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ASX Market Announcements
ASX Limited
4th Floor
20 Bridge Street
SYDNEY NSW 2000

22 April 2021

**APPENDIX 4E – PRELIMINARY FINAL REPORT**

Jupiter Mines Limited (ASX: JMS) ("Jupiter", or the "Company", and together with its subsidiaries, the "Group") is pleased to provide the Group's Appendix 4E Preliminary Final Report for the year ended 28 February 2021. This report is based on a draft financial report for the year ended 28 February 2021 which is in the process of being audited.

| GROUP HIGHLIGHTS | FY2021 ($'000) | FY2020 ($'000) |
|---|---|---|
| Share of net profit from Jupiter's 49.9% stake in Tshipi é Ntle Manganese Mining (Proprietary) Limited ("Tshipi") | 62,937 | 98,191 |
| Consolidated profit before tax and impairment adjustments | 67,155 | 103,926 |
| Consolidated net profit after tax | 67,519 | 95,119 |
| Consolidated cash position | 60,622 | 29,285 |
| Distributions declared and/or paid to Jupiter shareholders | 58,770 | 93,052 |
| Basic earnings ($ per share) | 0.0346 | 0.0486 |
| Basic earnings before tax ($ per share) | 0.0343 | 0.0531 |

| TSHIPI HIGHLIGHTS (100% BASIS) | FY2021 | FY2020 |
|---|---|---|
| Sales (mt) | 3.42 | 3.41 |
| Production (mt) | 3.35 | 3.41 |
| Average FOB cost/tonne (US$ / dmtu) | 2.04 | 2.14 |
| Average CIF price achieved (US$ / dmtu – high grade lumpy) | 4.19 | 4.86 |
| Revenue net of realisation costs (ZAR m) | 5,761 | 6,308 |
| Earnings before interest, tax, depreciation and amortisation ("EBITDA") (ZAR m) | 2,393 | 3,150 |
| Net profit after tax (ZAR m) | 1,463 | 1,976 |
| Net cash from operating activities (ZAR m) | 1,173 | 2,363 |
| Cash returned to Tshipi shareholders (ZAR m) | 1,430 | 2,015 |

| JUPITER SOUTH AFRICA (MARKETING BRANCH) | FY2021 | FY2020 |
|---|---|---|
| Revenue (ZAR m) | 95.1 | 104.0 |
| Gross profit (ZAR m) | 95.1 | 104.0 |
| EBITDA (ZAR m) | 89.4 | 76.9 |
| Net profit after tax (ZAR m) | 64.6 | 56.3 |

Yours sincerely

**Priyank Thapliyal**
**Director & Chief Executive Officer**

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# JUPITER MINES LIMITED
# PRELIMINARY FINAL REPORT
# APPENDIX 4E

## RESULTS FOR ANNOUNCEMENT TO THE MARKET
### FOR THE YEAR ENDED 28 FEBRUARY 2021
### (PREVIOUS CORRESPONDING PERIOD YEAR ENDED 29 FEBRUARY 2020)

| | | | |
|---|---|---|---|
| Name of Entity<br>ABN | Jupiter Mines Limited<br>51 105 991 740 | | |
| **1. Details of current and prior reporting period**<br>Current Period<br>Prior Period | <br>1 March 2020 to 28 February 2021<br>1 March 2019 to 29 February 2020 | | |
| **2. Results for announcement to the market** | | | |
| | **% Movement** | **FY2021$** | **FY 2020$** |
| 2.1 Revenue from ordinary activities | Down 21% to | 8,202,796 | 10,358,857 |
| 2.2 Profit for the year | Down 29% to | 67,519,400 | 95,118,503 |
| 2.3 Net profit for the year attributable to owners of the Company | Down 29% to | 67,519,400 | 95,118,503 |
| 2.4 Dividend distributions | **Total amount per security $** | | **Franked amount per security $** |
| ▪ Interim dividend | $0.01 | | Nil |
| ▪ Final dividend | $0.02 | | Nil |
| | The Board resolved to pay a final dividend of $0.02 per security (unfranked) for the financial year ended 28 February 2021 (payment date 21 May 2021). | | |
| 2.5 Record date for determining entitlements to the dividend | 7 May 2021 | | |
| **3. Consolidated statement of profit or loss and other comprehensive income** | Refer Appendix 1 | | |
| **4. Consolidated statement of financial position** | Refer Appendix 2 | | |
| **5. Consolidated statement of changes in equity** | Refer Appendix 3 | | |
| **6. Consolidated statement of cash flows** | Refer Appendix 4 | | |
| **7. Details of dividends or distributions** | Refer Note 10 | | |

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| | Current Period $ | Prior Period $ |
|---|---|---|
| **8. Net asset backing per security** | 0.23 | 0.22 |
| **9. Control gained over entities during the period** | N/A | |
| **10. Details of associate and joint venture entities** | Refer Note 7 | |
| **11. Other significant information** | See below and Notes | |
| **12. Accounting Standards used by foreign entities** | International Financial Reporting Standards | |
| **13. Commentary on the result for the period** | See below | |
| **14. Status of audit or review** | This report is based on accounts that are in the process of being audited | |
| **15. Dispute or qualification – accounts not yet audited** | N/A | |
| **16. Qualifications of audit/review** | N/A | |

**Commentary on Results**

Tshipi produced and exported 3.35 and 3.42 million tonnes, respectively, during FY2021 (FY2020: 3.41 million tonnes produced and exported), despite the restrictions and uncertainties surrounding the COVID-19 pandemic. Even despite these conditions, Tshipi achieved its second highest export volumes recorded. Tshipi ended FY2021 as the largest exporter of manganese ore from South Africa, based on export data collected by Tshipi.

Global manganese prices however remained depressed, following sharp declines at the end of FY2020 which were further compounded by the COVID-19 pandemic. Manganese prices averaged US$3.83 (per dmtu, Metal Bulletin 37% FOB Port Elizabeth) (FY2020: US$4.18).

Despite many challenges during the year, both Jupiter and Tshipi remained cash positive and profitable. Tshipi's performance resulted in the distribution of dividends to its shareholders totalling approximately ZAR1.43 billion. Jupiter in turn has declared dividends yielding 10.1%, with a payout ratio of over 94% of Tshipi dividends and marketing profits received.

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## APPENDIX 1
## UNAUDITED PRELIMINARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 28 FEBRUARY 2021

| | NOTE | FY2021 $ | FY2020 $ |
|---|---|---|---|
| Revenue | 2 | 8,202,796 | 10,358,857 |
| **Gross profit** | | **8,202,796** | **10,358,857** |
| Other income | 2 | 592,071 | 660,096 |
| Employee benefits expense | | (2,163,753) | (2,533,112) |
| Depreciation of property, plant and equipment | | (2,581) | (2,427) |
| Amortisation of intangibles | | (3,085) | (4,086) |
| Administration expenses | | (136,383) | (77,905) |
| Other expenses | | (2,233,204) | (4,264,161) |
| **Profit from operations** | | **4,255,861** | **4,137,262** |
| Share of profit from joint venture entities using the equity method | 7 | 62,937,155 | 98,191,396 |
| Finance income | | 247,034 | 1,188,810 |
| Finance costs | | (3,693) | (476,780) |
| Foreign exchange gain/(loss) | | (281,327) | 885,403 |
| **Profit before income tax** | | **67,155,030** | **103,926,091** |
| Income tax expense | 12 | 643,041 | (8,807,588) |
| **Profit for the year from continued operations** | | **67,798,071** | **95,118,503** |
| Loss for the year from discontinued operations | 13 | (278,671) | - |
| **Net profit attributable to members of parent entity** | | **67,519,400** | **95,118,503** |
| | | | |
| **Other comprehensive income** | | | |
| *Items that may be subsequently transferred to profit or loss:* | | | |
| Translation of foreign currency financial statements | | (400,378) | (18,314) |
| *Items not to be reclassified to profit or loss in subsequent periods:* | | | |
| Change in the fair value of equity instruments carried at fair value through other comprehensive income ("FVOCI") | | 462,601 | (217,535) |
| **Other comprehensive loss for the period, net of tax** | | **62,223** | **(235,849)** |
| **Total comprehensive income for the period** | | **67,581,623** | **94,882,654** |
| **Overall operations** | | | |
| Basic and diluted earnings per share from continued operations | | 0.0346 | 0.0486 |
| Basic and diluted earnings per share from discontinued operations | | (0.0001) | - |

The Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to the consolidated financial statements.

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## APPENDIX 2
## UNAUDITED PRELIMINARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION
## FOR THE YEAR ENDED 28 FEBRUARY 2021

| | NOTE | FY2021 $ | FY2020 $ |
|---|---|---|---|
| **ASSETS** | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 3 | 60,622,311 | 29,285,067 |
| Trade and other receivables | 4 | 46,171,674 | 40,357,267 |
| Assets included in disposal group held for distribution | 13 | 17,430,884 | - |
| Other current assets | | 57,884 | 57,884 |
| **Total current assets** | | **124,282,753** | **69,700,218** |
| NON-CURRENT ASSETS | | | |
| Equity instruments at fair value through other comprehensive income | | 43,120 | 329,528 |
| Property, plant and equipment | | 3,857 | 4,721 |
| Intangible assets | | 46 | 3,131 |
| Investments using the equity method | 7 | 430,593,793 | 437,601,406 |
| Exploration and evaluation assets | 6 | - | 11,774,238 |
| Deferred tax asset | 12 | 1,131,537 | 633,417 |
| **Total non-current assets** | | **431,772,353** | **450,346,441** |
| **TOTAL ASSETS** | | **556,055,106** | **520,046,659** |
| **LIABILITIES** | | | |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 8 | 42,462,258 | 37,619,369 |
| Employee benefits | | 302,486 | 218,029 |
| **Total current liabilities** | | **42,764,744** | **37,837,398** |
| NON-CURRENT LIABILITIES | | | |
| Deferred tax liability | 12 | 53,974,718 | 56,192,897 |
| **Total non-current liabilities** | | **53,974,718** | **56,192,897** |
| **TOTAL LIABILITIES** | | **96,739,462** | **94,030,295** |
| **NET ASSETS** | | **459,315,644** | **426,016,364** |
| **EQUITY** | | | |
| Issued capital | 9 | 410,435,400 | 410,435,400 |
| Reserves | | (470,835) | 62,604 |
| Accumulated profits | | 49,351,079 | 15,518,360 |
| **TOTAL EQUITY** | | **459,315,644** | **426,016,364** |

The Consolidated Statement of Financial Position is to be read in conjunction with the notes to the consolidated financial statements.

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## APPENDIX 3
## UNAUDITED PRELIMINARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED 28 FEBRUARY 2021

| | NOTE | ISSUED CAPITAL $ | FOREIGN CURRENCY TRANSLATION RESERVE $ | EQUITY INSTRUMENTS AT FVOCI RESERVE $ | ACCUMULATED PROFIT/(LOSS) $ | TOTAL $ |
|---|---|---|---|---|---|---|
| **Balance at 1 March 2019** | | **410,435,400** | **(41,804)** | **340,257** | **(1,240,502)** | **409,493,351** |
| Profit attributable to members of parent entity | | - | - | - | 95,118,503 | 95,118,503 |
| Total other comprehensive income/(loss) for the period | | - | (18,314) | (217,535) | - | (235,849) |
| **Total comprehensive income/(loss) for the period** | | **-** | **(18,314)** | **(217,535)** | **95,118,503** | **94,882,654** |
| Dividends paid/declared | 10 | - | - | - | (78,359,641) | (78,359,641) |
| **Balance at 29 February 2020** | | **410,435,400** | **(60,118)** | **122,722** | **15,518,360** | **426,016,364** |
| Profit attributable to members of parent entity | | - | - | - | 67,519,400 | 67,519,400 |
| Total other comprehensive income/(loss) for the period | | - | (400,378) | 462,601 | - | 62,223 |
| **Total comprehensive income/(loss) for the period** | | **-** | **(400,378)** | **462,601** | **67,519,400** | **67,581,623** |
| Dividends paid/declared | 10 | - | - | - | (34,282,343) | (34,282,343) |
| Transfer of fair value reserve of equity instruments designated at FVOCI | | - | - | (595,662) | 595,662 | - |
| **Balance at 28 February 2021** | | **410,435,400** | **(460,496)** | **(10,339)** | **49,351,079** | **459,315,644** |

During FY2021, the Group sold its equity interest in GWR Group Limited. The fair value on the date of sale is $749,008 and the accumulated gain recognised in OCI of $595,662 was transferred to retained earnings.

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## APPENDIX 4
## UNAUDITED PRELIMINARY CONSOLIDATED STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED 28 FEBRUARY 2021

| | NOTE | FY2021 $ | FY2020 $ |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Payments to suppliers and employees | | (3,068,629) | (12,825,698) |
| Receipts from customers | | 8,500,819 | 14,190,076 |
| Income taxes paid | | (2,230,436) | (2,692,358) |
| Net cash used in discontinued operations | | (5,698) | - |
| **Net cash used in operating activities** | | **3,196,056** | **(1,327,980)** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Purchase of property, plant and equipment | | (1,717) | (2,184) |
| Payments for exploration and evaluation of mining reserves | | - | (974,238) |
| Proceeds from sale of financial assets | | 749,008 | - |
| Dividend received | 7 | 69,944,768 | 83,431,732 |
| Interest received | | 297,548 | 1,158,123 |
| Net cash used in discontinued operations | | (941,783) | - |
| **Net cash from investing activities** | | **70,047,824** | **83,613,433** |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Dividend paid | 10 | (34,282,345) | (127,334,417) |
| Net cash used in discontinued operations | | (65,948) | - |
| **Net cash used in financing activities** | | **(34,348,293)** | **(127,334,417)** |
| **Net decrease in cash and cash equivalents held** | | **38,895,587** | **(45,048,964)** |
| **Cash and cash equivalents at beginning of financial period** | | **29,285,067** | **72,848,680** |
| Effect of exchange rates on cash holdings in foreign currencies | | (2,558,342) | 1,485,351 |
| **Cash and cash equivalents at the end of the financial period** | 14 | **65,622,312** | **29,285,067** |

The Consolidated Statement of Cash Flows should be read in conjunction with the notes to the consolidated financial statements.

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## NOTES TO THE UNAUDITED PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements and notes represent those of Jupiter Mines Limited ("Jupiter") and its Controlled Entities (the "Consolidated Group" or the "Group").

**Basis of preparation**

The financial information included in this document for the financial year ended 28 February 2021 is unaudited. The financial information does not constitute the Jupiter Group's (the Group) full financial statements for the year ended 28 February 2021, which will be approved by the Board, reported on by the auditors and filed with the Australian Securities Exchange. The Group's full financial statements will be prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The unaudited financial information set out on pages 4 to 7 for the year ended 28 February 2021 has been prepared on the basis of accounting policies and methods of computation consistent with those applied in the 29 February 2020 financial statements contained within the Annual Report of the Group.

As required, and unless otherwise stated, comparative statutory financial information for the Group has been presented for the 2020 financial year.

All amounts are expressed in Australian dollars unless otherwise stated. The Group's presentation currency is Australian dollars. The functional currency of the majority of its operations is South African rand.

Comparative figures have been prepared on the same basis as the current period figures.

### NOTE 2: REVENUE

| | FY2021 $ | FY2020 $ |
|---|---|---|
| Marketing fee revenue | 8,202,796 | 10,358,857 |
| **Gross margin** | **8,202,796** | **10,358,857** |
| | | |
| Other income | 592,071 | 660,096 |
| **Other income** | **592,071** | **660,096** |

Jupiter's marketing branch in South Africa carries out the sale of manganese ore of Jupiter's share of Tshipi's manganese ore as the agent only and earns a 3% marketing fee commission on ore sales.

### NOTE 3: CASH AND CASH EQUIVALENTS

| | FY2021 $ | FY2020 $ |
|---|---|---|
| Cash at bank and in hand | 52,189,018 | 10,011,113 |
| Short-term bank deposits | 8,433,293 | 19,273,954 |
| | **60,622,311** | **29,285,067** |

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## NOTES TO THE UNAUDITED PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021 (continued)

### NOTE 4: TRADE AND OTHER RECEIVABLES

| | FY2021 $ | FY2020 $ |
|---|---|---|
| Trade receivables | 44,796,789 | 39,329,578 |
| GST and VAT receivable | 206,696 | 166,333 |
| Income tax refundable | 76,212 | - |
| Sundry receivables | 1,091,977 | 861,356 |
| | **46,171,674** | **40,357,267** |

### NOTE 5: CONTROLLED ENTITIES

| Controlled entities consolidated | Country of Incorporation | % owned FY2021 | % owned FY2020 |
|---|---|---|---|
| Parent Entity: | | | |
| Jupiter Mines Limited | Australia | | |
| Subsidiaries of Jupiter Mines Limited: | | | |
| Future Resources Australia Pty Limited | Australia | 100 | 100 |
| Central Yilgarn Iron Pty Limited | Australia | 100 | 100 |
| Broadgold Corporation Pty Limited | Australia | 100 | 100 |
| Jupiter Kalahari Pty Ltd | Australia | 100 | 100 |
| Juno Minerals Limited | Australia | 100 | - |
| Jupiter Mines Limited (Incorporated in Australia) External Profit Company ("Jupiter South African Branch) | South Africa | 100 | 100 |

During the year all Controlled Entities, with the exception of Jupiter Kalahari Pty Ltd, Juno Minerals and Jupiter South African Branch, were dormant.

### NOTE 6: EXPLORATION AND EVALUATION ASSETS

| | | |
|---|---|---|
| Opening balance | 11,774,238 | 10,800,000 |
| Additions | 941,783 | 974,238 |
| Assets reclassified to discontinued operations (note 13) | (12,716,021) | - |
| **Closing balance** | **-** | **11,774,238** |
| Costs carried forward in respect of the following areas of interest: | | |
| - Mount Mason | - | 927,829 |
| - Mount Ida | - | 10,846,409 |
| **Closing balance** | **-** | **11,774,238** |

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## NOTES TO THE UNAUDITED PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021 (continued)

### NOTE 7: INVESTMENTS USING THE EQUITY METHOD

Set out below is the Joint Venture held by the Group as at 28 February 2021, in which in the opinion of the Directors, are material to the Group. The entity listed below has share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of the Group's ownership interest is the same as the proportion of voting rights held. Interest in this entity is held through a fully controlled entity, Jupiter Kalahari Pty Ltd.

| Name of Entity | Country of Incorporation | % held FY2021 | % held FY2020 | 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 | FY2021 $ | FY2020 $ |
|---|---|---|
| **Tshipi é Ntle Manganese Mining (Proprietary) Limited** | | |
| Opening carrying value of joint venture | 437,601,406 | 422,841,742 |
| Share of profit using the equity method | 62,937,155 | 98,191,396 |
| Dividend paid | (69,944,768) | (83,431,732) |
| **Total investments using the equity method** | **430,593,793** | **437,601,406** |

### NOTE 8: TRADE AND OTHER PAYABLES

| | FY2021 $ | FY2020 $ |
|---|---|---|
| Trade payables | 41,679,440 | 36,501,106 |
| Income tax payable | - | 80,967 |
| Sundry payables and accrued expenses | 782,818 | 1,037,296 |
| | **42,462,258** | **37,619,369** |

### NOTE 9: SHARE CAPITAL

| | FY2021 $ | FY2020 $ |
|---|---|---|
| Ordinary shares at the beginning of the reporting period | 410,435,400 | 410,435,400 |
| **At reporting date** | **410,435,400** | **410,435,400** |

| | FY2021 Number of Shares | FY2020 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** |

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## NOTES TO THE UNAUDITED PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021 (continued)

### NOTE 10: DIVIDENDS

| | FY2021 $ | FY2020 $ |
|---|---|---|
| Dividends declared and paid during the year: | | |
| ▪ Unfranked final dividend ($0.0075 per share, wholly conduit foreign income; declared 29 April 2020, paid 21 May 2020) | 14,692,433 | - |
| ▪ Unfranked interim dividend ($0.01 per share, wholly conduit foreign income; declared 28 October 2020, paid 18 November 2020) | 19,589,910 | - |
| ▪ Unfranked interim dividend ($0.04 per share, wholly conduit foreign income; declared 31 October 2019, paid 21 November 2019) | - | 78,359,641 |
| | **34,282,343** | **78,359,641** |

Subsequent to year end, Jupiter declared a final unfranked dividend for FY2021 of $0.02 per share, of wholly conduit foreign income, totalling $39,179,821. The dividend will be paid on 21 May 2021.

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## NOTES TO THE UNAUDITED PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021 (continued)

### NOTE 11: SEGMENT REPORTING

The Group operates in the mining industry. The Group has identified its operating segments based on internal reports that are reviewed and used by the chief operating decision makers (the Board of Directors and key management) in assessing performance and determining the allocation of resources.

The Group's segments are structured primarily based on its exploration and production interests. These are considered to be the Central Yilgarn Iron Ore Project (Iron Ore), which is located in Australia, the producing Tshipi mine (Manganese) which is located in South Africa, and Jupiter's South African branch which carries the sale of Jupiter's share of manganese ore. Information is not readily available for allocating the remaining items of revenue, expenses, assets and liabilities, or these items are not considered part of the core operations of any segment. Any transactions between reportable segments have been offset for these purposes.

| 28 February 2021 | CYIP – Iron Ore (Australia) $ | Jupiter Mines – Manganese (South Africa) $ | Tshipi – Manganese (South Africa) $ | Total $ |
|---|---|---|---|---|
| Marketing fee revenue | - | 8,202,796 | - | 8,202,796 |
| Employee benefits | - | (223,917) | - | (223,917) |
| Other expenses | - | (265,711) | - | (265,711) |
| Loss from discontinued operations | (278,671) | - | - | (278,671) |
| **Segment operating profit** | **(278,671)** | **7,713,168** | **-** | **7,434,497** |
| Share of profit from joint venture entities using the equity method | - | | 62,937,155 | 62,937,155 |
| Finance costs | - | 14,599 | - | 14,599 |
| Foreign exchange gain | - | (101,482) | - | (101,482) |
| **Total** | **(278,671)** | **7,626,284** | **62,937,155** | **70,284,768** |
| Corporate | | | | (3,129,738) |
| **Net profit before tax from operations** | | | | **66,876,362** |
| Segment assets | - | 47,583,423 | 430,593,793 | 478,177,216 |
| Segment assets from discontinued operations | 17,430,884 | - | - | 17,430,884 |
| Corporate assets | | | | 60,447,006 |
| **Total assets** | | | | **556,055,106** |
| Segment liabilities | - | (41,770,184) | - | (41,770,184) |
| Corporate liabilities | | | | (54,969,278) |
| **Total liabilities** | | | | **(96,739,462)** |

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## NOTES TO THE UNAUDITED PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021 (continued)

### NOTE 11: SEGMENT REPORTING (continued)

| 29 February 2020 | CYIP – Iron Ore (Australia) $ | Jupiter Mines – Manganese (South Africa) $ | Tshipi – Manganese (South Africa) $ | Total $ |
|---|---|---|---|---|
| Marketing fee revenue | - | 10,358,857 | - | 10,358,857 |
| Employee benefits | - | (450,610) | - | (450,610) |
| Other expenses | - | (2,221,107) | - | (2,221,107) |
| **Segment operating profit** | **-** | **7,687,140** | **-** | **7,687,140** |
| Share of profit from joint venture entities using the equity method | - | - | 98,191,396 | 98,191,396 |
| Finance costs | - | (471,447) | - | (471,447) |
| Foreign exchange gain | - | 611,549 | - | 611,549 |
| **Total** | **-** | **7,827,242** | **98,191,396** | **106,018,638** |
| Corporate | - | | | (2,092,546) |
| **Net profit before tax from continuing operations** | | | | **103,926,092** |
| Segment assets | 11,774,238 | 43,056,258 | 437,601,406 | 492,431,902 |
| Corporate assets | | | | 27,614,757 |
| **Total assets** | | | | **520,046,659** |
| Segment liabilities | - | (40,305,240) | - | (40,305,240) |
| Corporate liabilities | | | | (53,725,055) |
| **Total liabilities** | | | | **(94,030,295)** |

### 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 Mines at 30% (2020: 30%) and the reported tax expense in the profit and loss are as follows:

| | FY2021 $ | FY2020 $ |
|---|---|---|
| Tax expense comprises: | | |
| **(a) Current tax** | 2,073,305 | 2,291,414 |
| Current tax in respect of prior years | - | 758,253 |
| Deferred income tax relating to origination and reversal of temporary differences | | |
| ▪ Origination and reversal of timing differences | (1,984,776) | 4,447,465 |
| ▪ Recognition of deferred tax asset losses | (735,720) | - |
| ▪ Under/(over) provision in respect of prior years | 4,150 | 1,310,456 |
| **Tax (benefit)/expense** | **(643,041)** | **8,807,588** |

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## NOTES TO THE UNAUDITED PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021 (continued)

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

| | FY2021 $ | FY2020 $ |
|---|---|---|
| **(b) Accounting profit before tax** | 66,876,362 | 103,926,091 |
| Domestic tax rate for Jupiter Mines Limited (30%) | 20,062,909 | 31,177,827 |
| Tax rate differential | (152,809) | (158,024) |
| Other expenditure not allowed or allowable for income tax purposes | 426,142 | 748,594 |
| Under provision in respect of prior years | 4,150 | 2,068,710 |
| Share of profit in equity accounted investments | (20,983,433) | (25,029,519) |
| **Income tax (benefit)/expense** | **(643,041)** | **8,807,588** |

Deferred taxes arising from temporary differences and unused tax losses can be summarised as follows:

| Deferred Tax Assets (Liabilities) | Opening Balance 1 March 2020 | Recognised in Profit and Loss During the Year | Closing Balance 28 February 2021 |
|---|---|---|---|
| **Liabilities** | | | |
| Property, plant and equipment | 9,695 | (9,695) | - |
| Exploration and discontinued operations | (3,515,171) | (282,535) | (3,797,706) |
| Other | (409,360) | 408,126 | (1,234) |
| Investments using the equity method | (52,278,061) | 2,102,283 | (50,175,778) |
| **Balance as at 28 February 2021** | **(56,192,897)** | **2,218,179** | **(53,974,718)** |
| | | | |
| **Assets** | | | |
| Property, plant and equipment | - | 3,057 | 3,057 |
| Pension and other employee obligations | 57,879 | 25,259 | 83,138 |
| Trade and other receivables | - | 12,602 | 12,602 |
| Other | 27,657 | (6,143) | 21,514 |
| Tax losses | 547,881 | 463,345 | 1,011,226 |
| **Balance as at 28 February 2021** | **633,417** | **498,120** | **1,131,537** |
| **Net Deferred Tax Liabilities** | **(55,559,480)** | **2,716,299** | **(52,843,181)** |

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

During the financial year, Jupiter Mines announce the demerger and initial public offering of its Central Yilgarn Iron Ore assets through the newly created company, Juno Minerals Limited. Consequently, assets and liabilities allocable to the assets were classified as a disposal group. 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.

Operating loss until the date of disposal and the profit or loss from re-measurement and disposal of assets and liabilities classified as disposal group held for distribution to owners are summarised as follows:

| | FY2021 $ | FY2020 $ |
|---|---|---|
| Stock market listing expense | (278,671) | - |
| **Loss for the year from discontinued operations** | **(278,671)** | **-** |

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## NOTES TO THE UNAUDITED PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021 (continued)

### NOTE 13: DISPOSAL GROUP CLASSIFIED AS HELD FOR DISTRIBUTION TO OWNERS AND DISCONTINUED OPERATIONS (continued)

The carrying amounts of assets and liabilities in this disposal group are summarised as follows:

| | FY2021 $ | FY2020 $ |
|---|---|---|
| **Non-current assets** | | |
| Exploration and evaluation assets | 12,716,021 | - |
| **Current assets** | | |
| Cash | 5,000,000 | - |
| Other | (285,137) | - |
| **Assets classified as held for distribution** | **17,430,884** | **-** |

### NOTE 14: RECONCILIATION TO CASH

The differences in the amounts for the net increase in cash and cash equivalents, and in the closing balance of cash and cash equivalents, is due to cash and cash equivalents of $5,000,000, related to the disposal group, which are included within the single line item Assets in disposal groups classified as held for distribution to owners in the Statement of Financial Position.