

27 March 2020

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

### **OPERATIONS UPDATE**

#### **KEY POINTS:**

- **Kazakh oil production to be shut down as at 31 March 2020.**
- **Staff reductions to be implemented in Aktau, commencing immediately. Staff restructure expected to be finalised by the end of April with personnel to drop from 37 to ~7. All staff reductions will comply with KZ employment law.**
- **Oil production will resume when global oil prices strengthen.**
- **No new oil prepayment contract to be signed and outstanding liability due on 2019 prepayment agreement (~\$US165k) to be settled via a Kazakh Tenge (KZT) payment.**
- **Focus during shut in period will be on finalising the approval of the Akkar East Commercial Production contract and commencing the preparation of the Final Reserve Report for the Akkar North (East Block) oilfield.**
- **Board reviewing future operations and is in discussions with Noteholders.**

Jupiter Energy Limited (ASX: "JPR") provides this Operations Update to advise shareholders of the status of operations in Kazakhstan as the global economy becomes further impacted by the Coronavirus pandemic.

The Company has decided to shut in oil production as at 31 March 2020 and will begin staff reductions as soon as possible.

A restructure plan has been formulated and staffing levels are expected to be reduced over the coming month, with staffing levels to be reduced from 37 to ~7 by the end of April 2020. All employees leaving the Company will be paid entitlements as per Kazakh employment law.

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Work in Aktau will continue to focus on finalising the Commercial Production Contract for the Akkar East oilfield as well as finalising the Final Reserves Report for the Akkar North (East Block) oilfield.

No new oil prepayment contract will be signed at this time and the outstanding liability due to the local oil trader as at 31 March 2020 (~\$US165k) will be repaid in Kazakh Tenge during April 2020.

The Company is currently reviewing future operations, cashflow management and is in discussion with its Noteholders about next steps.

The Board is focussed on managing this situation as best it can and will keep shareholders updated on progress. It is hoped there will be a recovery in the oil price in the near term and that production can recommence.

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

Geoff Gander  
Chairman/CEO

**ENDS**

*Authorised by the Jupiter Energy Limited Board*

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**About the Company:**

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