

# AMBRIAN

**Jubilee Platinum** (AIM:JLP)

**Mkt Cap:** £71.1m

**Price:** 70.25p

**BUY**

## **Drilling Update - Ambodilafa nickel-copper project in Madagascar**

**Jubilee Platinum's** prime asset is the Tjate project in South Africa's Bushveld Complex, which company studies suggest could host a resource of 65Moz of PGMs and gold. Encouraging results from a deep infill hole and a step-out hole on the Dsjate farm of this project were reported in January.

Other areas of activity are three projects in Madagascar and one in Sierra Leone. Madagascar has become an increasingly favoured area for mineral exploration. Jubilee has been there since 2002, and is therefore one of the leaders in this relatively modern era of activity.

The Ambodilafa project is an ultramafic intrusive, which hosts both platinum and nickel-copper targets. Impala Platinum has a 51% earn-in option on the project. The western portion, previously explored by BRGM, has reported further reasonable intersections of 13.9m @ 0.45% Ni and 0.26% Cu at 243m depth, including 8m @ 0.57% and 0.2% Cu. At 260m there was an intersection of 3.8m @ 0.67% Ni and 0.25% Cu.

### **Comment**

This is further positive news for Jubilee towards the possible development of a nickel-copper sulphide resource.

Jubilee could be underwritten by the Tjate project interest alone when it has a JORC-compliant resource. It also remains a possible takeover target. Tjate 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. 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.

The share price has rallied from a downtrend to a recent low of 60.5p. We retain our **BUY** recommendation and still maintain a price target of 124p as outlined in our report *Jubilee Platinum — Deals to be Done*, 25 September 2007.

- *Julian Emery*

**Recommendation - Buy**

[www.jubileeplatinum.com](http://www.jubileeplatinum.com)