

**JUPITER MINES
LIMITED**

ABN 51 105 991 740
ASX: JMS

26 June 2019

Registered Office:
Level 10
16 St Georges Terrace
Perth WA 6000

Tel: +61 8 9346 5500
Fax: +61 8 9481 5933
Email:
info@jupitermines.com
Website:
www.jupitermines.com

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

Q1 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 May 2019.

HIGHLIGHTS

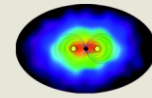
- Tshipi production and sales in line with FY2020 business plan.
- Tshipi to pay a special dividend of R1.15 billion to its shareholders at the end of June.
- Jupiter’s attributable cash \$107 million (pre-tax and other commitments) at end of the quarter.

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 May 2019 and comparatives are presented below:

	UNIT	Q1 FY2020	Q1 FY2019	FY2019
Mined volume	Bcm	2,715,849	2,509,466	11,234,344
Production	Tonnes	880,724	915,011	3,448,523
Sales	Tonnes	837,531	924,255	3,511,461
Average CIF price achieved (high grade lumpy)	CIF, USD/dmtu	6.01	7.19	6.41
Average cost of production	FOB, ZAR/dmtu	30.47	28.24	30.68
Average exchange rate	USD/ZAR ¹	14.30	12.15	13.53
Average exchange rate	AUD/ZAR ¹	10.07	9.29	9.89
Sales revenue	AUD million ²	199.8	249.6	872.3
Earnings before interest, tax and depreciation (“EBITDA”)	AUD million ²	132.1	171.7	582.0
Net profit after tax	AUD million ²	87.0	112.8	379.0
Net cash from operating activities	AUD million ²	92.3	164.3	352.3
Cash at bank	AUD million ²	143.0	181.0	54.5



Mining and Production

Mining for the quarter was behind forecast, mainly due to equipment issues and mining in difficult areas in the pit. Additional trucks will be mobilised towards the end of June and commissioned during July and an additional excavator will be mobilised and commissioned in June to assist with the catch up between July and December. Management remains confident that the high grade targets for the year will be met despite the backlog. Production for the quarter however was on target, with Tshipi producing 880,724 tonnes.

Tshipi's cost of production for the quarter was R30.47/dmtu, in line with FY2019 costs of R30.68/dmtu.

Safety

Tshipi recorded one lost time injury during the quarter. A drill rig assistant caught his hand in a rig resulting in a deep laceration to his wrist and hand. The incident was mainly related to working in the "line of fire" and inserting hands in between moving components. A number of campaigns have been implemented to address incident causes and other findings that were raised through inspections and hazard reporting by employees.

Logistics and Sales

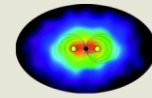
High grade sales are slightly ahead of the forecast to date. Overall sales are ahead of forecast due to low grade product moved during the quarter, in order to capitalise on good market conditions. It is expected that future sales will align with the forecast for the remainder of the financial year.

The first quarter rail and road volumes realised were higher than expected, with road volumes ahead of plan due to the additional low grade product moved.

Corporate

The Tshipi Board declared a special dividend of R1.15 billion to its shareholders in May, to be paid end of June. It is expected that Tshipi will declare a further dividend for the remainder of the first half of FY2020, subject to manganese prices.

Mr Carel Malan has resigned from his position as Tshipi's Chief Financial Officer to pursue other opportunities and will leave Tshipi in due course. Tshipi has commenced the process to recruit a suitable replacement. Mr Malan has been a fundamental part of Tshipi's success, and Jupiter thanks him for his valued efforts and contributions and wishes him well in his future endeavours.



MARKETING

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

	UNIT	Q1 FY2020	Q1 FY2019	FY2019
Sales	DMT	403,785	432,623	1,736,049
Average CIF price achieved (high grade lumpy)	CIF, USD/dmtu	6.09	7.04	6.31
Marketing fee income	AUD million ²	3.2	3.0	13.2
Gross profit	AUD million ²	3.2	3.0	13.2
EBITDA	AUD million ²	2.4	2.7	11.9
Net profit after tax	AUD million ²	1.8	2.7	9.5
Cash at bank	AUD million ²	16.1	11.2	6.5

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, other than continuation of the strategic review it has undertaken with in conjunction with Hartleys (ASX announcement: 25 March 2019).

CORPORATE

The Group's net consolidated cash balance decreased from \$72,848,679 to \$35,494,591 during the quarter, due to the Company's dividend payment in May. Jupiter's attributable cash (including its share of Tshipi cash) was \$106,847,635 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.

Jupiter's Chief Financial Officer, Melissa North, was appointed Finance Director on 14 March 2019.

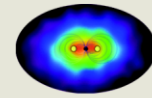
At the end of the quarter, 298,804,046 shares were released from voluntary escrow, with a further 298,804,044 shares remaining in voluntary escrow until Jupiter's half year financial statements are released at the end of October 2019, or upon trigger of the escrow release condition (ASX announcement: 14 May 2019).

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.
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 2019 (FY2019); financial year ending 28 February 2020 (FY2020); 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 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%	-	-