

10 May 2010

Detailed update on J-50 well

On 7 May 2010 Jupiter Energy Limited released an operational update to shareholders titled "Jupiter Energy's first commercial oil" providing current information relating to the testing of its J-50 well.

This update also advised shareholders that the Company had made its first oil sale into the Kazakh domestic oil market and begun its transition from an oil explorer to an oil producer.

The Company also disclosed to shareholders the status of testing operations of the J-50 well that commenced initial production earlier in the week.

The update provided a flow rate as at the day of the release based on restricted flow conditions. This rate was 220 barrels of oil per day (bopd). This flow rate should **not** be interpreted as being representative of the long term flow rate from the J-50 well that is expected to be achieved based on unrestricted flowing conditions after clean up and stimulation.

The work program required to satisfy the Company's statutory obligations as well as the ongoing preparation of the well for long term production at optimal flow rates was documented under the "Forward Plan" section of the 7 May 2010 announcement.

Below is a more detailed overview of the forward program and is provided to assist shareholders in better understanding what work is scheduled to be carried out on J-50 over the next few weeks.

The Company is in the process of testing and cleaning up J-50 well prior to a 3 month production testing phase. During the testing phase and clean up phase a range of production performance data will be acquired from the well. Much of this data is prescribed by the Kazakh authorities and is used to complete the various reports that are needed to apply for a Trial Production licence. A Trial Production licence is required by any company wishing to sell its oil into the export market.

Over the coming weeks the Company will clean up the well and recover a range of data including flow rates and pressure data under a number of prescribed choke settings which control the flow rate of the well at surface. As a result of the fact that (i) the well is still cleaning up (a process where the well expels contaminants which permeated the producing

reservoir during drilling thereby restricting flow) and (ii) the well is being produced under prescribed flow rate conditions, an optimal flow rate has not yet been achieved for the well.

Following the clean up phase it is normal practice to stimulate carbonate reservoirs that are prevalent in the producing fields of the Mangistau basin of Kazakhstan to further enhance long term production rates. Based on offset well data, stimulation is expected to significantly enhance long term production rates.

It is expected that once this work has been completed, a sustainable production flow rate representative of the J-50 well's long term productivity will be known.

The Company will announce the results of its forward program, including the sustainable production flow rate on the J-50 well, post stimulation and clean up in due course.

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