



Jupiter Mines Ltd (JMS.ASX)

Tshipi dividend is back

Event:

- 1H FY25 profit report.

Investment Highlights:

- Profit in-line.** With Tshipi earnings pre-reported in quarterly, no real surprise as JMS's adj. 1HFY25 NPAT of \$9.5M was in-line with our estimate of \$9.6M, after stripping out the 2Q Tshipi forex gain. Including it, JMS's reported NPAT was \$14.0M.
- Tshipi dividend a welcome return.** The key highlight of the result was undoubtedly Tshipi's declaration of ZAR300M dividend for the interim period, after deciding to pass on a final dividend for FY24 when manganese (Mn) prices were in the midst of a dramatic collapse that shocked markets and caught everyone by surprise, especially in light of the Groote Eylandt outage.
- Mn price rally.** Six months on, and Mn prices have rallied strongly – Mn 37% CIF China has risen to US\$4.58/dmtu currently from around US\$3.69/dmtu. This has been supported by low China port stocks - recently at five-year lows - and the exit of high-cost marginal production.
- Annualised 10% yield.** Given the Tshipi distribution, JMS itself declared a dividend of 0.75cps – a 105% payout on its reported NPAT - beating our forecast of 0.4cps and the paltry 0.25cps of FY24's final dividend. Annualising it places the stock on an attractive 10% yield.
- 2H FY25 dividend - and earnings - should be even better.** We expect Tshipi should feel the full impact of improved Mn prices in the current second half, setting up both Tshipi and JMS for a higher dividend in the final FY25 period. We currently forecast a 1.0cps JMS final FY25 dividend, and maintain our forecast of US\$4.52/dmtu for the Mn 37% CIF China in the 2HFY25 – which incidentally is near spot.

Earnings and Valuation:

- No material changes to earnings forecasts.
- Risked valuation unchanged at \$0.35 (0.5x NPV₁₀ nominal).

Recommendation:

- Maintain Buy and 12-month price target of \$0.35, based on risked valuation.
- Share price catalysts include: Improving Mn markets; Control of Tshipi; HPMSM PFS; Tshipi expansion; Kalahari consolidation; and M&A activity.

Disclosures

The analyst owns 582,276 JMS shares.

Foster Stockbroking, staff, and Cranport own 1.0% of JMS shares on issue. Refer details end of report.

Recommendation	Buy
Previous	Buy
Risk	High
Price Target	\$0.35
Previous	\$0.35
Share price (A\$)	\$ 0.155

ASX code	JMS
52 week low-high	0.135-0.41
JMS Valuation (A\$/share)	\$0.35
Methodology	NPV

JMS Capital structure

Ordinary shares (M)	1,961
Rights (M)	16
Options (M)	1
Market cap (A\$M)	304
Net cash (debt) attributable (A\$M)	85
EV diluted (A\$M)	222
Ave daily volume ('000)	7,738

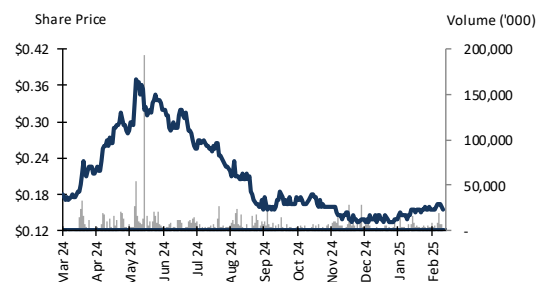
Y/e Jun A\$M	FY24a	FY25e	FY26e	FY27e
Sales adj*	340	372	367	339
EBITDA adj.*	63	74	91	68
NPAT reported	39	53	60	40
NPAT adj*	41	49	60	40
EPS adj. c*	2.1	2.5	3.0	2.0
P/E x	7.3	6.2	5.1	7.6
EV/EBITDA x	3.5	2.9	2.4	3.2
DPS c	1.3	1.8	1.3	1.2
Yield %	8.1%	11.3%	8.5%	7.5%

* Adj = underlying including attributable share of Tshipi

JMS Board

Ian Murray	Non-Executive Chair
Brad Rogers	Managing Director & CEO
Scott Winter	Non-Executive Director
Sally Langer	Non-Executive Director
Ben Kim	Non-Executive Director

Share price graph



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Jupiter Mines Ltd

Full Year End June

Profit and Loss A\$M	2024a	2025e	2026e	2027e
Sales adj.*	340	372	367	339
Other revenue	1	1	1	1
Operating Costs adj.*	278	299	276	272
EBITDA adj.	63	74	91	68
D&A adj.	9	10	9	9
EBIT adj.	55	66	83	60
Net Interest exp / (income) adj.	-5	-4	-2	3
Profit before tax adj	59	69	85	57
Tax exp / (benefit) adj	18	21	26	17
NPAT adj.	41	49	60	40
Non-recurring gain/(loss)	-3	5	0	0
NPAT reported	39	53	60	40
EPS diluted adj. (c)	2.1	2.5	3.0	2.0
DPS (c)	1.3	1.8	1.3	1.2

All figures shown include JMS attributable share of Tshipi.

*Includes realisation costs

Cashflow A\$M	2024a	2025e	2026e	2027e
EBITDA adj.	63	74	91	68
Equity accounting	-63	-75	-92	-70
Change in WC	-1	3	-2	3
Tax paid	-3	-1	0	1
Net interest	1	0	0	0
Other	1	0	0	0
Operating Cashflow	-1	1	-2	2
PPE	0	0	0	0
Exploration	0	0	0	0
Dividends received	11	0	37	32
Investments	0	0	0	0
Investing Cashflow	11	0	37	32
Equity issue	0	0	0	0
Loan repayment	0	0	0	0
Debt repayments/proceeds	0	0	0	0
Share buyback	0	0	0	0
Dividends paid	-20	-20	-33	-24
Financing Cashflow	-20	-20	-33	-24
Net Cashflow	-9	-18	2	10

Balance Sheet A\$M	2024a	2025e	2026e	2027e
Cash	19	1	3	13
Receivables	39	29	31	29
PPE	0	0	0	0
Investments	534	591	616	625
Other	0	16	16	14
Total Assets	594	637	665	681
Accounts payable	35	16	17	17
Provisions	0	22	23	23
Debt	0	0	0	0
Other	14	21	21	21
Total Liabilities	50	59	61	61
Reserves and capital	383	384	384	384
Retained earnings	161	194	221	236
Total Equity	543	578	604	620

Tshipi - JORC Resources and Reserves		
Classification	Ore Mt	Mn grade %
Reserves	82	35.9%
Measured	121	33.5%
Indicated	74	31.9%
Inferred	233	32.4%
Resources	428	32.6%

Half year splits	1H	2H	1H	2H
	FY24a	FY24a	FY25a	FY25e
Mn 37% RSA, FOB, US\$/dmtu	2.90	3.83	3.22	3.86
Total Mn ore shipments Mt	1.7	1.9	1.7	1.7
Sales adj.*	138	194	172	190
EBITDA adj.	26	37	15	59
NPAT adj.	17	25	9	39

All figures shown include JMS attributable share of Tshipi.

*Includes realisation

Financial Metrics	2024a	2025e	2026e	2027e
EPS growth %	-56%	0%	0%	0%
Gearing (ND/ND+E)	-4%	0%	0%	0%
Interest Cover (EBIT/net int)	nm	nm	nm	nm
Average ROE %	8%	9%	10%	6%
Average ROA %	9%	11%	13%	9%

Earnings multiples	2024a	2025e	2026e	2027e
P/E x	7.3	6.3	5.1	7.7
EV/EBITDA x	3.5	2.9	2.4	3.2
Dividend Yield %	8.1%	11.3%	8.5%	7.5%

Company Valuation				
Segment 10% d.r. nominal	\$M	\$/share	\$M	\$/share
Tshipi (49.9%)	463	\$0.21	463	\$0.15
Expansion case	343	\$0.15	69	\$0.02
HPMSM	512	\$0.23	307	\$0.10
Marketing	59	\$0.03	59	\$0.02
Corporate	-91	-\$0.04	-91	-\$0.03
Future cash from HPMSM equity	170	\$0.08	170	\$0.06
Net cash - Tshipi attributable	71	\$0.03	71	\$0.02
Net cash - JMS consolidated	14	\$0.01	14	\$0.00
Equity	1,541	\$0.69	1,062	\$0.35
Shares now	1,961		1,961	
Rights	2		2	
Options	1		1	
Future shares issued for HPMSM*	254		1,099	
Total	2,217		3,062	

*Unrisked assume shares issued at valuation, risked at current share price

Tshipi - Assumptions	2024a	2025e	2026e	2027e
Mn 44% China, CIF, US\$/dmtu	4.95	5.87	5.14	4.83
Mn 37% China, CIF, US\$/dmtu	4.06	4.24	4.32	4.06
Mn 37% RSA, FOB, US\$/dmtu	3.37	3.54	3.57	3.36
Tshipi Mn realised, CIF, US\$/dmtu	3.48	4.01	4.12	3.88
A\$:US\$	0.66	0.66	0.68	0.69
Rand:US\$	18.69	18.28	18.11	18.25
Mn ore production Mt	3.47	3.54	3.30	3.30
Mn ore shipments Mt	3.55	3.37	3.33	3.33
Cash costs US\$/dmtu high grade, FOB	2.19	2.38	2.41	2.45
Cash costs US\$/dmtu all product, CIF	2.84	3.19	3.07	3.07

Major shareholders	%
Safika Resources	19.9%
POSCO Australia GP Pty Ltd	6.9%

Capital structure	M
Ordinary shares	1,961
Rights	2
Options	1
Fully diluted equity	1,963

Source: Company; Foster Stockbroking estimates.

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Specific disclosure: The analyst owns 582,276 JMS shares at the time of this report. Diligent care has been taken care by the analyst to maintain honesty and fairness in writing the report and making the recommendation.

Specific disclosure: The research report was reviewed by Hazmy Hazin, Research Analyst.

Specific disclosures: As of close of business 3 March 2025, Foster Stockbroking, staff, and Cranport Pty Ltd owned 1.0% of JMS shares. The position may change at any time and without notice. Foster Stockbroking and its employees may from time to time own shares in JMS, and trade them in ways different from those discussed in research. Foster Stockbroking may also make a market in securities of JMS, including buying and selling securities on behalf of clients.

Disclosure review. All the disclosures in the report have been reviewed and checked by Keith Quinn, Compliance.