

ASX Release: 24 October 2016

#### September Quarterly Highlights

- Aje Field - Phase 1 commencement of production and transfer of interest to MXO
- Bargou Project (Tunisia) discontinued
- Ruhuhu (Tanzania) undergoing restructure and possible divestment
- Cash and listed securities on hand at 30 September 2016 A\$1.664 million

#### Overview

##### Aje Field, Nigeria

As previously advised, Jacka's funding for the project has been via an agreement with AIM-listed MX Oil Plc (AIM:MXO). Under the terms of this agreement ownership of Jacka's wholly owned subsidiary Jacka Resources Nigeria Holdings Limited, whose subsidiary P.R.Oil and Gas Nigeria Ltd holds the Aje interest, was transferred to MXO in August 2016. Jacka's shareholding in MXO is currently 3.8%.

##### Bargou Permit, Tunisia

The 4,616 km<sup>2</sup> Bargou Permit is located in the Gulf of Hammamet, offshore northern Tunisia.

This investment was formerly held through Jacka's wholly-owned subsidiary, Jacka Tunisia Bargou Pty Ltd ("JTB"). In light of the project's ongoing funding requirements and the Company's current funding constraints, the Company has resolved to discontinue its interest in this project.

As announced to ASX on 6 July 2016, as JTB is a single purpose entity with no access to further funding, Jacka has resolved to place JTB in creditors' voluntary liquidation.

##### Ruhuhu Licence, Tanzania (JKA 100% participating interest)

The Ruhuhu licence is located in southwest Tanzania and covers an area of 10,343 km<sup>2</sup>. A wholly-owned subsidiary of Jacka is the Operator and holds 100% of the petroleum exploration rights to the entire Ruhuhu Basin and a portion of the Lake Nyasa Rift Basin, which is part of the East African rift system.

The continuing lack of industry interest for early stage exploration projects has adversely impacted Jacka's farmout efforts, which were a key component of the stated exploration strategy. The Company has consequently curtailed operations and continues to focus on minimising financial exposure by all available means, including withdrawal from or divestment of the project.

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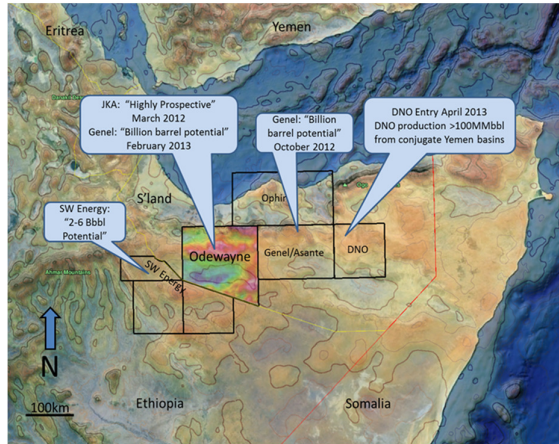
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### Odewayne Block, Somaliland (5% buy in right)

Jacka retains an option to acquire a 5% participating interest arising from its original farm-in agreement on the block. That option can be exercised on the earlier of (1) the proposing of a second well in the Production Sharing Contract (PSC), or (2) the parties entering into the Fifth Period of the PSC.

The Odewayne PSC is currently in its Third Period. However, operations in Somaliland continue to be delayed by security concerns. Operator Genel Energy is working with the Ministry of Energy and Minerals in Somaliland to resume operations as soon as practicable.



### Corporate

Jacka continues to rationalise its portfolio of licence interests in light of the current downturn in the sector and associated lack of funding to progress exploration and development activity.

Following the transaction with MXO announced on 14 July 2015, Jacka was issued 43,380,325 shares in MXO. Jacka's shareholding currently represents a 3.8% interest in MXO. The market value of the MXO shares as at 30 September 2016 was A\$0.884 million.

While the Company continues to rationalise its investments and husband its remaining assets, the Board continues to review project investment opportunities that may assist in reinvigorating the activity profile of the Company and attract funding support and appreciation in shareholder value.

#### **Issued capital 30 September 2016:**

Ordinary shares:	460,859,758
Unlisted options with various exercise prices & expiry dates:	66,750,000

#### **Cash and listed securities on hand 30 September 2016:** A\$1.664 million

consisting of cash A\$0.740million and listed securities of A\$0.924 million (inclusive of MXO+other \$0.040 million)

**Table 1: Changes in Licence Interests:**

Country	Block / Licence	Interest held at 30 June 2016	Interest acquired / disposed of during quarter	Interest held at 30 Sept 2016
<b>Tanzania</b>	Ruhuhu (onshore)	100%	n/a	100%
<b>Tunisia</b>	Bargou (offshore)	15% (1)	15%	NIL
<b>Nigeria</b>	OML 113, Aje Field (offshore)	5.0006%* (2)	5.006%	NIL

\* Net revenue interest

(1) Licence-holding company currently undergoing creditors' voluntary liquidation

(2) Interest transferred to MXO pursuant to MXO funding arrangements

**Joint Venture Participants** (as at 30 September 2016): none.

**Enquiries:**Jacka Resources Limited:

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*This document has been prepared by Jacka Resources Limited for the purpose of providing an activity update to interested analysts/investors and shareholders. Any statements, opinions, projections, forecasts or other material contained in this document do not constitute any commitments, representations or warranties by Jacka Resources Limited or its directors, agents and employees. Except as required by law, and only to the extent so required, directors, agents and employees of Jacka Resources Limited shall in no way be liable to any person or body for any loss, claim, demand, damages, costs or expenses of whatsoever nature arising in any way out of, or in connection with, the information contained in this document. This document includes certain statements, opinions, projections, forecasts and other material, which reflect various assumptions. The assumptions may or may not prove to be correct. Jacka Resources Limited recommends that potential investors consult their professional advisor/s as an investment in the company is considered to be speculative in nature.*

**Persons compiling information about Hydrocarbons**

*Pursuant to the requirements of the ASX Listing Rules 5.41, 5.42, 5.43 and 5.44, the technical and resource information provided in this announcement has been prepared by Ken Charsinsky, a consultant to Jacka Resources Limited. Mr Charsinsky is a qualified geologist with over 35 years of technical, commercial and management experience in exploration for, appraisal and development of oil and gas resources. Mr Charsinsky has reviewed the results, procedures and data contained in this announcement and considers the resource estimates to be fairly represented. Mr Charsinsky consents to the inclusion in this announcement of the matters based on the information in the form and context in which they appear. Mr Charsinsky is a long-standing member of the AAPG.*

**Qualified Petroleum Reserves and Resource Evaluator Requirements**

*The information in this report that relates to reserves and resources has been compiled by Mr Ken Charsinsky, M.SC. Geology, who has over 35 years' experience in the exploration for, and appraisal and development of, petroleum resources and who has sufficient relevant experience to qualify as a Qualified Petroleum Reserves and Resources Evaluator (QPPRE) under the ASX Listing Rules. The information is based on and fairly represents information and supporting documentation prepared by Mr Charsinsky, who is a consultant to the Company. Mr Charsinsky consents to the inclusion in this report of that information and supporting documentation in the form and context in which they are included.*

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

**Name of entity**

Jacka Resources Limited

**ABN**

79 140 110 130

**Quarter ended ("current quarter")**

30 September 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(24)	(24)
(b) development (i)	(764)	(764)
(c) production	-	-
(d) staff costs	(67)	(67)
(e) administration and corporate costs	(85)	(85)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (A/C MXO)	(28)	(28)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(968)</b>	<b>(968)</b>

(i) Aje Project development costs funded by MXO

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-

## Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(d) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	<b>Net cash from / (used in) investing activities</b>	-	-

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings (ii)	764	764
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	<b>Net cash from / (used in) financing activities</b>	<b>764</b>	<b>764</b>

(ii) Aje funding provided by MXO as unsecured interest free loans.

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	966	966
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(968)	(968)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	764	764
4.5	Effect of movement in exchange rates on cash held	(22)	(22)
4.6	<b>Cash and cash equivalents at end of period</b>	<b>740</b>	<b>740</b>

## Mining exploration entity and oil and gas exploration entity quarterly report

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	740	966
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>740</b>	<b>966</b>

**Gross cash and listed securities as at 30 September 2016: A\$1.664 million (Includes listed securities with a market value of A\$0.924 million as at 30 September 2016).**

**6. Payments to directors of the entity and their associates**

6.1 Aggregate amount of payments to these parties included in item 1.2

6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

<b>Current quarter \$A'000</b>
64
-

Directors' fees, salaries and superannuation.

**7. Payments to related entities of the entity and their associates**

7.1 Aggregate amount of payments to these parties included in item 1.2

7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

<b>Current quarter \$A'000</b>
-
-

N/A

## Mining exploration entity and oil and gas exploration entity quarterly report

8.	Financing facilities available	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
	Add notes as necessary for an understanding of the position		
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		
N/A			

9.	<b>Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1	Exploration and evaluation	40
9.2	Development	-
9.3	Production	-
9.4	Staff costs	60
9.5	Administration and corporate costs	60
9.6	Other (provide details if material)	-
9.7	<b>Total estimated cash outflows</b>	<b>160</b>

10.	<b>Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Refer to changes in Note 1 of the Operations Report			
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: Stephen Brockhurst  
(Company Secretary)

Date: 24 October 2016

Print name: Stephen Brockhurst

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.