

03 January 2013

Jupiter Energy Limited ("Jupiter" or the "Company")

Operations Update

KEY POINTS:

- **Trial production licences for the J-51 and J-53 wells have both been approved.**
- **J-51 well will now resume production at ~600 bopd.**
- **Workover of J-53 well will now be completed and a stabilized flow rate established.**
- **Production testing of J-55 well continues; ~50 cubic metres of oil has been recovered to surface, however stabilized flow rate has not yet been established.**
- **Production testing of the J-58 well will commence during January.**
- **J-59 well spud on 31 December 2012.**

The Board of Jupiter Energy Limited, the Kazakhstan-focused oil exploration and production company, trading on AIM ("JPRL") and ASX ("JPR"), is pleased to provide shareholders with an operations update, including confirmation that the J-51 and J-53 Trial Production Licences ("TPL") have been approved by the Kazakh regulatory authorities.

Both J-51 and J-53 wells can be produced under Trial Production for a maximum of 3 years and during this time oil will be sold into the domestic market. The Company plans to develop the required infrastructure to move these wells from trial to full production (and therefore from domestic to export oil sales) sooner than this maximum 3 year period.

Trial Production from the J-50 and J-52 wells continues and it is expected aggregate production from the Block 31 field during 1Q 2013 will be approximately 1,400 barrels of oil per day (bopd) from the J-50, 51, 52 and 53 wells.

J-53 Workover:

Following the initial production testing of J-53 during which higher than expected water cuts were recorded, the well underwent a chemical treatment that partially reduced the water production; the well has subsequently undergone a cement squeeze to further reduce the water influx. Now that the TPL has been approved and in field operations can recommence at the J-53 well site, the well will now undergo an acid wash and a stabilized flow rate should be established in the near future.

The Company will update shareholders on the J-53 well as soon as further information is available.

J-55 Completion:

Following the initial acid-wash stimulation of J-55 in December 2012, approximately 50m³ of oil (300 barrels) was recovered to surface, however stabilized natural flow was not established. A review of the bottom hole pressures recorded during the initial testing indicate that the flow characteristics of the T2B horizon may improve following a re-perforation and a further, more aggressive, acid stimulation.

This work is currently being completed and the Company will update shareholders as soon as further information is available.

J-58 Completion:

All the necessary approvals have been granted to commence production testing of the J-58 well. Initial testing will be carried out at the T2B horizon and this will be followed by testing of the T2A horizon and potentially the T3 horizon. Each production testing period is for a maximum of 90 days.

Assuming all three horizons are tested, the J-58 well could be on production testing until September 2013.

The Company will update shareholders on production rates from the J-58 well in due course.

Spudding of J-59:

During December, the ZJ-40 drilling rig was moved to the location of the J-59 well and, after receiving the necessary approvals, the well spud on 31 December 2012. The well is anticipated to take approximately 60 days from spud through to running production casing and temporarily suspending the well.

The J-59 well location is mapped as up-dip to J-58 and approximately 4km further to the southeast. Mapping is not definitive as to whether the J-59 structure is separate to, or an extension of, the J-58 structure. The prospectivity of J-59 has been enhanced by the results of the logs from J-58 and the Company believes it has the potential to add a further 10 mmbbl of resource to the area.

Further updates on progress with the J-59 well will be provided to shareholders in due course.

ENDS

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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 Energy 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 Energy develop a group facility on site to process, store and ship oil. This topside infrastructure is a key element in moving to licensed production and the achievement of self-funding.