

2P Ashover Grit and Wingfield Flags	0.62	0.20	0.65	0.07	0.02	0.07
2C Penistone Flags	1.53	2.00	1.86	0.18	0.24	0.22
Broughton North Mean Unrisked Prospective Resources	0.51	0.51	0.60	0.06	0.06	0.07

Gas converted to oil equivalent using 6 Bscf/MMboe conversion added to oil volume

Net Volumes of hydrocarbons attributable to Union Jack post-acquisition

	Gross Volumes			Net attributable to Union Jack Post-acquisition Volumes		
	Oil MMstb	Gas bcf	Oil Equiv MMboe	Oil MMstb	Gas bcf	Oil Equiv MMboe
2P Ashover Grit and Wingfield Flags	0.62	0.20	0.65	0.09	0.03	0.10
2C Penistone Flags	1.53	2.00	1.86	0.23	0.30	0.28
Broughton North Mean Unrisked Prospective Resources	0.51	0.51	0.60	0.08	0.08	0.09

Gas converted to oil equivalent using 6 Bscf/MMboe conversion added to oil volume

The interests held in both PEDL180 and PEDL182 post-transaction will be:

Egdon Resources U.K. Limited (Operator)	25.00%
Celtique Energie Petroleum Limited	30.00%
Europa Oil & Gas Limited	30.00% *
Union Jack Oil plc	15.00%

*On 24 November 2016, Europa Oil & Gas Limited announced that it had agreed to sell a 10% interest in PEDL180 and PEDL182 to Upland Resources Limited which sale is still pending.

David Bramhill, Executive Chairman of Union Jack, commented: “We are delighted to be able to increase further our position in Wressle to 15% as it is an attractive asset. The development of Wressle remains subject to receipt of planning permission and environmental permits. Subject to receipt of these approvals and successfully bringing the project onstream, management expect Wressle to generate meaningful cash flows and transform the financial position of the Company.

When in production, first commercial oil from Wressle-1 is expected to flow at an estimated constrained rate of 500 barrels of oil per day gross converting the Company’s status from a junior explorer into a fully-fledged oil producer. At \$55 oil, management expects the net cash flow generated from Wressle attributable to Union Jack to be significant. The Board believes that

production at Wressle will generate excess cash after accounting for the Company's on-going working capital obligations.

The future looks bright for Union Jack, holding a nicely balanced portfolio of production, development, appraisal and exploration assets"

The Wressle-1 Discovery

The Wressle-1 oil and gas discovery is located within PEDL180 and PEDL182, in Lincolnshire, on the western margin of the Humber Basin.

On Extended Well Test the well flowed an aggregate of 710 barrels of oil equivalent per day over three horizons, the Ashover Grit, Wingfield Flags and the Penistone Flags.

The summary details of a Competent Persons Report ("CPR") compiled by ERC Equipoise Limited were published by Union Jack and its partners in respect of Wressle and the Broughton North Prospect on 26 September 2016.

The oil and gas Reserves and Contingent Resources identified by the CPR in aggregate exceed the Operator's original pre-drill estimates.

Gross P Mean Discovered Oil Initially in Place is 14.18 million stock tank barrels in aggregate across three reservoir sands, the Ashover Grit, Wingfield Flags and Penistone Flags, of which 2.15 million gross stock tank barrels of oil are classified as discovered (2P+2C).

Gross 2P oil Reserves of 0.62 million stock tank barrels of oil in aggregate identified across two reservoir sands, the Ashover Grit and the Wingfield Flags that form the basis of the initial development plan which currently excludes development of the material Penistone Flags reservoir sands.

Substantial Contingent Resources have also been confirmed in the Penistone Flags reservoir that are over and above the oil and gas Reserves identified in the Ashover Grit and Wingfield Flags reservoirs.

The Penistone Flags reservoir has gross 2C Contingent Resources of 1.53 million stock barrels of oil and 2.0 billion standard cubic feet of gas.

The conversion of the Penistone Flags 2C Contingent Resources into 2P Reserves, in full or in part, is expected to occur following receipt of necessary development approvals and commencing production at the Wressle development and once a subsequent development plan has been identified for the Penistone Flags Reservoir.

Development options and production planning for the Penistone Flags reservoir are expected to progress following commissioning of the initial Wressle development and will include monetisation of the produced gas by pipeline or electricity generation which will be sold to the National Grid.

The Broughton North Prospect

The Broughton North Prospect is located in a fault block immediately to the north west of the Wressle structure within PEDL182 and ERCE has attributed a high geological chance of success of 40% to 49% to the prospect.

Gross unrisks Mean Oil Initially in Place for the Broughton North Prospect is an undiscovered 3.43 million stock tank barrels of oil in aggregate across two reservoir sands, the Ashover Grit and

Penistone Flags with Mean Prospective Resources of 0.51 million stock tank barrels of oil plus 0.51 billion standard cubic feet of gas.

Mapping of the Broughton North Prospect also benefits from the same high quality 3D data set as was used to identify the Wressle-1 oil and gas discovery.

Funding for an exploration well on the prospect will be assisted by the significant net cash flows expected to be generated from commercial production from the initial Wressle development.

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In accordance with the "AIM Rules – Note for Mining and Oil and Gas Companies", the information contained within the announcement has been reviewed and signed off by Graham Bull, Non-Executive Director, who has over 46 years of international oil and gas industry exploration experience.

ERCE have carried out their work using the March 2007 SPE/WPC/AAPG/SPEE Petroleum Resources Management System (PRMS) as the standard for classification and reporting. The extracts of the report shown above are compliant with the AIM Rules – Note for Mining and Oil and Gas Companies.

ERCE's summary of the findings of their CPR including the definition of the terms used in this announcement can be found on the Company's website www.unionjackoil.com.