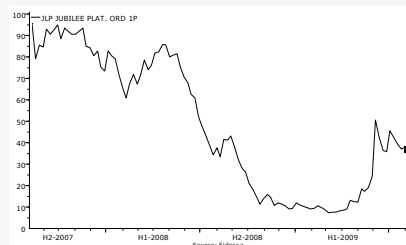


7 August 2009

Code	JLP
Price	37p
Pro-forma market cap	£83m
Year End	30 June
Pro-forma shares in Issue	233m
Next Results	Interims - September

Share price Performance



Source: Fidessa

Company Description

Platinum and nickel developer in South Africa and Australia

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Helter smelter, what a belter!

Acquisition & equity placing

Jubilee Platinum has raised £13.25 million in new equity conditional upon the successful acquisition of Braemore Resources. Successful completion will provide near term cash flow and a proven smelting process that will help to unlock more value from Jubilee Platinum's development projects. We value the enlarged company, post placing, at 86 pence per share.

- ▶ **Jubilee has acquired Braemore via an all share transaction**, via the issue of 1 new Jubilee share for every 15.818 Braemore shares.
- ▶ **Additional funds allow investment to be accelerated.** The placing raised more than management originally anticipated and allows the company to step forward with its investment programme. This is expected to result in the accelerated development of the Braemore Resources ConRoast smelter programme.
- ▶ **Revenue from the existing 3.2MW ConRoast smelter should start in September.** Near term, the smelter is expected to break even until the start of 2010 when commissioning of the upgraded design should be finished. Assuming plant throughput, concentrate grades and operating costs match our forecasts, the smelter should produce an operating profit of \$250K per month throughout 2010 at a 6PGE+Au basket price of \$939 per ounce.
- ▶ **ConRoast processing route enhances Tjate's value.** After adjusting PGE and base metal payability from 81 per cent and 75 per cent respectively to 98 per cent and, for the cost of building and operating a 7.5MW ConRoast smelter, we find our base case NPV for Tjate increases by \$160 million (24 per cent). This is compared to our alternative case which was selling Tjate's PGE concentrate for smelting at reduced metal payability. We believe that the benefit to Tjate alone justifies the acquisition.
- ▶ **Board strengthened with BEE credentials.** An important addition to the Jubilee Platinum Board will be Dr Matthews Phosa, who will be the new deputy chairman. Dr Phosa is a well connected, high ranking ANC official and a member of the party's National Executive Committee.

Forecasts (£000s)

30 June	2008A	2009E	2010E	2011E
Data				
Revenue	--	--	11,826	35,478
EBITDA	(4,765)	(1,000)	390	4,120
PTP	(4,076)	(1,550)	330	4,050
Tax rate	--	--	--	--
EPS (pence)	(3.45)	(0.74)	0.13	1.54
Ratios				
EV/Sales	--	--	7.2	2.4
EV/EBITDA	(0.01)	(0.07)	0.22	0.02
P/e	--	--	--	24.6

Investment summary

We initiate coverage on Jubilee Platinum at an important juncture on the company's path to becoming a producer of PGEs (Platinum Group Elements). Should the acquisition of Braemore Resources be successful, Jubilee Platinum would be repositioned to control more of the downstream PGE value chain and offer a value added product for final refinement. Projects which we currently ascribe material value to are the Tjate platinum development project in South Africa's Bushveld Complex, the ConRoast smelter project in Johannesburg, and two nickel tailings projects in Western Australia.

Sum of the parts valuation suggest considerable upside to current share price

Our valuation of the combined group, plus placing proceeds, at 86 pence per share takes into account current uncertainty as to the future direction of commodity prices. We have been conservative and have not increased our prices to reflect widely expected buoyant future prices over the long term as we want the market to see how well the assets stand up in the current economic climate. This should give potential investors confidence that the assets justify further development.

A timely acquisition in a rapidly consolidating sector

Current smelting capacity in South Africa is increasingly acting as a cap on PGE production expansion. We believe that new processing flow sheets which allow the re-treatment of chrome-rich tailings are acting as the principle driver for consolidation. ConRoast is one such processing flow sheet that has successfully demonstrated its ability to treat ore with a high chrome content.

Synergies present and correct

In acquiring Braemore Resources, Jubilee Platinum is effectively killing two birds with one stone. Firstly, it secures the ConRoast process for its world class Tjate platinum project which will shortly begin its pre-feasibility phase of development. Secondly, ConRoast can be developed to treat chrome-rich tailings on the Western limb of the Bushveld complex as Sylvania Resources is successfully doing, predominantly on the Bushveld's Eastern limb. Although we have conservatively assigned zero value to Jubilee Platinum's tailings project, we expect an agreement to be signed shortly and would consider this as a catalyst for a share price rerating.

ConRoast exclusivity extended to 2020

Further reassurance was provided in an announcement made on 1 July over the rights Braemore Resources' has to use the ConRoast process flow sheet. Under the revised agreement with Mintek, the owner of the rights to the flow sheet, Braemore Resources is able to commercially exploit ConRoast, on a worldwide exclusive basis, until 2020. A payment of R18 million to Mintek remains outstanding which Jubilee Platinum has elected to pay on Braemore Resources' behalf. The payment must be made no later than 30 September.

From hunter to hunted?

With the number of junior miners owning large undeveloped primary deposits of PGEs declining steadily year on year, we believe that Tjate will increasingly stand out as an attractive target for a major platinum miner to acquire. However our valuation, which uses capital and operating costs from a large platinum mine currently in the construction phase, shows Tjate to be an economically viable standalone mine at current PGE prices and exchange rates.

Jubilee Platinum*

Helter smelter, what a belter!

Placing details

The company has issued 44.167m new shares via a placing at 30p raising £13.25m of cash. Combined with the new shares issued as part of the Braemore deal (49.9m shares) results in the number of shares in issue rising to a proforma 233.075m.

The placing raised more funds than originally intended and as a result the additional funds may enable the company to bring forward its investment plans. In particular we anticipate that the company will accelerate phase II investment into the ConRoast programme. This should result in the group generating increased profitability sooner.

Valuation summary

Sum of the parts values the enlarged group at 86 pence per share

We have arrived at our valuation by creating attributable cash flow models of each project and discounting them back to the present. We then applied a trading discount to each project to reflect remaining project execution risk. As both discounts are subjective, we provide a range of discounts in both cases to show relative value.

Table 1: Sum of the parts value per share

Project	Risked attributable NPV (£m)	Valuation per share	Comment
Tjate (with ConRoast)	£130	55.8 pence	ConRoast process increases the NPV of this world class platinum development project by 24 per cent
ConRoast 3.2MW smelter	£19	8.2 pence	Capacity will double to 2,000 tonnes per month from September but performance will depend on operating costs and PGE concentrate grade.
Leinster	£15	6.4 pence	Project economics suffer from the cost of building a dedicated acid plant. Costs need reducing to justify development at the current nickel price.
Kambalda	£15	6.4 pence	Lower capex than Leinster as no acid plant is required. ROI potentially higher, but project still at a relatively early stage of development.
Cash	£21.2	9.1 pence	Jubilee Platinum has proforma £21.2 million in cash post placing
Total	£200	86 pence	

Exchange rate: US\$1.00 = £1.60 Pro-forma shares o/s: 177 million
Source: FinnCap

Our valuation consists of a series of matrices showing the sensitivity of each project to various variables in order to identify operational risk. In each matrix, we provide a base case set of variables to reflect what we believe to be the current state of play. Except where stated, all variables were assumed as constants for the life of each operation.

As expected, we found that, in all cases apart from the ConRoast smelter, commodity prices and local currency relative to the dollar were the most sensitive variables. Our base case commodity price assumptions reflect the prices realised so far this year but we have provided a range of prices to show future upside and the point when each project becomes marginal.

Unpacking the numbers

South Africa – Tjate platinum project

Our fair value for Tjate is arrived at using a discount rate of 5 per cent and a further discount to NPV of 75 per cent to proxy remaining project execution risk. A 5 per cent discount rate allows Tjate to be compared against its South African peer group.

While some may argue that a 5 per cent trading discount is overly generous, we say that the publication of the initial resource statement on 3 June was a big step forward in proving the case for economic development.

Table 2: Tjate - Impact of discount rate and project execution risk variation

NPV(\$USm)		Project execution risk (%)			
		0%	-25%	-50%	-75%
Discount rate	0%	2,210	1,657	1,105	552
	5%	831	623	416	208
	10%	312	234	156	78

Source: FinnCap

Importantly, the drilling, from 42 holes and 154 reef intersections, provided no evidence of severe faulting, folding or potholes within the mineralisation. We think the absence of these geological ‘showstoppers’ demonstrates that Tjate’s orebody is geologically no more challenging than its peers.

ConRoast process significantly enhances Tjate’s NPV

Prior to this merger, the processing option for Tjate was to mine and process the Merensky reef alone or, if necessary, in combination with the UG2 reef. The amount of UG2 reef mined, however, was previously constrained by the levels of penalty-chrome in the metal in concentrate produced from the two reefs.

Using ConRoast would remove this constraint on chrome content thus allowing greater flexibility in the proportions of the Merensky and UG2 reefs that could be mined and processed, ideally in a single processing stream. Our analysis shows that a single processing stream, together with increased metal payability to 97 per cent outweighs the additional operating and capital cost of the ConRoast process. The results of this analysis are shown in Table 3.

Table 3: Tjate - The case for ConRoast

NPV@5% (\$USm)	6PGE+Au basket price variation						
	309	464	618	773	928	1,082	1,237
	-60%	-40%	-20%	0%	20%	40%	60%
With ConRoast	-148	181	506	831	1,156	1,481	1,806
Without ConRoast	-141	134	402	671	940	1,208	1,477
Difference	7	47	104	160	217	273	329
% difference	5%	35%	26%	24%	23%	23%	22%

Source: FinnCap

The NPV difference, in percentage terms, increases when the PGE basket price falls below our base case. We see this as important protection for Tjate’s viability in a lower PGE basket price environment.

Jubilee Platinum* Helter smelter, what a belter!

Valuation still robust despite a strong Rand and relatively low PGE prices

The results in Table 4 should be expected as dollar hegemony is currently being questioned and demand for end products using PGEs is weak. But we do not expect this to last indefinitely and, by the time Tjate reaches steady state production in 2017, we think that, on balance, PGE prices will be higher than at present.

Table 4: Tjate – impact of currency and PGE price variation

NPV @ 5% (US\$m)		Currency variation (US\$/Rand)							
		6.51 -30%	7.44 -20%	8.37 -10%	9.30 0%	10.23 10%	11.16 20%	12.09 30%	
6PGE+Au basket price variation (US\$ per ounce)	541	-60%	-383	-299	-216	-148	-81	-15	51
	618	-40%	-114	-15	83	181	279	376	474
	696	-20%	116	246	376	506	636	766	896
	773	0%	344	506	669	831	994	1,156	1,319
	850	20%	571	766	961	1,156	1,351	1,546	1,741
	928	40%	799	1,026	1,254	1,481	1,709	1,936	2,164
	1,005	60%	1,026	1,286	1,546	1,806	2,066	2,326	2,586

Source: FinnCap

Tjate less sensitive to operating and capital cost variation

The longevity of platinum mining in South Africa means that the cost of building and operating Tjate are relatively well understood by the industry. To assign a reasonable operating and capital cost profile to Tjate, we used the costs from the bankable feasibility study for the Frischgewaagd-Ledig Core project controlled by JSE-listed Wesizwe. We then adjusted the numbers to reflect the cost of the ConRoast process.

Table 5: Tjate – impact of operating and capital cost variation

NPV @ 5% (US\$m)		Operating cost variation (US\$ per tonne ore)							
		45 -30%	51 -20%	58 -10%	64 0%	70 10%	77 20%	83 30%	
Capital cost variation (US\$m)	391	-30%	1,073	1,032	991	950	909	868	827
	447	-20%	1,033	992	951	910	869	828	787
	503	-10%	994	953	912	871	830	789	748
	559	0%	954	913	872	831	790	749	708
	615	10%	915	874	833	792	751	710	669
	671	20%	875	834	793	752	711	670	629
	727	30%	836	795	754	713	672	631	590

Source: FinnCap

Although the Western limb of the Bushveld is generally considered more prospective than the Eastern limb where Tjate is located, we believe the Wesizwe costs are still representative as the deposits are at similar depths. Furthermore Wesizwe, with its separate processing streams for UG2 and Merensky ore, is likely to incur higher costs. This levels the cost playing field in Tjate's favour.

South Africa – ConRoast 3.2 MW smelter

Assuming this smelter restarts successfully in September, the company expects it to operate on a break even basis for the remainder of the year as the redesign is optimised. From the start of 2010, the supply of up to 24,000 tonnes of chrome-rich concentrate should result in the smelter returning an operating profit in the region of \$250,000 per month.

Table 6: ConRoast 3.2MW smelter - impact of discount rate and project execution risk variation

NPV(US\$m)		Project execution risk (%)			
		0%	-25%	-50%	-75%
Discount rate	0%	54	41	27	14
	5%	41	31	20	10
	10%	31	24	16	8

Source: FinnCap

We have discounted the cash flows by five per cent and added a further discount to NPV of 25 per cent to proxy the risk of the redesign and the current unsigned offtake agreements. Once the offtake agreements are signed and the redesign has been demonstrated to work successfully, we would be prepared to remove the 25 per cent discount to NPV which, as Table 6 shows, would increase the NPV by \$10 million to \$41 million.

PGE price and currency variation less influential

We believe that the absence of capital repayments for the smelter, combined with its relatively small size, contribute towards the relatively low sensitivities shown in Table 7.

Table 7: ConRoast 3.2MW smelter – impact of currency and PGE price variation

NPV @ 5% (US\$m)			Currency variation (US\$/Rand)						
			6.51	7.44	8.37	9.30	10.23	11.16	12.09
			-30%	-20%	-10%	0%	10%	20%	30%
6PGE+Au Basket price variation (US\$ per ounce)	375	-60%	-15	-12	-8	-4	-0	3	6
	562	-40%	-2	3	7	11	16	20	25
	750	-20%	9	14	20	26	32	38	44
	937	0%	19	26	33	41	48	55	63
	1,124	20%	29	38	47	55	64	73	82
	1,312	40%	39	50	60	70	80	91	101
	1,499	60%	50	61	73	85	97	108	120

Source: FinnCap

But the basket price is directly linked to the PGE split which, as the price in Table 7 suggests, is heavily weighted towards platinum. We think that there could be additional uncertainty in the basket price that Table 7 has not picked up.

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Concentrate grade and throughput are equally sensitive

The upgraded smelter will have a maximum capacity of 2,000 tonnes of concentrate per month. Assuming this is optimal capacity, we expect throughput to run at this level from the beginning of 2010.

Table 8: ConRoast 3.2MW smelter – impact of concentrate grade and throughput variation

NPV @ 5% (US\$m)		Variation in concentrate tonnage					
		14,400 -40%	16,800 -30%	19,200 -20%	21,600 -10%	24,000 0%	
Variation in 6PGE+Au concentrate grade g/t)	49	-30%	11	13	15	17	19
	56	-20%	15	18	21	23	26
	63	-10%	20	23	27	30	33
	70	0%	24	28	32	37	41
	77	10%	28	33	38	43	48
	84	20%	33	38	44	50	55
	91	30%	37	44	50	56	63

Source: FinnCap

The chrome-rich concentrate grade is arguably less certain as it comes from a third party who may not be able to guarantee quality. We would expect some variation in grade as a normal course of events but our NPV would be lower if the grade of the concentrate were to consistently be below expectations.

Operating cost could prove critical to viability

We have sensitised operating cost against concentrate as we believe these two variables could be the most important to the project's viability.

Table 9: ConRoast 3.2MW smelter – impact of variation in operating cost and concentrate grade

NPV @ 5% (US\$m)		Operating cost variation (US\$ per tonne)							
		173 -60%	198 -40%	223 -20%	248 0%	273 20%	297 40%	322 60%	
Variation in 6PGE+Au concentrate grade (g/t)	50	-60%	16	9	3	-4	-12	-20	-28
	58	-40%	30	24	18	11	5	-1	-9
	65	-20%	45	39	32	26	20	14	7
	72	0%	60	53	47	41	35	28	22
	79	20%	74	68	62	55	49	43	37
	86	40%	89	83	76	70	64	58	51
	94	60%	104	97	91	85	79	72	66

Source: FinnCap

A number of initiatives are currently underway to reduce operating costs including, with Mintek's assistance, negotiating a reduced electricity tariff.

Western Australia - nickel tailings projects

We have valued the two projects at US\$24 million each at a discount rate of 10 per cent and a further discount of 75 per cent to reflect remaining project execution risk. Although the Leinster project is the more advanced project and, despite this project's undiscounted NPV being higher than Kambalda's, Leinster suffers from a higher capital cost owing to the requirement for a purpose built acid plant.

Table 10: Kambalda - Impact of discount rate and project execution risk variation

NPV(US\$m)		Project execution risk (%)			
		0%	-25%	-50%	-75%
Discount rate	0%	386	289	193	96
	5%	194	145	97	48
	10%	96	72	48	24

Table 11: Leinster - Impact of discount rate and project execution risk variation

NPV(US\$m)		Project execution risk (%)			
		0%	-25%	-50%	-75%
Discount rate	0%	535	402	268	134
	5%	242	182	121	61
	10%	94	71	47	24

Source: FinnCap

Although both projects require substantial quantities of acid to liberate the nickel, and copper and cobalt by-products, the Kambalda project will use acid generated from BHP Billiton's mines located close by. This makes Kambalda the more attractive project in economic terms.

Despite the Leinster projects being more advanced, both projects are scheduled to begin production in 2014.

Nickel price and dollar strength are major influences on valuation

The relatively low nickel grades make both projects highly sensitive to the nickel price and strength of the Australian dollar against the US dollar. Having said this, we expect the nickel price to have strengthened from current levels by the time both projects start production in 2014.

Table 12: Leinster - impact of currency and nickel price variation

NPV @ 10% (US\$m)		Currency variation (US/AU\$)							
		1.00	1.14	1.29	1.43	1.57	1.72	1.86	
		-30%	-20%	-10%	0%	10%	20%	30%	
Nickel price variation (US\$ per tonne)	11,200	-30%	-554	-446	-362	-295	-240	-194	-155
	12,800	-20%	-399	-291	-207	-144	-96	-57	-26
	14,400	-10%	-245	-148	-77	-22	22	59	90
	16,000	0%	-115	-28	40	94	139	176	207
	17,600	10%	2	89	156	211	255	292	323
	19,200	20%	118	205	273	327	372	408	440
	20,800	30%	234	322	389	444	488	525	556

Source: FinnCap

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Table 13: Kambalda - Impact of currency and nickel price variation

NPV @10% (US\$m)			Currency variation (US\$/AU\$)							
			1.00	1.14	1.29	1.43	1.57	1.72	1.86	
			-30%	-20%	-10%	0%	10%	20%	30%	
Nickel price variation (US\$ per tonne)	6,400	-60%	-200	-181	-161	-142	-123	-104	-84	
	9,600	-40%	-133	-104	-75	-49	-27	-5	16	
	12,800	-20%	-65	-34	-5	23	52	81	110	
	16,000	0%	-13	23	60	96	132	168	204	
	19,200	20%	38	81	125	168	211	255	298	
	22,400	40%	88	139	190	240	291	341	392	
	25,600	60%	139	197	255	312	370	428	486	

Source: FinnCap

Leinster is more sensitive to grade and recovery

We find that the grade of the tailings and the percentage of nickel recovered from the process makes a significant difference to the viability of both projects.

Particular attention should be given to the tailings grade at Leinster. Although the grade is 0.43 per cent nickel for years two to five of the project's life, this is based on ore yet to be mined by BHP and placed in a tailings storage facility, the location of which has yet to be decided on, or built.

For the purpose of this valuation, we have assumed the construction of the tailings storage facility and the higher grade of tailings. But we also show, in Table 14, the possibility of this tailings storage facility either, firstly, not being constructed in close proximity to the Leinster plant or, secondly, not having a grade of 0.43 per cent nickel.

Recoveries for copper and cobalt by-products are held constant. Zinc is produced but no buyer has been found for the concentrate so we attribute no value.

Table 14: Leinster – impact of nickel tailings grade and plant recovery variation

NPV @10% (US\$m)			Plant recovery variation (%)							
			56	59	62	65	69	72	75	
			-15%	-10%	-5%	0%	5%	10%	15%	
Nickel tailings grade variation (%)	0.34	-20%	5	20	35	50	64	79	94	
	0.37	-15%	15	30	46	61	76	91	107	
	0.39	-10%	24	40	56	72	88	104	120	
	0.41	-5%	34	50	67	83	100	116	132	
	0.43	0%	43	60	77	94	111	128	145	
	0.45	5%	53	70	88	105	123	140	158	
	0.47	10%	62	80	98	117	135	153	171	
	0.49	15%	72	90	109	128	146	165	184	
	0.52	20%	81	100	120	139	158	177	196	

Source: FinnCap

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Should the project need to rely on extracting tailings from older dumps, the lower grade, over years two to five, of between 0.27 per cent and 0.33 per cent nickel, will make the Leinster project marginal at current nickel prices.

Although at an earlier stage of development, the Kambalda project has a higher consistent grade as the surrounding mining district is older than Leinster and there are more tailings dumps to select from.

Table 15: Kambalda - impact of nickel grade and recovery variation

NPV @10% (US\$m)		Nickel recovery (%)							
		56%	59%	62%	65%	69%	72%	75%	
		-15%	-10%	-5%	0%	5%	10%	15%	
Nickel grade (%)	0.33%	-20%	33	40	48	56	64	72	80
	0.35%	-15%	41	49	58	66	74	83	91
	0.37%	-10%	49	58	67	76	85	94	103
	0.39%	-5%	58	67	76	86	95	105	114
	0.41%	0%	66	76	86	96	106	115	125
	0.43%	5%	74	85	95	106	116	126	137
	0.45%	10%	83	94	105	115	126	137	148
	0.47%	15%	91	103	114	125	137	148	159
	0.49%	20%	100	111	123	135	147	159	171

Source: FinnCap

Table 15 shows Kambalda's relative sensitivity to grade and recovery as more robust than Leinster but the grade in particular is still a significant variable.

Costs favour developing Kambalda ahead of Leinster

The sensitivities in Table 16 show that the cost of building the acid plant effectively makes the Leinster project marginal. If a way can be found of securing acid for the project without the need for a purpose built plant, the valuation would improve and would warrant a revisit.

Table 16: Kambalda - impact of operating and capital cost variation

NPV @ 10% (US\$m)		Operating cost (US\$ per tonne)							
		2.6	3.0	3.4	3.8	4.1	4.5	4.9	
		-30%	-20%	-10%	0%	10%	20%	30%	
Capital cost (US\$m)	110	-30%	182	164	146	128	110	92	73
	125	-20%	172	153	135	117	99	81	63
	141	-10%	161	143	125	106	88	70	52
	157	0%	150	132	114	96	78	59	41
	172	10%	139	121	103	85	67	49	31
	188	20%	129	111	92	74	56	38	20
	204	30%	118	100	82	64	45	27	9

Source: FinnCap

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Table 17: Leinster – impact of operating cost and capital cost variation

NPV @ 10% (US\$m)		Operating cost variation (US\$ per tonne)							
		2.42	2.76	3.11	3.45	3.80	4.14	4.49	
		-30%	-20%	-10%	0%	10%	20%	30%	
Capital cost variation (US\$m)	279	-30%	257	230	203	176	149	122	95
	319	-20%	229	202	176	149	122	95	68
	359	-10%	202	175	148	121	95	68	41
	399	0%	175	148	121	94	67	41	14
	439	10%	148	121	94	67	40	13	-14
	479	20%	120	93	67	40	13	-14	-41
	518	30%	93	66	39	13	-14	-41	-68

Source: FinnCap

Although the operating costs of Kambalda are higher, the project has a higher return because of the lower initial capital outlay.

Zero value is currently necessary for some projects

While we believe the projects in Table 18 do not currently have any material value, we expect this to change as the projects develop.

Table 18: projects currently fetching zero value

Madagascar exploration	Early stage nature of exploration and high geo-political risk due to recent change of government
Maude Mining & Exploration tailings project	JV agreement with K-Plats currently unsigned. No resource statement
Mt Keith nickel tailings project	Plans at conceptual stage
ConRoast 7.5MW smelter	Plans at conceptual stage

Source: FinnCap

Corporate profile

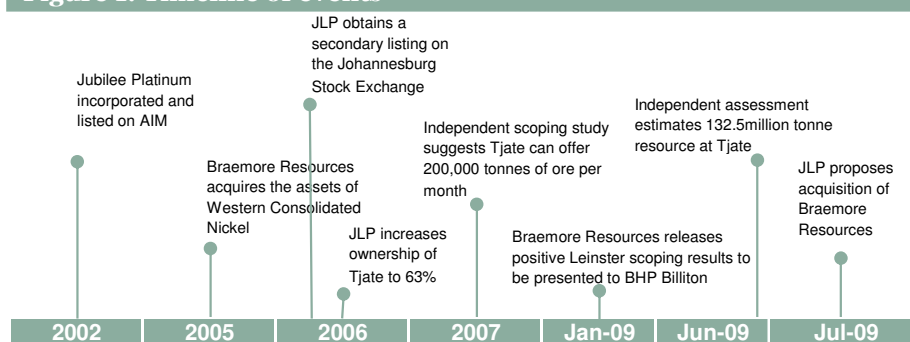
History

Jubilee Platinum was founded in June 2002, shortly before acquiring the African mining assets of Resource Development Capital Ltd. Since then, the company has steadily increased its holding in the Tjate platinum project, located on the eastern limb of the Bushveld Complex in South Africa.

In 2006, the company increased its holding in Tjate from 48%, through an option to buy a further 15%, subject to Black Economic Empowerment (BEE) stakeholders refusing their pre-emptive rights. These rights were not exercised and Jubilee's ownership rose to 63%, where it remains. The company remains fully compliant with BEE regulation.

Jubilee Platinum's interest in Tjate is held through its wholly owned subsidiary, Windsor Platinum Investments. Besides operating through local subsidiaries, in South Africa and Madagascar, the company has a history of forming joint ventures. This has enabled Jubilee Platinum to dilute at a project level rather than an equity level.

Figure 1: Timeline of events



Source: FinnCap

In November 2006, Jubilee Platinum obtained a second listing on the Johannesburg Stock Exchange, so as to gain access to South Africa's consolidating platinum sector. No new shares were issued, although the Chief Executive, Colin Bird, released three million of his own shares to a South African institution.

Key management

Non-Executive Chairman: Malcolm Burne has extensive board experience, having been the Executive Chairman of Australian Bullion Company, when it was Australia's largest precious metals dealer. Mr. Burne has acted as Director to more than 20 companies, having begun his career as an equity analyst and a journalist for the Financial Times. Currently, he is also the Chairman of AIM-listed Golden Prospect Precious Metals, with whom Jubilee Platinum holds a joint venture in Sierra Leone. Mr. Burne owns 300,000 Jubilee Platinum shares, or 0.27% of those in issue.

Chief Executive: Colin Bird has collected considerable mining expertise, having held senior positions at Anglo American and Costain Mining. His confidence in the prospects of Jubilee Platinum are amply demonstrated by his 3.3% holding of the company's stock, totalling 3.7 million shares.

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Technical Director: Andrew Sarosi brings notable technical mining experience to Jubilee Platinum's management, particularly on the metal processing side. Having been the senior metallurgist at Amax Hemerdon Ltd, he has held managerial positions in mines producing gold, tungsten, tin and base metals. Mr. Sarosi has worked on projects in Ethiopia, South Africa and Saudi Arabia.

Table 19: Jubilee Platinum current board of directors

Non-Executive Chairman	Malcolm Burne
Deputy Chairman	Dr. Mathews Phosa
Chief Executive	Colin Bird
Technical Director	Andrew Sarosi
Director and Manager of Dump Retreatment	Eduard Victor
Director and Managing Director of Smelting and Refining	Leon Coetzer
Non-Executive Director	Chris Molefe
Finance Director	Raju Samtani

Source: Jubilee Platinum

Key investors

Table 20: Top 10 shareholders as of 26 June 2009

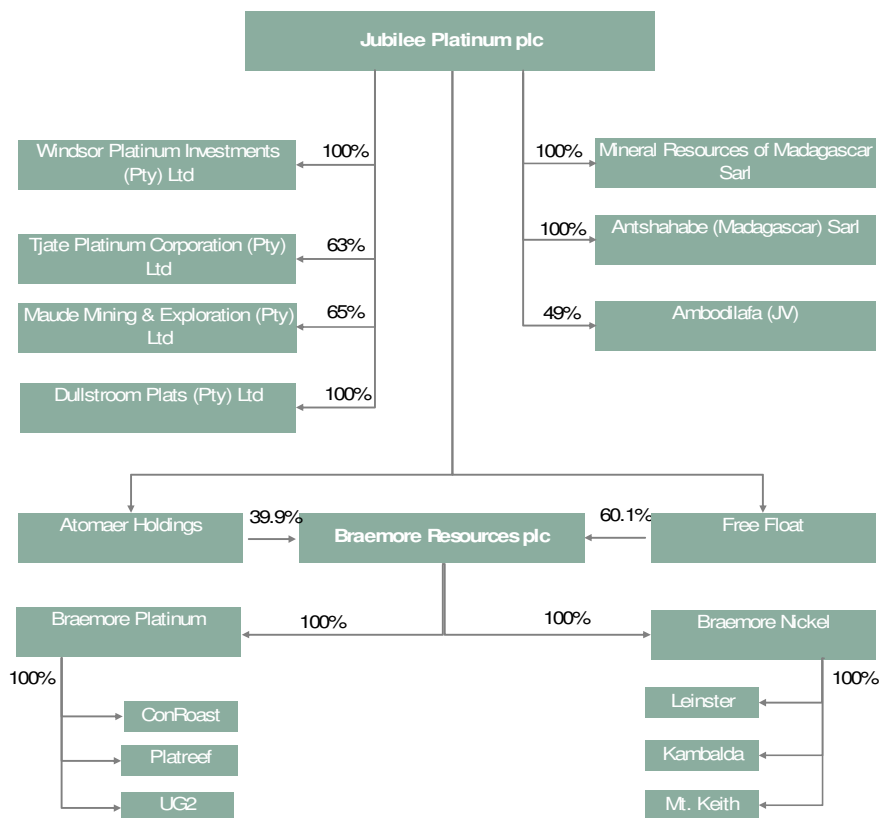
Holders Below Threshold	11.35%
Barclays stockbrokers nominees	6.99%
JP Morgan Natural Resources	6.56%
Best Asset Class	6.36%
Selftrade	6.07%
Waltt International	4.68%
Individual & Private clients	4.68%
Waterhouse Securities	4.65%
Halifax Share Dealing	4.39%
Fidelity Investments	3.54%

Source: Argus Vickers

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Corporate structure

Figure 2: Structure of enlarged group



Source: FinnCap

Financials

Table 21: Pro-forma income statement				
GBP (000s)	2008A	2009E	2010E	2011E
Revenue	--	--	11,826	35,478
Operating costs	--	--	(9,961)	(29,883)
Administration expenses	(4,288)	(525)	(1,000)	(1,000)
Share-based payments	(476)	(475)	(475)	(475)
EBITDA	(4,765)	(1,000)	390	4,120
Depreciation & amortisation	(32)	(50)	(60)	(70)
EBIT	(4,797)	(1,050)	330	4,050
Net finance income	838	--	--	--
Impairments	--	(500)	--	--
Share of operating loss in associate	(118)	--	--	--
PBT	(4,076)	(1,550)	330	4,050
Tax	--	--	--	--
Profit (loss) after tax	(4,076)	(1,550)	330	4,050
Attributable to: -				
Equity holders	(3,332)	(1,318)	281	3,443
Minority interest	745	(233)	50	608
EPS (pence per share)	(3.45)	(0.74)	0.13	1.54

Source: FinnCap

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Table 22: Pro-forma balance sheet				
GBP (000s)	30-Jun-08	30-Jun-09	30-Jun-10	30-Jun-11
Non current assets				
PPE	96	72	242	672
Intangible assets	6,474	26,950	27,562	28,562
Investments in associates	7,883	--	--	--
Other receivables	1,311	1,714	1,714	1,714
Total non current assets	15,763	28,736	29,518	30,948
Current assets				
Trade receivables	5,315	787	987	1,287
Other receivables	1,311	1,839	1,839	1,839
Cash at bank and in hand	9,234	7,907	21,380	24,825
Total current assets	15,859	10,533	24,206	27,951
Current liabilities				
Payables	378	1,237	1,637	2,287
Total current liabilities	378	1,237	1,637	2,287
Net assets	31,245	38,032	52,087	56,612
Equity				
Share capital	1,050	1,130	1,130	1,130
Share premium	33,338	38,768	52,493	52,968
Other reserves	1,401	4,313	4,313	4,313
Retained earnings	(6,373)	(8,114)	(7,833)	(4,390)
Parent Interest	29,415	36,097	36,853	40,770
Minority Interest	1,829	1,935	1,984	2,592
Total Equity	31,245	38,032	52,087	56,612

Source: FinnCap

Jubilee Platinum*
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Table 23: Pro-forma cash flow				
GBP (000s)	2008A	2009E	2010E	2011E
Loss before tax	(4,797)	(1,050)	330	4,050
Depreciation & amortisation	32	50	60	70
Impairments	79	--	--	--
Working capital	(5,053)	(105)	200	350
FX adjustments	(182)	--	--	--
Net interest received	838	--	--	--
Share-based payments	476	475	475	475
Other	1.5	--	--	--
Net cash flows from operations	(8,605)	(630)	1,065	4,945
Purchase of PPE	(81)	(11)	(230)	(500)
Proceeds from sale of PPP	12	--	--	--
Increase in loans and investments	(11)	--	--	--
Exploration expenditure	(835)	(250)	(612)	(1,000)
Net cash flows from investments	(916)	(261)	(842)	(1,500)
Proceeds from issue of new borrowings	--	--	--	--
Issue of shares and warrants	11,154	--	13,250	--
Net cash flows from financing	11,154	--	--	--
FX effects on cash flow				
Net increase (decrease) in cash	1,739	(891)	13,473	3,445
Cash, beginning of year	7,495	8,798	7,907	21,380
Cash, end of year	9,234	7,907	21,380	24,825

Source: FinnCap

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