

**Jubilee Metals Group Plc**

Registration number (4459850)

AltX share code: JBL

AIM share code: JLP

ISIN: GB0031852162

("Jubilee" or the "Company" or the "Group")



***Dissemination of a Regulatory Announcement that contains inside information according to UK Market Abuse Regulations. Not for release, publication or distribution in whole or in part in, into or from any jurisdiction where to do so would constitute a violation of the relevant laws or regulations of such jurisdiction.***

**Company Update:*****Investment Programme Delivers Significant Growth Across PGM and Copper Operations***

Jubilee Metals Group PLC, a leader in metals processing with operations in Africa (AIM: JLP/AltX: JBL), is pleased to provide a performance update of its new and expanded fully integrated South African Inyoni PGM and Chrome Operations and its Zambian Southern Copper Strategy, which involves integrating the Sable Copper and Cobalt refinery with the newly constructed copper concentrator, Project Roan. This new and significantly enlarged operational footprint follows an investment programme implemented over the past 12 months of £ 39.5 million (ZAR 786 million).

**HIGHLIGHTS****South Africa**

- Jubilee's new and expanded Inyoni Operations ("Inyoni") is already exceeding design throughput targets reaching 86 000 tonnes per month of chrome and PGM containing run-of-mine ("ROM") feed, together with 40 000 tonnes of PGM containing historical tailings material, placing Jubilee on course to achieve its PGM ounce production target of 44 000 ounces per annum through its 100% owned Inyoni alone (previous max design capacity 30 000 ounces), replacing any reliance on existing PGM recovery joint ventures
- The Company's significantly increased chrome ore beneficiation capacity to in excess of 220 000 tonnes per month (previously 140 000 tonnes per month) of ROM feed and tailings, allows the Company to sharply increase the production of chrome concentrates from the various feed streams as an offset cost to its PGM production costs; Jubilee targets to produce 1.2 million tonnes of chrome concentrate per annum
- Inyoni continues to ramp-up production rates targeting full production rates during May 2022 and delivered 8 018 PGM ounces from Inyoni operation in calendar Q1 CY2022, an increase of 75% when compared with Inyoni's average production rate of the previous two quarters despite refilling of the operational pipeline after start-up. With the completion of the ramp-up of Inyoni during May 2022 Jubilee expects to achieve the 43 000 PGM ounce guidance for the financial period end to June 2022

- On a chrome by-product credits basis, Jubilee's net cost to produce an ounce of PGM during Q1 CY2022 was US\$ 433 per ounce excluding transport costs of US\$ 198 per ounce, which transport cost will be reduced significantly once the Company's eastern limb expansion strategy to establish a PGM processing footprint in the eastern limb is successfully implemented

## Zambia

- Significant milestones achieved in the delivery of the Southern Copper Refining Strategy in Zambia, which targets to produce up to 12 000 tonnes of copper units per annum including a cobalt by-product from certain cobalt-containing feed streams:
  - Project Roan commissioning activities are nearing conclusion with the official hand-over of the new copper concentrator to the operational team. The ramp-up of the concentrator is expected to reach design capacities during July 2022, which targets the processing of 830 tonnes of copper in concentrate per month for refining at Sable
  - Project Roan has to date created local employment opportunities to almost 600 people as part of the construction and operational team. The project has brought investment, employment and opportunities for local service providers to the region
  - Jubilee's Project Roan and Sable Refinery combined has offered employment and contractor opportunities to more than 800 people, the most of which are long term, while Jubilee has prioritised local supply of services often working with local companies to assist in developing the required services to create a sustainable support infrastructure
  - In addition to the copper refining capacity at Sable, the construction of a cobalt refining circuit at the site is underway and expected to commence commissioning during June 2022
  - Initial design capacity able to produce up to 1 200 tonnes of cobalt per annum which has the potential to add significant revenues to the Southern Copper Refining Strategy (current cobalt prices c. US\$ 81 000 per tonne (source LME))

**Leon Coetzer, CEO of Jubilee, commented:** "The Jubilee team was bold in its plans to expand and optimise the South African and Zambian operations, however a confident, but prudent approach to the deployment of our £ 39.5 million investment programme has already resulted in the delivery of significant results for the Group.

"Rolling out our business case across multiple countries, operations and commodities has enabled us to de-risk, capture economies of scale, and also provided exposure to numerous value points throughout the recovery and metal processing chain. In addition, our expanding production profile and the economies of scale it provides, offers insulation from the inflationary pressures smaller operators are facing, enabling Jubilee to maintain a cost per PGM ounce produced when fully accounting for the chrome by-product production credits resulting in a net cost of below US\$ 450 per PGM ounce when excluding transport cost. Our eastern limb expansion strategy holds the additional benefit of significantly reducing transport cost of material from this region which makes up the bulk of current transport cost.

"I am extremely proud of the Group's performance over the past 12 months, which is testament to the dedication and innovation of our operational teams. Despite the various issues which we have faced over the

previous two years, including, at times, intense and prolonged supply chain disruptions mostly due to Covid, the Jubilee team has risen to the challenge and has delivered on its objectives on schedule, and on budget.

“Crucially, and in line with our goals to promote sustained, inclusive economic growth, the Southern Copper Refining Strategy has resulted in significant job creation, with total jobs filled in Zambia reaching near 800 during the last 12 months. We have prioritised the sourcing of skills and services from our local communities and have, in many instances, partnered with local firms to assist in their growth and development to offer a sustained service to our projects. With the completion of the construction of Project Roan we now look to accelerate our investment program into the Northern Refining Strategy targeting the Luanshya, Kitwe and Mufulira area.

“As we emerge from this phase of significant growth and sustained financial performance, and I look forward to providing further updates as our various new projects hit their targeted output in the coming weeks and will be fully reflected in the next financial reporting period.”

## **Further Information**

### ***South Africa***

During early 2021 at Inyoni, the Company’s primary PGM recovery circuit, Jubilee launched a project to create a new fully integrated and significantly expanded Inyoni operations. By way of a reminder, the project would deliver a fully integrated multi feed chrome and PGM beneficiation circuit that comprised:

- a new run-of-mine chrome beneficiation plant (“OBB”) with a design capacity of 80 000 tonnes per month (previous decommissioned facility historically averaging 45 000 tonnes per month) of mined chrome and PGM containing ore from various suppliers to Jubilee;
- an expanded fine chrome beneficiation circuit able to process up to 45 000 tonnes per month (previous 35 000 tonnes per month) of historical chrome and PGM tailings;
- a renowned ultra-fine chrome (“UFC”) processing plant capable of processing up to 30 000 tonnes per month to maximise the recovery of the chrome prior to recovering the PGMs; and
- expansion of the Inyoni PGM circuit capable of processing up to 75 000 tonnes per month (previous 45 000 tonnes per month) of tailings produced by the chrome beneficiation circuits which increases Inyoni’s PGM capability to 44 000 PGM ounces per annum

The new Inyoni operations would, on completion, target the processing of multiple feed sources to maximise the extraction of chrome as a by-product to produce a high quality PGM rich feed to the new upgraded and expanded Inyoni PGM plant, representing a first for the industry. The expanded operations would also reduce Jubilee’s reliance on JV arrangements, such as the Windsor PGM JV, to grow its financial and operational performance.

The total allocated capital for the integrated chrome and expanded PGM recovery facilities was £ 20.5 million (ZAR 408 million) targeted to be implemented over 11 months to carefully plan the commissioning of the new and expanded chrome and PGM circuits with the existing operations.

The project culminated in the commissioning of Jubilee's proven UFC facility in February 2022 following the commissioning of the new expanded Inyoni PGM circuit during November 2021, bringing to completion the new fully integrated chrome and PGM recovery circuits. The UFC facility is able to recover ultra-fine chrome from the PGM feed stream further enhancing the PGM feed grade, while producing additional saleable chrome as a by-product at virtually no additional operating cost.

The success of this new world class facility is delivering early results in the operational performance for Q1 2022 with Inyoni's chrome and PGM production increasing materially. The OBB facility has exceeded its throughput targets achieving a record processing of 86 000 tonnes of ROM ore in a single month since its commissioning in October 2021 adding to the existing Windsor and Windsor 8 chrome beneficiation plants to reach a processing record of 190 000 tonnes of ROM ore in a single month.

At Inyoni alone, chrome production remains on target. PGM ounce production continues to increase after first replenishing the in-process PGM pipeline that was drained as part of the capital project. Inyoni is expected to reach its 3 500 PGM ounce monthly target for May 2022 and delivered 8 018 PGM ounces in Q1 2022, an increase of 75% when compared with Inyoni's average production rate of the previous two quarters despite refilling of the operational pipeline after start-up.

The increased throughput and production rates of the integrated Inyoni Facility has the added benefit of further dilution of cost to cushion the current inflationary pressure on operating costs. Cost per PGM ounce produced excluding transport cost is US\$ 669 (transport cost currently US\$198 per PGM ounce) and when fully accounting for the chrome by-product production credits results in an effective cost per PGM ounce produced of below US\$ 450 (excluding transport cost). Jubilee's targeted eastern limb PGM expansion strategy will significantly reduce transport cost of feed material from this region while expanding overall PGM production. Jubilee is in advanced discussions to secure an existing mothballed PGM processing footprint capable of being repurposed by Jubilee.

With the Inyoni ramp-up expected to be completed during May 2022, the Company expects to achieve its guidance of 43 000 PGM ounces for the full financial period despite the interruptions caused by the implementation of the new integrated and expanded Inyoni operations.

### **Zambia**

The first phase of Jubilee's copper strategy in Zambia includes the implementation of its Southern Copper Refining Strategy which targets to produce up to 12 000 tonnes of copper units per annum including a cobalt by-product from certain cobalt containing feed streams.

The strategy integrates the upgraded Sable Refinery with Project Roan, a new copper concentrator processing both ROM copper ore as well as tailings to produce copper concentrates for refining at Sable (10 000 tonnes per annum), which complements the existing supply of third-party feed to Sable Refinery (2 000 tonnes per annum). The integrated Southern Copper Refining Strategy's capital allocation was c. £ 19 million (ZAR 378 million).

Jubilee's project execution team broke ground for the construction of the new copper concentrator, Project Roan, in June 2021 and, despite the challenges caused by the COVID 19 pandemic and its effect on supply chains, the team was able to commence testing of certain equipment within seven months and completed all construction activity within 11 months, a remarkable achievement. Commissioning activities have been further frustrated with the lack of availability of certain electronic equipment, largely due to increased supply chain pressures out of Europe. Through innovative engineering by the team, these have been overcome and commissioning activities remain on track to commence ramp-up of the plant during May 2022. Project Roan is expected to complete the ramp-up of the operations, which targets 830 tonnes of copper per month, during July 2022.

In addition to the copper refining capacity at Sable, Jubilee has approved the implementation of a cobalt refining circuit at Sable able to produce up to 1 200 tonnes of cobalt per annum. The new cobalt circuit is expected to commence commissioning during June 2022. At current prices of cobalt of c. US\$ 81 000 per tonne of cobalt, this exciting project holds the potential to add significant revenues to the Southern Copper Refining Strategy.

Crucially, and in line with Jubilee's goals to promote sustained, inclusive economic growth, the Southern Copper Refining Strategy has resulted in significant job creation, with total jobs filled in Zambia reaching near 800 during the last 12 months. Jubilee has prioritised the sourcing of skills and services from local communities and have, in many instances, partnered with local firms to assist in their growth and development, which also offer a sustained service to our projects.

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

**Jubilee Metals Group PLC**

Colin Bird/Leon Coetzer

Tel +44 (0) 20 7584 2155 / Tel +27 (0) 11 465 1913

**Nominated Adviser – SPARK Advisory Partners Limited**

Andrew Emmott/James Keeshan

Tel: +44 (0) 20 3368 3555

**Broker – Shard Capital Partners LLP**

Damon Heath/Erik Woolgar

Tel +44 (0) 20 7186 9900

**Joint Broker – WHireland**

Harry Ansell/Katy Mitchell

Tel: +44 (0) 20 7220 1670/+44 (0) 113 394 6618

**PR & IR Adviser – Tavistock**

Jos Simson/ Gareth Tredway/Charles Vivian

Tel: +44 (0) 207 920 3150

16 May 2022

**JSE Sponsor to Jubilee**



**Questco Corporate Advisory Proprietary Limited**

**Sharon Owens**

**T: +27 (11) 011 9212**