

# 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 asx025 05-04-28

28 April 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,

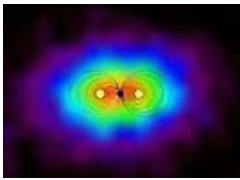
**Re: Quarterly report to 31 March 2005**

Enclosed for release to the market is the report for the quarter ended 31 March 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



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Tel: 02 9235 2755 Fax: 02 9235 2955

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28 April 2005

## MARCH 2005 QUARTERLY REPORT

- ❖ **Successful EM survey at the Cassini Nickel Prospect identifies 2 anomalous zones.**
- ❖ **Second drill program completed at Cassini.**

### CASSINI NICKEL PROSPECT AT WIDGIEMOOLTHA

Jupiter commenced its first exploration drilling program at the Cassini nickel prospect in December last year. The prospect area is situated about 22 km south of the town of Widgiemooltha and about 3 km southwest on Mincor's Redross Nickel Mine.

This drilling program was designed to explore for the occurrence of komatiite hosted nickel sulphide mineralization in Archaean ultramafics along the southern extension of the Widgiemooltha Dome. (Air-core drilling by previous explorers seeking gold in this area encountered several encouraging nickel bearing intersections, and the drill cuttings were observed to contain nickel sulphide mineralization.)

High levels of saturated clays, especially in the upper parts of both holes created some difficult drilling conditions and limited the capacity of the drilling rig. The first drill hole, JWRC1 (a vertical RC hole) had to be abandoned at 57 metres down hole due to these difficult drilling conditions but returned some encouraging nickel grades including a 4 metre zone from 53 metres grading 2.75% nickel at the base of the hole. A second drill hole, JWRC2, was drilled to a depth of 177 metres and returned several zones with encouraging nickel grades, including a 24 metre zone from 33 metres grading 0.54% nickel. All nickel rich zones in both holes contained elevated copper levels. The drilling program was suspended at this stage until after the holiday season, with work to recommence in the March quarter.

On the basis of the encouraging results Jupiter amended its exploration program at Cassini to bring forward a planned geophysical survey over the area to assist in refining drill target selection and assist in better locating potential nickel sulphide targets. This geophysical survey consisted of a detailed ground TEM (time domain electromagnetic) geophysical survey over the immediate project area. In addition a revision and reprocessing of magnetic geophysical data covering the project area was completed.

This geophysical work identified two significant anomalous zones at Cassini which Jupiter is now exploring (see text figure). The southern zone included Jupiter's initial drilling – JWRC 01 and 02 – but extends a further 150 to 200 metres south and 50 to 100 metres to the west. The northern zone starts from about 50 metres north of JWRC02 and extends for a further 200 metres to the north. Limited vertical air core drilling by previous explorers

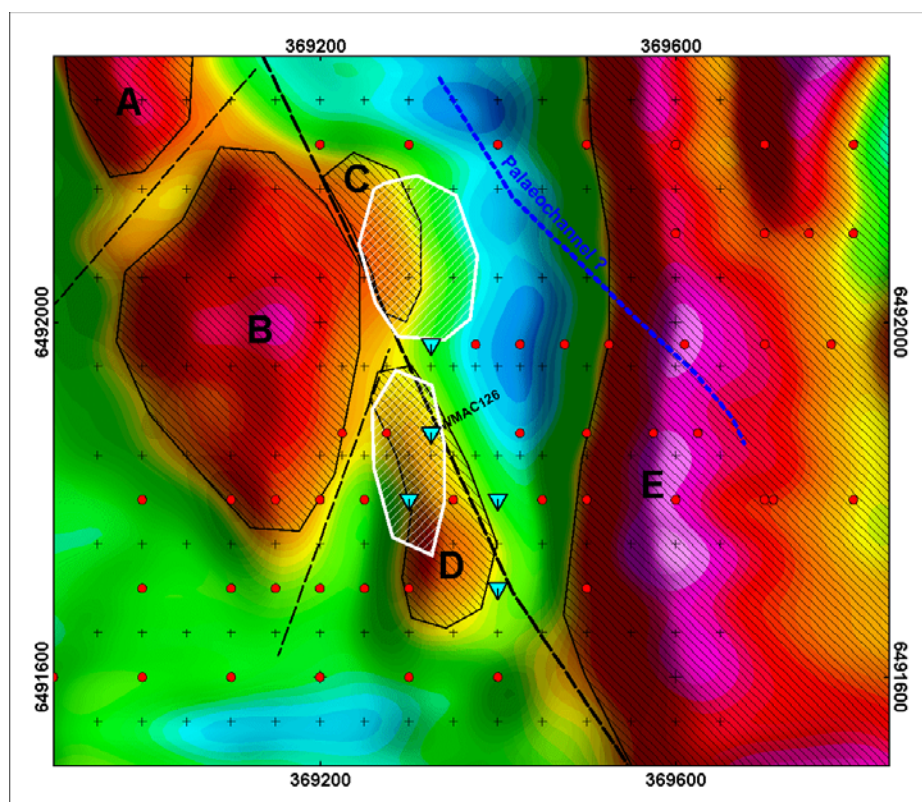
in the vicinity of this northern zone returned intercepts of 7 metres grading 0.7% nickel and 3 metres grading 0.7% nickel.

A new 6-hole RC drilling program was completed at Cassini late in the quarter. The program is testing both the north and south EM anomalies and a possible palaeochannel adjacent to the main nickel zone. Drill hole locations are set out in the following table.

Table – Drill hole locations at the Cassini nickel prospect

Hole	Northing	Easting	R.L.	Depth	Type	Dip	Bearing
JWRC 03	6491870	369351	312	90	RC	- 60°	270
JWRC 04	6491877	369400	310	138	RC	- 60°	270
JWRC 05	6491866	369283	311	90	RC	- 60°	90
JWRC 06	6492048	369320	310	222	RC	- 60°	270
JWRC 07	6492081	369227	309	200	RC	- 60°	90
JWRC 08	6492088	369534	310	80	RC	- 90°	000

Note: Grid location references are based on AMG84\_51



Text figure:  
Composite diagram of TEM results over the Cassini nickel prospect, showing 2 anomalous areas outlined in white. Units A, B, C, D and E are magnetic geophysical domains representing various lithologies. They are most probably basic igneous rocks although not necessarily ultramafics.

Assays from this drilling are expected to be available around the end of April. Subject to the results of the work to date Jupiter will continue exploration in the June quarter, initially with down-hole EM geophysics and then with further drilling. Details of the next drilling program at Cassini will be based on the assay results of the program just completed and the findings of the downhole EM survey.

## **KLONDYKE PROSPECT, MARBLE BAR**

Work at Jupiter's major exploration project at Klondyke near Marble Bar in the Pilbara has been a little slower than initially planned as the Company has had some delays in securing appropriate technical and field staff. The strong demand for exploration drilling in WA has also made it more difficult to secure drilling contractors to work in the area during the summer months. Jupiter has completed some field inspections and rock sampling work in the area but on a limited basis during the very hot summer weather. A detailed re-evaluation of all technical data and previous exploration on the Klondyke prospect has also been completed. This work has allowed the Company to design a new detailed surface sampling and trenching program which will be undertaken in the June quarter. The first phase of a new drilling program will also be undertaken in the June quarter, in part concurrently with the surface sampling.

## **CORPORATE**

### **Option issue**

Jupiter has lodged the required prospectus with the ASIC for the issue of options as set out in the Company's prospectus dated 22 October 2004. The issue comprises a non-renounceable rights entitlement offer of one option for every two shares held at the record date of 20 April 2005, at an issue price of one cent (\$0.01) per option. The issue is not underwritten and the directors reserve the right to place any shortfall in acceptances on the same terms within 3 months of the closing date.

Each option to be issued will entitle the holder to subscribe for one ordinary fully paid share in Jupiter Mines Ltd at an issue price of 20 cents per share at any time from the date of issue of the options until their expiry on 31 January 2007. Application has been made for official quotation of the options on the ASX.

### **Termination of consultancy agreements**

By mutual agreement between all parties, the consultancy agreements between Jupiter Mines Ltd, and Australasian Mineral Investments Pty Limited and Pendhill Securities Pty Limited were terminated during the quarter. The latter two companies are associated with Messrs David Evans and Jeremy Snaith respectively, who were previously principal consultants to Jupiter.

Consideration for termination of both agreements was the issue by Jupiter of a total of 1,000,000 ordinary fully paid shares at 20 cents per share. This was in full satisfaction of a total of over \$280,000 in outstanding and future cash amounts payable under the agreements. The shares are to be subject to voluntary escrow for periods of six months for half of the shares and twelve months for the remainder.

Warren Staude  
Chief Executive Officer

# 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")

31 March 2005

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 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	(110)	(245)
(b) development	-	-
(c) production	-	-
(d) administration	(195)	(595)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	12	13
1.5 Interest and other costs of finance paid	-	(5)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material):	-	(8)
<b>Net Operating Cash Flows</b>	<b>(293)</b>	<b>(840)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	(68)	(621)
(b) equity investments	(83)	(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>(151)</b>	<b>(707)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(444)</b>	<b>(1,547)</b>

+ See chapter 19 for defined terms.

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

1.13	Total operating and investing cash flows (brought forward)	(444)	(1,547)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	4,337
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	(286)	(532)
	<b>Net financing cash flows</b>	(286)	3,805
	<b>Net increase (decrease) in cash held</b>	(730)	2,258
1.20	Cash at beginning of quarter/year to date	2,990	2
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	2,260	2,260

**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	93
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	\$49,000
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

During the quarter the Company issued 500,000 ordinary fully paid shares as part consideration for completion of the agreements detailed in sections 9.2 and 9.14 of the Company's prospectus dated 22 October 2004. The Company also issued 1,000,000 shares at 20 cents each as consideration for the termination of consulting agreements.

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

N/A

**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

+ See chapter 19 for defined terms.

### Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	275
4.2	Development	-
<b>Total</b>		<b>275</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	260	2,990
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details) – short term deposits	2,000	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>2,260</b>	<b>2,990</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
6.2	Interests in mining tenements acquired or increased	P37/6499, 6500, 6534-6556 and 6566-6570 incl.	0%	100%
		P37/5609-5612, 5735, and 6466-6467	0%	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	30,962,500	N/A	N/A
7.4 Changes during quarter				
(a) Increases through issues	1,500,000	# 5,325,000	20 cents	20 cents
(b) Decreases through returns of capital, buy-backs	Nil	N/A	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>			<i>Exercise price</i>	<i>Expiry date</i>
	2,000,000	Nil	20 cents	31 December 2006
	3,000,000	Nil	20 cents	31 December 2006
	7,812,500	Nil	20 cents	31 January 2007
	3,000,000	Nil	30 cents	31 July 2007
	1,000,000	Nil	20 cents	22 October 2009
	1,000,000	Nil	20 cents	21 December 2009
7.8 Issued during quarter	Nil	N/A	N/A	N/A
7.9 Exercised during quarter	Nil	N/A	N/A	N/A
7.10 Expired during quarter	Nil	N/A	N/A	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		

*# includes 3,825,000 previously unquoted shares which were released from escrow and granted quotation during the quarter.*

+ 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:  Date: 28 April 2005  
(Company secretary)

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.