



Jabiru Metals

LIMITED

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Capital Raising & Jaguar Project Update

Capital Raising

The directors of Jabiru Metals Limited (“Jabiru”) are pleased to advise that it will raise approximately \$28.7 million through the issue of 33,745,157 shares pursuant to a 1 for 10 non-renounceable rights issue at \$0.85 per share. A prospectus for the rights issue will be lodged shortly.

Hartleys Limited, Jabiru’s Corporate Adviser, has underwritten 23,037,216 (68.23%) of the rights issue shares, with the balance of the issue the subject of a firm commitment agreement with Consolidated Copper Pty Ltd (a 100% subsidiary of Consolidated Minerals Limited and Jabiru’s largest shareholder) in respect of their rights issue entitlement.

To be eligible to participate in the rights issue you must be a Jabiru shareholder on the record date, being Friday 5 January 2007. Full offer details will be set out in Jabiru’s prospectus. A letter will be posted to all shareholders explaining the rights issue process and a prospectus will be distributed to shareholders on or about Tuesday 9 January 2007.

The proceeds from the rights issue will be applied towards development of the Jaguar base metals project and to working capital. Jabiru would like to thank all shareholders for their continued support and encourage them to consider the opportunities presented by the rights issue.

Jaguar Project Update

Jaguar Decline

- The Jaguar Decline has reached 1,320 metres from the portal, total decline length 1,835 metres.
- Orders have been placed for the major equipment required for stoping to commence. The Charmac charge-up wagon and the Toro 1400 remote controlled loader are both expected on site in early January.
- Employment of extra truck operators ready for increased (multiple heading) development and stoping production is in process.

Jaguar Ventilation Shaft

- Approval has been gained from Department of Consumer and Employment Protection to sink the ventilation shaft to 80 metres. The shaft sink is currently at 18 metres.
- Completion of the full raise bore shaft is on track for May 2007.

Processing Facility

- The construction of the concentrator is progressing well and overall construction is 67% complete.
- The earthworks for the tailings storage facility is complete. Installation of the tailings pipework and decant system will commence in January with completion of the facility expected in early February.
- Orders for first fill consumables (grinding media and chemicals) have been placed with the first of these expected to be delivered to site in early February.

Recruitment

- Key personnel for the concentrator have been engaged and will commence in December/January.
- Recruitment of concentrator operators will commence in January.

Test work on Teutonic Bore Tailings and Sulphide Stockpiles

- Flotation test work on the stockpiles is continuing.
- This test work is expected to be completed during February 2007 and if successful will provide the basis for additional ore reserves for the project.