



JACKA PREPARING TO DRILL COMPANY CHANGING WELLS IN AFRICA AND AUSTRALIA

The next six months is promising to be a very exciting period for Jacka Resources Limited (ASX: JKA) and investors in the Perth-based oil and gas explorer.

Not bad when you consider that the Company only listed on the ASX just over 12 months ago.

However, a quick look at the team behind Jacka provides a strong pointer as to how such a young junior Australian company can make such big strides in such a short time.

The common name that crops up amongst the CVs of Jacka's board and management is that of former Australian junior Hardman Resources.

An investor's darling of the early 2000s after drilling success in the African nations of Mauritania and Uganda, Hardman was eventually snapped up by leading European oil and gas exploration and production company Tullow Oil plc for US\$1.1 billion in 2007.

Jacka's Executive Director, Richard Aden, Non-Executive Director, Scott Spencer, and Technical Advisor, Justyn Wood, were all in the thick of the action at Hardman and know what is needed to take a junior to a mid-tier oil and gas company in a relatively short period of time.

"We have been there before and have shown that we can create tremendous value for our supporters," Scott Spencer told **The Pick** recently.

Add to that the Jacka Board's African experience and contacts and it is no wonder the Company has advanced so far, so quickly. It has certainly given the Company an advantage in identifying and acquiring ready-made targets - such as its exploration interests in Tunisia.

"Tunisia is a bit of unfinished business for me," Scott Spencer told **The Pick**.

"When I was at Hardman New Ventures we were looking at North Africa - and Tunisia was one place we focussed on. So when Jacka was looking for opportunities, that was certainly a place we quickly identified as an area where a company of our size can be active. The cost structure is not too high, and if you manage your risk properly, there are opportunities to get into early production."

That is certainly the type of opportunity that is looming with the drilling of the upcoming Hammamet West appraisal well in the Bargou Block, offshore Tunisia.

While previous drilling failed to provide commercial flows at Hammamet West, the use of new technology and ideas may produce a far different result.

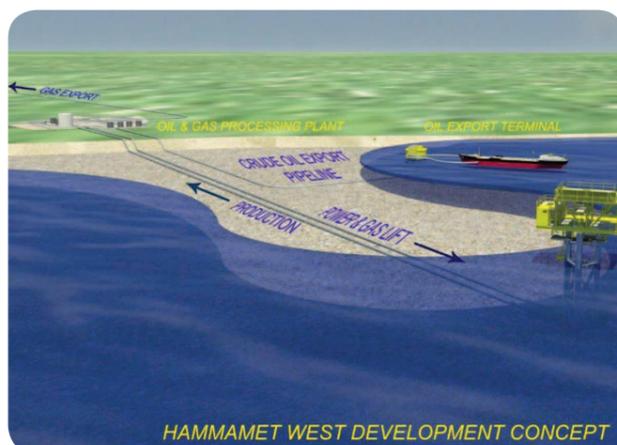
"The two discoveries were based on 2D seismic which hadn't identified the fracturing that has occurred

in the reservoir. The previous wells were vertically drilled, and while they intersected hydrocarbons and recovered some to the surface, there was nothing of any magnitude to encourage them to continue. What we now believe from assessing new 3D seismic data is that if you drill horizontally you will intersect a lot more of the fractured carbonates which we feel increases the potential for the reservoir to flow commercial quantities," Scott Spencer said.

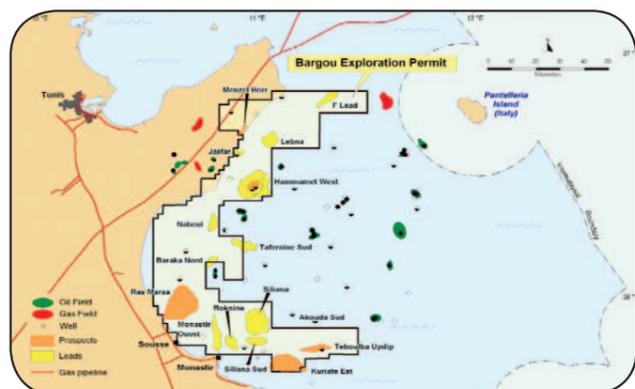
Drilling success at Hammamet West could be quite significant, with Jacka earning a 15% interest in a prospect that has a contingent reserve estimate of between 111 million and 213 million barrels.

Hammamet West's potential is boosted by the success Italian oil and gas giant ENI has had in similar geology nearby, where it is producing a total of between 16,000 to 20,000 barrels per day from horizontal wells.

If the Hammamet West appraisal well is a commercial success, Jacka and its fellow participants in the field are ready to fast-track development, with the development concept already successfully reviewed by asset lifecycle specialist Worley Parsons.



HAMMAMET WEST DEVELOPMENT CONCEPT



"It is a very simple development concept, very similar in nature to what ENI is using. Studies have suggested that the proposed system would be economic on a field size of just 15 million barrels. We are potentially targeting 111 to 213 million barrels. So we have a lot of leeway there," Scott Spencer said.

With the field located only 12 km from shore in water depths of 60m, the development concept includes an un-manned offshore platform, with hydrocarbons piped to an onshore processing facility. Similar developments have been providing low cost production options for near shore oil and gas fields in Western Australia for years.

The timing of the Hammamet West appraisal well is subject to rigs and equipment availability and a farmout by operator Cooper Energy, but Jacka is hopeful that drilling will begin in the near future.

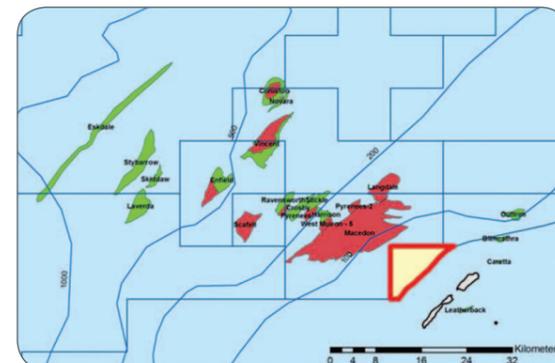
Commercial success at Hammamet West will just be the start of what Jacka is hoping will lead to a "string of pearls" of drilling opportunities for the Company in the Bargou Block.

"By paying our share of the Hammamet West well we will have earned our 15% interest in the whole block. That will open the door for us to a good deal of exploration potential, particularly in the southern half of the block, where we are looking at conducting Phase 2 of our exploration activities.

"This is a block that our exploration guys love. It has been independently assessed that there is approximately 600 million barrels in the block as the potential prize. There are lots of targets already identified to the south that have no bearing on Hammamet West. However if Hammamet comes in there are also leads that are direct analogues to Hammamet that we could then go on and drill with a lot of confidence after having cracked the code there. So they could be easy pick-ups," Scott Spencer said.

To further define the potential of the Bargou Block, the joint venture participants are considering acquiring 3D seismic over some of the larger structures in the southern half of the block next year.

"So there is the possibility of early production with pretty good flow rates on the analogy of the ENI field close by, along with this sizeable exploration upside in a large block. Tunisia really provides us with a really good mix of opportunities."



JACKA RESOURCES LIMITED

DIRECTORS

BRETT SMITH
Non-Executive Chairman

RICHARD ADEN
Executive Director

STEPHEN BROCKHURST
Non-Executive Director

SCOTT SPENCER
Non-Executive Director

AMANDA WILTON-HEALD
Company Secretary

REGISTERED OFFICE

Level 3, Suite 33,
22 Railway Rd
Subiaco WA 6008

T: (618) 9388 8041
F: (618) 9388 8042

WEB:

www.jackaresources.com.au

AUSTRALIAN SECURITIES EXCHANGE (ASX)

CODE:
JKA

Carnarvon Basin

Another early drilling candidate for Jacka may be a well in the WA-399-P permit off the Western Australian coast.

Surrounded by producing and oil and gas fields and others under development, the WA-399-P permit is considered very prospective - with an initial mean recoverable reserve estimate for the block of 50 million barrels.

The area is so highly regarded that leading US Independent and highly successful offshore WA explorer and developer Apache farmed into the permit last year and is carrying the JV participants through the seismic phase.

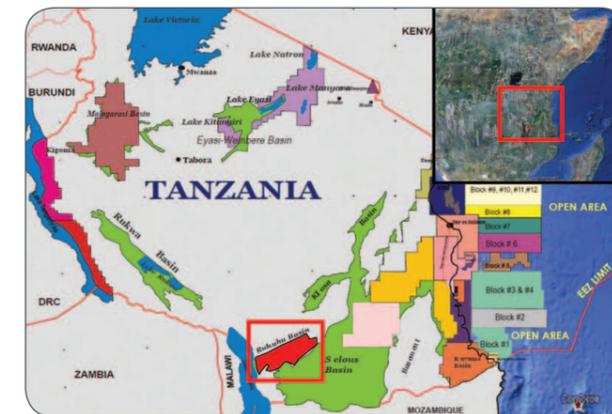
Apache is currently assessing the data from the Gazelle 3D seismic programme acquired on the block earlier this year and it could move quickly to drill any potentially commercial targets that may be highlighted by its seismic processing work.

"Certainly Apache has strong knowledge of that area being a part owner in the nearby Macedon-Pyrenees field, so it will have a direct analogue and may be able to see very quickly if there is something to go after. If there is, it generally has rigs on hire in the area, so there is the potential that it could find a drilling slot in there quite quickly if it sees something attractive," Scott Spencer said.

Tanzania

The other significant development that has attracted the attention of the oil and gas industry was Jacka's recent announcement that it had entered into exclusive negotiations for the award of oil and gas exploration and production rights over the entire Ruhuhu Basin, an onshore area of some 8,400 sq. km in the East African nation of Tanzania.

The company is currently in the final stages of negotiations with the Tanzania Petroleum and Development Corporation ("TPDC") for the award of 100% of a Production Sharing Agreement ("PSA") over the licence area. The area under negotiation is of the same geological age and is as large as the entire onshore



Cooper Basin in Australia, Australia's most prolific onshore producer.

Tanzania is another country well known to Jacka's ex-Hardman team and the Company believes the Ruhuhu Basin, like the Cooper Basin, offers opportunities for a variety of play types, from conventional oil and gas through to coal seam gas.

The initial focus will be on the Lake Malawi area where 2D seismic lines were previously acquired.

East African focus

The move into Tanzania followed closely on Jacka's announcement that it had entered into a Joint Bidding Agreement with fellow Australian junior Pancontinental Oil & Gas NL under which the two companies will cooperate in evaluating and applying for petroleum acreage in certain areas of East Africa.

"There are a lot of areas coming up for relinquishment in East Africa which are under-explored and we are looking at those opportunities, with Pancontinental, and on our own behalf," Scott Spencer said.

Mr Spencer said Jacka's mix of on and offshore assets, potential near term production and exploration acreage in proven producing areas and large holdings in under explored regions with a lot of upside, provides the Company and its shareholders with a strong, high value portfolio.

When wrapping up the Jacka Resources story it is quite easy to see that this is a company with highly experienced people behind it with a proven record of success, that have hand-picked exploration and appraisal interests in areas that are proven hydrocarbon provinces.

That is a recipe that should lead to successful returns for investors.