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JUPITER MINES LIMITED

ABN 51 105 991 740

14th Floor, Suite 1405, 33 Bligh Street, SYDNEY NSW 2000 Tel: 02 9235 2755 Fax: 02 9235 2955

Jupiter asx048 05-10-31

31 October 2005

The Manager
Company Announcements Office
Australian Stock Exchange Limited
Level 4
20 Bridge Street
SYDNEY NSW 2000

Via ASX Online

Number of pages – 12

Dear Sir,

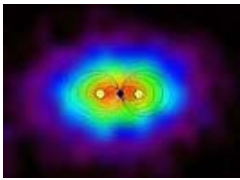
Re: Quarterly report to 30 September 2005

Enclosed for release to the market is the Company's report for the quarter ended 30 September 2005 including a duly completed Appendix 5B.

For and on behalf of the directors of
Jupiter Mines Limited

A handwritten signature in black ink, appearing to read 'P. Hewson'.

Paul S Hewson
Secretary



JUPITER MINES LIMITED

ABN 51 105 991 740

14th Floor, Suite 1405, 33 Bligh Street, SYDNEY NSW 2000

Tel: 02 9235 2755 Fax: 02 9235 2955

31 October 2005

SEPTEMBER 2005 QUARTERLY REPORT

- ❖ **Jupiter has commenced a diamond drilling program at the Cassini nickel project near Widgiemooltha.**
- ❖ **A 27 hole RC percussion drilling program has been completed at the Klondyke gold project near Marble Bar, WA.**
- ❖ **Jupiter acquired an option for a 75% interest over channel iron deposits along the Beasley River valley in the Pilbara of WA.**

CASSINI NICKEL PROSPECT AT WIDGIEMOOLTHA, WA

Jupiter's Widgiemooltha nickel/gold project covers the southern part of the highly prospective Widgiemooltha Dome. The Company has identified a number of gold and nickel prospects from the compilation and interpretation of exploration data generated by earlier explorers.

Jupiter's major exploration effort has been directed towards the Cassini nickel prospect where, since December 2004, Jupiter has completed 13 RC percussion drill holes. This RC drilling has encountered a number of encouraging nickel intersections of better than 0.5% nickel including 4 metres at 2.75% nickel in JWRC01 and 2 metres at 2.26% nickel in JWRC03. More importantly, two holes from Jupiter's recent drilling intersected basal contacts. One of these zones carried a 2 metre intersection of nickel sulphide mineralisation grading 1.0 % nickel in the contact zone. These basal contact zones are typically the sites of much of the nickel sulphide deposits in the Kambalda region.

Jupiter has commenced its next drill program at the Company's Cassini nickel prospect. BM Geological Services Pty Limited, Jupiter's geological consultants, has re-interpreted all the drilling data and revised the geological model for the prospect (as indicated by the following schematic cross section from the Company's 2005 annual report, "Figure 3 Cassini Schematic Cross Section 6491850N").

This next phase of exploration will be a three or four hole diamond drill program to test the ultramafic sequence for Kambalda-style nickel sulphide deposits. The program is designed to further explore the sequence to the north of, and below, the previous RC drilling programs. It is also designed to test for mineralised extensions of a previously intersected basal contact of the ultramafic sequence over the underlying metabasalt.

Following the completion of each hole, it is planned to run down-hole EM geophysics. This will provide information on the identification of mineralised structures and assist in the delineation and orientation of new drilling targets.

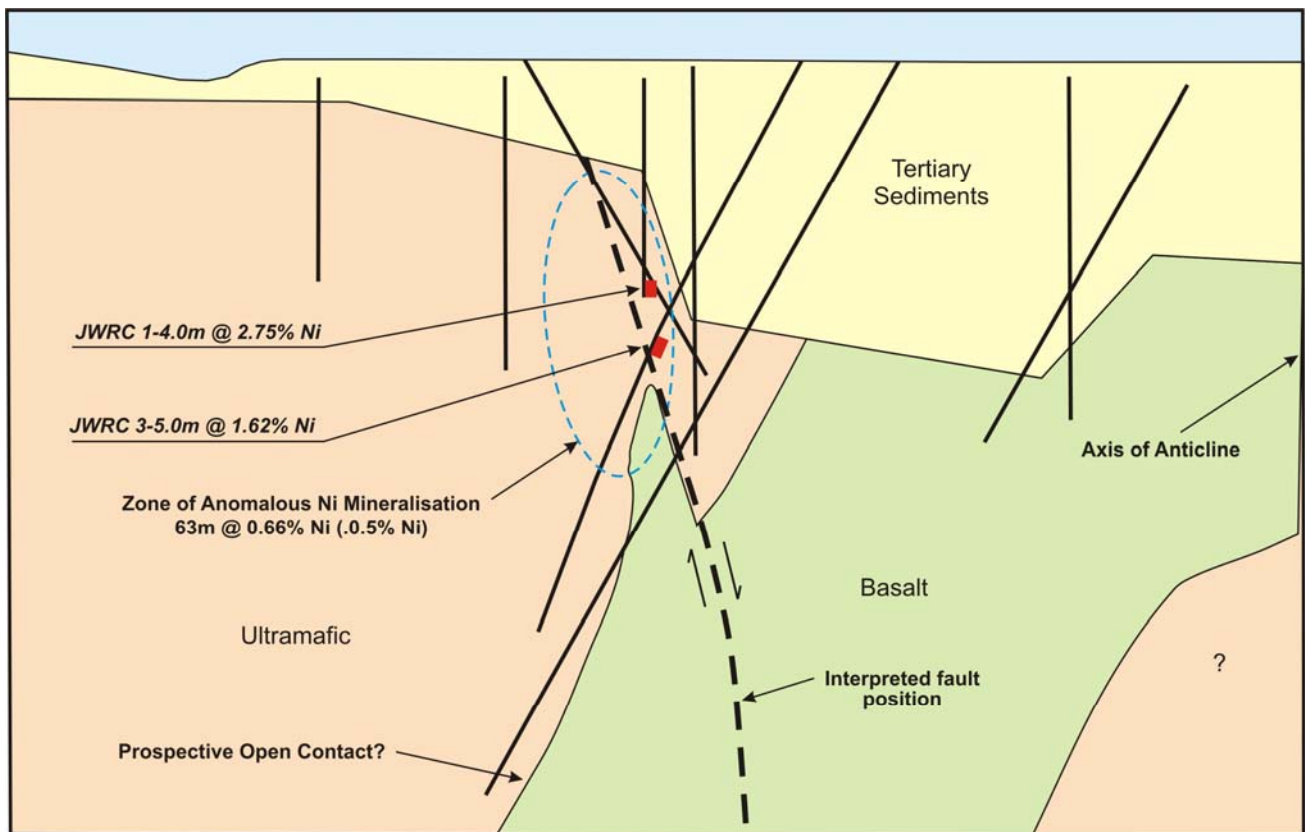


Figure 3 Cassini Schematic Cross Section 6491850N

KLONDYKE GOLD PROJECT, MARBLE BAR, WA

The Klondyke gold project is located 23 kilometres south-east of Marble Bar, WA.

In July and August, Jupiter completed 28 RC percussion drill holes for a total of 1,728 metres. Ten holes were completed on the Kopckes prospect, five on the Klondyke King prospect and 13 on the Western lease. The holes on the Kopckes and Klondyke King prospects were to provide additional drill intercepts into the known mineralised zones and to provide better resource definition. The holes on the Western lease were designed to test known old gold pits and workings and to follow-up reconnaissance drilling by previous explorers.

All holes were sampled in one-metre intervals but in a number of areas sub-samples from each sample were generally combined to form a four-metre composite and the composite samples assayed. Where high grade mineralisation was expected the one-metre samples were assayed.

The following tables detail the results of gold intercepts greater than 1g/t gold obtained from the Kopckes and Klondyke King. All holes were drilled at an angle of 60 degrees and orientated on local grid north (33 degrees AMG). In general the results were in line with expectations and will be fully assessed prior to further resource definition drilling on the prospects.

Few samples greater than 1g/t gold were obtained from the Western lease in the current program. The lease area will be re-evaluated to identify additional exploration targets.

Kopckes drill intercepts > 1g/t gold

| HOLE NO | DEPTH m | AMG E | AMG N | LOC. E approx | LOC. N approx | FROM m | TO m | INTERVAL m | GRADE g/t gold |
|---------|------------|--------|---------|------------------|------------------|-----------|---------|---------------|-------------------|
| KORC158 | 70 | 800820 | 7637078 | 11340 | 10290 | 4 | 8 | 4 | 1.405* |
| | | | | | | 37 | 38 | 1 | 3.06 |
| KORC159 | 70 | 800802 | 7637085 | 11320 | 10295 | 43 | 59 | 16 | 1.54 |
| KORC160 | 60 | 800843 | 7637072 | 11365 | 10295 | 26 | 28 | 2 | 4.42 |
| | | | | | | 39 | 40 | 1 | 1.23 |
| | | | | | | 56 | 60 | 4 | 1.11* |
| KORC161 | 63 | 800935 | 7637020 | 11465 | 10297 | 16 | 22 | 6 | 1.88 |
| | | | | | | 39 | 43 | 4 | 3.37 |
| | | | | | | 45 | 47 | 2 | 1.05 |
| KORC162 | 70 | 801030 | 7636994 | 11560 | 10325 | 1 | 4 | 3 | 4.46 |
| | | | | | | 5 | 6 | 1 | 1.18 |
| | | | | | | 14 | 20 | 6 | 3.29 |
| | | | | | | 22 | 23 | 1 | 1.19 |
| | | | | | | 42 | 43 | 1 | 4.40 |
| | | | | | | 55 | 56 | 1 | 4.42 |
| | | | | | | 57 | 58 | 1 | 1.24 |
| KORC163 | 74 | 801030 | 7636985 | 11560 | 10315 | 4 | 12 | 8 | 3.29 |
| | | | | | | 16 | 32 | 16 | 2.10* |
| KORC164 | 50 | 801065 | 7636981 | 11600 | 10350 | 0 | 4 | 4 | 2.18* |
| | | | | | | 12 | 20 | 8 | 1.39* |
| | | | | | | 24 | 25 | 1 | 2.08 |
| | | | | | | 30 | 34 | 4 | 3.63 |
| KORC165 | 74 | 801059 | 7636971 | 11600 | 10340 | 33 | 34 | 1 | 1.91 |
| | | | | | | 39 | 40 | 1 | 1.92 |
| | | | | | | 45 | 46 | 1 | 1.01 |
| | | | | | | 61 | 63 | 2 | 2.44 |
| KORC166 | 50 | 801078 | 7636975 | 11620 | 10350 | 20 | 24 | 4 | 1.23* |
| | | | | | | 25 | 26 | 1 | 32.00 |
| KORC167 | 87 | 801127 | 7636961 | 11665 | 10365 | 17 | 18 | 1 | 1.44 |
| | | | | | | 20 | 21 | 1 | 6.77 |
| | | | | | | 48 | 56 | 8 | 1.32* |
| | | | | | | 78 | 79 | 1 | 1.15 |

* four-metre composite samples

Klondyke King drill intercepts > 1g/t gold

| HOLE NO | DEPTH m | AMG E | AMG N | LOC E approx | LOC N approx | FROM m | TO m | INTERVAL m | GRADE g/t gold |
|---------|------------|--------|---------|-----------------|-----------------|-----------|---------|---------------|-------------------|
| KKRC168 | 80 | 799592 | 7637691 | 9975 | 10130 | 28 | 40 | 12 | 2.65* |
| | | | | | | 44 | 48 | 4 | 1.31* |
| KKRC170 | 68 | 799615 | 7637680 | 10000 | 10150? | 40 | 44 | 4 | 2.58* |
| | | | | | | 48 | 50 | 2 | 2.73 |
| KKRC171 | 68 | 799647 | 7637675 | 10032 | 10150 | 12 | 16 | 4 | 1.95* |
| | | | | | | 42 | 43 | 1 | 1.17 |
| | | | | | | 47 | 49 | 2 | 1.36 |
| KKRC172 | 50 | 800041 | 7637486 | 10465 | 10205 | 17 | 21 | 4 | 1.49 |
| | | | | | | 34 | 38 | 4 | 2.88* |
| | | | | | | 42 | 46 | 4 | 1.39* |

* four-metre composite samples

BEASLEY RIVER CHANNEL IRON DEPOSITS

During the quarter Jupiter entered into an option agreement with L'Hayyim Pty Limited through which the Company can acquire the rights to potential iron ore deposits covered by exploration licence application ELA 47/1536 in the Hamersley region of Western Australia.

The directors of Jupiter regard the Beasley River prospect as an excellent opportunity to expand the Company's spread of commodity interests beyond gold and nickel. It offers Jupiter an entry into the market for iron ore, a commodity which is currently in strong demand. Given the expected high rate of economic growth in China, this demand is expected to remain firm for some time to come. Beasley River offers the potential for the discovery of good quality iron ore, potentially with low levels of phosphorous and other impurities.

Exploration licence application ELA 47/1536 covers approximately 208 square kilometres and is located approximately 50 kilometres west-south-west of the town of Tom Price in the Pilbara District of Western Australia. The tenement application covers the northern part of the Rocklea (granite) Dome. Channel iron deposits occur along, and are contained within, the valley of the Beasley River where it traverses the application area.

Jupiter intends to explore the option area for channel iron deposits similar to those of the Robe River, Yandicoogina and the Beasley River Limonite deposits. These channel iron deposits are of Early Tertiary in age and of pisolitic goethite composition.

Hamersley Iron's Beasley River Limonites occur in the Beasley River valley immediately north of the western end of the application area.

The application area has been inspected on behalf of Jupiter by Mackay & Schnellman Pty Limited and they have confirmed that channel iron deposits do occur in the tenement application area. Mackay & Schnellman Pty Limited have identified several locations where channel iron deposits are present and it is these areas where Jupiter will focus its initial exploration following the granting of title for the exploration area.

KLONDYKE EAST

The Klondyke East exploration licence E45/2292 was recently granted. Existing exploration data and geoscientific information relating to the area is being compiled prior to field exploration. In addition to hosting a sheared greenstone sequence prospective for gold, previous exploration by others had identified kimberlite dykes considered prospective for diamonds.

LEONORA

A first phase exploration program to assess the Grattan Well and Kurrajong projects has been developed and this is expected to commence in the December quarter. This program should enable the Company to determine whether to seek a joint venture participant on the project or continue to explore itself.

Warren Staude
CEO

COMPETENT PERSONS

The information in this report relating to Widgiemooltha and that relates to Exploration Results or Mineral Resources is based on information compiled by Mr R Hine who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Hine is employed by BM Geological Services Pty Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Hine consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report relating to Beasley River and that relates to Exploration Results is based on information compiled by Mr Martin Reynolds who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Reynolds is a director of Mackay & Schnellman Pty Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Reynolds consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Jupiter Mines Limited

ABN

51 105 991 740

Quarter ended ("current quarter")

30 September 2005

Consolidated statement of cash flows

| | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|---|----------------------------|---------------------------------------|
| Cash flows related to operating activities | | |
| 1.1 Receipts from product sales and related debtors | - | - |
| 1.2 Payments for | | |
| (a) exploration and evaluation | (466) | (466) |
| (b) development | - | - |
| (c) production | - | - |
| (d) administration | (193) | (193) |
| 1.3 Dividends received | - | - |
| 1.4 Interest and other items of a similar nature received | 8 | 8 |
| 1.5 Interest and other costs of finance paid | - | (5) |
| 1.6 Income taxes paid | - | - |
| 1.7 Other (provide details if material) - GST refund | 33 | 33 |
| Net operating cash flows | (618) | (618) |
| Cash flows related to investing activities | | |
| 1.8 Payment for purchases of: | | |
| (a) prospects | (55) | (55) |
| (b) equity investments | - | - |
| (c) other fixed assets | - | - |
| 1.9 Proceeds from sale of: | | |
| (a) prospects | - | - |
| (b) equity investments | - | - |
| (c) other fixed assets | - | - |
| 1.10 Loans to other entities | - | - |
| 1.11 Loans repaid by other entities | - | - |
| 1.12 Other (provide details if material) | - | - |
| Net investing cash flows | (55) | (55) |
| 1.13 Total operating and investing cash flows (carried forward) | (673) | (673) |

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

| | | | |
|------|--|-------|-------|
| 1.13 | Total operating and investing cash flows (brought forward) | (673) | (673) |
| | Cash flows related to financing activities | | |
| 1.14 | Proceeds from issues of shares, options, etc | - | - |
| 1.15 | Proceeds from sale of forfeited shares | - | - |
| 1.16 | Proceeds from borrowings | - | - |
| 1.17 | Repayment of borrowings | - | - |
| 1.18 | Dividends paid | - | - |
| 1.19 | Other (provide details if material) - issue expenses paid | (10) | (10) |
| | Net financing cash flows | (10) | (10) |
| | Net increase (decrease) in cash held | (683) | (683) |
| 1.20 | Cash at beginning of quarter/year to date | 1,848 | 1,848 |
| 1.21 | Exchange rate adjustments to item 1.20 | - | - |
| 1.22 | Cash at end of quarter | 1,165 | 1,165 |

Payments to directors of the entity and associates of the directors.
Payments to related entities of the entity and associates of the related entities.

| | Current quarter \$A'000 | |
|------|--|----|
| 1.23 | Aggregate amount of payments to the parties included in item 1.2 | 63 |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10 | - |

1.25 Explanation necessary for an understanding of the transactions

| | |
|---------------------------------|----------|
| Directors fees and expenses | \$19,250 |
| Executive director remuneration | \$44,000 |

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

| |
|-----|
| Nil |
|-----|

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

| |
|-----|
| Nil |
|-----|

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

| | Amount available \$A'000 | Amount used \$A'000 |
|---------------------------------|-----------------------------|------------------------|
| 3.1 Loan facilities | Nil | N/A |
| 3.2 Credit standby arrangements | Nil | N/A |

Estimated cash outflows for next quarter

| | \$A'000 |
|--------------------------------|------------|
| 4.1 Exploration and evaluation | 200 |
| 4.2 Development | - |
| Total | 200 |

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

| | Current quarter \$A'000 | Previous quarter \$A'000 |
|--|----------------------------|-----------------------------|
| 5.1 Cash on hand and at bank | 165 | 848 |
| 5.2 Deposits at call | - | - |
| 5.3 Bank overdraft | - | - |
| 5.4 Other (provide details) – Term Deposits | 1,000 | 1,000 |
| Total: cash at end of quarter (item 1.22) | 1,165 | 1,848 |

Changes in interests in mining tenements

| | Tenement reference | Nature of interest (note (2)) | Interest at beginning of quarter | Interest at end of quarter |
|-----|---|---|--|----------------------------------|
| 6.1 | Interests in mining tenements relinquished, reduced or lapsed | NIL | N/A | N/A |
| 6.2 | Interests in mining tenements acquired or increased | P37/6534-43; 6545-48; 6550-56; 6575 & 6666-73 Kurrajong WA | 100% | 100% |
| | P37/5735,6466,6467,6567, 6568 & 6570 Grattan Well WA | Prospecting licence applications granted during the quarter | 100% | 100% |
| | E15/837 Widgiemooltha WA | Exploration licence application granted during the quarter | 100% | 100% |
| | E45/2292 Klondyke East WA | Exploration licence application granted during the quarter | 100% | 100% |
| | ELA 47/1536 Beasley River WA | Option over iron deposits covered by exploration licence application (refer to ASX notice dated 30 August 2005) | Nil | 75% of iron deposits |

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

| | Total number | Number quoted | Issue price per security (see note 3) (cents) | Amount paid up per security (see note 3) (cents) |
|--|-------------------|---------------|---|--|
| 7.1 Preference +securities <i>(description)</i> | Nil | N/A | N/A | N/A |
| 7.2 Changes during quarter | | | | |
| (a) Increases through issues | Nil | N/A | N/A | N/A |
| (b) Decreases through returns of capital, buy-backs, redemptions | Nil | N/A | N/A | N/A |
| 7.3 +Ordinary securities | 52,136,250 | 35,430,000 | N/A | N/A |
| 7.4 Changes during quarter | | | | |
| (a) Increases through issues | 1,000,000 | 1,000,000 | N/A | N/A |
| (b) Decreases through returns of capital, buy-backs | Nil | N/A | N/A | N/A |
| (c) Increases through release and quotation of restricted securities | Nil | 3,517,500 | N/A | N/A |
| 7.5 +Convertible debt securities <i>(description)</i> | Nil | N/A | N/A | N/A |
| 7.6 Changes during quarter | | | | |
| (a) Increases through issues | Nil | N/A | N/A | N/A |
| (b) Decreases through securities matured, converted | Nil | N/A | N/A | N/A |
| 7.7 Options <i>(description and conversion factor)</i> | 19,104,116 | 14,354,116 | <i>Exercise price</i> 20 cents | <i>Expiry date</i> 31/01/2007 |
| | 5,000,000 | Nil | 20 cents | 31/12/2006 |
| | 3,000,000 | Nil | 30 cents | 31/07/2007 |
| | 1,000,000 | Nil | 20 cents | 22/10/2009 |
| | <u>1,000,000</u> | Nil | 20 cents | 21/12/2009 |
| | <u>29,104,116</u> | | | |
| 7.8 Issued during quarter | Nil | Nil | | |
| 7.9 Exercised during quarter | Nil | N/A | | |
| 7.10 Expired during quarter | Nil | N/A | | |
| 7.11 Debentures <i>(totals only)</i> | Nil | N/A | | |
| 7.12 Unsecured notes <i>(totals only)</i> | Nil | N/A | | |

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: 
(Company secretary)

Date: 31 October 2005

Print name: Paul S Hewson

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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