



ASX Release

22 May 2013

### **Hammamet West-3 – Drilling Update 8**

Australian listed African oil and gas explorer 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.

|                                    |  |     |
|------------------------------------|--|-----|
| <b>Current activity:</b>           | At 1:00 pm WST (6:00 am Tunisia) on Tuesday May 21 the well was drilling 12 <sup>1</sup> / <sub>4</sub> " hole at a depth of 2,620 mRT.  |     |
| <b>Progress since last report:</b> | Since the last report issued on 15 May the top drive system was repaired and drilling of the 12 <sup>1</sup> / <sub>4</sub> " hole section continued from 2,182 mRT to 2,620 mRT. The hole has been directionally drilled, building angle to approximately 30 degrees from vertical.   |     |
| <b>Planned Activities:</b>         | Complete a bit change then resume drilling the 12 <sup>1</sup> / <sub>4</sub> " hole section to 2,790 m RT where wireline logs will be run and the 9 <sup>5</sup> / <sub>8</sub> " casing will be set and cemented. The 8 <sup>1</sup> / <sub>2</sub> " hole section will then be directionally drilled to the top of the Abiod Formation at approximately 3,000 m RT. |     |
| <b>Well location:</b>              | Hammamet West-3 is located in the Bargou Permit, offshore Tunisia. The well is located approximately 15 km offshore in 54m water depth. The well is 80 km SE of Tunis and 77 km NE of the port of Sousse.  |     |
| <b>Offset wells:</b>               | The well is located 1.6 km E of Hammamet West-2, which recovered oil from the Abiod Formation (the target in HW-3), and 1.9KM SSE of Hammamet West-1 which encountered oil in the shallow Birsia Formation. The nearest producing field is Maamoura, 12 km SW of HW-3.   |     |
| <b>Participating interests:</b>    | Jacka  | 15% |
|                                    | Cooper (Operator)  | 30% |
|                                    | Dragon Oil   | 55% |

\*mRT: Depth in metres below the rig rotary table or drilling floor.

#### **Well schedule update**

On the basis of progress to date, the drilling of Hammamet West-3 is now forecast to conclude in late June, excluding any production testing that may subsequently be undertaken. This represents a total of approximately 85 days, which compares with the original estimate of approximately 63 days (excluding testing).

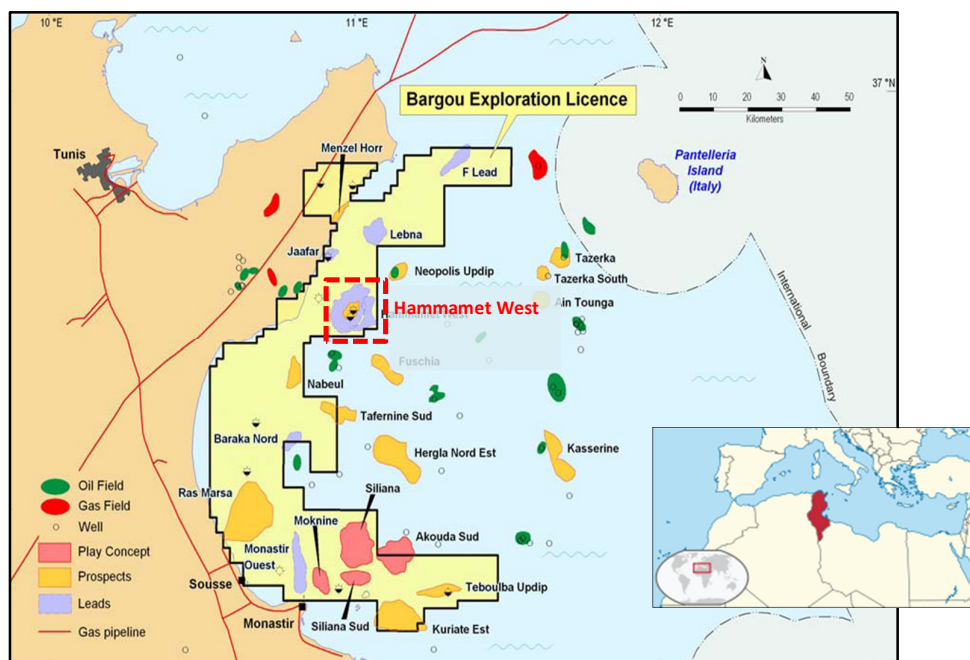
It is expected that the well will reach the top of the Abiod Formation at the start of June. A 7" liner will be set at that point so the Abiod reservoir section can be drilled with optimised mud properties. Running the liner and drilling the Abiod pilot hole is expected to take approximately 10 days.

The well cost and forward program is under review by the operator and the joint venture and an update will be provided once this is complete. On the basis of all information to date Jacka remains fully funded for both the drilling and testing of this well. Under the terms of a farmin agreement with the operator of the well, Cooper Energy (ASX: COE), Jacka is contributing 30% of the well cost up to a gross well cost of US\$27.2 million (~ US\$8 million net) after which Jacka will contribute at its participating interest of 15%.

## Background

The objective of Hammamet West-3 is to drill a near horizontal wellbore through the naturally fractured Abiod Formation and conduct a test to confirm oil productivity. The Hammamet West-2 vertical well recovered oil from the Abiod Formation, demonstrating the presence of an oil column in the target formation.

The Abiod reservoir has proven productive in fields adjacent to the Bargou Permit, including the Maamoura field operated by ENI. During 2012 the joint venture conducted a series of studies using recently acquired 3D seismic data to identify areas of best fracture development and to select an optimum well path to penetrate and test a representative section of the reservoir. Hammamet West-3 will penetrate the Abiod Formation reservoir at approx. 3,000 mRT and a near horizontal wellbore will then be drilled through the upper part of the reservoir.



**Hammamet West location**

**For more information please contact:**

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