

UNION JACK OIL plc

AIM: UJO



UNION JACK OIL

Corporate Presentation

October 2019

- **West Newton A-1 and A-2 major hydrocarbon discoveries (16.665%)**
- **Wressle oil and gas discovery (27.5%) - oil and gas development undergoing planning appeal**
- **Significant value potential across a balanced, low-risk, low-cost onshore portfolio covering 13 licence interests combining production, discoveries, appraisal, development and exploration**

**Production, Drilling, Development
and Investment in the United Kingdom
Onshore Hydrocarbon Sector**

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Union Jack Investment Summary



- Low-risk onshore strategy focused on drill-ready projects and value creation
- Balanced portfolio: production, development, appraisal and exploration
- Portfolio activity generates near-term news flow and value drivers
- Positioned to deliver growth: in reserves, production and asset value
- Apply strict financial and technical discipline

Union Jack's Conventional Onshore Focus

– balanced portfolio



- Operations exclusively located in an established onshore basin, the East Midlands Province
- Assembled a balanced portfolio of 13 licence interests
 - production, development and exploration interests
 - low-risk and low-cost onshore strategy: modest corporate G&A
 - focused on progressing drill-ready projects and value creation
- Principal assets:
 - 16.665% West Newton A-1 gas discovery and West Newton A-2 appraisal well hydrocarbon discovery (PEDL183)
 - 27.5% Wressle-1 oil discovery (PEDL180/182)
 - 22% Biscathorpe Prospect (PEDL253) remains untested
- 20% producing Fiskerton Airfield oilfield (EXL294) and 20% producing Keddington oilfield (PEDL005(R))



PEDL183	West Newton	16.665%
PEDL180 PEDL182	Wressle Discovery Broughton North	27.5%
PEDL253	Biscathorpe	22%
PEDL005(R)	Keddington Oilfield Louth North Somercotes	20%
PEDL339	Louth Extension	
EXL294	Fiskerton Airfield Oilfield	20%
PEDL241	North Kelsey	20%
PEDL118 PEDL203	Dukes Wood Kirklington	16.67%
PEDL201	Widmerpool Gulf	26.25%
PEDL181	Humber Basin	12.5%
PEDL209	Laughton	10%

Near-term News Flow and Value Drivers

– active in material projects

West Newton discoveries West Newton A-1 and A-2 (16.665%): PEDL183 – significant gas and liquid development opportunity

- Resumption of Extended Well Test on West Newton A-2 hydrocarbon discovery planned for Q4 2019
- Revised recoverable resource update underway
- Proximity to markets and infrastructure



Wressle discovery (27.5%): PEDL180/182 – oil development project

- 2.51 MMboe reserves and resources (2P+2C)
- Attractive development project with initial oil production of 500 bbls/d (gross)
- Successful appeal for extension of planning
- Planning Inspectorate Inquiry commences 5 November 2019

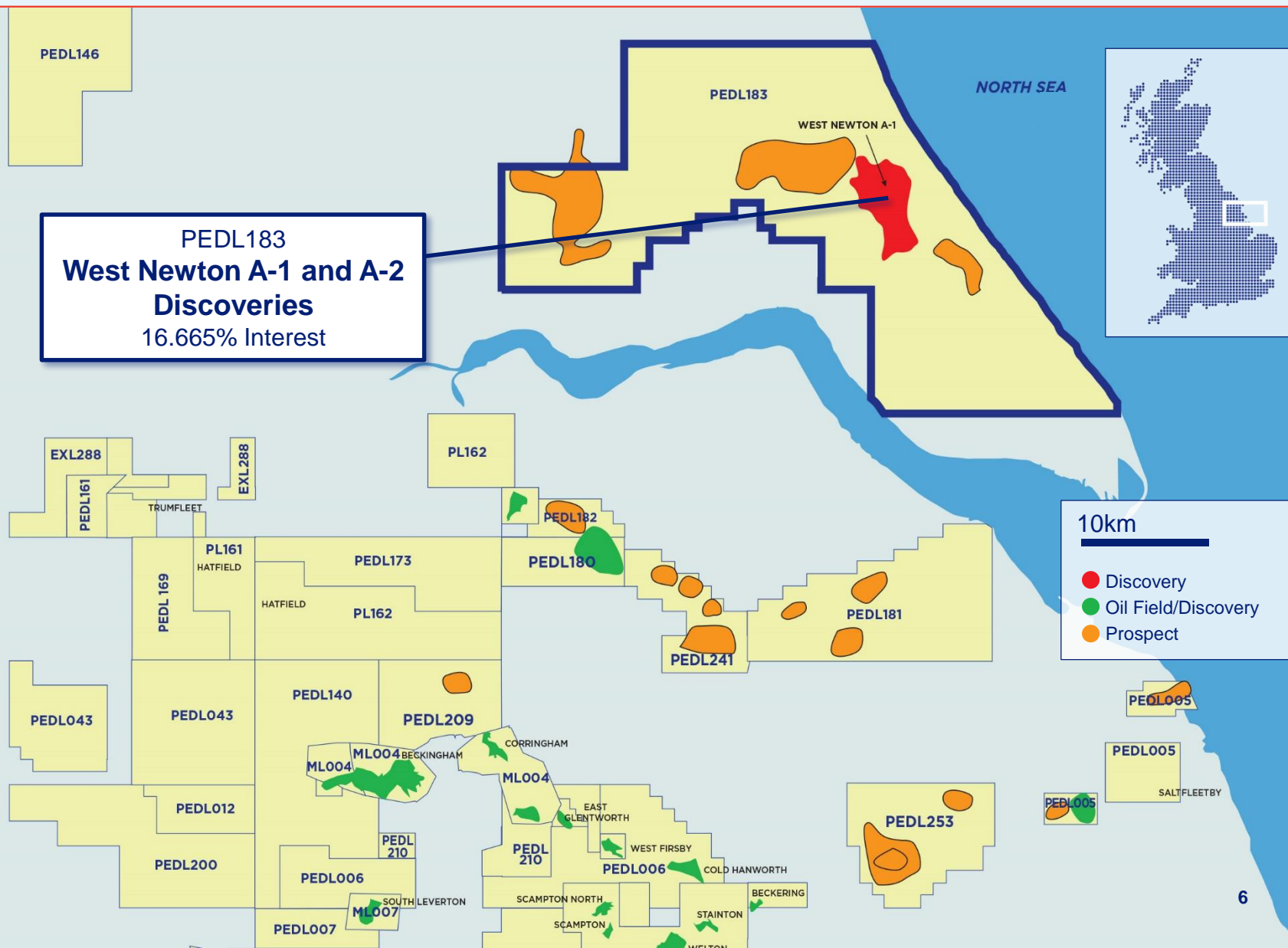


Biscathorpe Prospect (22%): PEDL253 – prospect with considerable remaining upside

- Biscathorpe-2 well suspended for possible future sidetrack
- Prospect remains untested
- Seismic reprocessing and technical investigations ongoing



PEDL183 – two significant hydrocarbon discoveries at West Newton



West Newton A-2 Discovery Well-Site



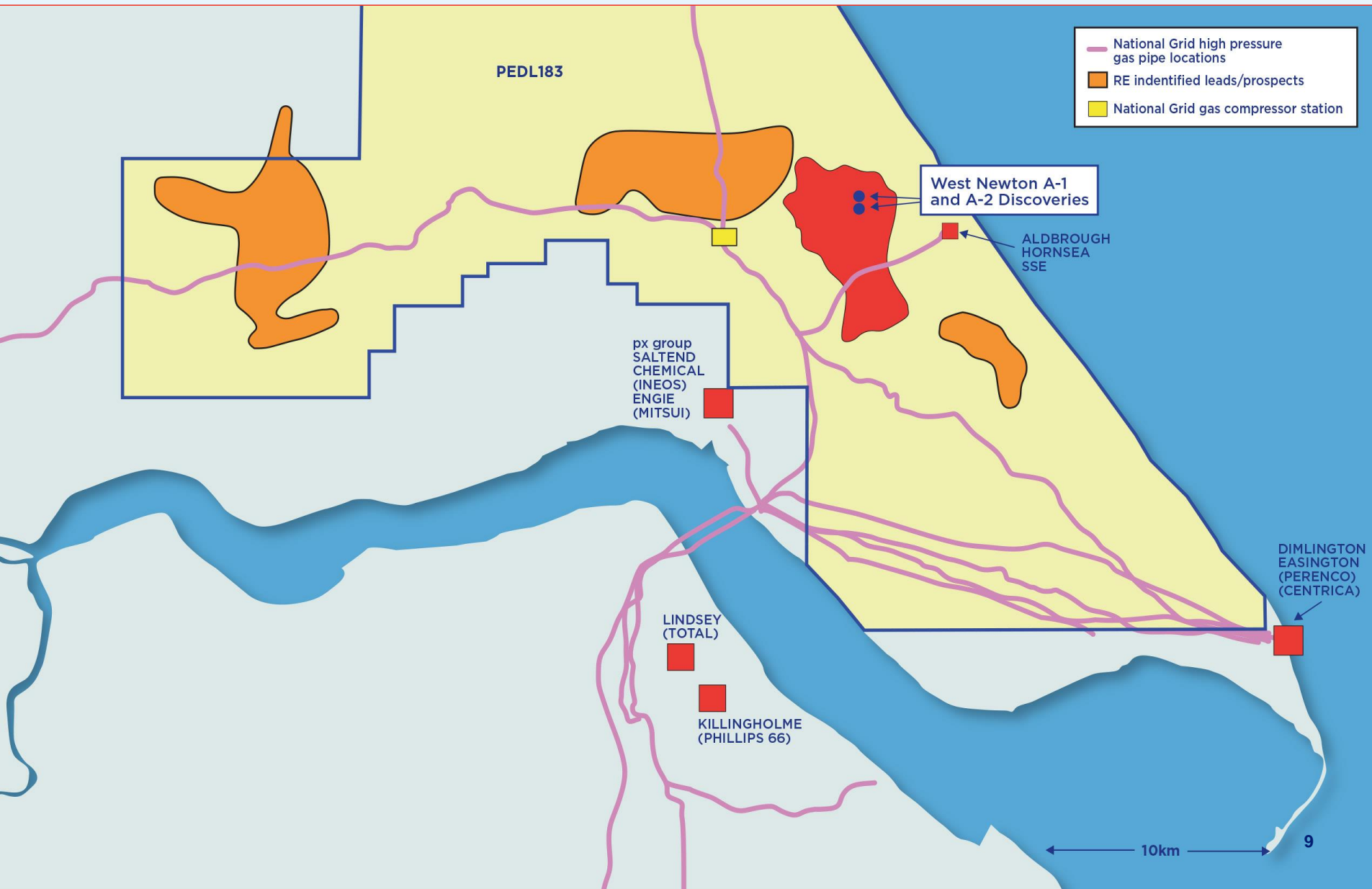
West Newton A-2 Appraisal Well Result

– significant liquids component identified



- Substantial hydrocarbon accumulation within a gross 65 metre interval encountered in the primary target, the Kirkham Abbey formation
- Significant liquids component identified from core and logging data
- Extensive data collection ongoing to optimise forward programme
- Extended Well Test planned to resume during Q4 2019
- Potentially transformational result for Union Jack
- NPV of West Newton project expected to be significantly increased following interpretation of successful A-2 appraisal well
- Further upside potential from further prospects on large 176,000 acre licence area

Onshore Hydrocarbon Discoveries – proximity to markets, existing pipelines and infrastructure



Onshore Hydrocarbon Discoveries

– numerous marketing and sale options



Natural Gas

- Two major UK gas terminals located on licence
 - Dimlington (Perenco operated)
 - Easington (Centrica operated)
- Terminals are important to the UK National Grid, and are connected via pipeline to offshore gas fields

Oil

- Lindsey Oil Refinery (Total operated) and Humber Refinery (Phillips 66 operated) are located to the south of PEDL183
- Tetney Oil terminal (Phillips 66 operated) located south of PEDL183

Pipelines

- Well developed existing oil and gas pipeline infrastructure within and around licence

Power Stations

- PEDL183 is in close proximity to gas-fired electric generation facilities with a combined generation capacity of over 4,700MW of power
- Nearby power stations include;
 - Killingholme A (Uniper operated) and Killingholme B (Centrica operated) power stations in North Lincolnshire
 - Immingham Power Station (Vitol) in North Lincolnshire
 - Saltend Power Station (Engie operated) south-west of West Newton

Other Infrastructure

- Saltend Chemical Park (owned and managed by px group) located south-west of West Newton is host to nine different chemical and energy companies including Engie and Ineos
- Aldbrough Gas Storage facility located east of West Newton
- Ports of Grimsby and Immingham

West Newton Hydrocarbon Project

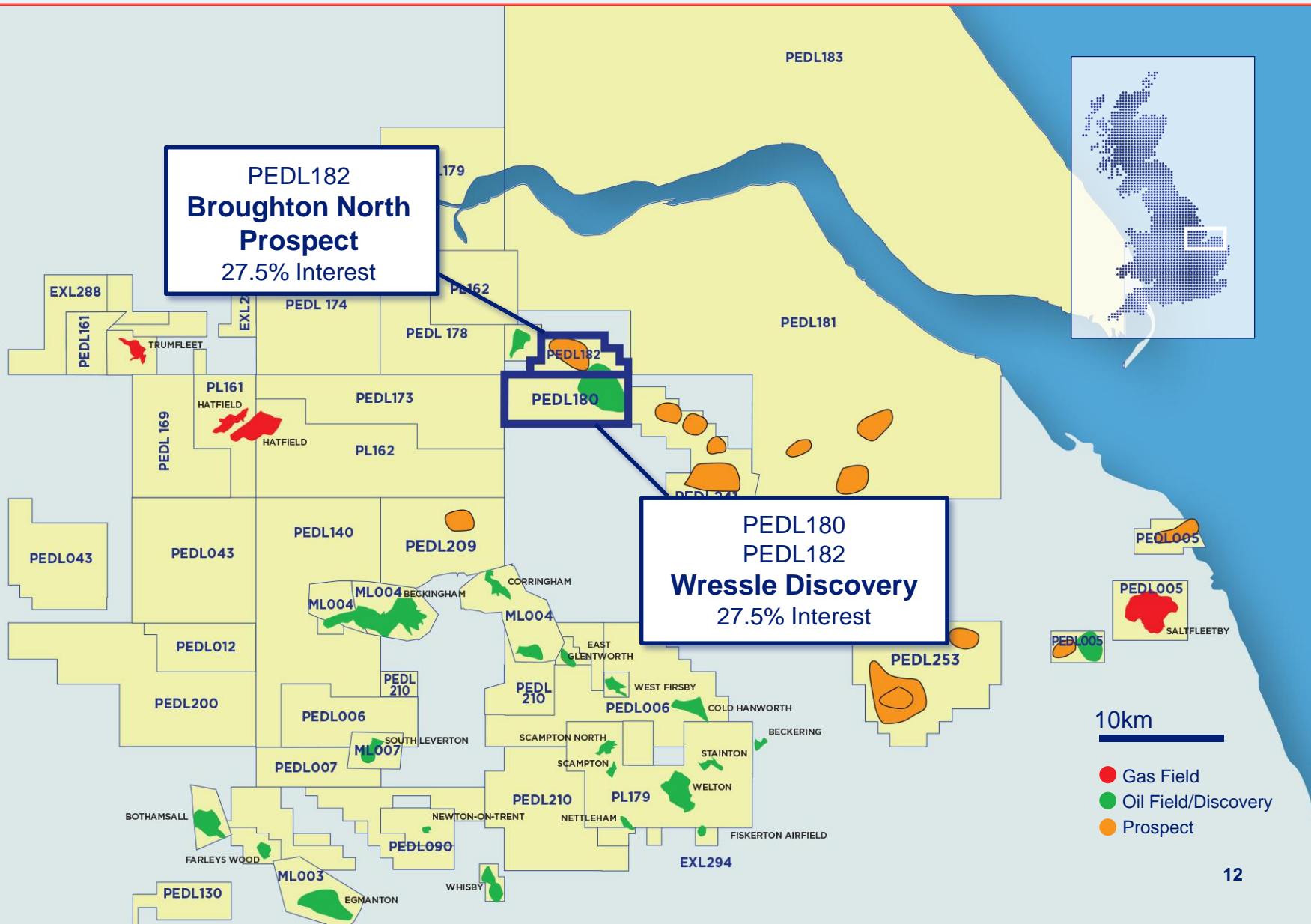
– a compelling project technically and financially



- Two large onshore hydrocarbon discoveries with proximity to significant infrastructure
- Compelling economic value from the West Newton discoveries contingent resources alone
 - Revised Operator's valuation of NPV10% of West Newton project underway
 - Contingent resource at West Newton project is expected have a significant positive financial impact on the current NPV value
- UJO acquired a 16.665% interest in a compelling hydrocarbon discovery West Newton A-1 on attractive terms followed by a successful hydrocarbon discovery at West Newton A-2 conventional appraisal well
- Additional upside value potential from several other targets located within a significant 176,000 acre licence area

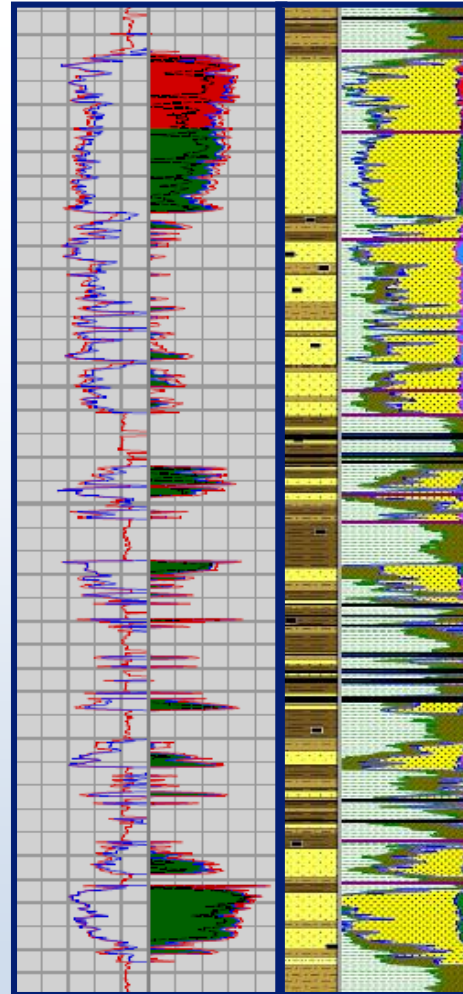
PEDL180 / PEDL182 Wressle Oil Discovery

– project expected to produce 500 bopd oil gross



Wressle-1 Discovery well – Reserves, Contingent Resources and composite well log

	Gross Volumes		
	Oil MMstb	Gas bcf	Oil Equiv MMboe
2P Ashover Grit and Wingfield Flags	0.62	0.20	0.65
2C Penistone Flags	1.53	2.00	1.86
Broughton North Mean Unrisked Prospective Resources	0.51	0.51	0.60



PENISTONE FLAGS
 15.9 metre pay
 DST 89 bopd, 35° API
 and 1.7 mmcfd
 EWT 180 bopd

WINGFIELD FLAGS
 5.1 metre pay
 DST 182 bopd, 39° API
 and 0.46 mmcfd

ASHOVER GRIT
 6.1 metre pay
 DST 80 bopd, 39 ° API
 and 0.47 mcf

Wressle Reserves and Initial Development Plan

– estimated 500 bopd gross and significant cash flow



- Gross P Mean Oil Initially In Place (“OIIP”) is 14.18* MMbbl
 - In aggregate across three reservoir sands: Ashover Grit, Wingfield Flags and Penistone Flags
 - 2.15* MM bbl are potentially recoverable (2P+2C)
- Gross 2P oil and gas Reserves of 0.62* MMbbl and 0.2 Bcf
 - 2P Reserves identified across two reservoir sands: Ashover Grit and Wingfield Flags only
- Wressle Initial Development Plan
 - 2P reserves only form the basis of the Wressle Initial Development Plan
 - Excludes any contribution from the material Penistone Flags 2C resources of 1.53 MMbbl and 2 Bcf)
 - 500 bopd gross estimated initial oil production
 - Generates significant net cash flow
 - Will also include monetisation of the produced gas by pipeline or electricity generation which will be sold to the National Grid
 - Appeal for extension of planning upheld
 - Appeal for development to commence 5 November 2019

** Competent Persons Report by ERC Equipoise dated September 2016*

Wressle Contingent Resources

– substantial upside in 2C Contingent Resources



- Substantial additional upside in 2C Contingent Resources in the Penistone Flags reservoir
 - Over and above the Reserves identified in the Ashover Grit and Wingfield Flags reservoirs
- Penistone Flags has 2C* oil and gas Contingent Resources of 1.53 MMbbl and 2.0 bcf (gross)
- The Penistone Flags reservoir was oil bearing in the Wressle-1 discovery well
- In 1984, BP drilled the Broughton-B1 well by that also tested oil from the Penistone Flags at approximately 40 bbl/d, located ~2 km North West of Wressle-1
- Gross thickness of the Penistone Flags reservoir is material and is expected to be laterally extensive
- Further development options and production planning for the Penistone Flags reservoir is expected to be progressed following commissioning of the initial Wressle Development Plan**
 - Conversion of the Penistone Flags 2C of 1.53 MMbbl into 2P Reserves requires a development plan**

* Competent Persons Report by ERC Equipose dated September 2016

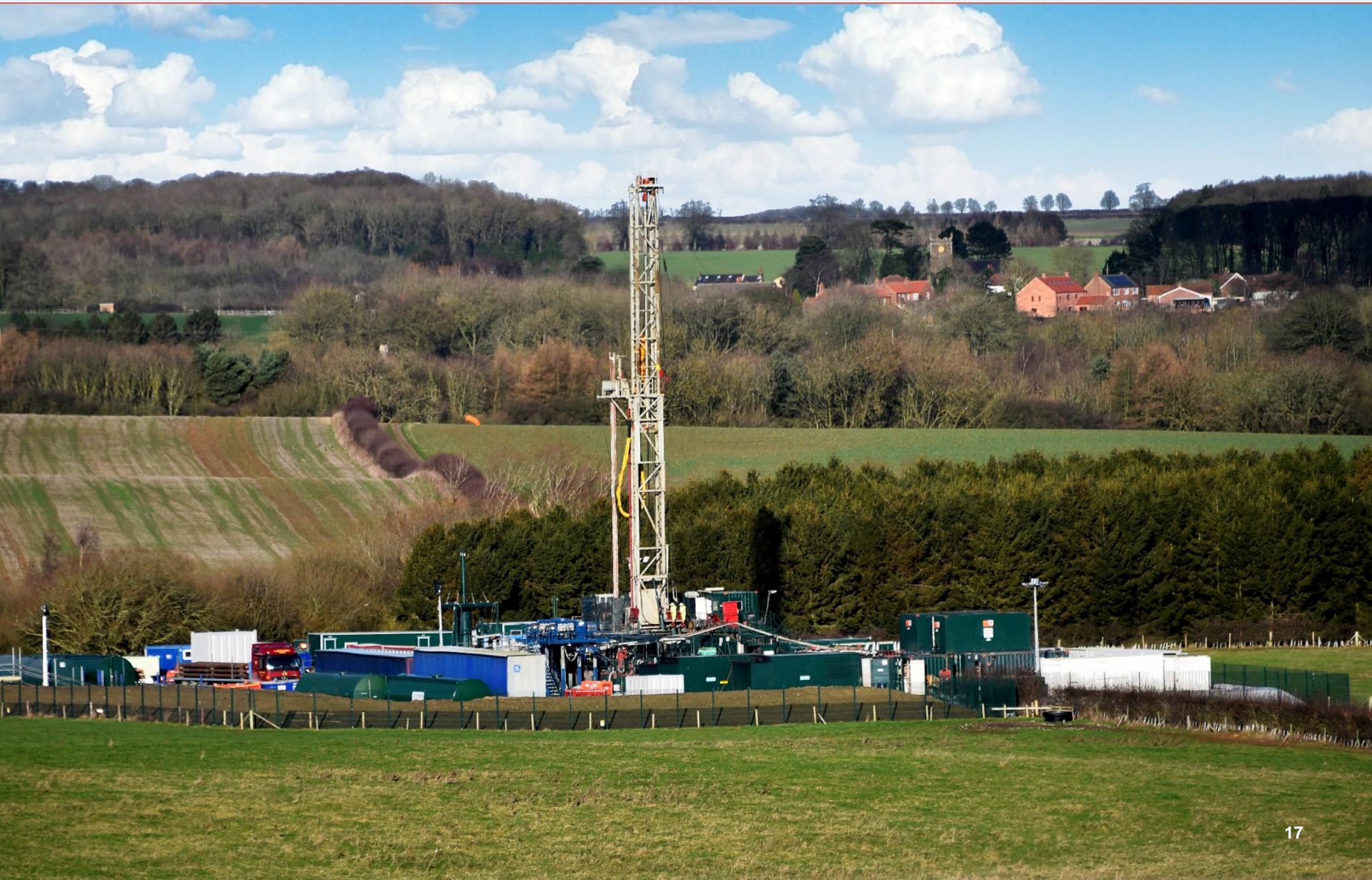
**Subject to planning approval

Biscathorpe Prospect



- The Basal Westphalian Sandstone “play” was not tested at the Biscathorpe-2 appraisal well and remains in the view of Union Jack’s management one of the largest conventional un-appraised onshore hydrocarbon prospects in the UK
- Calculated oil saturations in the Dinantian Carbonates over an interval in excess of 150 metres indicate proximity to an effective petroleum system
- Independent consultants Applied Petroleum Technology UK recovered live oil from well chippings confirming the likely presence of a 35 metre oil column
- Additional possible pay present at base of Dinantian interval
- Joint Venture is continuing with detailed seismic re-processing and further technical studies to confirm next steps of project development
- Biscathorpe-2 well suspended for possible future side-track

Biscathorpe-2 Drilling



Union Jack Oil Investment Overview



- Low-risk onshore strategy focused on drill-ready projects and value creation
- Balanced portfolio: production, development, appraisal and exploration
- Portfolio activity generates near-term news flow and value drivers
- The successful West Newton A-2 appraisal well and paused Extended Well Test are poised to deliver a major onshore hydrocarbon development
- Biscathorpe Prospect remains untested, side-track option in place
- Wressle discovery to provide material cash flow when in production
- Positioned to deliver growth: in reserves, production and asset value