

JUPITER MINES LIMITED

ABN 51 105 991 740
ASX: JMS

26 September 2019

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Directors & Officers

Brian Gilbertson
Paul Murray
Andrew Bell
Priyank Thapliyal
Yeongjin Heo

Melissa North

Issued Capital:

Ordinary shares:
1,958,991,033

Current Assets:

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

JUPITER MINES LIMITED

Q2 FY2020 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 August 2019.

HIGHLIGHTS

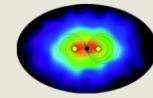
- Tshipi production and sales remain on track for FY2020; low cost of production maintained.
- Barrier pillar mining commenced on 1 August as per schedule.
- Tshipi pay an additional half year dividend of ZAR600 million to its shareholders, totalling ZAR1.75 billion for HY2020.
- Jupiter’s attributable cash \$133 million (pre-tax, dividend and other commitments) at end of the quarter.
- Jupiter CEO, Priyank Thapliyal to conduct conference call on quarterly results on Thursday 26 September at 4:30pm AEST.

TSHIPI BORWA MANGANESE MINE (100% BASIS)

Jupiter has a 49.9% beneficial interest in Tshipi é Ntle Manganese Mining Proprietary Limited (“Tshipi”), which operates the Tshipi Borwa Manganese Mine in the southern portion of the Kalahari manganese field.

Production, sales and financial information for the quarter ended 31 August 2019 and comparatives are presented below:

	UNIT	Q2 FY2020	Q1 FY2020	YTD FY2020	Q2 FY2019
Mined volume	bcm	2,973,867	2,715,849	5,689,716	2,737,391
Production	Tonnes	890,995	880,724	1,771,719	870,035
Sales	Tonnes	892,019	837,531	1,729,550	950,880
Average CIF price achieved (high grade lumpy)	CIF, USD/dmtu	5.52	6.01	5.51	5.98
Average cost of production	FOB, ZAR/dmtu	32.30	30.47	31.60	30.34
Average exchange rate	USD/ZAR ¹	14.58	14.30	14.44	13.58
Average exchange rate	AUD/ZAR ¹	10.06	10.07	10.07	10.05
Sales revenue	AUD million ²	185.0	199.8	384.7	223.3
Earnings before interest, tax and depreciation (“EBITDA”)	AUD million ²	101.5	132.1	233.6	159.9
Net profit after tax	AUD million ²	62.5	87.0	149.6	103.4
Net cash from operating activities	AUD million ²	86.3	92.3	178.6	105.4
Cash at bank	AUD million ²	114.0	143.0	114.0	261.7



Mining and Production

Mining for the quarter was behind forecast, however management remains confident of increasing volumes once an overhaul of excavators has been completed, drilling efficiencies have been resolved and also with the completion of a difficult mining cut.

During the quarter, Tshipi signed an agreement with South32 Limited (ASX, LSE, JSE: S32; ADR: SOUHY) to mine the barrier pillar between the Tshipi Borwa and Mamatwan mines. Mining of the barrier pillar commenced in August as per plan, with mined volumes ahead of plan for the month.

Tshipi's cost of production for the year to date is ZAR31.60/dmtu, in line with FY2019 costs of ZAR30.68/dmtu.

Safety

There were no lost time injuries recorded by Tshipi for the quarter. The initiatives and campaigns implemented by management to address incident causes and other findings raised through inspections and hazard reporting have started yielding positive outcomes.

Logistics and Sales

Overall sales volumes were marginally behind due to a planned vessel sailing in the first week of September but remain on track for the financial year. The August quarter rail and road volumes realised were higher than anticipated, with road volumes ahead of plan due to the additional low grade product moved.

Corporate

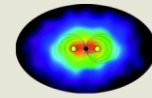
Subsequent to quarter end, the Tshipi Board declared and paid a further interim dividend of ZAR600 million to its shareholders (per ASX announcement 6 September 2019). The dividend for the half year period totals ZAR1.75 billion.

In the previous quarterly report it was stated that Tshipi's Chief Financial Officer Mr Carel Malan had resigned. However, the Company is pleased to report that Mr Malan will now remain with Tshipi.

MARKETING

Sales and financial information for Jupiter's marketing entity for the quarter ended 31 August 2019 and comparatives are presented below:

	UNIT	Q2 FY2020	Q1 FY2020	YTD FY2020	Q2 FY2019
Sales	DMT	441,250	403,785	845,035	478,741
Average CIF price achieved (high grade lumpy)	CIF, USD/dmtu	5.46	6.09	5.77	6.11
Marketing fee income	AUD million ²	3.1	3.2	6.3	3.5
Gross profit	AUD million ²	3.1	3.2	6.3	3.5
EBITDA	AUD million ²	1.6	2.4	4.0	3.2
Net profit after tax	AUD million ²	1.3	1.8	3.0	3.0
Cash at bank	AUD million ²	2.4	16.1	2.4	0.8



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 continues its strategic review of the projects and will shortly undertake stakeholder consultation in line with its statutory requirements.

CORPORATE

The Group's net consolidated cash balance increased from \$35,494,591 to \$75,890,556 during the quarter, primarily due to receiving its share of dividend from Tshipi in July (per ASX announcement 23 May 2019).

Jupiter's attributable cash (including its share of Tshipi cash) was \$132,776,849 at the end of the August quarter, calculated as the net consolidated cash above and Jupiter's 49.9% share of Tshipi's cash balance. Subsequent the quarter end, Jupiter received approximately \$31.2 million from Tshipi and its marketing entity (per ASX announcement 6 September 2019).

QUARTERLY CALL WITH CEO

Jupiter would like to invite all shareholders and market participants to dial into a brief conference call later today as per the details below:

Thursday 26 September 2019 at 4:30pm AEST

Australian Dial-in Number: 1300 264 803

International Dial-in Number: +61 3 8687 0650

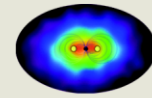
The conference call will be recorded and available on the Company website after the call (see www.jupitermines.com).

Yours sincerely

Priyank Thapliyal
Chief Executive Officer

Notes:

1. Average exchange rates per OANDA.
2. Tshipi and Jupiter's marketing entity report in ZAR; Jupiter reports in AUD. Where necessary, figures have been converted using average exchange rates shown for each relevant period.
3. All financial information presented in this report is unaudited and is currently subject to half year audit review.
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: financial year ending 28 February 2020 (FY2020); financial year ended 28 February 2019 (FY2019); bank cubic metre (bcm); dry metric tonne unit (dmtu); dry metric tonne (dmt); cost, insurance, freight (CIF); free on board (FOB).



APPENDIX 1 – SCHEDULE OF TENEMENTS AS AT 31 AUGUST 2019

TENEMENT	PROJECT	LOCATION	BENEFICIAL PERCENTAGE HELD	INTEREST ACQUIRED DURING QUARTER	INTEREST DISPOSED DURING QUARTER
G29/21	Mount Mason	Western Australia	100%	-	-
G29/22	Mount Ida	Western Australia	100%	-	-
G29/23	Mount Mason	Western Australia	100%	-	-
G37/36	Mount Mason	Western Australia	100%	-	-
L29/78	Mount Ida	Western Australia	100%	-	-
L29/79	Mount Ida	Western Australia	100%	-	-
L29/81	Mount Ida	Western Australia	100%	-	-
L29/99	Mount Ida	Western Australia	100%	-	-
L29/100	Mount Ida	Western Australia	100%	-	-
L29/106	Mount Ida	Western Australia	100%	-	-
L29/116	Mount Mason	Western Australia	100%	-	-
L29/117	Mount Mason	Western Australia	100%	-	-
L29/118	Mount Mason	Western Australia	100%	-	-
L29/119	Mount Mason	Western Australia	100%	-	-
L29/120	Mount Mason	Western Australia	100%	-	-
L29/121	Mount Mason	Western Australia	100%	-	-
L29/122	Mount Ida	Western Australia	100%	-	-
L29/123	Mount Mason	Western Australia	100%	-	-
L29/131	Mount Ida	Western Australia	100%	-	-
L29/132	Mount Mason	Western Australia	100%	-	-
L36/214	Mount Ida	Western Australia	100%	-	-
L36/215	Mount Ida	Western Australia	100%	-	-
L36/216	Mount Ida	Western Australia	100%	-	-
L36/217	Mount Ida	Western Australia	100%	-	-
L37/203	Mount Ida	Western Australia	100%	-	-
L57/45	Mount Ida	Western Australia	100%	-	-
L57/46	Mount Ida	Western Australia	100%	-	-
M29/408	Mount Mason	Western Australia	100%	-	-
M29/414	Mount Ida	Western Australia	100%	-	-