

22 July 2024

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

QUARTERLY UPDATE ON ACTIVITIES FOR THE PERIOD TO 30 JUNE 2024

KEY HIGHLIGHTS:

- **Unaudited oil sales revenue (including VAT) for the Quarter ending 30 June 2024 totalled ~\$US2.3m/~A\$3.5m (~56,000 barrels of oil).**
- **Oil sales for the Quarter were all via domestic sales channels – to both major domestic refineries and local mini refineries. There were no sales into the export market due to poor margins as a result of routing restrictions.**
- **The Stage 2 gas utilisation project, involving connection into the neighbouring infrastructure, has begun its final phase with construction work on the Akkar East and Akkar North (East Block) oilfields expected to be completed by late September 2024.**
- **The Company has submitted an application to the Kazakh Ministry of Energy to transition the West Zhetybai oilfield from its current Preparatory Period status to a Full Commercial Production licence. It is expected that a decision on this application will be made before the end of August 2024.**

Jupiter Energy Limited (ASX: “JPR”) presents the following update on activities for the 3-month period ending 30 June 2024 (the “Quarter”). Also included in this report are details of any subsequent events that have occurred up to the date of this release.

The Quarter in brief:

During the Quarter, all production wells operated at expected levels, with the exception of the J-51 well, located on the Akkar East field. This well’s production is currently limited

and, when funding allows, a workover will be carried out on this well, with a view to improving production.

Wells located on the Akkar East and Akkar North (East Block) fields are operating under their Full Commercial licences. Oil sales from these wells are subject to a monthly domestic quota that is set by the Kazakh Ministry for Energy. Oil produced from these oilfields, outside this domestic quota allocation, can be sold through other channels, including into the export market.

The West Zhetybai field continues to operate under its Preparatory Period licence, meaning that oil produced from the J-58 well is not subject to a domestic quota allocation and can be sold to local mini refineries. Oil produced under a Preparatory Period licence cannot be sold into the export market.

2Q 2024 Oil Sales:

During the Quarter, unaudited oil sales revenue (including VAT) totalled ~\$US2.3m (~\$A3.5m) based on sales of ~56,000 barrels of oil (average price of ~\$US41/bbl).

Cash receipts for the Quarter were ~\$A3.277m. The variance between revenue recognised and cash receipts is due to the timing of the receipt of oil prepayments that are then amortised over one to two months of oil deliveries.

Approximate production of oil, by field, for the Quarter, was as follows:

- Akkar North (East Block): **10,000 barrels** (production from J-50)
- Akkar East: **33,000 barrels** (main production from wells J-52 and 19)
- West Zhetybai: **15,000 barrels** (production from J-58)

The differential between total sales and total production (~2,000 barrels) was held as inventory as at 30 June 2024. This oil was sold during July 2024.

Domestic Oil Sales:

Oil sales during the Quarter were made through the Joint Venture vehicle, Jupiter Energy Trading LLC. Oil was sold into both the Atyrau and Pavlodar refineries and unaudited oil sales revenue (including VAT) totalled ~\$US0.417m (~\$A0.638m) based on sales of ~10,650 barrels of oil (average price of ~\$US39/bbl).

Mini Refinery Oil Sales:

During the Quarter, oil that was produced under a Preparatory Period Licence, not sold into the export market and/or not subject to the domestic quota allocation set by the Kazakh Ministry of Energy, was sold to a local mini refinery.

This meant that oil produced from the West Zhetybai field, as well as excess oil from the Akkar North (East Block) and Akkar East oilfields that was not covered by the monthly domestic oil quotas set during the Quarter, was sold directly to a local mini refinery.

Unaudited oil sales revenue (including VAT) totalled ~\$US1.89m (~\$A2.893m) based on sales of ~45,350 barrels of oil (average price of ~\$US42/bbl).

Export Oil Sales:

There were no sales of oil into the export market during the Quarter.

Export oil pricing is linked with the destination to which the oil is routed. Routing, associated logistics costs, the discount to Brent quoted by traders and the additional Kazakh taxes levied on export oil, meant that for the entire Quarter, the net price received for export oil was not attractive when compared to available domestic sales channels. The geopolitical tension in the area was a contributing factor to the discount to Brent being quoted by traders.

The Company continues to monitor the export oil pricing formula being offered by traders and will revert to this sales channel when the net price achieved is superior to pricing being offered via other available domestic sales channels.

2024 Work Program – Focus on Increasing Production:

The Company continues to review the appropriate timing to commence the drilling of its next well. Future drilling work will require access to additional working capital and/or securing deferred payment terms with a local turnkey drilling operator and/or prepayment of additional oil sales by an oil trader.

Discussions are ongoing with various parties in respect to these various funding options.

Stage 2 Gas Utilisation Plan:

On 17 June 2024, the Company released a further update on progress with its Stage 2 Gas Utilisation Plan. The Company advised that it had commenced the building of the infrastructure that would integrate the Akkar East and Akkar North (East Block) oilfields into the gas utilisation infrastructure of its neighbour, MangistauMunaiGas (“MMG”).

The Company expects to complete the building of this infrastructure by the end of September 2024.

This work is part of a larger focus by the Kazakh Ministry of Energy to ensure that associated gas produced by smaller producers like Jupiter Energy is more effectively collected and used for the benefit of local communities.

Jupiter Energy is pleased to be involved in the broader commitment by the Kazakh oil industry to develop key initiatives that will both assist local communities as well as ensure the country meets its commitment to be carbon neutral in the coming decades.

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 March 2024	Interest acquired / disposed of during the Quarter	Interest held as at 30 June 2024
Kazakhstan	Contract 2275/4803	100%	Nil	100%

Payments to Related Parties:

Payments made to related parties and their associates during the Quarter were fees paid to Geoff Gander, Baltabek Kuandykov and Alexander Kuzev for Consulting Services provided to the Company.

Capital Structure and Finances:

As at 30 June 2024, the Company had 1,273,652,188 listed shares on issue (including Treasury Shares).

The Company has no other Options or Performance Shares, listed or unlisted, on issue.

As at 30 June 2024, the Company's total debt outstanding stood at \$US16,173,261: the Company expects to make another repayment of \$US500,000 to Noteholders, on a pari passu basis, before the end of August 2024. The debt remains interest free until at least 31 December 2026.

In terms of available short-term funding: as at 30 June 2024, the Company had a \$US5,000,000 facility with Waterford Finance & Investment Limited (Waterford) in place. This facility has the following key terms:

- 0% interest;
- Unsecured;
- Repayable on or before 31 December 2024, unless extended by mutual agreement; and
- Any monies drawn down from this facility will be repaid in priority to the existing balance sheet debt.

This facility remains in place as at the date of this Quarterly report, with no funds currently drawn down.

Operations Budget:

The Company continues to operate under an approved Operations Budget using the net revenues from prepaid oil sales. The Company expects to remain funded at an operational level based on current and forecasted oil production, under differing well production scenarios, for the foreseeable future.

Unaudited net cash reserves, as at 30 June 2024, stood at approximately \$A3.245m.

Summary:

Oil sales and production during the Quarter continued to be in line with expectations.

Unaudited revenue from oil sales (including VAT) for the Quarter amounted to ~\$US2.3m (~\$A3.5m) which was secured via prepayments from domestic oil traders.

Cash receipts for the Quarter were ~\$A3.277m. The variance between revenue recognised and cash receipts is due to the timing of the receipt of oil prepayments that are then amortised over one to two months of oil deliveries.

There were no sales of oil into the export market during the Quarter. The Company will continue to focus on using sales channels that achieve the best net revenues possible.

If there are any questions regarding this Quarterly report, shareholders are welcome to contact the Company on +61 3 9863 9779.

Geoff Gander
Chairman/CEO

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Authorised by the Board of Jupiter Energy Limited

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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. The Company holds 100 per cent of the Block 31 permit, located in the oil-rich Mangistau Basin, close to the port city of Aktau.

The Company is operating two of its fields under a Full Commercial Licence and the third under a Preparatory Period Licence. Oil produced from the three fields can now be sold through a variety of sales channels, including both the domestic and export oil markets.

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.
