

JUBILEEPLATINUM PLC  
(Incorporated in England and Wales)  
(Registration number 4459850)  
Share code on JSE: JBL & ISIN: GB0031852162  
Share code on AIM: JLP  
("Jubilee" or "the Company")

---

## **Jubilee increases its equity holding in Tjate Platinum Corporation (Proprietary) Limited to 48%**

---

### **1. INTRODUCTION**

Jubilee is pleased to announce that it has entered into a Sale of Shares Agreement ("Agreement") with New Plats (Tjate) (Proprietary) Limited ("New Plats") to acquire its shareholding in Tjate Platinum Corporation (Proprietary) Limited ("Tjate") ("the Acquisition") on the following terms:

- Jubilee will purchase an additional 13% stake in Tjate for R65 million to be settled by way of an issuance of approximately 7,455,642 Jubilee shares, so as to increase Jubilee's effective interest in Tjate to 48%; and
- Jubilee will have an option to purchase a further 15% in Tjate for R75 million to be settled by way of an issuance of Jubilee shares pending satisfaction of certain conditions precedent.

### **2. NATURE OF ACQUISITION**

In December 2000, Anglo American plc released the three farms that comprise the Tjate project area from its joint venture with the then Lebowa State. The Department of Minerals and Energy ("DME") sought historically disadvantaged South Africans to apply for the prospecting rights. Two separate applicants were given the rights on the condition that they formed a joint venture, the result was Tjate. In December 2004, Jubilee purchased a 35% interest in the Tjate project in the eastern Bushveld for R49 million, of which R35 million purchased a direct 25% interest in the holding company Tjate. A further R14 million was committed to a convertible note to earn-in a further 10% interest, part funding towards a full feasibility study.

Tjate, which has a converted new order prospecting right, comprises of three contiguous farms, totalling 5,143 hectares in the eastern Bushveld: namely Dsjate, Fernkloof and Quartz Hill. The farms are down dip of Impala Platinum Holdings Limited's operating Marula Platinum Group Element ("PGE") mine and Anglo Platinum plc's developing Twickenham PGE project. Jubilee has recently completed the first phase drilling of seven boreholes on the Dsjate farm. All of the boreholes, as previously reported, intersected at targeted depth of the Merensky reef and, where drilled deeper, the UG2 reef, a chromite reef in the Bushveld sequence usually containing economic values of PGE's. The Merensky reef and the UG2 reef are the two main PGE-bearing horizons in the Bushveld.

### **3. RATIONALE FOR THE ACQUISITION**

In taking this step, Jubilee has advanced its investment position in the Tjate project, one of South Africa's largest undeveloped blocks of PGEs currently under exploration, to 48%. The directors of Jubilee have been satisfied with the drilling results at Tjate to date and believe that Tjate is advancing to a pre-feasibility phase. At this stage, Tjate is considered to underpin Jubilee as an exploration company.

### **4. SALIENT TERMS OF THE ACQUISITION**

In terms of the Acquisition, the initial purchase is for 13% of New Plats' equity in Tjate for a purchase price of R65 million and is to be discharged by the issuance of 7,455,642 Jubilee ordinary shares listed on the JSE Limited ("JSE") at a volume weighted average trading price on all markets in the 30 business days preceding the signature date of the Agreement of R8.72 per Jubilee share.

This initial purchase in full, together with its original 25% equity and earn-in right to a further 10%, will result in Jubilee holding 48% of Tjate.

The shareholders in Tjate have a pre-emptive right and should the shareholders, other than Jubilee, exercise their pre-emptive right Jubilee's initial purchase will be reduced, as will the purchase price, in proportion.

The Agreement grants Jubilee an exclusive and irrevocable Call option, and New Plats an irrevocable Put option on Jubilee, to purchase in a single tranche a further 15% of New Plats's equity in Tjate for a price of R75 million. The purchase price will be discharged by the issuance of the equivalent value of Jubilee ordinary shares listed on the JSE at a volume weighted average trading price on all markets in the 30 business days preceding the signature date of the Agreement.

The Call option is exercisable by Jubilee at any stage for a period of three years, from the expiry of the 45-day pre-emptive rights period as reflected in the shareholders agreement governing Tjate. The Put option is exercisable by New Plats at any stage after 1 February 2007 for a period of two years and a further 240 days thereafter

Should the other shareholders in Tjate exercise their pre-emptive rights, Jubilee's call option will be reduced, as will the purchase price, in proportion.

To the extent that Jubilee makes an offer to acquire any other shares in Tjate from any other shareholders, New Plats agrees to waive all of its pre-emptive rights.

## 5. UNAUDITED PRO FORMA FINANCIAL EFFECTS OF THE ACQUISITION

The unaudited pro forma financial effects set out below have been prepared for illustrative purposes only to assist Jubilee shareholders to assess the impact of the Acquisition on the loss per share ("EPS"), headline loss per share ("HEPS"), net asset value ("NAV") per share and tangible net asset value ("TNAV") per share of Jubilee. The unaudited pro forma financial effects have been prepared for the year ended 30 June 2006 and are based on the reviewed International Financial Reporting Standards ("IFRS") figures for the year ended 30 June 2006 as disclosed in the Pre-listing Statement of Jubilee dated 6 December 2006.

These unaudited pro forma financial effects have been disclosed in terms of the JSE Listings Requirements and because of its nature may not fairly present Jubilee's financial position, changes in equity, results of operations or cash flows.

The unaudited pro forma financial effects are the responsibility of the directors of Jubilee and are provided for illustrative purposes only.

|                         | Audited before the<br>acquisition | Unaudited pro-forma after<br>the acquisition | Change |
|-------------------------|-----------------------------------|--|--------|
|                         | (pence)                           | (pence)                                      | (%)    |
| Basic loss per share    | (0.83) <sup>1</sup>               | (0.77) <sup>2</sup>                          | 7.28   |
| Headline loss per share | (0.83) <sup>1</sup>               | (0.77) <sup>2</sup>                          | 7.28   |
| NAV per share           | 13.00 <sup>3</sup>                | 17.00 <sup>4</sup>                           | 33.35  |
| TNAV per share          | 8.00 <sup>3</sup>                 | 9.00 <sup>4</sup>                            | 10.38  |

Notes:

1. The basic loss and headline loss per share, as set out in the "Before the acquisition" column of the table, are based on the reviewed IFRS income statement of Jubilee for the year ended 30 June 2006 and 74,355,295 weighted average number of shares in issue.

2. The basic loss and headline loss per share, as set out in the “After the acquisition” column of the table, are based on the reviewed IFRS income statement of Jubilee for the year ended 30 June 2006; the audited income statement of Tjate for the year ended 30 June 2006 ; 81,617,864 weighted average number of shares in issue; and the assumptions that:
  - the acquisition became effective at the beginning of the financial year;
  - the consideration was paid at the beginning of the financial year.
3. The net asset value and tangible net asset value per share as set out in the “Before the acquisition” column of the table are based on the reviewed IFRS balance sheet of Jubilee at 30 June 2006 and 78,648,974 shares in issue.
4. The net asset value and tangible net asset value per share as set out in the “After the acquisition” column of the table, are based on the reviewed IFRS balance sheet of Jubilee at 30 June 2006; the assets acquired in terms of this transaction; 85,911,544 shares in issue; and the assumptions that:
  - the acquisition became effective at the end of the financial year;
  - the consideration was paid at the end of the financial year.
5. Transaction costs were assumed to have been paid in cash at the end of the financial year and were capitalised.

## 6. CONDITIONS PRECEDENT TO THE ACQUISITION

The Acquisition is subject to the approval of the South African Reserve Bank and the approval of the DME.

## 7. OPINIONS AND RECOMMENDATIONS

The board of directors Jubilee is of the unanimous opinion that the terms and conditions of the Acquisition are to the benefit of Jubilee shareholders.

Johannesburg and London

12 December 2006

---

**Investment Bank and Sponsor in South Africa**  
**Corporate law advisors in South Africa**  
**Technical advisor**

---

**LOGO:** Investec Bank  
**LOGO:** Yates Corporate Law  
**LOGO:** Snowden

---