

20 April 2018

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

**QUARTERLY UPDATE ON ACTIVITIES FOR THE PERIOD TO  
31 MARCH 2018**

**KEY POINTS:**

- **Oil production steady from the Akkar East Field.**
- **Oil Sales for the Quarter total approximately \$US910,000 based on sales of 28,310 barrels of oil.**
- **Appointment and Resignation of Director**
- **Change of CFO and Company Secretary**
- **Change of Registered Address**
- **The Company continues to work on various options to provide long term funding for the ongoing development of Block 31.**

Jupiter Energy Limited (ASX: "JPR" and KASE: "AU\_JPRL") presents the following update on activities for the 3 month period ending 31 March 2018 (the "Quarter"). Also included in this report are details of subsequent events that have occurred up to the date of this release.

**The Quarter in brief:**

During the Quarter production continued from wells J-51, J-52 and 19. All wells are located on the Akkar East field.

The current expectation is that oil production from the J-58 well will recommence during the 3<sup>rd</sup> quarter of 2018.

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Workovers on wells J-51 and 19 were completed during the Quarter and the workover rig is being relocated to the West Zhetybai field, where work can commence on well J-58. It is expected the workover of well J-58 will commence during May 2018.

The Company will keep shareholders updated on progress with production from all wells.

### **Oil Sales:**

The Company sold all its oil through one local trader. During the Quarter, oil sales totalled ~\$910,000. This was based on the sale of 28,310 barrels of oil at an average price of approximately \$US32/bbl. All oil was sold into the Domestic Market as is required under Kazakh laws when wells are producing under Trial Production licences.

The Company was successful in using chemicals to reduce the water cut to under 1% when collected by the trader and this was material as the pricing schema is based on two key parameters – water cut and the World Oil price (Brent).

With water cut being low and the price of Brent being strong, the resultant price received at the wellhead was ahead of expectations.

Production of oil by well for the Quarter was as follows:

J-51: 4,360 barrels

J-52: 12,850 barrels

Well 19: 11,100 barrels

### **Go Forward Plan:**

The Company continues to discuss longer term funding options with interested parties.

### **Licence Information:**

As is required under ASX disclosure rules, the Company confirms that it currently holds the following licence:

Country	Block / Licence	Interest held as at 31 December 2017	Interest acquired / disposed of during the Quarter	Interest held as at 31 March 2018
Kazakhstan	Block 31	100%	Nil	100%

### **Corporate Changes:**

On 5 April 2018 the Company announced the resignation of Scott Mison as a Director, Chief Financial Officer (CFO) and Company Secretary – effective from 20 April 2018.

The Company thanks Scott for his contribution to the Company.

On 19 April 2018 the Company announced the appointment of Phil Warren as a Non Executive Director.

The Company also announced the appointment of Edward Meagher as CFO and Emma Wates as Company Secretary and a change of the Company's registered office address to 945 Wellington Street, West Perth, WA 6005.

### **Capital Structure and Finances:**

As at 31 March 2018, the Company has 153,377,693 listed shares trading under the ASX ticker "JPR" and the KASE ticker "AU\_JPRL".

The Company has no options or Performance Shares, listed or unlisted, in issue.

As at 31 March 2018, total Company debt outstanding was \$US44,349,741 through a total of five (5) Promissory Notes, with the following holders:

- Waterford Petroleum Limited: \$US17,663,011
- Waterford Petroleum Limited: \$US11,202,701
- Mobile Energy Limited: \$US952,501
- Midocean Holdings Limited: \$US2,687,838
- Other Private Investors: \$US843,690

As at 31 March 2018, the Company had drawn down \$US1,197,898 (including accrued interest) under the 2017 \$US5m Funding Agreement with Waterford. This means a further \$US3,802,102 is still available under this funding agreement.

The Company also still has access to a further \$US1,191,267 (including accrued interest) under the 2016 Funding Agreement.

The Company is now working under an agreed "Operations Budget". The amount of additional funding made available to the Company has been based on a revised budget that takes into account the cost structure required to support a return to production offset by the revenues derived from budgeted oil sales.

Based on this additional funding, the revised "Operations Budget" shows sufficient working capital is now in place until June 2018. Additional funding still available

under the 2016 Funding Agreement (~\$US1.2m) will enable the Company to fund operations until September 2018, by which time the Company will need to have secured additional funding.

Unaudited net cash reserves as at 31 March 2018 stood at approximately \$A272,000.

**Summary:**

Progress during the Quarter was positive and the Company produced 28,310 barrels of oil from the J-51, J-52 and 19 wells located on the Akkar East oilfield. Revenue from oil sales for the Quarter amounted to ~\$US910,000 which was secured via prepayments from a local oil trader.

If shareholders have any questions regarding this Quarterly report they are welcome to contact the Company on +61 89322 8222.

Geoff Gander  
Chairman/CEO

**ENDS**

**Competent Persons Statement:**

Alexey Glebov, PhD, with over 33 years' oil & gas industry experience, is the qualified person who has reviewed and approved the technical information contained in this report. Alexey PhD's in technical science (1992) and geology science (2006), an Honors Degree in Geology and Geophysics (1984) from Novosibirsk State University and a Gold Medal (1985) from USSR Academy of Sciences. He is a member since 2001 of the European Association of Geoscientists & Engineers (EAGE #M2001-097) and was made an Honorary Oilman in 2011 by the Ministry of Energy of the Russian Federation. Alexey Glebov is qualified in accordance with ASX Listing Rule 5.41.

**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.