JACKA RESOURCES LIMITED

ABN: 79 140 110 130

And Controlled Entities

CONSOLIDATED HALF YEAR REPORT

For the Half Year Ended
31 December 2016

CONTENTS

DIRECTORS

Max Cozijn	Chairman
James Robinson	Non-Executive Director
Neil Fearis	Non-Executive Director

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Stephen Brockhurst

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Your Directors submit the financial report of the Consolidated Entity for the half year ended 31 December 2016.

DIRECTORS

The names of Directors who held office during or since the end of the half year:

Max Cozijn
James Robinson
Neil Fearis

RESULTS

The loss after tax for the half year ended 31 December 2016 was $777,575 (2015: loss $5,131,604) mainly arising on the disposal of controlled entities. Jacka Tunisia Bargou Pty Ltd was placed into liquidation as of 6 July 2016. As this subsidiary is currently in liquidation, the Consolidated Entity does not expect to be required to fund the Tunisia cash calls outstanding ($781,880). Accordingly, had the liquidation been completed as at 31 December 2016, the net assets of the Consolidated Entity as at that date would amount to approximately $1,240,563.

REVIEW OF OPERATIONS

Overview

Key operational highlights during the reporting period included:

- Investment 3.8% in AIM-listed MX Oil Plc (MXO) worth $819K at balance date
- Ruhuhu (Tanzania) continuing restructure and possible divestment
- Cash and listed securities on hand at 31 December 2016 A$1.508 million

Aje Field, Nigeria

As previously advised, Jacka's funding for the project has been via an agreement with AIM-listed MX Oil Plc (AIM:MXO). Under the terms of this agreement ownership of Jacka's wholly owned subsidiary Jacka Resources Nigeria Holdings Limited, whose subsidiary P.R.Oil and Gas Nigeria Ltd holds the Aje interest, was transferred to MXO in August 2016. Jacka's shareholding in MXO is currently 3.8%, which was valued at A$819,000 as at 31 December 2016.

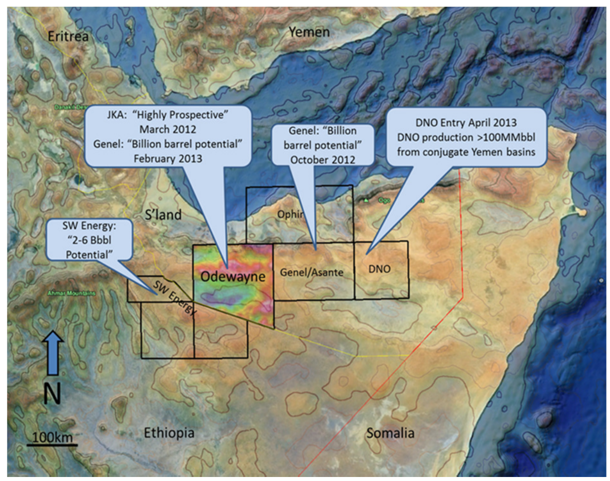
Bargou Permit, Tunisia

The 4,616 km^2 Bargou Permit is located in the Gulf of Hammamet, offshore Tunisia. This investment was formerly held through Jacka's wholly-owned subsidiary, Jacka Tunisia Bargou Pty Ltd ("JTB"). In light of the project's ongoing funding requirements and the Company's current funding constraints, the Company resolved to discontinue its interest in this project. As announced to ASX on 6 July 2016, as JTB is a single purpose entity with no access to further funding, Jacka has placed JTB in creditors' voluntary liquidation, which is currently being finalised.

Ruhuhu Licence, Tanzania (JKA 100% participating interest)

The Ruhuhu licence is located in southwest Tanzania and covers an area of 10,343 km^2. A wholly-owned subsidiary of Jacka is the Operator and holds 100% of the petroleum exploration rights to the entire Ruhuhu Basin and a portion of the Lake Nyasa Rift Basin, which is part of the East African rift system. The continuing lack of industry interest for early stage exploration projects has adversely impacted Jacka's farmout efforts, which were a key component of the stated exploration strategy. The Company has consequently curtailed operations and continues to focus on minimising financial exposure, including by withdrawal from or divestment of the project. Negotiations are underway with a view to negotiating an amicable release from the PSA obligations. The initial 4 year term of the PSA expires on 19 March 2017. Refer Note 1 (c).

Odewayne Block, Somaliland (5% buy in right)



Jacka retains an option to acquire a 5% participating interest arising from its original farm-in agreement on the block. That option can be exercised on the earlier of (1) the proposing of a second well in the Production Sharing Contract (PSC), or (2) the parties entering into the Fifth Period of the PSC.

The Odewayne PSC is currently in its Third Period. However, operations in Somaliland continue to be delayed by security concerns. Operator Genel Energy is working with the Ministry of Energy and Minerals in Somaliland to resume operations as soon as practicable.

Corporate

Jacka continues to rationalise its portfolio of licence interests in light of the current downturn in the oil and gas sector and associated lack of funding to progress exploration and development activity.

Following the transaction with MXO announced on 14 July 2015, Jacka was issued 43,380,325 shares in MXO. Jacka's shareholding currently represents a 3.8% interest in MXO, and the market value of the holding as at 31 December 2016 was A$0.819m.

While the Company continues to rationalise its investments and husband its remaining cash resources, the Board continues to review investment opportunities that will reinvigorate the activity profile of the Company and attract funding support and appreciation in shareholder value.

Issued capital 31 December 2016:

Ordinary shares:	460,859,758
Unlisted options with various exercise prices & expiry dates:	90,750,000

Cash and listed securities on hand 31 December 2016: A$1.508 million, consisting of cash of A$0.662 million and listed securities of A$0.846 million (comprising MXO and other investments of $0.027 million)

Changes in Licence Interests:

Country	Block / Licence	Interest held at 30 Jun 2016	Interest acquired / (disposed of) during period	Interest held at 31 Dec 2016
Tanzania	Ruhuhu (onshore)	100%	n/a	100%
Tunisia (1)	Bargou (offshore)	15%	(15%)	NIL
Nigeria (2)	OML 113, Aje Field (offshore)	5.0006%*	n/a	NIL

* Net revenue interest
(1) Licence-holding company currently undergoing creditors' voluntary liquidation with interest taken up by remaining JV participants
(2) Interest transferred to MXO pursuant to MXO funding arrangements

Joint venture participants (as at 31 December 2016)**:** none.

EVENTS SUBSEQUENT TO REPORTING DATE

There are no matters or circumstances that have arisen since the end of the half year which will significantly affect, or may significantly affect, the state of affairs or operations of the Consolidated Entity in future financial periods.

AUDITOR'S DECLARATION OF INDEPENDENCE

The auditor's independence declaration for the half year ended 31 December 2016 has been received and is included within the financial statements.

Signed in accordance with a resolution of directors.

Max Cozijn
Chairman
15 March 2017

Bentleys
THINKING AHEAD

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To the Board of Directors

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit director for the review of the financial statements of Jacka Resources Limited for the half year ended 31 December 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours faithfully

Bentleys

BENTLEYS
Chartered Accountants

DOUG BELL CA
Director

Dated at Perth this 15th day of March 2017

CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2016

	Note	Consolidated 31 December 2016	Consolidated 31 December 2015
		$	$
Interest revenue		**110**	7,116
Accounting and audit fees		**(51,939)**	(81,694)
Compliance fees		**(75,964)**	(61,561)
Consultancy fees		**(2,375)**	(71,573)
Depreciation		**-**	(2,431)
Directors' remuneration		**(140,183)**	(159,737)
Exploration and evaluation expenditure		**(152,839)**	-
Exploration and evaluation expenditure impairment		**-**	(2,304,780)
Reversal of previous impairment /(financial asset impairment)		**136,910**	(2,260,963)
Foreign exchange gain/(loss)		**(24,440)**	308,207
Interest expense		**-**	(111,582)
Legal fees		**(12,725)**	(18,271)
Marketing expenses		**-**	(5,933)
Occupancy expenses		**-**	(24,777)
Profit/(loss) on sale of investments		**(430,604)**	(851)
Travel expenses		**(767)**	(22,098)
Other expenses		**(22,759)**	(320,676)
Profit/(loss) before income tax benefit		**(777,575)**	(5,131,604)
Income tax benefit		**-**	-
Profit/(loss)for the period		**(777,575)**	(5,131,604)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Net unrealised (gain)/loss on available for sale financial assets		**(6,922)**	(11,863)
Derecognition of foreign currency translation reserve on disposal of foreign operation	6(b)	**447,604**	-
Total comprehensive income/(loss) for the period		**(336,893)**	(5,143,467)
Basic loss per share (cents)		**(0.17)**	(1.14)

The accompanying notes form part of these financial statements.

	Note	Consolidated 31 December 2016	Consolidated 30 June 2016
		$	$
ASSETS			
Current Assets			
Cash and cash equivalents		**661,609**	966,144
Trade and other receivables		**20,800**	3,342
Investments in listed securities	2	**845,992**	716,003
Assets classified as held for sale	3	**-**	28,678,602
Total Current Assets		**1,528,401**	30,364,091
Non-Current Assets			
Exploration and development expenditure	4	**-**	-
Total Non-Current Assets		**-**	-
Total Assets		**1,528,401**	30,364,091
LIABILITIES			
Current Liabilities			
Trade and other payables*	5	**1,069,718**	918,953
Liabilities directly associated with assets classified as held for sale	3	**-**	28,678,602
Total Current Liabilities		**1,069,718**	29,597,555
Total Liabilities		**1,069,718**	29,597,555
Net Assets		**458,683**	766,536
EQUITY			
Issued capital	6	**48,247,687**	48,247,687
Reserves		**623,258**	153,536
Accumulated losses		**(48,412,262)**	(47,634,687)
Total Equity		**458,683**	766,536

* Jacka Tunisia Bargou Pty Ltd was placed into liquidation as of 6 July 2016. As this subsidiary is currently in liquidation, the Consolidated Entity does not expect to be required to fund the Tunisia cash calls outstanding ($781,880). Accordingly, had the liquidation been completed as at 31 December 2016, the net assets of the Consolidated Entity as at that date would amount to approximately $1,240,563.

The accompanying notes form part of these financial statements.

Consolidated Entity	Issued Capital	Option Reserve	Asset Revaluation Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total
	$	$	$	$	$	$
Balance at 1 July 2016	**48,247,687**	**614,905**	**(13,765)**	**(447,604)**	**(47,634,687)**	**766,536**
Grant of options	-	29,040	-	-	-	29,040
Loss for the period	-	-	-	-	(777,575)	(777,575)
Other comprehensive income	-	-	(6,922)	447,604	-	440,682
Total comprehensive income for the period	-	-	(6,922)	447,604	(777,575)	(336,893)
Balance at 31 December 2016	**48,247,687**	**643,945**	**(20,687)**	-	**(48,412,262)**	**458,683**
Balance at 1 July 2015	**48,242,893**	**614,905**	**(2,609)**	**(447,604)**	**(40,187,900)**	**8,219,685**
Loss for the period	-	-	-	-	(5,131,604)	(5,131,604)
Other comprehensive income	-	-	(11,863)	-	-	(11,863)
Total comprehensive income for the period	-	-	(11,863)	-	(5,131,604)	(5,143,467)
Balance at 31 December 2015	**48,242,893**	**614,905**	**(14,472)**	**(447,604)**	**(45,319,504)**	**3,076,218**

The accompanying notes form part of these financial statements.

	Note	Consolidated 31 December 2016	Consolidated 31 December 2015
		$ Inflows/ (Outflows)	$ Inflows/ (Outflows)
Cash flows from operating activities			
Payments to suppliers and employees		**(316,759)**	(339,640)
Interest received		**110**	7,116
Interest paid		**-**	(111,582)
Payment for exploration and evaluation expenditure		**-**	(185,355)
Payment for development expenditure		**(764,385)**	(10,448,432)
Net cash used in operating activities		**(1,081,034)**	(11,077,893)
Cash flows from financing activities			
Proceeds from borrowings		**764,385**	10,560,013
Net cash provided by financing activities		**764,385**	10,560,013
Net decrease in cash held		**(316,649)**	(517,880)
Cash at beginning of the financial period		**966,144**	1,925,675
Foreign currency effect on Cash and cash equivalents		**12,114**	-
Cash and cash equivalents at period end		**661,609**	1,407,795

The accompanying notes form part of these financial statements.

1. *Basis of Preparation of Half Year Financial Report*

a) Reporting entity

Jacka Resources Limited (the "Company") is a company domiciled in Australia. The consolidated interim financial statements of the Company as at and for the half year ended 31 December 2016 comprise the Company and its controlled entities (together referred to as the "Consolidated Entity").

The consolidated financial statements of the Consolidated Entity as at and for the year ended 30 June 2016 are available upon request from the Company's registered office at Level 11, London House, 216 St Georges Terrace, Perth WA 6000 or at www.jackaresources.com.au.

b) Statement of compliance

These consolidated interim financial statements constitute a general purpose financial report and have been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. Compliance with AASB134 ensures compliance with IAS134: Interim Financial Reports. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Consolidated Entity as at and for the year ended 30 June 2016.

These consolidated interim financial statements were approved by the Board of Directors on 15 March 2017.

The interim financial statements have been prepared in accordance with the accounting policies adopted in the Consolidated Entity's last annual financial statements for the year ended 30 June 2016. The accounting policies have been applied consistently throughout the Consolidated Entity for the purposes of preparation of these interim financial statements.

The Consolidated Entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to their operations and effective for the current half year.

New and revised Standards and amendments thereof and Interpretations effective for the current half-year include:

- AASB 2014-1: Amendments to Australian Accounting Standards (Part D);
- AASB 2014-3: Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations;
- AASB 2014-4: Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation;
  AASB 2014-9: Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements;
- AASB 2015-1: Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle;

1. *Basis of Preparation of Half Year Financial Report (Continued)*

- AASB 2015-2: Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101;
- AASB 2015-5: Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception; and
- AASB 2015-9: Amendments to Australian Accounting Standards – Scope and Application Paragraphs.

The adoption of the above standards have not had a material impact on this half year financial report.

c) Going Concern

The half year financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The Consolidated Entity incurred a loss from ordinary activities of $777,575 for the half year ended 31 December 2016 (2015: loss $5,131,604). The net working capital position of the Consolidated Entity at 31 December 2016 was $458,683 (30 June 2016: $766,536 working capital). Included in current liabilities are cash calls of $781,880 owed by Jacka Tunisia Bargou Pty Ltd, a subsidiary which is currently in liquidation. As such, the Consolidated Entity does not expect to fund this balance. Excluding these cash calls the working capital balance is $1,240,563.

In the Tanzanian Ruhuhu block, the Company's subsidiary Jacka Resources (Tanzania) Limited (JRT) is part way through its exploration work program. Under the terms of the Production Sharing Agreement (PSA) the US$4m minimum work program is required to be completed by 19 March 2017. JRT also agreed to drill a well with an anticipated US$10m minimum expenditure on an identified target that may emerge from the exploration work program. However, to date no such targets have been identified. JRT is in discussions with the Tanzanian government to renegotiate its commitments and has suspended in-country activity during negotiations. JRT has spent a total of US$1,709,525 on the Tanzanian Ruhuhu block to date and is confident that it will not be required to pay unspent commitments upon withdrawing from the Project. The Company has provided a guarantee to the Tanzanian Petroleum Development Corporation in respect of JRT's obligations under the PSA. However, the enforceability of that guarantee is in doubt, and the Company is currently seeking legal advice on this issue.

The Consolidated Entity has no other anticipated exploration commitments due within the next 12 months. The ability of the Consolidated Entity to continue to pay its debts as and when they fall due is principally dependent upon the Company successfully raising additional share capital, full or partial divestment of assets, or containing expenditure in line with available funding. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Consolidated Entity to continue as a going concern.

1. *Basis of Preparation of Half Year Financial Report (Continued)*

Notwithstanding this, the Directors believe it is appropriate to prepare these financial statements on a going concern basis because:

- the Directors have an appropriate plan to raise additional funds as and when they are required. In light of the status of the Consolidated Entity's current exploration projects, the Directors believe that any additional capital required can be raised within the ordinary course of business;
- the Directors have an appropriate plan to minimise ongoing operating costs associated with the commitments at negotiated termination costs (refer to Note 7);
- the Directors have an appropriate plan that, if required, they could divest the Company's interest in liquid investments to raise additional funding; and
- the Directors have an appropriate plan to further reduce operating and exploration expenditure if appropriate funding is unavailable.

Should the Consolidated Entity be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recovery and reclassification of assets' carrying amounts or to the amount and classification of liabilities that might arise should the Consolidated Entity be unable to continue as a going concern and meet its debts as and when they fall due.

d) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. When the Consolidated Entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period will be disclosed.

	Consolidated 31 December 2016 $	Consolidated 30 June 2016 $
2. *Investments in listed securities*		
Balance at beginning of period/year	**716,003**	45,431
Acquisition of shares	**-**	4,070,170
Revaluation of shares	**129,989**	(3,399,598)
Balance at end of period/year	**845,992**	716,003

3. *Assets classified as held for sale*

On 21 July 2015, as consideration for the disposal of its interest in the Aje Field, offshore Nigeria, Jacka was issued US$3 million (AU$3,997,124) worth of shares in MX Oil PLC ("MXO"), which at the timerepresented a 11.47% interest in MXO. Due to further issues of capital, Jacka's MXO shareholding now represents a 3.8% interest in MXO. Jacka has not disposed of any of its MXO shareholding. in MXO. Commencement of commercial production has occurred and the transfer of ownership took place on 10 August 2016.

	Consolidated 31 December 2016 $	Consolidated 30 June 2016 $
Assets classified as held for sale		
Development expenditure	-	27,763,460
Asset retirement obligation	-	915,142
	-	28,678,602
Liabilities directly associated with assets classified as held for sale		
Financial liabilities[1]	-	(27,763,460)
Asset retirement rehabilitation	-	(915,142)
	-	(28,678,602)
Net assets classified as held for sale	-	-

[1]Included in this amount are the following loans:

Loan from MX Oil Plc owing by P.R. Oil & Gas Nigeria Limited, a wholly owned subsidiary of Jacka Resources Limited	-	10,994,686
Loan from MX Oil Plc owing by Jacka Resources Nigeria Holdings Limited, a wholly owned subsidiary of Jacka Resources Limited	-	16,678,774
	-	27,763,460

	Consolidated 31 December 2016 $	Consolidated 30 June 2016 $
3. *Assets classified as held for sale (continued)*		
Reconciliation of movements during the period/year:		
Assets classified as held for sale		
Balance at beginning of period/year	-	8,561,745
Movement in development expenditure	-	23,802,931
Movement in trade and other receivables	-	(3,729,528)
Movement in asset retirement obligation	-	43,454
	-	28,678,602
Liabilities directly associated with assets classified as held for sale		
Balance at beginning of period/year	-	(4,601,216)
Movement in trade and other payables	-	3,729,528
Movement in financial liabilities	-	(27,763,460)
Movement in asset retirement rehabilitation	-	(43,454)
	-	(28,678,602)
Net assets classified as held for sale	-	-

4. *Exploration and development expenditure*

Balance at beginning of period/year	-	2,020,626
Exploration and development expenditure incurred	-	1,044,472
Impairment of exploration and development expenditure	-	(3,065,098)
Balance at end of period/year	-	-

5. *Trade and other payables*

Directors' fees payable	**16,523**	13,750
Cash call – Jacka Tunisia Bargou Pty Ltd[2]	**781,880**	744,730
Other corporations	**99,126**	114,805
Accruals	**172,189**	45,668
	1,069,718	918,953

[2]Jacka Tunisia Bargou Pty Ltd (JTB) was placed into liquidation as of 6 July 2016. As JTB is currently in liquidation, the Company does not expect to fund the Tunisia cash calls outstanding ($781,880).

	Consolidated 31 December 2016 $	Consolidated 30 June 2016 $

6a. *Issued capital*

	Consolidated 31 December 2016 $	Consolidated 30 June 2016 $
Issued and paid up capital:		
Ordinary shares fully paid of no par value	**48,247,687**	48,247,687
	48,247,687	48,247,687

	Consolidated 31 December 2016 Number	$	Consolidated 30 June 2016 Number	$
Movement in ordinary shares on issue:				
Balance at beginning of period/year	460,859,758	48,247,687	460,822,883	48,242,893
Conversion of options at $0.13 per share on 9 June 2016			36,875	4,794
Transaction costs relating to share issues	-	-	-	-
Balance at end of period/year	**460,859,758**	**48,247,687**	**460,859,758**	**48,247,687**

Share options:

Issue Date	Details	Expiry Date	Exercise Price	Balance at 30-Jun16	Granted During Period	Expired During Period	Balance at 31-Dec-16
03-May-12	Unlisted Director options	03-May-17	$0.20	1,250,000	-	-	1,250,000
14-Nov-13	Options	11-Sep-16	$0.20	2,700,000	-	(2,700,000)	-
08-Dec-15	Unlisted placement options	08-Jun-18	$0.02	65,500,000	-	-	65,500,000
30-Nov-16	Unlisted Director options	30-Nov-19	$0.02	-	24,000,000	-	24,000,000
				69,450,000	24,000,000	(2,700,000)	90,750,000

	Consolidated 31 December 2016 $	Consolidated 30 June 2016 $
6b. *Foreign Currency Translation Reserve*		
Balance at beginning of period/year	**447,604**	447,604
Transferred to profit or loss from the disposal of Jacka Resources Nigeria Holdings Limited	**(447,604)**	-
Balance at end of period/year	**-**	447,604

7. *Commitments*

Expenditure Commitments:
There are currently no office rental, compliance or financial advisory contracts in place.

Exploration Commitments:
The exploration commitments position has not changed since the 30 June 2016 Annual Report:

- In the Tanzanian Ruhuhu block, the Company's subsidiary Jacka Resources (Tanzania) Limited) (JRT) is part way through its exploration work program. Under the terms of the Production Sharing Agreement (PSA) the US$4m minimum work program is required to be completed by 19 March 2017. JRT also agreed to drill a well with an anticipated US$10m minimum expenditure on an identified target that may emerge from the exploration work program. However, to date no such targets have been identified. JRT is in discussions with the Tanzanian government to renegotiate its commitments and has suspended in-country activity during negotiations. JRT has spent a total of US$1,709,525 on the Tanzanian Ruhuhu block to date and is confident that it will not be required to pay unspent commitments upon withdrawing from the Project. The Company has provided a guarantee to the Tanzanian Petroleum Development Corporation in respect of JRT's obligations under the PSA. However, the enforceability of that guarantee is in doubt, and the Company is currently seeking legal advice on this issue.

8. *Contingent liabilities*

There have been no changes to the contingent liabilities since the 30 June 2016 Annual Report.

9. ***Financial reporting by segments***

During the financial period, the Consolidated Entity operated in two operating segments being Australia and Africa.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted
Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Consolidated Entity.

Inter-segment transactions
Inter-segment loans payable and receivable are initially recognised at the consideration received net of transaction costs. If inter-segment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements.

Segment assets
Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Segment liabilities
Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Company as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

*Unallocated item*s
The following items of revenue, expense, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- administration and other operating expenses not directly related to a specific segment.

Unless indicated otherwise in the segment assets note, investments in financial assets, deferred tax assets and intangible assets have not been allocated to operating segments.

9. *Financial reporting by segments (continued)*

	Australian Exploration $	African Exploration $	Total $
31 December 2016			
Segment revenue	-	-	**-**
Segment results	-	-	-
Amounts not included in segment results but reviewed by Board:			
Interest revenue			**110**
Accounting and audit fees			**(51,939)**
Compliance fees			**(75,964)**
Consultancy fees			**(2,375)**
Directors' remuneration			**(140,183)**
Exploration and evaluation expenditure			**(152,839)**
Reversal of previous impairment of financial assets			**136,190**
Foreign exchange gain/(loss)			**(24,440)**
Legal fees			**(12,725)**
Profit/(loss) on sale of investments			**(430,604)**
Travel expenses			**(767)**
Other expenses			**(22,039)**
Profit before income tax			**(777,575)**
Segment assets	-	-	**-**
Unallocated assets:			
Cash and cash equivalents			**661,609**
Trade and other receivables			**20,800**
Investments in listed securities			**845,992**
Total assets			**1,528,401**

9. *Financial reporting by segments (continued)*

	Australian Exploration $	African Exploration $	Total $
Segment liabilities	-	954,413	**954,413**
Unallocated liabilities:			
Trade and other payables			**115,305**
Total liabilities			**1,069,718**
31 December 2015			
Segment revenue	-	-	**-**
Segment results	-	(2,316,672)	**(2,316,672)**
Amounts not included in segment results but reviewed by Board:			
Interest revenue			**7,116**
Accounting and audit fees			**(44,633)**
Compliance fees			**(61,314)**
Consultancy fees			**(69,904)**
Depreciation			**(2,431)**
Directors' remuneration			**(159,737)**
Financial asset impairment			**(2,260,963)**
Foreign exchange (gain)/loss			**87,279**
Interest expense			**(293)**
Legal fees			**(11,744)**
Loss on sale of investments			**(851)**
Marketing expenses			**(5,932)**
Occupancy expenses			**(24,776)**
Travel expenses			**(12,835)**
Other expenses			**(253,914)**
Loss before income tax			**(5,131,604)**

9. *Financial reporting by segments (continued)*

	Australian Exploration $	African Exploration $	Total $
30 June 2016			
Segment assets	-	28,678,602	**28,678,602**
Unallocated assets:			
Cash and cash equivalents			**966,144**
Trade and other receivables			**3,342**
Investments in listed securities			**716,003**
Total assets			**30,364,091**
Segment liabilities	-	29,433,026	**29,433,026**
Unallocated liabilities:			
Trade and other payables			**164,529**
Total liabilities			**29,597,555**

10. *Events subsequent to period end*

There are no matters or circumstances that have arisen since the end of the half year which will significantly affect, or may significantly affect, the state of affairs or operations of the reporting entity in future financial periods.

11. *Interests in controlled entities*

The consolidated financial statements incorporate the assets, liabilities and the results of the following subsidiary in accordance with the accounting policy:

Name	Country of incorporation	Class of share	Equity holding	
			31 December 2016	30 June 2016
Exmouth Energy Pty Ltd[1]	Australia	Ordinary	Nil%	100%
Jacka Tunisia Bargou Pty Ltd[2]	Australia	Ordinary	100%	100%
Jacka Resources Nigeria Holdings Limited BVI[3]	British Virgin Islands	Ordinary	Nil%	100%
PR Oil and Gas Nigeria Limited[3]	Nigeria	Ordinary	Nil%	100%
Jacka Resources Africa Limited BVI	British Virgin Islands	Ordinary	100%	100%
Jacka Resources Somaliland Limited BVI	British Virgin Islands	Ordinary	100%	100%
Jacka Resources (Tanzania) Limited BVI	British Virgin Islands	Ordinary	100%	100%

[1]De-registered
[2]In liquidation as of 6 July 2016
[3]Disposed of to MX Oil Plc on 10 August 2016

The Directors of the Company declare that:

1. the financial statements and notes, as set out on pages 6 to 21 are in accordance with the *Corporations Act 2001* and:
    a. comply with Accounting Standard AASB 134: Interim Financial Reporting; and
    b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the half year ended on that date.

In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors.

Max Cozijn
Chairman

15 March 2017

Bentleys
THINKING AHEAD

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Independent Auditor's Review Report

To the Members of Jacka Resources Limited

We have reviewed the accompanying half-year financial report of Jacka Resources Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2016, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the Consolidated Entity, comprising the Company and the entities it controlled during the half-year.

Directors Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of the Consolidated Entity, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Jacka Resources Limited and Controlled Entities is not in accordance with the Corporations Act 2001 including:

a. Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and

b. Complying with Accounting Standard AASB 134: Interim Financial Reporting and Corporations Regulations 2001.

Emphasis of Matter

Without qualifying our conclusion, we draw attention to Note 1(c) in the half-year financial report which indicates that the Consolidated Entity incurred a net loss of $777,575 during the half-year ended 31 December 2016. This condition, along with other matters as set forth in Note 1(c), indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Consolidated Entity to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the half year financial report.

Bentleys

BENTLEYS
Chartered Accountants

DOUG BELL CA
Director

Dated at Perth this 15th day of March 2017