

ASX Release
27th October 2011

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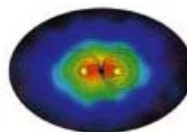
Greg Durack (COO)
Matt Finkelstein (CFO)

Shares: 1,561,234,945
Unlisted Opts: 5,100,000
Deferred Shares: 262,255,799

ASX Symbol:
JMS

Currently Developing:

- Iron Ore
- Manganese



Jupiter Mines Limited
September 2011 QUARTERLY

SUMMARY

- Tshipi Borwa Mine Development remains on track for H2 2012 delivery of first ore;
- Tshipi expected to sign the mining contract in late October;
- Significant milestone achieved in Tshipi Borwa's development with the recently held sod turning ceremony;
- Mount Mason drill program completed;
- Mount Ida drill program progressing well;
- Feasibility Studies on both Projects are in progress;
- Consolidated cash position of \$121.8m; and
- Value of marketable securities \$4m.



Tshipi Borwa – Storm water pit excavations



CENTRAL YILGARN IRON ORE PROJECT (CYIP)

Overview

Jupiter is undertaking two Feasibility Studies on its 100% owned CYIP project. The CYIP consists of one smaller DSO project – Mount Mason DSO Hematite Project, and the long life magnetite project – Mount Ida Magnetite Project.

Feasibility Study Developments

Mount Mason DSO Hematite Project

The resource infill drilling at Mount Mason was completed in July, with all assaying data from RC samples and diamond drill core to be received in mid-October.

Resource modelling for Mount Mason has now commenced and is scheduled to be complete during November.

The Geotechnical drilling was also completed during the quarter with the core currently being logged.

To examine mine Hydrology within the planned pit, two cased 300 mm holes have been drilled with pump testing planned to be undertaken in November.



Mount Mason – Diamond drill rig

The metallurgical test work has commenced on the diamond drill core, with four different hematite ore types identified, see pictures below;

1. Biscuit Type Hematite



2. Kanga Type Hematite





3. Solid Hematite



4. Specular Hematite



The solid hematite is the major ore component of the resource. Assay, results summarised below.

HEAD ASSAY ANALYSIS - MOUNT MASON														
SAMPLE NAME	Fe Grade (%)	SiO ₂ Grade (%)	Al ₂ O ₃ Grade (%)	TiO ₂ Grade (%)	MnO Grade (%)	CaO Grade (%)	P Grade (%)	S Grade (%)	MgO Grade (%)	K ₂ O Grade (%)	Na ₂ O Grade (%)	Zn Grade (%)	LOI-371 Grade (%)	LOI-650 Grade (%)
KANGA	62.9	2.58	1.91	1.020	0.120	0.010	0.029	0.097	0.005	0.008	0.012	0.001	2.94	3.33
SOLID HEMATITE	68.4	0.87	0.64	0.028	0.011	0.030	0.029	0.011	0.020	0.002	0.007	0.001	0.22	0.40
BISCUIT	62.9	7.53	0.95	0.002	0.022	0.010	0.041	0.006	0.030	0.001	0.007	0.003	1.25	1.53
SPECULAR HEMATITE	68.8	0.86	0.22	0.002	0.005	0.030	0.023	0.002	0.010	0.001	0.006	0.002	0.08	0.13

HEAD ASSAY ANALYSIS - MOUNT MASON													
SAMPLE NAME	LOI-1000 Grade (%)	As Grade (%)	Ba Grade (%)	Cl Grade (%)	Co Grade (%)	Cr Grade (%)	Cu Grade (%)	Ni Grade (%)	Pb Grade (%)	Sn Grade (%)	Sr Grade (%)	V Grade (%)	Zr Grade (%)
KANGA	3.71	0.001	0.005	0.021	0.001	0.007	0.006	0.001	0.001	0.001	0.001	0.029	0.010
SOLID HEMATITE	0.54	0.001	0.005	0.016	0.001	0.001	0.003	0.001	0.001	0.002	0.001	0.007	0.002
BISCUIT	1.60	0.001	0.005	0.006	0.001	0.001	0.004	0.001	0.001	0.001	0.001	0.002	0.001
SPECULAR HEMATITE	0.27	0.001	0.010	0.017	0.001	0.001	0.004	0.001	0.001	0.001	0.001	0.006	0.001

LOI ADJUSTED VALUES (1000°C)								
SAMPLE NAME	Fe Grade (%)	SiO ₂ Grade (%)	Al ₂ O ₃ Grade (%)	TiO ₂ Grade (%)	MnO Grade (%)	CaO Grade (%)	P Grade (%)	S Grade (%)
KANGA	65.3	2.68	1.98	1.059	0.125	0.010	0.030	0.101
SOLID HEMATITE	68.8	0.87	0.64	0.028	0.011	0.030	0.029	0.011
BISCUIT	63.9	7.65	0.97	0.002	0.022	0.010	0.042	0.006
SPECULAR HEMATITE	69.0	0.86	0.22	0.002	0.005	0.030	0.023	0.002

NOTES

1. Iron ores by Fussion/XRF ME-XRF11b
2. Loss on Ignition, LOI-371, LOI-650 and LOI-1000
3. All met intercepts gave good Fe grades
4. All silicas are acceptable. The biscuit sample is higher at 7.53%
5. All aluminas are acceptable. The kanga sample is higher at 1.91%
6. All titanias are acceptable. The kanga sample is higher at 1.02%
7. Phosphorous and sulphur values are low
8. LOIs are low except for the Kanga sample which was 3.71%.
9. LOI adjusted Fe grades are very acceptable. Very little change in other species
10. There will be some dilution of the Fe and increase in the other species when the non-mineralised horizons are included



From the results, the selected hematite samples show exceptional grade, the next work program will include internal waste to best represent what the mined resource grade is likely to be.

The first pass metallurgical test work program is likely to be completed in early November, upon which the final program will be developed.

Mount Ida Magnetite Project

The infill resource drilling on the Mount Ida Central Zone is progressing well; to date 28,963 metres of RC drilling, 5,664.3 metres of diamond drilling including the geotechnical and PQ metallurgical drilling has been completed. The diamond drilling program is expected to be completed by December 2011 and the RC drilling program by January 2012.

Upon completion of this Central Zone drilling, the RC drill rigs will then undertake resource extensional drilling on the northern and southern zones with the objective of increasing the inferred resource base.

The Feasibility Study is based on the resource determined from the Central Zone, and is expected to be moved into the measured and indicated category.

The four metallurgical holes have now been dispatched to AMMTEC, with a comprehensive metallurgical test work program, including subsequent pilot plant currently under review with the owner's team and ProMet. Once the program is finalised, the test work program will commence in early November.

Jupiter has established a core and sample handling facility at site. All drill cores are logged and cut at site before dispatch to the Laboratory for analysis.



Mount Ida – Logging of core



Three cased 300mm bore holes have also been drilled within the expected Mount Ida open pit in order to conduct pump tests in the near future to evaluate the mine hydrology.

Planning is now in progress to commence the water exploration program early in the New Year. Exploration areas will be targeted with a ground based geophysical survey to best locate the test bores.

To date, the drilling and other technical disciplines of the Feasibility Study are progressing well with all activities on schedule.

TSHIPI KALAHARI MANGANESE PROJECT – JUPITER'S 49.9% JOINT VENTURE INTEREST

Overview

Jupiter has a 49.9% interest in Tshipi é Ntle Manganese Mining (Pty) Ltd (Tshipi). Tshipi owns two manganese projects in the Kalahari Manganese fields, namely Tshipi Borwa and Tshipi Bokone, adjacent to the operating Mamatwan and Wessels mines respectively.

Tshipi Borwa Mine

A ground breaking ceremony for the Tshipi Borwa Mine was recently held in South Africa, marking a significant milestone in the project's development. The ceremony, which was attended by various local politicians, community representatives, Transnet (South Africa's integrated freight transport provider) representatives and various press groupings, created significant goodwill and expectations amongst the local stakeholders.



Tshipi Borwa – Waste rock crushing



Tshipi Directors B. Gilbertson and S. Macozoma

Construction

Tshipi Borwa Mine development continues to progress well with initial site clearing completed, soil compacted and building foundations commenced. The project remains on track to commence production during H2 2012.

Tshipi has recorded no Lost Time Injuries, with safety being a key focus of management.



Approximately 124 people are currently engaged in the Tshipi Borwa Mine construction.

During the quarter:

- Site establishment works, including foundations for the stores, mine administration offices and workshops were completed;
- Railway siding earthworks progressed significantly and have been largely completed;
- Rail foundations also progressed well, it is scheduled that ballast and sleepers will be installed in the Q1 2012; and
- A large storm water sump has been constructed; this dam will prevent unnecessary runoff during peak rail fall periods and might also be used as a temporary water storage facility



Tshipi Borwa –Railroad siding foundation construction

Tshipi is presently producing its own rock construction material utilising waste rock from a neighbouring mine and a purpose bought mobile crusher plant. The waste rock is required for rail, building and general construction purposes such as the railroad siding foundation.

Presently there have been no delays with long lead items and it is anticipated that the final major outstanding contract, being the mining contract, will be formally awarded during October.

Mobilisation of the earthmoving contractor is scheduled to occur in the early part of Q4 2011 in order to commence pre-stripping. Tshipi has placed the order for the dedicated diesel power generation plant and this is scheduled to be delivered in March 2012.

Regular site photo updates, as construction progresses, will be posted at www.tshipi.co.za.



Tshipi Borwa – Plant and lay-down area



Tshipi Borwa - Rail loop

Logistics

Tshipi has continued its engagement with Transnet with several constructive meetings taking place over the last quarter. While Tshipi as yet does not have a formal contract with Transnet in terms of the MECA process, Tshipi's objective and expectation is to qualify for a portion of the "uncommitted capacity" on the Port Elizabeth export line as part of the 'fair access policy' that Transnet has adopted together with industry.



Tshipi is encouraged by unverified information indicating significant improvements in Transnet's service delivery on the Port Elizabeth line, achieving up to 18 trains per week from the planned 14.

Financing

The capital budget for the construction of the Tshipi Borwa Mine remains in line with forecasts. To date total expenditure for the advancement of the Tshipi Borwa Mine has been approximately R147 million (\$18.1 million) while a further R347 million (\$44.4 million) has been committed (JMS has contributed its pro-rata share of 49.9% of the amounts listed above). A large portion of the capital yet to be committed will arise from the mining contract.

Operational Readiness

Tshipi management have also been focused on operational readiness with significant efforts being given to adopting the appropriate procedures and systems in terms of safety, financial and operational.

Tshipi is focused on identifying, recruiting and employing the necessary skills in the local Northern Cape. During the quarter Tshipi's mine management has been boosted by the hiring of several top quality and experienced line managers.

Tshipi Bokone

Independent geological consultants are finalising a Mineral Resource estimate for the Tshipi Bokone project from assay results received during the June quarter. Initial assay results confirmed the continuity of mineralisation within the project area.

CORPORATE

Cash Position

At the end of the quarter the Company had a consolidated cash balance of \$121.8m and held marketable securities to the value of \$4m.

Yours Faithfully
Jupiter Mines Limited

Richard Mehan
Managing Director & CEO

Competent Person's Statement

Senior Geologist: Kurt Kelers - Competent Person

The information in this announcement that relates to Exploration Results is based on information compiled by Mr Kurt Kelers who is a Member of the Australian Institute of Geoscientist and a full-time employee of Jupiter Mines Limited. Mr Kelers has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity that 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 Kelers consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears Mr Kelers holds the position of Senior Geologist with Jupiter Mines Limited

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Jupiter Mines Limited

ABN

51 105 991 740

Quarter ended ("current quarter")

30th September 2011

Consolidated statement of cash flows

Cash flows related to operating activities	Current Quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(12,804)	(12,804)
(b) development	-	-
(c) production	-	-
(d) administration	(827)	(827)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1,986	1,986
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)		
- GST refund	368	368
- exploration and evaluation refund	-	-
- rental income	35	35
Net Operating Cash Flows	(11,242)	(11,242)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(2,410)	(2,410)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	(6,620)	(6,620)
1.11 Loans repaid by other entities	-	-
1.12 Other - Cash acquired	-	-
Net investing cash flows	(9,030)	(9,030)
1.13 Total operating and investing cash flows (carried forward)	(20,272)	(20,272)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(20,272)	(20,272)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	50	50
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	4,994	4,994
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material) Share Issue Costs	-	-
	Net financing cash flows	5,044	5,044
	Net increase (decrease) in cash held	(15,228)	(15,228)
1.20	Cash at beginning of quarter/year to date	139,937	139,937
1.21	Exchange rate adjustments to item 1.20	(2,943)	(2,943)
1.22	Cash at end of quarter	121,766	121,766

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	156
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	\$ 156k
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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

N/A

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

Nil

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	N/A
3.2 Credit standby arrangements	100	33

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	9,628
4.2 Development	27,715
4.3 Production	-
4.4 Administration	889
Total	38,232

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	9,533	5,264
5.2 Deposits at call	12,562	13,136
5.3 Bank overdraft	-	-
5.4 Other – Term Deposits	99,671	125,247
Other – Reclassification Rehab Bond	-	(3,710)*
Total: cash at end of quarter (item 1.22)	121,766	139,937

* The June 2011 quarter Appendix 5B previously reported a cash balance of 143,647 which included an amount of 3,710k AUD for rehabilitation bonds which was reclassified to Other Current Assets in the 2011 audited financial statements.

+ See chapter 19 for defined terms.

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			
6.2	Interests in mining tenements acquired or increased	E29/801 L29/81 Granted – 18/08/2011 Granted – 12/09/2011	n/a n/a	100% 100%

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

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

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities (description)	Nil	N/A	N/A	N/A
7.2 Changes during quarter				
(a) Increases through issues	Nil	Nil	N/A	N/A
(b) Decreases through returns of capital, buy-backs, redemptions	Nil	Nil	N/A	N/A
7.3 +Ordinary securities	1,823,490,744 (Includes 262,255,799 deferred shares)	614,823,487	N/A	N/A
7.4 Changes during quarter				
(a) Increases through issues	Nil	Nil	N/A	N/A
(a.1) Conversion of options	200,000	200,000	\$0.25	\$0.25
(b) Decreases through returns of capital, buy-backs	Nil	Nil	N/A	N/A
(c) Increases through the release and quotation of restricted securities (released from escrow)	Nil	Nil	N/A	N/A
7.5 +Convertible debt securities (description)	Nil	Nil	N/A	N/A
7.6 Changes during quarter				
(a) Increases through issues	Nil	Nil	N/A	N/A
(b) Decreases through securities matured, converted	Nil	Nil	N/A	N/A


+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

7.7	Options (description and conversion factor)			Exercise Price	Expiry date
	Employee Share Scheme	500,000	Nil	20 cents	21/11/2011
	Employee Share Scheme	1,000,000	Nil	25 cents	21/11/2011
	Employee Share Scheme	1,000,000	Nil	35 cents	21/11/2011
	Employee Share Scheme	800,000	Nil	25 cents	16/08/2012
	Employee Share Scheme	600,000	Nil	30 cents	16/08/2012
	Employee Share Scheme	600,000	Nil	35 cents	16/08/2012
	Employee Share Scheme	100,000	Nil	25 cents	03/10/2012
	Employee Share Scheme	500,000	Nil	19 cents	06/11/2012
	Employee Share Scheme	5,100,000			
7.8	Issued during quarter	Nil	Nil	N/A	N/A
7.9	Exercised during quarter	200,000	200,000	\$0.25	24/07/2012
7.10	Expired during quarter	Nil	Nil	N/A	N/A
7.11	Debentures (totals only)	Nil	N/A		
7.12	Unsecured notes (totals only)	Nil	N/A		

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: 27th October 2011

Print name: Matt Finkelstein

+ See chapter 19 for defined terms.

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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