

ASX / MEDIA ANNOUNCEMENT (ASX: JNO)

20 JANUARY 2022

QUARTERLY ACTIVITIES REPORT FOR THE QUARTER ENDED 31 DECEMBER 2021

HIGHLIGHTS

- **Yunndaga NVCP granted, Mount Mason NVCP expected mid-February; draft Works Approval issued for Company review.**
- **Mount Mason Project is expected to be fully approved by mid-February.**
- **Clarifications and submission presentations completed with the shortlisted Contractors on all the major contracting packages for Mount Mason.**
- **With instability in the iron ore price, the financial investment decision on Mount Mason has been deferred in the short-term and is also subject to confirming a logistics solution.**

MOUNT MASON DSO HEMATITE PROJECT

Juno Minerals Limited (**Juno** or the **Company**) is progressing the Mount Mason DSO Hematite Project (the **Mount Mason Project**), which is a high-grade direct shipping ore (**DSO**) hematite, near-term project. The Project is located 130km by road northwest of the town of Menzies, Western Australia.

Project Approvals

The Native Vegetation Clearing Permit (**NVCP**) application for the Yunndaga rail siding area was granted by the Department of Mines, Industry Regulation and Safety (**DMIRS**) on 16 December 2021. The data and final supplemental report on the Spring flora survey submission for the Mount Mason NVCP was delayed until late December due to awaiting the final report on the seventy plant specimens vouchered to the WA Herbarium. All documentation was completed and submitted to DMIRS with the Mount Mason NVCP now expected to be granted by mid-February.

The Works Approval Application for the Mount Mason Project was assessed by the Department of Water and Environmental Regulation (**DWER**) during the quarter with the Company receiving the draft Works Approval and Decision Report late December for review and comment. The Company provided comments back to DWER on the draft mid-January 2022 and expects the approval to follow in the near term.

Logistics and Supply Chain

During the quarter, Juno progressed engagement with the necessary logistics supply chain providers. Discussions with Fremantle Ports in relation to potential capacity at the Kwinana Bulk Terminal indicated that the Port was re-positioning its focus on increasing imports over exports thus reducing capacity. Discussions continued with Southern Ports in relation to access to the Port of Esperance with capacity



emerging within the first half of 2022, and this preferred pathway will be progressed. The mechanism of gaining access to this capacity is still being worked through by Southern Ports and the relevant stakeholders, including Juno. Continual discussions have also been held regarding rail track access to Esperance, which are a critical part of the logistics solution.

Existing rail infrastructure south of Menzies to load DSO onto rail is being pursued in the interim, deferring development of the Yunndaga rail siding as previously stated. Approval has been received from Main Roads WA to upgrade an existing intersection just south of Menzies onto the Goldfields Highway thus also facilitating deferral of Yunndaga in the short term. Once in production, Juno will re-assess the development of the Yunndaga rail siding.

Contractor Engagement

Juno employed a contracting strategy to minimise upfront capital costs and provide opportunity to reduce the development timeline.

During the quarter, Juno and the Project team completed the evaluation and clarifications on all the major contract tenders and shortlisted contractors for the major packages. Due to the deferral of the financial investment decision, the short-listed contractors agreed to extend the validity of the tenders to 31 March 2022.

MOUNT IDA MAGNETITE PROJECT

The Mount Ida Magnetite Project (the **Mount Ida Project**) is a high-grade magnetite project, with the potential to become a tier one magnetite mine. Juno intends to progress the completion of the Feasibility Study on the Mount Ida Project. Preliminary reviews of past work completed and future work required has commenced to enable the planning to progress the Mount Ida Project. Juno is further encouraged by the recent investment by Hancock Prospecting Pty Ltd in the neighbouring Mount Bevan Magnetite Project, which is a major move for magnetite in the Yilgarn region.

A significant amount of work totalling over \$50m was undertaken on the Mount Ida Project previously, with the Definitive Feasibility Study taken to 70% completion. The Mount Ida Project is on a granted Mining Lease, has significant supporting tenure for infrastructure, and expansive water exploration licences over areas prospective for good quality water. The Mount Ida Project remains the largest magnetite resource and the most technically advanced magnetite project in the Yilgarn.

With magnetite concentrate being a higher grade and consistent product, commanding a premium price over DSO iron ore, it also has the advantage of a lower environmental footprint in the smelting process and is considered as the “green steel” which is becoming the preferred raw material in the steel making process.

Juno is a member of the Western Australian Midwest Yilgarn Infrastructure Group, (**WAMYIG**), with a number of other junior companies with iron ore and magnetite projects within the Yilgarn. The membership also includes infrastructure groups, contractors and local and State Government authorities all with the objective to progress an infrastructure solution to develop the iron ore and other mineral resources in the Yilgarn.



The Mount Ida Project presents a great opportunity and will be progressed with the objective of developing a long-life magnetite mine.

CORPORATE

With the volatility in the iron ore prices emerging in the September quarter last year, the Board deferred its financial investment decision on the Mount Mason Project until stability returns to the iron ore market and freight markets and there is clarity on a logistics solution. Encouragingly, recently iron ore prices have been trending up and freight rates trending down which are very favourable, nevertheless will be monitored during the March 2022 quarter. The Mount Mason Project is well positioned to move quickly into development and production subject to iron ore price, freight market conditions and securing the rail and port logistics.

In accordance with ASX Listing Rule 5.3.4, as the December quarter was in a period covered by a “Use of Funds” statement in the Replacement Prospectus, below is a comparison of the Company’s actual expenditure to 31 December 2021 against the estimated expenditure in the “Use of Funds” statement and Statement of Commitments in the Company’s Pre-Quotation Disclosure on 12 May 2021:

\$	Expenditure Program	June 2021 Quarter	September 2021 Quarter	December 2021 Quarter	Actual to Date	
	1. Costs of the Offer	348,504	350,226	111,471	-	461,697
	2. Corporate overheads – CEO Salary and Secondment Fee	648,958	26,735	80,587	74,203	181,525
	3. Tenure costs					
	• Mining tenement annual rent	1,092,904	54,397	254,796	203,821	513,014
	• Shire Rates	549,691	-	274,739	-	274,739
	• Cassini Village supplies and maintenance	261,549	38,533	35,990	27,395	101,918
	4. Contract tendering and documentation	317,000	212,852	322,090	101,632	636,574
	5. Company, project and operations management costs					
	• Operations and Project Management – Direct Costs	270,000	7,996	23,561	5,836	37,393
	• Technical consultants, mining, crushing, environmental, power supply	200,000	130,076	335,766	124,984	590,826
	• Legal fees – supply and services contracts	30,000	27,313	35,280	1,906	64,500
	6. Project execution (PMC)	-	-	-	-	-
	7. Cassini Village expansion	-	-	-	-	-



8. Construction of site access road to Menzies – Sandstone Road	-	-	-	-	-
9. Geophysical review and DSO targeting surveys	300,000	-	-	-	-
10. Drill testing of the identified DSO targets	400,000	-	-	-	-
11. Mt Ida – water exploration tenements – hydrogeological review	100,000	-	-	7,407	7,407
12. Mt Ida – metallurgical test work	200,000	-	-	-	-
13. Working capital					
• Corporate overheads	1,598,128	288,475	110,270	269,753	668,497
• Operations and Project Management-Direct Costs	430,000	-	-	-	-
• Legal fees – supply and services contracts	50,000	-	-	-	-
• Project execution	675,000	-	-	-	-
• Cassini Village expansion	1,442,767	-	-	-	-
Total Expenditure	\$8,914,501	\$1,136,603	\$1,584,550	\$816,937	\$3,538,090

Juno ended the December 2021 quarter with \$5.4 million in cash and deposits.

In accordance with ASX Listing Rule 5.3.5, \$144,610 of payments were made to related parties or their associates during the quarter, comprising Executive Director salary, Non-executive Director fees and superannuation.

This announcement has been approved for release by the Board.

CONTACTS

Investor Relations

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FORWARD LOOKING STATEMENTS AND IMPORTANT NOTICE

This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved. They may be affected by a variety of variables and changes in underlying assumptions that are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein. All references to dollars (\$) and cents in this announcement are to Australian currency, unless otherwise stated.

TENEMENT SCHEDULE

Location	Tenement	Project	Beneficial Interest
Western Australia	G29/21	Mount Mason	100%
Western Australia	G29/22	Mount Ida	100%
Western Australia	G29/23	Mount Mason	100%
Western Australia	L29/100	Mount Ida	100%
Western Australia	L29/106	Mount Ida	100%
Western Australia	L29/116	Mount Mason	100%
Western Australia	L29/117	Mount Mason	100%
Western Australia	L29/118	Mount Mason	100%
Western Australia	L29/119	Mount Mason	100%
Western Australia	L29/120	Mount Mason	100%
Western Australia	L29/121	Mount Mason	100%
Western Australia	L29/122	Mount Ida	100%
Western Australia	L29/123	Mount Mason	100%
Western Australia	L29/131	Mount Ida	100%
Western Australia	L29/132	Mount Mason	100%
Western Australia	L29/78	Mount Ida	100%
Western Australia	L29/79	Mount Ida	100%
Western Australia	L29/81	Mount Ida	100%
Western Australia	L29/99	Mount Ida	100%
Western Australia	L36/214	Mount Ida	100%
Western Australia	L36/215	Mount Ida	100%
Western Australia	L36/216	Mount Ida	100%
Western Australia	L36/217	Mount Ida	100%
Western Australia	L37/203	Mount Ida	100%
Western Australia	L57/45	Mount Ida	100%
Western Australia	L57/46	Mount Ida	100%
Western Australia	M29/408	Mount Mason	100%
Western Australia	M29/414	Mount Ida	100%

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

JUNO MINERALS LIMITED

ABN

94 645 778 892

Quarter ended ("current quarter")

31 DECEMBER 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(76)	(88)
(e) administration and corporate costs	(162)	(489)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(238)	(577)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment ¹	(553)	(1,793)
(d) exploration & evaluation	(24)	(113)
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	(2)	42
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(579)	(1,864)

1 Includes capitalised expenditure for mine development, plant, and equipment.

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(21)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	(21)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	6,193	7,838
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(238)	(577)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(579)	(1,864)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(21)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	5,376	5,376

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	326	6,143
5.2	Call deposits	5,050	50
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,376	6,193

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	76
6.2	Aggregate amount of payments to related parties and their associates included in item 2	68

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(238)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(24)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(262)
8.4 Cash and cash equivalents at quarter end (item 4.6)	5,376
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	5,376
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	20.5
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

20 JANUARY 2022

Date:

BY THE BOARD

Authorised by:
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.