

25 January 2012

Jupiter Energy Limited (“Jupiter” or the “Company”)

J-53 DRILLING UPDATE

KEY POINTS:

- **Well J-53 has reached its final depth; mud logs, core and open hole wireline logs indicate hydrocarbons in the Mid Triassic horizon**
- **Initial analysis indicates 87m gross and 56m net pay in Mid Triassic carbonate reservoir unit**
- **J-53 is being prepared to run production casing to allow for a period of up to ninety days of flow testing from the Mid Triassic**

The Board of Jupiter, the Kazakhstan-focused oil exploration and production company, quoted on AIM (“JPRL”) and ASX (“JPR”), is pleased to provide shareholders with the following J-53 drilling update.

The J-53 well is the Company’s fourth exploration well and the first of its two 2012 commitment wells on Block 31, Jupiter’s 100 per cent owned permit in onshore Kazakhstan just east of the city of Aktau and the Caspian Sea. The well is located 2.8 km southeast of the J-52 well and increases the known areal extent of the Akkar East field.

Three exploration wells have already been drilled on this field and all three have been commercial discoveries. The J-50 well was drilled at the northern tip of the field, J-51 is 2km to the southeast, and J-52 is a further 1.7km to the southeast (see Figure 1 at the end of this announcement for locations of all four exploration wells).

The J-53 well took a total of 58 days to drill and reached a total depth of 3,113 m on 21 January 2012. Open hole logs were run and the well is being prepared to run production casing and cement. Operational progress and geological results were consistent with the Company’s expectations.

Hydrocarbon shows while drilling, including a core in the reservoir zone, and subsequent open hole wireline logs all indicated hydrocarbons in the Triassic reservoir. The open hole logs indicate good levels of oil saturation and porosity, similar to the proved producing zones in J-50, J-51 and J-52.

Analysis by independent consulting firm Reservoir Evaluation Services LLC ("RES") confirmed approximately 87m of gross and 56m of net pay at the Middle Triassic carbonate reservoir unit, the primary reservoir objective in the well. The reservoir appears to be oil on rock and well above the already identified Akkar East oil water contact ("OWC").

2P reserves after the drilling of J-50 and J-52 wells were independently estimated at 24.2 mmbbls and a new independent reserves report will now be prepared to include the results of all four wells drilled on Block 31: J-50, J-52, J-51 and J-53. The next reserves report should be published during the second quarter of 2012.

Results from the slightly shallower Z-Sand indicate three oil saturated sands which also look encouraging. Further analysis of this zone will be carried out with testing considered at a later date.

The Mid Triassic carbonate reservoir unit was successfully flow tested in the Company's J-50 and J-51 and J-52 wells and this will be the initial focus in terms of completion and testing.

Forward Plan

The forward plan is to run casing and perforate the well. The well will be stimulated and flow tested for up to a maximum of ninety days during which time flow rates and reservoir pressures will be measured for various choke sizes and fluid samples collected for analysis. The well will then be shut in and an application will be submitted to the relevant regulatory authorities for the well to be put onto a Trial Production Licence.

Further updates on the J-53 well will be provided to shareholders in due course.

Operations Update

The Company is scheduled to release its Quarterly Report in the next week and this will provide an update on in-country operations.

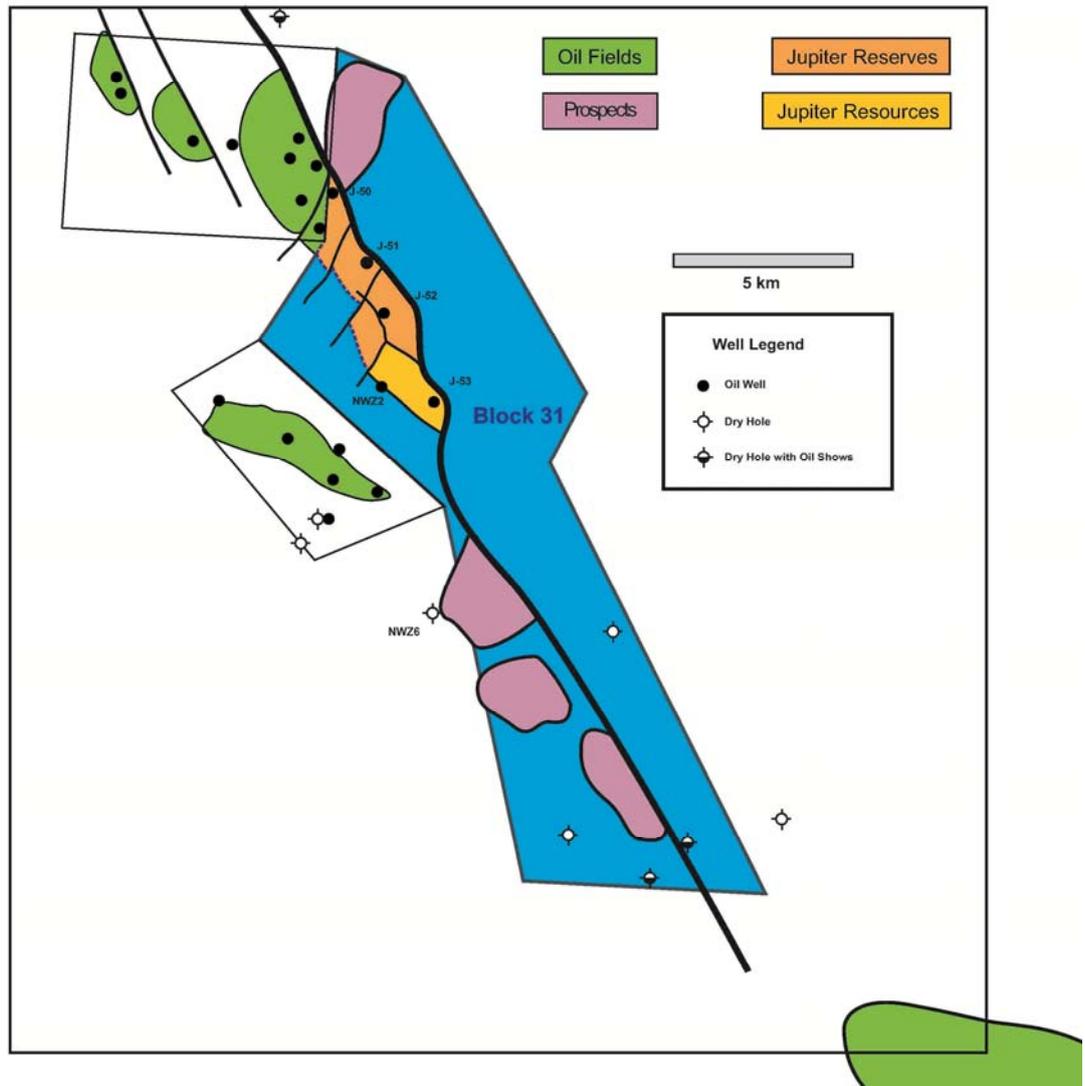


Figure 1: Location of J-50, J-51, J-52 and J-53 wells

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Competent Persons Statement:

The information in this announcement which relates to the Mid Triassic and Z-sand prospectivity is based on information compiled by Reservoir Evaluation Services LLP ("RES"), a Kazakh based oil & gas consulting company that specialises in oil & gas reserve estimations. RES has sufficient experience which is relevant to oil & gas reserve estimation and to the specific permit in Kazakhstan to qualify as competent to verify the information pertaining to the Mid Triassic prospectivity. RES has given and not withdrawn its written consent to the inclusion of the Triassic and Z-sand prospectivity figures in the form and context in which they appear in this announcement. RES has no material interest in the Company.

About the Company:

Jupiter Energy Limited is an oil exploration and production company, quoted on both the AIM and ASX markets. The Company is focused on developing its onshore assets in western Kazakhstan. In 2008 the Company acquired 100 per cent of the Block 31 permit, located in the oil-rich Mangistau Basin, close to the port city of Aktau. Its first three exploration wells have been discoveries and independently estimated 2P reserves, based on first two discoveries, currently stand at approximately 24.2 mmbbls.

Jupiter has a proven in-country management team, led by an experienced, international Board, together possessing the skills, knowledge, network and attention to detail needed to operate successfully in Kazakhstan. The forward plan will see Jupiter develop a group production facility on Block 31 to process, store and export oil. This topside infrastructure is a key element in moving to long-term production and the achievement of self-funding for further development of Block 31.