
JUPITER ENERGY LIMITED**ACN 084 918 481****NOTICE OF GENERAL MEETING**

TIME: 2.00 pm (WST)
DATE: 9 April 2010
PLACE: The Celtic Club
48 Ord Street
WEST PERTH WA 6005

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9322 8222.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 2.00 pm (WST) on 9 April 2010 at:

The Celtic Club
48 Ord Street
WEST PERTH WA 6005

YOUR VOTE IS IMPORTANT

The business of the General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) hand to the Company at Unit 9, 38 Colin Street, West Perth, Western Australia or Computershare Investor Services Pty Limited at Level 2, Reserve Bank Building, 45 St Georges Terrace, Perth, Western Australia; or
- (b) post to Jupiter Energy Limited, PO Box 1282, West Perth WA 6005 or Computershare Investor Services Pty Limited, GPO Box D182, Perth WA 6000; or
- (c) facsimile to the Company on facsimile number (+61 8) 9322 8244 or Computershare Investor Services Pty Limited on facsimile number (+61 8) 9323 2033,

so that it is received not later than 2.00 pm (WST) on 7 April 2010.

Proxy Forms received later than this time will be invalid.

NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of Shareholders will be held at 2.00 pm (WST) on 9 April 2010 at The Celtic Club, 48 Ord Street, West Perth, Western Australia.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders of the Company at 5.00 pm (WST) on 7 April 2010.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

ORDINARY BUSINESS

1. RESOLUTION 1 – ISSUE OF PERFORMANCE RIGHTS – DAVID THORPE

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Directors to allot and issue 15,000,000 Performance Rights to David Thorpe (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a Director and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. RESOLUTION 2 – ISSUE OF OPTIONS – INDIAN OCEAN CAPITAL PTY LTD

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue 5,000,000 Options to Indian Ocean Capital Pty Ltd (ACN 051 227 877) (or its nominees) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Indian Ocean Capital Pty Ltd (or its nominees) and any of its associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE – SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 47,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. RESOLUTION 4 – PARTICIPATION OF DIRECTOR IN PLACEMENT – GEOFF GANDER

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Directors to allot and issue 1,000,000 Shares to Mr Geoff Gander (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Mr Geoff Gander (or his nominee) or any of his associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 5 – PARTICIPATION OF DIRECTOR IN PLACEMENT – DAVID THORPE

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Directors to allot and issue 1,000,000 Shares to Mr David Thorpe (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Mr David Thorpe (or his nominee) or any of his associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 6 – PARTICIPATION OF DIRECTOR IN PLACEMENT – ERKIN SVANBAYEV

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Directors to allot and issue 1,000,000 Shares to Mr Erkin Svanbayev (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Mr Erkin Svanbayev (or his nominee) or any of his associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. RESOLUTION 7 – RE-ELECTION OF DIRECTOR – DAVID THORPE

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 13.4 of the Constitution and for all other purposes, David Thorpe, a Director who was appointed on 1 January 2010, retires, and being eligible, is re-elected as a Director.”

DATED: 18 FEBRUARY 2010

BY ORDER OF THE BOARD



**SCOTT MISON
COMPANY SECRETARY**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the General Meeting to be held at 2.00 pm (WST) on 9 April 2010 at The Celtic Club, 48 Ord Street, West Perth, Western Australia.

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. RESOLUTION 1 – ISSUE OF PERFORMANCE RIGHTS – DAVID THORPE

1.1 General

The Company has agreed, subject to obtaining Shareholder approval, to allot and issue a total of 15,000,000 Performance Rights to David Thorpe (**Eligible Participant**) pursuant to the Company's Performance Rights Plan (**Plan**) and on the terms and conditions set out below.

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

In addition, ASX Listing Rule 10.14 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained.

The issue of Performance Rights to the Eligible Participant requires the Company to obtain Shareholder approval because this issue constitutes giving a financial benefit and as a Director, David Thorpe is a related party of the Company.

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the issue of Performance Rights to the Eligible Participant.

1.2 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.14)

Pursuant to and in accordance with the requirements of Sections 217 to 227 of the Corporations Act and ASX Listing Rule 10.15, the following information is provided in relation to the proposed issue of Performance Rights to the Eligible Participant:

- (a) the related party is David Thorpe and he is a related party by virtue of being a Director;
- (b) the maximum number of Performance Rights (being the nature of the financial benefit being provided) to be issued to the Eligible Participant is 15,000,000 Performance Rights;

- (c) the Performance Rights will be issued for nil cash consideration and no consideration will be payable upon the vesting of the Performance Rights on the achievement of the specified performance criteria. Accordingly, no loan will be provided by the Company to the Eligible Participant no funds will be raised from the issue or vesting of the Performance Rights;
- (d) the Plan was approved by Shareholders at the Company's previous annual general meeting held on 25 November 2009 at which Shareholders also approved the issue of 15,000,000 Performance Rights to each of Geoff Gander and Erkin Svanbayev for nil cash consideration. No other Performance Rights have previously been issued under the Plan to a Director, an associate of the Director, or a person whose relationship with the Company, Director or associate of the Director is, in ASX's opinion, such that approval should be obtained;
- (e) any employee of the Company, or a subsidiary (if any), who is declared by the Board to be eligible is entitled to participate in the Plan. As at the date of this Notice of General Meeting, Geoff Gander, Erkin Svanbayev and David Thorpe are eligible to participate in the Plan;
- (f) the Performance Rights will be issued to the Eligible Participant no later than 12 months after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Performance Rights will be issued on one date;
- (g) the terms and conditions of the Performance Rights are set out in Schedule 1;
- (h) the value of the Performance Rights and the pricing methodology is set out in Schedule 2;
- (i) the Eligible Participant has a relevant interest in 4,300,000 Shares and nil Options;
- (j) the remuneration and emoluments from the Company to the Eligible Participant for both the current financial year and previous financial year are set out below:

Related Party	Current Financial Year¹	Previous Financial Year
David Thorpe	\$120,645	Nil

¹ Fees for technical consulting services were paid to Thorpe Management & Services Pty Ltd (ACN 085 658 706) for and on behalf of David Thorpe.

- (k) if the vesting conditions relating to the Performance Rights issued to the Eligible Participant are satisfied, a total of 15,000,000 Shares would be allotted and issued. This will increase the number of Shares on issue from 786,220,391 to 801,220,391 (assuming completion of the Placement including the issue of Shares subject to Shareholder approval under Resolutions 4 to 6, that no other Options are exercised and no other Shares issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 1.87%.
- (l) the trading history of the Shares on ASX in the 12 months before the date of this Notice of General Meeting is set out below:

	Price	Date
Highest	8.5 cents	16 November 2009
Lowest	1.2 cents	9, 19 & 24 March 2009
Last	5 cents	17 February 2010

- (m) the primary purpose of the issue of Performance Rights to the Eligible Participant is to provide a performance linked incentive component in the remuneration package for the Eligible Participant to motivate and reward the performance of the Eligible Participant in achieving specified vesting conditions within a specified period. The Board considers this issue to be a cost effective remuneration practice and reasonable given the vesting conditions will align the interests of the Eligible Participant with those of Shareholders. The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Performance Rights upon the terms proposed; and
- (n) David Thorpe declines to make a recommendation to Shareholders in relation to Resolution 1 due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have a material interest in the outcome of Resolution 1, recommend that Shareholders vote in favour of Resolution 1. The Board (other than David Thorpe) is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass the Resolution.

2. RESOLUTION 2 – ISSUE OF OPTIONS – INDIAN OCEAN CAPITAL PTY LTD

2.1 General

Resolution 2 seeks Shareholder approval for the allotment and issue of 5,000,000 Options to Indian Ocean Capital Pty Ltd (or its nominees) in consideration for corporate advisory services in the past 12 months.

None of the subscribers pursuant to this issue will be related parties of the Company.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

The effect of Resolution 2 will be to allow the Directors to issue the Options to Indian Ocean Capital Pty Ltd (or its nominees) during the period of 3 months after the General Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

2.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of Options pursuant to Resolution 2:

- (a) the maximum number of Options to be granted is 5,000,000;

- (b) the Options will be issued no later than 3 months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;
- (c) the Options will be issued for nil cash consideration;
- (d) the Options will be allotted and issued to Indian Ocean Capital Pty Ltd (ACN 051 227 877) (or its nominees);
- (e) the Options will be issued on the terms and conditions set out in Schedule 3; and
- (f) no funds will be raised as the Options are being issued in consideration for corporate advisory services.

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE – SHARES

3.1 General

On 11 February 2010 the Company announced that it had completed a placement of 50,000,000 Shares at an issue price of 4.5 cents per Share to raise a total of \$2,250,000 (before costs) to largely UK based institutions as it begins to broaden its shareholder base to include overseas fund managers (**Placement**).

Of the total Placement, Directors have each agreed to subscribe for 1,000,000 Shares. These Shares will only be allotted to these Directors upon Shareholder approval as sought in Resolutions 4, 5 and 6.

The subscribers of the remaining 47,000,000 Shares are not be related parties of the Company.

Resolution 3 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Shares the subject of the Placement to those subscribers other than the related parties (which are the subject of separate approvals in Resolutions 4 to 6) (**Share Ratification**).

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

3.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Share Ratification:

- (a) 47,000,000 Shares were allotted;
- (b) the issue price was 4.5 cents per Share;

- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were allotted and issued to sophisticated and institutional investor clients of Indian Ocean Capital Pty Ltd as set out below; and

Registered Name	No. Of shares
Dartington Portfolio Nominees	3,500,000
Dartington Portfolio Nominees	1,200,000
Smith &Williamson Nominees Limited	5,000,000
Savoy Investment Management Ltd	2,250,000
Credit Agricole Cheuvreux International ltd	393,701
Bank of New York Global Custody	5,905,512
Forest Nominees Limited (A/C GC1)	3,937,008
JM Finn Nominees	9,527,559
Silverlight Holdings Pty Ltd <Cairns Investment A/C>	1,000,000
Merrill Lynch (Australia) Nominees Pty Limited	750,000
Merrill Lynch (Australia) Nominees Pty Limited	2,750,000
Jo Patoir	1,164,000
Paul Cooke	250,000
Advanced Feeds	450,000
CS Fourth Nominees Pty Ltd	2,000,000
Fencourt Enterprises	350,000
Portmore Corporation Pty Ltd	350,000
Cleveland Pty Ltd	222,222
Mr Brian Peter Byass	777,778
T.T. Nicholls Pty Ltd	1,000,000
Great Eastern Holdings P/L	500,000
Valadon Pty Ltd	1,500,000
Slade Technologies Pty Ltd	1,000,000
Ms K Bawdon & Mr K Martens <Onslow Superfund A/C>	1,000,000
Scott Adrian Mison < The Scott Mison Family A/C>	133,333
Scott Adrian Mison < The Scott Mison Superfund A/C>	88,887
Total Shares	47,000,000

- (e) funds raised from the issue are to be used for working capital to support the SV Akkar drilling campaign.

4. RESOLUTIONS 4 TO 6 – PARTICIPATION OF DIRECTORS IN PLACEMENT

5.1 General

Resolutions 4 to 6 seek Shareholder approval for the issue of Shares to Geoff Gander, David Thorpe, Erkin Svanbayev (together the **Participants**) on the same terms as those Shares issued under the Placement (refer to Resolution 3).

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

In addition, ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies. The Participants are related parties of the Company by virtue of being Directors.

The issue of Shares to the Participants requires the Company to obtain Shareholder approval because it will result in the Company issuing Shares to a related party of the Company and it is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the participation in the Placement by the Participants as the Shares will be issued to the related parties on the same terms as non-related party participants in the Placement (refer Resolution 3) and as such the giving of the financial benefit is on arm's length terms.

5.2 ASX Listing Rules

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolutions 4 to 6:

- (a) the maximum number of Shares subscribed for, will be:
 - (i) Mr Geoff Gander – 1,000,000 Shares;
 - (ii) Mr David Thorpe – 1,000,000 Shares;
 - (iii) Mr Erkin Svanbayev – 1,000,000 Shares;
- (b) the Shares will be issued at an issue price of 4.5 cents each;
- (c) the Shares will be issued to the Participants no later than one month after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated that the Shares will be issued on one date;
- (d) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (a) the funds raised from the subscription for Shares by the Participants will be used for working capital to support the SV Akkar drilling campaign.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Shares to the Participants as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to the Participants will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

5. RESOLUTION 7 – RE-ELECTION OF DIRECTOR – DAVID THORPE

Clause 13.4 of the Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Any Director so appointed holds office only until the next following general meeting and is then eligible for re-election.

David Thorpe will retire in accordance with clause 13.4 of the Constitution and being eligible seeks re-election.

6. ENQUIRIES

Shareholders are requested to contact Scott Mison on (+ 61 8) 9322 8222 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

\$ means Australian dollars.

AIM means the Alternative Investment Market of the London Stock Exchange.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Company means Jupiter Energy Limited (ACN 084 918 481).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

General Meeting or **Meeting** means the meeting convened by the Notice of Meeting.

Notice of Meeting or **Notice of General Meeting** means this notice of general meeting including the Explanatory Statement.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Performance Rights means a performance right issued under the Plan with the terms and conditions set out in Schedule 1.

Plan means the employee incentive scheme titled Performance Rights Plan.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

The Performance Rights entitle the holder to Shares on the following terms and conditions:

- (a) Subject to the satisfaction of the vesting conditions set out in paragraph (b), each Performance Right vests to one Share.
- (b) The Performance Rights shall vest in the following proportions:
 - (i) 5,000,000 upon the earlier of the market capitalisation of the Company being a minimum of \$100,000,000 for a period of 20 consecutive trading days or the Company achieving a cumulative production total of 150,000 barrels of oil;
 - (ii) 5,000,000 upon the earlier of the market capitalisation of the Company being a minimum of \$200,000,000 for a period of 20 consecutive trading days or the Company achieving a cumulative production total of 300,000 barrels of oil; and
 - (iii) 5,000,000 upon the earlier of the market capitalisation of the Company being a minimum of \$300,000,000 for a period of 20 consecutive trading days or the Company achieving a cumulative production total of 500,000 barrels of oil.

(together the **Vesting Conditions**).

- (c) The Board may, in its absolute discretion, determine that all or a specified number of a holder's Performance Rights automatically vest in the event of:
 - (i) a takeover bid in respect of the Company under Chapter 6 of the Corporations Act is made;
 - (ii) a Court orders a meeting to be held in relation to a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies;
 - (iii) any person becomes bound or entitled to acquire shares in the Company under:
 - i. section 414 of the Corporations Act; or
 - ii. Chapter 6A of the Corporations Act;
 - (iv) the Company passes a resolution for voluntary winding up; or
 - (v) an order is made for the compulsory winding up of the Company, and

such a determination shall be notified to the holder in writing. If no determination is made or if the Board determines that some or all of a holder's Performance Rights do not vest, those Performance Rights shall automatically lapse

- (d) In the event the holder ceases to be a Director prior to the satisfaction of the Vesting Conditions, all Performance Rights shall automatically lapse unless the holder ceases to be a Director as a result of being removed from office by Shareholders other than for misconduct in which case the Board may, in its absolute discretion, determine that all or a specified number of a holder's Performance Rights automatically vest.
- (e) The Performance Rights shall expire at 5.00 pm (WST) on:

- (i) that date which is 12 months from the date of issue of the Performance Rights issued with the vesting condition set out in paragraphs (b)(i);
- (ii) that date which is 24 months from the date of issue of the Performance Rights issued with the vesting condition set out in paragraphs (b)(ii);
- (iii) that date which is 36 months from the date of issue of the Performance Rights issued with the vesting condition set out in paragraphs (b)(iii);

(Expiry Date). Any Performance Right not vested before the Expiry Date shall automatically lapse on the Expiry Date and the holder shall have no entitlement to Shares pursuant to those Performance Rights.

- (f) The Performance Rights will be issued for nil cash consideration and no consideration will be payable upon the vesting of the Performance Rights on the satisfaction of the Vesting Conditions.
- (g) The Company shall notify the holder upon the satisfaction of the Vesting Conditions. The holder may then exercise their right to accept the vesting of the Performance Rights and be issued the associated Shares.
- (h) The Company will not apply for quotation of the Performance Rights on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the vesting of Performance Rights on ASX within 10 Business Days after the date of allotment of those Shares.
- (i) All Shares allotted upon the vesting of Performance Rights will upon allotment rank pari passu in all respects with other Shares.
- (j) The Performance Rights are not transferable except with the prior written consent of the Board.
- (k) If Shares are issued pro-rata to Shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment) involving capitalisation or reserves or distributable profits, the number of Performance Rights to which each holder is entitled, or any amount payable on vesting of the Performance Rights, or both as appropriate, will be adjusted in the manner determined by the Board to ensure that no advantage accrues to the holder as a result of the bonus issue and in any event in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the bonus issue.
- (l) In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company, the number of Performance Rights to which each Participant is entitled, or any amount payable on vesting of the Performance Rights, or both as appropriate, will be adjusted in the manner determined by the Board to ensure that no advantage or disadvantage accrues to the holder as a result of such corporate actions and in any event in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (m) Subject to paragraphs (k) and (l), there are no participating rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights unless the Vesting Conditions have been satisfied and the relevant Shares have been issued prior to the records date for determining entitlements. However, the Company will give notice to the holders of any new issues of capital prior to the records date for determining entitlements.
- (n) A Performance Right does not confer the right to vote or receive dividends.

SCHEDULE 2 – VALUATION OF PERFORMANCE RIGHTS

The Performance Rights to be issued to David Thorpe pursuant to Resolution 1 has been independently valued.

Using the theoretical Black & Scholes option model and based on the assumptions set out below, the Performance Rights were ascribed values, as follows:

Vesting Condition Satisfied – Market Capitalisation

Assumptions:			
Valuation date	15 January 2010		
Market price of Shares	6.0 cents		
Conversion price	Nil		
Expiry date (from issue)	12 months	24 months	36 months
Risk free interest rate	4.8%		
Discount (probability)	80%	90%	95%
Discount (unlisted)	20%		
Indicative value per Performance Right	0.96 cents	0.48 cents	0.24 cents
Total Value of Performance Rights			
- David Thorpe (\$84,000)	\$48,000	\$24,000	\$12,000

Vesting Condition Satisfied – Oil Production

Assumptions:			
Valuation date	15 January 2010		
Market price of Shares	6.0 cents		
Conversion price	Nil		
Expiry date (from issue)	12 months	24 months	36 months
Risk free interest rate	4.8%		
Discount (unlisted)	20%		
Indicative value per Performance Right	4.80 cents	4.80 cents	4.80 cents
Total Value of Performance Rights			
- David Thorpe (\$720,000)	\$240,000	\$240,000	\$240,000

Note: The valuations noted above are not necessarily the market prices that the Performance Rights could be traded at and they are not automatically the market prices for taxation purposes.

SCHEDULE 3 – TERMS AND CONDITIONS OF OPTIONS

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Optionholder the right to subscribe for one Share.
- (b) The Options will vest in the following proportions at the following times:
 - (i) for those Options with an Exercise Price of \$0.10, 12 months from the date of issue; and
 - (ii) for those Options with an Exercise Price of \$0.15, 24 months from the date of issue.
- (c) The Options will expire at 5.00 pm (WST) on 31 December 2012 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) The amount payable upon exercise of each Option will be:
 - (i) \$0.10 for the first 3,000,000 Options; and
 - (ii) \$0.15 for the next 2,000,000 Options,

(Exercise Price).
- (e) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (f) An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised;

(Exercise Notice).
- (g) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (h) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (i) The Options are not transferable.
- (j) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- (k) The Company will not apply for quotation of the Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.

- (l) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (m) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (n) A Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

000001 000 JPR
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 308 185
(outside Australia) +61 3 9415 4181

Proxy Form

For your vote to be effective it must be received by 2:00pm (WST) Wednesday 7 April 2010

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- Review your securityholding
- Update your securityholding

Your secure access information is:

SRN/HIN: I999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
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Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Jupiter Energy Limited hereby appoint

the Chairman of the Meeting **OR**



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the General Meeting of Jupiter Energy Limited to be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on Friday, 9 April 2010 at 2:00pm (WST) and at any adjournment of that meeting.

Important for Resolution 4: If the Chairman of the Meeting is your proxy and you have not directed him/her how to vote on Resolution 4 below, please mark the box in this section. If you do not mark this box and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Resolution 4 and your votes will not be counted in computing the required majority if a poll is called on this Resolution. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 4 of business.

I/We acknowledge that the Chairman of the Meeting may exercise my proxy even if he/she has an interest in the outcome of that Resolution and that votes cast by him/her, other than as proxy holder, would be disregarded because of that interest.

STEP 2 Items of Business



PLEASE NOTE: If you mark the **Abstain** box for a Resolution, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Issue of Performance Rights - David Thorpe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Issue of Options - Indian Ocean Capital Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of Prior Issue - Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Participation of Director in Placement - Geoff Gander	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Participation of Director in Placement - David Thorpe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Participation of Director in Placement - Erkin Svanbayev	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Re-election of Director - David Thorpe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date ____/____/____