

26 February 2013

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

General Operations Update

KEY POINTS:

- **Early testing results from the J-58 well have been encouraging and stabilized flow rates are expected to be available in March.**
- **J-59 well has reached TVD of 3,191m and results of wireline logs will be announced as soon as independent analysis of the results is complete, which is expected to be within the next week. A decision has been made to case and complete the well.**
- **The workover/completion of both the J-53 and J-55 wells continues and it is now expected that stabilized flow rates will be established for both wells during March 2013.**

The Board of Jupiter Energy Limited, the Kazakhstan-focused oil exploration and production company, trading on AIM ("JPRL") and ASX ("JPR"), is pleased to provide shareholders with a general operations update, including progress with the Company's drilling campaign in the southern section of Block 31 where three wells (J-55, J-58 and J-59) have been drilled in recent months.

Two service rigs are currently operational as Jupiter works towards finalizing the testing of the J-53 and J-55 wells and determining the initial stabilized flow rate from the J-58 well. The Company is also awaiting confirmation of the independent analysis of the wireline logging results from the J-59 well.

J-53 Workover:

Following the initial production testing of the J-53 well during which higher than expected water cuts were recorded, the well underwent a chemical treatment that partially reduced the water production; the well subsequently underwent a cement squeeze to further reduce the water influx.

During the current workover program approximately 250 barrels of fluids have been recovered to surface with a 30% oil cut.

Remedial cementing is currently in progress to repair the poor primary cement bond, thought to be the cause of the water ingress, and then it is planned to re-perforate the lower T2B Triassic. The well will then be brought on to production with an electric submersible pump (ESP) and will be produced under its already approved Trial Production License (TPL).

There is also believed to be productive Z sand present in the J-53 well and this will be also evaluated at a later date.

A further update on J-53 is expected during March 2013.

J-55 Testing:

Following the initial acid-wash stimulation of J-55 in December 2012, approximately 50m³ of oil (300 barrels) was recovered to surface, however stabilized natural flow was not established. A review of the transient bottom hole pressures recorded during the initial testing indicated that the flow characteristics of the lower T2B Triassic horizon may improve following a re-perforation and a further, more aggressive, acid stimulation. This work was carried out in January 2013 and production of up to 200 barrels of oil per day (bopd) was established during the first week of February, using an ESP in the well.

The service rig was then moved from the J-55 well to the J-58 location to carry out the completion of that well and this rig is now currently being moved back to the J-55 well location.

The forward plan is to perforate the upper T2A Triassic and production from this zone will be comingled with the producing lower T2B Triassic. The upper Z sand is also scheduled for evaluation in the next round of well intervention work.

A further update on J-55 is expected during March 2013.

J-58 Completion:

After all the necessary approvals had been granted to commence production testing of the J-58 well, 5.5m of the lower T2B Triassic was perforated and flow tested delivering approximately 400 barrels of oil over an 8 hour period (1,200 bopd equivalent) on a 9mm choke. Based on this initial rate, a decision has been made not to carry out an acid stimulation at this stage.

Pressure Transient Analysis indicates a reservoir pressure of 349 atmospheres which is very encouraging and the J-58 well is currently being brought on to production to determine a stabilized, and sustainable, flow rate.

It is anticipated that a service rig will return to J-58 towards the end of March when the upper T2A Triassic will also be perforated. A final decision on the timing of this work will be made after evaluating the performance of the well during March.

Once the work has been carried out, the forward plan will be to comingle production from the T2B and the T2A for the allowed 90 day period. The upper Z sand is also thought to be productive and the forward plan will be to complete and evaluate this horizon in the next round of well intervention work.

The Company currently anticipates updating shareholders on the initial stabilized production rates from the J-58 well during March.

J-59 Wireline Log Analysis:

The Company spudded the J-59 well on 31 December 2012 and the well reached Total Vertical Depth (TVD) of 3,191m on 20 February 2013.

Hydrocarbon shows while drilling, including a core in the reservoir zone, and subsequent open hole wireline logs all indicated hydrocarbons in the Triassic reservoir. Drilling crews are currently preparing to run production casing and cement the well.

Independent analysis of the wireline logs is currently being carried out and a separate announcement will be made in the next week to confirm the outcome of this analysis. At this stage it is likely that the Triassic pay section will be scheduled for completion, 90 day flow testing will be carried out and all oil produced will be made available for sale into the domestic market.

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ENDS

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Competent Persons Statement:

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.

About the Company:

Jupiter Energy Limited is an oil exploration and production company, quoted on both the AIM and ASX 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 Energy 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 Energy develop a group facility on site to process, store and ship oil. This topside infrastructure is a key element in moving to licensed production and the achievement of self-funding.

