Jubilee Platinum

ANNUAL REPORT

for the year ended 30 June 2016

Contents

Administrative information

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Strategic report
Chairman's statement

Dear Shareholder,

The theme of last year's report was that the resource industry in general was experiencing very difficult times with commodity prices and difficulty in accessing finance for survival, let alone growth. Towards the end of my report I stated that the Jubilee management team would not be intimidated by these difficult times and would continue with its Mine-to-Metals strategy despite the conditions.

I am very pleased to report that the management team did respond well to their challenges and Jubilee has made significant steps towards overall profitability and establishing a prominent emerging position in the South African platinum industry. Significantly we secured the Hernic project in December 2015 and completed building the Dilokong chromite recovery section in February 2016. The completion of these two projects will result in the Company having a process capacity capable of producing some 33 000 oz of platinum per annum with considerable contribution from chrome in the case of Dilokong.

We were successful in accessing finance for these two projects with the combination of debt and equity; this financing being achieved when the industry was still experiencing great difficult in accessing finance of any kind.

We continue, proactively and reactively, to search for new business additions to our model and feel confident that we will make gains in this area. We also recognise that a chrome/platinum dump mission in a finite environment can be self-limiting and therefore have expanded our investigations into other metals and other areas. We have recognised and it has been recognised within our industry, that the Company possesses considerable internal technical strength for dump re-treatment projects and outside the Company, has created a good strategic network to identify, investigate and financially interrogate what would be future dump re-treatment projects. We intend to grow on these strengths for the balance of this year and into 2017.

We are somewhat disappointed that platinum has been so resilient at its lower levels and the much expected breakout in a positive way did not occur. I have been cynical over the link between gold and platinum and have often stated that the coupling has little sense since platinum is a commodity and should therefore respond to supply and demand fundamentals. More new cars have been sold within the developed and emerging world and yet the platinum price has continued to remain at around a USD1 000 per oz mark with moderate increases and decreases. Unlike other metals, platinum produced is sold without evidence of any significant inventories being built up which can distort the price or lead to price manipulation. The board sees a healthy market for platinum with expectation of higher prices but is confident of making good returns on investment at current platinum price levels. Our chrome operation at Dilokong has benefited considerably by increased prices for chrome and we are encouraged by our effort and opportunities in the local chrome arena.

On a more general note, the resource sector appears to be ready to move back to being a favoured sector as opposed to the "Cinderella" of stock markets. My experience has been that such changing sentiment can be rapid and management should not be caught asleep when they sense the change. I believe that significant opportunities can avail to Jubilee within its stated mission and an extension of that mission. Financing potential has definitely improved and now there exist considerable financial interest for new projects held by a strong management team with a track record.

The Group reported a loss per share for the year ended 30 June 2016 on continuing operations of 0.38 pence (ZAR cents 8.07) a reduction of 15.6% on last year and a loss per share on discontinued operations for the three months to 30 September 2016 of 0.03 pence (ZAR cents 0.67) (2015: loss per share on continuing operations of 0.45 pence (ZAR cents 8.12) and a loss per share on discontinued operations for the year ending 30 June 2015 of 0.10 pence (ZAR cents 1.76)).

Finally I would like to thank my fellow directors and particularly the executive directors who have performed extremely well in securing the two assets and positioning the company within South Africa.

I would also like to thank management and external consultants who have integrated as individuals and companies into our business plan. I look forward to an exciting 2017 and expect to be announcing more acquisitions and accelerated growth, all designed to enhance shareholder value.

Colin Bird
Non-Executive Chairman

11 November 2016

Highlights

Financial

- Middelburg Operations and Power Plant disposal ("Disposal Group") completed for a gross cash sum of ZAR110.5 million (£5.3 million).[i]
- Operating expenses from continuing operations (excluding share-based payment charges and impairments) are down 16.27% to £2.4 million.[ii]
- The Group reported a loss per share for the year ended 30 June 2016 on continuing operations of 0.38 pence (ZAR cents 8.07) a reduction of 15.6% on last year and a loss per share on discontinued operations for the three months to 30 September 2016 of 0.03 pence (ZAR cents 0.67) (2015: loss per share on continuing operations of 0.45 pence (ZAR cents 8.12) and a loss per share on discontinued operations for the year ending 30 June 2015 of 0.10 pence (ZAR cents 1.76)).

Mining and exploration

- Jubilee's subsidiary Company, Tjate Platinum Corporation Pty Ltd ("Tjate"), secured an Environmental Rehabilitation Guarantee ("ERG") Policy bond for £1.5 million (ZAR27 million) in terms of the Minerals and Petroleum Resources Development Act ("MPRDA") of South Africa. Tjate awaits the notarial execution of the mining right for its Tjate Platinum Project by the Department of Minerals and Resources ("DMR").

Surface operation and processing

- Co-Operation Agreement executed, 15 December 2015 between Jubilee and Hernic Ferrochrome Pty Ltd ("Hernic") to turn to account its platinum containing tailings ("Platinum Tailings"), stockpiled on its site, by producing chromite and PGM concentrates ("Hernic Tailings Project").
- Jubilee secured funding for the construction and commissioning of the Hernic Tailings Project.
- Construction of the 660 000 tonnes per year process plant for the Hernic Tailings Project commenced February 2015, reaching 45% completion on schedule and on budget by year-end.
- Construction of the Dilokong chromite recovery section (First Phase) of the Dilokong Tailings Treatment Plant ("DTTP") was concluded in February 2016, targeting the recovery of chromite from Dilokong Chrome Mine's ("DCM") platinum-bearing chromite tailings ("DCM Platinum Tailings") ("DCM Tailings Project"). DTTP reached its operational design capacity in mid-April 2016.
- Record production, revenues and earnings from DCM Project chromite achieved by year-end after two months continuous operations.[iii]
- DCM Project earnings at year-end reach £0.744 million (ZAR14.2 million).
- Attributable earnings to Jubilee from the DCM Project at year-end reach £0.456 million (ZAR8.7 million).

Overview

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

The Company commissioned the First Phase of its DCM Tailings Project, reaching stable production in April 2016 while simultaneously commencing with the construction of the Hernic Tailings Project, targeting a combined processing in excess of 900 000 tonnes per annum of Platinum Tailings over the two Tailings Projects. The Company executed the cash sale of its non-core Ferro-alloy smelting operations ("Middelburg Operations") for a gross value of approximately £5.3 million (ZAR110.5 million), and redirected the funds towards the acquisition and commissioning of its platinum and chrome tailings projects.

The First Phase of the DCM Tailings Project targeted the production of a chromite concentrate while concurrently the Company concluded a detailed platinum processing option study. The option study was concluded post the period under review. The

(i) Refer to note 22 on page 56 of this annual report for details of the disposal of the Middelburg Operations and the Power Plant.
(ii) Refer to the table on page 13 of this annual report for details of the operating expenses for continued and discontinued operations.
(iii) Refer to table on page 7 of this annual report for details of the DCM Tailings Project production, revenue and earnings achieved.

option study indicated the optimal strategy should include pre-concentration at DCM of the platinum in the chrome tailings and contracting with an existing platinum producer to upgrade further the platinum pre-concentrate in order to produce a saleable platinum concentrate. The Company engaged with a targeted toll processor to implement this preferred platinum processing strategy at DCM. Post year-end the DCM Tailings Project has continued to exceed the design specifications, reaching a production at the end of Q3 of the 2016 calendar year of 43 747 tonnes of saleable chromite concentrate, generating total revenues of £3.1 million (ZAR56.5 million).

The Company successfully completed a project funding agreement (the "Funding") for the execution and commissioning of its two platinum Tailings Projects.

The Funding comprised the combination of Senior Secured Debt (to a maximum of USD10 million), Unsecured Debt (to a maximum of USD5.3 million) and an equity placing (£2.3 million). This Funding package enabled Jubilee to execute simultaneously the two platinum Tailings Projects, while still pursuing the acquisition or securing of further surface or shallow platinum-bearing opportunities. These two Tailings Projects have grown the Company's access to, in excess of 4 million tonnes, of platinum-containing surface material.

The Hernic Tailings Project reached 45% completion at year-end with the Project expenditure equalling £4.5 million (ZAR 88.5 million). Post year-end and at the end of Q3 of the 2016 calendar year the Project had reached a completion of 71% with the un-audited Project expenditure reaching £7.5 million (ZAR137.6 million).

The Company's Tjate project progressed with the implementation of a Rehabilitation Guarantee Policy bond for £1.5 million (ZAR27 million) in terms of the Minerals and Petroleum Resources Development Act ("MPRDA") of South Africa. Tjate continues to await the execution of the mining right by the Department of Minerals and Resources ("DMR").

Jubilee executed a binding cash sale agreement, in aggregate of approximately £5.3 million (ZAR110.5 million) gross for its Middelburg operational assets, the disposal of which was approved by shareholders at a general meeting on 7 August 2015.

During the period under review the Company successfully managed its expenditure by selling its non-core assets and channelling the proceeds into the more profitable platinum Tailings Projects, thereby enabling the Company to grow its near-term earnings potential. The Company continues to actively pursue further projects consistent with our stated mission to grow the Company's processing capacity of at- or near-surface platinum bearing material.

The Company looks forward to bringing into operation its two platinum Tailings Projects within the current financial period while continuing to grow its revenue base and earnings projections and advancing its project portfolio.

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

The Company successfully responded to the current challenges and risks inherent to an exploration and production business and will continue 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 12.

A description of the principal risks and uncertainties facing the Company are set out in the Directors' report on page 13. Details of the Company's subsidiaries are shown in note 10.

Surface platinum and chrome operations

Near-term low risk assets

During the year under review the Company brought into production the first of its two platinum Tailings Projects and commenced with the construction of the much larger Hernic Tailings Project. At completion of these two platinum Tailings Projects the Company will hold a processing capacity of 900 000 tonnes of material per year, able to produce in excess of 33 000 PGM ounces per year. The Company had identified the beneficiation of PGMs from surface material 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 Operations.

These highly sought-after surface platinum-bearing 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 it in securing the assets and outpace its competitors. The Hernic Tailings Project's Plant currently under construction will be state-of-the-art, incorporating Jubilee's many years expertise in process development and optimisation in this field. Many of the processing techniques implemented for the Hernic Tailings Project are potentially directly transferable to Jubilee's nickel tailings project in Western Australia. At completion, the Hernic Tailings Project will be the largest of its kind in the industry.

Dilokong Chrome Mine Platinum and Chrome Surface Project ("DCM Tailings Project" or "DCM Project")

Jubilee Tailings Treatment Company Pty Ltd ("JTTC"), a wholly-owned subsidiary of Jubilee, holds the exclusive rights by way of Processing Agreement to beneficiate the platinum group metals ("PGMs") from the DCM Platinum Tailings") at ASA Metals Pty Ltd's ("ASA") Dilokong Chrome Mine ("DCM" and "DCM Project"). In terms of the Processing Agreement, Jubilee was awarded, *inter alia*, the exclusive right to access and process the DCM Platinum Tailings on DCM's mine area ("Mining Area") and the right to construct on the Mining Area a dedicated chrome and PGM recovery plant (Plant" or "Own Plant") for the DCM Platinum Tailings, targeting a Plant capable of processing up to 35 000 tonnes of platinum bearing tailings per month, for the recovery of chrome and PGMs. ASA also agreed to grant Jubilee access to sufficient power and water for the construction and operation of the Plant.

Following the execution of an addendum ("Addendum") announced 23 September 2015 to the Processing Agreement, the Company commenced construction of the chromite recovery section (First Phase) of the Plant for the DCM Tailings Project. Under the terms of the Addendum, the Company was incentivised to accelerate the execution and commissioning of this First Phase, which it successfully achieved.

Dilokong Chrome beneficiation under construction

The Company commenced commissioning of the chromite recovery section in February 2015 and reached design throughput capacity of 44 tonnes per hour ("tph") during April 2015 with the first production of 1 000 tonnes of saleable chromite concentrate ready for shipment.

In April 2016, ASA went into business rescue and on 19 April 2016, the Company secured operational control of the entire chromite processing capability at DCM by entering into a Framework Agreement (24 March 2016) arrangement ("Arrangement") with DCM's business rescue practitioner. This Arrangement not only provided a lifeline to DCM, but also provided the opportunity to expand the Company's processing capability at DCM, by enabling the Company's overall tailings processing capability to increase from 25 000 tonnes per month ("tpm") ("Own Plant") to 75 000 tpm ("Own Plant" and existing "DCM plant"). Furthermore, in addition to the increased processing capability, the Arrangement provided the potential to widen the DCM Tailings Project's scope to also process third party mined chromite ore, thereby potentially enhancing the DCM Project's overall financial metrics, with modestly low capital investment to the Plant configuration and without compromising the Company's operating profit margin.

By year-end the DCM Tailings Project had produced 15 188 tonnes of chromite concentrate (effectively from only two months of continuous operation) which generated a cumulative £1 million (ZAR19.1 million) in revenue; associated DCM Project earnings were £0.744 million (ZAR14.2 million) of which £0.456 million (ZAR8.7 million) were attributable to the Company.

Post year-end at the end of Q3 of the 2016 calendar year the un-audited cumulative production of chromite concentrate reached 43 747 tonnes and sales of chromite concentrate generated cumulative £3.1 million (ZAR56.5 million) in revenue; associated DCM Project earnings were £2.3 million (ZAR41.9 million) of which £1.3 million (ZAR24.6 million) were attributable to the Company.

	Chromite concentrate tonnes produced	Project revenue (GBP'000)	Project revenue (ZAR'000)	Project earnings (GBP'000)	Project earnings (ZAR'000)	Jubilee attributable project earnings (GBP'000)	Jubilee attributable project earnings (ZAR'000)
Q2 2016 (May, June 2016)	15 188	1 002	19 137	744	14 203	456	8 710
Q3 2016 (July, August, September 2016)	28 559	2 086	37 360	1 548	27 702	888	15 887
% change Q2 on Q3	88.04%	108.22%	95.23%	108.13%	95.05%	94.73%	82.41%
YTD since start of project in May 2016	43 747	3 088	56 497	2 291	41 905	1 344	24 597

All chromite production to date at DCM continues to be from the processing of surface tailings alone.

The Second Phase of the DCM Tailings Project, which includes the recovery of PGMs from the First Phase chromite tailings was subject to the completion of a PGM processing option study ("PGM Option Study" or "Study") on the Company's stockpiled PGM material, post-chromite recovery ("PGM Material"). This Study included a review of numerous processing options for the optimum commercial and processing solutions for the PGM Material and large commercial trials on the PGM Material to confirm the technical and economic parameters of the preferred PGM recovery option. The options reviewed included on-site trials to evaluate technical solutions for upgrading the PGMs in the PGM Material prior to either toll processing of upgraded PGM Material or further on-site processing of the PGM Material. Both laboratory and commercial trials were run to test the various options in order to determine the optimal commercial solution for Jubilee.

The Option Study was concluded post the period-under-review and indicated the optimal strategy should include the pre-concentration of PGM Material at the DCM Site and contract with an existing PGM producer to further upgrade the pre-concentrated PGM Material to produce a saleable PGM concentrate. The Company has engaged with a targeted toll processor to implement this preferred Option strategy. This would provide both the benefits of lower committed capital as well as expediency in executing the strategy

Hernic Tailings Project

Hernic Ferrochrome Pty Ltd ("Hernic") is the world's fourth largest integrated ferrochrome producer with an estimated 3 million tonnes of platinum-containing material on surface ("Hernic Tailings") while continuing to add further material to the Hernic Tailings.

On 15 December 2015, the Company executed a Co-Operation Agreement ("Co-Op Agreement") with Hernic on the turning to account ("Processing") of the Hernic Tailings to produce chromite and PGM concentrates.

The Co-Op Agreement replaced the Heads of Agreement (announced on 19 January 2015), in terms of which the Company was selected as the exclusive party to beneficiate the chromite and PGMs contained in the Hernic Tailings. During February 2015, the Company commenced site pre-excavation and foundations for the 660 000 tonnes per year processing plant ("Hermic Plant") for the Hermic Tailings Project, based on the Company's definitive feasibility study and engineering design, which was completed in June 2015 and included pilot scale and full commercial scale trials to confirm the design and operational parameters.

The Hernic Tailings has been independently fully drilled and assayed for chrome and PGM 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 material stock, which it has internally identified and which could increase the Hernic Tailings resource, to in excess of 3 million tonnes through further drilling. The Hernic Tailings are estimated to contain total PGMs (3PGM + Au) in excess of 224 000 oz.

The Hernic Tailings Project will be the largest PGM beneficiation plant of its kind, in South Africa and will be capable of producing annual revenues of £18.2 million (ZAR400 million) at an average metal basket price of USD906 per oz (3PGM + Au). The financial and operational risks of the Hernic Tailings Project are significantly mitigated since the Hernic Tailings, similar to that of the DCM Tailings Project, is already at surface and requires neither the cost nor incurs the risks associated with mining.

Hernic Tailings Project – beneficiation plant

The Project is to be undertaken in four phases over an 11-month period, namely:

- Phase one – Bankable Feasibility Study and Engineering Design – Completed.
- Phase two – Construction of the chrome and platinum processing plant – On-going
- Phase three – Commissioning and Ramp up of Processing Plant to design capacity of 55 000 tonnes per month.
- Phase four – Stable operation of the Processing Plant.

Orders for all the long-lead items were placed by mid-April 2016. Construction of the Hernic Plant has progressed as scheduled and on budget with 45% of the Hernic Tailings Project completed by year-end. Project capital expenditure to year-end was £4.5 million (ZAR88.5 million) equivalent to 45% of total estimated Project Capital. Post year-end and at the end of Q3 of the 2016 calendar year the Project was 71% complete with the un-audited project expenditure reaching £7.5 million (ZAR137.6 million).

Commencement of the Hernic Plant commissioning remains on target for December 2016.

Middelburg Operations – Smelter and power plant

On 30 September 2015, Jubilee completed the disposal of 100% of the issued shares in Jubilee Smelting and Refining Pty Ltd, and 70% of the issued shares in Power Alt Pty Ltd to Siyanda Resources Pty Ltd, through its nominated special-purpose vehicle Hornbill Investments Pty Ltd ("SPV"), for a gross consideration of, in aggregate, ZAR110.5 million (approximately £5.3 million). The Company received 85% of the net purchase consideration in cash ("First Payment"). 15% of the purchase consideration is held in escrow in an amount approximating to £0.68 million (ZAR13 million), net of closing adjustments including stock and supplier adjustments. This amount, which was due by the SPV to Jubilee following the expiry of the first warranty period on 31 December 2015 (90 days after the closing date of 30 September 2015). Payment has, however, not been made due to the SPV considering a warranty claim. Jubilee has rejected these claims and has actioned the necessary steps to expedite payment.

Mining and exploration

World-class assets

Jubilee's mining and exploration projects are significantly enhanced by the Company's ability to beneficiate platinum concentrates through its smelting and refining capability offered by the ConRoast process.

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.

In February 2015, Tjate received formal communication from the DMR of the requirement in terms of the mining right for an Environmental Rehabilitation Guarantee ("ERG") to the value of approximately £1.5 million (ZAR27 million). 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. Tjate secured an Environmental Rehabilitation Guarantee Policy bond for ZAR27 million in terms of the Minerals and Petroleum Resources Development Act ("MPRDA") of South Africa. Tjate awaits the notarial execution ("Execution") of the mining right by the Department of Minerals and Resources ("DMR").

The Company, Tjate and the Tjate Community ("Community") continue to hold positive ongoing engagements on the immediate social and labour benefits that would be expected to flow to the Community on the Execution of the mining right. The Tjate Community remains very supportive of the Tjate project and has urged the DMR to conclude the Execution of the mining right to allow for the further development of the Project.

Madagascar

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 Company's subsidiary, Mineral Resources of Madagascar Sarl's ("MRM") Ambodilafa concession. IPR's farm-in right excludes rights to the platinum group metals, metals traded on the London Metals Exchange and chrome on the Ambodilafa concessions.

IPR's is earn-in interest remained at 90% in the Samelahy iron ore property ("Samelahy") on Ambodilafa, having expended more than USD3 million, in terms of the farm-in agreement.

In the year under review the Company's subsidiary, Mineral Resources of Madagascar Sarl ("MRM"), undertook no exploration in Madagascar.

Australia – Nickel in tailings surface project ("Leinster Project")

The Company's Australian subsidiary, Braemore Nickel (Pty) Ltd ("Braemore") continued with on-going internal review and optimisation of the process flowsheet for the recovery of Nickel from the Leinster Project tailings ("Leinster Tailings"), in particular, the Company's application of recent developments in the liberation of minerals locked in tailings. These developments are currently being implemented in the recovery of PGM in associated sulphides from the Company's tailings projects in South Africa, specifically targeting the beneficiation of sulphide minerals, which enables significant enhancement in concentrate grade profiles and improvement in the projected target performance and profitability. The Company believes that these developments are applicable to optimise even further the current Leinster Project flowsheet for the Leinster Tailings and other like tailings. These beneficiation and liberation developments have the potential to improve significantly, the economic metrics of the Engineering Study and Economic Evaluation ("ESEE ") of the Leinster Project.

Post the period under review Braemore has received, from BHP Billiton Proprietary Limited ("BHP"), a notice of termination of the Tailings Supply Agreement relating to the nickel tailings material in Western Australia.

Braemore has rejected the termination notice since it believes no factual or legal basis exists for such termination. Braemore has informed BHP that it intends to initiate legal proceeding to have the termination set aside.

Looking ahead

Jubilee over the past year has successfully navigated the many challenges faced by the platinum industry and we have been able to face up to this adversity by growing its PGM project portfolio, bringing into operation its profitable DCM Project and commencing construction of the large Hernic Tailings Project.

We look ahead to a year that will continue to hold challenges for the platinum industry, with subdued PGM and platinum prices adding pressure on current platinum producers incurring added cost of mining, and to a market that is yet to recognise the resilience of the emerging, low cost producers, of which Jubilee is taking the lead.

For Jubilee the year ahead holds excitement, with the commissioning of the Hernic Tailings Project to bolster the production and earnings potential of the DCM Tailings Project from PGM production, while continuing to pursue such surface projects on the back of its industry-leading ability.

Leon Coetzer
Chief Executive Officer

11 November 2016

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

Hernic PGM beneficiation circuit

Solid liquid separation circuit

Report of the Directors

The Directors present their report together with the financial statements for the year ended 30 June 2016.

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 surface 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 2016 and future developments is contained in the Strategic Report on pages 3 to 11.

The Directors did not recommend the payment of a dividend for the year under review (2015: nil).

Financial review

Earnings per share for the year ended 30 June 2016 were as follows:

	Jun 16	Jun 15
Basic loss for the year – continuing operations (£'000)	**(3 412)**	(2 907)
Basic loss for the year – discontinuing operations (£'000)	**(283)**	(628)
Total loss for the year	**(3 695)**	(3 535)
Weighted average number of shares in issue ('000)	**906 241**	644 852
Diluted weighted average number of shares in issue ('000)	**906 241**	644 852
Weighted average number of shares in issue discontinued operations ('000)	**906 241**	644 852
Diluted weighted average number of shares in issue discontinued operations ('000)	**906 241**	644 852
Loss per share – continuing operations (pence)	**(0.38)**	(0.45)
Loss per share – discontinuing operations (pence)	**(0.03)**	(0.10)
	(0.41)	(0.55)
Diluted loss per share – continuing operations (pence)	**(0.38)**	(0.45)
Diluted loss per share – discontinuing operations (pence)	**(0.03)**	(0.10)
	(0.41)	(0.55)
Loss per share – continuing operations (ZAR cents)	**(8.07)**	(8.12)
Loss per share – discontinuing operations (ZAR cents)	**(0.67)**	(1.76)
	(8.74)	(9.88)
Diluted loss per share – continuing operations (ZAR cents)	**(8.07)**	(8.12)
Diluted loss per share – discontinuing operations (ZAR cents)	**(0.67)**	(1.76)
	(8.74)	(9.88)

The Group reported a net asset value of 5.65 pence (112.38 ZAR cents) (2015: 6.60 pence (127.65 ZAR cents) per ordinary share.

The total shares in issue as at 30 June 2016 were 991 087 994 (2015: 749 860 507).

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

	Continued Jun 2016	**Dis-continued Jun 2016**	**Total Jun 2016**	Continued Jun 2015	Dis-continued Jun 2015	Total Jun 2015
Operating expenses						
Admin, corporate and operational costs	**269 940**	**482 469**	**752 409**	439 822	639 235	1 079 057
Amortisation and depreciation	**598 451**	**–**	**598 451**	624 284	751 630	1 375 913
Consulting and professional fees	**712 607**	**12 000**	**724 607**	703 848	78 945	782 793
Human resources	**556 106**	**221 430**	**777 536**	823 623	826 366	1 649 989
Repairs and maintenance	**5 425**	**296 871**	**302 296**	12 600	1 141 714	1 154 315
Travelling	**28 124**	**1 863**	**29 987**	23 762	7 210	30 972
Corporate listing costs	**121 446**	**–**	**121 446**	147 209	–	147 209
Loss on exchange differences	**80 638**	**–**	**80 638**	–	–	–
Loss on disposal of fixed asset	**1 082**	**–**	**1 082**	68 459	–	68 459
	2 373 819	**1 014 633**[2]	**3 388 452**	2 843 607	3 445 100	6 288 707
Other once-off non-cash operating expenses						
Share-based payment charge – options awarded	**1 155 847**[3]	**–**	**1 155 847**	–	–	–
Share-based payment charge – new warrants issued	**304 925**[3]	**–**	**304 925**	–	–	–
Provision for impairment of other financial assets	**856 271**[4]	**–**	**856 271**	–	–	–
	2 317 043	**–**	**2 317 043**	–	–	–
Total operating expenses	**4 690 862**	**1 014 633**	**5 705 495**	–	–	–

1 *Operating expenses from continuing operations are down 16.27% to £2.4 million.*
2 *Refer to note 6 on page 44 of this report.*
3 *Refer to note 16 on page 52 of this report.*
4 *Refer to note 12 on page 50 of this report. The provision for impairment of other financial assets represents the remainder of the proceeds owed to the Company in relation to the disposal of the Middelburg Operations. The Board considered it prudent to impair the remaining balance during the current reporting period.*

The table above forms part of supplementary information and has not been audited.

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 materially 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 it. 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.
- 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, 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 platinum projects and ConRoast growth strategies. The draw-down of funds and equity distribution is controlled and managed by the Board.

Currency risk is the risk of the possibility that one currency will devalue to the exchanger's detriment. The Group 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.

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 2016 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, Ms 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 Limited 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 the same, including the consequences of any breach of the law or regulations.

Internal control

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

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

Internal financial control procedures undertaken by the Board include:

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

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

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

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

Relations with shareholders

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

Going concern

The Directors have adopted the going-concern-basis in preparing the financial statements. Further disclosure of the Directors' consideration of going-concern is made in note 28 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 resolution:

- 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 2016	30 June 2015
C Bird (Direct)	**9 797 555**	9 797 555
A Sarosi (Direct)	**64 444**	64 444
L Coetzer (Direct)	**27 810**	27 810
Dr M Phosa (Indirect)[1]	**986 717**	986 717
Total	**10 876 526**	10 876 526

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

A new share option scheme was agreed by shareholders on 29 April 2016. In awarding these options the Board was cognisant of the efforts and personal motivation directed towards the Company's objectives by all members of the Board.

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

Strike price	Par value	3.5p	4p	6p	Total
Leon Coetzer	7 000 000	8 000 000	4 000 000	4 000 000	23 000 000
Colin Bird	5 000 000	4 000 000	2 000 000	2 000 000	13 000 000
Andrew Sarosi	3 000 000	3 000 000	2 000 000	2 000 000	10 000 000
Chris Molefe	–	500 000	500 000	500 000	1 500 000
Dr Matthews Phosa	–	500 000	500 000	500 000	1 500 000
Total	15 000 000	16 000 000	9 000 000	9 000 000	49 000 000

Refer to note 17 on page 53 of this report for details of the options awarded.

	Remuneration paid £	**Provision for unpaid remuneration £**	**Share options £**	**Benefits in kind £**	**Total 2016 £**	**Total 2015 £**
C Bird	13 333	66 667	314 634	6 263	400 897	80 000
A Sarosi	38 458	49 068	234 822	–	322 348	64 730
C Molefe	7 263	6 842	31 583	–	45 688	16 600
L Coetzer	120 983	102 834	543 226	–	767 043	212 802
Dr Phosa	–	27 358	31 583	–	58 941	33 200
	180 037	252 769	1 155 848	6 263	1 594 917	407 332

During the period under review the Directors' remuneration was adjusted to align with the cash flow requirements of the Group and Company. The unpaid portion of the Directors' remuneration are to be settled through the issue of new Jubilee shares under the authority of ordinary resolution number 12 and special resolution number 2, passed at the Company's Annual General Meeting held on 27 November 2013. The amount that was short-paid to Directors for the period under review amounted to £252 769 (2015: £232 251) and has been provided for in the accounts. Refer to note 6 on page 44 of this report 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 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 Limited, which involved responsibility for coal operations in the UK, Venezuela and Spain. In addition to his coal mining activities he has been involved in the management of nickel, copper, gold and other diverse mineral operations. He has founded and floated several public companies in the resource sector and served on resource Company Boards in the UK, Canada and South Africa.

Dr Mathews Phosa

Non-Executive Vice-Chairman

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 the Council of Unisa. Commercially Dr Phosa sits on a number of listed Company Boards (Value Group and Jubilee Platinum) as well as a number of unlisted entities (Hans Merensky Holdings, Vuka Timbers, du Toit Smuts & Mathews Phosa Attorneys and Mathews Phosa & Associates). 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 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.

Dr Phosa’s decorated career achievements include the Congolese Order of Merit presented to him February 2014 by the Congolese President Denis Sassou Nguesso. Dr Phosa is the only recipient to receive two awards at the African Achievers Awards in Abuja, Nigeria in July 2016 – the first award bestowed on him was “Leadership Excellence in Africa”. He dedicated it to good governance and democracy, and the second “Lifetime Achiever” award he dedicated to former President, the late Cde Nelson Mandela. Dr Phosa further made history when he became the first man to be presented with an award by the African Women in Leadership Organisation at their 8th conference in the USA in August 2016 for “African Man of the Year” for his effort and support to the creativity of African Women.

Mr Christopher Molefe

Non-Executive Director

Mr Molefe was formerly the Chief Executive of Royal Bafokeng Resources Proprietary Ltd and is presently the Non-Executive Chairman of Merafe Resources Limited and a Non-Executive Director of Capital Oil Proprietary 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 Proprietary Ltd; an Executive Director at Black Management Forum; a Financial Analyst at Chase Manhattan Bank; the Marketing Manager at African Bank Limited; an Executive Manager at Transnet (Propnet) Proprietary Ltd and an Executive Director at Dipapatso Media Proprietary Ltd.

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. Throughout his career, he has managed both technical and production units of large operations, including both platinum concentrators and smelters. He is a member of the advisory Board of the process engineering faculties at the University of Pretoria 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 43 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 recently ad hoc 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.

Major shareholders

The Directors are aware of the following substantial shareholdings of 3% or more of the share capital of 991 087 194 ordinary shares at 30 June 2016:

Ordinary shares of 1p each	Number	Percentage
Hargreaves Lansdown (Nominees) Limited	131 226 579	13.24
TD Direct Investing Nominees (Europe) Limited	91 241 829	9.21
Barclayshare Nominees Limited	78 613 157	7.93
Jim Nominees Limited	46 232 791	4.66
Standard Bank Nominees (RF) Proprietary Ltd	40 090 314	4.05
HSDL Nominees Limited	39 276 100	3.96
Agulhas Nominees Proprietary Ltd	37 610 981	3.79

Share issues

Details of the shares issued in the year are disclosed in note 16 on page 52 of the financial statements.

Post-reporting date events Details of post-reporting date events are disclosed in note 28 on page 66 of the financial statements.

Creditors' payment policy and practice

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

Qualifying indemnity provision

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

Political and charitable donations

The Group made no charitable or political donations during the period under review (2015: £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.

On behalf of the Board

L Coetzer
Chief Executive Officer

11 November 2016

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 11 November 2016 and signed on its behalf by:

Leon Coetzer
Chief Executive Officer

11 November 2016

Company number 04459850

Report of the Audit and Risk Committee

for the year ended 30 June 2016

The Audit and Risk Committee is chaired by Mr Christopher Molefe. During the financial year ended 30 June 2016 the Audit and Risk Committee carried out its functions as follows:

- Nominated the re-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 re-appointment complied with the CLAA and any other legislation relating to the appointment of auditors.
- Reviewed the nature of any non-audit services provided by the external auditors to ensure that the fees for such services become so significant that as to call to question their independence.

The Audit and Risk Committee satisfied itself through enquiry that Saffery Champness 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 2016 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

11 November 2016

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 2016, 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 25 to 67. 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 2016 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 matters 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.

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
71 Queen Victoria Street,
London EC4V 4BE

11 November 2016

Consolidated statements of financial position

as at 30 June 2016

Figures in Sterling	Note(s)	Group 2016	Group 2015	Company 2016	Company 2015
Assets					
Non-current assets					
Property, plant and equipment	9	**4 977 784**	88 064	**–**	–
Intangible assets	8	**61 838 764**	59 069 353	**–**	–
Investments in subsidiaries	10	**–**	–	**37 923 854**	47 063 331
Loans to Group companies	11	**–**	–	**39 519 656**	39 848 038
Deferred tax	27	**218 345**	–	**–**	–
		67 034 893	**59 157 417**	**77 443 510**	**86 911 369**
Current assets					
Inventories		**–**	19 019	**–**	19 019
Other financial assets	23	**555 159**	–	**–**	–
Current tax receivable		**15 870**	15 900	**–**	–
Trade and other receivables	12	**1 074 509**	302 504	**37 082**	243 770
Cash and cash equivalents	13	**4 414 908**	360 829	**3 760 540**	348 467
		6 060 446	**698 252**	**3 797 622**	**611 256**
Non-current assets held for sale and assets of disposal groups	22	**–**	7 696 389	**–**	–
Total assets		**73 095 339**	**67 552 058**	**81 241 132**	**87 522 625**
Equity and liabilities					
Equity attributable to equity holders of parent					
Share capital	16	**82 515 169**	75 896 582	**82 515 169**	75 896 582
Reserves		**17 997 713**	16 742 258	**25 131 350**	28 383 026
Accumulated loss		**(44 300 203)**	(43 495 910)	**(26 883 903)**	(18 266 336)
		56 212 679	49 142 930	**80 762 616**	86 013 272
Non-controlling interest		**(42 606)**	365 071	**–**	–
		56 170 073	**49 508 001**	**80 762 616**	**86 013 272**
Liabilities					
Non-current liabilities					
Deferred tax	27	**14 677 152**	13 738 729	**–**	–
Current liabilities					
Other financial liabilities	19	**–**	811 890	**–**	811 890
Trade and other payables	21	**2 248 114**	876 617	**478 516**	351 422
Deferred income	20	**–**	346 041	**–**	346 041
		2 248 114	**2 034 548**	**478 516**	**1 509 353**
Liabilities of disposal groups	22	**–**	2 270 780	**–**	–
Total liabilities		**16 925 266**	**18 044 057**	**478 516**	**1 509 353**
Total equity and liabilities		**73 095 339**	**67 552 058**	**81 241 132**	**87 522 625**

1 *Refer to the Directors' report on page 12 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 30 to 67 form an integral part of these financial statements.

The financial statements were authorised for issue and approved by the Board on 11 November 2016 and signed on its behalf by:

Leon Coetzer
Chief Executive Officer
Company number: 04459850

Consolidated statements of comprehensive income

for the year ended 30 June 2016

Figures in Sterling	Note(s)	Group 2016	Group 2015	Company 2016	Company 2015
Continuing operations					
Revenue		**1 473 921**	48 899	**346 041**	45 014
Cost of sales		**(608 309)**	(25 529)	**(19 019)**	(25 529)
Gross profit		**865 612**	**23 370**	**327 022**	**19 485**
Other income		**10 725**	8 586	**–**	–
Operating expenses		**(4 690 862)[1]**	(2 843 607)	**(3 206 738)**	(826 650)
Operating loss	4	**(3 814 525)**	**(2 811 651)**	**(2 879 716)**	**(807 165)**
Investment revenue		**144 077**	65 283	**23 701**	65 283
Gain/(loss) on non-current assets held for sale or disposal groups	22	**84 680**	–	**(4 286 166)**	–
Impairment of subsidiary loans of disposal group		**–**	–	**(6 174 421)**	–
Finance costs		**(13 418)**	(194 758)	**(13 413)**	(194 754)
Loss before taxation		**(3 599 186)**	(2 941 126)	**(13 330 015)**	(936 636)
Taxation	7	**201 901**	–	**–**	–
Loss from continuing operations		**(3 397 285)**	**(2 941 126)**	**(13 330 015)**	**(936 636)**
Discontinued operations					
Loss from discontinued operations	22	**(276 660)**	(504 196)	**–**	–
Loss for the year		**(3 673 945)**	**(3 445 322)**	**(13 330 015)**	**(936 636)**
Other comprehensive income:					
Exchange differences on translating foreign operations		**2 653 926**	(4 497 075)	**–**	–
Total comprehensive loss		**(1 020 019)**	**(7 942 397)**	**(13 330 015)**	**(936 636)**
Attributable to:					
Owners of the parent:					
Loss for the year from continuing operations		**(3 412 174)**	(2 906 928)	**(13 330 015)**	(936 636)
Loss for the year from discontinuing operations		**(283 749)**	(628 442)	**–**	–
Loss for the year attributable to owners of the parent		**(3 695 923)**	**(3 535 370)**	**(13 330 015)**	**(936 636)**
Non-controlling interest:					
Profit/(loss) for the year from continuing operations		**14 889**	(34 198)	**–**	–
Profit/(loss) for the year from discontinuing operations		**7 089**	124 246	**–**	–
Profit for the year attributable to non-controlling interest		**21 978**	**90 048**	**–**	**–**
Total comprehensive loss attributable to:					
Owners of the parent		**(1 009 610)**	(8 006 476)	**(13 330 015)**	(936 636)
Non-controlling interest		**(10 409)**	64 079	**–**	–
		(1 020 019)	**(7 942 397)**	**(13 330 015)**	**(936 636)**
Basic and diluted loss per share (pence) – continuing operations		**(0.38)**		**(0.45)**	
Basic and diluted loss per share (pence) – discontinued operations		**(0.03)**		**(0.10)**	
Loss per share		**(0.41)**		**(0.55)**	

1 *Refer to the Directors' report on page 12 for a breakdown of the major components of the Group's operating expenses.*

Consolidated statements of changes in equity

for the year ended 30 June 2016

Figures in Sterling	Share capital	Foreign currency translation reserve	Merger reserve	Share-based payment reserve	Total reserves	Accumulated loss	Total attributable to equity holders of the Group/ Company	Non-controlling interest	Total equity
Group									
Balance at 1 July 2014	**73 434 453**	**(7 169 662)**	**23 184 000**	**4 918 210**	**20 932 548**	**(40 428 540)**	**53 938 461**	**177 179**	**54 115 640**
Changes in equity									
Total comprehensive income for the year	–	(4 471 106)	–	–	(4 471 106)	(3 535 370)	(8 006 476)	64 079	(7 942 397)
Issue of share capital net of costs	2 462 129	–	–	–	–	–	2 462 129	–	2 462 129
Warrants issued	–	–	–	748 816	748 816	–	748 816	–	748 816
Share options forfeited	–	–	–	(468 000)	(468 000)	468 000	–	–	–
Changes in ownership interest control not lost	–	–	–	–	–	–	–	123 813	123 813
Total changes	2 462 129	(4 471 106)	–	280 816	(4 190 290)	(3 067 370)	(4 795 531)	187 892	(4 607 639)
Balance at 1 July 2015	**75 896 582**	**(11 640 768)**	**23 184 000**	**5 199 026**	**16 742 258**	**(43 495 910)**	**49 142 930**	**365 071**	**49 508 001**
Changes in equity									
Total comprehensive income for the year	–	2 686 313	–	–	2 686 313	(3 695 923)	(1 009 616)	(10 409)	(1 020 019)
Issue of share capital net of costs	6 618 587	–	–	–	–	–	6 618 587	–	6 618 587
Disposal of subsidiaries	–	1 820 818	–	–	1 820 818	(1 820 818)	–	(397 268)	(397 268)
Warrants issued	–	–	–	304 925	304 925	–	304 925	–	304 925
Options issued under new scheme	–	–	–	1 155 847	1 155 847	–	1 155 847	–	1 155 847
Option cancelled under old scheme	–	–	–	(4 450 210)	(4 450 210)	4 450 210	–	–	–
Warrants exercised	–	–	–	(258 306)	(258 306)	258 306	–	–	–
Warrants lapsed	–	–	–	(3 932)	(3 932)	3 932	–	–	–
Total changes	6 618 587	4 507 131	–	(3 251 676)	1 255 455	(804 243)	7 069 749	(407 677)	6 662 072
Balance at 30 June 2016	**82 515 169**	**(7 133 637)**	**23 184 000**	**1 947 350**	**17 997 713**	**(44 300 203)**	**56 212 679**	**(42 606)**	**56 170 073**
Note(s)				17					

Consolidated statements of changes in equity *(continued)*

for the year ended 30 June 2016

Figures in Sterling	Share capital	Merger reserve	Share-based payment reserve	Total reserves	Accumulated loss	Total attributable to equity holders of the Group/ Company	Total equity
Company							
Balance at 1 July 2014	**73 434 453**	**23 184 000**	**4 918 210**	**28 102 210**	**(17 329 700)**	**84 206 963**	**84 206 963**
Changes in equity							
Total comprehensive income for the year	–	–	–	–	(936 636)	(936 636)	(936 636)
Issue of shares	2 462 129	–	–	–	–	2 462 129	2 462 129
Warrants issued	–	–	748 816	748 816	–	748 816	748 816
Share options forfeited	–	–	(468 000)	(468 000)	–	(468 000)	(468 000)
Total changes	2 462 129	–	280 816	280 816	(936 636)	1 806 309	1 806 309
Balance at 1 July 2015	**75 896 582**	**23 184 000**	**5 199 026**	**28 383 026**	**(18 266 336)**	**86 013 272**	**86 013 272**
Changes in equity							
Total comprehensive income for the year	–	–	–	–	(13 330 015)	(13 330 015)	(13 330 015)
Issue of shares	6 618 587	–	–	–	–	6 618 587	6 618 587
Warrants issued	–	–	304 925	304 925	–	304 925	304 925
Options issued under new scheme	–	–	1 155 847	1 155 847	–	1 155 847	1 155 847
Option cancelled under old scheme	–	–	(4 450 210)	(4 450 210)	4 450 210	–	–
Warrants exercised	–	–	(258 306)	(258 306)	258 306	–	–
Warrants lapsed	–	–	(3 932)	(3 932)	3 932	–	–
Total changes	6 618 587	–	(3 251 676)	(3 251 676)	(8 617 567)	(5 250 656)	(5 250 656)
Balance at 30 June 2016	**82 515 169**	**23 184 000**	**1 947 350**	**25 131 350**	**(26 883 903)**	**80 762 616**	**80 762 616**
Note(s)			17				

Consolidated statements of cash flows

for the year ended 30 June 2016

Figures in Sterling	Note(s)	Group 2016	Group 2015	Company 2016	Company 2015
Cash flows from operating activities					
Cash used in operations	14	**(688 883)**	(1 251 279)	**(619 316)**	761 299
Interest income		**144 077**	65 283	**23 701**	65 283
Finance costs		**(13 418)**	(194 758)	**(13 413)**	(194 754)
Net cash from operating activities		**(558 224)**	**(1 380 754)**	**(609 028)**	**631 828**
Cash flows from investing activities					
Purchase of property, plant and equipment	9	**(4 548 858)**	(5 904)	**–**	–
Sale of property, plant and equipment	9	**–**	(42 547)	**–**	(45 014)
Purchase of other intangible assets	8	**(4 239)**	(45 334)	**–**	–
Net cash flow from disposal of discontinued operations	22	**3 986 126**	–	**–**	–
Loans advanced to group companies		**–**	–	**(1 741 969)**	(1 878 765)
Increase in other financial assets	23	**(555 159)**	–	**–**	–
Cash removed as part of disposal group		**–**	(163 002)	**–**	–
Net cash from investing activities		**(1 122 130)**	**(256 787)**	**(1 741 969)**	**(1 923 779)**
Cash flows from financing activities					
Net proceeds on share issues		**5 865 560**	1 413 280	**5 865 560**	1 413 280
Repayment of other financial liabilities		**(102 490)**	(264 323)	**(102 490)**	(222 295)
Net cash from financing activities		**5 763 070**	**1 148 957**	**5 763 070**	**1 190 985**
Total cash movement for the year		**4 082 716**	**(488 584)**	**3 412 073**	**(100 966)**
Total cash at the beginning of the year		**360 829**	733 399	**348 467**	449 433
Effect of exchange rate movement on cash balances		**(28 637)**	116 014	**–**	–
Total cash at end of the year	**13**	**4 414 908**	**360 829**	**3 760 540**	**348 467**

1. PRESENTATION OF FINANCIAL STATEMENTS

The Group and Company results for the year ended 30 June 2016 have been prepared using the accounting policies applied by the Company in its 30 June 2015 annual report, which are in accordance with International Financial Reporting Standards (IFRS and IFRC 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.

For income statement purposes conversions are at the averate £:ZAR rates and for balance sheet purposes conversions are at the closing rate as at the period end. All other converstions are at rates as at the time announced.

1.1 Consolidation

Basis of consolidation

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

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

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.

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. Plant under construction is not depreciated until it is commissioned and operational.

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

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

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

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

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 continuing interest.

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

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

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

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.

1. PRESENTATION OF FINANCIAL STATEMENTS *(continued)*

1.4 Financial instruments *(continued)*

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.

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

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

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial re-organisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. 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.

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.

1. PRESENTATION OF FINANCIAL STATEMENTS *(continued)*

1.6 Tax *(continued)*

Tax expenses

The identifiable assets acquired and liabilities assumed in a business combination are recognised at their fair values at the acquisition date. Deferred tax is recognised on temporary differences resulting from fair value adjustments. Temporary differences arise when the tax bases of the identifiable assets acquired and liabilities assumed are not affected by the business combination or are affected differently. The resulting deferred tax asset or liability affects goodwill recognised on business combinations. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

Current 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 CGU to which the asset belongs is determined.

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

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

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

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

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

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

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

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

1.9 Share capital and equity

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

1.10 Share-based payments

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

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

1. PRESENTATION OF FINANCIAL STATEMENTS *(continued)*

1.10 Share-based payments *(continued)*

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

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

1.11 Provisions and contingencies

Provisions are recognised when:

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

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

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.

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. Revenue from services rendered is recognised when the customer confirms receipt of the processed product, which is when the risks and rewards of ownership pass.

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.

Translation of foreign currencies

Functional and presentation currency

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

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

Foreign currency transactions

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

At the end of the reporting period:

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

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

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

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

1. PRESENTATION OF FINANCIAL STATEMENTS *(continued)*

1.11 Provisions and contingencies *(continued)*

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.

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 CGUs 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 16 and 17 for details on valuation of share- based payments, including options granted and warrants granted.

Residual value, useful lives and depreciation methods

Judgement has been used in estimating the residual values and useful lives of items of property, plant and equipment. Refer to note 9 for detail of the values of property, plant and equipment.

2. ADOPTION OF NEW AND REVISED STANDARDS

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

Standard	Effective date, annual period beginning on or after
Annual improvements to IFRSs 2011 – 2013 Cycle	1 January 2015
Annual improvements to IFRSs 2010 – 2012 Cycle	1 February 2015*
IAS 19 (amendments) *Employee Benefits – Defined Benefit Plans: Employee contributions*	1 February 2015*

* *This is the date from which these pronouncements became effective in the EU*

Their adoption has not had any material impact on the disclosures or amounts reported in the financial statements.

Standards issued but not yet effective

At the date of authorisation of these financial statements, the following standards and interpretations relevant to the Group and which have not been applied in these financial statements, were in issue but were not yet effective. In some cases these standards and guidance have not been endorsed for use in the European Union.

Standard	Effective date, annual period beginning on or after
Annual Improvements 2012 – 2014 cycle	1 January 2016
IFRS 11 (amendments) *Accounting for Acquisitions of Interests in Joint Operations*	1 January 2016
IFRS 14 *Regulatory Deferral Accounts*	1 January 2016*
Amendments to IFRS 10, IFRS 12 and IAS 28 *Investment Entities – Applying the Consolidation Exception*	1 January 2016
IAS 16 *Property, Plant and Equipment* and IAS 38 *Intangible Assets* (amendments)	1 January 2016
IAS 16 *Property, Plant and Equipment* and IAS 41 *Bearer Plants* (amendments)	1 January 2016
IAS 1 *Disclosure Initiative*	1 January 2016
IAS 27 (amendments) *Equity Method in Separate Financial Statements*	1 January 2016
Amendments to IAS 12 *Recognition of Deferred Tax for Unrealised Losses*	1 January 2017
Amendments to IAS 7 *Disclosure Initiative*	1 January 2017
IFRS 9 *Financial Instruments*	1 January 2018
IFRS 15 *Revenue from Contracts with Customers* including amendments to IFRS 15: Effective date of IFRS 15	1 January 2018
Clarifications to IFRS 15 *Revenue from Contracts with Customers*	1 January 2018
IFRS 16 *Leases*	1 January 2019
Amendments to IFRS 2 *Classification and Measurement of Share-based Payment Transactions*	1 January 2018

* *The European commission has decided not to launch the endorsement process of this interim standard but to wait for the final standard. The Directors are evaluating the impact that these standards will have on the financial statements of Group.*

3. REVENUE

	Group 2016 £s	Group 2015 £s	Company 2016 £s	Company 2015 £s
Provision of services	**884 751**	48 899	**346 041**	45 014

Revenue consists of the rendering of services in relation to the surface processing of chromite concentrate. Jubilee has certain contractual rights and interests in terms of its Treatment of Tailings Agreement with ASA Metals. During the period under review Jubilee operated the Dilokong Chrome Mine to increase its capacity by the commissioning of a chrome recovery plant. Jubilee earns revenue on the basis of the percentage completed chromite concentrate sold as contained in the Treatment of Tailings Agreement. All revenue recognised in the year was derived from two customers which are considered to be of high quality.

4. OPERATING LOSS

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

	Group 2016 £s	Group 2015 £s	Company 2016 £s	Company 2015 £s
Operating lease charges				
Premises				
Contractual amounts	**65 455**	74 622	**29 905**	34 024
Equipment				
Contractual amounts	**8 671**	12 452	**–**	–
	74 126	87 074	**29 905**	34 024
Loss on sale of property, plant and equipment	**(1 082)**	(59 904)	**–**	(45 014)
Impairment of loans to group companies	**–**	(103 009)	**–**	(42 028)
Impairment of other financial liabilities	**–**	30 857		
Impairment of other financial assets	**856 271**	–	**856 271**	–
Fees paid for audit of group financial statements	**70 000**	80 000	**70 000**	80 000
Profit on exchange differences	**66 846**	20 508	**77 571**	20 539
Amortisation of intangible assets	**566 272**	673 440	**–**	–
Depreciation of property, plant and equipment	**32 179**	22 996	**–**	–
Share-based payment charges	**1 460 772**	–	**1 460 770**	–
Employee costs	**353 687**	353 666	**28 000**	28 000

Refer to note 6 on page 44 for details of employee costs.

5. FINANCE COSTS/(INCOME)

	Group 2016 £s	Group 2015 £s	Company 2016 £s	Company 2015 £s
Interest-bearing borrowings	**13 417**	124 461	**13 413**	124 461
Other interest	**–**	70 297	**–**	70 293
Total finance costs	**13 417**	**194 758**	**13 413**	**194 754**
Finance income	**–**	(62 702)	**–**	(62 702)
Bank interest received	**(144 077)**	(2 581)	**(23 701)**	(2 581)
Total finance income	**(144 077)**	**(65 283)**	**(23 701)**	**(65 283)**

6. EMPLOYEE COSTS (INCLUDING DIRECTORS)

	Group		Company	
	2016 **£s**	2015 £s	**2016** **£s**	2015 £s
Salaries	**353 687**	353 666	**28 000**	28 000
Directors' fees and remuneration	**186 300**	157 353	**65 317**	64 730
Provision for unpaid remuneration	**252 769**	232 251	**149 935**	125 850
Share-based payments	**1 155 847**	17 726	**1 155 847**	17 726
Total staff costs	**1 948 603**	760 996	**1 399 099**	236 306

The Group averaged six (two administrative) employees during the period ended 30 June 2016 (2015: 52 employees (eight 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 £6 789 (2015: £6 200). This cost is not included in the above remuneration.

	Group		Company	
Directors' fees and remuneration	**2016** **£s**	2015 £s	**2016** **£s**	2015 £s
Directors' short-term benefits				
Directors' fees (including benefits in kind)	**26 859**	22 262	**26 859**	22 262
Directors' salaries	**159 441**	135 092	**38 458**	42 468
Provision for unpaid remuneration	**252 769**	232 251	**149 935**	125 850
Total Director remuneration	**439 069**	389 605	**215 252**	190 580
Share-based payments	**1 155 847**	17 726	**1 155 847**	17 726
Total Director remuneration	**1 594 916**	407 331	**1 371 099**	208 306

The highest paid director is L Coetzer with annual remuneration of £223 817 (2015: £212 802). The share-based payment charge in relation to Mr Coetzer's options awarded is £543 226.

7. TAXATION

	Group		Company	
	2016 **£s**	2015 £s	**2016** **£s**	2015 £s
Major components of the tax expense (income)				
Current	**–**	–		–
Local income tax – current period				
Local income tax – recognised in current tax prior periods	**–**	–		–
Deferred				
Originating and reversing temporary differences	**–**	–		–
Arising from previously unrecognised tax loss	**(201 901)**	–		–
The tax rate assessed for the year is higher (2015: higher) than the standard rate of corporation tax in the UK.				
Reconciliation of the tax expense				
Reconciliation between accounting profit and tax expense:				
Accounting loss	**(3 599 186)**	(2 473 126)	**(13 330 015)**	(468 636)
Tax at the applicable tax rate of 28% (2015: 28%)	**(1 007 772)**	(692 475)	**(3 732 404)**	(131 218)
Tax effect of adjustments on taxable income				
Non-deductible/(non-taxable) expenditure/income	**305 475**	(3 782)	**281 026**	(9 004)
Assessed loss not recognised	**500 396**	696 257	**3 451 378**	140 222
	(201 901)	–	**–**	–
Deferred tax				
Deferred tax liability				
Capital allowance for tax purposes		–		
Fair value adjustment arising from business combinations	**(14 677 152)**	(13 738 729)		
Tax losses available for set off against future taxable income	**–**	–		
	(14 677 152)	(13 738 729)		
Reconciliation of deferred tax liability				
At beginning of the year	**(13 738 729)**	(15 441 819)		
Deferred tax adjustment for Disposal Group held for sale		715 149		
Foreign exchange movement	**(938 423)**	987 941		
Originating temporary differences on capital allowance		–		
	(14 677 152)	(13 738 729)		

A deferred tax asset has been recognised on the basis that management expects the trading subsidiary to be profitable and therefore carried forward trading losses will be utilised. Refer note 27.

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 £52 830 362 (2015: £51 043 234) to carry forward against future periods.

8. INTANGIBLE ASSETS

	2016			2015		
Group	**Cost/ Valuation**	**Accumulated amortisation**	**Carrying value**	Cost/ Valuation	Accumulated amortisation	Carrying value
Nickel tailing project[1]	**20 778 966**	**–**	**20 778 966**	18 214 493	–	18 214 493
PGEs exploration Expenditure[2]	**40 173 987**	**(2 313 057)**	**37 860 930**	39 263 694	(2 313 057)	36 950 637
Development cost[3]	**8 806 022**	**(5 607 154)**	**3 198 868**	9 020 811	(5 116 588)	3 904 223
Total	**69 758 975**	**(7 920 211)**	**61 838 764**	66 498 998	(7 429 645)	59 069 353

Reconciliation of intangible assets – Group – 2016

	Opening balance	Additions	Foreign exchange movements	Amortisation	Total
Nickel tailing project	18 214 493	43	2 564 430	–	20 778 966
PGEs exploration expenditure	36 950 637	4 196	906 097	–	37 860 930
Development cost	3 904 223	–	(139 083)	(566 272)	3 198 868
	59 069 353	**4 239**	**3 331 444**	**(566 272)**	**61 838 764**

Reconciliation of intangible assets – Group – 2015

	Opening balance	Additions	Additions through business combi-nations	Classified as held-for-sale	Foreign exchange movements	Amortisation	Total
Nickel tailing project	20 657 665	5 836	–	–	(2 449 008)	–	18 214 493
PGE's exploration expenditure	39 343 591	722	914 356	(701 374)	(2 606 658)	–	36 950 637
Development cost	4 805 622	38 775	–	–	(266 734)	(673 440)	3 904 223
Goodwill	598 000	–	–	(598 000)	–	–	–
	65 404 878	45 333	914 356	(1 299 374)	(5 322 400)	(673 440)	59 069 353

1 *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.*

2 *The PGEs exploration expenditure relates to the exploration of the subsidiaries Tjate Platinum Corporation Pty Ltd and Maude Mining and Exploration Pty Ltd.*

3 *Development costs relate to the ConRoast technology, converting and autoclave process, CVMR® process and leaching and hydro-processing. The remaining amortisation period is 48 months (2015: 60 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.

9. PROPERTY, PLANT AND EQUIPMENT

Reconciliation of property, plant and equipment – Group – 2016

Figures in Sterling	Opening balance	Additions	Disposals	Foreign exchange movements	Depreciation	Total
Buildings	3 878	–	–	(93)	–	3 785
Plant and machinery	75 834	351 398	–	42 032	(28 747)	440 517
Furniture and fixtures	6 841	–	–	(300)	(1 684)	4 857
Motor vehicles	–	21 033	–	1 421	(570)	21 884
IT equipment	1 511	–	(200)	(131)	(1 179)	1
Plant under construction[1]	–	4 176 427	–	330 313	–	4 506 740
	88 064	4 548 858	(200)	373 242	(32 180)	4 977 784

Reconciliation of property, plant and equipment – Group – 2015

Figures in Sterling	Opening balance	Additions	Disposals	Classified as held-for-sale	Transfers	Revaluations	Foreign exchange movements	Depreciation	Total
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

1 *On 15 December 2015, the Company executed a Co-Operation Agreement ("Co-Op Agreement") with Hernic on the turning to account ("Processing") of the Hernic Tailings to produce chromite and PGM concentrates.*

The Co-Op Agreement, replaced the Heads of Agreement (announced on 19 January 2015), in terms of which the Company was selected as the exclusive party to beneficiate the chromite and PGMs contained in the Hernic Tailings. During February 2015, the Company commenced site pre-excavation and foundations for the 660 000 tonnes per annum processing plant ("Plant") for the Project, based on the Company's definitive feasibility study and engineering design, which was completed in June 2015 and included pilot scale and full commercial scale trials to confirm the design and operational parameters.

The Hernic Project will be the largest PGM beneficiation plant of its kind, for this tailings application, in South Africa and will be capable of producing annual revenues of £18.2 million (ZAR400 million) at an average metal basket price of USD906 per oz (3PGM + Au). The financial and operational risks of the Hernic Project are significantly mitigated since the Hernic Tailings, similar to that of the DCM Tailings Project, is already at surface and requires neither the cost nor the risk associated with mining.

The Project is to be undertaken in four phases over an 11-month period, namely:

- Phase one – Bankable Feasibility Study and Engineering Design – Completed.
- Phase two – Construction of the chrome and platinum processing plant – On-going
- Phase three – Commissioning and Ramp up of Processing Plant to design capacity of 55 000 tonnes per month.
- Phase Four – Stable operation of the Processing Plant.

Orders for all the long-lead items were placed by mid April 2016. Construction of the Hernic Plant has progressed as scheduled and on budget with 45% of the Project completed by year-end. Project capital expenditure to year-end was £4.5 million (ZAR88.5 million) equivalent to 45% of total estimated Project Capital. Post year-end and at the end of Q3 of the 2016 calendar year the project reached a completion of 71% with the unaudited project expenditure reaching £7.5 million (ZAR137.6 million).

10. INVESTMENTS IN SUBSIDIARIES

Name of company	Carrying amount 2016 £s	Carrying amount 2015 £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(ii)	**–**	6 801 022
Windsor Platinum Investments Pty Ltd	**3 425 823**	3 425 823
Power Alt Pty Ltd	**–**	2 338 455
Mineral Resources of Madagascar Sarl	**917 034**	917 034
Jubilee Tailings Treatment Company Pty Ltd (Formerly Pollux Inv. Holdings Pty Ltd)	**893 944**	893 944
K Plats Pty Ltd	**649 734**	649 734
Antsahabe (Madagascar) Sarl	**34 466**	34 466
Maude Mining and Exploration Pty Ltd	**141**	141
	37 923 854	47 063 331

Subsidiaries of Jubilee Direct(i)	Country of incorporation	Holding 2016 %	Holding 2015 %	Number of shares 2016	Number of shares 2015
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(ii)	South Africa	**–**	100	**–**	70
K Plats Pty Ltd	South Africa	**100**	100	**100**	100
Antsahabe (Madagascar) Sarl	Madagascar	**100**	100	**100**	100
Power Alt Pty Ltd(ii)	South Africa	**–**	70	**–**	51
Jubilee Tailings Treatment Company Pty Ltd (Formerly Pollux Inv. Holdings Pty Ltd)(ii) Holdings Pty Ltd)	South Africa	**100**	100	**100**	100
Maude Mining and Exploration Pty Ltd	South Africa	**65**	65	**653**	653
New Plats (Tjate) Pty Ltd	South Africa	**49**	49	**169**	169

(i) 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.

(ii) The Group disposed of its interests in Jubilee Smelting and Refining Pty Ltd and Power Alt Pty Ltd. Refer to note 22 for more detail on the disposal.

10. INVESTMENTS IN SUBSIDIARIES *(continued)*

Subsidiaries of Jubilee Indirect	Country of incorporation	Holding **2016** **%**	 2015 %
Via Windsor Platinum Investments Pty Ltd			
Tjate Platinum Corporation Pty Ltd	South Africa	**63**	63
Dullstroom Plats Pty Ltd	South Africa	**100**	100
Via Braemore Resources Ltd			
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
Via Braemore Holdings (Mauritius) Pty Ltd			
Braemore Platinum (SA) Pty Ltd	South Africa	**50**	50
Via Braemore Platinum (SA) Pty Ltd			
Braemore Platinum Smelters Pty Ltd	South Africa	**100**	100
Jubilee Processing (Formerly RST Base Metals	South Africa	**100**	100
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
Via Jubilee Smelting & Refining Pty Ltd			
RST Special Metals Pty Ltd[(ii)]	South Africa	**–**	100
Via Braemore Platinum Ltd			
Braemore Precious Metals Refinery Pty Ltd	South Africa	**50**	50
New Plats (Tjate) Pty Ltd[(i)]	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.

(ii) The Group disposed of its interests in Jubilee Smelting and Refining Pty Ltd and Power Alt Pty Ltd. Refer to note 22 for more detail on the disposal.

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

11. LOANS TO GROUP COMPANIES

	Company 2016 £s	Company 2015 £s
Subsidiaries		
Windsor Platinum Investments Pty Ltd	**25 039 620**	25 039 620
Braemore Platinum Smelters Pty Ltd	**10 340 301**	4 774 987
Jubilee Smelting and Refining Pty Ltd	**–**	3 421 747
Braemore Resources Ltd	**1 703 305**	1 703 305
Power Alt Pty Ltd	**–**	1 660 252
Jubilee Tailings Treatment Company Pty Ltd (Formerly Pollux Investment Holdings)	**1 298 579**	1 125 126
RST Special Metals Pty Ltd	**–**	1 014 774
Braemore Nickel Pty Ltd	**678 297**	661 905
Maude Mining and Exploration Pty Ltd	**212 536**	212 536
Dullstroom Plats Pty Ltd	**156 795**	156 795
Mineral Resources of Madagascar Sarl	**62 353**	60 850
Braemore Holdings (Mauritius) Pty Ltd	**27 870**	16 141
	39 519 656	39 848 038

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.

12. TRADE AND OTHER RECEIVABLES

	Group 2016 £s	Group 2015 £s	Company 2016 £s	Company 2015 £s
Trade receivables	**434 137**	239 219	**–**	234 468
Prepayments	**33 805**	6 016	**33 796**	6 016
Deposits	**4 885**	4 924	**3 286**	3 286
VAT	**499 934**	50 526	**–**	–
Other receivables	**958 019**	1 819	**856 271**	–
Provision for impairment of other receivables	**(856 271)[1]**	–	**(856 271)[1]**	–
	1 074 509	**302 504**	**37 082**	**243 770**

[1] Refer to note 22 on page 56. The provision for impairment represents the remainder of the proceeds owed to the Company in relation to the disposal of the Middelburg Operations. The Board considered it prudent to impair the remaining balance during the period under review due to delays in receiving payment from the Purchaser. The Company has taken all the necessary steps to expidite the payment.

13. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

Bank balances	**4 414 908**	360 829	**3 760 540**	348 467

14. CASH USED IN OPERATIONS

	Group 2016 £s	Group 2015 £s	Company 2016 £s	Company 2015 £s
Loss before taxation	**(3 599 186)**	(3 393 128)	**(13 330 015)**	(936 636)
Adjustments for:				
Depreciation and amortisation	**598 451**	696 436	**–**	–
Loss on sale of assets	**1 082**	59 904	**–**	45 014
(Profit) loss on sale of non-current assets and disposal groups	**(84 680)**	–	**4 286 166**	–
Depreciation on disposal group	**–**	744 361	**–**	–
Interest received	**(144 077)**	(65 283)	**(23 701)**	(65 283)
Finance costs	**13 418**	194 758	**13 413**	194 754
Impairments of loans	**–**	–	**6 174 421**	(42 028)
Impairment of debtors	**856 271**	–	**856 271**	–
Share-based payments – Employee costs	**1 155 847**	–	**1 155 847**	–
Share-based payments – Expenses	**297 959**	–	**297 959**	–
Changes in working capital:				
Inventories	**19 019**	(19 019)	**19 019**	(19 019)
Trade and other receivables	**(702 667)**	(534 657)	**276 026**	(240 484)
Trade and other payables	**1 245 731**	981 327	**1 319**	1 478 940
Deferred income	**(346 041)**	84 022	**(346 041)**	346 041
	(688 883)	(1 251 279)	**(619 316)**	761 299

15. EARNINGS AND DIVIDENDS PER SHARE

	Group 2016 £s	Group 2015 £s
EARNINGS PER SHARE		
Loss attributable to:		
Owners of the parent – continued operations	**(3 412 174)**	(2 906 928)
Owners of the parent – discontinued operations	**(283 749)**	(628 442)
Total loss for the year attributable to owners of the parent	**(3 695 923)**	(3 535 370)
Weighted average number of shares	**906 241 300**	644 851 551
Diluted weighted average number of shares	**906 241 300**	644 851 551
Basic loss per share (pence) – continuing operations	**(0.38)**	(0.45)
Basic loss per share (pence) – discontinued operations	**(0.03)**	(0.10)
Loss per share attributable to owners of the parent (pence)	**(0.41)**	(0.55)
Diluted loss per share (pence) – continuing operations	**(0.38)**	(0.45)
Diluted loss per share (pence) – discontinued operations	**(0.03)**	(0.10)
Diluted loss per share attributable to owners of the parent (pence)	**(0.41)**	(0.55)

DIVIDENDS PER SHARE

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

16. SHARE CAPITAL AND SHARE PREMIUM

	Group		Company	
	2016 **£s**	2015 £s	**2016** **£s**	2015 £s
Authorised				
The share capital of the Company is divided into an unlimited number of ordinary shares of 1 pence each.				
Issued share capital fully paid				
Ordinary shares of 1 pence each (£)	**9 910 872**	7 498 605	**9 910 872**	7 498 605
Share premium (£)	**72 604 297**	68 397 978	**72 604 297**	68 397 978
Total issued capital	**82 515 169**	75 896 582	**82 515 169**	75 896 582
Number of shares in issue				
Ordinary shares	**991 087 194**	749 860 507	**991 087 194**	749 860 507

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	**749 860 507**		
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
12 November 2015	1 500 000	3.16	Warrants
11 December 2015	1 518 710	3.06	Acquisition
29 February 2016	3 750 000	3.16	Warrants
30 March 2016	89 285 714	2.80	Cash
27 May 2016	1 875 000	1.60	Warrants
Closing balance at year-end	991 087 194		
Closing balance at last practicable date	**991 087 194**		

The Company did not issue any shares after year-end to the date of this report. Other than those identified in note 29.

At year-end and at the last practicable date 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
12 750 000	2014-02-21	0.03160	2017-02-21	69.01	1.975
10 550 581	2014-03-03	0.00323	2017-02-25	67.67	1.800
38 097 689	2013-12-23	0.03355	2016-12-30	65.02	3.150
3 591 742	2015-08-12	0.04750	2018-08-12	77.49	4.48
18 244 825	2016-03-23	0.04725	2019-03-23	83.81	2.94
83 234 837					

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 a share-based payment reserve the amount of £304 925 (2015: £748 816) in accordance with section 610 (2) of the United Kingdom Companies Act 2006. This charge relates to equity placings successfully completed. Refer to note 17 for a reconciliation of the share-based payment reserve account.

17. SHARE-BASED PAYMENTS

Equity-settled share option plan

During the period under review the Company replaced its current share option scheme with a new scheme on 29 April 2016. A new share option scheme was agreed by shareholders on 29 April 2016. In awarding these options the Board was cognisant of the efforts and personal motivation directed towards the Company's objectives by all members of the Board.

Number of options outstanding at the beginning of the year in terms of the old scheme	9 175 000
Options cancelled	(9 175 000)
Number of options outstanding at the end of the year in terms of the old scheme	–

Options granted during the period under review in terms of the new scheme are detailed in the table below:

Strike price	Par Value	3.5p	4p	6p	Total
Leon Coetzer	7 000 000	8 000 000	4 000 000	4 000 000	23 000 000
Colin Bird	5 000 000	4 000 000	2 000 000	2 000 000	13 000 000
Andrew Sarosi	3 000 000	3 000 000	2 000 000	2 000 000	10 000 000
Chris Molefe	–	500 000	500 000	500 000	1 500 000
Dr Matthews Phosa	–	500 000	500 000	500 000	1 500 000
Total options granted	15 000 000	16 000 000	9 000 000	9 000 000	49 000 000

The weighted average remaining life of share options at the year-end was 9.8 years.

Reconciliation of warrants in issue:

Opening balance	102 483 990
Exercised during the year	(47 764 897)
Repriced during the year	7 519 177
Issued during the year	21 836 567
Expired during the year	(840 000)
Closing balance	83 234 837

The weighted average remaining life of share warrants at the year-end was 1.1 years.

17. SHARE-BASED PAYMENTS *(continued)*

Information on valuation inputs for options granted

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

The following inputs were used:

Spot at grant date (pence)	3.438
Expected volatility	83.90%
Expected option life	5 years
Expected dividends	Nil
The risk free interest rate	0.50%

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

Reconciliation of the share-based payment reserve	2016 £s	2015 £s
Opening balance	**5 199 026**	4 918 210
Share-based payment charge – options forfeited	**–**	(468 000)
Share-based payment charge – options cancelled	**(4 450 210)**	–
Share-based payment charge – new options granted	**1 155 847**	–
Share-based payment charge – warrants granted	**304 925**	748 816
Share-based payment charge – warrants exercised/lapsed	**(262 238)**	–
Closing balance	**1 947 350**	5 199 026

18. OTHER COMPREHENSIVE INCOME

	Group	
Components of other comprehensive income	**2016 £s**	2015 £s
Exchange differences arising on translation of foreign operations attributable to owners of the parent	**2 653 926**	(4 471 106)
Attributable to non-controlling interest	**32 387**	(25 969)
Exchange differences arising on translation of foreign operations	**2 686 313**	(4 497 075)

19. OTHER FINANCIAL LIABILITIES

	Group		Company	
	2016 **£s**	2015 £s	**2016** **£s**	2015 £s
Held at amortised cost				
Share issues allotted but not registered	**–**	260 969	**–**	260 969
Yorkville Advisors	**–**	550 921	**–**	550 921
	–	811 890	**–**	811 890
Current liabilities				
Interest-bearing borrowings				
Repayment of borrowings:				
Not later than one year	**–**	811 890	**–**	811 890
Later than one year and not later than five years	**–**	–	**–**	–
	–	811 890	**–**	811 890

20. Deferred revenue

	Group 2016 £s	Group 2015 £s	Company 2016 £s	Company 2015 £s
Deferred revenue relates to a contract to granulate 1 100 tonnes of Ferro-Nickle Alloy for a customer. The total value of the contract was £391 055 of which £45 014 has been recognised in revenue. Pursuant to the disposal of the Middelburg Operations the company did not complete the contract for the sale of the Ferro-Nickle Alloy and the balance of the deferred revenue was written off to the income statement.	**–**	346 041	**–**	346 041
Government grant				
Opening balance	**–**	253 379	**–**	–
Income realised in the current year grant received in the current year foreign currency translation closing balance	**–**	(253 379)	**–**	–
Total deferred revenue	**–**	**346 041**	**–**	**346 041**

21. TRADE AND OTHER PAYABLES

	Group 2016 £s	Group 2015 £s	Company 2016 £s	Company 2015 £s
Trade payables	**182 192**	90 500	**7 678**	49 583
VAT	**25 886**	–	**–**	–
Accruals	**1 224 870**	218 744	**85 454**	70 000
Other payables	**815 167**	567 373	**385 384**	231 839
	2 248 115	876 617	**478 516**	351 422

22. DISCONTINUED OPERATIONS – DISPOSAL GROUP HELD FOR SALE

On 30 September 2015, Jubilee completed the disposal of 100% of the issued shares in Jubilee Smelting and Refining Pty Ltd ("JSR"), and 70% of the issued shares in Power Alt Pty Ltd ("PA") to Siyanda Resources Pty Ltd ("Siyanda"), through its nominated special purpose vehicle Hornbill Investments Pty Ltd ("SPV") for a gross consideration of, in aggregate, ZAR110.5 million (approximately £5.3 million) ("the Disposal"). The Company received of 85% of the net purchase consideration in cash ("First Payment"). Ten per cent of the remaining 15% of the purchase consideration is held in escrow in an amount approximating to £0.68 million (ZAR13 million), net of closing adjustments including stock and supplier adjustments.

The board considered it prudent to impair the balance of the purchase consideration to the income statement as it is the subject of an unsubstantiated warranty claim against the Company which is rejected by the Company and all necessary steps are taken to ensure release of the amount due.

Pursuant to the disposal, loans to subsidiaries in an amount of £6 179 421 had been impaired. The disposal group forms a separate segment as shown in note 26.

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

	Group	
	Year to 30 June 2016 £s	Year to 30 June 2015 £s
Revenue	**1 420 145**	5 160 105
Cost of sales	**(682 365)**	(2 167 422)
Gross profit	**737 780**	2 992 683
Depreciation, amortisation and impairments	**–**	(744 361)
Finance costs	**–**	(455)
Interest received	**193**	1 017
Other operating expenses	**(1 014 633)**	(2 700 886)
Net loss before tax	**(276 660)**	(452 002)
Tax	**–**	(52 194)
Net loss after tax	**(276 660)**	(504 196)
Non-controlling interest	**(7 089)**	(124 246)
	(283 749)	(628 442)
The assets and liabilities of the disposal group are set out below:		
Assets		
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
	–	7 696 389
Liabilities		
Other financial liabilities	**–**	290 811
Trade and other payables	**–**	1 264 820
Deferred tax	**–**	715 149
	–	2 270 780
Equity		
Retained earnings and foreign currency translation reserve	**–**	(5 002 008)
Minority interest	**–**	(423 601)
	–	(5 425 609)

	Group Year to 30 June 2016 £s	Group Year to 30 June 2015 £s
Cash flows from discontinued operations		
Cash flows from operating activities	**(45 061)**	(484 868)
Cash flows from financing activities	**–**	385 971
Net cash flows from discontinued operations	**(45 061)**	(98 897)
Opening cash balance on discontinued operations	**163 003**	261 900
Closing cash balance on discontinued operations	**117 942**	163 003
Consideration received		
Cash	**4 104 068**	–
Asset-deferred payments	**749 241**	–
	4 853 309	–
Net cash flow on acquisition		
Cash consideration received	**4 104 068**	–
Cash sold	**(117 942)**	
	3 986 126	

	Group 2016 £s	Group 2015 £s	Company 2016 £s	Company 2015 £s
Profit/(loss) on disposal				
Proceeds received	**4 853 310**	–	**4 853 310**	–
Net asset value/Investments	**(4 768 629)**		**(9 139 476)**	
	84 680	–	**(4 286 166)**	–

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
30 June 2016			
Assets as per statement of financial position			
Other financial assets	**555 159**	**–**	**555 159**
Trade and other receivables	**434 137**	**–**	**434 137**
Cash and cash equivalents	**4 414 908**	**–**	**4 414 908**
	5 404 264	**–**	**5 404 264**
Liabilities as per statement of financial position			
Trade and other payables	**–**	**182 192**	**182 192**
Other financial liabilities	**–**	**–**	**–**
	–	**182 192**	**182 192**
During the year the group made short-term interest free loans of £555 159 to the DCM Project as part of the Framework Agreement set out in the Strategic Report			
30 June 2015			
Assets as per statement of financial position			
Trade and other receivables	302 504	–	302 504
Cash and cash equivalents	360 829	–	360 829
	663 333	–	663 333
Liabilities as per statement of financial position			
Trade and other payables	–	(876 614)	(876 614)
Other financial liabilities	–	(811 890)	(811 890)
		(1 688 504)	(1 688 504)

23. FINANCIAL INSTRUMENTS *(continued)*

Company	Loans and receivables £s	Financial liabilities at amortised cost £s	Total £s
30 June 2016			
Assets as per statement of financial position			
Trade and other receivables	**–**	**–**	**–**
Cash and cash equivalents	**3 760 540**	**–**	**3 760 540**
Loans to group companies	**39 519 656**	**–**	**39 519 656**
	43 280 196	**–**	**43 280 196**
Liabilities as per statement of financial position			
Trade and other payables	**–**	**7 678**	**7 678**
Other financial liabilities	**–**	**–**	**–**
	–	**7 678**	**7 678**
30 June 2015			
Assets as per statement of financial position			
Trade and other receivables	243 770	–	243 770
Cash and cash equivalents	348 467	–	348 467
	592 237	–	592 237
Liabilities as per statement of financial position			
Trade and other payables	–	(351 429)	(351 429)
Other financial liabilities	–	(811 890)	(811 890)
	–	(1 163 319)	(1 163 319)

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 2016 Group	Total £s	Not past due £s	Past due 30 days £s	90 days £s	120 days £s
Trade receivables not impaired	**434 137**	**434 137**	**–**	**–**	**–**
Trade receivables impaired	**679 902**	**679 902**	**–**	**–**	**–**
	1 114 039	**1 114 039**	**–**	**–**	**–**
30 June 2015					
Trade receivables not impaired	298 219	298 219	–	–	–
Trade receivables impaired	–	–	–	–	–
	298 219	298 219	–	–	–

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
2016				
Trade and other payables	**182 172**	**–**	**–**	**–**
Loans and other borrowings	**–**	**–**	**–**	**–**
	182 172	**–**	**–**	**–**
2015				
Trade and other payables	876 614	–	–	–
Loans and other borrowings	811 890	–	–	–
	1 688 504	–	–	–

23. FINANCIAL INSTRUMENTS *(continued)*

Liquidity risk *(continued)*

Company	Up to 3 months £s	3 to 12 months £s	1 to 2 years £s	2 to 5 years £s
2016				
Trade and other payables	**7 678**	**–**	**–**	**–**
Loans and other borrowings	**–**	**–**	**–**	**–**
	7 678	**–**	**–**	**–**
2015				
Trade and other payables	351 422	–	–	–
Loans and other borrowings	811 890	–	–	–
	1 163 312	–	–	–

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 2016 than 2015 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:

	2016	2015
ZAR: £ (Average)	**1:0.05047**	1: 0.0555
ZAR: £ (Spot)	**1:0.04667**	1: 0.0517

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
At 30 June 2016	1.80	19.81	5 000
At 30 June 2015	2.05	19.34	5 000

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

	Liabilities		Assets	
Group	**2016 £s**	2015 £s	**2016 £s**	2015 £s
South African Rand	**(1 749 834)**	(501 801)	**2 233 653**	62 286
Australian Dollar	**(581)**	(5 625)	**2 018**	1 389
Madagascar Ariary	**(9 883)**	(9 883)	**–**	–
Company				
South African Rand	**–**	–	**8 988**	208 596

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.

	Impact on profit/equity	
	2016 £s	2015 £s
Judgements of reasonable currency exposure		
10% strengthening of ZAR against £	**53 757**	(216 235)
10% weakening of ZAR against £	**(48 382)**	177 096
10% strengthening of AUS against £	**288**	389
10% weakening of AUS against £	**(260)**	(318)
10% strengthening of MGA against £	**(1 098)**	20
10% weakening of MGA against £	**899**	(16)

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.

23. FINANCIAL INSTRUMENTS *(continued)*

Interest rate risk

The Group manages the interest rate risk associated with the Group's cash and cash equivalent assets by ensuring that interest rates are as favourable as possible, whether this is through investment in floating or fixed interest rate deposits, whilst managing the access the Group requires to the funds for working capital purposes. The only interest liability is as disclosed in 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 2016 was as follows:

Group	**Pound Sterling**	**South African Rand**	**Australian Dollar**	**Madagascar Ariary**	**Total**
Cash at bank floating interest rate	**3 719 468**	**648 762**	**–**	**–**	**4 368 230**
Cash at bank on which no interest is received	**44 407**	**–**	**225**	**2 045**	**46 677**
	3 763 875	**648 762**	**225**	**2 045**	**4 414 908**
Company					
Cash at bank floating interest rate	**3 719 468**	**–**	**–**	**–**	**3 719 468**
Cash at bank on which no interest is received	**32 084**	**8 988**	**–**	**–**	**41 072**
	3 751 552	**8 988**	**–**	**–**	**3 760 540**

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
	348 467	9 508	810	2 045	360 829
Company					
Cash at bank floating interest rate	93 381	–	–	–	93 381
Cash at bank on which no interest is received	252 086	–	–	–	252 086
	348 467	–	–	–	348 467

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

Group and Company 2016

Financial liabilities	Weighted interest rate %	1 year or less £s	2 to 5 years £s	Total £s
Interest-bearing borrowings Yorkville Advisors	–	–	–	–
Total	–	–	–	–
2015				
Interest-bearing borrowings Yorkville Advisors	10.0	550 921	–	550 890
Total	10.0	550 921	–	550 890

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

Capital risk management

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

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

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

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

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

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

24. CONTINGENCIES AND COMMITMENTS

Other than disclosed below, there are no material contingent assets or liabilities as at 30 June 2016.

24.1 Hernic Tailings Processing

On 15 December 2015, the Company executed a Co-Operation Agreement ("Co-Op Agreement") with Hernic on the turning to account ("Processing") of the Hernic Tailings to produce chromite and PGM concentrates.

The Co-Op Agreement, replaced the Heads of Agreement (announced on 19 January 2015), in terms of which the Company was selected as the exclusive party to beneficiate the chromite and PGMs contained in the Hernic Tailings. During February 2015, the Company commenced site pre-excavation and foundations for the 660 000 tonnes per annum processing plant ("Plant") for the Project, based on the Company's definitive feasibility study and engineering design, which was completed in June 2015 and included pilot-scale and full commercial scale trials to confirm the design and operational parameters.

The total Project capital committed is £11.7 million (ZAR197 million). The capital commitment at the period end is £6.48 million (ZAR108 million).

Orders for all the long-lead items were placed by mid-April 2016. Construction of the Hernic Plant has progressed as scheduled and on budget, with 45% of the Project completed by year-end. Project capital expenditure to year-end was £4.6 million (ZAR88.5 million) equivalent to 45% of total estimated Project Capital. Post year-end and at the end of Q3 of the 2016 calendar year the project reached a completion of 71% with the unaudited project expenditure reaching £7.5 million (ZAR137.6 million).

25. RELATED PARTIES

	Group		Company	
Loans/payments to related parties	**2016 £s**	2015 £s	**2016 £s**	2015 £s
– GDA, a related party to Mr G Anderson (a Director in Braemore Nickel Pty Limited) received Director fees;	**2 703**	2 927	**–**	–
– Jubilee paid Lion Mining Finance, with common Director Colin Bird, office rent for office space in the UK;	**33 600**	33 600	**33 600**	33 600
– Braemore Platinum Smelters Pty Limited paid De Beer Makoele Inc. for the services of Ms de Beer as Group Chief Financial Officer, which is considered part of key management personnel. Ms de Beer was an employee of De Beer Makoele Inc. during the period under review.	**105 984**	116 550	**–**	–

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

Dr Phosa holds his interest in Jubilee through a trust named NMP Trust, of which he is a trustee. Refer to the Directors' report on page 12 of this report and note 6 on page 42 for more details on Directors' remuneration.

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 2016

£s	PGE beneficiation and development	Nickel tailings	Exploration and mining	Other operations	Total continuing operations	Disposal group
Total revenues	(1 127 880)	–	–	(346 041)	(1 473 921)	(1 420 145)
Cost of sales	589 290	–	–	19 019	608 309	682 365
Forex losses	(7 658)	–	–	77 571	69 913	–
Loss before taxation	787 554	10 711	16 174	2 784 748	3 599 187	276 660
Taxation	–	–	–	–	–	–
Loss after taxation	787 554	10 711	16 174	2 784 748	3 599 187	276 660
Interest received	(120 301)	–	(75)	(23 701)	(144 077)	(193)
Interest paid	5	–	–	13 413	13 417	–
Depreciation and amortisation	597 613	–	838	–	598 451	–
Total assets	**14 004 569**	**31 666 391**	**23 626 458**	**3 797 622**	**73 095 339**	**–**
Total liabilities	**(2 904 304)**	**(9 656 474)**	**(3 885 972)**	**(478 516)**	**(16 925 267)**	**–**

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
Total assets	**7 449 691**	**27 757 917**	**24 036 807**	**611 255**	**59 855 670**	**7 696 389**
Total liabilities	**(1 662 785)**	**(8 597 474)**	**(4 003 719)**	**(1 509 300)**	**(15 773 278)**	**(2 270 780)**

27. DEFERRED TAX

	Group		Company	
Figures in Sterling	**2016**	2015	**2016**	2015
Deferred tax liability				
Foreign exchange fair value adjustments to intangible assets	**(14 677 152)**	(13 738 729)	**–**	–
Deferred tax asset				
Tax losses available for set-off against future taxable income	**218 345**	–	**–**	–

28. 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:

28.1 On 22 March 2016, the Company successfully completed the project funding for the execution and commissioning of both its surface platinum processing projects.

The funding comprises a combination of senior secured debt and unsecured debt. The senior secured debt is up to a maximum of USD10 million (ZAR153 million), with an initial advance of USD3 million (ZAR49.5 million) and a possible further advance of USD2 million (ZAR30.6 million) subject to and upon the terms and conditions contained in the agreement. The Borrower has agreed to accept and utilise the initial advance on the terms and conditions contained in the agreement, and acknowledges its right to call for a further advance as provided for in the agreement, in order to fund in aggregate its obligations to execute the two projects. The unsecured debt is to a maximum of USD5 million (ZAR76.5 million). The Company also completed an equity placing of £2.5 million (ZAR55.2 million) which was completed during March 2016 as announced on 22 March 2016.

28.2 On 30 September 2015, Jubilee completed the disposal of 100% of the issued shares in Jubilee Smelting and Refining Pty Ltd ("JSR", and 70% of the issued shares in Power Alt Pty Ltd ("PA" to Siyanda Resources Pty Ltd ("Siyanda", through its nominated special purpose vehicle Hornbill Investments Pty Ltd ("SPV" for a consideration of, in aggregate, ZAR110.5 million (approximately £5.3 million ("the Disposal". The Company received of 85% of the purchase consideration in cash. Ten per cent of the remaining 15% of the purchase consideration is held in escrow in an amount approximating to £0.390 million (ZAR8.9 million), net of closing adjustments including stock and supplier adjustments. Refer to note 22 on page 56 of this report for details of the disposal.

28.3 During the period under review the Company also successfully completed a number of equity placings for cash, raising in aggregate £4.5 million, net of issue expenses. Refer to note 16 on page 52 of this report for details of shares issued for cash.

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.

29. EVENTS AFTER THE REPORTING PERIOD

29.1 Australia – Nickel in tailings surface project

Subsequent to the period-end, Braemore Nickel (Pty) Ltd ("Braemore") has received from BHP Billion (Pty) Ltd ("BHP") a notice of termination of the Tailings Supply Agreement relating to the Nickel containing material in Western Australia. Braemore rejects the termination notice since no factual or legal basis exists for such termination. Braemore has informed BHP that it intends to initiate legal proceeding to have the termination set aside. Management assesses that this has no impact on the carrying value of the Nickel Tailing Project intangible asset (per note 8) at the date of this report.

The Company's Australian subsidiary, Braemore Nickel (Pty) Ltd continued with ongoing internal review and optimisation of the process flowsheet for the recovery of Nickel from the Leinster project tailings ("Leinster Tailings"), in particular the Company's recent flowsheet optimisation in the liberation of minerals locked in tailings. This approach is currently being implemented in the recovery of PGM in associated sulphides from the South African tailings projects, specifically targeting the beneficiation of sulphite minerals which allows for significant enhancement in concentrate grade profiles which has improved the projected target performance and profitability of these tailings.

29.2 Warrants issued and dealings in securities

The Company has received notification on 10 November 2016 from a warrant holder to exercise 25 000 000 existing warrants in the issued share capital of Jubilee at a price of 3.55 pence (ZAR63.90 cents) per warrant share. The exercise of warrant shares amounts, in aggregate, to a cash value of GBP887 500 (ZAR16 million). The warrant shares are expected to be admitted to AIM on 17 November 2016.

The Company also issued the final 1 848 167 new Jubilee ordinary shares ("Shares") at an average issue price of 2.44 pence per share to Dr Matthews Phosa, who has elected to receive Shares in lieu of 100% of his director's remuneration accrued to him for the period 1 October 2014 to 31 July 2016. This is the final share issuance to Dr Phosa and concludes the programme of shares in lieu of director remuneration for Dr Phosa. The shares are issued under the authority of ordinary resolution number 12 and special resolution number 2 passed at the Company's Annual General Meeting held on 27 November 2013. The issue will bring Dr Phosa's interest in the Company to 2 834 884 shares, being 0.3% of the issued capital of the Company. The shares are expected to be admitted to AIM on 17 November 2016.

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	**Jun 16 £'000**	Jun 15 £'000
Headline loss per share comprises the following:		
Continuing operations		
Loss from continuing operations for the period attributable to ordinary shareholders	**(3 412)**	2 910
Impairment of other financial assets	**856**	50
Loss on sale of property plant and equipment	**1**	(60)
Loss on exchange differences	**81**	21
Headline loss from continuing operations	**(2 474)**	(2 897)
Weighted average number of shares in issue	**906 241**	644 851
Diluted weighted average number of shares in issue	**906 241**	644 851
Headline loss per share from continuing operations (pence)	**(0.27)**	(0.45)
Diluted headline loss per share from continuing operations (pence)	**(0.27)**	(0.45)
Headline loss per share from continuing operations (ZAR cents)	**(5.85)**	(8.09)
Diluted headline loss per share from continuing operations (ZAR cents)	**(5.85)**	(8.09)
Discontinued operations		
Loss from discontinued operations for the period attributable to ordinary shareholders	**(283)**	(628)
Impairment of other financial liabilities	**–**	50
Headline loss from discontinued operations	**(283)**	(579)
Weighted average number of shares in issue	**906 241**	644 851
Diluted weighted average number of shares in issue	**906 241**	644 851
Headline loss per share from discontinued operations (pence)	**(0.03)**	(0.09)
Diluted headline loss per share from discontinued operations (pence)	**(0.03)**	(0.09)
Headline loss per share from discontinued operations (ZAR cents)	**(0.67)**	(1.62)
Diluted headline loss per share from discontinued operations (ZAR cents)	**(0.67)**	(1.62)
Average conversion rate used for the period under review £:ZAR	**0.04667**	0.0555

Shareholder analysis

as at 30 June 2016

Register date:	30 June 2016
Issued share capital:	991 087 194

Shareholder spread	Number of shareholders	%	Number of shares	%
1 – 5 000 shares	760		1 175 278	0.12
5 001 – 10 000 shares	146		1 133 534	0.11
10 001 – 50 000 shares	204		4 762 449	0.48
50 001 – 100 000 shares	62		4 657 481	0.47
100 001 – 1 000 000 shares	107		35 004 059	3.54
1 000 001 shares and over	64		944 354 393	95.28
	1 343		991 087 194	100

Distribution of shareholders	Number of shareholders	%	Number of shares	%
Private shareholders	894	66.57	206 744 314	20.86
Deceased accounts	8	0.60	23 958	0.01
Nominee companies	416	30.98	771 641 306	77.86
Limited companies	14	1.04	10 026 219	1.01
Bank and bank nominees	7	0.52	1 933 154	0.19
Other institutions	4	0.29	718 243	0.07
	1 343	100	991 087 194	100

Public/non-public shareholders	Number of shareholders	%	Number of shares	%
Non-public shareholders				
Directors and associates of the Company holdings	4		10 876 526	1.10
Public shareholders	1 339		980 210 668	98.90
	1 343		991 087 194	100