JACKSON MINERALS LIMITED

ABN 44 099 574 991

QUARTERLY ACTIVITIES REPORT

December 2008

HIGHLIGHTS

- Jackson Minerals and Scimitar Resources have conditionally agreed to merge via a Scheme of Arrangement. The merged company will have a large diversified portfolio of uranium, gold and base metal assets in Australia and Argentina. The Boards of both companies believe the merged entity will have a major presence in the global uranium exploration sector, with substantial resource and near-midterm development prospects.

- Jackson issued a $1.25m convertible note to Scimitar Resources. These funds will be utilised to repay an existing convertible note of $750,000 with the balance providing additional working capital.

- Jackson has signed cooperative agreements with the councils of Tinogasta and Fiambalá in Argentina. These strategic exploration and development agreements establish a framework for the Company to commence exploration of the Rio Colorado uranium-copper-silver deposit.

- The Company has regained control of the Kalgoorlie Regional Nickel Project, following the withdrawal of Breakaway Resources from the project. This project includes over 700 km2 of fertile nickel sulphide exploration ground, adjacent to the Black Swan, Silver Swan and Scotia nickel deposits.

- Resource drilling by Barrick Australia Limited at Jackson's Crossroads Gold Deposit in Kalgoorlie in WA has returned some impressive results, including:-

    - 6 m @ 34.54 g/t gold from 61 m (CDRC199)
    - 1 m @ 36.92 g/t gold from 117 m (CDRC194)
    - 6 m @ 7.95 g/t gold from 80 m (CDRC192)
    - 5 m @ 3.92 g/t gold from 62 m (CDRC188)
    - 1.63 m @ 13.3 g/t gold from 118.77 m (CPDDH009)

The Crossroads Deposit is immediately west of the Kanowna Belle gold plant operated by Barrick and is being investigated as a potential feed source. Barrick has the right to earn 75% of the tenement if it commits to mining, with Jackson retaining a 25% beneficial interest.

CORPORATE

As at 31 December 2008, the Company had 99,490,697 shares on issue and 21,790,000 unlisted options. The top 40 shareholders held approximately 42% of the ordinary shares.

At the end of the Quarter, Jackson had approximately $574,000 in funds.

PROPOSED MERGER

During the quarter Jackson and Australian uranium company Scimitar Resources Limited (ASX: SIM) ("Scimitar") announced they had entered into a conditional merger implementation agreement to merge the two companies by way of a Scheme of Arrangement. The merger will combine two companies with highly complementary exploration profiles and provide substantial Australian and South American exposure to the uranium industry.

The Jackson and Scimitar boards believe the merger represents an opportunity to create an entity that will be better positioned for growth than either company on a standalone basis. Experienced resources executive, Mr Tony Sage, will be appointed Non-Executive Chairman of the merged company, with both companies to have equal representation on the merged company's board.

As part of the terms of the Scheme, Scimitar will make offers to acquire all of the issued shares in Jackson in exchange for the issue of shares in Scimitar. Jackson has unlisted Options on issue which will be dealt with via individual agreements with Scimitar, conditional on completion of the Scheme.

The parties have appointed independent experts to value the companies for the purpose of forming a basis of negotiation in determining the scheme consideration to be issued by Scimitar to the holders of shares in Jackson. Jackson will announce this valuation and the details of the scheme consideration upon its receipt.

As a result of this transaction Jackson's securities will remain in suspension from trading until implementation (or termination) of the Scheme.

Key steps to be undertaken as part of the merger include:

(a) lodgement of Scheme documents with the ASIC;
(b) obtaining Court approval to hold the Scheme meeting for Shareholders to vote on the Scheme;
(c) obtaining Jackson Shareholders approval for the Scheme; and
(d) if Jackson Shareholders approve the Scheme, Court ratification of the Scheme.

A transaction timetable, including details of the dates for the above steps and implementation of the Scheme, will be provided to shareholders in due course.

Implementation of the Scheme is subject to conditions including:

(a) both parties being satisfied with the independent valuation for the purpose of determining the scheme consideration;
(b) satisfactory completion of due diligence by the Boards of both companies;
(c) Jackson shareholder approval and court approvals in respect of the Scheme;
(d) all relevant regulatory approvals; and
(e) other conditions customary for a public transaction of this nature.

Shareholders do not need to take any action at this time. In due course a Scheme Booklet outlining the proposal in greater detail will be issued to all Jackson shareholders.

CONVERTIBLE NOTE

During the quarter Jackson issued a $1.25m convertible note to Scimitar Resources Limited. These funds will be utilised to repay its existing convertible note of A$750,000 with the balance providing additional working capital.

The Note is convertible at the lesser of $0.03 or the VWAP of Jackson over the 5 day trading prior to the conversion notice being received, on or before 29 March 2010. The coupon rate is 12%.

OUTLOOK – PROPOSED EXPLORATION

Due to wet seasons in both northern Australia and Argentina, minimal physical exploration is proposed for the March 09 Quarter.

In Argentina all activities are focused on preparations for drilling at Rio Colorado in the June Quarter of this year.

In Australia at the Boolaloo Project, the Company is planning regional geochemical programmes that will assess the potential of the "greater project area"; as opposed to the very focused exploration completed to date at the Minga Bore prospect.

In Kalgoorlie, Barrick Australia Limited is continuing resource and mining studies of Jackson's Crossroads gold deposit near their Kanowna Belle Mine. The Company expects that by mid-2009 we will have some indication of the economic viability of mining this resource.

DECEMBER QUARTER EXPLORATION ACTIVITIES

BOOLALOO (WA) - 100%

The Boolaloo Project is located in the Pilbara region of Western Australia and contains the newly discovered Minga Bore copper, lead, silver and gold prospect (Figure 1). Drilling, surface sampling and prospecting have continued to confirm the existence of an extensive mineralised system.

During the Quarter the Company engaged the services of an Expert Consultant to audit the Boolaloo Project and Jackson's exploration effort to date. Jackson had been focused on mineral discoveries at the Minga Bore prospect. The audit identified a need to expand the area of exploration coverage over the project. The Boolaloo Project is remote and difficult to access and the majority of the Company's 1,700 square kilometres of tenure is unexplored. The exploration results to date suggest a high potential for new areas of mineralisation.

Current work is focused on designing regional surface geochemical sampling programmes that will assist in the assessment of the greater project area.

RIO COLORADO (Argentina) – JAK Earning 92.5%

No physical exploration was completed at Rio Colorado during this reporting period. The Company has focused efforts on establishing working relationships with the local people, which will ensure the future of the project. During the quarter Jackson announced it had reached a significant milestone in the development of the Rio Colorado uranium-copper-silver deposit, with the signing of strategic exploration and development agreements with the municipal councils of Tinogasta and Fiambalá.

These "landmark" agreements are the successful result of Jackson's campaign to establish a social licence to explore the Rio Colorado uranium-copper-silver deposit and other exploration projects in the region.

Jackson, through its wholly owned subsidiary Jackson Global Limited has the right to earn 92.5% of the Rio Colorado uranium-copper-silver project in Catamarca, the main mining province of Argentina (Figure 2).

The Rio Colorado Project covers an area of 762km² and has extensive outcrops of uranium, copper and silver mineralisation, as well as large untested radiometric uranium anomalies in adjacent covered areas and granite basement (Figure 3).

Outcropping mineralised sediments at the project extend for 16km and contain numerous small scale workings (adits and glory-holes) completed by the Argentinean Atomic Energy Commission (CNEA) in the 1950's and 1960's.

Jackson's surface exploration has identified Rio Colorado as a significant deposit of uranium, copper and silver. Exploration to date suggests the uranium mineralisation is continuous for the full 16 km, with widths of up to 22 metres, which have been tested vertically over a distance of approximately 100 metres.

Jackson's stage 1 exploration target(1) is designed to satisfy Argentina's current "life of reactor" uranium requirements of 7,500t U_3O_8 (approximately 16 Mlbs U_3O_8). At a conservative width of between 7 and 12 metres for the mineralisation, and an average grade of between 300 and 750 ppm U_3O_8, only 3 km of the total 16 km would need to be developed to satisfy this requirement.

LAS MARIAS (Argentina) – JAK 100%

Work at Las Marias has included generating exploration work programmes and environmental reports required by the provincial government.

The Las Marias Project is the Company's second uranium project in Argentina and compliments Jackson's more advanced Rio Colorado Project in the province of Catamarca. The area of application covers 660 km² in a region that can be accessed and explored all year round.

Las Marias is a stratabound – sandstone hosted style of mineralisation, which displays 7 kilometres of outcropping mineralisation. The project was explored by the Atomic Energy Commission of Argentina (CNEA) in the 1970's, prior to the discovery and change of exploration focus to the Sierra Pintada uranium mine in the Mendoza Province further to the south.

The Company has generated several exploration targets at Las Marias and proposes a very active exploration effort for the region during 2009.

OTHER PROJECTS

Argentina – Project Generation

Jackson's uranium exploration and project generation activities in Argentina were curtailed for the December 08 Quarter, leading into the Christmas holiday period and wet season. The Company proposes to recommence this work towards the end of the March 09 quarter.

Crossroads Gold Resource (WA) – 90%

Barrick Australia have competed their Phase 2 drilling of Jackson's Crossroads gold deposit near Kalgoorlie. This drilling proposed to drill out the deposit within the conceptual stage 1 pit shell to an indicated resource category.

The recent drilling by Barrick has assisted with characterising the different styles of mineralisation and with improving the geological and resource models.

Better results returned to date from this drilling are presented in Table 1 and 2. In total, 4 diamond core holes and 27 RC holes were completed. The results from 2 of the diamond holes have yet to be received.

The Crossroads Deposit is immediately west of the Kanowna Belle gold plant operated by Barrick and is being investigated as a potential feed source. Barrick has the right to earn 75% of the tenement if it commits to mining, with Jackson retaining a 25% beneficial interest

Boddington North Project (WA) – 100%

The Company has 1,600 km^2 under application to the north and east of the (+20 Moz Au) Boddington/Wandoo Gold - Copper Deposit, located just south of Perth in Western Australia. There is no indication that modern exploration has been completed on this ground.

Reconnaissance exploration by Jackson has identified strong indicators of mineralisation, including 0.9 g/t gold in rock chips, coincident with an un-constrained 1 km long gold in soil anomaly.

The Company believes these results, proximal to the very unique Boddington Gold-Copper Mine in an area that has not been explored since the early 1900's, are extremely encouraging.

No exploration was completed on this project during the quarter. Exploration of this project will commence subsequent to the granting of these leases.

Kalgoorlie Nickel Project (WA) – 100%

As part of a company rationalisation, manager and joint venture partner, Breakaway Resources announced during the quarter they have withdrawn from the project, which involved a $6M/5 year earn-in commitment. The project has been returned to Jackson and the Company is currently assessing several options that will see the recommencement of exploration activities in 2009.

Breakaway reported no exploration on the project for the December 08 Quarter.

The nickel project covers 700 km^2 of ground in the Kanowna-Paddington region located adjacent to the Black Swan nickel project. The project contains 200 strike kilometres of ultramafic units directly related to those hosting the Scotia (35,000t Ni) and Black Swan (135,000t Ni) deposits. Over the last 30 years there has been very little nickel exploration conducted in the project area. A number of prospects contain nickel sulphide in drill intersections, such as 18.25m @ 0.6% Ni (disseminated sulphide) and 0.20m @ 8% Ni (massive sulphide) at Golden Valley. Work undertaken by LionOre and Jackson during 2005 delineated a number of prospective targets.

South Laverton (WA) – 80-100%

The Company controls approximately 500 km^2 of exploration tenure in the South Laverton region. The project includes numerous exploration targets, geochemical anomalies and gold resources of 44,500 ounces (inferred category).

Jackson considers the project to be a non-core asset and is currently negotiating its sale.

Kalgoorlie Regional Gold Project (WA) – 70-100%

The Kalgoorlie Regional Gold Project (KRGP) is located in the golden triangle between the Golden Mile, Paddington Gold Project and Kanowna Belle gold mine, near Kalgoorlie in Western Australia. It also surrounds the Crossroads gold deposit, currently being drilling by Barrick.

In a separate agreement to the Crossroads earn in joint venture, Barrick also retains the right to earn-in to any gold discovery made in the KRGP.

KRGP remains prospective for gold and nickel mineralisation. However, the company regards this project as a non-core asset and is currently reviewing divestment or joint venture opportunities.

Northcote Project (QLD) – 15% (free carried to DTM)

The Northcote Project in far north Queensland contains a combined measured, indicated and inferred resource of 195,000 ounces of gold and 8,000 tonnes of antimony (as detailed by Republic Gold, 30 June, 2008).

During the December 07 Quarter, majority owner Republic Gold Limited announced they had commenced a Bankable Feasibility Study on the project. The technical work for this BFS is currently at an advanced stage.

In December 2008 Republic commissioned a resource up-grade for Northcote. This work is expected to be completed in February 2009 and used in the BFS currently in progress.

Peak Hill Project (WA) – 20% (free carried to DTM)

During the June 2008 Quarter, joint venture partner Eagle Gold (a London based company) went into receivership. Jackson is yet to hear from the Administrators regarding the future of the project.

The joint venture area includes approximately 1000 km^2 of mineral leases and applications, and contains several exciting exploration plays. These include the Forrest Gimp gold discovery (best RAB drill intercept of 22m at 2.51 g/t Au) located 12 km from the Fortnum treatment plant.

Yours sincerely

Brett Smith

Managing Director

Competent Persons Statement *- The information in this report to which this statement is attached that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Brett Smith, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Smith is a full-time employee of the Company. Mr Smith has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Smith consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

Table 1:- Phase 2 drilling at Crossroads completed in November 2008

Crossroads Phase 2 – Results at + 1g/tAu											
Hole ID	Co-ordinates		RL	Azi	Incl	Total	Signif. Assay Results				Significance of Results
	Northing	Easting				Depth	Fr	To	m	g/T	Comments
CDRC175	6616969	353041.3	348	165	-70	120	71	73	2	6.5	PCI
CDRC176	6616941	353050.9	348	165	-70	126	69	70	1	1.28	PCI
							72	73	1	1.61	PCI
							97	98	1	10.88	PCI
							102	107	5	2.89	PCI
							119	125	6	1.59	!
CRDC177	6617010	353090.7	348	165	-70	126	61	62	1	1.43	PCI
							66	67	1	1.75	
CDRC178	6616975	353070.7	348	165	-70	126	69	82	13	1.42	PCI
CDRC179	6616960	353015	348	165	-70	144	48	49	1	1.00	PCI
							54	55	1	15.16	PCI
							68	70	2	4.02	PCI
							76	77	1	2.73	PCI
							90	91	1	1.51	PCI
							97	100	3	1.33	PCI
CDRC180	6617037	353083.3	348	165	-70	126					No Significant Intercepts
CDRC181	6617030	353056	348	210	-70	126	61	62	1	4.85	PCI
							83	84	1	1.51	PCI
							92	93	1	14.41	PCI
CDRC182	6616995	353036	348	210	-70	126	59	60	1	1.3	PCI
							62	63	1	2.38	
							67	68	1	2.46	
							74	75	1	4.11	
							79	81	2	3.63	
							83	84	1	5.16	
							99	100	1	1.36	
							106	107	1	1.92	
							119	121	2	3.17	
CDRC183	6617022	353028.7	348	165	-70	132	65	73	8	1.34	PCI
							81	83	2	6.51	
							85	86	1	3.88	
							91	92	1	1.04	
							94	95	1	1.52	
							108	109	1	1.55	
							113	114	1	1.70	
CDRC184	6617057	353048.7	348	210	-70	126	66	67	1	2.28	PCI
CDRC185	6616981	352980.9	348	165	-70	150					No Significant intercepts - DR
CDRC186	6617050	353021.4	348	210	-70	126					No significant intercepts - DR
CDRC187	6617007	352970.5	348	165	-70	126	86	94	8	1.72	PCI
							103	106	3	2.95	PCI
CDRC188	6617042	352994.1	348	210	-70	126	62	67	5	3.92	CI
							73	79	6	2.72	PCI
							87	92	5	2.71	CI
CDRC189	6617066	352860.3	348	165	-70	126	41	42	1	14.19	PCI
CDRC190	6617032	352900.5	348	165	-70	126	47	48	1	3.63	PCI
CDRC191	6617119	352944.4	348	210	-70	126	65	66	1	4.13	PCI
CDRC192	6617075	352897.5	348	165	-70	126	63	64	1	5.96	PCI
							80	86	6	7.95	CR
CDRC193	6617130	352882.8	348	210	-70	126	75	79	4	3.28	PCI
CDRC194	6617095	352862.8	348	210	-70	126	90	92	2	4.8	PCI
							117	118	1	36.92	NZ
CDRC195	6617156	352872.7	348	165	-70	126	65	66	1	1.71	PCI
CDRC196	6617115	352828.2	348	165	-70	138	41	42	1	11.76	CR
							49	51	2	5.57	
							92	95	3	5.79	
CDRC197	6617142	352820.9	348	165	-70	150	54	58	4	3.05	PCI
							75	78	3	1.42	
							136	137	1	4.92	
CDRC198	6617177	352840.9	348	165	-70	120					No Significant Intercepts
CDRC199			348	165	-70	132	61	67	6	34.54	CR
							84	92	8	1.73	CR
							95	102	7	2.42	CR
CDRC200			348	165	-70	132	70	71	1	2.32	PCI
							78	79	1	1.13	
							115	116	1	1.28	
CDRC201			348	165	-70	126	69	72	3	3.84	PCI

X = Not yet drilled	**!** = Mineralisation at Base of Hole	**NZ** = New gold zone!
~ = Hole underway	**CI** = Confirms geological interpretation	**UR** = Upgrades Resource
***** = Assays not received	**PCI** = Partly confirms geological interp.	**CR** = Confirms Resource
? = Data subject to verification	**DI** = Disproves geological interpretation	**DR** = Downgrades Resource

Table 2:- Results for the July/Aug 08 HQ3 Triple tube diamond drilling at Crossroads

Crossroads Diamond Drilling - Results at + 1g/t Au											
Hole ID	Co-ordinates		RL	Azi	Incl	Total Depth	Significant. Assay Results				Significance of Results
	Northing	Easting					Fr	To	m	g/T	Comments
CDRC166	6617049	352936	350	210	-70	159	70	71	1	1.72	PCI
							78	80	2	4.58	
							87.9	88.8	0.9	5.42	
CDRC167	6617058	352941	350	210	-70	124.5	82.3	84	1.7	3.86	PCI
							94	94.5	0.5	1.22	
CPDDH009	6617032	353001	350	210	-65	148.5	65.9	67.5	1.6m	7.4	PCI
							84	86.5	2.5m	3.2	PCI
							118.77	120.4	1.63m	13.3	NZ
							124.4	124.7	0.3m	4.85	NZ
							145	145.6	0.6m	1.8	NZ – Mineralization along upper contact between basalt and feldspar porphyry
							147.6	148.5	0.9m	1.18	NZ – Mineralisation along lower contact between feldspar porphyry and basalt
CPDDH010	6616996	352924	350	210	-65	147					No significant intersects
X = Not yet drilled				**!** = Mineralisation at Base of Hole						**NZ** = New gold zone!	
~ = Hole underway				**CI** = Confirms geological interpretation						**UR** = Upgrades Resource	
* = Assays not received				**PCI** = Partly confirms geological interp.						**CR** = Confirms Resource	
? = Data subject to verification				**DI** = Disproves geological interpretation						**DR** = Downgrades Resource	

Details of Drill Sample Analysis.

Sample Preparation

RC Assays (Table 1)
Field riffle split on a 1 metre basis.
The samples have been sorted, dried and split where necessary.
The samples have then been pulverised in a vibrating disc pulveriser.
Samples have been processed using a robotic sample preparation system
Core Assays (Table 2)
Half Drill Core
The samples have been dried and crushed.
The samples have then been pulverised in a vibrating disc pulveriser.
Samples have been processed using a robotic sample preparation system

Analytical Methods – Fire Assay

The samples have been analysed by Firing a 50 gm (approx) portion of the sample.
This is the classical fire assay process and will give total separation of Gold,

Rio Colorado Exploration Target *[1] - This exploration target has yet to be drill tested and is conceptual in nature. There has been insufficient exploration (namely drilling) to define a mineral resource and it is uncertain if further exploration will result in the determination of a mineral resource. The basis for this target includes:-*

- *Extensive surface sampling and mapping of outcropping uranium mineralisation indicating continuity over at least 5 kilometres, open to the south. The area sampled is the northern extent of a 16 kilometre mineralised trend.*
- *Exploration of outcrops, historical underground workings, including adits and drives, has identified oxidation of between 100 and 200 metres down-dip. For this exploration target a conservative figure of 150 metres has been used.*
- *Mineralised widths where sampled (includes incomplete outcropping profiles) are up to 21 metres, averaging approximately 7 to 12 metres. No complete outcrop of the mineralisation is less than 7 metres.*
- *Mineralisation in higher grade zones is up to 2,430 ppm U_3O_8 (1 metre sample), but averages between 300 and 750 U_3O_8 over the average widths reported above.*
- *Surface sampling is in the form of continuous channel samples, assayed on a one metre basis. Sampling was supervised by a Consultant Geologist with more than 30 years experience. Analysis was completed by Alex Stewart Laboratories in Argentina, a respected international assay service company.*

This exploration target is specified over 3 kilometres of a 16 kilometre trend. The southern 10 kilometres of this trend has yet to be fully tested, however reconnaissance sampling and examination of underground workings suggest a similar tenor of mineralisation as defined in the north.

The exploration target is for the uranium mineralisation only. Metallurgical test-work is currently being conducted which will allow the Company to better understand the value of associated metals such as copper and silver. Individual samples of copper up to 3.73% and silver up to 17 oz/t indicates in areas of this deposit, these metals may have greater value than the uranium.

While exploration to date identifies the high grade copper (+1%) and silver (+1oz) mineralisation is less than 3 metres wide, the Company does not have sufficient sampling data to be able to define the continuity of these metals along strike or within the regolith. This work is continuing.

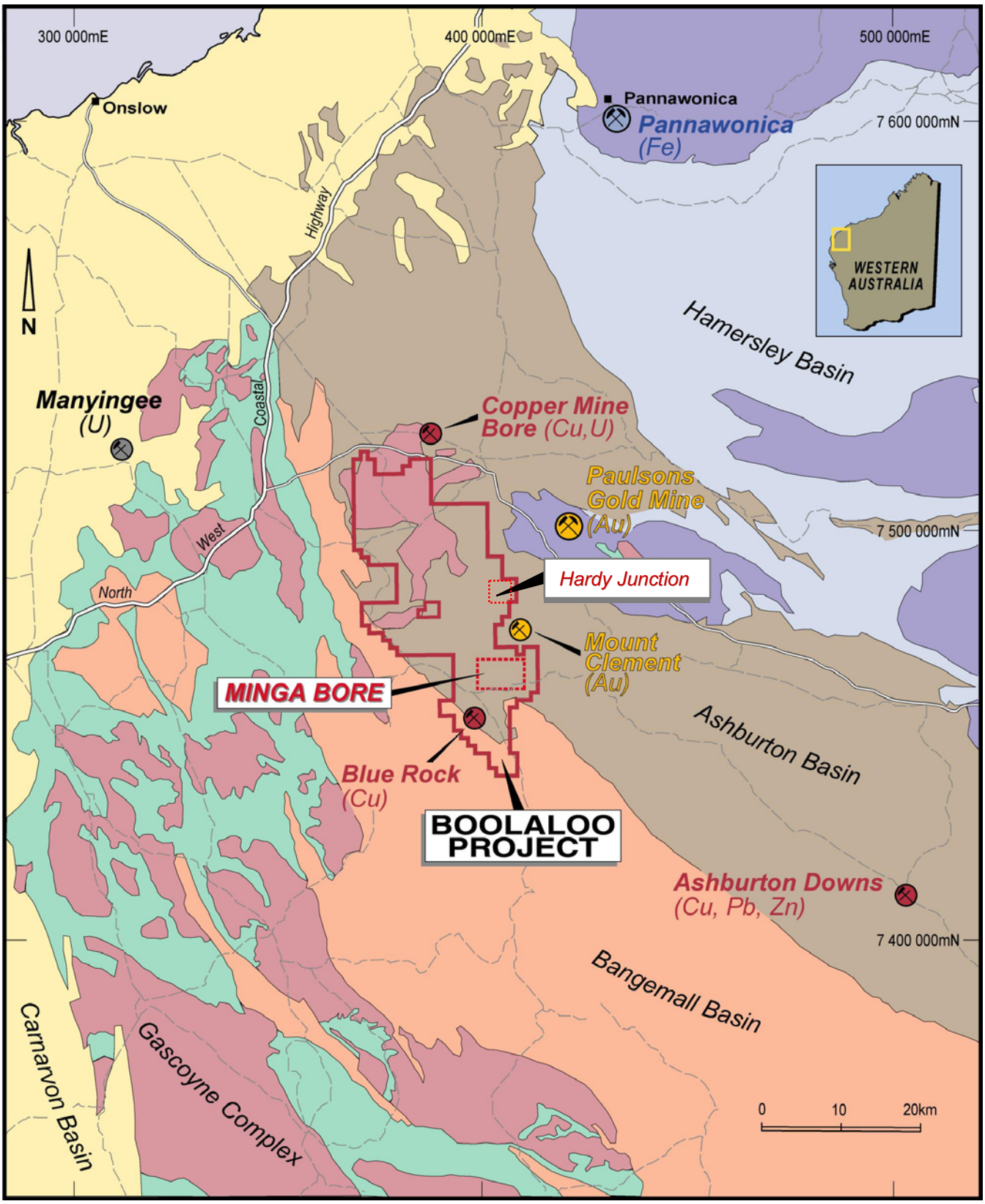
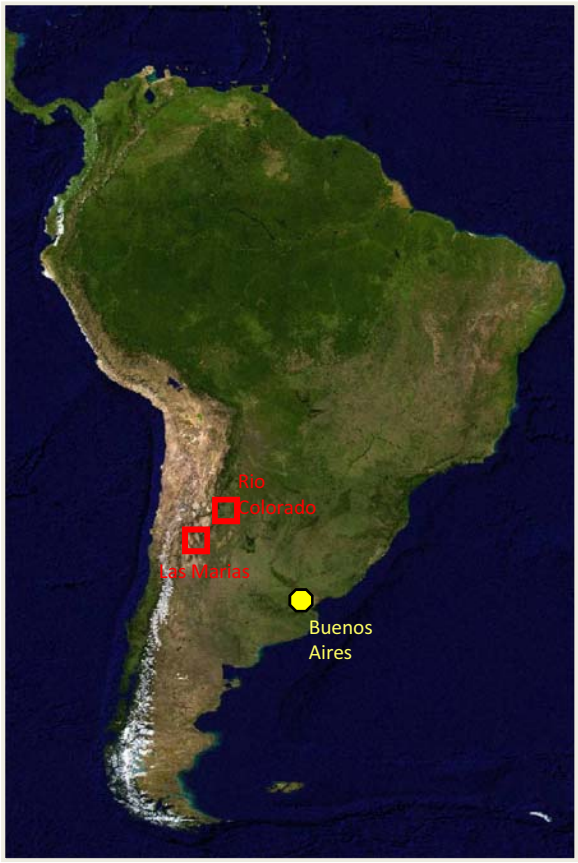
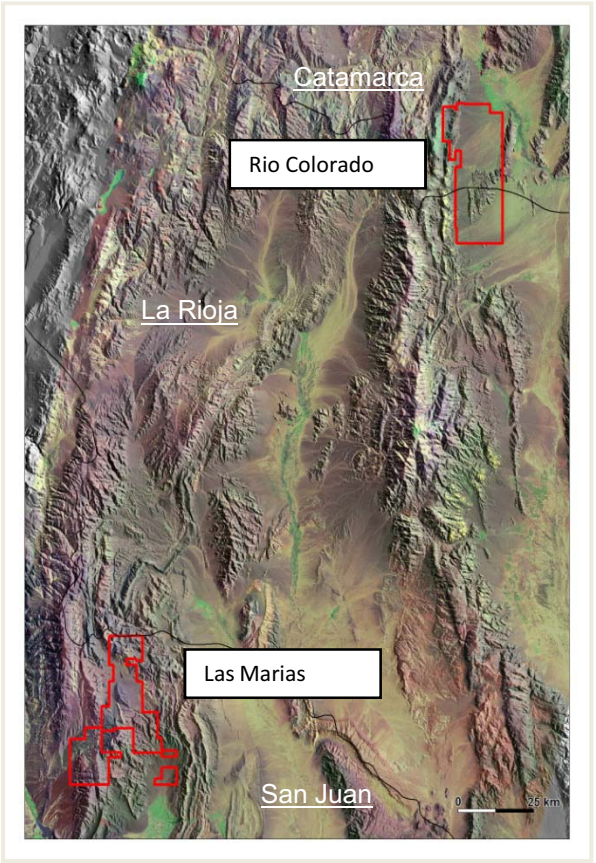


Figure 1:- Boolaloo Project Location





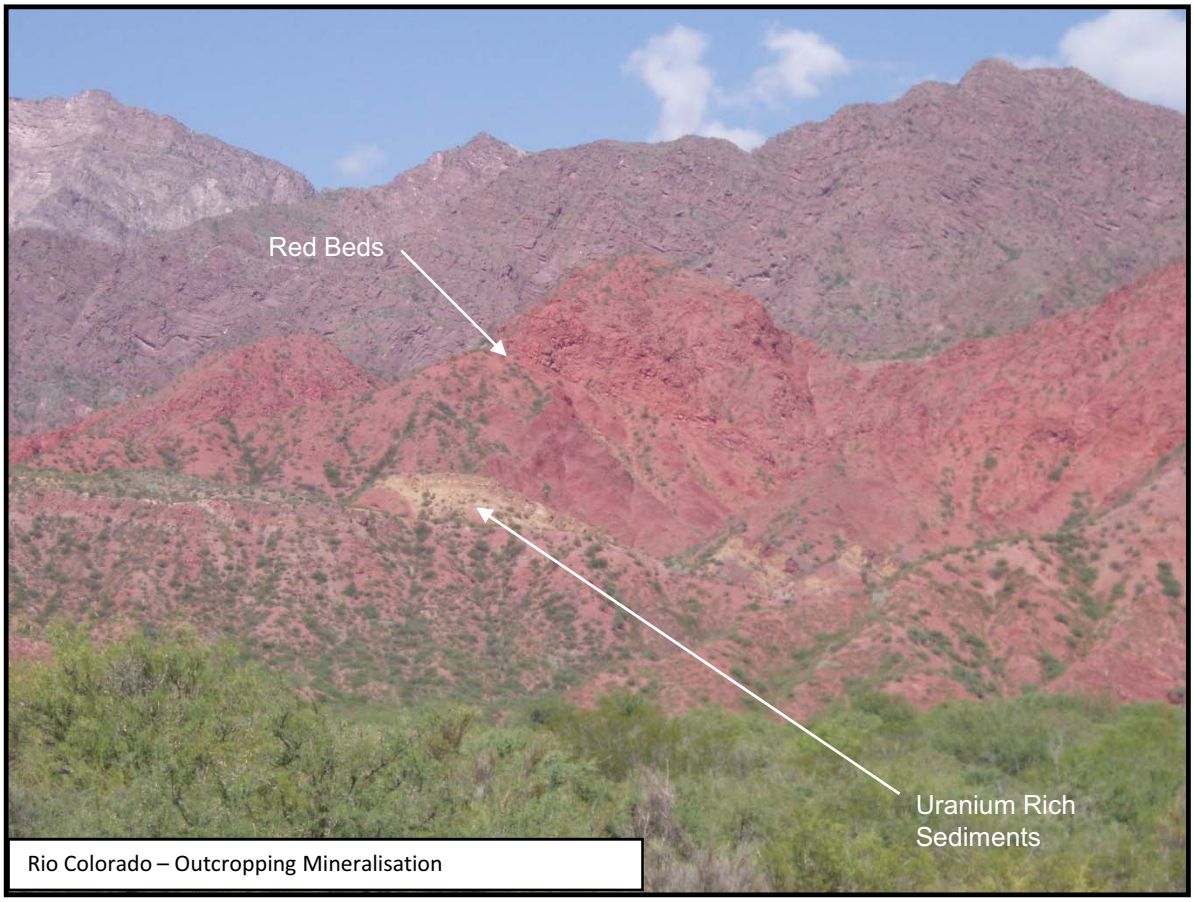


Figure 2:- Project Locations in Argentina + Rio Colorado Outcropping Mineralisation

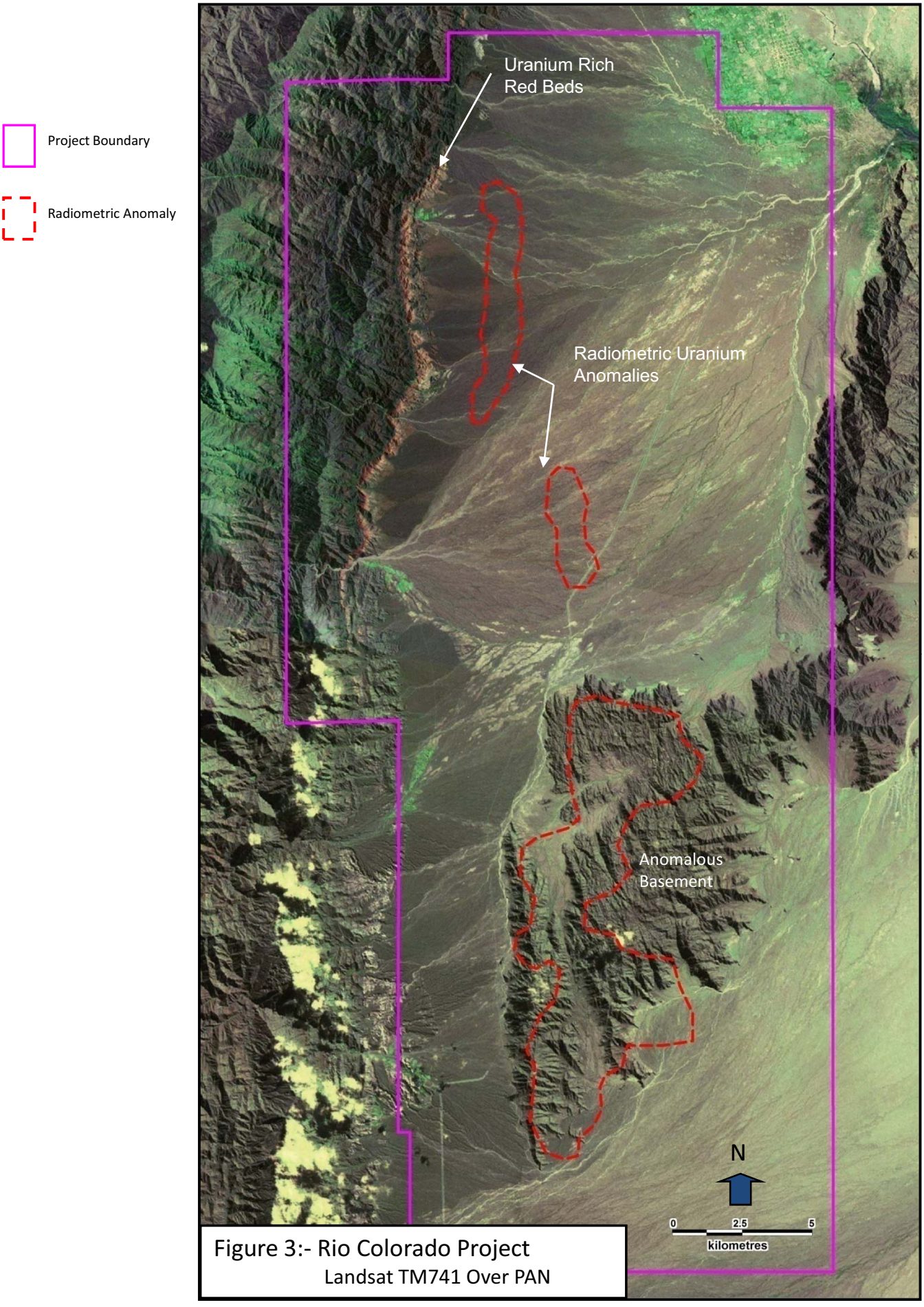


Figure 3:- Rio Colorado Project
Landsat TM741 Over PAN