30 October 2014

Quarterly Activities Report

Jacka Resources Limited ("Jacka" or the "Company") is pleased to provide the following activities report for the quarter ending 30 September 2014.

Key highlights for the quarter included:

- A positive FID from the Aje Field (OML113, Nigeria) participants for the Phase 1 field development.
- **Independent confirmation of 23.4 million barrels of gross 2P oil reserves** for the Phase 1 Cenomanian Aje oil development (1.3 million barrels net to Jacka), with **Jacka's NPV** share ranging from **US$20M** to **US$28M** at US$80/bbl and US$100/bbl.
- Jacka to book an additional **12.1 million barrels of oil equivalent (boe) as net 2C contingent resources**, an increase of 1.6 million boe, to be produced by later development phases (including the Turonian gas);
- Cash on hand at 30 September 2014 A$8.84 million (excluding JV interests).

Operations

Aje Field, Nigeria (JKA 5.0006% revenue interest, 6.675% contributing interest)

Aje Field Development

Subsequent to the end of the reporting period, on 9 October 2014, the AJE Joint Venture approved the final investment decision (FID) for the Phase 1 development of the Aje Cenomanian oil reservoir in the OML 113 licence, offshore Nigeria.

Preparation for making that FID decision was a major focus during the reporting period the Company's wholly-owned subsidiary (PR Oil & Gas Nigeria Limited), together with its Joint Venture partners. The Aje Field Development Plan (FDP) was submitted to the Nigerian Department of Petroleum Resources (DPR) earlier this year and approval was granted in March 2014.
The FDP is primarily focused on the development of the Cenomanian oil reservoir, and the first phase of this development includes two subsea production wells tied back to a leased FPSO (Floating Production Storage and Offloading) vessel. A contract for the charter of Rubicon's Front Puffin FPSO vessel has been signed, and modifications to bring the FPSO vessel up to specification for production on the Aje field will commence in the near future. Procurement of subsea equipment and the contracting of a suitable drilling rig for Phase I development are ongoing.

The development will consist of the re-entering and completion of the existing Aje-4 well and the drilling of a new well, Aje-5. The Aje-5 well will be drilled from a seabed location adjacent to Aje-4 and both wells will be connected via a subsea manifold and production flowlines to the FPSO vessel. The Aje-5 well trajectory is designed to intersect the Cenomanian reservoir close to where the Aje-2 well intersected the reservoir. Aje-2 demonstrated excellent productivity in a Cenomanian production test conducted in 1997, when it flowed at 3,766 bopd of 41˚API oil. This was despite the well sustaining significant productivity impairment during drilling operations.

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Phase I has an estimated funding requirement of US$220 million to first oil on a 100% basis (net to Jacka US$14.7 million). The Company is currently pursuing funding options, including the possibility of a Reserves Based Lending ("RBL") facility for its share of Phase I capital costs.

In July 2014, the Joint Venture commissioned an independent review of the project by AGR TRACS International Ltd (AGR TRACS). Table 1 below shows the certified reserves associated with the Phase I development. AGR TRACS also assesses there to be additional contingent resources within the Cenomanian reservoir that may be accessed through a second phase of development ("Phase 2") comprising two further development wells in the Cenomanian oil reservoir. The JV partners envisage moving forward with Phase 2 once Phase 1 is in production, potentially enabling it to be funded out of Phase I cashflow.

The AGR TRACS review has indicated that the gross 2P oil reserves for the Phase 1 Cenomanian oil development are 23.4 million barrels. The gross 2C contingent resources total an additional 179 million barrels of oil equivalent (boe), of which 15.7 million barrels of oil is attributable to the Phase 2 Cenomanian oil development and the remainder to the later Turonian gas/condensate development. These reserve and resource estimates were derived assuming an oil price of US$80/barrel flat real terms (RT).

Jacka has booked net 2P reserves of 1.3 million barrels of oil attributable to its Aje interests. In addition, the Company's net 2C contingent resources from the Cenomanian oil Phase 2 and 3 developments have been revised upwards to 1.5 million barrels, an increase from Jacka's previously reported 2C contingent resources of 1.3 million barrels for the Cenomanian.. In aggregate, Jacka's total net 2C contingent resources from the Aje Field have increased from 10.5 MMBOE to 12.1 MMBOE.

Furthermore, the separate Turonian gas reservoir, which is rich in condensate and LPG along with a thin oil rim, has been assessed by AGR TRACS to contain significant additional contingent resources which are highlighted in the table below. Any decision to develop the Turonian gas reservoir as a separate development will be made at a later date.

Table 1: Overview of AGR TRACS Reserves, Contingent Resources and NPV assessment:

AGR TRACS Reserves	**Aje Field Gross Reserves[1] (mmboe)**	**Jacka Net Reserves[1] (mmboe)**	**Jacka Net NPV ($80/bbl oil)**	**Jacka Net NPV ($100/bbl oil)**
Cenomanian **Proved plus Probable Reserves** (Phase 1)	23.40	1.30	$19.5m	$27.8m

AGR TRACS Resources	**Aje Field Gross Resources[1] (mmboe)**	**Jacka Net Contingent Resources[1] (mmboe)**	**Jacka Net NPV[2] ($80/bbl oil)**	**Jacka Net NPV[3] ($100/bbl oil)**
Cenomanian **2C Resources (unrisked)** (Phase 2)	15.73	0.84	$13.4m	$25.7m
Turonian **2C Resources (unrisked)** (Further Phase)	163.23	11.28	$20.1m	$41.0m

Total Cenomanian and Turonian 2C (unrisked)	**178.96**	**12.12**	**$33.5m**	**$66.7m**

Notes:
1. Calculated at $80/Bbl (and $1.5.Mscf for Turonian case only)
2. $1.5/Mscf gas price for Turonian case only
3. $3.0/Mscf gas price for Turonian case only

Consistent with the ASX's Petroleum Resources Management System (PRMS), Jacka has not assigned proven reserves (1P) at this stage, but carries 0.72 MMbbl net 1C contingent resources for the Cenomanian Phase 1 development which will be transferred to proven reserves (1P) once Jacka's project funding is approved.

Exploration upside

The exploration activities on OML 113 continue with the processing of newly acquired 3D seismic data. The final Pre-Stack Depth Migration is scheduled for completion by the end of Q1 2015. It is expected that the new survey will provide a considerable improvement in data quality over the existing 3D data.

It is envisaged that the data will enable better planning for the second phase of development drilling on Aje and provide improved information to fully evaluate the exploration potential over the whole of the OML 113 licence, including the synrift exploration play that was significantly de-risked though the discovery made in the neighbouring OPL 310 licence.

Bargou Permit, Tunisia (JKA 15% participating interest)

During the quarter the Bargou Joint Venture activities in offshore Tunisia focused on securing a rig to re-enter Hammamet West-3 to drill and test a second sidetrack well. It is expected that operations at Hammamet West-3 will re-commence in 2015, subject to government regulatory approvals, rig availability and Joint Venture approval.

The field is located in relatively shallow waters, 15 kilometres from shore and previous assessments of potential development scenarios indicated that gross reserves of approximately 8 - 10 million barrels of oil would be sufficient to support an economic development. This threshold is exceeded by the post-well gross 1C contingent resource, while the gross 2C contingent resource is significantly greater than this. Production testing of the second sidetrack in Hammamet West-3 is expected to provide additional critical information for assessing the field resources and development options.

Ruhuhu, Tanzania (JKA 100% participating interest)

The Ruhuhu licence is located in south-west Tanzania and covers an area of 10,343 km^2. Jacka is the Operator and holds 100% of the petroleum exploration rights to the entire Ruhuhu Basin, a Karoo rift basin, and to a portion of the Lake Nyasa rift basin which is part of the East African rift system. Significant oil discoveries have been made in other East African rift basins in Uganda and Kenya.

As well as the conventional exploration potential associated with the younger East African rift section, the older Ruhuhu Basin is known to contain significant thicknesses of Permian coals as well as organic-rich black shales. These coals and shales may represent an attractive unconventional target with the potential for large scale gas and associated liquids.

A comprehensive review of the licence area's prospectivity was completed mid-year and is now being used to guide the forward exploration program. Preparations for a geological field program began during the quarter, which included a number of remote sensing studies. Future work is expected to include airborne geophysical surveys and seismic prior to any drilling. A US-based consultancy has been engaged to assist the Company with the farmout campaign.

Corporate

As part of the Company's plan to reduce costs and re-focus on its strategy of delivering value from its portfolio of assets, the Jacka Board has been restructured, including a reduction in total director numbers to three.

On 9 September 2014 Mr Neil Fearis was appointed as a Non-Executive Director. Neil is a leading corporate and commercial lawyer in Western Australia specialising in mergers and acquisitions, capital raisings and corporate reconstructions, with a particular focus on the mining and resources sector. He has been in practice for more than 35 years and worked as a commercial lawyer in London, Sydney and Perth. Neil has served as a director of a number of ASX-listed companies, including Carnarvon Petroleum Limited, from whose board he recently retired after 14 years as a director. The Managing Director, Mr Bob Cassie resigned on 9 September 2014 and with effect as from 1 October 2014. Mr Cassie has entered into a consulting services agreement with the Company.

The new Board is continuing its strategic review of possible corporate transactions, existing projects, funding requirements and executive management requirements.

Issued Capital 30 September 2014:

395,322,883 Ordinary Shares
67,859,379 Listed 13 cent Options expiring 31/5/16
50,000,000 Listed 50 cent Options expiring 1/12/15
35,400,000 Unlisted options with various strike prices & expiry dates

Cash on hand 30 September 2014 (excluding JV interests) A$8.84 million.

Table 1: Changes in Licence Interests

Country	Block / Licence	Interest held at 30 June 2014	Interest acquired / disposed of during quarter	Interest held at 30 September2014
Nigeria	OML 113, Aje Field (offshore)	5.0006% (Aje Field revenue interest)	n/a	5.0006% (Aje Field revenue interest)
Tunisia	Bargou (offshore)	15%	n/a	15%
Tanzania	Ruhuhu (onshore)	100%	n/a	100%

Table 2: Joint Venture Partners

Country	Block / Licence	Jacka Interest	Other participants		
Nigeria	OML 113, Aje Field (offshore)	PROG (JKA sub) 6.675% / 5.0006% (Aje Field contributing / revenue interest)	*Aje Field interest* YFP (Operator) NewAGE FHN EER Pan Pet (Panoro)	*Contrib.* 0.000% 32.070% 22.500% 22.500% 16.255%	*Revenue* 25.0000% 24.0581% 16.875% 16.875% 12.1913%
Tunisia	Bargou (offshore)	15%	Cooper Energy (Op) Dragon Oil		30% 55%
Tanzania	Ruhuhu (onshore)	100%	n/a		

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Qualified Petroleum Reserves and Resource Evaluator Requirements

The information in this report that relates to reserves and resources has been compiled by Mr Robert Cassie, B.SC. (Hons) Geophysics, MAAPG who has over 30 years' experience in the exploration for, and appraisal and development of, petroleum resources and who has sufficient relevant experience to qualify as a Qualified Petroleum Reserves and Resources Evaluator (QPPRE) under the ASX Listing Rules. The information is based on and fairly represents information and supporting documentation prepared by Mr Cassie, who is a technical advisor to the Company. Mr Cassie consents to the inclusion in this report of that information and supporting documentation in the form and context in which they are included.