ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2011

Jubilee Platinum

a mines to metals company

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Contents

Administrative information

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Chairman’s statement

Dear Shareholder,

The year under review has been extremely challenging yet progressive for the Company.

Highlights include:

- Acquisition of Thos Begbie Holdings (Pty) Ltd and Power Alt (Pty) Ltd
- Installation of the new 5MW AC ferroalloy furnace
- Ramp up of ferronickel production commenced
- Alliance Agreements to utilize ConRoast process with Sylvania Platinum and Northam Platinum
- Completed 14 borehole infill (closed spaced) drilling on Tjate
- Mining Right Application submitted for Tjate project
- Environmental Impact Assessment submitted for Mining Right Application for Bokfontein and Elandsdrift
- Platinum and chrome prospecting rights applied for new portions (64) on Bokfontein farm
- Progressed Economic Evaluation and Engineering Study on Leinster Nickel Tailings project
- Completed feasibility study on CVMR® process for refining PGM – iron alloy from ConRoast
- Ambodilafa drilling contract awarded to local Madagascan company
- £15 million Standby Equity Distribution Agreement (“SEDA”) secured for acquisition of potential mining opportunities

The platinum market has been robust throughout the period under review, reflecting the strong fundamentals supporting the metal. The prospects for the metal remain outstanding and the Company is convinced that its acquisition of Braemore and ConRoast was both timely and well-judged. The rollout however has been more difficult than anticipated. Negative factors in the rollout have been generally around matching new feed input against furnace size. Most of the planning during the early part of the review period was directed towards toll smelting agreements. It became apparent during the second half of the period under review that smelting of own material was paramount for Jubilee to achieve the necessary investment returns with toll smelting being a secondary less lucrative activity. Efforts therefore for the second half were directed toward procuring feed for own smelting.

Platinum Group Metals (“PGMs”) contained in chrome present a unique opportunity to ConRoast since the process is quite capable of treating a ‘dirty’ PGM-bearing chrome concentrate, which current industry installed capacity can only handle in small quantities. Around the Bushveld Complex many opportunities exist with dumps and primary chrome situations owned by smaller entrepreneurs, who respond to the fundamentals of the chrome market with little or no regard for contained platinum extraction and beneficiation. This opportunity is further supported by the reluctance of the majors to invest in new mine capacity, particularly for UG2 chrome ore, able to meet growing demand for PGMs. This lack of investment in major new mining capacity should result in Jubilee having an unique position in treating chrome primary ores and dumps for at least five years, since such a period is necessary to develop a new deep mine to full commercial production.

Jubilee’s Middelburg smelter complex is demonstrating capability that will complement the ConRoast capability and we are currently, post period under review, smelting stainless steel dust to produce a ferronickel product using its recently installed and commissioned new 5MW ferroalloy furnace as well as producing ferrosilicon from existing furnaces. Platinum-containing concentrates have been stockpiled for processing early in 2012. The complex has the capacity to treat and reclaim many metals and is ideally situated to treat slags, concentrates, residues and dumps of various origins for significant benefit to the smelting company.

The Company continued with the Tjate project and drilled 14 boreholes to Merensky and UG2 to close the drill spacing (infill) in order to define better the geological model and establish subsequent infill drilling requirements for feasibility resource statements. Tjate Platinum Corporation (Pty) Ltd is currently in the process of applying for a mining right to develop the project into production assuming feasibility studies demonstrate the necessary returns.

Maude Mining and Exploration (Pty) Ltd submitted Environmental Impact Assessments to the Department of Mineral Resources, in respect of its PGM Mining Right Applications for its Bokfontein and Elandsdrift properties.

The Company’s 51% owned power generation company Power Alt (Pty) Limited is performing to expectation. This facility, which was included in the Sale Agreement to acquire Thos Begbie Holdings and subsequently purchased, provides a significant offset against municipal electrical cost and as a separate cost centre presents many options for expansion and sharing. However, with the current furnace expansion programme, the available power will be committed to our own operations. The decision to purchase

Chairman's statement

an interest in the station was for security of supply and this objective has been met together with an offset reduction in the cost of power, which is the major direct cost in smelting.

The Company secured a £15 million Standby Equity Distribution Agreement ("SEDA"), which will allow it to seek potential acquisition opportunities in near-term mining projects. This is consistent with the Company's Mine-to-Metals and ConRoast growth strategy. The Board controls the drawdown of funds and the equity distribution.

The Company completed a Feasibility Study on the CVMR Carbonyl process for the refining of ConRoast PGM-iron alloy. This study confirmed the viability to produce final metals and demonstrated an indicated 38-month payback period on capital investment. Market research indicates that projected refined Nickel, Iron, Cobalt and PGM products could command potentially premium prices.

In Madagascar, drilling sites have been identified for the Ambodilafa exploration campaign to test for nickel and copper occurrences and a local company has been awarded the drilling contact.

The Company engaged Bateman Engineering Projects of South Africa in March 2010 to complete an Engineering Study and Economic Evaluation of the Leinster Nickel Tailings project, with a mandate initially to review the project to date. This review has recommended additional testwork (flotation) in order to fine-tune the scoping flowsheet and demonstrate the potential of the project to meet certain project criteria in a definitive feasibility study.

The investment community has largely neglected the smaller companies in favour of large market capitalisation companies or mid-market capitalised companies with good earnings. This lack of interest in smaller companies has been pronounced in the resource industry and therefore access to capital continues to be difficult. This difficulty is compounded by serious deterioration in share prices of most companies, thereby making any fund-raising seriously dilutive for existing shareholders. This investment climate has been prevalent for most of the year and has required that the Company seeks alternative instruments in order to pursue its business objectives. The Company continues to seek innovative financing options, including a £15 million Standby Equity Distribution Agreement ("SEDA") secured for acquisition of potential mining opportunities, which will allow us to meet our business plan and protect shareholders from excessive dilution.

The Company's efforts towards implementation of its near-term smelting and beneficiation strategy are reflected in the growth achieved in revenues and earnings for the Company with earnings increasing to £5.5 million which equates to a 479% growth compared to the comparative period for 2010. The loss for the year after taxation was £7.6 million (2010: £2.2 million). The loss per share has increased from 1.35 pence in 2010 to 2.67 pence in 2011. Administrative expenses amounted to £6.8 million (2010: £4.5 million) and include overheads and corporate costs attributable to the business. A share-based payment charge of £0.8 million is included in the Group Statement of Comprehensive Income in line with requirements of IFRS 2.

The Company's post-balance sheet events included receiving a ZAR75 million cash offer, on behalf of its subsidiary Tjate from a major mining company for Tjate's Quartzhill farm, a portion of Tjate's Platinum Project and a placing of 31 585 714 new ordinary shares of 1 pence each in the Company, which raised £4.422 million. The offer, which Jubilee will be recommending to Tjate shareholders is subject, *inter alia*, to the approval of Tjate shareholders and regulatory approvals.

In conclusion I would like to thank my fellow directors, management and staff for their outstanding efforts in what has been a very challenging year.

Colin Bird
Non-executive Chairman

2 December 2011

Chief Executive Officer's operations report

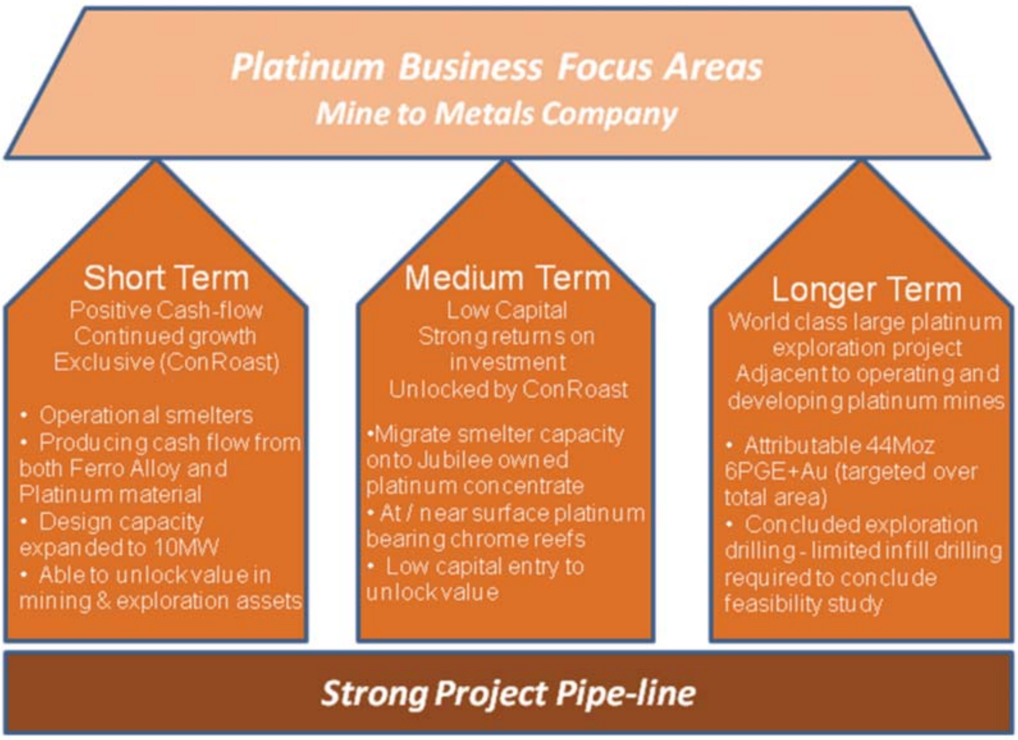
The year under review has seen Jubilee embed its strategy of developing a Mine-to-Metals company with significant progress made in each of the components of the Company's business. This progress, however, has not been reflected in the Company's share value with world markets succumbing to wide spread fears and uncertainty around the underlying strength in the recovery of the global economy.

Highlights of the year's progress include:

- Continued development of the flagship Tjate Project with: (a) the completion of an infill drilling programme designed to increase the statistical confidence in the project's resource estimate and establishing the drilling parameters for augmenting the indicated category of the resource for feasibility study and (b) the completion of an environmental base line study;
- In Madagascar, the award of a contract to a local company for limited drilling on the Ambodilafa project this year;
- Strong progress in implementing the Company's smelting strategy through the acquisition in April 2010 of the Thos Begbie Holdings (now trading as Jubilee Smelting and Refining ("JSR")) smelter operation based in Middelburg, South Africa and expanding the capacity of the operations to reach a targeted 10MW installed capacity. The Company was consolidated into the Group's financial results only from 1 October 2010, the date on which control over the Company, in line with the requirements of IFRS 3, was obtained. The Company's smelting strategy was further supported by the acquisition of a 51% controlling share in Power Alt, a private power generation company, to secure electrical power to underpin the smelters' growth strategy. The Company was also successful in fully contracting the installed capacity of JSR;
- Jubilee's subsidiary Maude Mining submitting its mining right application to mine platinum on near-surface platinum-bearing chrome reefs, to which it had previously held the PGM prospecting rights on the farms Bokfontein and Elandsdrift; and
- Progress on its nickel project in Western Australia under the existing tailings supply agreement, with Bateman Engineering having concluded a techno-economic review of the project, which is currently under review by the Company.

Jubilee has shown persistent progress in all aspects of its business through the period under review. The expansion of its (JSR's) ferroalloy smelting operation has reached the critical size of 10MW smelting capacity, a target set, at which the operations are able to generate positive cash flows, while the company's mining and exploration assets have seen continued investment to enable Jubilee to smelt its own concentrates through JSR in the near term.

Jubilee's Platinum Business Strategy executed within three business focus areas:



Chief Executive Officer's operations report

Jubilee's three core platinum business areas are:

1. Implementation of its processing operation – this short-term business focus ensures that Jubilee produces early cash flows as part of its longer-term Mine-to-Metals strategy. The business model for this short term is based on the processing of both platinum-bearing concentrates and ferroalloy concentrates for third party suppliers.
2. Beneficiation of platinum from near-surface chrome reefs – this medium-term business allows Jubilee to migrate its processing operations from pure toll operations to processing own platinum concentrates. A two-year target has been set to achieve Jubilee's first platinum concentrate for further processing in its Middelburg facility.
3. Development of the Tjate Project, Jubilee's cornerstone asset – this long-term business underpins Jubilee's Mine-to-Metals strategy with a world-class platinum asset.

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

Middelburg Ferroalloy Smelting Operations

As reported in the 2010 annual report, Jubilee acquired a 70% stake in Thos Begbie Holdings (Pty) Ltd (renamed JSR) located in Middelburg.

This transaction, included a ferroalloy smelting facility complete with two 2.5 MW AC furnaces, two smelting induction furnaces, a granulation plant and established associated infrastructure including access (via contract) to power from an 11MW gas-fired power generation plant owned by Power Alt (Pty) Ltd. On 8 March 2011, the Company acquired a 51% direct equity interest in Power Alt to secure its power supply for its current operation as well as the expansion of the operations.

The Company continued to acquire additional platinum concentrates for its smelting operation as it plans to commence processing these concentrates in early 2012.

During the June 2011 financial year, Jubilee commenced a capital investment programme to renew JSR's existing smelting infrastructure and to install a new 5 MVA AC furnace to increase smelting capacity. The new furnace was installed in June 2011. JSR's smelting operation now consists of sufficient smelting capacity to return positive cash flows to the Company, a critical milestone set for the Company. JSR has been successful in attracting interest from both the platinum and ferroalloy industry and the current AC smelting capacity is fully contracted. JSR now has the capacity and implemented technologies to move towards unlocking the platinum potential in near-surface chrome reefs.

Jubilee holds a crucial strategic advantage over potential competitors with its exclusive ConRoast process, due to its proven ability to process platinum concentrates containing chrome. At the time of this report Jubilee had entered into advanced discussions for the acquisition of further properties containing near-surface platinum-containing chrome reefs.

The Company continued to acquire additional platinum concentrates for its smelting operation as it plans to commence processing these concentrates towards the end of the 2011 calendar year.

ConRoast

The acquisition of the Middelburg plant ensured that Jubilee acquired the property, infrastructure and utility services with access to power from the 11MW power generation plant owned by Power Alt (Pty) Ltd to construct and operate a ConRoast facility. The power generation facility allows Jubilee to accelerate development of the ConRoast project.

The Company plans to commence processing of platinum concentrates towards the end of the calendar year of 2011. ConRoast processing trials smelting platinum concentrates in the exiting furnaces at Middelburg proved successful, allowing the Company to migrate existing smelter capacity from smelting ferroalloy material to smelting platinum concentrates. This migration of smelter capacity will commence once the new 5MVA furnace has reached capacity, thus freeing smelter capacity for platinum concentrates. The Company has continued building platinum concentrate stocks in anticipation of the migration of smelter capacity onto platinum concentrates.

Jubilee has furthered its strategic relationship with Sylvania Platinum targeting the processing and beneficiation of PGM's and base metal concentrates from Sylvania Platinum's Volspruit project. The two companies have entered into final discussions to conclude the formal implementation agreement following on from the Memorandum of Understanding signed in 2010.

Chief Executive Officer's operations report

The discussions with Northam Platinum are continuing as defined by the Memorandum of Understanding signed in 2010 targeting the processing of UG2 concentrates from Northam Platinum's future Booysendal platinum project.

During the period under review, the Company concluded its four-year continuous pilot carbonyl process refining trial by Chemical Vaporisation Metal Refining Inc (CVMR®) on iron-rich PGM alloy products from its previous development and ConRoast design test programme at Mintek. CVMR® subsequently completed a final engineering design and projected costing (feasibility study) for a commercial sized (4,000t alloy feed/year) refining plant. This study confirmed the viability of the process to produce final metals and demonstrated an indicated 38-month payback period on capital investment.

The carbonyl process is at the core of the alloy-refining strategy to produce potential premium-priced pure nickel, iron and cobalt by-products while significantly enhancing the purity and payability of the PGM residue from the carbonyl process.

Tjate Platinum Project

The flagship Tjate Project, located in the eastern Bushveld of South Africa, contains a SAMREC-compliant resource of 25 million ounces 6PGE+Au in the Indicated and Inferred resource category or 22 million ounces 3PGE+Au in the Indicated resource categories with a targeted resource for the entire Tjate Project of approximately 70 million ounces 6PGE+Au, net of geological losses.

Tjate Platinum Project PGM Resource Statement (SAMREC-compliant)

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

Snowden Mining Industry Consultants ("Snowden") reviewed the drilling requirements for Phase 2 (pre-feasibility study phase) of the three-phase feasibility study and recommended a two-stage infill drilling programme of around 42,000 metres in total. Stage 1, comprising some 12,000 metres, was designed on a geo-statistical drilling grid, orientated both perpendicular and parallel to strike of the reef (see Figure 1). In early July 2010, the Company commenced drilling Stage 1, which was completed in February 2011. The results provided the short-range structure variogram necessary for accurate resource estimation and to determine the required drill spacing (infill) for Stage 2 drilling, the objective of which will be to augment the resource tonnage in the indicated category from that currently reported. The results of this drilling are shown in the tables below together with the weighted average results of previous drilling and all drilling to date:

Merensky Reef Infill Drilling Results

Merensky Best Mine cut average (80 cm cut-off)

Borehole	Cut type	Ave 4E g/t	Ave Cu %	Ave Ni %	Ave width m
DT43	Typical	3.51	0.14	0.24	1.06
DT44	Typical	4.79	0.16	0.27	0.83
DT45	Typical	4.36	0.09	0.15	2.25
DT46	Typical	3.63	0.13	0.21	1.05
DT47	Faulted/Disturbed	3.85	0.004	0.008	1.03
DT48	Typical	4.57	0.21	0.29	0.98
DT49	Typical	4.11	0.15	0.21	1.07
DT50	Typical	5.03	0.15	0.22	1.42
DT51	Typical	3.17	0.11	0.19	1.07
	Weighted average infill drilling	**4.23**	**0.13**	**0.20**	**1.20**
	Previous drilling	4.24	0.11	0.19	1.15
	All drilling to date	4.24	0.11	0.19	1.16

UG2 Infill Drilling Results

UG2 cut averages (Chromitite only)

Borehole	Reef type	Ave 4E g/t	Ave Cu %	Ave Ni %	Ave width m
DT43	Normal	8.40	0.05	0.08	0.89
DT44	Normal	8.01	0.059	0.073	0.69
DT45	Normal	9.30	0.030	0.049	0.67
DT46	Normal	8.28	0.047	0.056	0.73
DT47	Normal	6.72	0.049	0.073	0.47
DT48	Normal	8.92	0.038	0.069	0.63
DT49	Normal	6.94	0.006	0.024	0.80
DT50	Normal	11.26	0.07	0.10	0.97
DT51	Normal	11.93	0.02	0.05	1.25
	Weighted average infill drilling	**9.26**	**0.039**	**0.064**	**0.79**
	Previous drilling	**8.35**	0.045	0.078	0.60
	All drilling to date	**8.69**	0.043	0.073	0.66

These drilling results confirmed continuity of both the Merensky and the UG2 reefs. The Merensky results matched the previous resource drilling results, while the UG2 results showed both improved average 4E grade (by approximately 0.9g/t 4E) and reef thickness over previous resource drilling results.

Snowden's provisional interpretation of the data suggested that an additional 18 boreholes for a Merensky reef stand-alone mine scenario or 6 boreholes for a Merensky/UG2 (50/50 mix) scenario would be required in order to delineate a SAMREC Code – compliant indicated resource/reserve tonnage and complete Phase 2 of the feasibility study. Both scenarios are predicated on the basis of a 200,000 t/month operation. A cost of between ZAR12 million and ZAR30 million is estimated for this additional drilling with a further ZAR35 million to complete the feasibility study.

The Company liaised fully with the Limpopo Heritage Resource Agency (LHRA) in respect of its drilling activity, in particular the positioning of the drill holes in relation to heritage sites, identified in an assessment report commissioned by the Company. This was in keeping with the provincial heritage status accorded to the Tjate valley, a part of which encompasses a portion of one of the three farms (Dsjate 249K) that make up the Tjate Project licence area. The Company also liaised closely and continues to do so with the Tjate Traditional Authority and its Tjate community through the Tjate Community Trust, which the Company assisted to set up, in respect of social, employment and project awareness issues.

The Company, in the year under review, also completed an environmental base line study on the project including a review of the provincial heritage status of the Tjate area in relation to the development of Tjate. This study is a pre-requisite for the environmental impact assessment that will be required for a mining right application and feasibility study.

The potential project risks that were identified related mainly to the proposed infrastructure location and mine operation and included:

- Potential ground water contamination
- Insufficient ground water for mine requirements
- Conservation of Important Species
- Heritage site development for tourism
- Ownership of Surface rights
- Traditional leadership

The Company believes the study has shown that none of the risks are considered to be critical project-limiting factors.

In June 2011, Tjate submitted a Mining Right Application, which includes all platinum group metals, gold, nickel, copper, chrome and iron.

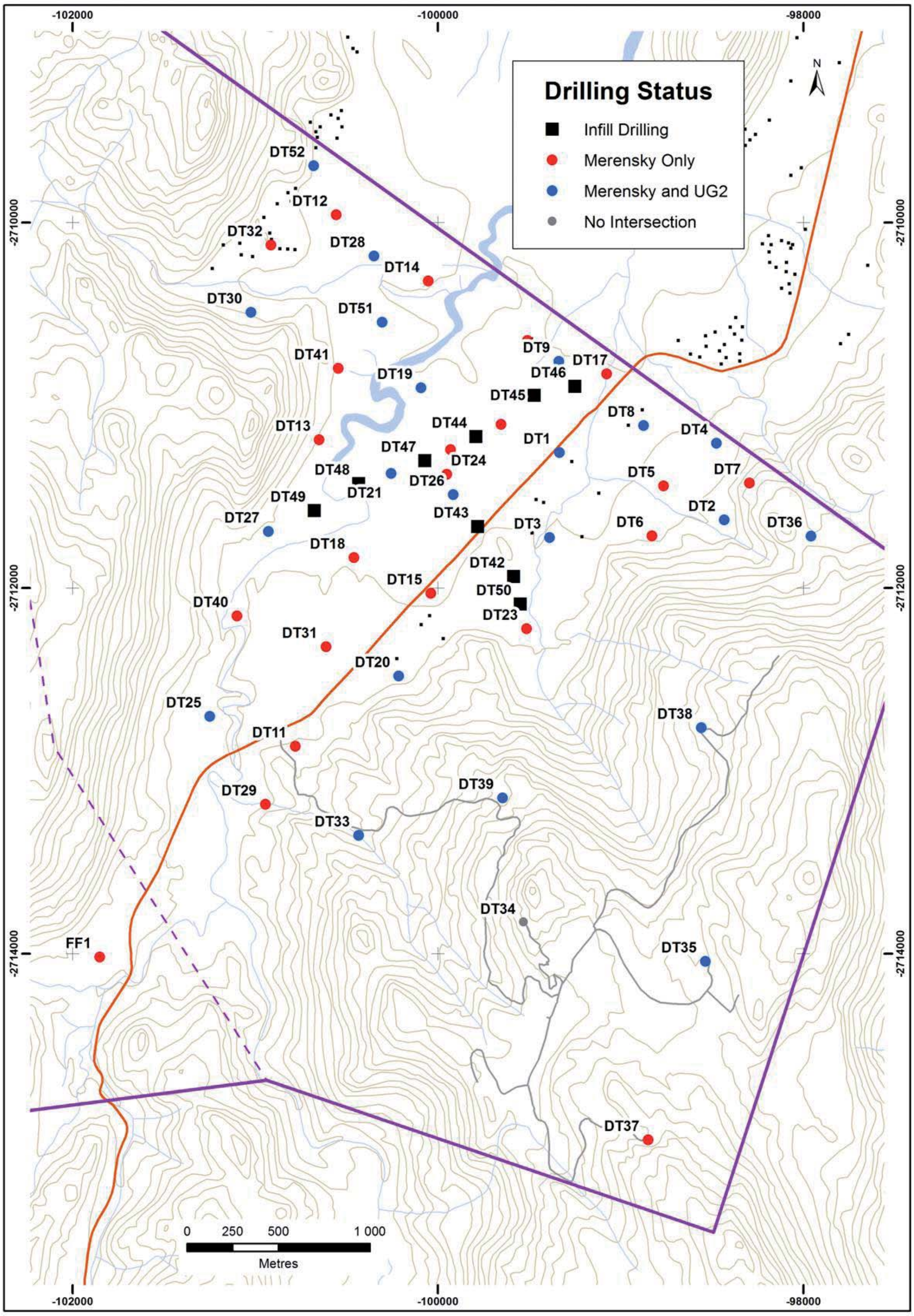
Chief Executive Officer's operations report

The Company, post-balance sheet, received a ZAR75 million cash offer, on behalf of Tjate, from a major mining company for Tjate's Quartzhill farm, a portion of Tjate's Platinum Project. This Offer, which Jubilee will be recommending to Tjate shareholders, is subject to the approvals of Tjate shareholders, the Department of Mineral Resources and other regulatory bodies, the offeror's board and due diligence.

The Company believes this Offer for Quartzhill recovers value to Tjate shareholders, but does not detract from the Project's mineable value currently attributable to Jubilee, since Quartzhill has not been drilled, is distant from the targeted shaft and so potentially not viable to mine and therefore has been subordinated in the mine works programme and mine plan proposed in Tjate's recently submitted Mining Right application to the DMR.

The Company believes further that this cash offer gives Jubilee and all the Tjate shareholders the potential to monetise, in the short term, a very long-term and therefore non-core asset. The offer is a credibility endorsement of the Company's original decision to earn into Tjate.

Figure 1 Infill Borehole Location and Drilling Grid



Chief Executive Officer’s operations report

Madagascar – Ambodilafa Project

In financial year 2010, the Company undertook a soil-sampling programme in the northwestern sector of its Ambodilafa project licence area. The sampling results confirmed various kilometre-scale areas of coincident base metal anomalies: nickel (primarily) with copper and chrome with known occurrences of ultramafic lithologies.

The Company identified prospective drilling targets for nickel and drafted a limited drilling programme for up to 10 boreholes along the assumed NW-SE strike of the anomalies to a maximum drilling depth of 500 metres.

The Company awarded a drilling contract to a local Madagascan company to drill up to 4 boreholes about 1,300 metres in total drilling this year. The contractor is continuing to mobilise.

The National Office for the Environment in Madagascar (“ONE” – **Office National pour l’Environnement**) granted the Company an extension to its previous year’s “Cahier *de Charge Environnementales*” (environmental permit) to carry out its proposed drilling and activities in the area following the Company’s submission of an environmental impact report *Etude d’Impact Environmentale.*

Impala Platinum Holdings Limited (“Implats”) reviewed its participation in the Ambodilafa project in light of the global economic uncertainty in the year under review, following which the parties to the Option Agreement, Jubilee, Mineral Resources of Madagascar Sarl and Implats, agreed to extend the time period by two years to 4 April 2012, pertaining to Impala’s earn-in right to 51% interest. The extended agreement entitled Jubilee in the interim to perform independent exploration activities for its own account, provided that the information and results acquired as a result thereof continued to be reported to Implats. Implats have earned in to date a 30% interest in the project.

Australia – Leinster Nickel Tailings Project

In Australia, the Company has acquired rights under a Tailings Supply Agreement (“Agreement)” to test the reprocessing of nickel sulphide tailings to recover nickel and other minor metals from the tailings of the Leinster Nickel mine.

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

In March 2010, the Company engaged Bateman Engineering Projects of South Africa in March 2010 to complete the ESEE, with a mandate initially to review the project to date. This review has recommended additional testwork (flotation) in order to fine-tune the scoping flowsheet and demonstrate the potential of the project to meet certain project criteria in a definitive feasibility study.

Looking ahead

The period under review has been a challenging period set against the backdrop of the persistent uncertainties in world financial markets. Platinum has, however, continued to show its resilience under these circumstances, driven by strong demand for both industrial application, jewellery and investment markets. The outlook for platinum remains positive with supply and demand fundamentals seen to continue the support of upward movement in the metal’s price.

The Company’s post-balance sheet events include receiving a ZAR75 million cash offer, on behalf of its subsidiary Tjate from a major mining company for Tjate’s Quartzhill farm, a portion of Tjate’s Platinum Project and a placing of 31 585 714 new ordinary shares of 1 pence each in the Company, which raised £4.422 million.

The cash offer, which Jubilee will be recommending to Tjate shareholders, is subject, *inter alia*, to the approval of Tjate shareholders and regulatory approvals.

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

Jubilee has reached a critical milestone in the development of its stated Mine-to-Metals strategy through the implementation of its smelter expansion programme. Jubilee is poised to distinguish itself as an emerging platinum mining company with positive cash flows from its processing operations, underwritten by a world-class project pipe line containing both near and long-term projects, able to produce platinum concentrates for Jubilee’s smelter operations.

Leon Coetzer
Chief Executive Officer

2 December 2011

Report of the directors

The Directors present their report together with the financial statements for the year ended 30 June 2011.

Principal activities

The Group and Company are principally engaged in exploration and exploitation of natural resources. Jubilee Platinum Plc is a UK domiciled company incorporated in the UK with a registered address of 4th Floor, 2 Cromwell Place, London, SW7 2JE.

Business review

A review of the Group's operations during the year ended 30 June 2011 and future developments is contained in the Chairman's Statement and in the Chief Executive Officer's Operations Report on pages 3 to 11.

The Directors have not recommended the payment of a dividend (2010: Nil).

Financial review

The loss for the year after taxation was £7.6 million (2010: £2.2 million). The loss per share has increased from 1.35 pence in 2010 to 2.67 pence in 2011.

Administrative expenses amounted to £6.8 million (2010: £4.5 million) and include overheads and corporate costs attributable to the business. A share-based payment charge of £0.8 million (2010: £1.3 million) is included in the Group Statement of Comprehensive Income in line with the requirements of IFRS2.

An amount of £0.6 million is included in Intangible assets in the Statement of Financial Position (Refer note 11), which relates to positive goodwill on the acquisition of Thos Begbie Holdings (Pty) Ltd and Power Alt (Pty) Ltd. The net asset position of the Group has increased during the year as a result of the transactions the Group has entered into during the year under review. Further information on the Thos Begbie and Power Alt acquisitions is included in notes 14 and 15 to the annual financial statements.

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 Company to mitigate them are detailed below:

- Exploration risk is the risk of investing cash and resources on projects which may not provide a return. The Group addresses this risk by using its skills, experience and local knowledge to select only the most promising areas to explore. Priorities are set by the Board and the Executive Committee based on advice from the Exploration Committee.
- Political risk is the risk that assets will be lost through expropriation and 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 uneconomic to extract them from the ground and smelt. The principal metals in the Group's portfolio are platinum group metals, nickel and copper. The price of these metals has increased significantly during the year. The economics of all the Group's projects are kept under close review on a regular basis.

The three main types of financial risk faced by the Group are credit risk, liquidity risk and currency 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 secured a £15 million Standby Equity Distribution Agreement ("SEDA") which will allow the Company to seek potential acquisition opportunities in near-term mining projects consistent with its Mine to Metals and ConRoast growth strategy. The drawdown of funds and the equity distribution is controlled by the Board.

The Group finances its overseas operations by transferring Pounds Sterling and US Dollars to meet local operating costs. The Group does not hedge its exposure and is therefore exposed to currency fluctuations between these two currencies and local currencies.

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

Report of the directors

Corporate governance

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

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

The Company does not, as recommended in King III,

- have an independent non-executive chairman. It has operated as from 1 August 2010 with Non-Executive Chairman, Mr Colin Bird, who is not regarded as independent. The Board believes that this situation can be supported because the Chairman has considerable corporate experience and skills, which the Board considers essential at chairman level;
- have independent non-executive directors serving on the Audit Committee and the Chairman of the Board is a member of the Audit Committee. The Board believes that the situation can be supported because all Non-Executive Directors have considerable corporate experience and skills.

Disclosure in this annual report demonstrates the Group's commitment to comply with the principles of King III, as well as the actual compliance achieved. The Board is equally committed to apply the principles of King III, which came into effect on 1 May 2011. During the year under review, representatives of management, the lead director and the chairman of the Audit and Compliance Committee participated in an externally facilitated assessment of the Group's compliance with the provisions of King III. It was concluded that most practices and disclosures are already in line with King III. Areas which require focus will be addressed during the current year and compliance with King III will be reported on in detail in the 2012 annual report.

The Directors' policies are as follows:

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

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

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

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

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

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

Report of the directors

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

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 the reference to their job qualifications and skills. The Remuneration Committee will also have regard to the terms which may be required to attract an executive of the equivalent experience to join the Board from another company. Such packages include performance related bonuses and the grant of share options. The Remuneration Committee consists of Colin Bird and Christopher Molefe and met once during the year to consider the emoluments of the Executive Directors.

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 London Stock Exchange and the JSE Limited rules. The Company's principal communication with its investors is through the AGM and through the annual report and accounts 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 SENS announcements.

Internal control

The Board is responsible for maintaining an appropriate system of internal controls to safeguard shareholders' investment 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.

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

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

Relations with shareholders

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

Statement of disclosure to auditors

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

Report of the directors

Going concern

After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue its operational existence for the foreseeable future. For this reason they have adopted the going concern basis in preparing the financial statements. Further disclosure of the Directors' consideration of going concern is made in note 1 of these financial statements.

Legal proceedings

The Directors are not aware of any legal proceedings or other material conditions that may impact on the Company's ability to continue mining or exploration activities.

Special resolutions

There were no special resolutions passed during the financial year.

Directors

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

	Ordinary shares		**Share options**	
	30 June 2011	30 June 2010	**30 June 2011**	30 June 2010
C Bird*	**4 118 950**	3 938 950	**2 650 000**	2 650 000
M A Burne**	**n/a**	500 000	**n/a**	700 000
C Molefe	**–**	–	**200 000**	200 000
A Sarosi*****	**–**	–	**1 650 000**	1 650 000
L Coetzer***	**–**	–	**3 000 000**	3 000 000
Dr M Phosa****	**–**	–	**500 000**	500 000
E Victor******	**–**	–	**2 600 000**	600 000

Share options

	Outstanding beginning	**Granted**	**Forfeited/ cancelled**	**Outstanding/ exercisable options**	**Average exercise price**
C Bird*	**2 650 000**	**–**	**–**	**2 650 000**	**41p**
M A Burne**	**700 000**	**–**	**700 000**	**–**	**–**
C Molefe	**200 000**	**–**	**–**	**200 000**	**36p**
A Sarosi*****	**1 650 000**	**–**	**–**	**1 650 000**	**32p**
L Coetzer***	**3 000 000**	**–**	**–**	**3 000 000**	**35p**
Dr M Phosa****	**500 000**	**–**	**–**	**500 000**	**35p**
E Victor******	**600 000**	**2 000 000**	**–**	**2 600 000**	**28p**

The shareholdings shown in the table above were held for the indirect beneficial interest of the Directors. There has been no change in the Directors' interests in the share capital of the Company from 30 June 2011 to the date of posting this annual report.

* *Resigned as CEO with effect from 1 August 2010 and then became Non-Executive Chairman*
** *Resigned as Chairman with effect from 1 August 2010*
*** *Appointed as CEO with effect from 1 August 2010*
**** *Appointed as Non-executive Director with effect from 12 November 2009*
***** *Stepped down as Financial Director on 1 August 2010*
****** *Was appointed as Financial Director on 1 August 2010.*

Remuneration in respect of Directors was as follows:

	Share-based payment £'000	Fees £'000	Salaries £'000	Bonus £'000	Total 2011 £'000	Total 2010 £'000
C Bird**	**90**	**–**	**84**	**3**	**177**	259
A Sarosi*	**36**	**–**	**70**	**3**	**109**	157
MA Burne	**–**	**–**	**4**	**–**	**4**	40
C Molefe**	**–**	**21**	**–**	**–**	**21**	15
L Coetzer*	**494**	**–**	**245**	**–**	**739**	825
E Victor*	**36**	**–**	**85**	**–**	**121**	–
Dr M Phosa**	**112**	**55**	**–**	**–**	**167**	170
	767	**76**	**488**	**6**	**1 338**	1 466

* *Executive*
** *Non-Executive*

No options were exercised by the Directors in the year ended 30 June 2011.

Non-Executive Chairman (not independent)
Colin 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. On 1 August 2010 Colin Bird relinquished his position as Chief Executive Officer of Jubilee and was appointed as Non-Executive Chairman of Jubilee.

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

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

Report of the directors

Chief Executive Officer

Leon Coetzer is a qualified chemical engineer. Before joining Jubilee Leon was employed for 20 years within the Anglo American plc stable, of which 16 years were spent at Anglo Platinum. His last position was Head of Process Control and Instrumentation, where he defined and managed the automation and process control strategy for Anglo Platinum. The programme has established itself as a recognised world leader in its field. He was a member of the Executive Process Committee, the Research and Development Council, and advisor to the asset optimisation initiative at Anglo Platinum. Throughout his career, he has managed both technical and production units of large operations, including both platinum concentrators and smelters, and was selected to partake in Anglo American's global leadership programme. He is a member of the advisory board of the process engineering faculties at both the University of Pretoria and the University of Stellenbosch and is also a member of the South African Institute of Mining and Metallurgy, and a member of the South African Institute of Directors. On 1 August 2010 Leon relinquished his position of Managing Director of the Smelting and Refining business of Jubilee and was appointed Chief Executive Officer of Jubilee.

Executive Director

Andrew Sarosi is a mineral processing engineer and consultant with 35 years' experience in developing, managing, commissioning and troubleshooting in gold and silver ore, tungsten, tin, copper and zinc ore processing plants in Saudi Arabia, Ethiopia, South Africa and the United Kingdom. Andrew is currently a consultant to the mineral resources industry and an advisor to Lion Mining Finance Limited. Between 1959 and 1969 he was employed by Gold Fields Limited South Africa and from 1969 to 1976 he worked for Gold Fields in London. Between 1978 and 1985 Mr. Sarosi was the senior metallurgist at Amax Hemerdon Limited. Between 1986 and 1988 and then between 1990 and 1995 he was the commissioning engineer and mill superintendent at Mahd Ad' Dahab Mine in Saudi Arabia. In the interim from 1988 to 1990 he was a metallurgical advisor and representative commissioning engineer at Mackay and Schnellmann Limited. From 1996 he embarked on a career as an independent consultant and in August 2002 he was appointed as a Technical Manager of Jubilee and was subsequently appointed as the Technical Director in January 2006. On 1 August 2010 Andrew relinquished his position as Finance Director of Jubilee and continues as an Executive Director of Jubilee.

Executive Director

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

Major shareholders

The directors are aware of the following substantial shareholdings of 3% or more of the share capital of 256 536 0924 ordinary 1 pence shares at 30 June 2011.

Ordinary shares of 1p each	Number	Percentage
M & G Investment Management	38 038 948	14.83
JP Morgan Asset Management	22 334 518	8.71
Fidelity Investments	15 607 170	6.08
Investec Asset Management	12 808 830	4.99
Barclays Stockbrokers	12 065 101	4.70
TD Waterhouse, stockbrokers	11 208 150	4.37
Self Trade, stockbrokers	9 407 542	3.67
HSDL, stockbrokers	8 900 269	3.47
Hargreaves Lansdown Asset Management	8 398 026	3.27
Non-public shareholders*	4 118 950	1.61
Public shareholders	252 417 142	98.39

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

Report of the directors

Share issues

Details of the shares issued in the year are disclosed in Note 19 to the Financial Statements.

Post reporting date events

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

Creditors payment policy and practice

The Group and Company's policy is to settle terms of payment with suppliers when agreeing terms of business, to ensure that the suppliers are aware of the terms of payment and to abide by them. The Group and Company settles its trade payables in accordance with this policy. Trade payables of the Group as at 30 June 2011 were equivalent to 66 (2010: 30) days' purchases, based on the average daily amount invoiced by suppliers to the Group during the year.

Qualifying indemnity provision

The Company has a Corporate Guard Directors and Officers Insurance cover in place during the year under review.

Auditors

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

On behalf of the Board

L Coetzer
Chief Executive Officer

2 December 2011

Statement of directors' responsibilities

Directors' responsibilities

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

Company Law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group and elected to prepare the Company's financial statements in accordance with International Financial Reporting Standards ("IFRSs") 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 London Stock Exchange for companies trading securities on the AIM as well as in accordance with the Rules and Regulations of the Johannesburg Stock Exchange.

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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Website publication

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

Report by the Audit and Risk Committee

for the year ended 30 June 2011

The Corporate Laws Amendment Act 24 of 2006 ("CLAA") came into effect on 14 December 2007. The composition of the Audit and Risk Committee is in line with the provisions of the CLAA and is chaired by Mr Christopher Molefe. During the financial year ended 30 June 2011, in addition to the duties set out on pages 13 and 14 of the corporate governance report, the Audit and Risk Committee carried out its functions as follows:

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

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

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

The Audit and Risk Committee recommended the financial statements for the year ended 30 June 2011 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

2 December 2011

Independent auditor's report (United Kingdom)

To the members of Jubilee Platinum Plc

We have audited the financial statements of Jubilee Platinum Plc for the year ended 30 June 2011 which comprise the consolidated statement of comprehensive income, the consolidated and Company statement of financial position, the consolidated and Company statement of cash flows, the consolidated and Company statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion:

- The financial statements give a true and fair view of the state of the Group's and the parent company's affairs as at 30 June 2011 and of the group's loss for the year then ended;
- The Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- 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 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's financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

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

2 December 2011

Independent auditor's report (South Africa)

To the members of Jubilee Platinum Plc

We have audited the annual financial statements of Jubilee Platinum Plc, which comprise the consolidated and Company statements of financial position as at 30 June 2011, and the consolidated statement of comprehensive income, the consolidated and Company statement of changes in equity and the consolidated and Company statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, and the Directors' report, as set out on pages 12 to 58.

Directors' responsibility for the financial statements

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

Auditor's responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the consolidated and Company financial position of Jubilee Platinum Plc as at 30 June 2011, and its consolidated financial performance and consolidated and Company cash flows for the year then ended in accordance with International Financial Reporting Standards and AC 500 as issued by the Accounting Practices Board or its successor body.

BDO South Africa Incorporated
Registered Auditors
13 Wellington Road
Parktown
2193
South Africa
Per: J. Schoeman

2 December 2011

Consolidated statements of comprehensive income

For the year ended 30 June 2011

	Notes	Group 2011 £'000	Group 2010 £'000
Revenue	4	**5 503**	950
Cost of sales		**(5 241)**	(458)
		262	492
Negative goodwill		**–**	1 615
Other administrative expenses		**(6 772)**	(4 503)
Total administrative expenses		**(6 772)**	(2 888)
Operating loss		**(6 510)**	(2 396)
Finance income	6	**149**	168
Finance cost	6	**(648)**	–
Loss before tax expense	5	**(7 009)**	(2 228)
Tax	8	**(580)**	–
Loss for the year		**(7 589)**	(2 228)
OTHER COMPREHENSIVE INCOME			
Exchange gain on translation of foreign subsidiaries		**4 116**	3 611
Total comprehensive loss for the year		**(3 473)**	1 383
Loss attributable to:			
Equity shareholders		**(6 821)**	(2 228)
Non-controlling interest		**(768)**	–
		(7 589)	2 228
Total comprehensive income attributable to:			
Equity shareholders		**(2 705)**	1 383
Non-controlling interest		**(768)**	–
		(3 473)	1 383
Earnings per share			
Basic and diluted loss per share (pence)	10	**(2.67)**	(1.35)

The accompanying accounting policies and notes on pages 27 to 58 form an integral part of these financial statements.

Consolidated and Company statements of financial position

As at 30 June 2011

	Notes	Group 2011 £'000	Group 2010 £'000	Company 2011 £'000	Company 2010 £'000
ASSETS					
Non-current assets					
Intangible assets	11	**88 222**	80 706	**–**	–
Property, plant and equipment	12	**15 360**	112	**–**	5
Investments in subsidiaries	13	**–**	–	**45 471**	36 770
Deferred tax	8	**519**	–	**–**	–
Total non-current assets		**104 101**	80 818	**45 471**	36 775
Current assets					
Trade and other receivables	16	**3 121**	8 359	**32 261**	29 028
Inventory	17	**830**	682	**–**	–
Cash and cash equivalents		**2 007**	12 997	**202**	12 276
Total current assets		**5 958**	22 038	**32 463**	41 304
TOTAL ASSETS		**110 059**	102 856	**77 934**	78 079
LIABILITIES					
Non-current liabilities					
Long-term liabilities	21	**(2 504)**	–	**–**	–
Deferred tax	8	**(18 240)**	(16 575)	**–**	–
Total non-current liabilities		**(20 744)**	(16 575)	**–**	–
Current liabilities					
Loans to and from related parties	23	**(1 280)**	–	**–**	–
Contingent/Deferred consideration	18	**–**	(1 400)	**–**	(1 400)
Trade and other payables	18	**(2 575)**	(1 731)	**(85)**	(69)
Short-term liabilities	21	**(981)**	–	**–**	–
Tax		**(625)**	–	**–**	**–**
Total current liabilities		**(5 461)**	(3 131)	**(85)**	(1 469)
TOTAL LIABILITIES		**(26 205)**	(19 706)	**(85)**	(1 469)
NET ASSETS		**83 854**	83 150	**77 849**	76 610
EQUITY					
Share capital	19	**2 565**	2 545	**2 565**	2 545
Share premium		**57 595**	56 977	**57 595**	56 977
Merger reserve		**23 184**	23 184	**23 184**	23 184
Share-based payments reserve	20	**5 171**	3 005	**5 171**	3 005
Currency translation reserve		**14 503**	10 387	**–**	–
Retained deficit		**(21 057)**	(12 948)	**(10 667)**	(9 101)
TOTAL EQUITY		**81 962**	83 150	**77 848**	76 610
Equity interest of non-controlling interests		**1 892**	–	**–**	–
NET EQUITY		**83 854**	83 150	**77 848**	76 610

The accompanying accounting policies and notes on pages 27 to 58 form an integral part of these financial statements.

The financial statements were approved by the Board on 2 December 2011 and signed on its behalf by:

Leon Coetzer
Chief Executive Officer

Consolidated and Company statements of cash flows

For the year ended 30 June 2011

	Notes	Group 2011 £'000	Group 2010 £'000	Company 2011 £'000	Company 2010 £'000
Cash flows from operating activities					
Loss for the year		**(7 009)**	(2 228)	**(2 154)**	(2 686)
Finance income	6	**(149)**	168	**–**	468
Finance expense	6	**648**	–	**605**	–
Depreciation	5	**1 278**	74	**5**	5
Share-based payment	5	**766**	1 327	**766**	1 327
Amortisation of intangibles	5	**1 221**	327	**–**	–
Profit on sale of property, plant and equipment		**–**	(11)	**–**	–
(Increase)/Decrease in inventory		**(148)**	241	**–**	–
Decrease/(Increase) in receivables		**(2 191)**	1 128	**(3 232)**	20
(Decrease)/Increase in payables		**(1 321)**	(10 454)	**16**	(12)
Net cash from operating activities		**(6 905)**	(9 428)	**(3 994)**	(878)
Cash flows from investing activities					
Increase in loans and investments		**–**	–	**(8 063)**	(8 242)
Acquisition of subsidiary, net of cash acquired	14	**(6 578)**	223	**–**	–
Proceeds from sale of property, plant and equipment		**–**	47	**–**	–
Funding of deposit account for business combination		**7 652**	(7 652)	**–**	(7 243)
(Purchase)/Disposal of intangible fixed assets		**(2 284)**	(888)	**–**	31
Purchase of property, plant and equipment		**(1 472)**	(25)	**–**	–
Net cash used in investing activities		**(2 682)**	(8 295)	**(8 063)**	(15 454)
Cash flows from financing activities					
Issue of shares and warrants		**–**	23 992	**–**	23 992
Issue costs		**–**	(1 074)	**–**	(1 074)
Acquisition of non-controlling interest	15	**(1 640)**	–	**–**	–
Net cash generated from financing activities		**(1 640)**	22 918	**–**	22 918
Net (decrease)/increase in cash and cash equivalents		**(11 227)**	5 195	**(12 057)**	6 586
Cash and cash equivalents at beginning of the year		**12 997**	7 641	**12 276**	5 690
Effects of foreign exchange on cash and cash equivalents		**237**	161	**(17)**	–
Cash and cash equivalents at the end of the year		**2 007**	12 997	**202**	12 276

The accompanying accounting policies and notes on pages 27 to 58 form an integral part of these financial statements.

Consolidated and Company statements of changes in equity

For the year ended 30 June 2011

Group	Share capital £'000	Share premium £'000	Merger reserve £'000	Share-based payment reserve £'000	Currency translation reserve £'000	Retained deficit £'000	Non-controlling interest £'000	Total equity £'000
Balance at 1 July 2009	**1 184**	**33 855**	**4 970**	**1 678**	**6 776**	**(10 720)**	**–**	**37 743**
Issue of share capital	1 361	24 196	18 214	–	–	–	–	43 771
Issue costs	–	(1 074)	–	–	–	–	–	(1 074)
Share-based payment charge	–	–	–	1 327	–	–	–	1 327
Total comprehensive income for the year	–	–	–	–	3 611	(2 228)	–	1 383
Balance at 30 June 2010	**2 545**	**56 977**	**23 184**	**3 005**	**10 387**	**(12 948)**	**–**	**83 150**
Issue of share capital	20	618	–	–	–	–	–	638
Share-based payment charge	–	–	–	766	–	–	–	766
Deferred consideration transferred	–	–	–	1 400	–	–	–	1 400
Total comprehensive loss for the year	–	–	–	–	4 116	(6 821)	(768)	(3 473)
Acquisition of subsidiary	–	–	–	–	–	–	3 012	3 012
Acquisition of non-controlling interest	–	–	–	–	–	(1 288)	(352)	(1 640)
Balance at 30 June 2011	**2 565**	**57 595**	**23 184**	**5 171**	**14 503**	**(21 057)**	**1 892**	**83 854**

Company	Share capital £'000	Share premium £'000	Merger reserve £'000	Share-based payment reserve £'000	Retained deficit £'000	Total equity £'000
As at 1 July 2009	**1 184**	**33 855**	**4 970**	**1 678**	**(6 415)**	**35 272**
Issue of share capital	1 361	24 196	18 214	–	**–**	43 771
Costs of issue of share capital	–	(1 074)	–	–	–	(1 074)
Share-based payment charge	–	–	–	1 327	–	1 327
Total comprehensive loss for the year	–	–	–	–	(2 686)	(2 686)
Balance at 30 June 2010	**2 545**	**56 977**	**23 184**	**3 005**	**(9 101)**	**76 610**
Issue of share capital	20	618	–	–	–	638
Share-based payment charge	–	–	–	766	–	766
Deferred consideration transferred	–	–	–	1 400	–	1 400
Total comprehensive loss for the year	–	–	–	–	(1 566)	(1 566)
Balance at 30 June 2011	**2 565**	**57 595**	**23 184**	**5 171**	**(10 667)**	**77 848**

The accompanying accounting policies and notes on pages 27 to 58 form an integral part of these financial statements.

Notes to the financial statements

1. GENERAL INFORMATION

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

The Company's registered offices are:

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

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

The primary listing is on AIM but the JSE Main Board listing is the Primary Regulator.

2. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have been applied consistently throughout the year.

Basis of preparation

The financial statements are presented in pounds sterling, rounded to the nearest thousand.

These financial statements have been prepared in accordance with IFRS as adopted for use in the European Union ("EU") ("IFRS"), and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

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

Going concern

The directors have considered the Group's ability to fund its planned projects and consider that current funding provides the Group with the ability to commence its planned development programme. The directors anticipate that as projects come on line the cash contributions will be used to fund further development. Throughout the development of projects Management and the directors will monitor the timing and amounts of significant cash outflows in order to maintain significant funds to ensure the Group remains a going concern.

New standards and interpretation

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

The IASB and IFRIC have issued the following standards and interpretations:

Standards, interpretations and amendments

Significant standards and interpretations adopted in the current year

The Group and Company adopted the following statements and interpretations during the financial year:

IAS 1 – Presentation of Financial Statements

An amendment has been made to clarify that the potential settlement of a liability by the issue of equity is not relevant to its classification as current or non-current. This amendment is effective for annual periods beginning on or after 1 January 2010 with earlier application permitted.

IAS 7 – Statement of Cash Flows

The amendment requires that only expenditures that result in a recognised asset in the statement of financial position can be classified as investing activities. This amendment is effective for annual periods beginning on or after 1 January 2010.

IAS 17 – Leases

The amendment resulted in the deletion of specific guidance regarding the classification of leases of land so as to eliminate inconsistency with the general guidance on lease classification. As a consequence, the classification of land as finance or operating lease should be established by the application of the general principles of IAS 17. This amendment is effective for annual periods beginning on or after 1 January 2010.

Notes to the financial statements

IAS 21 – The Effects of Changes in Foreign Exchange Rates

This amendment arose as a consequence from amendments to IAS 27 which provides clarity on the transitional rules in respect of the disposal or partial disposal of an interest in a foreign operation. This amendment is effective for annual periods beginning on or after 1 July 2010.

IAS 27 – Consolidated and Separate Financial Statements

This amendment has been made to deal with the transition requirements for previous amendments arising from changes to IAS 27. This amendment is effective for annual periods beginning on or after 1 July 2010.

IAS 36 – Impairment of Assets

An amendment was made to clarify that the largest cash-generating unit (or group of units) to which goodwill should be allocated for the purposes of impairment testing is an operating segment as defined by paragraph 5 of IFRS 8 – Operating Segments (i.e. before the aggregation of segments with similar economic characteristics permitted by IFRS 8.12). This amendment is effective for annual periods beginning on or after 1 January 2010.

IFRS 2 – Share-based Payment

The amendment was made relating to the accounting for Group cash-settled share-based payment transactions and provides more guidance on the definition of the term 'Group'. This amendment is effective for annual periods beginning on or after 1 January 2010.

IAS 39 – Financial Instruments: Recognition and Measurement

This amendment deals with treating loan pre-payment penalties as closely related embedded derivatives, scope exemption for business combination contracts, cash flow hedge accounting and hedging using internal contracts. This amendment is effective for annual periods beginning on or after 1 January 2010.

Standards and interpretations adopted in the current year with no significant impact

- IAS 28 – Investments in Associates
- IAS 31 – Interests in Joint Ventures
- IAS 32 – Financial Instruments: Presentation
- IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations
- IFRIC 19 – Extinguishing Financial Liabilities with Equity Instruments

Significant standards and interpretations in issue but not yet adopted

At the date of authorisation of these financial statements, the following new and amended Standards and Interpretations were in issue but not yet adopted:

Accounting Standard/Interpretation **Effective date**	
IFRS 9 – Financial Instruments	1 January 2013
Annual Improvements to IFRSs (2010)	1 January 2011
IAS 24 – Related Party Disclosures	1 January 2011
IFRIC 14 – Defined Benefit Plans	1 January 2011
IFRS 10 *Consolidated Financial Statements*	1 January 2013
IFRS 11 *Joint Arrangements*	1 January 2013
IFRS 12 *Disclosure of Interests in Other Entities*	1 January 2013
IFRS 13 *Fair Value Measurement*	1 January 2013
IAS 19 *Employee Benefits*	1 January 2013
IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine*	1 January 2013
IAS 12 *Income Taxes*	1 January 2012

Notes to the financial statements

Consequential amendments resulting from the issue of IFRS 10,11 and 12	1 January 2013

- IAS 27 – *Consolidated and Separate Financial Statements*
- IAS 28 – *Investments in Associates*

Basis of consolidation

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

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

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

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

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

Special purpose vehicles

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

Business combinations

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

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

Goodwill

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

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

Merger reserve

The difference between the fair value of an acquisition and the nominal value of the shares allotted in a share exchange has been credited to a merger reserve account, in accordance with the merger relief provisions of the Companies Act 2006 and, accordingly, no share premium for such transactions is set up.

Foreign currencies

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

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

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

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

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.

Intangible assets

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

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

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

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

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

The recoverable amount is determined as the higher of: (a) its fair market value less costs to sell or (b) the sum of cash flows, on a net present value basis, 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. Development costs consist primarily of expenditure to develop the technology to commercialisation. Day-to-day development costs to maintain production are expensed as incurred. Development costs capitalised are amortised over a period of 122 months. 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.

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

Intangible assets – Nickel Project

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

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

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

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

Property, plant and equipment

Property, plant and equipment are included at cost. Cost includes costs directly attributable to bringing an asset to working condition for its intended use. Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit. The Group reviews the carrying amount of plant and equipment when circumstances suggest that the carrying amount may not be recoverable. Recoverability is assessed using estimates of future cash flows on a discounted basis, including revenues, operating costs and restoration costs. Where necessary an impairment is recorded. Any impairment is recorded within administrative expenses.

Depreciation

Depreciation of plant and equipment is calculated on a straight-line basis using rates which are designed to write off the assets over their estimated useful lives, as follows:

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

Capital work in progress is not depreciated until the asset is ready for use, at which point it is transferred to the appropriate category.

The residual value, if not insignificant, is re-assessed annually.

The Company's investment in subsidiaries

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

Taxation

Deferred tax 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 and jointly controlled entities 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.

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

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

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

Inventory

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

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

Cash and cash equivalents

Cash consists of cash on hand and cash held on current account or on short-term deposits with an original maturity of three months or less at variable interest rates.

Financial assets

The only financial assets currently held by the Group are classified as loans and receivables.

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

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

The Group's loans and receivables comprise trade and other receivables in the statement of financial position.

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

Included within loans and receivables are cash and cash equivalents which include cash in hand and other short-term highly liquid investments with a maturity of three months or less. Any interest earned is accrued monthly and classified as interest. Short-term deposits comprise deposits made for varying periods of between one day and three months.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents, as defined above.

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

Financial liabilities

The Group classifies its financial liabilities into one of two categories, depending on the purpose for which the asset was acquired. These are either fair value through profit or loss or other financial liabilities. At present, the Group does not have any liabilities classified as fair value through profit or loss.

The Group's accounting policy for the other financial liabilities category is as follows:

Trade payables, loans to related parties and other amounts making up long-term liabilities are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method. All interest and other borrowing costs incurred in connection with the above are expensed as incurred and reported as part of financing costs in the statement of comprehensive income, unless incurred in the confirmation of a qualifying asset, in which case it is capitalised to that asset.

Derecognition

Financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the asset and substantially all the risk and rewards of ownership of the asset to another entity.

Financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Fair value measurement hierarchy

IFRS 7 requires certain disclosure about the classification of financial assets and financial liabilities measured at fair value using a hierarchy that reflects the significance of the inputs used in making the fair value measurement.

The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable for the asset of liability, either directly (i.e. as prices or indirectly derived from prices) (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The level in the fair value hierarchy within which the financial asset or financial liability is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement. Financial assets and financial liabilities are classified in their entirety into only one of the three levels.

Impairment of non-financial assets

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

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

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

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

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

Retirement benefits: Defined contribution schemes

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

Revenue

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

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

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

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

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

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

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

Leasing

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

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

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

Share-based payments

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

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

Critical estimates and judgements

Details of the Group's significant accounting judgements and critical accounting estimates are set out in these financial statements. Significant accounting estimates includes:

- Impairment testing (Note 11):

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

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

- Determination of fair values of intangible assets acquired in business combinations (Note 14):

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

- Taxation (Note 8):

  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.

3. FINANCIAL INSTRUMENTS

The Group's financial instruments were categorised as follows:

	Loans and receivables £'000	**Other financial liabilities £'000**	**Total £'000**
30 June 2011			
Assets as per statement of financial position			
Trade and other receivables	3 121	–	3 121
Cash and cash equivalents	2 007	–	2 007
	5 128	–	5 128
Liabilities as per statement of financial position			
Trade and other payables	–	2 575	2 575
Long-term borrowings	–	3 484	3 484
Loans from related parties	–	1 280	1 280
	–	7 339	7 339

	Loans and receivables £'000	**Other financial liabilities £'000**	**Total £'000**
30 June 2010			
Assets as per statement of financial position			
Trade and other receivables	8 359	–	8 359
Cash and cash equivalents	12 997	–	12 997
	21 356	–	21 356
Liabilities as per statement of financial position			
Trade and other payables	–	1 731	1 731
	–	1 731	1 731

The Company's financial instruments were categorised as follows:

	Loans and receivables £'000	Other financial liabilities £'000	Total £'000
30 June 2011			
Assets as per statement of financial position			
Trade and other receivables	32 261	–	32 261
Cash and cash equivalents	202	–	202
	32 463	–	32 463
Liabilities as per statement of financial position			
Trade and other payables	–	85	85
	–	85	85

	Loans and receivables £'000	Other financial liabilities £'000	Total £'000
30 June 2010			
Assets as per statement of financial position			
Trade and other receivables	29 028	–	29 028
Cash and cash equivalents	12 276	–	12 276
	41 304	–	41 304
Liabilities as per statement of financial position			
Trade and other payables	–	69	69
	–	69	69

The main risks arising from the Group's financial instruments are credit risk, liquidity risk, price 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 otherwise stated in this note.

Credit risk

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

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

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

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'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:

2011

	Up to 3 months	3 to 12 months	1 to 2 years	2 to 5 years
Trade and other payables	1 030	1 545	–	–
Loans and other borrowings	–	–	1 372	2 949
	1 030	1 545	1 372	2 949

2010

	Up to 3 months	3 to 12 months	1 to 2 years	2 to 5 years
Trade and other payables	1 039	692	–	–
Loans and other borrowings	–	–	–	–
	1 039	692	–	–

Currency risk

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

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

Foreign currency units to £1.00 GBP	Australian Dollar	South African Rand	Madagascar Ariary
At 30 June 2011	1.51	10.94	3 110.62
At 30 June 2010	1.76	11.53	3 386.27

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

Group	**Liabilities**		**Assets**	
	2011 £'000	2010 £'000	**2011 £'000**	2010 £'000
South African Rand	**7 863**	1 368	**4 718**	8 881
Australian Dollars	**1**	222	**4**	42
Madagascar Ariary	**17**	27	**67**	19

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

Borrowing facilities and interest rate risk

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

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

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

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

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

The interest rate profile of the Group's and Company's financial assets at 30 June 2010 was as follows:

Group	Pound Sterling £'000	South African Rand £'000	Australian Dollar £'000	Madagascar Ariary £'000	Total £'000
Cash at bank floating interest rate	12 230	57	–	–	12 287
Cash at bank on which no interest is received	76	592	29	13	710
	12 306	649	29	13	12 997

Company	Pound Sterling £'000	South African Rand £'000	Australian Dollar £'000	Madagascar Ariary £'000	Total £'000
Cash at bank floating interest rate	12 230	46	–	–	12 276
Cash at bank on which no interest is received	–	–	–	–	–
	12 230	46	–	–	12 276

Capital management

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

The Group's objectives when maintaining capital is:

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

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

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

Fair values

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

4. REVENUE AND SEGMENTAL ANALYSIS

Business segments

In the opinion of the directors, the operations of the Group companies comprise five reporting segments, being:

- the evaluation and development of PGM smelters utilising exclusive commercialisation rights of the ConRoast smelting process, located in South Africa ("Evaluation and Development");
- the evaluation of the reclamation and processing of sulphide nickel tailings at BHP Billiton's Leinster, Kambalda and Mount Keith properties in Australia ("Nickel tailings"); and
- development of Platinum Group Elements ("PGEs") and associated metals ("PGE development");
- Base Metal Smelting in South Africa;
- Electricity Generation.

The Parent Company operates a head office based in the United Kingdom which incurred certain administration and corporate costs. The Group's operations span five countries: South Africa, Australia, Madagascar, Mauritius and the United Kingdom. There is no difference between the accounting policies applied in the segment reporting and those applied in the Group financial statements.

Notes to the financial statements

	South Africa Evaluation and development Year ended 30 June 2011 £	Australia Nickel tailings Year ended 30 June 2011 £	South Africa PGE development Year ended 30 June 2011 £	Corporate (Unallocated) Year ended 30 June 2011 £	South Africa Base Metal Smelting Year ended 30 June 2011 £	South Africa Electricity Generation Year ended 30 June 2011 £	Total Year ended 30 June 2011 £
Total revenues	–	–	2 515	–	4 404	1 890	8 809
Inter-company revenue	–	–	–	–	(1 416)	(1 890)	(3 306)
Revenue from external customers	–	–	2 515	–	2 988	–	5 503
Loss before taxation	(482)	60	(1 451)	(1 756)	(3 608)	288	(7 009)
Taxation	–	(24)	–	(1)	(419)	(136)	(580)
Loss after taxation	(482)	36	(1 451)	(1 756)	(4 027)	92	(7 589)
Interest received	–	–	68	72	–	9	149
Interest paid	–	–	–	–	4	643	647
Depreciation and amortisation	11	6	1 168	8	1 090	216	2 499
Total assets	50 364	26 163	11 851	2 526	12 076	7 079	110 059
Total liabilities	(131)	(3)	(310)	(18 350)	(2 959)	(4 452)	(26 205)

The Group's revenue is mainly derived from services rendered to three customers in South Africa.

	South Africa Evaluation and development Year ended 30 June 2010 £	Australia Nickel tailings Year ended 30 June 2010 £	South Africa PGE development Year ended 30 June 2010 £	Corporate (Unallocated) Year ended 30 June 2010 £	Total Year ended 30 June 2010 £
Total revenues	950	–	–	–	950
Loss/Profit before and after taxation	(301)	1 370	(129)	(3 168)	(2 228)
Interest received	19	–	67	82	168
Depreciation and amortisation	9	–	367	4	380
Total assets	61 412	24 892	11 419	5 133	102 856
Total liabilities	(11 554)	(6 496)	–	(1 656)	(19 706)

5. OPERATING LOSS

	Group 2011 £'000	Group 2010 £'000
This has been arrived at after charging/(crediting):		
Auditor's remuneration (current auditor)		
Statutory audit service – Group and Company	**102**	44
Depreciation	**1 278**	74
Amortisation	**1 221**	327
Directors' emoluments	**570**	342
Share-based payments	**766**	1 327

Included in the above auditor's remuneration is £20 000 (2010: £9 000) in relation to the audit of the company.

6. FINANCE INCOME/(COSTS)

	Group 2011 £'000	Group 2010 £'000
Bank interest received/receivable	**149**	168
Loan commitments (refer Note 21)	**643**	–
Other costs	**5**	–
	648	–

7. STAFF COSTS (INCLUDING DIRECTORS)

	Group 2011 £'000	Group 2010 £'000	Company 2011 £'000	Company 2010 £'000
Salaries	**918**	778	**95**	263
Directors' fees and remuneration	**570**	342	**281**	70
Social Security cost	**30**	8	**–**	17
Share-based payments	**766**	1 327	**769**	1 327
Total staff costs	**2 284**	2 455	**1 145**	1 677

The Group averaged 61 employees during the period ended 30 June 2011 (2010: 10 employees). The Company averaged six employees during the period (2010: six employees). All employees are engaged in administrative/production roles.

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

Notes to the financial statements

Key management personnel remuneration	Group 2011 £'000	Group 2010 £'000
Directors' short-term benefits		
Directors' fees	**76**	72
Directors' salaries	**494**	270
Total director remuneration	**570**	342
Share-based payments (options)	**766**	1 124
Total director remuneration	**1 336**	1 466
The amounts set out above include remuneration for the highest paid director, as follows:		
Short-term benefits	**245**	133
Share-based payments	**766**	1 124
Total	**1 011**	1 257

No directors exercised any share options during the period (2010: £ Nil]).

The Company provides the directors and officers with directors' and officers' liability insurance at a cost of £5 000 (2010: £5 000). This cost is not included in the above table.

8. TAX

	Group 2011 £'000	Group 2010 £'000
Current year taxation	**24**	–
Deferred	**556**	–
	580	
Factors affecting the tax charge for the year		
Loss before tax	**(7 009)**	(2 228)
Loss before tax at the Group standard rate of 28% (2010: 28%)	**(1 963)**	(624)
Effects of:		
UK Expenses not deductible for tax purposes	**–**	–
Subsidiary losses	**1 375**	738
Other tax adjustments	**1 168**	(114)
Tax charge	**580**	–

Deferred taxation	Group 2011 £'000	2010 £'000
As at 1 July	**(16 575)**	(9 000)
Business combinations (see Note 14)	**(404)**	(6 303)
Movement in foreign exchange	**(315)**	(1 272)
Capital allowances	**(946)**	–
As at 30 June	**(18 240)**	(16 575)
Deferred tax asset		
Subsidiary assessed loss	**519**	–
Unprovided deferred tax asset:		
Group tax losses carried forward of £4 028 000 (2010: £4 028 000) multiplied by standard rate of corporation tax 28%, recoverable only when the Group has generated taxable profits	**4 028**	4 028

Deferred tax liabilities of £18 240 000 (2010 – £16 575 000) comprise £17 294 000 (2010 – £16 575 000) in relation to fair value adjustments arising on business combinations and £946 000 (2010 – £0) in relation to capital allowances.

9. LOSS FOR THE FINANCIAL YEAR

The Company has taken advantage of Section 408 of the Companies Act 2006 and has not included its own income statement in these financial statements. The Company's loss for the year was £1.6 million (2010: loss £2.7 million).

10. LOSS PER SHARE AND HEADLINE LOSS PER SHARE

The loss for the year attributed to shareholders is £6.8 million (2010: loss £2.3 million). This is divided by the weighted average number of ordinary shares in issue calculated to be 255 835 000 (2010: 162 951 035).

The fully diluted loss per share is based on the loss for the financial year divided by the weighted average number of shares and potential shares, being 255 835 000 (2010: 164 916 000) in issue during the year, which are in the money at the year end. As the options are non-dilutive, no diluted loss per share has been calculated.

	2011 £'000	2010 £'000
Ordinary shares – weighted average	**255 835**	162 951
Effect of options issued at fair value – weighted average	**–**	1 965
	255 835	164 916
Reconciliation of headline loss		
Loss attributable to Jubilee Platinum Plc shareholders	**(6 821)**	(2 228)
Impairment of assets	**–**	–
Loss on disposal of foreign subsidiary	**–**	–
Loss on disposal of plant and equipment	**–**	–
Headline loss	**(6 821)**	(2 228)
Headline loss per share (pence)	**(2.67)**	(1.35)
Diluted loss earnings per share (pence)	**(2.67)**	(1.35)

11. INTANGIBLE ASSETS

Group	PGEs exploration expenditure £'000	Nickel tailings project £'000	Development cost £'000	Goodwill £'000	Total £'000
Cost					
As at 1 July 2009	40 014	–	–	–	40 014
Acquired through business combination	–	24 248	9 400	–	33 648
Additions	1 400	–	848	–	2 248
Amortisation for the year	–	–	(327)	–	(327)
Foreign currency translation	4 613	644	(134)	–	5 123
Net book value as at 1 July 2010	46 027	24 892	9 787	–	80 706
At cost	46 027	24 892	10 114	–	81 033
Accumulated amortisation	–	–	(327)	–	(327)
Acquired through business combination	–	–	1 442	598	2 040
Additions	2 048	14	600	–	2 662
Amortisation for the year	–	–	(1 221)	–	(1 221)
Foreign currency translation	2 320	1 252	464	–	4 036
Net book value as at 30 June 2011	50 395	26 158	11 072	598	88 222
At cost	50 395	26 158	12 620	598	89 770
Accumulated amortisation	–	–	(1 548)	–	(1 548)

The remaining life of development cost is 108 months (2010: 120 months).

Development costs relate to the ConRoast technology including the CVMR process, converting and autoclave process, CMC process and leaching and hydro-processing.

In accordance with the accounting policies of the Group, the directors undertook an impairment review as at 30 June 2011 and as a result of this review no provision was required.

12. PROPERTY, PLANT AND EQUIPMENT

Group

	2011			2010		
	Cost £'000	Accumulated depreciation £'000	Carrying value £'000	Cost £'000	Accumulated depreciation £'000	Carrying value £'000
Land and buildings	**2 158**	**99**	**2 058**	–	–	–
Plant and machinery	**11 396**	**1 135**	**10 261**	11	6	5
Furniture and fittings	**241**	**145**	**96**	174	112	62
Motor vehicles	**52**	**18**	**33**	50	8	42
Computer	**12**	**12**	**–**	12	9	3
Capital work in progress	**2 911**	**–**	**2 911**	–	–	–
	16 769	**1 409**	**15 360**	247	135	112

Company

	2011			2010		
	Cost £'000	Accumulated depreciation £'000	Carrying value £'000	Cost £'000	Accumulated depreciation £'000	Carrying value £'000
Land and buildings	**–**	**–**	**–**	–	–	–
Plant and machinery	**–**	**–**	**–**	–	–	–
Furniture and fittings	**35**	**35**	**–**	35	30	5
Capital work-in-progress	**–**	**–**	**–**	–	–	–
	35	**35**	**–**	35	30	5

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

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

	2011 £'000	2010 £'000
Plant and equipment	**188**	–

Reconciliation of property, plant and equipment – 2011

Group

	Opening balance £'000	Additions £'000	Acquired through business combinations £'000	Disposals £'000	Foreign currency translation £'000	Depreciation £'000	Total £'000
Land and buildings	–	–	2 151	–	7	(99)	2 058
Plant and machinery	5	146	11 170	–	69	(1 129)	10 261
Furniture and fittings	62	16	55	–	–	(35)	97
Motor vehicles	43	–	–	–	–	(11)	32
Computer	3	–	–	–	–	(3)	–
Capital work in progress	–	1 310	1 588	–	12	–	2 911
	113	1 472	14 964	–	88	(1 278)	15 360

Company

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

Reconciliation of property, plant and equipment – 2010

Group

	Opening balance £'000	Additions £'000	Acquired through business combinations £'000	Disposals £'000	Foreign currency translation £'000	Depreciation £'000	Total £'000
Plant and machinery	–	–	11	–	–	(6)	5
Furniture and fittings	50	11	43	(13)	1	(30)	62
Motor vehicles	28	42	–	(21)	3	(8)	42
Computer	–	–	12	–	–	(9)	3
	78	53	66	(34)	4	(53)	112

Company

	Opening balance £'000	Additions £'000	Acquired through business combinations £'000	Disposals £'000	Foreign currency translation £'000	Depreciation £'000	Total £'000
Furniture and fittings	10	–	–	–	–	(5)	5
	10	–	–	–	–	(5)	5

13. INVESTMENTS

Unlisted investments

	Company	
Cost	**2011 £'000**	**2010 £'000**
Acquisition of shares in subsidiaries:		
Opening balance	**36 770**	16 657
Additions	**8 701**	20 113
At 30 June	**45 471**	36 770

Notes to the financial statements

Subsidiaries of Jubilee Platinum Plc entity

Direct	Country of registration	Holding 2011 %	Holding 2010 %	Number of shares 2011	Number of shares 2010
Dullstroom Plats (Pty) Ltd	South Africa	**100**	100	**100**	100
Maude Mining and Exploration (Pty) Ltd	South Africa	**91**	91	**653**	653
Mineral Resources of Madagascar Sarl	Madagascar	**100**	100	**10 000**	10 000
Windsor Platinum Investments (Pty) Ltd	South Africa	**100**	100	**10 000 000**	10 000 000
New Plats (Tjate) (Pty) Ltd	South Africa	**100**	100	**169**	169
Antsahabe (Mauritius) Limited	Mauritius	**100**	100	**1 000**	1 000
KPlats (Pty) Ltd	South Africa	**100**	100	**100**	100
Braemore Resources Limited	United Kingdom	**100**	100	**100**	1 094 333 036
Braemore Platinum (Pty) Ltd	South Africa	**50**	50	**50**	50
Thos Begbie Holdings (Pty) Ltd	South Africa	**70**	–	**100**	–
Power Alt (Pty) Ltd(i)	South Africa	**51**	–	**100**	–

Subsidiaries of Jubilee Platinum Plc entity

Indirect	Country of registration	Holding 2011 %	Holding 2010 %
Via Windsor Platinum Investments (Pty) Ltd			
Tjate Platinum Corporation (Pty) Ltd	South Africa	**63**	63
Via Antsahabe (Mauritius) Limited			
Antsahabe (Madagascar) Sarl	Madagascar	**100**	100
Via Braemore Resources Limited			
Braemore Platinum Limited	United Kingdom	**100**	100
Braemore Holdings (Mauritius) (Pty) Ltd	Mauritius	**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
Braemore Platinum Resources (Pty) Ltd	South Africa	**50**	50
Braemore Precious Metals Refiners (Pty) Ltd	South Africa	**50**	50
Via Thos Begbie Holdings (Pty) Ltd			
RST Special Metals (Pty) Ltd	South Africa	**100**	–
RST Base Metals (Pty) Ltd	South Africa	**100**	–
Via Braemore Platinum Limited			
Braemore Platinum Resources Limited	South Africa	**50**	50
Braemore Precious Metals Refiners (Pty) Ltd	South Africa	**50**	50
Braemore Nickel Limited	South Africa	**100**	100

(i) The shares have been pledged to Investec Bank Limited (Lender) as security over borrowing facilities in the amount of £3,340 (Note 21). The Lender has the right with the power to exercise such right in its own name or in the name of Jubilee Platinum PLC, to receive payment of that portion of the dividends and other benefits which become due in respect of the shares from time to time.

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

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

The financial year-ends of all the companies in the Group are in June, except PowerAlt which is in February.

14. ACQUISITION OF SUBSIDIARIES

Acquisitions during the period

Within the 2011 financial year, Jubilee acquired two new subsidiaries:

Thos Begbie Holdings (Pty) Ltd on 1 October 2010.

PowerAlt (Pty) Ltd on 8 March 2011.

Thos Begbie Holdings (Pty) Ltd

On 1 October 2011, the date on which control passed, the Group acquired 70% of the voting equity instruments of Thos Begbie Holdings (Pty) Ltd, a company whose principal activities are:

- providing brownfield site to the Group for future expansion;
- smelting of ferroalloy metals; and
- leveraging the access to these processing facilities to establish a complete “mine-to-metals” company in the ferroalloy industry.

Following an implementation agreement dated 30 April 2010 between Thos Begbie Holdings and Jubilee, the offer was implemented by way of a scheme of arrangements in accordance with Part 26 of the Companies Act 2006.

Upon the scheme becoming effective, Thos Begbie Holdings became a subsidiary (70%) of Jubilee.

Control passed on 1 October 2010 which was the date Jubilee Platinum Plc met the suspensive conditions set out in the agreement. The Group, on this date, obtained the power over more than half the voting rights in the company and to govern the financial and operating policies of the entity.

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

Had Thos Begbie Holdings been part of the Group for the year from 1 July 2010, the following results would have been included in the Group’s financial statements:

	£’000
Revenue	5 891
Loss before taxation	3 409

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

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

The accounting policy was for the capitalisation of borrowing costs in respect of special purpose vehicle, Power Alt (Pty) Ltd.

Acquisitions in prior period

On 29 October 2009 the Group acquired 100% of the voting equity instruments of Braemore Resources PLC, a company whose principle activities are:

- Evaluation of the reclamation and processing of sulphide nickel tailings;
- Evaluating, establish and operating independent processing facilities for the smelting and refining of sulphide concentrates containing platinum group metals from emerging platinum producers in South Africa; and
- Leveraging the access to these processing facilities to establish a complete "mine-to-metals" company in both the platinum and nickel sectors.

Purchase of interest in Braemore Resources Limited

Following an implementation agreement dated 3 July 2009 between Braemore and Jubilee, the offer for Braemore was implemented by way of a scheme of arrangement in accordance with Part 26 of the Companies Act 2006. Upon the Scheme becoming effective, Braemore became a wholly owned subsidiary of Jubilee and Braemore's listings on AIM and on the Johannesburg Stock Exchange were cancelled.

Jubilee acquired the entire issued share capital of Braemore (the "Braemore Shares") via an all-equity transaction, which involves the issue of 1 new Jubilee share for every 15.818 Braemore shares held by Braemore shareholders, thereby resulting in Braemore shareholders effectively holding a 30% pre-capital raising interest in the enlarged entity. This resulted in 49 900 908 shares being issued on 9 November 2009. Under IFRS, the consideration was valued at 37.5 pence per share, being the share price on the date the acquisition became unconditional, i.e. the Braemore and Jubilee shareholder approval on 7 October 2009.

The existing 305 000 000 performance shares of 0.1p each in the capital of Braemore Resources plc were cancelled.

Had Braemore been part of the Group for the year, the following results would have been included in the Group financial statements:

	£'000
Revenue	173
Loss before taxation	2 714

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

	Book value £'000	Fair value adjustment £'000	Fair value £'000
Intangibles	50 030	(16 381)	33 649
Property, plant and equipment	23	–	23
Inventory	923	–	923
Trade and other receivables	1 360	–	1 360
Cash and cash equivalents	228	–	228
Loans	(3 502)	–	(3 502)
Trade and other payables	(6 050)	–	(6 050)
Deferred taxation	–	(6 303)	(6 303)
	43 012	(22 684)	20 328
Consideration settled in shares			(18 713)
Negative goodwill			(1 615)

The fair values of the Braemore Group's principal assets, being the Nickel tailings project in Australia and the ConRoast smelting licence in South Africa, were assessed by an independent valuer and these values were applied in the directors' assessment of fair values noted above.

The fair value of the shares issued was determined by reference to their quoted market price of 37.50p at the date control passed.

15. ACQUISITION OF NON-CONTROLLING INTEREST

During the year ended 30 June 2011, the Company acquired 70% of the voting equity instruments in Thos Begbie Holdings (Pty) Limited (refer Note 4). At the date of acquisition, Power Alt (Pty) Limited was consolidated into Thos Begbie Holdings (Pty) Limited as a special purpose vehicle in terms of SIC 12: Consolidation – Special Purpose Entities, as the substance of the relationship indicated that Thos Begbie (Pty) Limited controls Power Alt (Pty) Limited. On 8 March 2010, the Company acquired 51% of the voting equity instruments in Power Alt (Pty) Limited. This transaction was accounted for as an equity transaction – a transaction with owners in their capacity as owners.

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

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

16. TRADE AND OTHER RECEIVABLES

	Notes	Group 2011 £'000	Group 2010 £'000	Company 2011 £'000	Company 2010 £'000
Trade receivables	(i)	**1 663**	23	**–**	–
Other receivables	(ii)	**1 402**	638	**12**	10
Pre-payments and accrued income		**38**	47	**34**	43
Loans due from third parties	(iii)	**–**	7 621	**–**	7 243
Loans due from Group companies	(iv)	**–**	–	**32 212**	21 728
Rent deposits	(v)	**17**	30	**3**	4
		3 121	8 359	**32 261**	29 028

(i) Trade receivables comprise contractual arrangements that vary from customer to customer. Payment terms are conditional on finalisation of assay results and expiry of quotational periods. It is usual for receivables to take up to 180 days to be received.

(ii) Included within this balance is an amount of £638 000 of VAT recoverable (2010: £378 000). The remaining other receivables are non-interest-bearing and generally repayable between 30 to 60 days.

(iii) The deposits for acquisition are interest free and have no fixed repayment date and are repayable on demand. The cash deposit was in connection with the 70% acquisition of Thos Begbie Holdings which is described further in Note 14.

(iv) Refer to Note 23 for details of loans due from Group companies.

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

17. INVENTORY

	Group 2011 £'000	Group 2010 £'000	Company 2011 £'000	Company 2010 £'000
Raw material	**830**	682	**–**	–

An amount of £682 000 (2010: £458 000) has been expensed to cost of sales.

18. TRADE AND OTHER PAYABLES

	Group 2011 £'000	Group 2010 £'000	Company 2011 £'000	Company 2010 £'000
Trade payables	**2 182**	1 260	**50**	38
Accruals and other payables	**393**	471	**35**	31
Contingent consideration	**–**	1 400	–	1 400
	2 575	3 131	**85**	1 469

The contingent consideration of £1.4 million has been reclassified from trade and other payables to share-based payment reserve as it relates to deferred consideration which is expected to be settled by the issuance shares.

Trade and other payables are scheduled for repayment within 90 days of year-end.

In the previous year the Group provided £1.4 million in respect of an obligation to issue 4 960 978 shares valued at the closing share price at year-end of 28 pence. This amount was transferred from current liabilities in the statement of financial position to the share-based payments reserves in the current year.

19. SHARE CAPITAL

Authorised

	Group		Company	
	2011	**2010 Restated**	**2011**	**2010**
	£'000	**£'000**	**£'000**	**£'000**
500 000 000 ordinary shares of 1p each	**500 000**	500 000	**500 000**	500 000

Allotted, called up and fully paid

	Group		Company	
	2011 £'000	**2010 £'000**	**2011 £'000**	**2010 £'000**
256 536 092 ordinary shares of 1p each (2010: 254 463 290)	**256 536**	254 463	**256 536**	254 463

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

Date	Issue price	Number of shares	Nominal value £'000
1 July 2009	**Opening balance**	**118 374 269**	**1 184**
16 July 2009	Placing at 36p per share	1 775 985	18
7 August 2009	Settlement of Tjate Hurdle 2 interest at 10.59p per share	4 960 978	50
7 August 2009	Purchase of KPlats interest at 10p per share	3 896 205	39
21 September 2009	Placing at 32.5p per share	6 000 000	60
9 November 2009	Placing at 30p per share	44 166 666	442
9 November 2009	Purchase of Braemore interest at 37.5p per share	49 900 908	499
8 December 2009	Settlement of fees at 31.52p per share	475 911	5
19 January 2010	Settlement of fees at 35p per share	137 330	1
7 February 2010	Exercise of options at 15.81p per share	87 615	1
19 May 2010	Exercise of options at 20p per share	45 000	–
19 May 2010	Exercise of options at 28p per share	400 000	4
17 June 2010	Placing at 33p per share	24 242 423	242
30 June 2010	**Closing balance**	**254 463 290**	**2 545**
17 August 2010	Prev Shares in Kplats at 30.5p per share	**850 798**	**9**
22 December 2010	CVMR Feasibility Study at 31p per share	**1 222 004**	**12**
30 June 2011	**Closing balance**	**256 536 092**	**2 566**

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

Reserve	Description and purpose
Share premium	Amount subscribed for share capital in excess of nominal value.
Merger reserve	Reserve created on issue of shares on acquisition of subsidiaries in prior years.
Share-based payments reserve	Reserve created for equity-settled share-based payments to employees and consultants.
Currency translation reserve	Cumulative translation differences of foreign currency non-monetary assets and liabilities.
Retained deficit	Cumulative net gains and losses recognised in the consolidated income statement.

20. SHARE-BASED PAYMENTS

Equity-settled share option plan

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

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

	2011		2010	
	Options	Weighted average exercise price (pence)	Options	Weighted average exercise price (pence)
Outstanding at the beginning of period	**10 850 000**	**37**	5 345 000	39
Granted during the year	**2 000 000**	**36**	6 037 615	35
Exercised during the year	**–**	**–**	(532 615)	20
Lapsed during the year	**875 000**	**–**	–	–
Outstanding at the end of the period	**11 975 000**	**35**	10 850 000	37
Exercisable at the end of the period	**3 400 000**	**35**	3 550 000	45

The weighted average exercise period of the options outstanding at year-end was two years (2010: two years).

The highest and lowest price of the Company's shares during the year was 36.34p and 21.05p, respectively. The share price at year-end was 21.5p.

The inputs into the Black-Scholes models are as follows:

	2011	2010
Weighted average share price	**29 pence**	46 pence
Weighted average exercise price	**36 pence**	35 pence
Expected volatility	**61%**	61%
Expected life	**7 years**	7 years
Risk free rate	**2%**	2%

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

The Group recognised a total expense of £0.8 million (2010: £1.3 million) related to equity-settled share-based payment transactions during the year.

21. COMMITMENTS

As at 30 June 2011, the Group had entered into the following material commitments:

Total finance lease

Future lease payments are due as follows:

	Group		Company	
	2011 £'000	**2010 £'000**	**2011 £'000**	**2010 £'000**
Not later than one year	**–**	–	**–**	–
Later than one year and not later than five years	**102**	–	**–**	–
Later than five years	**41**	–	**–**	–
	143			
Deferred finance charges	**11**	–	**–**	–
	154	–	**–**	–
Non-current liabilities	**41**	–	**–**	–
Current liabilities	**102**	–	**–**	–
	143	–	**–**	–

The instalment sale agreement is repayable in 39 average monthly instalments of £88 000 per month and bears interest at 12% per annum.

The instalment sale agreement is secured by certain plant and equipment with a net book value of £188 000 (2010: Nil).

Loan commitments

Future lease payments are due as follows:

	Group		Company	
	2011 £'000	**2010 £'000**	**2011 £'000**	**2010 £'000**
Not later than one year	**1 261**	–	**–**	–
Later than one year and not later than five years	**2 902**	–	**–**	–
Later than five years	**–**	–	**–**	–
	4 164	–	**–**	–
Deferred finance charges	**(823)**	–	**–**	–
	3 340	–	**–**	–
Non-current liabilities	**2 462**	–	**–**	–
Current liabilities	**878**	–	**–**	–
	3 340	–	**–**	–

These Investec Bank Project Junior and Senior Project loans bear interest between 11% and 13% are repayable in quarterly instalments of £315 312 with final payments between 31 March 2013 and 31 March 2015.

The loans are secured by certain of the shareholders' loan (and a pledge of shares in (Note 13)) Power Alt (Pty) Ltd (Note 23).

Total operating lease commitments

Leasing arrangements

Operating leases relate to office facilities.

	Group		Company	
	2011	2010 Restated	2011	2010
	£'000	£'000	£'000	£'000
Non-cancellable operating lease payments				
Not longer than one year	**22**	15	**22**	15
Longer than one year and not longer than five years	**57**	61	**57**	–
Longer than five years	**–**	–	**–**	–
	79	76	**79**	15

22. SHAREHOLDER ANALYSIS

For the year ended 30 June 2011

Register date: 30 June 2011

Issued share capital: 256 536 092

Shareholder spread	**Number of shareholders**	**%**	**Number of shares**	**%**
1 – 5 000 shares	901	58.697	1 513 333	0.590
5 001 – 10 000 shares	198	12.899	1 570 450	0.612
10 001 – 50 000 shares	266	17.329	6 437 330	2.509
50 001 – 100 000 shares	47	3.0619	3 270 451	1.275
100 001 – 1 000 000 shares	89	5.7981	28 988 181	11.300
1 000 001 shares and over	34	2.215	214 756 347	83.714
	1 535	100.00	256 536 092	100.00

Distribution of shareholders	**Number of shareholders**	**%**	**Number of shares**	**%**
Private shareholders	928	60.4560	50 618 559	19.7316
Deceased accounts	2	0.1302	3 178	0.0012
Nominee companies	576	37.5244	198 257 701	77.2826
Limited companies	16	1.0423	2 505 212	0.9766
Bank and bank nominees	8	0.5211	5 075 937	1.9786
Other institutions	5	0.3257	75 505	0.0294
	1 535	100.00	256 536 092	100.00

Non-public/Public shareholders	**Number of shareholders**	**Number of shares**	**%**
Non-public shareholders			
Directors and associates of the Company holdings	1	4 118 950	1.61
Public shareholders	1 534	252 417 142	98.39
	1 535	256 536 092	100.00

23. RELATED PARTY

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not included in the consolidated statement of financial position and income statement.

The Company continues to lend support to its subsidiaries in the conduct of its operations. The outstanding receivables as at 30 June 2011, including the related interests for the year, from the subsidiaries, are as follows:

	Due from subsidiary £'000	Interest £'000	Total £'000
Windsor Platinum Investments (Pty) Ltd	20 300	421	20 721
Maude Mining and Exploration (Pty) Ltd	208	5	213
Dullstroom Plats (Pty) Ltd	157	–	157
Braemore Resources Limited	1 776	–	1 776
Braemore Platinum Smelters (Pty) Ltd	4 494	107	4 601
Mineral Resources of Madagascar Sarl	2 856	–	2 856
Braemore Nickel (Pty) Ltd	566	–	566
Thos Begbie Holdings (Pty) Ltd	448	–	448
PowerAlt (Pty) Ltd(i)	874	–	874
	31 679	533	32 212

(i) The shareholders' loan is ceded to Investec Bank Limited as security over Borrowing Facilities in the amount of £3 340 (Note 21).

The outstanding receivables as at 30 June 2010, including the related interests for the year, from the subsidiaries are as follows:

	Due from subsidiary £'000	Interest £'000	Total £'000
Windsor Platinum Investments (Pty) Ltd	12 740	297	13 037
Maude Mining and Exploration (Pty) Ltd	202	5	207
Dullstroom Plats (Pty) Ltd	153	4	157
Braemore Resources Limited	1 623	–	1 623
Braemore Platinum Smelters (Pty) Ltd	3 648	51	3 699
Mineral Resources of Madagascar Sarl	2 596	–	2 596
Braemore Nickel (Pty) Ltd	409	–	409
	21 371	357	21 728

The outstanding loans and trade and other receivables as at 30 June 2011 to other related parties are as follows:

Loans from related parties:			
Africa Data Corporation (Pty) Ltd*	326	–	326
Astra Group Holdings (Pty) Ltd*	514	–	514
Thos Begbie & Company (Pty) Ltd**	440	–	440
	1 280	–	1 280

* *Minority shareholders in Power Alt (Pty) Ltd*

** *Company controlled by directors who have significant influence over Thos Begbie Holdings (Pty) Ltd. All these loans are interest free with no specific terms of repayment.*

Trade and other receivables

Thos Begbie and Company (Pty) Ltd	733

All related party transactions occur at arm's length on the same terms and conditions that are available commercially.

Notes to the financial statements

24. POST-BALANCE SHEET EVENTS

Issue of equity

On 13 October 2011 the Company announced a placing of 31 585 714 new ordinary shares of 1 pence each in the Company (the "Placing Shares") to raise GBP 4.422 million. The Placing Shares have been placed jointly by Shore Capital Stockbrokers Limited and finnCap Limited as agents to the Company, subject to the admission of the shares to trading on AIM market of the London Stock Exchange ("AIM") and the JSE Limited ("JSE"), with major institutional investors at a price of 14.00 pence per share (ZAR1.72).

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

Quartzhill project

Jubilee received on behalf of Tjate Platinum Corporation, ZAR75 million cash offer to Tjate for Tjate's Quartzhill farm, a portion of Tjate's Platinum Project from a major mining company to acquire from Tjate for ZAR75 million (*c.* £5.95 million at current exchange rates) in cash, Tjate's Quartzhill farm ("Quartzhill"), which is a portion of Tjate's Platinum Project. Quartzhill has not been drilled and is not included in Tjate's long-term mining plans. The Tjate platinum project comprises three contiguous farms: Dsjate, Fernkloof and Quartzhill. Quartzhill lies to the northwest of Tjate's projected first mine area, which comprises only the Dsjate farm. The Tjate project is well-located relative to major mining companies.

Notice of Annual General Meeting

Notice is hereby given that the 2011 Annual General Meeting of the Company will be held at finnCap Limited, 60 New Broad Street, London EC2M 1JJ, on Wednesday, 28 December 2011 at 11:00 to transact the following business of the Company:

ORDINARY BUSINESS

The following items of business will be proposed as Ordinary Resolutions:

1. To re-elect Colin Bird as a director, who is retiring by rotation.
2. To re-elect Christopher Molefe as a director, who is retiring by rotation.
3. To receive and adopt the Directors' report and the financial statements for the year ended 30 June 2011 and the reports of the auditors thereon.
4. To re-appoint BDO South Africa Incorporated and BDO LLP as auditors and to authorise the directors to agree their remuneration.

SPECIAL BUSINESS

As special business, to consider and if thought fit, to pass the following resolutions of which resolution 5 will be proposed as an Ordinary Resolution and resolution 6 will be proposed as a Special Resolution:

5. Resolved that the directors be and are hereby generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 of the United Kingdom ("the Act"), in substitution for all previous powers granted to them (but without prejudice to the continuing power of the directors to allot shares in the Company or grant rights to subscribe for, or convert any security into shares in the Company (together "relevant securities") pursuant to an offer or agreement made by the Company before the date this resolution is passed), to exercise all the powers of the Company to allot and make offers to allot relevant securities up to an aggregate nominal amount £2 000 000; such authority shall, unless previously renewed, extended, revoked or varied by the Company in general meeting, expire on the conclusion of the Annual General Meeting of the Company to be held in 2012 or 31 March 2013 whichever is earlier), provided that the Company may, at any time before such expiry, make an offer or enter into an agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities pursuant to any such offer or agreement; as if the authority conferred hereby had not expired.
6. Resolved that the directors be and they are hereby empowered pursuant to Sections 570 and 571 of the Companies Act 2006 of the United Kingdom ("the Act") and in terms of the Listing Requirements of the JSE Limited, in substitution for all previous powers granted thereunder, to allot equity securities (within the meaning of Section 560 of the Act), for cash pursuant to the authority granted by resolution 5 above as if Section 561(1) of the Act did not apply to:

   (a) the allotment of equity securities on a *pro rata* basis in favour of shareholders where the equity securities respectively attributable to the interests of all shareholders are proportionate (as nearly as may be) to the respective number of Ordinary Shares held by them, but subject to such exclusions and other arrangements as the directors may deem necessary or expedient to deal with legal or practical problems in respect of overseas holders, fractional entitlements or otherwise; and

   (b) the allotment (other than pursuant to sub-paragraph (a) above) of equity securities with a nominal value of up to £432 183 (representing approximately 15 per cent of the issued share capital of the Company as at 2 December 2011),

   provided that this power shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2012 or 31 March 2013 (whichever is earlier), save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement as if the authority conferred hereby had not expired.

   The allotment of shares for cash in accordance with this resolution shall comply, to the extent required, with the provisions of the Listings Requirements of the JSE Limited pertaining to general issue of shares for cash.

Notice of Annual General Meeting

The following conditions, which comply with the JSE Limited requirements, must also be met:

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

By Order of the Board

2 December 2011

Registered office
4th Floor
2 Cromwell Place
London SW7 2JE

Notes:

1. A member entitled to attend and vote at this Annual General Meeting is entitled to appoint a proxy or proxies to attend, and, on a poll, to vote in his stead. A proxy need not be a member of the Company. If a member wishes his proxy to speak on his behalf at the Annual General Meeting he will need to appoint his own choice of proxy (not the chairman) and give his instructions directly to the proxy. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy. Completion of a form of proxy does not preclude a member from attending the Annual General Meeting, speaking and voting thereat.
2. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of members at: 18:00 on 26 December 2011 or, if the general meeting is adjourned, at 18:00 on the day two days prior to the adjourned meeting, shall be entitled to attend and vote at the Annual General Meeting.
3. Any form of proxy and power of attorney or other authority under which it is signed, or notarially certified or office copy of such power or authority, in order to be valid, must be lodged with or posted to the South African transfer secretaries, Computershare Investor Services (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) or the United Kingdom registrars, Capita Registrars, 34 Beckenham Road, Beckenham, Kent BR3 4TU not less than 48 hours before the time of the Annual General Meeting.
4. A member may appoint more than one proxy, provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact Computershare Investor Services (Pty) Limited or Capita Registrars who will arrange for the appropriate documentation to be provided.
5. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
6. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Notice of Annual General Meeting

7. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
8. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment as above. In the case of a member, which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
9. The revocation notice must be received by Capita Registrars or Computershare Investor Services (Pty) Limited, no later than 48 hours before the time of the Annual General Meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to 10 below, your proxy appointment will remain valid.
10. Appointment of a proxy does not preclude you from attending the Annual General Meeting and voting in person. If you have appointed a proxy and attend the Annual General Meeting in person, your proxy appointment will automatically be terminated.
11. A person authorised by a corporation is entitled to exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the corporation. On a vote on a resolution on a show of hands, each authorised person has the same voting rights as the corporation would be entitled to. On a vote on a resolution on a poll, if more than one authorised person purports to exercise a power in respect of the same shares:
    (a) if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way;
    (b) if they do not purport to exercise the power in the same way as each other, the power is treated as not exercised.
12. A shareholder present in person or by proxy shall have one vote on a show of hands. On a vote by poll every member present in person or by proxy shall have one vote for every ordinary share of which he is the holder. As at 18:00 on 26 December 2011, the Company's issued share capital comprised 288 121 806 ordinary shares of 1p each and the total number of voting rights in the Company as at 18:00 on 26 December 2011 was 288 121 806.
13. A statement or summary of transactions of the director (and their family interests) in the share capital of the Company and copies of all directors' service contracts of more than one year's duration will be available for inspection at the registered office during usual business hours (Saturdays and public holidays excepted) until the date of the Annual General Meeting, and at the place of this meeting for at least 15 minutes before such meeting until the conclusion of such meeting.
14. The reason for special resolution number 6 is to empower the directors of the Company to allot equity securities for cash in terms of the Act in order to give effect to the provisions of any placement agreement and the effect thereof is to allow the allotment of equity securities for cash to the placees in terms of the Act.

Notes

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Ref. No. W2CF

Form of proxy

Shareholders may vote by proxy by returning this form of proxy duly completed to Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, to arrive no later than 11:00 on 26 December 2011. Before completing this form of proxy ("form"), please see the explanatory notes overleaf and also refer to the Notice of Annual General Meeting and its accompanying notes.

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

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

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

OR

The following person: ______________________ ____________

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

Number of shares appointed over

to attend, speak and vote on my/our behalf at the Annual General Meeting of Jubilee Platinum plc to be held on 28 December 2011 at 11:00 and at any adjournment of such meeting. I/We would like my/our proxy to vote on the resolutions proposed at this meeting as indicated on this form. Unless otherwise instructed, the proxy may vote as he sees fit or abstain in relation to any business of this meeting.

Signature

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

Date

Name ______________________________

Address ______________________________

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	FOR	AGAINST	VOTE WITHHELD
ORDINARY RESOLUTIONS 1. To re-elect Colin Bird as a director, who is retiring by rotation			
2. To re-elect Christopher Molefe as a director, who is retiring by rotation			
3. To receive and adopt the Directors' report and the financial statements for the year ended 30 June 2011 and the reports of the auditors thereon			
4. To re-appoint BDO South Africa Incorporated and BDO LLP as auditors and to authorise the directors to agree their remuneration			
SPECIAL RESOLUTIONS			
5. To authorise the directors to allot securities pursuant to Section 551 of the United Kingdom Companies Act 2006, as set out in the Notice of Annual General Meeting			
6. To authorise the directors to allot securities pursuant to Sections 570 and 571 of the United Kingdom Companies Act 2006 and in terms of the Listings Requirements of the JSE Limited, as set out in the Notice of Annual General Meeting			

Notes:

1. A member entitled to attend and vote at this meeting is entitled to appoint a proxy or proxies to attend, and, on a poll, to vote in his stead. A proxy need not be a member of the Company. Completion of a form of proxy does not preclude a member from attending this meeting and voting thereat. A member can appoint more than one proxy in relation to this meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him. To appoint more than one proxy you may photocopy this form. Please indicate the proxy holder's name and the number of shares in relation to which the proxy is authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy Instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
2. Any form of proxy and power of attorney or other authority under which it is signed, or notarially certified or office copy of such power or authority, in order to be valid, must reach the Company's Registrars not less than 48 hours before the time of this meeting. The 'Vote Withheld' option is provided to enable you to abstain on any particular resolution. However, it should be noted that a 'Vote Withheld' is not a vote in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.
3. Copies of all directors' service contracts of more than one year's duration will be available for inspection at the registered office during usual business hours until the date of the Annual General Meeting, and at the place of such meeting for at least 15 minutes before this meeting until the conclusion of such meeting.

Send the completed form in the
Business Reply Envelope provided

or

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

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