

# Shard market eye

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Source: [www.proactiveinvestors.co.uk](http://www.proactiveinvestors.co.uk)

After the summertime lull it has been busy at Shard this week. It seems the masses are now fully back at their desks and interest in the market seems to have picked up alongside volumes. We have put three companies under the Share microscope.

Jubilee is a mines-to-metals company, with platinum resources and processing assets.

Its smelting operations are progressing well. Its third arc furnace commenced operations in May of this year, signifying the end of a two year process to upgrade operations. Second quarter revenues were up 44% on the previous three months and they are now trading profitably. The first quarter net loss of £151,000 improved to a second quarter net profit of £70,000. All three furnaces are fully contracted and they are looking to start processing higher value platinum materials now the refurbishment is complete.

Jubilee also produce its own power for the processing plant via their subsidiary, Power Alt. Surplus power is sold back to the South African Grid. The small fundraise this week will enable it to upgrade the grid connection. The project should take eight weeks to complete and will enable Jubilee to increase exports to the grid by up to 3.6 kilowatts, equating to a revenue increase of circa £195,000 per month at current contracted rates.

Then we come on to the Tjate mining project with a targeted 70mln ounce resource. The company have agreed to sell a section of this asset (around 20%) to Anglo American Platinum for £4mln. This sale will be complete once Jubilee obtains the mining licence for the project. The final requirements for the mining licence and the environmental assessment reports were submitted to the Department of Mineral Resources in August. The process is expected to be completed shortly.

Part of the reason the share price is down is that around 30% of Jubilee's stock has been sold into the market over the last few months by previous holders and they now seem to be totally out. This clearly hasn't helped the share price.

There are of course risks - as there are with any company of this nature. Commodity price fluctuations, political risk, operational risk and the potential of never receiving the mining licence headline the list of concerns. But with monthly profitability now achieved and the proceeds of the Tjate sale expected to be received this year and the overhang apparently gone, sentiment could change very quickly.