

JUPITER MINES LIMITED

26 June 2018

ASX: JMS

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Directors/Officers

Brian Gilbertson
Paul Murray
Andrew Bell
Priyank Thapliyal
Sungwon Yoon

Melissa North

Issued Capital:

Ordinary shares:
1,948,340,503

Current Assets:

- World class Tshipi Manganese Mine
- Advanced Central Yilgarn Iron Ore Projects

JUPITER MINES LIMITED Q1 FY2019 QUARTERLY ACTIVITIES REPORT

Jupiter Mines Limited (ASX: JMS) ("Jupiter", or the "Company", and together with its subsidiaries, the "Group") is pleased to provide the following activities report for the quarter ended 31 May 2018.

HIGHLIGHTS

- Tshipi production and sales remained on track during the quarter to meet annual 3.3mtpa target.
- Management have capitalised on ongoing robust manganese prices. As a result, Q1 FY2019 production and sales higher than Q1 FY2018 and budget.
- Significant cash flow generation as a result of higher sales, healthy manganese prices and continued cost saving initiatives.
- Jupiter attributable cash \$117 million (pre-tax and other commitments) at end of quarter.
- Jupiter CEO, Priyank Thapliyal to conduct conference call on quarterly results on Tuesday 26 June at 3:30pm AEST.

TSHIPI BORWA MANGANESE MINE (100% BASIS)

Jupiter Mines Limited has a 49.9% beneficial interest in Tshipi é Ntle Manganese Mining (Pty) Limited ("Tshipi"), who operate the Tshipi Borwa Manganese Mine in the southern portion of the Kalahari manganese field.



Figures 1 and 2: Tshipi Borwa Manganese Mine Pit

More photos and a fly through video of the mine can be viewed at <https://www.jupitermines.com/projects/tshipi/tshipi-in-action-video-photos> and further details at Tshipi's website: <http://tshipi.co.za/>

Production, sales and financial information for the quarter ended 31 May 2018 are presented below:

	UNIT	Q1 FY2019	Q1 FY2018
Mined volume	bcm	2,509,466	2,443,122
Production	Tonnes	915,011	832,889
Sales	Tonnes	924,255	679,347
Average CIF price achieved (high grade lumpy)	CIF, USD/dmtu	7.19	3.49
Average FX rate	USD/ZAR ¹	12.15	13.28
Average FX rate	AUD/ZAR ¹	9.29	9.93
Average cost of production	FOB, ZAR/dmtu	28.24	23.99
Sales revenue	ZAR '000	2,318,869	845,842
Earnings before interest, tax and depreciation ("EBITDA")	ZAR '000	1,594,747	275,233
Net profit after tax	ZAR '000	1,048,089	141,722
Net cash from operating activities	ZAR '000	1,526,164	151,753
Cash at bank	ZAR '000	1,725,963	591,992

Mining and Production

During the quarter, the historically wet season resulted in a small deficit in mining of graded ore of 45,895 bcms compared to budget. However sufficient stockpiles existed to meet all export demands. The business plan for June to August will incorporate the year to date deficit for graded ore. Production of high grade ore year to date was slightly behind plan but will be made up during June. The production of low grade ore was above plan in order to capitalise on favourable market conditions. Q1 FY2019 FOB costs are higher than Q1 FY2018 on account of inflationary cost variance and substantially higher royalty payments.



Figures 3 and 4: Tshipi Borwa Manganese Mine processing facilities

Logistics and Sales

Manganese ore sales continued to be ahead of budget during the quarter with four additional vessels being utilised during the quarter. On an annualised basis sales exceeded the 3.3mtpa target set for the year.

Both rail and road volumes remained ahead of budget. Road trucks were utilised to transport low grade material in order to capitalise on positive market conditions.



Figures 5 and 6: Loading of manganese ore at Port Elizabeth

MARKETING

Sales and financial information for the quarter ended 31 May 2018 are presented below:

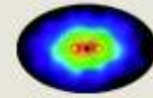
	UNIT	Q1 FY2019	Q1 FY2018
Sales	DMT	432,623	394,135
Average CIF price achieved (high grade lumpy)	CIF, USD/dmtu	7.04	3.46
Average FOB Metal Bulletin price	FOB, USD/dmtu ²	6.72	3.61
Revenue – marketing fee income	ZAR '000	27,503	12,774
Gross profit	ZAR '000	27,503	15,676
EBITDA	ZAR '000	25,501	13,783
Net profit after tax	ZAR '000	24,625	9,540
Cash at bank	ZAR '000	106,612	-

Tshipi and Jupiter took advantage of the strong manganese market selling low grade lumpy product from existing stockpiles in the strong Q1 FY2019 market.

CENTRAL YILGARN IRON ORE PROJECTS

No exploration or development activities were undertaken at the Mount Ida Magnetite or Mount Mason Hematite projects during the quarter. The Company does not plan to undertake any activities in the next quarter. Jupiter has noted the recent purchase of the Cliffs Asia Pacific assets by Mineral Resources and will explore options to crystallise value from its own Central Yilgarn iron ore assets.

During the quarter the Department of Mines, Industry Regulation and Safety granted exemptions from 2017 minimum expenditure commitments on mining leases M29/414 (Mount Ida) and M29/408 (Mount Mason). All tenements held by Jupiter during the quarter are listed in Appendix 1 to this report.



CORPORATE UPDATE

On 19 March 2018, Jupiter completed an equal access share buy-back. A total of 116,182,215 shares were bought back and subsequently cancelled. Shareholders received \$51,120,175 as consideration. The remaining issued capital was 1,948,340,503 ordinary shares as at 31 May 2018.

The Group net consolidated cash balance decreased to \$26,843,211 during the quarter, largely due to the payment of share buy-back proceeds to shareholders. Jupiter's attributable cash including its share of Tshipi cash was \$117,163,335 at the end of the May quarter, calculated as the net consolidated cash above and Jupiter's 49.9% share of Tshipi's cash balance.

As announced on 18 June 2018, the Tshipi Board intends to distribute ZAR1.5 billion to its shareholders in September 2018, subject to current market conditions holding. Due to a variation in the calculation of the February 2018 dividend, Tshipi will pay a further ZAR115 million dividend to Jupiter in September 2018. Jupiter expects to receive ZAR35-40 million from its marketing entity. It plans to pay all cash received to its shareholders in September 2018, net of all taxes.

QUARTERLY CALL WITH CEO

Jupiter would like to invite all shareholders and market participants to dial into a brief conference call with Jupiter CEO Priyank Thapliyal as per the details below:

Tuesday 26 June 2018 at 3:30pm AEST
Australian Dial-in Number: 1800 804 595
International Dial-in Number: +61 3 8687 0650

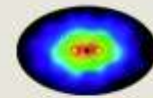
The conference call will be recorded and available on the Company website after the call (see www.jupitermines.com).

Yours sincerely

Brian Gilbertson
Chairman and Acting Chief Executive Officer

Notes:

1. Average exchange rates per OANDA.
2. 37% FOB, Port Elizabeth.
3. All financial information presented in this report is unaudited.
4. All amounts are in Australian Dollars unless otherwise defined. USD = United States Dollar; ZAR = South African Rand.
5. The following abbreviations have been used through the report: bank cubic metre (bcm); financial year ended 28 February 2018 (FY2018); financial year ending 28 February 2019 (FY2019); dry metric tonne unit (dmtu); dry metric tonne (dmt); cost, insurance, freight (CIF); free on board (FOB); million tonnes per annum (mtpa).



APPENDIX 1 – SCHEDULE OF TENEMENTS AS AT 31 MAY 2018

TENEMENT	LOCATION	BENEFICIAL PERCENTAGE HELD	INTEREST ACQUIRED DURING QUARTER	INTEREST DISPOSED DURING QUARTER
G29/21	Western Australia	100%	-	-
G29/22	Western Australia	100%	-	-
G29/23	Western Australia	100%	-	-
L29/78	Western Australia	100%	-	-
L29/79	Western Australia	100%	-	-
L29/81	Western Australia	100%	-	-
L29/99	Western Australia	100%	-	-
L29/100	Western Australia	100%	-	-
L29/106	Western Australia	100%	-	-
L29/116	Western Australia	100%	-	-
L29/117	Western Australia	100%	-	-
L29/118	Western Australia	100%	-	-
L29/119	Western Australia	100%	-	-
L29/120	Western Australia	100%	-	-
L29/121	Western Australia	100%	-	-
L29/122	Western Australia	100%	-	-
L29/123	Western Australia	100%	-	-
L29/131	Western Australia	100%	-	-
L29/132	Western Australia	100%	-	-
L36/214	Western Australia	100%	-	-
L36/215	Western Australia	100%	-	-
L36/216	Western Australia	100%	-	-
L36/217	Western Australia	100%	-	-
L37/203	Western Australia	100%	-	-
L57/45	Western Australia	100%	-	-
L57/46	Western Australia	100%	-	-
M29/408	Western Australia	100%	-	-
M29/414	Western Australia	100%	-	-