Jubilee Mines N.L.

Our Ref: 6-A-3

14 July 2005

The Manager
Companies Announcement Office
Australian Stock Exchange Limited
Level 10, 20 Bond Street
SYDNEY NSW 2000

www.asxonline.com

Dear Sir

Re: PROSPERO RESOURCE UPGRADE

We enclose herewith a copy of an Announcement in relation to the above.

Yours faithfully

KERRY HARMANIS
Executive Chairman

Encl.

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Jubilee Mines N.L.

ASX ANNOUNCEMENT **14 July 2005**

PROSPERO RESOURCE UPGRADE

Further to its announcement of 1 June 2005, Jubilee Mines NL (ASX: JBM) is pleased to announce that, following the inclusion of recent diamond drilling results, an updated Inferred Resource has been estimated for the Prospero Nickel Deposit, located 4.5km south of the existing Cosmos nickel operations.

The Inferred Resource for Prospero now stands at **1,060,000 tonnes** at a grade of **5.72% nickel** for **60,600 tonnes** of contained nickel (previously 960,000 tonnes @ 5.4% nickel for 51,900 tonnes of contained nickel) as detailed in table (1) and figure (1), representing an increase of approximately 17% in the contained nickel compared with the previously announced resource.

Table (1) – Prospero Inferred Resource

Category	Tonnes	Grade (%)	Ni Metal (tones)
Inferred	1,060,000	5.72	60,600

The Prospero Resource was estimated based upon available data as at 13 July 2005 using the Ordinary Kriging grade interpolation method utilising Gemcom software. Variography analysis using Snowden Visor 2.2 software determined the kriging inputs. The block model was orientated at 345° with a direction of maximum continuity / plunge direction of -46°→ 012°. The resource has been domained internally to reflect the spatial distribution of higher grade assays. Density determination relied on a regression based nickel grade validated at the Cosmos operation.

The increase in average grade from 5.4% nickel to 5.72% nickel is the result of a series of high grade intersections both internal to the previous resource and representing extensions outside of the previous resource limits (figure 1).

New results include (see table 2 for details):

- **BJD119c 15.6 metres @ 7.8% Ni *(includes 4.85 metres @ 15.2% Ni)***
- **BJD139a 13.6 metres @ 7.7% Ni**
- **BJD139b 3.5 metres @ 2.5% Ni**
- **BJD139c 8.9 metres @ 6.9% Ni**
- **BJD132b 5.2 metres @ 7.8% Ni**
- **BJD132c 1.4 metres @ 8.9% Ni**

The high grade intersections returned from the central part of the resource (i.e. BJD139a, 139c and 132b) have further reduced the effect that drill hole BJD82g (19.5 metres @ 1.6% Ni) has on the overall grade.

The wide, high-grade intersection returned from BJD119c (15.6 metres @ 7.8% Ni) clearly demonstrates that the mineralised system remains open in a down-plunge position to the south and down-dip along the known strike of the resource. It is possible that a new thicker, high-grade trend is starting to develop in this location. The mineralisation also remains open in most other directions with good support from down hole electromagnetic surveys (DHEM). Further drilling is required in these positions.

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This upgrade of the Prospero resource continues to substantially increase Jubilee's high-grade nickel sulphide resource inventory at the Cosmos Project. Jubilee is confident that, with continued drilling, the Prospero resource will continue to grow. Drilling is currently progressing with 3 diamond rigs in operation.

The surface expression of the Prospero Deposit is located approximately 4.5km south of the Cosmos Mine on the Cosmos ultramafic sequence, within close proximity to Jubilee's existing concentrator and mine infrastructure. Preliminary metallurgical test work indicates that Prospero ore will be amenable to treatment through the existing Cosmos plant.

The details contained in this report that pertain to ore and mineralisation and the Prospero mineral resource is based upon information compiled by Mr Peter Langworthy, a full-time employee of the Jubilee Mines NL group of companies. Mr Langworthy is a Member of the Australasian Institute of Mining and Metallurgy (AUSIMM) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Langworthy consents to the inclusion in the report of the matters based upon his information in the form and context in which it appears.

Table (2) – Prospero Significant Drilling Intercepts

Hole No	Northing	Easting	Dip	Az	From (m)	To (m)	Width (m)	Grade (Ni%)
NEW RESULTS								
BJD119c	6,940,480	261,600	-55	268	837	852.6	15.6	7.8
					(Includes)		***4.85***	***15.2***
BJD139a	6,940,540	261,290	-75	270	656.7	670.3	13.6	7.7
BJD139b	6,940,540	261,290	-75	270	624	627.5	3.5	2.5
BJD139c	6,940,540	261,290	-75	270	620.1	629	8.9	6.9
BJD132b	6,940,600	261560	-56	268	788.1	793.3	5.2	7.8
BJD132c	6,940,600	261560	-56	268	796.5	797.9	1.4	8.9
Previously Reported								
BJD112	6,940,640	261,380	-60	270	713.72	717.51	3.8	15.1
BJD112a	6,940,640	261,380	-60	270	683.80	684.20	0.8	13.5
					(Includes)		***0.4***	***19.7***
					706.30	717.60	11.3	10.7
BJD112c	6,940,640	261,380	-60	270	674.28	678.28	4.0	10.67
BJD112d	6,940,640	261,380	-60	270	684.15	714.7	30.5	7.6
					(Includes)		***8.75***	***12.4***
BJD0112e	6,940,640	261,380	-60	270	673.54	677.14	3.6	3.60
					696.97	701.67	4.7	4.48
BJD080a	6,940,640	261,320	-60	270	612.60	614.70	2.10	6.7
					(Includes)		***0.95***	***10.0***
BJD080b	6,940,640	261,320	-60	270	614.58	618.23	3.65	5.5
					(Includes)		***1.23***	***11.24***
BJD082	6,940,510	261,400	-60	270	624.53	625.15	0.60	4.0
					651.74	653.45	1.71	6.5
BJD082a	6,940,510	261,400	-60	270	629.84	632.81	2.97	7.85
					(Includes)		***1.40***	***12.5***
BJD082b	6,940,510	261,400	-60	270	633.40	638.01	4.60	9.2
					(Includes)		***2.0***	***12.4***
BJD082c	6,940,510	261,400	-60	270	613.47	615.28	1.8	4.01
					(Includes)		**0.27**	**13.2**
BJD082d	6,940,510	261,400	-60	270	634.85	645.00	10.15	6.47
					(Includes)		***6.9***	***8.9***
BJD82e	6,940,510	261,400	-60	270	610.82	613.08	2.26	8.52
BJD82f	6,940,510	261,400	-60	270	665.68	679.68	14.0	6.56
BJD82g	6,940,510	261,400	-60	270	666.50	686.00	19.5	1.6
					(Includes)		2.3	5.6
BJD114	6,940,480	261,378	-65	268	625.75	629.54	3.8	3.31
BJD119	6,940,480	261,600	-55	268	811.28	813.00	1.72	9.12
					759.43	760.00	0.57	11.0
BJD119a	6,940,480	261,600	-55	268	776.00	777.10	1.1	7.21
					798.00	800.40	2.4	2.32
BJD119b	6,940,480	261,600	-55	268	828.58	831.78	3.2	13.4
BJD132	6,940,600	261560	-56	268	802.00	805.60	3.6	5.34
BJD139	6,940,540	261,290	-75	270	634.31	662.39	28	3.97
					(Includes)		***10.1***	***8.35***

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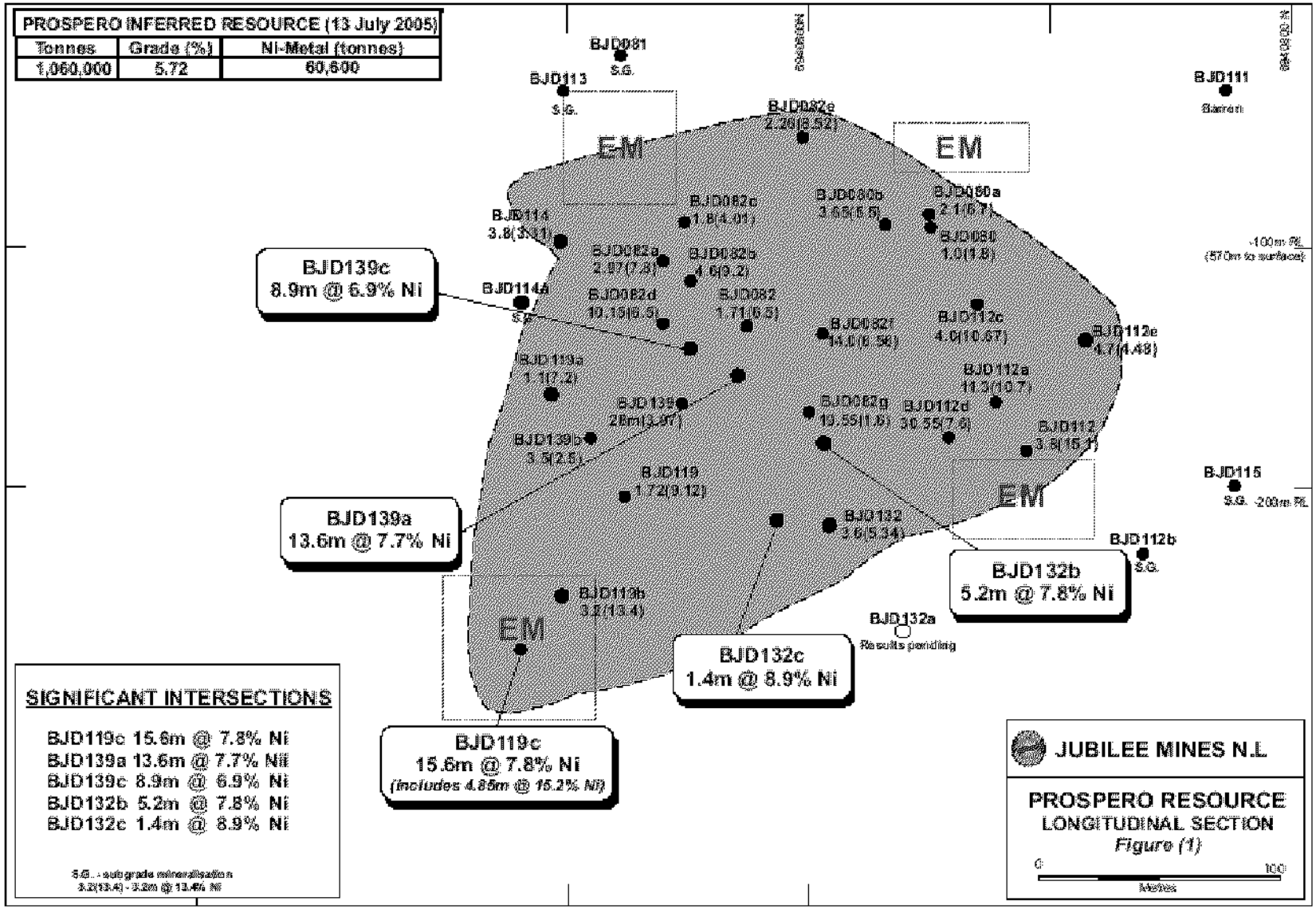
PROSPERO INFERRED RESOURCE (13 July 2005)
Tonnes | Grade (%) | Ni-Metal (tonnes)
1,060,000 | 5.72 | 60,600
BJD081
S.G.
BJD113
S.G.
BJD111
Barren
BJD082e
2.2(6.52)
EM
EM
BJD082c
1.8(4.01)
BJD080b
3.65(6.5)
BJD080a
2.1(6.7)
BJD080
1.0(1.8)
BJD114
3.8(3.81)
BJD082a
2.97(7.8)
BJD082b
4.6(3.2)
BJD139c
8.9m @ 6.9% Ni
BJD114A
S.G.
BJD082d
10.19(6.3)
BJD082
1.71(6.3)
BJD082f
14.0(6.56)
BJD112c
4.0(10.67)
BJD112e
4.7(4.48)
BJD119a
1.1(7.2)
BJD112a
11.3(10.7)
BJD139
28m(3.97)
BJD082g
10.55(1.6)
BJD112d
30.55(7.5)
BJD112
3.8(15.1)
BJD139b
3.5(2.5)
BJD119
1.72(9.12)
BJD115
S.G.
-200m RL
BJD139a
13.6m @ 7.7% Ni
BJD132
3.6(5.34)
EM
BJD112b
S.G.
BJD132b
5.2m @ 7.8% Ni
BJD113b
3.2(13.4)
BJD132a
Results pending
BJD132c
1.4m @ 8.9% Ni
BJD119c
15.6m @ 7.8% Ni
(Includes 4.85m @ 15.2% Ni)
-100m RL
(570m to surface)
SIGNIFICANT INTERSECTIONS
BJD119c 15.6m @ 7.8% Ni
BJD139a 13.6m @ 7.7% Ni
BJD139c 8.9m @ 6.9% Ni
BJD132b 5.2m @ 7.8% Ni
BJD132c 1.4m @ 8.9% Ni
S.G. - sub grade mineralisation
3.2(13.4) - 3.2m @ 13.4% Ni
JUBILEE MINES N.L
PROSPERO RESOURCE
LONGITUDINAL SECTION
Figure (1)
0
100
Metres