

07 June 2012

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

J-53 WELL AND RESERVES UPDATE

KEY POINTS:

- **Kazakh Government approves 1st 2 year extension to exploration period for Block 31 Licence. Exploration period now runs to December 2014.**
- **Kazakh authorities approve reserves for Block 31 post drilling of J-53 well.**
- **Analysis of the performance of J-53 during its 90 day production test indicates that the frac stimulation of J-53 propagated into the oil-water-contact below the oil.**
- **Preparations to workover J-53 to isolate this water zone from the oil zones above are underway and the work is expected to be undertaken during Q3 2012.**

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 update on Block 31.

Exploration Licence

In March 2012 the Company applied for a 2 year extension to the Block 31 Exploration Licence. The Exploration Licence has an initial 6 year term (ending December 2012) with two 2 year extensions. The first of these extensions has now been approved by the Kazakh authorities, thus enabling the Company to continue exploring on Block 31 until at least December 2014. It is expected that the second 2 year extension will be applied for during 2014.

The Block 31 contract also provides for a 25 year Production Licence term and it is the Company's intention to continue exploring on the southern section of Block 31 whilst also applying, during 2013, for a Production Licence for the already discovered Akkar East field in the northern section of Block 31.

Reserves Update

As part of the Trial Production application process, an estimation of reserves associated with the J-51 and J-53 wells had to be prepared under the accepted Kazakh standards and then submitted to the Kazakh authorities for approval. The Company can confirm that the State Reserves Committee has now approved reserves for the areas associated with the J-50, 51, 52 and 53 wells.

The State Reserves Committee has approved C1+C2 reserves equivalent to ~37 million barrels (mmbbl) of oil recoverable under the Russian GOST classification system; while similar, the Board caution against extrapolation of this figure directly into the 1P (proved) or 2P (proved plus probable) classification of the Petroleum Resource Management System ("PRMS") used by international oil and gas companies.

Furthermore the Board advises that the estimation of C1+C2 reserves for Block 31 quoted above includes reserves for both the Triassic and Jurassic formations penetrated by the four wells, J-50, J-51, J-52 and J-53 and advises that the 24 mmbbl 2P recoverable reserves estimation prepared by Synergy currently in the public domain post the release of the May 2011 Competent Persons Report (CPR) are those within only the Triassic horizon after drilling J-50 and J-52.

The Company expects to appoint an independent reserves engineer to undertake a comprehensive reserves study using the PRMS standards in early 2013, following the drilling of the next two exploration wells scheduled for 2H 2012. These wells are to be drilled on the new southern extension.

J-53 Well

The J-53 well is the Company's fourth exploration well and the first of its two 2012 commitment wells on Block 31. The well is located 2.8 km southeast of the J-52 well and increases the known areal extent of the Akkar East field.

The J-53 well reached a total depth of 3,113m on 21 January 2012. During the subsequent 3 month testing period, the J-53 well was fracture stimulated and exhibited a flow regime with only periods of intermittent production, recovering oil and water. Initially the unstable flow regime was thought to be the result of flowing back completion fluids into the well bore which inhibited the natural flow of oil from the reservoir.

Further analysis of the chemical composition of the recovered water and pressure transient data indicates that during the frac and acid stimulation work carried out on J-53 during its completion, the zone from 2,996m - 2,999m propagated a fracture down to penetrate the oil water contact.

The resultant water influx from this 3m zone has impacted the overall performance of the well and the composition and quantity of the liquids produced. Selective water shutoff using a permeability modifier has been determined as the most effective way to isolate the water within this zone such that the flow of hydrocarbons is able to take place uninhibited and not reduce the overall productivity of the mid Triassic formation.

J-53 Forward Plan

The forward plan for J-53 is to apply to the Kazakh authorities to get permission for an extension to the already completed 3 month testing period such that the workover of J-53 well can be undertaken and the well flow tested for a reasonable period of time, determining a stabilized flow rate of hydrocarbons.

Post this work, and assuming success, 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, similar to the application also being submitted for the J-51 well.

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

Any questions on this update should be directed to the Company.

ENDS



Enquiries:

Jupiter Energy (+61 89 322 8222)
Geoff Gander (geoff@jupiterenergy.com)

In accordance with the guidelines of the Australian Stock Exchange and AIM Market of the London Stock Exchange, Keith Martens, BSc Geology and Geophysics, with over 35 years' oil & gas industry experience, is the qualified person, as defined in the London Stock Exchange's Guidance Note for Mining and Oil and Gas companies, who has reviewed and approved the technical information contained in this announcement.

Competent Persons Statement:

The information in the May 2011 Competent Persons Report which relates to independent Triassic oil reserves (1P, 2P, 3P) and prospective resource (P90, P50, P10) is based on information compiled by Senergy Limited, an international oil & gas consulting company that specialises in oil & gas reserve estimations.

Senergy Limited has sufficient experience which is relevant to reserve estimations and to the specific exploration permit in Kazakhstan to qualify as competent to verify information pertaining to the Triassic oil reserves (1P, 2P, 3P) and prospective resource (P90, P50, P10). Senergy Limited has given and not withdrawn its written consent to the inclusion of its name and the Triassic 1P, 2P, 3P reserves and prospective resource (P90, P50, P10) figures in the form and context in which they appear. Senergy Limited 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.

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.