

6 May 2009
AIM: JLP
JSE: JBL
Registration number: 4459850
ISIN: GB0031852162
Jubilee Platinum Plc
(“Jubilee” or “the Company”)

Specific issue of shares for cash in terms of the deferred share agreement

1. Introduction

In announcements released by the company on 2 April and 19 June 2008, Jubilee shareholders were advised that the company had obtained approval from the Department of Minerals and Energy (“DME”), in terms of Section 11 of the Mineral and Petroleum Resources Development Act (Act 28 of 2002) (“MPRDA”), to increase its stake in the Tjate Project to 63%. Jubilee increased its stake in the Tjate Project by the purchase of A Preference shares in New Plats (Tjate) (Proprietary) Limited (“New Plats”). The consideration for this purchase was paid by the issue of 8,016,669 Jubilee ordinary shares to New Plats and New Plats minority shareholders and was approved by the South African Reserve Bank.

In being granted the Section 11 approval, Jubilee gave an undertaking to the DME to provide further ordinary shares in Jubilee to New Plats shareholders, against the achievement of certain hurdles, which include certain commercial production targets. The undertaking to issue further shares to New Plats shareholders enabled Jubilee to satisfy the economic empowerment requirements of the MPRDA and to keep to the spirit and intent of the Mining Charter. On 21 January 2009 Jubilee entered into the deferred share agreement and in accordance with the terms of that agreement the company will issue shares for cash so as to comply with its undertaking given to the DME at that time.

2. The terms of the issue of shares for cash

Jubilee has, subject to the fulfilment of the suspensive conditions set out below, entered into the deferred share agreement with the beneficiaries described in paragraph 2.1 below. In accordance with the terms the company will allot and issue new Jubilee ordinary shares to the beneficiaries as a specific issue of shares for cash at the subscription price of R1.527147 (being equivalent to 10.59p per share, assuming an exchange rate of R14.42 = GBP1), being the volume weighted average price of Jubilee shares on the JSE for the 30 trading days prior to 21 January 2009, upon achievement of the hurdles set out in paragraph 2.3 below. The subscription shares will rank *pari passu* in all respects with the existing ordinary shares of the company, which are currently in issue.

2.1 Beneficiaries in terms of the deferred share agreement

The beneficiaries in terms of the deferred share agreement are the shareholders of New Plats, namely:

Tiego Moseneke;
Gopolang Makokwe
Pilwe Youth Group (trading as Crystal Ball Properties 23 (Proprietary) Limited (“Pilwe”);
Mafath’u Mining Close Corporation (“Mafath’u Mining”); and
ENERGYINC (Proprietary) Limited (“Energy Inc.”).

2.2 Hurdles for issue of shares to the beneficiaries

In terms of the deferred share agreement the following hurdles have to be achieved by, or in relation to Tjate Platinum, sequentially in order for the beneficiaries to qualify for the issue of shares to them as set out in 2.3 below:

Hurdle number 1

Renewal of the Converting Prospecting Right no. PR299/2006 in December 2008, or such later date as may be mutually agreed. This hurdle has been achieved.

Hurdle number 2

Production of bankable feasibility study in respect of Tjate Project indicating a 25% internal rate of return and a net present value of US\$550 million at a 10% discount rate. Hurdle number 2 will be deemed to have been achieved on 1 July 2009.

Hurdle number 3

The grant of a Mining Right in terms of section 23(1) of the MPRDA.

Hurdle number 4

The commencement of commercial production in respect of the Mining Right granted in terms of Hurdle number 3. In terms of the deferred share agreement Hurdle number 4 shall be deemed to have been achieved if Tjate Platinum has raised all the funds required by it to establish a mine in respect of the Mining Right and concluded the agreements necessary to commence with the construction and development of a mine in respect of the Mining Right.

2.3 Issue of shares to beneficiaries

Upon achievement of each of the hurdles set out in paragraph 2.2 above 4,960,978 new Jubilee shares will be issued to the beneficiaries in the following ratio:

| | |
|-------------------|------------------|
| Tiego Moseneke | 1,736,342 |
| Gopolang Makokwe | 1,736,342 |
| Mafath'u Mining | 496,098 |
| Pilwe Youth Group | 496,098 |
| Energy Inc. | <u>496,098</u> |
| Total: | <u>4,960,978</u> |

This will result therein that upon achievement of Hurdle number 4 the company will have issued 19,843,912 new Jubilee shares to the beneficiaries in 4 tranches of 4,960,978 Jubilee shares each and that the beneficiaries will be entitled to have received the following number of Jubilee shares in terms of the deferred share agreement:

| | |
|-------------------|-------------------|
| Tiego Moseneke | 6,945,368 |
| Gopolang Makokwe | 6,945,368 |
| Mafath'u Mining | 1,984,392 |
| Pilwe Youth Group | 1,984,392 |
| Energy Inc. | <u>1,984,392</u> |
| Total: | <u>19,843,912</u> |

3. Shareholder approval and related party

Mr. Gopolang Makokwe is a director of Tjate Platinum (Proprietary) Limited and as such is a related party in terms of the Listings Requirements of the JSE Limited. An issue of shares for cash to Mr. Makokwe requires the approval of Jubilee shareholders in general meeting. As the issue price of the shares is the 30 day volume weighted average price of Jubilee shares on the JSE for the 30 trading days prior to date of the last signatory of the deferred share agreement no fairness opinion is required.

Hurdle 1 has been achieved and an amount of 3,224,636 new Jubilee shares were issued to the beneficiaries other than Mr Makokwe, who are public shareholders, in terms of the company's general authority to issue shares for cash, granted at its annual general meeting on 26 November 2008.

The approval sought from shareholders relates to the issue of 1,736,342 new Jubilee shares to Mr Makokwe for the achievement of hurdle 1, as well as the issue of the remaining 14,882,934 new Jubilee shares to all the beneficiaries relating to the achievement of hurdles 2, 3 and 4 in 3 tranches at future dates in terms of the deferred share agreement.

The issue of shares to the beneficiaries for cash as set out above requires approval of an ordinary resolution passed by a 75% majority of the votes cast by all ordinary shareholders, excluding the related party, present or represented by proxy and able to vote at the general meeting.

4. Condition precedent

The transaction is subject to approval thereof by the requisite majority of Jubilee's shareholders at the general meeting and the achievement of the remaining hurdles in the manner set out in 2.2.

5. Pro forma financial effects

The table below illustrates the unaudited *pro forma* financial effects of the transaction on Jubilee based on the published unaudited interim results for the six months ended 31 December 2008. The preparation of the unaudited *pro forma* financial effects is the responsibility of the directors of Jubilee. The unaudited *pro forma* financial effects have been prepared for illustrative purposes only to provide information on how the transaction may have impacted on Jubilee's results and financial position and, due to the nature thereof, may not give a fair reflection of Jubilee's results and financial position. The reporting accountants' limited assurance report on the financial effects will be set out in Annexure I to the circular referred to in paragraph 6 below.

| | Published | | Pro forma |
|---|-------------|-------------|-----------|
| | Before | After | % Change |
| Headline earnings (£'000) | (396) | (2,156) | (444.4) |
| Basic loss per share (p) | (0.37) | (1.73) | (367.6) |
| Diluted loss per share (p) | (0.36) | (1.69) | (369.4) |
| Headline loss per share (p) | (0.37) | (1.73) | (367.6) |
| Diluted headline loss per share (p) | (0.36) | (1.69) | (369.4) |
| Net asset value per share (p) | 32.71 | 28.49 | (12.9) |
| Tangible net asset value per share (p) | 8.63 | 7.50 | (13.1) |
| Number of shares in issue | 113,013 291 | 129,632 567 | 14.7 |
| Weighted average number of shares in issue | 108,150 721 | 124,769 997 | 15.4 |
| Diluted weighted average number of ordinary shares in issue | 110,995 721 | 127,614 997 | 15.0 |

Notes:

1. The figures in the "Before" column have been extracted without adjustment from the published unaudited interim results for the six months ended 31 December 2008.
2. The figures in the "After" column assume that:
 - a. The transaction was implemented on 1 July 2008 for earnings purposes. The basic loss per share, diluted loss per share, headline loss per share and diluted headline loss per share are adjusted for a once-off IFRS 2 charge of £1,759,981 relating to the issue of shares for cash; and
 - b. The transaction was implemented on 31 December 2008 for balance sheet purposes. Transaction costs of R374,740 converted at an exchange rate of R13.7044/£, being the closing exchange rate on 31 December 2008 have been written off against share premium.
3. The percentage change has been calculated on rounded numbers.

6. General meeting

A circular convening a general meeting of shareholders to approve the specific issue of shares for cash will be posted to shareholders shortly.

For further information please contact:

Colin Bird

Jubilee Platinum plc
Tel +44 (0) 20 7584 2155

Nick Rome/Michael Kinirons

Bishopsgate Communications Ltd
Tel +44 (0) 20 7562 3350

Andrew Sarosi

Jubilee Platinum plc
Tel +44 (0) 1752 221937

Jan Bosch/Paul Brett

Investec Bank UK Limited
Tel +44 (0)20 7597 5000

