



**JUPITER MINES
LIMITED**

ABN 51 105 991 740
ASX: JMS

Announcement

27 August 2018

JUPITER MINES LIMITED

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Directors/Officers

Brian Gilbertson
Paul Murray
Andrew Bell
Priyank Thapliyal
Sungwon Yoon

Melissa North

Issued Capital:

Shares: 1,958,991,033

Current Assets:

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

UPDATE ON MATERIAL MATTERS

- A Section 54 Notice has been served on Tshipi and consequently mining has been temporarily suspended
- Tshipi cash holdings comfortably cover previously-flagged dividend payment
- Tshipi and Mamatwan sign Co-Operation Agreement
- Priyank Thapliyal returns as full-time CEO

Jupiter Mines Limited ("Jupiter") has been informed that the South African Department of Mineral Resources ("DMR") has served a Section 54 Notice on the Tshipi Borwa Manganese Mine. It cites breaches relating mainly to recent pit wall failure and to drilling and blasting patterns. Mining operations have accordingly been temporarily suspended.

Processing, logistics and shipping continue normally.

Tshipi is currently comfortably ahead of its business plan for the financial year to July, having shipped 1.6 million tonnes against a target of 1.3 million tonnes. Sales for August 2018 stand at 316,000 tonnes. Tshipi remains on track to deliver the tonnes to meet its marketing commitments of 324,000 tonnes for September. However, should the Section 54 Notice not be lifted this week, October sales will be impacted.

The Tshipi management team is currently working to resolve these issues and will meet with the DMR later today to seek the lifting of the Section 54 Notice.

Cash generation by Tshipi has remained strong during the current financial year, with the manganese ore price currently around US\$5.80/dmtu (37% FOB Port Elizabeth). Cash in the bank at Tshipi as at the end of July 2018 stands at approximately ZAR2.7 billion (pre-tax, royalties, capital expenditure and other commitments), comfortably securing the ZAR1.5 billion Tshipi dividend payment flagged earlier. The Tshipi Board is expected to consider and declare its dividend over the next few weeks, with the Jupiter Board considering the payment of its share to Jupiter shareholders soon thereafter.

Separately, Jupiter is also pleased to announce that Tshipi and Mamatwan have signed the Co-Operation Agreement to advance the mining of the barrier pillar between the two mines. The barrier pillar mining will release sterilised ore that has a much lower strip ratio than the life of mine plan.

Finally, Jupiter is delighted to welcome back Mr Priyank Thapliyal to his full-time duties as Chief Executive Officer.

Yours sincerely

Brian Gilbertson
Chairman