

# Transaction update

**13 June 2013**

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Jubilee Platinum, the AIM quoted Mine-to-Metals specialist, today provides further information regarding the proposed acquisition by Jubilee of Platinum Australia Limited ("PLA") (the "Transaction").

## **Background**

Jubilee's directors believe that the Transaction has the potential to enable Jubilee to establish a fully operational platinum mining and processing company backed by a strong pipe-line of projects to drive future growth. The Transaction is planned to capitalise on the challenges faced by the platinum sector, and the impact these challenges have had on PLA, to the benefit of Jubilee's shareholders.

The conduct of the Transaction is governed by an Implementation Deed ("ID") entered into between the two companies. The ID provides for a number of potential "regulated events" identified by the Board of Jubilee with a view to protecting the company during the execution of the transaction. As such, mechanisms are in place which enable the Company to negotiate an outcome to the best interest of shareholders if any regulated events are triggered.

## **Update**

On 11 June 2013, the Company updated shareholders on the Transaction. The announcement referred to the fact that one of the specified regulated events had occurred.

The regulated event was that an application has been filed at court in South Africa for a liquidation order against PhokaThaba Platinum Pty Ltd (PhokaThaba). PhokaThaba is a South African subsidiary of PLA. The ID, in this regulated event, requires PLA to have the liquidation application set aside or resolved within 14 days. If the 14 day period lapses without the liquidation application being set aside or resolved, Jubilee has the right to terminate the Transaction. Jubilee may engage with PLA during this period to discuss the status of the Transaction without prejudice to Jubilee's right to terminate.

The liquidation application has not been heard by the court in South Africa nor has any judgement been passed on the validity of the application. In its announcement of 11 June 2013, PLA advised that PhokaThaba will vehemently dispute the application.

The next key milestone for the transaction is the first court hearing in Australia for the approval of the Scheme of Arrangement for the Transaction. This court date has been postponed to 20 June 2013 to provide PLA with the opportunity to address the regulated event prior to the hearing.

The conclusion of the regulated event is required for Jubilee to finalise the funding arrangements for the re-commissioning of the Smokey Hills mine project and for this reason the funding condition in the ID has been aligned with the revised court date. Importantly, this delay in the first court hearing is not expected to delay the implementation date of the Transaction.

While the delay in the first court date caused by the regulated event is a frustration to the Jubilee board, it gives PLA the opportunity to have the matter addressed whilst allowing Jubilee to review the impact of the regulated event on the transaction.

## **Contacts**

Jubilee Platinum plc

Colin Bird/Leon Coetzer

Tel +44 (0) 20 7584 2155 / Tel +27 (0)11 465 1913

Andrew Sarosi

Tel +44 (0) 1752 221937

JSE Sponsor

Sasfin Capital, a division of Sasfin Bank Limited

Angela Teeling-Smith/Sharon Owens

Tel +27 (0) 11 809 7500

NOMAD

finnCap Ltd

Matthew Robinson/Ben Thompson - corporate finance

Joanna Weaving - corporate broking

Tel +44 (0) 20 7220 0500

Shore Capital Stockbrokers Limited (Joint Broker)

Jerry Keen/Edward Mansfield

Tel: +44 (0) 20 7 408 4090

Bishopsgate Communications Ltd

Nick Rome/Anna Michniewicz/Ivana Petkova

Tel +44 (0) 20 7562 3350