



# Poised for Growth

March 2023



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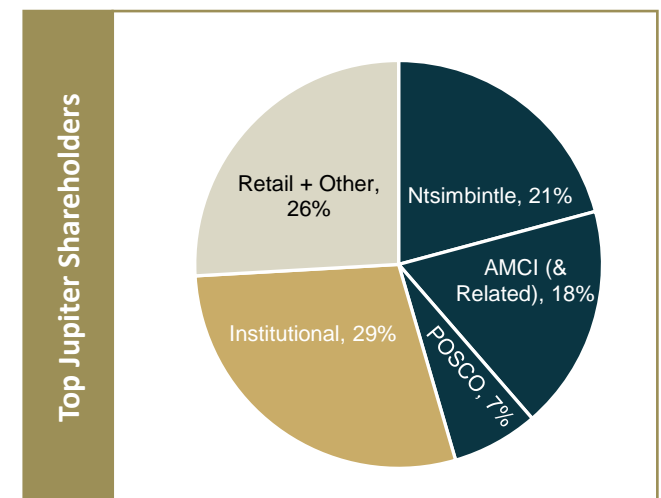
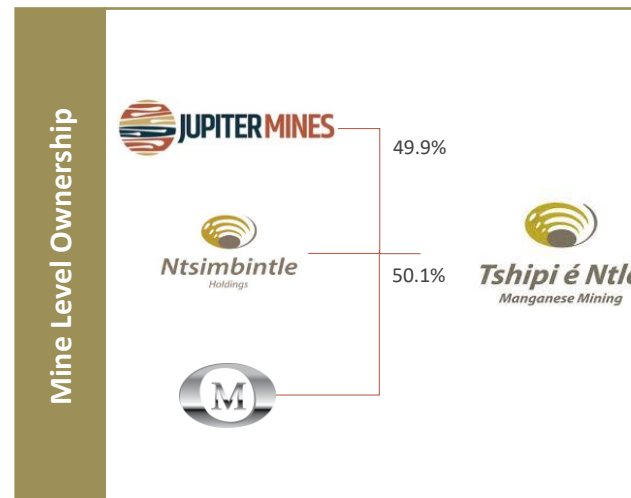
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Jupiter is the largest manganese miner on the ASX, with 49.9% ownership of a Tier 1 manganese mine, Tshipi...

|  |   |
|--|---|
| Share Price<br><b>A\$0.24</b>                          | Market Cap<br><b>A\$470m</b>                                |
| NPAT<br><b>A\$54m (FY22)</b><br><b>A\$34m (1HFY23)</b> | Cash in Hand<br><b>A\$96m</b>                               |
| Debt<br><b>A\$0m</b>                                   | Net Assets<br><b>A\$449m</b>                                |
| Research Coverage:                                     | <b>Euroz Hartleys</b><br><b>Fosters</b><br><b>Macquarie</b> |

|                    |   |  |   |  |
|--------------------|---|--|---|--|
| Board of Directors |  | Ilan Murray, Chairman<br><i>ex Gold Road MD</i>    |  | Peter North, NED<br><i>Safika Resources Co-founder</i> |
|                    |  | Brad Rogers, MD<br><i>ex Bis Industries MD</i>     |  | Patrick Murphy, NED<br><i>MD, AMCI Group</i>           |
|                    |  | Scott Winter, NED<br><i>ex Perenti Surface CEO</i> |  | Ben Kim, NED<br><i>MD, POSCO Australia</i>             |



Notes: Financials: As at 31 Aug 2022 Share Price and Market Cap as at 2 Mar 2023. Cash includes equity share of Tshipi cash



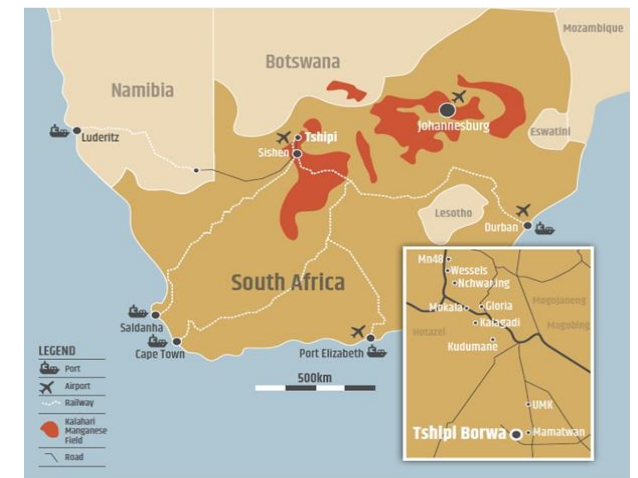


## ...Tshipi is one of the world's premier manganese mines...

- World Class Scale: **top 5 production** volumes
- **Sustainably Profitable: Low cost producer.** Positive cash generation through the cycle
- Longevity: **100+ years of mine life** at current production rates
- Stable, Well Established: first class infrastructure, including dedicated power. In **10 years since commencement, production has never stopped for power outage, protest or civil disruption.** Tshipi ore is a well established product used in steel manufacturing
- Growth Potential: rail load capacity of 5mtpa, processing capacity of 4mtpa: capacity **above current steady state production of 3.5mtpa**

## ...in the world's premier manganese district.

- Tshipi is located in the Kalahari Manganese Field ("KMF"). The KMF is a narrow 32km stretch of land, containing 36% of global Mn production and 72% of global reserves, with 5 of the top 10 Mn mines
- Multiple port options in South Africa and Namibia are used, accessible by rail and road



# Tshipi is a low risk operation, leading in safety and responsibility...



**1,025**  
EMPLOYEES

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**0.95**  
TRIFR





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**99%**  
LOCAL  
EMPLOYMENT

**24%**  
CARBON  
EMISSION  
REDUCTION  
*(vs baseline)*




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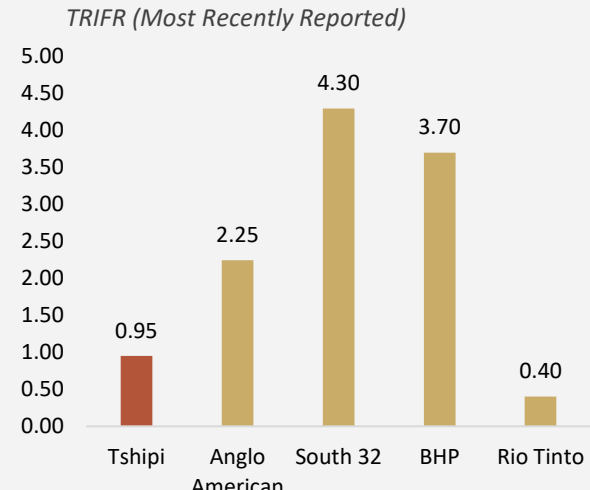


**44%**  
WATER  
SAVING  
*(vs allocation)*

## Safe & Reliable

- World Class Safety Performance**
  - Zero fatalities since commencement (10 years)
  - Total recordable injury rate in line with mining's best
- Well run, non stop**
  - Zero mining disruptions from protest, civil unrest or power outage

TRIFR (Most Recently Reported)



| Company        | TRIFR |
|----------------|-------|
| Tshipi         | 0.95  |
| Anglo American | 2.25  |
| South 32       | 4.30  |
| BHP            | 3.70  |
| Rio Tinto      | 0.40  |

## Socially Responsible

- Community Leadership**
  - Tshipi is a major employer in the Northern Cape and is active in its community, supporting numerous initiatives with a focus on education, health and road infrastructure
  - 99% of Tshipi employees come from local communities




**Fighting period poverty & supporting job creation with BCS**

*Picture: Tshipi's CEO opening a sanitary pad factory that Tshipi helped establish, to fight period poverty*

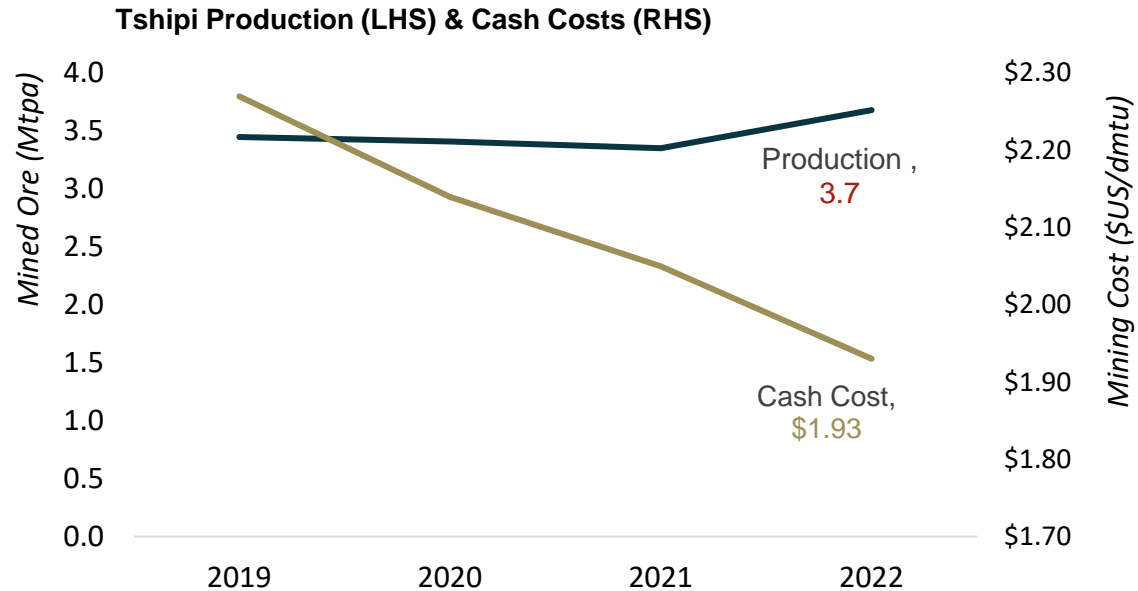
## Environmental Focus

- Best in Class Environmental Outcomes**
  - Carbon Emissions: 24% lower than baseline
  - Water Use: 44% less than allowance
  - Land Use: 7,280 native trees planted in 10 years
  - Hazardous Waste: 95% reduction in hazardous waste generation since 2019



*Picture: cultivation of native trees for planting*

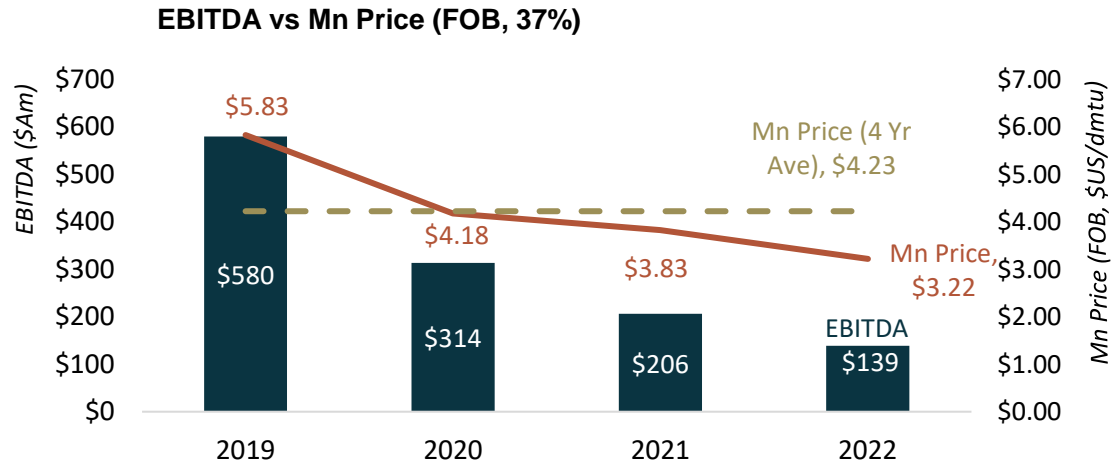
... with an outstanding production and efficiency track record...



1. **Very reliable production** (average 3.5Mtpa)
2. **Low cash costs**, on a **reducing** trend

| Tshipi, 100%<br>Year End 28 Feb | 2019   | 2020   | 2021   | 2022   | 2023 (1H) |
|---------------------------------|--------|--------|--------|--------|-----------|
| Production (Mt)                 | 3.4    | 3.4    | 3.4    | 3.7    | 1.7       |
| Sales (Mt)                      | 3.5    | 3.4    | 3.4    | 3.3    | 1.7       |
| Mn Price (FOB, US\$/dmtu)       | \$5.83 | \$4.18 | \$3.83 | \$3.22 | \$3.43    |
| Cash Cost (FOB, US\$/dmtu)      | \$2.27 | \$2.14 | \$2.05 | \$1.93 | \$1.90    |

...supporting significant positive cashflow through the cycle...



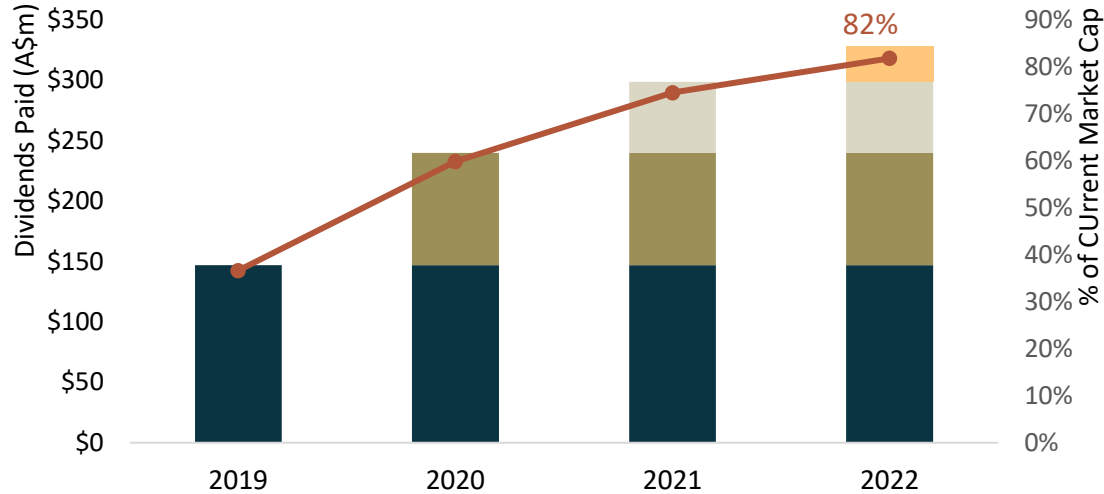
- Significant positive EBITDA generation, even when Mn pricing is low**  
(4 year Ave Mn Price: \$4.23/dmtu)
- Capex is very low, allowing for strong cash conversion.**  
No major capex is expected in the near term
- Strong EBITDA resilient to cost shocks:** Shipping costs in FY22 were elevated (by about A\$90m compared to normal), but are moderating significantly in 2HFY23

| Tshipi, 100% (A\$m)<br>Year End 28 Feb | 2019    | 2020  | 2021  | 2022  | 2023 (1H) |
|--|---------|-------|-------|-------|-----------|
| Revenue                                | \$1,023 | \$799 | \$647 | \$672 | \$437     |
| EBITDA                                 | \$580   | \$314 | \$206 | \$139 | \$147     |
| Shipping Cost                          | \$113   | \$120 | \$106 | \$204 | \$118     |
| EBITDA (pre shipping cost)             | \$693   | \$434 | \$313 | \$343 | \$265     |
| % of revenue                           | 68%     | 54%   | 48%   | 51%   | 61%       |
| Capex                                  | \$2     | \$6   | \$8   | \$6   | \$1       |
| NPAT                                   | \$378   | \$197 | \$126 | \$86  | \$94      |



...which has enabled Jupiter to pay a 14% dividend yield since IPO.

Jupiter Dividends vs % of current market cap



| Jupiter (49.9%, A\$m)<br>Year End 28 Feb | 2019   | 2020   | 2021   | 2022   | 2023 (1H) |
|--|--------|--------|--------|--------|-----------|
| Share of Tshipi NPAT                     | \$189  | \$98   | \$63   | \$43   | \$47      |
| NPAT                                     | \$138  | \$95   | \$66   | \$54   | \$34      |
| Dividends Paid                           | \$147  | \$93   | \$59   | \$29   | \$20      |
| Dividends per Share                      | \$0.08 | \$0.05 | \$0.03 | \$0.02 | \$0.01    |
| Average Share Price                      | \$0.33 | \$0.33 | \$0.27 | \$0.26 | \$0.22    |
| Dividend Yield                           | 23%    | 14%    | 11%    | 6%     | 5%        |

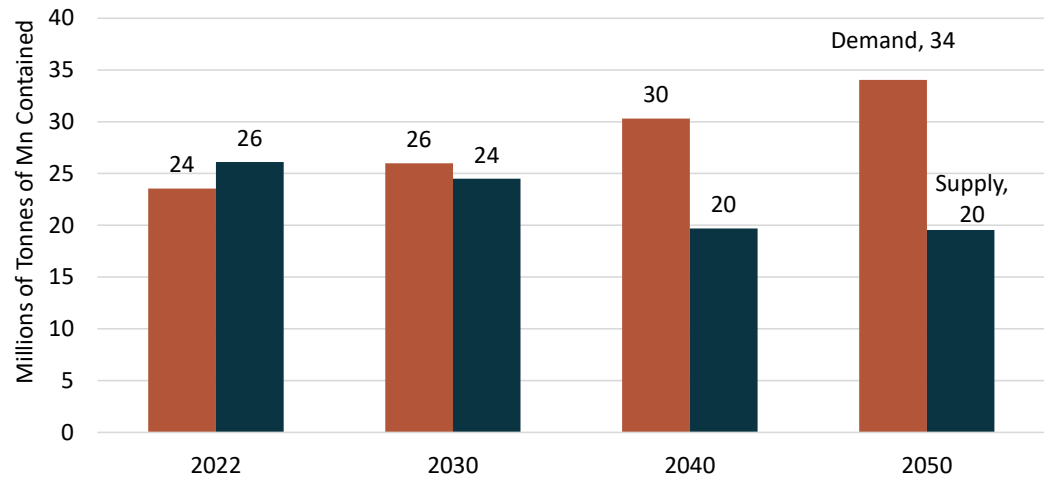
- Average dividend yield of 14% since IPO** (compared to ASX average of 4.4%)
- 74% of current market cap paid in dividends over past 4 years** (\$348m dividends paid since 2019)



# The manganese market outlook is constructive for growth, with demand growth and supply contraction expected.

## 1 More manganese ore supply will be needed...

Manganese Demand vs Supply



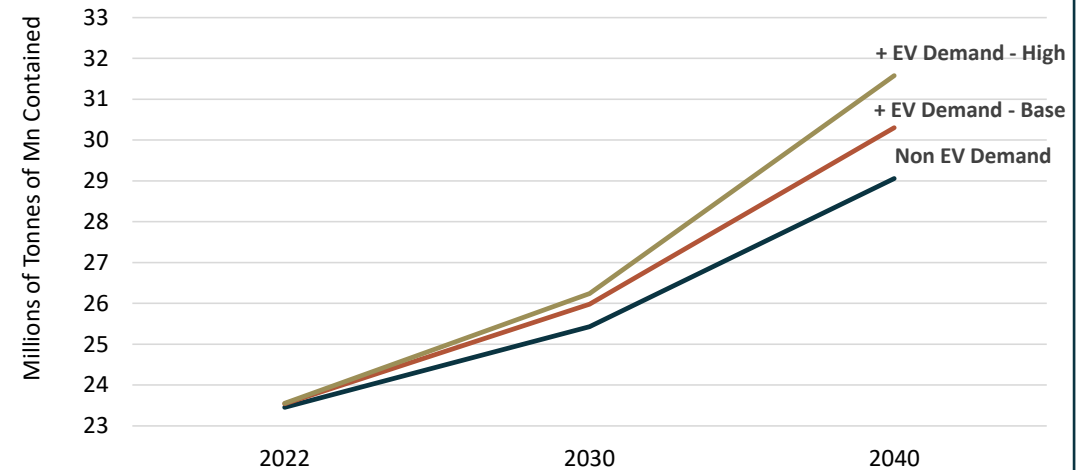
In the next 10 - 20 years, some long standing incumbent Mn mines will come to end of life.

Demand will outpace supply by 2030.

Growth in manganese production volumes will be necessary to keep pace with demand

## 2 ...due to continuing growth from steel and new demand from EV batteries.

Manganese Demand Forecast by Source



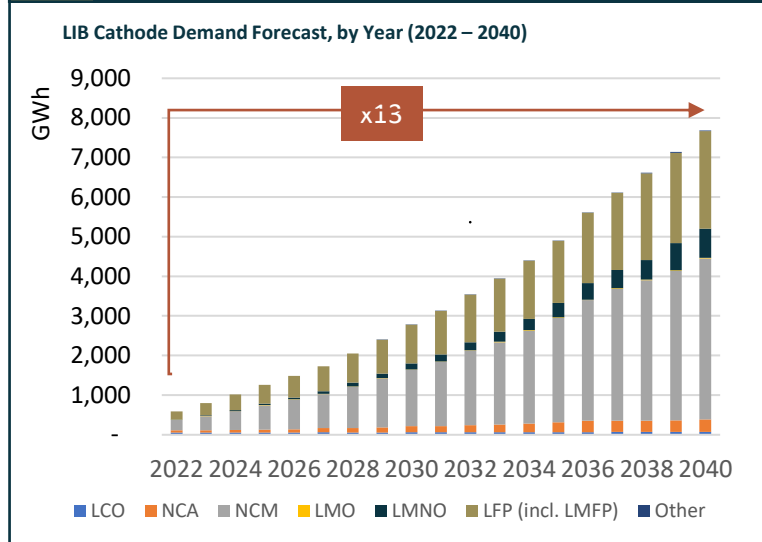
Steel will continue to be the dominant driver of manganese demand. It is forecast to see solid growth over the next 20 years.

New demand, growing at a much higher rate, will come from electric vehicle batteries.

Solid forecast growth from steel. High growth (off a low base) from lithium-ion batteries (see next page)

# High growth in battery grade manganese demand will contribute to overall manganese demand, while presenting potential downstream opportunities.

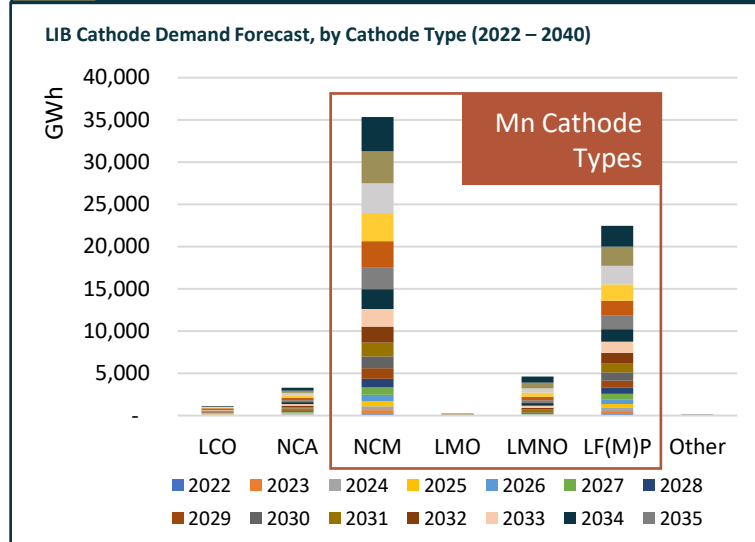
## 1 Forecast high growth in demand for lithium-ion batteries...



Lithium-ion battery production is forecast to see very high growth over the next 20 years, driven by the automotive sector.

“The EV explosion is only just beginning, and demand set to take off” – Andrew Cole, Oz Minerals, 2022

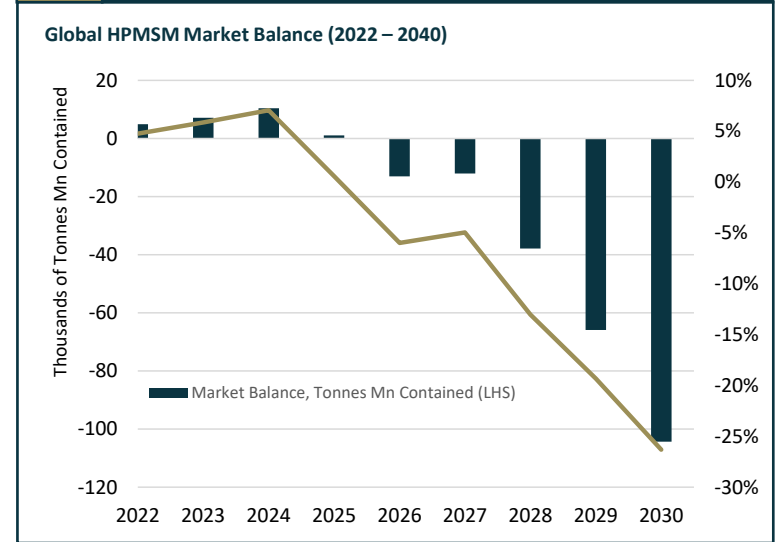
## 2 ...combined with a predominance of manganese containing chemistries...



Manganese containing batteries (in some combination with nickel and cobalt) are set to play a predominant role – due to the cost, stability and sourcing benefits of manganese.

“It is relatively straightforward to do a cathode that’s two-third nickel and one-third manganese, which will allow us to make 50% more cell volume with the same amount of nickel” – Elon Musk, Tesla, 2020

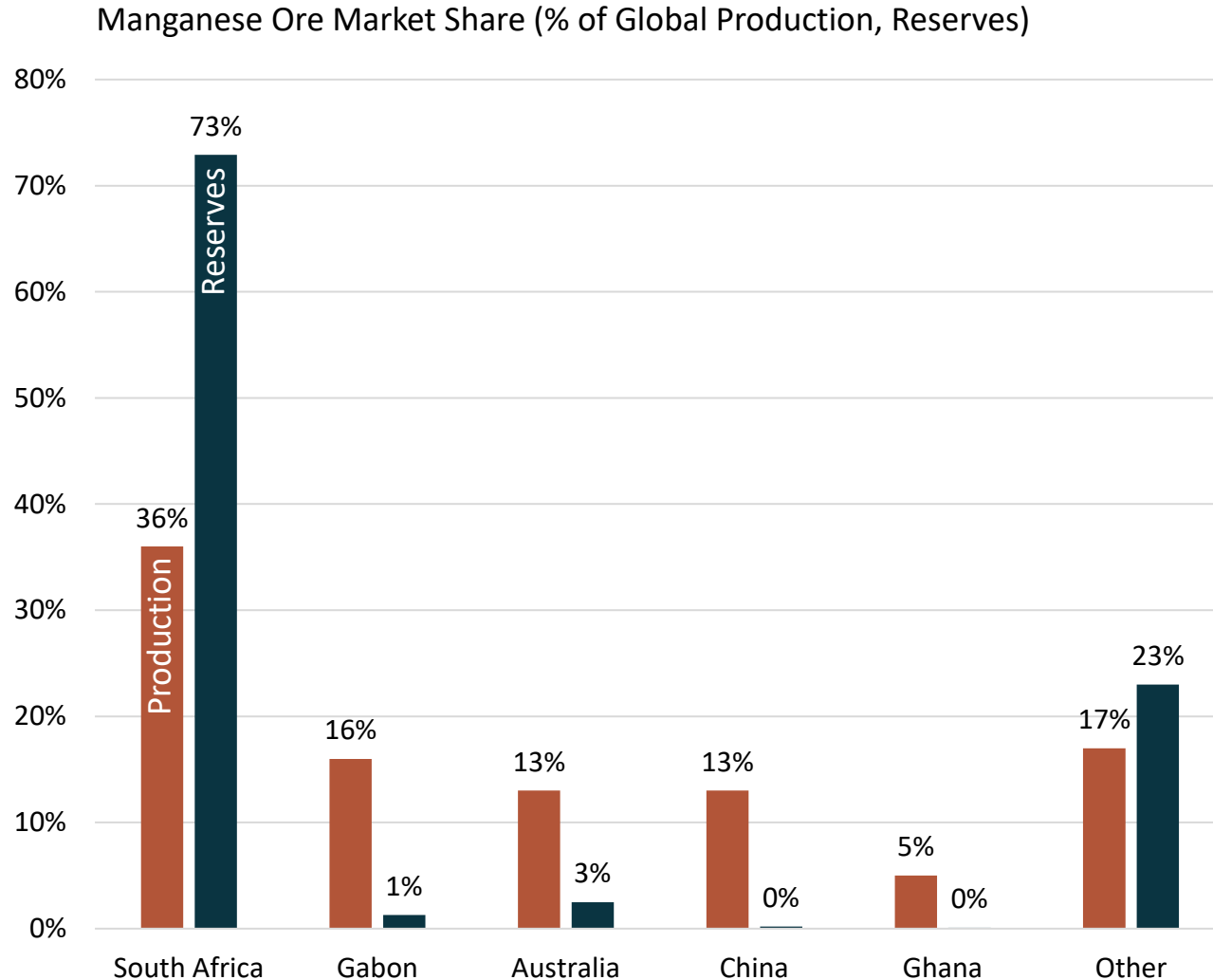
## 3 ...will contribute to Mn demand growth and a late decade shortage of HPMSM.



The high growth in demand for battery grade manganese (HPMSM) is expected to outpace growth in supply in the second half of this decade, leading to a market deficit.

More HPMSM supply must come online, particularly in Europe and North America

## Already the leading manganese supplier, South Africa has the clearest opportunity to increase export volumes...



Clear leaders in global production and endowment, South African producers are best place to capture demand growth

...due to the significant production and endowment enjoyed by the major KMF mines, including Tshipi.

| Mine<br>(order: South to North) | Production<br>(Mt, 2022) | Mine Life<br>(years to go) | Distance from<br>Tshipi | Ownership                                 |
|---------------------------------|--------------------------|----------------------------|-------------------------|---|
| Tshipi                          | 3.3                      | 121                        | 0 km                    | Jupiter Mines, NH, OMH                    |
| Mamatwan                        | 2.8                      | 26                         | 1 km                    | South 32, Anglo, NH                       |
| UMK                             | 3.4                      | 147                        | 4 km                    | Renova, Chancellor House                  |
| Kudumane                        | 1.8                      | 143                        | 17 km                   | Asia Minerals, Nippon Steel               |
| Kalagadi                        | 1.3                      | 77                         | 23 km                   | Kgalagadi Alloys, Kalahari Resources, IDC |
| Mokala                          | 1.1                      | 44                         | 27 km                   | NH, Glencore                              |
| Gloria                          | 0.7                      | Unknown                    | 29 km                   | Assmang                                   |
| Nchwaning                       | 3.1                      | 80                         | 29 km                   | Assmang                                   |
| Wessels                         | 0.8                      | 42                         | 31 km                   | South 32, Anglo, NH                       |
| Mn48                            | 0.0                      | 20                         | 32 km                   | Traxys, NH, Others                        |
| <b>Total / Ave</b>              | 18.3                     | 78                         |                         |   |



- Significant production:** the nine mines shown produced 30% of global Mn ore in 2022. **Two of the nine are top 5 global producers** (and 5 are top 10 producers)
- Material endowment.** Most of the major mines in the KMF have very significant mine life remaining. **The top 5 global remaining Mn mine lives are in the KMF** (for mines with production >1mtpa)
- Unparalleled Proximity:** 73% of the world's manganese reserves, and 5 of the top 10 manganese mines, are located within 30 km from Tshipi
- Fragmented Ownership:** global manganese production and endowment is concentrated in the KMF, but ownership of KMF producers is relatively fragmented. The largest exposures (by total production exposure, not equity accounted) are:

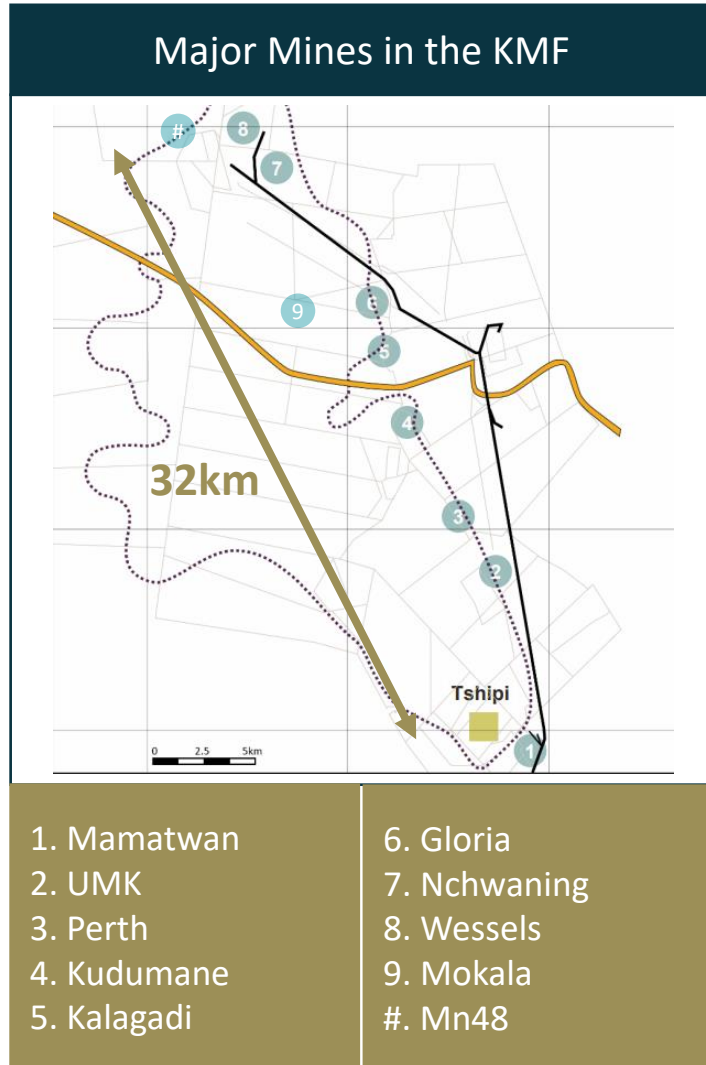
*Ntsimbintle Holdings: 5 mines (including Tshipi), 44% of KMF production*

*Assmang: 2 mines, 21%*

*South 32, Anglo: 2 mines, 20%*



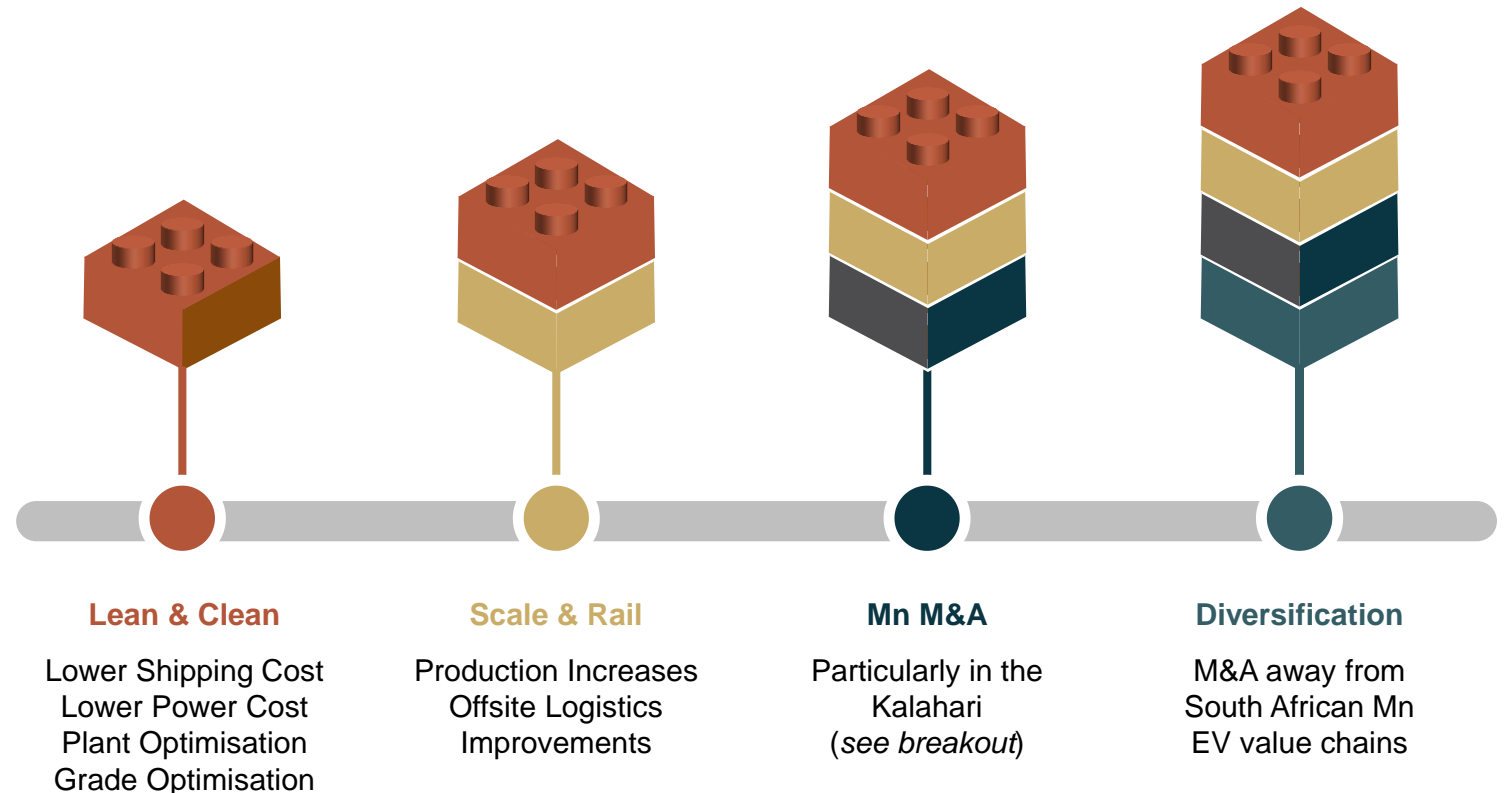
With a constructive outlook, Jupiter is looking to grow. A new company strategy will be announced soon.



Jupiter has a range of organic and inorganic opportunities to grow value.

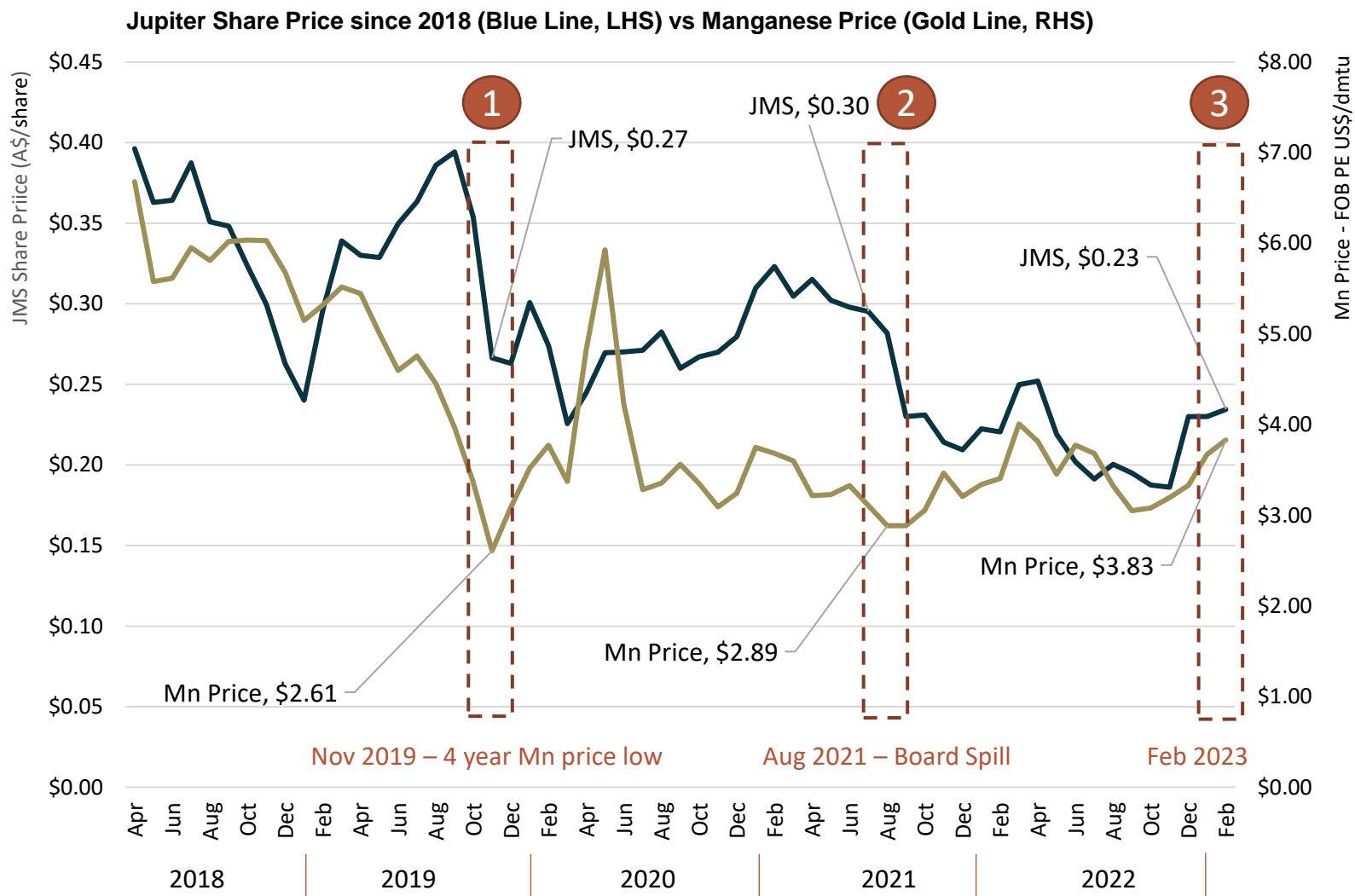
**Jupiter plans to release a new company strategy in late March 2023.**

The company will outline its plans for growth, based on an attractive opportunity set as outlined below.



Sources: CRU

# Jupiter's share price is correlated with the manganese price. Jupiter is undervalued compared to historical norms.



The Jupiter share price is strongly correlated with the manganese price.

Of the three date points shown, the current JMS share price is the lowest (of the three) even though the manganese price is highest

| JMS Share Price vs 37% FOB Mn Price | Nov-19              | Aug-21          | Feb-23        |
|-------------------------------------|---------------------|-----------------|---------------|
| Graph Reference                     | 1                   | 2               | 3             |
| Why Relevant?                       | 4 Year Low Mn Price | JMS Board Spill | Today         |
| <b>Mn Price (\$US/dmtu)</b>         | <b>\$2.61</b>       | <b>\$2.89</b>   | <b>\$3.83</b> |
| <b>JMS Share Price (A\$/share)</b>  | <b>\$0.27</b>       | <b>\$0.30</b>   | <b>\$0.23</b> |

Sources: ASX, CRU



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