

# Tjate waits for market turnaround

Tjate, flagship project of AIM- and JSE-listed junior platinum exploration and development company, Jubilee Platinum, and located on the Western Bushveld Complex, has revealed pleasing results for its scoping study. When the economic situation turns favourably, it will fast-track a feasibility study for the development of its first mining operation. CEO Colin Bird recently outlined the economic impact on the project as well as the project attractiveness. Nelendhre Moodley reports

**Located near Impala Platinum's Marula mine and Anglo Platinum's Twickenham project, Tjate is spread across 5143ha of prime platinum property.**

The project is nearing completion of data capture for a feasibility study, and has already finished drilling 42 boreholes.

"In this uncertain climate we are reluctant to start on the mine feasibility study," Bird states emphatically, since all key assumptions are subject to excessive volatility.

On a more positive note, however, the final assay results are 'coming in' and ore resource statistics should be revealed before the end of April.

Discussing Tjate's potential, Bird says that the company will be looking at targeting a 330 000ozpa mine with a 20-year life, and with potential for further expansion. "We are targeting an 85moz resource."

The scoping study indicates the capital cost of starting the mine as \$550m, which includes sinking a deep level shaft of 1100m with the first level at 650m.

The mine will produce around 2.5mt of ore per year, and run at an operating cost of around \$42/t.

Although studies have revealed grades typical of the region of 5.5g/t, Bird is pleased with the discovery of an area where ore-body thickness is 1.8m which has surpassed original expectations of 1m.

While the markets remain uncertain, Jubilee Platinum will endeavour to 'collect and gather information' in preparation for project feasibility study.

Bird remains encouraged by the platinum price which in March 'held up well'. Once the price 'moves north of \$1250/oz', the viability of building new mines becomes more of a reality.

He is quick to point out that Tjate's break-even price would be much lower.

Meanwhile, the company is 'looking at the corporate and technical platinum space and general opportunities, particularly in the precious metals portfolio as well as nickel and copper'.

"We are looking at corporate activities, especially with



Colin Bird.

linking to strategic investments, and joint ventures that might exist."

"The junior mining world is consolidating by necessity. A lot of companies are without money and with no hope of financial bail out, and will, therefore, be forced into mergers to stay alive," Bird explains.

With cash in hand, Jubilee Platinum is 'looking around'.

In response to the question as to whether the company has identified any possible opportunities, Bird is quick to point out that Jubilee Platinum has yet to find an appropriate opportunity.

The company currently has £7.5m on hand should an appropriate opportunity present itself.

In the last two years, Jubilee Platinum's market cap has plunged from R1.6bn to R125m, however the company remains pleased that it is cash-flush in these trying times.

Bird is also investigating the potential of building a PGM extraction plant on the Western Bushveld from which PGM's will be extracted from the chrome tailings.

To further the PGM extraction plant building process, Jubilee Platinum meanwhile is considering the viability of a joint venture (JV) with local contracting company, Bauhaus.

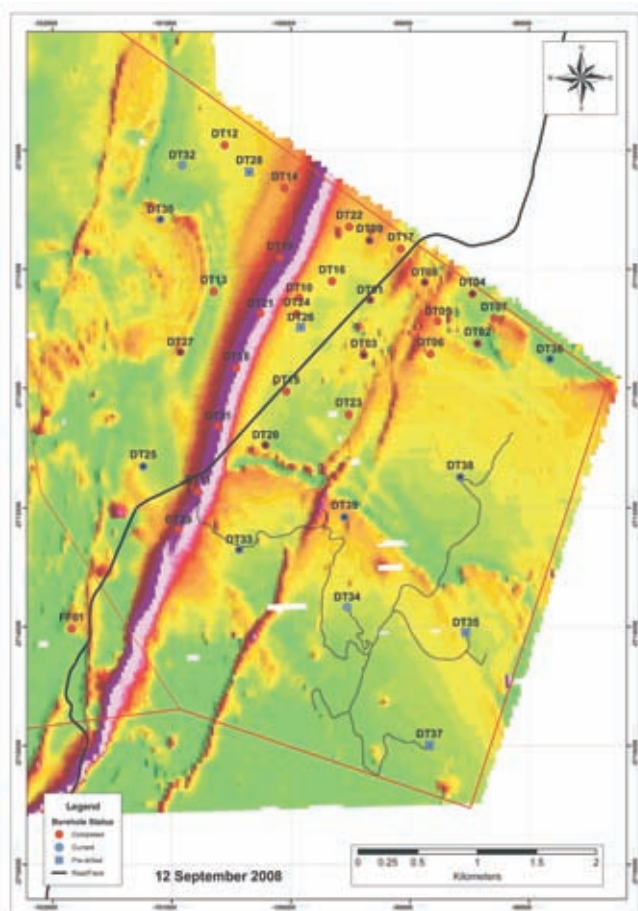
Should the JV go-ahead, then the extraction plant plan will 'take place rigorously'.

While markets are in a slump, Jubilee Platinum will continue to focus on its South African flagship project and keep its Madagascar projects on hold.

"90% of the group's activity is in South Africa," Bird remarks.

Jubilee Platinum is hopeful of capitalising on the vast untapped mineral wealth of Madagascar, where exploration activities have been limited. ○

Aeromagnetic map of the area.



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