

NOTES TO THE UNAUDITED PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023

NOTE 3: OTHER EXPENSES

| | FY2023 \$ | FY2022 \$ |
|-------------------|------------------|------------------|
| Insurance expense | 962,048 | 974,482 |
| Consultancy fees | 782,960 | 107,609 |
| Professional fees | 3,149,243 | 279,708 |
| Directors' fees | 366,751 | 344,632 |
| Regulatory fees | 183,286 | 239,070 |
| Other costs | 995,687 | 421,970 |
| | 6,439,975 | 2,367,471 |

NOTE 4: CASH AND CASH EQUIVALENTS

| | FY2023 \$ | FY2022 \$ |
|--------------------------|-------------------|-------------------|
| Cash at bank and on hand | 40,840,483 | 30,695,467 |
| Short-term bank deposits | 8,646,457 | 8,463,020 |
| | 49,486,940 | 39,158,487 |

NOTE 5: TRADE AND OTHER RECEIVABLES

| | FY2023 \$ | FY2022 \$ |
|------------------------|-------------------|-------------------|
| Trade receivables | 42,856,189 | 44,382,101 |
| GST and VAT receivable | 252,264 | 190,707 |
| Income tax refundable | - | 445,150 |
| Sundry receivables | 682,559 | 631,491 |
| | 43,791,012 | 45,649,449 |

NOTE 6: CONTROLLED ENTITIES

| Controlled entities consolidated | Country of Incorporation | % owned FY2023 | % owned FY2022 |
|--|--------------------------|----------------|----------------|
| Parent Entity: | | | |
| Jupiter Mines Limited | Australia | | |
| Subsidiaries of Jupiter Mines Limited: | | | |
| Jupiter Kalahari Pty Limited | Australia | 100 | 100 |
| Jupiter Mines Limited (Incorporated in Australia) External Profit Company (Jupiter South African Branch) | South Africa | 100 | 100 |

NOTES TO THE UNAUDITED PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023

NOTE 7: INVESTMENTS USING THE EQUITY METHOD

| Name of Entity | Country of Incorporation | % held FY2023 | % held FY2022 | Nature of Relationship | Measurement Method |
|--|--------------------------|---------------|---------------|------------------------|--------------------|
| Tshipi é Ntle Manganese Mining (Proprietary) Limited | South Africa | 49.9 | 49.9 | Joint Venture | Joint Venture |

| Summarised Financial Information | FY2023 \$ | FY2022 \$ |
|---|--------------------|--------------------|
| Tshipi é Ntle Manganese Mining (Proprietary) Limited | | |
| Opening carrying value of joint venture | 447,779,813 | 430,593,793 |
| Share of profit using the equity method | 85,966,530 | 42,774,470 |
| Dividend paid | (50,625,070) | (25,588,450) |
| Total investments using the equity method | 483,121,273 | 447,779,813 |

NOTE 8: TRADE AND OTHER PAYABLES

| | FY2023 \$ | FY2022 \$ |
|--------------------------------------|-------------------|-------------------|
| Trade payables | 38,285,545 | 41,833,377 |
| Income tax payable | 22,916 | - |
| Sundry payables and accrued expenses | 747,488 | 121,931 |
| | 39,055,949 | 41,955,308 |

NOTE 9: SHARE CAPITAL

| | FY2023 \$ | FY2022 \$ |
|--|--------------------|--------------------|
| Ordinary shares at the beginning of the reporting period | 383,677,676 | 410,435,400 |
| In-specie distribution to shareholders via capital reduction | - | (26,757,724) |
| At reporting date | 383,677,676 | 383,677,676 |

| | FY2023 Number of Shares | FY2022 Number of Shares |
|--|----------------------------|----------------------------|
| Ordinary shares at the beginning of the reporting period | 1,958,991,033 | 1,958,991,033 |
| At reporting date | 1,958,991,033 | 1,958,991,033 |

NOTES TO THE UNAUDITED PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023

NOTE 10: DIVIDENDS

| | FY2023 \$ | FY2022 \$ |
|--|-------------------|-------------------|
| Dividends declared and paid during the year: | | |
| In-specie distribution of shares in Juno Minerals Limited (\$0.0017 per share; declared 25 March 2021, distributed 7 May 2021) | - | 3,242,276 |
| Unfranked final dividend (\$0.02 per share, wholly conduit foreign income; declared 22 April 2021, paid 21 May 2021) | - | 39,179,821 |
| Unfranked interim dividend (\$0.005 per share, wholly conduit foreign income; declared 19 October 2021, paid 9 November 2021) | - | 9,794,955 |
| Unfranked final dividend (\$0.01 per share, wholly conduit foreign income; declared 29 April 2022, paid 20 May 2022) | 19,589,911 | - |
| Unfranked interim dividend (\$0.01 per share, wholly conduit foreign income; declared 27 October 2022, paid 17 November 2022) | 19,589,910 | - |
| | 39,179,821 | 52,217,052 |

NOTE 11: SEGMENT REPORTING

| 28 February 2023 | Jupiter Mines – Manganese (South Africa) \$ | Tshipi – Manganese (South Africa) \$ | FY2023 \$ |
|---|---|--|----------------------|
| Marketing fee revenue | 9,496,639 | - | 9,496,639 |
| Employee benefits | (236,998) | - | (236,998) |
| Other expenses | (255,669) | - | (255,669) |
| Segment operating profit | 9,003,972 | - | 9,003,972 |
| Share of profit from joint venture entities using the equity method | - | 85,966,530 | 85,966,530 |
| Finance costs | (5,095) | - | (5,095) |
| Foreign exchange gain | 789,064 | - | 789,064 |
| Total | 9,787,941 | 85,966,530 | 95,754,471 |
| Corporate | | | (6,016,151) |
| Net profit before tax from operations | | | 89,738,320 |
| Segment assets | 47,393,256 | 483,121,273 | 530,514,529 |
| Corporate assets | | | 47,159,685 |
| Total assets | | | 577,674,214 |
| Segment liabilities | (38,321,650) | - | (38,321,650) |
| Corporate liabilities | | | (67,447,681) |
| Total liabilities | | | (105,769,331) |

NOTES TO THE UNAUDITED PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2023

NOTE 11: SEGMENT REPORTING (continued)

| 28 February 2022 | CYIP – Iron Ore (Australia) \$ | Jupiter Mines – Manganese (South Africa) \$ | Tshipi – Manganese (South Africa) \$ | FY2022 \$ |
|---|--------------------------------|---|--------------------------------------|---------------------|
| Marketing fee revenue | - | 7,302,852 | - | 7,302,852 |
| Employee benefits | - | (213,706) | - | (213,706) |
| Other expenses | - | (100,566) | - | (100,566) |
| Gain from discontinued operations | 12,624,292 | - | - | 12,624,292 |
| Segment operating profit | 12,624,292 | 6,988,580 | - | 19,612,872 |
| Share of profit from joint venture entities using the equity method | - | - | 42,774,470 | 42,774,470 |
| Finance costs | - | (1,334) | - | (1,334) |
| Foreign exchange gain | - | 51,472 | - | 51,472 |
| Total | 12,624,292 | 7,038,718 | 42,774,470 | 62,437,480 |
| Corporate | | | | (17,584,611) |
| Net profit before tax from operations | | | | 44,852,869 |
| Segment assets | - | 47,146,637 | 447,779,813 | 494,926,450 |
| Corporate assets | | | | 37,808,344 |
| Total assets | | | | 532,734,794 |
| Segment liabilities | - | (41,755,854) | - | (41,755,854) |
| Corporate liabilities | | | | (55,658,338) |
| Total liabilities | | | | (97,414,192) |

NOTE 12: INCOME TAX EXPENSE AND DEFERRED TAXES

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of Jupiter at 30% (FY2022: 30%) and the reported tax expense in the profit and loss are as follows:

| | FY2023 \$ | FY2022 \$ |
|---|-------------------|------------------|
| Tax expense comprises: | | |
| (a) Current tax | 2,783,273 | 1,617,968 |
| Current tax in respect of prior years | 143,856 | (526,120) |
| Deferred income tax relating to origination and reversal of temporary differences | | |
| - Origination and reversal of timing differences | 10,615,800 | 1,461,418 |
| - Recognition of deferred tax asset losses | (276,474) | (15,382) |
| - Under provision in respect of prior years | 1,013 | 961,522 |
| Tax expense | 13,267,468 | 3,499,406 |

**NOTES TO THE UNAUDITED PRELIMINARY CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2023**

NOTE 12: INCOME TAX EXPENSE AND DEFERRED TAXES (continued)

| | FY2023 \$ | FY2022 \$ |
|--|-------------------|------------------|
| (b) Accounting profit before tax | 89,738,320 | 57,477,161 |
| Domestic tax rate for Jupiter Mines Limited (30%) | 26,921,496 | 17,243,148 |
| Tax rate differential | (198,933) | (141,375) |
| Other expenditure not allowed or allowable for income tax purposes | 1,587,560 | (2,573,944) |
| Non-assessable gain on deconsolidation | - | (3,787,288) |
| Under provision in respect of prior years | 144,869 | 435,403 |
| Share of profit in equity accounted investments | (15,187,524) | (7,676,538) |
| Tax expense | 13,267,468 | 3,499,406 |

| Deferred Tax Assets (Liabilities) | Opening Balance 1 March 2022 \$ | Recognised in Profit and Loss During the Year \$ | Closing Balance 28 February 2023 \$ |
|--|------------------------------------|--|--|
| Liabilities | | | |
| Right of use asset | - | (147,243) | (147,243) |
| Investments using the equity method | (55,331,584) | (10,602,438) | (65,934,022) |
| Balance as at 28 February 2023 | (55,331,584) | (10,749,681) | (66,081,265) |
| Assets | | | |
| Property, plant and equipment | 3,935 | (1,135) | 2,800 |
| Pension and other employee obligations | 27,147 | (2,752) | 24,395 |
| Provisions | - | 40,334 | 40,334 |
| Trade and other receivables | 12,602 | (12,602) | - |
| Other | 21,780 | (2,060) | 19,720 |
| Right of use liability | - | 126,465 | 126,465 |
| Tax losses | 15,382 | 261,090 | 276,472 |
| Balance as at 28 February 2023 | 80,846 | 409,340 | 490,186 |
| Net Deferred Tax Liabilities | (55,250,738) | (10,340,341) | (65,591,079) |

NOTES TO THE UNAUDITED PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023

NOTE 13: DISPOSAL GROUP CLASSIFIED AS HELD FOR DISTRIBUTION TO OWNERS AND DISCONTINUED OPERATIONS

a) Demerger – Juno Minerals Limited

During FY2022, Jupiter completed the demerger and initial public offering of its Central Yilgarn Iron Ore assets through Juno Minerals Limited. Consequently, assets and liabilities allocable to the assets were classified as a disposal group in the prior year and have been disposed in the current year. Prior year revenue and expenses, gains and losses relating to the discontinuation of this subgroup have been eliminated from profit or loss from the Group's continuing operations and are shown as a single line item in the statement of profit or loss.

The Group recognised a net accounting profit on demerger as follows:

| | FY2022 \$ |
|---|-------------------|
| Fair value of Juno Minerals Limited on demerger | 30,000,000 |
| Carrying value of net assets of Juno Minerals Limited | (17,375,708) |
| Pre-tax profit on demerger | 12,624,292 |

The fair value of the assets included in the demerger was based on management's assessment of the fair value of the Central Yilgarn Iron Project and peer group analysis, and the seed capital funding provided to Juno. The demerger distribution is accounted for as a reduction in equity split between share capital \$26,757,724 and demerger reserve of \$3,242,276. The difference between the fair value of the distribution and the capital reduction amount is the demerger dividend.

b) Discontinued operations – Juno Minerals Limited

| | FY2023 \$ | FY2022 \$ |
|---|-----------|-------------------|
| Gain on demerger | - | 12,624,292 |
| Stock market listing expense | - | - |
| Profit for the year from discontinued operations | - | 12,624,292 |

NOTES TO THE UNAUDITED PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2023

NOTE 14: LEASES

The Company has a five year lease agreement for office premises at 220 St Georges Terrace, Perth, WA.

| | FY2023 \$ | FY2022 \$ |
|--------------------------------|----------------|-----------|
| Lease Liabilities | | |
| Current | 82,621 | - |
| Non-current | 421,550 | - |
| Total Lease Liabilities | 504,171 | - |

The future minimum lease payments arising under the Company's lease contracts at the end of the reporting period are as follows:

| 28 February 2023 | Within 1 Year \$ | Recognised in 1-5 Years \$ | Total \$ |
|--------------------------|------------------|----------------------------|----------------|
| Lease payments | 120,433 | 489,934 | 610,367 |
| Finance charges | 37,812 | 68,385 | 106,197 |
| Net present value | 158,245 | 558,319 | 716,564 |

| | FY2023 \$ | FY2022 \$ |
|---|----------------|-----------|
| Right of use asset | | |
| Right of use assets - at cost | 523,532 | - |
| Less accumulated depreciation | (32,721) | - |
| Carrying amount of right-of-use assets | 490,811 | - |