



Corporate Update - February 2011

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Disclaimer

- *This presentation contains forward looking statements that are subject to risk factors associated with the oil and gas industry. It is believed that the expectations reflected in these statements are reasonable, but they may be effected by a variety of variables which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, commercialisation, development process, operating results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial markets conditions in various countries, approvals and cost estimates.*
- *All references to dollars, cents or \$ in the document are in the currency specified.*

Corporate Overview

- **Listed E&P company trading on Australian Stock Exchange (ASX) as “JPR”**
- **Geographic focus on proven onshore oil basin in Kazakhstan**
- **Corporate structure**
 - ~1,500m shares on issue
 - 23m unlisted options (expiry 2011-2012 @ between \$A0.08 - \$A0.185)
 - 20m Performance Rights (only vest on achievement of approved targets set for 2011 and 2012)
 - Market Capitalisation: ~\$A65m
 - Cash: \$A9m (as at 31/12/2010)
 - No debt
- **Cornerstone investor (Waterford Group) holds 27% stake**
- **Research coverage in Australia, UK and Kazakhstan**

Directors



Geoff Gander
Chairman/CEO

- Focused on in country Business Development, Investor Relations and Funding.
- Involved in numerous IPO's and re capitalisations of ASX listed companies
- Based in London and coordinating 2011 AIM dual listing



Alastair Beardsall
NED

- 30 years experience including 12 years with Schlumberger . He has been involved in a number of listed O&G companies
- These include successful sales of First Calgary and Emerald Energy
- Based in London and currently Exec Chairman of AIM listed Sterling Energy



Baltabek Kuandykov
NED

- Based in Almaty, Kazakhstan
- 40 years experience in local and international oil & gas companies
- Former President of TSX listed Nelson Resources before its purchase by Lukoil



Scott Mison
NED / Co.Sec

- Based in Australia and responsible for global treasury, global audit and corporate compliance
- Over 10 years experience with ASX listed companies

Management/Operations Team

- In-country operations, G&G and administrative functions based in Aktau (80kms from the asset).
- Key positions:
 - *Vice President Production Operations*
 - Fluent in Russian
 - 20 years experience in CIS/KZ O&G operations
 - *Chief Financial Manager*
 - Kazakh with over 15 years experience working with international O&G companies
 - *Head Contracts and Legal*
 - Kazakh with strong legal background in O&G
 - *Chief Geologist*
 - Kazakh with 30 years experience in the Mangistau region
- Government liaison based in Almaty
 - Kazakh with 10 years experience as oil trader
 - Acts as point person for Government and Industry relations



Asset Summary

▪ Appraisal and Development Opportunity

- 100% owned Block 31 in Mangistau Basin onshore Kazakhstan

▪ Reserves & Resource

- Senergy independently estimated 2P reserves of 8.6 mmbbls in 2010
- New Senergy reserves report to be released Q1 2011 based on results of recent J-52 exploration well
- Extension of permit should provide further upside when approved

▪ Production Target

- 4 year target is to be have 14 wells producing over **5000** bopd (5 exploration + 9 development/production)

▪ Strategy

- Current strategy is to maintain 100% equity position to maximise value options
- Develop material reserves into production
- Continue to build in-country operating capability in line with expected growth of asset base
- Apply cost effective drilling and stimulation techniques to optimise production
- Continue to expand territory in proven oil trend

Forward looking plan



Reserves and Production Growth

- Reserves Growth: New report to be released Q1 2011
- Production Growth: expect to begin production from J-50 and J-52 in 2011



Transformation from Explorer to Producer

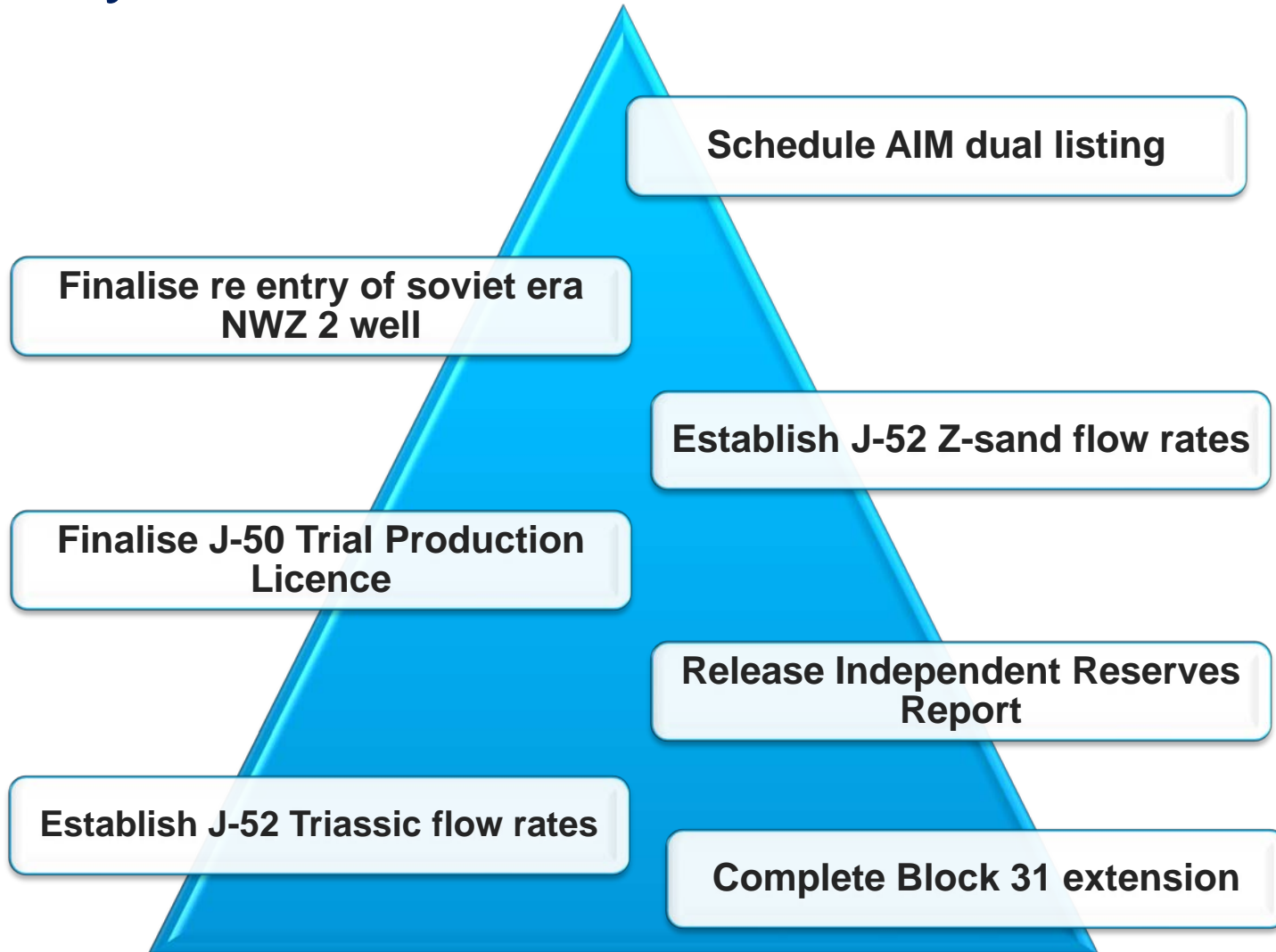
- Expect to be granted Trial Production Licences for J-50 and J-52 during 2011
- Further drilling in 2011/12 should increase production to ~ **1000** bopd
- Target of **5000** bopd production by Q4 2014



2011-2014 Growth Upside

- 4 year Development Plan contemplates 5 exploration and 9 development/production wells. Average production rate per well of 500 bopd.

Key milestones – next 6 months







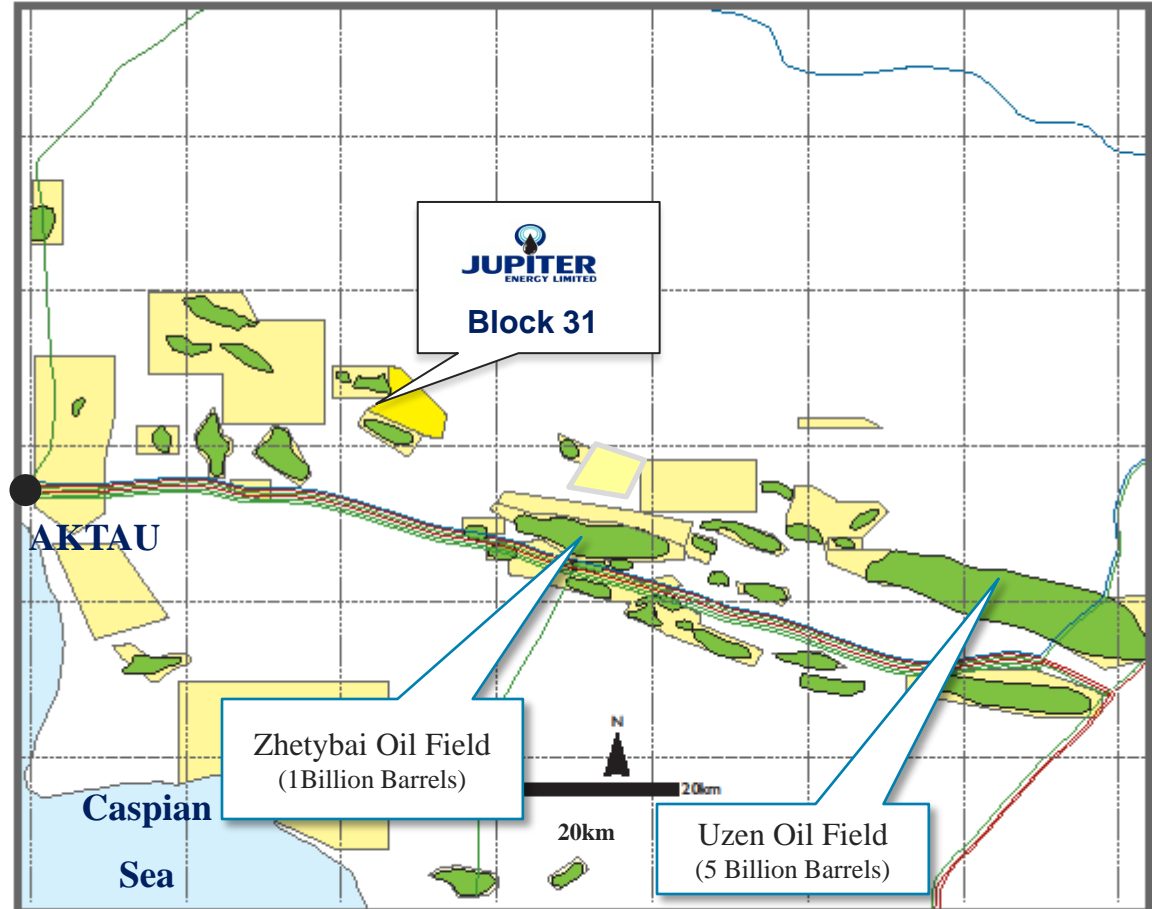
Permit Details for Block 31 (100% owned)

- **Acquired in June 2008**
- **Work Program:**
 - 10 year Exploration licence (6 years to 2013 with 2 x 2-year extensions available on application)
 - 25-year Production Licence
 - Contracted Working Program: 2009, 2010, 2011 and 2012* 2 for total of 5 wells.
 - Working Program fulfilled to date and no known issues with tenure

Mangistau Basin Overview



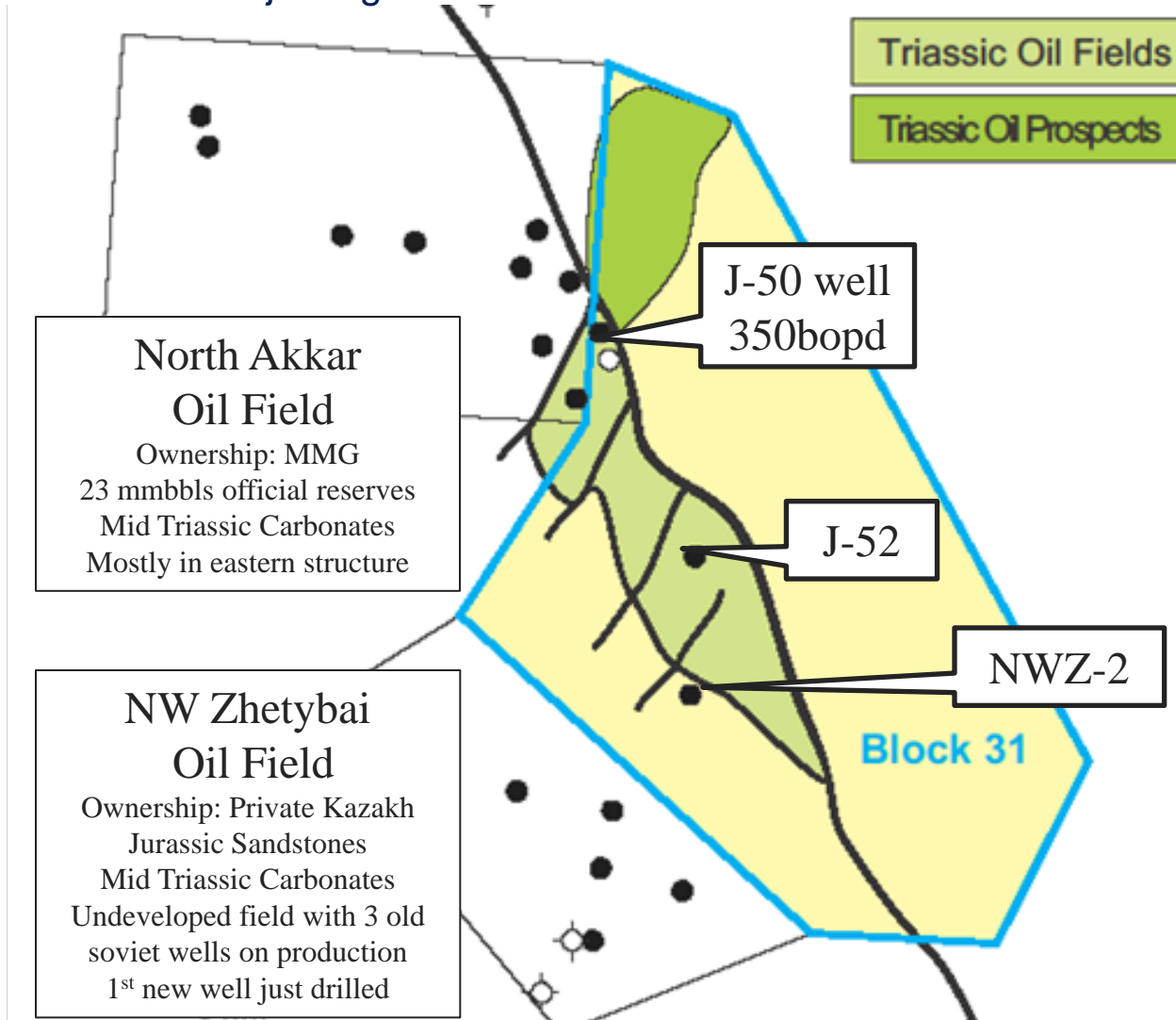
-  Main oil fields
-  Oil pipelines
-  Gas pipelines
-  Rail road



Good location in a prolific oil basin with developed infrastructure in place

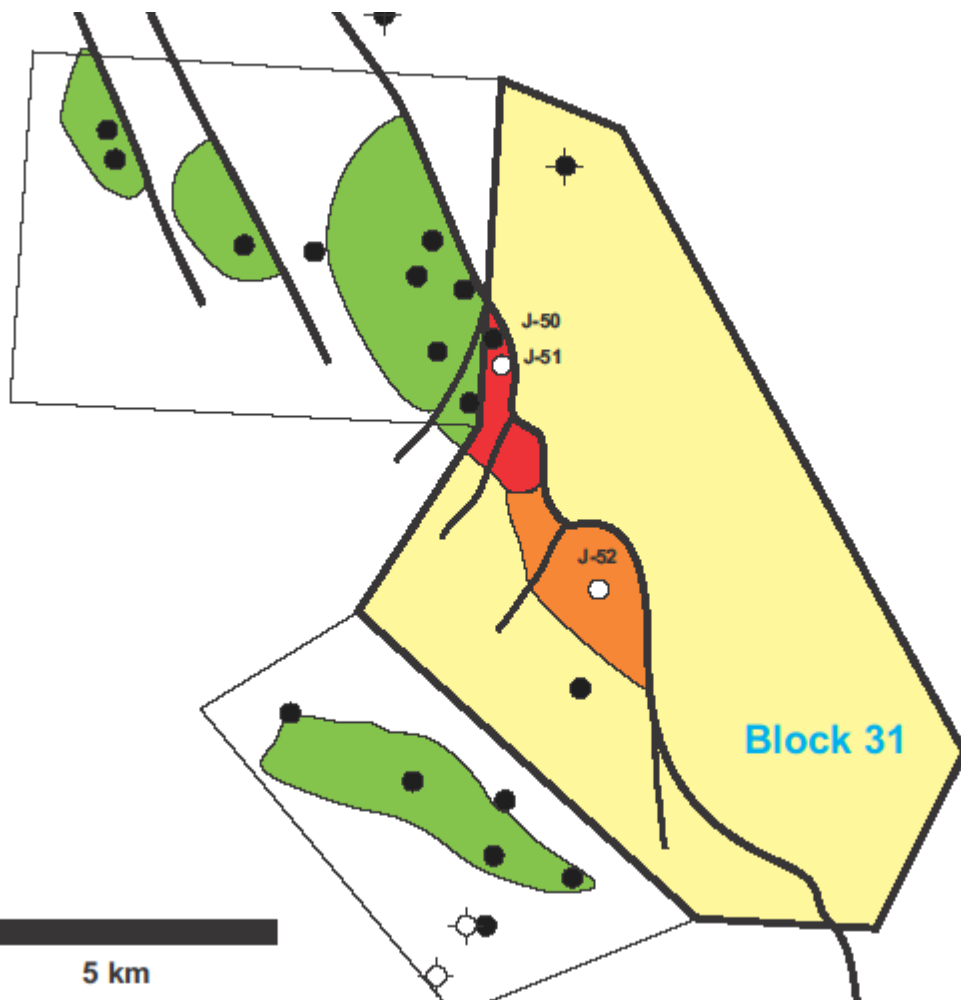
Producing oilfields adjacent to Block 31

Production from adjoining fields



J-52 Block 31 Triassic Age Independent Reserves and Resources

20.8MMstb Triassic Reserves + Resource (100% owned)



TRIASSIC RESERVES		
Reserves	STOIP (MMstb)	Reserve (MMstb)
P90 / 1P	21.4	5.5
P50 / 2P	31.0	8.6
P10 / 3P	43.0	13.4

TRIASSIC RESOURCE		
Prospective Resource	STOIP (MMstb)	Prospective Resource (MMstb)
P90	24.6	4.8
P50	52.0	12.2
P10	92.0	24.5

(Prepared by Senergy in Jan 2010)

Block 31 Reserves and Resource Summary

Prospective Resources and Proven Reserves post drilling of J-50 and J-52

Formation/Area	After J-50 Recoverable Reserves/Resources (MMstb)			After J-52 Recoverable Reserves/Resources (MMstb)	
	Senergy*	AGR*	JPR	AGR*	Senergy*
Triassic Reserves + Resource (3 wells + mapped structure)	20.8				Q1 2011
Northern Prospect (Exploration)		37.4		37.4	
Z-sand Resource			22.2		Q2 2011
TOTAL	80.4			TO BE CONFIRMED	

- The independent review of the Z-sand and Middle Triassic structure in Block 31 by Senergy will be carried out post completion of J-52 Z-sand zone in Q2 2011.

* Senergy and AGR are international oil & gas consulting companies that specialise in oil & gas reserve estimations.

Block 31 – Development Concept

(based on J-50 and J-52 results)

Approximate OWC

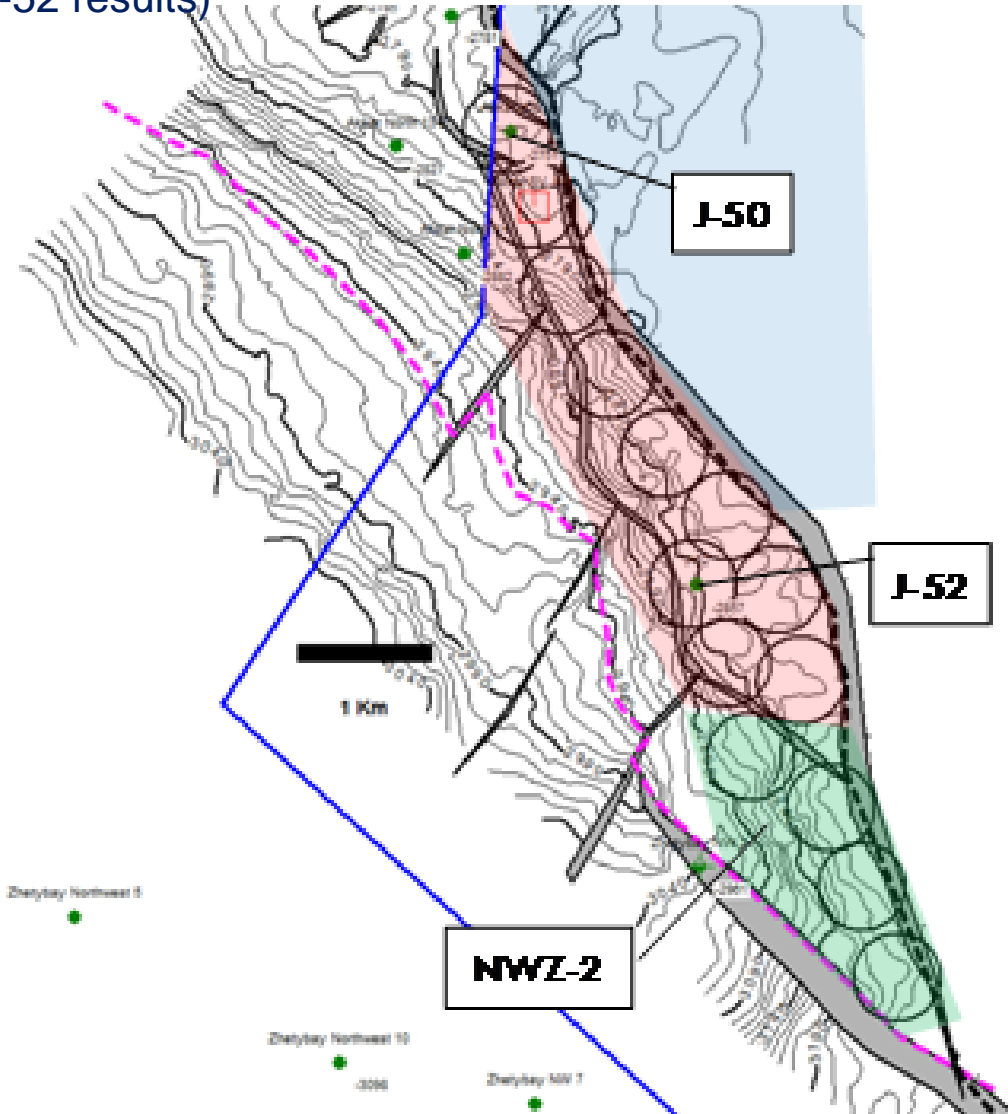
Probable Trap Edge

Well Drilling

Development Area

Exploration Area

Appraisal Area



Potential Economic Development Proposal

Base line assumptions.

- **Drilling Schedule**

- 5 exploration wells: 2009, 2010, 2011, 2012 (2)
- 9 development wells in 2013/2014

- **Well Design**

- Simple vertical wells with fracture stimulation only.

- **Production Decline Rate**

- Assumed 5% pa (1% per qtr incl production increase from workovers).

- **Well Cost**

- Exploration wells: 1 and 2 at \$US6m ea, wells 3 and 4 at \$US5m each.
- Development/Production wells at \$US3m ea.

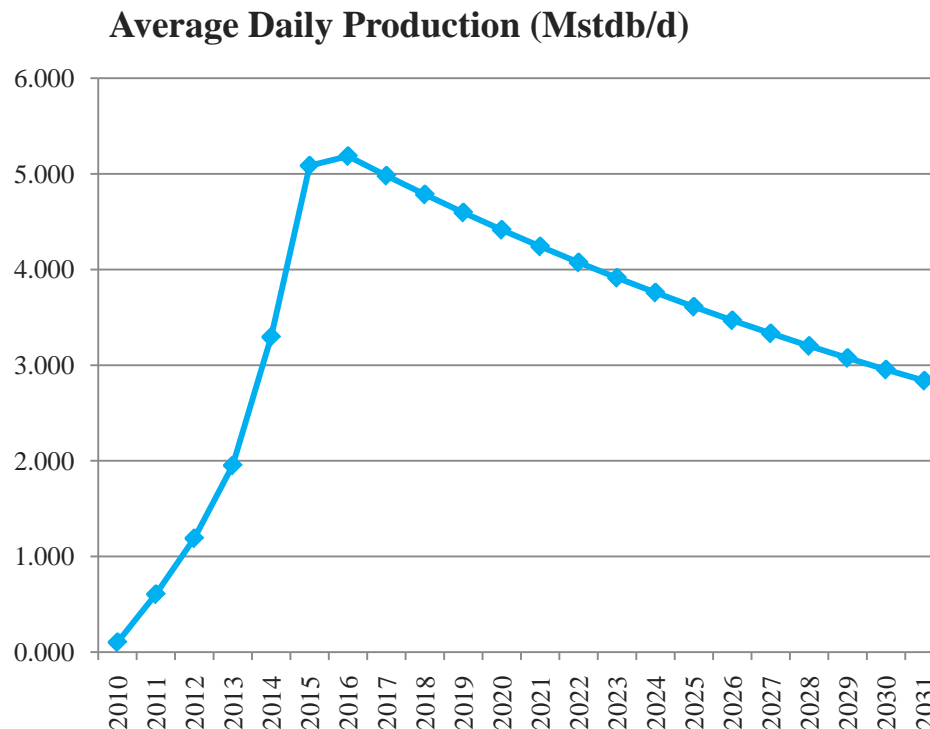
- **Pipeline and Production Facilities**

- Outlook is for installation of pipeline or major processing facilities on site.
- JPR also reviewing infrastructure sharing alliance with nearby producers.

Potential Economic Development Proposal

4 year development of Block 31

- Production rate of 500 bopd per well.
- 5% annual decline rate including workover improvements.
- Anticipated 2015 peak production ~5000 bopd

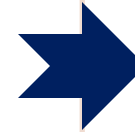
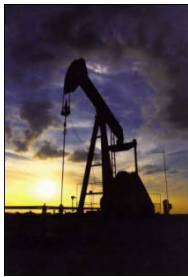


Value Proposition

- On a 2P/EV multiple JPR appears well priced now and is expected to provide improved value with anticipated reserves upgrade
 - Currently \$US6 per barrel 2P reserves of 8.6mmbbls
 - 2P reserves upgrade expected Q1 2011
- Independently verified reserves. Development plan to be implemented by Q4 2014 to establish meaningful production
- Managed transition to Explorer & Producer over the next 3-4 years
- Potential reserves growth through exploration program on trend with existing fields
- Further growth opportunities available through acquisition
- Already established with a proven in country team in one of the fastest growing oil producing countries in the world

Future Upside

JPR will deliver superior shareholder returns via:



- Block 31 based on success with both the J-50 and J-52 wells.

- Extend Block 31 on trend with an already proven oil structure.

- Further acquisitions as value accretive opportunities become available in country.

Contact

Further Questions?

Geoff Gander

Executive Chairman

Jupiter Energy Limited

M: +61 417 914 137 (**AU**)

M: + 44 7974 241 412 (**UK**)

M: +7 701 221 8907 (**KZ**)

E: geoff@jupiterenergy.com.au



Expert Statements

- **Triassic Structure (Senergy evaluation)**

The information in this document which relates to Triassic oil reserves (2P) and prospective resource (P50) is based on information compiled by Senergy Limited, an international oil & gas consulting company that specialises in oil & gas reserve estimations. Senergy Limited has sufficient experience which is relevant to reserve estimations and to the specific exploration permit in Kazakhstan to qualify as competent to verify information pertaining to the Triassic oil reserves (2P) and prospective resource (P50). Senergy Limited has given and not withdrawn its written consent to the inclusion of its name and the Triassic 2P reserves and prospective resource (P50) figures in the form and context in which they appear. Senergy Limited has no material interest in the Company.

- **Triassic Structure (AGR/RES evaluation)**

The information in this document which relates to Triassic prospective resources (P50) is based on information compiled by Reservoir Evaluation Services LLP (RES), a division of the AGR Group, an international oil & gas consulting company that specialises in oil & gas reserve estimations. RES has sufficient experience which is relevant to oil & gas reserve estimation and to the specific permit in Kazakhstan to qualify as competent to verify the information pertaining to the Triassic prospective resource (P50). RES has given and not withdrawn its written consent to the inclusion of the Triassic prospective resource (P50) figure in the form and context in which it appears. RES has no material interest in the Company.

- **Triassic/Jurassic Structures (JPR evaluation)**

The information in this document which relates to Triassic and Jurassic prospective resources (P50) is based on information compiled by Mr. Keith Martens who is a Director of Martens Petroleum Consulting Pty Ltd. Mr. Keith Martens has sufficient experience which is relevant to oil & gas reserve estimation and to the specific permit in Kazakhstan to qualify as competent to verify the information pertaining to the Triassic and Jurassic prospective resource (P50). Mr. Keith Martens has given and not withdrawn his written consent to the inclusion of the Triassic and Jurassic prospective resource (P50) figure in the form and context in which they appear. Keith Martens has no material interest in the Company.