

*Jubilee*   
*Platinum*

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*ANNUAL REPORT*  
*for the year ended 30 June 2015*



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# Administrative information

<b>DIRECTORS</b>	Colin Bird ( <i>Non-executive Chairman</i> ) Dr M Phosa ( <i>Non-executive Director</i> ) Leon Coetzer ( <i>Chief Executive Officer</i> ) Andrew Sarosi ( <i>Executive Director</i> ) Christopher Molefe ( <i>Non-executive Director</i> )	
<b>SECRETARY</b>	Capita Company Secretarial Services Limited 34 Beckenham Road Beckenham, Kent, BR3 4TU	
<b>REGISTERED OFFICE</b>	<b>United Kingdom</b> 4th Floor 2 Cromwell Place London, SW7 2JE	<b>South Africa</b> 7 Einstein Street Highveld Techno Park Centurion, 0157
<b>AUDITORS</b>	Saffery Champness Lion House, Red Lion Street London, WC1R 4GB United Kingdom	
<b>NOMINATED ADVISER</b>	Spark Advisory Partners Ltd 5 St. John's Lane London, EC1M 4BH	
<b>BROKER</b>	Beaufort Securities Ltd 131 Finsbury Pavement London, EC2A 1NT	
<b>SPONSOR</b>	Sasfin Capital 29 Scott Street Waverley Johannesburg, 2090	
<b>BANKERS</b>	National Westminster Bank PLC 246 Regent Street London W1B 3PB	
<b>REGISTRARS</b>	<b>United Kingdom</b> Capita Asset Services 34 Beckenham Road Beckenham, Kent, BR3 4TU	<b>South Africa</b> Computershare Investor Services Proprietary Limited 70 Marshall Street Johannesburg, South Africa, 2001
<b>SOLICITORS</b>	<b>United Kingdom</b> Fasken Martineau 17 Hanover Square London, W1S 1HU	<b>South Africa</b> AJH Attorneys Ground Floor, Kingston House 20 Georgian Crescent East Bryanston

# Strategic report

## Chairman's statement

Dear Shareholder,

Over recent years, I have commenced the Chairman's report by commenting on the poor global economic conditions for the small mining sector. The year under review, has seen even more negative news, which is not confined to the platinum producing sector. During this period, all commodities have seen major price dips with iron-ore and coal being the biggest losers.

The platinum producing industry has not escaped the downturn with the platinum price falling below US\$1,000 per ounce during the period. These prices result in daily losses for most mines owned by the major platinum producing companies and as such is not sustainable. The industry is seeing major cutbacks in new mine development and current in-mine projects together with significant reductions in labour and general working costs. Some companies have put operating mines on care and maintenance whilst others have marginal mines for sale.

Globally and industry wide the junior sector has been subject to joint venture termination, reduced expenditure commitments and little M&A activity. Whilst Jubilee had not completely avoided the challenges produced by these operating conditions its overall business model meets the criteria for low capital cost, short production lead times and a lower overall cost structure. Consequently, the acquisition of the surface platinum projects has placed Jubilee in a strong position, producing platinum from low cost operations where mining risk is completely absent. The overall operating costs allow Jubilee to remain profitable at well below current platinum prices.

During the period under review, we have announced two major initiatives, namely ASA and Heric (the "two projects") offering Jubilee access to platinum containing material at surface in excess of 4 000 000 tonnes, and at the time of writing we are actively completing the necessary work to bring those projects into production.

A significant post balance sheet event was the sale of the Middelburg Smelters and the attendant power station facility. ("Disposal Group"). The sale was completed on 30 September 2015 for a cash sum of ZAR110,5 million (approximately £5,3 million). The decision to sell non-platinum capability and purchase platinum producing capability, focussed our mission and targeted far superior cash flows. The proceeds received from this sale will be used to part finance the two projects and bring the Company towards its stated mission of an integrated platinum-producing mine to metal company. The results of the Disposal Group are treated in the annual financial statements as a discontinued operation. Comparative figures were adjusted where required to make the results comparable.

We still await the receipt of a mining license for the Tjate project and remain confident for the granting of a mining right. We continue to engage with the Department of Mineral Resources as and when appropriate.

Other projects in the Company remain generally subordinate to the platinum tailings venture, although useful progress is being made.

The Group reported a loss for the year ended 30 June 2015 on continuing operations of 0.45 pence (ZAR cents 8.12) and a loss on discontinued operations of 0.10 pence (ZAR cents 1.76) (2014: loss on continuing operations of 0.82 pence (ZAR cents 13.82) and a loss on discontinued operations of 0.45 pence (ZAR cents 8.12)) per ordinary share.

In summary, the mining world remains complex and difficult for all concerned irrespective of their size and mission. As always this board refuses to be intimidated by matters outside their control and remain focused on building a significant platinum producing business.

It is customary in this report to thank my fellow directors and management for their efforts. Those sentiments are heartfelt in the current challenging environment and I thank all of my colleagues for their tenacity and perseverance.

**Colin Bird**

*Non-executive Chairman*

10 November 2015

### Highlights

#### Financial

- Middelburg Operations and Power Plant disposal ("Disposal Group") completed for a cash sum of ZAR110,5 million (£5,3 million) <sup>(i)</sup>
- Revenue from the Disposal Group up 29% to £5,2 million (ZAR93,6 million) from £4,0 million (ZAR67,3 million) in 2014 <sup>(ii)</sup>
- Operating expenses from Disposal Group are down 10% to £3.4 million (ZAR61,3 million) from £3.8 million (ZAR63,9 million) <sup>(iii)</sup>
- Operating expenses from continuing operations (excluding Disposal Group) are down 19% to £ 2,2 million (ZAR39,6 million) from £3,5 million (ZAR58,9 million)
- Loss per share from Disposal Group reduced by 78.13% to 0.10 pence (ZAR cents 1.76) from 0.45 pence (ZAR cents 7.50);
- Loss per share from continuing operations (excluding Disposal Group) reduced by 45.09% to 0.45 pence (ZAR cents 8.12) from 0.82 pence (ZAR cents 13.82);

*(i) Refer to note 28.1 on page 61 of this annual report for details of the disposal of the Middelburg Operations and the Power Plant.*

*(ii) Refer to note 22 on page 52 of this annual report for details of the Disposal Group.*

*(iii) Refer to the table on page 9 of this annual report for details of the operating expenses for continuing and discontinued operations.*

#### Mining and exploration

- Jubilee's subsidiary company, Tjate Platinum Corporation Pty Ltd ("Tjate"), submitted its Scoping Report to the Department of Mineral Resources of South Africa ("DMR") on schedule pursuant to DMR's acceptance of Tjate's mining right application.
- Tjate submitted, on schedule, its Environmental Impact Assessment and related Environmental Management Programme ("EIA/EMP") to the DMR; being the final statutory document required under the mining right application.

#### Surface operation and processing

- Jubilee acquired the entire 32.5% interest held by shareholders in its subsidiary Pollux Investment Holdings Pty Ltd ("Pollux"), for a total consideration of ZAR14.2 million to give the Company a 100% interest in Pollux, which holds the rights to the platinum-containing Dilokong Chrome Mine surface tailings.
- Jubilee executed a heads of agreement with Heric Ferrochrome Pty Ltd ("Heric") for the processing of their platinum-containing surface material.
- Jubilee has commenced with construction of the first platinum surface processing project being the Dilokong Chrome Mine surface tailings.

#### Overview

In the period under review, the Company has made significant progress in the implementation of its Mine-to-Metals strategy to form a fully integrated platinum mining company and achieved several significant milestones.

The Company acquired 100% of the beneficial interest in its subsidiary Pollux, which holds the exclusive rights to the beneficiation of the platinum in the Dilokong Chrome Mine surface tailings ("DCM Tailings") and executed a heads of agreement ("HOA") with Heric for the processing of their platinum-containing surface material ("Heric Tailings"). These two milestones have grown the Company's access to platinum-containing surface material to in excess of 4 million tonnes of platinum-containing surface material ("Platinum Surface Projects").

Jubilee executed a successful expansion and optimisation programme at its Middelburg Operations bringing the Company into positive cash flow, on the back of ferroalloy toll smelting contracts and the sale of private power to the South African national power grid. The success of the expansion and optimisation programme at the Middelburg Operations was illustrated in the Company exceeding its financial KPIs as previously announced: Gross Profit Margin of 38% and Net Profit Margin of 12% for the Middelburg Operations. This was mainly driven by the increase in generated revenue for the Middelburg Operations of 29% compared to the previous reporting period, while simultaneously containing the operating expenses of the operations with operating expenses down 10% to £3.4 million (ZAR61,3 million) from £3.8 million (ZAR63,9 million) (refer to note 22 on page 52 of this annual report for details of the Disposal Group).

# Strategic report *(continued)*

## Chief Executive Officer's operations report *(continued)*

This profitable ferroalloy operation drew interest from potential investors in the ferroalloy industry culminating in the conclusion of a cash sale of the Middelburg Operations (the "Disposal") post the period under review. The income from the Disposal will largely be invested towards the construction and commissioning of the Platinum Surface Projects, which offer the potential of a multiple increase in income compared to the income potential of the Middelburg Operations. The Company's financial KPIs relating to the performance for the Middelburg Operations will be updated to reflect the operations of the Platinum Surface Projects in the next reporting period targeting a Gross Profit Margin of 35% and Net Profit Margin of 22% for the first Platinum Surface Project. These KPIs are influenced by the prevailing platinum and chrome price in the market.

Jubilee is fully focused on bringing the Platinum Surface Projects into operation in the near term to bolster significantly Jubilee's projected revenue growth. Full funding for the construction and commissioning of the Platinum Surface Projects is well advanced with a large international banking institution offering debt funding for the Platinum Surface Projects. The funding has received credit committee approval and final confirmation of the due diligence is expected to be concluded in the near term. In the interim construction of the first of the Platinum Surface Projects namely the DCM Tailings has commenced.

Tjate submitted, on schedule, its EIA and EMP to the DMR; being the final statutory document required for the DMR in terms of Tjate's application for a mining right for the Tjate Project. In February 2015, Tjate received formal communication from the DMR of the requirement in terms of mining right for an Environmental Rehabilitation Guarantee ("ERG"), which is indicative of the DMR's acceptance of the EIA/EMP and usually precedes the final steps towards granting of the mining right.

Conditions in global markets remained challenging as reflected in the platinum group metal prices ("PGMs"). Jubilee's Platinum Surface Projects remain robust at these metal prices: having the benefit of not being exposed to mining cost or associated mining risk.

The Company constantly reviews the risks inherent to an exploration and production business, to formulate preventative measures. The principal risks for an exploration and production company and the measures taken by the Group to mitigate them are detailed under the Report of the Directors on page 10.

### **Mining and exploration**

#### **World-class assets**

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

#### **Tjate Platinum Project**

The flagship Tjate Platinum Project ("the Project") comprises three farms Dsjate 249 KT, Fernkloof 539 KS and Quartzhill 542 KS, and is located in the eastern Bushveld of South Africa. The Project contains a SAMREC-compliant resource of 25 million ounces 6PGE+Au in the Indicated and Inferred resource category or 22 million ounces 3PGE+Au (platinum group elements and gold) in the Indicated resource category with a targeted potential resource for the entire Tjate Project of approximately 70 million ounces 6PGE+Au net of geological losses.

On 1 July 2014, the Company's subsidiary Tjate submitted its Scoping Report to the DMR on schedule pursuant to DMR's acceptance of Tjate's application ("Acceptance") for mining right for its targeted 70 million PGM ounces Tjate Project.

In this regard Tjate appointed specialists to conclude the EIA/EMP in compliance with the DMR's Acceptance conditions for the conclusion of the mining right application.

On 11 August 2014, Tjate submitted, again on schedule, its draft EIA/EMP and on 17 October 2014, Tjate submitted the final specialist reports for the EIA/EMP to the DMR.

In February 2015, Tjate received formal communication from the DMR of the requirement in terms of the mining right for an ERG to the value of R27 million (£ 1.5 million). This communication is indicative of the DMR's acceptance of the EIA/EMP and usually precedes the final steps toward receiving the grant of the mining right. The ERG serves as a financial guarantee by Tjate to the DMR for any costs associated with the environmental rehabilitation of the Tjate properties in the event of mine closure. The current ERG proposal is based on the projected cost of rehabilitation of the Tjate properties following the implementation of the mine works program over a three-year period following the granting of a Mining Right. The implementation of the ERG, following clarification from DMR, is required only after the granting of the mining right. The application is with the DMR's mineral law and

regulation section for final adjudication and recommendation for the DMR's Director-General to submit to the Minister of Mines for its approval.

During DMR's adjudication of Tjate's application, the Company, Tjate and the Tjate Community ("Community") held positive ongoing consultations on the immediate social and labour benefits that would be expected to flow to the Community on the grant of the mining right. To this end, Tjate as the "Donor" assisted the Community towards creating a Tjate Community Upliftment Trust ("Trust"), which will be Government registered as a non-profit entity. This Trust is being established in order to benefit the Community, as a stakeholder in the project, in carrying on the Trust's business relating to the future benefits accruing from the Tjate project in terms of its Social and Labour Plan.

### **Surface platinum operations**

#### **Near term low risk assets**

During the year under review the Company made significant advances in the implementation of its platinum-bearing surface processing strategy. The Company had identified the beneficiation of PGMs from material at surface, as a strategic initiative on the back of its proven ConRoast process and its proven track record of beneficiating value metals from waste streams at its Middelburg Operation.

These highly sought-after platinum surface beneficiation projects, come with little of the associated risk or cost of mining since all the material is at surface and their mineral content can easily be defined with a high degree of confidence. The Company has been able to demonstrate its industry-leading processing ability in this field, which has assisted the Company in securing the assets and outpace its competitors.

The Company looks forward to bringing into operation its Platinum Surface Projects in the near term. The construction of the first of the Platinum Surface Projects namely the DCM Tailings has commenced.

#### **ASA (DCM Tailings) Platinum Surface Project**

In the year under review, the Company acquired the entire 32.5% interest held by minority shareholders in its subsidiary Pollux for a total consideration of ZAR14.2 million payable in Jubilee ordinary shares to give the Company a 100% interest in Pollux (the "Acquisition"). This Acquisition followed the execution on 9 June 2014 of a Tailings Access Agreement ("Access Agreement") and a Process of Tailings Agreement ("Processing Agreement") by Pollux with ASA Metals Pty Ltd's subsidiary Dilokong Chrome Mines ("DCM") for the recovery of PGMs and chrome from its surface tailings ("DCM Tailings Project"). The DCM Tailings Project is estimated to contain in excess of 950,000 tonnes of platinum-chrome-containing material.

The directors believe that this Acquisition maximises the Company's beneficial interest in the DCM Tailings Project and offers considerable upside value to the Company.

In terms of the Access Agreement, Jubilee was awarded, *inter alia*, the exclusive right to access the DCM Tailings on DCM's mine area ("Mining Area") and the right to construct a dedicated chrome and PGM processing plant ("New Processing Plant") on the Mining Area to process the DCM Tailings. In addition, ASA agreed to give Jubilee access to sufficient power and water for the construction and operation of the New Processing Plant.

Post the year under review, the Company executed an addendum to the Processing Agreement ("Addendum"), whereby the Company is incentivised to accelerate the construction and commissioning of the New Processing Plant by targeting commencement of commissioning of the front end of the New Processing Plant, namely the chrome beneficiation circuit, by 31 January 2016. Under the terms of the Addendum the Company will be paid up to 25% more for every ton of chrome concentrate produced by the chrome beneficiation circuit of the New Processing Plant. The Addendum significantly enhances and expedites the projected profitability of the project, as both the chrome concentrate and platinum containing concentrate will now contribute to the overall profitability of the Platinum Surface Projects. The Company projects that it will be able to commission the chrome beneficiation circuit of the New Processing Plant five months earlier than anticipated, thereby resulting in earlier-than-planned cash flows from this first of the Platinum Surface Projects.

Post the year under review the Company successfully ran an extensive production scale beneficiation trial of approximately 4,000 tonnes of the DCM Tailings to confirm design numbers. On the back of this successful trial, the Company placed firm orders



# Strategic report *(continued)*

## Chief Executive Officer's operations report *(continued)*

for the manufacturing and delivery of the New Processing Plant. The first pre-erected, equipment delivery is expected on site in January 2016.

### **Hernic Platinum Surface Project**

On 19 January 2015, the Company, following an extensive selection process concluded a HOA with Hernic, the world's 4th largest integrated ferrochrome producer, for the beneficiation of chromite and PGMs contained in its surface tailings ("Hernic Tailings").

The HOA targets Jubilee as the exclusive party to beneficiate the chrome and PGMs contained in the Hernic Tailings. The Hernic Tailings have been independently fully drilled and assayed for chrome and PGE content. This has resulted in an independent resource statement of 1.7 million tonnes, of which approximately 90% of the resource is classified in the measured category under the internationally recognised SAMREC code. Hernic also has access to secondary surface stocks, which it has internally identified could exceed 3 million tonnes through further drilling programmes.

The envisaged Hernic Tailings project will be the largest PGM beneficiation plant of chrome tailings reclaimed from a surface chrome tailings dam in South Africa.

Under the HOA, Hernic and Jubilee intend to conclude a Plant Engineering and Design Agreement as well as a Co-operation Agreement in respect of PGM Concentrate to facilitate the construction and operation of a processing plant at Hernic.

### **Middelburg Operations – Smelter and power plant**

During the period under review, the Company was able to grow its Middelburg smelter operation ("Smelter") on the back of an extended ferronickel ("FeNi") toll smelting contract and a new ferroalloy-smelting contract for ferrosilicon ("FeSi") on the back of the successful phase 3 upgrade of the Smelter. The Company's electricity generating subsidiary, Power Alt Pty Ltd ("Power Alt") successfully concluded an extension to its Private Power Sale contract with the national energy provider of South Africa targeting the sale of up to 5.2MW of power, while the remainder of the power was available for providing electricity to the Smelter. This expansion of the Smelter coupled with the implementation of successful cost optimisation initiatives allowed the Middelburg Operation to become a profitable business attracting potential investors from the ferroalloy industry.

With the increased, fully contracted Smelter capacity, the Smelter sustained revenue growth of 33% year on year.

The Smelter has established itself as a premier smelter of waste and ferroalloy material to produce ferrometals leveraging off Jubilee's patented ConRoast and the Smelter's reductive smelter technologies.

### **Post year-end review – Sale of Middelburg Operations**

On 16 July 2015, the Company executed a sale and purchase agreement ("Agreement"), in terms of which Siyanda Resources Pty Ltd ("Siyanda"), acting through Main Street 1347 Proprietary Limited, a special purpose vehicle ("SPV" or "the Purchaser") established for this purpose, would acquire Middelburg Operations comprising 100% of the issued shares of the Company's subsidiary, Jubilee Smelting and Refining Proprietary Limited ("JSR") owning the Middelburg Smelter Complex, for ZAR72,0 million (approximately £3,5 million) and the Company's 70% interest in Power Alt, for ZAR38,5 million (approximately £1,8 million) (the "Disposal").

Under the Agreement, the Company would retain the right to build furnace of up to 5MW on the premises of JSR's subsidiary RST Special Metals, for the purposes of processing platinum-bearing material, while also retaining all intellectual property in relation to the development of the platinum recovery from waste and surface tailings developed at the Middelburg operations.

Jubilee shareholders approved the Disposal at the Company's General meeting held on 7 August 2015.

On 30 September 2015, the Company concluded the Agreement and ownership and associated risk of the Middelburg Operations passed to Siyanda, after all conditions precedent relating to the Agreement were met on 16 September 2015.

On 9 October 2015, the Company received 85% of the cash consideration for the Disposal of ZAR93,9 million (£4,6 million). Under the Agreement, the remaining 15% of ZAR16,6 million (£0,81 million) is being held in escrow pending release over two warranty periods: the first 10% will be released from escrow after 90 days and the remaining 5% will be released after 12 months from the date of concluding the Agreement.



The Agreement contains a set of warranties given by the Company, which are customary for a disposal of this nature. The warranties relate amongst other things to: organisation of the Group, title, accounting and financial matters, material contracts, litigation and compliance with applicable laws.

The proceeds from the Disposal, which will contribute towards the Company's equity component of the Secured Funding, will also be capable of fully funding the capital required for the construction and commissioning of the first platinum surface-processing project.

### **Madagascar**

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

On 24 August 2012, the Company entered into a farm-in agreement with unlisted Indian Pacific Resources Limited ("IPR") to explore the potential iron ore opportunity identified by both the Company and IPR on the Ambodilafa concession. IPR is to farm-in in stages up to a 90% interest in all commodities ("the Commodities") except platinum group metals, metals traded on the London Metals Exchange and chrome ("Other Commodities") in Jubilee's Ambodilafa tenement area, for expenditure of US\$3 million over 42 months.

In the year under review the Company's subsidiary Mineral Resources of Madagascar Sarl ("MRM") undertook no exploration in Madagascar. MRM agreed with its farm-in partner, IPR, to close MRM's Madagascan office premises. In terms of the farm-in agreement with MRM, IPR funded all costs related to the office closure and redundancy, MRM's statutory financial and fiscal reporting and renewal of MRM's exploration licences in Ambodilafa concession.

For the period under review IPR increased its earn-in interest to 90% from 81% in the Samelaha iron ore property ("Samelaha") on Ambodilafa having expended more than US\$3 million. Should MRM elect not to contribute *pro rata* to funding further work, IPR has the right at its election to acquire MRM's 10% interest for cash, or issue IPR equity, or grant a Net Smelter royalty to MRM.

### **Australia – Nickel in tailings surface project**

The Company's Australian subsidiary, Braemore Nickel (Pty) Ltd continued with the internal review and optimisation of the process flowsheet for the recovery of Nickel from the Leinster tailings project (Ni Project). The review follows the work completed at Mintek (South Africa's national mineral and metallurgical research and development organisation). The scope of work (Phase1) included pre-flotation concentration of nickel sulphides in the tailings and preliminary pressure oxidative (POX) leaching tests on the flotation concentrate. A final phase 2 programme still to be completed, would look towards completion of an Engineering Study and Economic Evaluation of the Project.

### **Looking ahead**

Jubilee is fully focussed on bringing its platinum surface projects into operation within the near term to significantly bolster Jubilee's projected revenue growth.

Jubilee will continue to aggressively pursue further such surface projects on the back of its industry leading processing ability.

Jubilee will continue to review current opportunities within the platinum industry that can enhance its business strategy. Jubilee has distinguished itself from its peers as an emerging platinum focused company with the ability in the short term, to bring to bear its surface based platinum assets, all of which are underwritten by the Company's longer term Tjate platinum project.

### **Leon Coetzer**

*Chief Executive Officer*

10 November 2015

**This Strategic Report was approved by the board and signed on its behalf by Leon Coetzer.**

# Report of the Directors

The Directors present their report together with the financial statements for the year ended 30 June 2015.

## Principal activities and place of incorporation

The Group and Company are principally engaged in exploration and exploitation of natural resources. Jubilee Platinum PLC is UK domiciled and incorporated in England and Wales 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”). Having secured a funding offer from a major institutional investor and the proceeds from the recent sale of its Middelburg Operations, the Company is now well positioned to focus on the exploitation and development to production of its secured two platinum surfaces tailings projects and on strategically seeking further similar resource opportunities.

## Business review

A review of the Group and Company's operations during the year ended 30 June 2015 and future developments is contained in the Strategic Report on pages 3 to 8.

The Directors did not recommend the payment of a dividend for the year under review (2014: nil).

## Financial review

Earnings per share for the year ended 30 June 2015 were calculated as follows:

	2015	2014
Basic loss for the year – continuing operations (£)	<b>(2,906,928)</b>	(3,477,955)
Basic loss for the year – discontinued operations (£)	<b>(628,442)</b>	(1,887,743)
<b>Total loss for the year (£)</b>	<b>(3,535,370)</b>	(5,365,698)
Weighted average number of shares in issue	<b>644,851,551</b>	423,628,350
Diluted weighted average number of shares in issue	<b>644,851,551</b>	509,153,901
Loss per share – continuing operations (pence)	<b>(0.45)</b>	(0,82)
Loss per share – discontinued operations (pence)	<b>(0.10)</b>	(0,45)
	<b>(0.55)</b>	(1,27)
Diluted loss per share – continuing operations (pence)	<b>(0.45)</b>	(0,68)
Diluted loss per share – discontinued operations (pence)	<b>(0.10)</b>	(0,37)
	<b>(0.55)</b>	(1,05)
Loss per share – continuing operations (ZAR cents)	<b>(8.12)</b>	(13,82)
Loss per share – discontinued operations (ZAR cents)	<b>(1.76)</b>	(7,50)
	<b>(9.88)</b>	(21,32)
Diluted loss per share – continuing operations (ZAR cents)	<b>(8.12)</b>	(11,50)
Diluted loss per share – discontinued operations (ZAR cents)	<b>(1.76)</b>	(6,24)
	<b>(9.88)</b>	(17,74)

The Group reported a net asset value of 6.60 pence (127.65 ZAR cents) (2014: 10.32 pence (186.61 ZAR cents) per ordinary share. The total shares in issue as at 30 June 2015 were 749,860,507 (2014: 524,314,942). The decline in net asset value is mainly due to foreign currency losses on translation of foreign subsidiaries.

# Report of the Directors

(continued)

Major components of the Group's operating results comprised the following main categories:

	Continuing 2015	Discontin- ed 2015	Total 2015	Continuing 2014	Discontin- ed 2014	Total 2014	% change Continuing operations	% change Discontin- ed operations
Revenue	48,899	5,160,105	5,209,004	35,307	4,008,901	4,044,208	38	29
Operating expenses:								
Admin, corporate and operational costs	439,822	639,235	1,079,057	783,087	659,418	1,445,505	(44)	(3)
Amortisation and depreciation	624,284	751,630	1,375,913	747,601	1,439,527	2,187,128	(16)	(48)
Consulting and professional fees	703,848	78,945	782,793	903,621	76,494	980,115	(22)	3
Human resources	823,623	826,366	1,649,989	382,886	580,540	963,426	115	42
Repairs and Maintenance	12,600	1,141,714	1,154,315	83,846	1,049,594	1,133,440	(85)	9
Travelling	23,762	7,210	30,972	10,432	5,923	16,355	128	22
Corporate listing costs	147,209	–	147,209	108,852	–	108,852	35	–
Funding costs	68,459	–	68,459	504,349	–	504,349	(86)	–
<b>Total operating expenses</b>	<b>2,843,607</b>	<b>3,445,100</b>	<b>6,288,707</b>	<b>3,524,676</b>	<b>3,811,496</b>	<b>7,336,170</b>	<b>(19)</b>	<b>(10)</b>

Operating expenses from continuing operations are down 19% to £2,8 from £3,5 million. Operating expenses from discontinued operations are down 10% to £3,4 million from £3,8 million. The table above forms part of supplementary information and has not been audited. Reclassification of prior year figures has been made where necessary to reflect more appropriate comparative figures.

## Risk review

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

- 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 to minimise risk, there is a possibility of a material adverse impact on the Group's operations and its financial results. 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 will develop and maintain 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 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 and to process. The principal metals in the Group's portfolio are platinum group metals, nickel and copper. The price of these metals has been unstable during the financial year. The economics of all the Group's projects are kept under close review on a regular basis.
- Funding risk is the risk associated with the impact on a project's cash flow from higher funding costs or lack of availability of funds.

# Report of the Directors

*(continued)*

- Security of tenure

The Group investigates its rights to explore and extract minerals from all of its material properties and, to the best of its knowledge, those rights are expected to be in good standing. However, no assurance can be given that the Group will be able to secure the grant of mineral rights and tenures on terms satisfactory to it, or that governments in the jurisdiction in which the Group operates will not revoke or significantly alter such rights or tenures or that such rights or tenures will not be challenged or impugned by third parties, including local governments or other claimants.

## **Financial 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 smelting activities from cash flow from operations but in the absence of such cash flow the Group relies on the issue of equity share capital and option agreements to finance its activities. Jubilee has raised funds through a Standby Equity Distribution Agreement ("SEDA"), which allowed the Company to continue to seek potential acquisition opportunities in near-term mining projects consistent with its Mine-to-Metals strategy and to ensure sufficient funding for its Middelburg Smelter and ConRoast growth strategies. The drawdown 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 finances its overseas operations by transferring Pound Sterling and US Dollars to meet local operating costs. The Group does not hedge its exposure to foreign currency risk and is therefore exposed to currency fluctuations between these two currencies and local currencies. 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. 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 is included in note 23 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 and the size and stage of development of the Group. The Group also takes due regard of the Quoted Companies Alliance ("QCA") Guidelines on Corporate Governance for Smaller Quoted Companies.

The Board relies on the Remuneration and Nomination 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 three non-executive directors. Colin Bird is the Non-executive Chairman of the Board and Leon Coetzer is the Chief Executive Officer.

The Remuneration and Nomination 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.

# Report of the Directors

*(continued)*

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.

The structure of the Board ensures that no one individual or group dominates the decision-making process. The Board meets on a regular basis and provides effective leadership, overall control and direction to the Group's affairs through the schedule of matters reserved for its decision. This includes the approval for the budget and business plan, major capital expenditure, acquisitions and disposals, risk management policies and the approval of the financial statements. Formal agendas, papers and reports are sent to the Directors in a timely manner prior to Board meetings. The Board delegates certain of its responsibilities to Board committees 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. During the 2015 financial year the committee met once to consider the Group's financial reporting (including accounting policies) and the internal financial controls designed to identify and prevent the risk of loss. Colin Bird was appointed to the Audit and Risk Committee due to his ability and knowledge within the industry. The Audit and Risk Committee has reviewed the systems in place and considers these to be appropriate. The committee also sets principles for recommending the use of external auditors for non-audit services. The Audit and Risk Committee has considered and satisfied itself of the appropriateness and expertise of the Group Chief Financial Officer, Mrs C de Beer, and the finance function, and is unanimously satisfied of her continuing suitability for the financing function.

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

Capita Company Secretarial Services Ltd acted as Company Secretary for the financial year.

## **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 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.

# Report of the Directors

(continued)

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.

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 in the light of the following:

- the nature and extent of risks which it regards as acceptable for the Group to bear within its overall business objective;
- the threat of such a risk becoming a reality;
- the Group's ability to reduce the incidence and impact of risk on its performance; 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' consideration of going concern is made in note 27 to these annual financial statements.

## Legal proceedings

Other than as disclosed in this report, the Directors are not aware of any 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 resolutions:

The Company renewed the authority of the Directors to issue shares for cash up to 25% of the issued capital of the Company.

## Directors' interest in securities of the Company

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

	Number of ordinary shares	
	30 June 2015	30 June 2014
C Bird (Direct)	9,797,555	5,517,991
A Sarosi (Direct)	64,444	64,444
L Coetzer (Direct)	27,810	27,810
Dr M Phosa (Indirect) <sup>1</sup>	986,717	632,191
<b>Total</b>	<b>10,876,526</b>	<b>6,242,436</b>

<sup>1</sup> Dr Phosa holds his interest in Jubilee through his trust NMP Trust of which he is a trustee.

# Report of the Directors

(continued)

## Share options held by directors\*

	Opening and closing balance	Average exercise price Pence
C Bird	2,650,000	41p
C Molefe	200,000	36p
A Sarosi	1,650,000	32p
L Coetzer	3,000,000	35p
Dr M Phosa	500,000	35p
<b>Total</b>	<b>8,000,000</b>	

\* Refer to note 16 for additional information. There were no new grants during the period under review nor were any options exercised.

## Remuneration paid to the Directors for the period under review was as follows:

	2015 Fees paid £s	2015 Provision for unpaid fees £s	2015 £s	2014 £s
C Bird	–	80,000	80,000	80,000
A Sarosi	28,691	36,039	64,730	42,473
C Molefe	8,300	8,300	16,600	18,117
L Coetzer	106,401	106,401	212,802	236,524
E Victor (Resigned 8 Nov 2013)	–	–	–	40,583
Dr M Phosa	31,689	1,511	33,200	34,452
<b>Total</b>	<b>175,081</b>	<b>232,251</b>	<b>407,332</b>	452,149

During the period under review the Directors' remuneration was adjusted to carry the Group and Company in terms of cash flow requirements. The balance owed to the Directors will be settled through an agreed mechanism between them and the Group or Company. The amount that was short paid to Directors for the period under review amounted to £249, 976 (2014: £225,225) and has been provided for in the accounts. Refer to note 6 for details of staff costs.

The remuneration of the non-executive directors are not linked to attendance of meetings but paid monthly for services as Directors.

## Board of Directors

There were no other changes to the Board during the period under review and up to the date of this report.

## Abbreviated biographies of the Directors

### Mr Colin Bird

#### Non-executive Chairman

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



# Report of the Directors

*(continued)*

## **Dr Mathews Phosa**

### **Non-executive Vice-Chairman**

Dr Mathews Phosa established the first black law firm in Nelspruit in 1981. He is a renowned strategic and business leader who has had an immeasurable impact on the lives of numerous South Africans. He led the military wing of Umkhonto we Sizwe from Mozambique and was part of the ANC delegation which successfully negotiated a peaceful transition into a fully democratic South Africa. Dr Phosa was elected as the first Premier of Mpumalanga Province in 1994 and went on to serve as the Treasurer General within the Executive Committee of the ANC from 2007 to 2012. He has provided a sustainable legacy through his commitment to Special Olympics South Africa, Innibos Arts Festival and as Chairperson of Council of Unisa. Commercially Dr Phosa sits on a number of listed company boards (Waterberg Coal Company Limited, Value Group, Jubilee Platinum) as well as a number of unlisted entities (Brent Oil, TSB, Hans Merensky Holdings, and du Toit Smuts & Mathews Phosa Attorneys). Dr Phosa received a lifetime achievement award in July 2013 at the 12th awards ceremony of the Oliver Empowerment Awards for his continued persistence in ensuring we engage in the debates around reshaping and rebuilding our understanding of “real” transformation and empowerment. Dr Phosa has two anthologies in Afrikaans poetry some of which are prescribed in the school curriculum for our national matric syllabus.

## **Mr Christopher Molefe**

### **Non-executive Director**

Mr Molefe was formerly the Chief Executive of Royal Bafokeng Resources Pty Ltd and is presently the Non-Executive Chairman of Merafe Resources Ltd and a Non-Executive Director of Capital Oil Pty Ltd, both in South Africa. Mr Molefe has held several positions in corporate banking and industry for the previous 20 years. He commenced his career as Group Human Resource Manager at Union Carbide Africa Corporation. His subsequent positions include Manager of Corporate Affairs at Mobil Oil Southern Africa Pty Ltd; an Executive Director at Black Management Forum; a Financial Analyst at Chase Manhattan Bank; the Marketing Manager at African Bank Ltd; an Executive Manager at Transnet (Propnet) Pty Ltd and an Executive Director at Dipapatso Media Pty Ltd.

## **Mr Leon Coetzer**

### **Chief Executive Officer**

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

## **Mr Andrew Sarosi**

### **Executive Director**

Andrew Sarosi is a mineral processing engineer with 42 years’ experience in operations, management, consulting and corporate responsibilities for gold, silver, tungsten, tin, copper, zinc, diamond and rare earth projects in Saudi Arabia, Ethiopia, Southern Africa, West Africa, Madagascar and the United Kingdom. Andrew has held senior and advisory positions with Consolidated Gold Fields (UK), Amax UK, Petromin (Mahad adh Dahab – Saudi Arabia), Mackay & Schnellmann (UK), CSM Associates UK (now Wardell Armstrong), Lion Mining Finance and currently is an adviser to Wolf Minerals PLC. Andrew is currently executive director of Jubilee, having been appointed in January 2006 and is on the board of Galileo Resources PLC and other resource companies.

# 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 749,860,507 ordinary shares at 30 June 2015:

Ordinary shares of 1p each	Number	Percentage
Hargreaves Lansdown (Nominees) Limited	73,273,277	9.77
Barclayshare Nominees Limited	69,256,477	9.24
TD Direct Investing Nominees (Europe) Limited	66,880,022	8.92
Jim Nominees Limited Jarvis	45,978,349	5.78
HSDL Nominees Limited	37,082,631	4.95
Wealth Nominees Limited	32,777,813	4.37
Stephanus Esaias Salomon	32,160,063	4.29
Investec Emerging Companies Fund	24,449,301	3.26
Investor Nominees Limited	23,848,444	3.18

## Share issues

Details of the shares issued in the year are disclosed in note 15 to the financial statements.

## Post-reporting date events

Details of post-reporting date events are disclosed in note 28 to the financial statements.

## Creditors' payment policy and practice

The Group and Company's policy is to settle terms of payment with suppliers when agreeing terms of business, to ensure that the suppliers are aware of the terms of payment and to abide by them. The Group and Company settles its trade payables in accordance with this policy.

## Qualifying indemnity provision

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

## Political and charitable donations

The Group made no charitable or political donations during the period under review (2014: £ nil).

## Auditors

The Directors review the terms of reference for the auditors and obtain written confirmation that the firm has complied with its ethical guidance on ensuring its independence. Saffery Champness provides audit services to the Company. Any non-audit-related services have to be recommended by the Audit 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.

## 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.

## Unlisted securities

The Company holds no unlisted shares.

On behalf of the Board

## L Coetzer

Chief Executive Officer

10 November 2015

Company number 04459850

# 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 10 November 2015 and signed on its behalf by:

### **Leon Coetzer**

*Chief Executive Officer*

10 November 2015

Company number 04459850

# Report of the Audit and Risk Committee

for the year ended 30 June 2015

The Audit and Risk Committee is chaired by Mr Christopher Molefe. During the financial year ended 30 June 2015 the Audit and Risk Committee carried out its functions as follows:

- Nominated the appointment of Saffery Champness as the registered independent auditors after satisfying itself through enquiry that Saffery Champness is independent as defined in terms of the Corporate Laws Amendment Act (“CLAA”).
- Determined the fees to be paid to Saffery Champness and their terms of engagement.
- Ensured that the 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 as statutory auditors are independent of the Company.

The Audit and Risk Committee has considered and satisfied itself of the appropriateness and expertise of the Chief Financial Officer, C de Beer, and is unanimously satisfied of her continuing suitability for the position.

The Audit and Risk Committee recommended the financial statements for the year ended 30 June 2015 for approval to the Board. The Board has subsequently approved the financial statements, which will be open for discussion at the forthcoming Annual General Meeting.

## **Christopher Molefe**

*Chairman – Audit and Risk Committee*

10 November 2015

Company number 04459850

# Independent auditor's report to the members of Jubilee

We have audited the company's financial statements of Jubilee Platinum Plc for the year ended 30 June 2015 which comprise the Consolidated Statements of Comprehensive Income, Consolidated Statements of Financial Position, Consolidated Statements of Cash Flows, Consolidated Statements of Changes in Equity and Notes to the Consolidated Financial Statements set out on pages 21 to 62. 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 and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

## **Respective responsibilities of Directors and auditors**

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

## **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## **Opinion on financial statements**

In our opinion:

- the financial statements give a true and fair view of the state of affairs of the group and the parent company as at 30 June 2015 and of the group's loss for the year then ended; and
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

## **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion 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.

# Independent auditor's report to the members of Jubilee *(continued)*

## **Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

### **Andrew Gaskell**

*Senior Statutory Auditor*

For and on behalf of

Saffery Champness  
Chartered Accountants  
Statutory Auditors

Lion House  
Red Lion Street  
WC1R 4GB

10 November 2015

# Consolidated statements of comprehensive income

for the year ended 30 June 2015

Figures in £s	Note	Group		Company	
		2015	2014	2015	2014
<b>Continuing operations</b>					
Revenue	3	48,899	35,307	45,014	–
Cost of sales		(25,529)	–	(25,529)	–
<b>Gross profit</b>		<b>23,370</b>	35,307	<b>19,485</b>	–
Other income		8,586	138,419	–	151,387
Operating expenses <sup>1</sup>		(2,843,607)	(3,524,675)	(826,650)	(1,304,919)
<b>Operating loss</b>	4	<b>(2,811,651)</b>	(3,350,949)	<b>(807,165)</b>	(1,153,532)
Investment revenue	5	65,283	5,675	65,283	5,270
Finance cost	5	(194,758)	(259,185)	(194,754)	(259,078)
<b>Loss before taxation</b>		<b>(2,941,126)</b>	(3,604,459)	<b>(936,636)</b>	(1,407,340)
Taxation	7	–	(174)	–	–
<b>Loss for the year from continuing operations</b>		<b>(2,941,126)</b>	(3,604,633)	<b>(936,636)</b>	(1,407,340)
Discontinuing operations					
Loss from discontinued operations		(504,196)	(1,949,810)	–	–
<b>Loss for the year</b>		<b>(3,445,322)</b>	(5,554,443)	<b>(936,636)</b>	(1,407,340)
<b>Other comprehensive income:</b>					
Exchange differences on translation of foreign operations – continuing operations		(4,081,440)	(6,827,072)	–	–
Exchange differences on translation of foreign operations – discontinuing operations		(415,635)	(59,313)	–	–
<b>Total other comprehensive income</b>	17	<b>(4,497,075)</b>	(6,886,385)	–	–
<b>Total comprehensive loss</b>		<b>(7,942,397)</b>	(12,440,828)	<b>(936,636)</b>	(1,407,340)
<b>Loss attributable to:</b>					
Owners of the parent:					
Loss for the year from continuing operations		(2,906,928)	(3,477,955)	(936,636)	(1,407,340)
Loss for the year from discontinued operations	22	(628,442)	(1,887,743)	–	–
<b>Loss for the year attributable to owners of the parent</b>		<b>(3,535,370)</b>	(5,365,698)	<b>(936,636)</b>	(1,407,340)
Non-controlling interest:					
Loss for the year from continuing operations		(34,198)	(126,678)	–	–
Profit/(loss) for the year from discontinued operations	22	124,246	(62,067)	–	–
<b>Profit/(loss) for the year attributable to non-controlling interest</b>		<b>90,048</b>	(188,745)	–	–
<b>Total comprehensive loss attributable to:</b>					
Owners of the parent					
		(8,006,476)	(12,192,770)	(936,636)	(1,407,340)
Non-controlling interest					
		64,079	(248,058)	–	–
		<b>(7,942,397)</b>	(12,440,828)	<b>(936,636)</b>	(1,407,340)
Basic loss per share (pence) – continuing operations	14	(0.45)	(0.82)		
Diluted loss per share (pence) – continuing operations	14	(0.45)	(0.45)		
Basic loss per share (pence) – discontinued operations	14	(0.10)	(0.68)		
Diluted loss per share (pence) – discontinued operations	14	(0.10)	(0.37)		

<sup>1</sup> Refer to the Directors' report on page 9 of this report for a detailed breakdown of the major components of the Group's operating expenses.

The accompanying accounting policies and notes on pages 26 to 62 form an integral part of these financial statements.



# Consolidated statements of financial position

as at 30 June 2015

	Note	Group		Company	
		2015 £s	2014 £s	2015 £s	2014 £s
<b>ASSETS</b>					
Intangible assets and goodwill	8	<b>59,069,354</b>	65,404,879	–	–
Property, plant and equipment	9	<b>88,064</b>	5,990,073	–	–
Investments in subsidiaries	10	–	–	<b>47,063,331</b>	46,169,390
Loans to Group companies	11	–	–	<b>39,848,038</b>	38,072,671
<b>Non-current assets</b>		<b>59,157,418</b>	71,394,952	<b>86,911,369</b>	84,242,061
Inventories		<b>19,019</b>	–	<b>19,019</b>	–
Current tax receivable		<b>15,900</b>	20,194	–	–
Trade and other receivables	12	<b>302,504</b>	1,225,439	<b>243,770</b>	3,286
Cash and cash equivalents	13	<b>360,829</b>	733,399	<b>348,467</b>	449,433
<b>Current assets</b>		<b>698,252</b>	1,979,032	<b>611,256</b>	452,719
Current assets held for sale and assets of disposal groups	22	<b>7,696,389</b>	–	–	–
<b>Total assets</b>		<b>67,552,059</b>	73,373,984	<b>87,522,625</b>	84,694,780
<b>EQUITY AND LIABILITIES</b>					
Share capital	15	<b>75,896,582</b>	73,434,453	<b>75,896,582</b>	73,434,453
Reserves		<b>16,742,258</b>	20,932,548	<b>28,383,026</b>	28,102,210
Accumulated loss		<b>(43,495,910)</b>	(40,428,539)	<b>(18,266,343)</b>	(17,797,707)
<b>Equity attributable to equity holders of parent</b>		<b>49,142,930</b>	53,938,462	<b>86,013,265</b>	83,738,956
Non-controlling interest		<b>365,071</b>	177,179	–	–
<b>Total equity</b>		<b>49,508,001</b>	54,115,641	<b>86,013,265</b>	83,738,956
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Deferred tax liability	7	<b>13,738,729</b>	15,441,818	–	–
<b>Total non-current liabilities</b>		<b>13,738,729</b>	15,441,818	–	–
<b>Current liabilities</b>					
Loans from related parties	25	–	311,061	–	–
Other financial liabilities	18	<b>811,890</b>	795,315	<b>811,890</b>	795,315
Trade and other payables	20	<b>876,618</b>	2,448,131	<b>351,429</b>	160,509
Deferred income	19	<b>346,041</b>	262,019	<b>346,041</b>	–
<b>Total current liabilities</b>		<b>2,034,549</b>	3,816,526	<b>1,509,360</b>	955,824
Current liabilities of disposal group	22	<b>2,270,780</b>	–	–	–
<b>Total liabilities</b>		<b>18,044,058</b>	19,258,344	<b>1,509,360</b>	955,824
<b>Total equity and liabilities</b>		<b>67,552,059</b>	73,373,984	<b>87,522,625</b>	84,694,780

The accompanying accounting policies and notes on pages 26 to 62 form an integral part of these financial statements.

The financial statements were authorised for issue and approved by the Board on 10 November 2015 and signed on its behalf by:

**Leon Coetzer**

Chief Executive Officer

Company number 04459850

# Consolidated statements of cash flows

for the year ended 30 June 2015

	Note	Group		Company	
		2015 £	2014 £	2015 £	2014 £s
<b>Cash flows from operating activities</b>					
Cash (used in)/generated from operations	21	<b>(1,251,279)</b>	(1,131,312)	<b>761,299</b>	(854,723)
Interest income		<b>65,283</b>	5,675	<b>65,283</b>	5,270
Finance costs		<b>(194,758)</b>	(259,185)	<b>(194,754)</b>	(259,078)
<b>Net cash from operating activities</b>		<b>(1,380,754)</b>	(1,384,822)	<b>631,828</b>	(1,108,531)
<b>Cash flows from investing activities</b>					
Purchase of property, plant and equipment		<b>(5,904)</b>	(277,428)	–	–
Sale of property, plant and equipment		<b>(42,547)</b>	–	<b>(45,014)</b>	–
Purchase of other intangible assets		<b>(45,334)</b>	(9,353)	–	–
Loans advanced to Group companies		–	–	<b>(1,878,764)</b>	(352,338)
<b>Cash removed as part of discontinued operations</b>	22	<b>(163,002)</b>	–	–	–
<b>Net cash from investing activities</b>		<b>(256,787)</b>	(286,781)	<b>(1,923,778)</b>	(352,338)
<b>Cash flows from financing activities</b>					
Proceeds on share issue		<b>1,413,280</b>	394,828	<b>1,413,280</b>	282,082
(Repayment)/proceeds from other financial liabilities		<b>(264,323)</b>	198,127	<b>(222,295)</b>	1,153,241
Repayment of shareholders' loan		–	(62,438)	–	–
<b>Net cash from financing activities</b>		<b>1,148,957</b>	530,517	<b>1,190,985</b>	1,435,323
<b>Total cash movement for the year</b>		<b>(488,584)</b>	(1,141,087)	<b>(100,965)</b>	(25,546)
Cash at the beginning of the year		<b>733,399</b>	726,454	<b>449,433</b>	474,980
Effect of exchange rate movement on cash balances		<b>116,014</b>	1,148,032	–	–
<b>Total cash at the end of the year</b>	13	<b>360,829</b>	733,399	<b>348,467</b>	449,434

The accompanying accounting policies and notes on pages 26 to 62 form an integral part of these financial statements.

# Consolidated statements of changes in equity

for the year ended 30 June 2015

Group	Share capital £s	Foreign currency translation reserve £s	Merger reserve £s
<b>Balance at 30 June 2013</b>	69,687,686	(342,590)	23,184,000
Changes in equity			
Loss for the year	–	–	–
Other comprehensive loss for the year	–	(6,827,072)	–
Total comprehensive loss for the year	–	(6,827,072)	–
Issue of share capital net of costs	3,746,767	–	–
Total changes	3,746,767	(6,827,072)	
<b>Balance at 30 June 2014</b>	<b>73,434,453</b>	<b>(7,169,662)</b>	<b>23,184,000</b>
Changes in equity			
Loss for the year	–	–	–
Other comprehensive loss for the year	–	(4,471,106)	–
Total comprehensive loss for the year	–	(4,471,106)	–
Issue of share capital net of costs	2,462,129	–	–
Warrants issued	–	–	–
Share options forfeited	–	–	–
Changes in ownership interest control not lost	–	–	–
Total changes	2,462,129	(4,471,106)	–
<b>Balance at 30 June 2015</b>	<b>75,896,582</b>	<b>(11,640,768)</b>	<b>23,184,000</b>
Note	15	17	

Company	Share capital £s
<b>Balance at 30 June 2013</b>	69,687,686
Changes in equity	
Loss for the year	–
Other comprehensive income for the year	–
Total comprehensive loss for the year	–
Issue of share capital net of costs	3,746,767
Total changes	3,746,767
<b>Balance at 30 June 2014</b>	<b>73,434,453</b>
Changes in equity	
Loss for the year	–
Other comprehensive income for the year	–
Total comprehensive loss for the year	–
Issue of share capital net of costs	2,462,129
Warrants issued	–
Share options forfeited	–
Total changes	2,462,129
<b>Balance at 30 June 2015</b>	<b>75,896,582</b>
Note	15

The accompanying accounting policies and notes on pages 26 to 62 form an integral part of these financial statements.

Share-based payment reserve £s	Total reserves £s	Accumulated loss £s	Total attributable to parent of equity holders £s	Non-controlling interest £s	Total equity £s
4,918,210	27,759,620	(35,062,842)	62,384,463	425,237	62,809,701
–	–	(5,365,697)	(5,365,697)	(188,745)	(5,554,442)
–	(6,827,072)	–	(6,827,072)	(59,313)	(6,886,385)
–	(6,827,072)	(5,365,697)	(12,192,769)	(248,058)	(12,440,827)
–	–	–	3,746,767	–	3,746,767
–	(6,827,072)	(5,365,697)	(8,446,002)	(248,058)	(8,694,060)
<b>4,918,210</b>	<b>20,932,548</b>	<b>(40,428,539)</b>	<b>53,938,462</b>	<b>177,179</b>	<b>54,115,641</b>
–	–	(3,535,370)	(3,535,370)	90,048	(3,455,322)
–	(4,471,106)	–	(4,471,106)	(25,969)	(4,497,075)
–	(4,471,106)	(3,535,370)	(8,006,476)	64,079	(7,942,397)
–	–	–	2,462,129	–	2,462,129
748,816	748,816	–	748,816	–	748,816
(468,000)	(468,000)	468,000	–	–	–
–	–	–	–	123,813	123,813
280,816	(4,190,290)	(3,067,370)	(4,795,531)	187,891	(4,607,640)
<b>5,199,026</b>	<b>16,742,258</b>	<b>(43,495,910)</b>	<b>49,142,930</b>	<b>365,071</b>	<b>49,508,001</b>

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Merger reserve £s	Share-based payment reserve £s	Total reserves £s	Accumulated loss £s	Total attributable to parent of equity holders of the Company/Group £s	Total equity £s
23,184,000	4,918,210	28,102,210	(16,390,367)	81,399,529	81,399,529
–	–	–	–	–	–
–	–	–	(1,407,340)	(1,407,340)	(1,407,340)
–	–	–	–	–	–
–	–	–	(1,407,340)	(1,407,340)	(1,407,340)
–	–	–	–	3,746,767	3,746,767
–	–	–	(1,407,340)	2,339,427	2,339,427
<b>23,184,000</b>	<b>4,918,210</b>	<b>28,102,210</b>	<b>(17,797,707)</b>	<b>83,738,956</b>	<b>83,738,956</b>
–	–	–	(936,636)	(936,636)	(936,636)
–	–	–	–	–	–
–	–	–	(936,636)	(936,636)	(936,636)
–	–	–	–	2,462,129	2,462,129
–	748,816	748,816	–	748,816	748,816
–	(468,000)	(468,000)	468,000	–	–
–	280,816	280,816	(468,636)	2,274,309	2,274,309
<b>23,184,000</b>	<b>5,199,026</b>	<b>28,383,026</b>	<b>(18,266,343)</b>	<b>86,013,265</b>	<b>86,013,265</b>

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# Notes to the consolidated financial statements

for the year ended 30 June 2015

## 1. PRESENTATION OF FINANCIAL STATEMENTS

The Group and Company results for the year ended 30 June 2015 have been prepared using the accounting policies applied by the Company in its 30 June 2014 annual report which are in accordance with International Financial Reporting Standards (IFRS and IFRIC interpretations) issued by the International Accounting Standards Board ("IASB") as 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)). They are presented in Pound Sterling.

### 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.

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.

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## **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, liability 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. Where the existing shareholding was classified as an available-for-sale financial asset, the cumulative fair value adjustments recognised previously to profit or loss and accumulated in equity are recognised in profit or loss as a reclassification adjustment.

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 excess is credited in full to the consolidated statement of comprehensive income on the acquisition date.

## **Merger reserve**

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

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 1. PRESENTATION OF FINANCIAL STATEMENTS *(continued)*

### 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.

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 estimate. 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.

### 1.3 Intangible assets

#### 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 interest are continuing.

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 (“CGU”) to which the exploration activity related.

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

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



# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## **Intangible assets – development costs**

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

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

Development costs capitalised 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.

For the Nickel project core drilling costs and other costs relating to the pilot plant test and to complete the Definite Feasibility Study (“DFS”) on the reclamation and processing of the sulphite nickel tailings are capitalised to the Nickel project.

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

## **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 consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 1. PRESENTATION OF FINANCIAL STATEMENTS *(continued)*

### 1.4 Financial instruments *(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 reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. 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.

#### ***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 subsidiaries are measured at amortised cost using the effective interest rate method.

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 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.

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.

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 1. PRESENTATION OF FINANCIAL STATEMENTS *(continued)*

### 1.6 Tax *(continued)*

#### **Tax expenses**

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to profit or loss; or
- a business combination.

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.

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 cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit 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 cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination.

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

An impairment loss is recognised for cash-generating units 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 cash-generating unit; 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 as 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.

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.

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 1. PRESENTATION OF FINANCIAL STATEMENTS *(continued)*

### 1.11 Provisions and contingencies *(continued)*

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
  - the business or part of a business concerned;
  - the principal locations affected;
  - the location, function, and approximate number of employees who will be compensated for terminating their services;
  - the expenditures that will be undertaken; and
  - when the plan will be implemented;
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

After their initial recognition contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised.

### 1.12 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax. Interest is recognised, in profit or loss, using the effective interest rate method.

Turnover comprises sales to customers and service rendered to customers. Turnover is stated at the invoice amount and is exclusive of value added tax.

Royalties are recognised on the accrual basis in accordance with the substance of the relevant agreements.

Dividends are recognised, in profit or loss, when the Company's right to receive payment has been established.

### 1.13 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.

### 1.14 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).

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

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.

## **Investments in subsidiaries, joint ventures and associates**

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.

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.

## **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.



# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 1. PRESENTATION OF FINANCIAL STATEMENTS *(continued)*

### 1.15 Critical judgements and key sources of estimation uncertainty

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

- **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. The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy. The recoverable amounts of cash-generating units will be determined based on value-in-use calculations. These calculations require the use of estimates.
- **Determination of fair values of intangible assets acquired in business combinations**  
On the acquisition of a company, fair values reflective of the conditions that exist are attributed to the identifiable assets (including intangibles), liabilities, and contingent liabilities acquired. Fair values are determined by reference to active market value or, if unavailable, by reference to the current market price of similar assets or obligations, or by discounting expected future cash flows to their present values, using either market values or risk free rates adjusted for risk. The key assumption applied in the value-in-use calculation is a discount factor of 10%.
- **Taxation**  
The Group is subject to income tax in several jurisdictions and significant judgement is required in determining the provision for income taxes. During the ordinary course of business, there are transactions and calculations for which the ultimate tax determination is uncertain. As a result, the Company recognises tax liabilities based on estimates of whether additional taxes and interest will be due. These tax liabilities are recognised when, despite the Company's belief that its tax return positions are supportable, the Company believes that certain positions are likely to be challenged and may not be fully sustained upon review by tax authorities. The Company believes that its accruals for tax liabilities are adequate for all open audit years based on its assessment of many factors including past experience and interpretations of tax law. This assessment relies on estimates and assumptions and may involve a series of complex judgements about future events. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences will impact income tax expense in the period in which such determination is made. 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.
- **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 15 and 16 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 estimation the residual values and useful lives of items of property, plant and equipment. Refer to note 9 for detail of the values of property, plant and equipment.



# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 2. ADOPTION OF NEW AND REVISED STANDARDS

### Changes in accounting policies

The accounting policies adopted are consistent with those in the previous financial year except that in the current year, the Group has adopted all new and revised Standards and Interpretations issued by the IASB and the IFRS Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for the accounting periods beginning on or before 1 January 2014, including:

- IFRS 2 Share-based Payments (amendments) – vesting conditions and market conditions definitions and the inclusion of definitions of performance conditions and service conditions;
- IFRS 8 Operating Segments (amendments) – disclosure of judgements made by management in applying aggregation criteria and asset reconciliations;
- IFRS 13 Fair Value Measurement (amendments) – clarification of measurement requirements for short-term receivables and payables;
- IAS 24 Related Party Disclosures (amendments) – definition and disclosure requirements for key management personnel;
- IAS 36 Impairment of Assets (amendments) – recoverable amount disclosures for non-financial assets; and
- IFRIC 21 Levies (new interpretation) – the interpretation clarifies when to recognise a liability for a levy imposed by a government. This has no impact on the Group as it has applied the recognition principles in prior years under IAS 37 Provisions, Contingent Liabilities and Contingent Assets, which are consistent with the requirements of IFRIC 21.

These changes have no material effect on the consolidated financial statements.

### Future Accounting Standards

Certain IFRSs and IFRICs have recently been issued or amended but are not yet effective and have not been adopted by the Group as at the annual reporting period ended on 30 June 2015.

- Improvements to IFRS: IFRS 5 Non-current Assets Held for Sale and Discontinued Operations (effective from 1 January 2016)  
The amendments clarify the accounting for a change in a disposal plan from a plan to sell to a plan to distribute a dividend to its shareholders or vice versa. The impact of this amendment is currently being assessed, however it is unlikely that it will have a material impact on the Group's financial position or performance.

- IFRS 9 Financial Instruments (effective from 1 January 2018)  
IFRS 9 Financial Instruments is a new standard that replaces IAS 39 Financial Instruments: Recognition and Measurement.

The standard includes requirements for the classification, measurement and derecognition of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. The impact of this standard is currently being assessed.

- Amendments to IFRS 11 Joint Arrangements (effective from 1 January 2016)  
The amendment provides new guidance on how to account for the acquisition of an interest in a joint operation in which that activity constitutes a business. The impact of the amendments is currently being assessed, however it is unlikely that they will have a material impact on the Group's financial position or performance.

- IFRS 15 Revenue from Contracts with Customers (effective from 1 January 2018)  
IFRS 15 is a new standard that replaces IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Arrangements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers and SIC 31 Revenue: Barter Transactions.

The standard requires entities to recognise revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services, which is achieved through a five step methodology.

The impact of this standard is currently being assessed.

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 2. **ADOPTION OF NEW AND REVISED STANDARDS** *(continued)*

- Amendments to IAS 1 Presentation of Financial Statements (effective from 1 January 2016)

The amendments are designed to encourage entities to apply professional judgement in determining what information to disclose in their financial statements. The amendments also clarify that entities should use professional judgement in determining where and in what order information is presented in the financial disclosures.

- The impact of this amendment is currently being assessed.

Amendments to IAS 16 Property, Plant and Equipment (effective from 1 January 2016)

The amendments establish the principle for the basis of depreciation as being the expected pattern of consumption of future economic benefits of an asset and clarifies that revenue is not an appropriate basis for measuring the consumption of future economic benefits of an asset.

- The impact of this amendment is currently being assessed.

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 3. REVENUE

	Note	Group		Company	
		2015 £s	2014 £s	2015 £s	2014 £s
Provision of services		<b>48,899</b>	35,307	<b>45,014</b>	–

One of the Group's major customers account for a significant portion of the Group and Company's revenue (more than 10%) in the amount of £45,014 at Group and Company level. The Directors consider this customer to be of good quality.

## 4. OPERATING LOSS

Operating loss for the year is stated after accounting for the following:

Operating lease charges					
Contractual amounts – premises		<b>74,622</b>	84,385	<b>34,024</b>	21,992
Contractual amounts – office equipment		<b>12,452</b>	10,765	–	–
<b>Auditors' remuneration</b>					
Statutory fees (UK)					
– current		<b>78,000</b>	70,000	<b>78,000</b>	70,000
– prior year		–	13,367	–	13,367
Statutory fees (SA)		<b>10,159</b>	12,890	–	–
Loss on equity swap		–	504,349	–	504,349
Impairment of loans		<b>60,981</b>	–	–	–
Impairment of other financial liabilities		<b>(11,171)</b>	–	<b>(42,028)</b>	–
Profit on sale of property, plant and equipment		<b>(59,904)</b>	–	<b>(45,014)</b>	–
(Profit)/loss on exchange differences		<b>20,508</b>	345,686	<b>20,539</b>	18,296
Amortisation of intangible assets	8	<b>673,440</b>	720,916	–	–
Depreciation on property, plant and equipment	9	<b>22,996</b>	26,685	–	–
Employee costs	6	<b>353,666</b>	380,632	<b>92,730</b>	187,268

### Operating lease commitments

Operating lease commitments relate to the rental of office facilities.

Under one year		–	54,984	–	54,984
Two to five years		–	–	–	–
		–	54,984	–	54,984

## 5. FINANCE COSTS/(INCOME)

Interest-bearing borrowings		<b>124,461</b>	187,159	<b>124,461</b>	187,159
Other interest		<b>70,297</b>	72,026	<b>70,293</b>	71,919
<b>Total finance costs</b>		<b>194,758</b>	259,185	<b>194,754</b>	259,078
Finance income		<b>(62,702)</b>	–	<b>(62,702)</b>	–
Bank interest received		<b>(2,581)</b>	(5,675)	<b>(2,581)</b>	(5,270)
<b>Total finance income</b>		<b>(65,283)</b>	(5,675)	<b>(65,283)</b>	(5,270)

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 6. STAFF COSTS (INCLUDING DIRECTORS)

	Group		Company	
	2015 £s	2014 £s	2015 £s	2014 £s
Salaries	<b>353,666</b>	568,608	<b>28,000</b>	28,000
Directors' fees and remuneration	<b>157,353</b>	186,341	<b>64,730</b>	66,649
Provision for unpaid remuneration	<b>232,251</b>	225,225	<b>125,850</b>	108,394
Share-based payments	<b>17,726</b>	40,583	<b>17,726</b>	40,583
<b>Total staff costs</b>	<b>760,996</b>	1,020,757	<b>236,306</b>	243,626

The Group averaged 52 (8 administrative) employees during the period ended 30 June 2015 (2014: 49 employees (10 administrative)).

Directors and the Company's Chief Financial Officer – C de Beer have been assessed as key management of the Group. Refer to note 25 for details of C de Beer's remuneration. The Company provides the Directors and Officers with Directors' and Officers' liability insurance at a cost of £6,200 (2014: £6,000). This cost is not included in the above remuneration.

	Group		Company	
	2015 £s	2014 £s	2015 £s	2014 £s
<b>Directors' fees and remuneration</b>				
<b>Directors' short-term benefits</b>				
Directors' fees	<b>22,262</b>	44,882	<b>22,262</b>	44,882
Directors' salaries	<b>135,092</b>	141,459	<b>42,468</b>	21,767
Provision for unpaid remuneration	<b>232,251</b>	225,225	<b>125,850</b>	108,394
<b>Total Director remuneration</b>	<b>389,605</b>	411,566	<b>190,580</b>	175,042
Share-based payments	<b>17,726</b>	40,583	<b>17,726</b>	40,583
<b>Total Director remuneration</b>	<b>407,331</b>	452,149	<b>208,306</b>	215,626

The highest paid director is L Coetzer with annual remuneration of £212,812 (2014: £236,125).

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 7. TAXATION

	Group		Company	
	2015 £s	2014 £s	2015 £s	2014 £s
<b>Major components of the tax expense (income)</b>				
<b>Current</b>				
Local income tax – current period	–	–	–	–
Local income tax – recognised in current tax prior periods	–	–	–	–
<b>Deferred</b>				
Originating and reversing temporary differences	–	12,664	–	–
Arising from prior period adjustments	–	–	–	–
		12,664		–
		12,664		–
The tax assessed for the year is higher (2014: higher) than the standard rate of corporation tax in the UK.				
<b>Reconciliation of the tax expense</b>				
Reconciliation between accounting profit and tax expense:				
Accounting loss	<b>(2,473,126)</b>	(12,440,827)	<b>(468,636)</b>	(1,407,340)
Tax at the applicable tax rate of 28% (2014: 28%)	<b>(692,475)</b>	(3,483,432)	<b>(131,218)</b>	(394,055)
<b>Tax effect of adjustments on taxable income</b>				
Non-deductible/(non-taxable) expenditure/income	<b>(3,782)</b>	281,981	<b>(9,004)</b>	146,706
Assessed loss not recognised	<b>696,257</b>	3,188,787	<b>140,222</b>	229,160
	–	12,664	–	–
<b>Deferred tax</b>				
<b>Deferred tax liability</b>				
Capital allowance for tax purposes	–	(512,950)	–	–
Fair value adjustment arising from business combinations	<b>(13,738,729)</b>	(15,033,570)	–	–
Tax losses available for set off against future taxable income	–	104,701	–	–
	<b>(13,738,729)</b>	(15,441,819)	–	–
<b>Reconciliation of deferred tax liability</b>				
At beginning of the year	<b>(15,441,819)</b>	(16,580,883)	–	–
Deferred tax adjustment for Disposal Group held for sale	<b>715,149</b>	–	–	–
Foreign exchange movement	<b>987,941</b>	1,126,400	–	–
Originating temporary differences on capital allowance	–	12,664	–	–
	<b>(13,738,729)</b>	(15,441,819)	–	–

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

The Group has estimated tax losses of £51,043,234 (2014: £50,346,977) to carry forward against future periods.

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 8. INTANGIBLE ASSETS

Group Figures in £s	2015			2014		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Nickel tailing project <sup>1</sup>	18,214,493	–	18,214,493	20,657,665	–	20,657,665
PGE's exploration expenditure <sup>2</sup>	36,950,638	–	36,950,638	39,343,592	–	39,343,592
Development cost <sup>3</sup>	9,020,811	(5,116,588)	3,904,223	9,607,478	(4,801,856)	4,805,622
Goodwill	–	–	–	598,000	–	598,000
<b>Total</b>	<b>64,185,942</b>	<b>(5,116,588)</b>	<b>59,069,354</b>	<b>70,206,735</b>	<b>(4,801,856)</b>	<b>65,404,879</b>

### Reconciliation of intangible assets – Group – 2015

	Opening balance £s	Additions £s	Additions through increased investments £s	Classified as held for sale £s	Foreign exchange movements £s	Amortisation £s	Total £s
Nickel tailing project	20,657,665	5,836	–	–	(2,449,008)	–	18,214,493
PGE's exploration expenditure	39,343,592	722	914,356	(701,374)	(2,606,663)	–	36,950,638
Development cost	4,805,622	38,775	–	–	(266,734)	(673,440)	3,904,223
Goodwill	598,000	–	–	(598,000)	–	–	–
	<b>65,404,879</b>	<b>45,333</b>	<b>914,356</b>	<b>(1,299,374)</b>	<b>(5,322,405)</b>	<b>(673,440)</b>	<b>59,069,354</b>

### Reconciliation of intangible assets – Group – 2014

	Opening balance £'s	Additions £'s	Foreign exchange movements £'s	Amortisation £'s	Total £'s
Nickel tailing project	23,351,529	8,359	(2,702,222)	–	20,657,665
PGE's exploration expenditure	43,407,447	996	(4,064,851)	–	39,343,592
Development cost	5,885,239	636,514	(995,215)	(720,916)	4,805,622
Goodwill	598,000	–	–	–	598,000
	<b>73,242,215</b>	<b>645,868</b>	<b>(7,762,288)</b>	<b>(720,916)</b>	<b>65,404,879</b>

<sup>1</sup> The Company completed a Scoping Study on the processing of the Tailings in February 2009, in part towards an Engineering Study and Economic Evaluation ("ESEE") of the project. By a Deed of Access, the Company drilled fresh samples of the Tailings for test work in early 2012. These samples were required following an independent review of the project in 2010 with recommendations for complementary testing, primarily pre-flotation, in order to refine the Scoping Study flow sheet. The Company commissioned Mintek, South Africa's national mineral research organisation to perform the work in March 2012. Results of this testing to date indicate a potential for significantly reducing the nickel tailings mass required for acid leaching to recover nickel, with consequential potential impact on the project's costs. Work continues on the last phase of this testing, which is aimed at utilising the sulphur in the reduced nickel tailings mass to generate acid for leaching, thereby potentially eliminating the requirement for an external supply of sulphur, and consequently impacting further on the project's costs.

<sup>2</sup> The PGE's exploration expenditure relates to the exploration of the subsidiaries Tjate Platinum Corporation Pty Ltd and Maude Mining and Exploration Pty Ltd. Jubilee acquired the entire 32.5% interest held by minority shareholders in its subsidiary Pollux Investment Holdings Pty Ltd, for a total consideration of ZAR14.2 million resulting in the Company owning 100% interest in Pollux which holds the rights to the platinum containing Dilokong Chrome Mine surface tailings.

<sup>3</sup> Development costs relate to the ConRoast technology, converting and autoclave process, CVMR® process and leaching and hydro-processing. The remaining amortisation period is 60 months (2014: 72 months).

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

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 9. PROPERTY, PLANT AND EQUIPMENT

Group Figures in £'s	2015			2014		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Land	–	–	–	266,441	–	266,441
Buildings	3,878	–	3,878	1,450,742	(559,330)	891,412
Plant and machinery	157,238	(81,404)	75,834	9,672,093	(4,898,118)	4,773,975
Furniture and fixtures	126,990	(120,149)	6,841	168,244	(137,880)	30,364
Motor vehicles	–	–	–	47,829	(22,828)	25,001
IT equipment	41,679	(40,168)	1,511	41,709	(38,829)	2,880
Computer software	3,964	(3,964)	–	4,240	(4,240)	–
<b>Total</b>	<b>333,749</b>	<b>(245,685)</b>	<b>88,064</b>	<b>11,651,298</b>	<b>(5,661,225)</b>	<b>5,990,073</b>
<b>Company</b>						
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 2015

	Opening balance £s	Additions £s	Disposals £s	Depreciation/ Impairments in discontinued operations £s	Classified as held for sale £s	Transfers £s	Foreign exchange move- ments £s	Depre- ciation £s	Total £s
Land	266,441	–	–	–	(249,096)	–	(17,345)	–	–
Buildings	891,412	–	–	(43,888)	(658,171)	(130,718)	(54,757)	–	3,878
Plant and machinery	4,773,975	–	–	(692,726)	(3,847,720)	130,718	(276,166)	(12,247)	75,834
Furniture and fixtures	30,364	4,684	–	(7,747)	(17,419)	–	(1,330)	(1,711)	6,841
Motor vehicles	25,001	–	(17,357)	–	–	–	(1,184)	(6,460)	–
IT equipment	2,880	1,220	–	–	–	–	(11)	(2,578)	1,511
	5,990,073	5,904	(17,357)	(744,361)	(4,772,406)	–	(350,793)	(22,996)	88,064

### Reconciliation of property, plant and equipment – Group 2014

	Opening balance £s	Additions £s	Foreign exchange move- ments £s	Depre- ciation £s	Total £s
Land	319,922	–	(53,481)	–	266,441
Buildings	912,416	218,408	(146,160)	(93,327)	891,412
Plant and machinery	7,244,962	37,730	(1,151,200)	(1,357,517)	4,773,975
Furniture and fixtures	43,316	–	(6,823)	(6,129)	30,364
Motor vehicles	12,746	21,290	(1,619)	(7,416)	25,001
IT equipment	5,644	–	(941)	(1,823)	2,880
	8,539,006	277,428	(1,360,149)	(1,466,212)	5,990,073

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 10. INVESTMENTS IN SUBSIDIARIES

Name of company	Company	
	Carrying amount 2015 £s	Carrying amount 2014 £s
Braemore Resources Ltd	18,712,852	18,712,852
New Plats (Tjate) Pty Ltd	13,289,860	13,289,860
Jubilee Smelting and Refining Pty Ltd	6,801,022	6,801,022
Windsor Platinum Investments Pty Ltd	3,425,823	3,425,823
Power Alt Pty Ltd	2,338,455	2,338,455
Mineral Resources of Madagascar Sarl	917,034	917,034
Pollux Investment Holdings Pty Ltd	893,944	4
K Plats Pty Ltd	649,734	649,734
Antsahabe (Madagascar) Sarl	34,466	34,466
Maude Mining and Exploration Pty Ltd	141	140
	<b>47,063,331</b>	<b>46,169,390</b>

Subsidiaries of Jubilee Platinum PLC direct <sup>1</sup>	Country of registration	Holding		Number of shares	
		2015 %	2014 %	2015	2014
Mineral Resources of Madagascar Sarl	Madagascar	100	100	10,000	10,000
Windsor Platinum Investments Pty Ltd	South Africa	100	100	10,000	10,000
Braemore Resources Ltd	United Kingdom	100	100	100	100
Jubilee Smelting and Refining Pty Ltd	South Africa	100	100	70	70
K Plats Pty Ltd	South Africa	100	100	100	100
Antsahabe (Madagascar) Sarl	Madagascar	100	100	100	100
Power Alt Pty Ltd	South Africa	70	70	51	51
Pollux Investment Holdings Pty Ltd <sup>(ii)</sup>	South Africa	100	67.5	100	67.5
Maude Mining and Exploration Pty Ltd	South Africa	65	65	653	653
New Plats (Tjate) Pty Ltd	South Africa	49	49	169	169

<sup>1</sup> The nature of the above subsidiaries' business is mining in all its facets with the exception of Power Alt whose core business is the supply of electricity.

<sup>(ii)</sup> Jubilee acquired the entire 32.5% interest held by minority shareholders in its subsidiary Pollux Investment Holdings Pty Ltd, for a total consideration of ZAR14.2 million resulting in the Company owning 100% interest in Pollux which holds the rights to the platinum containing Dilokong Chrome Mine surface tailings.



# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 10. INVESTMENTS IN SUBSIDIARIES *(continued)*

Indirect	Country of incorporation	Holding	
		2015 %	2014 %
<i>Via Windsor Platinum Investments Pty Ltd</i>			
Tjate Platinum Corporation Pty Ltd	South Africa	63	63
Dullstroom Plats Pty Ltd	South Africa	100	100
<i>Via Braemore Resources Ltd</i>			
Braemore Platinum Ltd	United Kingdom		
Braemore Holdings (Mauritius) Pty Ltd	Mauritius	100	100
Braemore Platinum Pty Ltd	South Africa	100	100
Braemore Nickel Pty Ltd	Australia	100	100
<i>Via Braemore Holdings (Mauritius) Pty Ltd</i>			
Braemore Platinum (SA) Pty Ltd	South Africa	50	50
<i>Via Braemore Platinum (SA) Pty Ltd</i>			
Braemore Platinum Smelters Pty Ltd	South Africa	100	100
Braemore Platinum Resources Pty Ltd	South Africa	100	100
Braemore Precious Metals Refiners Pty Ltd	South Africa	100	100
<i>Via Jubilee Smelting &amp; Refining Pty Ltd</i>			
RST Special Metals Pty Ltd	South Africa	100	100
RST Base Metals Pty Ltd	South Africa	100	100
<i>Via Braemore Platinum Ltd</i>			
Braemore Precious Metals Refinery Pty Ltd	South Africa	50	50
New Plats (Tjate) Pty Ltd <sup>(i)</sup>	South Africa	100	100

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

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

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 11. LOANS TO GROUP COMPANIES

	Company	
	2015 £s	2014 £s
<b>Subsidiaries</b>		
Windsor Platinum Investments Pty Ltd	<b>25,039,620</b>	25,129,266
Braemore Platinum Smelters Pty Ltd	<b>4,774,987</b>	4,051,471
Jubilee Smelting and Refining Pty Ltd	<b>3,421,747</b>	3,540,263
Braemore Resources Ltd	<b>1,703,305</b>	1,700,965
Power Alt Pty Ltd	<b>1,660,252</b>	1,604,635
Pollux Investment Holdings Pty Ltd	<b>1,125,126</b>	636,510
RST Special Metals Pty Ltd	<b>1,014,774</b>	322,820
Braemore Nickel Pty Ltd	<b>661,905</b>	645,868
Maude Mining and Exploration Pty Ltd	<b>212,536</b>	212,536
Dullstroom Plats Pty Ltd	<b>156,795</b>	156,795
Mineral Resources of Madagascar Sarl	<b>60,850</b>	60,743
Braemore Holdings (Mauritius) Pty Ltd	<b>16,141</b>	10,798
	<b>39,848,038</b>	38,072,671

The loans are unsecured, non-current, interest-free and have no fixed repayment terms. The loans are disclosed as non-current loans in the Statement of Financial Position.

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 12. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2015 £s	2014 £s	2015 £s	2014 £s
Trade receivables	239,219	1,061,389	234,468	–
Pre-payments	6,016	–	6,016	–
Deposits	4,924	13,610	3,286	3,286
VAT receivable	50,526	148,566	–	–
Other receivables	1,819	1,874	–	–
	<b>302,504</b>	1,225,439	<b>243,770</b>	3,286

## 13. CASH AND CASH EQUIVALENTS

Bank balances	360,829	749,288	348,467	449,433
Bank overdraft	–	(15,889)	–	–
	<b>360,829</b>	733,399	<b>348,467</b>	449,433

## 14. EARNINGS AND DIVIDENDS PER SHARE

### Loss attributable to:

Owners of the parent – continued operations	(2,906,928)	(3,477,955)
Owners of the parent – discontinued operations	(628,442)	(1,887,743)
Total loss for the year attributable to owners of the parent	<b>(3,535,370)</b>	(5,365,698)
Weighted average number of shares	<b>644,851,551</b>	423,628,350
Diluted weighted average number of shares	<b>644,851,551</b>	509,153,901
Basic loss per share (pence) – continuing operations	<b>(0.45)</b>	(0.82)
Basic loss per share (pence) – discontinued operations	<b>(0.10)</b>	(0.45)
<b>Loss per share attributable to owners of the parent (pence)</b>	<b>(0.55)</b>	(1.27)
Diluted loss per share (pence) – continuing operations	<b>(0.45)</b>	(0.68)
Diluted loss per share (pence) – discontinued operations	<b>(0.10)</b>	(0.37)
Diluted loss per share attributable to owners of the parent (pence)	<b>(0.55)</b>	(1.05)

### Dividends per share

The Board has resolved not to declare any dividend to shareholders for this reporting period.

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 15. SHARE CAPITAL AND SHARE PREMIUM

	Group		Company	
	2015 £s	2014 £s	2015 £s	2014 £s
<b>Authorised</b>				
The share capital of the Company is divided into an unlimited number of ordinary shares of 1 pence each.				
<b>Issued share capital fully paid</b>				
Ordinary shares of 1 pence each (£)	<b>7,498,605</b>	5,243,149	<b>7,498,605</b>	5,243,149
Share premium (£)	<b>68,397,978</b>	68,191,304	<b>68,397,978</b>	68,191,304
Total issued capital	<b>75,896,582</b>	73,434,453	<b>75,896,582</b>	73,434,453
<b>Number of shares in issue</b>				
Ordinary shares	<b>749,860,507</b>	524,314,942	<b>749,860,507</b>	524,314,942

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

Date	Number of shares	Issue price – pence	Purpose of the issue
Opening balance	524,314,942		
1 July 2014	12,881,503	1.73	Debt
1 July 2014	5,152,601	1.73	Debt
7 July 2014	14,826,553	1.58	Debt
7 July 2014	16,699,575	1.53	Debt
3 October 2014	16,666,667	1.20	Cash
3 November 2014	7,644,258	1.30	Debt
3 November 2014	24,070,776	1.34	Acquisition
18 November 2014	15,082,442	1.23	Acquisition
25 February 2015	49,999,997	1.50	Cash
25 February 2015	11,666,667	1.50	Cash
26 February 2015	13,000,000	1.50	Debt
17 April 2015	354,526	5.00	Debt
26 May 2015	37,500,000	1.60	Cash
Closing balance at year-end	749,860,507		

Details of shares issued after the year-end are as follows:

1 July 2015	26,850,931	2.10	Debt
5 August 2015	1,264,837	4.00	Debt
5 August 2015	5,786,380	2.01	Warrants
5 August 2015	10,550,581	3.23	Warrants
5 August 2015	71,834,833	3.40	Cash
18 August 2015	10,000,000	2.63	Warrants
22 September 2015	2,000,000	3.16	Warrants
5 October 2015	2,706,765	3.40	Debt
14 October 2015	7,142,936	3.16	Warrants
20 October 2015	5,160,000	3.16	Warrants
Closing balance at last practicable date	893,157,770		

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 15. SHARE CAPITAL AND SHARE PREMIUM *(continued)*

At year-end the Company had the following warrants outstanding:

Number of warrants	Issue date	Subscription price £s	End of Exercise period	Volatility %	Spot at issue date Pence
1 875 000	2015-06-09	0.01600	2017-06-09	52.77	1.800
5 786 380	2014-10-29	0.02010	2017-10-29	53.13	1.325
10 000 000	2014-02-23	0.02625	2016-02-23	69.01	1.975
27 142 936	2014-02-21	0.03160	2017-02-21	69.01	1.975
6 000 000	2014-02-23	0.03160	2016-02-23	69.01	1.975
21 101 162	2014-03-03	0.00323	2017-02-25	67.67	1.800
30 578 512	2013-12-23	0.03933	2017-12-30	65.02	3.150
102 483 990					

The fair value of these warrants was determined using the Black Scholes Valuation Model with the inputs illustrated in the table above. A risk free rate of 0.5% were applied in the valuation. The company recognised a share-based payment charge against share premium in the amount of £748,816 in accordance with Section 610 (2) of the United Kingdom Companies Act 2006. This charge relates to equity placings successfully completed and qualifies as a deduction from share premium. Refer to note 16 for a reconciliation of the share-based payment reserve account.

## 16. SHARE-BASED PAYMENTS

### Equity-settled share option plan

Number of options outstanding at the beginning of the year	9,175,000
Options exercised/forfeited	–
Number of options outstanding at the end of the year	9,175,000

	Group	
	2015 £s	2014 £s
<b>Information on valuation inputs for options granted</b>		
Share-based payment expense/adjustments recognised during the year in relation to options forfeited	–	22,685
Fair value was determined by using the Black-Scholes Valuation Model. The following inputs were used:		
Weighted average share price (pence):		9
Exercise price (pence):		34
Expected volatility:		61%
Option life:		10 years
Expected dividends:		Nil
The risk free interest rate:		2%

Assumptions to incorporate the effects of expected early exercise:

- how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and
- how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 16. SHARE-BASED PAYMENTS *(continued)*

	Group	
	2015 £s	2014 £s
<b>Reconciliation of share options and warrants</b>		
Opening balance	4,918,210	4,918,210
Share-based payment charge – options forfeited	(468,000)	–
Share-based payment charge – warrants granted	748,816	–
Closing balance	5,199,026	4,918,210

Various liabilities were settled in equities as disclosed in notes 6 and 15.

## 17. OTHER COMPREHENSIVE INCOME

	Group	
	2015 £s	2014 £s
<b>Components of other comprehensive income</b>		
Exchange differences arising on translation of foreign operations attributable to owners of the parent	(4,471,106)	(6,827,072)
Attributable to non-controlling interest	(25,969)	(59,313)
Exchange differences arising on translation of foreign operations	(4,497,075)	(6,886,385)

## 18. OTHER FINANCIAL LIABILITIES

	Group		Company	
	2015 £s	2014 £s	2015 £s	2014 £s
<b>Held at amortised cost</b>				
Share issues allotted but not registered <sup>(i)</sup>	260,969	–	260,969	–
Yorkville Advisors <sup>(ii)</sup>	550,921	795,315	550,921	739,742
	811,890	795,315	811,890	739,742

(i) On 24 June 2015 the Company allotted 26,850,931 ordinary shares at a price of 2.1 pence per share in respect of the second of three tranche payments to acquire 100% of the Company's subsidiary, Pollux Investment Holdings Proprietary Limited ("Pollux") from Lipsoset Proprietary Limited for a consideration of R4.0 million (GBP 0.207 million) as announced on 30 June 2015. At year-end the shares in respect of tranche 2 have not been registered in the Company's share register. The amount owed in respect of tranche 2 and 3 are disclosed under other financial liabilities.

(ii) Yorkville Advisors advanced an amount of US\$1.5 million loan to the Company on 27 March 2014 in terms of a SEDA backed loan agreement. The loan is repayable over 12 months from 23 April 2014 in equal instalments of US\$125,000 plus interest thereon at 10% per annum. A further advance was given to the Company in October 2014 in an amount of US\$500,000. The restructured loan is repayable in 12 equal monthly instalments of US\$139,642 per month plus interest thereon at 10% per annum. The loan with Yorkville Advisors were settled in full on 14 October 2015.

	Group		Company	
	2015 £s	2014 £s	2015 £s	2014 £s
<b>Interest-bearing borrowings</b>				
Repayment of borrowings:				
Not later than one year	811,890	795,315	811,890	795,315
Later than one year and not later than five years	–	–	–	–
	811,890	795,315	811,890	795,315

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 19. DEFERRED REVENUE

	Group		Company	
	2015 £s	2014 £s	2015 £s	2014 £s
<b>Deferred revenue</b>	<b>346,041</b>	–	<b>346,041</b>	
Deferred revenue relates to a contract to granulate 1 100 tonnes of Ferro-Nickle Alloy for a customer. The total value of the contract is £391,055 of which £45,014 has been recognised in revenue.				
<b>Government grant</b>				
Opening balance	<b>253,379</b>	253,379	–	–
Income realised in the current year	<b>(253,379)</b>	(60,286)	–	–
Grant received in the current year	–	115,146	–	–
Foreign currency translation	–	(46,220)	–	–
Closing balance	–	262,019	–	–
<b>Total deferred revenue</b>	<b>346,041</b>	262,019	<b>346,041</b>	–

A government grant was awarded to the Group due to the completion of the new AC Arc furnace in RST Special Metals ("RST"). This grant will be paid in four stages as certain milestones are achieved. As at the date of this report RST has fallen below the required criteria to qualify for any further grants. The recognition of the remaining non-taxable income has been accelerated through profit and loss. Of the total awarded grant of £576,877 (net of foreign currency movement) RST received £214,516.

## 20. TRADE AND OTHER PAYABLES

	Group		Company	
	2015 £s	2014 £s	2015 £s	2014 £s
Trade payables	<b>90,502</b>	2,089,377	<b>49,590</b>	90,509
VAT	–	13,266	–	–
Accruals and other payables	<b>786,116</b>	345,487	<b>301,839</b>	70,000
	<b>876,618</b>	2,448,129	<b>351,429</b>	160,509

## 21. CASH USED IN OPERATIONS

Loss before taxation – continuing operations	<b>(2,906,928)</b>	(3,604,633)		
– Loss from disposal group (refer note 10)	<b>(504,196)</b>	(1,949,648)		
– Tax	<b>52,194</b>	12,838		
Loss before taxation – discontinued operations	<b>(452,002)</b>	(1,962,648)		
Loss before taxation	<b>(3,393,128)</b>	(5,567,107)	<b>(936,636)</b>	(1,407,340)
<b>Adjustments for:</b>				
Depreciation and amortisation – continuing operations	<b>696,436</b>	747,601	–	–
Depreciation – discontinued operations	<b>744,361</b>	1,439,529	–	–
Loss on equity swap	–	504,349	–	504,349
Interest received	<b>(65,283)</b>	(5,675)	<b>(65,283)</b>	(5,270)
Finance costs	<b>194,758</b>	259,185	<b>194,754</b>	259,078
Loss on sale of fixed assets	<b>59,904</b>	–	<b>45,014</b>	–
Impairment of loans	–	–	<b>(42,028)</b>	–
Share-based payments (salaries)	–	40,583	–	40,583
Equity-settled expenses	–	404,949	–	–
Inter-company loan provision	–	–	–	–
<b>Changes in working capital:</b>				
Inventories	<b>(19,019)</b>	–	<b>(19,019)</b>	–
Trade and other receivables	<b>(534,657)</b>	5,577	<b>(240,484)</b>	86,733
Trade and other payables	<b>981,327</b>	1,068,605	<b>1,478,940</b>	(332,856)
Deferred income	<b>84,022</b>	(28,908)	<b>346,041</b>	–
	<b>(1,251,279)</b>	(1,131,312)	<b>761,299</b>	(854,723)

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 22. DISCONTINUED OPERATIONS – DISPOSAL GROUP HELD FOR SALE

The Middelburg Operations have been operating profitably and attracted much trade interest on both a separate parts and combined basis. The Board considered approaches from interested buyers, as sale of these non-core assets, if completed, could be sufficient to finance the Group's tailing development and progress the Company into its stated mission of a platinum producer.

On 16 July 2015, the Company executed a sale and purchase agreement, in terms of which Siyanda Resources Pty Ltd, acting through Main Street 1347 Proprietary Limited, a special purpose vehicle ("SPV" or "the Purchaser") established for this purpose, acquired the Company's Middelburg Operations comprising 100% of the issued shares of the Company's subsidiary, Jubilee Smelting and Refining Proprietary Limited owning the Middelburg Smelter Complex, for ZAR72,0 million (approximately £3,8 million) and the Company's 70% interest in Power Alt , for ZAR38,5 million (approximately £2,0 million) ("Disposal Group").

The Revenue and expenses of the disposal group are set out below:

	2015 £s	2014 £s
Revenue	5,160,105	4,008,901
Cost of sales	(2,167,422)	(2,250,853)
Gross profit	2,992,683	1,758,048
Depreciation, amortisation and impairments	(744,361)	(1,439,527)
Finance costs	(455)	(165,933)
Interest received	1,017	3,254
Other operating expenses	(2,700,886)	(2,118,490)
Net loss before tax	(452,002)	(1,962,648)
Tax	(52,194)	12,838
Net loss after tax	(504,196)	(1,949,810)
Non-controlling interest	(124,246)	62,067
	<b>(628,442)</b>	<b>(1,887,743)</b>
The assets and liabilities of the disposal group are set out below:		
<b>Assets</b>		
Property, plant and equipment	4,772,406	–
Taxation	4,015	–
Trade and other receivables	1,457,592	–
Intangible assets	1,299,374	–
Cash and cash equivalents	163,002	–
	<b>7,696,389</b>	<b>–</b>
<b>Liabilities</b>		
Other financial liabilities	290,811	–
Trade and other payables	1,264,820	–
Deferred tax	715,149	–
	<b>2,270,780</b>	<b>–</b>
<b>Equity</b>		
Retained earnings and foreign currency translation reserve	(5,002,008)	–
Minority interest	(423,601)	–
	<b>(5,425,609)</b>	<b>–</b>
<b>Cash flows from discontinued operations</b>		
Cash flows from operating activities	(484,868)	(1,569,934)
Cash flows from investing activities	–	(256,138)
Cash flows from financing activities	385,971	(1,190,626)
Net cash flows from discontinued operations	(98,897)	123,170
Opening cash balance on discontinued operations	261,900	138,780
<b>Closing cash balance on discontinued operations</b>	<b>163,003</b>	<b>261,900</b>



# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 23. FINANCIAL INSTRUMENTS

The Group's financial instruments were categorised as follows:

Group	Loans and receivables £s	Financial liabilities at amortised cost £s	Total £s
<b>30 June 2015</b>			
<b>Assets as per statement of financial position</b>			
Trade and other receivables	302,504		302,504
Cash and cash equivalents	360,829		360,829
	663,333		663,333
<b>Liabilities as per statement of financial position</b>			
Trade and other payables		(876,614)	(876,614)
Other financial liabilities		(811,890)	(811,890)
		(1,688,504)	(1,688,504)

Group	Loans and receivables £	Financial liabilities at amortised cost £	Total £
<b>30 June 2014</b>			
<b>Assets as per statement of financial position</b>			
Trade and other receivables	1,076,873	–	1,076,873
Cash and cash equivalents	749,288	–	749,288
	1,826,161	–	1,826,161
<b>Liabilities as per statement of financial position</b>			
Trade and other payables	–	(2,434,864)	(2,434,864)
Other financial liabilities	–	(795,315)	(795,315)
Loans from related parties	–	(311,061)	(311,061)
	–	(3,557,129)	(3,557,129)

Company	Loans and receivables £s	Financial liabilities at amortised cost £s	Total £s
<b>30 June 2015</b>			
<b>Assets as per statement of financial position</b>			
Trade and other receivables	243,770		243,770
Cash and cash equivalents	348,467		348,467
	592,237		592,237
<b>Liabilities as per statement of financial position</b>			
Trade and other payables		(351,429)	(351,429)
Other financial liabilities		(811,890)	(811,890)
		(1,163,319)	(1,163,319)

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 23. FINANCIAL INSTRUMENTS *(continued)*

Company	Loans and receivables £s	Financial liabilities at amortised cost £s	Total £s
<b>30 June 2014</b>			
Assets as per statement of financial position			
Trade and other receivables	3,286	–	3,286
Cash and cash equivalents	449,433	–	449,433
	452,719	–	452,719
<b>Liabilities as per statement of financial position</b>			
Trade and other payables	–	(160,509)	(160,509)
Other financial liabilities	–	(795,315)	(795,315)
	–	(955,824)	(955,824)

### 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 consists mainly of cash deposits, cash equivalents and trade debtors. The Company only deposits cash with major banks with high quality credit standing and limits exposure to any one counterparty.

Trade receivables comprise a widespread and well established customer base. Management evaluates credit risk relating to customers on an ongoing basis. 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.

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

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

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

### Trade receivables analysis

30 June 2015 Group	Total £s	Not past due £s	Past due		
			30 days £s	90 days £s	120 days £s
Trade receivables not impaired	298,219	298,219	–	–	–
Trade receivables impaired	–	–	–	–	–
	298,219	298,219	–	–	–
<b>30 June 2014</b>					
Trade receivables not impaired	1,061,389	933,053	10,404	8,279	109,652
Trade receivables impaired	–	–	–	–	–
	1,061,389	933,053	10,404	8,279	109,652

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 23. FINANCIAL INSTRUMENTS *(continued)*

### 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	Up to 3 months £s	3 to 12 months £s	1 to 2 years £s	2 to 5 years £s
<b>2015</b>				
Trade and other payables	876,614	–	–	–
Loans and other borrowings	811,890	–	–	–
	<b>1,688,504</b>	–	–	–
<b>2014</b>				
Trade and other payables	2,448,130	–	–	–
Loans and other borrowings	–	795,315	–	–
	2,448,130	795,315	–	–
Company	Up to 3 months £s	3 to 12 months £s	1 to 2 years £s	2 to 5 years £s
<b>2015</b>				
Trade and other payables	351,429	–	–	–
Loans and other borrowings	811,890	–	–	–
	<b>1,163,319</b>	–	–	–
<b>2014</b>				
Trade and other payables	160,509	–	–	–
Loans and other borrowings	–	795,315	–	–
	160,509	795,315	–	–

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 23. FINANCIAL INSTRUMENTS *(continued)*

### 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 and Pound Sterling. The Group is exposed to currency risk on 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 as well as its South African intangible assets. Profit is more sensitive to movement in Pound Sterling exchange rates in 2014 than 2013 because of the increased amount of Pound Sterling-denominated borrowings hence the significant adjustment to the fair value of the intangible assets.

The Group does not hedge its foreign exchange on funding of projects as management is of the opinion that it would not have reduced the risk of foreign currency fluctuations. Currency movements mainly include movements that arise as a result of Rand-denominated projects that are re-valued at each period end.

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:

	2015	2014
ZAR : £ (Average)	1: 0.0555	1 : 0.0594
ZAR : £ (Spot)	1: 0.0517	1 : 0.0553

The functional currencies of the companies in the Group are Pound Sterling, South African Rand, Australian Dollars and Madagascar Ariary. The Group does not hedge against the effects of movements in exchange rates. These risks are monitored by the Board 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 £	Australian Dollar	South African Rand	Madagascar Ariary
<b>At 30 June 2015</b>	2.05	19.34	5,000
<b>At 30 June 2014</b>	1.80	18.01	3,984

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

	Liabilities		Assets	
	2015 £s	2014 £s	2015 £s	2014 £s
<b>Group</b>				
South African Rand	(501,801)	(3,393,228)	62,286	1,477,115
Australian Dollar	(5,625)	5,194	1,389	1,696
Madagascar Ariary	(9,883)	(20)	–	200
<b>Company</b>				
South African Rand	–	–	–	13,751

The Company does not have any material financial assets or liabilities denominated in any currency other than the Pound Sterling and ZAR.

The following table summarises the sensitivity of financial instruments held at reporting date to movements in the exchange rate of the South African Rand, Australian Dollar and Madagascar Ariary for the Group, with all other variables held constant. The South African Rand, Australian Dollar and Madagascar Ariary instruments 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.

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 23. FINANCIAL INSTRUMENTS *(continued)*

### Currency risk *(continued)*

	Impact on profit/equity	
	2015 £s	2014 £s
<b>Judgements of reasonable currency exposure</b>		
10% strengthening of ZAR against GBP	(216,235)	(359,230)
10% weakening of ZAR against GBP	177,096	293,915
10% strengthening of AUS against GBP	389	(204)
10% weakening of AUS against GBP	(318)	167
10% strengthening of MGA against GBP	20	565
10% weakening of MGA against GBP	(16)	(463)

### Borrowing facilities

The Group finances its operations through a combination of debt 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 only interest rate risk the Group is exposed to relates to interest-bearing borrowings as set out in note 18. These borrowings are linked to the South African bank's prime rate.

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 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 profile of the Group's and Company's financial assets at 30 June 2015 was as follows:

Group	Pound Sterling	South African Rand	Australian Dollar	Madagascar Ariary	Total
Cash at bank floating interest rate	96,381	6,803	–	–	103,184
Cash at bank on which no interest is received	252,086	2,705	810	2,045	257,645
	<b>348,467</b>	<b>9,508</b>	<b>810</b>	<b>2,045</b>	<b>360,829</b>
<b>Company</b>					
Cash at bank floating interest rate	93,381	–	–	–	93,381
Cash at bank on which no interest is received	252,086	–	–	–	252,086
	<b>348,467</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>348,467</b>

### The interest rate profile of the Group's and Company's financial assets at 30 June 2014 was as follows:

Group	Pound Sterling	South African Rand	Australian Dollar	Madagascar Ariary	Total
Cash at bank floating interest rate	313,814	26,405	–	–	340,219
Cash at bank on which no interest is received	147,412	227,478	4,764	6,580	386,234
	461,226	253,883	4,764	6,580	726,453
<b>Company</b>					
Cash at bank floating interest rate	210,386	–	–	–	210,386
Cash at bank on which no interest is received	225,292	13,751	–	–	239,043
	435,678	13,751	–	–	449,433

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

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 23. FINANCIAL INSTRUMENTS *(continued)*

### Group and Company 2015

Financial liabilities	Weighted interest rate %	1 year or less £s	2 to 5 years £s	Total £s
Interest-bearing borrowings				
Yorkville Advisors	10.0	550,921	–	550,890
<b>Total</b>				
<b>2014</b>				
Interest-bearing borrowings				
Yorkville Advisors	10.0	795,315	–	795,315
<b>Total</b>		795,315	–	795,315

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 shareholder 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 shareholder, return capital to shareholder, 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.

## 24. CONTINGENCIES AND COMMITMENTS

There are no material contingent assets or liabilities as at 30 June 2015.

## 25. RELATED PARTIES

	Group		Company	
	2015 £s	2014 £s	2015 £s	2014 £s
<b>Loans/payments to related parties</b>				
Harrison & White Pty Ltd – minority shareholder in Power Alt Pty Ltd. The loan is interest-free, unsecured and repayable from future profits distributed to shareholders as dividends	–	(311,601)	–	–
	–	(311,601)	–	–

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

- GDA a related party to Mr G Anderson (a director in Braemore Nickel Pty Limited) received £2,927 (2014: £3,389) for director fees;
- Jubilee paid Lion Mining Finance, with common director Colin Bird office rent in an amount of £33,600 (2014: £34,638) for the period under review.
- Braemore Platinum Smelters Pty Limited paid De Beer Makoele Inc. £116,550 (2014: £116,550) for the services of C de Beer as Group Chief Financial Officer, which is considered part of key management personnel. C de Beer is an employee of De Beer Makoele Inc.
- 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 for more details on directors' remuneration.

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 26. BUSINESS SEGMENTS

In the opinion of the Directors, the continuing operations of the Group companies comprise four reporting segments (of which the descriptions have been changed to better reflect the Group's strategy of becoming a platinum producer post the Disposal) being:

- the beneficiation of Platinum Group Elements ("PGEs") and associated metals and development of PGM smelters utilising exclusive commercialisation rights of the ConRoast smelting process, located in South Africa ("PGE beneficiation and development");
- the evaluation of the reclamation and processing of sulphide nickel tailings at BHP Billiton's Leinster, Kambalda and Mount Keith properties in Australia (Nickel tailings);
- the exploration and mining of Platinum Group Elements ("PGEs") and associated metals (Exploration and mining);
- the parent company operates a head office based in the United Kingdom, which incurred certain administration and corporate costs.

The results of the discontinued operations comprise two segments which have been combined into one segment referred to as Disposal Group being:

- base metal smelting in South Africa; and
- electricity generation in South Africa

The Group's operations span five countries, South Africa, Australia, Madagascar, Mauritius 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 2015

£s	PGE beneficiation and development	Nickel tailings	Exploration and mining	Other operations	Total Continuing operations	Disposal Group
Total revenues	(3,885)	–	–	(45,014)	(48,899)	(5,160,105)
Cost of sales	–	–	–	25,529	(25,529)	(2,167,422)
Forex losses	(31)	–	3,462	19,485	23,370	–
Loss before taxation	1,560,914	18,862	61,103	1,300,247	2,941,126	452,002
Taxation	–	–	–	–	–	52,194
Loss after taxation	1,560,914	18,862	61,103	1,300,247	2,941,126	504,196
Interest received	–	–	–	(65,283)	(65,283)	(1,017)
Interest paid	4	–	–	194,754	194,758	455
Depreciation and amortisation	694,487	–	1,949	–	696,436	744,361
<b>Total assets</b>	<b>7,449,691</b>	<b>27,757,917</b>	<b>24,036,807</b>	<b>611,255</b>	<b>59,855,670</b>	<b>7,696,389</b>
<b>Total liabilities</b>	<b>(14,229,723)</b>	<b>(5,674)</b>	<b>(28,581)</b>	<b>(1,509,300)</b>	<b>(15,773,278)</b>	<b>(2,270,780)</b>

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 26. BUSINESS SEGMENTS *(continued)*

### Segment report for the year ended 30 June 2014

£s	Exploration and mining	Nickel metals ("PGE tailings development")	Platinum Group Elements ("PGEs") and associated	Other operations	South Africa Base Metal Smelting	South Africa Electricity Generation	Total
Total revenues	(35,307)	–	–	–	(4,812,179)	(1,315,962)	(6,163,448)
Inter-company revenue	–	–	–	–	2,119,001	–	2,119,001
Revenue from external customers	(35,307)	–	–	–	(2,693,178)	(1,315,844)	(4,044,328)
(Loss)/profit before taxation	–	–	297,022	48,664	(162,014)	–	183,672
Taxation	1,560,914	18,862	61,103	1,963,577	1,929,708	32,943	5,567,106
(Loss)/profit after taxation	–	–	–	174	–	(12,838)	(12,664)
Interest received	1,560,914	18,862	61,103	1,963,577	1,929,708	20,105	5,554,442
Interest paid	(243)	–	–	(5,431)	(48)	(3,208)	(8,930)
Depreciation and amortisation	109	–	–	259,077	(3,749)	169,682	425,119
Non-current asset additions	740,680	–	–	6,768	1,096,550	342,977	2,186,975
<b>Total assets</b>	<b>4,368,416</b>	<b>31,485,371</b>	<b>17,156,385</b>	<b>12,090,398</b>	<b>5,234,832</b>	<b>3,038,583</b>	<b>73,373,984</b>
<b>Total liabilities</b>	<b>(273,294)</b>	<b>(2,487)</b>	<b>(5,076)</b>	<b>(1,036,202)</b>	<b>(16,944,810)</b>	<b>(996,474)</b>	<b>(19,258,343)</b>

## 27. GOING CONCERN

The Directors have adopted the going-concern basis in preparing the financial statements.

The Company has continued to progress with the implementation of its Mine-to-Metals platinum strategy, more specifically and with reference to the above:

- The Company's SEDA backed loan facility of US\$10 million with YA Global Masters, which can be accessed by the Company at its election at any time, was secured in support of the Company's continued improving performance to ensure that it is able to have sufficient working capital and access to funding as and when required. The Company's going-concern assessment is therefore not only based on the view of the directors but in fact supported by its access to fully secured standby funding. At year-end the balance was approximately \$0,551 million (2014: \$0,450 million).
- During the latter part of the period under review, management embarked on a plan to sell its non-core assets being the Middelburg Operations. On 16 July 2015 a sale and purchase agreement was concluded to sell the operations for a consideration of ZAR110.5 million (£5.3 million). The proceeds from the disposal together with debt funding (referred to below), will be used for the simultaneous execution of the Group's two platinum surface projects.
- Jubilee executed an addendum to the ASA Processing of Tailings Dam Agreement ("the Agreement") whereby the Company is incentivised to accelerate the construction and commissioning of the surface processing facility to target commencement of commissioning of the chrome beneficiation section by 31 January 2016. Under the terms of the Agreement, if the target is met, the Company will be paid up to 25% more for every ton of chrome concentrate produced by the chrome beneficiation circuit, which forms part of the platinum beneficiation circuit. The Company has projected that it will be able to commission the chrome beneficiation portion of the processing plant five months earlier than expected, resulting in successfully meeting the target and earlier than planned cash flows from its first platinum surface tailings project.
- Funding for the construction and commissioning of the Group's two platinum surface projects is well progressed with a large international banking institution offering debt funding for the two projects. The funding has received credit committee approval and final confirmation of the due diligence is expected to be concluded in the near term.

The Directors are of the opinion that the Group and Company are funded sufficiently to enable it to continue with its operations as a going concern.



# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 28. EVENTS AFTER THE REPORTING PERIOD

### 28.1 DISPOSAL OF MIDDELBURG OPERATIONS

On 16 July 2015, the Company executed a sale and purchase agreement ("Agreement"), in terms of which Siyanda Resources Pty Ltd ("Siyanda"), acting through Main Street 1347 Proprietary Limited, a special purpose vehicle ("SPV" or "the Purchaser") established for this purpose, would acquire Middelburg Operations comprising 100% of the issued shares of the Company's subsidiary, Jubilee Smelting and Refining Proprietary Limited ("JSR") owning the Middelburg Smelter Complex, for ZAR72,0 million (approximately £3,8 million) and the Company's 70% interest in Power Alt , for ZAR38,5 million (approximately £2,0 million) (the "Disposal").

Under the Agreement, the Company would retain the right to a furnace of up to 5MW on the premises of JSR's subsidiary RST Special Metals, for the purposes of processing platinum bearing material, while also retaining all intellectual property in relation to the development of the platinum recovery from waste and surface tailings developed at the Middelburg Operations.

Jubilee shareholders approved the Disposal at the Company's General meeting held on 7 August 2015.

On 30 September 2015, the Company concluded the Agreement and ownership and associated risk of the Middelburg Operations passed to Siyanda, after all conditions precedent relating to the Agreement were met on 16 September 2015.

On 9 October 2015, the Company received 85% of the cash consideration for the Disposal (ZAR93,9 million). Under the Agreement, the remaining 15% (ZAR16,6 million) is being held in escrow pending release over two warranty periods: the first 10% will be released from escrow after 90 days and the remaining 5% will be released after 12 months from the date of concluding the Agreement.

The Agreement contains a set of warranties given by the Company, which are customary for a disposal of this nature. The warranties relate amongst other things to: organisation of the Group, title, accounting and financial matters, material contracts, litigation and compliance with applicable laws.

The proceeds from the Disposal, which will contribute towards the Company's equity component of the Secured Funding, will also be capable of fully funding the capital required for the construction and commissioning of the first platinum surface-processing project

### 28.2 WARRANTS

Warrants issued but not exercised at the date of this report are set out below:

Number of warrants date (£)	Issue date	Subscription	Expiry date
1,875,000	09/06/2015	0.016000	09/06/2018
18,000,000	21/02/2014	0.031598	21/02/2017
840,000	23/02/2014	0.031598	23/02/2016
10,550,581	03/03/2014	0.003230	25/02/2018
38,097,689	14/07/2015	0.035500	30/12/2016
3,591,742	12/08/2015	0.047500	12/08/2018
<b>72,955,012</b>			

# Notes to the consolidated financial statements *(continued)*

for the year ended 30 June 2015

## 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 2/2013 issued by the South African Institute of Chartered Accountants (SAICA).

### Reconciliation of headline earnings per share

#### Headline loss per share

#### Headline loss per share comprises the following:

	2015	2014
<b>Continuing operations</b>		
Loss from continuing operations for the period attributable to ordinary shareholders	<b>(2,906,928)</b>	(3,477,955)
Impairment of other financial liabilities	<b>49,810</b>	–
Profit on sale of property, plant and equipment	<b>(59,904)</b>	
Loss on exchange differences	<b>20,508</b>	345,686
Loss on equity swap	–	504,349
Headline loss from continuing operations	<b>(2,896,514)</b>	(2,627,920)
Weighted average number of shares in issue	<b>644,851,551</b>	423,628,350
Diluted weighted average number of shares in issue	<b>644,851,551</b>	509,153,901
Headline loss per share from continuing operations (pence)	<b>(0.45)</b>	(0.62)
Diluted headline loss per share from continuing operations (pence)	<b>(0.45)</b>	(0.52)
Headline loss per share from continuing operations (ZAR cents)	<b>(8.09)</b>	(10.44)
Diluted headline loss per share from continuing operations (ZAR cents)	<b>(8.09)</b>	(8.69)
<b>Discontinued operations</b>		
Loss from discontinued operations for the period attributable to ordinary shareholders	<b>(628,442)</b>	(1,887,743)
Impairment of other financial liabilities	<b>49,810</b>	–
Headline loss from discontinued operations	<b>(578,632)</b>	(1,887,743)
Headline loss per share from discontinued operations (pence)	<b>(0.09)</b>	(0.45)
Diluted headline loss per share from discontinued operations (pence)	<b>(0.09)</b>	(0.37)
Headline loss per share from discontinued operations (ZAR cents)	<b>(1.62)</b>	(7.50)
Diluted headline loss per share from discontinued operations (ZAR cents)	<b>(1.62)</b>	(6.24)
Average conversion rate used for the period under review GBP:ZAR	<b>0.0555</b>	0.0594

# Shareholder analysis

as at 30 June 2015

Register date: 30 June 2015  
 Issued share capital: 749,860,507

<b>Shareholder spread</b>	<b>Number of shareholders</b>	<b>%</b>	<b>Number of shares</b>	<b>%</b>
1 – 5 000 shares	804		1,255,378	0.17
5 001 – 10 000 shares	164		1,280,144	0.17
10 001 – 50 000 shares	202		4,704,245	0.63
50 001 – 100 000 shares	59		4,436,777	0.58
100 001 – 1 000 000 shares	91		30,114,429	4.02
1 000 001 shares and over	61		708,069,534	94.43
	1,381		749,860,507	100

<b>Distribution of shareholders</b>	<b>Number of shareholders</b>	<b>%</b>	<b>Number of shares</b>	<b>%</b>
Private shareholders	914	66.18	228,543,930	30.48
Deceased accounts	5	0.36	18,049	0.01
Nominee companies	445	32.22	516,906,619	68.94
Limited companies	10	0.73	3,333,190	0.44
Bank and bank nominees	3	0.22	213,686	0.02
Other institutions	4	0.29	845,033	0.11
	1,381	100	749,860,507	100

<b>Public/Non-public shareholders</b>	<b>Number of shareholders</b>	<b>Number of shares</b>	<b>%</b>
<b>Non-public shareholders</b>			
Directors and associates of the Company holdings	4	10,876,526	1.45
Public shareholders	1,377	738,983,981	98.55
	1,381	749,860,507	100

# Notice of annual general meeting

## **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

This Notice of the Annual General Meeting should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor and/or other professional adviser prior to voting.

If you sell or have sold or otherwise transferred all your shares you should send this document together with the accompanying documents at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. If you sell or have sold only part of your holding of shares, you should retain this document.

## **JUBILEE PLATINUM PLC (the “Company”) (Incorporated in England and Wales, registered number 04459850)**

Date of meeting: Wednesday, 2 December 2015  
Time of meeting: 11:00 am (UK time)  
Place of meeting: The Pelham Hotel  
15 Cromwell Place  
London  
SW7 2LA

Notice is hereby given that the Annual General Meeting of Jubilee Platinum PLC will be held on Wednesday, 2 December 2015, at The Pelham Hotel, 15 Cromwell Place, London, SW7 2LA at 11:00 am (UK time), to propose the Resolutions set out below in order to consider and, if thought fit, pass Resolutions 1 to 7 as Ordinary Resolutions and Resolution 8 as a Special Resolution.

## **AGENDA**

1. Appointment of Chairman of the Meeting
2. Confirmation of the Notice and Quorum

### **Ordinary business**

#### **3. Ordinary Resolution 1**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an Ordinary Resolution:

To receive, consider and adopt the Directors' report and financial statements of the Group and Company for the year ended 30 June 2015, together with the report of the auditors thereon.

#### **4. Ordinary Resolution 2**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an Ordinary Resolution:

To re-elect as a Director, Andrew Sarosi, who is retiring in accordance with Article 121 of the Company's Articles of Association and who being eligible is offering himself for re-election.

#### **5. Ordinary Resolution 3**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an Ordinary Resolution:

To re-elect as a Director, Colin Bird, who is retiring in accordance with Article 121 of the Company's Articles of Association and who being eligible is offering himself for re-election.

#### **6. Ordinary Resolution 4**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an Ordinary Resolution:

To confirm the appointment of Saffery Champness, Lion House, Red Lion Street, London, WC1R 4GB United Kingdom, as auditors of the Company for the ensuing year and to authorise the Directors to determine their remuneration.

#### **7. Ordinary Resolution 5**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an Ordinary Resolution:

That the Directors be generally and unconditionally authorised, pursuant to and in accordance with section 551 of the Companies Act 2006 of the United Kingdom ('the Act'), in substitution for all previous powers granted to them thereunder, (but without prejudice to the continuing power of the Directors):

- (i) to allot shares in the Company or grant rights, warrants or options to subscribe for, or convert any relevant security into shares in the Company (together "Relevant Securities") up to an aggregate nominal amount of £2,947,421 pursuant to an offer or agreement made by the Company before the date that this Resolution is passed; and
- (ii) to exercise all the powers of the Company to allot and make offers to allot Relevant Securities up to an aggregate nominal amount £2,947,421 (representing approximately 33% of the total issued share capital of the Company, as at the last practicable date prior to the publication of the Notice of Annual General Meeting);

# Notice of annual general meeting

(continued)

such authority shall, unless previously renewed, extended, revoked or varied by the Company in general meeting, expire on the conclusion of the next Annual General Meeting of the Company or 31 December 2016 (whichever is earlier) provided that the Company may, at any time before such expiry, make an offer or enter into an agreement which would or might require Relevant Securities to be allotted after such expiry and the directors may allot Relevant Securities pursuant to any such offer or agreement; as if the authority conferred hereby had not expired.

## 8. Ordinary Resolution 6

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an Ordinary Resolution:

That the Directors be generally and unconditionally authorised, in addition to the authority sought in Resolution 5 above pursuant to and in accordance with section 551 of the Companies Act 2006 of the United Kingdom ("the Act"), to exercise all the powers of the Company to allot and make offers to allot Relevant Securities up to an aggregate nominal amount of £2,232,894 (representing approximately 25% of the Company's issued share capital) and subject to the passing of Ordinary Resolution 5 and Special Resolution 8, such authority shall, unless previously renewed, extended, revoked or varied by the Company in general meeting, expire on the conclusion of the next Annual General Meeting of the Company or 31 December 2016 provided that the Company may, at any time before such expiry, make an offer or enter into an agreement which would or might require Relevant Securities to be allotted after such expiry and the Directors may allot Relevant Securities pursuant to any such offer or agreement; as if the authority conferred hereby had not expired.

## 9. Ordinary Resolution 7

### Electronic Communications

In accordance with the Disclosure and Transparency Rules this resolution must now be passed to allow the Company to use electronic forms of communication. Your Board is proposing that they should be given authority to supply documents and make information to members available on a website. Before the Company can communicate with a member by means of website communication, the relevant member must be asked individually to agree that the Company may send or supply documents or information to him by means of a website. The Company must either have received a positive response or have received no response within the period of 28 days beginning with the date on which the request was sent. Shareholders can complete the form enclosed with this Notice and return to the Company at the address indicated on the form. The Company will notify the member (either in writing, or by other permitted means) when a relevant document or information is placed on the website and a member can always request a hard copy version of the document or information.

## Special business

### 10. Special Resolution 8

To consider and, if thought fit, to pass, the following Resolution as a Special Resolution:

That, subject to and conditional on the passing of Resolution 5 above, the Directors of the Company be and are hereby generally and unconditionally empowered, pursuant to section 570 of the Companies Act 2006, to allot equity securities (as defined by section 560 of the Companies Act 2006) for cash, either pursuant to the authority conferred by Resolutions 5 or 6 above or by way of a sale of treasury shares, as if section 561(1) of the Companies Act 2006 did not apply to any such allotment, provided that this power shall be limited to:

- (a) the allotment of equity securities pursuant to an offer or issue by way of rights, open offer or other pre-emptive offer:
  - (i) to the holders of ordinary shares and any other person entitled to participate therein in proportion (as nearly as may be practicable) to their respective holdings; and
  - (ii) to the holders of other equity securities as required by the rights of those securities or as the Directors of the Company otherwise consider necessary, but subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and
- (b) the allotment (otherwise than pursuant to sub-paragraph (a) above) of equity securities for cash up to an aggregate nominal amount of £2,232,894 (representing approximately 25% of the Company's issued capital as at the last practicable date prior to the publication of the Notice of Annual General Meeting);

such power shall (unless renewed, varied or revoked by the Company prior to or on such date) expire on 31 December 2016 or, if earlier, the conclusion of the Company's next Annual General Meeting, save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement, notwithstanding that the power conferred by this resolution has expired.

By order of the Board

### Capita Company Secretarial Services Limited

Secretary

### Registered Office

4th Floor, 2 Cromwell Place

London, SW7 2JE

10 November 2015

# Notes to the notice of annual general meeting

1. A member entitled to attend and vote at the Meeting is also entitled to appoint a proxy to attend and vote on a poll instead of him. A proxy may demand, or join in demanding, a poll. A proxy need not be a member of the Company.
2. Completion and return of the form of proxy will not preclude shareholders from attending or voting at the Meeting, if they so wish. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.
3. To be effective, the form of proxy must be received at the office of Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, BR3 4TU, or to Computershare Investor Services (Pty) Limited at their registered office at Ground Floor, 70 Marshall Street, Johannesburg, 2001 or PO Box 61051, Marshalltown, 2107, no later than 11:00 am (UK time) on Monday, 30 November 2015, or if the Meeting is adjourned no later than 11:00 am (UK time) on the day 48 hours prior to the adjourned Meeting, together, if appropriate, with the power of attorney or other authority (if any) under which it is signed or a notarial certified copy of such power or, where the proxy form has been signed by an officer on behalf of a corporation, a notarial certified copy of the authority under which it is signed.
4. In the case of a joint holding, a proxy need only be signed by one joint holder. If more than one such joint holder lodges a proxy only that of the holder first on the register of members will be counted. Any alternations made to this proxy should be initialled.
5. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.
6. Where you have appointed a proxy using the hard copy proxy form and would like to change the instructions using another hard copy proxy form, please contact Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, BR3 4TU, or Computershare Investor Services (Pty) Limited at their registered office at Ground Floor, 70 Marshall Street, Johannesburg, 2001 or PO Box 61051, Marshalltown, 2107.
7. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
8. In order to revoke a proxy instruction, you will need to inform the Registrar by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment as above. In the case of a member that is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the Company or an attorney for the Company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
9. The revocation notice must be received by Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, BR3 4TU, or Computershare Investor Services (Pty) Limited no later than 11:00 am (UK time) on Monday, 30 November 2015. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.
10. In the case of a corporation this proxy must be given under its common seal or be signed on its behalf by an attorney or officer duly authorised.
11. Any power of attorney or any other authority under which this proxy form is signed (or a duly certified copy of such power or authority) must be included with the form of proxy.
12. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the time by which a person must be entered on the register of members in order to have the right to attend and vote at the Annual General Meeting is 6:00 pm (UK time) on Monday, 30 November 2015, (being not more than 48 hours prior to the time fixed for the Meeting) or, if the Meeting is adjourned, such time being not more than 48 hours prior to the time fixed for the adjourned Meeting. Changes to entries on the register of members after that time will be disregarded in determining the right of any person to attend or vote at the Meeting.
13. If you are a dematerialised Shareholder and are not an own name dematerialised Shareholder then you must instruct your Central Securities Depository Participant ("CSDP") or broker as to how you wish to cast your vote at the Annual General Meeting in order for them to vote in accordance with your instructions. If you wish to attend the Annual General Meeting in person, please request your CSDP or broker to issue the necessary letter of representation to you. This must be done in terms of the agreement entered into between the dematerialised Shareholder (who is not an own name dematerialised Shareholder) and the CSDP or broker.
14. As at 6:00 pm (UK time) on Monday, 9 November 2015 the Company's issued share capital comprised 893,157,770 ordinary shares of 1 penny each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 6:00 pm (UK time) on Monday, 9 November 2015 was 893,157,770.
15. A statement or summary of transactions of directors (and their family interests) in the share capital of the Company and copies of their service contracts will be available for inspection at the Company's registered office during normal business hours (Saturdays and public holidays excepted) from the date of this notice until the conclusion of the AGM and will also be available for inspection at the place of the AGM for at least 15 minutes prior to and during the Meeting.

# Glossary of terms used in the notice of the annual general meeting

“AIM”	means the AIM Market of the London Stock Exchange.
“AltX”	means the Alternative Exchange of the JSE Limited.
“Board”	means the board of Directors.
“Companies Act”	means the Companies Act 2006 of the United Kingdom (as amended from time to time).
“Company” or “Jubilee”	means Jubilee Platinum PLC. (Company number 04459850)
“Directors”	means the directors of the Company from time to time.
“Explanatory Memorandum”	means this explanatory memorandum accompanying the Notice of Annual General Meeting.
“Meeting” or “Annual General Meeting” thereof, convened by the Notice.	means the annual general meeting of shareholders or any adjournment thereof, convened by the Notice.
“Non-executive Director”	means a non-executive director of the Company.
“Notice” or “Notice of Annual General Meeting”	means the notice of annual general meeting which accompanies this Explanatory Memorandum.
“Ordinary Resolution”	means a resolution that is required by the Companies Act to be passed by a majority of not less than 50% of the votes cast by members entitled to vote on the resolution.
“Related party”	means any company or associate in which the Company has an interest and shall also include the holding company of the Company and any subsidiary or affiliated company of the Company.
“Relevant Securities”	means rights, warrants or options to subscribe for, or convert any Relevant Security into shares in the Company.
“Resolution”	means any one of the resolutions set out in the Notice of Annual General Meeting.
“Share”	means an ordinary share of £0.01 each in the share capital of the Company.
“Shareholder”	means a registered holder of Shares.
“Special Resolution”	means a resolution that is required by the Companies Act to be passed by a majority of not less than 75% of the votes cast by members entitled to vote on the resolution.
“£”	means Pound Sterling, the lawful currency of the United Kingdom.



# Form of proxy

Jubilee Platinum Plc  
(Incorporated in England and Wales)  
(Registration number 04459850)  
AltX code: JBL JSE code: JLP ISIN: GB0031852162

Shareholders may vote by proxy by returning this form of proxy duly completed to Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, BR3 4TU or to Computershare Investor Services (Pty) Limited, Ground floor, 70 Marshall Street, Johannesburg, 2001 or PO Box 61051, Marshalltown, 2107, to arrive no later than 11:00 am (UK time) on Monday, 30 November 2015. Before completing this form of proxy ("form"), please see the explanatory notes overleaf and also refer to the Notice of Annual General Meeting and its accompanying notes.

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

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

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

OR

The following person:

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

Number of shares  
appointed over

to attend, speak and vote on my/our behalf at the Annual General Meeting of Jubilee Platinum plc to be held on 2 December 2015 at 11:00 and at any adjournment of such meeting. I/We would like my/our proxy to vote on the resolutions proposed at this meeting as indicated on this form. Unless otherwise instructed, the proxy may vote as he sees fit or abstain in relation to any business of this meeting.

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

Date

Name

Address

		For	Against	Abstain
<b>ORDINARY RESOLUTIONS</b>				
1.	To receive, consider and adopt the Directors' report and financial statements of the Group and Company for the year ended 30 June 2015 together with the report of the auditors			
2.	Re-election of Mr. Andrew Sarosi as a Director of the Company			
3.	Re-election of Mr. Colin Bird as a Director of the Company			
4.	To confirm the re-appointment of Saffery Champness as auditors of the Company and to authorise the Directors to determine their remuneration			
5.	To authorise the Directors to allot and issue shares pursuant to section 551 of the Companies Act 2006 of the UK			
6.	To authorise the Directors further to allot and make offers to allot Relevant Securities for cash pursuant to section 551 of the Company Act 2006			
7.	To allow the Company to use electronic forms of communication			
<b>SPECIAL RESOLUTIONS</b>				
1.	To authorise the Directors to allot and make offers to allot Relevant Securities for cash pursuant to section 570 of the Company Act 2006 of the UK			



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

