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ASX Release

**JACKA SIGNS JOINT BIDDING AGREEMENT WITH PANCONTINENTAL TO PURSUE EAST AFRICAN OIL
& GAS OPPORTUNITIES**

HIGHLIGHTS:

- Jacka and Pancontinental team-up to pursue joint exploration opportunities in highly prospective East African Rift System.
- Targeted region already home to multi billion barrels of discovered oil.
- Agreement brings together two companies with significant East African oil and gas experience.

Jacka Resources Ltd (ASX: **JKA**) ("**Jacka**" or "**The Company**") is pleased to announce that it has entered into a Joint Bidding Agreement with Pancontinental Oil & Gas NL ("**Pancontinental**") (ASX:PCL), whereby the two companies will cooperate in evaluating and applying for petroleum acreage in certain areas of East Africa.

The Agreement targets the Eastern Arm of the East African Rift System (see figure 1). The petroleum prospectivity of the East African rift basins has previously been demonstrated in the Western Arm, in the Albertine Graben in Uganda, where Tullow Oil plc reports "1.5 billion barrels of P50 resources have been discovered and 15 billion barrels of P50 prospective resources remain".

Pancontinental has a strong background in Africa and is already present in East Africa, through its interests in onshore/offshore Kenyan blocks L6 and L8 with partners Flow Energy and Origin Energy. Interest in the area has been strong in recent times with Pancontinental announcing it is farming out part of its L8 interest to Tullow Oil plc and that L8 operator Origin Energy Limited is farming out to US major Apache Corporation. In addition, Pancontinental and its co-venturers, BG Group, Premier Oil and Cove Energy, are in the final stages of negotiations for the award of two further blocks known as L10A & L10B, offshore Kenya.

Jacka brings significant experience to the bidding team, with its directors and management having been involved in Uganda dating back to the 1997 signing by Hardman Resources of the first Production Sharing Agreement over Block 2 in the Albertine Graben. They were also involved in Hardman's subsequent exploration programme in the Block which included the drilling of the first successful exploration well before the takeover of Hardman by Tullow in 2007.

Jacka Resources Director, Scott Spencer, said a number of priority areas with play types proven to be successful elsewhere in the rift have been identified by Pancontinental in its studies of the potential of the Eastern Arm of the rift.



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"The two companies have now decided to pool their resources, experience and ability to access these opportunities, with the aim of initiating targeted work programs to unlock the potential of this increasingly attractive area," Mr Spencer said.

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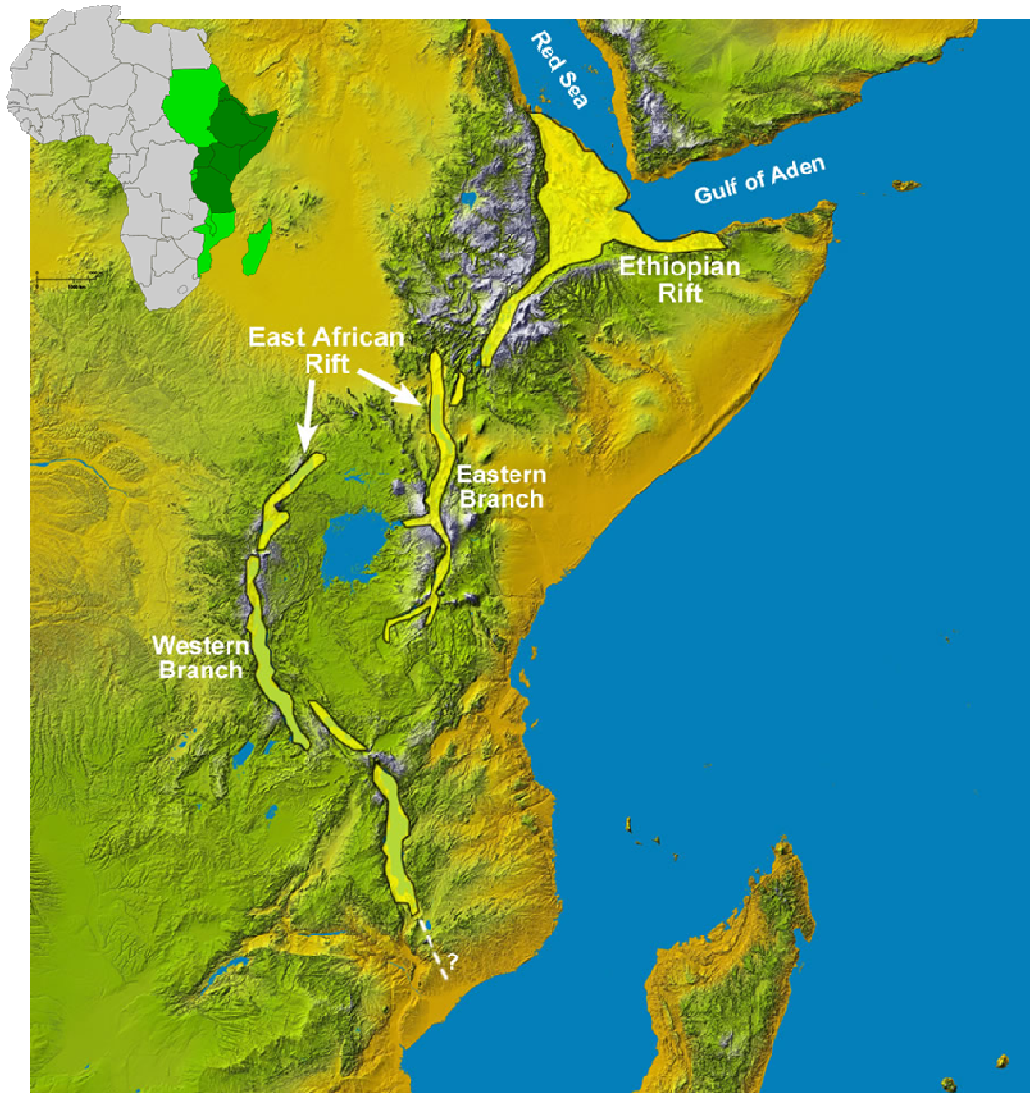


Figure 1 – East African Rift