

30 January 2015

Quarterly Activities Report

Jacka Resources Limited ("Jacka" or the "Company") is pleased to provide the following activities report for the quarter ending 31 December 2014.

Key highlights during the quarter included:

- The Aje Field (OML113, Nigeria) JV Partners **took the 'final investment decision' (FID)** for phase 1 of the Aje Field development. This followed on from Jacka recording its first reserves with **1.3 million barrels of 2P reserves** for the phase 1 development. An **independent report confirms 23.4 million barrels of gross 2P oil reserves** for the Phase 1 Cenomanian oil development of the Aje Field.
- Jacka announced an assessment of the prospective resources within the Ruhuhu Basin exploration project. Jacka estimates combined potential of 3.6 billion BOE prospective resources in a range of plays from conventional oil targets to unconventional oil & liquids targets. A farmout process is underway as Jacka prepares to undertake first field activities.
- Cash on hand at 31 December 2014 A\$3.52 million.

Operations

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

During the reporting period the Company announced that its wholly owned subsidiary (PR Oil & Gas Nigeria Limited), together with its Joint Venture partners, had taken a final investment decision (FID) to develop the Aje Cenomanian oil reservoir in the OML 113 licence, offshore Nigeria.

The initial Aje development is focused on the Cenomanian Oil reservoir and the first phase will consist of the re-entering and completion of the existing Aje-4 well and the drilling and completion 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 a floating production, storage and offloading (FPSO) vessel. The Aje-5 well trajectory is designed to intersect the Cenomanian reservoir close to where the Aje-2 well intersected the Cenomanian 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, despite the well sustaining significant productivity impairment during drilling operations.

A contract for the charter of Rubicon's Front Puffin FPSO vessel has been signed, and modifications to bring the FPSO vessel into specification for production on the Aje Field have commenced. The subsea trees and manifold have been acquired, production flowlines and umbilicals ordered, and the transport and installation contracts have been awarded. Negotiations continue for the drilling rig and other services.

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). During the quarter Jacka contributed US\$4.52 million. The Company has been pursuing funding arrangements however with the rapid decline in the oil price and the global state of the oil industry, the Company's ability to finalize suitable funding arrangements in time to meet its obligations under the JOA are proving challenging, consequently the Company is currently suspended from trading on the ASX while funding options are explored.

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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 previous 2C contingent resources for the Cenomanian of 1.3 million barrels. In aggregate, Jacka's total net 2C contingent resources from the Aje Field have increased from 10.5 mmboe to 12.1 mmboe.

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

AGR TRACS Reserves	Aje Field Gross Reserves¹ (mmboe)	Jacka Net Reserves¹ (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 Resources¹ (mmboe)	Jacka Net Contingent Resources¹ (mmboe)	Jacka Net NPV² (\$80/bbl oil)	Jacka Net NPV³ (\$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 Petroleum Resources Management System (PRMS), Jacka has not assigned proved 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 proved reserves (1P) once Jacka's project funding is confirmed.

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

Bargou Permit, Tunisia (JKA 15% participating interest)

The Bargou Permit is located in the Gulf of Hammamet, offshore Tunisia. Reprocessing of the Hammamet West 3D seismic survey was completed during the December quarter and will be re-interpreted during 2015. No drilling activity is anticipated in the Tunisian permits in the current financial year. Pending joint venture and government approval, a future appraisal well at the Hammamet West field is not likely to start until financial year 2016 or later.

The Hammamet West 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 will be sufficient to support an economic development. This threshold is exceeded by the gross 1C contingent resource while the gross 2C contingent resource is significantly greater than this.

Ruhuhu, Tanzania (JKA 100% participating interest)

The Ruhuhu licence is located in south-west Tanzania and covers an area of 10,343 km². 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. The Company intends to farmout the Ruhuhu block prior to undertaking significant expenditure on these major geophysical programs and has engaged a US-based consultancy to assist with an ongoing active farmout campaign, targeting a wide range of international companies.

The prospectivity review included an assessment of the hydrocarbon potential within the Ruhuhu licence, which was reported during the quarter (ASX announcement 27 October 2014). As at 24 October 2014, the Ruhuhu Licence unrisks prospective resources net to Jacka¹ are provided as follows:

Play	Prospective Resources		
	Low Estimate	Best Estimate	High Estimate
Conventional Neogene oil	70 mmbo	131 mmbo	263 mmbo
Unconventional shale/tight gas	1.8 Tcf	6.1 Tcf	18.4 Tcf
Unconventional coal seam gas	0.8 Tcf	1.3 Tcf	1.8 Tcf
Total MMBOE*	490 mmboe	1,374 mmboe	3,614 mmboe

*6,000scf=1BOE

¹ Jacka's working interest has been adjusted for 12.5% royalty of total oil/gas production due to the Government of Tanzania under the Production Sharing Agreement (PSA) covering the Ruhuhu licence. In accordance with the terms of the PSA, the working interest and the economic interest may differ depending on prevailing estimates of prices and costs of future development projects.

Cautionary Statement:

The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development, which are unquantified but would be considered high at this early stage of exploration. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

Conventional gas potential is also recognised in the Karoo section of the Ruhuhu Licence, however, this cannot be reasonably quantified as yet. The Tanzania Petroleum Development Corporation (TPDC) retains the right to acquire 20% equity in any future development.

Corporate

Given the state of the global oil markets and the depressed oil price, the ability of Jacka to access funding support on acceptable terms is proving challenging. The Company is reviewing and negotiating various options, including a strategic partnership and the possible sale and farmout of some of its interests, as well as deferral of certain of its obligations in order to manage its ongoing funding requirements.

The Company will remain in suspension until ongoing funding requirements have been secured.

Issued Capital 31 December 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
 23,700,000 Unlisted options with various prices & expiry dates

Cash on hand 31 December 2014 A\$3.52 million

Table 1: List of Licence Interests and Changes

Country	Block / Licence	Interest held at 30 June 2014	Interest acquired / disposed of during quarter	Interest held at 31 December 2014
Tunisia	Bargou (offshore)	15%	n/a	15%
Nigeria	OML 113, Aje Field (offshore)	5.0006% (Aje Field revenue interest)	n/a	5.0006% (Aje Field revenue interest)
Tanzania	Ruhuhu (onshore)	100%	n/a	100%

Table 2: Joint Venture Partners

Country	Block / Licence	Jacka Interest	Other participants		
Tanzania	Ruhuhu (onshore)	100%	n/a		
Tunisia	Bargou (offshore)	15%	Cooper Energy (Op) Dragon Oil	30% 55%	
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%

For more information please contact:

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Persons compiling information about Hydrocarbons

Pursuant to the requirements of the ASX Listing Rules 5.41, 5.42, 5.43 and 5.44, the technical and resource information provided in this announcement has been prepared by Robert Cassie, a consultant to Jacka Resources Limited. Mr Cassie is a qualified geophysicist with over 30 years of technical, commercial and management experience in exploration for, appraisal and development of oil and gas resources. Mr Cassie has reviewed the results, procedures and data contained in this announcement and considers the resource estimates to be fairly represented. Mr Cassie consents to the inclusion in this announcement of the matters based on the information in the form and context in which it appears. Mr Cassie is a long-standing member of the AAPG

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 consultant 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.

Appendix 5B

Mining exploration entity and oil and gas 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, 01/05/2013

Name of entity

Jacka Resources Limited

ABN

79 140 110 130

Quarter ended ("current quarter")

31 December 2014

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(330)	(674)
(b) development	(4,923)	(5,448)
(c) production	-	-
(d) administration	(307)	(751)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	4	15
1.5 Interest and other costs of finance paid	-	(5)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	(146)
Net Operating Cash Flows	(5,556)	(7,009)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
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)	-	-
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(5,556)	(7,009)

+ See chapter 19 for defined terms.

Appendix 5B**Mining exploration entity and oil and gas exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(5,556)	(7,009)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	(300)
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (capital raising costs)	-	(22)
	Net financing cash flows	-	(322)
	Net increase (decrease) in cash held	(5,556)	(7,331)
1.20	Cash at beginning of quarter/year to date	8,841	10,037
1.21	Exchange rate adjustments to item 1.20	235	814
1.22	Cash at end of quarter	3,520	3,520

Payments to directors of the entity, associates of the directors, 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	45
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

N/A

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

N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities – Existing Lenders	-	-
Loan Facility – Tangiers Facility	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	398
4.2 Development*	-*
4.3 Production	-
4.4 Administration (including repayment of loans)	317
Total	715

**Unascertainable due to current status of Joint Venture Financing – Refer Quarterly Activities Statement*

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'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	3,520	8,841
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	3,520	8,841

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	N/A		
6.2	Interests in mining tenements and petroleum tenements acquired or increased	N/A		

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	Preference securities (description)			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	395,322,883	395,322,883	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs			
7.5	+Convertible debt securities (description)			

+ See chapter 19 for defined terms.

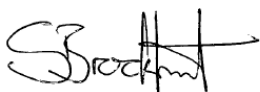
Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	1,250,000	-	<i>Exercise price</i> \$0.20	<i>Expiry date</i> 03-May-17
		500,000	-	\$0.20	11-Oct-15
		50,000,000	50,000,000	\$0.35	01-Feb-15
		19,250,000	-	\$0.14	01-Feb-15
		2,700,000	-	\$0.20	11-Sep-16
		67,859,379	67,859,379	\$0.13	31-May-16
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (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 give a true and fair view of the matters disclosed.



Sign here:
Print name:

Stephen Brockhurst
Company Secretary

Date: 30 January 2015

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 and petroleum 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 or petroleum 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.
- 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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