JUPITER MINES LIMITED
ABN 51 105 991 740

ASX Release

16th March 2011

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Directors
Brian Gilbertson
Paul Murray
Priyank Thapliyal
Andrew Bell
Sun Moon Woo

Officers
Greg Durack
Robert Benussi
Charles Guy

ASX Symbol: JMS

Currently Developing:
- Iron Ore
- Manganese

Jupiter Mines Limited (ASX: JMS)

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

Interim Financial Report – half year ended 31st December 2010

Attached for release to the market is the Interim financial report of Jupiter Mines Limited and its controlled entities for the half -year ended 31 December 2010 including the independent audit review report thereon.

The report should be read in conjunction with the Company's 2010 annual financial report and any subsequent announcements made by the Company in accordance with the continuance disclosure requirement of the Corporation Act 2001.

For and on Behalf of the Board

Jupiter Mines Limited

Robert Benussi
Company Secretary& CFO

JUPITER MINES LIMITED

ABN 51 105 991 740

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

CONTENTS

DIRECTORS' REPORT

Your directors submit the financial report of Jupiter Mines Limited for the half-year ended 31 December 2010.

Directors' Details

The names of directors who held office during or since the end of the half-year:

Mr B P Gilbertson, Non-Executive Director
Mr P R Murray, Independent Non-Executive Director
Mr A Bell, Non-Executive Director
Mr P Thapliyal, Non-Executive Director
Mr S M Woo, Non-Executive Director

Directors were in office since the start of the period unless otherwise stated.

Review of Operations and Results

The principal activities of Jupiter Mines Limited during the Period continued to be the acquisition and evaluation of mineral exploration interests.

The consolidated result for the half-year was $1,976,175 loss after tax (2009: loss of $871,057 after tax).

Set out below are the announcements and activities of Jupiter Mines Limited in the Period.

6 July 2010	The Company released the "Independent Expert's Report", the "Independent Technical Review Report" and the "Independent Valuation Report" for the Tshipi Transaction.
23 July 2010	The Company announced "Oakover Manganese Project" "Significant Manganese Mineralisation" over wide spaced reverse circulation drilling completed over priority VTEM Anomalies.
29 July 2010	The Company released the June 2010 Quarterly Activities Report and Cash flow Report "Appendix 5B".
5 August 2010	The Company released a Revised June 2010 Cash flow Report.
12 August 2010	The Company announced the "Results of Resolutions – General Meeting held on 12th August".
30 August 2010	The Company announced that the "Mt Ida Magnetite Project – Development to be Fast Tracked"
1 September 2010	The Company released 81,000,596 ordinary shares (26,845,017 ordinary shares to Pallinghurst Steel Feed (Dutch) B.V. and 54,155,579 ordinary shares to Red Rock Resources plc) from escrow at the end of the restriction period.
9 September 2010	The Company announced that the "South African Department of Mineral Resources has approved the transfer of the ownership of the mining rights from Ntsimbintle to the Tshipi Kalahari Manganese Project".
30 September 2010	The Company released the 2010 Annual Report shareholders.
14 October 2010	The Company announced "Tshipi Acquisition and Project Update", "Investor Presentation", "Steel Feed Corporation" presentation and "Mt Ida Magnetite Project Exploration Update".
22 October 2010	The Company released the September 2010 Quarterly Activities Report and Cash flow Report "Appendix 5B".
26 October 2010	The Company announced "Transformational Tshipi Acquisition Update" and released an "Investor Presentation"

DIRECTORS' REPORT

29 October 2010	The Company announced the completion of the Tshipi Transaction.
8 November 2010	The Company announced "Tshipi Borwa Project Acquisition Completed" "Appendix 3B".
9 November 2010	The Company announced "Tshipi Borwa Manganese Project Reports additional Mineral Resources in the Top-Cut" and "Results of Resolutions 2010 Annual General Meeting".
10 November 2010	The Company announced an amended "Tshipi Borwa Manganese Project Reports additional Mineral Resources in the Top-Cut ".
19 November 2010	The Company responded to an "ASX Price Query".
14 December 2010	The Company announced "Mt Ida Magnetite Phase 1 Drilling Program Complete"
29 December 2010	The Company released "Securities Trading Policy"

Events subsequent to end of reporting period

19 January 2011	The Company announced "Mt Ida Maiden Inferred Magnetite Resource 530 million Tonnes" and released "Investor Presentation"
25 January 2011	The Company entered into a Trading Halt.
31 January 2011	The Company announced "Jupiter raises $150 million to advance its Steel Feed Corporation Strategy" and released "Quarterly Activities and Cash Flow Reports" "Appendix 5B".
7 February 2011	The Company announced "Construction of Tshipi Manganese Mine Approved".

Auditor's Declaration

The lead auditor's independence declaration under s 307C of the Corporations Act 2001 is set out on page 4 for the half-year ended 31 December 2010.

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

____
Brian P Gilbertson
Chairman

Perth

Dated this 16th day of March 2011

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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 review of Jupiter Mines Limited for the half-year ended 31 December 2010, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

b no contraventions of any applicable code of professional conduct in relation to the review.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

C A Becker
Director – Audit & Assurance

Perth, 16 March 2011

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

	NOTE	CONSOLIDATED GROUP 31 DECEMBER 2010 $	31 DECEMBER 2009 $
Other income		1,029,752	166,045
Acquisition costs		(1,118,703)	—
Consultancy fees		(151,050)	(139,805)
Depreciation and amortisation expense		(42,281)	(18,244)
Directors, employees and consultant share option expenses		—	(71,500)
Employee benefits expense		(384,965)	(392,055)
Exploration interests written off		(18,522)	(25,881)
Finance costs		(236)	(2,205)
Insurance costs		(93,170)	(33,682)
Legal and professional costs		(327,531)	(159,559)
Travel and entertainment costs		(119,921)	(116,910)
Other expenses from ordinary activities		(733,733)	(383,318)
Loss before income tax		(1,960,360)	(1,177,114)
Income tax benefit/(expense)		(15,815)	306,057
Loss attributable to members of the parent entity		(1,976,175)	(871,057)
Other comprehensive Income			
Fair value movements on available-for-sale financial assets		290,220	1,020,189
Income tax relating to components of other comprehensive income		—	(306,057)
Foreign currency exchange differences on translating foreign controlled operations		242,226	—
Other comprehensive income for the period, net of tax		532,446	714,132
Total comprehensive income for the period		(1,443,729)	(156,925)
Overall Operations:			
Basic loss per share (cents per share)		(0.30)	(0.27)
Diluted loss per share (cents per share)		(0.30)	(0.27)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2010

	NOTE	CONSOLIDATED GROUP 31 DECEMBER 2010 $	30 JUNE 2010 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		8,095,522	6,777,788
Trade and other receivables		532,703	103,036
Other current assets		23,624	11,141
TOTAL CURRENT ASSETS		8,651,849	6,891,965
NON-CURRENT ASSETS			
Financial assets		9,246,405	9,002,615
Plant and equipment		205,799	220,884
Mining reserves	8	340,653,445	—
Exploration and evaluation assets	2	16,005,677	12,328,678
Intangible assets		84,488	94,999
Other non-current assets	7	4,685,557	808
TOTAL NON-CURRENT ASSETS		370,881,371	21,647,984
TOTAL ASSETS		379,533,220	28,539,949
CURRENT LIABILITIES			
Trade and other payables		984,472	756,331
Borrowings		220,515	8,621
Short-term provisions		—	93,053
TOTAL CURRENT LIABILITIES		1,204,987	858,005
NON-CURRENT LIABILITIES			
Deferred tax liability		90,100,177	—
Long-term provisions		24,458	7,193
TOTAL NON-CURRENT LIABILITIES		90,124,635	7,193
TOTAL LIABILITIES		91,329,622	865,198
NET ASSETS		288,203,598	27,674,751
EQUITY			
Issued capital	3	308,974,862	46,928,586
Reserves	4	4,396,119	3,937,373
Accumulated losses		(25,167,383)	(23,191,208)
TOTAL EQUITY		288,203,598	27,674,751

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2010

	$	$	$	$	$	$	$
	Share Capital		Reserves				
	Ordinary	Options	Options	Financial Assets	Foreign currency translation	Accumulated Losses	Total
Balance at 1 July 2009	36,306,992	589,658	1,188,600	3,459,954	—	(20,996,291)	20,548,913
Loss attributable to members of parent entity	—	—	—	—	—	(871,057)	(871,057)
Fair value movements on available for sale financial assets	—	—	—	1,020,189	—	—	1,020,189
Total other comprehensive income for the period	—	—	—	—	—	(306,057)	(306,057)
Total comprehensive income for the period	—	—	—	1,020,189	—	(1,177,114)	(156,925)
Shares issued during the period	9,913,636	—	—	—	—	—	9,913,636
Options issued during the period	—	—	71,500	—	—	—	71,500
Options cancelled during the period	—	—	(45,000)	—	—	45,000	—
Options lapsed during the period	—	(62,500)	—	—	—	62,500	—
Balance at 31 December 2009	46,220,628	527,158	1,215,100	4,480,143	—	(22,065,905)	30,377,124
Balance at 1 July 2010	46,401,428	527,158	860,100	3,077,273	—	(23,191,208)	27,674,751
Loss attributable to members of parent entity	—	—	—	—	—	(1,976,175)	(1,976,175)
Total other comprehensive income for the period	—	—	—	290,220	242,226	—	532,446
Total comprehensive income for the period	—	—	—	290,220	242,226	(1,976,175)	(1,443,729)
Shares issued during the period	207,246,765	—	—	—	—	—	207,246,765
Deferred shares issued during the period	55,335,711	—	—	—	—	—	55,335,711
Options converted during the period	—	(536,200)	(73,700)	—	—	—	(609,900)
Capital raising fees	(9,042)	9,042	—	—	—	—	—
Balance at 31 December 2010	308,974,862	—	786,400	3,367,493	242,226	(25,167,383)	288,203,598

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

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2010

	NOTE	CONSOLIDATED GROUP 31 DECEMBER 2010 $	31 DECEMBER 2009 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		55,212	6,366
Payments to suppliers and employees		(2,930,857)	(1,426,577)
Interest received		146,557	159,679
Finance costs		(236)	(2,205)
Net cash (used in) operating activities		(2,729,324)	(1,262,737)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		(22,681)	(43,036)
Purchase of intangible assets		(6,517)	—
Purchase of financial assets		(22,796)	(1,200,054)
Payments for mining properties		(4,004,629)	(1,321,232)
Net cash (used in) investing activities		(4,056,623)	(2,564,322)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		6,944,975	7,807,620
Proceeds from borrowings			
- Loans from related parties		69,377	—
Net cash provided by financing activities		7,014,352	7,807,620
Net increase / (decrease) in cash held		228,405	3,980,561
Cash at beginning of period		7,637,544	6,503,648
Effect of exchange rates on cash holdings in foreign currencies		9,094	—
Cash at end of period	6	7,875,043	10,484,209

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

NOTE 1: BASIS OF PREPARATION

These general purpose financial statements for the interim half-year reporting period ended 31 December 2010 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: Interim Financial Reporting.

These interim financial statements are intended to provide users with an update on the latest annual financial statements of Jupiter Mines Limited and its controlled entities (the Group). As such, they do not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that these financial statements be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2010, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in these interim financial statements as were applied in the most recent annual financial statements other than as follows:

(a) Interests in joint ventures

The Group acquired an interest in Tshipi é Ntle Manganese Mining (Proprietary) Limited ("Tshipi"), a joint venture entity, during 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.

In addition, the following Accounting Standards came into effect:

(b) Adoption of new and revised Standards

The Group has adopted the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current period.

Impact of new and revised Standards and amendments thereof and Interpretations effective for the current period that are relevant to the Group include:

AASB 9 Financial Instruments, AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9

In December 2009, the AASB issued AASB 9 Financial Instruments which addresses the classification and measurements of financial assets and is likely to affect the Group's accounting for its financial assets. The standard is not applicable until 1 January 2013 but is available for early adoption. The Group is yet to assess its full impact. However, initial indications are that it will have no impacts on the Group's financial statements. The Group has yet to decide when to adopt AASB 9.

NOTE 1: BASIS OF PREPARATION (CONT'D)

Amendments to AASB 5, 8, 101, 107, 117, 118, 136 and 139 as a consequence of AASB 2009-5 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project

AASB 2009-5 Introduces amendments to Accounting Standards that are equivalent to those made by the IASB under its program of annual improvements to its standards. A number of the amendments are largely technical, clarifying particular terms, or eliminating unintended consequences. Other changes are more substantial, such as the current/non-current classification of convertible instruments, the classification of expenditures on unrecognized assets in the statements of cash flows and the classification of leases of land and buildings.

The adoption of these amendments, have not resulted in any material changes to the Group's accounting policies and have no effect on the amounts reported for the current or prior periods.

AASB 2010-3 Amendments to Australian Accounting Standards arising from the Annual Improvements Project

Amends a number of pronouncements as a result of the IASB's 2008-2010 cycle of annual improvements to provide clarification of certain matters.

The key clarifications include:

- The measurement of non-controlling interests in a business combination;
- Transition requirements for contingent consideration from a business combination that occurred before the effective date of the revised AASB 3 Business Combinations (2008); and
- Transition requirements for amendments arising as a result of AASB 127 Consolidated and Separate Financial Statements.

The adoption of these amendments, have not resulted in any material changes to the Group's accounting policies and have no effect on the amounts reported for the current or prior periods.

	NOTE	CONSOLIDATED GROUP 31 DECEMBER 2010 $	30 JUNE 2010 $
NOTE 2: EXPLORATION AND EVALUATION ASSETS			
Costs carried forward in respect of the following areas of interests:			
— Widgiemooltha		506,017	482,117
— Klondyke		571,010	549,629
— Mount Mason		3,481,356	3,446,005
— Mt Ida & Mt Hope		5,841,188	3,074,576
— Walling Rock		28,122	25,893
Mt Alfred		1,200,681	1,082,052
— Corunna Downs		57,742	53,822
— Yunndaga		40,000	40,000
— Oakover		4,279,561	3,574,584
Total exploration expenditure		16,005,677	12,328,678

	NOTE	31 DECEMBER 2010 $	30 JUNE 2010 $
NOTE 3 : ISSUED CAPITAL			
Paid up capital:			
1,345,694,702 (30 June 2010: 369,786,471) fully paid ordinary shares	3a	253,639,151	46,401,428
Nil (30 June 2010: 5,200,000) fully paid options	3b	—	527,158
262,255,799 (30 June 2010:Nil) deferred shares	3c	55,335,711	—
		308,974,862	46,928,586

	NOTE	31 DECEMBER 2010 $	30 JUNE 2010 $
(a) Ordinary shares			
At the beginning of the reporting period		46,401,428	36,306,992
Shares issued during the period			
— 23,696,683 issued on 29 October 2010		4,999,975	—
— 946,411,458 issued on 8 November 2010		199,691,890	—
— 262,255,799 deferred shares issued	3c	55,335,711	—
Sub total		306,429,004	36,306,992
5,800,000 options converted to shares during the period		2,554,900	—
Shares issued during previous period		—	10,094,436
Capital raising fee		(9,042)	—
At reporting date		308,974,862	46,401,428

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

	NOTE	CONSOLIDATED GROUP 31 DECEMBER 2010 $	30 JUNE 2010 $

NOTE 3: ISSUED CAPITAL (CONT'D)

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.

(b) Options

	31 December 2010 $	30 June 2010 $
At the beginning of reporting period	527,158	589,658
Options converted during the period		
— 1,500,000 issued on 1 December 2010	(174,000)	—
— 1,820,000 issued on 21 December 2010	(302,120)	—
— 130,000 issued on 22 December 2010	(21,580)	—
— 1,750,000 issued on 30 December 2010	(38,500)	—
Options lapsed during previous period	—	(62,500)
Capital raising fees	9,042	—
At reporting date	—	527,158

	No.	No.
At the beginning of reporting period	5,200,000	6,700,000
Options converted during the period		
— 1 December 2010	(1,500,000)	—
— 21 December 2010	(1,820,000)	—
— 22 December 2010	(130,000)	—
— 30 December 2010	(1,750,000)	—
Options lapsed	—	(1,500,000)
At reporting date	—	5,200,000

(c) Deferred shares

The deferred shares balance within equity refers to the 262,255,799 deferred shares which are to be issued to Investec Bank Limited in consideration for their interest in Tshipi, which was vended into Jupiter as part of the Tshipi Jupiter transaction referred to in Note 8 *Acquisition of Interest in Joint Venture*. The Directors agreed that Investec would only be issued their shares in Jupiter after the end of twelve months, with the number of shares to be determined on the basis of whether there is a warranty claim against Tshipi within twelve months. The deferred shares must be issued to Investec within twelve months of the date of the General Meeting held on 12 August 2010 (ie by 11 August 2011).

NOTE 3: ISSUED CAPITAL (CONT'D)

The terms of this element of the transaction are disclosed more fully in the Notice of General Meeting as sent to shareholders on 6 July 2010, which detailed the terms of the acquisition of the 49.9% interest in Tshipi by Jupiter. The General Meeting was held on 12 August 2010 and all resolutions were passed.

Other than in the event of a warranty claim against Tshipi, Investec have a legal obligation to subscribe for the full 262,255,799 deferred shares. The Directors therefore believe that the economic substance of this part of the transaction is that the entry should be in equity (not liabilities), notwithstanding the legal arrangements, and the balance is disclosed within equity in the consolidated balance sheet. The Directors believe it is very unlikely that any warranty claim will be made against Tshipi, either by 11 August 2011, or after that date.

(d) Options

The balance of options at the beginning of the reporting period totalling 5,200,000 were to expire between 31 December 2009 and 31 December 2010 at exercise prices ranging from $0.20 to $0.35 per option.

At 31 December 2010, there were Nil (30 June 2010: 5,200,000) unissued ordinary shares for which options were outstanding.

	NOTE	CONSOLIDATED GROUP	
		31 DECEMBER 2010 $	30 JUNE 2010 $
NOTE 4: RESERVES			
Reserves:			
Financial Asset Reserve	4a	3,367,493	3,077,273
6,300,000 (30 June 2010: 6,900,000) Options	4c	786,400	860,100
Foreign Currency Translation Reserve	4b	242,226	—
		4,396,119	3,937,373
(a) Financial Asset Reserve			
At the beginning of the reporting period		3,077,273	—
Revaluation increment during the period		290,220	3,077,273
At reporting date		3,367,493	3,077,273
(b) Foreign Currency Translation Reserve			
At the beginning of the reporting period		—	—
Translation increment upon consolidation		242,226	—
At reporting date		242,226	—
(c) Options			
At the beginning of the reporting period		860,100	1,188,600
Options converted during the year		(73,700)	—
Options recognised in the previous period		—	(328,500)
At reporting date		786,400	860,100

NOTE 4: RESERVES (CONT'D)	NOTE	CONSOLIDATED GROUP 31 December 2010 No.	30 June 2010 No.
At the beginning of the reporting period		6,900,000	8,400,000
Options issued during the period			
— 26 November 2010		(300,000)	—
— 8 December 2010		(200,000)	—
— 23 December 2010		(100,000)	—
Options issued during the previous period		—	500,000
Options converted to ordinary shares during the period		—	(400,000)
Options lapsed/cancelled during the period		—	(1,600,000)
At reporting date		6,300,000	6,900,000

Directors, employees and consultant share option scheme expenses of $Nil (30 June 2010: $94,500) represents the valuation of options granted. These were valued using the Black-Scholes pricing method.

At 31 December 2010, there were 6,300,000 (30 June 2010: 6,900,000) unissued ordinary shares for which options were outstanding. These options will expire between 1 December 2011 and 6 November 2012 at exercise prices ranging from $0.19 to $0.35 per options.

NOTE 5: DIVIDENDS

No dividends were declared or paid in the period.

NOTE 6: CASH AND CASH EQUIVALENTS	31 December 2010 $	30 June 2010 $
Reconciliation of cash		
Cash at the end of the period as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	8,095,522	6,777,788
Bank overdrafts	(209,798)	—
Credit card facilities	(10,681)	(8,621)
	7,875,043	6,769,167

NOTE 7: OTHER NON-CURRENT ASSETS

Included in other non-current assets is an advance of $4,685,557. In October 2010, at the same time as the acquisition of the 49.9% equity interest in Tshipi é Ntle Manganese Mining (Proprietary) Limited, the Company also acquired certain loan balances payable by Tshipi. At 31 December 2010, an amount of $4,685,557 has been recognised representing the element of this advance which has not been eliminated on consolidation.

NOTE 8: ACQUISITION OF INTEREST IN JOINT VENTURE

On 29 October 2010, the Group completed the acquisition of 49.90% of the issued capital of Tshipi, a company with manganese projects in South Africa, for a purchase consideration of $246,134,689, giving the Group joint control. The vendors of the 49.9% interest in Tshipi were the Pallinghurst Co-Investors, a group of investors with a long-term interest in the natural resources sector, and share a single investment manager, the Pallinghurst investment manager, which is chaired by Brian Gilbertson. Priyank Thapliyal is also a partner of the investment manager.

The vendors of Tshipi included Pallinghurst Resources Limited, which is listed on the Johannesburg Stock Exchange and Bermuda Stock Exchange. Brian Gilbertson is the Chairman of Pallinghurst Resources Limited. A further vendor of Tshipi included a subsidiary of POSCO. POSCO is a Korean corporation that is listed on the Republic of Korea, New York and Tokyo Stock Exchanges. Mr Woo is the Managing Director of POSCO Australia (Pty) Ltd.

Accordingly, the only directors considered to be independent and able to vote on the acquisition were Paul Murray and Andrew Bell. The Notice of General Meeting as sent to shareholders on 6 July 2010 (in advance of the General Meeting held on 12 August 2010) noted that Paul Murray and Andrew Bell had both recommended that shareholders vote in favour of all the relevant resolutions to complete the acquisition.

The Pallinghurst Co-Investors had previously entered into a joint venture agreement with Ntsimbintle Mining (Pty) Limited, the owners of 50.1% of Tshipi. The joint venture agreement governs Tshipi's operating and financing policies, and the relationship between the joint venture partners. Jupiter Kalahari (Mauritius) Limited, a Jupiter subsidiary, has since become party to an updated similar joint venture agreement, and assumed similar rights and obligations in the partnership.

The acquisition of Tshipi is part of the Group's overall strategy to expand its mineral resource projects in the mining industry.

The purchase was satisfied by the issue of 1,208,667,347 ordinary shares at an issue price of $0.2109 each and the payment of $255,027,602. The issue price of the new Jupiter Mines Limited shares was based on the 30 day volume weighted average sale price as at 1 March 2010 (the announcement date).

		Fair Value
Purchase consideration:		$
— Interest bearing loan acquired		8,892,913
— equity issued	8a	246,134,689
		255,027,602

8(a) Assets acquired and liabilities assumed at the date of acquisition

Cash and cash equivalents	868,855
Receivables (i)	25,103
Mining reserves (ii)	340,262,745
Property, plant and equipment	5,502
Payables	(256,626)
Borrowings (iii)	(4,517,530)
Deferred tax liabilities	(191,830)
Deferred tax liabilities on consolidation	(89,889,166)
Identifiable assets acquired and liabilities assumed	246,307,053

NOTE 8: ACQUISITION OF INTEREST IN JOINT VENTURE (CONT'D)

i. Receivables relate to South African VAT refundable. The directors believe these amounts are fully recoverable and no provision for impairment is required.

ii. Mining reserves acquired related to the mineral reserves located in the prospective manganese projects owned by Tshipi é Ntle Manganese Mining (Proprietary) Limited in South Africa. The directors believe these amounts are fully recoverable and no provision for impairment is required.

iii. Assets purchased included interest bearing loans due from Tshipi. The loan value at 31 December was \$9,345,943 (30 June 2010; Nil). The Group has eliminated 49.9% of the loan made to Tshipi on consolidation; the balance of \$4,684,789 (30 June 2010; nil) effectively represents the loan balance that has been made to the 50.1% of the joint venture not owned by the Group.

Balances from ownership of 49.9% of Tshipi é Ntle Manganese Mining (Proprietary) Limited have been included in the consolidated reports of the group at 31 December 2010.

A net loss of \$34,978 is included in the consolidated statement of comprehensive income for the half-year ended 31 December 2010.

Acquisition-related costs are included within the statement of comprehensive income totalling \$1,118,703. The costs include transaction tax and other settlement expenses.

NOTE 9: JOINT VENTURE

a Interest in Joint Ventures:

A controlled entity, Jupiter Kalahari (Mauritius) Limited, has a 49.9% interest in Tshipi é Ntle Manganese Mining (Proprietary) Limited, 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 applying 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.

	NOTE	CONSOLIDATED GROUP	
		31 DECEMBER 2010	30 JUNE 2010
		$	$
The Group's share of assets employed in the joint venture is:			
CURRENT ASSETS			
Cash & cash equivalents		544,491	—
TOTAL CURRENT ASSETS		544,491	—
NON-CURRENT ASSETS			
Mining reserves		250,553,268	—
Property, plant and equipment		6,551	—
TOTAL NON-CURRENT ASSETS		250,559,819	—
TOTAL ASSETS		251,104,310	—
CURRENT LIABILITIES			
Trade and other payables		173,433	—
Total current liabilities		173,433	—
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		173,433	—
NET INTEREST IN JOINT VENTURE		250,930,877	—
The Group's share of the joint venture income and expenses is:			
Share of joint venture income		86	—
Share of joint venture expenses		(35,064)	—
Share of joint venture other comprehensive income		242,789	—

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

NOTE 10: SEGMENT INFORMATION

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

The Company is managed on the basis that it is a mineral exploration company operating in two geographical regions being Australia and South Africa.

(i)Segment performance	Australia	South Africa	Total
Six months ended 31 December 2010	$	$	$
Other income	1,029,666	86	1,029,752
Reconciliation of segment result to net profit/loss before income tax			
Acquisition costs	—	(1,118,703)	(1,118,703)
Consultancy fees	(151,050)	—	(151,050)
Depreciation and amortisation expense	(42,281)	—	(42,281)
Employee benefits expense	(384,965)	—	(384,965)
Exploration costs written off	—	(18,522)	(18,522)
Finance costs	(236)	—	(236)
Insurance costs	(93,170)	—	(93,170)
Legal and professional costs	(327,531)	—	(327,531)
Travel and entertaining costs	(119,764)	(157)	(119,921)
Other expenses	(733,727)	(6)	(733,733)
Net profit before tax from continuing operations	**(823,058)**	**(1,137,302)**	**(1,960,360)**
Six months ended 31 December 2009			
Other income	166,045	—	166,045
Reconciliation of segment result to net profit/loss before income tax			
Consultancy fees	(139,805)	—	(139,805)
Depreciation and amortisation expense	(18,244)	—	(18,244)
Directors, employees and consultant share option expenses	(71,500)	—	(71,500)
Employee benefits expense	(392,055)	—	(392,055)
Exploration costs written off	(25,881)	—	(25,881)
Finance costs	(2,205)	—	(2,205)
Insurance costs	(33,682)	—	(33,682)
Legal and professional costs	(159,559)	—	(159,559)
Travel and entertaining costs	(116,910)	—	(116,910)
Other expenses	(383,318)	—	(383,318)
Net profit before tax from continuing operations	**(1,177,114)**	—	**(1,177,144)**

NOTE 10: SEGMENT INFORMATION (CONT'D)

(ii) Segment assets

	Australia	South Africa	Total
	$	$	$
As at 31 December 2010			
Cash and equivalents	7,551,031	544,491	8,095,522
Trade and other receivables	499,755	32,948	532,703
Other loans	—	4,684,749	4,684,749
Other assets	23,624	—	23,624
Financial assets	9,246,405	—	9,246,405
Property, plant and equipment	199,461	6,338	205,799
Mining reserves	—	340,653,445	340,653,445
Exploration and evaluation assets	16,005,677	—	16,005,677
Intangible assets	84,275	213	84,488
Other	808	—	808
Total company assets	**33,611,036**	**345,922,184**	**379,533,220**
As at 30 June 2010			
Cash and cash equivalents	6,777,788	—	6,777,788
Trade and other receivables	103,036	—	103,036
Other assets	11,141	—	11,141
Financial assets	9,002,615	—	9,002,615
Property, plant and equipment	220,884	—	220,884
Exploration and evaluation assets	12,328,678	—	12,328,678
Intangible assets	94,999	—	94,999
Other	808	—	808
Total company assets	**28,539,949**	—	**28,539,949**

NOTE 11: CONTINGENT LIABILITIES

There has been no material change in contingent liabilities since the end of the last annual reporting period.

NOTE 12: EVENTS SUBSEQUENT TO REPORTING DATE

On 19 January 2011, Jupiter announced that the results from Mount Ida had been received back, and that the project had an inferred magnetite resource 530 million tonnes.

On 31 January 2011, Jupiter announced that it intended to raise $150 million to advance its Steel Feed Corporation Strategy" and released "Quarterly Activities and Cash Flow Reports".

At a Tshipi Directors' meeting held on 4 February 2011, the Tshipi Directors formally committed to commence with mine development at Tshipi, and as a 49.9% shareholder, Jupiter now has a formal commitment to fund 49.9% of the required capital expenditure. The amount of Jupiter's commitment is approximately $100 million.

DIRECTORS' DECLARATION

The directors of Jupiter Mines Limited declare that:

1. The condensed financial statements and notes, as set out on pages 5 to 20 are in accordance with the *Corporations Act 2001*, including:

   a. complying with Accounting Standard AASB 134: Interim Financial Reporting; and

   b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2010 and of its performance for the half-year ended on that date.

2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

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Brian P Gilbertson
Chairman

16th day of March 2011

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

We have reviewed the accompanying half-year financial report of Jupiter Mines Limited ("Company"), which comprises the consolidated financial statements being the statement of financial position as at 31 December 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of the Company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410: Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the consolidated entity's financial position as at 31 December 2010 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Jupiter Mines Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

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

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Jupiter Mines Limited is not in accordance with the Corporations Act 2001, including:

a giving a true and fair view of the consolidated entity's financial position as at 31 December 2010 and of its performance for the half-year ended on that date; and

b complying with Accounting Standard AASB 134: Interim Financial Reporting and Corporations Regulations 2001.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

C A Becker
Director – Audit & Assurance

Perth, 16 March 2011