

JUBILEE PLATINUM PLC

FINANCIAL STATEMENTS – Y/E 30/06/04

COMPANY NUMBER 4459850



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Chairman's Statement

Dear Shareholder

Your directors take much pleasure in reporting a significant and successful year for your company in both operations and fund raising.

During the period under review, the Board concluded two successful fund raisings totalling £2.6 million and in July 2004, in conjunction with the company's brokers Numis Securities, it raised a further £3.1 million from major institutions, who continue to show considerable interest in our activities.

In South Africa, we added to our platinum group metal (PGM) land bank through option agreements and a joint venture on properties in the eastern Bushveld near Groblersdal and Marble Hall and to the north near Polokwane.

The Department of Minerals and Energy (DME) granted prospecting permits for several of our properties in the eastern Bushveld and drilling is scheduled to commence early next year. The new Mineral and Petroleum Resources Development Act 2002 ("new Act") was promulgated on 1 May 2004, the result of which a) pending "old order" prospecting permit applications were considered as having been submitted under the new Act, but additional information was required by the DME; and b) prospecting permits issued prior to the new Act were required to be converted to new order prospecting permits under the new Act. These requirements were being met.

We added to our land bank in Madagascar with acquisition of 10 year exploration licences on some 85,000 hectares of prospective copper-nickel, PGM and gold concessions in the central east region of the country.

Exploration in Madagascar continues to show encouraging results. Follow-up exploration in Londokomanana has identified a potential world class bulk tonnage copper-nickel target in the Antsahabe - Borokely area, and some 30 kilometres further south along the trend, we discovered a PGM target with positive platinum, palladium and gold values of up to 4.62 g/t combined with significant nickel-copper values. We have accelerated the exploration programme to include geophysics on both areas to assess better their potential and to establish drilling targets.

The results emerging from Madagascar support our conviction that Madagascar is under explored and offers huge potential for new discoveries.

In Sierra Leone, we carried out exploration early in 2004 on the York Platinum project (80% joint venture with Golden Prospect plc). Those results have extended the strike length of the platinum/palladium mineralised reef-like structure by 3.5 kilometres to a total of 8.5 kilometres. This is a promising target for further geophysics and exploratory drilling.

We were saddened by the untimely death on 2 April of our chairman Stephen Kearney and our sympathies go out to his family.

I have assumed the role of non-executive chairman and am currently chairman of AIM-listed Golden Prospect plc, a resource investment company, which holds 16.62% interest in Jubilee. We welcome Chris Molefe (SA) as non-executive director of the company. Chris is chief executive officer of the Royal Bafokeng Resources Holdings (Pty) Ltd, a major Black Empowerment platinum producer in South Africa.

The company continues to seek growth in shareholder value both by acquisition and exploration activity.

Finally, I would like to thank my fellow directors and staff for their support and loyalty in this our second year since listing on AIM.

Malcolm Burne
Chairman

Report of the Directors

for the year ended 30 June 2004

The Directors present their report together with the financial statements for the year ended 30 June 2004.

Principal activities

The Group and Company are principally engaged in exploration and exploitation of natural resources.

Business review

A review of the Group's operations during the year ended 30 June 2004 and future developments is contained in the Chairman's Statement and Operating Review.

There was a loss for the year after taxation amounting to £539,071 (2003: £555,079). The Directors do not recommend the payment of a dividend.

Exceptional item

During the year the Group was restructured so that Resource Development Corporation Limited was dissolved. This company had held the original development rights of the Group. The acquired goodwill and project costs have been written off in the year resulting in a loss of £191,795.

Corporate governance

The Board supports the principles of good governance contained in the Combined Code appended to the Listing Rules of the Financial Services Authority. It complies where this is commercially justified, allowing for the practical limitations relating to the Company's size.

The Management Team meets regularly and the Full Board when appropriate in order to determine the strategy and policy of the Group and the allocation of its financial resources and has a schedule of matters specifically reserved to it for decision.

The Company has three non-executive directors, M A Burne, C Molefe and J D Parker. Given the size of the Group's operations it is not considered appropriate to have separate audit, remuneration and nomination committees.

Internal control

The Board is responsible for maintaining an appropriate system of internal controls to safeguard shareholders' investment and Group assets.

The Directors monitor the operation of internal controls. The objective of the system is to safeguard Group assets, ensure proper accounting records are maintained and that the financial information used within the business and for publication is reliable. Any such system of internal control can only provide reasonable but not absolute assurance against material misstatement or loss.

Internal financial control procedures undertaken by the Board include:

- Review of quarterly financial reports and monitoring performance.
- Prior approval of all significant expenditure including all major investment decisions.
- Review and debate of treasury policy.

Risk assessment and the review of internal controls are undertaken by the Board in the context of the Group's overall strategy. The review covers the key business operational, compliance and financial risks facing the Group. In arriving at its judgement of what risks the group faces, the Board has considered the Group's operations in the light of the following:

Report of the Directors *continued*

for the year ended 30 June 2004

Internal control (continued)

- The nature and extent of risks which it regards as acceptable for the Group to bear within its overall business objective;
- The threat of such a risk becoming a reality;
- The Group's ability to reduce the incidence and impact of risk on its performance; and
- The cost and benefits to the Group of operating the relevant controls.

Relations with shareholders

Communication with shareholders is given a high priority by the Board and the Directors are available to enter into dialogue with shareholders. All shareholders are encouraged to attend and vote at the Annual General Meeting, during which the Board is available to discuss issues affecting the Company.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue its operational existence for the foreseeable future. For this reason they have adopted the going concern basis in preparing the financial statements.

Directors

The Directors who served during the year and their interests in the shares of the Company as at beginning and end of the year were as follows:

	Ordinary shares		Share options	
	30 June 2004	30 June 2003	30 June 2004	30 June 2003
C Bird	6,585,048	6,585,048	750,000	750,000
M A Burne	-	-	200,000	100,000
J D Parker	-	-	100,000	100,000

In addition to the above S V Kearney served as director until he passed away on 2 April 2004.

Mr C Molefe was appointed a non-executive director on 23 September 2004.

Directors' responsibilities for the financial statements

Company law in the United Kingdom requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company and Group and to enable them to ensure that the financial statements comply with the Companies Act 1985. The Directors are responsible for ensuring that the Directors' Report and other information included in the Annual Report is prepared in accordance with

Report of the Directors continued
for the year ended 30 June 2004

Directors' responsibilities (continued)

Company Law in the United Kingdom and for ensuring that the Annual Report includes information required by the AIM Rules. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for the maintenance and integrity of the Company's website.

Substantial shareholders

The Directors are aware of the following substantial shareholdings of 3% or more of the current issued share capital of 64,660,000 shares at 30 September 2004.

Ordinary shares of 1p each	Number	Percentage
Golden Prospect plc	10,747,388	16.62%
Prudent Bear Fund	7,355,000	11.37%
C Bird	6,585,048	10.18%
Fidelity Managed Funds	5,174,522	8.00%
Throgmorton Trust plc	3,335,000	5.16%
Resource Investment Trust	2,600,000	4.02%
JP Morgan Fleming Natural Resources Fund	2,321,250	3.59%
Framlington UK Smaller Companies	2,150,000	3.33%

Share issues

Details of the shares issued in the year are detailed in Note 13 to the Financial Statements.

Post balance sheet events

Details of post balance sheet events are disclosed in Note 26 of the Financial Statements.

Payment policy and practice

It is the Company's policy to pay suppliers on the terms agreed with them. There were no trade creditors at the year end.

Auditors

The Directors review the terms of reference for the auditors and obtain written confirmation that the firm has complied with its ethical guidance on ensuring its independence. Saffery Champness provide audit and accountancy services to the Company in connection with its annual audit as well as corporation tax compliance services. The level of fees charged is reviewed by the Board to ensure they remain competitive and to ensure no conflicts of interest arise.

Saffery Champness were appointed auditors to the Company after the year end by the Directors. A resolution proposing their appointment as auditors in accordance with Section 385 of the Companies Act 1985 will be placed at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD

C Bird
CEO
19 November 2004



Report of the Independent Auditors

to the members of Jubilee Platinum plc

We have audited the financial statements of Jubilee Platinum plc for the year ended 30 June 2004 which comprise the principal accounting policies, the consolidated profit and loss account, the balance sheets, the consolidated cash flow statement and notes 1 to 26. These financial statements have been prepared under the accounting policies set out therein.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Directors' responsibilities for preparing the annual report and the financial statements in accordance with United Kingdom law and accounting standards are set out in the statement of directors' responsibilities on page 7.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards.

This report is made solely to the Company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and transactions with the Group is not disclosed.

We read other information contained in the annual report, including the corporate governance statement, and consider whether it is consistent with the audited financial statements. This other information comprises only the Chairman's Statement, the Operating Review 2003 - 2004 and the Report of the Directors. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. We are not required to consider whether the Board's statements on internal control cover all risks and controls, or form an opinion on the effectiveness of the Group's corporate governance procedures or its risk and control procedures. Our responsibilities do not extend to any other information.

BASIS OF OPINION

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Report of the Independent Auditors

to the members of Jubilee Platinum plc

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and the Group at 30 June 2004 and of the loss of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



SAFFERY CHAMPNESS
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS

LONDON

19 November 2004

Note

- 1 *The maintenance and integrity of the Jubilee Platinum plc website is the responsibility of the directors: the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.*
- 2 *Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.*

Principal Accounting Policies

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards and the Statement of Recommended Practice "Accounting for Oil and Gas Exploration, Development, Production and Decommissioning Activities" (the SORP).

The principal accounting policies, which have been reviewed by the Directors in the light of FRS 18 and are considered the most appropriate to the Group's circumstances, are set out below.

Basis of consolidation

The Group financial statements consolidate those of the Company and of its subsidiary undertakings (see Note 9) for the year ended 30 June 2004.

Goodwill arising on consolidation, representing the excess of the fair value of the consideration given over the fair values of the identifiable net assets acquired, is capitalised and is amortised on a straight line basis over its estimated useful economic life. Goodwill arising on the acquisition of Resource Development Corporation Limited has been written off on disposal of that subsidiary.

Depreciation

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful economic lives. The rates generally applicable are:

Office equipment 25% on cost

Exploration expenditure

In accordance with the full cost method as set out in the SORP, expenditure including related overheads on the acquisition, exploration and evaluation of interests in licences not yet transferred to a cost pool is capitalised under intangible assets. Cost pools are established on the basis of geographic area. When it is determined that such costs will be recouped through successful development and exploitation or alternatively by sale of the interest, expenditure will be transferred to tangible assets and depreciated over the expected productive life of the asset. Whenever a project is considered no longer viable the associated exploration expenditure is written off to the profit and loss account.

Fixed asset investments

Fixed asset investments are carried at cost less provision for diminution in value.

Current asset investments

Current asset investments are carried at the lower of cost and net realisable value.

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. The financial statements of foreign subsidiaries are translated at the rate of exchange ruling at the balance sheet date. The exchange differences arising from the retranslation of the opening net investment in subsidiaries are taken directly to reserves. All other exchange differences are dealt with through the profit and loss account.

Principal Accounting Policies

continued

Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the Group an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

Financial instruments

The Group uses financial instruments to manage exposures to fluctuations in interest rates.

Financial assets are recognised in the balance sheet at the lower of cost and net realisable value. Provision is made for diminution in value where appropriate.

Interest receivable and payable is accrued and credited/charged to the profit and loss account in the period to which it relates.

Liquid resources

Liquid resources comprise funds on deposit at not less than 24 hours notice.

Operating leases

Rentals payable under operating leases are charged on a straight line basis over the term of the lease.

Consolidated Profit and Loss Account

for the year ended 30 June 2004

	Note	Year ended 30 June 2004 £	Period 12 June 2002 to 30 June 2003 £
Administrative expenses		(431,154)	(367,503)
Amortisation of goodwill		-	(38,307)
Operating loss		(431,154)	(405,810)
Loss on disposal of subsidiary	1	(191,795)	-
Interest receivable and similar income		83,878	24,849
Amounts written off investments	11	-	(174,118)
Loss on ordinary activities before taxation	2	(539,071)	(555,079)
Tax on loss on ordinary activities	4	-	-
Loss on ordinary activities after taxation	5	(539,071)	(555,079)
Minority interests:			
Equity		2,422	-
Loss on ordinary activities attributable to members of Jubilee Platinum Plc		(536,649)	(555,079)
Basic loss per share	6	(1.19p)	(1.43p)
Fully diluted loss per share	6	(1.15p)	(1.43p)

All of the Group's activities are classed as continuing.

The accompanying accounting policies and notes form an integral part of these financial statements.

Consolidated Statement of Total Recognised Gains & Losses

for the year ended 30 June 2004

	Year ended 30 June 2004	Period 12 June 2002 to 30 June 2003
	£	£
Loss for the financial year	(536,649)	(555,079)
Translation differences on foreign currency net investments	3,476	-
	<hr/>	<hr/>
Total recognised gains and losses for the year	(533,173)	(555,079)
	<hr/> <hr/>	<hr/> <hr/>

The accompanying accounting policies and notes form an integral part of these financial statements.

Consolidated Balance Sheet

as at 30 June 2004

	Note	2004 £	2003 £
Fixed assets			
Intangible assets	7	328,846	349,317
Tangible assets	8	7,694	2,513
		336,540	351,830
Current assets			
Debtors	10	54,957	39,089
Investments	11	-	475,882
Cash at bank and in hand		3,112,561	616,703
		3,167,518	1,131,674
Creditors: amounts falling due within one year	12	(95,225)	(64,179)
Net current assets		3,072,293	1,067,495
Total assets less current liabilities		3,408,833	1,419,325
Minority interests			
Equity interests		2,379	-
		3,411,212	1,419,325
Capital and reserves			
Called up share capital	13	491,600	387,500
Share premium account	14	4,007,864	1,586,904
Profit and loss account	15	(1,088,252)	(555,079)
Shareholders' funds	16	3,411,212	1,419,325

The financial statements were approved by the Board of Directors on 19 November 2004

C Bird
Director

The accompanying accounting policies and notes form an integral part of these financial statements.

Company Balance Sheet

as at 30 June 2004

	Note	2004 £	2003 £
Fixed assets			
Intangible assets	7	23,578	80,314
Tangible assets	8	4,584	2,513
Investments	9	273	250,000
		28,435	332,827
Current assets			
Debtors	10	412,412	164,645
Investments	11	-	475,882
Cash at bank and in hand		3,074,330	613,092
		3,486,742	1,253,619
Creditors : amounts falling due within one year	12	(39,397)	(51,983)
Net current assets		3,447,345	1,201,636
Total assets less current liabilities		3,475,780	1,534,463
Capital and reserves			
Called up share capital	13	491,600	387,500
Share premium account	14	4,007,864	1,586,904
Profit and loss account	15	(1,023,684)	(439,941)
Shareholders' funds	16	3,475,780	1,534,463

The financial statements were approved by the Board of Directors on 19 November 2004

C Bird
Director

The accompanying accounting policies and notes form an integral part of these financial statements.

Consolidated Cash Flow Statement

for the year ended 30 June 2004

	Note	Year ended 30 June 2004 £	Period 12 June 2002 to 30 June 2003 £
Net cash outflow from operating activities	17	(303,577)	(329,891)
Returns on investments and servicing of finance			
Interest received		83,878	24,849
Capital expenditure and financial investment			
Purchase of intangible fixed assets	7	(305,202)	(194,884)
Purchase of tangible fixed assets	8	(8,026)	(3,351)
Net cash outflow from capital expenditure and financial investment		(313,228)	(198,235)
Acquisitions and disposals			
Cash acquired with subsidiary		-	45,576
Movement in liquid resources			
Funds placed on deposit		(3,050,000)	(600,000)
Funds removed from deposit		600,000	-
Sale of current asset investment		475,882	-
		(1,974,118)	(600,000)
Financing			
Increase in loans		27,503	-
Issue of shares and warrants		2,594,800	1,550,000
Expenses of share issues		(69,740)	(475,596)
Net cash inflow from financing		2,552,563	1,074,404
Increase in cash	18	45,518	16,703

The accompanying accounting policies and notes form an integral part of these financial statements.

Notes to the Financial Statements

for the year ended 30 June 2004

1 LOSS ON DISPOSAL OF SUBSIDIARY

During the year the Group was restructured and Resource Development Corporation Limited dissolved giving rise to a loss as follows:

	2004	2003
	£	£
Acquired goodwill written off	153,230	-
Project costs written off	38,565	-
	<u>191,795</u>	<u>-</u>

2 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

The loss on ordinary activities is stated after:

	2004	2003
	£	£
Auditors' remuneration – statutory audit services	7,000	10,000
– tax compliance fees	1,500	-
Payments under operating leases- land and buildings	18,750	-
Depreciation	2,845	838
	<u>29,095</u>	<u>10,838</u>

3 DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows:

	2004	2003
	£	£
Wages and salaries	145,900	136,938
Social security costs	15,238	9,561
	<u>161,138</u>	<u>146,499</u>

Remuneration in respect of Directors was as follows:

Emoluments	88,842	83,597
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The average monthly number of employees during the year was six including the four Directors, none of whom participate in company pension schemes.

Notes to the Financial Statements

for the year ended 30 June 2004

4 TAX ON LOSS ON ORDINARY ACTIVITIES

	2004 £	2003 £
Loss for the year	(539,071)	(555,079)
Loss for the year multiplied by standard rate of UK corporation tax 30%	(161,721)	(166,524)
Effect of:		
UK expenses not deductible for tax purposes	18,417	60,632
Increase in UK tax losses	137,374	79,747
South African losses at 30%	5,930	26,145
Tax charge	-	-
Unprovided deferred tax asset:		
UK tax losses carried forward multiplied by standard rate of UK corporation tax 30%, recoverable only when the Company has generated taxable profits	237,784	79,747

5 LOSS FOR THE FINANCIAL YEAR

The Company has taken advantage of Section 230 of the Companies Act 1985 and has not included its own profit and loss account in these financial statements. The Company loss for the year was £583,743 (2003: £439,941).

6 LOSS PER SHARE

The calculation of the basic loss per share is based on the loss for the financial year divided by the weighted average number of shares being 46,691,597 (2003 - 38,750,000) in issue during the year.

The fully diluted loss per share is based on the loss per share for the financial year divided by the weighted average number of shares and potential shares being 48,129,838 (2003 - 38,750,000) in issue during the year.

	2004 £	2003 £
Ordinary shares	45,118,634	38,750,000
Effect of options issued at fair value	1,572,963	-
	46,691,597	38,750,000

Notes to the Financial Statements

for the year ended 30 June 2004

7 INTANGIBLE FIXED ASSETS

The Group	Goodwill on consolidation £	Exploration expenditure £	Total £
Cost			
At 1 July 2003	191,537	196,087	387,624
Foreign Exchange Difference	-	7,101	7,101
Additions	-	305,202	305,202
Disposals	(191,537)	(179,544)	(371,081)
	<hr/>	<hr/>	<hr/>
At 30 June 2004	-	328,846	328,846
	<hr/>	<hr/>	<hr/>
Amortisation			
At 1 July 2003	38,307	-	38,307
Disposals	(38,307)	-	(38,307)
	<hr/>	<hr/>	<hr/>
At 30 June 2004	-	-	-
	<hr/>	<hr/>	<hr/>
Net book amount at 30 June 2004	-	328,846	328,846
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Net book amount at 30 June 2003	153,230	196,087	349,317
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
The Company			Exploration expenditure £
Cost			
At 1 July 2003			80,314
Additions			81,988
Transferred to subsidiary companies			(78,441)
Amounts written off			(60,283)
			<hr/>
At 30 June 2004			23,578
			<hr/> <hr/>

Notes to the Financial Statements

for the year ended 30 June 2004

8 TANGIBLE FIXED ASSETS

The Group	Office equipment £
Cost	
At 1 July 2003	3,351
Additions	8,026
	<hr/>
At 30 June 2004	11,377
	<hr/>
Depreciation	
At 1 July 2003	838
Charge for the year	2,845
	<hr/>
At 30 June 2004	3,683
	<hr/>
Net book amount at 30 June 2004	7,694
	<hr/> <hr/>
Net book amount at 30 June 2003	2,513
	<hr/> <hr/>
The Company	Office equipment
Cost	
At 1 July 2003	3,351
Additions	3,879
	<hr/>
At 30 June 2004	7,230
	<hr/>
Depreciation	
At 1 July 2003	838
Charge for the year	1,808
	<hr/>
At 30 June 2004	2,646
	<hr/>
Net book amount at 30 June 2004	4,584
	<hr/> <hr/>
Net book amount at 30 June 2003	2,513
	<hr/> <hr/>

Notes to the Financial Statements

for the year ended 30 June 2004

9 FIXED ASSET INVESTMENTS

The Company	Shares in group	Shares in group
	undertakings	undertakings
	£	£
	2004	2003
Cost		
At 1 July 2003	250,000	-
Additions	273	250,000
Disposals	(250,000)	-
	<u>273</u>	<u>250,000</u>
At 30 June 2004	<u>273</u>	<u>250,000</u>

At 30 June 2004 the Company held more than 20% of the following subsidiary undertakings:

Name of undertaking	Country of incorporation	Principal activity	Proportion of equity capital held	
			By the Company	By the Group
Dullstroom Plats (Pty) Ltd	South Africa	Mineral exploration	100%	-
Maude Mining and Exploration (Pty) Ltd	South Africa	Mineral exploration	90%	-
Mineral Resources of Madagascar Sarl	Madagascar	Mineral exploration	85%	-
Windsor Platinum Investments (Pty) Ltd	South Africa	Mineral exploration	100%	-

10 DEBTORS

	Group		Company	
	2004	2003	2004	2003
	£	£	£	£
Amounts due from group undertakings	-	-	372,508	143,280
Other debtors	32,280	30,612	19,083	12,888
Prepayments and accrued income	22,677	8,477	20,821	8,477
	<u>54,957</u>	<u>39,089</u>	<u>412,412</u>	<u>164,645</u>

Notes to the Financial Statements

for the year ended 30 June 2004

11 CURRENT ASSET INVESTMENTS

The Group and the Company	Listed investments	
	2004	2003
	£	£
Cost	650,000	650,000
Provision	(174,118)	(174,118)
Valuation	475,882	475,882
Disposals in the year	(475,882)	-
Net book value	-	475,882
Market value	-	399,857

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2004	2003	2004	2003
	£	£	£	£
Other loan	50,092	22,589	-	-
Amounts due to Group undertakings	-	-	-	12,927
Social security and other taxes	2,288	3,223	2,000	3,223
Other creditors	18,329	14,643	14,690	12,459
Accruals and deferred income	24,516	23,724	22,707	23,374
	95,225	64,179	39,397	51,983

The other loan represents cash advanced by New African Mining Fund (NAMF) and is unsecured. It is part of a ZA Rands 11,400,000 to be advanced by NAMF to the South African Group companies and will entitle NAMF to participate in 10% (at par) of a newly formed South African holding company which from 1 July 2004 has held the Group's investment in Maude Mining and Exploration (Pty) Limited and Dullstroom Plats (Pty) Limited. The issued share capital of the new holding company, Windsor Platinum Investments (Pty) Limited, (Windsor), is 100,000 1 cent shares currently issued as to 95,000 to the Company and 5,000 to NAMF as NAMF have advanced only 5,700,000 Rands to date. NAMF may convert its shares in Windsor to shares in Jubilee Platinum plc on the basis of 0.748% of the entire issued share capital of Jubilee for each 1% of the entire issued share capital of Windsor being converted. In addition, NAMF may subscribe for 2.52% of the entire issued share capital of Jubilee for an aggregate subscription price of £307,000.

Notes to the Financial Statements

for the year ended 30 June 2004

13 SHARE CAPITAL

	Group and Company	
	2004	2003
	£	£
Authorised		
500,000,000 ordinary shares of 1p each	5,000,000	5,000,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid		
49,160,000 (2003: 38,750,000) ordinary shares of 1p each	491,600	387,500
	<u> </u>	<u> </u>

The Company made allotments of ordinary 1p shares with an aggregate nominal value of £104,100 during the year as follows:

Date of issue	Price per share	Number of shares	Aggregate consideration
			£
1 November 2003	20p	4,000,000	800,000
1 December 2003	28p	6,410,000	1,794,800
		<u> </u>	<u> </u>
		10,410,000	2,594,800
		<u> </u>	<u> </u>

The Company has granted options to subscribe for ordinary 1p shares as follows:

Date granted	Period exercisable	Exercise price per share (pence)	Number of options
24 July 2002	24 July 2004 to 24 July 2012	16p	2,270,000
31 July 2002	31 July 2002 to 31 July 2005	16p	414,343
1 April 2003	1 April 2005 to 1 April 2013	16p	500,000
24 October 2003	24 October 2005 to 24 October 2013	20p	175,000
24 October 2003	24 October 2005 to 24 October 2013	28p	100,000
9 February 2004	9 February 2004 9 February 2007	31p	650,000
			<u> </u>
			4,109,343
			<u> </u>

No options were exercised during the year.

The highest and lowest price of the company's shares during the year was 15p and 33.5p respectively. The share price at the year end was 24p.

Notes to the Financial Statements

for the year ended 30 June 2004

14 SHARE PREMIUM ACCOUNT

	Group and Company	
	2004	2003
	£	£
At 1 July 2003	1,586,904	-
Premium on allotments in the year	2,490,700	2,062,500
Expenses of share issues	(69,740)	(475,596)
	<hr/>	<hr/>
At 30 June 2004	4,007,864	1,586,904
	<hr/> <hr/>	<hr/> <hr/>

15 PROFIT AND LOSS ACCOUNT

	Group	Company
	£	£
At 1 July 2003	(555,079)	(439,941)
Foreign exchange difference on opening net assets	3,476	-
Loss for the year	(536,649)	(583,743)
	<hr/>	<hr/>
At 30 June 2004	(1,088,252)	(1,023,684)
	<hr/> <hr/>	<hr/> <hr/>

16 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	Group		Company	
	2004	2003	2004	2003
	£	£	£	£
Loss for the financial year	(536,649)	(555,079)	(583,743)	(439,941)
Foreign exchange difference	3,476	-	-	-
Issue of shares (net of expenses)	2,525,060	1,974,404	2,525,060	1,974,404
	<hr/>	<hr/>	<hr/>	<hr/>
Net increase in shareholders' funds	1,991,887	1,419,325	1,941,317	1,534,463
Shareholders' funds at 1 July 2003	1,419,325	-	1,534,463	-
	<hr/>	<hr/>	<hr/>	<hr/>
Shareholders' funds at 30 June 2004	3,411,212	1,419,325	3,475,780	1,534,463
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes to the Financial Statements

for the year ended 30 June 2004

17 NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	Group	
	2004	2003
	£	£
Operating loss	(431,154)	(405,810)
Amortisation	-	38,307
Depreciation	2,845	838
Amounts written off exploration expenditure	137,057	64,743
Increase in debtors	(15,868)	(39,027)
Increase in creditors	3,543	11,058
	<hr/>	<hr/>
Net cash outflow from continuing operating activities	(303,577)	(329,891)
	<hr/> <hr/>	<hr/> <hr/>

18 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	Group	
	2004	2003
	£	£
Increase in cash in the year	45,518	16,703
Increase in liquid resources	2,450,000	600,000
Increase in loans	(27,503)	(22,589)
Translation Difference	340	-
	<hr/>	<hr/>
Increase in net funds	2,468,355	594,114
Net funds at 1 July 2003	594,114	-
	<hr/>	<hr/>
Net funds at 30 June 2004	3,062,469	594,114
	<hr/> <hr/>	<hr/> <hr/>

19 ANALYSIS OF NET FUNDS

	Group			
	2004	Cash	Exchange	2003
	£	Movement	difference	£
		£	£	
Cash at bank	3,112,561	2,495,518	340	616,703
Other loans	(50,092)	(27,503)	-	(22,589)
	<hr/>	<hr/>	<hr/>	<hr/>
Net funds	3,062,469	2,468,015	340	594,114
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes to the Financial Statements

for the year ended 30 June 2004

20 FINANCIAL INSTRUMENTS

The Group uses financial instruments, other than derivatives, comprising borrowings, cash, liquid resources and various items such as sundry debtors and creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations.

The main risks arising from the Group's financial instruments are liquidity risk and currency risk. The Directors review and agree policies for managing these risks and these are summarised below.

Short-term debtors and creditors have been excluded from all the following disclosures.

Liquidity risk

The Group seeks to manage financial risk, to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. This is achieved by placing surplus funds on deposit. At the balance sheet date the Group had £3,050,000 on seven day deposit at an interest rate of 4.07%.

Currency risk

The Group is exposed to transaction related foreign exchange risk.

Borrowing facilities and interest rate risk

The Group finances its operations through the issue of equity share capital. There is no significant borrowing and therefore no exposure to interest rate fluctuations.

Fair values

The fair values of the Group's financial instruments are considered equal to the book value.

21 CAPITAL COMMITMENTS

Neither the Group nor the Company had any capital commitments at 30 June 2004 or 30 June 2003.

22 FINANCIAL COMMITMENTS

The Company and Group had the following commitments under non-cancellable operating leases as at 30 June 2004:

	Land and buildings	
	2004	2003
	£	£
Within 1 year	12,500	-
Between 1 and 2 years	6,250	-

Notes to the Financial Statements
for the year ended 30 June 2004

23 CONTINGENT LIABILITIES

There were no contingent liabilities at 30 June 2004 or 30 June 2003.

24 TRANSACTIONS WITH DIRECTORS

No director had, during or at the end of the year, a material interest in any contract which was significant in relation to the Group's business.

25 CONTROL

The directors consider the Company to have no ultimate controlling party.

26 POST BALANCE SHEET EVENTS

Following a conditional placing on the 28 July 2004, arranged and underwritten by Numis Securities Limited, 15,500,000 shares were issued at a price of 20p per share, raising a net amount of £2,912,386 (after expenses of £187,614).