

07 October 2014

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

Additional Funding Arrangement

The Board of Jupiter Energy Limited, the Kazakhstan-focused oil exploration and production company, trading on AIM ("JPRL"), ASX ("JPR") and KASE ("AU_JPRL"), announces that it has entered into a unsecured loan agreement (the "Loan") with Waterford Petroleum Limited ("Waterford").

The Loan is for \$US5 million via 1 promissory note ("the Note").

The Note is repayable on 30 June 2015 or at such time that the Company raises additional funding of a minimum of \$US20 million via debt, equity or other funding. The Loan has a coupon rate of 12% per annum, and the interest will accrue and be payable at the time that the Note is repaid.

Under the terms of the Note, Waterford may elect to offset the value of the Note and any accrued interest against participation in any future capital raising carried out by the Company prior to 30 June 2015.

The Loan will be used to fund field operations, including the drilling of Well 19 on the Akkar East field.

In light of the quantum of the shareholding of Waterford in Jupiter (29.5%), Waterford is deemed to be a related party for the purposes of AIM Rule 13. As such, the provision of the Loan by Waterford is a related party transaction pursuant to the AIM Rules (the "Related Party Transactions").

The Directors of Jupiter consider, having consulted with finnCap, the Company's Nominated Adviser, that the terms of the Related Party Transaction are fair and reasonable insofar as Jupiter's shareholders are concerned.

Since Alastair Beardsall is the appointed Jupiter Board representative of Waterford, he did not take part in the discussions of the Jupiter Board of Directors in relation to the Board's agreement to the terms of the Related Party Transaction.

The Company remains in discussions with a number of parties regarding a range of long term funding options including equity, convertible notes and/or debt and will update the market in due course on progress with these negotiations.

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About the Company:

Jupiter Energy Limited is an oil exploration and production company, quoted on the AIM, ASX and KASE 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.