

30 September 2020

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

EXTENSION DEADLINE FOR LODGEMENT OF ANNUAL FINANCIAL REPORT

Jupiter Energy Limited (ASX: "JPR") notifies the market that it is relying on the relief provided by ASIC Corporations (Extended Reporting and Lodgement Deadlines – Listed Entities) Instrument 2020/451 of 15 May 2020 to extend the lodgement date for its audited Financial Statements for the year ended 30 June 2020.

The Company attaches its unaudited Financial Statements for the year ended 30 June 2020. Any material differences between the unaudited and audited Financial Statement for the year ended 30 June 2020 will be notified immediately following the Company becoming aware of such differences.

If shareholders have any questions regarding this announcement they are welcome to contact the Company on +61 8 9322 8222.

Geoff Gander
Chairman/CEO

ENDS

Authorised by the Jupiter Energy Limited Board

Enquiries:

Jupiter Energy (+61 8 9322 8222)
Geoff Gander (geoff@jupiterenergy.com)

For personal use only

About the Company:

Jupiter Energy Limited is an oil exploration and production company, quoted on the ASX. 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 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 develop a group production facility on Block 31 to process, store and export oil. This topside infrastructure is a key element in moving to long-term production and the achievement of self-funding for further development of Block 31.

For personal use only

For personal use only



**Preliminary Unaudited
Financial Statements**
FOR THE YEAR ENDED 30 JUNE 2020

JUPITER ENERGY LIMITED – 2020 FINANCIAL STATEMENTS

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	Consolidated	
		2020 \$	2019 \$
Revenue from contracts with customers		5,634,059	8,963,533
Cost of sales		(3,194,429)	(3,403,531)
Gross profit		2,439,630	5,560,002
Other income		107,318	-
Foreign exchange loss		(1,406,647)	(3,552,272)
General and administrative expenses	1	(2,519,824)	(3,403,807)
Impairment expense	3, 7	(32,571,270)	-
Other expenses		(4,432)	-
Operating loss		(33,955,225)	(1,396,077)
Finance income		23,712	20,449
Finance costs	11	(8,420,635)	(7,552,147)
Loss before tax		(42,352,148)	(8,927,775)
Income tax expense		-	-
Loss after income tax		(42,352,148)	(8,927,775)
Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods net of tax			
Foreign currency translation		(680,854)	(1,437,707)
Total comprehensive (loss)/income for the period		(43,033,002)	(10,365,482)
Loss per share for loss attributable to the ordinary equity holders of the Group:			
Basic loss per share (cents)	14	(27.61)	(5.82)
Diluted loss per share (cents)	14	(27.61)	(5.82)

The consolidated statement of comprehensive income is to be read in conjunction with the notes of the financial statements

JUPITER ENERGY LIMITED – 2020 FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Note	Consolidated 2020 \$	2019 \$
ASSETS			
Current Assets			
Cash and cash equivalents	2	138,980	534,690
Trade and other receivables	3	65,579	79,950
Other current assets		101,365	166,184
Inventories		25,080	27,474
Total Current Assets		331,004	808,298
Non-Current Assets			
Trade and other receivables	3	-	2,277,059
Oil and gas properties	5	19,549,250	20,427,153
Plant and equipment	6	903,552	1,169,768
Right of use assets		72,452	-
Exploration and evaluation expenditure	7	485,567	29,336,875
Other financial assets	4	489,460	459,565
Total Non-Current Assets		21,500,281	53,670,420
Total Assets		21,831,285	54,478,718
Current Liabilities			
Trade and other payables	8	1,723,257	3,347,098
Lease liabilities		83,071	-
Other financial liabilities	11	22,030,391	183,319
Contract liabilities	9	538,223	696,102
Total Current Liabilities		24,374,942	4,226,519
Non-current Liabilities			
Provisions	10	358,816	347,411
Other financial liabilities	11	64,844,316	74,618,575
Total Non-Current Liabilities		65,203,132	74,965,986
Total Liabilities		89,578,074	79,192,505
Net Liability		(67,746,789)	(24,713,787)
Equity			
Contributed equity	12	85,633,935	85,633,935
Share based payment reserve	13	5,764,014	5,764,014
Foreign currency translation reserve	13	(28,381,181)	(27,700,327)
Accumulated losses		(130,763,557)	(88,411,409)
Total Equity / (Deficit)		(67,746,789)	(24,713,787)

The consolidated statement of financial position is to be read in conjunction with the notes of the financial statements.

JUPITER ENERGY LIMITED – 2020 FINANCIAL STATEMENTS

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	Consolidated	
		2020 \$	2019 \$
Cash flow from operating activities			
Receipts from customers		6,147,984	10,781,020
Payments to suppliers and employees		(6,745,436)	(5,202,311)
Interest received		23,712	20,449
Interest paid		(56,932)	(9,660)
Net cash flows from/(used in) operating activities		(630,672)	5,589,498
Cash flows from investing activities			
Payments for exploration and evaluation expenditure		(1,808,330)	(6,321,647)
Payments for property, plant and equipment		(112,852)	(320,150)
Net Cash flows (used in) investing activities		(1,921,182)	(6,641,797)
Cash flows from financing activities			
Proceeds from unsecured loan		2,298,204	1,192,369
Payments of principal portion of lease liabilities		(146,320)	-
Net cash flows from financing activities		2,151,884	1,192,369
Net increase/(decrease) in cash held		(399,970)	140,070
Effects of exchange rate changes		4,260	(13,621)
Cash at beginning of the year		534,690	408,241
Cash at end of the year	2	138,980	534,690

The statement of cash flows is to be read in conjunction with the notes of the financial statements.

JUPITER ENERGY LIMITED – 2020 FINANCIAL STATEMENTS

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020**

<i>Note</i>	<i>Contributed Equity</i>	<i>Share Based Payment Reserve</i>	<i>Foreign Currency Translation Reserve</i>	<i>Accumulated Losses</i>	<i>Total</i>
	\$	\$	\$	\$	\$
CONSOLIDATED					
As at 1 July 2018	85,633,935	5,764,014	(26,262,620)	(79,483,634)	(14,348,305)
Loss for the period	-	-	-	(8,927,775)	(8,927,775)
Other comprehensive loss	-	-	(1,437,707)	-	(1,437,707)
Total comprehensive loss	-	-	(1,437,707)	(8,927,775)	(10,365,482)
At 30 June 2019	85,633,935	5,764,014	(27,700,327)	(88,411,409)	(24,713,787)
As at 1 July 2019	85,633,935	5,764,014	(27,700,327)	(88,411,409)	(24,713,787)
Loss for the period	-	-	-	(42,352,148)	(42,352,148)
Other comprehensive loss	-	-	(680,854)	-	(680,854)
Total comprehensive loss	-	-	(680,854)	(42,352,148)	(43,033,002)
At 30 June 2020	85,633,935	5,764,014	(28,381,181)	(130,763,557)	(67,746,789)

The statements of changes in equity are to be read in conjunction with the notes of the financial statements.

JUPITER ENERGY LIMITED – 2020 FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL AND ADMINISTRATIVE EXPENSES

	Consolidated	
	2020	2019
	\$	\$
Administration and compliance expenses	847,725	767,824
Penalties and Fines ¹	268,143	1,247,931
Employee benefits ²	390,946	405,517
Superannuation	36,667	36,667
Consulting fees	550,535	592,027
Depreciation and amortization expense ³	13,141	7,241
Directors Fees	239,361	201,989
Legal fees	64,488	77,840
Occupancy expenses	108,818	66,771
Total expenses	2,519,824	3,403,807

1. The Group has a commitment to meet the expenditure as outlined in the Work Program for the relevant oil fields. Failure to meet the expenditure agreed to in the Work Program results in fines penalties for the Group. In the year ended 30 June 2020, fines and penalties of \$268,143 (2019: \$1,247,931) were incurred.
2. A further \$305,757 (2019: \$261,198) of employee benefit costs were included within the Cost of Sales line item in the Statement of Profit or Loss and Other Comprehensive Income.
3. Depreciation and amortisation expenses associated with Kazakhstan operations are recorded in Cost of Sales rather than General and administration expenses for the year ended 30 June 2020 for those oil wells that were in production. \$654,954 (2019: \$781,194) of depreciation and amortisation costs were included within the Cost of Sales line item in the Statement of Profit or Loss and Other Comprehensive Income.

From February 2015 payment of director fees have been deferred until such time that at least US\$5,000,000 in new equity is raised or alternatively the Group sells the Block 31 licence and receives the funds associated with that sale.

2. CASH AND CASH EQUIVALENTS

	Consolidated	
	2020	2019
	\$	\$
Cash at bank and in hand	138,980	534,690
	138,980	534,690

The bank accounts are at call and pay interest at a weighted average interest rate of 0.04% at 30 June 2020 (2019: 0.04%)

For personal use only

JUPITER ENERGY LIMITED – 2020 FINANCIAL STATEMENTS

3. TRADE AND OTHER RECEIVABLES

	Consolidated	
	2020	2019
	\$	\$
Current		
Trade receivables	10,347	10,335
Other debtors	55,232	69,615
	65,579	79,950
Non-current		
VAT receivable	-	2,277,059

During the year the Group recognised an impairment charge in relation to its exploration and evaluation assets, as disclosed in Note 7. As a result of this, the Group has exercised judgement and written down the VAT receivable to nil. This was recognised as an expense during the period, of \$1,951,944, and included within Impairment expense in the Statement of Profit or Loss and Other Comprehensive Income.

4. OTHER FINANCIAL ASSETS

	Consolidated	
	2020	2019
	\$	\$
Liquidation fund	489,460	459,565
	489,460	459,565

The Group has a deposit for the purpose of a Liquidation fund in the amount of \$489,460. The deposit is to be used for land restoration when required. Under the laws of Kazakhstan, the deposit must be replenished in the amount of 1% of the annual investments. The fair value approximates the carrying value.

5. OIL AND GAS PROPERTIES

	Consolidated	
	2020	2019
	\$	\$
Oil and Gas Properties carried forward:		
Oil and gas properties at cost	22,152,915	22,665,211
Depletion and impairment	(2,603,665)	(2,238,056)
Net Carrying Value	19,549,250	20,427,153
Movements during the year		
Opening Balance	20,427,153	17,228,238
Net exchange differences	(553,981)	(629,146)
Transfers from exploration and evaluation assets	90,792	4,311,210
Change in estimate	33,934	-
Depletion Charge for the year	(448,648)	(483,149)
Closing Balance	19,549,250	20,427,153

For personal use only

JUPITER ENERGY LIMITED – 2020 FINANCIAL STATEMENTS

6. PLANT AND EQUIPMENT

	Consolidated	
	2020	2019
	\$	\$
Property, plant and equipment carried forward:		
Property, plant and equipment at cost	2,392,096	2,383,259
Accumulated depreciation	(1,488,545)	(1,213,491)
Net Carrying Value	903,552	1,169,768
Movements during the year		
Opening Balance	1,169,768	564,453
Net exchange differences	(43,401)	(10,733)
Transfers from exploration and evaluation assets	-	605,938
Additions	97,262	331,159
Disposals	-	(11,009)
Depreciation charge for the year	(320,077)	(310,040)
Closing Balance	903,552	1,169,768

7. EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	2020	2019
	\$	\$
Exploration expenditure carried forward:		
Exploration and evaluation expenditure at cost	485,567	29,336,875
Movements during the year		
Balance at beginning of year	29,336,875	28,614,808
Expenditure incurred during the year	1,808,330	6,321,648
Transferred to Oil and Gas Properties	(90,792)	(4,311,210)
Transferred to Property Plant and Equipment	-	(605,938)
Foreign exchange translation	50,480	(682,433)
Impairment expense	(30,619,326)	-
Balance at end of year	485,567	29,336,875

Oil sales revenue capitalised into exploration and evaluation expenditure for the current and prior year was \$nil.

JUPITER ENERGY LIMITED – 2020 FINANCIAL STATEMENTS

8. TRADE AND OTHER PAYABLES

	Consolidated	
	2020	2019
	\$	\$
Trade creditors	1,069,640	1,323,553
Accrued expenses	653,617	2,023,545
	1,723,257	3,347,098

Trade payables are non-interest-bearing and are normally settled on 30-day terms.

9. CONTRACT LIABILITY

	Consolidated	
	2020	2019
	\$	\$
Contract liability	538,223	696,102

The contract liability refers to amounts received in advance for oil sales. As at 30 June 2020, there is approximately 3,388 tonnes of oil to be delivered under the contract (2019: 2,522 tonnes). This obligation is expected to be fulfilled within the quarter ending 30 September 2020.

10. PROVISIONS

	Consolidated	
	2020	2019
	\$	\$
Non – current		
Provision for rehabilitation	358,816	347,410
	358,816	347,410

The Group accrues provisions for the forthcoming costs of rehabilitation of the territory. On the basis of forecasts the cost of rehabilitation of the oilfield would be \$358,816 (2019: \$347,410). The timing of rehabilitation is likely to depend on when the field ceases to produce at economically viable rates which is currently estimated to be 2044 (2019: 2044). This will depend upon future oil and gas prices, which are inherently uncertain. The underlying rehabilitation costs are denominated in Tenge and in calculating the provision at 30 June 2020 a discount rate of 7.47% (2019: 7.46%) was used.

For personal use only

JUPITER ENERGY LIMITED – 2020 FINANCIAL STATEMENTS

Movements in rehabilitation provision

	2020	2019
	\$	\$
Carrying amount at beginning of the year	347,410	244,258
Unwinding of discount rate	12,683	9,612
Foreign exchange translation	(12,892)	(13,000)
Re-measurement for changes in estimates ¹	11,615	74,397
Provision for new wells	-	32,144
Carrying amount at the end of year	358,816	347,410

(1) Due to a change in the discount rate and the expected timing of when the rehabilitation activities will be undertaken.

11. OTHER FINANCIAL LIABILITIES

Other financial liabilities comprises the following promissory notes as at 30 June 2020:

	Accrued Principal and Interest	
	2020	2019
	\$	\$
2017 Funding Agreement (max \$US 5m)	6,762,017	3,746,743
2016 Funding Agreement (max \$US 5m)	7,836,828	6,921,764
Refinanced Series B Promissory Note	23,290,326	20,666,478
Promissory Note – Discharge of Convertible Notes ¹	48,985,537	43,466,910
Total	86,874,707	74,801,894

1) In May 2016, the Group issued a series of promissory notes to discharge its obligations under a convertible note deed originally dated 20 September 2013. There is no conversion feature associated with this promissory note.

Movements in the balance and presentation of other financial liabilities during the year were as follows:

	Consolidated	
	2020	2019
	\$	\$
Current		
Promissory notes (unsecured) - Opening Balance	183,318	-
Change in current/non-current classification ⁽¹⁾	19,365,167	171,611
Drawdowns during the financial year	-	-
Interest accrued ²	2,100,394	10,534
Impact of foreign exchange	381,512	1,173
Promissory Notes (Unsecured) - Closing balance	22,030,391	183,319

JUPITER ENERGY LIMITED – 2020 FINANCIAL STATEMENTS

	Consolidated	
	2020	2019
	\$	\$
Non-Current		
Promissory notes (unsecured) - Opening Balance	74,618,575	62,510,430
Change in current/non-current classification ⁽¹⁾	(19,365,167)	(171,611)
Drawdowns during the financial year	2,298,205	1,192,369
Interest accrued ²	6,263,309	7,541,612
Impact of foreign exchange	1,029,394	3,545,775
Promissory Notes (Unsecured) - Closing balance	64,844,316	74,618,575

- (1) The promissory notes issued under the Promissory Note agreement, for debtholder Mobile Energy (reassigned to Blackbird Trust subsequent to 30 June 2020) are repayable on 1 July 2020 (or such later date as agreed by the parties in writing). They have therefore been reclassified as current. Subsequent to period end an extension to the repayment date was granted.
- (2) Interest relating to promissory notes totals \$8,363,703 (2019: \$7,552,147). Finance costs in the Statement of Profit or Loss and Other Comprehensive Income also include interest expense recognised in relation to lease liabilities of \$55,895 (2019: nil) and other interest expense of \$1,037 (2019: nil).

12. CONTRIBUTED EQUITY

	Consolidated	
	2020	2019
	\$	\$
<i>Shares issued and fully paid¹</i>		
Ordinary shares (a)	85,633,935	85,633,935
	85,633,935	85,633,935
	Number	Number
(a) Movements in ordinary share capital:	2020	2019
Balance 30 June 2019	153,377,693	153,377,693
Balance 30 June 2020	153,377,693	153,377,693

1. These shares have no par value.

13. RESERVES

	CONSOLIDATED		
	Foreign currency translation reserve	Share based payments reserve	Total
	\$	\$	\$
At 30 June 2018	(26,262,620)	5,764,014	(20,498,606)
Share based payment	-	-	-
Foreign currency translation	(1,437,707)	-	(1,437,707)
At 30 June 2019	(27,700,327)	5,764,014	(21,936,313)

For personal use only

JUPITER ENERGY LIMITED – 2020 FINANCIAL STATEMENTS

Share based payment	-	-	-
Foreign currency translation	(680,854)	-	(680,854)
At 30 June 2020	(28,381,181)	5,764,014	(22,617,167)

14. LOSS PER SHARE

Basic loss per share

Basic loss per share are calculated by dividing the profit / (loss) attributable to equity holders of the Group by the weighted average number of ordinary shares outstanding during the period.

The following reflects the income and data used in the basic and diluted loss per share computations:

	Consolidated	
	2020	2019
Net loss attributable to ordinary equity holders of the Parent from continuing operations	(42,352,148)	(8,927,775)
	Number of shares	Number of shares
Weighted average number of ordinary shares for basic and diluted loss per share	153,377,693	153,377,693
Basic and diluted loss per share	(27.61)	(5.82)

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

For personal use only