

# JUPITER MINES LIMITED

ABN 51 105 991 740

5<sup>th</sup> Floor, *Suite 504*, 33 Bligh Street, SYDNEY NSW 2000 Tel: 02 9235 2755 Fax: 02 9235 2955

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Jupiter asx035 05-07-29

29 July 2005

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

Via ASX Online

Number of pages – 9

Dear Sir,

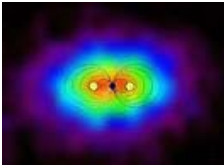
**Re: Quarterly report to 30 June 2005**

Enclosed for release to the market is the Company's report for the quarter ended 30 June 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 'Paul S Hewson'.

Paul S Hewson  
Secretary



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29 July 2005

## JUNE 2005 QUARTERLY REPORT

- ❖ **Further drilling success and data from Cassini nickel prospect, Widgiemoorltha WA, allows development of geological model. Drilling campaign and geophysical surveys hampered by poor ground conditions.**
- ❖ **Surface sampling undertaken at Klondyke gold project, Marble Bar WA ahead of drilling program scheduled for September quarter.**

### CASSINI NICKEL PROSPECT AT WIDGIEMOOLTHA, WA

Jupiter Mines Limited continued its exploration activity for sulphide nickel at the Cassini nickel prospect near Widgiemoorltha in WA during the quarter. Cassini is located 3km southwest of Mincor's Redross nickel mine on the southern edge of the Widgiemoorltha Dome. Cassini is close to four other significant nickel deposits: Miitel, Redross, Mariners and Wannaway.

A total of 13 reverse circulation (RC) holes have now been completed by Jupiter on the Cassini prospect. The results of holes JWRC03 to JWRC08 were released to the market on 5 May 2005. As reported, encouraging nickel grades were returned from several of the holes. The best assay results were 2.26% nickel over 2.0 metres from 76 metres in JWRC03 and 1% nickel over 2.0 metres from 125 metres in JWRC04. Basal contacts between the ultramafic host unit and the underlying metabasalt were intersected in JWRC04 and JWRC07.

JWRC08, a vertical RC hole, was drilled to test a possible palaeochannel occurrence northwest of the main Cassini zone. The hole intersected coarse unsorted sediments typical of a palaeochannel before intersecting the ultramafic "basement". No significant gold values were encountered.

As well as the encouraging nickel values, the drilling provided an insight into the geology and geochemistry of the Cassini area and allowed a conceptual geological model to be formulated. The model identified two target horizons that may be favourable for nickel sulphide deposits.

An additional five RC drill holes were completed in June. The programme was to test for strike extension of mineralisation intersected in holes JWRC01 and JWRC03 as well as to test for potential basal ultramafic-metabasalt contact mineralisation. The program included re-entering and extending JWRC03 to 160 metres to enable down-hole electro-magnetic (DHEM) surveying to be conducted.

Drilling conditions in the area are difficult because of unconsolidated sediments above the bedrock and high water inflows.

Hole JWRC09 was planned to intersect the prospective ultramafic-metabasalt contact but, because of drilling difficulties and variations to the anticipated geology, the hole remained in metabasalt and the target was not reached. Holes JWRC 10, 11, 12 and 13 tested possible southern extensions to the JWRC01 and JWRC03 mineralisation. Weak nickel sulphide mineralisation was encountered in all holes and intercepts with greater than 0.5% nickel are

tabulated below. While JWRC13 encountered strong silicification in the upper part of hole, no significant gold values were obtained.

Difficult ground conditions and the recent wet weather have hampered attempts to carry out the DHEM surveys. Although the holes were cased, holes 9, 12 and 13 filled with unconsolidated clay and silt, apparently from the bottom of the hole. A DHEM survey of JWRC11 failed to detect any significant anomaly. Attempts to clear the material in the other holes will be made during the September quarter and if successful, the remaining holes will be surveyed using DHEM.

Since Jupiter commenced exploration in December 2004, its exploration programs have indicated the presence of nickel sulphide mineralisation and the geological environment to host "Kambalda" style nickel deposits.

There is no outcrop in the area and the often more than 20 metre thick unconsolidated cover sediments, together with high water inflows, have hampered both the RC drilling programs and the proposed DHEM follow-up. Nevertheless, given the encouraging results to date and the Project's location on the axis of the Widgiemooltha Dome, Jupiter believes that additional exploration is justified. Planning for the next stage of exploration will be completed when final reports from the most recent drilling and DHEM surveying are available.

### Cassini Drill Hole Locations & Results

The following RC holes were drilled during the June quarter. All holes were drilled on an azimuth of 270 degrees. JWRC03 was extended to depth 160 metres. Grid locations are AMG84.

Hole	Northing	Easting	Depth	Dip
JWRC 03	6491870	369351	160	-55
JWRC 09	6491900	369446	180	-60
JWRC 10	6491800	369414	153	-60
JWRC 11	6491800	369352	156	-68
JWRC 12	6491700	369424	168	-55
JWRC 13	6491700	369382	180	-55

Several intercepts of anomalous nickel values (greater than 0.5% nickel) were encountered in the June quarter drilling.

Hole	From (m)	To (m)	Intercept (m)	Nickel (%)
JWRC 03	90	118	28	0.53
JWRC 03	55	118	63	0.64*
JWRC 10	63	64	1	0.71
JWRC 10	95	96	1	0.59
JWRC 12	74	78	4	0.55
JWRC 13	48	52	4	0.75
JWRC 13	56	57	1	0.61

\*includes high grade mineralisation previously reported.

### KLONDYKE PROJECT, MARBLE BAR, WA.

The Klondyke Project, 23 kilometres southeast of Marble Bar, consists of four mining leases. Gold mineralisation in quartz veins and stringers is associated with a mineralised shear zone that occurs throughout the leases.

Due to the lack of availability of skilled professional and technical staff, the great demand for drilling rigs, the shortage of earthmoving equipment and unseasonal wet weather, progress at Klondyke has been slower than anticipated.

A detail rock chip sampling program was undertaken on the Kopckes gold mineralisation. Wherever outcrop permitted continuous rock chips were taken over one or two metre intervals. In all 187 samples were collected and sent for gold and base metal analysis. Results to date indicate narrow zones of high grade gold mineralisation (greater than 1g/t gold) within a lower grade mineralised envelope, typically assaying between 0.2 and 0.7 g/t gold. Some follow-up sampling is being undertaken in July.

A field reassessment was undertaken on the Western Lease of the project and as a result an initial RC percussion drilling programme of 13 holes (total approximately 700 metres) is planned for the area in the September quarter. Drill site access has been completed and drilling has recently commenced.

Follow-up drilling programs (to commence on completion of the Western Lease drilling) are also proposed for the Kopckes (10 holes, total 600 metres) and Klondyke King (6 holes, total 400 metres) prospects. It is anticipated that the additional drilling at Kopckes together with the results of the rock chip sampling programs will enable an update to be made to the oxide resource for the Kopckes prospect.

Warren Staude  
Chief Executive Officer

*The information in this report relating to the Cassini prospect and that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr R. Hine who is a Member of The Australasian Institute of Mining and Metallurgy. Mr R. Hine is employed 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 R. Hine consents to the inclusion in the 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 June 2005**

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(174)	(419)
(b) development	-	-
(c) production	-	-
(d) administration	(163)	(758)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	15	28
1.5 Interest and other costs of finance paid	-	(5)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	(8)
- GST refund	58	58
<b>Net operating cash flows</b>	<b>(264)</b>	<b>(1,104)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	(230)	(851)
(b) equity investments	-	(83)
(c) other fixed assets	-	(3)
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)	-	-
<b>Net investing cash flows</b>	<b>(230)</b>	<b>(937)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(494)</b>	<b>(2,041)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(494)	(2,041)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	112	4,449
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	50
1.17	Repayment of borrowings	-	(50)
1.18	Dividends paid	-	-
1.19	Other (provide details if material) - issue expenses paid	(30)	(562)
	<b>Net financing cash flows</b>	82	3,887
	<b>Net increase (decrease) in cash held</b>	(412)	1,846
1.20	Cash at beginning of quarter/year to date	2,260	2
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	1,848	1,848

**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	102
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	\$53,429
Executive director remuneration	\$48,560

**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
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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
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+ 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	350,000
4.2 Development	-
<b>Total</b>	<b>350,000</b>

### 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	848	260
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details) – Term Deposits	1,000	2,000
<b>Total: cash at end of quarter (item 1.22)</b>	<b>1,848</b>	<b>2,260</b>

### 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	N/A
6.2 Interests in mining tenements acquired or increased	P37/6675 Kurrajong, Leonora, WA	Prospecting licence application granted during the quarter	100%	100%

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**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 <b>Preference +securities</b> <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 <b>*Ordinary securities</b>	51,136,250	30,912,500	N/A	N/A
7.4 Changes during quarter				
(a) Increases through issues	Nil	Nil	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	750,000	N/A	N/A
7.5 <b>*Convertible debt securities</b> <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 <b>Options</b> <i>(description and conversion factor)</i>	19,104,116 5,000,000 3,000,000 1,000,000 <u>1,000,000</u> <u>29,104,116</u>	14,354,116 Nil Nil Nil Nil	<i>Exercise price</i> 20 cents 20 cents 30 cents 20 cents 20 cents	<i>Expiry date</i> 31/01/2007 31/12/2006 31/07/2007 22/10/2009 21/12/2009
7.8 Issued during quarter	11,291,616	11,291,616	20 cents	31/01/2007
7.9 Exercised during quarter	Nil	N/A		
7.10 Expired during quarter	Nil	N/A		
7.11 <b>Debentures</b> <i>(totals only)</i>	Nil	N/A		
7.12 <b>Unsecured notes</b> <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: 29 July 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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+ See chapter 19 for defined terms.