



[Jubilee Platinum PLC](#) - JLP

New Partnership Agreement, 3rd Party Ore Agreement

Released 12:30 05-Sep-2017



RNS Number : 8710P
Jubilee Platinum PLC
05 September 2017

Jubilee Platinum PLC
Registration number (4459850)
AltX share code: JBL
AIM share code: JLP
ISIN: GB0031852162

("Jubilee" or "Company")

Significant new Partnership Agreement and substantial 3rd Party Ore Agreement

Highlights

Partnership Agreement with Dilokong Chrome Mines ("DCM")

- The agreement captures the progression of Jubilee's rights at DCM from an initial zero interest in chrome to now enjoy 50% of all chrome benefits from any ore source at DCM project
- The agreement secures and extends Jubilee's sole rights to all PGMs from material at DCM irrespective of source

3rd Party Ore Agreement

- Jubilee executes the most substantial 3rd party ore processing agreement to date at DCM
- The agreement provides Jubilee with up-to 40 000 tonnes per month of additional ore for an initial 3 year period
- This will more than double the existing operational throughput of the DCM chrome recovery plant
- The agreement will provide Jubilee with significant additional earnings since the fixed cost remains the same
- The additional ore supplies have similar PGM content as currently processed contributing to the existing PGM stocks at DCM
- The agreement is another step in Jubilee's stated intent to consolidate chrome and platinum retreatment in the region

Leon Coetzer, Chief Executive Officer, says: "I am pleased to announce the securing of two major agreements in a single announcement. The agreements bring clarity and certainty to our DCM relationship and collectively doubles the size of our DCM operation without forfeiting any PGM rights.

The 3rd party ore agreement will contribute significantly to the earnings of DCM as we more than double our current throughput without the need to increase existing processing capacities nor increasing the project's fixed cost component. The agreement will provide a tolling income to the project in addition to the earnings generated from current chrome sales at DCM.

We continue discussions with ore suppliers in the region as we strive to consolidate the processing of material in the region."

Jubilee is pleased to announce that it has, through its subsidiary Jubilee Tailings Treatment Company (Pty) Ltd ("JTTC"), executed a framework, treatment of tailings and chrome ore agreement with DCM (Pty) Ltd ("DCM") ("Agreement") and a 3rd party ore agreement for the toll-refining of Run of Mine ("ROM") chrome ore ("Ore Agreement").

The Agreement cancels and supersedes all existing agreements in respect of chrome processing and PGM recovery at DCM. The Agreement transforms Jubilee's DCM operations as an equal joint venture with DCM, on all chrome ore including 3rd party chrome ore. The Agreement now affords Jubilee the right to 50% of all earnings generated from the processing of chrome ore. This compares with Jubilee holding no rights to chrome earnings at the outset of the DCM project. The Agreement further secures Jubilee's unencumbered PGM rights from all material processed at DCM irrespective of source.

In addition the Ore Agreement offers a toll processing contract to Jubilee of up to 40 000 tonnes per month of ROM material. An initial three year term has been agreed between the parties which can be extended by mutual agreement. The ROM material will utilize current DCM plant's spare capacity to more than double current production rates. Under the terms of the Ore Agreement Jubilee secures the rights to the PGMs in the ore. The additional PGMs offer Jubilee the opportunity to expand its PGM recovery strategy at Dilokong.

Andrew Sarosi, Director of Jubilee, who holds a B.Sc. Metallurgy and M.Sc. Engineering, University of Witwatersrand and is a member of the Institute of Materials, Minerals and Mining, is a "qualified person" as defined under the AIM Rules for Companies and a competent person under the reporting standards. The technical parts of this announcement have been prepared under Andrew's supervision and he has approved the release of this announcement.

5 September 2017

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

Sharon Owens

Tel +27 (0)11 809 7500

Nominated Adviser

SPARK Advisory Partners Limited

Sean Wyndham-Quin/Mark Brady

Tel: +44 (0)203 368 3555

Broker

Beaufort Securities Limited

Jon Belliss

Tel: +44 (0) 20 7382 8300

This information is provided by RNS

The company news service from the London Stock Exchange

END