

Union Jack Oil plc
 ("Union Jack" or the "Company")

AGM Statement and Drilling Update

At the Annual General Meeting of Union Jack Oil plc (AIM:UJO), an onshore oil and gas exploration company with a focus on drilling, development and investment opportunities in the United Kingdom hydrocarbon sector, David Bramhill, Executive Chairman, will provide the following updates to shareholders concerning its current drilling programme and other forward operational activities:

Drilling of the Wressle-1 conventional exploration well – PED180

Drillsite construction works are in progress and the conventional Wressle-1 exploration well is expected to spud in July 2014 following groundwork completion and rig mobilisation.

The Wressle Prospect is located within PEDL180, in Lincolnshire, on the margin of the Humber Basin and is on trend with the producing Crosby Warren oil field and the Brigg-1 oil discovery, situated to the immediate northwest and southeast of the licence respectively.

The gross mean Prospective Resource volumes at Wressle, as calculated by independent consultants, Molten Limited ("Molten"), are estimated to be 2.13 million barrels of oil.

Under the terms of an agreement entered into with Egdon Resources U.K. Limited ("Egdon Resources") in May 2013, should the Wressle-1 well be successful and prove the existence of an economically developable hydrocarbon accumulation that extends into the adjacent licence, PEDL182, Union Jack has the option to require Egdon to assign, at no extra cost, an 8.33% interest in that part of the designated oil field falling within PEDL182.

The interests in PEDL180 are held by:

Holders	Holding (%)
Egdon Resources (operator)	25.00%
Europa Oil & Gas Limited	33.34%
Celtique Energy Petroleum Limited	33.33%
Union Jack	8.33%

Drilling of the Burton on the Wolds-1 conventional exploration well- PEDL201

Drillsite construction works will commence in June 2014 and the spudding of the conventional Burton on the Wolds-1 well is expected to commence following completion of drilling of Wressle-1.

The Burton on the Wolds Prospect, located within licence PEDL201 is a four way dip closed, footwall structure developed on the Hoton Fault system and is situated on the southern boundary of the Widmerpool Gulf. The Widmerpool Gulf is a geological basin with proven oil generation. The Burton on the Wolds Prospect lies between the Rempstone and Long Clawson fields.

The gross mean Prospective Resource volumes for the target objectives at Burton on the Wolds, as calculated by Molten, are estimated to be 4.83 million barrels of oil.

The interests in PEDL201 are held by:

Holders	Holding (%)
Egdon Resources (operator)	32.50%
Celtique Energy Petroleum Limited	32.50%
Terrain Energy Limited	12.50%
Corfe Energy Limited	12.50%
Union Jack	10.00%

Technical Report

Molten has been commissioned to prepare a Technical Report (the “**Report**”) to examine the shale resource potential, primarily of the Widmerpool Gulf area within the northern section of PEDL201. The Report is expected to be published in early June 2014 and will focus on the unconventional hydrocarbon potential only.

14th Round of Onshore UK Licensing

Union Jack intends to be active in bidding for certain interests on the much anticipated 14th Onshore UK Licensing Round, expected to be announced by the Department of Energy and Climate Change (“**DECC**”) later in 2014.

The Company is in discussions with certain entities in respect of bidding strategy. The Board believes that the Company is well placed to participate once DECC announces the details on the bidding and application timeline. However, there is no certainty that the Company will be successful in the bidding process.

David Bramhill, Executive Chairman, commented: “The past year has seen a tremendous amount of work carried out with our partners and, due to their tenacity, we are now approaching the start of drilling operations for two high-profile onshore wells.

The UK onshore is experiencing heightened industry interest for both conventional and unconventional oil and gas exploration, driving recent corporate activity. The Company anticipates that it will be able to report tangible figures from the Molten report in respect of shale resource potential within PEDL201. Finally the forthcoming UK Onshore Licensing Round may allow the Company to further expand its licence interests.”

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