



ASX Release

06 August 2013

Production testing commences at Hammamet West-3

Jacka Resources Limited ("Jacka" or the "Company", ASX: JKA) is pleased to provide the following operational update on the Hammamet West-3 ("HW-3") well in the Bargou Block, offshore Tunisia.

The Operator, Cooper Energy (ASX: COE) has advised that production testing of the Hammamet West-3 commenced at 18.00 hours WST on Monday 5th August. The next planned operation on the well is opening up the production test string for a clean-up flow.

As advised in the Weekly Well Update lodged with the ASX on 1 August, the production test will be conducted over the entire 432 metres of Abiod Formation drilled to date (Figure 1). The actual production test period is expected to be 4-8 days, depending on the flow rates recorded during the test. The first phase (1-2 days) of the test will attempt to flow the well naturally. If it proves necessary, after this first phase it is then planned to introduce acid into the well bore to break down any plugged formation caused by the drilling operations and to stimulate flow. This is a common practice when production testing fractured carbonate reservoirs. The subsequent main flow period (inclusive of shut-in) will occupy 3-6 days. After flowing, the well is "shut-in" and the reservoir pressure response determined.

It should be noted that the well test equipment is limited to a maximum flow rate of approximately 3,000 barrels of oil per day.

As the testing program is likely to continue throughout the week and the early flow rates are not necessarily indicative of the final flow rates after wellbore clean-up and/or acid stimulation the Joint Venture does not anticipate announcing the test results until the testing program has been completed. The weekly drilling updates will therefore be suspended.

Participating interests:	Jacka	15%
	Cooper (Operator)	30%
	Dragon Oil	55%

Under the terms of a farmin agreement with the operator of the well, Cooper Energy (ASX: COE), Jacka has contributed 30% of the well cost up to a gross well cost of US\$27.2 million after which Jacka will contribute at its participating interest of 15%.

Background

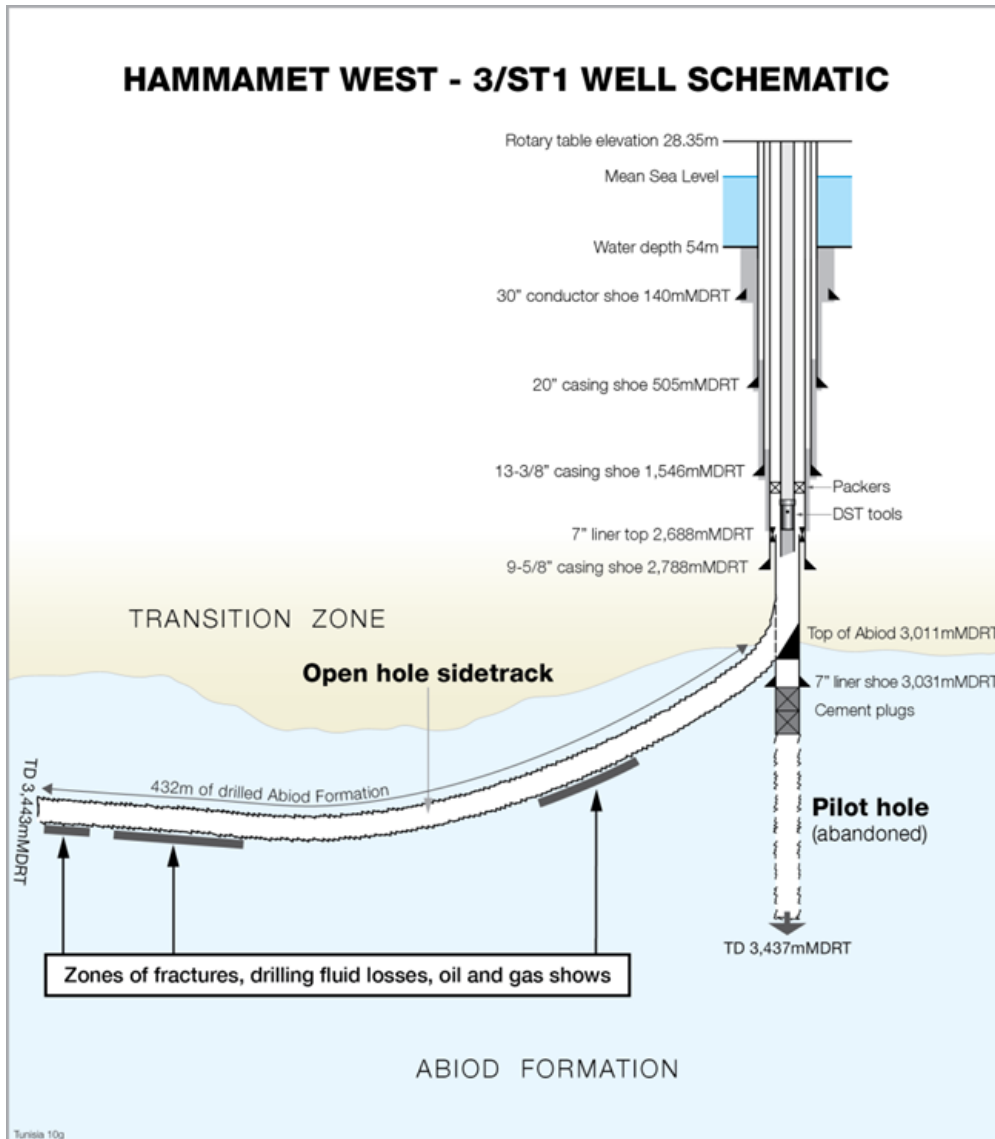
The production test of the near-horizontal wellbore drilled through the naturally fractured Abiod Formation is the primary objective of the Hammamet West-3 well. The near-horizontal wellbore was drilled along a path designed to intersect open fractures and associated dissolution zones, which are believed to be the reservoir for an oil accumulation in the Abiod Formation.

The well results to date have validated the play concept. Key results are summarised below and on Figure 1:

- The Abiod Formation was encountered at 3,011 mMDRT¹, 40 metres shallower than expected, which, along with the results of Hammamet West-2, suggests a vertical oil column in excess of 200 m.
- The near-horizontal sidetrack was drilled through the Abiod Formation to 3,443 mMDRT and significant hydrocarbon shows were encountered in association with predicted fracture zones.
- Oil shows on drill cuttings were observed over approximately 110 metres of the total 432 metres of Abiod Formation drilled in the sidetrack.
- Elevated gas levels with gas composition ratios² indicative of oil were also encountered, generally in association with the oil shows noted above.

- The oil and gas shows coincide with anomalies on Logging While Drilling image logs that are indicative of fractures.
- Drilling mud losses experienced while drilling these intervals are an indicator that the well has likely encountered an open, porous fracture system in the Abiod.
- During recent operations oil has been observed in the drilling mud (18-20%) circulated to surface and samples have been collected for analysis.

Figure 1: Hammamet West-3 wellbore schematic



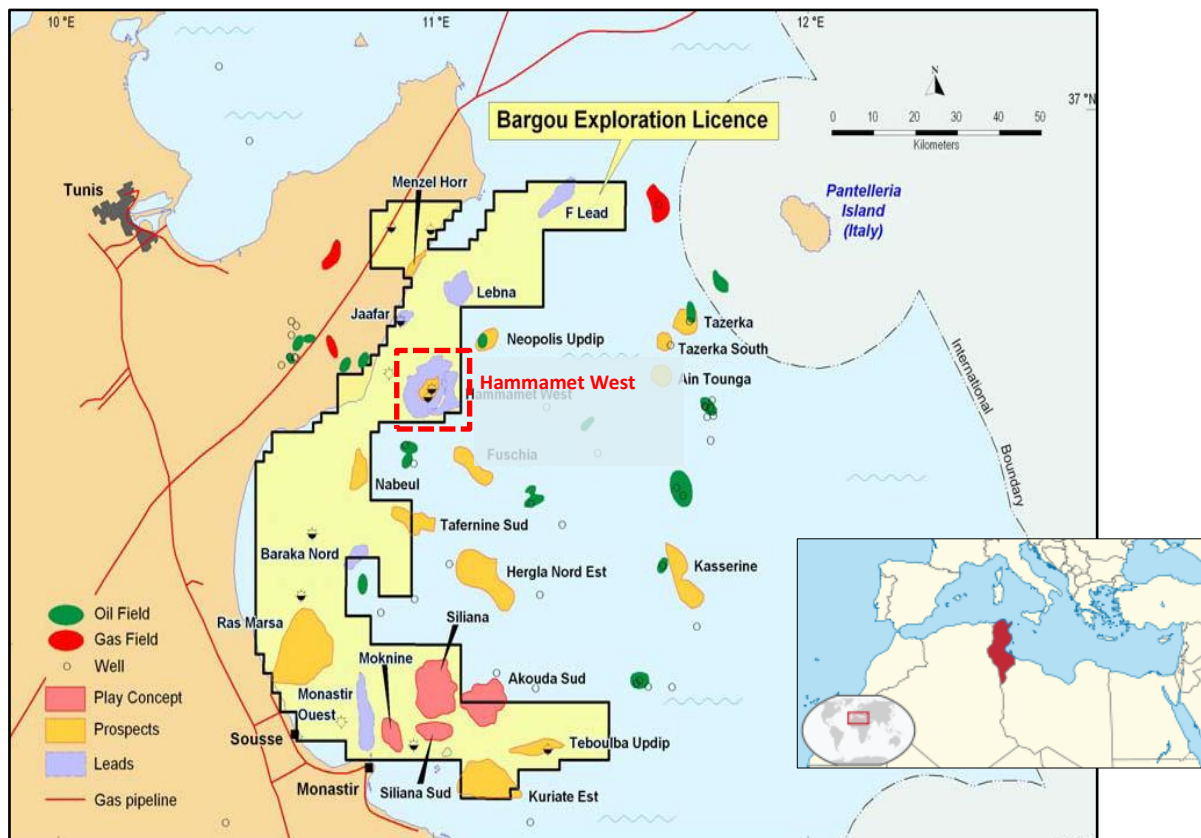


Figure 2: Hammamet West location

Footnotes

1. mMDRT – measured depth in metres below the rotary table or drilling floor
2. Total hydrocarbon gas is measured as a percentage of the air/gas mixture extracted from the drilling fluid. The main components of the hydrocarbon gas are also measured and an increase in the ratios of the heavier gases (propane, butane, pentane – components of LPG) to methane (“natural gas”) is indicative of the presence of oil.

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