

Renewal of Cautionary announcement, relating to the proposed merger transaction by Jubilee with Platinum Australia Ltd ("PLA")

5 February 2013

Jubilee Platinum, the AIM and JSE Limited quoted mine-to-metal specialist, is pleased to announce that, further to the prior cautionary announcement of 29 January 2013, the Company, Platinum Australia Ltd ("PLA") and the latter's senior creditor have agreed terms for settlement of PLA's senior debt. Consequently, the Company and PLA have agreed to extend the Heads of Agreement to 15 February 2013 in order to seek to conclude the Implementation Agreement for the proposed merger of PLA and Jubilee (the "Proposed Transaction"). The due diligence investigations are largely complete, and the binding Implementation Agreement is in the final stages of negotiation, pending completion of accounts for finalising the merger ratios. The Company will provide further details on the Proposed Transaction on conclusion of the Implementation Agreement.

On the current timetable, completion of the Proposed Transaction is projected for May 2013.

The transaction will create a platinum mining group with the potential to be a significant producer within the top five platinum producers in the World. The due diligence investigations conducted by the parties have confirmed that significant synergies could be achieved by merging PLA with Jubilee.

Leon Coetzer, Chief Executive Office of Jubilee, said: "The Company has successfully reached key milestones in the execution of the Proposed Transaction. The agreement reached with the senior creditor of PLA allows for the completion of the Implementation Agreement within the coming days. As previously stated the enlarged group would include the combination of shallow and at-surface mining, a fully operable shallow mining operation and smelters and exploration assets underpinned by the large Tjate mining exploration asset, making the enlarged group a significant low cost player in the platinum industry."

Commenting on the progress made to date, John Lewins, Director of Platinum Australia, said: "The process of completing the due diligence and the Independent Experts Report has served to highlight the clear benefits and synergies achievable from the proposed merger to both parties. With the major aspects of the proposed transaction agreed we are confident of completing the outstanding details in the coming week and concluding the Implementation Agreement."

RENEWAL OF CAUTIONARY:

As the Proposed Transaction is still in negotiation stages, shareholders are advised to continue to exercise caution when dealing in their securities until a further detailed announcement is made.

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About Jubilee Platinum plc

Jubilee Platinum plc is a mining exploration and development company with a primary focus on platinum group elements (PGE). Through recent acquisitions, the Company has added PGE and ferroalloy smelting and refining to its capability. The Company aims to create an integrated mine-to-metals company with a primary focus on platinum. This mission is based on modern and thoroughly-proven smelting technology to process the Company's own and other's high-chrome PGE concentrates and, importantly, to improve mining environments by reprocessing mine tailings dumped by other miners.

The Company's prime asset in South Africa is the Tjate platinum project, in which it has a 63% beneficial interest. The project's exploration area is judged to host the world's largest undeveloped block of defined platinum ore, covering some 5,140 hectares to a potential target of some 65 million oz (41 million oz attributable) of PGEs and gold, net of geological losses. Tjate Platinum Corporation, received a formal offer from a major mining company to acquire for ZAR75 million (c.£5.95 million at current exchange rates) in cash, for the Quartzhill farm portion of its Tjate Platinum Project.

In October 2009, Jubilee acquired Braemore Resources plc, which holds an exclusive licence to the ConRoast process for the smelting of high chrome-bearing PGE concentrates and has acquired extensive process development expertise. Jubilee's first goal is to complete the establishment of commercial ConRoast operations to recover platinum group metals from difficult-to-treat concentrates, residues and tailings. The ConRoast plant is being established at the recently acquired and strategically located ferroalloy smelting facility in Middelburg.

Jubilee's 70%-owned Power Alt (Pty) Ltd, that owns the on-site 11MW gas-fired electricity generation plant in Middelburg, has been awarded a tender to supply 5.1MW of power to the national electricity utility company worth an estimated ZAR12.4 million (GBP970 000 at current exchange rates) in sales, for an initial trial period of four months. The 5.1MW is surplus to current requirements of the Company's Middelburg smelter and more may become available following the review of continued use of older furnaces.

Jubilee's subsidiary company Pollux Investment Holdings (Pty) Ltd (to be renamed Jubilee Tailings Treatment Company (Pty) Ltd) has entered into an agreement with Phokathaba Platinum (Pty) Ltd, a South African subsidiary platinum mining company of Australian Stock Exchange listed Platinum Australia Ltd to toll process the 800,000 tonnes of Dilokong Chrome Mine platinum-bearing tailings using Phokathaba's concentrator on PLA's Smokey Hills mine in the Eastern Bushveld. On 13 June 2012 Jubilee was awarded the right to recover the platinum group metals contained in the Dilokong Tailings.

In Australia, Jubilee is evaluating the recovery of nickel from the tailings of the Leinster mine in Western Australia. The Company has rights through a tailings supply agreement with BHP-Billiton to test and, if appropriate, to process the nickel tailings from BHPB's Leinster mine and conditionally thereafter, from its Kambalda and Mount Keith operations.

Jubilee is dedicated to sustainable and socially responsible development and, as a company, ensures its projects adhere to the highest environmental standards. The Company is also a firm proponent for the role of foreign direct investment as a key form of social development in developing African countries.

About Platinum Australia

Platinum Australia (ASX Code: PLA) owns 70% of the Smokey Hills Platinum Mine which is a shallow underground operation capable of producing up to 80,000 oz 4E PGM per annum. Due to prevailing low metal prices the mine was placed on care and maintenance in June 2012. It is currently planned to commence treating chrome tailings through the Smokey Hills processing plant in early 2013 and dependent on metal prices, to restart underground mining operations during the second half of 2013. The mine would be expected to ramp up to a production level of approximately 70,000 oz PGM per annum in 2014.

PLA has two other advanced shallow PGM projects in South Africa, the Rooderand Platinum Project (PLA earning 70% from Atla Mining) and the Kalahari Platinum (PLA earning 49% from ARMplatinum).

Following completion of a positive Pre Feasibility Study, development of the 4 Moz 4E PGM Rooderand Project is planned to commence as soon as a Mining Right is issued, expected in early 2014. Development envisages an initial 10 year life open pit operation, followed by a further 6 years of treatment of low grade ore. This could be followed by a further 7 years of production from underground, producing 120,000 oz 4E PGM per annum.

Following the completion of a positive Definitive Feasibility Study, development of the 6.7 Moz PGM open pit Kalahari Platinum Project it is proposed to make application for a Mining Right in early 2013 with a view to being in a position to commence development in late 2014. The study envisages a production rate of 100,000 oz PGM per annum.