



ASX Release

26 June 2013

Hammamet West-3 – Drilling Update 13

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.

Formation evaluation logs and vertical seismic profile data acquired in the pilot hole have been used to recalibrate the pre-drill seismic fracture models and the planned trajectory for the near-horizontal sidetrack. Current operations on the well are preparing to sidetrack.

More details are provided in the operational update below and in the comments that follow.

Current activity:	At 1:00 pm WST (06:00 am Tunisia) on Tuesday June 25 the rig was preparing to run a scraper to clean the 7" liner before running a whipstock* and initiating the planned near-horizontal sidetrack.	
Progress since last report:	Since the last report issued on 19 June, the MDT* log was run on drill pipe in an attempt to gather fluid samples and pressure data. Ten MDT sites were tested of which 6 tests were low permeability and no samples were recovered. The remaining 4 failed.	
	The formation evaluation logs and the vertical seismic profile data was used to recalibrate the pre-drill seismic fracture models. The sidetrack trajectory has been reviewed and updated using the recalibrated data to target zones of predicted fracturing.	
	The pilot hole was plugged as planned, prior to commencing the sidetrack.	
Planned Activities:	Sidetrack and drill the approximately 750-850 m near horizontal 6" wellbore through the upper part of the Abiod Formation, targeting near vertical fractures (Figure 1). The horizontal sidetrack is the primary objective of the Hammamet West-3 well.	
Well location:	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. (Figure 2)	
Offset wells:	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.	
Participating interests:	Jacka	15%
	Cooper (Operator)	30%
	Dragon Oil	55%

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

TVD – "True Vertical Depth" – depth when corrected for the deviation of the wellbore.

Whipstock – a long steel casing that uses an inclined plane to cause the bit to deflect from the original borehole at a slight angle

MDT – Modular Dynamic Tester – a wireline pressure testing and sampling tool which can also be run on drill pipe in deviated holes

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%. The cost to complete the drilling program is estimated to be \$44.8 million, exclusive of testing. The Company currently has ample cash reserves sufficient to fund its proportion of the estimated well costs.

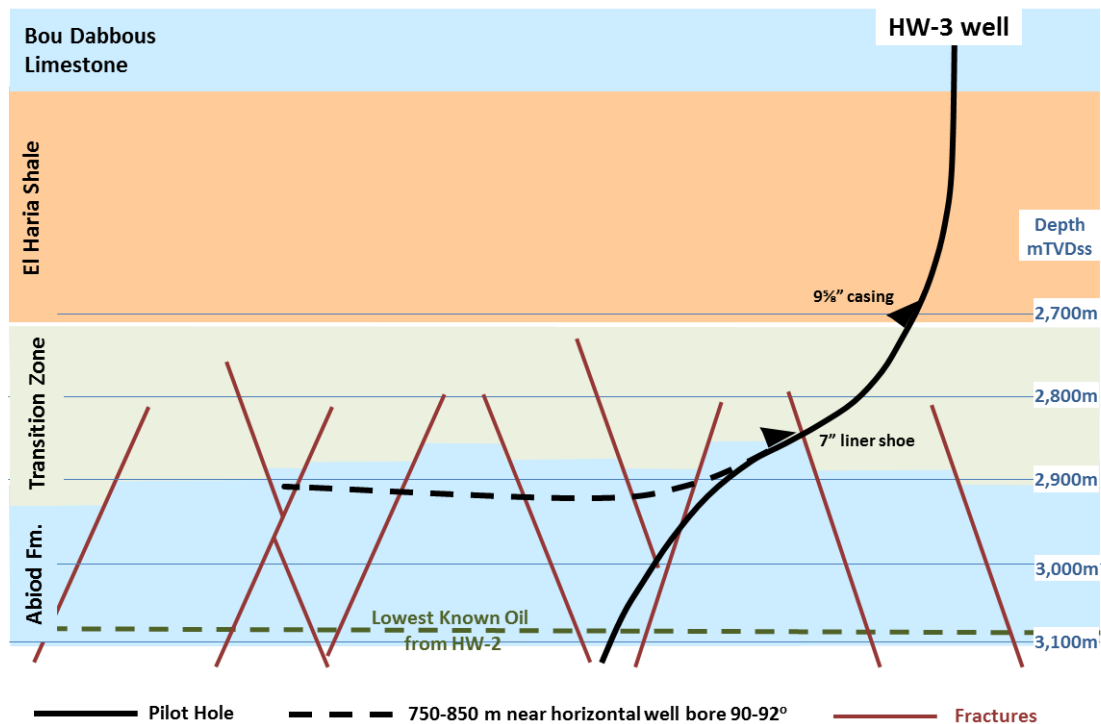


Figure 1: Hammamet West-3 wellbore schematic

Comments on well progress and outlook

The MDT testing tool was run on drill pipe in an attempt to collect fluid samples. The tool was configured so that the borehole can be sealed off in short (~1m) sections across fractures interpreted from fracture identification logs. In order to conduct a successful test the tool must be located over a potentially open fracture, the packers inflated and then small pumps are used to drawdown the pressure in the sealed interval and potentially draw formation fluid into the tool – thus allowing pressures to be determined and samples to be collected. Ten attempts were made before the tool pumps failed. Of those attempts, 4 had seal failures and 6 were of low permeability and no samples were collected.

The results of the MDT log suggest that, as in other similar fields, an acid treatment is likely to be required to enhance the permeability of any fractures and establish flow in the production test. An acid treatment is included in planning for the test of the horizontal wellbore.

As previously noted, the Abiod Formation was encountered approximately 40m TVD high to prognosis at this location and a vertical seismic profile was recorded to calibrate the well data and the seismic interpretation. This data allowed the operator to adjust the seismically derived fracture models to the correct depth and redesign the horizontal sidetrack trajectory prior to drilling. The revised sidetrack is longer because the original well was drilled at a high angle (approx. 60 degrees) and therefore when the top Abiod was

intersected 40 m high it was also a greater distance short of the original kick-off point for the sidetrack. Confirmation of the target depth and re-calibration of the models was a key objective of the pilot hole.

The near-horizontal sidetrack will now be drilled through the predicted fractures from the calibrated seismic fracture models in the direction most likely to encounter open fractures. A decision on testing will be taken once the horizontal wellbore is complete.

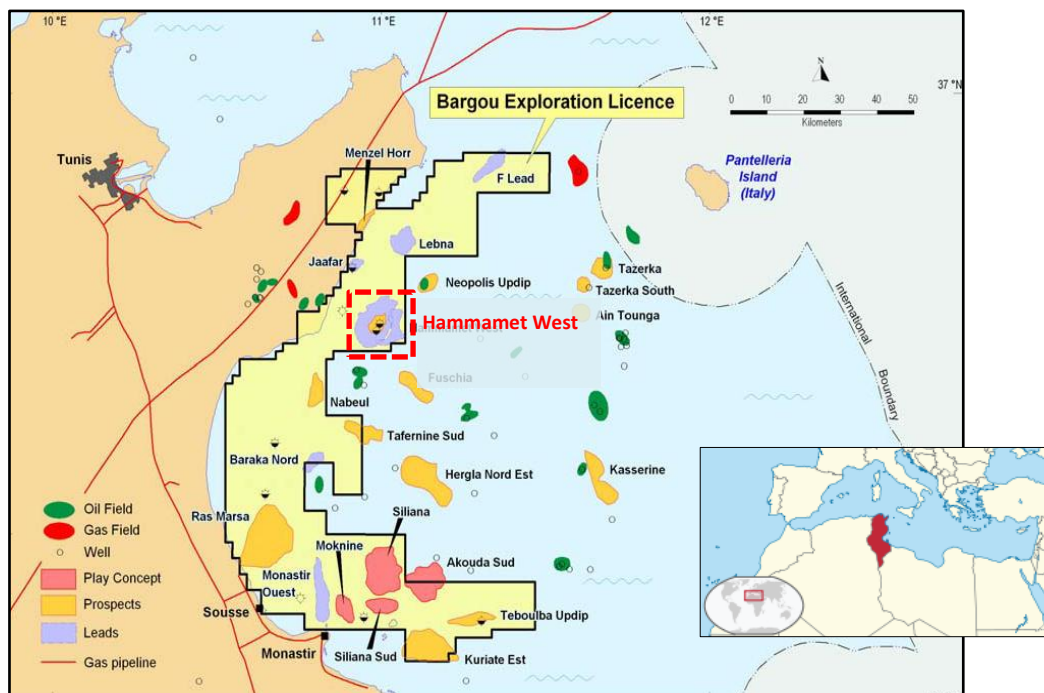


Figure 2: Hammamet West location

For more information please contact:

Richard Aden, Executive Director, or Stephen Brockhurst, Director	Jacka Resources Limited	Tel: +61 8 9480 0111 info@jackaresources.com.au
Colin Hay or Tony Dawe	Professional Public Relations	Tel: +618 9388 0944 Colin Hay mob: +61 404 683 355 colin.hay@ppr.com.au , tony.dawe@ppr.com.au ,

This document has been prepared by Jacka Resources Limited for the purpose of providing an 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.