6 480	2 044	6 708 010
	6 386	17 762 812	1 086 401	1 165	6 480	2 044	18 865 288
Company							
Cash at bank floating interest rate	5 542	11 542 668	4 154	–	–	–	11 552 364
Cash at bank on which no interest is received	637	3 208	–	–	–	–	3 845
	6 179	11 545 876	4 154	–	–	–	11 556 209

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

24. Financial instruments continued

Financial liabilities	Weighted interest rate	1 year or less	2 – 5 years	Total
Group 2020				
Interest-bearing borrowings	**12%**	**1 460 968**	**7 625 285**	**9 086 253**
Group 2019				
Interest-bearing borrowings	12%	4 063 025	8 606 170	12 669 195

Financial liabilities	Weighted interest rate	1 year or less	2 – 5 years	Total
Company 2020				
Interest-bearing borrowings	**12%**	**–**	**–**	**–**
Company 2019				
Interest-bearing borrowings	12%	1 602 656	–	1 602 656

Total interest costs in the year relating to financial liabilities held at amortised cost were £ 2 420 875 (2019: £1 112 909).

Interest rates on borrowings are fixed and agreed contractually. 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.

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group consists of debt, which includes the borrowings (excluding derivative financial liabilities), cash and cash equivalents disclosed, and equity as disclosed in the statement of financial position.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio.

This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including "current and non-current borrowings" as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as "equity" as shown in the statement of financial position, plus net debt.

There have been no changes to what the entity manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

25. Contingencies and commitments

Other than disclosed in this report, and more specifically note 22 and 27, there are no material contingent assets or liabilities as at 30 June 2020.

Notes to the Group and Company financial statements

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26. Related parties

Transactions with related parties		Group 2020	Group 2019	Company 2020	Company 2019
26.1	Theuns Klopper, a director of Nexia Australia, received director fees from Base Metal Technologies (Pty) Ltd (Formerly Braemore Nickel (Pty) Ltd).	**3 512**	2 133	**–**	–
26.2	Lion Mining Finance, with common director Colin Bird, received office rent from the Company	**33 600**	33 600	**33 600**	33 600
26.3	Jubilee paid C de Beer through Motswiri Partners for her services as Group Executive – Governance and Compliance. She is a member of Motswiri Partners. She is also a director of Braemore Platinum Limited (UK)	**113 658**	107 942	**95 879**	94 858
26.4	Jubilee paid Johan Meyer through Hambo Dato for his services as Technical Manager SA, which is considered part of key management personnel. He is the owner of Hambo Dato. He also received a salary from Braemore Platinum Smelters (Pty) Ltd. He is a director of the following group companies: ▪ Braemore Platinum Smelters (Pty) Ltd ▪ Jubilee Processing (Pty) Ltd ▪ Jubilee Tailings Treatment Company (Pty) Ltd ▪ Braemore Precious Metals Refiners (Pty) Ltd	**130 491**	139 893	**–**	–
26.5	Jubilee paid Kirsten Venter, Chief Financial Officer SA Operations, a salary from Braemore Platinum Smelters (Pty) Ltd whom is considered part of key management personnel. Kirsten resigned on 5 March 2020. He was a director of the following group companies: ▪ Jubilee Processing (Pty) Ltd ▪ Jubilee Tailings Treatment Company (Pty) Ltd ▪ Braemore Precious Metals Refiners (Pty) Ltd	**90 043**	127 281	**–**	–
26.6	Jubilee paid Bertus van der Merwe through Olifantsdraai Eiendomsbeperk for his services as Chief Operating Officer which, is considered part of key management personnel. He was appointed 1 May 2019.	**151 999**	25 623	**–**	–
26.7	Jubilee Paid Nelius Pretorius, senior Metallurgist, a salary from Braemore Platinum Smelters (Pty) Ltd who is considered to be part of key management personnel.	**–**	70 398	**–**	–

There were no amounts owed to any of the parties above at year-end. The total remuneration of key management personnel amounted to £ 728 126 (2019: £ 471 137).

26. Related parties continued

During the year the following related party transactions were entered into with its Directors:

Dr Phosa holds his interest in Jubilee through a trust named NMP Trust, of which he is a trustee. Refer to the Directors' report and note 6 on page 69 for more details on Directors' remuneration.

Kgato Investments (Pty) Ltd ("Kgato"), owned by Dr. Mathews Phosa a director of Jubilee, owns 26.25% shareholding in the ordinary share capital of BPMR.

Kgato's shareholding is financed through vendor finance on loan. The loan is interest free for as long as the Inyoni Project has funding obligations and liabilities outstanding. Once settled, interest may be charged to the loan at an interest rate as determined by the board of directors but not more than the prime lending rate from time to time.

The Effective date vendor loan is carried initially at fair value through profit or loss and any subsequent changes in the fair value is recognised directly in equity. During the period under review, the value of the vendor loan was increased to £ 337 740 (ZAR 6 661 538).

During the year Mr C Molefe exercised 500 000 options at a strike price of 3.5 pence. The options were cash settled at the election of the Company in an amount of £3 500.

27. Business combinations

27.1 Acquisition of Sable Zinc Kabwe Limited (Zambia)

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

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

	Group 2020 £
Fair value of the purchase consideration paid in cash	**10 093 925**

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

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

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

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

Notes to the Group and Company financial statements

continued

27. Business combinations continued

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

Figures in Sterling	Group 2020
Land and Buildings	**1 233 019**
Property, Plant and Equipment	**9 157 329**
Trade Receivables	**184 800**
Inventories	**389 288**
Other current assets	**2 433 660**
Cash and Cash Equivalents	**136 526**
Long term liabilities	**(3 858 713)**
Trade payables	**(440 079)**
Other current liabilities	**(36 360)**
Fair value of assets acquired	**9 199 470**
Goodwill recognised at acquisition	**894 455**
Total net assets at acquisition	**10 093 925**

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

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

27. Business combinations continued

27.2 Acquisition of Enviro Mining Limited (Mauritius)

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

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

- BMR be issued with a Royalty Instrument by Jubilee which will entitle BMR to a 12.5% royalty interest in the distributable earnings generated by the Kabwe Operations, but only after Jubilee has secured at minimum a 20% return on its investment into the Kabwe Operations and all costs, taxes, liabilities and depreciation of the Kabwe Operations have been accounted for, save that the aforementioned royalty shall be diluted to 11% of earnings in the event that Jubilee's capital investment into Kabwe Operations exceeds US$ 15 million;
- BMR novating all its shareholders' loans it had immediately preceding the transaction with EML/EPL/E-Props to BHM; and
- BMR shall immediately after the transfer of ownership commence with the demerger from EML of all assets not covered by the Operating Agreement.

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

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

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

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

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

Notes to the Group and Company financial statements

continued

28. Business segments

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

- the beneficiation of precious metals through operating processing plants for the recovery of metals and minerals, currently recovering PGMs and Chrome and targeting base metals including lead, zinc, vanadium and copper from (mainly) the waste material produced as part of the mining cycle ("Base metals beneficiation");
- a combination of targeted process consulting and developing, focussed on the development and implementation of process solutions, specifically targeting both liquid and solid waste streams from mine processes. This includes existing pilot operations as part of the process development cycle to provide mature solutions which includes extractive-metallurgy, pyro-metallurgy and hydro-metallurgy ("Business Development");
- the exploration and mining of PGMs (Exploration and mining); and
- the parent company operates a head office based in the United Kingdom, which incurs certain administration and corporate costs. ("Corporate").

The Group's operations span six countries, South Africa, Australia, Madagascar, Mauritius, Zambia and the United Kingdom. There is no difference between the accounting policies applied in the segment reporting and those applied in the Group financial statements. Mauritius and Madagascar do not meet the qualitative threshold under IFRS 8, consequently no separate reporting is provided.

Segment report for the year ended 30 June 2020

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

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

28. Business segments continued

Segment report for the year ended 30 June 2019

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

29. Deferred tax

	Group		Company	
Figures in Sterling	**2020**	**2019**	**2020**	**2019**
Deferred tax liability				
Foreign exchange fair value adjustments	**10 944 698**	6 018 620	**–**	954 101
Reconciliation of deferred tax liability				
Opening balance	**(6 018 620)**	(5 065 422)	**(954 101)**	-
Deferred tax arising from business combinations	**(7 093 390)**	–	**–**	–
Deferred tax on foreign exchange movements	**1 213 211**	–	**–**	–
Temporary differences on fair value adjustments	**954 101**	(953 198)	**954 101**	(954 101)
Closing balance	**(10 944 698)**	(6 018 620)	**–**	(954 101)
Deferred tax asset				
Tax losses available for set-off against future taxable income	**3 223 254**	–	**–**	–

There is no deferred tax effect of the other comprehensive income as detailed on the consolidated statement of comprehensive income.

Notes to the Group and Company financial statements

continued

30. Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Report of the Directors on pages 17 to 33. The financial position of the Group, its cash flows, liquidity position are disclosed in the financial statements on page 47 to 51 of this report. In addition, note 24 includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposures to credit risk and liquidity risk and borrowing facilities.

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

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

1. Process research and development

    a. Consists of a combination of targeted process consulting and research and development, focussed on the development and implementation of process solutions, specifically targeting both liquid and solid waste streams from mine processes.

    b. Our research and development includes existing pilot operations as part of the process development cycle to provide mature solutions which includes extractive-metallurgy, pyro-metallurgy and hydro-metallurgy.

    c. This process has led to many previously non-viable environmental and metals recovery projects becoming commercially viable. With the growing demand for solutions to mining wastes and the growing requirement for 'Environmental, Social & Corporate Governance' ("ESG") in mining investments the pedigree, experience and ability of Jubilee will be of increasing importance.

    d. Following a very strong demand in Africa, Jubilee has concluded two acquisitions in Zambia to advance its footprint in other jurisdictions.

2. Operations

    a. Jubilee owns and operates recovery plants for the recovery of metals and minerals, currently recovering precious metals including PGMs and Chrome and targeting base metals including lead, zinc, vanadium and copper.

    b. Jubilee has a low-cost, high-margin business that capitalises on Jubilee's experienced, technical management team which has developed innovative processing techniques to generate cash from (mainly) the waste material produced as part of the mining cycle; "the Jubilee Way".

30. Going concern continued

3. Project Funding

   a. We are able to provide funding to support our partners within smaller or larger companies to implement the waste recovery projects. Such funding would be aimed at especially assisting in instances where the company holding the mineral right prefers to be a passive investment partner.

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

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

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

(a) the trading price of metals; and

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

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

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

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

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

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

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

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

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

Notes to the Group and Company financial statements

continued

31. Events after the reporting period

31.1. Copper tailings resource secured (Zambia)

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

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

31.2 Supply of Chrome and PGM ROM Feed secured (South Africa)

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

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

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

31.3 Kabwe mining license renewed (Zambia)

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

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

31. Events after the reporting period continued

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

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

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

Key Terms of the Agreements

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

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

Annexure to the annual financial statements

Headline earnings per share

Accounting policy

Headline earnings per share ("HEPS") is calculated using the weighted average number of shares in issue during the period under review and is based on earnings attributable to ordinary shareholders, after excluding those items as required by Circular 1/2019 issued by the South African Institute of Chartered Accountants (SAICA).

In compliance with paragraph 18.19 (c) of the JSE Listings Requirements the table below represents the Group's Headline earnings and a reconciliation of the Group's loss reported and headline earnings used in the calculation of headline earnings per share:

Reconciliation of headline earnings per share

	June 2020		June 2019	
	Gross £'000	Net £'000	Gross £'000	Net £'000
Earnings for the period attributable to ordinary shareholders	–	**18 320**	–	6 994
De-recognition of other financial assets through profit or loss	**5 021**	**4 067**	–	–
Gain on bargain purchase	**(6 607)**	**(6 607)**	–	–
Share of impairment loss from equity accounted associate	**1 964**	**1 375**	783	564
Fair value adjustments of other financial assets	–	–	(5 022)	(3 616)
Impairment of intangible assets	–	–	231	166
Headline earnings from continuing operations		**17 155**		4 108
Weighted average number of shares in issue ('000)		**1 955 965**		1 466 128
Diluted weighted average number of shares in issue ('000)		**1 975 264**		1 475 698
Headline earnings per share from continuing operations (pence)		**0.88**		0.28
Headline earnings per share from continuing operations (ZAR cents)		**17.30**		5.14
Diluted headline earnings per share from continuing operations (pence)		**0.87**		0.28
Diluted headline earnings per share from continuing operations (ZAR cents)		**17.13**		5.11
Average conversion rate used for the period under review £:ZAR		**0.0507**		0.05452

Shareholder analysis

as at 30 June 2020

Register date: 30 June 2020
Issued share capital: 2 112 509 573

Shareholder spread	Number of shareholders	Number of shares	%
1 – 5 000 shares	649	954 570	0.04
5 001 – 10 000 shares	107	808 585	0.03
10 001 – 50 000 shares	160	3 782 526	0.18
50 001 – 100 000 shares	45	3 281 668	0.16
100 001 – 1 000 000 shares	96	33 709 658	1.60
1 000 001 shares and over	76	2 069 972 566	97.99
	1 133	2 112 509 573	100

Distribution of shareholders	Number of shareholders	%	Number of shares	%
Private shareholders	796	70.26	288 425 534	13.65
Deceased accounts	10	0.88	20 809	0.00
Nominee companies	301	26.57	1 766 630 073	83.63
Limited companies	13	1.15	4 264 873	0.20
Bank and bank nominees	9	0.79	53 001 978	2.51
Other institutions	3	0.26	164 712	0.01
Family Interests	1	0.09	1 594	0.00
	1 133	100	2 112 509 573	100

Public/non-public shareholders	Number of shareholders	%	Number of shares	%
Non-public shareholders				
Directors and associates of the Company holdings	3		14 302 749	0.68
Public shareholders	1 130		2 098 206 824	99.32
	1 133		2 112 509 573	100

Administrative information

Directors	Colin Bird *(Non-Executive Chairman)* Dr NM Phosa *(Non-Executive Director)* Leon Coetzer *(Chief Executive Officer)* Dr Evan Kirby *(Technical Director)* Christopher Molefe *(Non-Executive Director)* Nicholas Taylor *(Non-Executive Director)*	
Secretary	Link Company Matters Limited 34 Beckenham Road Beckenham, Kent, BR3 4TU	
Registered office	**United Kingdom** 1st Floor 7/8 Kendrick Mews London, SW7 3HG	**South Africa** Ground Floor Support Services Place Jigsaw Office Park 7 Einstein Street, Highveld Techno Park Centurion, 0157
Auditors	Saffery Champness 71 Queen Victoria Street London, EC4V 4BE	
Nominated adviser	Spark Advisory Partners Limited 5 St. John's Lane London, EC1M 4BH	
Joint brokers	Shard Capital Partners LLP 23rd Floor, 20 Fenchurch Street London, EC3M 3BY	WHIreland 3rd Floor, Royal House, 28 Sovereign St Leeds, LS1 4BJ
Sponsor	Sasfin Capital 29 Scott Street, Waverley Johannesburg, 2090	
Investor relations	St Brides Partners Ltd 51 Eastcheap London, EC3M 1JP	
Bankers	National Westminster Bank PLC 246 Regent Street London W1B 3PB	
Registrars	**United Kingdom** Link Asset Services 34 Beckenham Road Beckenham, Kent, BR3 4TU	**South Africa** Computershare Investor Services Pty Ltd Rosebank Towers, 15 Biermann Ave Rosebank, 2196
Solicitors	**United Kingdom** Fladgate LLP 16 Great Queen Street London, WC2B 5DG	**South Africa** AJH Attorneys Ground Floor, Kingston House 20 Georgian Crescent East Bryanston, 2021

For your notes

Jubilee Metals Group

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