

Union Jack Oil plc

(AIM: UJO)

Acquisition of Interest in Block TF38c

Further to the announcement of 21 September 2015, Union Jack Oil plc ("**Union Jack**" or the "**Company**"), an onshore oil and gas production and exploration company with a focus on production, drilling, development and investment opportunities in the United Kingdom hydrocarbon sector is pleased to announce that Egdon Resources plc ("**Egdon**") will transfer a 10% interest in Block TF38c to the Company following the announcement of the results of the UK 14th Onshore Oil and Gas Licensing Round ("**Licensing Round**").

In July 2015 Union Jack acquired a 10% interest in PEDL005(R), including a 10% interest in the producing Keddington oilfield, Louth prospect and North Somercotes prospect respectively.

Under the terms of the acquisition it was agreed that Union Jack, as part of the existing PEDL005(R) joint venture group, would also earn a 10% interest from Egdon in any new licence block awarded to the joint venture group, comprising Egdon (operator), Terrain Energy Ltd, Nautical Petroleum Ltd and Union Jack in the Licensing Round.

In the Licensing Round Egdon and its application partners have been offered Block TF38c located within the Humber Basin which contains a portion of the Louth prospect. Consequently, subject to approvals, Egdon will transfer a 10% interest in this block to Union Jack at no upfront cost.

The Louth prospect is located on the margins of the Humber Basin and is defined on reprocessed 3D seismic data and is estimated by Egdon Resources U.K. Limited to contain Stock Tank Oil Initially in Place of 5.5 million barrels and gross mean Prospective Resources of 1.4 million barrels with an attractive geological chance of success of 37%.

A well to test this prospect is planned to be drilled in 2016/2017 subject to receipt of planning and other consents.

David Bramhill, Executive Chairman of Union Jack Oil plc commented:

"We are pleased at the success of Egdon in the Licensing Round which has subsequently led to the acquisition of a 10% interest in Block TF38c containing a portion of the highly prospective Louth prospect at no further upfront cost to the Company."

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