

17 December 2018

Jangada Mines plc ('Jangada' or the 'Company')

Nickel Sulphide Discovery

Maiden Nickel JORC Compliant Resource

Jangada Mines plc, a natural resources company developing the advanced Pedra Branca project ('the Project') in Brazil, is pleased to announce a significant increase to its project economics through the addition of a JORC (2012) compliant nickel and copper sulphide resource.

Highlights

- Current mine plan provides for an open pit operation processing PGM+Au and associated by-product metals including nickel, chrome, copper and cobalt as outlined in the recent Preliminary Economic Assessment ('PEA')
- High-grade economic nickel and copper sulphide mineralisation identified immediately below the existing PGM resource, potentially extending the scale and life of the open pit operation
- The new resource adds 8 million tonnes of mineral at 0.22% nickel; 0.04% copper; 135 g/t cobalt; 0.21 g/t of PGM+Au at a nickel equivalent grade of 0.39%
- The new resource could add circa US\$110 million, at today's spot price, to current estimated project revenue - a 10% increase in revenue
- Strong potential to increase resource as it remains open at depth and along strike
- Minimal additional capex expected to facilitate processing of nickel and copper
- The new nickel and copper resource will be included in the Bankable Feasibility Study ('BFS'), anticipated to be delivered in H1 2019, and is expected to substantially improve already favourable economics

Brian McMaster, Chairman of Jangada, said: *"Our ongoing work has enabled us to further understand the dynamics, scale and potential of the ore-body; the Project's main economic drivers are palladium, platinum and nickel and the associated by-products are essentially cream on the top.*

"The planned processing route allows us to process and recover all metals in one concentrate from the one plant, meaning that the economics of Pedra Branca have improved substantially. We expect to demonstrate this in the upcoming BFS. Clearly, the current NPV of US\$192 million against the Company's current circa £6 million market cap demonstrates a disparity between asset and valuation; we expect this gap to close substantially as we continue to de-risk the Project."

Background

The Pedra Branca Project is an advanced palladium, platinum and nickel project in the northeast of Brazil, holding three mining licenses and 42 exploration licenses over an area of 48,000 hectares. Significant work has been undertaken at the Project, resulting in the release of a PEA in June 2018, which confirmed its potential to become a robust, low CAPEX and OPEX, shallow, open pit operation

demonstrating an NPV of US\$192 million, an IRR of 67% and 1.6-year payback. Since the release of the PEA, the Company has announced a significant reduction in CAPEX associated with development of the Project.

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The Company recently commissioned a JORC (2012) compliant resource estimate resulting in additional Inferred resources of 8.3 million tonnes of ore at 0.22% nickel, 0.04% copper, 135 g/t cobalt and 0.21 g/t PGM+Au. Co-products contribute to a nickel equivalent grade of 0.39%.

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
Curiu	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

Geological Setting

The nickel and copper anomalies identified at the Project to date, are located in the region of the Cedro, Esbarro and Curiu deposits. The resource is hosted by a tabular-shaped ultramafic body known as the Troia Unit. The nickel is hosted by the same geological unit as the PGM resource. Most of the world's high-grade nickel deposits occur in this geological context. Our exploration work demonstrates that the high-grade nickel intersections indicate sulphide ore targets, all of which are associated with geophysical magnetic anomalies.

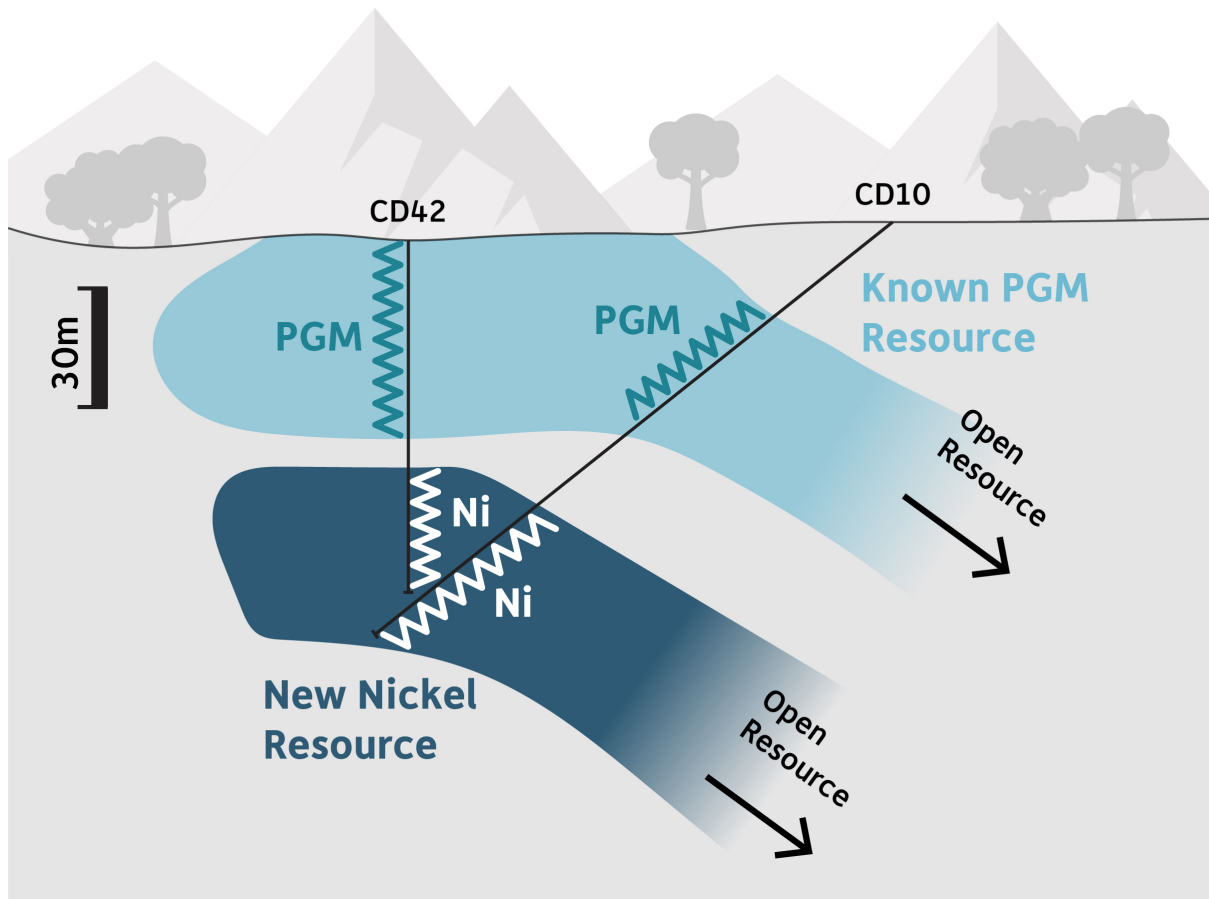


Figure 2: This cross-section through the Esbarro target shows the nickel grades in boreholes and the location of the new nickel sulphide ore (green) immediately beneath the PGM resource (black).

Economic Impact

As illustrated in figure 2 above, the nickel resource sits immediately below the current planned open pit PGM mine. Occurring in the same geological unit, with similar mineralogical and chemical composition as the PGM-Ni-Cu resource, the processing routes outlined in the PEA released in June 2018, indicate that the new nickel resource can be processed and recovered using the same plant as the PGMs. This means that there will be minimal additional CAPEX required and, as such, the addition of the new nickel resource is expected to substantially improve the already robust economics.

The Company has modelled the potential economic impact of including the nickel resource assuming metallurgical recovery rates as outlined in the PEA, it is expected the addition of the new nickel resource will enhance the Project's revenue by circa US\$110 million at today's spot price. This represents an increase of overall expected revenue from the Project of 10%.

The geological modelling and resource estimate relies on data collected from the 30,000m of diamond core drilling completed at Pedra Branca.

Competent Person Statement

The technical information in this statement is based on information compiled by Mr. Bernardo Horta Cerqueira Viana who is a geologist and full-time director and owner of GE21 and is registered as a Competent Person with the MAIG. Mr Viana has sufficient relevant experience to the style of mineralisation to qualify as a Competent Person as defined in the JORC Code (2012). Mr Viana also meets the requirements of a qualified person under the AIM Note for Mining, Oil and Gas Companies.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

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