



ABN: 79 140 110 130

Jacka Resources Limited - Quarterly Activities Report – June 2012

Key Events:

- Jacka expands East Africa footprint and enters Somaliland with highly prospective block
- Jacka completes OML113 / Aje transaction
- Jacka completes second tranche of placement funding
- GSP Jupiter rig to drill appraisal well Hammamet West-3

Bargou Block, Tunisia

Well planning activities continued during the quarter culminating in a legally binding Letter Of Intent for the jackup rig GSP Jupiter to drill the Hammamet West-3 appraisal well. The well is currently planned to commence drilling in December 2012.

The joint venture has recently completed a number of subsurface de-risking studies analysing the 3D seismic of the naturally fractured Abiod formation. These studies by global experts have been integrated to allow the Joint Venture to identify preferred zones in the reservoir and determine an optimum well trajectory and path for the pilot hole and horizontal section.

Other well planning activities continued through the quarter. With the well paths selected, drilling engineering is underway and the project team has received responses to requests for tenders for other major drilling equipment and services contracts.

Aje field / OML113, Nigeria

Jacka completed the acquisition for OML113 / Aje field in the quarter with a final payment of US\$6 million. During the quarter the joint venture has renewed its focus on the potential for an early oil development. Ongoing technical work, including reviews of the seismic mapping, the four previously drilled wells and oil development concepts will progress over coming months and this work could lead to a well in early 2013 with the primary objective being the appraisal of the Cenomanian oil reservoir.

WA-399-P, Australia

Interpretation of the Gazelle 3D seismic on block WA-399-P in the Exmouth Basin of the North West Shelf is complete. The JV is now reviewing initial prospects and leads identified by the Operator (Apache Northwest Pty Ltd) from this data set. The Joint Venture also approved making an application to the Government to defer the drilling commitment by 12 months to allow further technical and commercial work to be undertaken. This will include an assessment of the potential to co-ordinate activities and resources with other permits in the region operated by Apache.



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Somaliland

Jacka announced on 2 April 2012 that it had entered into an agreement with Petrosoma Limited ("Petrosoma") to become Operator and a 50% equity holder in Blocks 6,7 (partial) and 10 (partial), located onshore Somaliland which are the subject of a Production Sharing Agreement ("PSA") with the Government of the Republic of Somaliland. After discussion with our partner Petrosoma and the Somaliland Minister of Mining, Energy and Water Resources, the PSA area will be called the "Odewayne block".

In the quarter Jacka completed a reconnaissance field trip in association with security, safety and risk advisors to fully assess the operational environment of the block. The "recce" confirmed the Odewayne block as a benign and stable environment in which to explore for hydrocarbons, with excellent government and local community support for the program. The results of the recce, including appropriate precautionary measures, will be integrated into Jacka's operations in Somaliland.

Following the reconnaissance trip, planning began for the acquisition of an initial 7,500km² of high resolution airborne gravity and magnetics data, with the survey planned for Q3 2012.

New Ventures – Tanzania

Jacka finalised negotiations with the Tanzania Petroleum and Development Corporation ("TPDC") for oil and gas exploration and production rights over the entire Ruhuhu Basin, an onshore area of some 10,100km² abutting Lake Nyasa in the South West of the country. The Production Sharing Agreement ("PSA") has been agreed with the TPDC and Attorney General's Department and is now subject only to Ministerial approval. Jacka will hold 100% equity and will be the operator of the licence.

The company anticipates beginning the work program soon after Ministerial approval, with high resolution airborne gravity among the early works planned.

Corporate

Jacka completed, following shareholder approval the second tranche of a \$14.2 million capital raising by way of Share Placement at \$0.135 per share.

In the period the company spent approximately \$1.6 million furthering appraisal and exploration projects predominantly in Tunisia and Somaliland. At the end of the period the company had \$5.9 million in cash and investments.



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For more information please contact:

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Persons compiling information about Hydrocarbons

Pursuant to the requirements of the ASX Listing Rules 5.11, 5.11.1, 5.12 and 5.13, the technical information provided in this announcement has been compiled by Justyn Wood, Technical Director of Jacka Resources Limited. Mr Wood is a qualified geophysicist with over 18 years technical, commercial and management experience in exploration for, appraisal and development of oil and gas resources. Mr Wood has reviewed the results, procedures and data contained in this announcement. Mr Wood consents to the inclusion in this announcement of the matters based on the information in the form and context in which it appears.

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Appendix 5B

Mining 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

Name of entity

Jacka Resources Limited

ABN

79 140 110 130

Quarter ended ("current quarter")

30 June 2012

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (12 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(1,564)	(2,294)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(144)	(871)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	2	53
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other	-	-
Net Operating Cash Flows		(1,706)	(3,112)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	(45)	(47)
	(c) other fixed assets	(21)	(21)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	91
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other - acquisition of subsidiary	(5,775)	(15,752)
Net investing cash flows		(5,841)	(15,729)
1.13	Total operating and investing cash flows (carried forward)	(7,547)	(18,841)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(7,547)	(18,841)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	8,457	21,651
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – capital raising costs	(793)	(1,448)
	Net financing cash flows	7,664	20,203
	Net increase (decrease) in cash held	117	1,362
1.20	Cash at beginning of quarter/year to date	5,674	4,429
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	5,791	5,791

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	186
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

1.23 includes salaries and superannuation contributions for all directors

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	750
4.2 Development	-
4.3 Production	-
4.4 Administration	200
Total	950

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	5,791	5,674
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other	-	-
Total: cash at end of quarter (item 1.22)	5,791	5,674

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities (description)				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	*Ordinary securities	247,513,503	238,113,502		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	62,648,125	62,648,125	\$0.135	\$0.135
7.5	*Convertible debt securities (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	5,000,000 71,337,436 1,250,000 11,700,000	- 71,337,436 - -	Exercise price \$0.35 \$0.20 \$0.20 \$0.50	Expiry date 31 Dec 13 31 Dec 12 03-May-17 31-Jul-14
7.8	Issued during quarter	34,999,935 1,250,000 11,700,000	34,999,935 - -	\$0.20 \$0.20 \$0.50	31 Dec 12 03-May-17 31-Jul-14
7.9	Exercised during quarter				
7.10	Expired during quarter				

+ See chapter 19 for defined terms.

7.11	Debentures (totals only)		
7.12	Unsecured notes (totals only)		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Stephen Brockhurst
(Non-Executive Director)

Date: 31 July 2012

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 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.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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