

AMBRIAN

Jubilee Platinum (AIM:JLP)

Mkt Cap: £82.0m

Price: 81p

BUY

Tjate Drill Results - Grades in line with elsewhere in the Merensky Reef

Jubilee Platinum has released drill results from a deep infill hole and a step-out hole on the Dsjate farm of its Tjate project in South Africa. Infill hole DT10 intersected 2.4m @ 4.71 g/t PGM 4E at 979m depth. This included an upper zone of 0.41m @ 7.94 g/t PGM 4E, 0.33% nickel and 0.16% copper.

Step-out hole DT11 intersected 0.8m @ 5.57 g/t PGM 4E at 1,280m depth. Including hanging wall mineralisation, the zone returned 1.0m @ 4.88 g/t PGM 4E, 0.37% nickel and 0.21% copper. This hole was drilled 1.5km west and down-dip of existing holes. The company indicates this will markedly increase the area of PGE mineralisation beyond that used in the 2007 scoping study, and is now targeting up to 65Moz PGE plus gold in situ.

Comment

This is positive news for Jubilee, with grades in the infill hole in line with those mined elsewhere in the Merensky Reef, although lower than the 7-8 g/t PGM elsewhere on the property. While the step-out hole returned a narrower zone of mineralisation, it is nonetheless of economic potential and continued drilling will likely result in a significant increase of the area over which mineralisation is defined.

The Tjate project is one of the last significant resource development opportunities on the Bushveld outside the control of a major mining group, and the high grades on the property increase its attractiveness as an acquisition target. Jubilee trades at a discount due to Tjate not yet holding a JORC-compliant resource; however, the geology of the Bushveld is well understood and the adjacent Impala and Anglo Platinum operations add confidence to the economic potential of the project. We retain our **BUY** recommendation and price target 124p, as outlined in our report *Jubilee Platinum — Deals to be Done*, 25 September 2007.

- Brock Salier

Recommendation - Buy

www.jubileeplatinum.com