

Jubilee Metals Group PLC  
("Jubilee" or the "Company")  
Registration number (4459850)  
AltX share code: JBL  
AIM share code: JLP  
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## **Six Month Operations Update H1 2021**

Jubilee Metals Group PLC, a leader in metals processing with operations in Africa (AIM: JLP/AltX: JBL), is pleased to announce its unaudited operational results for the six months to 30 June 2021 ("H1 2021") along with provisional unaudited operational results for the financial year ending 30 June 2021 ("FY 2021") showing a year-on-year operational earnings increase of 178 % and revenue increase of 133%.

### **Highlights**

- Combined attributable operational earning\* in H1 2021 of GBP 40.1 million (up 36% from H2 2020) resulting in a 178% year-on-year increase in combined attributable operational earnings to GBP 69.6 million for FY 2021
- Combined revenue achieved in H1 2021 of GBP 75.6 million (up 46% from H2 2020) resulting in a 133% year-on-year increase in revenue to GBP 127.6 million for FY 2021
- Revenue and earnings growth achieved during a period of substantial infrastructure investment, integration and planned operational downtime providing tremendous platform for further future growth
- Jubilee achieves its stated target of 50 162 PGM\*\* ounces for FY 2021 (up 23% compared with 40 743 ounces for FY 2020); achieved during a period which included the construction and commissioning of two new Chrome Beneficiation facilities and the commencement of the construction of the expanded Inyoni PGM operations (expected to be completed during Q3 2021\*\*\*)
- Chrome concentrate produced from chrome operations increased to 751 223 tonnes for FY 2021 (up 99% compared with 377 883 tonnes for FY 2020) on the back of increased operational capacities. This is set to increase further with the commissioning of the new Chrome Beneficiation circuit completed during Q2 2021\*\*\*\*
- Maiden earnings from Zambia copper production. Copper production reached 2 026 tonnes as part of securing operational readiness to accept first copper concentrate production from Project Roan. Project Roan's integrated copper concentrator is on track for commissioning by January 2022.
- Jubilee's Sable Refinery achieved positive earnings as part of its operational readiness activities with attributable operational earnings of GBP 3.7 million for FY 2021 compared with GBP 1.2 million for FY 2020

*\*Attributable earnings represent Jubilee's net share of operational earnings after distributions to JV partners and before development costs*

*\*\*PGM - 6 Element Platinum Group Metals including platinum, palladium, rhodium, ruthenium, osmium and gold*

*\*\*\*Period 1 July 2021 to 30 September 2021*

### **PGM Operations**

- Achieved target of 50 162 PGM ounces for FY 2021 with expanded Inyoni PGM operations set for completion during Q3 2021
- Record PGM ounce production achieved (H1 2021 contributing 21 975 PGM ounces) during a period of substantial infrastructure investment and integration across our projects nearly doubling overall chrome processing capacity to approximately 250 000 tonnes per month, while commencing with the expansion of the PGM processing capacity targeting 75 000 tonnes per month
- Commissioning of the expanded PGM final product cleaning circuit is underway with the enlarged integrated PGM processing facility targeted to commence commissioning by the end of August 2021
- During H1 2021, Jubilee secured new long term strategic PGM Supply Agreements which signals Jubilee's PGM expansion drive into the Eastern Limb of the Bushveld Complex of South Africa, where further growth opportunities in the area can be targeted
- Jubilee also acquired outright a further 255 000 tonnes of PGM containing chrome tailings (equivalent to approximate production of 12 300 PGM ounces) produced from the processing of LG6 chrome reefs, which are expected to be high in Rhodium content
- In addition, Jubilee acquired the rights to an additional 944 000 tonnes of PGM containing surface tailings (before accounting for any moisture), again in the Eastern Limb. Jubilee has commenced with the upliftment and transport of the PGM material to its Inyoni PGM processing plant, targeting to maintain a minimum rate of 30 000 tonnes per month, the equivalent of 1 600 PGM ounces per month
- The additional transport cost incurred for the transport of the Eastern Limb PGM material to Jubilee's PGM Inyoni operations located in the Western Limb region (some 400 km) is offset by the increased revenues realised by the contained higher value PGM material from the LG6 chrome reefs

### **Chrome Operations**

- Chrome concentrate produced increased to 431 390 tonnes for H1 2021 reaching 751 223 tonnes for FY 2021
- The increase in chrome concentrate production is driven by the commissioning of two new Chrome Beneficiation facilities including the new 80 000 tonnes per month Chrome Beneficiation facility near the Inyoni PGM Operations, which was fully commissioned by the end of June 2021
- This new facility consists of four integrated chrome processing units including Jubilee's Fine Chrome Recovery circuit to maximise chrome efficiencies
- The new chrome beneficiation facility follows the completion of the Windsor 8 chrome plant in October 2020 and which, combined, expands Jubilee's chrome feed capacity to 250 000 tonnes per month of both, chrome run-of-mine ore and historical tailings
- The increased chrome processing capacity directly contributes to increased PGM feed supply as a tailings stream produced from the chrome processing circuit

### **Copper Operations**

- Jubilee's fully operational Sable Refinery achieves early earnings from its copper and cobalt production as part of securing operational readiness to accept first production from Project Roan, achieving total copper production of 2 026 tonnes since being brought back into operation by Jubilee
- Jubilee's Project Roan copper project is progressing well with the commissioning of the integrated copper concentrator scheduled to commence in Q1 2022 targeting an annual production rate of 10 000 tonnes per annum

**Leon Coetzer, Chief Executive Officer, commented:** *"The Jubilee team has yet again delivered another exceptional performance, where we have achieved growth in each of our core business units; PGMs and Chrome and also generating maiden earnings from our new Zambian Copper portfolio."*

*"As we have previously reported, we have undertaken an intensive construction and commissioning phase, in particular at our PGM and Chrome operations in South Africa, where a number of projects have been initiated. We have seen the commissioning of two new Chrome Beneficiation facilities, as well as commencing with the construction of the expanded PGM Inyoni operations. While all of this work understandably has put significant pressure on day-to-day operations, I am thrilled to still be reporting further production and earnings progress. Crucially, the investment, time and effort spent in building and integrating these facilities has set a platform for tremendous potential growth opportunities."*

*"We have seen further growth in South Africa during the period under review, with a number of new long term PGM supply agreements, each of significant strategic value given their locations in the Eastern Limb of the mineral rich Bushveld complex. As well as demonstrating our ability to win and form partnerships with key chrome mining clients, these new supply agreements provide us with the opportunity to replicate the success of our Inyoni operation in the Western Limb region – which is of significant value to us in supplying a continued sustained chrome and PGM feed."*

*"Achieving our first delivery, on time, of partially upgraded copper concentrate from Project Roan to the fully operational Sable Refinery was the first major step in our commitment to achieve our targeted production of 25 000 tonnes per annum of copper within the next four years. Commissioning of the integrated copper concentrator is scheduled to commence in Q1 2022, while our second copper project, located in the Luanshya area, has completed the development programme and is concluding the detail design phase to commence shortly with the implementation programme. I look forward to keeping shareholders updated on further progress in Zambia with what holds the potential to contribute to generating long term, quality earnings."*

*"With the support of our long-term stakeholders, along with some very welcome blue-chip institutional investors to the share register during the period, our maturing company continues on a very exciting growth trajectory, both operationally and financially, as our strategy continues to be implemented."*

## **Combined Operational and Financial update**

Jubilee's operational growth continuous to exceed expectations despite the challenges of the prevailing COVID-19 pandemic and the significant expansion programme undertaken at both its PGM & Chrome as well as Copper business units.

Financially, the Company saw continued growth in H1 2021 delivering earnings of GBP 40.1 million. This, combined with our record performance in the previous six months, has resulted in a 176% year-on-year increase in unaudited operational earnings to GBP 69.6 million for FY 2021. This strong earnings growth came on the back of a 133% year-on-year increase in unaudited revenue for FY 2021 to GBP 127.6 million. The revenue and earnings growth achieved was during a period of planned substantial infrastructure investment and integration across our projects, which while resulting in some operational downtime, has set a tremendous platform for future growth.

Operationally, the Company has achieved its stated target of 50 000 PGM ounces for FY 2021 at 50 162 ounces (increase of 23% compared with 40 743 ounces for FY 2020); again, achieved during a period which included the construction and commissioning of two new Chrome Beneficiation facilities and the commencement of the construction of the expanded Inyoni PGM operations which is expected to be completed during this current quarter. During the period under review, the Company expanded its operational footprint in the Eastern Limb of the Bushveld complex in South Africa – a strategic development which demonstrates Jubilee’s ability to continue to grow its business by re-investing its earnings into high growth projects.

Chrome operations achieved 751 223 chrome concentrate tonnes for FY 2021 (377 883 tonnes during FY 2020) on the back of increased operational capacities. This is set to increase further with the commissioning of the new Chrome Beneficiation circuit which was completed during Q2 2021.

In Zambia, early earnings from copper production were achieved. Copper production increased to 1 387 tonnes of copper for FY2021 as part of securing operational readiness to accept first copper concentrate production from Project Roan. Project Roan’s integrated copper concentrator is set for commissioning by January 2022 which will result in the first significant increase in copper production by the Sable Refinery targeting 10 000 tonnes of copper units annually. The fully operational Sable Refinery achieved positive earnings as part of its operational readiness activities with attributable operational earnings of GBP 3.7 million for FY 2021 compared to GBP 1.2 million for FY 2020.

The table below presents the combined unaudited operational revenue and operational earnings performance for H1 2021 and FY2021:

<b>COMBINED</b>	Project revenue (GBP'000)	Project revenue (ZAR'000)*	Project earnings (GBP'000)	Project earnings (ZAR'000)	Jubilee attributable earnings** (GBP'000)	Jubilee attributable earnings (ZAR'000)
<b>H2 2020</b>	51 949	1 101 115	31 174	662 531	29 500	627 336
<b>H1 2021</b>	75 623	1 526 846	40 383	819 965	40 118	814 643
<b>FY 2020</b>	54 775	1 079 737	25 088	494 534	25 088	494 534
<b>FY 2021</b>	127 572	2 627 961	71 557	1 482 496	69 618	1 441 979

*\*All amounts in this announcement are converted at average conversion rates for the period for income statement purposes and at the period end spot rate for balance sheet purposes*

*\*\*Attributable earnings represent Jubilee’s net share of operational earnings after distributions to JV partners and before development costs*

## **Chrome Operations Update – South Africa**

As previously announced, in November 2020 Jubilee commenced the construction of an additional 80 000 tonnes per month of chrome ore processing facility, which on completion will increase Jubilee's overall processing capacity to 250 000 tonnes of chrome ore and tailings per month. The facility consists of four integrated chrome recovery circuits to maximise chrome efficiencies, which includes Jubilee's Fine Chrome operation. The final stage of the plant commissioning to reach full design capacity has commenced which includes the full integration into the feed system of the existing Inyoni PGM Operations. The scheduled down time of the Inyoni PGM Operations to facilitate the integration and commissioning was carefully planned and executed and the Company reached its targeted record production of more than 50 000 PGM ounces for the year ended 30 June 2021.

Chrome operational earnings for H1 2021 increased by 33% to GBP 1.8 million from H2 2020 achieving total chrome operational earnings of GBP 3.1 million for FY 2021. Chrome revenue for H1 2021 increased by 102% to GBP 23.3 million from H2 2020 achieving total chrome revenue of GBP 34.9 million for FY 2021.

The table below presents the combined unaudited operational revenue and operational earnings performance for chrome for H1 2021 and FY 2021:

<b>CHROME</b>	Chromite concentrate produced Tonnes	Project revenue (GBP'000)	Project revenue (ZAR'000) <sup>1</sup>	Project and Jubilee attributable earnings (GBP'000)	Project and Jubilee attributable earnings (ZAR'000)
<b>H2 2020</b>	319 834	11 565	244 435	1 320	28 522
<b>H1 2021</b>	431 390	23 340	468 153	1 762	35 576
<b>FY2020</b>	377 883	17 158	338 422	803	15 847
<b>FY2021</b>	751 223	34 905	712 588	3 082	64 098

*1- All amounts in this announcement are converted at average conversion rates for the period for income statement purposes and at the period end spot rate for balance sheet purposes*

Chrome prices continued to remain volatile due to the disruptions in the supply chain over the sixth month period, and these price fluctuations are expected to continue over the next six months as the world emerges from the Covid-19 pandemic and supply and demand fundamentals are better matched.

### **PGM Operations Update – South Africa**

Jubilee's PGM operations consist of the Inyoni and Windsor JV PGM operations. The construction of the expanded Inyoni PGM Operations to increase its processing capacity by 45% to 75 000 tonnes per month is complete and commissioning of the expanded operation at Inyoni has commenced.

As announced on 3 and 4 June 2021, Jubilee's current PGM operational footprint has been largely focused on the Western Limb, a single area of the two main PGM areas in South Africa. The Eastern Limb has been a key focus of Jubilee to expand its PGM reach and operational capacity. The PGM Supply Agreements entered into give access to this area offering a platform to pursue further growth opportunities.

The PGM Supply Agreements are all based on the LG6 chrome reef known for its high Rhodium content accounting for approximately 12% of a produced PGM ounce compared with as low as 7% of other chrome reefs. The PGM Supply Agreement has secured the rights to long term PGM feed supply of an estimated 16 500 tonnes per month, with the potential of producing up to 14 500 PGM ounces per annum. The plan is to initially process the increased PGM feed at Jubilee's expanded Inyoni PGM Operations targeted for July 2021 however consideration is being given to implementing a dedicated processing facility in the Eastern Limb. The PGM Supply Agreement offers a minority earnings participation to the Chrome Mine partner allowing them exposure to the PGM values which also enhances their earnings potential. They also demonstrate Jubilee's ability to continue to grow its business by re-investing its earnings into high growth projects and by forming true partnerships with its chrome mining customers.

In addition to the PGM Supply Agreement, Jubilee has also acquired outright a further 255 000 tonnes of PGM containing chrome tailings (equivalent to approximate production of 12 300 PGM ounces) produced from the processing of LG6 chrome reefs which further increases Jubilee's existing surface PGM tailings.

PGM revenue for H1 2021 is up 29% to GBP 47.2 million from H2 2020. PGM attributable operational earnings for H1 2021 is up 38.2% to GBP 36.5 million from H2 2020. Operational project unit cost expressed as US\$ per PGM ounce produced, increased over the past 6-month period, which is mainly driven higher by the strengthening South African rand to the US dollar contributing approximately US\$78 dollars per ounce, as well as the associated increased transport cost to truck the PGM tailings located in the Eastern Limb to the Inyoni PGM processing plant.

The table below presents the combined unaudited operational revenue and operational earnings performance for PGMs for H1 2021 and FY 2021:

PGM	PGM ounces delivered	Project revenue (GBP'000)	Project revenue (ZAR'000)*	Project earnings (GBP'000)	Project earnings (ZAR'000)	Jubilee attributable earnings** (GBP'000)	Jubilee attributable earnings (ZAR'000)	Unit cost / PGM oz (US\$)
<b>H2 2020</b>	28 187	36 593	776 032	26 959	572 782	26 387	560 450	470
<b>H1 2021</b>	21 975	47 155	956 869	36 725	746 657	36 459	741 335	658
<b>FY 2020</b>	40 743	34 590	682 249	21 486	418 141	21 486	423 787	541
<b>FY 2021</b>	50 162	83 748	1 732 900	63 684	1 319 439	62 847	1 301 785	537

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*\*\*Attributable earnings represent Jubilee's net share of operational earnings after distributions to JV partners and before development costs*

## Zambian Operations Update

The role-out of Jubilee's copper and cobalt strategy offers the potential of significant continued earnings growth in addition to the achievements of its PGM and chrome operations.

The Company's Kabwe Project combined with its multi-metal Sable Refinery establishes Jubilee's fully integrated multi-metal recovery and refining operational footprint in Zambia. The Sable Refinery, which acts as a central processing facility for third party material in the region, gives access to a current resource comprising of an estimated 6.4 million tonnes of surface waste assets containing zinc, lead and vanadium pentoxide in addition to the approximate 288 million tonnes of copper and cobalt tailings secured in 2020.

As previously announced, during 2020, Jubilee entered into joint venture agreements to secure rights to process over 300 million tonnes of copper and cobalt containing tailings in Zambia. The copper and cobalt tailings are located in three central locations named Project Roan, Project Elephant 1 and Project Elephant 2.

Jubilee targets to construct a processing facility at each of the three locations. The extent of the processing facilities is determined by the refining capacity at its Sable Refinery, currently limited to 14 000 tonnes per annum. Jubilee has a set target to expand its access to refining capacity, to achieve a targeted 25 000 tonnes of copper units per annum.

During H1 2021, the first of the processing facilities entered its construction phase at Project Roan, which targets an annual production rate of 10 000 tonnes of equivalent copper units. The processing facility will be commissioned over three phases to accelerate the delivery of copper units for further refining to Jubilee's Sable Refinery. On a slightly revised timetable due to heavy rains in the region early in 2021, Phase 1 was achieved on schedule in April 2021 and delivery of the first copper units to the Sable Refinery took place.

Looking ahead, Phase 2 of Project Roan is targeted for commissioning during Q3 2021 which will further increase the amount and quality of intermediate copper concentrate delivered to the Sable Refinery for processing.

### **Project Elephant Update**

During the period, the completion of the design work for the Company's second copper processing facility, Project Elephant 1, whereby Jubilee has secured the rights to approximately 150 million tonnes of copper containing surface tailings, progressed and remains on track to enter the execution phase for the project by the end of August 2021. Project Elephant 1 targets to reach the production of 12 000 copper units per annum in addition to Project Roan by Q2 of 2023.

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For further information visit [www.jubileemetalsgroup.com](http://www.jubileemetalsgroup.com) or contact:

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