



ABN: 79 140 110 130

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ASX Release

### **Good Oil Conference Presentation**

Australian Oil and Gas explorer Jacka Resources Limited ("Jacka" or "The Company") would like to announce the Good Oil Conference Presentation.

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# JACKA

RESOURCES LIMITED



Good Oil Conference  
September 2012

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## *Persons compiling information about Hydrocarbons*

*Pursuant to the requirements of the ASX Listing Rules 5.11, 5.11.1, 5.12 and 5.13, the technical information provided in this company update has been compiled by Justyn Wood, Technical Director of Jacka Resources Limited. Mr Wood is a qualified geophysicist with over 18 years technical, commercial and management experience in exploration for, appraisal and development of oil and gas resources. Mr Wood has reviewed the results, procedures and data contained in this announcement. Mr Wood consents to the inclusion in this announcement of the matters based on the information in the form and context in which it appears.*

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# Company Introduction

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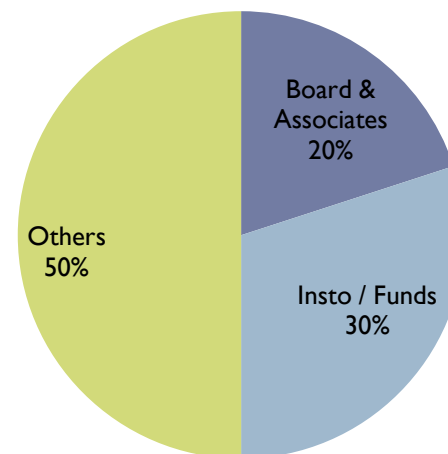


## Emerging E&P company with a focus on early oil barrels

- Diverse portfolio with multiple opportunities for success across exploration, appraisal and early development portfolio
- Substantial prospective resources exposing investors to significant upside from new and existing oil discoveries
- Management and Board have proven experience in value add African projects
- Significant and growing position in East Africa rift system with high equity positions and operator in underexplored rift basins of Tanzania and Somaliland
- Strong new ventures focus utilising existing government and industry networks and areas of expertise
- Tightly held capital structure: Board and their associates hold c.20% of the current issued share capital

# Company Overview

Trading Symbol	ASX:JKA
Ordinary Shares	247.5 million
Options (20c strike, expiry Dec12)	71.3 million
Options (35c strike, expiry Dec13)	5.0 million
Projected Market Capitalisation (15c)	~ A\$37 million
Cash & Investments (end Jun12)	~A\$5.9 million
Debt	Nil
Top 20 Shareholders	~ 29%
Board & associates	~ 20%
Number of shareholders	~ 1,750
Average volumes	~ 1.0 million/day
2C Contingent Resources	~ 27 Mmboe
Pmean Prospective Resources	~ 94 Mmboe



# Jacka Board & Management



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## **Richard Aden – Executive Director**

- 20+ years oil and gas experience in a variety of senior executive positions worldwide
- Ex-Hardman Resources, Enterprise Oil
- Extensive experience in operational and capital management, project evaluation and commercial screening, M&A

## **Justyn Wood – Technical Director**

- 18 years technical, commercial and management experience in exploration, appraisal and development of oil and gas reserves
- Ex-Hardman Resources and Chevron
- Recognised as having played a key role in establishing the East African Rift in Uganda as a new petroleum province, with more than 1.1 billion barrels of oil discovered

## **Brett Smith – Non-Executive Director**

- 20 years of experience in the resources exploration industry
- Director of several other ASX listed entities

## **Scott Spencer – Chairman**

- 20 years working on international politics with the Australian Government
- Ex-Executive Director Hardman Resources,
- Established Hardman's successful African international exploration portfolio until the \$A1.5 billion takeover of Hardman by Tullow Oil plc in 2006/7

## **Stephen Brockhurst – Non-Executive Director**

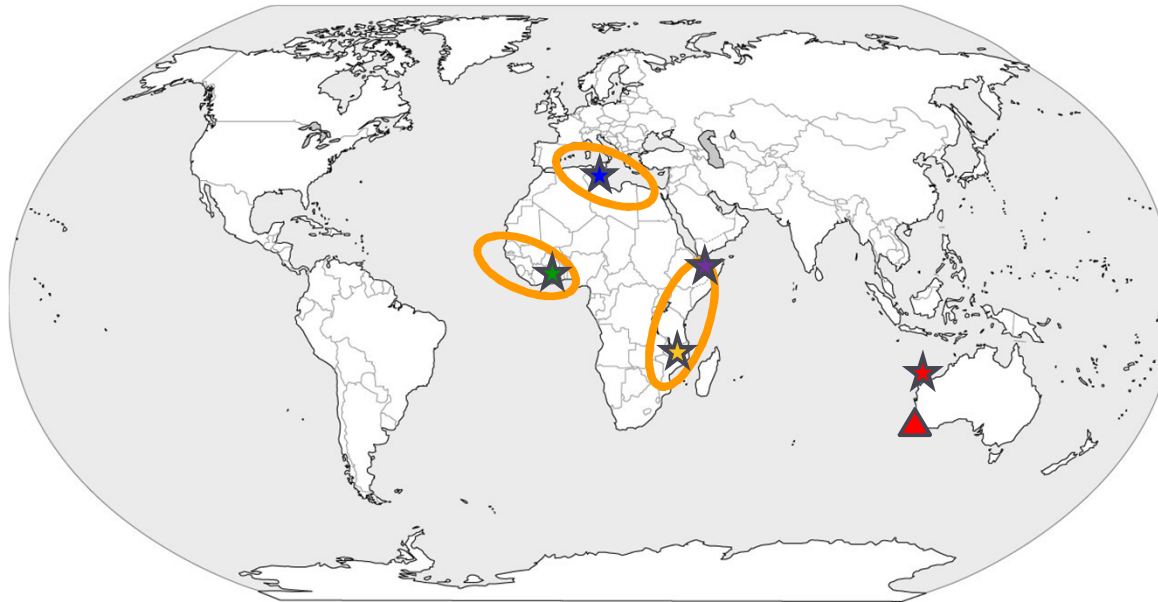
- Significant capital markets, corporate advisory and company secretarial experience, ASX and ASIC compliance requirements
- Responsible for IPOs and equity capital raising in excess of A\$100 million

## **Bob Cassie – E&P Advisor**

- Over 30 years technical, commercial and management experience in exploration, appraisal and development of oil and gas
- Ex-Hardman Resources, Tap, Mobil and Ampolex
- Significant Africa operating experience – lead the Uganda exploration project to first discovery

# Asset Portfolio Overview

## Current Project Locations



- ▲ Jacka Resources Head Office
- ★ Bargou - Gulf of Hammamet (15%)
- ★ WA-399- P - Exmouth Basin (15%)
- ★ Aje Field Nigeria - WATM (5%)
- ★ Ruhuhu Tanzania (100%)
- ★ Somaliland Odewayne Block (50%)
- Core New Venture Focus Areas

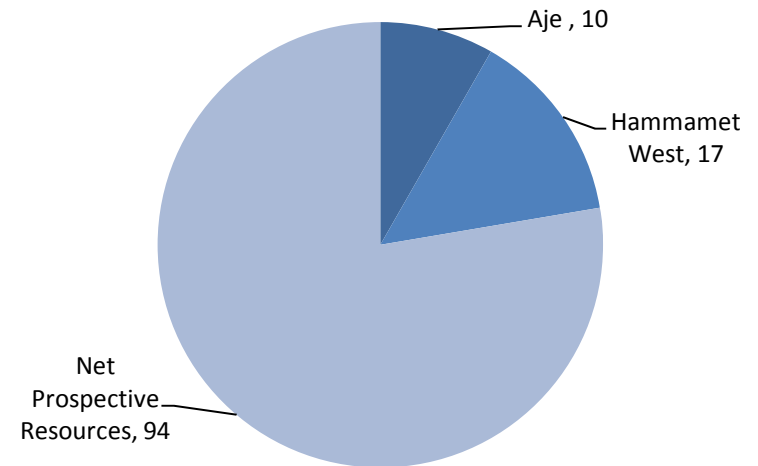
### Key Criteria:

- Exploration upside
  - Jacka's portfolio contain high quality upside opportunities with a mix of 2D and 3D seismic defined prospects
  - existing portfolio contains mean Prospective Resources of 94 million boe
- Near term appraisal/development opportunities
  - must be in countries with existing oil and gas industry/infrastructure and pathways to commerciality
  - current portfolio contains 2C Contingent Resources of 27 MMboe; importantly 80% oil.
- Frontier assets that are in regional hotspots where Jacka can apply expertise and knowledge eg East Africa Rift Margin

# Significant Resource Base

- Active program to convert 2C resource to 2P reserves:
  - wells at Aje and Hammamet in next 12 months
- Potential for significant resource growth across existing portfolio of leads and prospects
  - Seismic programs planned – 2D in Somaliland and 3D completed in WA-399-P
- Currently trading at an enterprise value to contingent resource multiple of c.A\$1.10 per barrel based on certified contingent resources

Prospective & Contingent Resources	MMboe
Aje	10
Hammamet West	17
<b>Total P50 Contingent Resource</b>	<b>27</b>
Total Pmean Prospective Resources	94
<b>Total Resources</b>	<b>121</b>
Prospective resource includes WA-399P, OMLI 13, & Bargou as independently certified by RPS, Senergy & NSAI	

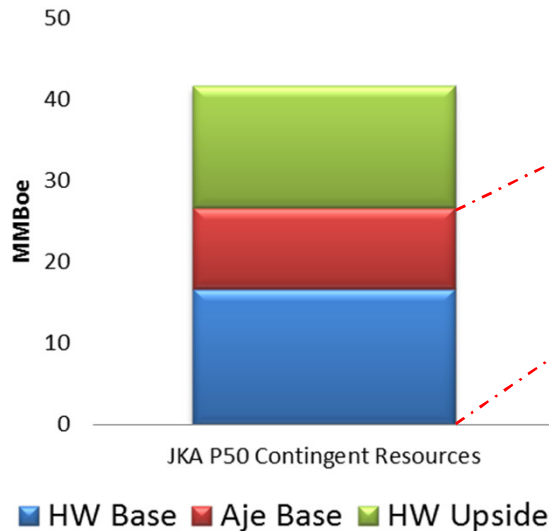




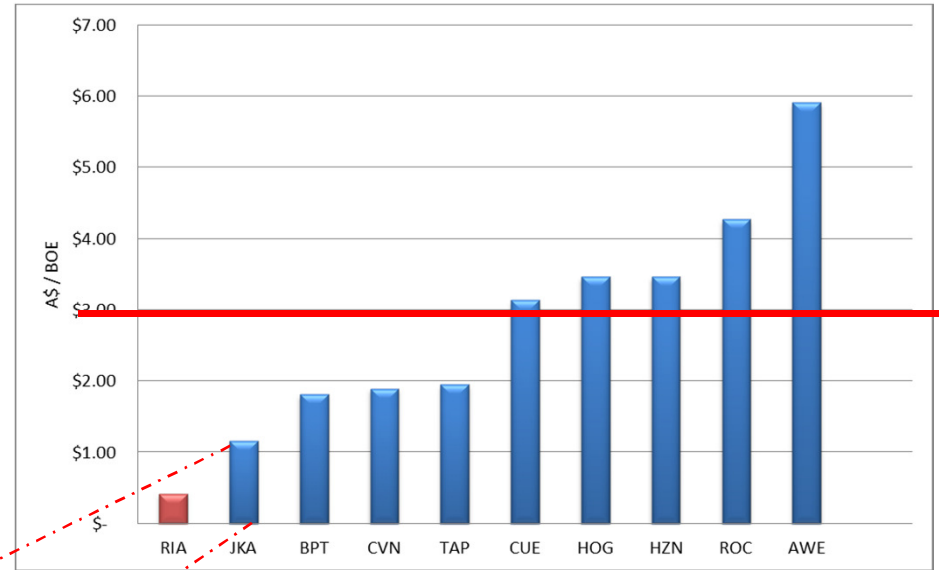
# Trading Comparables vs Peers

## Key Messages

- undervalued versus ASX listed Peers
- aiming to promptly convert 2C resources to 2P reserves
- work program in next 12 months could see 2C resources move to 2P reserves
- Hammamet West upside not included in tables
- building African portfolio with significant resource base



## EV/Contingent Resource/Reserve Vs. ASX Peers



## Listed African E&P Explorers

	Market	Market Cap (A\$'MM)	Contingent Resources (MMBOE)
Jacka Resources	ASX	37	27
Africa Oil Corp	TSX-V	~ 700	-
Chariot Oil	AIM	350	-
FAR Limited	ASX	85	-
Pancontinental Oil	ASX	126	-
Rialto Energy	ASX	101	112

# OML 113 & Aje Oil & Gas Field **JACKA** RESOURCES LIMITED

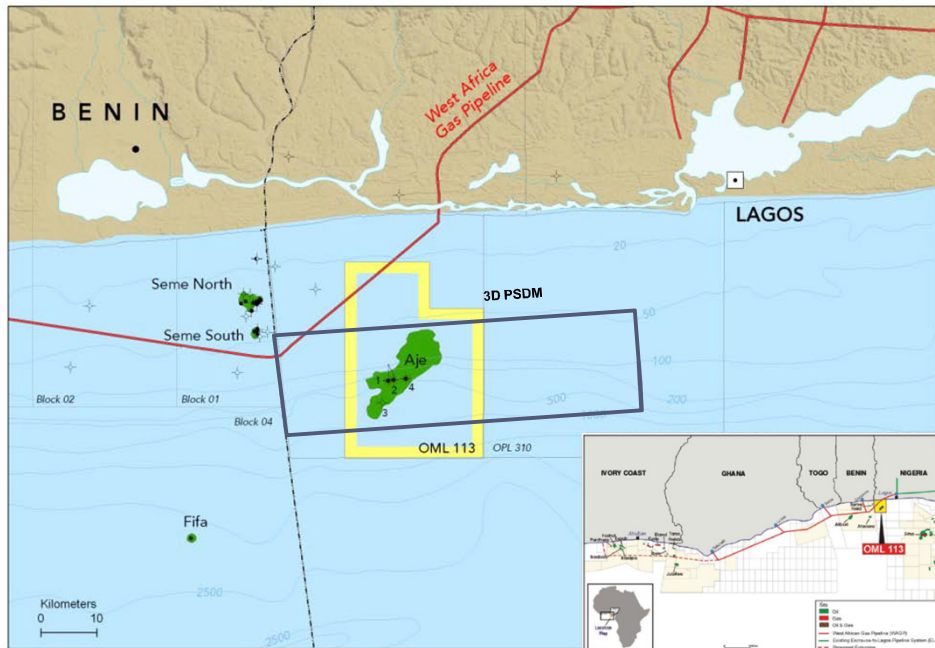


Image Courtesy Panoro Energy

Contingent Resource	Gross MMBOE	Net to JKA MMBOE
1C	114.1	5.7
2C	209.8	10.5
3C	356.7	17.8
<b>Mean</b>	<b>226.0</b>	<b>11.3</b>

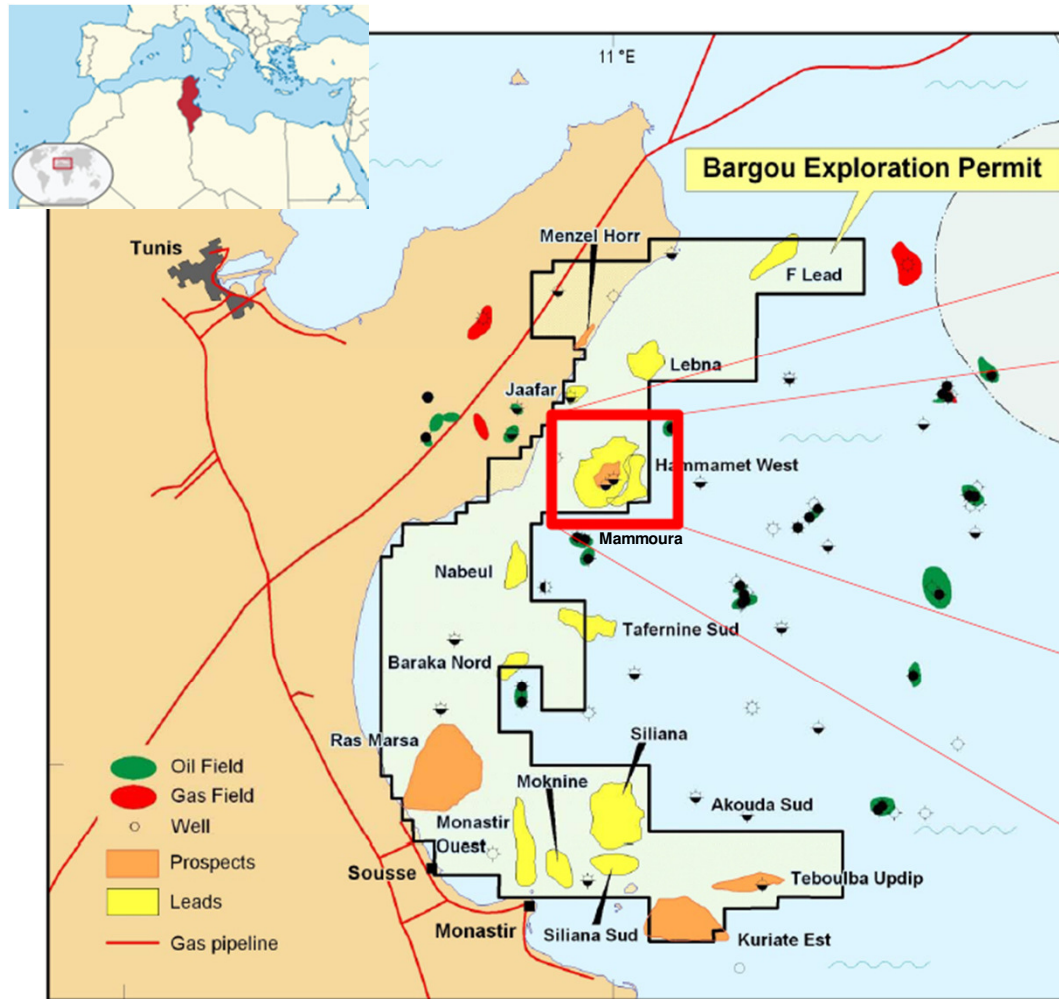
## OML 113

- OML 113 is located in the Benin Embayment along the West African Transform Margin (“WATM”), a prolific petroleum fairway containing the Tullow Oil Operated, Jubilee field, offshore Ghana
- 6 wells have been drilled on the license to date with 4 intersecting commercial hydrocarbons, 3 of which were on the Aje structure. In addition, the license contains 915 km of 2D seismic, 700 km<sup>2</sup> of 3D seismic (including full 3D seismic covering the Aje oil field), and an electromagnetic survey
- Jacka’s current joint venture partners in Aje Field are Chevron (33.75%, Technical Advisor), Vitol (24.06%), Yinka Folaowo Petroleum (“YFP”) (25%, Operator and Nigerian partner) and Panoro Energy (12.19%)

## Upside Potential

- OML 113 regarded as highly prospective within WATM with potential to add considerable resources 3D reprocessing and remap underway of field and adjacent prospects in preparation for 2013 drilling
- Possible tieback opportunities to any development or standalone concepts in success cases
- On trend with significant neighbouring oil discoveries
- West African Gas Pipeline (“WAGP”) lies within 5 kilometres of 3 prospects

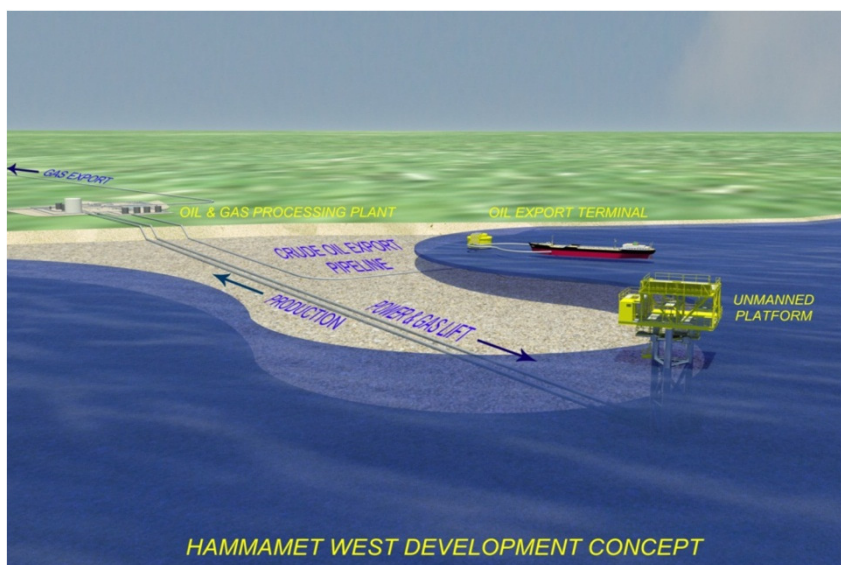
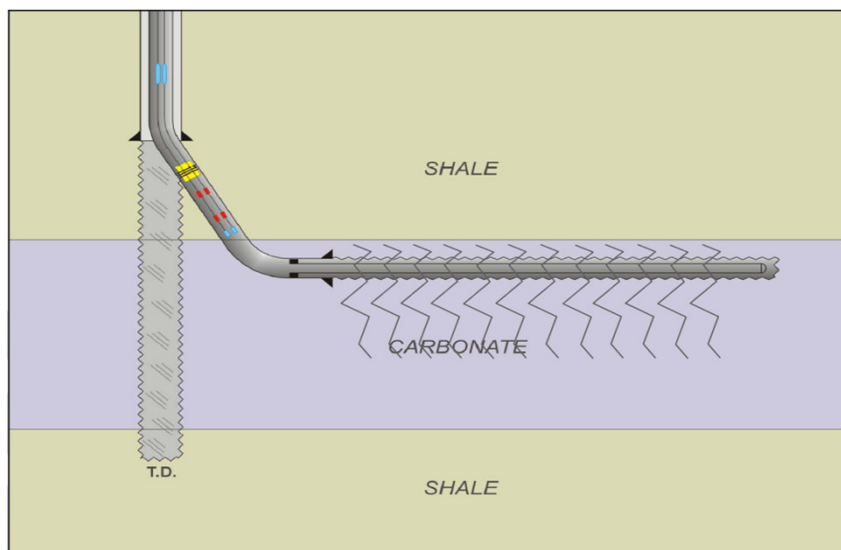
# Hammamet West Appraisal



## Hammamet West (“HW”) Appraisal

- **Drilling scheduled for December 2012**
- Primary Objectives:
  - Establish a commercial flow from Abiod fractured limestone reservoir
  - Establish full extent of Abiod oil column
- 111 Million Barrels 2C Resources in Birsa / Abiod
- 4 way dip closure at all target levels
- Significant studies to de-risk subsurface
- Oil proven in structure:
  - HW 1 (1967): 8 metres of oil in the Birsa formation (“Fm”), +30 metres of hydrocarbons in the Ain Grab/Fortuna Fms
  - HW 2 (1990): 3 zones of movable oil over a 192 metre section in the Abiod Fm
- Low cost development scenario prepared by Worley Parsons
- Prime location for European markets & gas pricing

# HW Development Concept



## Discovery Summary

Trap:	4-way dip closed closure
Reservoir:	Birsa and Abiod Fm
Seal:	Birsa and El Haria Fm shales
Source:	Fahdene formation shales
STOIP:	475 MMbbls (sum of P50 over 2 levels)
Rec Res:	111 MMbbls 2C contingent resource (base)
High Case:	213 MMbbls 2C contingent resources

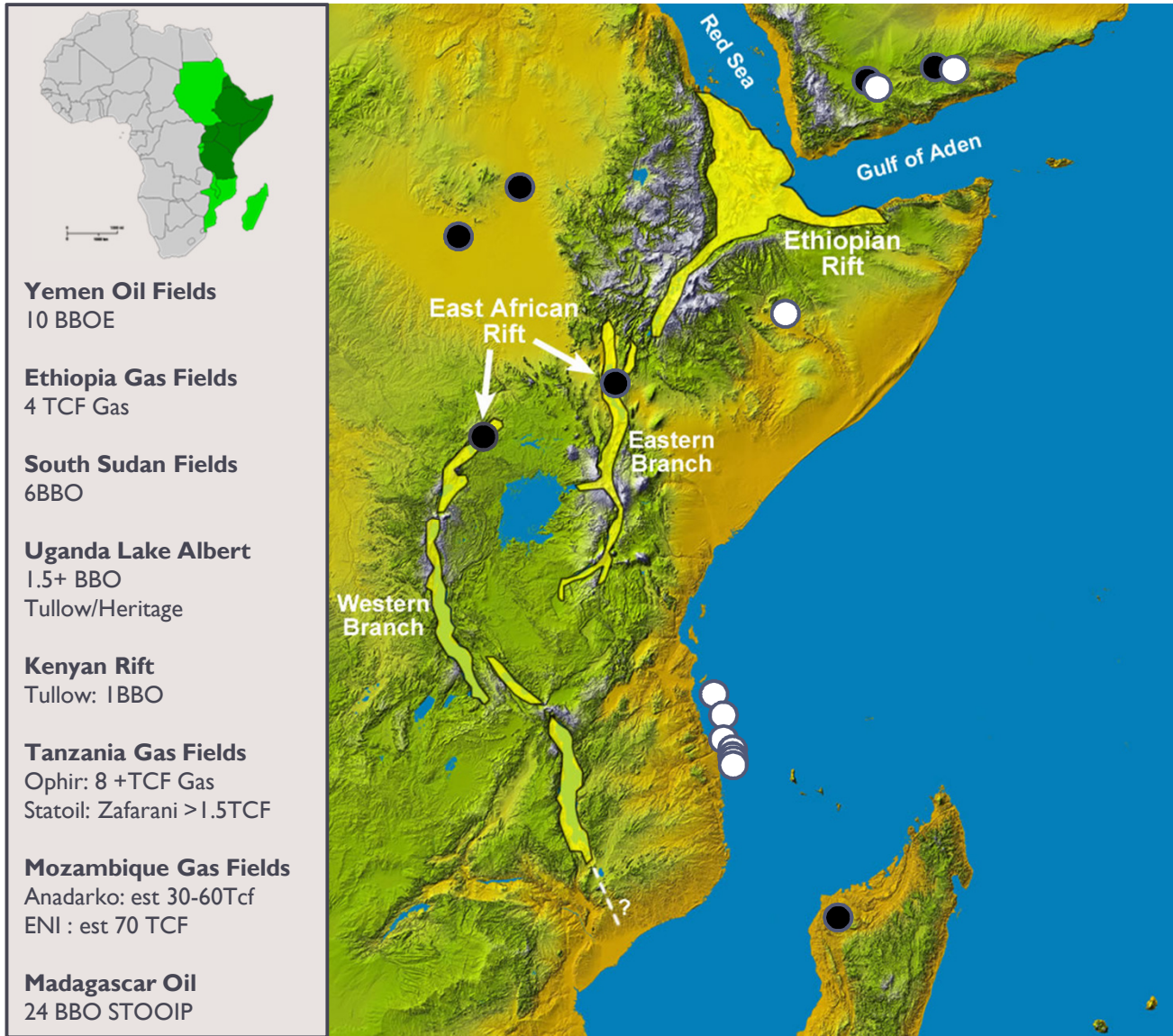
## Hammamet West -3 - Key Details

- Planned HW-3 well - vertical appraisal of Tertiary targets followed by horizontal appraisal & well test of the Abiod formation
- High resolution 3D seismic studies to identify reservoir fractures and design well trajectory
- Estimated **drilling & testing** cost ~ US\$27 MM, Jacka net ~ US\$8 MM

## Conceptual development plan

- Worley Parsons development study shows approx 12 MMbbls would be economic
- Low development costs:
  - Shallow water unmanned platform with onshore processing
- Eni Maamoura oilfield development 12 km to the south – onstream, producing from Abiod

# Jacka – why East Africa



Jacka team has unique first hand experience in East Africa with **Hardman Resources**

- Pioneers of the first oil in the East African Rift, 1997 – 2007

**Technical and political understanding of the region**

- Jacka is using its network of government and industry contacts to leverage positions in the region

**Underexplored but is already an oil and gas hotspot with mid caps, super majors and NOCs entering the region.**

- offshore gas / LNG: Ophir, British Gas, Statoil, Total, Petrobras, and Exxon, Anadarko
- onshore/Lake: Beach, Total, Tullow, Heritage, CNOOC
- competitive fiscal terms
- small discoveries are likely to be commercially viable
- pro-development governments and significant downstream investments being made (pipelines / power / mining)

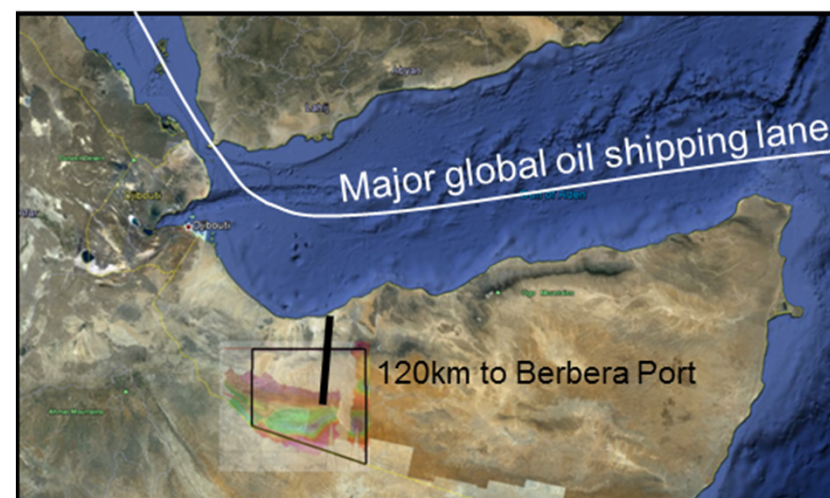
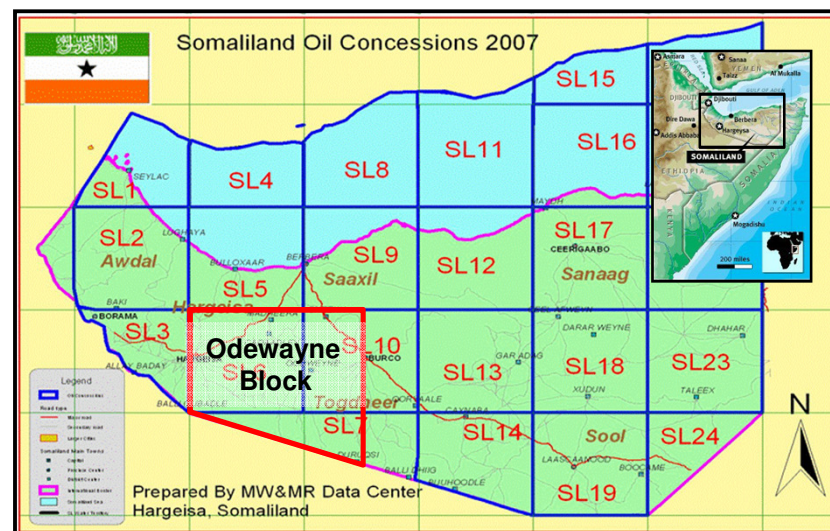
Significant Discoveries: Oil ● Gas ○

# Odewayne Block

- PSA covers Somaliland Blocks SL6, SL7(partial) and SL10(partial) – known as “Odewayne Block”:
  - PSA signed 2005 - 22,000 km<sup>2</sup> concession
  - no previous tenure (pre-1989 Force Majeure)
  - progressed to 3<sup>rd</sup> Term (18 months) at time of JKA participation
  - term 3 Work Program:
    - studies
    - gravity acquisition program (Q3 2012)
    - minimum 500km 2D seismic survey
  - Jacka Resources Operator, with initial 50% equity
  - Petrosoma Resources in-country team and offices providing immediate operational capability

## Commercially attractive location

- centre of Odewayne block 120km from Berbera – significant deepwater port built by the British, with direct access to major global oil supply route



# Odewayne Basin Prospectivity



Three contiguous NW-SE Jurassic-Cretaceous rift basins, split by the Tertiary Gulf of Aden rift:

Sab'atayn / Shabwa and Masila Basins (Yemen )

- 2.8 billion barrels of oil produced 1987-2011 (CIA fact book, 2011)
- 9.8 billion BOE produced or to be produced (per USGS, 2002)

## Billion barrel potential in Somaliland?

- Nogal and Dharoor seismic data demonstrates multiple structural closures, with total prospective resources in multi-billion barrel range
- consistent with the Yemeni producing basins
- no seismic yet in Odewayne, but a similar high level of prospectivity is demonstrated:
  - ✓ common structural history
  - ✓ active petroleum system demonstrated by numerous active seeps of light oil / condensate
  - ✓ stratigraphy similar to Sab'atayn/Shabwa expected
  - ✓ Odewayne uniquely contains intersection of two rift trends, with potential for multiple play types and enhanced charge retention
- first seismic survey 1H 2013

# Conclusions

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## Jacka Offers:

- **Growing diversified E&P company with a focus on early barrels and underexplored basins**
- **a motivated team with experience of delivering shareholder value in Africa, with a quality portfolio of diversified assets and a focused strategic plan**
- **Opportunity for work program in next 12 months to move 2C contingent resources into 2P Reserves**
  - Aje Base Case 2C contingent resources 210mmboe, ~**10.5 mmboe** net to Jacka;
  - Aje-5 potential for EWT and early oil production scheme
  - HW-3 Base case 2C contingent resources of 111mmbbls, ~**17 mmbbls** net to Jacka, with potential for upside
  - Development concepts exist for both Aje and Hammamet West oil fields
- **East Africa focus area and high equity over two underexplored rift basins:**
  - PSA for oil and gas exploration rights over the entire Ruhuhu Basin, onshore Tanzania close to grant
  - Jacka holds 50% and Operator of Odewayne Block in Somaliland
- **Jacka has a large exploration holding of varying maturity, from frontier to 2D and 3D seismic defined leads and drill ready prospects**
  - 2D seismic acquisition in Somaliland in 1H 2013
- **3D seismic shows drillable prospects on WA-399-P with a well possible in 2013**