

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

Independent Technical Report Confirms Significant Shale Oil and Gas Potential

Union Jack Oil plc (UJO: AIM), an onshore oil and gas exploration company with a focus on drilling, development and investment opportunities in the United Kingdom hydrocarbon sector, is pleased to announce potential material unconventional shale oil and gas in place within the northern section of PEDL201, in which Union Jack holds a 10% interest. An independent technical review has been undertaken by Molten Limited ("**Molten**"). The results of this work indicate that the mean gross unrisks deterministic in place volumetric estimates approximate to 5.4 billion barrels of oil and over 2.7 trillion standard cubic feet (scf) of gas.

The technical report ("**Report**"), prepared by Molten, examines the shale resource potential of part of PEDL201 within the Widmerpool Gulf. This Report was prepared to the standards of a Competent Person's Report as set out in the AIM Note for Mining, Oil and Gas Companies, except that the Report contains no valuation and no risk factors. No shale oil or gas production has yet occurred in the UK, therefore Molten has not attempted to risk the in place volumes nor attempted a valuation of the shale prospect.

The Executive Summary of the Report will be published on the Union Jack website, www.unionjackoil.com, later today.

The Report highlights that within the northern section of PEDL201 there exist areas with significant thicknesses of Upper and Lower Bowland Shale, which Molten believes are likely to be primarily oil-bearing due to the geological history and proximity of shallower oil field developments.

Union Jack's equity interest in the mean un-risked in place volumes within that shale area would amount to approximately 540 million stock tank barrels of oil initially in place ("**STOIIP**") and approximately 270 billion standard cubic feet of gas initially in place ("**GIIP**"). Molten's estimates of undiscovered STOIIP and GIIP are subject to exploration risk, which may be considerable. There is no certainty that any portion of this resource will be commercially producible.

The Report also comments that, if recovery factors, even at the low end of those achieved in the United States (1% to nearly 10%) can be achieved in the UK, the volumes highlighted above would have a significant commercial value.

The Burton on the Wolds-1 conventional well is planned to commence drilling operations in Q3 2014. The well is located in the southern half of PEDL201, outside of the Widmerpool Gulf and is not considered by the Board to be prospective for shale oil or shale gas.

David Bramhill, Executive Chairman, commented: “The interest in onshore conventional and unconventional oil and gas in the United Kingdom is gathering pace throughout our industry. The level of corporate activity within the sector is reaching levels not observed for decades.

The Board of Directors considered it prudent to have the Company’s interest in PEDL201, where there is known shale potential, independently reviewed to identify the unconventional resource potential. This exercise has proved to be very worthwhile with compelling “in place” un-risked scoping volumetric estimates for both shale oil and shale gas.

However, the Company’s immediate priority remains to unlock the conventional exploration potential within our current licence interests. We look forward to the imminent drilling of two exploration wells, Wressle-1 and Burton on the Wolds-1, both targeting conventional reservoir objectives.

In addition, the Company intends to be involved in bidding for certain interests at the forthcoming Onshore UK Licensing Round, expected to be announced by DECC later in 2014.”

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In accordance with the AIM Rules - Note for Mining and Oil and Gas Companies, the information contained in this announcement has been reviewed and signed off by Martin Durham, non-executive director of Union Jack Oil plc, a geologist with over 30 years industry experience.

The Molten evaluation of undiscovered oil and gas initially in place in the Report has been assessed in accordance with the current version of the 2007 Petroleum Management System prepared by the Oil and Gas Reserves Committee of the Society of Petroleum Engineers ("SPE") and reviewed and jointly sponsored by the World Petroleum Council ("WPC"), the American

Association of Petroleum Geologists ("AAPG") and the Society of Petroleum Evaluation Engineers.

Editor's Note

Union Jack is a new entrant to the UK hydrocarbon sector and was admitted to trading on AIM in July 2013. The Company was formed as a vehicle to identify opportunities with an emphasis on acquiring interests in late stage exploration projects onshore UK.

During the past year Union Jack has acquired interests in several onshore licences where drilling is planned during 2014 and 2015.

Two conventional exploration wells, Burton on the Wolds-1 and Wressle-1 located within PEDL's 201 and 180 respectively, are expected to be drilled during June/July 2014.

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

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

The Wressle Prospect within PEDL180 is located 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 total mean Prospective Resource volumes at Wressle, as calculated by Molten Limited, are estimated to be 2.13 million barrels of oil