

JUPITER MINES LIMITED

ABN 51 105 991 740

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Jupiter asx073 06-03-15

15 March 2006

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

Via ASX Online

Number of pages – 25

Dear Sir,

Re: Interim financial report

Attached for release to the market is the interim financial report of Jupiter Mines Limited and its controlled entity for the half-year ended 31 December 2005 including the independent audit review report thereon.

The attached report includes the half-year information to be given to ASX under Listing Rules 4.2A and 4.2BA.

The report should be read in conjunction with the Company's 2005 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 R Murray', written in a cursive style.

Paul R Murray
Secretary

JUPITER MINES LIMITED

ABN 51 105 991 740

AND CONTROLLED ENTITY

INTERIM FINANCIAL REPORT

for the half-year ended 31 December 2005

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DIRECTORS' REPORT

Your directors have pleasure in submitting the Half-Year Financial Report of the Company for the six months ended 31 December 2005 and report as follows:

Directors

The names of the directors in office throughout the half-year ended 31 December 2005 and to the date of this report are:

Mr A J Broome AM
Mr P R Murray
Mr W J Ryan
Mr D A Evans (elected 2 November 2005)
Mr J D Snaith (elected 2 November 2005)
Mr W J Staude (resigned 2 November 2005)

Principal activities

The principal activities of the Company during the half-year were the acquisition and evaluation of mineral exploration interests.

Apart from the acquisition of additional mineral tenements which are prospective for iron ore there were no significant changes in the nature of the activities of the Company that occurred during the half-year.

Review of operations

The following occurred during the half-year under review:

- On 12 July 2005 the Company announced that it was expanding exploration activity following nickel discoveries from drilling at the Cassini prospect near Widgiemooltha in Western Australia and was commencing a drilling program at the Klondyke gold prospect near Marble Bar in Western Australia.
- On 30 August 2005 the Company announced that it had acquired an option over iron deposits covered by exploration licence application ELA 47/1536 in the Pilbara district of Western Australia. Initial consideration paid for the option was \$50,000 cash and the issue of 1,000,000 ordinary fully paid shares at 11 cents per share.
- On 24 October 2005 the Company announced the commencement of a new diamond drilling program on the Company's Cassini nickel prospect near Widgiemooltha in Western Australia.
- On 2 November 2005 Mr W J Staude resigned as CEO and as a director of the Company. Pending appointment of a replacement CEO the Chairman assumed responsibility for direction of the management of the Company.
- At a general meeting of shareholders held on 2 November 2005 Messrs D A Evans and J D Snaith were elected as directors of the Company.
- On 14 November 2005 the Company announced assay results from the drilling program at Widgiemooltha.
- At the Company's annual general meeting held on 22 November 2005 Mr A J Broome AM was re-elected as a director and shareholders adopted the remuneration report set out in the directors' report for the year ended 30 June 2005.
- On 5 December 2005 the directors appointed Mr Evans as "Executive Director-Corporate" and Mr Snaith as "Executive director – Exploration" both on an interim basis.
- On 12 December 2005 the Company announced that it had completed a placement of 5,500,000 shares at 9 cents per share to clients of stockbrokers Wilson HTM. After issue expenses, the placement raised \$470,250 additional working capital.
- On 14 December 2005 the Company announced that it had acquired an option over the rights to iron ore deposits covered by exploration licence E29/495 located at Mount Mason in the Yilgarn district of Western Australia.
- On 15 December 2005 the Company announced that it had re-negotiated the vendor consideration for the Klondyke mineral tenements. The payment of \$250,000 due in December 2005 was re-negotiated to a payment of \$100,000 and the issue of 1,500,000 ordinary fully paid shares. The \$100,000 has been paid and the issue of the 1,500,000 shares is subject to shareholder approval to be considered at a general meeting on 12 April 2006.

- On 16 December 2005 the Company announced assay results from channel iron deposit samples taken from the Mount Beasley iron ore.
- During the half-year the Company earned \$29,123 from interest income, expended \$392,245 on administration costs, expended \$3,924 of exploration costs and capitalised \$788,278 of acquisition and exploration costs.
- The result for the half-year was a loss of \$367,046 before and after income tax of \$nil.

Subsequent events

On 10 March 2006 the Company announced that a general meeting of shareholders is to be held on 12 April 2006 to consider 'inter alia' approving the issue of 1,500,000 shares to the vendors of the Klondyke mineral tenements and authorising the directors to place up to 25,000,000 shares and 25,000,000 attached options to provide additional working capital to accelerate the exploration of the Mount Mason iron ore prospect which was acquired during the half-year.

Auditor's independence declaration

An independence declaration has been provided by the Company's auditor, Grant Thornton. A copy of this declaration is attached to, and forms part of, the Half-year Financial Report for the six months ended 31 December 2005.

Signed in accordance with a resolution of the board of directors.



P R Murray
Director

Sydney
15 March 2006

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF JUPITER MINES LIMITED**

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 2005, 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 audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON NSW
Chartered Accountants



A J ARCHER
Partner

Sydney

15 March 2006

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JUPITER MINES LIMITED ABN 51 105 991 740

AND CONTROLLED ENTITY

**CONSOLIDATED INCOME STATEMENT
for the half year ended 31 December 2005**

	Economic Entity	
	31.12.2005	31.12.2004
	\$	\$
Revenues from ordinary activities	29,123	899
Finance costs	(648)	(5,000)
Director and secretarial costs	(159,020)	(177,840)
Exploration interests written off	(3,924)	—
Insurance costs	(5,262)	(32,303)
Legal and professional costs	(78,388)	(27,063)
Travel and entertaining costs	(10,451)	(16,761)
Occupancy costs	(7,855)	(2,111)
Depreciation and amortisation expense	(1,575)	(764)
Consultancy fees	(38,846)	(61,766)
Administration expenses	(80,330)	(48,540)
Other expenses from ordinary activities	(9,870)	(5,973)
Loss from ordinary activities before income tax	(367,046)	(377,222)
Income tax expense relating to ordinary activities	—	—
Loss attributable to members of the parent entity	(367,046)	(377,222)
Overall Operations:		
Basic loss per share (cents per share)	(0.70)	(1.52)
Diluted loss per share (cents per share)	(0.70)	(1.52)

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

JUPITER MINES LIMITED ABN 51 105 991 740

AND CONTROLLED ENTITY

**CONSOLIDATED BALANCE SHEET
as at 31 December 2005**

	Note	Economic Entity	
		31.12.2005	30.6.2005
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		1,105,851	1,848,821
Trade and other receivables		61,303	95,762
Other current assets		31,626	—
TOTAL CURRENT ASSETS		1,198,780	1,944,583
NON-CURRENT ASSETS			
Property, plant and equipment		9,334	8,988
Other non-current assets	4	4,980,025	4,182,988
TOTAL NON-CURRENT ASSETS		4,989,359	4,191,976
TOTAL ASSETS		6,188,139	6,136,559
CURRENT LIABILITIES			
Trade and other payables		570,549	492,042
Short-term borrowings		6,723	4,560
TOTAL CURRENT LIABILITIES		577,272	496,602
NON-CURRENT LIABILITIES			
Trade and other payables		250,000	500,000
TOTAL NON-CURRENT LIABILITIES		250,000	500,000
TOTAL LIABILITIES		827,272	996,602
NET ASSETS		5,360,867	5,139,957
EQUITY			
Issued capital	5	6,449,245	5,868,995
Reserves	6	432,749	425,043
Accumulated losses		(1,521,127)	(1,154,081)
TOTAL EQUITY		5,360,867	5,139,957

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the half year ended 31 December 2005

		\$	\$	\$	\$
		Share Capital	Reserves	Accumulated	
	Note	Ordinary	Options	Losses	Total
Balance at 1.7.2004		730,350	81,396	(380,388)	431,358
Shares issued during the period		5,065,288	—	—	5,065,288
Unissued share capital		100,000	—	—	100,000
Options expensed during the period	2a	—	48,753	—	48,753
Net income recognised directly in equity		—	—	—	—
Loss attributable to members of parent entity		—	—	(377,222)	(377,222)
Total recognised income and expenses directly in equity		—	—	(377,222)	(377,222)
Sub-total		5,895,638	130,149	(757,610)	5,268,177
Dividends paid or provided for		—	—	—	—
Balance at 31.12.2004		5,895,638	130,149	(757,610)	5,268,177
Balance at 1.7.2005		5,868,995	425,043	(1,154,081)	5,139,957
Shares issued during the period		580,250	—	—	580,250
Options expensed during the period	6a	—	7,706	—	7,706
Net income recognised directly in equity		—	—	—	—
Loss attributable to members of parent entity		—	—	(367,046)	(367,046)
Total recognised income and expenses directly in equity		—	—	(367,046)	(367,046)
Sub-total		6,449,245	432,749	(1,521,127)	5,360,867
Dividends paid or provided for		—	—	—	—
Balance at 31.12.2005		6,449,245	432,749	(1,521,127)	5,360,867

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

JUPITER MINES LIMITED ABN 51 105 991 740

AND CONTROLLED ENTITY

**CONSOLIDATED CASH FLOW STATEMENT
for the half-year ended 31 December 2005**

	Economic Entity	
	31.12.2005	31.12.2004
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(468,500)	(468,322)
Interest received	55,123	899
Borrowing costs	(648)	(5,000)
	<hr/>	<hr/>
Net cash used in operating activities	(414,025)	(472,423)
	<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for plant and equipment	(1,922)	(2,681)
Payments for exploration interests	(790,394)	(637,365)
	<hr/>	<hr/>
Net cash used in investing activities	(792,316)	(640,046)
	<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES		
Deposit paid	—	(8,687)
Payments for IPO costs	—	(228,350)
Proceeds from issue of shares	461,208	4,337,500
	<hr/>	<hr/>
Net cash provided by financing activities	461,208	4,100,463
	<hr/>	<hr/>
Net (decrease)/increase in cash held	(745,133)	2,987,994
Cash at 1 July 2005	1,844,261	1,510
Cash at 31 December 2005	<hr/>	<hr/>
	1,099,128	2,989,504

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

**NOTES TO THE FINANCIAL STATEMENTS
for the half-year ended 31 December 2005**

NOTE 1: BASIS OF PREPARATION

The half-year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standard AASB 134: Interim Financial Reporting, Urgent Issues Group Interpretations 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 2005 and any public announcements made by Jupiter Mines Limited and its controlled entities during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

As this is the first interim financial report prepared under Australian equivalents to IFRS (A-IFRS), the accounting policies applied are inconsistent with those applied in the 30 June 2005 annual report as this report was presented under previous Australian GAAP. Accordingly, a summary of the significant accounting policies under A-IFRS has been included below. A reconciliation of equity and profit and loss between previous GAAP and A-IFRS has been prepared per Note 2.

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

(a) Principles of Consolidation

A controlled entity is any entity controlled by Jupiter Mines Limited whereby Jupiter Mines Limited has the power to control the financial and operating policies of an entity so as to obtain benefits from its activities.

All inter-company balances and transactions between entities in the economic entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

Where controlled entities have entered or left the economic entity during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased.

Minority equity interests in the equity and results of the entities that are controlled are shown as a separate item in the consolidated financial report.

(b) Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

NOTES TO THE FINANCIAL STATEMENTS
for the half-year ended 31 December 2005

NOTE 1: BASIS OF PREPARATION (cont'd)

(c) Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets is depreciated on a straight line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Office equipment	33.33%
Furniture & fittings	7.50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(d) Exploration Expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs will be determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

**NOTES TO THE FINANCIAL STATEMENTS
for the half-year ended 31 December 2005**

NOTE 1: BASIS OF PREPARATION (cont'd)

(d) Exploration Expenditure (cont'd)

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

(e) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to entities in the economic entity are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the economic entity will obtain ownership of the asset or over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(f) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Impairment

At each reporting date, the group assess whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the income statement.

(g) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less, less credit card facilities used.

(h) Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

(i) Finance Costs

Borrowing costs are recognised in expenses in the period in which they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS
for the half-year ended 31 December 2005**

NOTE 1: BASIS OF PREPARATION (cont'd)

(j) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(k) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(l) 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 as 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 2002, which have not vested as at 1 January 2005.

NOTES TO THE FINANCIAL STATEMENTS
for the half-year ended 31 December 2005

NOTE 2: FIRST-TIME ADOPTION OF AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS	Note	Economic Entity		
		Previous GAAP at 1.7.2004	Adjustments on introduction of Australian equivalents to IFRS	Australian equivalents to IFRS at 1.7.2004
Reconciliation of Equity at 1 July 2004		\$	\$	\$
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents		1,510	—	1,510
Trade and other receivables		41,949	—	41,949
Other assets		196,369	—	196,369
TOTAL CURRENT ASSETS		239,828	—	239,828
NON-CURRENT ASSETS				
Property, plant and equipment		5,850	—	5,850
Other non-current assets		493,777	—	493,777
TOTAL NON-CURRENT ASSETS		499,627	—	499,627
TOTAL ASSETS		739,455	—	739,455
CURRENT LIABILITIES				
Trade and other payables		308,097	—	308,097
TOTAL CURRENT LIABILITIES		308,097	—	308,097
TOTAL LIABILITIES		308,097	—	308,097
NET ASSETS		431,358	—	431,358
EQUITY				
Issued capital		730,350	—	730,350
Reserves	2b	76,875	4,521	81,396
Accumulated losses	2a	(375,867)	(4,521)	(380,388)
TOTAL EQUITY		431,358	—	431,358

JUPITER MINES LIMITED ABN 51 105 991 740

AND CONTROLLED ENTITY

**NOTES TO THE FINANCIAL STATEMENTS
for the half-year ended 31 December 2005**

		Economic Entity	
		Adjustments on introduction of Australian equivalents to IFRS	Australian equivalents to IFRS at 31.12.2004
NOTE 2: FIRST-TIME ADOPTION OF AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (cont'd)	Note	Previous GAAP at 31.12.2004	31.12.2004
Reconciliation of Equity at 31 December 2004		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		2,989,504	2,989,504
Trade and other receivables		60,895	60,895
Other current assets		130,000	130,000
TOTAL CURRENT ASSETS		<u>3,180,399</u>	<u>3,180,399</u>
NON-CURRENT ASSETS			
Property, plant and equipment		7,767	7,767
Other non-current assets		3,355,448	3,355,448
TOTAL NON-CURRENT ASSETS		<u>3,363,215</u>	<u>3,363,215</u>
TOTAL ASSETS		<u>6,543,614</u>	<u>6,543,614</u>
CURRENT LIABILITIES			
Trade and other payables		775,437	775,437
TOTAL CURRENT LIABILITIES		<u>775,437</u>	<u>775,437</u>
NON-CURRENT LIABILITIES			
Trade and other payables		500,000	500,000
TOTAL NON-CURRENT LIABILITIES		<u>500,000</u>	<u>500,000</u>
TOTAL LIABILITIES		<u>1,275,437</u>	<u>1,275,437</u>
NET ASSETS		<u>5,268,177</u>	<u>5,268,177</u>
EQUITY			
Issued capital		5,895,638	5,895,638
Reserves	2b	76,875	130,149
Accumulated losses	2a	(704,336)	(757,610)
TOTAL EQUITY		<u>5,268,177</u>	<u>5,268,177</u>

JUPITER MINES LIMITED ABN 51 105 991 740

AND CONTROLLED ENTITY

**NOTES TO THE FINANCIAL STATEMENTS
for the half-year ended 31 December 2005**

NOTE 2: FIRST-TIME ADOPTION OF AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (cont'd)	Note	Economic Entity		
		Previous GAAP at 30.6.2005	Adjustments on introduction of Australian equivalents to IFRS	Australian equivalents to IFRS at 30.6.2005
Reconciliation of Equity at 30 June 2005		\$	\$	\$
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents		1,848,821	—	1,848,821
Trade and other receivables		95,762	—	95,762
TOTAL CURRENT ASSETS		1,944,583	—	1,944,583
NON-CURRENT ASSETS				
Property, plant and equipment		8,988	—	8,988
Other non-current assets		4,182,988	—	4,182,988
TOTAL NON-CURRENT ASSETS		4,191,976	—	4,191,976
TOTAL ASSETS		6,136,559	—	6,136,559
CURRENT LIABILITIES				
Trade and other payables		492,042	—	492,042
Short-term borrowings		4,560	—	4,560
TOTAL CURRENT LIABILITIES		496,602	—	496,602
NON-CURRENT LIABILITIES				
Trade and other payables		500,000	—	500,000
TOTAL NON-CURRENT LIABILITIES		500,000	—	500,000
TOTAL LIABILITIES		996,602	—	996,602
NET ASSETS		5,139,957	—	5,139,957
EQUITY				
Issued capital	5	5,868,995	—	5,868,995
Reserves	2b	320,749	104,294	425,043
Accumulated losses	2a	(1,049,787)	(104,294)	(1,154,081)
TOTAL EQUITY		5,139,957	—	5,139,957

NOTES TO THE FINANCIAL STATEMENTS
for the half-year ended 31 December 2005

NOTE 2: FIRST-TIME ADOPTION OF AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (cont'd)	Note	Previous GAAP	Effect of transition to Australian equivalents to IFRS	Australian equivalents to IFRS
Reconciliation of Loss for the half-year 31 December 2004		\$	\$	\$
Revenues from ordinary activities		899	—	899
Borrowing costs		(5,000)	—	(5,000)
Director and secretarial costs	2a	(129,087)	(48,753)	(177,840)
Insurance costs		(32,303)	—	(32,303)
Legal and professional costs		(27,063)	—	(27,063)
Travel and entertaining costs		(16,761)	—	(16,761)
Occupancy costs		(2,111)	—	(2,111)
Depreciation and amortisation expense		(764)	—	(764)
Consultancy fees		(61,766)	—	(61,766)
Administration expenses		(48,540)	—	(48,540)
Other expenses from ordinary activities		(5,973)	—	(5,973)
Loss from ordinary activities before income tax		(328,469)	(48,753)	(377,222)
Income tax expense relating to ordinary activities		—	—	—
Loss attributable to members of the parent entity		(328,469)	(48,753)	(377,222)

NOTES TO THE FINANCIAL STATEMENTS
for the half-year ended 31 December 2005

NOTE 2: FIRST-TIME ADOPTION OF AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (cont'd)	Note	Previous GAAP	Effect of transition to Australian equivalents to IFRS	Australian equivalents to IFRS
Reconciliation of Loss for the full year to 30 June 2005		\$	\$	\$
Revenue from ordinary activities		54,584	—	54,584
Borrowing costs		(5,960)	—	(5,960)
Director and secretarial fees	2a	(204,106)	(99,773)	(303,879)
Insurance costs		(33,283)	—	(33,283)
Legal and professional costs		(100,092)	—	(100,092)
Travel and entertaining costs		(23,002)	—	(23,002)
Occupancy costs		(2,820)	—	(2,820)
Depreciation and amortisation expenses		(2,089)	—	(2,089)
Consultancy fees		(218,555)	—	(218,555)
Administration expenses		(118,182)	—	(118,182)
Other expenses from ordinary activities		(20,415)	—	(20,415)
Loss before income tax		(673,920)	(99,773)	(773,693)
Income tax expense		—	—	—
Loss attributable to members of the parent entity		(673,920)	(99,773)	(773,693)

**NOTES TO THE FINANCIAL STATEMENTS
for the half-year ended 31 December 2005**

**NOTE 2: FIRST-TIME ADOPTION OF AUSTRALIAN
EQUIVALENTS TO INTERNATIONAL FINANCIAL
REPORTING STANDARDS (cont'd)**

	30.6.2005	31.12.2004	1.7.2004
Notes to the Reconciliations of Equity and Profit and Loss at 1 July 2004, 31 December 2004 and 30 June 2005	\$	\$	\$

(a) Accumulated losses comprise:

Options issued to directors expensed in Profit and Loss	(99,773)	(48,753)	(4,521)
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(b) The A-IFRS adjustment reflects the expensing of the fair value of options over ordinary shares issued and vested as part of directors' remuneration with the recognition of an associated equity option reserve. The combined impact of the expensing of the 2004 and 2005 financial year equity remuneration of \$104,294 is reflected in an equity option reserve.

NOTE 3: LOSS FROM ORDINARY ACTIVITIES

Economic Entity

	31.12.2005	30.6.2005
	\$	\$

The following revenue and expense items are relevant in explaining the financial performance for the interim period:

Write-off of capitalised exploration expenditure on areas of interest abandoned during the period	(3,924)	—
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NOTE 4: NON-CURRENT ASSETS – OTHER

Deposit	13,346	4,587
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Exploration expenditure

Costs carried forward in respect of the following areas of interests:

- Widgiemooltha	1,093,694	862,456
- Klondyke	3,288,526	2,995,434
- Klondyke East	32,434	29,274
- Grattan Well	95,610	81,830
- Kurradjong	227,304	209,407
- Beasley River	194,734	—
- Mount Mason	34,377	—
	4,966,679	4,178,401
	4,980,025	4,182,988

**NOTES TO THE FINANCIAL STATEMENTS
for the half-year ended 31 December 2005**

NOTE 4: NON-CURRENT ASSETS – OTHER (cont'd)

Exploration expenditure (cont'd)

With regard to Beasley River the Company has entered into an Option to Purchase Mining Tenement Agreement, and in so doing has paid the sum of \$50,000 and issued 1 million ordinary shares at 11 cents per share, which are included above. As disclosed in note 7(2) the company is required to issue 16 million options within 7 days of the grant of the Tenement. Furthermore under this agreement should the company purchase the Tenement the company is required to pay the sum of \$550,000 (which if the parties mutually agree, may be satisfied by the issue of ordinary fully paid shares in the capital of the company at a 20% discount of the weighted average of the share price over the 5 trading days) and the issue of 25 million shares. The option period commences on the date of grant of the tenement for a period of 12 months unless extended by agreement of the parties. As at the date of these financial statements the tenement has not been granted and the option to purchase has not been exercised.

In relation to Mount Mason the Company has entered into an Option to Purchase Mining Tenement Agreement, which in addition to the payment of an option fee of \$30,000, included above, requires the payment of \$250,000 and the issue of 5 million fully paid ordinary shares to the owner upon exercise of the option to purchase. The option extends for a period of 12 months commencing on the date of execution of this agreement, being 13 December 2005. As at the date of these financial statements the option to purchase has not been exercised.

Note	Economic Entity	
	31.12.2005	30.6.2005
	\$	\$

NOTE 5: ISSUED CAPITAL

Paid up capital:

57,636,250 (30.6.05: 51,136,250) fully paid ordinary shares

5a	6,449,245	5,868,995
----	-----------	-----------

(a) Ordinary shares

At the beginning of the reporting period

5,868,995	—
-----------	---

Shares issued during the period

— 1,000,000 on 30 Aug 2005

110,000	—
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— 5,500,000 on 12 Dec 2005

495,000	—
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Transaction costs relating to shares issued

(24,750)	—
----------	---

6,449,245	—
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NOTE 6: RESERVES

Options issued:

29,104,116 (30.6.05: 29,104,116) fully paid options issued

6a	432,749	425,043
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(a) Options

At the beginning of the reporting period

425,043	—
---------	---

Options expensed during the period

7,706	—
-------	---

432,749	—
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JUPITER MINES LIMITED ABN 51 105 991 740

AND CONTROLLED ENTITY

**NOTES TO THE FINANCIAL STATEMENTS
for the half-year ended 31 December 2005**

NOTE 7: FUTURE COMMITMENTS

(1) The following amounts are payable in respect of contracts entered into prior to 31 December 2005 in relation to the Klondyke area of interest:

- (i) \$250,000 payable on 23 December 2006 being 24 months from the date of listing; and
- (ii) \$250,000 payable on 23 December 2007 being 36 months from the date of listing.

In respect of future payments regarding Klondyke the following is noted:

- (a) The original sale agreement with the vendors and the Company for the acquisition of Klondyke required the payment of \$250,000 on 17 December 2005. This agreement has been varied and requires the payment of \$100,000 by the Company on 17 December 2005 (this amount having been paid) and the issue of 1,500,000 fully paid ordinary shares which is subject to approval of the Company's shareholders and for which an amount of \$150,000 has been included as a current liability in these financial statements.
- (b) In the event that the Company reaches certain milestones within 2 years, but after 12 months from the Completion Date (as set out in clause 5A.4 of the Deed of Variation) then the Company will pay the Vendors \$1,500,000 and not pay the 24 and 36 month payments noted above.
- (c) In the event that the Company reaches certain milestones between the period commencing on or after 2 years from the Completion Date (as set out in Clause 5A.4 of the Deed of Variation) and ending upon the date that the Vendors choose to exercise their rights to acquire the interest in the Klondyke Gold Project from the Company, then the Company will pay the Vendors \$1,750,000. In addition, the Company will have been required to pay such of the 12, 24 and 36 month payments that have accrued prior to the milestones having occurred.

The Completion Date referred to in paragraphs 1(b) and 1(c) above, are defined in Clause 5A.4 of the Deed of Variation as being the happening of the following events:

- (i) The purchaser notifying the Vendor that it has a certified JORC category reserve upon the Tenements of not less than one hundred and fifty thousand (150,000) ounces of gold; and
- (ii) A decision to mine having been made.

(2) The Company has entered into an Option Agreement for the purchase of the Beasley River mining tenement. Under this agreement, within 7 days of the granting of the mineral tenement the Company is required to issue to the owner, 16 million options. As at the date of these financial statements the tenement has not been granted and the option to purchase has not been exercised.

NOTE 8: DIVIDENDS

	Economic Entity	
	31.12.2005	31.12.2004
	\$	\$
No dividends were declared or paid in the period.	—	—

NOTE 9: SEGMENT INFORMATION

The company operates solely in the mining industry within Australia.

NOTE 10: CONTINGENT LIABILITIES

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

NOTE 11: EVENTS SUBSEQUENT TO REPORTING DATE

No subsequent events exist at 31 December 2005.

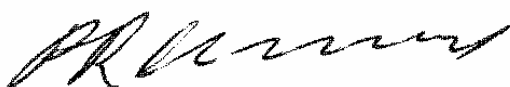
DIRECTORS' DECLARATION

The directors of the Jupiter Mines Limited declare that:

1. The financial statements and notes for the half-year ended 31 December 2005 as set out on pages 4 to 19:
 - a. comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations; and
 - b. give a true and fair view of the economic entity's financial position as at 31 December 2005 and of its performance for the half-year ended on that date.
2. In the directors' opinion 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 Board of Directors.

Signed on behalf of the directors



P R Murray
Director

Sydney
15 March 2006

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 balance sheet, income statement, statement of changes in equity, cash flow statement, notes to the financial statements and the directors' declaration for the consolidated entity, for the half-year ended 31 December 2005. The consolidated entity comprises both Jupiter Mines Limited (the company) and the entity it controlled during that half-year.

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 conducted 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 134: 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 consolidated entity'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 consolidated entity's financial position as at 31 December 2005 and of its performance for the half-year ended on that date; and
 - (ii) complying with Australian Accounting Standard AASB 134: 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 2006