JUPITER ENERGY LIMITED

ANNUAL REPORT FOR THE YEAR ENDED

30 JUNE 2021

ABN 65 084 918 481

Directors	Geoffrey Gander (Executive Chairman/Chief Executive Officer) Baltabek Kuandykov (Non-Executive Director) Alexey Kruzhkov (Non-Executive Director) Alexander Kuzev (Non-Executive Director) Mark Ewing (Non-Executive Director)
Company secretary	James Barrie
Registered office	Suite 2 Level 13 350 Collins Street Melbourne VIC 3000
Principal place of business	Suite 2 Level 13 350 Collins Street Melbourne VIC 3000
Share register	Computershare Investor Services Pty Ltd Level 2, 45 St George's Terrace Perth WA 6000
Auditor	Ernst & Young 11 Mounts Bay Road Perth WA 6000
Solicitors	Steinepreis Paganin Level 4, 16 Milligan Street Perth WA 6000
Bankers	National Australia Bank Ltd UB13.03, 100 St Georges Terrace Perth WA 6000
Stock exchange listing	Jupiter Energy Limited shares are listed on the Australian Securities Exchange (ASX code: "JPR")
Website	www.jupiterenergy.com
Corporate Governance Statement	www.jupiterenergy.com

Jupiter Energy Limited
Chairman's letter
30 June 2021

Dear Shareholder,

I am pleased to present the 2021 Annual Report for Jupiter Energy Limited (“Jupiter Energy”, “the Company” or “the Group”).

The operating environment in Kazakhstan continued to be challenging during the 2020/2021 financial year, particularly as the country, like the rest of the world, was gripped by the COVID-19 pandemic. Through the focus and dedication of our Aktau based team, the Company was able to continue operations without any major disruption and Jupiter Energy continued to sell its oil into the Kazakh domestic market via a local oil trader.

International oil prices over the reporting period were strong and this meant that the Company was able to achieve good domestic oil prices and the Aktau operation was able to remain cashflow positive, albeit without any significant field development taking place.

The Group produced approximately 155,000 barrels of oil during the year, generated revenues of $US3.386m (~$A4m), achieving almost $US22 per barrel for its domestic oil, and recorded a breakeven result.

Production from most wells was constrained during the year either because of “Preparatory Period” restrictions on production dictated by gas emission levels (Akkar East oilfield) or because production was shut in as an oilfield (Akkar North East Block) went through the lengthy approval process required to transition from its Exploration Licence to its Commercial Licence.

Thankfully, production from the West Zhetybai oilfield (J-58 well) was not impacted and this field was able to operate for the full 12 months under its Trial Production Licence. As planned, J-58 was shut in at the end of August 2021 and is now going through the same approval process to transition from its Exploration Licence to its Commercial Licence. The field is expected to be back in production by 2Q calendar year 2022 and, like all the other wells, will operate under the constraints set by “Preparatory Period” restrictions.

Looking forward, the building and commissioning of the requisite infrastructure to achieve 100% Gas Utilisation is the key goal for the Company. Achieving 100% gas utilisation means that all excess gas that is produced, because of oil operations, is used by the Company for its own needs and any additional gas is processed or converted into a form where it can be sold and distributed to others. The ability to flare gas as a means of disposing of excess gas is prohibited when operating under a Commercial Production Licence in Kazakhstan.

On 16 September 2021 the Company announced that it had signed a Framework Agreement which set out the timetable for the development and lodgement of a detailed Project Development Plan focused on providing the Company with the appropriate infrastructure to achieve 100% gas utilisation on the Akkar North (East Block), Akkar East and West Zhetybai oilfields.

This is a critical initiative in terms of progressing the development of Jupiter Energy’s Kazakh asset and should be a game changer for the Company. I would like to thank all shareholders, debtholders, and employees for the commitment they have all shown to get Jupiter Energy to this point and I look forward to the 2021/2022 financial year with anticipation.

Sincerely

Geoff Gander
Chairman/CEO

Jupiter Energy Limited
Directors' report
30 June 2021

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Jupiter Energy Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2021.

Directors
The following persons were directors of Jupiter Energy Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Geoffrey Gander (Executive Chairman/Chief Executive Officer)
Baltabek Kuandykov (Non-Executive Director)
Alexey Kruzhkov (Non-Executive Director)
Alexander Kuzev (Non-Executive Director)
Mark Ewing (Non-Executive Director - appointed 24 November 2020)
Phil Warren (Non-Executive Director - resigned 24 November 2020)

Principal activities
During the financial year the principal continuing activities of the consolidated entity consisted of:
- Exploration for oil and gas in Kazakhstan; and
- Appraisal, development and production of oil and gas properties in Kazakhstan.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations
The profit for the consolidated entity after providing for income tax amounted to $61,655 (30 June 2020: loss of $42,352,148).

Review of Financial Conditions

At the end of the 2021 financial year, cash resources were $690,949 (2020: $138,980). These accounts have been prepared on a going concern basis, predicated on the Group's ability to raise additional cash. Refer to note 1 for additional information surrounding going concern.

Assets decreased to $20,154,013 (2020: $21,831,285) and net liabilities increased to $70,298,670 (2020: $67,746,789).

Funding and Capital Management

As at 30 June 2021, the consolidated entity had 153,377,693 listed shares trading under the ASX ticker "JPR".

During the year the Company funded Aktau operations primarily from oil sales with small amounts being drawn down, on a month by month basis, from existing credit facilities to cover Australian corporate expenses.

As at 30 June 2021 the consolidated entity had US$8,778,332 (AU$11,676,405) available to it under its committed 2017 Funding Agreement with Waterford International & Finance Limited.

The consolidated entity is still reviewing its ongoing funding options to enable it to complete its work program for the 2021/2022 financial year.

The Akkar East field operated for almost the entire 2020/2021 Financial Year under its Commercial Licence, operating under “Preparatory Period” restrictions. “Preparatory Period” restrictions mean that oil production must be constrained to the level that ensures that all gas produced during production can be used by the operator on the field – for power, heating and the like. No flaring of excess gas is allowed, and this is where Trial Production (Exploration Period) and Commercial Production are so different – during the period when wells operated under Trial Production conditions, the Company was allowed to flare any excess gas produced from its wells.

The Trial Production Licence for the Akkar North (East Block) field expired at the end of December 2020 and the field was shut in as it went through the approval process to transition from Trial Production to Commercial Production. This process was completed in July 2021 and the field resumed constrained production, under Preparatory Period restrictions, at that time.

The Trial Production Licence for the West Zhetybai field was in place for the entire 2020/2021 Financial Year and expired at the end of August 2021. The field has now been shut in as it goes through the same approval process required to transition from Trial Production to Commercial Production. The field is expected to return to production early in Quarter 2 of 2022 calendar year and will resume constrained production, under Preparatory Period restrictions, at that time.

In order for any of the Company's oilfields to operate under a full Commercial Licence, the requisite infrastructure that is required to achieve 100% gas utilisation must be in place and approved for use.

On 16 September 2021, the Company announced that it had signed a Framework Agreement setting out the timetable for the development and lodgement of a detailed Project Development Plan focused on providing the Company with the appropriate infrastructure to achieve 100% gas utilisation on the Akkar North (East Block), Akkar East and West Zhetybai oilfields.

The Framework Agreement has been signed with Sleipnir Technologies LLP (Sleipnir), a Kazakh registered company that has a background in oil trading and the design and development of oilfield infrastructure.

Under Phase 1 of the Framework Agreement, Sleipnir will work with Jupiter Energy in a Project Management capacity, assisting in the development of a detailed Project Development Plan to achieve 100% gas utilisation on all three of the Company's oilfields (the Plan). A project team made up of Jupiter and Sleipnir personnel has been formed, and a local Kazakh Institute will soon be appointed to assist in the documentation of the detailed technical specifications associated with the Plan.

Sleipnir will also play an active role in the proposed construction phase (Phase 2), if and when the Plan is approved by the Kazakh Ministry of Energy (and other associated regulatory bodies) and will also assist Jupiter with any of the regulatory approvals that may be required during Phase 2,

In summary, the Framework Agreement sets out the terms and conditions under which Jupiter and Sleipnir will work to complete and lodge the Plan with the Kazakh Ministry of Energy by early Quarter 1 of 2022 calendar year.

The key elements of Phase 1 of the Framework Agreement are:

- Development of a detailed Gas Utilisation Project Development Plan
- Submission of the Project Development Plan to the Kazakh Ministry of Energy
- Gaining approval from the Ministry of Energy (and other relevant regulatory bodies) for the Gas Utilisation Project Development Plan
- Confirming a detailed budget for the building of the approved Gas Utilisation infrastructure

Achieving 100% gas utilisation in a reasonable timeframe under a realistic budget will be a critical milestone for Jupiter Energy and achieving 100% Gas Utilisation is a "must have" in terms of being able to move to full Commercial Production, not the constrained Commercial Production conditions that the Company must now operate under.

OPERATING REVIEW

The first half of the financial year saw oil production from the Akkar North (East Block), Akkar East and West Zhetybai oilfields.

From mid-September 2020 onwards, the Akkar East field operated under the Preparatory Period restrictions of its Commercial Licence.

The Akkar North (East Block) oilfield produced under its Trial Production Licence for the initial 6 months of the financial year and then production was shut in from 1 January 2021, as the field began the approval process to transition from Trial Production to Commercial Production. The field returned to production in July 2021.

The West Zhetybai field operated under its Trial Production Licence for the entire financial year.

Production Report/Status of Well Licences

Production – Akkar East (J-51, J-52, J-53 and Well 19)

From mid-September 2020, oil was produced from the Akkar East J-51, J-52 and 19 wells under the Preparatory Period restrictions of its Commercial Licence. These three wells are all located on the northern section of the permit area and are part of the Akkar East oilfield.

When the wells recommenced production on 11 September 2020, production rates were constrained to a cumulative total of ~21 tonnes (~150 barrels) per day from the 3 wells. The optimum cumulative production level from these 3 wells is normally ~65 tonnes (~450 barrels) per day and this reduction in flow rates correlated to the reduction in excess gas that was allowed to be produced, without 100% gas utilisation infrastructure being in place on the field.

The J-53 well, which is also located on the Akkar East oilfield, was shut in for the entire financial year, awaiting further remedial work before potentially coming back onto production.

Production – Akkar North [East Block] (J-50 well)

The J-50 well produced under Trial Production for the first 6 months of the financial year. The well was shut in at the end of December 2020 as the Company began the approval process to transition the field to Commercial Production.

As part of this process, the Final Reserves Report for the Akkar North (East Block) oilfield was approved by the Kazakh Committee of Geology and on 14 July 2021 the oilfield was approved to recommence production under "Preparatory Period" restrictions associated with its Commercial Licence.

The J-50 well currently produces at a constrained production rate of ~8.5 tonnes (~60 barrels) per day and will continue to do so until the requisite 100% gas utilisation infrastructure has been built and commissioned for the oilfield. The optimum production level from this well is ~15 tonnes (~110 barrels) per day, under natural flow.

Production- West Zhetybai (J-55, 58, 59 wells):

During the year oil was produced from the J-58 well under Trial Production.

In September 2021, as part of the approval process to transition to its Commercial Production Licence, the Kazakh Committee of Geology approved the Final Reserve Report for the West Zhetybai field.

The J-55 well, which is also located on the West Zhetybai oilfield, was shut in for the entire financial year, awaiting further remedial work before potentially coming back onto production. The J-59 well underwent limited testing during the financial year and was not returned to full production.

A summary of the oil produced from all wells during the financial year, broken down by quarter, is as follows:

Well Number	Production Q1 Barrels	Production Q2 Barrels	Production Q3 Barrels	Production Q4 Barrels	Total Barrels
J-50	9,300	9,600	-	-	18,900
J-51	1,000	4,500	5,000	5,000	15,500
J-52	1,000	4,500	5,000	5,000	15,500
Well 19	1,000	4,600	5,000	5,000	15,600
J-58	27,300	26,400	19,000	17,000	89,700
	39,600	49,600	34,000	32,000	155,200

Drilling Report

There was no new drilling during the financial year.

The drilling of any other new wells in the 2021/2022 financial year will require access to additional working capital and/or agreement to deferred payment terms with a turnkey drilling operator.

Oil Production and Revenues

There were approximately 155,200 barrels of oil produced during the year, achieving revenues of $A4,025,701. This compared with approximately 174,000 barrels produced in the previous reporting period, generating revenues of $A5,634,059. All oil produced during the year was sold into the domestic market to a local trader - as per the terms of both the Company's Exploration Period Licence and "the Preparatory Period" restrictions of Jupiter Energy's Commercial Licence.

Oil was paid for on a prepayment basis and collected by a local oil trader from the well head.

On 16 September 2021, the Company announced that local Kazakh oil trader, Arion Trading, had signed an agreement for the purchase of 100% of Jupiter's domestic oil supply under terms consistent with those that other Jupiter oil trading partners have signed in the past. This agreement will be based on 100% prepayment for all oil, with deliveries to Arion Trading expected to commence in October 2021.

Status of Exploration and Commercial Licences

The Company currently operates the Akkar East and Akkar North (East Block) oilfields under the "Preparatory Period" restrictions of its Commercial Production Licence. The Company operated the West Zhetybai under its Exploration Licence until the end of August 2021, when that field was shut in and the approval process began to transition the West Zhetybai field from Trial Production to Commercial Production.

The process of transitioning the Akkar East oilfield from its Exploration Licence to its 25 year Commercial Licence was completed on 11 September 2020. The process of transitioning the Akkar North (East Block) field oilfield from its Exploration Licence to its 25 year Commercial Licence was completed on 14 July 2021. The process of transitioning the West Zhetybai oilfield from its Exploration Licence to its 25 year Commercial Licence is expected to be completed by early 2Q calendar year 2022.

As already stated in this report, the key issue facing the Company going forward is that in order to move any of the oilfields into full Commercial Production, the oilfield must have access to infrastructure that enables it to achieve 100% gas utilisation – ie all wells are able to produce oil without flaring the excess gas produced during oil production.

The announcement made on 16 September 2021 covering this issue is extremely important and in the event that the building of this requisite infrastructure is not possible and there are no opportunities for Jupiter Energy to connect to neighbouring gas utilisation infrastructure already in place nearby, the Company would need to review its underlying projected cashflow and an impairment of the carrying value of the asset may be required.

Whilst the Company has a 25 year Commercial Production Licence, there are a number of key requirements that are needed before full Commercial Production can commence, the most critical of which is providing infrastructure to allow all three oilfields to produce oil whilst achieving 100% utilisation of the excess gas produced. As already discussed above, this infrastructure is not currently in place but the Company is working with a local Kazakh group during the remainder of 2021 and into 2022 to address the gas utilisation issue.

Strategic Review

On 21 July 2020, the Jupiter Energy Board announced that the Company had decided to undergo a Strategic Review to analyse all of its funding options regarding the future development of its acreage in the Mangistau.

As part of this process, the Jupiter Board resolved to engage JSC VTB Capital (VTB Capital) as financial advisor to the Company to assist with this review. VTB Capital is part of the VTB Group, the Russian financial conglomerate, made up of more than 20 credit and financial companies operating in all segments of financial markets including capital market transactions, M&A advisory, financing and the like.

As already detailed earlier in this Operating Review, the move into Commercial Production brings with it the need for greater investment in field infrastructure to enable the Company to ultimately get access to the export oil market. The Board believes it is critical that the Company now considers the identification of the most optimal source of funding for this investment, together with exploring all alternatives to enable stakeholders to maximise future value from the Company’s assets.

The Company updated shareholders on progress with the Strategic Review in December 2020, in April 2021 and again in July 2021. In summary VTB Capital’s work, as yet, has not been able to identify any suitable partner for Jupiter Energy. Some organisations looked at a possible investment in the Company and several organisations were approached in terms of the possibility of creating some form of gas utilisation infrastructure sharing partnership – however nothing progressed with any of these initial discussions.

The key impediment for potential investors was the timing and cost of achieving 100% Gas Utilisation and to that end, the Company has now announced its plan to work with Kazakh group, Sleipnir to develop a detailed Project Plan to achieve this goal.

Jupiter Energy will continue to work with VTB Capital over the coming months to see whether further opportunities for new sources of funding emerge now that there is a more definitive plan in place to address the issue of 100% gas utilisation.

Corporate Structure

The Company monitored its personnel numbers during the financial year and ended the year with 31 employees, an increase of 5 over the year.

Corporate Additions and Changes

On 9 November 2020, the Company announced that Non-Executive Director Phil Warren was to retire as a Director of the Company, effective from the conclusion of 24 November 2020 Annual General Meeting (AGM).

Phil joined the Jupiter Board on 20 April 2018 and made a significant contribution to the Company during his tenure. Mark Ewing joined the Board as a Non-Executive Director on 24 November 2020.

On 16 November 2020, the Company announced that Grange Consulting would be stepping down from providing the roles of Company Secretary and Chief Financial Officer, effective from the conclusion of 24 November 2020 AGM.

Grange Consulting had provided these services since April 2018 and also made a significant contribution to the Company during their tenure. James Barrie and Greg Hammond of Fernville Group Pty Limited, based in Melbourne, took on the roles of Company Secretary (James Barrie) and Chief Financial Officer (Greg Hammond) and began in these roles on 24 November 2020.

The Company also be changed its Registered Office and relocated from Perth to Melbourne during December 2020.

Annual General Meeting

The COVID-19 pandemic meant that the Annual General Meeting (AGM) was held virtually on 24 November 2020. The Company expects the 2021 AGM to also be held during November under similar arrangements. A Notice of Meeting outlining business to be covered at the 2021 AGM will be dispatched to shareholders during October 2021 and will include details on how to attend online.

Summary

The 2020/21 Financial Year saw the Group suffer a small decline in the number of barrels of oil produced and revenues achieved. These declines were because of a reduction in production levels necessitated by the need to transition and operate the Akkar East and Akkar North (East Block) under a Commercial Production Licence, operating under Preparatory Period restrictions. Only one oilfield, West Zhetybai, was able to achieve optimal production during the financial year, operating under its Trial Production Licence for the entire period.

The COVID pandemic impacted Kazakhstan, as it did almost every country throughout the world, but the Aktau team did an excellent job in minimising disruptions during the year and thankfully the amount of sickness experienced by staff was limited. Vaccination levels amongst the Jupiter workforce were reasonably high and appropriate safety measures were enforced, both in the Aktau office and in the field.

COMPETENT PERSONS STATEMENT

General

Alexey Glebov, PhD, with over 34 years' oil & gas industry experience, is the qualified person who has reviewed and approved the technical information contained in this report. Alexey PhD's in technical science (1992) and geology science (2006), an Honors Degree in Geology and Geophysics (1984) from Novosibirsk State University and a Gold Medal (1985) from USSR Academy of Sciences. He is a member since 2001 of the European Association of Geoscientists & Engineers (EAGE #M2001-097) and was made an Honorary Oilman in 2011 by the Ministry of Energy of the Russian Federation. Alexey Glebov is qualified in accordance with ASX Listing Rule 5.41.

Kazakh State Approved Reserves

The information in this report which relates to the C^1 and C^2 Block 31 reserve estimations is based on information compiled by Kazakh Institutes, Reservoir Evaluation Services LLP ("RES") and Nauchno Proizvodstvennyi Tsentr ("NPC"). Both are Kazakh based oil & gas consulting Groups that specialise in oil & gas reserve estimations. RES and NPC have used the Kazakh Reserve classification system in determining their estimations. RES and NPC have 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 C^1 and C^2 reserve estimations. RES and NPC have given and not withdrawn their written consent to the inclusion of the C^1 and C^2 reserve estimations in the form and context in which they appear in this report. RES and NPC have no financial interest in the Group.

Significant changes in the state of affairs

Other than those disclosed above, there were no significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year

On 16 September 2021, a Framework Agreement was signed between Jupiter Energy and Sleipnir Technologies LLP (Sleipnir), a Kazakh registered company that has a background in oil trading and the design and development of oilfield infrastructure.

Under Phase 1 of the Framework Agreement, Sleipnir will work with Jupiter Energy in a Project Management capacity, assisting in the development of a detailed Project Development Plan to achieve 100% gas utilisation on all three of the Company's oilfields (the Plan). A project team made up of Jupiter and Sleipnir personnel has been formed, and a local Kazakh Institute will shortly be appointed to assist in the documentation of the detailed technical specifications associated with the Plan.

Sleipnir will also play an active role in the proposed construction phase (Phase 2), if and when the Plan is approved by the Kazakh Ministry of Energy (and other associated regulatory bodies) and will also assist Jupiter with any of the regulatory approvals that may be required during Phase 2.

In summary, the Framework Agreement sets out the terms and conditions under which Jupiter and Sleipnir will work to complete and lodge the Plan with the Kazakh Ministry of Energy by early 1Q 2022.

The key elements of Phase 1 of the Framework Agreement are:

- Development of a detailed Gas Utilisation Project Development Plan
- Submission of the Project Development Plan to the Kazakh Ministry of Energy
- Gaining approval from the Ministry of Energy (and other relevant regulatory bodies) for the Gas Utilisation Project Development Plan
- Confirming a detailed budget for the building of the approved Gas Utilisation infrastructure

In addition to the development of Project Development Plan for Gas Utilisation, Sleipnir affiliate Arion Trading also signed an agreement for the purchase of 100% of Jupiter's domestic oil supply under terms consistent with those that other Jupiter oil trading partners have signed in the past. This agreement will be based on 100% prepayment for all oil, with deliveries to Arion Trading expected to commence in October 2021.

During September 2021 Promissory Notes, that had a carrying value of US$66,438,142 (A$88,372,096) as at 30 June 2021, had their repayment dates extended from 1 July 2022 to 1 July 2024.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

The Directors will continue to pursue oil and gas exploration and production opportunities in the Republic of Kazakhstan.

Environmental regulation

The consolidated entity is committed to achieving the highest standards of environmental performance. Standards set by the Government of Kazakhstan are comprehensive and highly regulated. The consolidated entity strives to comply not only with all Kazakh government regulations, but also maintain worldwide industry standards.

To maintain these high standards the Group is committed to a locally developed environmental monitoring program. This monitoring program will continue to expand as and when new regulations are implemented and adopted in Kazakhstan. There have been no known breaches of any environmental obligations.

ASX Reporting

As Jupiter Energy Limited is listed on the Australian Stock Exchange it is subject to the continuous disclosure requirements of the ASX Listing Rules for Companies which require immediate disclosure to the market of information that is likely to have a material effect on the price or value of Jupiter Energy Limited’s securities.

During the financial year, the Company responded to a number of queries from the Australian Securities and Investments Commission (ASIC) in relation to share price fluctuations and potential irregular trading that occurred during April 2020. ASIC confirmed on 23 July 2021 that it had concluded its work on 1 July 2021 and that it would not be taking any further action following its investigation.

Health & Safety

The consolidated entity has developed a comprehensive Health and Safety policy for its operations in Kazakhstan and has the appropriate personnel in place to monitor the performance of the Group with compliance under this policy. The Group outsources many of its key drilling functions and as part of any contract entered into with third parties, a commitment to Health & Safety and a demonstrated track record of success in this area is a key performance indicator in terms of deciding on which companies will be contracted.

The COVID-19 pandemic has provided additional challenges to the Company during 2020 and 2021 and the Board believes it has done all it can to ensure that employees follow local area restrictions, and that Aktau operation has exercised vigilance with respect to employee and contractor safety.

Information on directors

Name:	Geoffrey Gander
Title:	Executive Chairman/CEO
Qualifications:	Mr Gander graduated from the University of Western Australia in 1984 where he completed a Bachelor of Commerce Degree.
Experience and expertise:	Mr Gander was involved in the identification and purchase of the Block 31 licence in Kazakhstan and has driven the development of the business there since 2007. He is currently responsible for the overall Operational Leadership of the Company as well as Investor Relations and Group Corporate Development.
Other current directorships:	Powerhouse Ventures Limited (ASX : PVL)
Former directorships (last 3 years):	Nil
Interests in shares:	Nil

Name:	Baltabek Kuandykov
Title:	Independent Non-Executive Director
Experience and expertise:	Mr Kuandykov has considerable experience in the oil and gas industry in the region, having served as President of Kazakhoil (predecessor of the Kazakh State oil company KazMunaiGas). He was also seconded by the Kazakh Government to work with Chevron Overseas Petroleum on CIS projects. Mr Kuandykov also has extensive government experience in Kazakhstan, having served as Deputy Minister of Geology, Head of the Oil and Gas Directorate at the Ministry of Geology, and was Deputy Minister of Energy and Fuel Resources.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Interests in shares:	Nil

Name:	Alexander Kuzev
Title:	Independent Non-Executive Director
Experience and expertise:	Mr Kuzev is an oil industry professional with over 27 years of experience. Most of Alexander's career has been spent working in the Former Soviet Union (FSU) with much of that time responsible for the overall management of field operations with a focus on production sustainability, technology and field maintenance. He has worked with a range of oil and gas companies including Schlumberger and Gazprom Drilling. Alexander brings an important technical skill set to the Jupiter Energy Board as well as in country experience, having been involved with various Kazakhstan based oil and gas operations since the late 1990's.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Interests in shares:	Nil

Name:	Alexey Kruzhkov
Title:	Non-Executive Director
Experience and expertise:	Mr Kruzhkov holds an Engineering Degree and an MBA and has over 10 years' experience working in the investment industry, focusing primarily on organisations involved in Oil & Gas, Mining and Real Estate. He has served as a Director on the Boards of companies listed in Canada and Norway. He is a board member and part of the executive team of Waterford Investment and Finance Limited and resides in Cyprus. He holds British and Russian citizenships.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Interests in shares:	Nil

Name:	Mark Ewing
Title:	Independent Non-Executive Director (appointed 24 November 2020)
Qualifications:	Mark has had more than 40 years' experience as a Chartered Accountant.
Experience and expertise:	Mark Ewing is an experienced company director and member of the Institute of Company Directors. Mark has had more than 40 years' working with private and public companies in Australia, Asia, UK and the US. He specialises in the provision of corporate advice to SME's and small ASX listed companies, due diligence, capital raisings and business sales.
Other current directorships:	TTA Holdings Limited (ASX: TTA)
Former directorships (last 3 years):	Nil
Interests in shares:	Nil

Name:	Phil Warren
Title:	Independent Non-Executive Director (resigned 24 November 2020)
Qualifications:	Mr Warren is a Chartered Accountant
Experience and expertise:	Mr Warren is a Chartered Accountant and has over 20 years experience in finance and corporate roles in Australia and Europe. He is Managing Director of a corporate advisory services firm and has extensive experience in mergers and acquisitions, debt financing, equity raisings and corporate governance.
Other current directorships:	N/A
Former directorships (last 3 years):	N/A
Interests in shares:	N/A

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary
Emma Wates acted as company secretary until November 2020 at which time she was replaced by James Barrie.

James Barrie (GAICD, Dipl InvRel (AIRA), B. Business) is a professional director and company secretary. He provides the Jupiter Board independent advice and expertise, and is skilled in the areas of corporate governance, company secretary, share registry, employee plans, treasury, capital management, accounting, commercial analysis, strategy, stakeholder relations, sales, business development, IPOs and mergers and acquisitions.

Meetings of directors
The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2021, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
G Gander	5	5
B Kuandykov	5	5
A Kruzhkov	4	5
P Warren	3	3
A Kuzev	4	5
M Ewing	2	2

Held: represents the number of meetings held during the time the director held office.

Due to the small number and geographical spread of the Directors, it was determined that the Board would undertake all of the duties of properly constituted Audit & Compliance and Remuneration Committees.

Remuneration report (audited)
This remuneration report outlines the Director and executive remuneration arrangements of the consolidated entity in accordance with the requirements of the Corporations Act 2001 and its Regulations. For the purposes of this report, key management personnel (KMP) of the consolidated entity are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

For the purposes of this report, the term 'executive' encompasses the chief executive, senior executives and general managers of the consolidated entity.

Principles used to determine the nature and amount of remuneration
The remuneration policy of the consolidated entity has been designed to align Directors and executives interests with the shareholder and business objectives by providing a fixed remuneration component and offering long term incentives based on a key performance area – with a focus to the material improvement in share price performance. The Board of the consolidated entity believes the remuneration policy to be appropriate to attract and retain the best executives and Directors to run and manage the consolidated entity, as well as create goal congruence between Directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for Board members and senior executives of the consolidated entity is as follows:
- The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the Board after a review of similar listed and unlisted companies with activities in overseas jurisdictions and taking into account the experience and skill set required to successfully develop operations in these jurisdictions from early-stage development. The consolidated entity does not have a remuneration committee. The Board is of the opinion that due to the size of the consolidated entity, the functions performed by a Remuneration Committee can be adequately handled by the full Board.
- All executives receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits and performance incentives.
- The Board reviews executive packages annually by reference to the consolidated entity's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

The executive Directors receive a superannuation guarantee contribution as required by the government which is currently 9.5%, and do not receive any other retirement benefits. This contribution forms part of their total remuneration package.

Remuneration Structure

Non-Executive Director Remuneration

Objective
The Board seeks to set aggregate remuneration at a level which provides the consolidated entity with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.
Structure
The Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the non-executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive Directors is subject to approval by shareholders at the Annual General Meeting. Total remuneration for all non-executive Directors, is not to exceed $350,000 per annum as approved by shareholders at the Annual General Meeting held on 15 November 2010. Fees for non-executive Directors are not linked to performance of the consolidated entity. Non-executive Directors are also encouraged to hold shares in the company.

Directors who are called upon to perform extra services beyond the director’s ordinary duties may be paid additional fees for those services.

Executive Remuneration

Objective
The consolidated entity aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the consolidated entity so as to:
- reward executives for consolidated entity, business unit and individual performance;
- align the interests of executives with those of shareholders;
- link reward with the strategic goals and performance of the consolidated entity; and
- ensure total remuneration is competitive by market standards

Structure
In determining the level and make-up of executive remuneration, the Board reviews remuneration packages provided by similar listed and unlisted companies with activities in overseas jurisdictions and taking into account the experience and skill set required to successfully develop operations in these jurisdictions from early stage development as well as the salary levels of local workers in that jurisdiction. It is the Board’s policy that employment contracts are entered into with the Chief Executive Officer and all key management personnel.

Fixed Remuneration

The fixed remuneration of executives is comprised of a base salary and superannuation. The fixed remuneration of executives is reviewed annually.

Variable remuneration – Short Term Incentives (STI)

The consolidated entity operates a STI program for its Kazakh based employees, which is based on a cash bonus subject to the attainment of clearly defined Branch and individual measures.

Actual STI payments awarded to each employee depends on the extent to which specific targets are met, as determined by the Board. The targets consist of a number of key performance indicators (KPIs) covering financial and non-financial Branch and individual measures of performance.

Directors are not eligible for participation in the STI program.

The CEO may be awarded a one off annual bonus payment by mutual agreement and at the discretion of the Board. In the year ended 30 June 2021, no cash bonuses were paid.

Variable Remuneration – Long Term Incentives (LTI)

The objectives of long term incentives are to:

- align executives remuneration with the creation of shareholder wealth;
- recognise the ability and efforts of the Directors, employees and consultants of the consolidated entity who have contributed to the success of the consolidated entity and to provide them with rewards where deemed appropriate;
- provide an incentive to the Directors, employees and consultants to achieve the long term objectives of the consolidated entity and improve the performance of the consolidated entity; and
- attract persons of experience and ability to employment with the consolidated entity and foster and promote loyalty between the consolidated entity and its Directors, employees and consultants.

Structure
Long term incentives granted to Directors and senior executives are delivered either in the form of a defined bonus or via the issue of Performance Rights, issued under the Performance Rights Plan. There were no performance rights issued during the current financial year or prior financial year. There is a bonus that forms part of the CEO package which is linked to the sale of the permit area. Under the terms of the package, the CEO is entitled to $US 350,000 or 0.5% (whichever is greater) of the value of the consideration received if Jupiter or Contract 2275 (pertaining to the main project) is assigned, transferred or sold to a third party during the term of the agreement.

Use of remuneration consultants
During the financial year ended 30 June 2021, the consolidated entity did not use remuneration consultants.

Voting and comments made at the company's 24 November 2020 Annual General Meeting ('AGM')
At the 24 November 2020 AGM, 99.89% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2020. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2021	Directors fees $	Consulting fees $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
A Kruzhov *	53,565	-	-	-	-	-	53,565
B Kuandykov *	53,474	95,888	-	-	-	-	149,362
A Kuzev *	40,173	80,331	-	-	-	-	120,504
P Warren **	-	-	-	-	-	-	-
M Ewing ***	30,208	-	-	-	-	-	30,208
Executive Directors:							
Geoff Gander	-	302,032	-	40,000	-	-	342,032
	177,420	478,251	-	40,000	-	-	695,671

* Directors fees from February 2015 have been deferred until such time that at least US$5,000,000 in new equity is raised or alternatively the consolidated entity sells the Block 31 licence and receives the funds associated with that sale.

** In accordance with the agreement between Grange Consulting Group Pty Ltd ("Grange") and the consolidated entity, the consolidated entity incurred $63,026 in corporate consulting fees and office rent charged by Grange on normal commercial terms. This amount is not included in the remuneration of Mr Warren and is not payable to Mr Warren. Mr Warren resigned on 24 November 2020.

*** Mr Ewing was appointed on 24 November 2020.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2020	Directors fees $	Consulting fees $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
A Kruzhov *	59,619	-	-	-	-	-	59,619
B Kuandykov * and ***	59,880	369,890	-	-	-	-	429,770
A Kuzev *	44,714	89,204	-	-	-	-	133,918
P Warren **	-	-	-	-	-	-	-
Executive Directors:							
Geoff Gander	-	289,134	-	40,000	-	-	329,134
	164,213	748,228	-	40,000	-	-	952,441

* Directors fees from February 2015 have been deferred until such time that at least US$5,000,000 in new equity is raised or alternatively the consolidated entity sells the Block 31 licence and receives the funds associated with that sale.

** In accordance with the agreement between Grange Consulting Group Pty Ltd ("Grange") and the consolidated entity, the consolidated entity incurred A$144,011 in corporate consulting fees and office rent charged by Grange on normal commercial terms. Of this amount, A$51,500 was incurred by the consolidated entity for services provided by Mr. Warren who is a Director of Grange Consulting. This amount is not included in the remuneration of Mr Warren and is not payable to Mr Warren.

*** Amount includes Non Executive Director fee of US$40,000 (A$59,880), Consulting Fees of US$100,000 (A$147,727) and consulting fees of A$222,163 (2019: A$284,985) which are accrued and paid under normal terms and conditions to Meridian Petroleum LLP, of which Mr. Kuandykov is a director, for the provision of geological services at normal commercial rates.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2021	2020	2021	2020	2021	2020
Non-Executive Directors:						
A Kruzhov	100%	100%	-	-	-	-
B Kuandykov	100%	100%	-	-	-	-
A Kuzev	100%	100%	-	-	-	-
M Ewing	100%	-	-	-	-	-
Executive Directors:						
Geoff Gander	100%	100%	-	-	-	-

The total deferred fees owing to each related party are included within Trade and Other Payables in the Statement of Financial Position and have been detailed below:

	Consolidated	
	2021	**2020**
	$	**$**
Geoff Gander	14,754	72,100
Baltabek Kuandykov	331,050	304,362
Alexey Kruzhkov	255,727	221,850
Alexander Kuzev	155,535	126,667
	757,066	724,979

Service agreements
Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Geoffrey Gander
Title:	Executive Chairman/Chief Executive Officer
Agreement commenced:	8 September 2017
Term of agreement:	Base Salary of GBP200,000 (A$340,000) including Director Fees and the current Superannuation Levy of 9.5%. Mr Gander will be paid a Bonus of $US350,000 or 0.5% (whichever is greater) of the value of the consideration received by the consolidated entity if the Company or Contract 2275 is assigned, transferred or sold to a third party during the term of the Agreement. Director fees of A$3,333 per month (included in Base Salary figure above), deferred until such time that at least US$5,000,000 in new equity is raised or alternatively the consolidated entity sells the Block 31 licence and receives the funds associated with that sale. As a result of the COVID-19 pandemic, related travel restrictions and the inability to enter Kazakhstan, Geoff Gander's contracted fee structure was suspended, effective 1 March 2020 to 31 August 2020, and fees payable reduced by 25%. The contract returned to normal terms from 1 September 2020 when Geoff Gander returned to Kazakhstan.

Name:	Baltabek Kuandykov
Title:	Non-Executive Director
Agreement commenced:	5 October 2010
Term of agreement:	Mr Kruzhkov is entitled to a base fee of US$ 40,000 per annum. Mr Kruzhkov's fees are deferred until such time that at least US$5,000,000 in new equity is raised or alternatively the consolidated entity sells the Block 31 licence and receives the funds associated with that sale. Mr Kruzhkov will be reimbursed reasonable expenses incurred in performing his duties, including the cost of attending Board Meetings, travel, accommodation and entertainment where agreed to by the Board. The appointment of Mr Kruzhkov as a non-executive Director is otherwise on terms that are customary for an appointment of this nature.

Name:	Alexey Kruzhkov,
Title:	Non-Executive Director
Agreement commenced:	18 June 2016
Term of agreement:	Mr Kruzhkov is entitled to a base fee of US$ 40,000 per annum. Mr Kruzhkov's fees are deferred until such time that at least US$5,000,000 in new equity is raised or alternatively the consolidated entity sells the Block 31 licence and receives the funds associated with that sale. Mr Kruzhkov will be reimbursed reasonable expenses incurred in performing his duties, including the cost of attending Board Meetings, travel, accommodation and entertainment where agreed to by the Board. The appointment of Mr Kruzhkov as a non-executive Director is otherwise on terms that are customary for an appointment of this nature.

Name:	Alexander Kuzev
Title:	Non-Executive Director
Agreement commenced:	12 September 2017
Term of agreement:	Mr Kuzev is entitled to a base fee of US$ 30,000 per annum. Mr Kuzev's fees are deferred until such time that at least US$5,000,000 in new equity is raised or alternatively the consolidated entity sells the Block 31 licence and receives the funds associated with that sale. Mr Kuzev will be reimbursed reasonable expenses incurred in performing his duties, including the cost of attending Board Meetings, travel, accommodation and entertainment where agreed to by the Board. The appointment of Mr Kuzev as a non-executive Director is otherwise on terms that are customary for an appointment of this nature.

Name:	Mark Ewing
Title:	Non-Executive Director
Agreement commenced:	24 November 2020
Term of agreement:	Mr Ewing is entitled to a base fee of $A50,000 per annum plus GST.

Name:	Phil Warren
Title:	Non-Executive Director
Agreement commenced:	20 April 2018
Term of agreement:	Mr Warren is paid a base fee of $nil and will be reimbursed reasonable expenses incurred in performing his duties, including the cost of attending Board Meetings, travel, accommodation and entertainment where agreed to by the Board. Mr Warren is the Managing Director of Grange Consulting Group Pty Ltd, with which the consolidated entity has entered in to a corporate consulting agreement for corporate compliance and financial management services. The appointment of Mr Warren as a non-executive Director is otherwise on terms that are customary for an appointment of this nature.

The termination provisions of Geoff Gander's contract are as follows:

Reason for termination	Notice Period	Payment in lien of notice
Contractor - initiated termination with reason or for Contractor incapacitation	1 month	12 months
Company - initiated termination without reason	12 months	12 months
Company – initiated termination for serious misconduct	None	None
Contractor – initiated termination without reason	12 months	12 months
Contractor – initiated termination with reason	30 days	12 months

Share-based compensation

Issue of shares
There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2021.

Options
There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2021.

There were no options over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 30 June 2021.

Additional information
The earnings of the consolidated entity for the five years to 30 June 2021 are summarised below:

	2021 $	2020 $	2019 $	2018 $	2017 $
Sales revenue	4,025,701	5,634,059	8,963,533	2,922,167	-
Profit /loss after income tax	61,655	(42,352,138)	(8,927,775)	(10,023,857)	(8,076,857)
Market capitalisation	6,120,000	2,300,000	942,000	6,300,000	38,300,000

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2021	2020	2019	2018	2017
Share price at financial year end (cents)	3.20	1.50	1.10	4.10	25.00
Basic earnings/(loss) per share (cents per share)	0.04	(27.61)	(5.82)	(6.54)	(5.27)

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
G Gander	-	-	-	-	-
B Kuandykov	-	-	-	-	-
A Kruzhkov	-	-	-	-	-
A Kuzev	-	-	-	-	-
P Warren	-	-	-	-	-
M Ewing	-	-	-	-	-
	-	-	-	-	-

This concludes the remuneration report, which has been audited.

Shares under option
There were no unissued ordinary shares of Jupiter Energy Limited under option outstanding at the date of this report.

Shares issued on the exercise of options
There were no ordinary shares of Jupiter Energy Limited issued on the exercise of options during the year ended 30 June 2021 and up to the date of this report.

Indemnity and insurance of officers
The company indemnifies the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor
To the extent permitted by law, the Group has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services
Details of the amounts paid or payable to the auditor for non-audit services provided during the prior financial year by the auditor are outlined in note 22 to the financial statements. There were no non-audit services provided during the current financial year.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 22 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Officers of the company who are former partners of Ernst & Young

There are no officers of the company who are former partners of Ernst & Young.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

Ernst & Young continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Geoffrey Gander
Director

30 September 2021

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Auditor's independence declaration to the directors of Jupiter Energy Limited

As lead auditor for the audit of the financial report of Jupiter Energy Limited for the financial year ended 30 June 2021, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Jupiter Energy Limited and the entities it controlled during the financial year.

Ernst & Young

Mark Cunningham
Partner
30 September 2021

General information

The financial statements cover Jupiter Energy Limited as a consolidated entity consisting of Jupiter Energy Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Jupiter Energy Limited's functional and presentation currency.

Jupiter Energy Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 2
Level 13 350 Collins Street
Melbourne VIC 3000

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 September 2021. The directors have the power to amend and reissue the financial statements.

Jupiter Energy Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2021

	Note	Consolidated 2021 $	Consolidated 2020 $
Revenue			
Revenue from contracts with customers		4,025,701	5,634,059
Cost of sales		(2,125,323)	(3,194,429)
Gross profit		1,900,378	2,439,630
Other income		428,159	107,318
Foreign exchange gains (losses)	5	7,636,191	(1,406,647)
Finance income		31,627	23,712
		8,095,977	(1,275,617)
Expenses			
General and administration expenses		(2,060,683)	(2,519,824)
Impairment of assets	5	-	(32,571,270)
Other expenses		(106,990)	(4,432)
Finance costs	5	(7,767,027)	(8,420,635)
Profit/(loss) before income tax expense		61,655	(42,352,148)
Income tax expense	6	-	-
Profit/(loss) after income tax expense for the year attributable to the owners of Jupiter Energy Limited		61,655	(42,352,148)
Other comprehensive loss			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(2,613,536)	(680,854)
Other comprehensive loss for the year, net of tax		(2,613,536)	(680,854)
Total comprehensive loss for the year attributable to the owners of Jupiter Energy Limited		(2,551,881)	(43,033,002)
		Cents	**Cents**
Basic earnings / (loss) per share	31	0.04	(27.61)
Diluted earnings / (loss) per share	31	0.04	(27.61)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Jupiter Energy Limited
Consolidated statement of financial position
As at 30 June 2021

	Note	Consolidated 2021 $	Consolidated 2020 $
Assets			
Current assets			
Cash and cash equivalents	7	690,949	138,980
Trade and other receivables		80,968	65,579
Inventories		37,126	25,080
Other current assets	8	82,013	101,365
Total current assets		891,056	331,004
Non-current assets			
Other financial assets	9	405,503	489,460
Property, plant and equipment	10	541,261	903,552
Right-of-use assets		-	72,452
Exploration and evaluation assets	11	1,558,934	485,567
Oil and gas properties	12	16,757,259	19,549,250
Total non-current assets		19,262,957	21,500,281
Total assets		20,154,013	21,831,285
Liabilities			
Current liabilities			
Trade and other payables	13	1,568,525	1,723,257
Contract liabilities	14	205,187	538,223
Lease liabilities		-	83,071
Other financial liabilities	16	-	22,030,391
Total current liabilities		1,773,712	24,374,942
Non-current liabilities			
Provisions	15	306,875	358,816
Other financial liabilities	16	88,372,096	64,844,316
Total non-current liabilities		88,678,971	65,203,132
Total liabilities		90,452,683	89,578,074
Net liabilities		(70,298,670)	(67,746,789)
Equity			
Issued capital	17	85,633,935	85,633,935
Reserves	18	(25,230,703)	(22,617,167)
Accumulated losses		(130,701,902)	(130,763,557)
Total deficiency in equity		(70,298,670)	(67,746,789)

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

Jupiter Energy Limited
Consolidated statement of changes in equity
For the year ended 30 June 2021

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total deficiency in equity $
Balance at 1 July 2019	85,633,935	(21,936,313)	(88,411,409)	(24,713,787)
Loss after income tax expense for the year	-	-	(42,352,148)	(42,352,148)
Other comprehensive loss for the year, net of tax	-	(680,854)	-	(680,854)
Total comprehensive loss for the year	-	(680,854)	(42,352,148)	(43,033,002)
Balance at 30 June 2020	85,633,935	(22,617,167)	(130,763,557)	(67,746,789)

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total deficiency in equity $
Balance at 1 July 2020	85,633,935	(22,617,167)	(130,763,557)	(67,746,789)
Profit after income tax expense for the year	-	-	61,655	61,655
Other comprehensive loss for the year, net of tax	-	(2,613,536)	-	(2,613,536)
Total comprehensive income /(loss) for the year	-	(2,613,536)	61,655	(2,551,881)
Balance at 30 June 2021	85,633,935	(25,230,703)	(130,701,902)	(70,298,670)

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Jupiter Energy Limited
Consolidated statement of cash flows
For the year ended 30 June 2021

	Note	Consolidated 2021 $	Consolidated 2020 $
Cash flows from operating activities			
Receipts from customers		3,677,276	6,147,984
Payments to suppliers and employees		(3,491,241)	(6,745,436)
Interest received		31,626	23,712
Other revenue		428,160	-
Interest and other finance costs paid		(16,796)	(56,932)
Net cash from/(used in) operating activities	29	629,025	(630,672)
Cash flows from investing activities			
Payments for property, plant and equipment		(85,329)	(112,852)
Payments for exploration and evaluation assets		(1,201,995)	(1,808,330)
Payments for oil and gas properties		(84,778)	-
Net cash used in investing activities		(1,372,102)	(1,921,182)
Cash flows from financing activities			
Proceeds from borrowings		1,380,841	2,298,204
Repayment of lease liabilities		(83,071)	(146,320)
Net cash from financing activities		1,297,770	2,151,884
Net increase/(decrease) in cash and cash equivalents		554,693	(399,970)
Cash and cash equivalents at the beginning of the financial year		138,980	534,690
Effects of exchange rate changes on cash and cash equivalents		(2,724)	4,260
Cash and cash equivalents at the end of the financial year	7	690,949	138,980

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Going concern
The consolidated financial statements have been prepared on a going concern basis with the Directors of the opinion that the consolidated entity can meet its obligations as and when they fall due.

As at 30 June 2021, the consolidated entity had a net current liability position of $882,656. At 30 June 2021 the consolidated entity has total undrawn facilities of US$8,778,332 (AU$11,676,405), refer to note 16 for details. The consolidated entity is able to settle its short term obligations from available funding as, included in the net current liability position balance, are accrued director fees of $757,066 for which settlement has been deferred until the consolidated entity has raised at least US$5,000,000 in a share capital raising or the consolidated entity sells Block 31. Other current liabilities are contract liabilities of $205,187 that will be settled through the physical delivery of oil.

For the consolidated entity to be able to continue to carry out intended drilling and evaluation of Block 31 and to have sufficient working capital the consolidated entity is required to:
- secure additional funding;
- extend the repayment terms of the remaining promissory notes and convertible notes to 1 July 2024;
- obtain the necessary approvals to transition the West Zhetybai oilfield from exploration to commercial production; and
- obtain approval to build the requisite infrastructure to achieve 100% gas utilisation on all three oilfields (Akkar North (East Block), Akkar East and West Zhetybai).

Under the Kazakhstan Sub Surface Code, once an oil field is in commercial production it must utilise 100% of the gas it emits via means other than flaring. In order to do this, the oil field requires onsite infrastructure to be in place to either utilise gas from oil production or convert it to some form from which it can then be on sold. Once the requisite infrastructure is in place and approved, the Company will be able to extract and sell oil under the commercial production license that forms part of the Block 31, 2275 contract. Due to the significant infrastructure required, which is not currently in place, should the consolidated entity not receive approvals to produce from the oilfields without the infrastructure or find a suitable alternative:

- the value of Block 31 may not be fully realised as intended and it could have implications on asset values currently recognised in the financial statements;
- the promissory and convertible note facility holders may have right to demand repayment prior to their revised maturity date.

Subsequent to 30 June 2021 the consolidated entity has extended the repayment terms of existing promissory notes and convertible notes to 1 July 2024. The Directors are confident of being able to secure further additional funding required to continue to develop Block 31, obtain approvals to both transition the West Zhetybai oilfield from exploration to commercial production and to build the requisite infrastructure to achieve 100% gas utilisation on all three oilfields; however there remains uncertainty as to whether all of these matters will be achieved.

Should the consolidated entity not achieve all the matters set out above, there is significant uncertainty as to whether the consolidated entity would continue as a going concern and therefore whether it would realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include adjustments relating to the recoverability or classification of the recorded assets amounts nor to the amounts or classification of liabilities that might be necessary should the consolidated entity not be able to continue as a going concern.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention.

Note 1. Significant accounting policies (continued)

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 26.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Jupiter Energy Limited ('company' or 'parent entity') as at 30 June 2021 and the results of all subsidiaries for the year then ended. Jupiter Energy Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments
An operating segment is a component of an entity that engages in business activities from which it may earn revenue and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the Board of Directors (the chief operating decision makers) to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the executive management team.

Operating segments are identified based on the information provided to the chief operating decision makers. Currently the consolidated entity has only one operating segment, being the consolidate entity.

Foreign currency translation
The financial statements are presented in Australian dollars, which is Jupiter Energy Limited's functional and presentation currency.

Functional and presentation currency
Both the functional and presentation currency of Jupiter Energy Limited and each of its Australian subsidiaries are Australian dollars ($). The results and financial position of foreign subsidiaries whose functional currencies are not Australian dollars are translated to the presentation currency of the consolidated entity, being Australian dollars ($).

Note 1. Significant accounting policies (continued)

Transactions and balances
Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Translation of consolidated entity Companies' functional currency to presentation currency
The results of the foreign subsidiaries are translated into Australian Dollars (presentation currency of the consolidated entity) using weighted average rates. Assets and liabilities are translated at exchange rates prevailing at reporting date. Exchange variations resulting from the translation are recognised in the foreign currency translation reserve in equity.

On consolidation, exchange differences arising from the translation of the net assets in the foreign subsidiaries are taken to the foreign currency translation reserve. If a foreign subsidiary was disposed, the related cumulative amount of exchange differences would be reclassified to profit or loss.

Revenue recognition
The consolidated entity recognises revenue as follows:

Sale of oil
Revenue from the sale of oil is recognised at a point in time when the control of the product is transferred to the customer, which occurs at the well head. Revenue is recognised at the amount to which the consolidated entity expects to be entitled.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue and income
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
The consolidated entity adopts the liability method of tax-effect accounting whereby the income tax expense is based on the profit adjusted for any non-assessable or disallowed items.

Deferred tax is accounted for using the liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss. No deferred income tax will be recognised in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled by the company and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the statement of profit or loss and other comprehensive income except where it relates to items that is credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the consolidated entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

Note 1. Significant accounting policies (continued)

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents
Cash and short-term deposits in the balance sheet comprise cash at bank and in hand. A deposit is defined as short-term, if it has a maturity of three months or less from the date of acquisition.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Trade and other receivables
Trade receivables, which generally have 30-90 day terms, are recognised and carried at amortised cost amount less an allowance for expected credit losses. A receivable represents the consolidated entity's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Inventories
Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and any estimated selling costs.

Financial assets and liabilities
Financial assets are classified as measured at amortised cost, fair value through profit or loss, or fair value through other comprehensive income. The classification is based on two criteria: the consolidated entity’s business model for managing the assets; and whether the instruments’ contractual cash flows represent ‘solely payments of principal and interest’ on the principal amount outstanding. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest are made based on the facts and circumstances at initial recognition of the assets.

Taxation receivables are considered statutory in nature and are measured at the tax rate when the transaction subject to tax occurred.

Financial assets at amortised cost
A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Impairment
Under AASB 9, impairments of financial assets classified as measured at amortised cost are recognised on an expected loss basis which incorporates forward-looking information when assessing credit risk. Movements in the expected loss reserve are recognised in profit or loss.

For trade receivables, a simplified approach is used and for all other receivables, a general approach is used whereby the consolidated entity recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. If the credit risk on the financial instrument has not increased significantly since initial recognition, the consolidated entity measures the loss allowance for the financial instrument at an amount equal to expected credit losses within the next 12 months. Expected credit losses are a probability-weighted estimated of credit losses over the expected life of the financial instrument. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the consolidated entity expects to receive). Expected credit losses are discounted at the effective interest rate of the financial asset.

Note 1. Significant accounting policies (continued)

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss ('FVTPL'), loans and borrowings, or as derivatives, as appropriate. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs. The consolidated entity's financial liabilities include trade and other payables and loans and borrowings. The consolidated entity did not recognise any financial liabilities as at FVTPL.

Borrowings are classified as current liabilities unless the consolidated entity has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the part is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment	3-10 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

An item of plant and equipment is derecognised upon disposal or when no further future economic benefits are expected to be derived from its use or disposal on a prospective basis. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the year the asset is derecognised.

Right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Exploration and evaluation assets
Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Note 1. Significant accounting policies (continued)

Unsuccessful exploration in the area of interest is expensed as incurred even if activities in this area of interest are continuing. Accumulated costs in relation to an abandoned area are written off in full to profit or loss in the year in which the decision to abandon the area is made.

When a discovered oil or gas field enters the development phase or an individual well is assessed as being in production (once a trial production licence is granted) the accumulated exploration and evaluation expenditure is transferred to oil and gas properties or property plant and equipment, depending on its nature.

Oil and gas properties
Oil and gas properties usually comprise single oil or gas fields being developed for future production or which are in the production phase. Where several individual oil fields are to be produced through common facilities, the individual oil field and the associated production facilities are managed and reported as a single oil and gas asset.

Assets in development
When the technical and commercial feasibility of an undeveloped oil or gas field has been demonstrated, the field enters its development phase. The costs of oil and gas assets in the development phase are accounted for as tangible assets and include past exploration and evaluation costs, development drilling and plant and equipment and any associated land and buildings.

Producing assets
The costs of oil and gas assets in production are accounted for as tangible assets and include past exploration and evaluation costs, pre-production development costs and the ongoing costs of continuing to develop reserves for production and to expand or replace plant and equipment and any associated land and buildings. Producing assets are depreciated over total proved and probable reserves on a unit of production basis.

Impairment of assets
At each reporting date, the consolidated entity reviews the carrying values of its tangible and intangible assets (excluding goodwill) to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset’s fair value less costs of disposal and value in use, is compared to the asset’s carrying value. Any excess of the asset’s carrying value over its recoverable amount is expensed to the profit or loss.

Trade and other payables
Trade payables and other payables are carried at amortised costs and due to their short-term nature are not discounted. They represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year that are unpaid and arise when the consolidated entity becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the consolidated entity has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the consolidated entity transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the consolidated entity performs under the contract. The consolidated entity applies a practical expedient available under AASB 15 by which the consolidated entity does not adjust the promised amount of consideration for the effects of a significant financing component because the consolidated entity expects, at contract inception, that the period between when the consolidated entity transfers the goods or services to a customer and when the customer pays for those goods or services will be one year or less.

Lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Note 1. Significant accounting policies (continued)

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Provisions
Provisions are recognised when the consolidated entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the consolidated entity expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Restoration
Costs of site restoration are provided over the life of the field or facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the permits. Such costs have been determined based on current legal requirements and technology. In calculating the provision the future estimated costs are discounted to present value.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

Employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled wholly within 12 months of the reporting date are recognised in provisions in respect of employees' services up to the reporting date. They are measured at the nominal amounts based on current wage and salary rates, and include related on-costs. Liabilities for non-accumulating sick leave are recognised when the leave is taken.

Issued capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Earnings/loss per share

Basic/loss earnings per share
Basic loss per share is calculated as net profit attributable to members of the parent, adjusted to exclude any preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted/loss earnings per share
Diluted loss per share is calculated as net profit attributable to members of the parent, adjusted for:

Note 1. Significant accounting policies (continued)

- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in income or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

Other taxes
Revenues, expenses and assets are recognised net of the amount of GST or VAT except:

- where the GST or VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST or VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST or VAT included.

The net amount of GST or VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the Cash Flow Statement on a gross basis and the GST or VAT component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST or VAT recoverable from, or payable to, the taxation authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2021. The consolidated entity has reviewed the changes and believes that they will not have a material impact.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Production start date
The consolidated entity assesses each well to determine when the well moves into the production stage. This is when the well is substantially completed and ready for intended use. The consolidated entity considers various criteria in determining the production start date, including but not limited to, results of well testing, the ability of the well to sustain ongoing production, installation of the relevant well infrastructure and receiving the relevant regulatory approvals.

When the well moves into the production stage the capitalisation of certain development costs ceases and costs incurred are expensed as a production cost. It is also at this point when that the well commences depreciation. Any proceeds received from oil sales prior to the production start date as part of any well testing, are deducted from the asset.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Impairment of non current assets
At each reporting date, the consolidated entity reviews the carrying values of its assets to determine whether there is any indication those assets have been impaired. Last year the consolidated entity determined that impairment indicators existed for the prior year, and assessed the recoverable value of Block 31. In making this judgement, management have considered internal and external sources of information including an assessment of operational performance as well as key modelling assumptions such as current and forecast oil price, discount rates, market valuations for similar assets and the market capitalisation of the consolidated entity.

Specific consideration was given to the external sources of information, in particular current and forecast oil prices, as a result of COVID-19 impacting the current economic climate. Despite COVID-19, global oil prices remained strong during the year, meaning Kazakh domestic oil prices were also steady.

The consolidated entity has a 25 year Commercial Production Licence which could allow continued operations, but there are a number of key requirements that are needed before commercial production can commence, the most critical of which is providing infrastructure to allow all three oilfields to produce oil with 100% gas utilisation. This infrastructure is not currently in place.

Management have reviewed the carrying value of exploration and evaluation assets at 30 June 2021 and are satisfied that there are no indicators of impairment.

Recovery of deferred tax assets
Judgement is required in determining whether deferred tax assets are recognised in the statement of financial position. Deferred tax assets, including those arising from unutilised tax losses, require the consolidated entity to assess the likelihood that the consolidated entity will generate sufficient taxable earnings in future periods, in order to utilise recognised deferred tax assets. Judgment is also required in respect of the application of existing tax laws in each jurisdiction.

Assumptions about the generation of future taxable profits depend on management’s estimates of future cash flows. These estimates of future taxable income are based on forecast cash flows from operations (which are impacted by production and sales volumes oil prices, reserves, operating costs, closure and rehabilitation costs, capital expenditure, and other capital management transactions). To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the consolidated entity to realise the deferred tax assets recorded at the reporting date could be impacted.

In addition, future changes in tax laws in the jurisdictions in which the consolidated entity operates could limit the ability of the consolidated entity to obtain tax deductions in future periods.

Exploration and evaluation assets
The consolidated entity's accounting policy for exploration and evaluation assets is set out in note 1. The application of this policy necessarily requires management to make certain judgements, estimates and assumptions as to future events and circumstances, in particular the assessment of whether economic quantities of reserves may be found. Any such, estimates and assumptions may change as new information becomes available. If, after having capitalised expenditure under the consolidated entity’s policy, management concludes that the consolidated entity is unlikely to recover the expenditure by future exploitation or sale, then the relevant capitalised amount will be written off to the profit and loss.

The trial production licence for Akkar North (East Block) expired at the end of December 2020 and the consolidated entity applied to transfer the Akkar North (East Block) oilfield from an exploration phase to Commercial Production under the Block 31 contract. This process was completed in July 2021. The trial production licence for the West Zhetybai oilfield expired at the beginning of September 2021 and the approval process to transfer the West Zhetybai oilfield from an exploration phase to Commercial Production under the Block 31 contract started shortly thereafter.

As part of transitioning to Commercial Production a final reserves report for each oilfield needs to be submitted and approved by the Kazakh Ministry of Energy. This report defines the approved reserves for production during the Commercial Production period. Any acreage within the oilfield that has no defined reserves will be relinquished as part of this process. Final Reserve Reports have now been approved for the Akkar East, Akkar North (East Block) and West Zhetybai oilfields with no prospective acreage relinquished.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Provision for restoration
Costs of site restoration are provided over the life of the field and related facilities from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the permits.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

Units of production depreciation of oil and gas properties
Oil and gas properties are depreciated using the units of production (UOP) method over total proved and probable hydrocarbon reserves. This results in a depreciation/amortisation charge proportional to the depletion of the anticipated remaining production from the field/well.

Each item’s life, which is assessed annually, has regard to both its physical life limitations and to present assessments of economically recoverable reserves of the field at which the asset is located. These calculations require the use of estimates and assumptions, including the amount of recoverable reserves. The calculation of the UOP rate of depreciation could be impacted to the extent that actual production in the future is different from current forecast production based on total proved and probable reserves. Changes to proved and probable reserves could arise due to changes in the factors or assumptions used in estimating reserves, including:

- The effect on proved and probable reserves of differences between actual commodity prices and commodity price assumptions; or
- Unforeseen operational issues.

Changes are accounted for prospectively.

Recoverability of oil and gas properties
The consolidated entity assesses each asset or cash generating unit (CGU) (excluding goodwill, which is assessed annually regardless of indicators) every reporting period to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs of disposal and value in use. These assessments require the use of estimates and assumptions such as long-term oil prices (considering current and historical prices, price trends and related factors), discount rates, operating costs, future capital requirements, decommissioning costs, exploration potential, reserves operating performance (which includes production and sales volumes).

These estimates and assumptions are subject to risk and uncertainty. Therefore, there is a possibility that changes in circumstances will impact these projections, which may impact the recoverable amount of assets and/or CGUs. Management has assessed Block 31 as being an individual CGU, which is the lowest level for which cash inflows are largely independent.

In measuring the recoverable amount, future cashflows are sensitive to changes in the following key assumptions;

- Forecast commodity prices and exchange rates;
- Production volumes, reserves and timing of export sales;
- Recoverable reserves;
- Cost assumptions; and
- Discount rate

In accordance with the consolidated entity’s accounting policy, the consolidated entity’s CGU was tested for indicators of impairment as at 30 June 2020 and the recoverable amount was determined through a value in use model. This assessment supported the recoverability of the Block 31 CGU consisting of the Akkar East, Akkar North (East Block) and West Zhetybai oil fields.

Management have reviewed the carrying value of oil and gas properties at 30 June 2021 and are satisfied that there are no indicators of impairment.

Note 3. Impact of COVID 19 pandemic

During the year ended 30 June 2020, the COVID-19 was declared a pandemic by the World Health Organisation (WHO). The pandemic has adversely affected the global economy, including an increase in unemployment, decrease in consumer demand, interruptions in supply chains, and tight liquidity and credit conditions. Since its outbreak, governments worldwide have set up measures to contain the pandemic. Many countries have required entities to limit or suspend business operations, and have also implemented travel restrictions and quarantine measures. Monetary and fiscal stimulus packages have also been introduced in some countries. As the COVID-19 outbreak continues to evolve, the estimated financial impact cannot be reasonably determined at this juncture. The impact which COVID 19 has had on the consolidated entity is set out below.

Kazakhstan operations
Despite COVID-19 infection rates being high in Kazakhstan, the Company's operations remained largely unimpacted during the financial year ending 30 June 2021. Major precautions were taken to ensure staff were safe and as soon as the SPUTNIK V vaccine was made available in country, all staff were offered the opportunity to be vaccinated. Many took up this opportunity.

Australian operations
The impact of COVID-19 on the consolidated entity's Australian operations has not been material due to their scale and nature of operations as a holding company.

Note 4. Operating segments

Identification of reportable operating segments
Operating segments are identified based on the information provided to the chief operating decision makers.

The consolidated entity has identified that it has one operating segment being related to the activities in Kazakhstan, on the basis that the operations in Australia relate to running the Corporate Head Office only.

All oil sales are with one customer in Kazakhstan.

Geographical information

	Sales to external customers		Geographical non-current assets	
	2021 $	2020 $	2021 $	2020 $
Kazakhstan	4,025,701	5,634,059	19,262,957	21,500,282

All significant property, plant and equipment, oil and gas properties and exploration and evaluation assets are domiciled in Kazakhstan.

Note 5. Expenses

	Consolidated 2021 $	2020 $
Profit/(loss) before income tax includes the following specific expenses:		
Depreciation and amortisation		
Depreciation and amortisation (charged to cost of sales)	635,822	913,557
Depreciation and amortisation (charged to general and administration expense)	14,944	13,141
Total depreciation and amortisation	650,766	926,698
Impairment		
VAT Receivable	-	1,951,944
Exploration and evaluation assets	-	30,619,326
Total impairment	-	32,571,270
Finance costs		
Interest and finance charges paid/payable on promissory note	7,750,231	8,363,703
Interest and finance charges paid/payable on lease liabilities	6,419	44,249
Unwinding of the discount on provisions	10,377	12,683
Finance costs expensed	7,767,027	8,420,635
Employee benefits included in are summarised below		
Expensed in cost of sales	235,988	192,353
Expensed in general and administration	269,864	202,264
Capitalised in exploration and evaluation assets	497,727	301,742
Foreign exchange gains and (losses)		
Unrealised gains and losses on promissory notes	7,633,683	(1,410,906)
Other foreign exchange differences	2,508	4,259
	7,636,191	(1,406,647)

Note 6. Income tax expense

	Consolidated 2021 $	2020 $
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit/(loss) before income tax expense	61,655	(42,352,148)
Tax at the statutory tax rate of 26% (2020: 27.5%)	16,030	(11,646,841)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Effect of tax rates in foreign jurisdictions	223,818	128,197
Interest expense	2,015,060	2,315,675
Temporary differences and tax losses not brought to account as a deferred tax asset	(2,254,908)	9,202,969
Income tax expense	-	-

Note 6. Income tax expense (continued)

	Consolidated 2021 $	Consolidated 2020 $
Deferred tax assets not recognised		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Unrealised FX (gain) / loss	(311,899)	1,772,266
Tax losses – Australia	9,026,343	9,202,424
Tax losses – Foreign Subsidiaries	6,086,896	7,042,904
Total deferred tax assets not recognised	14,801,340	18,017,594

The above potential tax benefit, which excludes tax losses, for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

Note 7. Cash and cash equivalents

	Consolidated 2021 $	Consolidated 2020 $
Current assets		
Cash at bank	690,949	138,980

Note 8. Other current assets

	Consolidated 2021 $	Consolidated 2020 $
Current assets		
Prepayments	62,368	62,799
Other current assets	19,645	38,566
	82,013	101,365

Note 9. Other financial assets

	Consolidated 2021 $	Consolidated 2020 $
Non-current assets		
Liquidation fund	405,503	489,460

The consolidated entity has a deposit for the purpose of a liquidation fund. 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 carrying value approximates the fair value.

Note 10. Property, plant and equipment

	Consolidated 2021 $	Consolidated 2020 $
Non-current assets		
Plant and equipment - at cost	2,064,016	2,392,097
Less: Accumulated depreciation	(1,522,755)	(1,488,545)
	541,261	903,552

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Plant & equipment $
Balance at 1 July 2019	1,169,768
Additions	97,262
Exchange differences	(43,401)
Depreciation expense	(320,077)
Balance at 30 June 2020	903,552
Additions	85,329
Exchange differences	(200,563)
Depreciation expense	(247,057)
Balance at 30 June 2021	541,261

Note 11. Exploration and evaluation assets

	Consolidated 2021 $	Consolidated 2020 $
Non-current assets		
Exploration and evaluation - at cost	1,558,934	485,567

Note 11. Exploration and evaluation assets (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Exploration & evaluation $
Balance at 1 July 2019	29,336,875
Additions	1,808,330
Exchange differences	50,480
Impairment of assets	(30,619,326)
Transfers in/(out)	(90,792)
Balance at 30 June 2020	485,567
Additions	1,170,492
Exchange differences	(97,125)
Balance at 30 June 2021	1,558,934

The consolidated entity assesses each asset or cash generating unit (CGU) every reporting period to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs of disposal and value in use. Management has assessed Block 31 as being an individual CGU, which is the lowest level for which cash inflows are largely independent.

30 June 2020
As outlined in note 2 during the prior year, the consolidated entity applied to transfer Akkar East oilfield from an exploration phase to Commercial Production under the Block 31 contract, which was approved by the Kazakh authorities in September 2020. The process to transition Akkar North (East Block) to Commercial Production commenced in January 2021 and was completed in July 2021. During the approval process, and specifically as a result of submitting the final reserve reports for the commercial production areas and relinquishing any parts of the oilfields with no defined reserves, the consolidated entity identified indicators of impairment during the year ended 30 June 2020.

As a result, the recoverable amount of the consolidated entity's CGU was calculated using the value-in-use method (VIU), which reflected the present value of the future cash flows expected to be derived from the CGU. This calculated recoverable amount was then compared with the carrying value of the assets of the CGU. Arising from the VIU calculations, an impairment expense of $30,619,326 was recognised in the prior year.

In measuring the recoverable amount, the following key assumptions were used:

- Discount rate: 16%
- Production volume over the life: ~2,181,000 tonnes
- Long term oil price – ~US $60/bbls

The impairment charge relating to Block 31 reflected the global oil prices which had fallen significantly during the prior year, partly due to the softening of the market as a result of the COVID-19 pandemic. The recoverability of Block 31 CGU is highly sensitive to changes in the long term oil prices.

30 June 2021
Management have reviewed the carrying value of oil and gas properties at 30 June 2021 and are satisfied that there are no indicators of further impairment. It has been assessed that there are no indicators to suggest that previous impairments should be reversed.

Note 12. Oil and gas properties

	Consolidated 2021 $	Consolidated 2020 $
Non-current assets		
Oil and gas properties - at cost	18,689,003	22,152,915
Less: Accumulated amortisation	(1,931,744)	(2,603,665)
	16,757,259	19,549,250

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Oil and gas properties $
Balance at 1 July 2019	20,427,153
Exchange differences	(531,662)
Change in estimate of restoration liability	11,615
Transfers in/(out)	90,792
Amortisation expense	(448,648)
Balance at 30 June 2020	19,549,250
Additions	84,778
Change in estimate of restoration liability	29,768
Exchange differences	(2,566,394)
Amortisation expense	(340,143)
Balance at 30 June 2021	16,757,259

Note 13. Trade and other payables

	Consolidated 2021 $	Consolidated 2020 $
Current liabilities		
Trade payables	709,514	1,069,640
Accrued expenses and other payables	859,011	653,617
	1,568,525	1,723,257

Refer to note 20 for further information on financial instruments.

Note 14. Contract liabilities

	Consolidated	
	2021	**2020**
	$	**$**
Current liabilities		
Contract liabilities	205,187	538,223

Unsatisfied performance obligations
The contract liability refers to amounts received in advance for oil sales. As at 30 June 2021, there is approximately 687 tonnes of oil to be delivered under the contract (2020: 3,388 tonnes). This obligation is expected to be fulfilled within the quarter ending 30 September 2021 (2020 :30 September 2020).

Note 15. Provisions

	Consolidated	
	2021	**2020**
	$	**$**
Non-current liabilities		
Rehabilitation	306,875	358,816

Rehabilitation
The consolidated entity accrues provisions for the forthcoming costs of rehabilitation of the territory. 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 (2020: 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 2021 a discount rate of 6.46% (2020: 7.47%)

Movements in provisions
Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

	Rehabilitation
Consolidated - 2021	$
Carrying amount at the start of the year	358,816
Change in estimates *	(12,112)
Exchange differences	(50,206)
Unwinding of discount	10,377
Carrying amount at the end of the year	306,875

* Due to a change in the discount rate used in the calculation

Note 16. Other financial liabilities

	Consolidated 2021 $	Consolidated 2020 $
Current liabilities		
Promissory notes	-	22,030,391
Non-current liabilities		
Promissory notes	88,372,096	64,844,316
	88,372,096	86,874,707

Reconciliation
Reconciliation of the overall balance of promissory notes at the beginning and end of the current and previous financial year are set out below:

	Consolidated 2021 $	Consolidated 2020 $
Opening balance	86,874,707	74,801,893
Impact of foreign exchange differences	(7,633,683)	1,410,906
Drawdowns	1,380,841	2,298,205
Interest accrued	7,750,231	8,363,703
Closing balance	88,372,096	86,874,707

Other financial liabilities comprises the following unsecured promissory notes with principal and accrued interest totalling:

	Consolidated 2021 $	Consolidated 2020 $
2017 Funding Agreement	8,407,174	6,762,017
2016 Funding Agreement	7,849,382	7,836,828
Refinanced Series B Promissory Note	23,238,663	23,290,326
Promissory Note – Discharge of Convertible Notes1	48,876,877	48,985,536
	88,372,096	86,874,707

At 30 June 2021 the consolidated entity has total undrawn facilities of US$8,778,332 (AU$11,676,405).

The key terms of the 2017 Funding Agreement are:

- Unsecured
- Effective 31 July 2017
- Repayable on 1 July 2022
- Interest rate of 15% pa
- Interest will accrue and be repayable with principal
- Lenders can elect to be repaid if there is a change of control in Jupiter Energy Limited or Jupiter Energy Pte Ltd or there is a change in control in contract 2275 covering the Block 31 Licence
- Bonus will be payable to the Lenders equivalent to 5% of the sale price of contract 2275 in the event that the contract is assigned, transferred or sold to a 3rd party during the period of the facility. No Liability has been recognised, as no sale agreement has been entered into. Interest rate of 15% pa

The key terms of the 2016 Funding Agreement (including the Refinanced Series B Promissory Note) and Promissory Note Discharge of Convertible Notes are:

Note 16. Other financial liabilities (continued)

- Unsecured
- Effective 24 May 2016
- Drawdowns will roll into a promissory note
- Promissory note is repayable on 1 July 2022
- Interest rate of 15% per annum
- Interest will accrue and be repayable with principal
- Lender can elect to be repaid if there is a change of control in Jupiter Energy Limited or Jupiter Energy Pte Ltd or there is a change in control in contract 2275 covering the Block 31 Licence.

The key terms of the Promissory Note – Discharge of Convertible Notes:

- Unsecured
- Effective 24 May 2016
- Drawdowns will roll into a promissory note
- Promissory note is repayable on 1 July 2022
- Interest rate of 15% per annum
- Interest will accrue and be repayable with principal
- Lender can elect to be repaid if there is a change of control in Jupiter Energy Limited or Jupiter Energy Pte Ltd or there is a change in control in contract 2275 covering the Block 31 Licence.

During September 2021, all promissory notes were extended until 1 July 2024, refer to note 28

Note 17. Issued capital

	Consolidated			
	2021 Shares	**2020 Shares**	**2021 $**	**2020 $**
Ordinary shares - fully paid	153,377,693	153,377,693	85,633,935	85,633,935

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back
There is no current on-market share buy-back.

Capital risk management
The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

Note 17. Issued capital (continued)

The consolidated entity is not subject to externally imposed capital requirements. The capital risk management policy remains unchanged from the 30 June 2020 Annual Report.

Note 18. Reserves

	Consolidated	
	2021	**2020**
	$	**$**
Foreign currency reserve	(30,994,717)	(28,381,181)
Share-based payments reserve	5,764,014	5,764,014
	(25,230,703)	(22,617,167)

Foreign currency reserve
The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

Share-based payments reserve
The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Foreign currency $	Share-based payments $	Total $
Balance at 1 July 2019	(27,700,327)	5,764,014	(21,936,313)
Foreign currency translation	(680,854)	-	(680,854)
Balance at 30 June 2020	(28,381,181)	5,764,014	(22,617,167)
Foreign currency translation	(2,613,536)	-	(2,613,536)
Balance at 30 June 2021	(30,994,717)	5,764,014	(25,230,703)

Note 19. Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 20. Financial instruments

Financial risk management objectives
The main purpose of these financial instruments is to provide finance for the consolidated entity's operations. The consolidated entity has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations. The main risks arising from the consolidated entity's financial instruments are cash flow interest rate risk, liquidity risk, foreign currency risk and credit risk.

Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews the risks identified below, including the setting of limits for trading in derivatives, hedging cover of foreign currency and interest rate risk, credit allowances, and future cash flow forecast projections.

Note 20. Financial instruments (continued)

Market risk

Foreign currency risk
The consolidated entity has transactional currency exposures. Such exposure arises from sales or purchases by an operating entity in currencies other than the functional currency.

At balance date, the consolidated entity had the following exposure to United States Dollars (USD) and Great Britain Pound (GBP) foreign currency that is not designated in cash flow hedges:

The carrying amount of the consolidated entity's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

	Assets		Liabilities	
Consolidated	**2021 $**	**2020 $**	**2021 $**	**2020 $**
US dollars	467	132,098	88,372,096	86,874,707
British pounds	61	365	-	-
	528	132,463	88,372,096	86,874,707

The following tables summarise the sensitivity of financial instruments held at balance date to movement in the exchange rate of the Australian dollar to the United States Dollar and Great Britain Pound (GBP), with all other variables held constant.

	AUD strengthened			AUD weakened		
Consolidated - 2021	**% change**	**Effect on profit before tax**	**Effect on equity**	**% change**	**Effect on profit before tax**	**Effect on equity**
US Dollars	10%	(8,837,162)	(8,837,162)	10%	8,837,162	8,837,162
British Pounds	10%	6	6	10%	6	6
		(8,837,156)	(8,837,156)		8,837,168	8,837,168

	AUD strengthened			AUD weakened		
Consolidated - 2020	**% change**	**Effect on profit before tax**	**Effect on equity**	**% change**	**Effect on profit before tax**	**Effect on equity**
US Dollars	5%	(4,337,130)	(4,337,130)	5%	4,337,130	4,337,130
British Pounds	5%	18	18	5%	(18)	(18)
		(4,337,112)	(4,337,112)		4,337,112	4,337,112

Price risk
The consolidated entity is not exposed to any significant price risk.

Interest rate risk
The consolidated entity's exposure to market risk for changes in interest rates is only on cash and cash equivalents, which given the current level of cash and cash equivalents does not present a material risk. Other financial liabilities in the form of Promissory notes carry fixed interest and are therefore not subject to interest rate risk.

Credit risk
Credit risk represents the loss that would be recognised if counterparties fail to perform as contracted.

Note 20. Financial instruments (continued)

With respect to credit risk arising from the financial assets of the consolidated entity, which comprise cash and cash equivalents, a liquidation fund and trade receivables, the consolidated entity's exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments.

The consolidated entity continuously monitors the credit quality of counterparties. Where available, external credit ratings and/or reports on the counterparty are obtained and used. The consolidated entity's policy is to deal only with credit worthy counterparties. Credit terms are subject to an internal approval process which considers the credit rating of the customer. The ongoing credit risk is managed through regular review of ageing analysis.

Liquidity risk
Management and the Board monitor the consolidated entity's liquidity on the basis of expected cash flow. The information that is prepared by senior management and reviewed by the Board includes monthly and annual cash flow budgets.

Remaining contractual maturities
The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2021	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	1,568,525	-	-	-	1,568,525
Interest-bearing - fixed rate						
Promissory notes	15.00%	-	96,166,377	-	-	96,166,377
Total non-derivatives		1,568,525	96,166,377	-	-	97,734,902

Consolidated - 2020	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables and other payables	-	1,723,257	-	-	-	1,723,257
Interest-bearing - variable						
Lease liability	-	90	-	-	-	90
Interest-bearing - fixed rate						
Lease liability	7.00%	90,708	-	-	-	90,708
Promissory notes	15.00%	24,079,425	71,107,667	-	-	95,187,092
Total non-derivatives		25,893,480	71,107,667	-	-	97,001,147

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

At 30 June 2021 the consolidated entity has total undrawn facilities of US$8,778,332 (AU$11,676,405).

Fair value of financial instruments
All of the consolidated entity's financial assets and liabilities are carried at amortised cost, with the carrying value approximating the fair value.

Note 21. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated 2021 $	Consolidated 2020 $
Short-term employee benefits	655,671	912,441
Post-employment benefits	40,000	40,000
	695,671	952,441

Note 22. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Ernst & Young, the auditor of the company, and its network firms:

	Consolidated 2021 $	Consolidated 2020 $
Audit services - Ernst & Young Australia		
Audit or review of the financial statements	98,280	102,011
Audit services - overseas member firms		
Audit or review of the financial statements	48,893	54,491
Other services - overseas member firms		
Non-audit fees (tax advisory services in Kazakhstan)	-	20,331
	48,893	74,822

Note 23. Contingent liabilities

The consolidated entity had no contingent liabilities at 30 June 2021 and 30 June 2020.

Note 24. Commitments

On 2 March 2020, Addendum No. 10 (state registration to Contract No. 2275) was concluded, according to which the exploration period was extended for the Akkar North (East Block) and West Zhetybai fields in addition to the approval of terms of a new standard contract for exploration and production. At the same time, the Akkar East field transitioned into the Preparatory Period and, based on the decision of the Expert Commission of the Ministry of Energy of the Republic of Kazakhstan, was allocated a separate - Contract No. 4803E dated 2 March 2020. Addendum No. 11 to Contract No. 2275 was also issued, allowing the Akkar North (East Block) to transition to the Preparatory Period and operate until 2 March 2023.

	Consolidated 2021 $	Consolidated 2020 $
Exploration work commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	315,502	3,965,380

Note 24. Commitments (continued)

The amount includes a penalty that may be accrued within the work program commitments, relating to the unfulfilled commitment to drill two wells on the West Zhetybai field, prior to the expiration of the exploration period and approval of the Final Reserve Report for the West Zhetybai field. The exploration period expired and Final Reserve Report was approved without these two wells having been drilled.

Note 25. Related party transactions

Parent entity
Jupiter Energy Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 27.

Key management personnel
Disclosures relating to key management personnel are set out in note 21 and the remuneration report included in the directors' report.

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated	
	2021	**2020**
	$	**$**
Payment for goods and services:		
Consulting fees accrued and paid under normal terms and conditions to Grange Consulting of which Mr Warren is a director.	63,026	144,011
consulting fees were accrued and paid under normal terms and conditions to Meridian Petroleum LLP, of which Mr. Kuandykov is a director, for the provision of geological services at normal commercial rates	-	222,164

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	2021	**2020**
	$	**$**
Current payables:		
Total deferred directors fees *	777,965	724,979
Consulting fees payable to Grange Consulting of which Mr Warren is a director	-	11,640

* These are deferred until such time that at least US$5,000,000 in new equity is raised or alternatively the consolidated entity sells the Block 31 licence and receives the funds associated with that sale. The deferred director fees will be paid in cash.

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 26. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2021	**2020**
	$	**$**
Loss after income tax	(2,551,890)	(43,037,992)
Total comprehensive loss	(2,551,890)	(43,037,992)

Statement of financial position

	Parent	
	2021	**2020**
	$	**$**
Total current assets	62,786	19,965,035
Total assets	19,094,873	19,965,139
Total current liabilities	1,021,457	837,221
Total liabilities	89,393,553	87,711,928
Equity		
Issued capital	85,633,935	85,633,935
Share-based payments reserve	5,764,014	5,764,014
Accumulated losses	(161,696,629)	(159,144,738)
Total deficiency in equity	(70,298,680)	(67,746,789)

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2021 and 30 June 2020.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2021 and 30 June 2020.

Commitments
The parent entity had no commitments at 30 June 2021 and 30 June 2020.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

Note 27. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

		Ownership interest	
Name	**Principal place of business / Country of incorporation**	**2021 %**	**2020 %**
Jupiter Energy (Victoria) Pty Ltd	Australia	100.00%	100.00%
Jupiter Biofuels Pty Ltd	Australia	100.00%	100.00%
Jupiter Energy (Kazakhstan) Pty Ltd	Australia	100.00%	100.00%
Jupiter Energy Pte Ltd	Singapore	100.00%	100.00%
Jupiter Energy (Services) Pte Ltd	Singapore	100.00%	100.00%

Note 28. Events after the reporting period

On 16 September 2021, a Framework Agreement was signed between Jupiter Energy and Sleipnir Technologies LLP (Sleipnir), a Kazakh registered company that has a background in oil trading and the design and development of oilfield infrastructure.

Under Phase 1 of the Framework Agreement, Sleipnir will work with Jupiter Energy in a Project Management capacity, assisting in the development of a detailed Project Development Plan to achieve 100% gas utilisation on all three of the Company’s oilfields (the Plan). A project team made up of Jupiter and Sleipnir personnel has been formed, and a local Kazakh Institute will shortly be appointed to assist in the documentation of the detailed technical specifications associated with the Plan.

Sleipnir will also play an active role in the proposed construction phase (Phase 2), if and when the Plan is approved by the Kazakh Ministry of Energy (and other associated regulatory bodies) and will also assist Jupiter with any of the regulatory approvals that may be required during Phase 2.

In summary, the Framework Agreement sets out the terms and conditions under which Jupiter and Sleipnir will work to complete and lodge the Plan with the Kazakh Ministry of Energy by early 1Q 2022.

The key elements of Phase 1 of the Framework Agreement are:

- Development of a detailed Gas Utilisation Project Development Plan
- Submission of the Project Development Plan to the Kazakh Ministry of Energy
- Gaining approval from the Ministry of Energy (and other relevant regulatory bodies) for the Gas Utilisation Project Development Plan
- Confirming a detailed budget for the building of the approved Gas Utilisation infrastructure

In addition to the development of Project Development Plan for Gas Utilisation, Sleipnir affiliate Arion Trading also signed an agreement for the purchase of 100% of Jupiter’s domestic oil supply under terms consistent with those that other Jupiter oil trading partners have signed in the past. This agreement will be based on 100% prepayment for all oil, with deliveries to Arion Trading expected to commence in October 2021.

During September 2021 Promissory Notes, that had a carrying value of US$66,438,142 (A$88,372,096) as at 30 June 2021, had their repayment dates extended from 1 July 2022 to 1 July 2024.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 29. Reconciliation of profit/(loss) after income tax to net cash from/(used in) operating activities

	Consolidated 2021 $	Consolidated 2020 $
Profit/(loss) after income tax expense for the year	61,655	(42,352,148)
Adjustments for:		
Depreciation and amortisation	650,766	926,698
Foreign exchange differences	(7,633,683)	1,406,647
Non cash finance costs	7,750,231	8,363,703
Impairment expense	-	32,571,270
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(15,389)	339,486
Decrease/(increase) in inventories	(12,046)	2,394
Decrease in other operating assets	103,309	55,484
Increase/(decrease) in trade and other payables	57,218	(1,786,327)
Decrease in contract liabilities	(333,036)	(157,879)
Net cash from/(used in) operating activities	629,025	(630,672)

Note 30. Changes in liabilities arising from financing activities

Consolidated	Leases $	Promissory notes $	Total $
Balance at 1 July 2019	-	74,801,894	74,801,894
Net cash from/(used in) financing activities	(146,320)	2,298,204	2,151,884
Exchange differences	-	1,410,906	1,410,906
Accrued interest	-	8,363,703	8,363,703
Other changes	229,391	-	229,391
Balance at 30 June 2020	83,071	86,874,707	86,957,778
Net cash from/(used in) financing activities	(83,071)	1,380,841	1,297,770
Exchange differences	-	(7,633,683)	(7,633,683)
Accrued interest	-	7,750,231	7,750,231
Balance at 30 June 2021	-	88,372,096	88,372,096

Note 31. Earnings per share

	Consolidated 2021 $	Consolidated 2020 $
Profit/(loss) after income tax attributable to the owners of Jupiter Energy Limited	61,655	(42,352,148)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	153,377,693	153,377,693
Weighted average number of ordinary shares used in calculating diluted earnings per share	153,377,693	153,377,693
	Cents	**Cents**
Basic earnings / (loss) per share	0.04	(27.61)
Diluted earnings / (loss) per share	0.04	(27.61)

Jupiter Energy Limited
Directors' declaration
30 June 2021

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable, subject to matters disclosed in note 1 Going Concern.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Geoffrey Gander
Director

30 September 2021

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Independent auditor's report to the members of Jupiter Energy Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Jupiter Energy Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the consolidated financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2021 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 of the financial report, which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Carrying value of non-current assets

Why significant	How our audit addressed the key audit matter
At 30 June 2021, the Group had non-current assets, comprising its oil and gas properties of $16,757,259, property, plant and equipment of $541,261 and capitalised exploration and evaluation expenditure of $1,558,934. These non-current assets form part of the Block 31 cash-generating unit ("CGU") for impairment testing purposes. The Group is required to assess throughout the reporting period, whether there is any indication that an asset or CGU may be impaired. If any such indication exists, the Group is required to estimate the recoverable amount of the asset or CGU. At 30 June 2021, the Group has not identified any indication that the non-current assets are impaired nor that previously recognised impairment should be reversed. Disclosures regarding this matter are in Notes 2 and 11 to the financial report. Given the size of the balance, the judgmental nature in identifying indicators of impairment or reversal of impairment we considered this a key audit matter.	In performing our procedures, we: ► Considered the Group's assessment of triggers for impairment or reversal of impairment including forecasted oil price assumptions, discount rate and current and historical operational performance, in conjunction with our valuation specialists'. ► Considered the Group's right to tenure over the Block 31 CGU, which included obtaining and assessing supporting documentation such as license agreements. ► Considered the qualitative impairment indicators of exploration and evaluation assets related to the Group's ability or intention to progress evaluation activities. ► Considered the relationship between the assets carrying value and the Group's market capitalisation. ► Considered the adequacy of disclosure in Notes 2 and 11 of the financial report.

Promissory note facilities

Why significant	How our audit addressed the key audit matter
At 30 June 2021, as disclosed in Note 16, the Group had a financial liability of $88,372,096 comprised of promissory note facilities. The promissory notes are denominated in US dollars and are converted to the Company's functional currency of Australian dollars at period end. Any changes in the Australian dollar balance, due to movements in the foreign exchange rates, is recognised in the profit and loss as a foreign currency gain or loss. During the year, the Group continued to draw down on the available promissory note facilities to fund operations and repayment dates were extended for two facilities. Accordingly, due to the significance of the balance, the current and non-current classification and measurement of promissory notes was considered to be a key audit matter.	We evaluated the appropriateness of the measurement and classification of amounts outstanding on the Group's promissory note facilities. In performing our procedures, we: ► Considered the changes to the terms and conditions of each promissory note during the year and the impact of the reported balances at year end and the compliance with the requirements of Australian Accounting Standards. ► Tested the measurement of foreign currency gains or losses on promissory note balances. ► Confirmed the completeness and accuracy of outstanding balances with the Issuer of the promissory note facilities. ► Considered whether the Group had the unconditional right to defer repayment of the promissory note facilities by more than 12 months as at 30 June 2021. ► Considered the adequacy of disclosure in Note 16 to the financial report.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2021 annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included of the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Jupiter Energy Limited for the year ended 30 June 2021, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Mark Cunningham
Partner
Perth
30 September 2021

Jupiter Energy Limited
Shareholder information
30 June 2021

The shareholder information set out below was applicable as at 27 September 2021.

Distribution of equitable securities
Analysis of number of equitable security holders by size of holding:

	Ordinary shares	
	Number of holders	% of total shares issued
1 to 1,000	417	0.10
1,001 to 5,000	462	0.81
5,001 to 10,000	227	1.12
10,001 to 100,000	387	9.07
100,001 and over	65	88.90
	1,558	100.00
Holding less than a marketable parcel	1,146	2.32

Equity security holders

Twenty largest quoted equity security holders
The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
FISKE NOMINEES LIMITED (FISKPOOL A/C)	40,734,581	26.56
FISKE NOMINEES LIMITED	33,246,107	21.68
BNP PARIBAS NOMS PTY LTD (DRP)	19,940,835	13.00
FISKE NOMINEES LIMITED	11,068,130	7.22
CITICORP NOMINEES PTY LIMITED	6,225,975	4.06
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,329,470	1.52
MR GLENN WILLIAM TWOMEY + MRS KAREN LYNNE TWOMEY	2,143,221	1.40
COLLEGE SEARCH PTY LTD	1,787,058	1.17
MRS COLETTE DALY	1,276,000	0.83
MRS TRA THU LE	1,250,000	0.81
MRS CINDY MAREE ANDUEZA	1,000,000	0.65
MR JOHN NORMAN ACKLAND	700,000	0.46
IERACE PTY LTD (THE IERACE FAMILY A/C)	700,000	0.46
GM80 PTY LTD	670,000	0.44
BNP PARIBAS NOMINEES PTY LTD SIX SIS LTD (DRP A/C)	643,860	0.42
BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	519,870	0.34
IRELAND RESOURCES	506,450	0.33
SILK-ROADS WORLDWIDE LOGISTICS AUSTRALIA PTY LTD	500,000	0.33
TINA'S STYLE CENTRE PTY LTD (JA & TJ JENKINS S/F A/C)	500,000	0.33
MR PAUL TREVOR WAPSHOTT	500,000	0.33
	126,241,557	82.34

Unquoted equity securities
There are no unquoted equity securities.

Substantial holders

Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
FISKE NOMINEES LIMITED (FISKPOOL A/C)	40,734,581	26.56
FISKE NOMINEES LIMITED	33,246,107	21.68
BNP PARIBAS NOMS PTY LTD (DRP)	19,940,835	13.00
FISKE NOMINEES LIMITED	11,068,130	7.22

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.