

## Jacka Resources Limited Quarterly Activities Report – December 2010

### Corporate

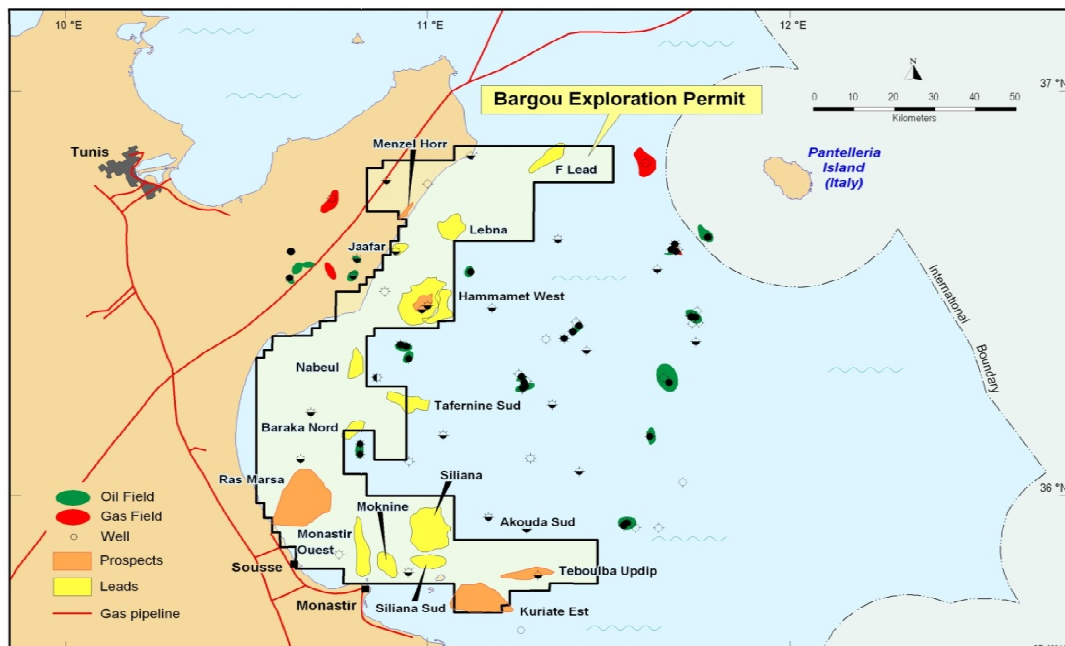
The company held its annual general meeting (“AGM”) on 20 October 2010, at which all resolutions were passed and approvals received for the placement to raise \$4.0million as announced on 17 September 2010.

At the end of the quarter the company had \$1.6 million in cash. In addition the company had deposited US\$3.0 million into the joint venture account for all planned expenditure for the drilling and testing of Menzel Horr-1.

### Operations – Bargou, Tunisia

The H&P 228 rig mobilisation to the well site began on 20 December and the company’s first well on the Bargou block in Tunisia, Menzel Horr-1 (MHR-1) spud on 3 January 2011.

The Menzel Horr Prospect lies within the Bargou Exploration Permit, Tunisia and is the first of two wells planned on the block, with the appraisal well Hammamet West-3 scheduled for mid-2011. Jacka Resources is earning a 15% equity interest in the block via a farmin in with the Operator Cooper Energy Limited (ASX:COE), which holds the remaining 85% equity. For full details of the farmin please refer to the Jacka announcement dated 17 September 2010.



On 14 January after several days of civil unrest Tunisia declared a state of emergency and placed the country under martial law. The President of Tunisia for the previous 23 years, Ben Ali, fled the country and an interim government has been formed.

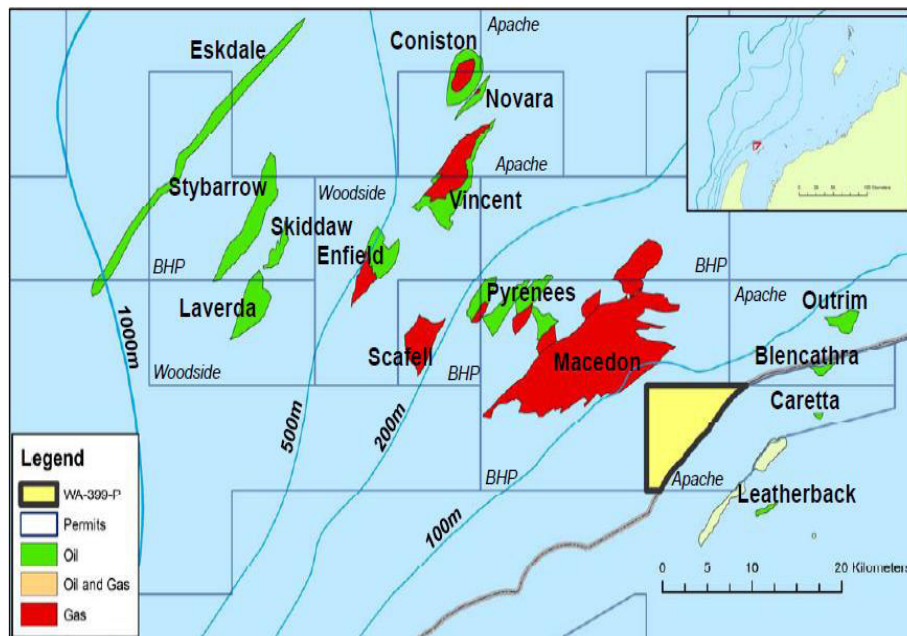
On 17 January the company announced that operations at Menzel Horr-1 had been suspended, the well secured and that Force Majeure had been invoked. This was a prudent approach taken by the Operator of the Joint Venture Cooper Energy due to restrictions on the movement of equipment and personnel within Tunisia.

It is expected that the rig and other equipment will remain on location pending recommencement of drilling. The Joint Venture will continue to monitor the situation as operational conditions change.

### Operations – WA-399-P, Australia

The Operator, Apache is to acquire 3D seismic over the entire block with an expectation to further de-risk existing prospects identified on existing 2D seismic data.

The 3D seismic data acquisition exceeds the existing minimum exploration commitment obligation under the exploration permit terms. The exact date of the seismic acquisition is subject to seismic vessel availability and is currently forecast for February/March 2011.





**ABN: 79 140 110 130**

**For more information please contact:**

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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")

31 December 2010

### Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'ooo	Year to date (6 months) \$A'ooo
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(4,283)	(4,694)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(177)	(338)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	14	36
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other – bank guarantees	-	-
<b>Net Operating Cash Flows</b>		<b>(4,446)</b>	<b>(4,996)</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	(27)
	(c) other fixed assets	(3)	(3)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
<b>Net investing cash flows</b>		<b>(3)</b>	<b>(30)</b>
1.13	Total operating and investing cash flows (carried forward)	<b>(4,449)</b>	<b>(5,026)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(4,449)	(5,026)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	3,224	4,131
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	(276)	(587)
	<b>Net financing cash flows</b>	<b>2,948</b>	<b>3,544</b>
	<b>Net increase (decrease) in cash held</b>	<b>(1,501)</b>	<b>(1,482)</b>
1.20	Cash at beginning of quarter/year to date	3,103	3,084
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>1,602</b>	<b>1,602</b>

**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	60
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.

**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

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

**Estimated cash outflows for next quarter**

	\$A'ooo
4.1 Exploration and evaluation – the expenditure for the next quarter has been prepaid therefore there is no forecast cash outflow in the quarter	-
4.2 Development	-
4.3 Production	-
4.4 Administration	200
<b>Total</b>	<b>200</b>

**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'ooo	Previous quarter \$A'ooo
5.1 Cash on hand and at bank	1,602	1,562
5.2 Deposits at call	-	1,541
5.3 Bank overdraft	-	-
5.4 Other	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>1,602</b>	<b>3,103</b>

**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	N/A			

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

6.2	Interests in mining tenements acquired or increased	Bargou Block Tunisia	Equity to be earned subject to farmin with Cooper Energy Limited	15%	15%
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**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	<b>Preference securities</b> <i>(description)</i>				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	<b>+Ordinary securities</b>	46,337,501	46,337,501		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	16,050,000	16,050,000	\$0.20	\$0.20
7.5	<b>+Convertible debt securities</b> <i>(description)</i>				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> <i>(description and conversion factor)</i>	5,000,000 13,168,751	- 13,168,751	Exercise price \$0.35 \$0.20	Expiry date 31 Dec 13 31 Dec 12
7.8	Issued during quarter	3,833,809	3,833,809	\$0.20	31 Dec 12

+ See chapter 19 for defined terms.

7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	<b>Debentures</b> (totals only)				
7.12	<b>Unsecured notes</b> (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 /does not\* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: Amanda Wilton-Heald  
(Company secretary)

Date: 21 January 2011

Print name: Amanda Wilton-Heald

## 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.

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- 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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