

JUPITER MINES LIMITED

27 September 2018

ASX: JMS

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Directors/Officers

Brian Gilbertson
Paul Murray
Andrew Bell
Priyank Thapliyal
Sungwon Yoon

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 FY2019 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 2018.

HIGHLIGHTS

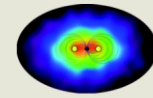
- Tshipi production and sales remained on track during the quarter, with sales exceeding the 3.5mtpa target on an annualised basis.
- Substantial cash flow generation resulting in higher than expected shareholder distribution.
- Jupiter's attributable cash \$146 million (pre-tax and other commitments) at end of the quarter.
- Jupiter CEO, Priyank Thapliyal to conduct conference call on quarterly results on 27 September at 3:30pm AEST.

TSHIPI BORWA MANGANESE MINE (100% BASIS)

Jupiter Mines Limited has a 49.9% beneficial interest in Tshipi é Ntle Manganese Mining (Pty) 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 2018 are presented below:

	UNIT	Q2 FY2019	Q1 FY2019	YTD FY2019
Mined volume	bcm	2,737,391	2,509,466	5,246,857
Production	Tonnes	870,035	915,011	1,785,046
Sales	Tonnes	950,880	924,255	1,875,135
Average CIF price achieved (high grade lumpy)	CIF, USD/dmtu	5.98	7.19	6.52
Average cost of production	FOB, ZAR/dmtu ¹	28.48	28.24	28.48
Average exchange rate	USD/ZAR ²	13.58	12.15	12.86
Average exchange rate	AUD/ZAR ²	10.05	9.29	9.67
Sales revenue	AUD million ³	223.3	249.6	471.8
Earnings before interest, tax and depreciation ("EBITDA")	AUD million ³	159.9	171.7	331.0
Net profit after tax	AUD million ³	128.1	112.8	241.5
Net cash from operating activities	AUD million ³	105.4	164.3	267.3
Cash at bank	AUD million ³	261.7	181.0	261.7



Mining and Production

During the quarter, there was a deficit in total mining volumes of 188,205 bcms, which includes 20,265 bcm deficit on ore, when compared to budget. Planned volumes for the second quarter were behind due to a delay in the mobilisation of an additional excavator, to make up the backlog from Q1, and also due to mining in a difficult fissure area. However there still remains sufficient stockpile to meet all export demands. The business plan for September 2018 to February 2019 will incorporate the year to date deficit for total mining volumes.

Production of graded ore year to date was slightly behind plan but will be made up before year end. Processing of low grade ore continued to perform well in order to introduce additional material into the continuing healthy manganese market.

Cost of production remained steady throughout the quarter and year to date.

Logistics and Sales

Both rail and road volumes continued to perform ahead of budget for the quarter and year to date. For the year to 31 August, MECA 2 rail volumes have indicated an annualised rate of 2.1 million tonnes, with Transnet outperforming the current strike rate. Road volumes were decreased in line with securing the additional train. Tshipi management's objective is to ensure compliance with the FY2019 business plan for both high grade lumpy and fines volumes on an even basis spread throughout FY2019, and to continue selling additional low grade material to capitalise on favourable market conditions. This optimises the use of shareholder funds tied into capital expenditure and working capital and delivers the lowest cost of production.

Manganese ore sales continued to be ahead of budget during the quarter. Four additional vessels were again shipped during the quarter. On an annualised basis, sales continued to exceed the 3.5mtpa target set for the year.

MARKETING

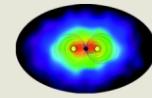
Sales and financial information for the quarter ended 31 August 2018 are presented below:

	UNIT	Q2 FY2019	Q1 FY2019	YTD FY2019
Sales	DMT	478,741	432,623	911,364
Average CIF price achieved (high grade lumpy)	CIF, USD/dmtu	6.11	7.04	6.54
Revenue – marketing fee income	AUD million ³	3.5	3.0	6.5
Gross profit	AUD million ³	3.5	3.0	6.5
EBITDA	AUD million ³	3.2	2.7	6.0
Net profit after tax	AUD million ³	3.0	2.7	5.7
Cash at bank	AUD million ³	0.8	11.2	0.8

As strong manganese prices were sustained and achieved throughout the quarter, the Jupiter marketing team increased sales from the previous quarter. The marketing branch was able to remit retained earnings of ZAR40 million to Jupiter during the quarter.

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.



CORPORATE UPDATE

The Group net consolidated cash balance decreased from \$26,843,211 to \$15,543,106 during the quarter, due to customer receipts being received prior to Q1 end and supplier payments being made after Q1 end, and also with the payment of FY2018 income tax. Jupiter's attributable cash including its share of Tshipi cash was \$146,137,756 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. After the end of the quarter, Tshipi declared it would pay a dividend to its shareholders of ZAR2 billion.

As announced on 17 September 2018, Jupiter will pay its shareholders an interim unfranked dividend of \$0.05 per share, to be paid on 10 October 2018.

During the quarter, Jupiter commenced a migration of its wholly owned subsidiary, Jupiter Kalahari S.a from Luxembourg to Australia. Jupiter Kalahari Ltd was registered by ASIC in Australia on 7 September 2018.

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 27 September at 3:30pm AEST
Australian Dial-in Number: 1800 804 595
International Dial-in Number: +61 3 8687 0650

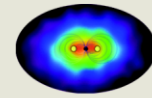
The conference call will be recorded and available on the Company website after the call (see www.jupitermines.com).

Yours sincerely

Priyank Thapliyal
Chief Executive Officer

Notes:

1. 37% FOB, Port Elizabeth.
2. Average exchange rates per OANDA.
3. Tshipi and the marketing branch report in ZAR; Jupiter reports in AUD and figures have been converted using average exchange rates shown for each relevant period.
4. All financial information presented in this report is unaudited.
5. All amounts are in Australian Dollars unless otherwise defined. USD = United States Dollar; ZAR = South African Rand.
6. The following abbreviations have been used through the report: bank cubic metre (bcm); financial year ended 28 February 2018 (FY2018); financial year ending 28 February 2019 (FY2019); 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 AUGUST 2018

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