Jubilee Metals Group PLC
Registration number (4459850)
AltX share code: JBL
AIM share code: JLP
ISIN: GB0031852162
("Jubilee" or "the Company")

Notice of Annual General Meeting
Audited results for the year ended 30 June 2018

The directors of Jubilee are pleased to release its audited results for the year ended 30 June 2018.

NOTICE OF ANNUAL GENERAL MEETING

The Company also hereby gives notice of the Company's 2018 Annual General Meeting, which will be held on 6 December 2018 at 11:00 am UK time at Fladgate LLP, 16 Great Queen Street, London, WC2B 5DG to transact the business as stated in the notice of Annual General Meeting. The Group's Annual Report for the year ended 30 June 2018 has been posted to the website, www.jubileemetalsgroup.com, with the notice of the Company's 2018 Annual General Meeting. Shareholders are advised that the Notice of Annual General Meeting, including a Form of Proxy, for the year ended 30 June 2018 has been posted to Jubilee shareholders today, 14 November 2018.

FINANCIAL HIGHLIGHTS

- Combined project revenue up 44.14% to £ 14.14 million (ZAR: 245.53 million) [2017: £ 9.81 million (ZAR 166. 97 million)]
- Combined project attributable earnings up 206% to £ 5.03 million (ZAR 86.80 million) [2017: £ 1.64 million (ZAR 28.20 million)]
- Group delivers positive cash flow from operating activities of £ 0.96 million (ZAR 17.44 million) [(2017: negative cash flow of £ 0.53 million (ZAR 9.16 million)]
- Group revenue up 44.14% to £ 14.14 million (ZAR: 245.53 million) [2017: £ 9.81 million (ZAR 166. 97 million)]
- Group operating expenses before impairments and non-cash, down 30.82 % to £ 1.92 million (ZAR 33.34 million) [(2017: £ 2.77 million (ZAR 47.87 million)]
- Group operating profit of £ 0.06 million (excluding impairments in an amount of £ 0.80 million) (ZAR: 1.04 million) [2017: loss of £ 1.67 million (ZAR 28.89 million) (excluding impairments in an amount of £ 18.57 million)]
- Group loss per share reduced by 83.63 % to 0.18 pence per share (ZAR 1.88 cents) [(2017: 1.07 pence (ZAR 18.55 cents)]

OPERATIONAL HIGHLIGHTS FOR THE PERIOD UNDER REVIEW

- Hernic Operations achieved PGM[1] production of 17 354 (2017: 808 ounces) ounces for the year, generating revenue of £ 9.5 million (ZAR 164 366 million) [(2017: £ 0.46 million) (ZAR 7.60 million)]
- DCM Operations achieved Chrome production of 46 191 tonnes (2017: 78 588 tonnes) for the year, generating revenue of £ 4.62 million (ZAR 80.05 million) [(2017: £ 9.50 million (ZAR 162.04 million)]

- DCM Operations commenced with the construction of state of the art fine chrome recovery plant with a targeted processing capacity of 300 000 tonnes per annum

- PlatCro PGM project commenced with the construction of the dewatering and classification circuit to facilitate the ramp up to 720 000 tonnes per annum of the delivery of PGM rich material to Northam Platinum's Eland Platinum operation with PGM production targeted to commence in Q1 2019

- Tjate PGM project progressed the implementation of the social labour plan with the construction of an expanded water reticulation system to service the Tjate community targeting commissioning in Q4 2018

- Jubilee executed agreement to gain sole processing rights of the Kabwe zinc, lead and vanadium project in Zambia through Kabwe Operations agreement and acquiring a 29.01% interest in BMR increasing Jubilee's effective interest in the Zambian Kabwe Project to 57.41% (91.10% post the period under review)

1= 6 Element Platinum Group Metals (platinum, palladium, rhodium, ruthenium, iridium + gold)
2= For income statement purposes conversions are at the average £:ZAR rates for the period under review and for balance sheet purposes at the spot rate as at year end. All other conversions are at rates at the time announced.

OPERATIONAL HIGHLIGHTS POST THE PERIOD UNDER REVIEW

- Hernic Operations reaches 8 551 ounces of PGM concentrate produced in first four months following the period under review (increase of 96 % compared to the similar period in 2017)

- Jubilee increases its effective beneficial interest in the Kabwe Project to 91.10% in the Kabwe Project

- DCM Operations nears completion of the state of the art fine chrome recovery processing plant targeting commissioning in Q4 2018

- PlatCro PGM project nears completion of the dewatering and classification ("Feed prep") circuit to ramp-up deliveries to Northam Platinum's Eland operations. Targeting completion of Feed prep circuit in Q4 2018 and commencing PGM production in Q1 2019

- Kabwe zinc, lead and vanadium project concludes its execution strategy, first targeting the completion of the zinc refinery prior to the lead and vanadium circuit. The zinc refinery circuit includes the potential of securing exclusive access and revamping of an existing zinc refinery circuit to accelerate the production of zinc metal

OVERVIEW

Jubilee has delivered another strong operational performance during the period under review which continued post this period.

In addition Jubilee continued to grow its project pipe line of surface metal recovery projects expanding both in South Africa and into Africa through its Zambian acquisitions. Jubilee's project pipe-line contains a diversified metals of Chrome, PGMs, Zinc, Lead and Vanadium. This project pipe-line supports Jubilee's drive to diversify its earnings generation and is well buffered against metal price fluctuations operating at the low end of the metal production cost curve in the absence of any mining related costs.

Jubilee is actively pursuing further metal recovery projects. Jubilee's brand is gaining strength on the back of our successful track record and is engaging with global mining companies to target the formation of strategic relationships.

In line with Jubilee's strategy to rapidly grow its surface metal recovery project pipe line, Jubilee has executed framework agreements and non-disclosure agreements with large global mining companies to define the metals recovery opportunities and prepare an asset waste portfolio for these companies.

The Company has successfully responded to the current challenges and risks inherent to a metals production business that also holds an exploration asset and will continue to formulate preventative measures.

JUBILEE'S METALS RECOVERY PROJECTS

HERNIC OPERATIONS – SOUTH AFRICA

The Hernic Operation targets the recovery of platinum group metals and chrome contained in surface material. The metals recovery operation avoids any exposure to mining risk.

The Hernic Operation is the second of the Company's operating platinum-bearing surface tailings projects and targets processing in excess of 600 000 tonnes tailings per year. The project has access to an estimated 3 000 000 tons of surface platinum containing material, to which Hernic continues to add further material. The project, which is estimated to contain in excess of 224 000 (3PGM + Au) ounce in the historical tailings alone, is one of the largest PGM beneficiation plant in South Africa to process surface chrome tailings. Jubilee was awarded the exclusive right to process and recover the chrome and PGM's from these surface tailings.

The Hernic Operation was constructed and commissioned within budget and on time. Key project milestones were:

- Concluded construction January 2017
- First Chrome production February 2017
- First Platinum production March 2017
- Positive project earnings from June 2017
- Consistent project earnings growth quarter on quarter reaching £1.92 million (ZAR 35.52 million) in Q3 2018 alone
- Unit cost of production below USD 400 per PGM ounce produced
- Achieved record monthly production of PGMs reaching 2 542 PGM ounces in October 2018

Jubilee strives at all times to provide a safe working environment for its employees and stake holders and achieved a safety performance for the period under review of 183 903 of no lost time injury hours worked.

The graph below depicting the quarter on quarter project performance, illustrates the continuous step improvement achieved by the project.

The Jubilee attributable earnings shows that the project turned profitable within 2 months of commencing operations and within 16 months of commencing with project capital expenditure. The Hernic Operation continues to offer further upside in the performance by targeting increased feed supply to the chrome and PGM recovery circuits.

The table below presents the operational performance of the Hernic Operation for the period under review (The Hernic Operation was commissioned during March 2017 with operations only commencing during Q2 of 2017):

	Tailings processed tonnes	PGM ounces delivered	Project revenue[1] (£'000)	Project revenue[2] (ZAR'000)	Project earnings[3] (£'000)	Project earnings (ZAR'000)	Jubilee attributable earnings (£'000)	Jubilee attributable earnings (ZAR'000)	Unit cost/ PGM ounce (USD)
Q2 2017	80 828	808	459	7.604	(110)	(1.928)	(110)	(1.928)	901
FY 2017	**80 828**	**808**	**459**	**7.604**	**(110)**	**(1.928)**	**(110)**	**(1.928)**	**901**
Q3 2017	105 673	2 943	1.539	26.581	562	9.725	562	9.725	460
Q4 2017	121 644	3 708	2.047	37.011	954	17.291	954	17.291	390
Q1 2018	110 409	4 894	2.651	44.013	1.141	18.897	1.141	18.897	430
Q2 2018	119 479	5 810	3.308	56.761	1.635	28.059	1.635	28.059	410
FY 2018	**457 204**	**17 354**	**9.546**	**164.366**	**4.291**	**73.972**	**4.291**	**73.972**	
Q3 2018	135 146	6 009	3.356	61.785	1.920	35.523	1.920	35.523	311

1= Revenue from the current project phase – 100 % attributable to Jubilee until full capital recovery. Revenue is projected based on latest average PGM market prices and USD exchange rates and results are only final once final Quotational Period has passed

2= Average monthly conversion rates used

3= Project Earnings include all incurred operational costs, management services and mineral royalties

DILOKONG CHROME MINE (DCM) OPERATIONS – SOUTH AFRICA

Jubilee's subsidiary, Jubilee Tailings and Treatment Company Proprietary Limited ("JTTC") holds the exclusive rights to beneficiate the PGMs and chrome from the platinum and chrome-containing surface material at DCM. The agreement between DCM and JTTC gives Jubilee access to more than 850 000 tons of surface material containing an estimated 74 000 ounces 4E PGM (elements platinum, palladium, rhodium and gold).

During the period under review, and in an ongoing co-operation with DCM, Jubilee executed a new framework treatment of tailings and chrome ore agreement ("New Agreement") with DCM, thereby cancelling and superseding all existing agreements in respect of chrome processing and PGM recovery at DCM. The New Agreement transforms Jubilee's DCM operations as an equal joint venture with DCM, on all chrome ore including 3rd party chrome ore. This New Agreement now affords Jubilee the right to 50 % of all chromite earnings generated including from the processing of third party or other Chromite Ore. This New Agreement captures the growth of the DCM Project from initially Jubilee holding no rights to earnings from chromite ore at the outset of the DCM Project to a 50/50 joint venture with DCM. The New Agreement further secures Jubilee's unencumbered PGM rights from all material processed at DCM irrespective of source.

DCM Operation

The DCM operations maintained a strong safety performance achieving 219 761 of no lost time injury hours worked.

During the period under review the DCM operations produced 46 191 tonnes of saleable chrome concentrate. Jubilee expects to deplete the initial coarse recoverable chrome from the tailings material during Q4 2018. In-line with the expected reduced chrome production Jubilee commenced with the construction of a state of the art fine chrome recovery circuit targeting the fine chrome available in the approximate 1 000 000 tonnes of surface material. This new highly automated circuit is targeted to commence commissioning during Q4 2018 ramping up to a processing rate of 300 000 tonnes per annum. The fine chrome circuit will be an industry first and Jubilee expects to deploy the solution to its other operations. If offers the unique benefit of targeting the recovery of chrome previously discarded to the waste streams which opens a new potential source of chrome.

During the period under review the DCM operations performed to plan with its second full year of operation despite challenging market conditions and pressure on the chrome price. Jubilee looks forward to bringing its new fine chrome recovery plant into full operation during the first quarter of 2019.

The table below presents the operational performance of the DCM operations for the period under review:

	Chromite concentrate produced tonnes	Project revenue (£'000)	Project revenue[1] (ZAR'000)	Project earnings[2] (£'000)	Project earnings (ZAR'000)	Jubilee attributable earnings (£'000)	Jubilee attributable earnings (ZAR'000)
Total Q3 2016	26 848	2.141	38.368	1.581	28.320	587	10.505
Total Q4 2016	19 108	2.642	45.714	1.714	29.668	368	6.367
Total Q1 2017	14 973	3.372	55.224	2.407	38.862	408	6.664
Total Q2 2017	17 659	1.348	22.731	386	6.504	399	6.727
FY 2017	**78 588**	**9.503**	**162.037**	**6.088**	**103.354**	**1.762**	**30.263**
Total Q3 2017	15 134	1.129	19.526	376	6.474	381	6.562
Total Q4 2017	11 788	1.254	22.858	515	9.308	257	4.654
Total Q1 2018	9 810	1.240	20.628	243	4.033	121	2.016
Total Q2 2018	9 461	993	17.036	-47	-807	-24	-404
FY 2018	**46 191**	**4.616**	**80.048**	**1.086**	**19.007**	**736**	**12.829**

1 = Average monthly conversion rates used
2 = Project earnings include project expenditure on plant and equipment
3 = Figures as announced, which can differ from annual audited figures due to conversion at the time of the announcement being different to conversion for the whole period under review.

PLATCRO PROJECT - SOUTH AFRICA

Jubilee holds the rights to PlatCro's estimated 1 900 000 tonnes of new platinum-bearing surface material containing an estimated 2.7 g/t 4E PGMs (platinum, palladium, rhodium and gold) as well as all future platinum bearing material processed.

Jubilee entered into a processing agreement ("the Agreement") with Eland Platinum Proprietary Limited ("Eland Platinum"), a subsidiary of Northam Platinum Limited, for the further refining of the PGM rich surface material. The Agreement is on the basis that Jubilee will deliver its platinum rich PlatCro material, post chrome removal, to Eland Platinum at a targeted rate of 60 000 tonnes per month. All capital associated with the refurbishment of Eland Platinum's platinum recovery plant will be carried by Eland Platinum.

It is expected that the Eland Platinum processing plant will commence processing of the Jubilee material from February 2019 ramping up to a targeted rate of 60 000 tonnes per month at an agreed fixed processing cost. In return Eland Platinum will acquire the platinum material from Jubilee and recover the contained PGMs at a targeted rate of approximately 2 800 PGM ounces per month. All earnings generated by the sale of the recovered PGM ounces will be shared at an agreed earning split, with Jubilee retaining a majority of the earnings.

Jubilee has commenced the construction of the dewatering and classification circuit at PlatCro to facilitate the ramp up of deliveries to Eland Platinum. The project remains on track to commence the production of PGMs during Q1 2019.

KABWE PROJECT – ZAMBIA

The Kabwe Project provides Jubilee a position in Zambia offering a potential to lead, zinc and vanadium contained in historical surface mine tailings and discards. JORC compliant lead and zinc in Kabwe Dumps is estimated at 164 000 tonnes of zinc and 272 000 tonnes of lead excluding the further significant non-JORC compliant surface resources and the contained vanadium estimated to contain 6 400 000 tonnes of lead, zinc and vanadium rich material at surface

During the period under review Jubilee acquired 29.01% of BMR and executed agreements with BMR where Jubilee would provide access to funding for the Kabwe Operations to the value of £ 300,000 to secure a 15% equity interest in Kabwe Operations held as a Preferred Share. The funding will be utilised towards the confirmation by Jubilee of the initial design, work programme and budget for construction of the Kabwe Project.

Post the period under review, the agreements for the Kabwe Project were updated ("Updated Agreements") to better align with Jubilee's role to deliver a successful project. The Updated Agreements places Jubilee in full control of the execution methodology and funding requirements to bring the project to account. In return Jubilee will hold a minimum of 87. 5% shareholding in Kabwe Operations assigned with all intellectual property developed for the execution of the Kabwe Project as well as the right to fund and execute the Kabwe Project.

Jubilee also holds a further option, at its sole election, to acquire 100% of the issued shares of EML, a subsidiary of BMR and the company that owns the Project through BMR's Zambian based EPL. BMR will hold either the remaining 12, 5% shareholding in Kabwe Operations or should Jubilee acquire EML outright a 12, 5% share of earnings generated by the Kabwe Project ("Royalty"). Such Royalty payments will only be due and payable by the Kabwe Project once Jubilee has secured a minimum of a 20% rate of return on the investment made into the Project and only once EPL or Kabwe Operations have received all generated earnings in cash.

Post the period under review Jubilee concluded the process review and project implementation strategy. The strategy includes separating the zinc and lead recovery circuits and completing first the zinc recovery circuit. The option is being considered to gain exclusive access to a nearby zinc refinery currently under care and maintenance. This option would include refurbishing the existing refinery which significantly reduces the project time line to commence production of zinc. The tailings from the zinc circuit would be fed to a new constructed lead recovery circuit for the production of a lead concentrate. The final decision on whether access to the zinc refinery can be secured is expected during Q4 2018, failing which Jubilee will accelerate the construction of a dedicated zinc recovery circuit at the EPL Kabwe property.

Jubilee further holds the right as part of the existing agreements with BMR to offer tolling refining services to future zinc ore from the large scale exploration rights also held under EPL. BMR has entered into a joint venture agreement with Galileo Resources to further the exploration of these assets. Initial drilling results have confirmed the potential of significant shallow zinc resources suited for further refining by the Jubilee proposed zinc recovery circuit.

TJATE PLATINUM PROJECT – SOUTH AFRICA

Tjate was awarded a Mining right granted 2 March 2017 for the mining of platinum group metals and associated base metals and chrome on three farms Quartzhill, Fernkloof and Dsjate totalling some 5 100 hectares, which comprise the Project. The Project covers the feasibility of the development of a medium size underground mine to extract the Merensky and UG2 reefs containing platinum group minerals, chromite and other associated metal ores. The Project property's farms are down dip of Impala Platinum's operating Marula platinum mine and of Anglo Platinum's developing Twickenham platinum mine.

Jubilee commissioned an independent review and update of the project and economics in order to assess the most suitable and appropriate way forward for the project.

Jubilee on behalf of Tjate has progressed with the implementation of the Social Labour Program during the period under review. The activities included the construction of an expanded water storage reticulation system to service the Tjate community.

CHAIRMAN'S STATEMENT

Dear shareholder,

Our stated mission is to establish Jubilee as a leading global player in the recovery of metals from surface material previously regarded as waste or discard by applying project appropriated cutting edge metallurgical solutions. This mission, while remaining free of any mining risk, secures Jubilee access to low capital, quick to market projects diversified across metals and country. Reflecting on the period under review I am proud to report that Jubilee has demonstrated it progress in delivering this mission. We responded aggressively to market dynamics by solidifying our existing earnings generative projects and focussing on efficiencies to fully capture the benefit from strong palladium and rhodium prices included in the PGMs produced, while diversifying our project portfolio to include the energy associated metals such as vanadium and zinc in Zambia.

The year under review has seen significant progress made by Jubilee both operationally, delivering record earnings and associated PGM ounces, as well as strategically with Jubilee expanding its operational footprint and diversifying into energy related base metals associated with acquisition of the Kabwe project in Zambia.

Our Hernic operation's quarterly published results confirmed the project as one of the premier projects in the arena achieving a unit cost per PGM ounce produced of below USD 400. Hernic delivered 17 354 ounces for the 12 months period of under review. At the time of writing this report, the Company has announced the monthly production of PGMs for October alone this year to be some 2 542 ounces, which is in excess of the forecasted production rate.

At our DCM operation, we announced on 5 September 2017 a new partnership agreement with DCM. The agreement gave Jubilee an increase from 0 to 50 % in all chrome produced from the DCM operation and also extended Jubilee's sole right to all PGMs from material at DCM irrespective of source.

With the depletion of coarser chrome in the surface stock Jubilee commenced the construction of a state of the art fine chrome recovery circuit targeting the recovery of the significant quantity of fine chrome remaining in the more than 1 000 000 tonnes surface stock at DCM. We anticipate that the fine chrome recovery project will be commissioned during the 4th quarter 2018. The completion of this project is expected to significantly enhance revenues and earnings from the DCM Project. The DCM fine chrome recovery plant will capture chrome currently being lost prior to the introduction of the capability. This loss is common to the industry and the Company considers this process capability to be generally marketable within the chrome industry of South Africa.

The Company has aggressively pursued its decision to provide a country and commodity hedge. The first move in this direction was with the BMR in Zambia. BMR's Zambian subsidiary, Enviro Processing Limited, holds the rights to the secondary materials at the former Kabwe mine in Zambia. The initial intent was to joint venture with BMR, with Jubilee providing the expertise and initial financing to develop a small plant, with Jubilee enjoying a 40 % share of profits.

We announced on 15 January 2018 that we had acquired a 29.01 % in the enlarged issued share capital of BMR. The effect of this acquisition was to increase our overall beneficial interest in the Kabwe Project to 51.41 %. This decision was inspired by our confidence in the Project and its potential future opportunities. The holding in BMR was supported by our intent to make other dump and secondary material acquisitions in Zambia using BMR as our initial footprint and platform for progression.

On 7 February 2018 we were advised by BMR that the Zambian government had terminated, with immediate effect, BMR's mining right to the Kabwe operation with 30 days to appeal. Jubilee and BMR worked diligently together in an appeal to reinstate the license and announced on 5 April

2018 that the license has been reinstated, effective immediately, by the Minister of Mines and Mineral Development. This reinstatement of the mining license paved the way for Jubilee and BMR to commence joint execution of the Project. Post balance sheet, Jubilee announced that it had gained full control of the Kabwe Project by increasing its stake to 87. 5 % with an option to acquire 100 % of the Kabwe Project, while BMR retains a maximum of 12.5 % of generated earnings after Jubilee has first secured a return on its project capital. The Jubilee board is convinced that this acquisition will represent a major step in its stated mission to take its brand into the global arena. The mission being, to secure projects, which are low risk with high operating margins and no exposure to mining or exploration risk. In pursuing this mission, Jubilee have assembled an enviable project pipeline ranging across a range of commodities and secondary material types. A number of projects have advanced to final negotiation stage and we look forward to further announcements in this regard in the near future.

One of the key necessities to pursue this mission is that of finance and to this end, Jubilee secured a USD 50 million project funding agreement as announced on 9 August 2017. The key feature of this funding is that it will be directed at asset level and will be drawn down based on individual project criteria. This initial funding arrangement is for a 33 month period with options to extend and/or increase the level of commitment. Jubilee has been active throughout the year in establishing a network of various institutional individual investors who recognise the brand and management vision in respect of dump and secondary material treatment on a global basis.

Jubilee at the time of writing this report has the technical, engineering and financing capability to execute projects of a similar size to the projects already in our arsenal, should the fundamentals permit. Our brand and model will allow third party major resource companies to clean up their secondary material problems, receiving significant income without capital risk. The strength of this model is supported by the level of enquiry and interaction currently being experienced by Jubilee in this particular field.

I firmly believe that 2019/2020 will see inflation continue, apace producing a supportive environment for commodities, with demand increasing and ability to supply being limited with the outcome of general price increases. Our project line does not require either extended time or capital to implement new projects and as such we will be able to take full and quicker advantage over companies who have to embark upon primary mining activities to meet the new metal demand.

On 21 June 2018 we announced the retirement of Andrew Sarosi from the board. The decision of Andrew Sarosi to step down from the board was a sad moment in the Company's history since his untiring efforts, intellectual contribution and sheer hard work will be sorely missed. We wish Andrew Sarosi well in his retirement and we thank him for his exemplary contribution. Andrew Sarosi has been replaced by Dr Evan Kirby, who has a wide experience in our industry and has operated in a senior level therein. Like Andrew, Dr Kirby is a metallurgical engineer and therefore his contribution will have significant impact on decisions being made going forward. We welcome Dr Kirby to the board.

Finally, I would like to thank everyone concerned with the sterling effort, which has produced two highly cash generative projects and a pipeline of enviable future investments. I look forward to the next year producing even stronger earnings and several of our pipeline project being consummated.

Colin Bird

Group annual financial statements
Group statement of financial position

as at 30 June 2018

Figures in Sterling	**2018**	2017
Assets		
Non-current assets		
Property, plant and equipment	**10 364 239**	13 161 021
Intangible assets	**44 385 596**	48 166 942
Investments in associates	**2 760 966**	–
Other financial assets	**509 229**	–
	58 020 030	61 327 963
Current assets		
Inventories	**1 306 000**	44 789
Other financial assets	**424 753**	–
Current tax receivable	**15 870**	15 870
Trade and other receivables	**3 293 938**	3 222 150
Cash and cash equivalents	**6 376 153**	4 635 636
	11 416 714	7 918 445
Total assets	**69 436 744**	69 246 408
Equity and liabilities		
Equity attributable to equity holders of parent		
Share capital and share premium	**94 065 073**	87 674 940
Reserves	**21 432 114**	23 078 043
Accumulated loss	**(59 057 860)**	(57 261 760)
	56 439 327	53 491 223
Non-controlling interest	**2 363 401**	2 867 039
	58 802 728	56 358 262
Liabilities		
Non-current liabilities		
Other financial liabilities	**1 622 026**	688 000
Deferred tax liability	**5 065 422**	5 362 500
	6 687 448	6 050 500
Current liabilities		
Other financial liabilities	**1 448 664**	3 083 581
Trade and other payables	**2 497 904**	3 754 065
	3 946 568	6 837 646
Total liabilities	**10 634 016**	12 888 146
Total equity and liabilities	**69 436 744**	69 246 408

The financial statements were authorised for issue and approved by the Board on 14 November 2018 and signed on its behalf by:

Leon Coetzer
Chief Executive Officer

Company number: 04459850

Group statement of comprehensive income

for the year ended 30 June 2018

Figures in Sterling	**2018**	2017
Continuing operations		
Revenue	**14 139 510**	9 805 701
Cost of sales	**(8 672 325)**	(8 038 731)
Gross profit	**5 467 185**	1 766 970
Other income	**9 227**	348
Operating expenses[1]	**(5 416 827)**	(3 439 040)
Operating profit/(loss)	**59 585**	(1 671 722)
Investment revenue	**25 586**	18 673
Impairments	**(804 357)**	(18 570 584)
Finance costs	**(1 375 732)**	(198 565)
Share of loss from associates	**(308 451)**	–
Loss before taxation	**(2 403 369)**	(20 422 198)
Taxation	**–**	9 849 606
Loss for the year	**(2 403 369)**	(10 572 592)
Other comprehensive income:		
Exchange differences on translating foreign operations	**(2 954 327)**	6 104 352
Total comprehensive loss	**(5 357 696)**	(4 468 240)
Basic loss for the year Attributable to:		
Owners of the parent	**(2 114 713)**	(10 570 058)
Non-controlling interest	**(288 656)**	(2 534)
	(2 403 369)	(10 572 592)
Total comprehensive loss attributable to:		
Owners of the parent	**(4 892 637)**	(4 878 961)
Non-controlling interest	**(465 059)**	410 721
	(5 357 696)	(4 468 240)
Basic loss per share (pence)	**(0.18)**	(1.07)

Group statement of changes in equity
for the year ended 30 June 2018

Figures in Sterling	Share capital and share premium	Foreign currency translation reserve	Merger reserve	Share-based payment reserve	Total reserves	Accumulated loss	Total attributable to equity holders of the Group/ Company	Non-controlling interest	Total equity
Group									
Balance at 1 July 2016	**82 515 169**	**(7 133 637)**	**23 184 000**	**1 947 350**	**17 997 713**	**(46 799 126)**	**53 713 756**	**2 456 317**	**56 170 073**
Changes in equity									
Total comprehensive income for the year	–	5 691 097	–	–	5 691 097	(10 570 058)	(4 878 961)	410 721	(4 468 239)
Issue of share capital net of costs	5 159 771	–	–	–	–	–	5 159 771	–	5 159 771
Warrants issued	–	–	–	22 025	22 025	–	22 025	–	22 025
Warrants exercised	–	–	–	(632 792)	(632 792)	632 792	–	–	–
Increase in investments	–	–	–	–	–	(525 367)	(525 367)	-	(525 367)
Total changes	5 159 771	5 691 097	–	(610 767)	5 080 330	(10 462 633)	(222 532)	410 721	188 190
Balance at 30 June 2017	**87 674 940**	**(1 442 540)**	**23 184 000**	**1 336 583**	**23 078 043**	**(57 261 760)**	**53 491 223**	**2 867 039**	**56 358 262**
Changes in equity									
Total comprehensive income for the year	-	(2 777 924)	-	-	(2 777 924)	(2 114 713)	(4 892 637)	(465 059)	(5 357 696)
Issue of share capital net of costs	7 258 327	-	-	-	-	-	7 258 327	-	7 258 327
Warrants issued	(868 194)	-	-	868 194	868 194	-	-	-	-
Options issued	-	-	-	263 801	263 801	-	263 801	-	263 801
Changes in ownership interest – control not lost	-	-	-	-	-	318 612	318 612	(38 578)	280 034
Total changes	6 390 133	(2 777 924)	-	1 131 995	(1 645 929)	(1 796 101)	2 948 103	(503 637)	2 444 466
Balance at 30 June 2018	**94 065 073**	**(4 220 464)**	**23 184 000**	**2 468 578**	**21 432 114**	**(59 057 860)**	**56 439 327**	**2 363 401**	**58 802 728**

Group statement of cash flows

for the year ended 30 June 2018

Figures in Sterling	**2018**	2017
Cash flows from operating activities		
Cash used in operations	**1 406 936**	(160 100)
Interest income	**25 586**	18 673
Finance costs	**(469 548)**	(384 935)
Net cash from operating activities	**962 974**	(526 362)
Cash flows from investing activities		
Purchase of property, plant and equipment	**(195 208)**	(7 161 323)
Sale of property, plant and equipment	**9 056**	19 145
Purchase of intangible assets	**(191 743)**	(37 685)
Investment in associate	**(500 000)**	–
Loans to group companies	**–**	–
(Repayment)/receipt of loans	**(841 087)**	555 159
Advance payment for tailings material	–	(1 179 220)
Net cash from investing activities	**(1 718 982)**	(7 803 924)
Cash flows from financing activities		
Net proceeds on share issues	**4 252 950**	5 159 771
Repayment of other financial liabilities	**(3 518 298)**	(2 986 434)
Proceeds from other financial liabilities	**1 920 000**	6 135 647
Net cash from financing activities	**2 654 652**	8 308 984
Total cash movement for the year	**1 898 644**	(21 302)
Total cash at the beginning of the year	**4 635 636**	4 414 908
Effect of exchange rate movement on cash balances	**(158 127)**	242 030
Total cash at end of the year	**6 376 153**	4 635 636

NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1. Statement of accounting policies

The Group and Company results for the year ended 30 June 2018 have been prepared using the accounting policies applied by the Company in its 30 June 2017 annual report which are in accordance with International Financial Reporting Standards (IFRS and IFRC interpretations) issued by the International Accounting Standards Board ("IASB") as adopted for use in the EU (IFRS, including the SAICA financial reporting guides as issued by the Accounting Practices Committee and the Companies Act 2006 (UK). They are presented in Pound Sterling.

This financial report does not include all notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2018 and any public announcements by Jubilee Platinum PLC after that date to the date of publication of these results.

All monetary information is presented in the functional currency of the Company being Great British Pound. The Group's principal accounting policies and assumptions have been applied consistently over the current and prior comparative financial period. The financial information for the year ended 30 June 2017 contained in this report does not constitute statutory accounts as defined by section 435 of the Companies Act 2006. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditor's report on those accounts was unqualified did not contain a statement under section 498(2)-(3) of the Companies Act 2006.

2. Financial review

Jubilee reports its first profit from operations of £0.06 million compared to a loss of £ 1.67 million for the 2017 financial year. Positive cash flow from operating activities of £ 0.96 million compared to a negative cash from operations of £ 0.53 million in the 2017 financial year, confirms the cash positive performance of its current projects.

Earnings per ordinary share for the year ended 30 June 2018 were as follows:

	June 2018	June 2017
Basic loss for the year (£'000)	**(2 115)**	(10 570)
Weighted average number of shares in issue ('000)	**1 203 479**	984 780
Loss per share (pence)	**(0.18)**	(1.07)
Loss per share (ZAR cents)	**(3.05)**	(18.55)

The Group reported a net asset value of 4.49 pence (ZAR 81.49 cents) (2017: 5.04 pence (ZAR 85.54 cents) per ordinary share. Tangible net asset value for the period under review was 1.10 pence (ZAR 19.98 cents) ((2017: 0.73 pence) (ZAR 12.42 cents)).

The total number of ordinary shares in issue as at 30 June 2018 were 1 310 992 791 (2017: 1 118 360 942) shares.

Major components of the Group's operating expenses comprised the following main categories:

Figures in pound sterling	Total June 2018	Operations	Business Development	Head Office
Admin, corporate and operational costs	**288 361**	**146 466**	**16 238**	**125 657**
Consulting and professional fees	**518 146**	**185 482**	**29 951**	**302 713**
Human resources	**817 817**	**619 190**	**3 455**	**195 172**
Corporate listing costs	**137 339**	**-**	**-**	**137 339**
Loss on exchange differences	**120 437**	**92 893**	**43**	**27 500**
Travelling	**21 903**	**-**	**1 273**	**20 631**
Repairs and Maintenance	**12 273**	**10 841**	**819**	**613**
Total operating expenses before non-cash expenses listed below[1]	**1 916 276[1]**	**1 054 872**	**51 780**	**809 625**
Other non-cash operating expenses				
Amortisation, depreciation	**3 236 750**	**2 907 088**	**329 662**	**-**
Share-based payment charge – new options granted	**263 800**	**-**	**-**	**263 800**
Total operating expenses reported	**5 416 827**	**3 961 960**	**381 442**	**1 073 425**

1=Total operating expenses before non-cash expenses down 30.82 % to £ 1.92 million (2017: £ 2.77 million)

Figures in pound sterling	Total June 2017	Operations	Business Development	Head Office
Admin, corporate and operational costs	1 043 065	341 742	580 601	120 718
Consulting and professional fees	847 717	601 559	75 107	171 050
Human resources	628 695	393 942	–	234 754
Corporate listing costs	150 104	–	–	150 104
Loss on exchange differences	72 418	47 714	–	24 704
Travelling	16 633	159	–	16 474
Repairs and Maintenance	11 249	9 538	–	1 711
Total operating expenses before credit amounts and non-cash expenses listed below	**2 769 881**	**1 394 654**	**655 708**	**719 515**
Credit amounts				
Recovery of proceeds receivable from disposal of assets previously provided for as bad debts	(461 727)	-	-	(461 727)
Sub total	**2 308 154**	**1 394 654**	**655 708**	**257 787**
Other non-cash operating expenses				
Amortisation, depreciation and impairments	1 108 866	1 108 866	–	–
Share-based payment charge	22 025	–	–	22 025
Total operating expenses reported	**3 439 040**	**2 503 521**	**655 708**	**279 812**

The table above forms part of supplementary information and has not been audited.

3. Dividends

The Board did not declare any dividends for the period under review. (2017: Nil)

4. Auditor's review opinion

These results have been audited by the Group's auditors, Saffery Champness LLP and their report is available for inspection at the Company's registered office. A copy of the report is also attached to the back of this announcement as annexure 1.

5. Board

There were changes to the Board during the period under review. Mr Andrew Sarosi has resigned as Director, effective 21 June 2018 and Dr Evan Kirby was appointed as Technical Director, effective 21 June 2018.

6. Share capital and share premium

	Group	
	2018	2017
Authorised		
The share capital of the Company is divided into an unlimited number of ordinary shares of £0.01 each.		
Issued share capital fully paid		
Ordinary shares of 1 pence each (£)	**13 109 923**	11 183 609
Share premium (£)	**80 955 150**	76 491 331
Total issued capital (£)	**94 065 073**	87 674 940

The Company issued the following shares during the period and up to the date of this annual report:

Date issued	Number of shares	Issue price – pence	Purpose
Opening balance	1 118 360 942		
15 January 2018	125 000 000	3.60	Placing
19 January 2018	63 166 969	4.01	Acquisition
20 April 2018	4 464 880	10.59	Acquisition
Closing balance at year-end	**1 310 992 791**		

The Company did not issue any shares after year-end to the date of this report.

WARRANTS

At year-end and at the last practicable date the Company had the following warrants outstanding:

Number of warrants	Issue date	Issue price £s	Expiry date	Share price at issue date Pence
3 591 742	2015-08-12	0.04750	2018-08-12	4.48
8 244 825	2016-03-23	0.04725	2019-03-23	2.94
27 777 780	2018-01-19	0.06120	2023-01-19	3.55
29 166 665	2018-01-19	0.06120	2023-01-19	3.55
5 555 555	2018-01-19	0.06120	2023-01-19	3.55
2 777 778	2018-01-19	0.06120	2023-01-19	3.55
77 114 345				

7. Business segments

The operations of the Group companies comprise of four reporting segments being:

- the beneficiation of Platinum Group Metals ("PGMs") and development of PGM smelters utilising exclusive commercialisation rights of the ConRoast smelting process, located in South Africa ("PGM beneficiation and development");
- the evaluation of the reclamation and processing of sulphide nickel tailings in Australia and the development and implementation of process solutions, specifically targeting both liquid and solid waste streams from mine processes (Research and Development);
- the exploration and mining of Platinum Group Metals ("PGMs") (Exploration and mining);
- the parent company operates a head office based in the United Kingdom, which incur certain administration and corporate costs. ("Corporate")

The Group's operations span six countries, South Africa, Australia, Madagascar, Mauritius, Zambia and the United Kingdom. There is no difference between the accounting policies applied in the segment reporting and those applied in the Group financial statements. Mauritius and Madagascar do not meet the qualitative threshold under IFRS 8, consequently no separate reporting is provided.

Segment report for the year ended 30 June 2018

Figures in Pound Sterling	PGM beneficiation and development	Research and development	Exploration and mining	Corporate	Total Continuing operations
Total revenues	**(14 139 510)**	**-**	**-**	**-**	**(14 139 510)**
Cost of sales	**8 672 325**	**-**	**-**	**-**	**8 672 325**
Forex losses	**92 893**	**-**	**-**	**27 500**	**120 394**
Share of loss from associate	**308 451**	**-**	**-**	**-**	**308 451**
Loss before taxation	**952 910**	**348 840**	**30 946**	**1 070 671**	**2 403 369**
Taxation	**-**	**-**	**-**	**-**	**-**
Loss after taxation	**952 910**	**348 840**	**30 946**	**1 070 628**	**2 403 369**
Interest received	**(22 526)**	**-**	**(263)**	**(2 797)**	**(25 586)**
Interest paid	**1 375 732**	**-**	**-**	**-**	**1 375 732**
Depreciation, amortisation and impairments	**2 898 310**	**338 440**	**-**	**-**	**3 236 750**
Total assets	**25 555 593**	**14 016 052**	**25 325 043**	**4 540 056**	**69 436 744**
Total liabilities	**(5 393 954)**	**(3 305 224)**	**(1 376 573)**	**(558 264)**	**(10 634 014)**

Segment report for the year ended 30 June 2017

Figures in Pound Sterling	**PGM beneficiation and development**	**Research and development**	**Exploration and mining**	**Corporate**	**Total Continuing operations**	**Disposal Group**
Total revenues	(9 805 702)	–	–	-	(9 805 702)	-
Cost of sales	8 038 731	–	–	-	8 038 731	-
Forex losses	47 714	–	–	24 704	72 418	–
Loss before taxation	1 511 175	18 566 747	71 118	734 887	20 883 927	(461 728)
Taxation	250 303	(10 099 909)	–	–	(9 849 605)	–
Loss after taxation	1 761 478	8 466 838	71 118	734 887	11 034 322	(461 728)
Interest received	(11 609)	–	(760)	(6 304)	(18 673)	-
Interest paid	198 565	–	–	-	198 565	–
Depreciation, amortisation and impairments	1 108 866	18 554 683	15 901	–	19 679 451	–
Total assets	24 149 529	15 131 292	26 524 677	3 440 910	69 246 408	–
Total liabilities	(7 138 099)	(2 275 862)	(2 414 659)	(1 059 526)	(12 888 146)	–

8. Going concern

The Directors have adopted the going-concern basis in preparing the financial statements.

The period under review has seen Jubilee continuing to successfully develop and grow its strategy to successfully implement its Metals Recovery Strategy which is advancing to the satisfaction of the Board. Jubilee is currently evaluating a number of projects, which if concluded successfully, would enhance shareholder value and growth for the Group.

Factors in support of the Group's treasury position are listed below:

8.1 The Company has an USD10 million loan agreement secured. Jubilee has drawn down on USD5m of the total facility since inception of the loan. At the period end the amount outstanding, including fees and interest was £3.07 million (2017: £3.78 million).

8.2 On 9 August 2017 Jubilee secured a project funding facility which is modelled on the successful Hernic platinum and chrome recovery project.

8.3 In January 2018 the Company successfully completed a placing of 125 000 000 new ordinary shares of 1 pence each in Jubilee at a price of 3.6 pence (ZAR 62.62 cents) per share raising approximately £4.5 million before expenses (ZAR 75.78 million) (Conversion rates applicable on the date of the announcement being 9 January 2018).

8.4 The Group's current projects are cash generative and contributes to the treasury of the Group.

The Directors are of the opinion that the Group and Company are funded sufficiently to enable it to continue with its operations as a going concern.

9. Events after the reporting period

9.1 BMR Group Plc

On 7 February 2018, the company announced the suspension of trading of its securities on AIM. On 3 August BMR's admission to AIM was cancelled and the company converted to an unlisted public company. Jubilee's 29.01% then converted to an unlisted public investment in associate.

9.2 Kabwe Project

As announced on 2 May 2018, Jubilee executed a shareholders and operating agreement with BMR for the Kabwe Project. As announced on 6 August 2018, these agreements for the Kabwe Project were updated ("Updated Agreements") to better align with Jubilee's role to deliver a successful project. The Updated Agreements places Jubilee in full control of the execution methodology and funding requirements to bring the Kabwe Project to account. In return Jubilee will hold a minimum of 87. 5% shareholding in Kabwe Operations Limited, a company incorporated as a Joint Venture Company ("Kabwe Operations") assigned with all intellectual property developed for the execution of the Kabwe Project as well as the right to fund and execute the Kabwe Project. This, together with Jubilee's indirect interest in Kabwe Operations through its 29.01% direct shareholding in BMR, results in Jubilee holding a 91.1% interest in Kabwe Operations post year end.

Jubilee holds a further option, at its sole election, to acquire 100% of the issued shares of Enviro Mining Limited ("EML"), a subsidiary of BMR and the company that owns the Project through BMR's Zambian based Enviro Processing Limited ("EPL"). BMR will then hold either the remaining 12. 5% shareholding in Kabwe Operations or should Jubilee acquire EML outright a 12. 5% share of earnings generated by the Project ("Royalty"). Such Royalty payments will only be due and payable by the Kabwe Project once Jubilee has secured a minimum of a 30% return on the investment made into the Kabwe Project and only once EPL or Kabwe Operations have received all generated earnings in cash.

14 November 2018

Jubilee Metals Group PLC

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Annexure 1

Jubilee Metals Group Plc

Independent auditors' report to the members

Opinion

We have audited the financial statements of Jubilee Metals Group Plc for the year ended 30 June 2018 which comprise the Group and Company Statements of Financial Position, the Group and Company Statements of Comprehensive Income, the Group and Company Statements of Changes in Equity, the Group and Company Statements of Cash flows and notes to the financial statements, including a summary of significant accounting policies set out on pages 42 to 85. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2018 and of the group and parent company's loss for the period then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	**How our audit addressed the key audit matter**
Carrying value of intangible assets The carrying value of intangible assets included in the Group's balance sheet at 30 June 2018 was stated as £45.0m, contained within 3 cash generating units ("CGUs"). The Directors assess at each reporting period end whether there is any indication that an asset may be impaired and intangible assets with an indefinite life must be tested for impairment on an annual basis. The determination of recoverable amount, being the higher of value-in-use and fair value less costs to dispose, requires judgement on the part of management in both identifying and then valuing the relevant CGUs, especially for projects where the there is an uncertain timeframe. Deferred tax liabilities are recognised on certain intangible assets following business combinations and these liabilities are re-evaluated at each reporting period end. Any impairment in these CGUs could lead to subsequent impairments in the parent company investments in subsidiaries or intercompany loans to these subsidiaries. Due to the significance of the intangible assets to the consolidated financial statements, the significant judgements involved in these	Our audit procedures included the following: • Assessing whether the methodology used by the Directors to calculate recoverable amounts complies with IAS 36; • Assessing the viability of the platinum group elements ("PGE") exploration asset by analysing CGU value in use cash flows and determining whether the input assumptions are reasonable and supportable given the current macroeconomic climate; • Performing sensitivity analysis on key assumptions and testing the mathematical accuracy of models; • Challenging inputs to models including comparison with external data sources; • Reviewing correspondence and other sources for evidence of impairment; • Reviewing the recoverability of intercompany loans within the parent company and indicators of impairment in investments in subsidiaries; • Assessing the appropriateness and completeness of the related disclosures in note 9, *intangible assets*, of the group financial statements; and

calculations and the potential impact to parent company investments and intercompany loans, the carrying value of intangible assets is a key audit matter.	• Recalculating the deferred tax liability relating to specific intangible assets and assessing applicable tax rates. Based on our procedures, we noted no material exceptions and considered management's key assumptions to be within reasonable ranges.

Revenue recognition	
Revenue for the year was £14.1m, representing a significant increase on 2017. 2018 was the first full year of production at Hernic, giving increased revenue for the group. Revenue recognised is from platinum group metals ("PGM") concentrate and chromite concentrate sales. As required by IFRS as adopted by the European Union, an entity is required to recognise revenue at the fair value of the consideration received or receivable when the following conditions have been satisfied: • the entity has transferred to the buyer the significant risks and rewards of ownership of the goods; • the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold; • the amount of revenue can be measured reliably; • it is probable that the economic benefits associated with the transaction will flow to the entity; and • the costs incurred or to be incurred in respect of the transaction can be measured reliably. For the sale of chromite concentrate and PGM concentrate, revenue is initially recognised at the fair value of the consideration receivable, which is an estimate of the final sales price (see note 1.12, *revenue recognition accounting policy*, for the full revenue recognition policy). Due to the significance of revenue to the consolidated financial statements, the judgement involved in estimating consideration receivable and this being the first year of revenue generated at the Hernic project, revenue recognition is a key audit matter.	Our audit procedures included the following: • Evaluating the Group's revenue recognition policy and management's current year accounting assessment for the fair value of consideration receivable; • Confirming the implementation of the Group's policy to both PGM concentrate sales at Hernic and chromite concentrate sales at DCM by performing tests to confirm our understanding of the process by which revenue is calculated; • Confirming that fair value measurements are determined in accordance with IFRS 13; • Comparing foreign exchange rates used in management's calculations; • Substantive tests agreeing concentrates and underlying calculations to independent sources ; and • Assessing the appropriateness of the related disclosures in notes 1.12 and 3, *revenue recognition accounting policy* and *revenue split by commodity*, of the group financial statements. Based on our procedures, we noted no material exceptions and considered management's key assumptions to be within reasonable ranges. We consider that revenue recognition has been recognised appropriately and is in accordance with the Group's revenue recognition policy.

Accounting and disclosure of associates	
During the year Jubilee acquired a 29.01% interest in BMR Group Plc ("BMR") through the issue of shares in Jubilee. The value of the shares issued was £3,032,995. Jubilee also acquired 15% of Kabwe Operations (Pty) Ltd ("Kabwe"), a subsidiary of BMR through funding of £300,000. £242,000 of the £300,000 funding had been paid by the year end. The Directors are required to assess at the reporting period end whether a subsidiary relationship is created by virtue of control over the entity or if the entity was an associate due to having significant influence only. Any such judgement by the Directors must be substantiated. The Directors are also required to assess at the reporting period end if the investment in BMR is impaired. They must also identify and account for any group share of profits and losses, along with including appropriate disclosures in the annual report. In line with BMR being determined to be an associate, the interest is accounted for under the equity method. On initial recognition the investment in an associate is recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. Due to the significance of the share of the associates profit or loss to the consolidated financial statements and due to the relationship being a material business combination requiring the judgement of the Directors, the accounting and disclosure of associates is a key audit matter.	Our audit procedures included the following: • Evaluating the terms of the Share Exchange Agreement between Jubilee and BMR including Recalculating the transaction value; • Reviewing journal entries to ensure the accounting for each transaction was correct; • Challenging the basis of the Directors' impairment assessment of their investment in BMR undertaking procedures on a sample basis to understand the impact of the group's share of BMR's loss; • Testing for impairment an intangible asset held by BMR in respect of Kabwe; • Reviewing and challenging the cashflow model produced for the above intangible to ensure reasonable, including review of the assumptions used such as discount rate and expected tonnage; • Considering the expertise of external experts upon whose resource statements and reports we relied upon; • Reviewing deferred tax adjustments included in line with the impairments of assets recorded at fair value in BMR; • Recalculating Jubilee's share of BMR's consolidated loss and identifying the date from which Jubilee held an interest to understand how the adjustment had been made for the acquisition part way through the year; • Considering the accounting treatment against IAS 28 Investment in Associates and Joint Ventures; and

	Reviewing the disclosure requirements to ensure adequate disclosure was given in the financial statements. Based on our procedures, we noted no material exceptions and considered the accounting and disclosure of associates to be within reasonable ranges.
Accounting and disclosure of non-controlling interests During the year Jubilee disposed of 63 ordinary par value shares in Braemore Precious Metal Refiners (Pty) Limited ("BPMR"), a wholly owned subsidiary of Jubilee Processing (Pty) Limited. The disposal reduced Jubilee's interest in BPMR by 26.25%. The shares were purchased by Kgato Investments (Pty) Limited ("Kgato"), the beneficial owner of Kgato is Dr Nakedi Mathews Phosa a Director of the Jubilee Group. Under IFRS 10 Consolidation of financial statements, changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary are equity transactions. When the proportion of the equity held by non-controlling interests changes, the carrying amount of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the parent Per the terms of the agreement the purchase price of the shares is to be determined by the auditors of the subsidiary BPMR. As a valuation had not taken place by the reporting period end the Directors are required to assess the fair value of the shares purchased. They must also identify and account for any share of profits and losses attributable to the non-	Our audit procedures included the following: - Evaluating the terms of the sale of shares and participation agreement including recalculating the % share of Jubilee's interest in the subsidiary disposed of Reviewing the journal entries to ensure the accounting for each transaction was correct; - Reviewing and challenging the Directors valuation model used to determine the fair value of the receivable due from Kgato, including review of the discount rate used and expected revenue forecasts; - Recalculating Kgato's share of Jubilee's consolidated loss and ensuring this had been accounted for correctly in the financial statements; - Considering the accounting treatment against IFRS 10 Consolidated financial statements; and - Reviewing the disclosure requirements to ensure adequate disclosure was given in the annual report. Including specific review of the disclosures required for the related party transaction. Based on our procedures, we noted no material exceptions and considered the accounting and disclosure of both the disposal of shares and non-controlling interest to be within reasonable ranges.

controlling interest, along with including appropriate disclosures in the annual report. Due to the significance of the transaction being with a related party and requiring the judgement of the Directors in valuing the consideration due for shares purchased, the accounting and disclosure of non-controlling interests is a key audit matter.	

Our application of materiality

We apply the concept of materiality in planning and performing our audit, in evaluating the effect of any identified misstatements and in forming our audit opinion. Our overall objective as auditor is to obtain reasonable assurance that the financial statements as a whole are free from material misstatement, whether due to fraud or error. We consider a misstatement to be material where it could reasonably be expected to influence the economic decisions of the users of the financial statements.

We have determined a materiality of £600,000 (2017: £620,000) for both the Group and Company financial statements. This is based on 1% of net assets per draft financials at the planning stage.

An overview of the scope of our audit

We tailored the scope of our audit to ensure that we obtained sufficient evidence to support our opinion on the financial statements as a whole, taking into account the structure of the Group and the Parent Company, the accounting processes and controls and the industry in which the Group operates.

As Group auditors we carried out the audit of the Company financial statements and, in accordance with ISA (UK) 600, obtained sufficient evidence regarding the audit of six subsidiaries undertaken by component auditors in South Africa. These six subsidiaries were deemed to be significant to the Group financial statements either due to their size or their risk characteristics. The Group audit team directed, supervised and reviewed the work of the component auditors in South Africa, which involved issuing detailed instructions, holding regular discussions with component audit teams, performing detailed file reviews and visiting South Africa to attend local audit meetings with management. Audit work in South Africa was performed at materiality levels of £100,000, lower than Group materiality.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 32, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jamie Cassell (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP
Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

14 November 2018

Annexure 2 - Headline earnings per share

Accounting policy

Headline earnings per share (HEPS) is calculated using the weighted average number of shares in issue during the period under review and is based on earnings attributable to ordinary shareholders, after excluding those items as required by Circular 4/2018 issued by the South African Institute of Chartered Accountants (SAICA).

In compliance with paragraph 18.19 (c) of the JSE Listings Requirements the table below represents the Group's Headline earnings and a reconciliation of the Group's loss reported and headline earnings used in the calculation of headline earnings per share:

	30 June 2018	30 June 2017
	£'000	£'000
Short form reconciliation of headline earnings		
Headline loss per share comprises the following:		
Loss from operations for the period attributable to ordinary	**(2 115)**	(10 570)
Share of impairment loss of equity accounted associate	**93**	-
Impairment of other financial assets	**622**	18 371
Total tax effects of adjustments	**(200)**	(9 849)
Loss on exchange differences	**-**	72
Headline loss from continuing operations	**(1 600)**	(1 976)
Weighted average number of shares in issue	**1 203 479**	984 780
Headline loss per share (pence)	**(0.13)**	(1.07)
Headline loss per share (ZAR cents)	**(2.31)**	(18.55)
Average conversion rate used for the period under review £:ZAR	**0.05759**	0.05786

United Kingdom

14 November 2018

Sponsor: Sasfin Capital (a member of the Sasfin group)