

# Early redemption of Convertible Note and Funding Update

**24 February 2014**

Jubilee, the AIM-quoted and Altx-listed Mine-to-Metals specialist, is pleased to announce that it has strengthened its balance sheet through a combination of a placing to raise new capital, a settlement of a secured debt and the early expiration of its equity financing facility. The Company has taken this action as it focuses on the execution of its platinum Mine-to-Metals strategy, developing its long-term shareholder base and creating a transparent structure with regard to its funding commitments and requirements.

## **Early expiration of Equity Financing Facility**

The Company and Darwin have mutually agreed to cancel the GBP10 million Equity Finance Facility ("EFF") (as announced on 2 January 2014). There is no cost attached to the cancellation of the EFF.

The Company has also elected to fully redeem the Loan Notes placed with Darwin in terms of the Loan Note Instrument, through the payment of GBP 950,000 in cash to Darwin ("the Redemption Payment")

## **The Placing**

The Company has secured a conditional placing of up to 24,857,224 new ordinary shares of 1 pence each in Jubilee (the "Placing Shares") at a price of 1.75 pence per share to raise approximately GBP 435,000. The proceeds from the issue of the Placing Shares will be used towards the settlement of the Senior Convertible Loan Note Instrument dated 16 December 2013 ("Loan Note Instrument") placed with Darwin Strategic Limited ("Darwin") as described below.

## **The Settlement of the Secured Investec Loan**

The Company's subsidiary, Power Alt Pty Ltd, was granted a secured loan of approximately ZAR57 million (GBP3.2 million) (the "Secured Investec Loan") by Investec Bank Limited ("Investec") for the construction and commissioning of the power plant in 2009. The Company has since repaid a portion of the Secured Investec Loan with a remaining balance outstanding of approximately ZAR12 million (GBP667, 000). The Company has reached agreement with Investec for the release of the Secured Investec Loan, plus related costs, through the issuance of 41,428,648 new ordinary shares of 1 pence each in Jubilee ("Loan Shares"). These shares will be placed into the market through Daniel Stewart & Company (the "Loan Placing") and on completion of the Loan Placing; the security currently held by Investec will be released in full.

In addition the Company's subsidiary, Braemore Resources Ltd, has entered into a non-converting loan agreement syndicated between YA Global SPV Ltd and to a co-invested London based family office. The proceeds from the loan agreement will be used in part towards the completion and commissioning of the 3rd ARC furnace currently under construction at the Company's Middelburg smelter.

Leon Coetzer, CEO of Jubilee Platinum, says: "We are pleased to have concluded successful negotiations to implement a restructuring of the Company's access to funding and liabilities. "The combination of a straight equity placing with a simple loan agreement is aligned to the expected earnings profile of the Company."

"Jubilee remains focussed on the commissioning of our 3rd ACR furnace backed by new smelting contracts while we are driving hard to conclude the processing strategy for our platinum DCM tailings project.

We welcome our new investors into our share portfolio."

The Placing Shares and Loan Shares have been issued as fully paid and rank pari passu in all respects with the existing ordinary shares, including the right to receive all dividends and other distributions declared on or after the date on which they are issued.

Application has been made for the Placing Shares and the Loan Shares to be admitted to trading on AIM ("Admission") and to be listed on the Altx of the JSE Limited, which is expected to take place on or about 4 March 2014.

### **Total voting rights**

Following Admission, the Company's total issued share capital will comprise of 502 543 488 ordinary shares of 1 pence each. As the Company does not hold any shares in Treasury, this figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company following Admission.

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