

31 March 2015

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

OPERATIONS UPDATE

KEY POINTS:

- Initial testing of well 19 indicates the well has penetrated reservoirs containing hydrocarbons.
- A malfunction with the perforating guns and some loss of permeability close to the well bore as a result of the drilling process (skin damage) has resulted in poor inflow.
- Only 6.3m of the selected 47.7m zone within the Triassic reservoir (~13% of the targeted area) was successfully perforated and the operation will need to be carried out again.
- Forward plan will include re perforating the well and carrying out an acid stimulation to reverse the effects of the skin damage and enhance the near well bore permeability; this form of stimulation has been carried out on most of the existing wells already drilled on the Block 31 permit area.
- Timing of future work will be dependent on funding and the timing of the recommencement of oil production from wells situated on the permit area.
- Funding package to meet near term working capital requirements under negotiation.

The Board of Jupiter, the Kazakhstan-focused oil exploration and production company, quoted on AIM (“JPRL”), ASX (“JPR”) and KASE (“AU_JPRL”), provides the following update.

Testing of Well 19:

The completion and testing of well 19 included perforating the well underbalanced with tubing conveyed perforating guns, monitoring fluid levels and running pressure gages. Analysis of the test data indicated severe skin damage, a measure of reduced permeability near the well bore, which will require an acid treatment to stimulate the well and assist oil flow into the well bore.

On recovery of the tubing conveyed perforating gun an equipment malfunction meant that only a limited zone of 6.3m (2905.9 - 2912.2m) was actually perforated out of the planned 47.7m - i.e. approximately 13% of the total zone that had been targeted for perforation.

Further work, including re perforating the well and carrying out an acid stimulation, will not take place until the requisite funding for the work is in place and the Company believes that demand for domestic oil sales, and the sales price for the oil, have returned to a level that will make trial production operations economically viable.

Further updates on progress with well 19 will be provided in due course.

Well 19 is the Company's eighth well on Block 31, Jupiter's 100 per cent owned permit situated onshore Kazakhstan just east of the city of Aktau and the Caspian Sea. The well is located in an area of proven C1 reserves, between the J-51 and J-52 production wells.

Well 19 took a total of 53 days to drill and reached a total depth of 3,068m on 16 February 2015; hydrocarbon shows while drilling, mud logging, and subsequent open-hole wireline logs all indicated hydrocarbons in the Mid Triassic reservoir. The open-hole logs indicated good levels of oil saturation and porosity, similar to that of the J-51 and J-52 wells, which were also drilled on the same structure.

Analysis by local independent consulting firm Reservoir Evaluation Services LLC ("RES") confirmed some 99.4m Total Vertical Depth Sub Surface (TVDSS) of gross reservoir and approximately 84.6m TVDSS of net pay at the Middle Triassic T2B carbonate reservoir unit, the primary reservoir objective in the well.

In addition, analysis also confirmed an additional 15.4m TVDSS of gross reservoir and approximately 10.4m TVDSS of net pay at the Middle Triassic T2A carbonate reservoir unit.

Cut offs of 3.8% porosity was used in the RES analysis.

Near Term Funding:

As advised to shareholders on 27 January 2015, the Company will require further funding to meet its ongoing working capital requirements. Whilst steps have been taken to reduce cash outflows, the Company is currently negotiating a debt package to ensure financial commitments can be met as and when they fall due; however there is no certainty that the negotiations will result in the provision of a debt package at this time.

As at 31 March 2015, the Company anticipates having cash balances of approximately \$A2 million, from which final well costs in relation to Well 19 will be met with payments expected to be made during the course of April. The Company therefore has sufficient funding until the final well cost payment is made, following which it will need immediate funding to meet its ongoing working capital requirements. Further updates regarding the Company's funding negotiations will be made as and when appropriate.

Geoff Gander
Chairman/CEO

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 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.

