JACKA RESOURCES LIMITED

ABN: 79 140 110 130

And Controlled Entities

ANNUAL REPORT

For the year ended
30 June 2015

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CORPORATE DIRECTORY

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James Robinson	Non-Executive Director
Neil Fearis	Non-Executive Director

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Stephen Brockhurst

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Ken Charsinsky

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AUDITORS
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Level 1, 12 Kings Park Road
West Perth WA 6005

Dear Shareholder,

As you are aware, the Company has been significantly affected by the dramatic worldwide decline in energy pricing as evidenced by a reduction of more than 50% from 2014 levels. While we have strived to develop a balanced portfolio of African focussed oil and gas projects, with exposure to exploration, appraisal and development and production, the depressed oil prices have created a lack of funding support for junior oil & gas exploration and development companies during the financial year.

Following the Final Investment Decision (FID) being made by the Aje Joint Venture in early October 2014, and as a consequence of the deteriorating capital markets, the Company undertook a restructure of its investment in the Aje Project in Nigeria. A US$1 million placement was undertaken with Cornhill Asset Management Ltd of London, and the assignment of loans receivable from the Aje project of US$3 million in consideration of AIM listed MX Oil Plc (AIM:MXO) shares resulting in Jacka holding an 11.47% shareholding in MXO, and the assumption by MXO of the phase 1 funding obligations for the Aje project as from 1 May 2015 until first commercial production.

Presently the Saipem Scarabeo 3 offshore drilling rig is finalizing operations on the first well Aje-5, to be followed by the re-entry of Aje-4, as part of the phase 1 development drilling program, which anticipates production of approximately 10,000 bbl of oil per day. Completion of phase 1, which incorporates a leased Floating Production, Storage and Offloading vessel (FPSO) is expected to commence production in late December 2015 or early 2016.

Jacka also retains a 15% participating interest in the Bargou permit offshore Tunisia. Recently the joint venture partners have re-negotiated the work program which re-focuses on delineation of additional key prospects. This change is the result of higher minimum economic field size hurdles resulting from lower oil prices. The new work program extends the licence for an additional year and includes the requirement to shoot a 500 Km^2 3D survey and to plug the Hammamet West discovery well.

The Company retains a 100% participating interest in the Ruhuhu licence onshore Tanzania, and has been undertaking a farmout process to mitigate exploration risk and to minimise costs associated with the work program.

In Somaliland, Jacka retains a 5% buy-in right on the Odewayne block.

The Company is seeking to reduce its exploration costs, while retaining exposure to its portfolio via judicious use of its limited cash resources. To this end, operating costs have been reduced through the year and the Company continues to review opportunities to supplement its assets and assist in enhancing the quality of our portfolio.

As advised in the half yearly report, as the Aje project is in development, the accounting standards require that the assets be assessed for impairment. The impairment of our Aje interest coupled with a provision for 100% of the carrying value of our Tunisia project (as a consequence of the current market conditions) resulted in a non-cash provision for impairment of $43.34m for the year.

I would also like to take the opportunity to thank the Board, executives, stakeholders, consultants and joint venture partners for their continuing contribution in seeking to further the development of the Company's assets in a very difficult market for junior oil & gas exploration and development companies.

Yours sincerely,

Max Cozijn
Chairman

Your Directors present their report on Jacka Resources Limited ("Jacka" or the "Company") and its controlled entities (together, the "Consolidated Entity" or "Group") from 1 July 2014 to 30 June 2015.

DIRECTORS

The names of the Directors of the Company in office during the financial year and up to the date of this report are:

Max Cozijn BCom CPA MAICD – Chairman

Mr Cozijn has a Bachelor of Commerce Degree from the University of Western Australia having graduated in 1972, is a member of the CPA Australia and is a member of the Australian Institute of Company Directors. He has over 30 years' experience in the administration of listed mining and industrial companies, as well as various private operating companies.

During the last three years Mr Cozijn has been a Director of:
Oilex Limited (from September 1997 to current)
Energia Minerals Limited (from May 1997 to current)
Malagasy Minerals Limited (from September 2006 to August 2013)
Carbon Energy Limited (from September 1992 to April 2015)

Special Responsibilities:
Member of Audit and Risk, Remuneration and Nomination Committee

James Robinson BEc – Non-Executive Director

Mr Robinson gained extensive capital markets and advisory experience during 10 years with one of Western Australia's leading corporate advisory and stockbroking firms. Since then, Mr Robinson has served in either board or managerial positions of companies operating in North America, South America, Eastern Europe, Asia and Australia. He was a founding Director and shareholder of Condor Energy Services Limited, Australia's first home grown fracture stimulation company. He currently serves as a Director of VTX Holdings Limited (ASX: VTX). He is also a Director of boutique advisory firm Cicero Advisory Services, a member of the Australian Institute of Company Directors and holds a Bachelor of Economics from the University of Western Australia.

During the last three years Mr Robinson has been a Director of:
VTX Holdings Limited (Formerly Vortex Pipes Limited) (from January 2013 to current)
Bisan Limited (from December 2011 to May 2012 and August 2013 to October 2013)

Special Responsibilities:
Member of Audit and Risk, Remuneration and Nomination Committee

Neil Fearis LL.B (Hons) FAICD F FIN– Non-Executive Director (Appointed 9 September 2014)

Mr Fearis is a leading corporate and commercial lawyer in Western Australia specialising in mergers and acquisitions, capital raisings and corporate reconstructions, with a particular focus on the mining and resources sector. He has been in practice for more than 38 years and worked as a commercial lawyer in London, Sydney and Perth. Mr Fearis has been a director of a number of ASX and TSX-listed companies, primarily though not exclusively in the resources sector. He is currently Non-Executive Chairman of Tiger Resources Limited and at the end of 2013 stepped down from the board of Carnarvon Petroleum Limited, where he had served for 14 years.

During the last three years Mr Fearis has been a Director of:
Tiger Resources Limited (from May 2011 to current)
Carnarvon Petroleum Limited (from November 1999 to December 2013)
Perseus Mining Limited (from May 2004 to November 2013)

Special Responsibilities:
Chairman of Audit and Risk, Remuneration and Nomination Committee

Bob Cassie BSc (Hons) Geophysics MAAPG– Managing Director (Appointed 5 November 2013, Resigned 9 September 2014)
Mr Cassie has over 30 years technical, commercial and management experience in exploration, appraisal and development of oil and gas assets, having worked for Hardman Resources, Tap Oil, Mobil and Ampolex. Mr Cassie has significant operating experience in Asia and Africa.

During the last three years Mr Cassie has not been a Director of any other public companies.

COMPANY SECRETARY
Stephen Brockhurst BCom
Stephen Brockhurst, was appointed on 11 April 2014. Mr Brockhurst has over 13 years' experience in the finance and corporate advisory industry and has been responsible for the preparation of the due diligence process and prospectuses for a number of initial public offers. Mr Brockhurst's experience includes corporate and capital structuring, corporate advisory and Company secretarial services, capital raising, ASX and ASIC compliance requirements. Mr Brockhurst is currently a Director of Exalt Resources NL and Plymouth Minerals Limited.

REVIEW OF OPERATIONS

Overview
The last financial year has been a difficult one for the junior oil and gas sector, and Jacka has not been immune. With a dramatic 50% decrease in crude oil pricing commencing in late 2014, all aspects of the business have been negatively impacted.

With the Aje project, oil price downward pressure commenced shortly after the Joint Venture signed off on the final investment decision (FID). Venture capital and financial markets sought to invest elsewhere consequently making it difficult for Jacka to fund its requirements ahead of generating first oil production at the Aje project. Fortunately, Jacka was able to consummate an agreement with AIM-listed MX Oil PLC., which mitigated much of this funding requirement risk in a very difficult market.

In Tunisia, the focus has shifted from further delineation of the Hammamet West 3 (HW3) discovery towards evaluation of new prospects designed to augment the accumulation discovered at HW3. The minimum economic field size (MEFS) has increased as crude oil pricing has retreated. The Joint Venture has consequently renegotiated its work programme obligation under the terms of the Bargou production sharing contract. Under the new terms, the obligation to re-drill HW3 has been exchanged for a new 3D seismic campaign designed to high-grade a new prospect on the block.

In Tanzania, progress continues on the Ruhuhu block work program with a view to farming out some of Jacka's 100% working interest subject to the Tanzanian government authorities granting approval. An orchestrated farm out program is underway, however with the decline in oil price referred to above, this exercise is proving difficult.

Nigeria
OML 113 / Aje Field
Jacka 5% revenue interest
(6.675% paying interest)

Aje Field Overview
The Aje Field is located in OML113, approximately 24 kilometres offshore western Nigeria. Jacka holds a 2.667% participating interest in OML113, a 6.675% contributing interest and a 5.0006% revenue interest in the Aje Field. Aje is operated by Yinka Folawiyo Petroleum and the technical

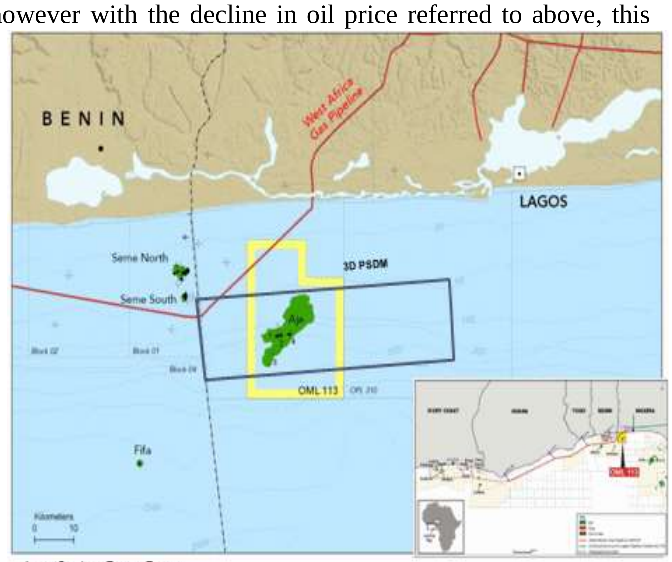


Image Courtesy Panoro Energy

adviser to the operator is Folawiyo Aje Services Limited (FASL), a company directed by the joint venture operating committee and supported by staff and services from the joint venture participants.

Saipem Scarabeo 3

OML113 covers an area of 835 square kilometres and water depths range from less than 100 metres to approximately 1,500 metres. The field can be developed with wells drilled in conventional water depths of approximately 100-400 metres. The 2014 3D seismic survey, covering the whole of OML113, was distributed to joint venture participants in June 2015 following completion of final processing. The 3D data will be used to optimise the planning of future development wells, and to high-grade other leads and prospects on the block. One of these leads is the possible extension of the 2013 OGO discovery from contiguous eastern offset block OPL310 on to the OML113 acreage. OGO was a significant discovery, reported to contain 774 million barrels of oil equivalent (P_{50}) (Source: Afren plc, Macquarie Oil & Gas Explorers Conference, January 2014).

The initial discovery well, Aje-1, was drilled in 1996 and since that time the structure and resource potential has been further delineated by three additional wells. Hydrocarbon-bearing reservoirs have been identified at 3 main levels: Turonian (gas condensate), Cenomanian (oil) and Albian (gas condensate).

Aje Field Development Plan

The Joint Venture plans to develop the Aje Field in three phases. The Field Development Plan (FDP), which was approved by the Nigerian Department of Petroleum Resources (DPR) in Q1 2014, is initially focused on the Cenomanian oil development. Key elements of this Phase 1 development are as follows:

- Drilling and completion of a new deviated well, Aje-5, targeting a bottom-hole location near the Aje-2 well (which drill stem tested Cenomanian oil). Operations commenced in mid July 2015 using Saipem's Scarabeo 3 Semi Submersible rig. At time of writing, the operator is completing operations on the well, having drilled and cased the hole;

- Re-entry and completion of existing well Aje-4;

- Oil production from the two wells into a leased Floating Production, Storage and Offloading (FPSO) vessel via a subsea manifold and flowlines; and

- Initial field production rate of approximately 10,000 gross barrels of oil per day is anticipated. Solution gas will be used as fuel.

An independent assessment of the field development plan (FDP) indicates gross 2P oil reserves for Phase 1 development is 23.4 million barrels, of which 1.3 million barrels is attributable to Jacka's interest (see note below on Aje reserves). Estimates of petroleum recovery have been made using 3D static geological models and reservoir simulation models, which have been calibrated to the well log and test data.

Subsequent development phases 2 and 3, to which contingent resources are attributed, are expected to include additional Cenomanian oil wells tied to the FPSO and the development of the significantly shallower Turonian gas/condensate resource (which represents the bulk of Aje's total contingent resources) to meet the needs of the growing Nigerian and West African energy markets.

Phase 2 development includes the addition of two new Cenomanian producing wells which will be optimised after quantitative results from Phase 1 wells are incorporated into the overall interpretation. The subsea manifold has the ability to tie in the two additional wells, but more detailed drilling and completion plans need to be prepared and drilling rigs and subsea installation vessels contracted before Phase 2 can proceed.

The Turonian gas/condensate development (Phase 3) will require significant additional work to establish gas sales agreements and detailed development plans before proceeding. The Turonian development plan envisages production via a multi-phase pipeline and construction of a shore-based gas plant. The Cenomanian oil development wells will drill through the Turonian section and will thus provide additional appraisal data that will greatly enhance the planning for the Phase 3 Turonian development.

Aje Field Reserves and Resources

In August 2014, Jacka announced the results of an independent Competent Person's Report on the Aje Field completed in July 2014 by AGR TRACS International Ltd. ("AGR TRACS") on behalf of Jacka's wholly-owned subsidiary, PR Oil & Gas (Nigeria) Limited and its Joint Venture partners. Results are summarised in the tables below.

Table 1:
2P Reserves - Aje Phase 1 Cenomanian Development Project, OML 113

Aje Field, OML113, Nigeria	2P Proved & Probable Reserves	
	Gross Project	**Net Interest to Jacka**
Phase 1 Cenomanian Oil Development		
Oil (million barrels)	23.4	1.30

These reserves have been assessed using a combination of deterministic and probabilistic methods. Estimates use the stock tank of the FPSO as the reference point for oil measurements. Source AGR TRACS CPR, 25 July 2014

Table 2:
2C Contingent Resources Aje Field Cenomanian & Turonian, OML 113

Aje Field, OML113, Nigeria	2C Contingent Resources	
	Gross Project	**Net Interest to Jacka**
Phase 2 Cenomanian Oil Development		
Oil (million barrels)	15.7	0.84
Phase 3 Turonian Gas Development + Additional Cenomanian Oil		
Oil (million barrels)	3.99	0.66
Condensate (million barrels)	22.0	1.47
LPG (million barrels)	40.0	2.67
Gas (billion cubic feet)	583.0	38.90
Total (million barrels of oil equivalent)	**179**	**12.1**

The resources have been assessed using a combination of deterministic and probabilistic methods. A conversion factor of 6000 scf/boe has been applied for gas, 1 bbl/boe for condensate and LPG. Estimates use the stock tank of the FPSO as the reference point for oil and outlet of the gas plant gate for gas, condensate and LPG. Source AGR TRACS CPR, 25 July 2014.

OML113 Exploration

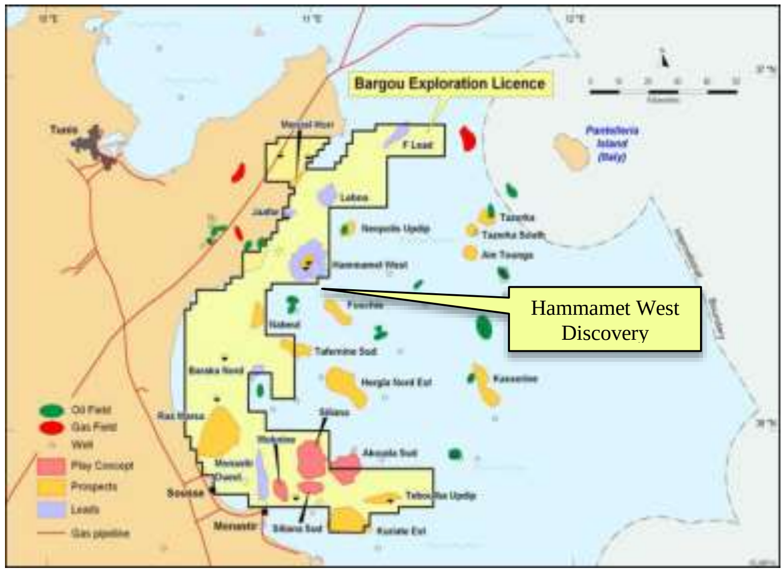
In 2014 the Joint Venture partners commenced acquisition of a new 3D seismic survey covering the entirety of OML113. This large survey was recorded by the MV *Polarcus Nadia* and extended to the adjacent block, OPL310. The joint acquisition was managed by Afren, who has interests in OML113 and the eastern contiguous block OPL310.

The final processed 3D data volume was distributed to the Joint Venture partners in June 2015. The data will be incorporated into the existing interpretation in order to optimise the Phase 1 drilling campaign, and later, the Phase 2 campaign, which will add new wells to the initial two Cenomanian producing wells. Additionally, it will enhance the Joint Venture's ability to fully evaluate the exploration potential of other parts of OML 113. Most notable is the synrift exploration play associated with the Ogo discovery made in 2013 on the contiguous block OPL310. The P_{10} to P_{50} gross recoverable resource associated with that accumulation is estimated to be between 774 and 1,180 million barrels of oil equivalent[1].

[1]Source: Afren website

Tunisia
Bargou Block, Gulf of Hammamet
Jacka 15% Equity interest

The Bargou block is located within the Pelagian Basin in the Gulf of Hammamet, offshore Tunisia, and covers an area of 4,616 km^2 in water depths ranging from 0 to 300 metres. A prolific basin, spanning Tunisian and Libyan waters, it contains some of Tunisia's largest producing oil and gas fields.



The Bargou block contains the Hammamet West oil field, which has been delineated by three wells that have recovered hydrocarbons. The worldwide reduction in oil prices has driven the minimum economic field size upwards to a level above the current potential of the Hammamet West field. This has caused the Joint Venture partners to re-evaluate the forward strategy in favour of adding new reserves via drilling rather than further evaluation of the Hammamet West accumulation. As a consequence, the Joint Venture has re-negotiated its work program with the Tunisian authorities with a focus on delineation of additional key prospects.

Table 3 Bargou block prospective resources

Prospective Resources 30-Jun-15	Jacka Interest	Mean Gross (MMboe)	Mean Jacka Share (MMboe)	Comments
Tunisia	15%	545	82	2D seismic defined

* RPS Independent Assessment August 2008

Hammamet West Oilfield

Hammamet West-3 commenced drilling on 4 April 2013 with the objective of confirming oil productivity from natural fractures within the Abiod Formation, enhanced by drilling a highly deviated wellbore. A 432m nearly horizontal sidetrack section (ST-1) was drilled through the Abiod Formation to a total measured depth of 3,443m. Major gas and oil influxes and very large drilling mud losses were experienced during the drilling of this portion of the well, indicating that open hydrocarbon-bearing fractures within the Abiod Formation had been penetrated.

Follow-up testing confirmed the presence of hydrocarbon-bearing fractures, with flow rates averaging 1,343 barrels of fluid per day recorded during the clean-up flow. While oil was recovered at the surface (67 barrels), the tests could not be completed because of recurring blockages and obstructions caused by lost circulation material (LCM), which was originally used to control mud losses experienced while drilling. Ultimately, the Joint Venture decided to cease further attempts to test in favour of drilling a sidetrack hole with a more capable rig. To that end, the well was temporarily abandoned and the drilling rig released on 9 November 2013.

Contingent Resources

The contingent resource assessment confirms that Hammamet West is a significant hydrocarbon accumulation with potential for economic development. The field is located in relatively shallow water and only 15 kilometres from shore. Previous assessments indicated a minimum economic field size of 8 to 10 million barrels of oil. However, with decreasing oil prices that estimate has dramatically changed such that the 1C P_{90} Contingent Resource has become less than the current requirement for commercial development.

Table 4: Hammamet West Field, In Place and Contingent Resource Estimates

Gross Hydrocarbon In Place		P90	P50	P10
Oil and Associated Gas Million Barrels of Oil Equivalent		**162**	**366**	**780**
Gross Contingent Resource Estimates		**1C (P90)**	**2C (P50)**	**3C (P10)**
Oil	Million Barrels	11.6	34.5	99.8
Gas	Billion Cubic Feet of Gas	5.3	17.9	59.7
Total	**Million Barrels of Oil Equivalent**	**12.6**	**37.7**	**110.4**
Jacka Resources (15%) Net Contingent Resource				
Oil	Million Barrels	1.7	5.2	15.0
Gas	Billion Cubic Feet of Gas	0.8	2.7	9.0
Total	**Million Barrels of Oil Equivalent**	**1.9**	**5.7**	**16.6**

Tanzania
Ruhuhu Block
Jacka 100% equity interest

The Ruhuhu licence is located in southwest Tanzania and covers an area of 10,343 km^2. Jacka holds 100% of the licence, which provides the Company with petroleum exploration rights over the entire Ruhuhu Basin and 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.

Tanzania has become the focus of significant exploration activity by major companies such as Shell, Statoil, British Gas, Petrobras and ExxonMobil following a series of large offshore gas discoveries. Significant exploration potential is believed to remain within the deep water offshore blocks and within the onshore 'East African Rift' basins located in the central and western portions of the country.

Block Overview

The Ruhuhu exploration licence area encloses an entire Karoo (Late Carboniferous to Triassic) rift basin, which was later transected at its western extent by the "modern" Nyasa rift basin of the currently active East African Rift.

Within the Karoo system of the Ruhuhu Basin the key exploration targets are considered to be the organic-rich Early Permian shales which have good potential as a shale gas / tight gas and liquids exploration play, and Early Permian coals with potential for coal seam gas (CSG). Conventional hydrocarbon targets may also exist within the basin.

The thick, thermally mature, high total organic carbon (TOC) mudstones and siltstones of the Lilangu Member are a potential shale gas/tight gas target. This unit has properties very similar to the Lower Ecca Group of the South African Main Karoo Basin.

The thick, bituminous Early Permian coals of the Mchuchuma Formation are currently being mined on the basin flanks for power generation and other domestic use. These coals are interpreted to occur within the central sub-basins at depths that make them a potentially attractive CSG target.

The western end of the licence area includes an onshore portion of the Nyasa rift, which is part of the East African Rift system. Conventional oil exploration targets are most likely to occur within this area, where reservoirs, of both the Neogene delta and the older underlying Karoo system, could be charged by hydrocarbons migrating from interpreted oil mature source kitchens under Lake Nyasa. Academic studies have detected volatile hydrocarbons in Lake Nyasa sediments.

The work program continues to focus on the integration of newly acquired rock property data into Jacka's technical knowledge of the area. The creation of a series of depth to basement geological cross sections has improved Jacka's understanding of the internal structure and evolution of the Ruhuhu Basin. Reprocessing of legacy seismic data will also assist Jacka's design and acquisition of high-resolution airborne Full Tensor Gravity (FTG) and magnetics surveys, targeting individual sub-basins within the Ruhuhu Basin.

The Company continues its farmout campaign efforts designed to mitigate risk and preserve capital.

Somaliland
Odewayne Block
Jacka 5% Buy-In right

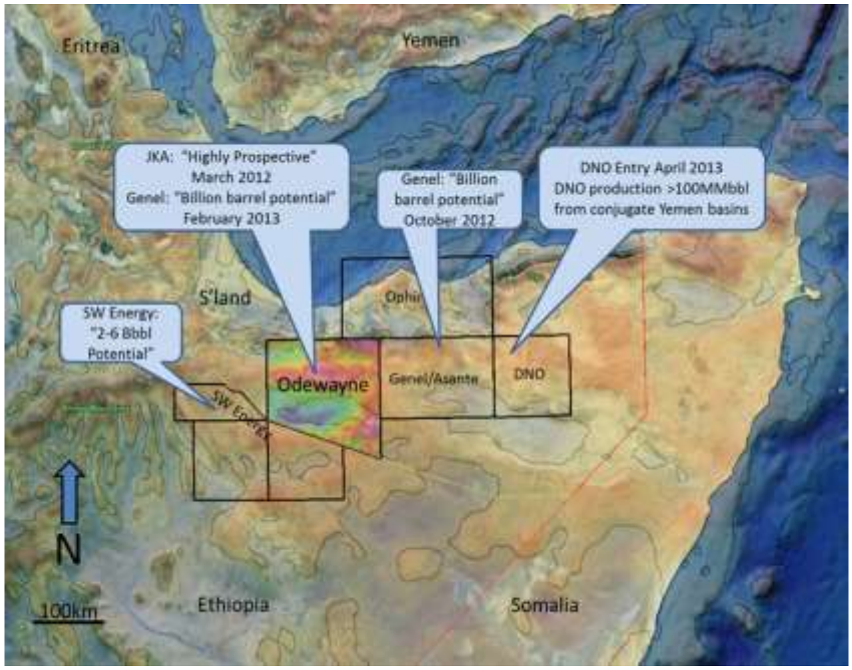
In April 2012, Jacka announced that it had entered into an agreement with Petrosoma Limited ("Petrosoma") to become Operator and a 50% equity holder in Blocks 6,7 (partial) and 10 (partial), located onshore Somaliland, which are the subject of a Production Sharing Agreement ("PSA") with the Government of the Republic of Somaliland. The PSA area, which was formerly known as 'Block 26', is now informally referred to as the "Odewayne block".

Under Jacka's original farmin agreement with Petrosoma (announced in April 2012), the Company had the opportunity to acquire up to an 85% participating interest on the Odewayne block by funding the minimum work program in exploration phases III and IV and, potentially, Petrosoma's costs in drilling an additional well.

At the end of 2012 the Company announced that it had farmed out a 50% equity interest in the Odewayne block to Genel Energy plc ("Genel"). This farmout would see Jacka retain a 30% participating interest in the licence with an option to acquire a further 5%.

Genel earned a 50% interest in the block by:

1. Carrying Jacka and Petrosoma through at least the minimum work program in phases III and IV of the PSA, including 1,500 kms of 2D seismic and the drilling of an exploration well
2. Paying for all PSA-related expenditures in exploration phases III and IV
3. Paying approximately US$0.7 million to Jacka as a pro rata share of past expenditure.



In September 2013, Jacka was advised by Genel, the Operator of both the Odewayne block and the adjacent SL10B/SL13B exploration block (in which Jacka is not a participant), that Genel had temporarily withdrawn its expatriate employees and contractors from Somaliland because of security concerns. Genel had been preparing to acquire a seismic survey on block SL10B/SL13B which was to be followed by seismic survey acquisition in the Odewayne block. Genel continues to liaise closely with the Somaliland Government to ensure satisfactory management of the security situation. Seismic operations are expected to recommence once the appropriate security arrangements have been established.

In November 2013 Jacka announced that it had executed a farmout agreement with Sterling Energy Plc pursuant to which Sterling would acquire a 15% equity interest in the Odewayne licence from Jacka for a total cash consideration of US$15 million.

Jacka retained a 15% interest in the licence upon completion of the farmin (in addition to an option over an additional 5% from the original Jacka-Petrosoma transaction). In May 2014 the Company announced the completion of a second farmout agreement with Sterling, with respect to the remaining 15% interest in the Odewayne licence. Under the terms of this agreement:

1. Sterling acquired an additional 15% interest in the PSC from Jacka;
2. Sterling paid a total cash consideration of US$12 million; and
3. Jacka cancelled the US$12 million future conditional payments due under the first farmout agreement with Sterling.

While this transaction resulted in the Company's departure from the PSC, Jacka retains an option to acquire a 5% participating interest arising from its original farm-in agreement with Petrosoma Limited. This option can be exercised on the earlier of the proposal of a second well in the PSC or the parties entering into the Fifth Period of the PSC. Upon exercise of the option Jacka is required to carry Petrosoma through exploration activity up to a capped amount of total project expenditures. On the basis of current estimates of project expenditures, the expenditure cap may be reached before Jacka exercises the option, resulting in Jacka's carry obligations being satisfied.

The PSC is currently in the Third Period (expiring November 2016) with an outstanding minimum work obligation of 500 km of 2D seismic. The minimum work obligation during the Fourth Period of the PSC (expiring May 2018) is for 1,000 km of 2D seismic and one exploration well.

Block Overview

The Odewayne block lies in the southwest of Somaliland and covers an area of some 22,000 km^2. The block completely encloses the Odewayne basin. The Odewayne, Nogaal and Dharoor basins are three genetically-related Mesozoic rift basins in the Horn of Africa that were once continuous with the prolific Jurassic rift basins of Yemen. Yemen and the Horn of Africa have been separating since the Oligocene due to the ongoing East African Rift and opening of the Gulf of Aden. The geology of the Odewayne basin is therefore expected to be very similar to the prolific producing basins of Yemen.

Full block airborne gravity and magnetic data acquired late in 2012 confirm the Odewayne basin, as it is now known, to be approximately 220km long and 50km wide. These are typical rift segment dimensions, amply demonstrated in the modern East African Rift. The airborne geophysics program has further confirmed the presence of large rotated fault blocks, desirably located immediately adjacent to a large depocentre for receipt of a hydrocarbon charge.

A working source kitchen has been evidenced by nine sampled and verified oil seeps in the eastern part of the licence area. Geochemical analysis of those seeps indicated an original light oil or condensate, consistent with the oils produced in Yemen.

A further 10 oil seeps were identified during an extensive community engagement program in preparation for the airborne geophysics program. These new seeps were proven to be widely distributed around the flanks of the Odewayne basin, providing further evidence of the basin's prospectivity. The 20km - 40km migration distance implied by the location of some of the seeps suggests both a prolific source kitchen and an effective regional seal.

Reserves & Resources Reporting

In determining petroleum reserves and resources Jacka has used guidelines recommended by the Society of Petroleum Engineers publication "Guidelines for Application of the Petroleum Resources Management System" ("PRMS"). PRMS is a fully integrated system that provides for calculation and categorization of all petroleum reserves and resources.

Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions.

Aje Field, OML113, Nigeria	2P Proved & Probable Reserves	
	Gross Project	Net to Jacka
Phase 1 Cenomanian Oil Development		
Oil (million barrels)	**23.4**	**1.30**

The reserves have been assessed using a combination of deterministic and probabilistic methods. Estimates use the stock tank of the FPSO as the reference point for oil measurements. Source AGR TRACS CPR – 25 July 2014, this is the effective date of the reserves estimate.

Contingent Resources are those quantities of petroleum which are estimated, on a given date, to be potentially recoverable from known accumulations, but which are not currently considered to be commercially recoverable or where no development or commercial plan has been confirmed.

Contingent Resources	Licence/ Permit	Jacka Interest	2C Gross (MMboe)	2C Net (MMboe)	Comments
Hammamet West Field	Bargou Tunisia	15%	37.7	5.7	Appraisal

Aje Field	OML113 Nigeria	5%*	179	12.1	Development ongoing
Total			**216**	**17.8**	

* Net Revenue Interest

Prospective Resources are defined as undiscovered, potentially recoverable petroleum accumulations. Jacka has a number of exploration licences under evaluation, using techniques such as gravity and magnetic surveys, geochemical surveys, seismic surveys and basin analysis. Jacka accordingly maintains a database of Prospects and Leads. Prospects are defined as potentially recoverable petroleum accumulations that are drill-ready or near drill-ready, while leads are identified as potentially recoverable petroleum accumulations that will require additional study to be matured to prospect level. It is important to realise that prospects and leads carry exploration risks and thus they will not all result in the discovery of commercial hydrocarbons. These risks are identified by Jacka and help management in ranking exploration priorities.

Prospective Resources	Licence/ Permit	Jacka Interest	Mean Gross (MMboe)	Mean Net (MMboe)	Comments
Tunisia	Bargou	15%	545	82	2D seismic over block 3D over Hammamet
Nigeria	OML113	5%*	186	7	3D seismic over prospects
Somaliland	Odewayne	0% to 5%	0	0	Frontier exploration
Tanzania	Ruhuhu	100%	1,374	1,374	Frontier exploration
Totals			**2,105**	**1,463**	

* Net Revenue Interest

Reserves and Resources Reconciliation

A reconciliation of Jacka's 2P reserves and 2C contingent resources for the Aje Cenomanian and Turonian projects is shown in Table 5 below.

Table 5:
Reconciliation of Jacka Net Reserves and Contingent Resources Aje Field, OML113, Nigeria

Aje Field, Nigeria	Net 2P Oil Reserve MMbbl	Net 2C Contingent Resource MMBOE
Opening Estimate 1 July 2014	**1.3**	**12.1**
Exploration	0.0	0.0
Transfers	0.0	0.0
Revisions	0.0	0.0
Production	0.0	0.0
Acquisition/Divestment	0.0	0.0
Closing Estimate 30 June 2015	**1.3**	**12.1**

A reconciliation of Jacka's 2P reserves and 2C contingent resources for the Hammamet West, Bargou block is shown in Table 6 below.

Table 6:
Reconciliation of Jacka Net Reserves and Contingent Resources Hammamet West, Bargou block, Tunisia

Hammamet West, Tunisia	Net 2P Oil Reserve MMbbl	Net 2C Contingent Resource MMBOE
Opening Estimate 1 July 2014	**0.0**	**5.7**
Exploration	0.0	0.0
Transfers	0.0	0.0
Revisions	0.0	0.0
Production	0.0	0.0
Acquisition/Divestment	0.0	0.0
Closing Estimate 30 June 2015	**0.0**	**5.7**

Table 7:
Reconciliation of Jacka's Total Net Reserves and Contingent Resources

Total (Hammamet West, Tunisia and Aje Field, Nigeria)	Net 2P Oil Reserve MMbbl	Net 2C Contingent Resource MMBOE
Opening Estimate 1 July 2014	**1.3**	**17.8**
Exploration	0.0	0.0
Transfers	0.0	0.0
Revisions	0.0	0.0
Production	0.0	0.0
Acquisition/Divestment	0.0	0.0
Closing Estimate 30 June 2015	**1.3**	**17.8**

Table 8:
Permit Summary

Licence/ Country	Jacka Equity	Joint Venture Partner(s)	Partner Interest	Forward Program
Bargou/ Tunisia	15%	Dragon Oil Cooper Energy*	55.0% 30.0%	Exploration & 3D Seismic
OML113 (Aje Field)/ Nigeria	5%**	Yinka Foliwayo* EER FHN NewAge Panoro	25.0% 16.9% 16.9% 24.1% 12.2%	Development & Exploration on 3D defined Prospects
Odewayne/So maliland	0%***	Petrosoma Genel Energy* Sterling Energy	10.0% 50.0% 40.0%	Frontier Exploration

Ruhuhu/ Tanzania	100%	None	N/A	Frontier Exploration

*Operator / Technical Advisor ** Net Revenue Interest ***Jacka has divested its direct interests and now holds a 5% buy-in option over the licence.

Corporate
Cash on hand 30 June 2015

Available cash resources as at 30 June 2015 (excluding JV interests) A$1.926M

Summary of Capital Structure as at the date of this Report	**Quantity**
ASX Listed	
Ordinary Shares	460,822,883
Listed Options exercisable at $0.10 on or before 31 May 2016	67,859,379
Unlisted	
Unlisted Options exercisable at $0.20 on or before 11 October 2015	500,000
Unlisted Options exercisable at $0.20 on or before 3 May 2017	1,250,000
Unlisted Options exercisable at $0.20 on or before 11 September 2016	2,700,000

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 report has been compiled by Mr Ken Charsinsky, an advisor to Jacka Resources Limited board. Mr Charsinsky (M.Sc. Geology) has over 35 years of experience in the exploration for, and appraisal and development of, petroleum resources and has sufficient relevant experience to qualify as a Qualified Petroleum Reserves and Resources Evaluator (QPPRE) under ASX Listing Rules. Mr Charsinsky consents to the inclusion in the report of the matters based on his information in the form and context in which they appear. Mr Charsinsky is a long-standing member of the AAPG.

PRINCIPAL ACTIVITIES
The principal activities during the period of the Consolidated Entity were oil and gas exploration in, Tunisia Block Bargou, Somaliland Odewayne Block, OML113 licence in Nigeria and Ruhuhu Block in Tanzania.

REMUNERATION REPORT

Details of key management personnel

Directors in office during the financial period were:
Executive Director
Bob Cassie (Appointed 5 November 2013, Resigned 9 September 2014)
Non-Executive Directors
Max Cozijn (Appointed 21 May 2014)
James Robinson (Appointed 21 May 2014)
Neil Fearis (Appointed 9 September 2014)
Executives
Ken Charsinsky (Appointed 26 February 2015)
Richard Aden (Resigned 5 November 2014)
Andrew Gastevich (Appointed 10 November 2014)
Stephen Brockhurst (Appointed 16 April 2014)

SHAREHOLDINGS OF KEY MANAGEMENT PERSONNEL

2015

Key Management Personnel	Balance 01-Jul-14	On market purchase	Options exercised	Net change other	Balance 30-Jun-15
Bob Cassie* (Resigned 9 September 2014)	84,375	-	-	(84,375)	-
Max Cozijn	100,000	900,000	-	-	1,000,000
James Robinson	-	1,500,000	-	-	1,500,000
Neil Fearis (Appointed 9 September 2014)	-	2,000,000	-	-	2,000,000
Richard Aden* (Resigned 5 November 2014)	1,051,682	-	-	(1,051,682)	-
Stephen Brockhurst	3,068,486	-	-	-	3,068,486
	4,304,543	**4,400,000**	**-**	**(1,136,057)**	**7,568,486**

2014

Key Management Personnel	Balance 01-Jul-13	On market purchase	Options exercised	Net change other	Balance 30-Jun-14
Stephen Brockhurst	3,068,486	-	-	-	3,068,486
Bob Cassie	75,000	-	-	9,375	84,375
Scott Spencer*	1,500,000	-	-	(1,500,000)	-
Richard Aden	1,051,682	-	-	-	1,051,682
Brett Smith*	1,715,000	-	-	(1,715,000)	-
Justyn Wood*	50,000	200,000	-	(250,000)	-
Max Cozijn	-	100,000	-	-	100,000
James Robinson	-	-	-	-	-
	7,460,168	**300,000**	**-**	**(3,455,625)**	**4,304,543**

* Director Resignation

Net other change represents on market share purchases or change on director resignation as noted.

OPTION HOLDINGS OF KEY MANAGEMENT PERSONNEL

2015

Key Management Personnel	Balance 01-Jul-14	Option grant	Options exercised	Option expiry	Balance 30-Jun-15	Vested during the period	Vested and exercisable
Bob Cassie (Resigned 9 September 2014)	504,688	-	-	(4,688)	500,000	-	-
Max Cozijn	-	-	-	-	-	-	-
James Robinson	-	-	-	-	-	-	-
Neil Fearis (Appointed 9 September 2014)	-	-	-	-	-	-	-
	504,688	**-**	**-**	**(4,688)**	**500,000**	**-**	**-**

2014 Key Management Personnel	Balance 01-Jul-13	Option grant	Options exercised	Option expiry	Balance 30-Jun-14	Vested during the period	Vested and exercisable
Scott Spencer	3,000,000	-	-	(1,000,000)	2,000,000	-	2,000,000
Richard Aden	4,000,000	-	-	(1,000,000)	3,000,000	-	3,000,000
Brett Smith	3,000,000	-	-	(1,000,000)	2,000,000	-	2,000,000
Stephen Brockhurst	3,000,000	-	-	(1,000,000)	2,000,000	-	2,000,000
Justyn Wood	3,750,000	-	-	-	3,750,000	-	3,750,000
Bob Cassie	500,000	4688	-	-	504,688	504,688	504,688
Max Cozijn	-	-	-	-	-	-	-
James Robinson	-	-	-	-	-	-	-
	17,250,000	**4,688**	**-**	**(4,000,000)**	**13,254,688**	**504,688**	**13,254,688**

In determining competitive remuneration rates, the Board reviews benchmarks on local and international trends among comparative companies and industry generally. It examines terms and conditions for employee incentive schemes, benefit plans and share plans. Independent advice is obtained to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices.

Performance Based Remuneration
The Board recognises that Jacka Resources Limited operates in a global environment. To prosper in this environment, it must attract, motivate and retain key executive staff. The principles supporting the remuneration policy are that:

- Reward reflects the competitive global market in which the Company operates.
- Individual reward is based on performance across a range of indicators that apply to delivering results across the Consolidated Entity.
- Rewards to executives are linked to creating value for shareholders.
- Executives are rewarded for both financial and non-financial performance.
- Remuneration arrangements are equitable and facilitate the deployment of senior management across the Consolidated Entity.

No options were issued to any Directors or key management personnel during the period. Refer to Directors' Report for further details.

Market Comparisons
Consistent with attracting and retaining talented executives, the Board endorses the use of incentive and bonus payments. The Board continues to seek external advice to ensure reasonableness in remuneration scale and structure, and to compare the Consolidated Entity's position with the external market. The impact and high cost of replacing senior employees and the competition for talented executives requires the Company to reward key employees when they deliver consistently high performance.

Board Remuneration
Shareholders approve the maximum aggregate remuneration for Non-Executive Directors. The Board determines actual payments to Directors and reviews their remuneration annually, based on benchmarks with regard to market practice, relativities, and the duties and accountabilities of Directors. A review of Directors' remuneration is conducted annually to benchmark overall remuneration, including retirement benefits.

Mr Cozijn is also paid an additional fee at the rate of $1,500 per day worked for consultancy services over and above his current Non-Executive Chairman's fees of $70,000 per annum.

The following table of benefits and payment details, in respect of the financial year, the components of remuneration for each member of the key management personnel of the Consolidated Entity, and to the extent different, the Directors receiving the highest remuneration.

Service Agreements
Remuneration and other terms of employment for the executives are formalised in service agreements specifying the components of remuneration, benefits and notice periods. Termination benefits are within the limits set by the Corporations Act 2001 such that they do not require shareholder approval.

Upon ceasing as a Director of the Company, an agreement was entered into on 5th September 2014 with Bob Cassie Consulting Pty Ltd, a company controlled by Bob Cassie, for his services as an E&P advisor. The agreement was for a 12 month period, commencing on 1st October 2014, and provided for remuneration of $225 per hour for a minimum of 96 hours per month. The agreement specified a one month notice period in the event it is terminated. There were no other termination benefits or allowances specified in the agreement. On 26th February 2015, a new agreement was entered into with Bob Cassie Consulting Pty Ltd. The agreement was for a one year period, commencing 1st March 2015, with a one month notice period in the event it is terminated and there are no other termination benefits or allowances specified in the agreement. The remuneration is $225 per hour, with no minimum number of hours.

The Company entered into an agreement on 3rd November 2014 with Andrew Gastevich, the Chief Financial Officer for the provision of his services. The agreement was initially for a 3 month term commencing on 10 November 2014, but has been extended indefinitely by mutual consent. The agreement provides for remuneration of $18,333 per month, inclusive of superannuation. The agreement specifies a one month notice period in the event it is terminated. There are no other termination benefits or allowances specified in the agreement.

The Company entered into an agreement on 20th March 2015 with Ken Charsinsky, the E&P advisor to the Board for the provision of his services. The agreement is for an unspecified period commencing 26 February 2015 and provides for remuneration of $30,000 per month, inclusive of superannuation. The agreement specifies a 30 day notice period in the event it is terminated. There are no other termination benefits or allowances specified in the agreement.

30 June 2015	Short-term benefits Salary, fees and leave	Long-term benefits Superannuation	Share based payments Shares/options	Total	% Share or Performance based remuneration
	$	$	$	$	%
Non-Executive Directors					
Max Cozijn	168,264	15,984	-	184,248	-
James Robinson	50,000	-	-	50,000	-
Neil Fearis (Appointed 9 September 2014)	40,377	-	-	40,377	-
Executive Directors					
Bob Cassie (Resigned 9 September 2014)	97,584	10,302	-	107,886	-
Executives					
Ken Charsinsky (Appointed 26 February 2015)	112,329	10,671	-	123,000	-
Richard Aden (Resigned 5 November 2014) Chief Financial Officer	153,944	14,625	-	168,569	-

Andrew Gastevich (Appointed 10 November 2014) Chief Financial Officer	128,361	12,194	-	140,555	-
Stephen Brockhurst[1] Company Secretary	-	-	-	-	-
	750,859	**63,776**	**-**	**814,635**	**-**

[1]Mining Corporate Pty Ltd, a company of which Stephen Brockhurst is a director, was paid $158,982 (2014: $205,914) in cash for provision of registered office, reception, bookkeeping, accounting and company secretarial services.

30 June 2014	**Short-term benefits Salary, fees and leave**	**Long-term benefits Superannuation**	**Share based payments Shares/options**	**Total**	**% Share or Performance based remuneration**
	$	**$**	**$**	**$**	**%**
Non-Executive Directors					
Scott Spencer (Resigned 4 March 2014)	60,000	-	-	60,000	-
Brett Smith (Resigned 21 May 2014)	50,416	-	-	50,416	-
Stephen Brockhurst[1] (Resigned 21 May 2014)	64,166	5,936	-	70,102	-
Max Cozijn (Appointed 21 May 2014)	7,234	669	-	7,903	-
James Robinson (Appointed 21 May 2014)	6,209	-	-	6,209	-
Executive Directors					
Bob Cassie	329,435	21,523	-	350,958	-
Executives					
Richard Aden Chief Financial Officer	346,514	27,941	-	374,455	-
Justyn Wood (Resigned 3 April 2014) Technical Consultant	312,995	13,082	-	326,077	-
Amanda Wilton-Heald[1] Company Secretary	-	-	-	-	-
	1,176,969	**69,151**	**-**	**1,246,120**	**-**

[1]Mining Corporate Pty Ltd, a company of which Stephen Brockhurst is a director, and of which, Amanda Wilton-Heald is an employee, was paid $205,914 (2013: $151,926) in cash for provision of registered office, reception, bookkeeping, accounting and company secretarial services.

Share based payments

A summary of the movements of all options granted is as follows:

	2015 Number	2015 Weighted Average Exercise Price ($)	2014 Number	2014 Weighted Average Exercise Price ($)
Options outstanding at beginning of year	**153,259,379**	**0.23**	68,450,000	0.37
Granted	-	-	2,700,000	0.20
	-	-	19,250,000	0.14
	-	-	67,859,379	0.13
Exercised	-	-	-	-
Expired	**(80,950,000)**	-	(5,000,000)	-
Options outstanding at end of year	**73,093,379**	**0.23**	153,259,379	0.23

A summary of all share based payment arrangements in existence is below:

Date of Grant	Number of Options	Exercise Price	Expiry Date	Fair Value at Grant Date	Vesting Period	Grant Date Share Price Volatility	Risk Free Interest Rate
14 November 2013	2,700,000	$0.20	11 September 2016	$54,614	14 November 2013	71.71%	2.61%
3 May 2012	1,250,000	$0.20	3 May 2017	$107,693	30 June 2013	75.17%	3.31%
11 October 2012	500,000	$0.20	11 October 2015	$32,040	11 October 2013	75.17%	2.12%
	4,450,000			**$194,347**			

Voting and comments made at the Company's 2014 Annual General Meeting (AGM)
The resolution approving the 2014 Remuneration Report was passed unanimously on a show of hands. Proxy votes received in respect of the resolution were disclosed to the ASX in accordance with section 251AA of the Corporations Act.

During the year the following share based payment arrangements with Key Management Personnel were in existence:

Key Management Personnel	Date of Grant	Number of Options	Exercise Price	Expiry Date	Grant Date Fair Value	Vesting Date
Bob Cassie	11 October 2012	500,000	$0.20	11 October 2015	$0.064	11 October 2012
		500,000				

OPERATING RESULTS
Loss after income tax for the financial year was $44,106,138 (2014: $10,689,775 profit), the decrease primarily a result of the non-cash impairment of exploration and development expenditure for the Bargou and Aje projects for a combined value of $43,340,409. A profit on the sale of the Odewayne Project in Somaliland was recorded in the 2014 financial year.

The net asset position of the Consolidated Entity at 30 June 2015 was $8,219,685 (2014: $51,059,853), the decrease primarily a result of the non-cash impairment of the Bargou and Aje projects.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS
No significant change in the nature of these activities occurred during the year.

AFTER BALANCE DATE EVENTS

On 14 July 2015, the Company announced that MX Oil PLC (**"**MXO**"**), a company listed on the Alternative Investment Market ("AIM") in London, would fund Jacka's portion of the ongoing Aje field development program and, in return, could gain control of Jacka's economic interest in the Aje field, upon the commencement of commercial production from the field. In addition, MXO has acquired Jacka's loans to its Nigerian subsidiary P.R.Oil & Gas Nigeria Limited in exchange for shares in MXO, thereby providing Jacka with ongoing exposure to the Aje project through its investment in MXO. Pursuant to this arrangement, on 21 July 2015, Jacka was issued 43,380,325 shares in MXO. These shares cannot be traded for 6 months. Jacka's shareholding currently represents a 11.47% interest in MXO. The market value of the MXO shares at settlement was $3.96m, while current market value at the time of this report is $2.25m.

Pursuant to the placement of 65,500,000 shares through Cornhill Asset Management Ltd, the Company is required to allot 65,500,000 unlisted options to the placees exercisable at $0.02 per share, with a term of 2.5 years and vesting if the Company's shares trade above $0.04 on the ASX. The Company will require shareholder approval to effect this issue of options.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

ENVIRONMENTAL ISSUES

The Consolidated Entity is subject to significant regulation in respect of its exploration activities and the Consolidated Entity is aware of its environmental obligations and ensures that it complies with all regulations when carrying out any exploration work. The Consolidated Entity is not aware of any environmental breaches during the year under review.

The Directors have considered the National Greenhouse and Energy Reporting Act 2007 (the NGER Act) which introduces a single national reporting framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. At the current stage of development, the Directors have determined that the NGER Act will have no effect on the Consolidated Entity. The Directors will reassess this position as and when the need arises.

DIVIDENDS PAID OR RECOMMENDED

No dividends were paid during the period and no recommendation is made as to dividends.

INDEMNIFYING OFFICERS OR AUDITOR

The Company currently has directors' and officers' liability insurance of which the premium paid is $12,000 (2014: $12,000).

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Consolidated Entity or intervene in any proceedings to which the Consolidated Entity is a party for the purpose of taking responsibility on behalf of the Consolidated Entity for all or any part of those proceedings. The Consolidated Entity was not a party to any such proceedings during the year.

MEETINGS OF DIRECTORS

Director	Board Meetings Number Eligible to Attend	Board Meetings Number Attended	Audit Committee	Remuneration Committee	Nomination Committee
Bob Cassie (Resigned 9 September 2014)	3	3	-	-	-
Max Cozijn	8	8	2	1	1
James Robinson	8	8	2	1	1
Neil Fearis (Appointed 9 September 2014)	5	5	2	1	1

NON-AUDIT SERVICES

During the year ended 30 June 2015, the Company paid $6,780 (2014: $7,150) to Bentleys Audit & Corporate (WA) Pty Ltd for non-audit services, being taxation consulting services. The Board of Directors are satisfied that the provision of non-audit services during the period is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. No other fees were paid or payable to the auditors for non-audit services performed during the year.

AUDITOR'S DECLARATION OF INDEPENDENCE

The auditor's independence declaration for the period ended 30 June 2015 has been received and is included within the financial statements.

Signed in accordance with a resolution of directors.

Max Cozijn
Chairman
Perth, 23 September 2015

Bentleys
THINKING AHEAD

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bentleys.com.au

To The Board of Directors

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

As lead audit director for the audit of the financial statements of Jacka Resources Limited for the financial year ended 30 June 2015, 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 audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully

BENTLEYS
Chartered Accountants

DOUG BELL CA
Director

Dated at Perth this 23rd day of September 2015

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2015

	Note	**Consolidated 2015 $**	Consolidated 2014 $
Interest revenue		**18,595**	47,624
Gain on sale of exploration asset	9(c)	**-**	14,260,559
Other revenue		**-**	305,200
Accounting		**(243,800)**	(225,323)
Compliance fees		**(110,112)**	(168,414)
Consultancy fees		**(243,956)**	(527,982)
Depreciation		**(4,840)**	(4,840)
Directors' remuneration		**(298,563)**	(396,335)
Exploration and evaluation expenditure provision for impairment	9(a)	**(42,233,878)**	(671,804)
Impairment of development expenditure	6	**(1,106,531)**	-
Foreign exchange gain		**879,847**	50,831
Government Contributions	9(c)	**-**	(901,976)
Insurance		**(25,541)**	(25,009)
Interest		**(5,516)**	(288,474)
Legal fees		**(216,858)**	(323,663)
Marketing		**(66,587)**	(63,079)
Occupancy		**(97,972)**	(105,103)
Profit/(loss) on sale of investments		**300**	(9,776)
Share based payments		**-**	(54,615)
Travel expenses		**(108,746)**	(50,215)
Other expenses		**(241,980)**	(157,831)
Profit / (Loss) before income tax benefit		**(44,106,138)**	10,689,775
Income tax benefit	2	**-**	-
Profit / (Loss) for the period		**(44,106,138)**	10,689,775
Other comprehensive income			
Other comprehensive income (net of income tax) Items that may be classified subsequently to profit or loss:			
Net unrealised (gain)/loss on available for sale financial assets		**12,011**	13,850
Total comprehensive income / (loss) for the year		**(44,094,127)**	10,703,625
Basic profit / (loss) per share (cents)	3	**(11.01)**	3.12

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

	Note	**Consolidated Entity 2015**	Consolidated Entity 2014
		$	$
ASSETS			
Current Assets			
Cash and cash equivalents	4	**1,925,675**	10,037,359
Trade and other receivables	5	**872,836**	50,484
Assets classified as held for sale	6	**8,561,745**	-
Total Current Assets		**11,360,256**	10,087,843
Non-Current Assets			
Other financial assets	7	**45,431**	34,220
Plant and equipment	8	**4,283**	9,122
Exploration and development expenditure	9	**2,020,626**	42,030,976
Total Non-Current Assets		**2,070,340**	42,074,318
Total Assets		**13,430,596**	52,162,161
LIABILITIES			
Current Liabilities			
Trade and other payables	10	**593,640**	731,426
Borrowings	11	**-**	300,000
Provisions	12	**16,055**	70,882
Liabilities directly associated with assets classified as held for sale	6	**4,601,216**	-
Total Liabilities		**5,210,911**	1,102,308
Net Assets		**8,219,685**	51,059,853
EQUITY			
Issued capital	13	**48,242,893**	46,988,934
Reserves	14	**164,692**	152,681
Retained Profits/(Accumulated losses)		**(40,187,900)**	3,918,238
Total Equity		**8,219,685**	51,059,853

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

Consolidated Entity	Issued Capital $	Option Reserve $	Asset Revaluation Reserve $	Forex Reserve $	Accumulated Losses $	Total $
Balance at 1 July 2014	**46,988,934**	**614,905**	**(14,620)**	**(447,604)**	**3,918,238**	**51,059,853**
Securities issued during the period	1,289,632	-	-	-	-	1,289,632
Security issue expenses	(35,673)	-	-	-	-	(35,673)
Foreign currency translation	-	-	-	-	-	-
Loss for the period	-	-	-	-	(44,106,138)	(44,106,138)
Other comprehensive income	-	-	12,011	-	-	12,011
Total comprehensive income for the period	-	-	12,011	-	(44,106,138)	(44,094,127)
Balance at 30 June 2015	**48,242,893**	**614,905**	**(2,609)**	**(447,604)**	**(40,187,900)**	**8,219,685**

Consolidated Entity	Issued Capital $	Option Reserve $	Asset Revaluation Reserve $	Forex Reserve $	Accumulated Losses $	Total $
Balance at 1 July 2013	**40,456,026**	**560,290**	**(28,470)**	**(447,604)**	**(6,771,537)**	**33,768,705**
Securities issued during the period	7,127,586	-	-	-	-	7,127,586
Security issue expenses	(594,678)	-	-	-	-	(594,678)
Grant of options	-	54,615	-	-	-	54,615
Foreign currency translation	-	-	-	-	-	-
Profit for the period	-	-	-	-	10,689,775	10,689,775
Other comprehensive income	-	-	13,850	-	-	13,850
Total comprehensive income for the period	-	-	13,850	-	10,689,775	10,703,625
Balance at 30 June 2014	**46,988,934**	**614,905**	**(14,620)**	**(447,604)**	**3,918,238**	**51,059,853**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015

	Note	**Consolidated Entity 2015**	Consolidated Entity 2014
		$ Inflows/ (Outflows)	$ Inflows/ (Outflows)
Cash flows from operating activities			
Payments to suppliers and employees		**(1,594,456)**	(1,750,126)
Payments for exploration expenditure		**(2,432,062)**	(13,781,940)
Payments for development expenditure		**(5,067,060)**	-
Interest received		**18,595**	47,624
Interest paid		**(5,516)**	(173,696)
Net cash (used in) operating activities	4(i)	**(9,080,499)**	(15,658,138)
Cash flows from investing activities			
Proceeds from sale of tenement assets	9(c)	**-**	16,028,817
Payment for government contribution	9(c)	**-**	(901,976)
Proceeds from sale of financial assets		**1,100**	90,428
Net cash (used in) investing activities		**1,100**	15,217,269
Cash flows from financing activities			
Receipt of break fee		**-**	300,000
Proceeds from borrowings		**-**	1,700,000
Repayment of borrowings		**(300,000)**	(1,700,000)
Proceeds from issue of shares		**1,289,632**	7,127,587
Payment of share issue costs		**(21,917)**	(594,679)
Net cash provided by financing activities		**967,715**	6,832,908
Net increase in cash held		**(8,111,684)**	6,392,039
Cash at beginning of the financial period		**10,037,359**	3,645,320
Cash and cash equivalents at period end	4	**1,925,675**	10,037,359

The accompanying notes form part of these financial statements.

1. Statement of Significant Accounting Policies

This financial report includes the consolidated financial statements and notes of Jacka Resources Limited and controlled entities ('Consolidated Entity'). Jacka Resources Limited is a company limited by shares, incorporated and domiciled in Australia.

Reporting Basis and Conventions

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and Interpretations and complies with other requirements of the law. The financial report has been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Corporations Act 2001* and the significant accounting policies disclosed below which the directors have determined are appropriate to meet the needs of members.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated. The financial report is presented in Australian dollars. The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The material accounting policies that have been adopted in the preparation of this report are as follows:

Going Concern

The 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 Group incurred a loss from ordinary activities of $44,106,138 (which included non-cash impairment losses totalling $43,340,409) for the year ended 30 June 2015 (2014 profit: $10,689,775) and cash outflows from operating activities of $9,080,499 (2014: $15,658,138). The net working capital position of the Group at 30 June 2015 was $6,149,345 (2014: $8,985,535 working capital).

The Group has exploration commitments due within the next twelve months of $1,880,220 (2014: $6,900,000). The ability of the Group 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, containing expenditure in line with available funding or ultimately developing one of its oil and gas fields. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Group to continue as a going concern.

The Directors believe it is appropriate to prepare these accounts on a going concern basis because:

- the Directors have an appropriate plan to raise additional funds as and when it is required. In light of the Group's current exploration projects, the Directors believe that the additional capital required can be raised within the ordinary course of business;
- the Company has entered into a transaction to cover its portion of future funding for the ongoing Aje field development plan (refer note 6);
- the Directors believe that full or partial divestment of assets is possible to interested industry parties that would provide funding for the remainder of the portfolio;
- 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 contain certain operating and exploration expenditure if appropriate funding is unavailable.

Should the Group 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 Group be unable to continue as a going concern and meet its debts as and when they fall due.

1. Statement of Significant Accounting Policies

a. Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Jacka Resources Limited at the end of the reporting period. A controlled entity is any entity over which Jacka Resources Limited has the power to govern the financial and operating policies so as to obtain benefits from the entity's activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered. Where controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 23 to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity. Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are shown separately within the Equity section of the consolidated Statement of Financial Position and Statement of Comprehensive Income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

b. Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses and results in the consolidation of its assets and liabilities. A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The acquisition method requires that for each business combination one of the combining entities must be identified as the acquirer (ie: parent entity). The business combination will be accounted for as at the acquisition date, which is the date that control over the acquiree is obtained by the parent entity. At this date, the parent shall recognise, in the consolidated accounts, and subject to certain limited exceptions, the fair value of the identifiable assets acquired and liabilities assumed. In addition, contingent liabilities of the acquiree will be recognised where a present obligation has been incurred and its fair value can be reliably measured.

The acquisition may result in the recognition of goodwill or a gain from a bargain purchase. The method adopted for the measurement of goodwill will impact on the measurement of any non-controlling interest to be recognised in the acquiree where less than 100% ownership interest is held in the acquiree. The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements. Consideration may comprise the sum of the assets transferred by the acquirer, liabilities incurred by the acquirer to the former owners of the acquiree and the equity interests issued by the acquirer. Fair value uplifts in the value of pre-existing equity holdings are taken to the statement of comprehensive income. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

Included in the measurement of consideration transferred is any asset or liability resulting from a contingent consideration arrangement. Any obligation incurred relating to contingent consideration is classified as either a financial liability or equity instrument, depending upon the nature of the arrangement. Rights to refunds of consideration previously paid are recognised as a receivable. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is

1. Statement of Significant Accounting Policies (Continued)

accounted for within equity. Contingent consideration classified as an asset or a liability is remeasured each reporting period to fair value through the statement of comprehensive income unless the change in value can be identified as existing at acquisition date. All transaction costs incurred in relation to the business combination are expensed to the statement of profit or loss and other comprehensive income.

c. Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income). Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority. Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses. Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised. Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

d. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated amortisation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

1. Statement of Significant Accounting Policies (Continued)

Depreciation

The depreciable amount of all fixed assets, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Consolidated Entity commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	**Depreciation Rate**
Plant and equipment	12.5%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

e. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Consolidated Entity commits itself to either purchase or sell the asset (ie: trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as: (i) the amount at which the financial asset or financial liability is measured at initial recognition; (ii) less principal repayments; (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and (iv) less any reduction for impairment. The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

i. *Financial assets at fair value through profit or loss*

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

ii. *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

1. Statement of Significant Accounting Policies (Continued)

iii. *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

iv. *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments. Any gains or losses recognised on fair value adjustments to available-for-sale financial assets are taken to the asset revaluation reserve in equity.

v. *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

vi. *Fair value*

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

f. Fair Value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie: unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie: the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie: the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

1. Statement of Significant Accounting Policies (Continued)

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Valuation techniques

In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset or liability, The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or

1. Statement of Significant Accounting Policies (Continued)

liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:
(i) if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or

(ii) if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

g. Impairment of Assets

At each reporting date, the Consolidated Entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement. Impairment testing is performed annually for goodwill and intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the Consolidated Entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

h. Exploration Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis. Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

i. Development Expenditure

Development expenditure incurred by or on behalf of the Group is accumulated separately for each area of interest in which economically recoverable resources have been identified. Such expenditure comprises costs directly attributable to the construction of a commercial well and the related infrastructure, including the cost of materials, direct labour and an appropriate proportion of production overheads.

1. Statement of Significant Accounting Policies (Continued)

When further development expenditure is incurred in respect of a commercial well asset after the commencement of production, such expenditure is carried forward as part of the asset base when it is probable that additional future economic benefits associated with the expenditure will flow to the Group. Otherwise such expenditure is recognised as a cost of production.

j. Interests in Joint Operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. When a group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the AASBs applicable to the particular assets, liabilities, revenues and expenses.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation. When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

k. Assets classified as held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales for such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of an investment, or a portion of an investment, in an associate or joint venture, the investment of the portion of the investment that will be disposed is classified as held for sale when the above criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate or a joint venture that has not be classified as held for sale continues to be accounted for using the equity method. The Group discontinues the use of the equity method at the time of disposal when the disposal results in the Group losing significant influence over the associate or joint venture.

1. Statement of Significant Accounting Policies (Continued)

After the disposal takes place, the Group accounts for any retained interest in the associate or joint venture in accordance with AASB 139 unless the retained interest continues to be an associate or a joint venture, in which case the Group uses the equity method. Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and the fair value less costs to sell.

l. Trade and other payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of consideration to be paid in the future for goods and services received, whether or not billed to the Consolidated Entity. Payables to related parties are carried at the principal amount. Interest, when charged by the lender, is recognised as an expense on an accrual basis.

m. Employee Benefits

Provision is made for the Consolidated Entity's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

n. Provisions

Provisions are recognised when the Consolidated Entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

o. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

p. Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue. Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established. All revenue is stated net of the amount of goods and services tax (GST).

q. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST. Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

r. Asset retirement obligation

Where a legal or constructive obligation has been incurred, provision is made for the net present value of the estimated cost of decommissioning at the end of the producing lives of assets. When this provision gives access to future economic benefits, an asset is recognised and then subsequently depreciated in line with the life of the underlying producing asset, otherwise the costs are charged to the income statement. The unwinding of the discount on the provision is included in the income statement within finance costs. Any changes to estimated costs or discount rates are dealt with prospectively.

1. Statement of Significant Accounting Policies (Continued)

s. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

t. Critical Accounting Estimates and Judgments

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical judgement and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Consolidated Entity.

Key Estimates

Key Estimate - Impairment

The Consolidated Entity assesses impairment at each reporting date by evaluation of conditions and events specific to the Consolidated Entity that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions. A non-cash impairment loss of $42,233,878 (2014: $671,804) has been recognised in respect of deferred exploration expenditure at reporting date and a further non-cash impairment loss of $1,106,531 (2014: $Nil) has been recognised on development expenditure in assets being classified as held for sale.

Key Estimate – Taxation

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates take into account both the financial performance and position of the Consolidated Entity as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by the Australian Taxation Office.

Key Estimate – Asset Retirement obligations

The Group estimates the future removal costs of offshore oil and gas platforms, production facilities, wells and pipelines at different stages of the development and construction of assets or facilities. In most instances, removal of assets occurs many years into the future. This requires judgemental assumptions regarding removal date, future environmental legislation, the extent of reclamation activities required, the engineering methodology for estimating cost, future removal technologies in determining the removal cost, and liability specific discount rates to determine the present value of these cash flows.

Key Estimate – Environmental Issues

Balances disclosed in the financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation, and the directors understanding thereof. At the current stage of the company's development and its current environmental impact the directors believe such treatment is reasonable and appropriate.

Key Judgements

Exploration and Evaluation Expenditure

The Group capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded. Such capitalised expenditure is carried at the end of the reporting period at $2,020,626 (2014: $42,030,976).

1. Statement of Significant Accounting Policies (Continued)

u. Application of new and revised Accounting Standards

New and revised AASB's affecting amounts reported and/or disclosures in the financial statements

In the current year, the Group has applied a number of new and revised AASB's issued by the Australian Accounting Standards Board (AASB) that are mandatorily effective from an accounting period on or after 1 January 2013. The Group has applied AASB 13 'Fair Value Measurement' for the first time in the current year. AASB 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The scope of AASB 13 is broad; the fair value measurement requirements of AASB 13 apply to both financial instrument items and non-financial instrument items.

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, AASB 13 includes extensive disclosure requirements. In addition, standards on consolidation, joint arrangements, associates and disclosures were adopted. The impact of the application of these standards is not material.

Standards and Interpretations in issue not yet adopted

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

The Group does not anticipate that there will be a material effect on the financial statements from the adoption of these standards.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards	1 January 2018	30 June 2019
AASB 15 'Revenue from Contracts with Customers' and AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15'	1 January 2017	30 June 2018
AASB 2014-3 'Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations'	1 January 2016	30 June 2017
AASB 2014-4 'Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation'	1 January 2016	30 June 2017
AASB 2014-6 'Amendments to Australian Accounting Standards – Agriculture: Bearer Plants'	1 January 2016	30 June 2017
AASB 2014-9 'Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements'	1 January 2016	30 June 2017
AASB 2014-10 'Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture'	1 January 2016	30 June 2017
AASB 2015-1 'Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle'	1 January 2016	30 June 2017

AASB 2015-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101'	1 January 2016	30 June 2017
AASB 2015-3 'Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality'	1 July 2015	30 June 2016
AASB 2015-4 'Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent'	1 July 2015	30 June 2016
AASB 2015-5 'Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception'	1 January 2016	30 June 2017

Note that the following new Standards and Interpretations are not applicable for the Group but are relevant for the period:

AASB 14 'Regulatory Deferral Accounts' and AASB 2014-1 'Amendments to Australian Accounting Standards – Part D: 'Consequential Amendments arising from AASB 14' is not applicable to the Group as the Group is not a first-time adopter of Australian Accounting Standards.

AASB 1056 'Superannuation Entities' is not applicable to the Group as the Group is not a superannuation entity.

AASB 2015-6 'Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities' is not applicable to the Group as the Group is a for-profit entity.

The Annual Report was authorised for issue on 23 September 2015 by the Board of Directors.

	Consolidated Entity 2015 $	Consolidated Entity 2014 $

2. *Income tax*

(a) Income tax expense

Current tax	**-**	-
Deferred tax	**-**	-
	-	-
Deferred income tax expenses included in income tax expense comprises:	-	-
(Increase) in deferred tax assets	(257,360)	356,221
Increase in deferred tax liabilities	257,360	(356,221)
	-	-

(b) Reconciliation of income tax expense to prima facie tax payable

The prima facie tax payable on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:

Prima facie tax on operating profit / (loss) at 30% (2014: 30%)	**(13,231,841)**	3,206,933
Add / (Less)		
Tax effect of:		
Other assessable income	**-**	110,774
Non-assessable income	**(724)**	(4,278,168)
Non-deductible expenses	**55,500**	389,068
Other deductible expenses	**(286,621)**	(432)
Share issue cost deduction	**(202,274)**	(221,841)
Overseas tenement expenses	**13,045,291**	184,882
Deferred tax assets not brought to account	**620,669**	608,784
Income tax attributable to operating loss	**-**	-
The applicable weighted average effective tax rates as follows	**Nil%**	Nil%

	Consolidated Entity 2015 $	Consolidated Entity 2014 $

2. *Income tax (Continued)*

(c) Deferred tax assets

Tax losses	**2,208,395**	1,513,763
Provisions and accruals	**4,817**	21,265
Share issue cost	**279,184**	969,552
Unrealised foreign exchange loss	**-**	22,026
Other	**9,673**	4,386
	2,502,070	2,530,992
Set-off of deferred tax liabilities	**(261,826)**	(4,466)
Net deferred tax assets	**2,240,245**	2,526,526
Less: deferred tax assets recognised	**(2,240,245)**	(2,526,526)
	-	-

(d) Deferred tax liabilities

Unrealised foreign exchange gains	**261,717**	-
Exploration expenditure	**-**	-
Other	**109**	4,466
	261,826	4,466
Set-off of deferred tax assets	**(261,826)**	(4,466)
	-	-

(e) Tax losses

Unused tax losses for which no deferred tax asset has been recognised	**7,361,318**	5,045,877

3. *Loss per share*

	Consolidated Entity 2015 $	Consolidated Entity 2014 $
Profit/(Loss) from continuing operations for the year	**(44,106,138)**	10,689,775
	No. 2015	**No. 2014**
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	**400,541,290**	342,789,549

Options have not been included in the calculation of diluted earnings per share as they are not dilutive.

	Consolidated Entity 2015 $	Consolidated Entity 2014 $

4. *Cash and cash equivalents*

Cash at bank	**1,925,675**	10,037,359

Cash at bank earns interest at floating rates based on daily bank deposit rates.

(i) Reconciliation of profit/(loss) for the period to net cash flows used in operating activities:

Profit/(Loss) for the period	**(44,106,138)**	10,689,775
Depreciation	**4,840**	4,840
(Gain)/Loss on disposal of investments	**(300)**	9,775
Net forex gain	**(879,847)**	(50,831)
Share based payments	**-**	54,614
Provision for exploration expenditure impairment	**42,233,878**	671,804
Impairment of development expenditure	**1,106,531**	-
Profit on sale of exploration asset	**-**	(13,358,583)
Changes in assets and liabilities		
(Increase)/Decrease in trade and other receivables	**(822,352)**	48,675
(Increase)/Decrease in assets classified as held for sale	**(3,960,529)**	-
(Increase)/Decrease in exploration and evaluation expenditure excluding impairment	**(2,739,541)**	(12,725,781)
Increase/(Decrease) in trade payables	**137,786**	(991,949)
Increase/(Decrease) in provisions	**(54,827)**	(10,477)
Net cash flows (used in) operating activities	**(9,080,499)**	(15,658,138)

5. *Trade and other receivables*

Current		
Trade debtors	**6,930**	-
Prepayments	**1,807**	921
GST receivable	**44,523**	49,563
Receivables – other corporations (a)	**819,576**	-
	872,836	50,484

(a) Expenditure incurred to be reimbursed by MX Oil PLC.

	Consolidated Entity 2015 $	Consolidated Entity 2014 $

6. *Assets classified as held for sale*

On 14 July 2015, the Company announced that MX Oil PLC (“MXO”), a company listed on the Alternative Investment Market (“AIM”) in London, would fund Jacka’s portion of the ongoing Aje field development program and, in return, could gain control of Jacka’s economic interest in the Aje field, upon the commencement of commercial production from the field. It is anticipated the commencement of commercial production will occur within the next 12 months.

In addition, MXO has acquired Jacka’s loans to its Nigerian subsidiary P.R.Oil & Gas Nigeria Limited in exchange for shares in MXO, thereby providing Jacka with ongoing exposure to the Aje project through its investment in MXO. Pursuant to this arrangement, on 21 July 2015, Jacka was issued US$3 million (AU$3,997,124) being 43,380,325 shares in MXO. These shares cannot be traded for 6 months. Jacka’s shareholding currently represents a 11.47% interest in MXO.

Under the terms of the Joint Operating Agreement governing the Aje project, should the Company (or MXO on the Company’s behalf) not contribute its share of funding within the prescribed periods, its interest could be forfeited.

	Consolidated Entity 2015 $	Consolidated Entity 2014 $
Assets classified as held for sale		
Balance at beginning of period	**-**	-
Transferred from Development expenditure (note 9)	**5,067,060**	-
Transferred from Trade and other receivables (a)	**3,729,528**	
Transferred from Asset Retirement Obligation (b)	**871,688**	-
Impairment	**(1,106,531)**	
	8,561,745	
Liabilities directly associated with assets classified as held for sale		
Balance at beginning of period	**-**	-
Transferred from Trade and other payables (a)	**(3,729,528)**	
Transferred from Asset Retirement Rehabilitation (b)	**(871,688)**	
	(4,601,216)	
Net assets classified as held for sale (c)	**3,960,529**	-

(a) These balances relate to funding receivable from MX Oil PLC for cash calls payable received on the Aje asset subsequent to entering the financing arrangement described above.
(b) These balances relate to corresponding asset retirement assets/liabilities directly related to the Aje project that is classified as held for sale (refer note 9).
(c) Net assets classified as held for sale have been measured at fair value less costs to sell being AU$3,997,124 in MXO shares less associated costs of $36,595.

7. *Other financial assets*

	Consolidated Entity 2015 $	Consolidated Entity 2014 $
Non-Current		
Available for sale financial assets (level 1)	**45,431**	34,220
	45,431	34,220

	Consolidated Entity 2015 $	Consolidated Entity 2014 $

8. *Plant and equipment*

Plant and equipment		
At cost	**24,265**	24,265
Accumulated depreciation	**(19,982)**	(15,143)
	4,283	9,122

9. *Exploration and development expenditure*

Exploration expenditure (a)	**2,020,626**	42,030,976
Development expenditure (b)	**-**	-
	2,020,626	42,030,976

(a) Costs carried forward in respect of deferred exploration expenditure:

Exploration at cost		
Balance at beginning of period	**42,030,976**	31,384,668
Exploration expenditure incurred	**2,223,528**	13,086,370
Exploration expenditure disposed during the year (c)	**-**	(1,768,258)
Provision for exploration expenditure impairment (d)	**(42,233,878)**	(671,804)
Balance at end of period	**2,020,626**	42,030,976

The ultimate recoupment of the exploration expenditure carried forward is dependent on the successful development and commercial exploitation and/or sale of the relevant areas of interest, at amounts at least equal to book value.

(b) Costs carried forward in respect of development expenditure:

Development at cost		
Balance at beginning of period	**-**	-
Development expenditure incurred	**5,067,060**	**-**
Transferred to Assets classified as held for sale (note 6)	**(5,067,060)**	**-**
Balance at end of period	**-**	-

Asset Retirement Obligation Asset		
Balance at beginning of period	**-**	-
Recognition of asset retirement obligation asset	**871,688**	-
Transferred to assets classified as held for sale (note 6)	**(871,688)**	-
Balance at end of period	**-**	-

On 9 October 2014 the Company and its joint venture partners made a final investment decision on its Aje project for field development, as the asset progressed to a development stage. As described in note 6, subsequent to this date the Group entered into an arrangement to sell its interest in the project, resulting in the transfer of development expenditure to assets classified as held for sale.

9. *Exploration and development expenditure (Continued)*

(c) Sale of Odewayne Project

During the previous financial year, the Company's wholly owned subsidiary Jacka Resources Somaliland Limited disposed of its 30% participating interest in the Odewayne Project in Somaliland. The disposal was executed via two farm out agreements executed on 7 November 2013 and 5 May 2014. The proceeds received on disposal were $16,028,817. The Company incurred a Government Contribution pursuant to the transaction of $901,976 resulting in a net gain on disposal of $14,260,559. Pursuant to the Contribution Agreement entered into with the Ministry of Finance, Somaliland the payment of the Contribution released the Company and its Related Parties from all and any claims that the Ministry of Finance and its Related Parties may have against the Company and/or its Related Parties.

(d) Impairment charge

As the Aje Project has transitioned to development stage, the Accounting Standards require that the asset be assessed for impairment as at transition date, which has resulted in the Company creating a provision for diminuation in the carrying value of this asset relating to its capitalized exploration expenditure ($20,455,305). With the difficulty in the oil market and pricing, the Company has created a provision for diminuation of 100% against the carrying value of the Bargou Permit, Tunisia ($21,778,573), while the Company continues to investigate options for economic development. The impairment loss during the previous period was as a result of the Company's decision to relinquish WA-399-P.

(e) Joint Operations

The Consolidated entity participated in the following joint operations during the year

- Aje Field, Nigeria – 5.006% revenue interest, 6.675% contributing interest
- Bargou Permit, Tunisia – 15% participating interest
- Odewayne Block, Somaliland – 0% interest with an option to acquire a 5% participating interest (refer note (c) above for details on disposal of Odewayne interest).

	Consolidated Entity 2015 $	**Consolidated Entity 2014 $**
10. *Trade and other payables*		
Current		
Trade payables and accruals		
Amounts payable to related parties	**13,913**	56,079
Other corporations	**579,727**	675,347
	593,640	731,426

Trade creditors are non-interest bearing and are normally settled on 30 day terms.

11. *Borrowings*

Interest bearing liabilities	**-**	300,000
	-	300,000

Loan was paid on the 20 August 2014 with an interest rate of 12% pa.

	Consolidated Entity 2015 $	Consolidated Entity 2014 $

12. *Provisions*

	Consolidated Entity 2015 $	Consolidated Entity 2014 $
Current		
Provision for annual leave	**16,055**	70,882
	16,055	70,882
Non-Current		
Asset retirement obligation*	**-**	-
	-	-

*As described in note 9, the Aje project progressed to a development stage during the year. This resulted in the Group recognising an asset retirement obligation of $871,688. As described in note 6, subsequent to this the Group entered into an arrangement to sell its interest in the project, resulting in the transfer of the asset retirement obligation to assets classified as held for sale.

13. *Issued capital*

(a) Issued and paid up capital

	Consolidated Entity 2015 $	Consolidated Entity 2014 $
Ordinary shares fully paid of no par value	**48,242,893**	46,988,934

	Consolidated Entity 2015 Number	Consolidated Entity 2015 $	Consolidated Entity 2014 Number	Consolidated Entity 2014 $
(b) Movement in ordinary shares on issue				
Balance at beginning of period	**395,322,883**	**46,988,934**	297,513,503	40,456,026
Issued for cash at $0.085 per share on 18 July 2013	**-**	**-**	38,500,000	3,272,500
Issued for cash at $0.065 per share on 8 April 2014	**-**	**-**	15,384,615	999,999
Issued for cash at $0.065 per share on 19 May 2014	**-**	**-**	43,924,765	2,855,087
Issued for cash at $0.020 per share on 1 June 2015#	**59,000,000**	**1,180,000**	-	-
Issued for cash at $0.022 per share on 1 June 2015#	**6,500,000**	**143,000**	-	-
Transaction costs relating to share issues	**-**	**(69,041)**	-	(594,678)
Balance at end of the year	**460,822,883**	**48,242,893**	395,322,883	46,988,934

These shares were placed by Cornhill Asset Management Ltd and have a 12 month holding lock on them pending issue of a cleansing prospectus. There is also an entitlement to 65,500,000 unlisted options to be issued subject to shareholder approval. Such options are exercisable at $0.02 per share with a term of 2.5 years from date of grant, vesting upon the Company's shares trading at $0.04 on the ASX.

13. *Issued capital (Continued)*

(c) Share options

At the end of the year, the following options over unissued ordinary shares were outstanding:

	Quantity
Unlisted Options exercisable at $0.20 on or before 11 October 2015	500,000
Unlisted Options exercisable at $0.20 on or before 3 May 2017	1,250,000
Unlisted Options exercisable at $0.20 on or before 11 September 2016	2,700,000
Listed Options exercisable at $0.10 on or before 31 May 2016	67,859,379

(d) Terms and conditions of contributed equity

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Consolidated Entity, to participate in proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Consolidated Entity.

Capital management
Management controls the capital of the Consolidated Entity in order to maintain a good working capital ratio, provide the shareholders with adequate returns and ensure that the Consolidated Entity can fund its operations and continue as a going concern.

The Consolidated Entity's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets. There are no externally imposed capital requirements.

The Consolidated Entity's objectives when managing capital are to safeguard their ability to continue as a going concern, so that it may continue to provide returns for shareholders and benefits for other stakeholders. The Consolidated Entity's capital includes ordinary share capital and financial liabilities, supported by financial assets. The Consolidated Entity's working capital as at 30 June 2015, being current assets less current liabilities, is $6,149,345 (2014: $8,985,535 working capital). There are no externally imposed capital requirements.

	Note	Consolidated Entity 2015 $	Consolidated Entity 2014 $
The working capital for the financial year is as follows:			
Cash and cash equivalents	4	**1,925,675**	10,037,359
Trade and other receivables	5	**872,836**	50,484
Assets classified as held for sale	6	**8,561,745**	-
		11,360,256	10,087,843
Less:			
Trade and other payables and provisions	10,12	**(609,695)**	(802,308)
Borrowings	11	**-**	(300,000)
Liabilities directly associated with assets classified as held for sale	6	**(4,601,216)**	-
Working capital		**6,149,345**	8,985,535

13. *Issued capital (Continued)*

Due to the nature of the Consolidated Entity's activities, being oil and gas exploration, it does not have ready access to credit facilities, with the primary source of funding being equity raisings and divestment of assets, be that via sale or farmout. Accordingly, the objective of the Consolidated Entity's capital risk management is to balance the current working capital position against the requirements of the Consolidated Entity to meet exploration programmes and corporate overheads. This is achieved by maintaining appropriate liquidity to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

14. *Reserves*

Asset revaluation reserve	**(2,609)**	(14,620)
Option reserve	**614,905**	614,905
Forex reserve	**(447,604)**	(447,604)
	164,692	152,681

15. *Commitments*

Expenditure commitments
There are office rental, compliance and financial advisory contracts in place. The committed expenditure is :

Within one year	**128,200**	500,000
One to five years	**200,664**	500,000
	328,864	1,000,000

Exploration commitments
The work commitments on licences are as follows:

- In Tunisia on the Bargou block. Joint venture partners Dragon Oil (55%), Cooper Energy (Operator 30%) and Jacka (15%) applied for a one-year extension to the permit in conjunction with a revised work program focused on other prospects already identified on the block in an effort to augment already discovered resources to a level above current minimum economic field size estimates. The Joint Venture was successful in its application and the licence has been extended to August 2016.
- In the Ruhuhu block, onshore Tanzania, the Company is approximately midway through its 4 year exploration work program commitment. Thus far, the Company has spent US$1.6m leaving a US$2.4m balance remaining on the work program, which must be completed by March 2017 under the terms of the Production Sharing Agreement. The Company also agreed to drill a well with a US$10m minimum expenditure to an identified target that may emerge from the exploration work program.

	Consolidated Entity 2015 $	Consolidated Entity 2014 $
Within one year	**1,880,220**	6,900,000
One to five years	**2,623,708**	3,400,000
	4,503,928	10,300,000

16. ***Contingent liabilities***

There are no contingent liabilities as at the date of this report, other than as reported in Note 15 above.

	Consolidated Entity 2015 $	Consolidated Entity 2014 $
17. ***Auditors' remuneration***		
Amounts, received or due and receivable by auditors for:		
- an audit or review services	**46,430**	34,500
- other services	**6,780**	7,150
	53,210	41,650

The Consolidated Entity's auditor provided tax services for which $6,780 (2014: $7,150) was charged.

18. ***Key management personnel disclosures***

(a) **Compensation of key management personnel**

(i) *Compensation policy*

The remuneration policy of Jacka Resources Limited as it applies to key management personnel is disclosed in the Remuneration Report contained in the Directors' Report. Remuneration to the Group's key management personnel can be in the form of cash, options and share rights. Refer to the Remuneration Report contained in the Directors' Report for further details.

(ii) *Compensation of key management personnel*

30 June 2015	**Short-term benefits Salary, fees and leave**	**Long-term benefits Superannuation**	**Share based payments Shares/options**	**Total**	**% Share or Performance based remuneration**
	$	**$**	**$**	**$**	**%**
	750,859	**63,776**	**-**	**814,635**	**-**

30 June 2014	**Short-term benefits Salary, fees and leave**	**Long-term benefits Superannuation**	**Share based payments Shares/options**	**Total**	**% Share or Performance based remuneration**
	$	**$**	**$**	**$**	**%**
	1,176,969	69,151	-	1,246,120	-

(b) **Loans with key management personnel**

There were no loans to key management personnel or their related entities during the period ended 30 June 2015 (2014: $Nil).

19. *Related party transactions*

(a) Key management personnel

Disclosures relating to key management personnel are set out in Note 18, and the Remuneration Report in the Directors Report.

(b) Other transactions

There were no other transactions with key management personnel during the period other than the following:

Mining Corporate Pty Ltd, a company of which Stephen Brockhurst is a director, provided a registered office, reception, bookkeeping, accounting, corporate compliance and company secretarial services to the Consolidated Entity during the period. These services totalled $158,982 (2014: $205,914).

20. *Financial reporting by segments*

During the financial period, the Consolidated Entity operated in two operating segments being oil and gas exploration in 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.

	Australian Exploration $	African Exploration $	Total $

20. *Financial reporting by segments (Continued)*

(a) Segment performance

30 June 2015

	Australian Exploration $	African Exploration $	Total $
Segment revenue	-	-	-
Segment results	2,110	(43,484,808)	(43,482,698)
Amounts not included in segment results but reviewed by Board:			
Interest revenue			18,595
Accounting and audit fees			(94,042)
Compliance fees			(109,789)
Consultancy fees			(232,243)
Depreciation			(4,840)
Directors' remuneration			(298,563)
Foreign exchange gain			879,847
Insurance			(25,541)
Interest			(5,516)
Legal fees			(181,862)
Marketing			(66,587)
Occupancy			(97,077)
Profit/(loss) on sale of investments			300
Travel expenses			(60,598)
Other expenses			(345,524)
Loss before income tax			**(44,106,138)**
Segment assets	-	10,582,371	10,582,371
Unallocated assets:			
Cash and cash equivalents			1,925,675
Trade and other receivables			872,836
Plant and equipment			4,283
Non-Current financial assets			45,431
Total assets			**13,430,596**
Segment liabilities	-	4,628,216	4,628,216
Unallocated liabilities:			
Trade and other payables			566,640
Provisions			16,055
Total liabilities			**5,210,911**

20. *Financial reporting by segments (Continued)*

30 June 2014

	Australian Exploration $	African Exploration $	Total $
Segment revenue	-	13,358,583	13,358,583
Segment results	(671,804)	13,644,284	12,972,480
Amounts not included in segment results but reviewed by Board:			
Interest revenue			47,624
Other income			305,400
Compliance fees			(157,935)
Consultancy fees			(528,902)
Depreciation			(4,840)
Directors' remuneration			(396,335)
Forex			50,831
Share based payments			(54,614)
Other expenses			(1,543,934)
Profit before income tax			**10,689,775**
Segment assets	-	42,030,976	42,030,976
Segment asset increases for the period:			
Capital expenditure	-	12,220,089	12,220,089
Unallocated assets:			
Cash and cash equivalents			10,037,359
Trade and other receivables			50,484
Current financial assets			-
Plant and equipment			9,122
Non-Current financial assets			34,220
Total assets			**52,162,161**
Segment liabilities	-	606,757	606,757
Unallocated liabilities:			
Trade and other payables			124,669
Borrowings			300,000
Provisions			70,882
Total liabilities			**1,102,308**

21. *Financial risk management*

Overview

The Consolidated Entity has exposure to the following risks from their use of financial instruments:

a) credit risk
b) liquidity risk
c) market risk

This note presents information about the Consolidated Entity's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Consolidated Entity through regular reviews of the risks.

a) Credit risk

Credit risk is the risk of financial loss to the Consolidated Entity if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Consolidated Entity's receivables from customers and investment securities. Cash is held with the ANZ Bank which holds an AA credit rating.

Trade and other receivables

As the Consolidated Entity is not in the production phase, it does not have trade receivables and therefore is not exposed to credit risk in relation to trade receivables.

Exposure to credit risk

The carrying amount of the Consolidated Entity's financial assets represents the maximum credit exposure. The Consolidated Entity's maximum exposure to credit risk at the reporting date was:

	Consolidated Entity 2015 $	**Consolidated Entity 2014 $**
Financial assets		
Cash	**1,925,675**	10,037,359
Receivables	**872,836**	50,484
Other financial assets	**45,431**	34,220

Funding

As is inherent in every oil field development, project delays, partner funding issues and cost overruns could potentially increase the investment required in the Aje field development program. It is possible that the cost of the project may increase should any joint venture partner be unable to fulfil its financial obligations under the Joint Operating Agreement. MX Oil PLC, under its funding arrangements for Jacka's portion of the ongoing Aje field development program, will need to address these costs. Under these conditions, the Company does not recognise any ongoing liability.

b) Liquidity risk

Liquidity risk is the risk that the Consolidated Entity will not be able to meet its financial obligations as they fall due. The Consolidated Entity's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Consolidated Entity's reputation.

The Consolidated Entity manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows. Typically the Consolidated Entity ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

21. *Financial risk management (Continued)*

c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Consolidated Entity's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

Interest rate risk sensitivity analysis

The sensitivity analyses below have been determined based on those assets and liabilities with an exposure to interest rate risk at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the change in interest rates. At reporting date, if interest rates had been 100 basis points higher or lower and all other variables were held constant, the Consolidated Entity's:

d) Net loss would decrease by $18,595 (2014: $97,373) and increase by $18,595 (2014: $97,373).
e) Other equity reserves would increase by $18,595 (2014: $97,373) and decrease by $18,595 (2014: $97,373).

The following table details the Consolidated Entity's exposure to interest rate risk as at the reporting date:

<u>**Consolidated Entity 2015**</u>

		Fixed interest rate maturing in:					
Financial Instrument	**Floating interest rate**	**1 year or less**	**Over 1 to 5 years**	**More than 5 years**	**Non-interest Bearing**	**Total**	**Weighted average effective interest rate**
	$	**$**	**$**	**$**	**$**	**$**	**%**
Financial Assets							
Cash	1,924,300	-	-	-	1,375	**1,925,675**	0.3%
Receivables	-	-	-	-	872,836	**872,836**	N/A
Other financial assets	-	-	-	-	45,431	**45,431**	N/A
Financial assets classified as held for sale	-	-	-	-	3,729,528	**3,729,528**	N/A
Total financial assets	1,924,300	-	-	-	4,649,170	**6,573,470**	
Financial Liabilities							
Trade payables and accruals	-	-	-	-	(593,640)	**(593,640)**	N/A
Financial liabilities directly associated with assets classified as held for sale	-	-	-	-	(3,729,528)	**(3,729,528)**	N/A
Total financial liabilities	-	-	-	-	(4,323,168)	**(4,323,168)**	

21. *Financial risk management (Continued)*

Consolidated Entity 2014

		Fixed interest rate maturing in:					
Financial Instrument	**Floating interest rate**	**1 year or less**	**Over 1 to 5 years**	**More than 5 years**	**Non-interest Bearing**	**Total**	**Weighted average effective interest rate**
	$	**$**	**$**	**$**	**$**	**$**	**%**
Financial Assets							
Cash	10,035,024				2,335	**10,037,359**	
Receivables – other	-	-	-	-	50,484	**50,484**	N/A
Financial assets – current	-	-	-	-	-	**-**	-
Financial assets – non-current	-	-	-	-	34,220	**34,220**	N/A
Total financial assets	10,035,024	-	-	-	87,039	**10,122,063**	
Financial Liabilities							
Trade payables and accruals	-	-	-	-	(731,427)	**(731,427)**	N/A
Borrowings	-	(300,000)	-	-		**(300,000)**	12%
Total financial liabilities	-	(300,000)	-	-	(731,427)	**(1,031,427)**	

Fair value of financial instruments

The fair value of financial instruments measured on a recurring basis are disclosed at Note 7. The Groups other financial instruments consist of trade receivables, trade and other payables and borrowings. These financial instruments are measured at amortised cost and their carrying amounts approximate their fair value.

22. *Events subsequent to period end*

On 14 July 2015, the Company announced that MX Oil PLC (**"**MXO**"**), a company listed on the Alternative Investmnent Market ("AIM") in London, would fund Jacka's portion of the ongoing Aje field development program and, could gain control of Jacka's economic interest in the Aje field, upon the commencement of commercial production from the field. In addition, MXO has acquired Jacka's loans to its Nigerian subsidiary P.R.Oil & Gas Nigeria Limited in exchange for shares in MXO, thereby providing Jacka with ongoing exposure to the Aje project through its investment in MXO. Pursuant to this arrangement, on 21 July 2015, Jacka was issued 43,380,325 shares in MXO. These shares cannot be traded for 6 months. Jacka's shareholding currently represents a 11.47% interest in MXO. The market value of the MXO shares at settlement was $3.9m, while current market value at the time of this report is $2.25m.

Pursuant to the placement of 65,500,000 shares through Cornhill Asset Management Ltd, the Company is required to allot 65,500,000 unlisted options to the placees exercisable at $0.02 per share, with a term of 2.5 years and vesting if the Company's shares trade above $0.04 on the ASX. The Company will require shareholder approval to effect this issue of options.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

23. *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 described in note 1:

Name	Country of incorporation	Class of share	Equity holding	
			30 June 2015	30 June 2014
Exmouth Energy Pty Ltd	Australia	Ordinary	100%	100%
Jacka Tunisia Bargou Pty Ltd	Australia	Ordinary	100%	100%
Jacka Resources Nigeria Holdings Limited BVI	British Virgin Islands	Ordinary	100%	100%
PR Oil and Gas Nigeria Limited	Nigeria	Ordinary	100%	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%

	Company 2015 $	Company 2014 $
24. *Parent entity disclosures*		
(a) Financial position		
ASSETS		
Current Assets		
Cash and cash equivalents	**1,925,670**	10,037,354
Trade and other receivables	**872,836**	50,484
Total Current Assets	**2,798,506**	10,087,838
Non-Current Assets		
Other financial assets	**45,431**	15,786,529
Plant and equipment	**4,283**	9,122
Other receivables	**-**	18,210,479
Total Non-Current Assets	**49,714**	34,006,130
Total Assets	**2,848,220**	44,093,968
LIABILITIES		
Current Liabilities		
Trade and other payables	**566,640**	715,960
Borrowings	**-**	300,000
Provision for annual leave	**16,055**	70,881
Total Current Liabilities	**582,695**	1,086,841
Total Liabilities	**582,695**	1,086,841
Net Assets	**2,265,525**	43,007,127
EQUITY		
Issued capital	**48,242,893**	46,988,934
Reserves	**612,295**	600,284
Accumulated losses	**(48,855,188)**	(4,582,091)
Total Equity	**2,265,525**	43,007,127
(b) Financial performance		
Loss for the period	**(44,273,097)**	1,474,932
Other comprehensive income	**-**	-
Total comprehensive income	**(44,273,097)**	1,474,932

Other Financial Assets and Other Receivables

Loans are provided by the Company to its controlled entities for their respective activities. The recoverability of receivables and investments in subsidiaries is dependent upon the successful commercial application of these projects or the sale to third parties. Amounts receivable from controlled entities are non-interest bearing and have no fixed terms of repayment.

The Directors of the Company declare that:

1. the financial statements and notes, as set out on pages 23 to 56, are in accordance with the *Corporations Act 2001* and:
   a. comply with Accounting Standards;
   b. are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as stated in Note 1 to the financial statements; and
   c. give a true and fair view of the financial position as at 30 June 2015 and of the performance for the year ended on that date of the Company and the Group;

The Chief Executive Officer and Chief Financial Officer have each declared that:

a. the financial records of the Company for the financial year have been properly maintained in accordance with s 286 of the *Corporations Act 2001*;
b. the financial statements and notes for the financial year comply with the Accounting Standards; and
c. the financial statements and notes for the financial year give a true and fair view;

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

Perth, 23 September 2015

Bentleys
THINKING AHEAD

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Independent Auditor's Report

To the Members of Jacka Resources Limited

We have audited the accompanying financial report of Jacka Resources Limited ("the Company") and Controlled Entities ("the Consolidated Entity"), which comprises the statement of financial position as at 30 June 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the Consolidated Entity, comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors Responsibility for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standards AASB 101: *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

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

Opinion

In our opinion:

a. The financial report of Jacka Resources Limited is in accordance with the *Corporations Act 2001*, including:

   i. giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

   ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*;

b. The financial statements also comply with *International Financial Reporting Standards* as disclosed in Note 1.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial report which records that the Consolidated Entity incurred a loss of $44,106,138 (after impairment losses of $43,340,409) during the year ended 30 June 2015. This condition, along with other matters as set forth in Note 1, 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 financial report.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2015. The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Jacka Resources Limited for the year ended 30 June 2015, complies with section 300A of the *Corporations Act 2001*.

BENTLEYS
Chartered Accountants

DOUG BELL CA
Director

Dated at Perth this 23rd day of September 2015

Corporate Governance Statement

The Company is committed to implementing the highest standards of corporate governance. In determining what those high standards should involve the Company has considered the ASX Corporate Governance Council's *Principles of Good Corporate Governance and Recommendations, 3rd Edition*. In line with the above, the Board has set out the way forward for the Company in its implementation of its Principles of Good Corporate Governance and Recommendations. The approach taken by the board was to set a blueprint for the Company to follow as it introduces elements of the governance process. Due to the current size of the Company and the scale of its operations it is neither practical nor economic for the adoption of all of the recommendations approved via the board charter. Where the Company has not adhered to the recommendations it has stated that fact in this Corporate Governance Statement however has set out a mandate for future compliance when the size of the Company and the scale of its operations warrants the introduction of those recommendations. Date of last review and Board approval: 9 September 2015.

Principle / Recommendation	Compliance	Reference	Commentary
Principle 1: **Lay solid foundations for management and oversight**			
<u>Recommendation 1.1</u> A listed entity should disclose: a) the respective roles and responsibilities of its board and management; and b) those matters expressly reserved to the board and those delegated to management.	Yes	Board Charter Code of Conduct, Independent Professional Advice Policy	To add value to the Company the Board has been formed so that it has effective composition, size and commitment to adequately discharge it responsibilities and duties. Directors are appointed based on the specific skills required by the Company and on their decision-making and judgment. The Board's role is to govern the Company rather than to manage it. In governing the Company, the Directors must act in the best interests of the Company as a whole. It is the role of senior management to manage the Company in accordance with the direction and delegations of the Board and the responsibility of the Board to oversee the activities of management in carrying out those delegated duties. In carrying out its governance role, the main task of the Board is to drive the performance of the Company. The Board must also ensure that the Company complies with all of its contractual, statutory and any other legal obligations, including the requirements of any regulatory body. The Board has the final responsibility for the successful operations of the Company. To assist the Board carry its functions, it has developed a Code of Conduct to guide the Directors. In general, the Board is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of the Company. It is required to do all

			things that may be necessary to be done in order to carry out the objectives of the Company. Without intending to limit this general role of the Board, the principal functions and responsibilities of the Board include the following. • Leadership of the Organisation: overseeing the Company and establishing codes that reflect the values of the Company and guide the conduct of the Board. • Strategy Formulation: to set and review the overall strategy and goals for the Company and ensuring that there are policies in place to govern the operation of the Company. • Overseeing Planning Activities: the development of the Company's strategic plan. • Shareholder Liaison: ensuring effective communications with shareholders through an appropriate communications policy and promoting participation at general meetings of the Company as well as ensuring timely and balanced disclosures of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the entity's securities. • Monitoring, Compliance and Risk Management: the development of the Company's risk management, compliance, control and accountability systems and monitoring and directing the financial and operational performance of the Company. • Company Finances: approving expenses and approving and monitoring acquisitions, divestitures and financial and other reporting along with ensuring the integrity of the Company's financial and other reporting. • Human Resources: reviewing the performance of Executive Officers and monitoring the performance of senior management in their implementation of the Company's strategy. • Ensuring the Health, Safety and Well-Being of Employees: in conjunction with the senior management team, developing, overseeing and reviewing the effectiveness of the Company's occupational health and safety systems to ensure the well-being of all employees. • Delegation of Authority: delegating appropriate powers to the Managing Director to ensure the effective day-to-day management of the Company and establishing and determining the powers and functions of the Committees of the Board. • Monitoring the effectiveness of the Company's corporate governance practices. Full details of the Board's and Company Secretary's roles and responsibilities are contained in the Board Charter. The Board collectively and each Director has the right to seek independent professional advice at the Company's expense, with the Chairman's approval, to assist them to

			carry out their responsibilities.
Recommendation 1.2 A listed entity should: a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re- elect a director.	Yes	Director Selection Procedure	Directors are appointed based on the specific governance skills required by the Company. Given the size of the Company and the business that it operates, the Company aims at all times to have at least one Director with experience appropriate to the Company's operations. The Company has recently gone through a Board restructure and currently no Director has relevant experience in the operations. In addition, Directors should have the relevant blend of personal experience in: • Accounting and financial management; and • Director-level business experience. Each member of the Board is committed to spending sufficient time to enable them to carry out their duties as a Director of the Company. In determining candidates for the Board, the Nomination Committee follows a prescribed process whereby it evaluates the mix of skills, experience and expertise of the existing Board. In particular, the Nomination Committee is to identify the particular skills that will best increase the Board's effectiveness. Consideration is also given to the balance of independent directors. Potential candidates are identified and, if relevant, the Nomination Committee (or equivalent) recommends an appropriate candidate for appointment to the Board. Any appointment made by the Board is subject to ratification by shareholders at the next general meeting. Each Non-Executive Director has a written agreement with the Company that covers all aspects of their appointment including term, time commitment required, remuneration, disclosure of interests that may affect independence, guidance on complying with the Company's corporate governance policies and the right to seek independent advice, indemnity and insurance arrangements, rights of access to the Company's information and ongoing confidentiality obligations as well as roles on the Company's committees. Each executive director's agreement with the Company includes the same details as the non-executive directors' agreements but also includes a position description, reporting hierarchy and termination clauses. The Nomination Committee is responsible for implementing a program to identify, assess and enhance Director competencies. In addition, the Nomination Committee puts in place succession plans to ensure an appropriate mix of skills, experience, expertise and diversity are maintained on the Board.
Recommendation 1.3	Yes	Kept at registered	The Board collectively and each Director has the right to seek independent professional advice

A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.		office, Independent Professional Advice Policy	at the Company's expense, up to specified limits, with the Chairman's approval, to assist them to carry out their responsibilities.
Recommendation 1.4 The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Yes	Board Charter	Full details of the Board's and Company Secretary's roles and responsibilities are contained in the Board Charter.
Recommendation 1.5 A listed entity should: a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; b) disclose that policy or a summary of it; and c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either: 1) the respective proportions of men and women on the board,	No	Diversity Policy	The Company does not have a documented policy concerning diversity or measurable objectives specifically to achieve gender diversity. Whilst the Company is committed to fostering diversity at all levels within the Company, it firmly believes that this must be done on a non-discriminatory basis. As such, the Company operates as a strict meritocracy, always seeking to employ and promote the best qualified person for the job, irrespective of race, colour, gender, religion, nationality, disability, marital status, sexual orientation, political conviction or any other personal attributes not relevant to the requirements of the job. To this end, the Company does not discriminate in favour of against any group of people, other than as required by law in the jurisdictions in which the Company has operations.

in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or 2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.			
Recommendation 1.6: A listed entity should: a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Yes	Board , Committee & Individuals Performance Evaluation Procedure	It is the policy of the Board to conduct evaluation of its performance. The objective of this evaluation is to provide best practice corporate governance to the Company. During the financial year an evaluation of the performance of the Board and its members was not formally carried out. However, a general review of the Board and executives occurs on an on-going basis to ensure that structures suitable to the Company's status as a listed entity are in place.
Recommendation 1.7: A listed entity should: a) have and disclose a process for periodically evaluating the performance of its senior executives; and b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in	Yes	Board , Committee & Individuals Performance Evaluation Procedure	It is the policy of the Board to conduct evaluation of individuals' performance. The objective of this evaluation is to provide best practice corporate governance to the Company. During the financial year an evaluation of the performance of the individuals was not formally carried out. However, a general review of the individuals occurs on an on-going basis to ensure that structures suitable to the Company's status as a listed entity are in place.

accordance with that process.			
Principle 2: Structure the board to add value			
Recommendation 2.1 The board of a listed entity should: a) have a nomination committee which: 1) has at least three members, a majority of whom are independent directors; and 2) is chaired by an independent director, and disclose: 3) the charter of the committee; 4) the members of the committee; and 5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	Yes	Nomination Committee Charter, Independent Professional Advice Policy	The role of a Nomination Committee is to help achieve a structured Board that adds value to the Company by ensuring an appropriate mix of skills are present in Directors on the Board at all times. The Nomination Committee consists of James Robinson, Max Cozijn and Neil Fearis, Non-Executive directors, and the Company Secretary. The Chairman of the Nomination Committee is James Robinson an independent director. The Nomination Committee met once during the year and all members at the time were present. The responsibilities of a Nomination Committee would include devising criteria for Board membership, regularly reviewing the need for various skills and experience on the Board and identifying specific individuals for nomination as Directors for review by the Board. The Nomination Committee also oversees management succession plans including the Managing Director and his/her direct reports and evaluate the Board's performance and make recommendations for the appointment and removal of Directors. Matters such as remuneration, expectations, terms, the procedures for dealing with conflicts of interest and the availability of independent professional advice are clearly understood by all Directors, who are experienced public company Directors. The Board collectively and each Director has the right to seek independent professional advice at the Company's expense, up to specified limits, with the Chairman's approval, to assist them to carry out their responsibilities.
Recommendation 2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	Yes	Director Selection Procedure	The Company has reviewed the skill set of its Board to determine where the skills lie and any relevant gaps in skills shortages. The Company is working towards filling these gaps through professional development initiatives as well as seeking to identify suitable Board candidates for positions from a diverse pool.
Recommendation 2.3	Yes	Board Charter,	The Company recognises the importance of Non-Executive Directors and the external

A listed entity should disclose: a) the names of the directors considered by the board to be independent directors; b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and c) the length of service of each director.		Independence of Directors Assessment	perspective and advice that Non-Executive Directors can offer. An Independent Director: 1. is a Non-Executive Director and; 2. is not a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company; 3. within the last three years has not been employed in an executive capacity by the Company or another group member, or been a Director after ceasing to hold any such employment; 4. within the last three years has not been a principal of a material professional adviser or a material consultant to the Company or another group member, or an employee materially associated with the service provided; 5. is not a material supplier or customer of the Company or another group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer; 6. has no material contractual relationship with the Company or other group member other than as a Director of the Company; 7. has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company; and 8. is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company. Materiality for the purposes of points 1 to 8 above is determined on the basis of both quantitative and qualitative aspects with regard to the independence of Directors. An amount over 5% of the Company's expenditure or 25% of the particular Director's annual gross income is considered to be material. A period of more than six years as a Director would be considered material when assessing independence. Max Cozijn (appointed 21 May 2014) is a Non-Executive Director and Chairman of the Company and meets the Company's criteria for independence. His experience and knowledge of the Company makes his contribution to the Board such that it is appropriate for him to remain on the Board and in his position as a Non-Executive Director. Neil Fearis (appointed 9 September) is a Non-Executive Director of the Company and meets the Company's criteria for independence. His experience and knowledge of the Company makes his contribution to the Board such that it is appropriate for him to remain on the Board and in his position as a Non-Executive Director. James Robinson (appointed 21 May 2014) is a Non-Executive Director of the Company and

			meets the Company's criteria for independence. His experience and knowledge of the Company makes his contribution to the Board such that it is appropriate for him to remain on the Board and in his position as a Non-Executive Director.
Recommendation 2.4 A majority of the board of a listed entity should be independent directors.	Yes	Independence of Directors Assessment	The Board has a majority of Directors who are independent.
Recommendation 2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	Yes	Independence of Directors Assessment	The Chairperson is an independent Director who is not the CEO / Managing Director. The Chairperson does conduct consultancy services for the Company, however he still meets the criteria of an independent Director.
Recommendation 2.6 A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	Yes	Director Induction Program, Ongoing Education Framework	It is the policy of the Company that each new Director undergoes an induction process in which they are given a full briefing on the Company. Where possible this includes meetings with key executives, tours of the premises, an induction package and presentations. Information conveyed to new Directors include: • details of the roles and responsibilities of a Director; • formal policies on Director appointment as well as conduct and contribution expectations; • a copy of the Corporate Governance Statement, Charters, Policies and Memos and • a copy of the Constitution of the Company. In order to achieve continuing improvement in Board performance, all Directors are encouraged to undergo continual professional development. The Board has implemented an Ongoing Education Framework.
Principle 3: Act ethically and responsibly			
Recommendation 3.1 A listed entity should: a) have a code of conduct for its directors, senior executives and employees; and b) disclose that code or a summary of it.	Yes	Code of Conduct	As part of its commitment to recognising the legitimate interests of stakeholders, the Company has established a Code of Conduct to guide compliance with legal and other obligations to legitimate stakeholders. These stakeholders include employees, clients, customers, government authorities, creditors and the community as whole.
Principle 4: Safeguard integrity in corporate reporting			

<u>Recommendation 4.1</u> The board of a listed entity should: (a) have an audit committee which: a) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and 1) is chaired by an independent director, who is not the chair of the board, and disclose: 2) the charter of the committee; 3) the relevant qualifications and 4) experience of the members of the committee; and 5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	Yes	Audit and Risk Committee Charter	The Audit and Risk Committee consists of Neil Fearis (Chairperson of the Audit and Risk Committee), Max Cozijn and James Robinson who are independent Non-Executive Directors with experience relevant to being a member of the Audit and Risk Committee. The Audit and Risk Committee met twice during the year and all members at the time were present.
<u>Recommendation 4.2</u> The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of	Yes	Kept at registered office	The Non-Executive Chairman and the Chief Financial Officer provide a declaration to the Board in accordance with section 295A of the Corporations Act for each financial report and assure the Board that such declaration is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.			
Recommendation 4.3 A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	Yes	AGM	The external auditor is invited to attend every AGM for the purpose of answering questions from security holders relevant to the audit.
Principle 5: Make timely and balanced disclosure			
Recommendation 5.1 A listed entity should: a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and b) disclose that policy or a summary of it.	Yes	Continuous Disclosure Policy	The Board has designated the Company Secretary as the person responsible for overseeing and coordinating disclosure of information to the ASX as well as communicating with the ASX. In accordance with the ASX Listing Rules the Company immediately notifies the ASX of information: 1. concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities; and 2. that would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities.
Principle 6: Respect the rights of security holders			
Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.	Yes	Continuous Disclosure Policy	The Company's website includes the following: • Corporate Governance policies, procedures, charters, programs, assessments, codes and frameworks • Names and biographical details of each of its directors and senior executives • Constitution • Copies of annual, half yearly and quarterly reports • ASX announcements • Copies of notices of meetings of security holders

			• Media releases • Overview of the Company's current business, structure and history • Details of upcoming meetings of security holders • Summary of the terms of the securities on issue • Historical market price information of the securities on issue • Contact details for the share registry and media enquiries • Contact details for Share registry for key security holder forms
Recommendation 6.2 A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes	Shareholder Communication Policy, Social Media Policy	The Company respects the rights of its shareholders and to facilitate the effective exercise of those rights the Company is committed to: • communicating effectively with shareholders through releases to the market via ASX, information mailed to shareholders and the general meetings of the Company; • giving shareholders ready access to balanced and understandable information about the Company and corporate proposals; • requesting the external auditor to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report of future Annual Reports. The Company also makes available a telephone number and email address for shareholders to make enquiries of the Company.
Recommendation 6.3 A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Yes	Shareholder Communication Policy	The Company respects the rights of its shareholders and to facilitate the effective exercise of those rights the Company is committed to making it easy for shareholders to participate in shareholder meetings of the Company. The Company also makes available a telephone number and email address for shareholders to make enquiries of the Company.
Recommendation 6.4 A listed entity should give security holders the option to receive communications from and send communications to, the entity and its security registry electronically.	Yes	Shareholder Communication Policy	Shareholders are regularly given the opportunity to receive communications electronically.
Principle 7: Recognise and manage risk			
Recommendation 7.1 The board of a listed entity should: a) have a committee or committees to	Yes	Risk Management Policy	Ultimate responsibility for risk oversight and risk management rests with the Board and risk management issues are considered at every Board meeting. The Audit and Risk Management Committee is responsible for ensuring that risks and mitigation of these risks are identified on a

oversee risk, each of which: 1) has at least three members, a majority of whom are independent directors; and 2) is chaired by an independent director, and disclose: 3) the charter of the committee; 4) the members of the committee; and 5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.			timely basis and that the Company's objectives and activities are aligned with the risks and opportunities identified by the Committee and the Board. The Audit and Risk Management Committee is chaired by Neal Fearis, an independent director, has three members who are independent. Details of members and attendance at the Audit and Risk Management Committee meetings is provided in the Director's Report. A copy of the Audit and Risk Management Committee Charter is available on the Company's website.
<u>Recommendation 7.2</u> The board or a committee of the board should: a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and b) disclose, in relation to each reporting period, whether such a review has taken place.	Yes	Risk Management Policy	The Company's Risk Management Policy states that the Audit and Risk Committee is responsible for the oversight of the Company's risk management and control framework. The objectives of the Company's Risk Management Strategy are to: • identify risks to the Company; • balance risk to reward; • ensure regulatory compliance is achieved; and • ensure senior executives, the Board and investors understand the risk profile of the Company. This is managed through various arrangements including: • regular Board meetings; • share price monitoring; • market monitoring; and • regular review of financial position and operations. The Company has developed a Risk Register in order to assist with the risk management of the Company. The Company's Risk Management Policy is considered a sound strategy for addressing and managing risk. During the year, management regularly reported to the Board on

			the following categories of risks affecting the Company as part of the Company's systems and processes for managing material business risks: operational, financial reporting, sovereignty and market-related risks.
Recommendation 7.3 A listed entity should disclose: a) if it has an internal audit function, how the function is structured and what role it performs; or b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	Yes	Audit and Risk Committee Charter	Due to the nature and size of the Company's operations, and the Company's ability to derive substantially all of the benefits of an independent internal audit function, the expense of an independent internal auditor is not considered to be appropriate. The Board works closely with the management team to identify and manage operational, financial and compliance risks which could prevent the Company from achieving its objectives. The Audit and Risk Management Committee actively encourages the External Auditor to raise internal control issues, and oversees management's timely remediation thereof.
Recommendation 7.4 A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	Yes	Risk Management Policy	The Company has considered its economic, environmental and social sustainability risks by way of internal review and has concluded that it is not subject to material economic, environmental and social sustainability risks.
Principle 8: Remunerate fairly and responsibly			
Recommendation 8.1 The board of a listed entity should: a) have a remuneration committee which: 1) has at least three members, a majority of whom are independent directors; and 2) is chaired by an independent director, and disclose: 3) the charter of the committee; 4) the members of the committee; and 5) as at the end of each reporting	Yes	Remuneration Committee Charter, Independent Professional Advice Policy	The role of a Remuneration Committee is to assist the Board in fulfilling its responsibilities in respect of establishing appropriate remuneration levels and incentive policies for employees. The Remuneration Committee consists of James Robinson, Max Cozijn and Neil Fearis Non-Executive Directors, and the Company Secretary. The Chairman of the Remuneration Committee is James Robinson, an independent director. The Remuneration Committee met twice during the financial year ended and all members at the time were present. The responsibilities of a Remuneration Committee include setting policies for senior officers' remuneration, setting the terms and conditions of employment for the Managing Director (if applicable), reviewing and making recommendations to the Board on the Company's incentive schemes and superannuation arrangements, reviewing the remuneration of both Executive and Non-Executive Directors, recommendations for remuneration by gender and making recommendations on any proposed changes and undertaking reviews of the Managing Director's performance, including, setting with the Managing Director (if applicable) goals and reviewing progress in achieving those goals. The Board collectively and each Director has the

period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.			right to seek independent professional advice at the Company's expense, up to specified limits, with Chairman's approval, to assist them to carry out their responsibilities.
<u>Recommendation 8.2</u> A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	Yes	Remuneration Policy	Non-Executive Directors are to be paid their fees out of the maximum aggregate amount approved by shareholders for the remuneration of Non-Executive Directors. Managing Director (if applicable) remuneration is set by the Board with the executive director in question not present. Full details regarding the remuneration of Directors has been included in the Remuneration Report within the Annual Report.
<u>Recommendation 8.3</u> A listed entity which has an equity-based remuneration scheme should: a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and b) disclose that policy or a summary of it.	Yes	Remuneration Policy	Executives and Non-Executive Directors are prohibited from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements.

Holdings as at 4 September 2015

No. Securities Held	Fully Paid Shares No. Holders	Listed JKAO No. Holders
1 – 1,000	56	127
1,001 – 5,000	150	184
5,001 – 10,000	264	68
10,001 – 100,000	1,447	146
> 100,001	636	83
Total no. holders	2,553	608
No. holders of less than a marketable parcel	1,654	-
Percentage of the 20 largest holders	34.902%	57.113%
Total on issue	460,822,883	67,859,379

Substantial shareholders as at 4 September 2015

Date Announced	Name	No. Shares	%
4 June 2015	Cornhill Asset Management Limited	32,750,000	7.1

20 Largest holders of securities as at 4 September 2015

Fully paid ordinary shares		No. Shares	%
1)	JIM NOMINEES LIMITED	65,500,000	14.214
2)	MARFORD GROUP PTY LTD	15,158,298	3.289
3)	CITICORP NOMINEES PTY LTD	8,269,118	1.794
4)	MR CHRIS RETZOS & MRS SUSIE RETZOS <RETZOS FAMILY S/FUND A/C>	7,038,830	1.527
5)	SPECTRAL INVESTMENTS PTY LTD <LITHGOW FAMILY A/C>	6,229,624	1.352
6)	BARCLAY WELLS <NOMINEE A/C>	5,625,821	1.221
7)	LEET INVESTMENTS PTY LTD	5,500,000	1.194
8)	TE & J PASIAS PTY LTD	5,000,000	1.085
9)	NERO RESOURCE FIND PTY LTD <NERO RESOURCE FUND A/C>	4,277,253	0.928
10)	MR GEORGE KEITH REID	4,000,000	0.868
11)	SANCOAST PTY LTD	4,000,000	0.868
12)	LEET INVESTMENTS PTY LTD <SUPERANNUATION FUND A/C>	4,000,000	0.868
13)	SAM GOULOPOULOS PTY LTD <S GOULOPOULOS F/SUPER A/C>	4,000,000	0.868
14)	MR JASWINDER SINGH TAKHAR	3,880,000	0.842
15)	MARFORD GROUP PTY LTD	3,765,442	0.817
16)	BNP PARIBAS NOMINEES PTY LTD <COMMERZBANK AG DRP>	3,083,625	0.669
17)	SHOWCITY PTY LTD	3,000,000	0.651
18)	JP MORGAN NOMINEES AUSTRALIA LIMITED	2,907,724	0.631
19)	PENDOMER INVESTMENTS PTY LTD <LAW SETTLEMENTS FUND A/C>	2,800,924	0.608
20)	MR DAVID EDWARD TRIMBOLI	2,800,000	0. 608
TOTAL		160,836,659	34.902%
TOTAL ISSUED CAPITAL		460,822,883	100%

20 Largest holders of JKAO exercisable at $0.13 on or before 31 May 2016 as at 4 September 2015

Fully paid ordinary shares		No. Options	%
1)	SPECTRAL INVESTMENTS PTY LTD <LITHGOW FAMILY A/C>	5,538,010	8.161
2)	KO NOMINEES PTY LTD <THE OLDFIELD KNOTT UNIT A/C>	3,500,000	5.158
3)	PERSHING AUSTRALIA NOMINEES PTY LTD <DJ CARMICHAEL ACCOUNT>	3,283,154	4.838
4)	COLBERN FIDUCIARY NOMINEES PTY LTD	3,000,000	4.421
5)	BARCLAY WELLS LTD <NOMINEE A/C>	2,930,046	4.318
6)	MR CHRIST RETZOS & MRS SUSIE RETZOS <RETZOS FAMILY S/FUND A/C>	1,994,351	2.939
7)	IRIS SYDNEY HOLDINGS PTY LTD	1,994,320	2.939
8)	MS CONCETTINA SCHIAVELLO	1,920,000	2.829
9)	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,715,599	2.528
10)	INTERNATIONAL BUSINESS NETWORK (SERVICES) PTY LTD	1,500,000	2.210
11)	ABLETT PTY LTD <DAVID EDWARDS FAMILY A/C>	1,500,000	2.210
12)	MR TERRY ROBERT ACKLEY & MRS CHERYLE KAY ACKLEY	1,341,440	1.977
13)	NERO RESOURCE FIND PTY LTD <NERO RESOURCE FUND A/C>	1,341,440	1.977
14)	NUTSVILLE PTY LTD <INDUST ELEC CO S/F A/C>	1,317,782	1.942
15)	MRS SARAH KAY DALY	1,103,593	1.626
16)	MR JOHN HAAST & MRS MAECHELL GAI HAAST <HAAST FAMILY SUPER FUND A/C>	1,037,500	1.529
17)	MR ROSS BAILEY	1,000,299	1.474
18)	MR JASON LYMAN BROWN & MRS EMMS JANE GBROWN <EMJAY SUPER FUND A/C>	936,783	1.380
19)	BARCLAY WELLS LTD	904,230	1.333
20)	UPSKY EQUITY PTY LTD <UPSKY INVESTMETN A/C>	898,280	1.324
TOTAL		38,756,827	57.113%
TOTAL OPTIONS		67,859,379	100%

Unlisted options as at 4 September 2015

Details of unlisted option holders are as follows:

Class of unlisted options	No. Options
Options exercisable at $0.20 on or before 11 October 2015	500,000
Holders of more than 20% of this class	1
Options exercisable at $0.20 on or before 3 May 2017	1,250,000
Holders of more than 20% of this class	1
Options exercisable at $0.20 on or before 11 September 2016	2,700,000
Holders of more than 20% of this class	0

Voting rights

The Constitution of the Consolidated Entity makes the following provision for voting at general meetings:
On a show of hands, every ordinary shareholder present in person, or by proxy, attorney or representative has one vote. On a poll, every shareholder present in person, or by proxy, attorney or representative has one vote for any share held by the shareholder.

Restricted securities

Under the Placement Letter that placed 65,500,000 shares to Cornhill Capital Limited or Nominees, dated 27th May 2015, these securities will remain restricted from transferring or otherwise disposing of an interest in those securities to anyone other than a person to whom S708 of the Corporations Act 2001, applies unless and until the earlier of 12 months after the issue of the securities and the date that the Company issues a disclosure document under the Corporations Act 2001 to permit the securities to be freely tradeable.

There are no further restricted securities subject to voluntary escrow on issue.