

March Quarterly Report

26 April 2012

Jupiter Mines Limited

Highlights

- Tshipi Borwa Project remains on track for Q4 2012 delivery of first ore
- Formal rail contract negotiations expected to commence shortly for the Tshipi Borwa project
- Mount Ida feasibility study drill program complete

Directors

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Issued Capital

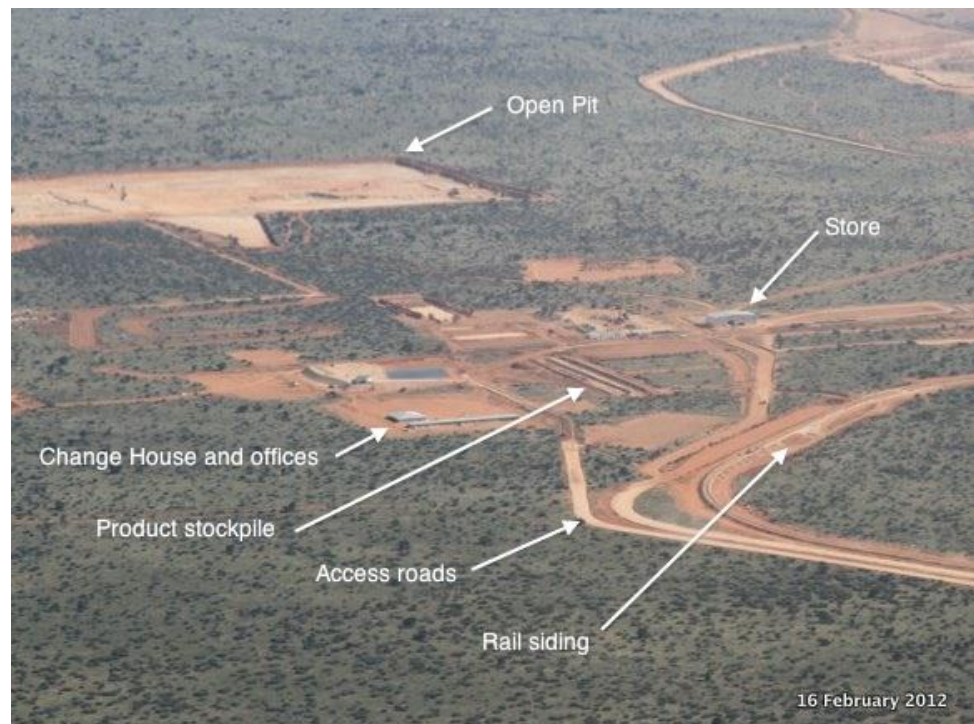
Shares: 1,806,834,044
Unlisted Options: 6,700,000

ASX Symbol

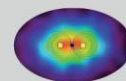
JMS

Overview

- Tshipi Borwa - pre-strip mining continues, pit depth 27 meters at quarter end;
- Tshipi Borwa - Construction activities well underway including rail siding, rapid load out stations, process plant, housing and office infrastructure;
- Mount Ida – feasibility study progressing well;
- Mount Mason – feasibility study results being compiled; and
- Consolidated cash position of \$84.9m.



Tshipi Borwa – Aerial view



CENTRAL YILGARN IRON PROJECT (CYIP)

OVERVIEW

Jupiter continued to progress the two Feasibility Studies on the 100% owned CYIP during the quarter. The CYIP consists of one small DSO project – Mount Mason DSO Hematite Project, and the flagship long life magnetite Project – Mount Ida Magnetite Project.

FEASIBILITY STUDY DEVELOPMENTS

Mount Mason DSO Hematite Project

During the quarter the major components of the feasibility study were completed. Mine optimisation and scenario analysis are scheduled to take place early in the coming quarter.

It has been determined that a fines only product will be produced. This is reflective of the limited size of the project and will lead to a maximisation of the minable reserve. Pit design and mine scheduling are being undertaken on two scenarios;

- high grade fines product: 60.1% Fe using a silica cut-off grade of 10%; or
- lower grade product: 58.2% Fe using a silica cut off of 15%.

The higher silica cut-off grade will increase the minable reserve. At quarter end analysis of optimum mining production rates were underway at both 1.0 and 1.5 mtpa.

Process and Infrastructure

The crushing circuit design, which has the capacity to produce a fines product at 1.5mtpa operating on a day shift only basis, was completed during the quarter. Work was also completed on the non process and supporting infrastructure components of the project.

In January, the State Government announced that the Port of Esperance is to be expanded to cater for additional iron ore exports. The Government has committed to increase the export capacity by an additional 20 mtpa, and will seek private industry backing for the project.

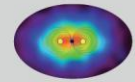
It is expected that engagement with private industry will commence over the coming months.

In late March, Main Roads awarded the \$100m contract to design and construct the Esperance Port Access Corridor to John Holland. This project will separate Port and Town traffic and is necessary for the capacity of the Port to be expanded. This project is expected to commence midyear and be completed by the end of 2013.

Mount Ida Magnetite Project

Drill program

Resource and geotechnical drill programmes over the Central Zone and the Northern and Southern inferred extensions of the Mount Ida magnetite mineralisation were completed. An additional 90 RC and diamond drill holes were drilled for a total of 19,900m. Jupiter expects to receive all the assay results pertaining to the Central Zone drill programmes by mid-May.



The exploration focus is to complete the Central Zone geological model that covers approximately 3km x 1.5km of the Mount Ida magnetite mineralisation. Jupiter aims to update the present Inferred JORC mineral resource estimate for the Mount Ida Central Zone during the second half of 2012.

Following the completion of the Central Zone data modelling, Jupiter will create geological models for the Northern and Southern extensions. It is anticipated a maiden JORC resource estimate over an additional 4.5km strike length of magnetite mineralisation will be available in the latter part of 2012.

Jupiter has commenced regional exploration activities to identify groundwater resources to meet the requirements for the Mount Ida mining operations.

Process & Infrastructure

A number of revisions have been undertaken to optimize the general mine layout, waste dumps, tailings management facility, process plant and supporting infrastructure. This is nearing completion, upon which geotechnical soil sampling will be completed, this is schedule for the June quarter.

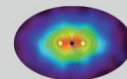
The metallurgical test work is progressing with the first phase of the high pressure grinding rolls (HPGR) testing nearing completion. The second phase will commence in April, and it is expected that pilot plant test work will commence during the June quarter. The process design is well advanced, scenario analysis and process optimisation are currently underway.

Potential infrastructure providers for gas lateral pipelines and/or gas fired power stations have been identified with proposals sought in order to contribute to the feasibility study.

Environmental and Project Permitting

Flora and fauna surveys (subterranean and terrestrial) continued through the quarter as scheduled. A gap analysis was undertaken of environmental survey coverage in response to mine planning and recent refinement of mine related infrastructure in both Mount Mason and Mount Ida. Ongoing environmental baseline studies will increase coverage in the June quarter to incorporate areas identified.

In the June Quarter, ongoing reporting will continue with Department of Mines and Petroleum and revegetation of areas cleared for exploration activities will commence on site at Mount Mason and Mount Ida. Heritage Surveys (archaeological and ethnographic) will be undertaken of areas not previously surveyed and upcoming level 2 flora and fauna surveys will incorporate a larger study area. In addition, there will be regional subterranean fauna sampling for Mount Ida.



TSHIPI KALAHARI MANGANESE PROJECT - JUPITER 49.9% JOINT VENTURE INTEREST

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

Tshipi Borwa Manganese Mine

Pre-strip mining

Pre-strip mining has progressed significantly during the quarter. At the end of the quarter the pit had reached a pit depth of 27 meters.



Tshipi Borwa - Pre-strip mining



Tshipi Borwa – Komatsu PC3000 – one of 3 on site

Construction

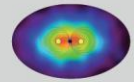
The project clocked more than 100,000 lost time injury (LTI) free hours before its first LTI incident, which occurred during the quarter. The LTI resulted in two lost days.

Rail siding – during the quarter fastening of the rail line with sleepers was completed and ballast installation commenced, significant progress was made on the installation of overhead traction pylons and electrical lines. The Rail Siding is scheduled to be completed during early Q3 2012.

Rapid load out station – civil works commenced during the quarter, fabrications works, being undertaken in the USA, continued. Delivery is scheduled to occur during Q3 2012.

Site construction – during the quarter the mine offices, change house and mine store significantly progressed and delivery is scheduled to take place in early Q2 2012. Plant construction commenced, with foundations and civil works for the three product stockpile tunnels progressing.

Housing – Construction of 45 houses, which are to be used as lodging for local employees, is well progressed. The first phases of houses are scheduled to be delivered by the end of the June 2012 quarter.



Tshipi Borwa - Overhead traction being installed



Tshipi Borwa - Rail siding



Tshipi Borwa – Rapid load out station under construction



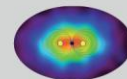
Tshipi Borwa – Housing



Tshipi Borwa – Stockpile tunnels being assembled



Tshipi Borwa – Aerial view



Logistics

During the quarter the management team of Tshipi hosted a visit by Transnet representatives as part of Transnet's final due diligence and operational readiness evaluation of the Tshipi Borwa mine. It is anticipated that formal rail contract negotiations will commence during Q2 2012 for rail allocation to Port Elizabeth, in line with the MECA process, and that these contracts might be concluded in early Q3 2012.

Financing

The capital budget for the construction of the Tshipi Borwa Mine remains in line with forecasts. Total expenditure to the end of the Quarter has been approximately R398 million (\$51.1 million) while a further R609 million (\$77.1 million) has been committed (Jupiter has contributed its pro-rate share of 49.9% of the amounts listed above).

Operations

Pre-strip mining of the Tshipi Borwa open cut mine continued, with the pit reaching a depth of 27 meters by the end of the March 2012 Quarter. The mining contractors currently has three Komatsu PC 3000 machines operating in the pit, a fourth will be mobilised during April 2012.

With construction and pre-strip mining well underway, management continues to focus on ensuring the appointment of key operational staff, policies, systems and procedures and general operational readiness of the mine. Tshipi's continued focus on environmental responsibility and sustainability was recognised during the quarter as it was awarded the Northern Cape Raptor award for 2012. The award recognised Tshipi's contribution to the ongoing efforts to monitor and protect the Secretary Bird, one of the region's most iconic creatures.



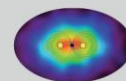
Tshipi Borwa – Secretary Bird



Tshipi Borwa – N Mabuzza (HS&E manager) and N Paneng (HS&E officer) receiving award in Kimberly

Tshipi Bokone

Exploration activities at Tshipi Bokone have temporarily put on hold as Tshipi management focus their attention at bringing Tshipi Borwa on line. It is anticipated activities at Bokone will restart during 2013.



CORPORATE

Share buyback

On 17 October 2011, the Company announced an on market buy back. No shares were purchased under the buy back during the quarter.

Cash Position

At the end of the quarter, the Company had a consolidated cash balance of \$84.9m and held marketable securities to the value of \$3.2m.

Shareholder Information

Details of the 20 largest shareholders by registered name as at 31 March 2012:

	Name	No of Shares	%
1	POSCO Australia Pty Ltd	327,210,775	18.11
2	PALLINGHURST STEEL FEED (DUTCH) B V	301,020,834	16.66
3	INVESTEC BANK LIMITED	275,836,647	15.27
4	EMG JUPITER L.P	246,674,875	13.65
5	HJM JUPITER L.P	125,545,747	6.95
6	FRK JUPITER L.P	125,545,746	6.95
7	RED ROCK RESOURCES PLC	74,200,832	4.11
8	PALLINGHURST EMG AFRICAN QUEEN L.P	42,857,143	2.37
9	J P MORGAN NOMINEES AUSTRALIA LIMITED	34,185,224	1.89
10	NATIONAL NOMINEES LIMITED	33,359,538	1.85
11	HANCOCK PROSPECTING PTY LTD	18,566,340	1.03
12	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	13,499,922	0.75
13	MR PRIYANK THAPLIYAL	11,727,080	0.65
14	CITICORP NOMINEES PTY LIMITED	10,072,523	0.56
15	AMP LIFE LIMITED	6,904,187	0.38
16	GAFFWICK PTY LIMITED	5,714,285	0.32
17	UBS NOMINEES PTY LTD	5,677,584	0.31
18	INVIA CUSTODIAN PTY LIMITED	5,000,000	0.28
19	BRISPOT NOMINEES PTY LTD	3,145,000	0.17
20	BRUMBY CAPITAL PTY LTD	3,053,938	0.17
	Total	1,669,798,220	92.42

Yours Faithfully
Jupiter Mines Limited

Richard Mehan
Managing Director & CEO

Appendix 5B

Mining exploration entity quarterly report

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

Name of entity

Jupiter Mines Limited

ABN

51 105 991 740

Quarter ended ("current quarter")

31st March 2012

Consolidated statement of cash flows

Cash flows related to operating activities	Current Quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(8,157)	(24,579)
(b) development	(9,278)	(24,733)
(c) production	-	-
(d) administration	(912)	(2,334)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1,250	4,555
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)		
- GST refund	915	2,063
- R&D refund	574	872
- rental income	-	54
Net Operating Cash Flows	(15,608)	(44,102)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	350	(2,580)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	(10,670)
1.11 Loans repaid by other entities	-	-
1.12 Other - Cash acquired	-	-
Net investing cash flows	(350)	(13,250)
1.13 Total operating and investing cash flows (carried forward)	(15,958)	(57,352)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(15,958)	(57,352)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	(5,880)
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	453	12,762
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material) Share Issue Costs	-	-
	Net financing cash flows	453	6,882
	Net increase (decrease) in cash held	(15,505)	(50,470)
1.20	Cash at beginning of quarter/year to date	98,991	139,937
1.21	Exchange rate adjustments to item 1.20	1,401	(4,580)
1.22	Cash at end of quarter	84,887	84,887

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

	Current Quarter \$A'000	
1.23	Aggregate amount of payments to the parties included in item 1.2	158
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Directors fees	\$ 158k
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Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

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

Nil

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	N/A
3.2 Credit standby arrangements	102	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	10,649
4.2 Development	16,233
4.3 Production	-
4.4 Administration	1,160
Total	28,042

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current Quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	3,846	2,959
5.2 Deposits at call	7,333	14,522
5.3 Bank overdraft	-	-
5.4 Other – Term Deposits	73,708	81,510
Other	-	-
Total: cash at end of quarter (item 1.22)	84,887	98,991

+ See chapter 19 for defined terms.

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	E15/625	Transfer - 27/03/2012	100%	0%
	M15/1457	Transfer - 27/03/2012	100%	0%
	M15/1458	Transfer - 27/03/2012	100%	0%
	M15/1459	Transfer - 27/03/2012	100%	0%
	M15/1476	Transfer - 27/03/2012	100%	0%
	E45/2964	Surrender – 03/04/2012	100%	0%
	E46/864	Surrender – 03/04/2012	100%	0%
	E46/888	Surrender – 03/04/2012	100%	0%
6.2 Interests in mining tenements acquired or increased	M15/1457	Granted – 11/01/2012	n/a	100%
	M15/1458	Granted – 11/01/2012	n/a	100%
	M15/1459	Granted – 11/01/2012	n/a	100%
	M15/1476	Granted – 11/01/2012	n/a	100%
	L29/99	Granted – 24/02/2012	n/a	100%
	P15/4358	Converted – 11/01/2012	n/a	100%

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

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

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>	Nil	N/A	N/A	N/A
7.2 Changes during quarter				
(a) Increases through issues	Nil	Nil	N/A	N/A
(b) Decreases through returns of capital, buy-backs, redemptions	Nil	Nil	N/A	N/A
7.3 +Ordinary securities	1,806,834,044	1,806,834,044	N/A	N/A
7.4 Changes during quarter				
(a) Increases through issues	Nil	Nil	N/A	N/A
(a.1) Conversion of options	Nil	Nil	N/A	N/A
(b) Decreases through returns of capital, buy-backs	Nil	N/A	N/A	N/A
(c) Increases through the release and quotation of restricted securities (released from escrow)	Nil	Nil	N/A	N/A
7.5 +Convertible debt securities <i>(description)</i>	Nil	Nil	N/A	N/A
7.6 Changes during quarter				
(a) Increases through issues	Nil	Nil	N/A	N/A
(b) Decreases through securities matured, converted	Nil	Nil	N/A	N/A


+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

7.7	Options (description and conversion factor)			Exercise Price	Expiry date
	Employee Share Scheme	800,000	Nil	25 cents	16/08/2012
	Employee Share Scheme	600,000	Nil	30 cents	16/08/2012
	Employee Share Scheme	600,000	Nil	35 cents	16/08/2012
	Employee Share Scheme	500,000	Nil	19 cents	06/11/2012
	Employee Share Scheme	500,000	Nil	22 cents	06/11/2013
	Employee Share Scheme	1,233,334	Nil	70 cents	11/04/2016
	Employee Share Scheme	1,233,333	Nil	80 cents	11/04/2016
	Employee Share Scheme	1,233,333	Nil	90 cents	11/04/2016
	Employee Share Scheme	6,700,000			
7.8	Issued during quarter			Exercise Price	Expiry date
		500,000	Nil	22 cents	06/11/2013
		1,233,334	Nil	70 cents	11/04/2016
		1,233,333	Nil	80 cents	11/04/2016
		1,233,333	Nil	90 cents	11/04/2016
		4,200,000			
7.9	Exercised during quarter	Nil	Nil	N/A	N/A
7.10	Expired during quarter	Nil	Nil	N/A	N/A
7.11	Debentures (totals only)	Nil	N/A		
7.12	Unsecured notes (totals only)	Nil	N/A		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: 
 (Company secretary)

Date: 26th April 2012

Print name: Matt Finkelstein

+ See chapter 19 for defined terms.

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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