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# JUPITER MINES LIMITED

ABN 51 105 991 740

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Jupiter asx013 05-03-15

15 March 2005

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

Number of pages – 16

Dear Sir,

**Re: Interim financial report**

Enclosed for release to the market is the Interim Financial Report for Jupiter Mines Limited for the half-year ended 31 December 2004 including the independent audit review report thereon.

The Interim Financial Report includes the half-year information to be given to ASX under listing rule 4.2A.

The report should be read in conjunction with the Company's 2004 annual financial report and any subsequent announcements made by the Company in accordance with the continuous disclosure requirements of the Corporations Act 2001.

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

**JUPITER MINES LIMITED**  
**ABN 51 105 991 740**

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED  
31 DECEMBER 2004

**JUPITER MINES LIMITED**  
**ABN 51 105 991 740**

**CONTENTS**

	Page
Directors' Report	1
Statement of Financial Performance	2
Statement of Financial Position	3
Statement of Cash Flows	4
Notes to the Financial Statements	5
Directors' Declaration	10
Auditor Independence Declaration	11
Independent Audit Report	12

**DIRECTORS' REPORT  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2004**

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Your directors have pleasure in submitting the Interim Financial Report of the Company for the half-year ended 31 December 2004 and report as follows:

**Directors**

The names of the directors in office throughout the half-year ended 31 December 2004 and to the date of this report are:

Mr Alan John Broome AM  
Mr David Andrew Evans (resigned 20 July 2004)  
Mr Paul Raymond Murray  
Mr William James Ryan (appointed 20 July 2004)  
Mr Jeremy David Snaith (resigned 20 July 2004)  
Mr Warren James Staude

**Principal activities**

The principal activities of the Company during the half-year were preparation for an initial public offer and stock exchange listing to raise funds for acquisition, exploration and development of various mineral tenements held under option, together with preliminary exploration work on those tenements.

There were no significant changes in the nature of activities of the Company that occurred during the half-year.

**Review of operations**

During the half-year under review:

- The directors issued a total of 6,706,500 ordinary fully paid shares to raise a total of \$536,500 from seed capital investors.
- The Company issued a prospectus dated 22 October 2004 for a public issue of shares and on 16 December 2004 allotted a total of 19,005,000 fully paid ordinary shares pursuant to the prospectus at an issue price of 20 cents per share to raise a total of \$3,801,000 before issue expenses of \$632,211.
- Immediately following issue of the prospectus the directors made application for the admission of the Company to the official list of Australian Stock Exchange (ASX) and for official quotation of the Company's ordinary shares. ASX approved the application and admitted the Company to the official list on 21 December 2004.
- On 17 December 2004, subsequent to the public allotment, the Company exercised options to acquire the Klondyke and

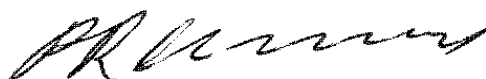
Widgiemooltha mineral tenements and as part consideration for those acquisitions issued to the vendors 6,500,000 ordinary full paid shares and 3,000,000 options over unissued shares in the Company.

- On 22 December 2004 trading in the Company's quoted ordinary shares commenced on ASX.
- On 30 December 2004 the Company completed the agreement to acquire the Klondyke East mineral tenements and as part consideration for that acquisition issued to the vendors 300,000 ordinary fully paid shares.
- During the half year the Company conducted preliminary exploration of the mineral tenements held under option and commenced a drill program on the Widgiemooltha tenements. Exploration expenditure during the half year totalled \$92,984 all of which was capitalised.
- The result for the half year was a loss of \$328,469 after administration costs of \$329,368.

**Auditor's independence declaration**

An independence declaration has been provided by the Company's auditor, Grant Thornton in relation to their review of the Company's interim financial report for the half-year ended 31 December 2004. A copy of the declaration is attached to and forms part of this report.

Signed in accordance with a resolution of the directors.



Paul R Murray  
Director



Warren J Staude  
Director

Sydney  
15 March 2005

**JUPITER MINES LIMITED**  
**ABN 51 105 991 740**

**STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2004**

	Note	31.12.04 \$
Revenues from ordinary activities	2	899
Borrowing costs	2	(5,000)
Director and secretarial fees		(129,087)
Insurance costs		(32,303)
Legal and professional costs		(27,063)
Travel and entertaining costs		(16,761)
Occupancy costs		(2,111)
Depreciation and amortisation expenses	2	(764)
Consultancy fees		(61,766)
Administration expenses		(48,540)
Other expenses from ordinary activities		<u>(5,973)</u>
<b>Loss from ordinary activities before income tax expense</b>		(328,469)
<b>Income tax expense relating to ordinary activities</b>		-
<b>Total changes in equity other than those resulting from transactions with owners as owners</b>		<u><u>(328,469)</u></u>
Basic loss per share (cents per share)		(1.36)
Diluted loss per share (cents per share)		(1.36)

The financial statements should be read in conjunction with the accompanying notes.

**JUPITER MINES LIMITED**  
**ABN 51 105 991 740**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2004**

	Note	31.12.04	30.6.04
		\$	\$
<b>CURRENT ASSETS</b>			
Cash assets		2,989,504	1,510
Receivables		60,895	41,949
Other assets		130,000	196,369
<b>TOTAL CURRENT ASSETS</b>		<b>3,180,399</b>	<b>239,828</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		7,767	5,850
Other assets	3	3,355,448	493,777
<b>TOTAL NON-CURRENT ASSETS</b>		<b>3,363,215</b>	<b>499,627</b>
<b>TOTAL ASSETS</b>		<b>6,543,614</b>	<b>739,455</b>
<b>CURRENT LIABILITIES</b>			
Payables		775,437	308,097
<b>TOTAL CURRENT LIABILITIES</b>		<b>775,437</b>	<b>308,097</b>
<b>NON-CURRENT LIABILITIES</b>			
Payables		500,000	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>500,000</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>1,275,437</b>	<b>308,097</b>
<b>NET ASSETS</b>		<b>5,268,177</b>	<b>431,358</b>
<b>EQUITY</b>			
Contributed equity	4	5,972,513	807,225
Accumulated losses	5	(704,336)	(375,867)
<b>TOTAL EQUITY</b>		<b>5,268,177</b>	<b>431,358</b>

The financial statements should be read in conjunction with the accompanying notes.

**JUPITER MINES LIMITED**  
**ABN 51 105 991 740**

**STATEMENT OF CASH FLOWS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2004**

**31.12.04**  
**\$**

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**Cash flows from operating activities**

Payments to suppliers & employees	(468,322)
Interest received	899
Borrowing costs	<u>(5,000)</u>
<b>Net cash used in operating activities</b>	<u>(472,423)</u>

**Cash flows from investing activities**

Payment for plant and equipment	(2,681)
Payments for exploration interests	<u>(637,365)</u>
<b>Net cash used in investing activities</b>	<u>(640,046)</u>

**Cash flows from financing activities**

Deposit paid	(8,687)
Payments for IPO costs	(228,350)
Proceeds from issue of shares	<u>4,337,500</u>
<b>Net cash provided by financing activities</b>	<u>4,100,463</u>
<b>Net increase in cash held</b>	<u>2,987,994</u>

Cash at 1 July 2004	<u>1,510</u>
<b>Cash at 31 December 2004</b>	<u>2,989,504</u>

The financial statements should be read in conjunction with the accompanying notes.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2004**

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**Note 1: Basis of preparation**

The half-year financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standard AASB 1029: Interim Financial Reporting, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2004 and any public announcements made by Jupiter Mines Limited during the half year including the prospectus dated 22 October 2004 in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The accounting policies have been consistently applied by the Company and are consistent with those applied in the 30 June 2004 annual report.

The half-year report does not include full disclosures of the type normally included in an annual financial report.

**a. Comparative figures**

Comparative figures have not been presented in the Statement of Financial Performance, Statement of Cash Flows and related notes as this is the first time that AASB 1029: Interim Financial Reporting, is being applied to the Company.

In relation to the Statement of Financial Position and related notes, comparative information as at 30 June 2004 has been presented in accordance with AASB 1029.

**b. Adoption of Australian Equivalents to International Financial Reporting Standards**

Australia is currently preparing for the introduction of Australian Equivalents to the International Financial Reporting Standards (A-IFRS) effective for financial years commencing 1 January 2005. This requires the production of accounting data for future comparative purposes at the beginning of the next financial year.

The Company's management, in consultation with its auditors, is assessing the significance of these changes and preparing for their implementation. The directors are to oversee and manage the Company's transition to A-IFRS and will seek to keep stakeholders informed as to the impact of these new standards as they are finalised.

The directors are of the opinion that the key differences in the economic entity's accounting policies which will arise from the adoption of A-IFRS are:

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED 31 DECEMBER 2004**

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**Research and development expenditure**

Pending standard AASB 138: Intangible Assets further requires that the costs associated with research be expensed in the period in which they are incurred. In terms of current policy, research costs are capitalised to the statement of financial position where it is expected beyond any reasonable doubt that sufficient future benefits will be derived so far as to recover these deferred costs.

**Impairment of assets**

The economic entity currently determines the recoverable amount of an asset on the basis of undiscounted net cash flows that will be received from the assets use and subsequent disposal. In terms of pending AASB 136: Impairment of Assets, the recoverable amount of an asset will be determined as the higher of fair value less costs to sell and value in use. It is likely that this change in accounting policy will lead to impairment being recognised more often than under the existing policy.

**Income tax**

Currently, the economic entity adopts the liability method of tax-effect accounting whereby the income tax expense is based on the accounting profit adjusted for any permanent differences. Timing differences are currently brought to account as either a provision for deferred income tax or future income tax benefit. Under AASB 112, the economic entity will be required to adopt a balance sheet approach under which temporary differences are identified for each asset and liability rather than the effects of the timing and permanent differences between taxable income and accounting profit.

**Extractive industries exposure draft and effect**

During the period AASB 6: Exploration for and Evaluation of Mineral Resources has been released. The new standard only covers exploration and evaluation expenditure and requires an area of interest approach. The directors are currently assessing what impact (if any) that these changes will have. The new standard also has a stricter impairment test, which is likely to result in impairments being recognised more often than under the existing policy.

**Share-based payments**

Under AASB 2 Share-based payments, the Company will be required to determine the fair value of options issued to employees as remuneration and recognise an expense in the Statement of Financial Performance. This standard is not limited to options and also extends to other forms of equity based remuneration. It applies to all share-based payments issued after 7 November 2001 which have not vested as at 1 January 2005. Reliable estimation of the future financial effects of this change in accounting policy is impracticable as the details of future equity based remuneration plans are unknown.

**JUPITER MINES LIMITED**  
**ABN 51 105 991 740**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2004**

**31.12.04**  
**\$**

**Note 2: Revenue and expenses from ordinary activities**

**Revenue**

Operating activities

Interest received - other persons 899

**Loss from ordinary activities**

Loss from ordinary activities before income tax  
has been determined after:

**Expenses:**

Borrowing costs 5,000

Depreciation of non-current assets

Office equipment 646

Furniture and fittings 118

Total depreciation 764

Rental expense on operating leases

Operating lease rental 1,819

**31.12.04**                      **30.6.04**  
**\$**    **\$**

**Note 3: Non-current assets - other**

Exploration interests:

- Widgiemooltha 547,904 184,586

- Klondyke 2,650,995 234,416

- Leonora 143,275 70,188

3,342,174                      489,190

Deposits paid 13,274 4,587

3,355,448                      493,777

**JUPITER MINES LIMITED**  
**ABN 51 105 991 740**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2004**

	<b>31.12.04</b>	<b>30.6.04</b>
	<b>\$</b>	<b>\$</b>
<b>Note 4: Contributed equity</b>		
<b>Ordinary shares</b>		
Issued capital		
49,636,250 (30.6.04: 17,125,000)	5,795,638	730,350
Unissued share capital		
500,000	100,000	-
<b>Options</b>		
Share options issued		
17,812,500 (30.6.2004: 9,312,500)	76,875	76,875
<b>Total contributed equity</b>	<b>5,972,513</b>	<b>807,225</b>

**Movements in issued capital for the half year**

	<b>Number of shares</b>	<b>Amounts \$</b>
1 July 2004 - opening balance	17,125,000	730,350
12 July 2004 - shares issued	437,500	35,000
3 August 2004 - shares issued	2,031,250	162,500
10 August 2004 - shares issued	2,500,000	200,000
14 September 2004 - shares issued	1,737,500	139,000
16 December 2004 - shares issued	19,005,000	3,801,000
17 December 2004 - shares issued	6,500,000	1,300,000
30 December 2004 - shares issued	300,000	60,000
31 December 2004 - closing balance	49,636,250	6,427,850
Less: capital raising costs	-	(632,212)
Total issued capital as at 31 December 2004	49,636,250	5,795,638

**JUPITER MINES LIMITED**  
**ABN 51 105 991 740**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2004**

	31.12.04	30.6.04
	\$	\$
<hr/>		
<b>Note 5: Accumulated losses</b>		
Accumulated losses at the beginning of the financial year	(375,867)	-
Net loss attributable to members of the Company	(328,469)	(375,867)
Accumulated losses at the end of the period	(704,336)	(375,867)

**Note 6: Dividends**

No dividends were declared or paid in the period.

**Note 7: Segment information**

The Company operates solely in the mining industry within Australia

**Note 8: Contingent liabilities**

There has been no change in contingent liabilities since the last annual reporting date.

**Note 9: Events subsequent to reporting date**

- 1 On 12 January 2005 the Company completed the agreement for the acquisition of Future Resources Australia Limited which is now a wholly owned subsidiary. This acquisition was completed with the allotment of 250,000 ordinary fully paid shares, issued at 20 cents per share, to the vendor, Future Corporation Limited. These shares were classified as unissued share capital at 31 December 2004.
- 2 On 22 February 2005 the Company completed agreements with Western Resources and Exploration Pty Limited ("WRE") and Russell Frederick Evans ("RFE") in respect of Tenements or application for Tenements P15/4358, P15/4357, P15/4638, P15/4639, E15/837, M15/1457, M15/1458, M15/1549, M15/1476 (agreement with WRE) and P37/6575 (agreement with RFE). In accordance with these agreements the Company allotted 250,000 ordinary fully paid shares, issued at 20 cents per share, to WRE. These shares were classified as unissued share capital at 31 December 2004.

**JUPITER MINES LIMITED**  
**ABN 51 105 991 740**

**DIRECTORS' DECLARATION**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2004**

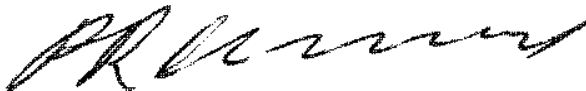
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The directors of Jupiter Mines Limited declare that:

1. the financial statements and notes for the half-year ended 31 December 2004 as set out on pages 2 to 9:
  - (a) comply with Accounting Standard AASB 1029 - Interim Financial Reporting and the Corporations Regulations; and
  - (b) give a true and fair view of the Company's financial position as at 31 December 2004 and of its performance for the half-year ended on that date.
2. in the opinion of the directors there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

Signed on behalf of the directors



Paul R Murray  
Director



Warren J Staude  
Director

Sydney  
15 March 2005

## AUDITOR'S INDEPENDENCE DECLARATION

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Jupiter Mines Limited for the half-year ended 31 December 2004, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.



A J ARCHER  
Partner  
Grant Thornton NSW

Sydney

15 March 2005

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## INDEPENDENT REVIEW REPORT TO THE MEMBERS OF JUPITER MINES LIMITED

### Scope

#### *The half-year financial report and directors' responsibility*

The half-year financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for Jupiter Mines Limited (the company), for the half-year ended 31 December 2004.

The directors of the company are responsible for the preparation and true and fair presentation of the half-year financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the half-year financial report.

#### *Review approach*

We have performed an independent review of the half-year financial report in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the half-year financial report is not presented fairly in accordance with Australian Accounting Standard AASB 1029: Interim Financial Reporting and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the company's financial position and performance as represented by the results of its operations and its cash flows, and in order for the company to lodge the half-year financial report with the Australian Securities & Investments Commission/Australian Stock Exchange Limited.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of company personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

### Independence

In conducting our review, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

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**INDEPENDENT REVIEW REPORT  
TO THE MEMBERS OF JUPITER MINES LIMITED (cont)**

**Statement**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Jupiter Mines Limited is not in accordance with:

- (a) the Corporations Act 2001, including:
  - (i) giving a true and fair view of the company's financial position as at 31 December 2004 and of its performance for the half-year ended on that date; and
  - (ii) complying with Australian Accounting Standard AASB 1029: Interim Financial Reporting and the Corporations Regulations 2001; and
- (b) other mandatory professional reporting requirements in Australia.



GRANT THORNTON NSW  
Chartered Accountants



A J ARCHER  
Partner

Sydney

15 March 2005

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