

ASX / MEDIA ANNOUNCEMENT (ASX: JNO)

22 OCTOBER 2021

QUARTERLY ACTIVITIES REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2021

HIGHLIGHTS

- Competitive tenders were received for all the major contracting packages for the Mount Mason DSO Hematite Project; strong response received on all packages.
- Tenders are nearing evaluation completion with contractors to be shortlisted in October.
- Mount Mason and Yundaga NVCPs submitted to DMIRS; Works Approval Application submitted to DWER.
- With recent instability in the iron ore price, the financial investment decision will be deferred in the short term, and subject to confirming a logistics solution.
- Work will continue to finalise Project approvals.

MOUNT MASON DSO HEMATITE PROJECT

Juno Minerals Limited (**Juno** or the **Company**) is progressing the Mount Mason DSO Hematite Project (the **Project**), which is a high-grade direct shipping ore (**DSO**) hematite, near-term project. The Project is located 130km by road northwest of the town of Menzies, Western Australia.

Contractor Engagement

Juno is employing a contracting strategy to minimise upfront capital costs and provide opportunity to reduce the development timeline. During the quarter, Juno received tender submissions and pricing for the following contracts:

- Mining services;
- Crushing services;
- Access roads construction: mine site to Menzies-Sandstone road and a Menzies bypass road to Yundaga rail siding area;
- Cassini Village upgrade and expansion, the Mine Operations Centre (**MOC**), and MOC establishment;
- Village facilities management;
- Medical services; and
- Requests for Pricing (**RFP**) for all minor packages.

RFPs were also issued to interested parties for the road haulage contract on two potential rail siding loadout options. Traffic interaction assessments have been undertaken on the Yundaga rail crossing location, and



the T-intersection location approved by Main Roads WA onto the Goldfields Highway, along with commencement of the design work for both packages.

Contractors for the major contracting packages have presented their tenders to the Company, with all providing submissions of a very high standard. Juno and the Project team are nearing the completion of the evaluation and clarifications on all the major contract tenders and shortlisted contractors for the major packages in October. Juno has requested that contractors extend the validity of the tenders to 31 March 2022.

Project Approvals

Juno's environmental approvals team amalgamated the previous and new environmental data from the completed Autumn flora survey and fauna survey in order to complete the Native Vegetation Clearing Permit (NVCP) applications for the Project and the Yundaga rail siding. These NVCP applications were submitted to the Department of Mines, Industry Regulation and Safety (DMIRS) for assessment in early August, with the expectation of conditional approval pending data from the Spring flora survey undertaken during late August. The Spring flora survey report is due to be submitted as an addendum at the end of October. Both the NVCPs have undergone the public advertising period with no objections and consequently are now under assessment.

The refreshed Works Approval Application for the Project was submitted to the Department of Water and Environmental Regulation (DWER) in early August and is currently undergoing assessment. The application was also subject to a public advertising period with no objections filed.

It is expected to receive the above Project approvals during November and December.

Logistics and Supply Chain

During the quarter, Juno progressed engagement with the necessary logistics supply chain providers and Southern Ports in relation to access to the Port of Esperance. Discussions have also been undertaken with Fremantle Ports in relation to potential emerging capacity at the Kwinana Bulk Terminal, however as of yet this is still work in progress.

Existing rail infrastructure south of Menzies to load DSO onto rail is being pursued in the interim, deferring development of the Yundaga rail siding. Once in production, Juno will assess the development of the Yundaga rail siding, to minimise road haul and maximise rail haulage.

CORPORATE

With the recent volatility in iron ore prices, the Board has deferred its financial investment decision on the Project until stability returns to the iron ore and freight markets and there is clarity on a logistics solution. However, the above work will continue to ensure the Project is shovel-ready in order to move quickly into development and production. Juno is now targeting the second quarter of calendar year 2022 for completion of construction and commencement of operations, subject to iron ore and freight market conditions.

During the quarter Juno sold a general purpose lease near Leonora, G37/36, which overlaid a prospecting licence held by the purchaser. This tenement was no longer required for project development.



In accordance with ASX Listing Rule 5.3.4, as the September quarter was in a period covered by a “Use of Funds” statement in the Replacement Prospectus, below is a comparison of the Company’s actual expenditure to 30 September 2021 against the estimated expenditure in the “Use of Funds” statement and Statement of Commitments in the Company’s Pre-Quotation Disclosure on 12 May 2021:

\$	Expenditure Program	June 2021 Quarter	September 2021 Quarter	Actual to Date	
1.	Costs of the Offer	348,504	350,226	111,471	461,697
2.	Corporate overheads – CEO Salary and Secondment Fee	648,958	26,735	80,587	107,322
3.	Tenure costs				
	• Mining tenement annual rent	1,092,904	54,397	254,796	309,193
	• Shire Rates	549,691	-	274,739	274,739
	• Cassini Village supplies and maintenance	261,549	38,533	35,990	74,523
4.	Contract tendering and documentation	317,000	212,852	322,090	534,942
5.	Company, project and operations management costs				
	• Operations and Project Management – Direct Costs	270,000	7,996	23,561	31,557
	• Technical consultants, mining, crushing, environmental, power supply	200,000	130,076	335,766	465,842
	• Legal fees – supply and services contracts	30,000	27,313	35,280	62,593
6.	Project execution (PMC)	-	-	-	-
7.	Cassini Village expansion	-	-	-	-
8.	Construction of site access road to Menzies – Sandstone Road	-	-	-	-
9.	Geophysical review and DSO targeting surveys	300,000	-	-	-
10.	Drill testing of the identified DSO targets	400,000	-	-	-
11.	Mt Ida – water exploration tenements – hydrogeological review	100,000	-	-	-
12.	Mt Ida – metallurgical test work	200,000	-	-	-
13.	Working capital				
	• Corporate overheads	1,598,128	288,475	110,270	398,745
	• Operations and Project Management-Direct Costs	430,000	-	-	-

• Legal fees – supply and services contracts	50,000	-	-	-
• Project execution	675,000	-	-	-
• Cassini Village expansion	1,442,767	-	-	-
Total Expenditure	\$8,914,501	\$1,136,603	\$1,584,550	\$2,721,153

Juno ended the September 2021 quarter with \$6.2 million in cash and deposits.

In accordance with ASX Listing Rule 5.3.5, \$54,036 of payments were made to related parties or their associates during the quarter, comprising Executive Director salary, Non-executive Director fees and superannuation.

This announcement has been approved for release by the Board.

CONTACTS

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FORWARD LOOKING STATEMENTS AND IMPORTANT NOTICE

This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved. They may be affected by a variety of variables and changes in underlying assumptions that are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein. All references to dollars (\$) and cents in this announcement are to Australian currency, unless otherwise stated.

TENEMENT SCHEDULE

Location	Tenement	Project	Beneficial Interest
Western Australia	G29/21	Mount Mason	100%
Western Australia	G29/22	Mount Ida	100%
Western Australia	G29/23	Mount Mason	100%
Western Australia	L29/100	Mount Ida	100%
Western Australia	L29/106	Mount Ida	100%
Western Australia	L29/116	Mount Mason	100%
Western Australia	L29/117	Mount Mason	100%
Western Australia	L29/118	Mount Mason	100%
Western Australia	L29/119	Mount Mason	100%
Western Australia	L29/120	Mount Mason	100%
Western Australia	L29/121	Mount Mason	100%
Western Australia	L29/122	Mount Ida	100%
Western Australia	L29/123	Mount Mason	100%
Western Australia	L29/131	Mount Ida	100%
Western Australia	L29/132	Mount Mason	100%
Western Australia	L29/78	Mount Ida	100%
Western Australia	L29/79	Mount Ida	100%
Western Australia	L29/81	Mount Ida	100%
Western Australia	L29/99	Mount Ida	100%
Western Australia	L36/214	Mount Ida	100%
Western Australia	L36/215	Mount Ida	100%
Western Australia	L36/216	Mount Ida	100%
Western Australia	L36/217	Mount Ida	100%
Western Australia	L37/203	Mount Ida	100%
Western Australia	L57/45	Mount Ida	100%
Western Australia	L57/46	Mount Ida	100%
Western Australia	M29/408	Mount Mason	100%
Western Australia	M29/414	Mount Ida	100%

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

JUNO MINERALS LIMITED

ABN

94 645 778 892

Quarter ended ("current quarter")

30 SEPTEMBER 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(12)	(12)
(e) administration and corporate costs	(327)	(327)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(339)	(339)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment ¹	(1,240)	(1,240)
(d) exploration & evaluation	(89)	(89)
(e) investments	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date \$A'000
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	44	44
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(1,285)	(1,285)

1 Includes capitalised expenditure for mine development, plant, and equipment.

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(21)	(21)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	(21)	(21)

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	7,838	7,838
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(339)	(339)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(1,285)	(1,285)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(21)	(21)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	6,193	6,193

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	6,143	7,788
5.2	Call deposits	50	50
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	6,193	7,838

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	12
6.2	Aggregate amount of payments to related parties and their associates included in item 2	42

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(339)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(89)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(428)
8.4 Cash and cash equivalents at quarter end (item 4.6)	6,193
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	6,193
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	14.5
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

22 OCTOBER 2021

Date:

BY THE BOARD

Authorised by:
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.