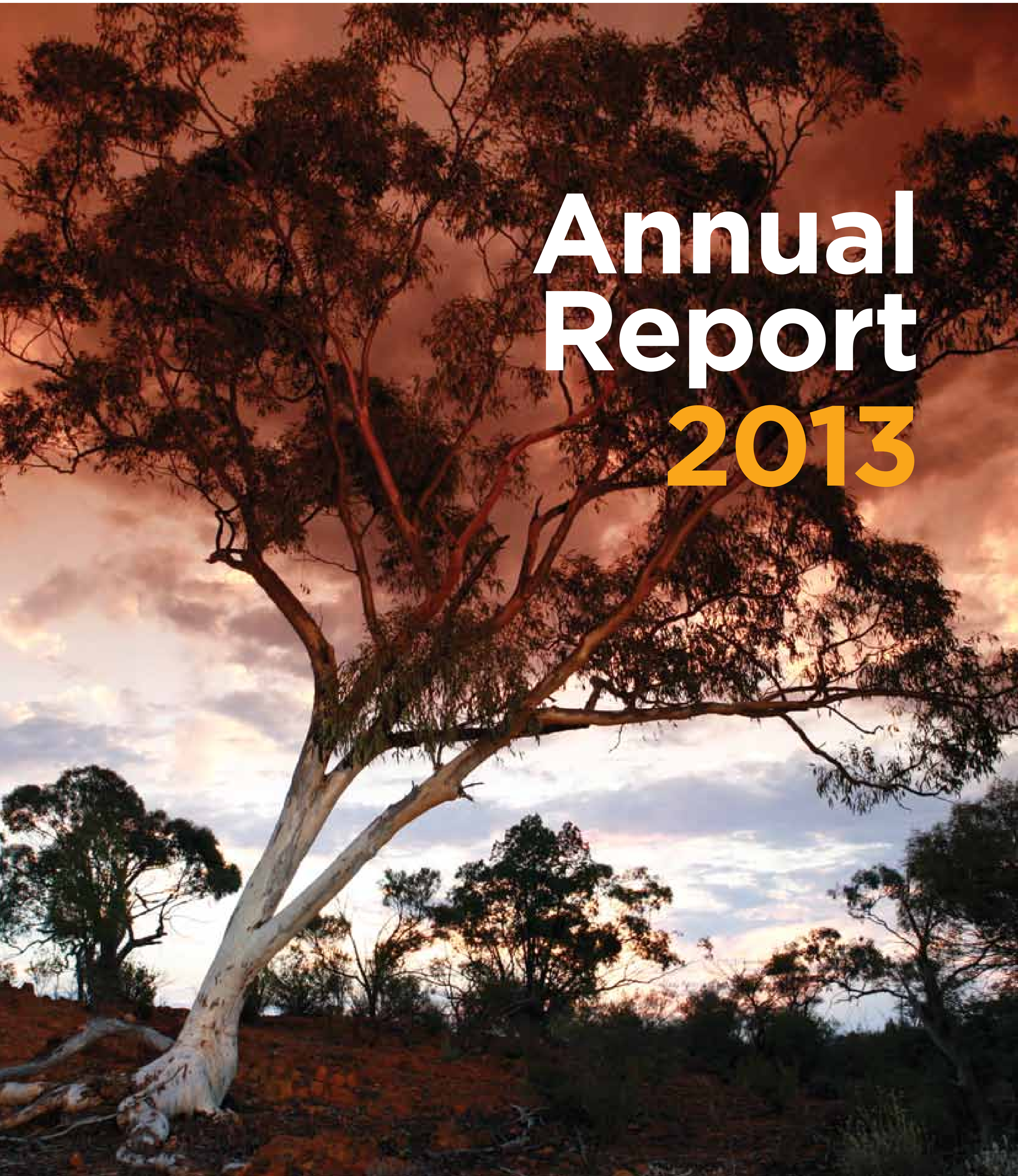
Jupiter Mines Limited

Annual Report 2013



Corporate Directory

Jupiter Mines Limited shares are listed on the Australian Securities Exchange (ASX). The ASX code is JMS.

Australian Business Number

51 105 991 740

Directors

Brian Gilbertson
(Non-executive Chairman)

Paul Murray
(Non-executive Director)

Priyank Thapliyal
(Non-executive Director)

Mr Soo-Cheol Shin
(Non-executive Director)

Andrew Bell
(Non-executive Director)

Executives

Priyank Thapliyal
Acting Chief Executive Officer

Melissa North
Company Secretary and Chief Financial Officer

Principal Office

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108 St Georges Terrace
Perth WA 6000

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Share Registry

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Level 2, 178 St Georges Terrace

Telephone: 1300 554 474
Fax: (02) 9287 0303
Email: registrars@linkmarketservices.com.au
Website: www.linkmarketservices.com.au

Auditors

Grant Thornton Audit Pty Ltd
Level 1, 10 Kings Park Road
West Perth WA 6005

Telephone: (08) 9480 2000
Facsimile: (08) 9322 7787
Email: info.wa@au.gt.com
Website: www.grantthornton.com.au

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Chairman's Letter

Dear Shareholders,

The financial year ending 30 June 2013 has seen significant progress on Jupiter's key projects, and I am pleased to present the review of the activities.

At the beginning of the financial year, Jupiter raised approximately $76 million through a private placement and entitlement issue to largely support the continued development of its manganese assets in South Africa.

In respect to progress on the Company's major project, the Tshipi Borwa mine, 2013 was a significant year, with the project becoming a producing open-pit manganese mine. The first ore was mined in October 2012, well ahead of the planned mining schedule. The focus on the second half of this year has been to complete the remaining construction activities and to ensure ramp up of production in line with Tshipi's long term plans.

In the Central Yilgarn, work has continued on the optimisation of costs on the Mt Mason DSO Hematite Project. The Company also commenced its approvals process on this project.

Work on the Mt Ida Magnetite Project feasibility study was put on hold in November 2012, due to the adverse iron ore price and exchange rate environment at that time. Together with the absence of a viable port solution, it was considered prudent to cease spending at this time.

For Mt Ida and Mt Mason to be developed, access to the Esperance Port and Rail infrastructure is critical, and Jupiter is fully participating in the Esperance Port Multi User Iron Ore Facility (MUIOF) process where necessary, in order to increase efficiencies and accelerate a port solution for our projects.

The past year has been an interesting one for Jupiter and the year ahead will see further progress, at both Tshipi and the Central Yilgarn, as we continue the execution of the Jupiter Steel Feed Corporation Strategy.

Yours Faithfully,

Jupiter Mines Limited

Brian Gilbertson

Chairman

Review of Operations

Jupiter Mines Limited ("Jupiter" or the "Company") continued to focus on the development of its iron ore and manganese projects in pursuit of its long term Steel Feed Corporation ("SFC") strategy.

Significant progress was achieved during the year at the Company's major project in South Africa the Tshipi Kalahari Manganese Project.

In Australia, at the Central Yilgarn Iron Project ("CYIP"), work on the Mount Ida Magnetite Project Feasibility Study continued until November 2012, when spending was frozen. Work continued on the optimisation of the Mount Mason Feasibility Study and preparation of the project approvals documentation.

TSHIPI KALAHARI MANGANESE PROJECT

Jupiter has a 49.9% interest in Tshipi é Ntle Manganese Mining (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's flagship project, Tshipi Borwa, became a producing open-pit manganese mine during the year. It is located in the Southern portion of the Kalahari Manganese Field, the largest manganese bearing geological formation in the world.

Figure 1. *Tshipi Kalahari Manganese Project Location Map*

Tshipi Borwa is mining the ore body that is contiguous to, and a direct extension of, the Mamatwan ore body which has been mined for over 46 years. As such, once the operation stabilises, the Tshipi Borwa Mine is expected to produce a comparable product that has been tried and tested in the global manganese markets.

Tshipi Bokone is an exploration property located in the northern portion of the Kalahari Manganese Field.

Review of Operations (continued)

TSHIPI BORWA

During the year the Tshipi Borwa manganese mine achieved significant development and production milestones. On 16 October 2012, Tshipi mined its first manganese ore, a few weeks ahead of the planned mining schedule. In late November the first train loaded with manganese was railed to Port Elizabeth by Transnet, and was loaded onto the first vessel at the end of December. This was a significant milestone and marked Tshipi's move into operations.

Figure 2. *Tshipi Borwa – First train of lumpy manganese ore*

Figure 3. *Tshipi Borwa – Vessel being loaded with manganese ore*

Having achieved the production target prior to the end of 2012, the focus in 2013 has been to complete the remaining construction activities and to ensure ramp up of production in line with Tshipi's long-term logistical, mine and production plan and to ensure, in the short term, sufficient ore for the temporary crushing and screening plant to fulfill Tshipi's rail allocation.

The process plant construction focused on the completion of the rapid load out station and associated feeding conveyors. Fabrication, erection and construction activities have continued on the remainder of the plant.

Figure 4. *Tshipi Borwa Mine*

Figure 5. *Tshipi Borwa – Mine pit*

Review of Operations (continued)

Transnet has committed to make available two trains per week while one additional train per week is at Transnet's discretion. Alternative road/rail solutions are being adopted to increase logistics capacity, which includes the use of sea containers and skiptainers. The first road/rail combination successfully saw the consignment of containers to Port Elizabeth in June 2013.

The capital budget for the construction of Tshipi Borwa was reassessed during the year, as a result of the delay in the expected completion date of the projects' permanent processing plant until the end of 2013. The project capital estimate for completion has increased by ZAR 160 million (approximately US$17 million) from the original ZAR 1,716 million approved capital budget. Total expenditure for the year has been approximately R555 million ($66 million) while a further R1.1 billion ($130 million) has been committed. Jupiter has contributed its pro- rata share of 49.9% of these amounts listed above.

TSHIPI BOKONE

Exploration activities at Tshipi Bokone have temporarily been put on hold as Tshipi management focus their attention at bringing Tshipi Borwa to optimum production.

CENTRAL YILGARN IRON PROJECTS

The Central Yilgarn Iron Project ("CYIP") area is located 130km by road northwest of the town of Menzies.

The CYIP consists of the smaller DSO project – (Mount Mason) and the flagship long-life magnetite Project – (Mount Ida).

Both projects are planned around existing infrastructure in the region, including the Leonora to Esperance railway line, and the Port of Esperance.

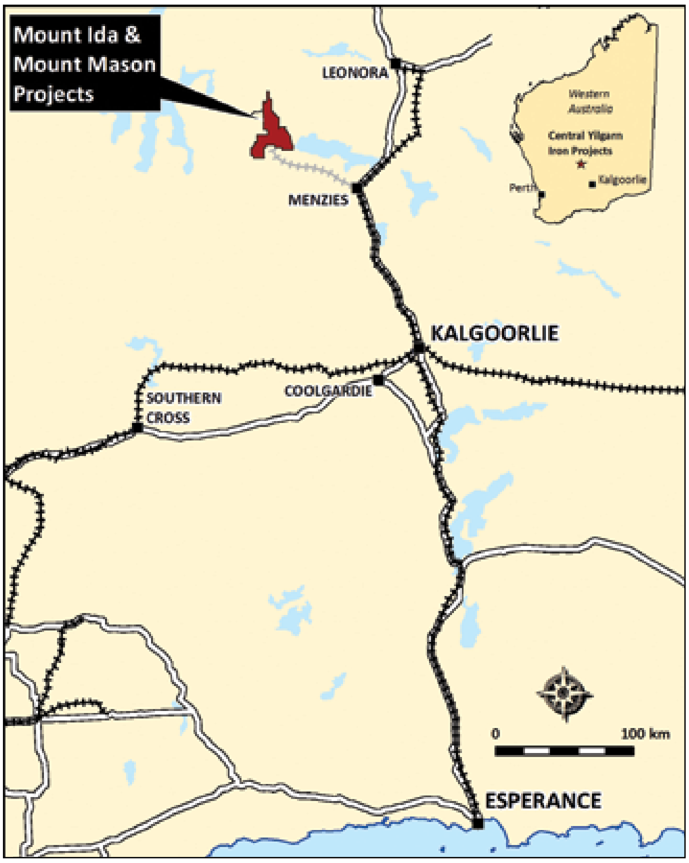

Figure 6. *CYIP Project Location Map*

Review of Operations (continued)

MOUNT IDA MAGNETITE PROJECT

The flagship Mount Ida Magnetite Project has the reserves to be a tier one long-life magnetite mine, further establishing Jupiter's presence in the Central Yilgarn region.

Jupiter decided to suspend the Feasibility Study on the Mount Ida Magnetite Project in November 2012, due to higher estimates of capital and operating costs than those contained in the 2011 Scoping Study, together with the depressed iron ore price and strong exchange rate environment at the time, and lack of progress on the mooted Esperance Port expansion plans.

During the year, Jupiter announced that the Northern and Southern Zones at the Project had added a JORC compliant inferred resource of 615 million tonnes at 28.86% Fe (see Table 1).

With existing Central Zone JORC compliant indicated resource of 1.23 billion tonnes at 29.79% Fe, announced in early September 2012, the total magnetite resource for the Project is now 1.85 billion tonnes at 29.48% Fe.

The updated resource now reflects the total drilling undertaken on the Project for the Feasibility Study, with approximately 100,000 metres of drilling completed.

Inferred Resource Fresh BIF 10% Magnetic Fe Block Grade Cut-off = 10%

Region	Material	Tonnes x 106	Fe %	SiO2 %	Al2O3 %	CaO %	P %	S %	LOI %	MgO %	MnO %
	In situ Total	567	28.63	49.92	2.35	3.47	0.07	0.36	-0.65	2.76	0.09
	In situ Magnetic*	34.26	22.93	2.26	0.02	0.07	0.01	0.17	-1.02	0.05	0.01
South	Concentrate	194	66.93	6.60	0.06	0.21	0.02	0.5	-2.96	0.14	0.03
	In situ Total	48	31.63	48.82	1.54	2.20	0.07	0.12	-0.84	2.07	0.06
	In situ Magnetic*	42.36	28.32	2.97	0.01	0.07	0.01	0.04	-1.32	0.05	0.02
North	Concentrate	20	66.85	7.02	0.03	0.16	0.02	0.09	-3.11	0.13	0.05
	In situ Total	615	28.86	49.84	2.28	3.37	0.07	0.34	-0.67	2.71	0.09
	In situ Magnetic*	34.89	23.35	2.32	0.02	0.07	0.01	0.16	-1.04	0.05	0.01
Total	Concentrate	214	66.92	6.64	0.05	0.20	0.02	0.46	-2.98	0.14	0.04

**In situ Magnetic is the material that reports to the magnetic fraction. The in situ Magnetic quantities in the Tonnes column are expressed as the percentage of the in situ Total tonnes (as estimated from Davis Tube Mass recovery).*

Table 1. *Mount Ida Northern and Southern Zone Magnetite Resource Statement*

Review of Operations (continued)

Figure 7. *Mount Ida – Drill Core*

The metallurgical test work program of the Feasibility Study advanced; high pressure grinding rolls (HPGR) test work was completed with the ore demonstrating a consistent response to the HPGR process. Significant size reduction at low energy consumption was achieved during these tests. Pilot plant tests for the Feasibility Study were completed during September 2012, with the process flow sheet and layouts being finalised.

Detailed planning of some components of the mine layout was undertaken, including a ROM pad, gyratory primary crusher, processing plant, waste rock landform, tailings management facility (2 cells) and supporting infrastructure. The supporting infrastructure includes a gas fired power station, concentrate rail load-out facility and rail loop, accommodation camp, sealed airstrip, gas lateral pipeline from the Goldfields Gas Pipeline, rail line from Menzies, desalination plant and mine access roads.

Infrastructure service providers for the gas lateral pipeline and power station completed key components of the Feasibility Study. Planning was completed on the water exploration drill program with the identification of targets and completion of geophysical gravity surveys over some of those targets.

Review of Operations (continued)

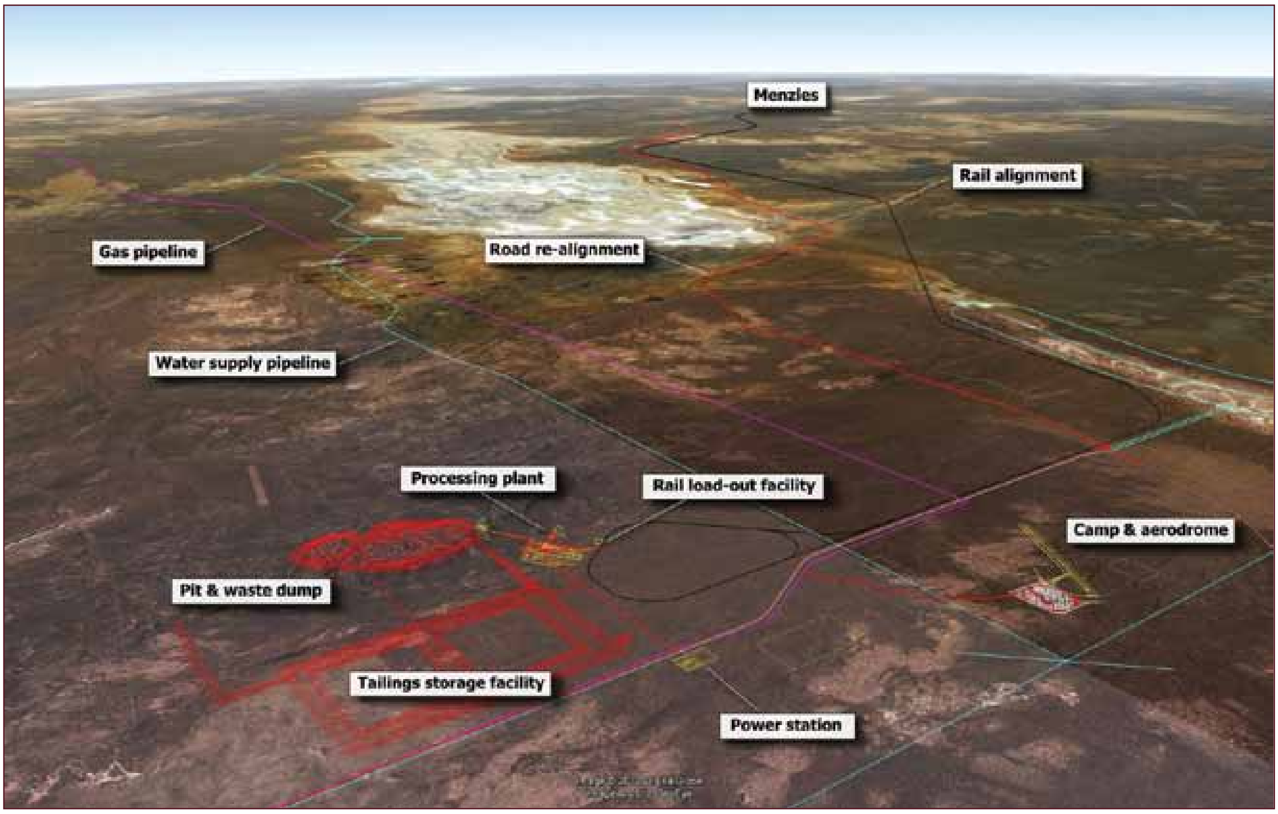

Figure 8. *Mount Ida Site Infrastructure Layout*

All baseline environmental and heritage surveys were completed for Mount Ida, as required under Western Australian mining and environmental approvals legislation. These included:

- Heritage surveys (archaeological and ethnographic) of proposed haul road, airstrip and camp with the two Native Title claimant groups;
- Level 1 fauna survey of proposed haul road, airstrip and campsite; and
- Targeted (priority species) surveys of the proposed mine haul road.

An extensive drill hole rehabilitation was undertaken and completed ahead of schedule and on budget, and required the rehabilitation of over 320 drill hole sites and associated sumps, collection and disposal of bagged drill hole samples, and the rehabilitation of over 36 kilometres of tracks.

Rehabilitation of the Mount Ida drilling sites was of a high standard. All rehabilitation audit and reports on the rehabilitation will be completed by the end of September 2013.

Figure 9. *Mount Ida drill site before rehabilitation*

Review of Operations (continued)

Figure 10. *Mount Ida drill site after rehabilitation*

MOUNT MASON DSO HEMATITE PROJECT

Mount Mason has the potential to be a near term, low CAPEX project with a short payback period and strong positive cash flows.

The focus of the year remained the optimisation of the Feasibility Study. Further work was intended to reduce the operating and capital costs.

The capital cost of accommodation and the operating costs of mining, crushing and ore haulage were considered to be the initial areas of interest. Investigations commenced on the alternative suppliers of accommodation units and initial contacts were made with these suppliers.

Pricing was obtained for mining contracting, crushing, screening and ore haulage from a firm in the Kalgoorlie area and an engineering firm was approached to undertake a conceptual study of a private haul road option.

A detailed layout for the Yunndaga rail siding near Menzies for the loading of rail cars with ore transported by road train from the mine site was completed. A detailed study of surface water management at the site was commenced.

Review of Operations (continued)

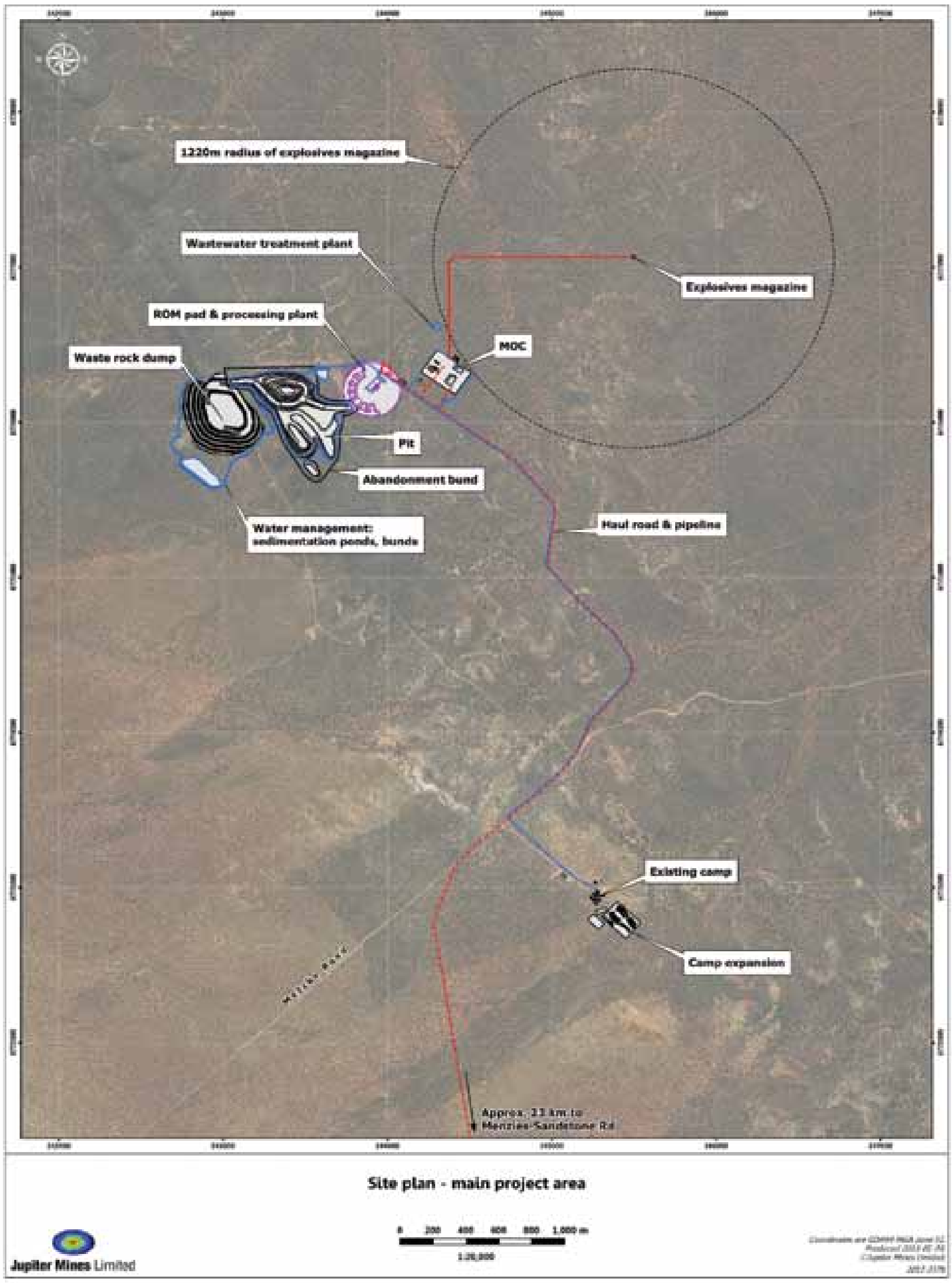

Figure 11. *Mount Mason Site Infrastructure Layout*

All baseline environmental surveys and studies were completed and all the Project Approvals for Mount Mason are expected by December 2013.

Indicative prices were received on ore haulage from the mine site to the Yunndaga rail siding near Menzies using different truck configurations. Operating cost reductions can be achieved using bigger payload options. Preliminary discussions with the Menzies Shire on upgrading the Menzies Sandstone road for the different transport options have commenced.

During the year, Esperance Ports Sea and Land (EPSL) announced that two preferred proponents for the iron ore port expansion have been selected. The successful port proponent is expected to be announced at the end of 2013, with the expansion commencing in 2014.

Review of Operations (continued)

NON-CORE PROJECTS

Minimal activity was undertaken on the Company's non-core assets during the year.

At Jupiter's Oakover Manganese Project, the Company consulted with the Yamatji Marlpa Aboriginal Corporation (YMAC) on behalf of the Njamal people in April to discuss Jupiter's focus at the Oakover project, past surveys completed and proposed work on tenements E45/2638-41 and 3547.

After a successful meeting with the group, a helicopter based heritage survey was organised and carried out during May over the Cove Bore drilling target area on E45/2640 and associated access track through E45/3547.

An interim heritage report was received, which enabled a reconnaissance field trip to be undertaken in June to assess a previously outlined geophysical target on E45/2639 for manganese mineralisation.

A desktop environmental impact assessment report was produced for the Mount Alfred project.

The Oakover Manganese and Klondyke Gold projects are held for sale.

Review of Operations (continued)

SCHEDULE OF MINERAL TENEMENTS

Lease	Name	Status	Applied Date	Grant Date
M29/414-I	Mt Ida	Granted	11/01/2011	25/11/2011
E29/560-I	Mt Ida	Granted	17/03/2004	8/09/2006
E29/777	Mt Ida	Granted	4/06/2010	15/02/2011
E29/801	Mt Ida	Granted	1/11/2010	18/08/2011
L29/78	Mt Ida	Granted	1/09/2009	24/06/2010
L29/79	Mt Ida	Granted	12/01/2010	24/08/2010
L29/99	Mt Ida	Granted	12/11/2010	24/02/2012
L37/203	Mt Ida	Granted	3/05/2010	27/06/2011
L29/81	Mt Ida	Granted	13/05/2010	12/09/2011
L29/106	Mt Ida	Granted	18/03/2011	20/06/2012
G29/22	Mt Ida	Granted	11/01/2011	6/09/2012
L29/120	Mt Ida	Granted	30/09/2012	7/02/2013
L36/214	Mt Ida	Granted	5/09/2012	17/06/2013
L29/100	Mount Ida	Granted	11/01/2011	11/11/2011
M29/408-I	Mt Mason	Granted	6/02/2006	28/11/2007
G29/21	Mt Mason	Granted	22/05/2009	23/03/2010
L29/117	Mt Mason	Granted	7/06/2012	7/12/2012
L29/118	Mt Mason	Granted	7/06/2012	9/11/2012
L29/116	Mt Mason	Granted	7/06/2012	3/01/2013
L29/123	Mt Mason	Granted	25/11/2012	26/03/2013
G29/23	Mt Mason	Granted	5/05/2012	7/02/2013
E45/2638-I	Oakover	Granted	21/04/2004	12/11/2008
E45/2639	Oakover	Granted	21/04/2004	10/06/2009
E45/2640-I	Oakover	Granted	21/04/2004	10/06/2009
E45/2641-I	Oakover	Granted	21/04/2004	10/06/2009
E45/3547	Oakover	Granted	28/10/2009	9/07/2010
E29/581-I	Mt Alfred	Granted	3/03/2005	8/03/2006
E29/726-I	Mt Alfred	Granted	19/03/2009	19/01/2010
M45/552	Klondyke	Granted	13/10/1992	19/01/1993
M45/668	Klondyke	Granted	12/06/1995	29/12/1995
M45/669	Klondyke	Granted	12/06/1995	29/12/1995
M45/670	Klondyke	Granted	12/06/1995	29/12/1995
G37/36	General Purpose – Graten Well	Granted	3/04/2009	17/01/2011
L29/119	Miscellaneous Licence	Application	28/08/2012	–
L29/121	Miscellaneous Licence	Application	30/09/2012	–
L36/215	Miscellaneous Licence	Application	20/10/2012	–
L36/216	Miscellaneous Licence	Application	20/10/2012	–
L36/217	Miscellaneous Licence	Application	20/10/2012	–
L57/45	Miscellaneous Licence	Application	5/09/2012	–
L57/46	Miscellaneous Licence	Application	5/09/2012	–
L29/122	Miscellaneous Licence	Application	30/09/2012	–

Review of Operations (continued)

Expiry Date	Current Area	Current Commitment	Current Rent	Holders
24/11/2032	6461 Ha	$ 646,100.00	$ 93,684.50	Jupiter Mines Ltd. (100%)
7/09/2013	35 Blocks	$70,000.00	$ 8,617.00	Jupiter Mines Ltd. (100%)
14/02/2016	27 Blocks	$27,000.00	$ 3,150.90	Jupiter Mines Ltd. (100%)
17/08/2016	2 Blocks	$19,584.00	$ 3,034.20	Jupiter Mines Ltd. (100%)
23/06/2031	6341 Ha	–	$ 3,170.50	Jupiter Mines Ltd. (100%)
23/08/2031	6886 Ha	–	$ 3,443.00	Jupiter Mines Ltd. (100%)
23/02/2033	64550.49 Ha	–	$25,800.00	Jupiter Mines Ltd. (100%)
26/06/2032	68952.89 Ha	–	$ 30,339.32	Jupiter Mines Ltd. (100%)
11/09/2032	26020.34 Ha	–	$ 10,408.40	Jupiter Mines Ltd. (100%)
19/06/2033	119.44 Ha	–	$ 1,548.00	Jupiter Mines Ltd. (100%)
5/09/2033	9634 Ha	–	$ 124,278.60	Jupiter Mines Ltd. (100%)
6/02/2034	21,720.05210Ha	–	$10,860.50	Jupiter Mines Ltd. (100%)
16/06/2034	19,703.86200Ha	–	$9,852.00	Jupiter Mines Ltd. (100%)
10/11/2032	775 Ha	–	$ 9,997.50	Jupiter Mines Ltd. (100%)
27/11/2028	300 Ha	$ 30,000.00	$ 4,500.00	Jupiter Mines Ltd. (100%)
22/03/2031	95 Ha	–	$ 1,263.50	Jupiter Mines Ltd. (100%)
6/12/2033	90.13910 Ha	–	$1,210.30	Jupiter Mines Ltd. (100%)
8/11/2033	11.66950 Ha	–	$159.60	Jupiter Mines Ltd. (100%)
2/01/2034	25.4759 Ha	–	$345.80	Jupiter Mines Ltd. (100%)
25/03/2034	23.12520Ha	–	–	Jupiter Mines Ltd. (100%)
6/02/2034	1256.7263 Ha	–	$ 16,718.00	Jupiter Mines Ltd. (100%)
11/11/2013	35 Blocks	$ 52,500.00	$ 6,177.50	Jupiter Mines Ltd. (100%)
9/06/2014	28 Blocks	$ 42,000.00	$ 5,080.60	Jupiter Mines Ltd. (100%)
9/06/2014	49 Blocks	$ 73,500.00	$ 8,891.05	Jupiter Mines Ltd. (100%)
9/06/2014	70 Blocks	$ 105,000.00	$ 12,701.50	Jupiter Mines Ltd. (100%)
8/07/2015	61 Blocks	$ 61,000.00	$ 6,923.50	Jupiter Mines Ltd. (100%)
7/03/2015	35 Blocks	$ 105,000.00	$15,872.50	Broadgold Corporation (100%)
18/01/2015	1 Blocks	$ 10,000.00	$ 273.00	Jupiter Mines Ltd. (100%)
18/01/2014	9.713 Ha	$ 10,000.00	$ 150.00	Jupiter Mines Ltd. (75%)
28/12/2016	240 Ha	$ 24,000.00	$ 3,600.00	Jupiter Mines Ltd. (75%)
28/12/2016	120 Ha	$ 12,000.00	$ 1,800.00	Jupiter Mines Ltd. (75%)
28/12/2016	120 Ha	$ 12,000.00	$ 1,800.00	Jupiter Mines Ltd. (75%)
16/01/2032	358.62 Ha	–	$ 4,774.70	Jupiter Mines Ltd. (100%)
–	52.76060 Ha	–	–	Jupiter Mines Ltd. (100%)
–	64.30540Ha	–	–	Jupiter Mines Ltd. (100%)
–	29,849.54040Ha	–	–	Jupiter Mines Ltd. (100%)
–	17,632.42950Ha	–	–	Jupiter Mines Ltd. (100%)
–	5,882.25240Ha	–	–	Jupiter Mines Ltd. (100%)
–	8,703.48460 Ha	–	–	Jupiter Mines Ltd. (100%)
–	31,741.86050Ha	–	–	Jupiter Mines Ltd. (100%)
–	6,590.71530Ha	–	–	Jupiter Mines Ltd. (100%)

Review of Operations (continued)

COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Results is based on information compiled by the following person:

Exploration Manager: Len Skotsch – Competent Person

The information in this report that relates to Exploration Results is based on information compiled by Len Skotsch who is a Member of the Australian Institute of Geoscientists and was a full- time employee of Jupiter Mines Limited. Len Skotsch 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'. Len Skotsch consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Annual Financial Report

FOR THE YEAR ENDED 30 JUNE 2013

ABN 51 105 991 740 CONSOLIDATED ENTITY

Corporate Governance Statement

The Board of Directors of Jupiter Mines Limited is committed to maintaining a high standard of corporate governance in accordance with the Australian Securities Exchange's *Corporate Governance Principles and Recommendations (ASX Principles and Recommendations*). In reviewing the corporate governance structure of the Company, the Board is guided by the ASX Principles and Recommendations. The following table sets out the Company's present position with regard to adoption of the ASX Guidelines:

ASX Recommendation		Comply	Comments
Principle 1 – Lay solid foundation for management and oversight			
1.1	Establish the functions reserved to the Board and those delegated to senior executives and disclose those functions	Yes	**Role of the Board** The Board is responsible to the shareholders for the performance of the Company. The Board takes responsibility for the Company's corporate governance program as outlined in the Board charter. The role of the Board is to govern rather than manage, by providing overall strategic guidance to and effective oversight of management. **Responsibilities of the Board** The Board is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of Jupiter. Board responsibilities are encompassed in the Board Charter, a copy of which can be found on the Company's website, and include: • Develop, review and monitor the Company's long term business strategies and provide strategic direction to management; • Oversee control and accountability systems; • Appointing, evaluating the performance of, rewarding and, if necessary, removing the Managing Director, Chief Financial Officer and Company Secretary; • Review and approve the Company's annual operating budget and financial statements; • Approve and monitor the progress of major capital and operating expenditure; • Monitor compliance with legislative and regulatory requirements; • Oversee management of business risks; and • Monitor the timeliness and effectiveness of reporting to Shareholders. To assist Jupiter in carrying out its responsibilities, the Board has established an Audit Committee and a Remuneration and Nomination Committee, a copy of their Charter can be found on Jupiter's website. **Newly appointed Directors** New Directors receive a formal letter of appointment which sets out the terms of appointment, remuneration responsibilities and performance expectations. Enclosed with the letter is a copy of the Company's constitution, corporate governance policies and charters. The contents of the appointment letter and induction pack contain sufficient information to allow the new Director to gain an understanding of the rights, duties, responsibilities and role of the Board, Board Committees and the Executive Team.

Corporate Governance Statement (continued)

ASX Recommendation		Comply	Comments
1.1	Establish the functions reserved to the Board and those delegated to senior executives and disclose those functions	Yes	New Directors also undergo an induction process which, where possible, will include meeting with key executives and presentations from management in order to gain an understanding of Jupiter's financial position, strategies and operations. No new Directors were appointed during the year. **Management functions** The Board has delegated responsibility for the day-to-day operations of Jupiter to senior executives as set out in the Board Charter. It is the role of senior executives to manage Jupiter in accordance with the direction and delegations of the Board. Key management information is set out in the Director Report section of this Annual Report. **Independent professional advice and access to company information** Each Director has the right of access to all relevant Company information, to the Company's Executives and, subject to prior consultation with the Chairman, may seek independent professional advice from a suitably qualified advisor at the Company's expense to assist them in carrying out their responsibilities. Where appropriate, a copy of this advice is to be made available to all other members of the Board. **Director education** In order to achieve continuing improvement in Board performance, all Directors are encouraged to undergo continual professional development.
1.2	Disclose the process for evaluating the performance of senior executives	Yes	**Performance review and evaluation** All senior executives have formal position descriptions. Long term objectives are set annually, with performance appraised by the Board, and reviewed in detail by the Remuneration & Nomination Committee as part of the senior executive's remuneration review. **Newly appointed executives** Although no new Executives were appointed during the financial year, an informal induction program is in place to enable newly appointed Executives to gain an understanding of Jupiter's financial position, strategies and operations and the respective rights, duties, responsibilities and roles of the Board and the Executive Team.
1.3	Provide the information indicated in the Guide to reporting on Principle 1	Yes	

Corporate Governance Statement (continued)

<table>
<tr><th colspan="2">ASX Recommendation</th><th>Comply</th><th>Comments</th></tr>
<tr><td colspan="4">Principle 2 – Structure the Board to add value</td></tr>
<tr><td>2.1</td><td>A majority of the Board should be independent Directors</td><td>No</td><td>Composition of the Board and details of Directors
Jupiter currently has five Directors at the date of this Annual Report. Mr Brian Gilbertson held the position of Non-Executive Chairman. Mr Paul Murray and Mr Andrew Bell held the position of independent Non-Executive Directors. The remaining Directors being Mr Priyank Thapliyal and Mr Soo-Cheol Shin are Non-Executive Directors.

The Company recognises the importance of Non-Executive Directors and the external perspective and advice that Non-Executive Directors can offer.

Determination of the independence of Directors is made with reference to the ASX Principles and Recommendations' relationships that affect independence and considers whether the non-executive director:

(a) is a substantial shareholder (within the definition of the Corporations Act) of the Company, or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
(b) has, within the last three years, been employed in an executive capacity by the Company or any other Group company;
(c) has, within the last three years, been a principal of a material professional adviser or a material consultant to the Company or an employee materially associated with the service provided. In this context, the relationship with the professional adviser or consultant shall be deemed to be material if payments from the Company exceed $250,000 of the Company's annual expenditure to all professionals and consultants or exceed $250,000 of the recipient's annual revenue for advisory or consultancy services;
(d) is a material supplier or customer of the Company, or an officer of or otherwise associated directly or indirectly with, a material supplier or customer. In this context, the relationship with the supplier or customer shall be deemed to be material if annual payments to or from that supplier or customer exceed $250,000 of the annual consolidated gross revenue of either Jupiter or of that supplier or customer;
(e) has any material contractual relationship with Jupiter other than as a director; or
(f) is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of Jupiter.</td></tr>
</table>

Corporate Governance Statement (continued)

ASX Recommendation		Comply	Comments
2.1	A majority of the Board should be independent Directors	No	Paul Murray and Andrew Bell are independent Non-Executive Directors. However, the Board was not comprised of a majority of independent Directors throughout the 2013 year and as at the date of this Annual Report. The Chairman, Mr Brian Gilbertson is not independent as he is Non-Executive Chairman of Pallinghurst Resources Limited (Pallinghurst) which is a major shareholder of the Company. Mr Priyank Thapliyal is also directly associated with Pallinghurst and therefore not independent. Mr Soo-Cheol Shin is directly associated with POSCO Australia Pty Ltd, also a substantial shareholder of Jupiter and therefore not independent. The Company believes this Board structure is the most appropriate given the stage of development of the Company. **Skills, knowledge and experience of Directors** Further details about the Directors skills, experience and period of office are set out in the Directors' Report section of this Annual Report. **Board meetings** The Board generally holds meetings on a quarterly basis however additional meetings may be called as required. Directors' attendance at meetings for the year is set out in the Director Report section of this Annual Report.
2.2	The chair should be an independent Director	No	Mr Brian Gilbertson is the Chairman of the Company and does not meet the Company's criteria for independence, refer to Principle 2.1 above. The Board believes his experience and industry knowledge makes him the most appropriate person to lead the Board.
2.3	The roles of Chair and Chief Executive Officer should not be exercised by the same individual	Yes	The position of chairman and Chief Executive Officer are not held by the same person.
2.4	The Board should establish a nomination committee	Yes	The Board has established a Remuneration & Nomination Committee (Committee) and its role is set out in a formal charter which is available on Jupiter's website. Details of the members of the Remuneration and Nomination Committee are set out in the Directors Report section of this Annual Report and under Principle 8 below.
2.5	Disclose the process for evaluating the performance of the Board, its committees and individual Directors	Yes	The Remuneration and Nomination Committee is responsible for the evaluation of the Board, committees and individual Directors' performance. The Board has established policies to ensure that Jupiter remunerates fairly and responsibly. The Remuneration Policy of the Board is designed to ensure that the level and composition of remuneration is competitive, reasonable and appropriate to attract and maintain Directors with the requisite skills and experience to guide the Company towards achieving its objectives.
2.6	Provide the information indicated in the Guide to reporting on Principle 2	Yes	

Corporate Governance Statement (continued)

ASX Recommendation	Comply	Comments
Principle 3 – Promote ethical and responsible decision making		
3.1 Establish a code of conduct and disclose the code or a summary of the code as to: • The practices necessary to maintain confidence in the Company's integrity; • The practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders; and • The responsibility and accountability of individuals for reporting and investigating reports of unethical practices	Yes	**Confidentiality** In accordance with legal requirements and agreed ethical standards, Directors and key executives of Jupiter have agreed to keep confidential, information received in the course of the exercise of their duties and will not disclose non-public information except where disclosure is authorised or legally mandated. **Company Code of Conduct and Ethics** As part of its commitment in recognising the legitimate expectations of stakeholders and promoting practices necessary to maintain confidence in the Company's integrity, Jupiter has an established Code of Conduct and Ethics (Code) to guide compliance with legal, ethical and other obligations to legitimate stakeholders and the responsibility and accountability required of the Company's personnel for reporting and investigating unethical practices or circumstances where there are breaches of the Code. These stakeholders include employees, clients, customers, government authorities, creditors and the community as a whole. This Code governs all Jupiter's commercial operations and the conduct of Directors, employees, consultants, contactors and all other people when they represent Jupiter. The Board, management and all employees of Jupiter are committed to implementing this Code and each individual is accountable for such compliance. A copy of the Code is given to all employees, contractors and relevant personnel, including Directors, and is available on the Company's website. **Trading in Jupiter Shares** Jupiter's Share Trading Policy prohibits Directors from taking advantage of their position or information acquired, in the course of their duties, and the misuse of information for personal gain or to cause detriment to the Company. Directors, senior executives and any personnel in possession of information relating to Jupiter that is not generally available, are required to advise Jupiter's Company Secretary of their intentions prior to undertaking any transaction in Jupiter securities. If an employee, officer or Director is considered to possess material non-public information, they will be precluded from making a security transaction until after the time of public release of that information. A copy of Jupiter's Share Trading Policy is available on the Jupiter website.
3.2 Establish a policy concerning diversity and disclose the policy or a summary of that policy.	Yes	The Company has implemented a Diversity Policy which can be viewed on its website. The Diversity Policy is a commitment by the Company to actively seek and maintain a diverse workforce to create a workplace that is fair and inclusive, applies fair and equitable employment practices and provides a working environment that will allow all employees to reach their full potential.

Corporate Governance Statement (continued)

ASX Recommendation		Comply	Comments
3.3	Disclose in each annual report the measurable objectives for achieving gender diversity set by the Board in accordance with the diversity policy and progress towards achieving them	Yes	Jupiter is of the view that any measurable statistical objectives on a diverse workforce must be fit for purpose, in line with the Company strategic objectives and ensure the Company is in compliance with all relevant legislative requirements. At the date of this report, the Company is of the opinion that it is in compliance with all equal employment opportunity and diversity legislative requirements.
3.4	Disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the Board	Yes	Due to the size and scale of operations of the Company, the Board has determined that a long term gender diversity objective is more appropriate. At the date of this report, 0% of Board, 46% of employees and 33% of senior executives are women. The company will look to increase gender diversity at a Board and senior executive level in future years as the Company aims to progress from exploration to construction and ultimately production.
3.5	Provide the information indicated in the Guide to reporting on Principle 3	Yes	
Principle 4 – Safeguard integrity in financial reporting			
4.1	The Board should establish an audit committee	Yes	The Company has established an Audit Committee to assist the Board. The role of the Audit Committee is to assist the Board in its oversight responsibilities in relation to financial management and reporting, external audit and risk management of the Company. The Audit Committee Charter sets out the policy for the selection, appointment and rotation of external audit engagement partners.
4.2	The audit committee should be structured so that it: • Consists only of non-executive Directors; • Consists of a majority of independent Directors; • Is chaired by an independent chair, who is not chair of the Board; and • Has at least three members	Yes	Under its Charter, the Audit Committee must have at least three members, all of which must be non-executive and the majority must be independent. The Charter also requires that all members have a working familiarity with basic accounting and finance practices and that at least one member have financial expertise. The Audit Committee at the date of this report consisted of three non-executive Directors, two of whom are independent. The chairman is an independent Director who is not the Chairman of the Board. Details of the members of the Audit Committee and their attendance at Committee Meetings are set out in the Director's Report section of this Annual Report.
4.3	The audit committee should have a formal charter	Yes	The charter for the Audit Committee is disclosed on the Company's website.
4.4	Provide the information indicated in the Guide to reporting on Principle 4	Yes	

Corporate Governance Statement (continued)

ASX Recommendation		Comply	Comments
Principle 5 – Make timely and balanced disclosure			
5.1	Establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies	Yes	Jupiter is committed to ensuring compliance with the continuous disclosure obligations under the ASX Listing Rules and the Corporations Act. The Board has implemented a formal Continuous Disclosure Policy, a copy of which is available on the Company's website. The Board has designated Jupiter's Company Secretary as the person responsible for overseeing and co-ordinating disclosure of information to the ASX as well as communicating with the ASX.
5.2	Provide the information indicated in the Guide to reporting on Principle 5	Yes	
Principle 6 – Respect the rights of shareholders			
6.1	Design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy	Yes	Jupiter is committed to promoting effective communication with shareholders. The Board has implemented a Shareholder Communications Policy, a copy of which can be found on the website, which ensures information is made available on a timely basis. Jupiter communicates with its shareholders continually and periodically and encourages shareholder participation at annual general meetings. Periodic ASX announcements include the quarterly, half-yearly and annual reports. Copies of all ASX announcements are made available on the Company's website. Shareholders are encouraged to provide an email address to receive electronic copies of all announcements and reports. The independent external auditor attends the annual general meeting to respond to questions from shareholders on the conduct of the audit and the preparation and content of the audit report.
6.2	Provide the information indicated in the Guide to reporting on Principle 6	Yes	
Principle 7 – Recognise and manage risk			
7.1	Establish policies for the oversight and management of material business risks and disclose a summary of those policies	Yes	The Board has accepted and takes ultimate responsibility for identifying, assessing, monitoring, managing and mitigating wherever possible, any material business risks applicable to Jupiter and its operations. It has not established a separate committee to deal with these matters as the Directors consider that the size of Jupiter and its operations does not warrant a separate committee at this time. The Audit Committee is responsible for financial risk management. As part of the audit processes and review throughout the year, the Board receives feedback that management has provided assurances to the auditors in relation to parts of the risk management framework. Details of the Companies financial risks can be found in the Notes to the accounts in this Annual Report.

Corporate Governance Statement (continued)

ASX Recommendation		Comply	Comments
7.2	Require management to design and implement the risk management and internal control system to manage the Company's material business risks and report to it on whether those risks are being managed effectively. The Board should disclose that management has reported to it as to the effectiveness of the Company's management of its material business risk	Yes	The Company is committed to the identification, monitoring and management of material business risks of its activities. The Board delegates the adequacy and content of risk reporting to management. The Board reviews the material business risks determined and reported by executive management on a regular basis and ensures that an effective, integrated and comprehensive risk management system and process is being operated by management. In addition, the Chief Executive Officer and Chief Financial Officer formally report and make statements to the Board pursuant to Recommendation 7.3. The Company's personnel are responsible for adhering to the Occupational Health and Safety Policy as part of the risk management process.
7.3	Disclose whether it has received assurance from the Chief Executive Officer (or equivalent) and the Chief Financial Officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks	Yes	In accordance with Recommendation 7.3 of the *ASX Principles*, the Chief Executive Officer and Chief Financial Officer have stated in writing to the Board: "That: 1. The statement given in accordance with section 295A of the *Corporations Act*, the integrity of financial statements is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and 2. Jupiter Mines Limited's risk management and internal compliance and control system is operating efficiently and effectively in all material respects in relation to financial reporting risks."
7.4	Provide the information indicated in the Guide to reporting on Principle 7	Yes	
Principle 8 – Remunerate fairly and responsibly			
8.1	Establish a remuneration committee	Yes	The Board has established a Remuneration and Nomination committee. The Committee's main responsibilities are to assess the necessary competencies of the Board, review Board succession plans, develop processes for evaluation of the Board and the appointment and re-election of Directors with reference to the guidance set out in the Board Charter and makes recommendations to the Board regarding the remuneration of senior executives, executive Directors and non-executive Directors. The Remuneration and Nomination Committee Charter is available on the Company's website under "Corporate Governance".

Corporate Governance Statement (continued)

ASX Recommendation		Comply	Comments
8.2	The remuneration committee should be structured so that it: • Consists of a majority of independent Directors • Is chaired by an independent chair • Has at least three members	Yes	Pursuant to the Remuneration and Nomination Committee Charter, the Committee must have at least three members, all of which must be non-executive and the majority must be independent. The Committee at the date of this report consisted of three non-executive Directors, two of who are independent. The chairman is an independent Director who is not Chairman of the Board. Details of the members of the Remuneration and Nomination Committee and their attendance at Committee Meetings are set out in the Director's Report section of this Annual Report.
8.3	Distinguish the structure of non-executive Directors remuneration from that of executive Directors and senior executives		In accordance with the Constitution of Jupiter, shareholders determine the aggregate annual remuneration of the Non-Executive Directors. It is the Board's policy to issue option packages to Non-Executive Directors after a qualifying period of six months service on the Board, and with the approval of shareholders at a general meeting. The Board believes that this policy assists in attracting Non-Executive Directors who have the requisite skills to add value to the Board. Remuneration of all Directors paid during the year is set out in the Remuneration Report and in Note 5 to the Financial Statements. Further details on the structure of Executive Directors, Non-executive Directors and senior executives' remuneration are set out in the Remuneration Report on pages 34 to 39 of this Annual Report. Non-Executive Directors are eligible to receive options over the Company's shares at the time of their retirement where it is considered an appropriate element of remuneration in situations when the Non-Executive's skills and experiences are recognised as important to the Company's objectives and future development. The terms of the options are set out in agreements between the Company and Non-Executive Directors and will vary depending on the age of the relevant Director at the time of retirement. Directors and senior executives are not permitted to enter into transactions with securities (or any derivative thereof) which limit the economic risk of any unvested entitlements awarded under any equity-based remuneration scheme currently in operation or which will be offered by the Company in the future. However, Directors and senior executives will consult with the Chairman if they are considering, or if they are not sure, as to whether entering into transactions may limit the economic risk of unvested entitlements they may have.
8.4	Provide the information indicated in the Guide to reporting on Principle 8	Yes	

Directors' Report

In accordance with a resolution of Directors, the Directors present their Report together with the Financial Report of Jupiter Mines Limited (Jupiter) and its wholly owned subsidiaries (together referred to as the Consolidated Entity) for the financial year ended 30 June 2013 and the Independent Audit Report thereon.

DIRECTORS

The Directors of Jupiter at any time during or since the end of the financial year are as follows:

Non-Executive

- Brian Patrick Gilbertson
- Paul Raymond Murray
- Andrew Bell
- Soo-Cheol Shin
- Priyank Thapliyal

Additional information is provided below regarding the current Directors.

Brian Patrick Gilbertson BSc (Maths and Physics), BSc (Hons) (Physics), MBL, PMD45
(Chairman: Non-Executive Director)

Mr Gilbertson was appointed a Director on 22 June 2010.

Mr Gilbertson has extensive experience in the global natural resources industry. He was Managing Director of Rustenburg Platinum Mines Limited in the 1980's, a period during which the company gained recognition as the world's foremost producer of platinum. In the 1990's, as Executive Chairman of Gencor Limited, he led the restructuring of the South African mining industry into the post-Apartheid era, transforming Gencor Limited into a focused mineral and mining group. During this period he held ultimate responsibility for Impala Platinum Holdings, for Samancor Limited (the world's largest producer of manganese and chrome ore and alloys) and for Trans-Natal Coal Corporation (a major coal producer and exporter). Important new initiatives included the Hillside and Mozal aluminium smelters, the Columbus stainless steel plant, and the purchase of the international mining assets (Billiton plc) of the Royal Dutch Shell Group.

In 1997, Gencor Limited restructured its non-precious metals interests as Billiton plc. With Mr Gilbertson as Executive Chairman, Billiton plc raised US$1.5 billion in an initial public offering on the LSE, taking the company into the FTSE 100. Separately, Mr Gilbertson worked to merge the gold operations of Gencor and Gold Fields of South Africa, creating Gold Fields Limited, a leader in the world gold mining industry. He served as its first Chairman until October 1998. In 2001, Billiton plc merged with BHP Limited to create what is widely regarded as the world's premier resources company, BHP Billiton plc. Mr Gilbertson was appointed its second Chief Executive on 1 July 2002.

In late 2003, Mr Gilbertson led mining group Vedanta Resources plc (Vedanta) to the first primary listing of an Indian company on the London Stock Exchange in the second largest IPO of the year (US$876 million). He served as Chairman of Vedanta until July 2004.

He was appointed President of Sibirsko-Uralskaya Aluminium Company (SUAL), the smaller aluminium producer in Russia and led that company into the US$30 billion merger with RUSAL and the alumina assets of Glencore International A.G., creating the largest aluminium company in the world.

Mr Gilbertson established Pallinghurst Advisors LLP and Pallinghurst (Cayman) GP L.P. during 2006 and 2007 respectively, to develop opportunities on behalf of a group of natural resource investors, which currently own 86% of Jupiter.

Mr Gilbertson is a British and South African citizen. He has not been a Director of any other ASX listed company in the past three years.

Directors' Report (continued)

Paul Raymond Murray FFin, CPA
(Independent Non-Executive Director, Remuneration Committee Chairman, Audit Committee Chairman)

Mr Murray was appointed as a Director on 20 August 2003.

Mr Murray has served on the Board and consulted to a number of ASX listed resource exploration companies.

With a business career spanning 50 years, he has also been responsible for the successful listing on the ASX of a number of public companies.

Mr Murray has been a Director of Great Western Minerals Limited, Consolidated Western Areas Limited and Global Mineral Resources Limited.

Andrew Bell B.A. (Hons), M.A., LLB (Hons), FGS
(Independent Non-Executive Director, Audit Committee Member, Remuneration Committee Member)

Mr Bell was appointed as a Director of Jupiter on 19 May 2008.

Mr Bell is Chairman of Red Rock Resources plc, a company listed on the AIM market of the London Stock Exchange Ltd. He was a natural resources analyst in London in the 1970s, then specialised in investment and investment banking covering the Asian region. He has been involved in the resource and mining sectors in Asia since the 1990s, and has served on the Boards of a number of listed resource companies. He is a Fellow of the Geological Society.

Mr Bell is presently on the following Boards:

- Chairman and Non-Executive Director of Resource Star Limited (ASX: RSL) since 2007
- Red Rock Resources plc, (AIM:RRR) since 2005
- Chairman of Regency Mines plc (AIM: RGM) since 2004
- Greatland Gold plc (AIM: GGP) since 2005

Priyank Thapliyal Metallurgical Engineer, B Tech, M Eng, MBA (Western Ontario, Canada)
(Non-Executive Director, Audit Committee Member, Remuneration Committee Member)

Mr Thapliyal was appointed as a Non-Executive Director of Jupiter on 4 June 2008.

Mr Thapliyal has been charged with implementing the Pallinghurst Resources Steel Making Materials strategy through Jupiter.

Mr Thapliyal a founding partner of Pallinghurst Advisors LLP, joined Sterlite Industries in 2000 as a US$100 million firm, serving as deputy to the owner Mr. Anil Agarwal. He implemented the strategies that led to Sterlite becoming Vedanta Resources plc (including its US$870 million London IPO), a FTSE 100 company which was valued at US$7.5 billion at the time of his departure in October 2005.

Mr Thapliyal led Vedanta's US$50 million investment in Konkola Copper Mines, Zambia, in 2004, a stake currently valued at more than US$1 billion. Priyank was a former mining and metals investment banker with CIBCWM, Toronto Canada and is a qualified Metallurgical Engineer, MBA (Western Ontario, Canada) and former Falconbridge employee.

Mr Thapliyal has not been a Director of any other ASX listed companies in the past three years.

Directors' Report (continued)

Soo-Cheol Shin
(Non-Executive Director)

Mr Shin was appointed as a Director of Jupiter on 19 March 2012.

Mr Shin holds a Bachelor of Arts in Public Administration and joined POSCO in 1989.

Mr Shin has held a variety of positions throughout his career including Project Manager, POSCO Australia Pty Ltd; Team Leader, Coal Procurement Group; Team Leader, Steel Making Raw Materials Procurement Group and Group Leader, Raw Materials Transportation Group. He was appointed Managing Director of POSCO Australia in February 2012.

Mr Shin has extensive experience in the management of natural resource projects both international and within Australia.

Mr Shin has been a Non-Executive Director of Cockatoo Coal Limited (ASX: COK) since 2012, Sandfire Resources NL (SFR) since 2012 and Murchison Metals Limited (ASX: MMX) since 2012.

Company Secretary

Ms Melissa North BCom, CA was appointed as Company Secretary on 15 November 2012. Ms North is also the Chief Financial Officer of Jupiter.

Ms North has an extensive background in finance management and business advisory with groups such as Grant Thornton and Chime Communications (London).

Significant Changes in the State of Affairs

Jupiter has chosen to temporarily suspend work on the Mount Ida Feasibility Study during the year ended 30 June 2013. The project may be restored once more favorable economic conditions return and there is a viable port option. Future strategy will focus on developing and consolidating the existing iron ore and manganese assets, and to expand its portfolio of steel feed related commodities.

Principal Activities

The principal activities of Jupiter during the year have been the development and operation of its Tshipi manganese mine.

Directors' Report (continued)

Review of Results and Operations

The consolidated results of Jupiter for the financial year was a loss of $7,063,539 after income tax benefit of $117,540 (2012: loss of $13,250,382 after an income tax expense of $709,733). Further details of the results of the Consolidated Entity are set out in the accompanying financial statements in this Annual Report.

A summary of announcements made by Jupiter during the year ended 30 June 2013 is set out below:

Date	Announcement and Activities
19 July 2012	Announced $40 million placement at $0.16 to ABP and subsequent rights issue at the same price.
13 August 2012	Announced details of non-renounceable entitlement offer.
3 September 2012	Announced issue of 225,001,339 shares under non-renounceable entitlement offer, totalling $36 million.
5 September 2012	Announced "Mount Ida Magnetite Resource Increases 132% to 1.2Bt".
16 October 2012	Announced "Tshipi Progress Report – First Ore".
8 November 2012	Announced "Mount Ida Update – Spending Freeze".
20 November 2012	Announced "Tshipi Progress Report – First Train Loaded"
21 December 2012	Announced "Tshipi Progress Report – First Shipment"
8 January 2013	Announced "Mount Ida Resource Upgrade".
21 March 2013	Announced "Tshipi Progress Report – Tshipi Borwa Mine Signs Transnet Contract"

Dividends

No dividends were paid or declared during the year by Jupiter.

Financial Position

During the year, Jupiter issued shares to a value of $75,846,722 (2012: $542,380) net of transaction costs. At 30 June 2013, Jupiter held $63,478,108 in cash and cash equivalents compared with $65,004,419 at 30 June 2012 and had carried forward exploration expenditure of $57,790,631 compared with $50,326,038 at 30 June 2012.

Significant Events After Reporting Date

These financial statements were authorised for issue on 26 September 2013 by Director Brian Gilbertson.

On 2 July 2013, the Company announced that a consortium of existing Jupiter shareholders, led by Pallinghurst Steel Feed (Dutch) BV ("PSF", together the "PSF Consortium") had acquired 63,209,435 shares at $0.07 per share.

Mr Greg Durack announced his resignation as Chief Executive Officer on 16 July 2013, and Mr Priyank Thapliyal took up the position of Acting Chief Executive Officer upon Mr Durack's departure.

On 5 September 2013, the Company announced the creation of OM Tshipi (S) Pte Ltd, a Singaporean-based company jointly owned by Jupiter Kalahari (Mauritius) Limited, Ntsimbintle Mining Pty Ltd and OM Materials Trades (S) Pte Ltd. This joint venture provides for the marketing of the manganese ore produced by Tshipi.

Likely Developments

The Directors intend Jupiter to proceed with exploration and development of Jupiter's existing mineral interests should these be economically viable.

Further information about likely developments and expected results of operations in future financial years has been omitted from this Report because disclosure would be likely to result in unreasonable prejudice to Jupiter.

Further information about Jupiter's business strategies and its prospects for future financial years has been omitted from this Report because disclosure of the information is likely to result in unreasonable prejudice to Jupiter.

Directors' Report (continued)

Environmental Regulations and Performance

Jupiter's operations are subject to general environmental regulation under the laws of the States and Territories of Australia and South Africa. The various exploration interests held by Jupiter impose future environmental obligations for site remediation following sampling and drilling programs.

The Board is aware of these requirements and management is charged with ensuring compliance. The Directors are not aware of any breaches of these environmental regulations and licence obligations during the year.

Options and Rights

As at 30 June 2013, there were 3,200,000 (2012: 6,700,000) options over unissued shares in the capital of Jupiter, details of which are set out in Note 23 of the attached Financial Statements. No options were granted during the financial year.

No options were granted during the financial year.

No options were exercised during the financial year.

Since 30 June 2013 to the date of this Annual Report, nil options have been exercised, no options have been granted.

3,500,000 (2012: 1,180,000) options lapsed or were cancelled during the financial year.

Meetings – Attendance by Directors

Board Meetings

The number of Directors' meetings and the number of meetings attended by each of the Directors of Jupiter during the financial year under review are:

Director	Number of meetings held during the tenure of the Director	Number of meetings attended
Brian Gilbertson	4	4
Paul Murray	4	4
Priyank Thapliyal	4	4
Andrew Bell	4	4
Soo-Cheol Shin	4	4

Committee Meetings

The number of committee meetings and the number of meetings attended by each of the Directors of Jupiter during the financial year under review are:

Director	Audit Committee meetings attended	Audit Committee meetings held during tenure	Remuneration Committee meetings attended	Remuneration Committee meetings held during tenure
Paul Murray	2	2	1	1
Andrew Bell	2	2	1	1
Priyank Thapliyal	2	2	1	1

Directors' Report (continued)

Directors' Interests

Particulars of Directors' interests in securities as at the date of this report are as follows:

Director	Ordinary Shares	Options over Ordinary Shares
Brian Gilbertson[1]	-	-
Paul Murray	1,260,000	-
Andrew Bell[2]	-	-
Priyank Thapliyal[3]	14,813,155	-
Soo-Cheol Shin[4]	-	-

1 Brian Gilbertson as the Chairman of Pallinghurst Resources Limited (listed on the JSE and BSX) has a relevant interest in Pallinghurst Steel Feed Dutch (B.V.) (PSF). PSF is the registered owner of 380,236,843 Ordinary Shares.

2 Andrew Bell as the Chairman and Director of Red Rock Resources plc has a relevant interest in Red Rock Resources plc (RRR). RRR is the registered owner of 60,200,832 Ordinary Shares.

3 Priyank Thapliyal is a Director of PSF and therefore has a relevant interest in PSF. PSF is the registered owner of 380,236,843 Ordinary Shares.

4 Soo-Cheol Shin is the Managing Director of POSCO Australia Pty Ltd, has a relevant interest in POSCO Australia Pty Ltd (POSCO) and POSCO Australia GP PTY LTD (POSA GP). POSCO is the registered owner of 66,249,191 Ordinary Shares, POSA GP is the registered owner of 323,461,584 shares.

Unissued shares under option

Up until the date of this report, there are no further unissued shares under option.

Shares issued during or since the end of the year as a result of exercise

During or since the end of the financial year, the Company did not issue any ordinary shares as a result of the exercise of options.

Directors' Report (continued)

Contracts with Directors

There are no agreements with any of the Directors.

Indemnification and Insurance of Officers and Auditors

Since the end of the previous financial year, Jupiter has paid premiums to insure the Directors and Officers of the Consolidated Entity. Details of the nature of the liabilities covered and the amount of premium paid in respect of Directors' and Officers' insurance policies preclude disclosure to third parties.

Jupiter has not paid any premiums in respect of any contract insuring its auditor against a liability incurred in that role as an auditor of Jupiter. In respect of non-audit services, Grant Thornton Audit Pty Ltd, Jupiter's auditor has the benefit of an indemnity to the extent Grant Thornton Audit Pty Ltd reasonably relies on information provided by Jupiter which is false, misleading or incomplete. No amount has been paid under this indemnity during the financial year ending 30 June 2013 or to the date of this Report.

Non-Audit Services

The Board of Directors is satisfied that the provision of non-audit services during the financial year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided does not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The following fees were paid or payable to Grant Thornton Australia Limited for non-audit services provided during the year ended 30 June 2013:

	$
Taxation and other services	21,520
	21,520

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2013 has been received and can be found on page 40 of the Annual Report.

Proceedings on behalf of Jupiter

No person has applied for leave of Court to bring proceedings on behalf of Jupiter or intervene in any proceedings to which Jupiter is a party for the purpose of taking responsibility on behalf of Jupiter for all or any part of those proceedings. Jupiter was not a party to any such proceedings during the year.

The Consolidated Entity was not a party to any such proceedings during the year.

Directors' Report (continued)

REMUNERATION REPORT (AUDITED)

This report details the nature and amount of remuneration for each Director of Jupiter Mines Limited and for the Key Management Personnel.

Remuneration Policies and Practices

In relation to remuneration issues, the Board has established policies to ensure that Jupiter remunerates fairly and responsibly. The remuneration policy of the Board is designed to ensure that the level and composition of remuneration is competitive, reasonable and appropriate for the results delivered and to attract and maintain desirable Directors and employees.

The remuneration structures reward the achievement of strategic objectives to achieve the broader outcome of creation of value for shareholders. The Remuneration & Nomination Committee reviews and recommends to the Board on matters of remuneration policy and specific emolument recommendations in relation to senior management and Directors.

The Board of Jupiter Mines Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and Directors to run and manage the Consolidated Entity, as well as create goal congruence between Directors, executives and shareholders.

Non-Executive Director Remuneration

Fees

Non-Executive Director fees are determined within an aggregate Directors' fee pool limit, which are periodically approved by shareholders in general meeting. The current limit is $400,000. During the year ended 30 June 2013, $110,000 of the fee pool was used.

Equity Participation

Non-Executive Directors' remuneration may be by way of a fixed annual fee which is supplemented by the issue of incentive options under the Jupiter Mines Limited Employee Option Plan and is subject to the approval of shareholders in a general meeting. There were no options issued to Directors during the year.

Retirement Benefits

Non-Executive Directors do not receive retirement benefits, other than statutory superannuation entitlements.

Other Key Management Personnel Remuneration

Other Key Management Personnel (including Executive Directors) are offered a base salary, which is reviewed on a periodic basis, having regard to market practices and the skills and experience of the Executive and is not linked to the performance of the Consolidated Entity in any way.

Other Key Management Personnel receive other benefits as part of their type of employment, which may include a mobile phone and laptop.

Selected Other Key Management Personnel are invited to participate in the Jupiter Mines Limited Employee Option Plan.

There are no termination benefits payable to Other Key Management Personnel, other than payment of their statutory outstanding entitlements such as annual and long services leave.

Directors' Report (continued)

Relationship between Remuneration Policy and Jupiter's Performance

Details of the Jupiter Mines Limited Employee Option Plan (Plan) and specific information on the performance conditions are set out below:

Description	Rationale
Options are offered to select employees and Key Management Personnel of Jupiter. Non-Executive Directors are entitled to participate in the Option Plan as well. Subject to the achievement of service conditions, options may vest and be converted into ordinary Jupiter shares on a one-for-one basis. An exercise price is payable upon the conversion of options. There are no voting or dividend rights attaching to the options until they are exercised by the employee, at which point ordinary shares which rank equally with all other Jupiter shares are issued and quoted on the ASX. The options cannot be transferred and will not be quoted on the ASX. All options expire on the earlier of their expiry date or termination of the individual's employment.	The Option Plan is designed to reward and retain Directors, Key Management Personnel and select employees of Jupiter. The vesting conditions have been designed to ensure correlation between Jupiter's share price performance and value delivered to shareholders. Only when the share price increases can options vest and be exercised; share price increases are one of the considerations of the consequences of Jupiter's performance on shareholder wealth for the purposes of 300A(1AB) of the *Corporations Act*. The Plan therefore not only aligns the interests of shareholders and participants alike, but in turn assists in increasing shareholder value.

Anti-Hedging Policy

No Jupiter employee is permitted to enter into transactions with securities (or any derivative thereof) which limit the economic risk of any unvested entitlements awarded under any Jupiter equity-based remuneration scheme currently in operation or which will be offered by Jupiter in the future.

As part of Jupiter's due diligence undertaken at the time of half and full year results, Jupiter's equity plan participants are requested to confirm that they have not entered into any such prohibited transactions.

Continuous Improvement

Jupiter will continually review all elements of its remuneration philosophy to ensure that they are appropriate from the perspectives of governance, disclosure, reward and market conditions.

Consequences of performance on shareholder wealth

In considering the Group's performance and benefits for shareholder wealth, the Board have regard to the following indices in respect of the current financial year and the previous four financial years:

	2013	2012	2011	2010	2009
EPS (cents)	(0.0032)	(0.0073)	(0.0018)	(0.0075)	(5.4400)
Dividends (cents per share)	–	–	–	–	–
Net profit/(loss) ($000)	(6,627)	(16,379)	(5,067)	(2,962)	(10,190)
Share price ($)	0.07	0.16	0.44	0.22	0.19

Directors' Report (continued)

Remuneration Summary

The information provided here is that required under section 300A of the Corporations Act and Accounting Standard AASB 124 Related Party Disclosures and Jupiter has assumed the benefit of the exemption contained in the Corporations Regulation 2M.3.03.

Key Management Personnel Remuneration 2013

Key Management Person		Short-term Benefits				Post-employment Benefits	Other Long-term Benefits	Share-based Payment		Total	Performance Related
		Cash, salary Commissions	Cash profit share	Non-cash benefit	Other	Superannuation	Other	Equity	Options		
	Position	$	$	$	$	$	$	$	$	$	%
Directors											
Mr B P Gilbertson		-	-	-	-	-	-	-	-	-	-
Mr P R Murray		55,000	-	-	-	-	-	-	-	55,000	-
Mr P Thapliyal		-	-	-	-	-	-	-	-	-	-
Mr A Bell		55,000	-	-	-	-	-	-	-	55,000	-
Mr Soo-Cheol Shin		-	-	-	-	-	-	-	-	-	-
Mr R Mehan[1]		85,471	-	-	-	11,198	-	-	-	96,669	-
Key Management Personnel											
Mr G Durack	Chief Executive Officer	344,460	-	-	-	25,000	-	-	-	369,460	-
Mr M Finkelstein[2]	Chief Financial Officer & Company Secretary	99,749	-	-	-	11,970	-	-	-	111,719	-
Ms M North	Chief Financial Officer & Company Secretary	159,664	-	-	-	19,160	-	-	-	178,824	-
		799,344	**-**	**-**	**-**	**67,328**	**-**	**-**	**-**	**866,672**	**-**

1 Resigned 5 June 2012, Relates to termination payment

2 Resigned 15 November 2012

Directors' Report (continued)

Key Management Personnel Remuneration 2012

Key Management Person		Short-term Benefits				Post-employment Benefits	Other Long-term Benefits	Share-based Payment		Total	Performance Related
		Cash, salary Commissions	Cash profit share	Non-cash benefit	Other	Superannuation	Other	Equity	Options[1]		
	Position	$	$	$	$	$	$	$	$	$	%
Directors											
Mr B P Gilbertson		-	-	-	-	-	-	-	-	-	-
Mr P R Murray		55,000	-	-	-	-	-	-	-	55,000	-
Mr P Thapliyal		-	-	-	-	-	-	-	-	-	-
Mr A Bell		50,417	-	-	-	-	-	-	-	50,417	-
Mr S M Woo		-	-	-	-	-	-	-	-		-
Mr R Mehan[2]		514,031	-	-	-	50,000	-	-	-	564,031	-
Mr Soo-Cheol Shin		-	-	-	-	-	-	-	-	-	-
Key Management Personnel											
Mr G Durack	Chief Executive Officer	288,527	-	-	-	30,151	-	-	62,479	381,157	16.4
Mr M Finkelstein	Chief Financial Officer & Company Secretary	191,055	-	-	-	19,945	-	-	41,653	252,653	16.5
		1,099,030	**-**	**-**	**-**	**100,096**	**-**	**-**	**104,132**	**1,303,258**	**-**

1 For a breakdown of these options, please refer to the table below

2 Resigned 5 June 2012

Directors' Report (continued)

Options and Rights over Equity Instruments Granted as Compensation

Details of entitlement to options over ordinary shares in Jupiter that were granted as compensation to the key management personnel during the reporting period and details on options that vested during the reporting period are as follows:

Shares Issued on Exercise of Compensation

Ordinary Shares 2013

No ordinary shares were issued in 2013 by key management personnel.

Options 2013

No options were exercised during 2013 by key management personnel.

Ordinary Shares 2012

No ordinary shares were issued in 2012 by key management personnel.

Options 2012

	No. of Ordinary Shares Issued	Amount Paid per Share	Amount Unpaid per Share
Key Management Personnel			
Paul Murray	500,000	$0.20	–
Paul Murray	500,000	$0.25	–
	1,000,000	**–**	**–**

Options Granted as Remuneration 2013

No options were granted as remuneration in 2013.

Options Granted as Remuneration 2012

	Options Granted as Part of Remuneration $	Total Remuneration Represented by Options %	Options Exercised $	Options Lapsed $	Total $
Key Management Personnel					
Mr G Durack	62,479	16.4	–	–	62,479
Mr M Finkelstein	41,653	16.5	–	–	41,653
	104,132	**–**	**–**	**–**	**104,132**

Directors' Report (continued)

Summary of Key Contract Terms

Remuneration arrangements for Key Management Personnel are formalised in employment agreements. Details are provided below.

Other Key Management Personnel

All other Key Management Personnel have rolling contracts with either a standard 1 or 3 month termination notice period.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits are reviewed annually by the Board, based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives can receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the Group and adds additional value to the executive.

Consolidated entity performance and link to remuneration

The Directors' remuneration levels are not directly dependent upon the Group or Company's performance or any other performance conditions. However, practically, whether shareholders vote for or against an increase in the aggregate director remuneration will depend upon, amongst other things, how the Group and Company have performed.

Use of remuneration consultants

During the financial year ended 30 June 2013, the Company did not engage remuneration consultants, to review its existing remuneration policies and provide recommendations on how to improve both short-term and long-term incentives.

Voting and comments made at the Company's 2012 Annual General Meeting ('AGM')

At the last AGM 97.61% of the shareholders voted to adopt the remuneration report for the year ended 30 June 2012. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

End of Audited Remuneration Report

Corporate Governance

The Directors aspire to maintain the standards of Corporate Governance appropriate to Jupiter. Jupiter's Corporate Governance Statement is set out on pages 18 to 26 of this Report.

This report is signed in accordance with a resolution of the Board of Directors.

Brian Gilbertson

Perth

26 September 2013

Auditor's Independence Declaration

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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 audit of Jupiter Mines Limited for the year ended 30 June 2013, 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

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

C A Becker
Partner - Audit & Assurance

Perth, 26 September 2013

Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2013

	Note	Consolidated Group 2013 $	2012 $
Revenue	2	19,377,142	-
Less cost of goods sold	3	(17,220,242)	-
Gross Margin		**2,156,900**	**-**
Other income	2	4,683,568	6,490,231
Depreciation and amortisation expense	3	(244,839)	(208,403)
Finance costs	3	(303,702)	(20,473)
Director and secretarial costs		(326,578)	(275,383)
Impairment of exploration interests	18	(1,573,618)	(103,703)
Impairment of property, plant and equipment	15	(8,814)	(83,833)
Impairment of available-for-sale financial assets	13	(882,901)	(3,366,577)
Insurance costs		(119,880)	(107,782)
Legal and professional costs		(674,867)	(814,999)
Travel and entertaining costs		(218,331)	(168,758)
Occupancy costs		(890,828)	(543,388)
Consultancy fees		(47,842)	(296,962)
Administration expenses		(328,050)	(333,213)
Employee benefits expense		(1,557,547)	(1,823,221)
Directors', employees & consultant option expenses		(189,344)	(262,616)
Foreign exchange losses		(6,551,529)	(11,908,131)
Other expenses		(102,876)	(132,904)
Loss before income tax		(7,181,078)	(13,960,115)
Income tax (expense)/benefit	4	117,540	709,733
Loss for the year		(7,063,538)	(13,250,382)
Net loss attributable to members of the parent entity		(7,063,538)	(13,250,382)
Items that may be released to profit and loss in future periods:			
Other comprehensive income/(loss)			
Net fair value gain/(loss) on revaluation of financial assets		621,038	(437,407)
Foreign currency exchange differences on translating foreign controlled operations	23	(184,137)	(2,691,398)
Other comprehensive gain/(loss) for the year, net of tax		**436,901**	**(3,128,805)**
Total comprehensive loss for the year		**(6,626,638)**	**(16,379,187)**
Overall Operations			
Basic loss per share (cents per share)	8	(0.0032)	(0.0073)
Diluted loss per share (cents per share)	8	(0.0032)	(0.0073)

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

FOR THE YEAR ENDED 30 JUNE 2013

	Note	Consolidated Group 2013 $	Consolidated Group 2012 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	9	63,478,108	65,004,419
Trade and other receivables	10	8,160,186	2,354,420
Inventories	11	10,312,261	–
Assets held for sale	12	5,830,826	–
Financial assets	13	2,189,721	2,451,585
Other current assets	17	3,188,927	2,360,261
TOTAL CURRENT ASSETS		93,160,029	72,170,685
NON-CURRENT ASSETS			
Property, plant and equipment	15	13,204,347	6,441,487
Intangible assets	16	868,881	221,690
Mining reserve	19	403,723,031	374,633,122
Other non-current assets	17	52,189,308	24,968,495
Exploration and evaluation assets	18	57,790,631	50,326,038
TOTAL NON-CURRENT ASSETS		527,776,198	456,590,832
TOTAL ASSETS		620,936,227	528,761,517
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	20	7,443,479	5,009,091
Provisions	21	255,680	153,508
TOTAL CURRENT LIABILITIES		7,699,159	5,162,599
NON-CURRENT LIABILITIES			
Deferred tax liability	19	90,057,793	90,092,871
Borrowings	19	42,508,141	19,259,312
Provisions	21	1,259,261	4,244,290
TOTAL NON-CURRENT LIABILITIES		133,825,195	113,596,473
TOTAL LIABILITIES		141,524,354	118,759,072
NET ASSETS		**479,411,873**	**410,002,445**
EQUITY			
Issued capital	22	526,639,293	450,792,571
Reserves	23	(2,113,001)	(2,279,693)
Accumulated losses		(45,114,419)	(38,510,433)
TOTAL EQUITY		**479,411,873**	**410,002,445**

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2013

		(Issued Capital)		(Reserves)				
	Note	Ordinary $	Options $	Options $	Financial Assets $	Foreign Currency Translation	Accumulated Losses $	Total $
Balance at 1 July 2011		**456,510,087**	**–**	**670,400**	**437,407**	**(268,811)**	**(25,350,171)**	**431,998,912**
Loss attributable to members of parent entity		–	–	–	–	–	(13,250,382)	(13,250,382)
Total other comprehensive loss for the year		–	–	–	(437,407)	(2,691,398)	–	(3,128,805)
Total comprehensive loss for the year		**–**	**–**	**–**	**(437,407)**	**(2,691,398)**	**(13,250,382)**	**(16,379,187)**
Shares issued during the year, net of transaction costs		(6,259,897)	–	–	–	–	–	(6,259,897)
Options recognised during the period	23(a)	–	–	262,616	–	–	–	262,616
Conversion of options	22	542,381	–	(252,500)	–	–	90,120	380,001
Sub-total		(5,717,516)	–	10,116	(437,407)	(2,691,398)	(13,160,262)	(21,996,467)
Dividends paid or provided for	7	–	–	–	–	–	–	–
Balance at 30 June 2012		**450,792,571**	**–**	**680,516**	**–**	**(2,960,209)**	**(38,510,433)**	**410,002,445**
Loss attributable to members of parent entity		–	–	–	–	–	(7,063,539)	(7,063,539)
Total other comprehensive profit/(loss) for the year		–	–	–	621,038	(184,137)	–	436,901
Total comprehensive loss for the year		**–**	**–**	**–**	**621,038**	**(184,137)**	**(7,063,539)**	**(6,626,638)**
Shares issued during the year, net of transaction costs	22(a)	75,846,722	–	–	–	–	–	75,846,722
Options recognised during the period	23(a)	–	–	189,344	–	–	–	189,344
Lapse of options	23	–	–	(459,553)	–	–	459,553	–
Sub-total		75,846,722	–	(270,209)	621,038	(184,137)	(6,603,986)	69,409,428
Dividends paid or provided for	7	–	–	–	–	–	–	–
Balance at 30 June 2013		**526,639,293**	**–**	**410,307**	**621,038**	**(3,144,346)**	**(45,114,419)**	**479,411,873**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2013

	Note	Consolidated Group 2013 $	Consolidated Group 2012 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(74,990,394)	(3,696,219)
Receipts from customers		19,541,383	–
Interest received		3,960,172	6,391,208
Other income		697,677	2,866,826
R&D claim tax credit		646,912	871,688
Finance costs		–	(18,681)
Net cash provided by/(used in) operating activities	27(a)	(50,144,250)	6,414,822
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(6,986,084)	(2,925,022)
Purchase of intangible assets		(715,015)	(266,562)
Receipts/(Payments) for other non-current assets		–	3,072,654
Advances to joint venture		–	(5,822,126)
Payments for exploration and evaluation of mining reserves		(14,978,429)	(64,389,846)
Net cash provided by/(used in) investing activities		(22,679,528)	(70,330,902)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the issue of shares, net of transaction costs and conversion of options to shares		75,846,722	(5,879,898)
Proceeds from/(contribution to) borrowings		(2,848,558)	1,296,226
Net cash provided by/(used in) financing activities		72,998,164	(4,583,672)
Net increase/(decrease) in cash and cash equivalents held		174,386	(68,499,752)
Cash and cash equivalents at beginning of financial year		65,004,419	139,936,966
Effect of exchange rates on cash holdings in foreign currencies		(1,700,696)	(6,432,795)
Cash and cash equivalents at end of financial year		63,478,109	65,004,419

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2013

Note 1: Summary Of Significant Accounting Policies

These consolidated financial statements and notes represent those of Jupiter Mines Limited ("Jupiter") and it's Controlled Entities (the "Consolidated Group" or "Group").

The separate financial statements of the parent entity, Jupiter Mines Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*.

The financial statements were authorised and issued by the board of directors on 26 September 2013.

Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Jupiter Mines Limited is a for-profit entity for the purpose of preparing the financial statements.

(a) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Jupiter Mines Limited at the end of the reporting period. A controlled entity is any entity over which Jupiter Mines Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

A list of controlled entities is contained in Note 14 to the financial statements.

In preparing the consolidated financial statements, all inter-Group balances and transactions between entities in the Consolidated Group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of comprehensive income.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

Notes to the Financial Statements (continued)

Note 1: Summary Of Significant Accounting Policies (continued)

(b) Interests in Joint Ventures

The Group acquired an interest in Tshipi é Ntle Manganese Mining (Proprietary) Limited ("Tshipi"), a joint venture entity, in October 2010. The Group's accounting policy for joint ventures was considered by the Directors as part of the deliberation on the Tshipi acquisition, and had not been formally considered or articulated previously.

A joint venture entity is an entity in which the Group owns a long-term interest, and shares joint control over strategic, financial and operating decisions with one or more other joint venturers. The Group have made the accounting policy choice to proportionately consolidate interests in joint ventures, rather than to equity account, as they believe it gives more useful information to shareholders. Proportionate consolidation combines the Group's share of the results of the joint venture entity, and the assets and liabilities of the joint venture entity, with similar items in the statement of comprehensive income and statement of financial position.

(c) Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Notes to the Financial Statements (continued)

(d) Property, Plant and Equipment

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

Plant and equipment

Plant and equipment are measured on the cost basis.

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 asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the Consolidated Group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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 statement of comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the Consolidated Group commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Office equipment	33.33%
Furniture & fittings	33.33%
Motor vehicles	12.50%
Leasehold improvements	20.00%
Buildings	10.00%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting 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 statement of comprehensive income.

(e) Exploration and Evaluation Expenditure

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The determination of a Joint Ore Reserves Committee (JORC) resource is itself an estimation process that requires varying degrees of uncertainty depending on sub-classification and these estimates directly impact the point of deferral of exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalised is written off in the Statement of Profit or Loss and Other Comprehensive Income in the period when the new information becomes available.

Notes to the Financial Statements (continued)

Note 1: Summary Of Significant Accounting Policies (continued)

(f) 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 is transferred to entities in the Consolidated Group, are classified as finance leases.

Finance leases are capitalised by recognising 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 the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised 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 lease term.

(g) Financial Assets

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Finance instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method.*

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense item in profit or loss.

Notes to the Financial Statements (continued)

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

(i) *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 subsequently measured at amortised cost.

Loans and receivables are included in current assets, where they are expected to mature within 12 months after the end of the reporting period.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Group's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as current assets.

(ii) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (ie gains or losses) recognised in other comprehensive income (except for impairment losses and foreign exchange gains and losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in current assets where they are expected to be sold within 12 months after the end of the reporting period. All other financial assets are classified as non-current assets.

(iii) *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment of Financial Assets

At the end of each reporting period, the Group assess whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

Notes to the Financial Statements (continued)

Note 1: Summary Of Significant Accounting Policies (continued)

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of the financial assets that would otherwise have been past due or impaired have been renegotiated, the group recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events have occurred are duly considered.

(h) Inventories

Inventories, work in progress, consumables and finished goods, are measured at the lower of cost and net realisable value, on the weighted average cost basis. Average costs are calculated by reference to the cost levels experienced in the relevant month together with those in opening inventory. For this purpose the costs of production include:

- Labour costs, materials and contractor expenses which are directly attributable to the extraction and processing of ore;
- The depreciation and amortisation of mine development costs and property, plant and equipment, including capitalised pre-stripping costs, used in the extraction and processing of ore; and
- An appropriate share of the production overheads based on normal operating capacity.

Stockpiles represent ore that exceeds the mine's cut-off grade and is valued at the lower of cost and net realisable value. Work in progress inventory consists of partly processed material. Quantities are assessed through surveys.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

(i) Impairment of Non-Financial Assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

(j) Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Notes to the Financial Statements (continued)

(k) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(l) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, less credit card facilities used. Bank overdrafts are shown as short-term borrowings in liabilities.

(m) Trade and Other Receivables

Trade receivables, which generally have 30 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.

Collectability of trade receivables is reviewed on an ongoing basis at an operating unit level. Individual debts that are known to be uncollectible are written off when identified. An impairment provision is recognised when there is objective evidence that the Group will not be able to collect the receivable.

(n) Revenue and Other Income

Revenue from the sale of goods is recognised when significant risks and rewards of the saleable product have transferred to the customer. Risks and rewards are considered passed to the customer upon delivery to the customer's control. This generally occurs when the product is physically transferred onto a vessel.

Revenue from inventory sales is measured at fair value of consideration received/receivable. Revenue is stated after deducting sales taxes, duties and levies.

The price is determined on a provisional bases at the date of sale (cost insurance and freight). Adjustments to the sale price may occur based on variances in the metal or moisture content of the ore up to the date of final pricing. The period between provisional invoicing and final pricing is typically between 2 and 3 months. Accordingly, the fair value of the original revenue and associated receivable is adjusted each reporting period by reference to the best estimate of the actual metal and moisture content. The changes in fair value are recorded as an adjustment to revenue.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

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

(o) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the statement of comprehensive income in the period in which they are incurred.

(p) 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 Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Notes to the Financial Statements (continued)

Note 1: Summary Of Significant Accounting Policies (continued)

(q) Trade and Other Payables

Trade and other payables are carried at cost and due to their short time nature they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when Jupiter becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(r) Comparative Figures

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

(s) Critical Accounting Estimates and Judgments

The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key estimates – Impairment of non-financial assets

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

Key estimates – Options

The fair value of services received in return for options granted are measured by reference to the fair value of options granted. The estimate of the fair value of the services received is measured based on the Black Scholes option-pricing model. The contractual life of the options is used as an input into the model. Expectations of early exercise are incorporated into the model as well. Refer to Note 28 for more details.

The expected volatility is based on the historic volatility of peer Group entities (calculated on the weighted average remaining life of the share options), adjusted for any expected changes to volatility due to publicly available information. Further information regarding assumptions are included in Note 27.

Key judgements – Exploration and evaluation expenditure

The Group's accounting policy for exploration and evaluation expenditure results in certain items of expenditure being capitalised for an area of interest where it is considered likely to be recoverable by future exploitation or sale or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. This policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised the expenditure under the policy, a judgement is made that recovery of the expenditure is unlikely, the relevant capitalised amount will be written off to the statement of comprehensive income. An impairment has been recognised in respect of exploration expenditure at reporting date of $1,573,618. Refer to Note 18 for more details.

Mineral Reserves and Resource Estimates

Ore reserves are estimates of the amount of ore that can be economically and legally extracted from the Group's mining properties. The Group estimates its ore reserves and mineral resources based on information compiled by appropriately qualified persons relating to the geological data on the size, depth and shape of the ore body, and requires complex geological judgments to interpret the data. The estimation of recoverable reserves is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements, and production costs along with geological assumptions and judgments made in estimating the size and grade of the ore body. Changes in the reserve or resource estimates may impact upon the carrying value of exploration and evaluation assets, mine properties, property, plant and equipment, goodwill, provision for rehabilitation, recognition of deferred tax assets, and depreciation and amortisation charges.

Notes to the Financial Statements (continued)

Provisions

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

(t) Share based payments

Under AASB 2 share based payments, the Company is required to determine the fair value of options issued to employees as remuneration and recognise as an expense in the statement of comprehensive income. wThis standard is not limited to options and also extends to other forms of equity-based remuneration.

(u) Foreign Currency Translation

(i) Functional and presentation currency

The functional and presentation currency of Jupiter and its subsidiaries is Australian dollars ($). The presentation and functional currency for the interest in Tshipi is the South African Rand. The results are translated into Australian dollars for disclosure in Jupiter's consolidated accounts.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

(ii) Translation of interest in Joint Venture functional currency to presentation currency

The results of the South African Joint Venture interest are translated into Australian dollars using an average rate over the period of the transactions. Assets and liabilities are translated at exchange rates prevailing at reporting dates.

Exchange variations resulting from the translation of the net investments in Tshipi are taken to the foreign currency translation reserve.

(v) Adoption of New and Revised accounting standards and interpretations

During the current year, Jupiter adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory. The adoption of these standards has impacted the recognition, measurement and disclosure of certain transactions. The adoption of these standards was applied for the entire reporting period unless otherwise stated. These new pronouncements have had no significant impact on the group for this reporting period.

Adoption of AASBs and improvements to AASBs 2011 – AASB 1054 and AASB 2011-1

The AASB has issued AASB 1054 Australian Additional Disclosures and 2011-1 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project, and made several minor amendments to a number of AASBs. These standards eliminate a large portion of the differences between the Australian and New Zealand accounting standards and IFRS and retain only additional disclosures considered necessary. These changes also simplify some current disclosures for Australian entities and remove others.

AASB Interpretation 20 Stripping Costs in the Production Phase of Surface Mining (applicable for annual reporting periods beginning on or after 1 January 2013).

This standard has been chosen for early adoption by the Group. The Group has recognised a deferred stripping asset in accordance with the requirements of this Interpretation. The deferred stripping asset has been capitalised as part of inventory, as a current asset. The Board believes that benefit will realised in the next 12 months.

This interpretation clarifies that costs of removing mine waste materials (overburden) to gain access to mineral ore deposits during the production stage of a mine must be capitalised as inventories under AASB 102: Inventories if the benefits from stripping activity is realised in the form of inventory produced.

Notes to the Financial Statements (continued)

Note 1: Summary Of Significant Accounting Policies (continued)

(w) New accounting standards for Application in Future Periods

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2013 reporting periods and have not yet been applied in the financial report. Jupiter's assessment of the impact of these new standards and interpretations is set out below.

AASB 9 Financial Instruments

AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes are:

(a) Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; and (2) the characteristics of the contractual cash flows.

(b) Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income (instead of in profit or loss). Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.

(c) Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases.

(d) Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows:

- The change attributable to changes in credit risk are presented in other comprehensive income (OCI); and
- The remaining change is presented in profit or loss.

If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss.

Otherwise, the following requirements have generally been carried forward unchanged from AASB 139 into AASB 9:

- Classification and measurement of financial liabilities; and
- Derecognition requirements for financial assets and liabilities.

Consequential amendments were also made to other standards as a result of AASB 9, introduced by AASB 2009-11 and superseded by AASB 2010-7 and AASB 2010-10.

Notes to the Financial Statements (continued)

AASB 10 Consolidated Financial Statements

AASB 10 establishes a revised control model that applies to all entities. It replaces the consolidation requirements in AASB 127 *Consolidated and Separate Financial Statements* and AASB Interpretation 112 *Consolidation – Special Purpose Entities*.

The revised control model broadens the situations when an entity is considered to be controlled by another entity and includes additional guidance for applying the model to specific situations, including when acting as an agent may give control, the impact of potential voting rights and when holding less than a majority voting rights may give 'de facto' control. This will have an impact on Jupiter as a consolidated entity.

AASB 11 Joint Arrangements

AASB 11 replaces AASB 131 Interests in Joint Ventures and AASB Interpretation 113 Jointly- controlled Entities – Non-monetary Contributions by Ventures. AASB 11 uses the principle of control in AASB 10 to define joint control, and therefore the determination of whether joint control exists may change. In addition, AASB 11 removes the option to account for jointly-controlled entities (JCEs) using proportionate consolidation. Instead, accounting for a joint arrangement is dependent on the nature of the rights and obligations arising from the arrangement. Joint operations that give the venturers a right to the underlying assets and obligations themselves are accounted for by recognising the share of those assets and liabilities. Joint ventures that give the venturers a right to the net assets are accounted for using the equity method. This will result in a change in the accounting for the joint arrangements held by the group. Jupiter will retrospectively apply when the standard becomes mandatory.

AASB 12 Disclosure of Interests in Other Entities

AASB 12 includes all disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structures entities. New disclosures introduced by AASB 12 include disclosures about the judgements made by management to determine whether control exists, and to require summarised information about joint arrangements, associates and structured entities and subsidiaries with non-controlling interests. This will result in further disclosures being made by the group.

AASB 13 Fair Value Measurement

AASB 13 establishes a single source of guidance for determining the fair value of assets and liabilities. AASB 13 does not change when an entity is required to use fair value, but rather, provides guidance on how to determine fair value when fair value is required or permitted by other Standards. Application of this definition may result in different fair values being determined for the relevant assets.

AASB 13 also expands the disclosure requirements for all assets or liabilities carried at fair value. This includes information about the assumptions made and the qualitative impact of those assumptions on the fair value determined.

AASB 127 Separate Financial Statements

As a result of the issuance of AASB 10, AASB 127 has been restructured and reissued to only deal with separate financial statements. This may not have an impact on the group.

AASB 128 Investment in Associates and Joint Ventures

Once an entity (using AASB 11) has determined that it has an interest in a joint venture, it accounts for it using the equity method in accordance with AASB 128 (Revised). The mechanics of equity accounting set out in the revised version of AASB 128 remain the same as in the previous version.

Notes to the Financial Statements (continued)

Note 1: Summary Of Significant Accounting Policies (continued)

AASB 2010-8 Amendments to Australian Accounting Standards –Deferred Tax: Recovery of Underlying Assets

These amendments address the determination of deferred tax on investment property measured at fair value and introduce a rebuttable presumption that deferred tax on investment property measured at fair value should be determined on the basis that the carrying amount will be recoverable through sale. The amendments also incorporate AASB Interpretation 121 *Income Taxes – Recovery of Revalued Non-Depreciable Assets* into AASB 112. This may not have an impact on the group, dependent upon any possible property transactions undertaken.

AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards

This Standard makes consequential amendments to various Australian Accounting Standards arising from the issuance of AASB 10, AASB 11, AASB 12, AASB 127 (August 2011) and AASB 128 (August 2011).

AASB 2011-9 Amendments to Australian Accounting Standards – Presentation of Other Comprehensive Income

Amendments to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss in subsequent periods (reclassification adjustments, e.g. foreign currency translation reserves) and those that cannot subsequently be reclassified (e.g. fixed asset revaluation surpluses).

Name changes of statements in AASB 101 as follows:

- One statement of comprehensive income – to be referred to as 'statement of profit or loss and other comprehensive income'
- Two statements – to be referred to as 'statement of profit or loss' and 'statement of comprehensive income'.

The group will rename the financial statements as required.

AASB 2012-2 Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities

This Standard amends the required disclosures in AASB 7 to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.

This Standard also amends AASB 132 to refer to the additional disclosures added to AASB 7 by this Standard. The group will be able to adopt this amendment to offset their financial assets and liabilities.

AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities

This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.

Notes to the Financial Statements (continued)

AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009–2011 Cycle

These amendments are a consequence of the annual improvements process, which provides a vehicle for making non-urgent but necessary amendments to Standards.

These amendments follow the issuance of Annual Improvements to IFRSs 2009–2011 Cycle issued by the International Accounting Standards Board in May 2012.

Mandatory Effective Date of IFRS 9 and Transition Disclosures

This Standard amends IFRS 9 to require application for annual periods beginning on or after 1 January 2015, rather than 1 January 2013. Early application of IFRS 9 is still permitted. IFRS 9 is also amended so that it does not require the restatement of comparative-period financial statements for the initial application of the classification and measurement requirements of IFRS 9, but instead requires modified disclosures on transition to IFRS 9.

(x) Mining Reserve

Mining reserve incurred by or on behalf of the group is accumulated separately for each area of interest in which economically recoverable resources have been identified. Such expenditure comprises cost directly attributable to the construction of a mine and the related infrastructure.

Once a development decision has been taken, the carrying amount of the exploration and evaluation expenditure in respect of the area of interest is aggregated with the mining reserve and classified under non-current assets as “mining reserve”.

A mining reserve is reclassified as a “mining property” at the end of the commissioning phase, when the mine is capable of operating in the manner intended by management.

No depreciation is recognised in respect of mining reserve until they are reclassified as “mining properties”.

Mining reserves are tested for impairment in accordance with the policy in Note 1 (s).

Notes to the Financial Statements (continued)

Note 2: Revenue

	Consolidated Group 2013 $	Consolidated Group 2012 $
– revenue	19,377,142	–
– interest received	4,457,771	6,353,418
– other revenue	225,797	136,813
	24,060,710	6,490,231

Note 3: Loss from Ordinary Activities

		2013 $	2012 $
(a)	**Expenses**		
	Finance costs	303,702	20,473
	Rental expense on operating leases		
	– operating lease rental	865,724	510,597
	Depreciation of non-current assets:		
	– leasehold improvements	57,517	31,714
	– plant and equipment	53,745	50,667
	– furniture and fittings	65,753	60,435
	Amortisation of non-current assets:		
	– Intangibles	67,824	65,587
	Total depreciation and amortisation expense	244,839	208,403
	Superannuation expense	89,115	105,371
	Impairment		
	– Explorations interests (refer Note 18)	1,573,618	103,703
	– Property, plant and equipment (refer Note 15)	8,814	83,833
	– Financial assets (refer Note 13)	882,901	3,366,577
	Total impairment expense	2,465,333	3,554,113
(b)	Cost of sales	17,220,242	–

No inventory write downs occurred during the year.

Notes to the Financial Statements (continued)

Note 4: Income Tax Expense

(a) The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:

Prima facie tax expense/(benefit) on ordinary activities before income tax at 30% (2012: 30%)

	Consolidated Group	
	2013 **$**	**2012** **$**
– Consolidated entity	(2,154,325)	(4,188,034)
Add:		
Tax effect of:		
– Tax rate differential	(37,812)	(9,061)
– Share options expensed	56,803	78,785
– Other non-deductible expenses	4,041,347	3,737,300
	1,906,013	(381,010)
Less:		
– Research & Development offset	(646,912)	(862,152)
Income tax benefit	(1,259,101)	(1,243,162)
Income tax benefit not brought to account	(1,376,641)	533,429
Income tax (benefit)	(117,540)	(709,733)

(b) Deferred income tax benefit (net of deferred tax liability reduced – Note c) in respect of tax losses not brought to account	3,023,595	5,523,965
Deferred income tax benefit attributable to timing differences not brought to account included above	183,574	241,531
Deferred income tax benefits will only be realised if the conditions for deductibility set out in Note 1 occur		
(c) Deferred tax liabilities		
The deferred income tax liability which has been reduced to nil by the benefits attributable to tax losses not brought to account.	19,883,055	15,884,627

Notes to the Financial Statements (continued)

Note 5: Interests of Key Management Personnel

Refer to the Remuneration Report contained in the Report of the Directors for details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2013.

(a) Names and positions held of economic and parent entity key management personnel in office at any time during the financial year are:

Key Management Person	Position	
Mr B P Gilbertson	Chairman – non-executive	
Mr A Bell	Director – non-executive	
Mr P R Murray	Director – non-executive	
Mr P Thapliyal	Director – non-executive	
Mr S C Shin	Director – non-executive	
Mr G Durack	CEO	
Mr M Finkelstein	CFO & Company Secretary	Resigned 15 November 2012
Ms M North	CFO & Company Secretary	Appointed 15 November 2012

(b) The totals of remuneration paid to KMP of the Company and the Group during the year are as follows:

	Consolidated Group 2013 $	Consolidated Group 2012 $
Short-term employee benefits	713,873	1,099,030
Post-employment benefits	56,130	100,096
Share-based payments	–	175,319
	770,003	1,374,445

(c) **Options and Rights Holdings**

Number of Options Held by Key Management Personnel

	Balance 1 July 2012	Granted as compensation	Exercised	Other Changes*	Balance 30 June 2013	Vested	Unvested	Not exercisable
Mr G Durack	1,500,000	–	–	–	1,500,000	–	1,500,000	1,500,000
Mr MFinkelstein	1,000,000	–	–	(1,000,000)	–	–	–	–
Total	**2,500,000**	**–**	**–**	**(1,000,000)**	**1,500,000**	**–**	**1,500,000**	**1,500,000**

* Net change other refers to options purchased, lapsed or sold during the financial year.

Options provided as compensation:

	Fair Value at Grant Date $	Exercise Price $	Amount Paid $	Expiry Date	Exercise Date
Mr G Durack	0.162	0.70	-	11 Apr 2016	11 Apr 2013
Mr G Durack	0.156	0.80	-	11 Apr 2016	11 Apr 2014
Mr G Durack	0.152	0.90	-	11 Apr 2016	11 Apr 2015

The service conditions pertaining to these options involve the Key Management Personnel remaining employed by the Group.

Notes to the Financial Statements (continued)

(c) Options and Rights Holdings

Number of Options Held by Key Management Personnel

	Balance 1 July 2011	Granted as compensation	Exercised	Other Changes*	Balance 30 June 2012	Vested	Unvested	Not exercisable
Mr P R Murray	1,500,000	–	(1,000,000)	(500,000)	–	–	–	–
Mr G Durack	–	1,500,000	–	–	1,500,000	–	1,500,000	–
Mr M Finkelstein	–	1,000,000	–	–	1,000,000	–	1,000,000	–
Total	**1,500,000**	**2,500,000**	**(1,000,000)**	**(500,000)**	**2,500,000**	**-**	**2,500,000**	**-**

* Net change other refers to options purchased, lapsed or sold during the financial year.

(d) Shareholdings

Number of Shares held by key management personnel

Key Management Personnel	Balance 1 July 2012	Received as Remuneration	Options Exercised	Net Change Other[1]	Balance 30 June 2013
Mr P R Murray	1,260,000	–	–	–	1,260,000
Mr P Thapliyal[2]	11,727,080	–	–	3,086,075	14,813,155
Total	**12,987,080**	**-**	**-**	**3,086,075**	**16,073,155**

1 Net change other refers to shares purchased or sold during the financial year. Amount paid per share $0.16.

2 Priyank Thapliyal is a Director of PSF and therefore has a relevant interest in PSF. PSF is the registered owner of 380,236,843 Ordinary Shares.

Key Management Personnel	Balance 1 July 2011	Received as Remuneration	Options Exercised[1]	Net Change Other[2]	Balance 30 June 2012
Mr P R Murray	980,000	–	1,000,000	(720,000)	1,260,000
Mr P Thapliyal[3]	11,727,080	–	–	–	11,727,080
Total	**12,707,080**	**-**	**1,000,000**	**(720,000)**	**12,987,080**

1 Amount paid per share $0.20 (500,000 shares) and $0.25 (500,000 shares).

2 Net change other refers to shares purchased or sold during the financial year.

3 Priyank Thapliyal is a Director of PSF and therefore has a relevant interest in PSF. PSF is the registered owner of 301,020,834 Ordinary Shares.

Notes to the Financial Statements (continued)

Note 6: Auditors' Remuneration

	Consolidated Group	
	2013 $	2012 $
Audit and review of the financial statements		
– Auditors of Jupiter Mines Limited	66,000	112,698
– Auditors of subsidiary entities	8,428	6,971
Remuneration for audit and review of financial statements	74,428	119,669
Other services		
– Taxation and other services	21,520	32,142
Total other service remuneration	21,520	32,142
Total auditor's remuneration	95,948	151,811

Note 7: Dividends

No dividends were declared or paid in the period.	–	–

Note 8: Earnings per Share

(a) Reconciliation of earnings to net loss for the year		
Net loss	(7,063,538)	(13,250,382)
Losses used to calculate basic EPS and dilutive EPS	(7,063,538)	(13,250,382)
	No.	**No.**
(b) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS and dilutive EPS	2,218,323,270	1,807,834,969

Options are not included in the calculation, and could potentially dilute basic earnings per share in the future should they be exercised.

There are no dilutive potential for ordinary shares as the exercise of options to ordinary shares would have the effect of decreasing the loss per ordinary share and would therefore be non-dilutive.

Notes to the Financial Statements (continued)

Note 9: Current Assets – Cash and cash equivalents

	Consolidated Group 2013 $	2012 $
Cash at bank and in hand	6,615,357	1,912,390
Short-term bank deposits	56,862,751	63,092,029
	63,478,108	65,004,419

The effective interest rate on short-term bank deposits was 3.98%; (2012: 5.38%): the term of deposits range between 30 and 90 days.

Reconciliation to the statement of cashflows

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

	2013 $	2012 $
Cash and cash equivalents	63,478,108	65,004,419
	63,478,108	65,004,419

Note 10: Current Assets – Trade and other receivables

	2013 $	2012 $
CURRENT		
GST receivables	1,957,480	1,282,412
Trade debtors	670,249	16,984
Sundry debtors	5,532,457	1,055,024
	8,160,186	2,354,420

- Allowance for impairment loss: The Group's exposure to bad debts is not significant.
- Fair value and credit risk: Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value.
- Foreign exchange risk: Details' regarding foreign exchange and interest rate risk exposure are disclosed in Note 31.

Note 11: Inventories

	2013 $	2012 $
Ore stockpiles – at cost	4,089,548	–
Ore at port – at cost	2,248,296	–
Fines – at cost	205,228	–
Deferred stripping asset	3,769,189	–
	10,312,261	–

Notes to the Financial Statements (continued)

Note 12: Current Assets – Assets Held for Sale

	Consolidated Group	
Assets held for sale comprise:	**2013 $**	**2012 $**
Mineral interests, at fair value		
– Klondyke	651,025	–
– Oakover	5,179,801	–
Total Asset Held for Sale	5,830,826	–

The Board have treated the above areas of interest as held for sale, and determined that the amounts above are their fair value.

Note 13: Current Assets – Financial assets

	Consolidated Group	
Available-for-sale financial assets comprise:	**2013 $**	**2012 $**
Listed investments, at fair value		
– shares and options in listed corporations	2,189,721	2,451,585

Available-for-sale financial assets consist of investments in ASX listed company's ordinary shares, and therefore have no fixed maturity date or coupon rate. The fair value of listed available-for-sale investments has been determined directly by reference to published price quotations in an active market. This resulted in a net loss on revaluation of $261,863 for the 2013 financial year. This loss is made up of $882,901 that has been expensed and a $621,038 gain that has been taken to the Financial Assets Reserve. For the 2012 financial year there was a net loss of $3,803,984, being $3,366,577 that was expensed, and a $437,407 loss that was taken from the Financial Assets Reserve.

Note 14: Controlled Entities

			Percentage Owned (%)*	
Controlled entities consolidated	**Notes**	**Country of Incorporation**	**2013**	**2012**
Parent Entity:				
– Jupiter Mines Limited		Australia		
Subsidiaries of Jupiter Mines Limited:				
– Future Resources Australia Limited		Australia	100	100
– Central Yilgarn Pty Limited		Australia	100	100
– Broadgold Pty Limited		Australia	100	100
– Jupiter Kalahari (Mauritius) Limited	(a)	Mauritius	100	100

* Percentage of voting power is in proportion to ownership

Principal Activities:

(a) During the year all Controlled Entities with the exception of Jupiter Kalahari (Mauritius) Limited were dormant.

Notes to the Financial Statements (continued)

Note 15: Non-current assets – Property, plant and equipment

	Consolidated Group	
	2013	**2012**
	$	**$**
PLANT AND EQUIPMENT		
Leasehold improvements		
– At cost	110,926	125,333
– Accumulated depreciation	(89,231)	(46,121)
	21,695	79,212
Plant and equipment		
– At cost	14,343,570	7,089,022
– Accumulated depreciation	(1,285,106)	(916,967)
	13,058,464	6,172,055
Furniture and fittings		
– At cost	270,127	253,434
– Accumulated depreciation	(145,939)	(63,214)
	124,188	190,220
Net carrying value	13,204,347	6,441,487

Movements in Carrying Amounts

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year:

Consolidated Group:	Leasehold Improvements $	Plant and Equipment $	Furniture and Fittings $	Total $
Balance at 1 July 2011	**–**	**4,268,299**	**20,440**	**4,288,739**
Additions	110,926	2,027,764	240,708	2,379,398
Disposals	–	–	–	–
Impairment	–	(73,341)	(10,492)	(83,833)
Depreciation expense	(31,714)	(50,667)	(60,436)	(142,817)
Balance at 30 June 2012	**79,212**	**6,172,055**	**190,220**	**6,441,487**
Additions	–	6,981,809	4,275	6,986,084
Disposals	–	(36,377)	(1,018)	(37,395)
Impairment	–	(5,278)	(3,536)	(8,814)
Depreciation expense	(57,517)	(53,745)	(65,753)	(177,015)
Balance at 30 June 2013	**21,695**	**13,058,464**	**124,188**	**13,204,347**

Notes to the Financial Statements (continued)

Note 16: Non-current assets – Intangible assets

	Consolidated Group 2013 $	2012 $
Computer software		
– At cost	1,108,637	335,591
– Accumulated amortisation	(239,756)	(113,901)
Net carrying value	868,881	221,690

Movements in carrying amounts	**Total $**
Balance at 1 July 2011	116,416
Additions	170,860
Amortisation expense	(65,586)
Balance at 30 June 2012	221,690
Additions	715,015
Amortisation expense	(67,824)
Balance at 30 June 2013	868,881

Intangible assets have finite useful lives. The current amortisation charges for intangible assets are included under depreciation and amortisation expense per the statement of comprehensive income. All software is amortised over 3 years.

Note 17: Other assets

	Consolidated Group 2013 $	2012 $
CURRENT		
Prepayments	3,188,927	2,360,261
NON-CURRENT		
Deposits	1,642,761	1,247,775
Loans	50,546,547	23,720,720
	52,189,308	24,968,495

NOTE:

- Loan notes: These loans have no fixed repayment date. $46,013,196 of loans are interest free, the remaining loans accrue interest at South African Prime rate. These loans are offset by the long-term borrowings shown at Note 19 and are a result of the proportionate consolidation of the joint venture.
- Related party receivables: For terms and conditions of related party receivables refer to Note 30.
- Fair value: Details' regarding fair value is disclosed in Note 31.
- Foreign exchange and interest rate risk: Details' regarding foreign exchange and interest rate risk exposure is disclosed in Note 31.
- Credit risk: The maximum exposure to credit risk at the reporting date is the higher of the carrying value of each class of receivable. No collateral is held as security.

Notes to the Financial Statements (continued)

Note 18: Non-current assets – Exploration and evaluation assets

	Notes	Consolidated Group 2013 $	2012 $
Opening Balance		50,326,038	19,648,304
Provisions reversed		(157,000)	–
Additions		15,026,037	30,781,437
Impairment		(1,573,618)	(103,703)
Reclassification of assets held for sale (refer Note 12)		(5,830,826)	–
Closing Balance		57,790,631	50,326,038
Costs carried forward in respect of the following areas of interest:			
– Mount Mason		9,749,280	8,545,430
– Mt Ida & Mt Hope		48,001,351	34,827,295
– Mt Alfred	(a)	–	1,472,926
– Yunndaga		40,000	40,000
- Oakover		–	4,847,797
- Klondyke		–	592,590
		57,790,631	50,326,038

(a) Mt Alfred costs were written off at the end of the financial year. The Board has agreed that the project is not likely to be developed and as such a decision was taken to write off all costs incurred to date.

Capitalised costs amounting to $14,978,429 (2012: $64,232,847) have been included in cash flows from investing activities in the statement of cash flows of which $14,722,567 relates to the parent company and the balance of $255,862 is included under mining reserves relating to Jupiter's joint venture interest in Tshipi. The Group has written-off exploration carrying costs of $1,573,618 as impaired assets during the year ended 30 June 2013 (2012: $103,703) and is separately presented in the Statement of Profit or Loss and Other Comprehensive Income as impairment of exploration interests.

Notes to the Financial Statements (continued)

Note 19: Interest in Joint Venture:

A controlled entity, Jupiter Kalahari (Mauritius) Limited, has a 49.9% interest in Tshipi, a joint venture entity, whose principal activity is the exploration, mining and sale of manganese.

The Group accounts for its interest in the joint venture by using the proportionate consolidation method and by combining the Group's share of each of the assets, liabilities, income and expenses of the jointly controlled entity with similar items, line by line, in the Group's financial statements.

The Group's share of assets and liabilities employed in the joint venture is:

		Consolidated Group	
	Notes	2013 $	2012 $
CURRENT ASSETS			
Cash & cash equivalents		7,715,346	15,561,951
Trade and other receivables		7,764,001	1,370,646
Inventories		10,312,261	–
Other current assets		3,117,284	2,190,906
TOTAL CURRENT ASSETS		28,908,892	19,123,503
NON-CURRENT ASSETS			
Mining reserves	(a)	403,723,031	374,633,122
Property, plant and equipment		10,287,695	3,019,242
Intangible assets		764,597	56,633
Other non-current assets		255,862	-
TOTAL NON-CURRENT ASSETS		415,031,185	377,708,997
TOTAL ASSETS		443,940,077	396,832,500
CURRENT LIABILITIES			
Trade and other payables		6,735,809	3,390,976
TOTAL CURRENT LIABILITIES		6,735,809	3,390,976
NON-CURRENT LIABILITIES			
Deferred tax liability		90,057,793	90,092,871
Long-term borrowings		42,508,141	19,259,312
Short-term provisions		1,259,261	4,146,831
TOTAL NON-CURRENT LIABILITIES		133,825,195	113,499,014
TOTAL LIABILITIES		140,561,004	116,889,990
NET INTEREST IN JOINT VENTURE		303,379,073	279,942,510

The Group's share of the joint venture income and expenses is:

Share of joint venture income	20,112,928	1,004,510
Share of joint venture expenses	(18,222,314)	(503,851)
Share of joint venture other comprehensive income	–	–

Notes to the Financial Statements (continued)

The recoverability of the carrying amount of the mining reserves is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

(a) The mining reserve refers to the exploration and evaluation expenses currently being capitalised, which in 2013 was $93,225,207 (2012: $33,121,247). The balance of the mining reserve refers to the reserves and resources up until the acquisition of the joint venture.

The net cash used by operating activities was $50,941,600. The net cash used in investing activities was $255,862. The net cash provided by financing activities was $7,010,676.

The Group's share of capital commitments of the joint venture total $17,176,321.

Note 20: Current liabilities – Trade and other payable

	Consolidated Group	
	2013 $	2012 $
CURRENT		
Unsecured liabilities		
Trade payables	2,650,373	3,422,841
Sundry payables and accrued expenses	4,793,106	1,586,250
	7,443,479	5,009,091

Fair value: Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.

Notes to the Financial Statements (continued)

Note 21: Current and non-current provisions

	Consolidated Group 2013 $	Consolidated Group 2012 $
SHORT TERM PROVISIONS		
Short-term employee benefits	255,680	153,508
Provision for onerous contracts	–	–
	255,680	153,508
LONG TERM PROVISIONS		
Rehabilitation provision	1,259,261	4,244,290
	1,259,261	4,244,290

Rehabilitation

The provision is in respect of the Group's obligation to rehabilitate the Tshipi Borwa mine site upon cessation of production in accordance with the state environmental regulatory requirements. The Group has been assured that the site would be restored using technology and materials that are available currently.

Movements in provisions

Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

	2013 $	2012 $
Carrying amount at the start of the year	4,244,290	–
Additional provisions recognised	–	4,244,290
Change in provision estimate	(2,985,029)	–
At reporting date	1,259,261	4,244,290

Note 22: Issued capital

	Note	2013 $	2012 $
Paid up capital:			
2,281,835,383 (2012: 1,806,834,044) fully paid ordinary shares	22(a)	526,639,293	450,792,571
		526,639,293	450,792,571
(a) **Ordinary shares**			
At the beginning of reporting period		450,792,571	456,510,087
Shares issued/(cancelled) during the year, net of transaction costs			
250,000,000 shares issued 19 July 2012		40,000,000	–
225,001,339 shares issued 3 September 2012		35,846,722	–
Shares issued/bought back during the previous period		–	(6,259,897)
Sub total		526,639,293	450,250,190
1,620,000 Options converted to shares during the period		-	542,381
At reporting date		526,639,293	450,792,571

Notes to the Financial Statements (continued)

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

At the shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

The ordinary shares have no par value.

	Consolidated Group	
	2013 Number of shares	**2012 Number of shares**
At the beginning of the reporting period	1,806,834,044	1,823,290,744
Shares issued/(cancelled) during the period		
250,000,000 shares issued 19 July 2012	250,000,000	–
225,001,339 shares issued 3 September 2012	225,001,339	–
Shares issued/bought back during the previous period	-	(18,076,700)
Sub total	2,281,835,383	1,805,214,044
Conversion of options	–	1,620,000
At reporting date	2,281,835,383	1,806,834,044

(b) **Capital Management**

Management controls the capital of the Group in order to maintain an appropriate debt to equity ratio, provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

There are no externally imposed capital requirements.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

Notes to the Financial Statements (continued)

Note 23: Reserves

	Notes	Consolidated Group 2013 $	2012 $
Options reserve	(a)	410,307	680,516
Financial assets reserve	(c)	621,038	–
Foreign currency reserve	(d)	(3,144,346)	(2,960,209)
		(2,113,001)	(2,279,693)

The option reserve records items recognised as expenses on valuation of key management personnel share options.

(a) **Options**

	2013 $	2012 $
At the beginning of reporting period	680,516	670,400
Options issued vesting during the year	189,344	262,616
Options converted to ordinary shares during the year	-	(252,500)
Options lapsed/cancelled during the year	(459,553)	–
At reporting date	410,307	680,516

	2013 No	2012 No
At the beginning of the reporting period	6,700,000	5,300,000
Number of Options converted to ordinary shares during the period	-	(1,620,000)
Number of Options issued during the year	-	4,200,000
Number of options lapsed/cancelled during the period	(3,500,000)	(1,180,000)
At reporting date	3,200,000	6,700,000

(b) **Options**

Directors, employees and consultant share option scheme expenses of $189,344 (2012: $262,616) represents the valuation of options granted. These were valued using the Black-Scholes pricing method. All option expense relates to option issued in prior periods.

At 30 June 2013, there were 3,200,000 (30 June 2012: 6,700,000) unissued ordinary shares for which options were outstanding. These options will expire between 6 November 2013 and 11 April 2016 at exercise prices ranging from $0.22 to $0.90 per option. Refer to Note 28.

(c) **Financial Asset Reserve**

The financial assets reserve records amounts relating to the revaluation of available for sale financial assets.

(d) **Foreign Currency Reserve**

	Consolidated Group 2013 $	2012 $
At the beginning of the reporting period	(2,960,209)	(268,811)
Foreign currency exchange differences on translating foreign controlled operations	(184,137)	(2,691,398)
At reporting date	(3,144,346)	(2,960,209)

Notes to the Financial Statements (continued)

Foreign currency differences arising on the revaluation of Jupiter's interest in Joint Venture and intercompany loans denominated in currencies other than Australian Dollars.

Note 24: Capital and Leasing Commitments

	Consolidated Group	
	2013 $	2012 $
Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements.		
Payable – minimum lease payments		
– not later than 12 months	825,435	802,325
– between 12 months and 5 years	1,713,900	2,539,334
	2,539,335	3,341,659

NOTE:

(a) This is made of up two leases: non-cancellable lease of 5 years however it can be subleased (with prior consent of Lessor). Amounts include rent, outgoings and parking with 4% annual rent review increase. It does not take into account reduced guarantees or returned deposits or incentives. Figures based on 12 Months (1-Jul-13 to 30-Jun-14) and between 12 months and 4 years (1-Jul-14 to 30-May-16 which is the end of the lease); non-cancellable lease of 4 years & 4 months. Amounts include rent and outgoings with 4% annual rent review increase. It does not take into account reduced guarantees or returned deposits or incentives. Figures based on 12 Months (1-Jul-13 to 30-Jun-14) and between 12 months and 4 years (1-Jul-14 to 30-Jun-16 which is the end of the lease). The expense recognised for the operating lease was $865,721 (2011: $510,597).

(b) The property lease is non-cancellable for five-year, with rent payable monthly in advance.

Exploration Expenditure Commitments

In order to maintain current rights of tenure to exploration tenements, the Company and Group are required to perform minimum exploration work to meet the requirements specified by various State governments. These obligations can be reduced by selective relinquishment of exploration tenure or application for expenditure exemptions. Due to the nature of the Company and Group's operations in exploring and evaluating areas of interest, it is very difficult to forecast the nature and amount of future expenditure. It is anticipated that expenditure commitments for the next twelve months will be tenement rentals of $481,842 (2012: $289,121) and exploration expenditure of $1,299,684 (2012: $87,839,133) of which $1,299,684 relates to the Parent Company.

Notes to the Financial Statements (continued)

Note 25: Contingent Liabilities and Contingent Assets

Contingent Liabilities
The parent entity has provided guarantees to third parties in relation to the performance and obligations of controlled entities in respect of banking facilities. At reporting date, the value of these guarantees and facilities are $1,280,000 (2012: $1,335,000). Total utilised at reporting date was $1,152,337 (2012: $1,248,511).

Contingent Assets
No contingent assets exist as 30 June 2013 or 30 June 2012.

Note 26: Segment Reporting

The Group operates in the mining industry within Australia and South Africa.

The Group has identified its operating segments based on the internal reports that are reviewed and used by the chief operating decision makers (the Board of Directors and key management) in assessing performance and determining the allocation of resources.

The Group segments are structured primarily on the basis of mineral as Central Yilgarn Iron Project (Iron Ore) located in Australia, Tshipi (Manganese) which is located in South Africa and Corporate/Unallocated. Expenses and assets are allocated to segments based on the tenement to which they directly relate. Information is not readily available for allocating the remaining items of revenue, expenses, assets and liabilities, or these items are not considered part of the core operations of any segment. Any transactions between reportable segments have been offset for these purposes.

Proportionate consolidation of associates results
Operating results and share of assets and liabilities are proportionately consolidated for the purposes of internal reporting whereas for the preparation of the financial statements they are equity accounted.

(i) Segment performance

30 June 2013	CYIP – Iron Ore (Australia) $	Tshipi – Manganese (South Africa) $	Corporate & Unallocated $	Total $
Revenue	–	20,112,928	3,947,782	24,060,710
Cost of goods sold	–	(17,220,242)	–	(17,220,242)
Depreciation and amortisation expense	–	–	(244,839)	(244,839)
Finance costs	–	(270,778)	(32,923)	(303,701)
Director and secretarial costs	–	-	(326,578)	(326,578)
Impairment of exploration interests	(1,557,233)	(16,385)	–	(1,573,618)
Impairment of financial assets	–	–	(882,901)	(882,901)
Impairment of assets	–	–	(8,814)	(8,814)
Insurance costs	–	–	(119,880)	(119,880)
Legal and professional costs	–	(403,744)	(271,123)	(674,867)
Travel and entertaining costs	–	(91,108)	(127,223)	(218,331)
Occupancy costs	–	–	(890,828)	(890,828)
Consultancy fees	–	(9,515)	(38,328)	(47,843)
Administration expenses	–	(98,587)	(229,463)	(328,050)
Employee benefits expense	–	(189,567)	(1,367,980)	(1,557,547)
Foreign exchange loss	–	(6,551,529)	–	(6,551,529)
Share option expense	–	–	(189,344)	(189,344)
Other expenses	–	–	(102,876)	(102,876)
Net loss before tax from continuing operations	**(1,557,233)**	**(4,738,528)**	**(885,318)**	**(7,181,079)**

Notes to the Financial Statements (continued)

30 June 2012	CYIP – Iron Ore (Australia) $	Tshipi – Manganese (South Africa) $	Corporate & Unallocated $	Total $
Revenue[1]	–	1,004,510	5,485,721	6,490,231
Depreciation and amortisation expense	–	–	(208,403)	(208,403)
Finance costs	–	(30)	(20,444)	(20,474)
Director and secretarial costs	–	-	(275,383)	(275,383)
Impairment of exploration interests	(102,475)	(1,228)	–	(103,703)
Impairment of financial assets	–	–	(3,366,577)	(3,366,577)
Impairment of assets	–	–	(83,833)	(83,833)
Insurance costs	–	–	(107,782)	(107,782)
Legal and professional costs	–	(113,880)	(701,119)	(814,999)
Travel and entertaining costs	–	–	(168,758)	(168,758)
Occupancy costs	–	–	(543,388)	(543,388)
Consultancy fees	–	(9,198)	(287,762)	(296,962)
Administration expenses	–	–	(333,213)	(333,213)
Employee benefits expense	–	(251,803)	(1,571,418)	(1,823,221)
Foreign exchange loss	–	(11,908,131)	–	(11,908,131)
Share option expense	–	–	(262,616)	(262,616)
Other expenses	–	–	(132,904)	(132,904)
Net loss before tax from continuing operations	**(102,475)**	**(11,279,760)**	**(2,577,879)**	**(13,960,115)**

[1] The majority of the segments revenue are from interest

Notes to the Financial Statements (continued)

Note 26: Segment Reporting (continued)

(ii) Segment assets and liabilities

30 June 2013	CYIP – Iron Ore (Australia) $	Tshipi – Manganese (South Africa) $	Corporate & Unallocated $	Total $
Cash and cash equivalents	–	7,715,346	55,762,762	63,478,108
Trade and other receivables	–	7,764,001	396,185	8,160,186
Inventories	–	10,312,261	–	10,312,261
Other current assets	–	3,124,687	64,240	3,188,927
Financial assets	5,830,826	–	2,189,721	8,020,547
Property, plant and equipment	2,765,465	10,287,695	151,187	13,204,347
Intangible assets	-	764,597	104,284	868,881
Mining reserve	–	403,723,031	–	403,723,031
Other non current assets	256,000	50,980,308	953,000	52,189,308
Exploration and evaluation assets	57,790,631	–	-	57,790,631
Total assets	**66,642,922**	**494,671,926**	**59,621,779**	**620,936,227**
Trade and other payables	292,684	7,132,113	18,682	7,443,479
Short term provisions	–	116,508	139,172	255,680
Long term borrowings	–	42,508,141	–	42,508,141
Long term provisions	–	1,259,261	–	1,259,261
Deferred tax liabilities	–	90,057,793	–	90,057,793
Total liabilities	**292,684**	**141,073,816**	**157,854**	**141,524,354**

30 June 2012	CYIP – Iron Ore (Australia) $	Tshipi – Manganese (South Africa) $	Corporate & Unallocated $	Total $
Cash and cash equivalents	—	41,760,805	23,243,614	65,004,419
Trade and other receivables	—	1,370,646	983,774	2,354,420
Other current assets	—	2,190,905	169,356	2,360,261
Financial assets	—	—	2,451,585	2,451,585
Property, plant and equipment	3,103,455	3,019,242	318,790	6,441,487
Intangible assets	132,095	56,633	32,962	221,690
Mining reserve	—	374,633,122	—	374,633,122
Other non current assets	157,000	23,720,720	1,090,775	24,968,495
Exploration and evaluation assets	50,326,038	—	—	50,326,038
Total assets	**53,718,588**	**446,752,073**	**28,290,856**	**528,761,517**
Trade and other payables	1,756,580	3,252,511	—	5,009,091
Short term provisions	93,967	59,541	—	153,508
Long term borrowings	—	19,259,312	—	19,259,312
Long term provisions	157,000	4,087,290	—	4,244,290
Deferred tax liabilities	—	90,092,871	—	90,092,871
Total liabilities	**2,007,547**	**116,751,525**	**—**	**118,759,072**

Notes to the Financial Statements (continued)

(iii) Segment cashflows

30 June 2013	CYIP – Iron Ore (Australia) $	Tshipi – Manganese (South Africa) $	Corporate & Unallocated $	Total $
Net cash provided by/(used in) operating activities	–	(50,495,272)	351,022	(50,144,250)
Net cash provided by/(used in) investing activities	(15,621,745)	(7,010,676)	(47,107)	(22,679,528)
Net cash provided by/(used in) financing activities	–	25,475,899	47,522,266	72,998,165
Net increase/(decrease) in cash held	**(15,621,745)**	**(32,030,050)**	**47,826,181**	**174,387**
Cash and cash equivalents at beginning of financial year	(50,222,607)	(46,160,803)	161,387,829	65,004,419
Effects of exchange rates on cash holdings in foreign currencies	–	(1,700,696)	–	(1,700,696)
Cash and cash equivalents at end of financial year	**(65,844,352)**	**(79,891,549)**	**209,214,010**	**63,478,109**

30 June 2012	CYIP – Iron Ore (Australia) $	Tshipi – Manganese (South Africa) $	Corporate & Unallocated $	Total $
Net cash provided by/(used in) operating activities	515,711	2,842,244	3,056,867	6,414,822
Net cash provided by/(used in) investing activities	(35,556,384)	(34,558,604)	(215,915)	(70,330,903)
Net cash provided by/(used in) financing activities	–	1,296,226	(5,879,898)	(4,583,672)
Net increase/(decrease) in cash held	**(35,040,673)**	**(30,420,134)**	**(3,038,946)**	**(68,499,753)**
Cash and cash equivalents at beginning of financial year	(15,181,934)	(9,307,874)	164,426,775	139,936,967
Effects of exchange rates on cash holdings in foreign currencies	–	(6,432,795)	–	(6,432,795)
Cash and cash equivalents at end of financial year	**(50,222,607)**	**(46,160,803)**	**161,387,829**	**65,004,419**

Notes to the Financial Statements (continued)

Note 27: Cash Flow Information

		Consolidated Group	
		2013 $	2012 $
(a)	**Reconciliation of Cash Flow from Operations to Loss after Income Tax**		
	Loss after income tax	(7,063,539)	(13,250,382)
	Non-cash flows included in loss after tax		
	Depreciation and amortisation	244,839	208,403
	Net loss on disposal of property, plant and equipment	8,814	83,833
	Share options recognised	189,344	262,616
	Impairment of exploration interests	1,573,618	103,703
	Impairment of available-for-sale financial assets	882,901	3,366,577
	Unrealised foreign exchange loss	6,551,529	11,908,131
	Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
	(Increase)/decrease in other assets	(46,414,826)	(2,103,650)
	(Increase)/decrease in other debtors	(5,218,447)	(935,542)
	Increase/(decrease) in trade payables and other creditors	2,121,622	2,393,246
	(Decrease/)increase in deferred tax	(35,078)	137,501
	Increase/(decrease) in provisions	(2,985,029)	4,240,386
	Cash outflows from operations	(50,144,250)	6,414,822
(b)	**Credit Standby Arrangements with Banks**		
	Credit facility	–	–
	Amount utilised	–	–
	Unused credit facility	–	–

The major facilities are summarised as follows:

Bank credit cards:

Bank credit cards are arranged with Commonwealth Bank with the general terms and conditions being set and agreed to annually.

Interest rates are variable and subject to adjustment.

Notes to the Financial Statements (continued)

Note 28: Share-Based Payments

Each option granted under the Jupiter Mines Limited Employee Option Plan entitles the employee to acquire one ordinary share of Jupiter Mines Limited (JMS). There are no voting or dividend rights attaching to the options until they are exercised by the employee, at which point ordinary shares which rank equally with all other JMS shares are issued and quoted on the ASX. The options cannot be transferred and will not be quoted on the ASX.

All options expire on the earlier of their expiry date or termination of the individual's employment. Should the Vesting Conditions (described below) not be met, options will lapse.

The terms and conditions of the grants on issue as at 30 June 2013 are as follows, whereby all options are settled by physical delivery of shares:

Grant Date	No. of Options	Vesting Date	Vesting Conditions	Expiry Date	Exercise Price
6 November 2011	500,000	6 Nov 2011	Continuation of service	6 Nov 2013	$0.22
14 March 2012	900,000	11 Apr 2013	Continuation of service	11 Apr 2016	$0.70
14 March 2012	900,000	11 Apr 2014	Continuation of service	11 Apr 2016	$0.80
14 March 2012	900,000	11 Apr 2015	Continuation of service	11 Apr 2016	$0.90
Total	**3,200,000**				

	Consolidated Group			
	2013		2012	
	Number of Options	Weighted Average Exercise Price $	Number of Options	Weighted Average Exercise Price $
Outstanding at the beginning of the period	6,700,000	0.56	5,300,000	0.28
Granted	–	–	4,200,000	0.73
Forfeited	–	–	–	–
Cancelled	(1,000,000)	0.25	–	–
Exercised	–	–	(1,620,000)	0.23
Expired	(2,500,000)	0.25	(1,180,000)	0.33
Outstanding at the end of the period	3,200,000	0.56	6,700,000	0.56
Exercisable at the end of the period*	3,200,000	0.56	3,000,000	0.56

*Closing JMS share price on 30 June 2013 was $0.07.

The options outstanding at 30 June 2013 have an exercise price of $0.71 and a weighted average contractual life of 2.55 years.

During the financial year, nil options were exercised (2012: 1,620,000).

The fair value of services received in return for options granted is measured by reference to the fair value of options granted. The estimate of the fair value of the services received is measured based on the Black Scholes option-pricing model. The contractual life of the options is used as an input into the model. Expectations of early exercise are incorporated into the model as well.

Notes to the Financial Statements (continued)

Note 28: Share-Based Payments (continued)

Tranche	Expiry Date	Fair Value per Option $	Exercise Price $	Price of Shares on Grant $	Estimated Volatility	Risk Free Interest	Dividend Yield	Grant Date	Vesting Period
1	11 Apr 2016	0.162	0.70	0.26	106.69	6.3%	-	21 Dec 2011	11 Apr 2013
2	11 Apr 2016	0.156	0.80	0.26	106.69	6.3%	-	21 Dec 2011	11 Apr 2014
3	11 Apr 2016	0.152	0.90	0.26	106.69	6.3%	-	21 Dec 2011	11 April 2015
4	6 Nov 2013	0.217	0.22	0.28	120.02	6.3%	-	21 Dec 2011	Immediately

In total, $189,344 (2012: $262,616) of employee remuneration expense (all of which related to equity-settled share-based payment transactions) has been included in the profit and loss for 2013 and credited to share option reserve.

The expected volatility is based on the historic volatility of the Company (calculated on the weighted average remaining life of the share options), adjusted for any expected changes to volatility due to publicly available information.

Risk-free interest rates are based on 5 year government bonds.

Options will only convert to ordinary shares upon the achievement of a service condition.

Note 29: Events After the Reporting Date

These financial statements were authorised for issue on 26 September 2013 by Director Brian Gilbertson.

On 2 July 2013, the Company announced that a consortium of existing Jupiter shareholders, led by Pallinghurst Steel Feed (Dutch) BV ("PSF", together the "PSF Consortium") had acquired 63,209,435 shares at $0.07 per share.

Mr Greg Durack announced his resignation as Chief Executive Officer on 16 July 2013, and Mr Priyank Thapliyal took up the position of Acting Chief Executive Officer upon Mr Durack's departure.

On 5 September 2013, the Company announced the creation of OM Tshipi (S) Pte Ltd, a Singaporean-based company jointly owned by Jupiter Kalahari (Mauritius) Limited, Ntsimbintle Mining Pty Ltd and OM Materials Trades (S) Pte Ltd. This joint venture provides for the marketing of the manganese ore produced by Tshipi.

Notes to the Financial Statements (continued)

Note 30: Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

		Consolidated Group	
		2013 **$**	**2012** **$**
	Transactions with related parties:		
(a)	**Key Management Personnel**		
	Consulting fees paid to Intrepid Concepts Pty Ltd, a company in which Mr R J Benussi has a beneficial interest.	–	111,237
	Consulting fees paid to Andrew Bell Consultants, a company in which Mr A Bell has a beneficial interest.	55,000	50,465
	Consulting fees paid to Mr P R Murray.	55,000	55,614
	Expenses reimbursed to Pallinghurst Advisors LLP, a company in which Mr B Gilbertson and Mr P Thapliyal have a beneficial interest.	131,753	517,293
	Payment of outstanding balance to Pallinghurst Steel Feed (Dutch) B.V., a company in which Mr P Thapliyal has a beneficial interest.	–	42,500
	Expenses reimbursed to Red Rock Resources Plc, a company which Mr A Bell has a beneficial interest	43,567	–
	Loan receivable from Tshipi*	50,546,547	23,720,719
	Loan payable to Tshipi*	42,508,141	19,259,312

* These loans have no fixed repayment date. These loans are offset by each other and are a result of the proportionate consolidation of the joint venture. The balancing figure represents the interest-bearing portion of the loan.

Notes to the Financial Statements (continued)

Note 31: Financial Instruments

The Group's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Consolidated Group	
	2013 $	2012 $
Financial Assets		
Cash and cash equivalents	63,478,108	65,004,419
Trade and other receivables	8,160,186	2,354,420
Available-for-sale financial assets	2,189,721	2,451,585
Other non-current assets	52,189,308	24,968,495
	126,017,323	**94,778,919**
Financial Liabilities		
Trade and other payables	7,443,479	5,009,091
Long-term borrowings	42,508,141	19,259,312
	49,951,620	**24,268,403**

Financial Risk Management Policies

The Directors monitor the Group's financial risk management policies and exposures and approves financial transactions.

The Directors' overall risk management strategy seeks to assist the Group in meeting its financial targets, while minimising potential adverse effects on financial performance. Its functions include the review of credit risk policies and future cash flow requirements.

Notes to the Financial Statements (continued)

Specific Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk, liquidity risk and equity price risk.

(a) **Credit Risk**

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

Credit risk is managed through the maintenance of procedures (such procedures include the utilisation of systems for the approval, granting and renewal of credit limits, regular monitoring of exposures against such limits and monitoring of the financial stability of significant customers and counterparties), ensuring to the extent possible, that customers and counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating, or in entities that the Directors have otherwise cleared as being financially sound.

Credit Risk Exposures

The maximum exposure to credit risk by class of recognised financial assets at reporting date, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position. Credit risk also arises through the provision of financial guarantees, as approved at Board level, given to parties securing the liabilities of certain subsidiaries (refer Note 25 for details).

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed in Note 10.

There are no amounts of collateral held as security in respect of trade and other receivables.

The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Consolidated Group.

Credit risk related to balances with banks and other financial institutions is managed by investing cash with major financial institutions in both cash on deposit and term deposit accounts. Interest rates on major deposits that are re-invested, are at a fixed rate on a monthly basis.

(b) **Liquidity risk**

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The Group has no significant exposure to liquidity risk due to the level of cash and cash equivalents detailed at Note 9. The Group manages liquidity risk by monitoring immediate and forecast cash requirements and ensuring adequate cash reserves are maintained.

Notes to the Financial Statements (continued)

Note 31: Financial Instruments (continued)

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities. Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2013	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**
Consolidated Group								
Financial liabilities due for payment								
Short term borrowings	–	–	–	–	–	–	–	–
Long term borrowings	–	–	42,508,141	19,259,312	–	–	42,508,141	19,259,312
Trade and other payables	7,443,479	5,009,091	–	–	–	–	7,443,479	5,009,091
Total expected outflows	7,443,479	5,009,091	42,508,141	19,259,312	–	–	49,951,620	24,268,403
Financial assets – cash flows realisable								
Cash and cash equivalents	63,478,108	65,004,419	–	–	–	–	63,478,108	65,004,419
Trade and other receivables	8,160,186	2,354,420	–	–	–	–	8,160,186	2,354,420
Assets held or available for sale	2,189,721	2,451,585	–	–	–	–	2,189,721	2,451,585
Other non-current assets	–	–	50,439,538	24,968,495	–	–	50,439,538	24,968,495
Total anticipated inflows	73,828,015	69,810,424	50,439,538	24,968,495	–	–	124,267,553	94,778,919
Net (outflow)/inflow on financial instruments	**66,384,536**	**64,801,333**	**7,931,395**	**5,709,183**	**-**	**-**	**74,315,933**	**70,510,516**

(c) **Market Risk**

Market risk arises from the Groups use of interest bearing and foreign currency financial instruments. It is the risk that the fair value of future cash flows of a of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange (currency risk) or other market factors (other price risk).

(i) ***Interest rate risk***

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The financial assets and financial liabilities with exposure to interest rate risk is detailed below:

	Consolidated Group	
	2013 $	**2012 $**
Financial Assets		
Cash and cash equivalents	63,478,108	65,004,419
Other Non-Current Assets	52,189,308	24,968,495
	115,667,416	**89,972,914**
Financial Liabilities		
Short Term Borrowings	–	–
Long Term Borrowings	42,508,141	19,259,312

The Group is also exposed to earnings volatility on floating rate instruments.

Notes to the Financial Statements (continued)

(ii) ***Foreign exchange risk***

Jupiter operates internationally and is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the Australian Dollar and South African Rand. Jupiter's exposure to currency risk is on cash, trade receivables, and borrowings.

Foreign currency risk is the risk of exposure to transactions that are denominated in a currency other than the Australian dollar. The carrying amounts of the Group's financial assets and liabilities are denominated in two different currencies as set out below:

	30 June 2013		
	$	**ZAR**	**Total $**
Financial Assets			
Cash and cash equivalents	55,448,050	8,030,058	63,478,108
Receivables	396,185	7,764,001	8,160,186
Assets available for sale	2,189,721	–	2,189,721
Other Non-Current Assets	1,209,000	49,230,538	50,439,538
	59,242,956	**65,024,597**	**124,267,553**
Financial Liabilities			
Trade and other payables	488,556	6,954,923	7,443,479
	488,556	**6,954,923**	**7,443,479**

	30 June 2012		
	$	**ZAR**	**Total $**
Financial Assets			
Cash and cash equivalents	23,243,614	41,760,805	65,004,419
Receivables	983,774	1,370,646	2,354,420
Assets held or available for sale	2,451,585	-	2,451,585
Other Non-Current Assets	1,247,775	23,720,720	24,968,495
	27,926,748	**66,852,171**	**94,778,919**
Financial Liabilities			
Trade and other payables	1,756,580	3,252,511	5,009,091
Short Term Borrowings	-	-	-
	1,756,580	**3,252,511**	**5,009,091**

(iii) ***Other Price Risk***

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices largely due to demand and supply factors for commodities.

As the Group does not derive revenue from sale of products, the effect on profit and equity as a result of changes in the price risk is not considered material. The fair value of the mining projects will be impacted by commodity price changes (predominantly iron ore, nickel and uranium) and could impact future revenues once operational. However, management monitors current and projected commodity prices.

Notes to the Financial Statements (continued)

(iv) ***Summarised sensitivity analysis***

The following table summarises the sensitivity of the Jupiter Group's financial assets and financial liabilities to interest rate risk and foreign exchange risk.

Management have reviewed interest rate and foreign exchange risk and determined the rates applied to be appropriate.

		Interest Rate Risk				Foreign Exchange Risk			
		-50 bps		+50 bps		-10%		+10%	
30 June 2013	**Carrying Amount $**	**Profit $**	**Other equity $**	**Profit $**	**Other equity $**	**Profit $**	**Other equity $**	**Profit $**	**Other equity $**
Financial Assets									
Cash and cash equivalents	63,478,108	(31,739)	–	31,739	–	(771,535)	–	771,535	–
Receivables	8,160,186	–	–	–	–	(776,400)	–	776,400	–
Available-for-sale financial assets	2,189,721	–	–	–	–	–	–	–	–
Other Non-Current Assets	52,189,308	(26,095)	–	26,095	–	(5,098,031)	–	5,098,031	–
Financial Liabilities									
Trade and other payables	7,443,479	–	–	–	–	(695,492)	–	695,492	–
Short Term Borrowings	–	–	–	–	–	–	–	–	–
Total increase/(decrease)		**(57,834)**	**-**	**57,834**	**-**	**(7,341,458)**	**-**	**7,341,458**	**-**

Notes to the Financial Statements (continued)

(v) ***Fixed Interest Rate Maturing***

	WAEIR		Floating Interest Rate		Within Year		1 to 5 Years		Over 5 Years		Non-interest Bearing		Total
	2013 %	2012 %	2013 $	2012 $	2013 $	2012 $	2013 $	2012 $	2013 $	2012 $	2013 $	2012 $	2013 $
Financial Assets:													
Cash and deposits	3.98	5.38	11,733,510	11,118,291	51,744,599	53,886,127	–	–	–	–	–	–	63,478,108
Receivables	–	–	–	–	–	–	–	–	–	–	8,160,186	2,354,420	8,160,186
Other Financial Assets	–	–	–	–	–	–	–	–	–	–	2,189,721	2,451,585	2,189,721
Other Non-Current Assets	9.3	9.3	1,642,761	1,247,776	–	–	–	–	–	–	50,546,547	23,720,719	52,189,308
Total Financial Assets			**13,376,271**	**12,366,067**	**51,744,599**	**53,886,128**	**–**	**–**	**–**	**–**	**60,896,454**	**28,406,724**	**126,017,323**
Financial Liabilities:													
Trade and sundry payables	16	16	–	–	–	–	–	–	–	–	7,443,479	5,009,091	7,443,479
Short Term Borrowings	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Financial Liabilities			**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**7,443,479**	**5,009,091**	**7,443,479**

WAEIR = Weighted Average Effective Interest Rate

Notes to the Financial Statements (continued)

Note 31: Financial Instruments (continued)

(d) **Net Fair Value**

The net fair values of cash and cash equivalents and non-interest bearing monetary financial assets and liabilities approximates their carrying value. The net fair value of financial assets and financial liabilities is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles.

Listed equity investments have been valued by reference to market prices prevailing at reporting date.

	2013		2012	
	Carrying Amount	**Net Fair Value**	**Carrying Amount**	**Net Fair Value**
Financial Assets				
Cash at bank (i)	63,478,108	63,478,108	65,004,419	65,004,419
Trade and other receivables (i)	8,160,186	8,160,186	2,354,420	2,354,420
Assets available for sale (ii)	2,189,721	2,189,721	2,451,585	2,451,585
Other Non-Current Assets	52,189,308	52,189,308	24,968,495	24,968,495
	126,017,323	**126,017,323**	**94,778,919**	**94,778,919**
Financial Liabilities				
Trade and other payables (i)	7,443,479	7,443,479	5,009,091	5,009,091
Short Term Borrowings	-	-	-	-
	7,443,479	**7,443,479**	**5,009,091**	**5,009,091**

The fair values in the above table have been determined based on the following methodology:

(i) Cash and cash equivalents, trade and other receivables and trade and other payables are short-term investments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave which is not considered a financial instrument.

(ii) For listed available-for-sale financial assets, closing quoted bid prices at the end of the reporting period are used. Unlisted available-for-sale financial assets are recorded at cost.

Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Group – as at 30 June 2013	**Level 1 $**	**Level 2 $**	**Level 3 $**	**Total $**
Financial Assets				
Assets available for sale:	2,189,721	-	-	2,189,721
	2,189,721	**-**	**-**	**2,189,721**

Included in Level 1 of the hierarchy are listed investments. The fair values of these financial assets have been based on the closing quoted bid prices at reporting date, excluding transaction costs.

Notes to the Financial Statements (continued)

Note 32: Parent company information

	Consolidated Group	
	2013 **$**	**2012** **$**
ASSETS		
Current Assets	55,908,474	24,271,557
Non-Current Assets	452,573,258	402,421,625
TOTAL ASSETS	508,481,732	426,693,182
LIABILITIES		
Current Liabilities	627,728	1,850,548
Non-Current Liabilities	-	-
TOTAL LIABILITIES	627,728	1,850,548
NET ASSETS	507,854,004	424,842,634
EQUITY		
Contributed equity	526,639,293	450,792,571
Option premium reserve	410,307	680,516
Financial asset reserve	621,038	-
Accumulated losses	(19,816,634)	(26,630,453)
TOTAL EQUITY	507,854,004	424,842,634
FINANCIAL PERFORMANCE		
Profit/(Loss) for the year	(7,911,501)	(1,571,895)
Other comprehensive income	621,038	(437,407)
TOTAL COMPREHENSIVE LOSS	(7,290,463)	(2,009,302)

Contractual Commitments

As at 30 June 2013 the parent company had exploration contractual commitments of $1,299,684 refer to Note 24.

Contingent Liability

Refer to Note 25.

Note 33: Company Details

The registered office and principle place of business of Jupiter is:

Jupiter Mines Limited
Level 42
108 St Georges Terrace
Perth WA 6000

Directors' Declaration

The Directors of Jupiter Mines Limited declare that:

1. the financial statements, notes and the additional disclosures included in the Directors Report designated as audited, of the consolidated entity are in accordance with the *Corporations Act 2001* including:
   (a) complying with Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
   (b) give a true and fair view of the financial position as at 30 June 2013 and of the performance for the year ended on that date of the company and consolidated entity;
2. The financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1.
3. There are reasonable grounds to believe that Jupiter Mines Limited will be able to pay its debts as and when they become due and payable.
4. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2013.

Signed on behalf of the Board of Directors

Brian Gilbertson

Perth

26 September 2013

Independent Audit Report

Grant Thornton

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Independent Auditor's Report
To the Members of Jupiter Mines Limited

Report on the financial report

We have audited the accompanying financial report of Jupiter Mines Limited (the 'Company'), which comprises the consolidated statement of financial position as at 30 June 2013, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

Independent Audit Report (continued)

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Electronic presentation of audited financial report

This auditor's report relates to the financial report of Jupiter Mines Limited and its controlled entities for the year ended 30 June 2013 included on the Company's web site. The Company's Directors are responsible for the integrity of its web site. We have not been engaged to report on the integrity of the Company's web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion:

a the financial report of Jupiter Mines Limited is in accordance with the Corporations Act 2001, including:

i giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 and of its performance for the year ended on that date; and

ii complying with Australian Accounting Standards and the Corporations Regulations 2001; and

b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Independent Audit Report (continued)

Report on the remuneration report

We have audited the remuneration report included in pages 34 to 39 of the Directors' Report for the year ended 30 June 2013. The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion on the remuneration report

In our opinion, the remuneration report of Jupiter Mines Limited for the year ended 30 June 2013, complies with section 300A of the Corporations Act 2001.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

C A Becker
Partner - Audit & Assurance

Perth, 26 September 2013

Additional Information for Listed Companies

Shareholder Information

Shareholder Information for Listed Companies required by the ASX Limited (ASX) Listing Rules and not disclosed elsewhere in the Report is set out below. All information is correct as at 16 September 2013.

Substantial shareholders

The following shareholders have notified the Company that pursuant to the provisions of section 671B of the Corporations Act they are substantial shareholders.

Name	Number of fully paid ordinary shares	%
Pallinghurst Steel Feed (Dutch) B V	443,446,278	19.43
POSCO Australia GP Pty Ltd	323,461,584	14.18
National Nominees Limited	307,081,811	13.46
Investec Bank Limited	275,836,647	12.09
EMG Jupiter L.P	246,674,875	10.81
HJM Jupiter L.P	141,170,747	6.19
FRK Jupiter L.P	141,170,746	6.19
POSCO Australia Pty Ltd	66,249,191	2.90

Number of security holders and securities on issue

Quoted equity securities

Jupiter has issued 2,281,835,383 fully paid ordinary shares and these are held by 2,158 shareholders.

Voting rights

Ordinary shares

The voting rights attached to ordinary shares are that on a show of hands, every member present, in person or proxy, has one vote and upon a poll, each share shall have one vote.

Options

Option holders do not have any voting rights on the options held by them.

Distribution of security holders

Category	Fully paid Ordinary shares		
Range	Holders	Shares	%
1 – 1,000	92	31,946	0.00
1,001 – 5,000	390	1,274,649	0.06
5,001 – 10,000	402	3,436,194	0.15
10,001 – 50,000	787	20,266,974	0.89
50,001 – 100,000	201	15,832,242	0.69
100,001 and over	286	2,240,993,378	98.21
Total	**2,159**	**2,281,835,383**	**100.00**

Unmarketable parcel of shares

The number of shareholders holding less than a marketable parcel of ordinary shares is 561.

Additional Information for Listed Companies (continued)

Twenty largest shareholders

Details of the 20 largest shareholders by registered shareholding are:

	Name	No. of shares	%
1	Pallinghurst Steel Feed (Dutch) B V	443,446,278	19.43
2	POSCO Australia GP Pty Ltd	323,461,584	14.18
3	Citicorp Nominees Pty Limited (HJM Jupiter L.P & FRK Jupiter L.P.)	301,165,150	13.20
4	National Nominees Limited	298,442,232	13.08
5	Investec Bank Limited	275,836,647	12.09
6	EMG Jupiter L.P	246,674,875	10.81
7	POSCO Australia Pty Ltd	66,249,191	2.90
8	Pallinghurst EMG African Queen L.P	42,857,143	1.88
9	Hancock Prospecting Pty Ltd	23,452,219	1.03
10	Investec Bank Limited Resource Finance	20,343,071	0.89
11	Red Rock Resources PLC	19,674,375	0.86
12	BNP Paribas Noms Pty Ltd	19,034,735	0.83
13	Mr Priyank Thapliyal	14,813,155	0.65
14	J P Morgan Nominees Australia Limited	11,666,942	0.50
15	HSBC Custody Nominees (Australia) Limited	10,005,221	0.44
16	CTSF Pty Ltd	5,800,000	0.25
17	Gaffwick Pty Limited	5,714,285	0.25
18	Foster Stockbroking Nominees Pty Ltd	4,625,219	0.20
19	HSBC Custody Nominees (Australia) Limited	4,445,936	0.19
20	Brumby Capital	3,988,535	0.17
	Total	**2,141,546,793**	**93.85%**

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