



JPR Corporate Presentation: 29 – 31 March 2010

## 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 exceptions 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.*

## Experts Statement – Triassic Structure

*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 Senergy Limited has given and not withdrawn its written consent to the inclusion of its name and the Triassic 2P reserves and prospective resource (P50) figures in the form and context in which they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.*

## Internal Experts Statement – Jurassic Structure

*The information in this document which relates to 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 Jurassic prospective resource (P50). Mr. Keith Martens has given and not withdrawn his written consent to the inclusion of the Jurassic prospective resource (P50) figure in the form and context in which it appears. Keith Martens has no material interest in the Company.*

# Investment Highlights



- Reserves
  - 100% owned permit with 8.6 mmbbls proved reserves (2P) and 12.2 mmbbls prospective resource (P50) in Triassic structures (independent review by Senergy)
  - Directors believe the Jurassic contains a 22.2 mmbbls prospective resource (P50)
- Operations
  - Nearing completion of 1<sup>st</sup> Jupiter operated well (J-50)
  - Successfully re entered and recompleted a discovery well drilled in 1969 (NWZ 2).
- Production
  - Targeting commercial production from J-50 in Q3 2010
- In Country Advantage
  - Low finding costs ( <\$US2.50 / bbl (2P reserves))
  - Experienced leadership team and capable “on the ground” development team
  - Developing skills in country - limited ex pat headcount
  - Proven track record of being able to successfully transact in Kazakhstan
  - Good access to deal flow to grow the business into the future via local contacts and connected local management
  - Good reputation at both regional and central government levels

## Kazakhstan



- World's 11th largest oil reserves with most of the international majors already in country.
- Fiscal regime is reasonable by world standards.
- Simple profit per bbl calculation equates to \$US price of oil minus \$US10 divide by 2.
- Tax legislation has several components but nothing "uncommercial".
- Well developed service sector – low cost regime (\$US ~3.4MM dry hole cost).
- Successful small cap sector – listings on AIM and TSX

## Executive Team

- Key players based in Kazakhstan or spend much of their time there
- Geoff Gander (Executive Chairman)
  - Focused on business development and funding.
  - Time divided between Australia and Kazakhstan.
- David Thorpe (Managing Director)
  - Strong international geoscience, engineering and operations knowledge base.
  - Based in Perth and spends over 50% of his time in Aktau (operational centre)
- Erkin Svanbayev (Executive Director)
  - Almaty based, extensive oil industry experience and local contacts.
  - JPR's representative person in Kazakhstan
- Keith Martens (Geotechnical Consultant)
  - Manages exploration activity and technical due diligence on all new business opportunities
  - Based in Perth and travels often to Almaty/Aktau
- Ian Tchacos (Advisor to the Board)
  - 25 years industry experience in exploration and energy developments, finance and M&A.
  - Led Nexus Energy from micro cap to ASX top 200 company

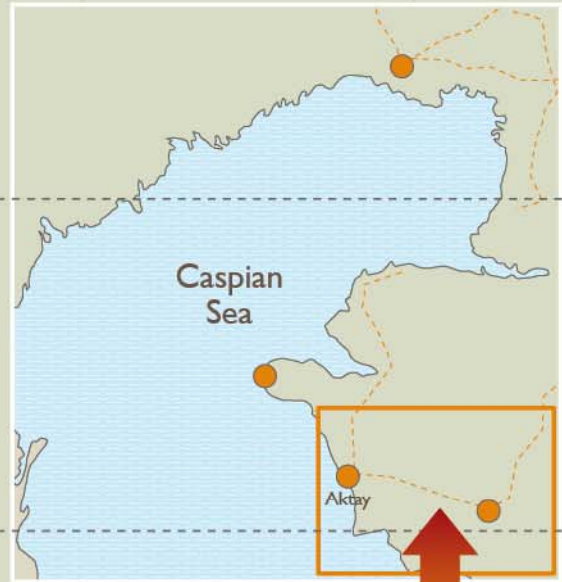
# Jupiter in Kazakhstan







- Regional
  - Mangistau region has a long history of oil production.
  - Government records indicate total production from the area is more than 6 billion barrels of oil
  - Block 31 is adjacent to 2 producing oilfields that have 23 mmbbls reserves (1P) and 33 mmbbls probable resource (P50).
  - Block 31 is on trend with Zhetybai oilfield which has produced 1 billion barrels of oil since 1963.
- Infrastructure
  - Pipelines, railway and roads are all located near Block 31
  - Easy and efficient access to the port city of Aktau
- Skills and personnel
  - Skilled personnel and services are available in Aktau
  - JPR has built a capable and experienced operations team
- Exploration and Development Opportunities
  - Jupiter has additional exploration and development opportunities in the area




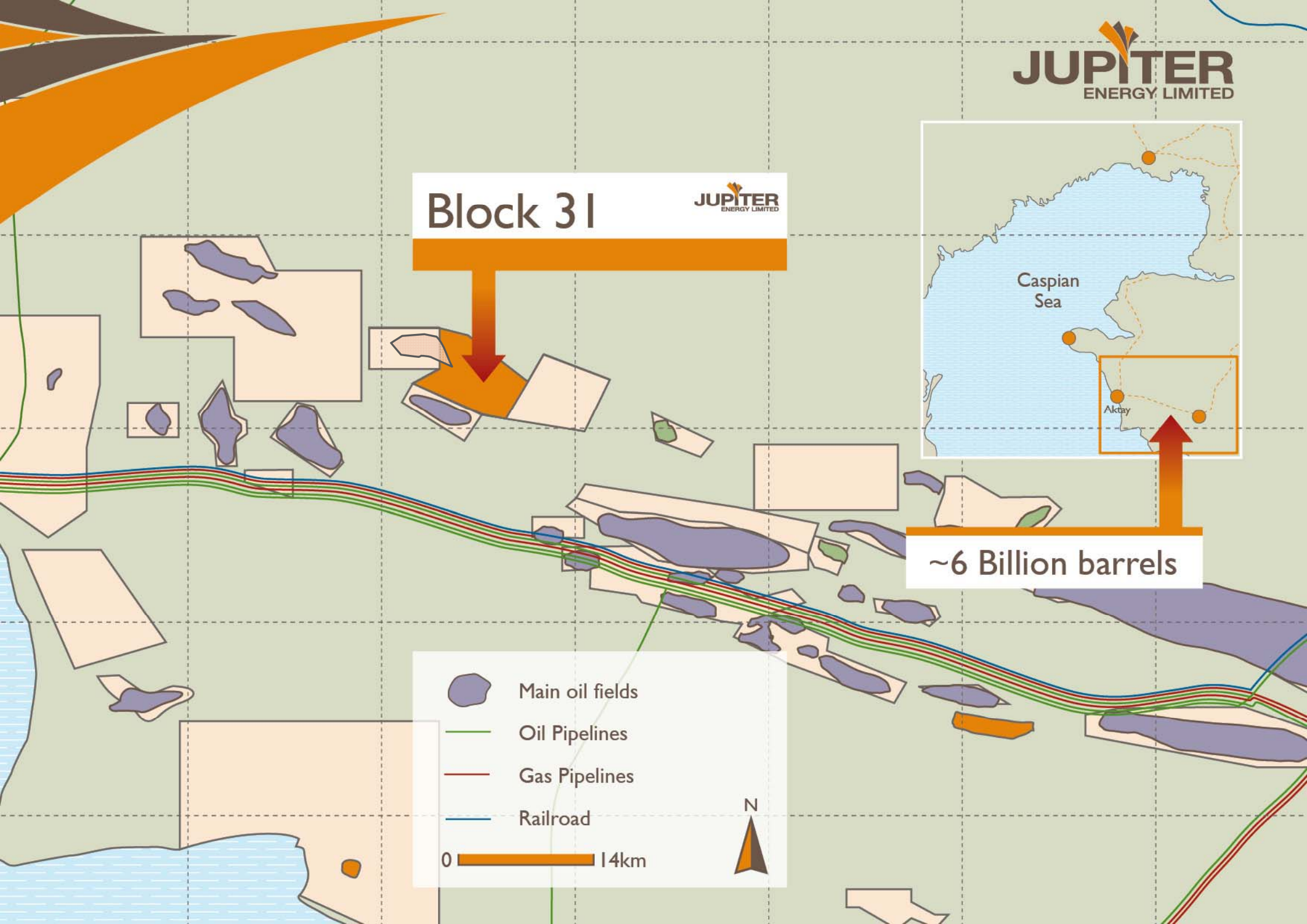

# Block 3 I



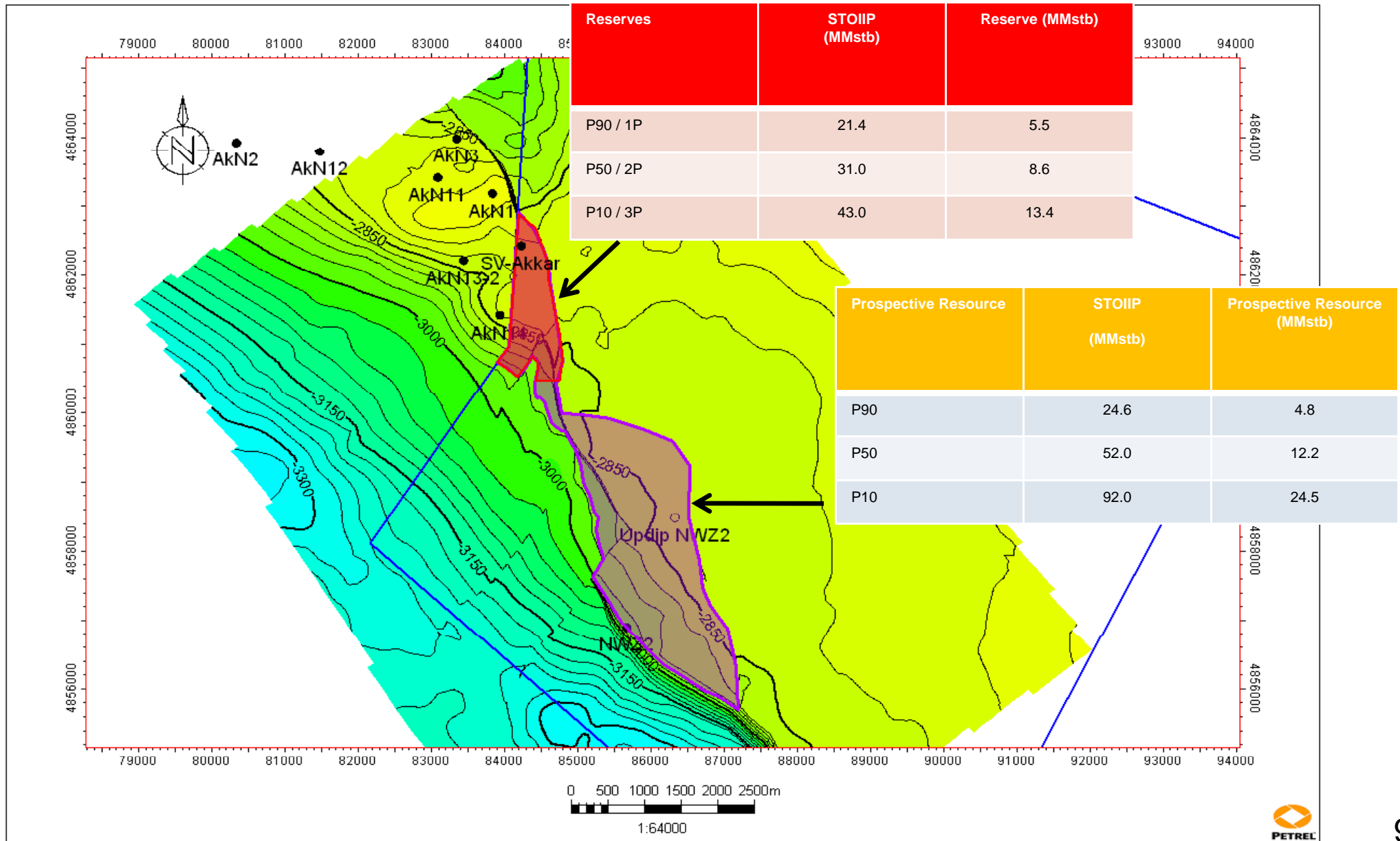
~6 Billion barrels

-  Main oil fields
-  Oil Pipelines
-  Gas Pipelines
-  Railroad

0  14km



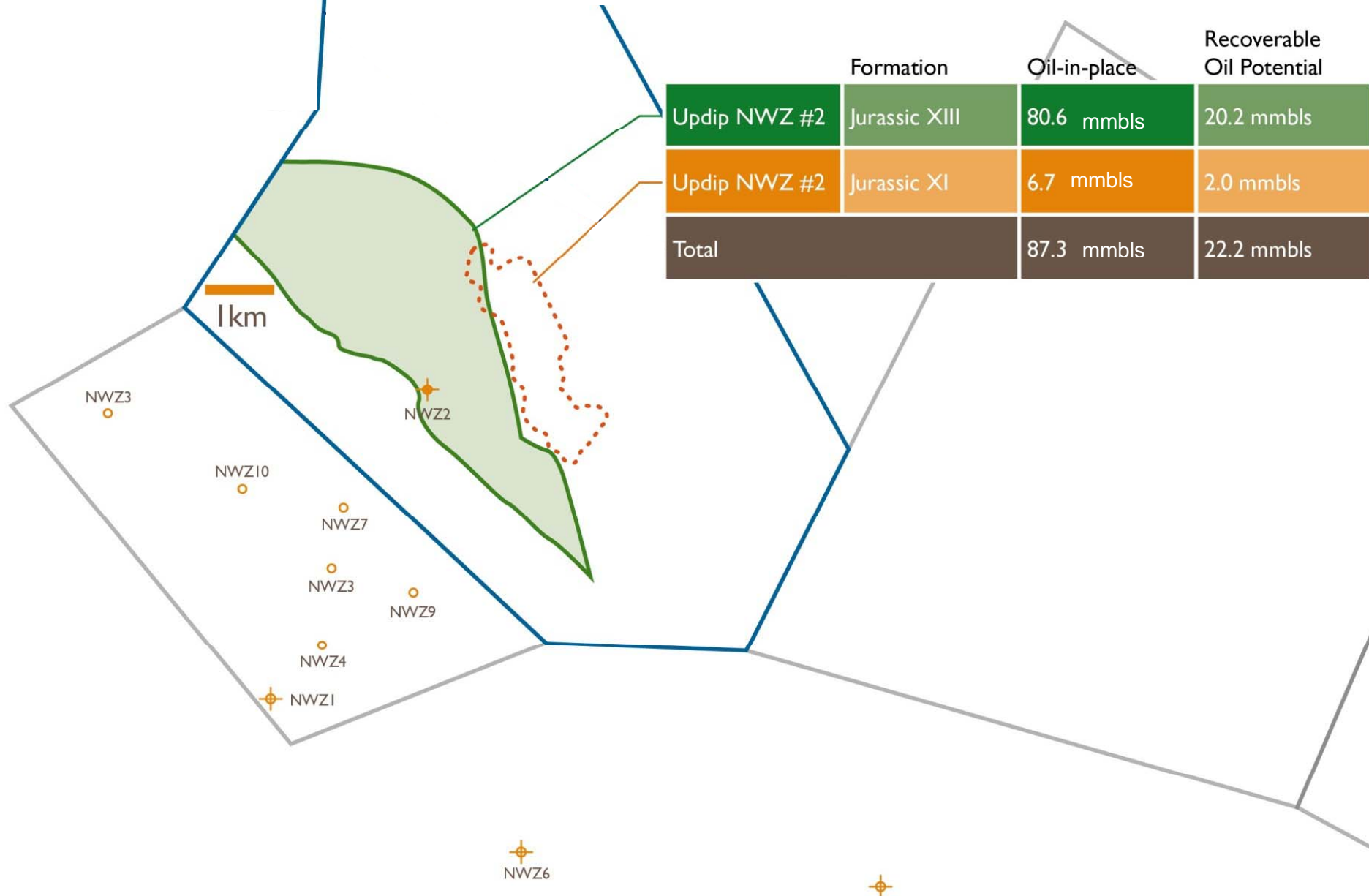
# Triassic Age (Primary Target) Reserves and Prospective Resources Independent Resource Assessment by Senergy



# Jurassic Age (Secondary Target)

## Prospective Resource

(JPR Internal Estimate)

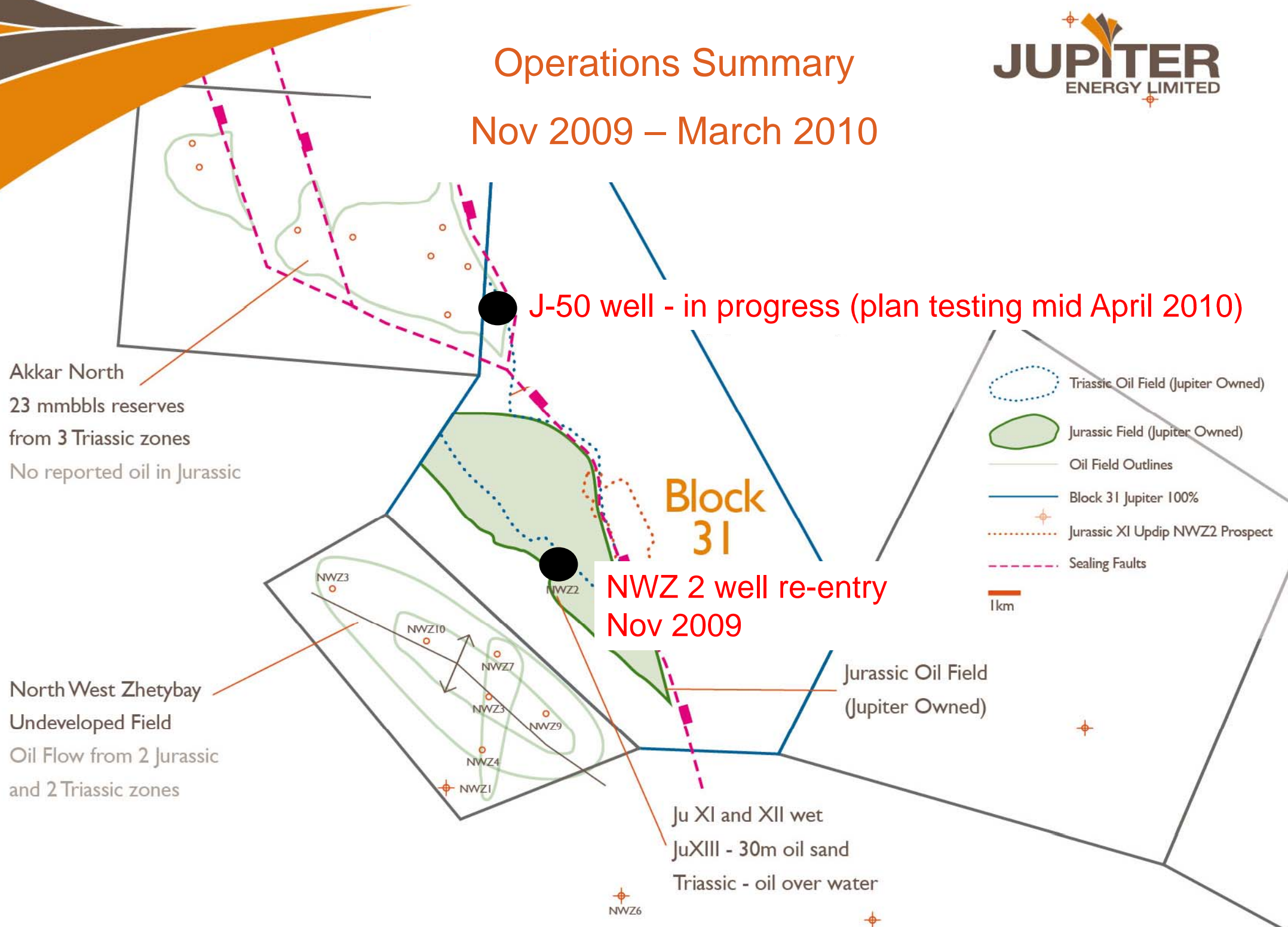


## Block 31 Overview

- Acquired: June 2008
- Ownership: 100% JPR
- Permit Details:
  - 10 year exploration licence (6 years from 2007 with 2 x 2-year extensions)
  - 25-year Production Licence
- 3D seismic acquired over the permit and a number of Triassic and Jurassic prospects and leads were identified.
- Senergy independent review confirmed 8.6 mmbbls of reserves (2P) and 12.2 mmbbls of prospective resource (P50) in the Triassic (20.8mmbbls total)
- Directors believe a prospective resource (P50) of 22.2 mmbbls is present in the Jurassic
- In November 2009 JPR re-entered and re-completed NWZ 2 (an existing 1969 well). Trial production is anticipated to commence in 2H 2010.
- Jupiter's first operated well (J-50) is coring the primary Triassic reservoir. J-50 is an oil discovery and anticipated to commence test production in April 2010 and then commercial production by Q3 2010
- 2<sup>nd</sup> operated well (J-51) will be tendered during Q2 2010, drilled in Q3 2010 and is anticipated to start commercial production during Q1 2011

# Operations Summary

## Nov 2009 – March 2010










**J-50 well - in progress (plan testing mid April 2010)**

Akkar North  
23 mmbbls reserves  
from 3 Triassic zones  
No reported oil in Jurassic

**Block 31**

**NWZ 2 well re-entry  
Nov 2009**

-  Triassic Oil Field (Jupiter Owned)
-  Jurassic Field (Jupiter Owned)
-  Oil Field Outlines
-  Block 31 Jupiter 100%
-  Jurassic XI Updip NWZ2 Prospect
-  Sealing Faults
-  1km

North West Zhetybay  
Undeveloped Field  
Oil Flow from 2 Jurassic  
and 2 Triassic zones

Jurassic Oil Field  
(Jupiter Owned)

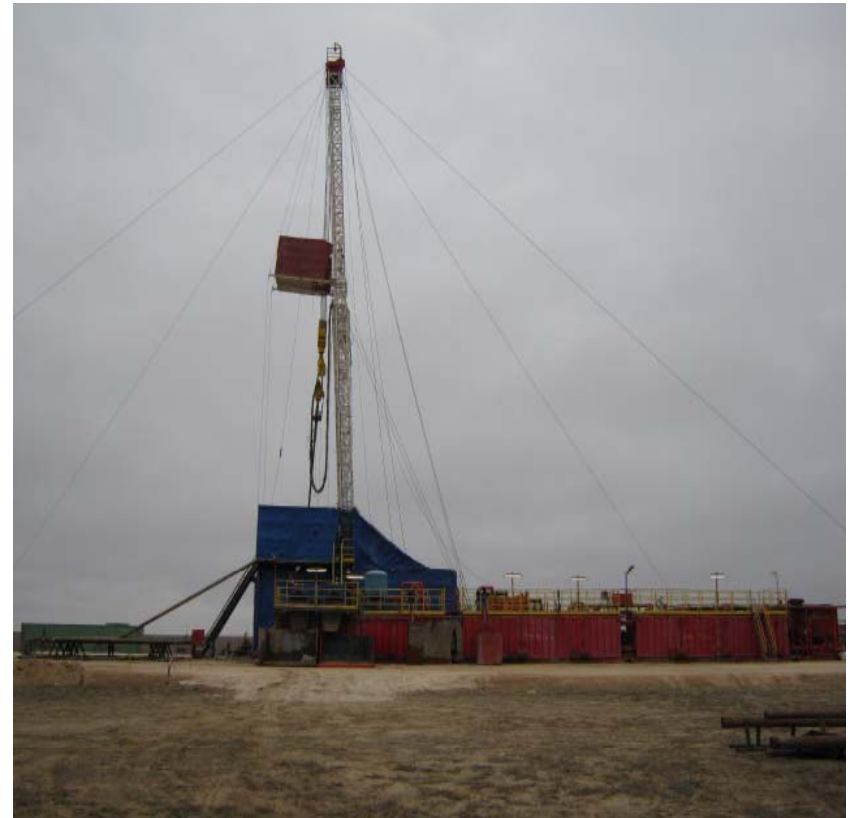
Ju XI and XII wet  
JuXIII - 30m oil sand  
Triassic - oil over water

NWZ6

## Re-entry of NWZ 2 well in Block 31

- Data from NWZ 2 (an abandoned 1969 well) showed that the well had indications of an oil discovery with shows throughout and it flowed oil from a 30m sand around the Jurassic XIII level.
- NWZ 2 was re-entered and re-perforated over the interval 2916m to 2950m.
- Oil samples were recovered and reservoir performance indications were positive
- Well has been suspended and further analysis will be carried out in Q2 2010.
- Most likely bring the well onto commercial production in 2H 2010

## Drilling rig on location of J-50 well, Block 31



## Current drilling program – J-50 well

- Well Summary
  - Exploration/appraisal well on a clearly defined structure with 8.6 mmbbls (2P) of recoverable oil (source: Senergy)
  - Primary reservoir is Middle Triassic age (primary producing reservoir in adjacent North Akkar field)
- Operational Details
  - Turnkey contract with Astra Star Drilling (a local Kazakh drilling contractor) after detailed tender process
  - International consulting house Senergy assisting with reservoir management
- Progress Update
  - Detailed announcement on well made 23<sup>rd</sup> March 2010 (last week)
  - Primary reservoir intersected at 2939m (~160m above oil water contact). Reservoir is prognosed to be 120m thick (oil reservoir on rock)
  - Plan to core approximately 45m of Triassic reservoir section
  - Electric wireline logs planned and production testing
  - Completion and perforating methods have been specifically designed to maximise production rates



# Proposed Drilling Campaign Block 31

Q2 2010 to Q1 2011

Akkar North  
23 mmbbls reserves  
from 3 Triassic zones  
No reported oil in Jurassic

North West Zhetybay  
Undeveloped Field  
Oil Flow from 2 Jurassic  
and 2 Triassic zones

**J-50 well**

**J-51 well – J-50 step out proposed Q3 2010**

**J-52 well – Proposed Q4 2010 or Q1 2011**

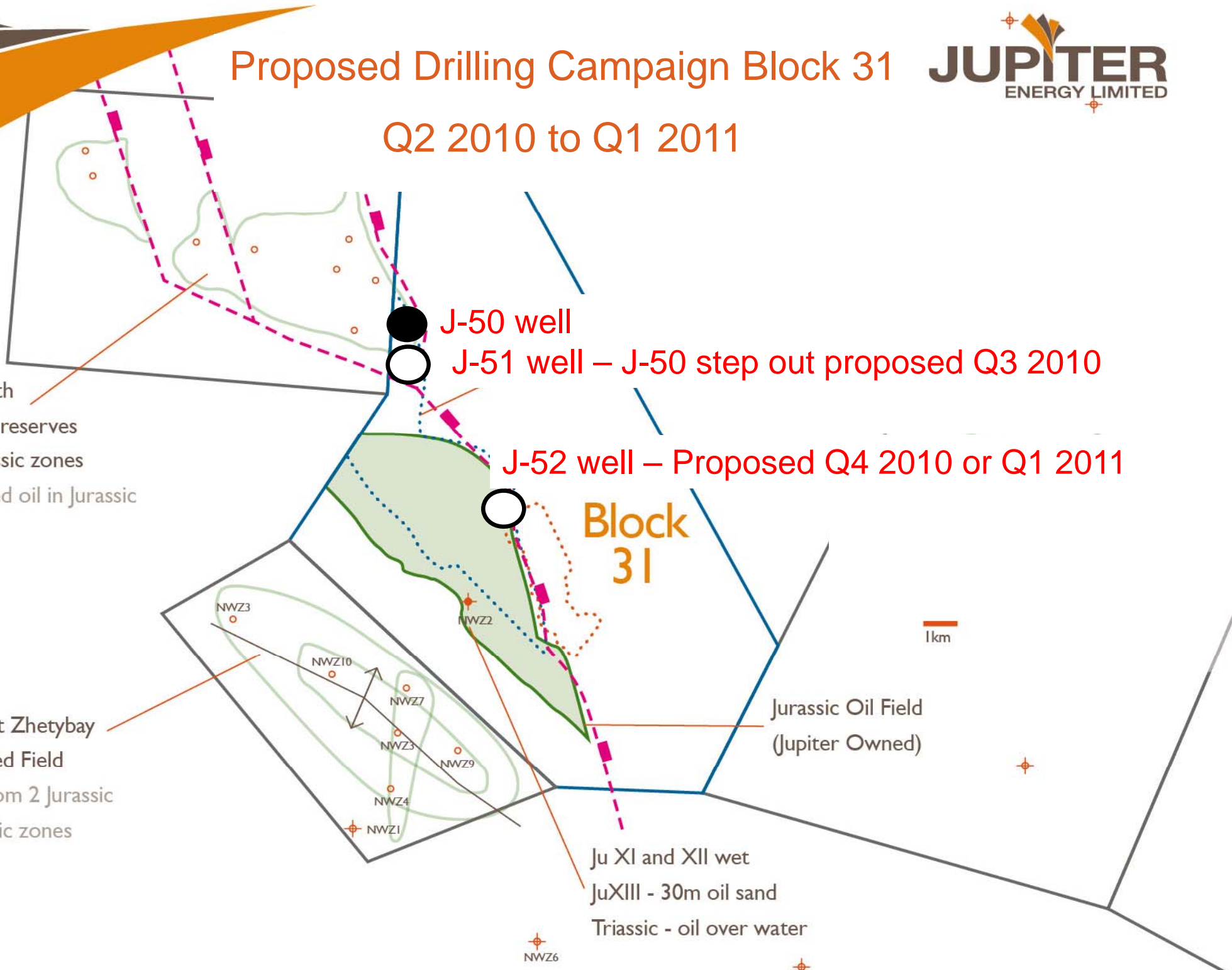
**Block 31**

Jurassic Oil Field  
(Jupiter Owned)

Ju XI and XII wet  
Ju XIII - 30m oil sand  
Triassic - oil over water

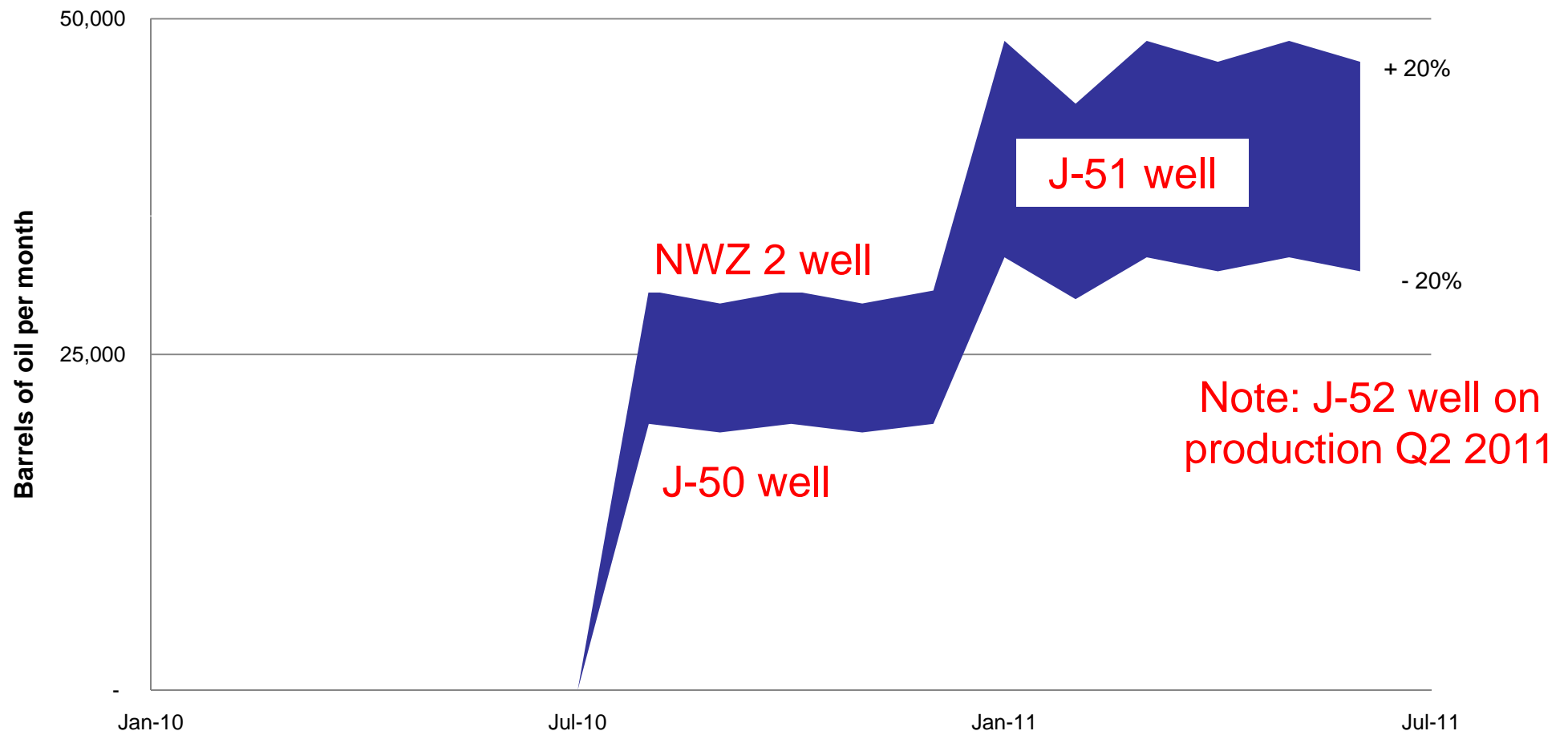
1km

NWZ6



# Production Outlook – 3 wells over 18 months (100% Jupiter)

**Projected production of oil per month (over 18 months)**



## What is planned for 2010?

- Drilling
  - Approved 2010 working commitment of \$US5.7m (i.e. 1 well).
    - Well to be drilled Q3 2010
- Funding
  - Possible additional \$A24m from the exercise of 300m options at \$A0.08 expiring 30 June 2010
  - Additional funding would accelerate 2010 drilling program and/or fund acquisition of an additional permit
- Expansion by exploration / acquisition in Kazakhstan
  - More acreage being negotiated with update expected in Q2
  - 100% ownership of any permit area is preferred
  - Majority ownership and operating control is essential

## Corporate Overview

- Listed company trading on Australian Stock Exchange (ASX) under ticker “JPR”
  
- Shares
  - 786m shares on issue (JPR)
  - JPR currently trading at ~ \$A0.07 (market cap: c. \$A55m)
  
- Options
  - 300m listed options (JPROA)
  - JPROA trading at ~ \$A0.012
  - Listed options have a strike price of \$A0.08
  - Expire on 30 June 2010
  - Incoming funds from options: \$A24m (assuming 100% are exercised)

# Conclusion



- Reserves / Resources
  - Triassic – more than 8.6 mmbbls reserves (2P) and 12.2 mmbbls prospective resource (P50) as per independent review by Senergy (20.8 mmbbls total)
  - Jurassic - Directors believe the Jurassic contains a 22.2 mmbbls prospective resource (P50).
- Production
  - Near term production and cash flow from J-50 well (Q2 2010)
  - J-51 will be drilled Q3 2010 and is expected to enter production early 2011
- Management
  - Experienced management team with good blend of skill sets
  - Drilling costs well managed and on budget with capable team in Aktau
  - Good reputation at both regional and central government levels
  - Focus on employing local staff with limited ex pat headcount
  - Award work to local companies as much as possible
  - Low cost of Block 31 acquisition has provided a substantial resource at a competitive price (< \$US2.50 / bbl (2P reserves))
  - Focus on expansion by exploration and acquisition through good deal flow and local contacts

## Further Questions?

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