Jabiru Metals
LIMITED

28 December 2006

Dear Shareholder,

NON-RENOUNCEABLE ENTITLEMENT ISSUES

Jabiru Metals Limited (**Company**) has announced to Australian Stock Exchange Limited (**ASX**) a non-renounceable entitlement issue on the basis of 1 share for every 10 shares held by shareholders on 5.00 pm WST on 5 January 2007.

The entitlement issue will result in the issue of approximately 33,745,157 new shares in the Company.

The issue is partially underwritten by Hartleys Limited up to an amount of 23,037,216 shares. In addition, Consolidated Copper Pty Ltd, a wholly owned subsidiary of Consolidated Minerals Limited, who holds 31.73% of the shares in the Company has undertaken to subscribe for its entitlement of 10,707,941 shares.

The Prospectus relating to this issue has been lodged with the Australian Securities and Investments Commission and ASX and is available on the ASX website at www.asx.com.au for inspection. The timetable and important dates of the issue are set out below:

Lodgement of Prospectus with ASIC	22 December 2006
Notice sent to Shareholders	28 December 2006
Ex Date	29 December 2006
Record Date for determining Shareholder entitlements	5 January 2007
Prospectus despatched to Shareholders	9 January 2007
Closing Date of Offer	23 January 2007
Securities quoted on a deferred settlement basis	24 January 2007
Despatch date/Shares entered into shareholders security holdings	1 February 2007

The purpose of the issue is to raise approximately $28,683,384 and the funds raised will be used to pay for additional development costs of the Jaguar Project, costs of the development of the Jaguar Project infrastructure and working capital.

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The capital structure of the company on completion of the issue will be as follows:

Shares

	Number
Shares currently on issue	337,451,570
Shares offered pursuant to the Offer	33,745,157
Total Shares on issue after completion of the Offer	**371,196,727**

Options

The Company currently has the following Options on issue. No new Options will be issued under the Offer.

	Number
Unlisted exercisable at $0.20 on or before 15 May 2007	3,000,000
Unlisted exercisable at $0.25 on or before 27 Aug 2009	5,700,000
Unlisted exercisable at $0.25 on or before 22 Nov 2009	350,000
Unlisted exercisable at $0.18 on or before 21 Dec 2010	2,550,000
Unlisted exercisable at $0.25 on or before 23 June 2011	3,500,000
Unlisted exercisable at $0.30 on or before 23 June 2011	2,000,000
Unlisted exercisable at $0.57 on or before 1 November 2011	1,460,000
Total	**18,560,000**

In calculating entitlements under the entitlement issue fractions will be rounded up to the nearest whole number.

The offer under the Prospectus is made to Shareholders with registered addresses in Australia and New Zealand. Overseas shareholders should contact the Company Secretary with any queries.

Full detail of the issue will be contained in the Prospectus that will be mailed to all shareholders who are registered on the record date. Shareholders eligible to participate should read the Prospectus carefully.

Yours faithfully

Gary Comb

Director