

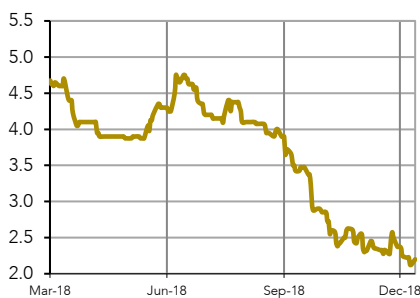
Jangada Mines plc (JAN AIM)

17 December 2018

Stock Data

Share Price:	2.20p
Market Cap (M):	£5.2
EV (M):	£4.6

Price Chart



52 Week Range

5.25p	2.20p
2.125p	

Company Summary

Jangada Mining is an AIM listed company operating in Brazil. It acquired the Brazilian platinum group metal assets of Anglo-American in 2013 and declared a JORC (2012) compliant resource.

MAIN SHAREHOLDERS HOLDING

Brian Mc Master	20.3%
Matthew Wood & Family	20.3%
Luis Azevedo	19.8%
Mark Summer	6.4%

Source: Jangada Mine & Bloomberg

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Jangada Announces Nickel Sulphide Discovery and Maiden Nickel JORC Compliant Resource

Event

Jangada Mines ("Jangada") has announced a significant increase to its project economics through the addition of a JORC (2012) compliant nickel and copper sulphide resource.

Highlights

The highlight is that the new resource which adds 8Mt grading 0.22% nickel, 0.04% copper, 135g/t cobalt and 0.21g/t PGM+Au which equates to a nickel equivalent grade of 0.39%.

Comment

This nickel copper sulphide mineralisation has been identified immediately below the existing PGM resource and potentially extends the scale and life of the open pit operation.

These resources are not a new discovery, but have been calculated using a different geological model. Originally, the cut-off grade was based on PGM's, but the new model includes the value of the base metals and in particular nickel.

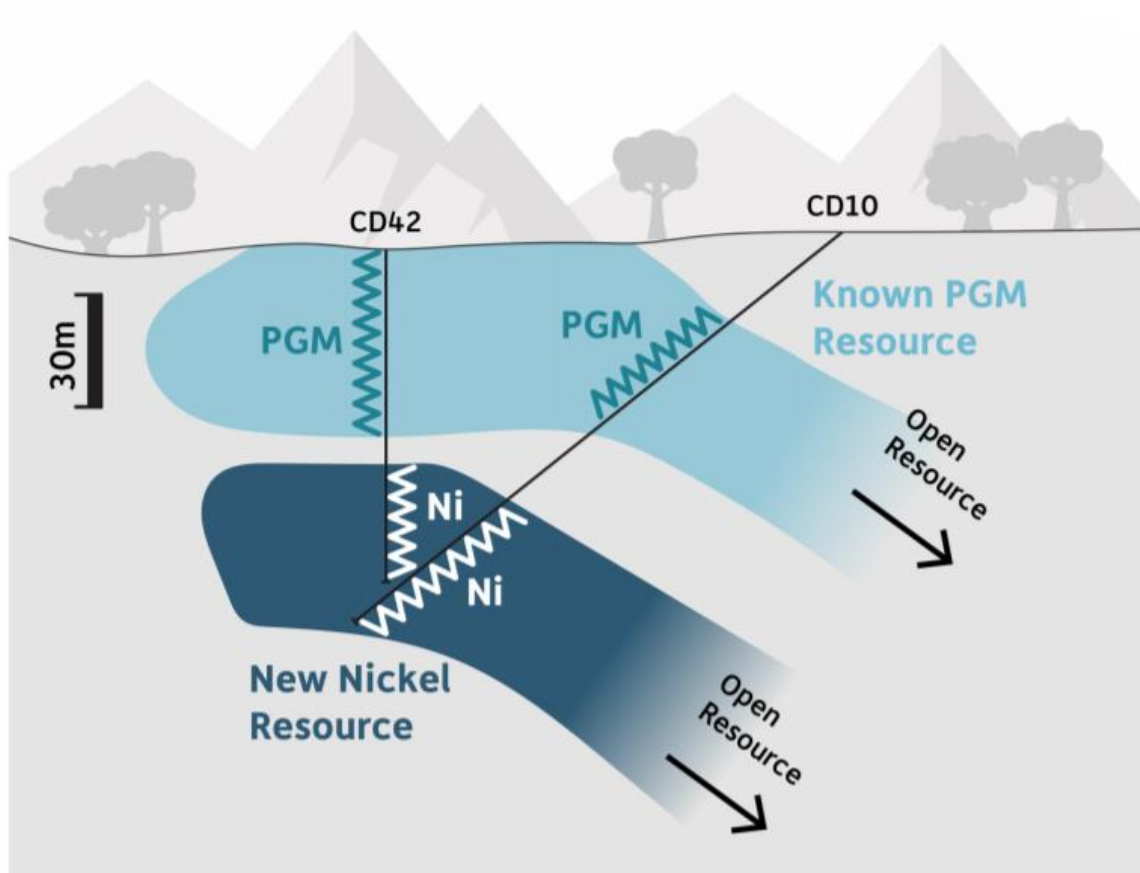
The really good news is that these additional resources sit within the original pit shell and will require no additional design work and currently the pit only extends to between 80 and 100m dependent upon where the ore is. Mineralogically, the ore is the same. All that has changed in the PGM to base metal ratio and the processing plant will not require any modification to process these additional tonnes.

Pedra Branca Deposit – Mineral Resource Update - Nickel intersections										
Effective Date: 21st November 2018. Block Model: 20m 10m X 2m (5m X 2.5m X 0.5m)										
Inferred Resource										
Target	Classification	Tones (kt)	Ni (%)	PGM (g/t)	Pd (g/t)	Pt (g/t)	Au (g/t)	Cu (%)	Cr2O3 (%)	Co (ppm)
Cedro	Inferred	1,886	0.260	0.18	0.10	0.07	0.005	0.04	0.28	150
Curui	Inferred	191	0.240	1.00	0.63	0.32	0.057	0.05	0.51	134
Esbarro	Inferred	5,770	0.200	0.18	0.10	0.08	0.003	0.03	0.13	130
Trapia	Inferred	421	0.220	0.40	0.26	0.11	0.036	0.08	0.20	135
Grand Total		8,268	0.216	0.21	0.12	0.08	0.007	0.04	0.18	135

Figure 1: Details of the JORC estimate for the further discovery of an additional 8.26m tonnes

These additional tonnes will add to the mine life and improve the net present value. However, as Exhibit 2 shows, both the original PGM resource and the new nickel resource are open down dip and in all probability will add further to the mine life. Whether this will be open pitable or there will be a need to go underground is not a decision that needs to be made in the short term.

Exhibit 2: Cross section through the Esbarro target shows the nickel grades in boreholes and the location of the new nickel sulphide ore (green) immediately beneath the PGM resource (black)



Source: Jangada Mines

Research Disclosures

Peter Rose

Peter has 32 years' experience in equities as a resources analyst; he has been at Brandon Hill Capital for 11 years, after having spent 11 years with Deutsche Bank in Australia. Prior to this he spent 2 years with Prudential Bache and 6 years with James Capel. Peter's industry experience includes 16 years as a metallurgist, 3 years with De Beers in South Africa and 9 years in the uranium industry, six of which were spent at the Ranger Uranium mine. Peter holds a BSc degree in Applied Mineral Science from Leeds University UK and a Bachelor of Commerce from the University of South Africa. Peter is also a member of the Institute of Materials, Mining & Metallurgy and a chartered engineer.

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Sell	Recommendation implies that expected total return expected over 12 months between current and analysts' target price is negative.

Research Disclaimers

Research disclosure as of 17 December 2018

<u>Company Name</u>	<u>Disclosure</u>
Jangada Mines plc (JAN AIM)	1, 2, 7, 8, 9

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