

31 July 2018

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

QUARTERLY UPDATE ON ACTIVITIES FOR THE PERIOD TO 30 JUNE 2018

KEY POINTS:

- Oil production steady from the Akkar East Field.
- Oil Sales for the Quarter total approximately \$US940,000 based on sales of 30,140 barrels of oil.
- Workover of Well J-58 (West Zhetybai oilfield) completed during the Quarter and production from this well expected to commence in August 2018.
- Necessary approvals received for J-50 (Akkar North: East Block oilfield) to recommence Trial Production are well advanced. The well is expected to recommence production during 4th Quarter 2018.
- Planning for the drilling of the J-57 well on Akkar East is underway. Expected spud date will be during 4Q 2018.
- Holders of 5 Promissory Notes agreed to extend the repayment date of their respective notes from 1 July 2018 to 1 July 2020.
- 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 30 June 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 workover of well J-58 was completed during the Quarter and the necessary infrastructure is currently being built and installed to enable the well to commence production in August 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 ~\$US940,000. This was based on the sale of 30,140 barrels of oil at an average price of approximately \$US31/bbl. All oil was sold into the Domestic Market as is required under Kazakh laws when wells are producing under Trial Production licences.

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

J-51: 6,890 barrels
J-52: 14,250 barrels
Well 19: 9,000 barrels

J-50 Trial Production Licence:

The necessary Kazakh regulatory approvals required to enable the J-50 well, located on Akkar North: East Block, to recommence Trial Production are well advanced and the Company is now working with the relevant departments to get the necessary emission approvals in place and is also making key decisions on the required field infrastructure.

It is expected that production from the J-50 well will recommence during the 4th Quarter of 2018, assuming all the remaining regulatory approvals are granted in a timely manner and all the necessary field infrastructure is in place.

The J-50 well was shut in at the end of December 2014 due to a dispute with Jupiter's neighbour over the allocation of the Akkar North oil reserves.

This matter has now been resolved.

Go Forward Plan:

Production is expected to increase with both wells J-58 and J-50 budgeted to contribute to production levels over the coming months.

Planning for the drilling of the Company's ninth well (J-57) is underway. This well will be drilled on the Akkar East field and is expected to be the last well drilled before Jupiter is able to submit its application for approval of a Final State Reserves Report for the Akkar East field. This is a necessary step before being granted permission to move this oilfield from Trial Production status (Domestic oil sales) into Commercial Production status (Export oil sales).

The funding for the drilling and completion of J-57 will be sourced separately from the agreed "Operations Budget" under which the Company currently funds day to day operations. The Company is currently considering a number of financing options for the J-57 well and continues to discuss longer term funding solutions 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 March 2018	Interest acquired / disposed of during the Quarter	Interest held as at 30 June 2018
Kazakhstan	Block 31	100%	Nil	100%

Capital Structure and Finances:

As at 30 June 2018, the Company had 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, on issue.

As at 30 June 2018, total Company debt outstanding was approximately \$US46.2m through a total of five (5) Promissory Notes, with the following holders:

- Waterford Petroleum Limited: \$US18.7m
- Waterford Petroleum Limited: \$US11.5m
- Mobile Energy Limited: \$US12.3m
- Midocean Holdings Limited: \$US2.8m
- Other Private Investors: \$US0.9m

The Company announced on 29 June 2018 that all the Promissory Note holders had agreed to extend the repayment date on their Notes from 1 July 2018 to 1 July 2020.

As at 30 June 2018, the Company had total available debt facilities of \$US4.16m (A\$5.615m). The Company had drawn down \$US1.51m¹ under the \$US5.0m 2017 Funding Agreement with Waterford with \$US3.49m therefore still available under this funding agreement.

The Company also still has access to a further \$US0.67m² under the 2016 Funding Agreement.

The Company continues to operate under an agreed Operations Budget. Based on this Operations Budget, the combined net revenues from oil sales and the debt facility available through the 2016 and 2017 Funding Agreements will enable the Company to fund operations for the foreseeable future.

As outlined earlier in the report, funding for the drilling of the J-57 is not included in the agreed Operations Budget with the Company currently considering a number of separate funding options for this well.

Unaudited net cash reserves as at 30 June 2018 stood at approximately \$A426,000.

Summary:

Progress during the Quarter was positive and the Company produced 30,140 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 ~\$US940,000 which was secured via prepayments from a local oil trader.

Production is expected to increase with oil to be produced from the J-58 well from August 2018 and oil expected to be produced from the J-50 well during the 4th Quarter 2018 (assuming all the remaining approvals are granted by the Kazakh authorities in a timely manner).

Drilling of the J-57 well is expected to commence during 4Q 2018.

If shareholders have any questions regarding this Quarterly report they are welcome to contact the Company on +61 449 886 442.

Geoff Gander
Chairman/CEO

¹ Including accrued interest

² Taking into account accruing interest on the drawn down amount

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 ASX and KASE stock 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.