



Jubilee Platinum PLC - JLP

Project Funding for Surface Platinum Processing

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Jubilee Platinum PLC
("Jubilee" or the "Company")

Project Funding for the Execution of Surface Platinum Processing Projects

Highlights

- Jubilee completes full project funding for the simultaneous execution of its two surface platinum-processing projects
- Chromite recovery section of first processing project ("First Project") commissioned and fully operational
- Jubilee's second processing project on track with all long lead items secured ("Second Project")

Jubilee, the Mine-to-Metals company ("Parent") and its subsidiary Jubilee Processing Proprietary Limited ("Jubilee's Processing Subsidiary"), are pleased to announce the successful completion of the project funding ("Funding") for the execution and commissioning of both its two surface platinum processing projects ("Two Projects").

The Funding comprises a combination of senior secured debt to a maximum of USD 10 million (ZAR 153 million) ("Senior Debt"), unsecured debt to a maximum of USD 5 million (ZAR 76.5 million) ("Unsecured Debt") and an equity placing of GBP 2.5 million (ZAR55.2 million). The Funding package allows Jubilee to execute simultaneously the Two Projects targeting the processing of 80 000 tonnes per month of surface material, while still being able to pursue the acquisition or securing of further surface or shallow platinum bearing opportunities.

The Senior Debt between Jubilee's Processing Subsidiary ("Borrower") and arranged by RiverFort Capital with an established financial institution ("Lender") under a loan agreement ("Agreement"), in terms of which the Lender has agreed to advance to the Borrower up to USD10 million (ZAR 153 million) ("Loan"), with an initial Advance of USD3 million (ZAR 49.5 million) ("Initial Advance") and a possible Further Advance of USD2 million (ZAR 30.6 million) ("Further Advance") subject to and upon the terms and conditions contained in the Agreement. The Borrower has agreed to accept and utilise the Initial Advance on the terms and conditions contained in the Agreement, and acknowledges its right to call for a Further Advance as provided for in the Agreement, in order to fund in aggregate its obligations to execute the Two Projects. The Two Projects target a combined processing capacity of 80 000 tonnes per month of surface material with an annual design capacity for the recovery of approximately 33 000 ounces of platinum group metals.

The Agreement has been structured to link the debt repayment obligation of Jubilee's Processing Subsidiary with the commissioning and ramp-up of the Platinum Processing projects with the Second Project targeted for ramp-up by

December 2016. The Second Project will complement the First Project's processing capacity of 25 000 tonnes per month of feed. The chromite recovery section of the First Project is already commissioned and fully operational.

The Unsecured Debt provides Jubilee's Processing Subsidiary with access to funding of a further USD5 million (ZAR 76.5 million) to provide working capital during the ramp-up of the Second Project. The Unsecured Debt will be staggered over two equal tranches to fall in-line with the Second Project's commissioning and ramp-up phases with the final tranche scheduled for February 2017.

Equity Placing

In terms of the requirements of the Agreement, the combined project debt funding is supported by a Jubilee equity placing totalling GBP 2.5 million (ZAR 55.2 million). The placing comprises 89 285 714 new ordinary shares of 1 pence each ("Shares") in Jubilee (the "Placing Shares") at a price of 2.8 pence (ZAR 61.85 cents) per share.

The 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 will be made for the Placing 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 30 March 2016.

Total voting rights

Following Admission, the Company's total issued share capital will comprise 989 212 194 Shares. 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.

The Equity Placing ensures that Jubilee is able to execute simultaneously the Two Projects while ensuring Jubilee remains funded to aggressively pursue further near surface or at surface platinum opportunities. The Company looks forward to providing shareholders an update on progress made in this regard in due course.

Leon Coetzer says: "I am delighted that we have successfully implemented a total project funding package to ensure that Jubilee remains funded to execute its mission to establish itself as a significant low cost platinum producer. The project funding structure combines both debt and equity, recognizing the future profitability of the projects while securing funding to pursue further such surface or near surface platinum opportunities. The successful funding demonstrates the confidence of investors in Jubilee's robust business model."

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