

10 April 2013

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

Operations Update

KEY POINTS:

- J-58 well is being prepared for a further 90-day test with co-mingled production from the T2A and T2B horizons.
- Testing of J-59 well is expected to commence during April.
- J-50, J-51, J-52 wells currently producing ~1,100 bopd.
- J-53 well remedial cementing has resulted in a marginal improvement in oil cut to 15%. Well will continue to run on ESP and fluid composition monitored.
- J-55 well is producing oil with a high water cut of 76%. Well will continue to run on ESP and fluid composition monitored.
- New CPR expected to be ready for release in late May 2013.
- Positive results from J-59 would mean a further updated CPR would be released in July 2013.

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

Oil Production/Sales:

The Company is currently producing from the J-50, 51 and 52 wells and current oil sales are approximately 1,100 barrels of oil per day (bopd) based on the following breakdown:

<u>Well</u>	<u>Licence Status</u>	<u>Production Level</u>
J-50	Trial Production	~300 bopd
J-51	Trial Production	~400 bopd
J-52	Trial Production	~400 bopd

TOTAL: ~1100 bopd

Approximately 35,000 barrels of oil was produced and delivered to sale in March 2013 and the level of oil production and sales is expected to increase to approximately 36,000 barrels of oil during April, assuming the J-58 well resumes production testing by mid April.

J-58:

J-58 is the Company's sixth well and the second to be drilled on the southern extension area. The well is 3.8km to the southeast of the J-55 well location.

The Company has previously advised that initial production testing of the J-58 well from a 5.5m unstimulated zone in the lower T2B Triassic delivered approximately 1,300 bopd on stabilized production testing. Perforation of the remaining T2B (25.2m net) and the T2A horizon (35.2m net) is currently in progress and the Company is expecting to announce a co-mingled flow rate from the T2B and T2A horizons during April.

This well data will then be provided to the independent consulting organization that is currently preparing a Competent Persons' Report (CPR); this will provide a cut-off date for the report and it is expected that the CPR will be completed by late May 2013.

J-59:

J-59 is the Company's seventh well and the third to be drilled on the southern extension area. The well is approximately 4km to the southeast of the J-58 well location.

J-59 was drilled to its final depth of 3,191m in February 2013 and mud logs, core and open hole wirelogs indicated hydrocarbons in the Mid Triassic horizon. Initial independent analysis indicated approximately 64.6m gross reservoir and 40.4m net pay in the T2A and 102.8m gross reservoir and 42.8m net pay in the T2B.

The completion and testing of the J-59 well will commence in April; the T2A and T2B horizons will be completed together and a co-mingled flow rate from the T2A and T2B will be announced in due course.

Assuming success, well testing data from J-59 will be provided to the independent consulting firm and it is expected that a further updated CPR will be available for release in July 2013 as the initial CPR to be released in late May will not be able to include any reserves from the area surrounding the J-59 well without this well test data.

J-53:

The J-53 well is the Company's fourth well and was approved for Trial Production in December 2012. The well is located on the Akkar East field and is approximately 2km south of the J-52 well.

The well was drilled in early 2012 and a poor cement bond on its production casing has

been the cause of the poor production performance of the well. The Company has tried several remedies to improve the performance, however operating restrictions imposed by certain regulatory requirements after the 90 day production testing period finished and before the approval of Trial Production has resulted in only limited remedial work being carried out in the second half of 2012.

The well is currently producing oil with the assistance of an Electric Submersible Pump (ESP) but with a water cut that must be reduced to ensure the well can meet the economic hurdles set by the Company for ongoing production. Average production over the past week has been 80 barrels of liquid per day with a water cut of 85% which is an improvement on the 95% water cut observed upon initial completion.

The Company plans to continue to cycle the ESP and analyze fluid composition. Consideration is being given to conducting an acid wash to improve inflow and the possible completion of the Z-sand horizon.

The Company will continue to evaluate methods of reducing the water cut over the coming months.

J-55:

The J-55 well is the Company's fifth well and the first drilled on the southern extension area.

The well was drilled in the third quarter of 2012 and is also currently producing oil with a high water cut. The well was initially completed (perforated and stimulated) in the T2B horizon with water cut reducing from 100% to 80% after the recovery of approximately 1,500 barrels of liquid.

The T2A horizon was subsequently perforated and an ESP installed in the well bore. Production over the past week has seen the water cut reduce to 76% after the recovery of a further 1,400 barrels of liquid. The Company will continue to pump the well and monitor fluid composition.

The cement bond is competent on this well and the presence of water in the current production test is considered perched (discontinuous) water within the oil column. Based on this synopsis it is believed that the perched water will decline as the well continues to produce over time.

Consideration will be given to conducting an acid fracture on the T2A horizon to improve inflow.

Funding Update:

As outlined in the announcement made on 28 March 2013, the Company is currently in discussions with a number of parties regarding a range of long term funding options including convertible notes and/or bank debt. It is anticipated that completion of the CPR will be a condition precedent on the closing of either convertible notes or bank debt and the CPR is not expected until late May 2013. In the meantime, the Company remains funded via the recent Mobile Energy Limited loan and internal cash reserves generated by oil sales.

Forward Plan:

The Company expects to provide further updates during April on the performance of the J-58 well and the results of the initial testing of the J-59 well.

ENDS

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Competent Persons Statements:

Keith Martens, BSc Geology and Geophysics, with over 35 years' oil & gas industry experience, is the qualified person who has reviewed and approved the technical information contained in this report.

Independent Analysis:

The information in this announcement which relates to the Mid Triassic 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 Mid Triassic prospectivity figures in the form and context in which they appear in this announcement. RES has no financial 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.