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31 May 2017

UNION JACK OIL PLC
(AIM: UJO)

**Completion of Additional Interest in PEDL180 and PEDL182 Including the Wressle-1
Discovery and Broughton North Prospect, Onshore UK**

Further to the announcement of 6 March 2017, Union Jack Oil plc ("**Union Jack**" or the "**Company**"), a UK-focused, onshore oil and gas production and exploration company is pleased to announce that the Oil and Gas Authority ("**OGA**") has now approved the acquisition by Union Jack of a further 3.33% interest in PEDL180 and PEDL182 from Celtique Energie Petroleum Limited. These licences contain the Wressle-1 discovery.

Union Jack now holds a 15% interest in both licences following completion of this transaction. The consideration for the acquisition was £600,000 ("**Consideration**") for the additional 3.33% economic interest. The Consideration, comprising a £60,000 deposit paid to Celtique and a final payment of £540,000 was paid to Celtique's solicitors in March 2017, the final payment being held in escrow until completion of the transaction.

The Consideration was paid for from monies received in respect of the placing announced on 27 February 2017 of approximately £1.4 million before expenses, with funds raised being used to acquire further interests in assets contained within Union Jack's existing portfolio of near term production and drill-ready prospects. Further funds resulting from the placing remain to be invested.

Union Jack's current cash balance is in excess of £2,000,000 and the Company is fully funded for its other committed projects including the drill-ready Biscathorpe-2 and Holmwood-1 conventional wells with gross Mean Prospective Resources of 14MMbbl and 5.6MMbbl of oil respectively, both expected to be drilled during H2 2017.

PEDL180 and PEDL182 contain the Wressle-1 discovery from which first commercial oil is expected to flow at an initial constrained rate of 500 barrels of oil per day, following planning approval. Details of the gross and net to Union Jack 2P reserves and 2C resources post-acquisition are set out in the table below. Substantial contingent resources have also been confirmed in the Penistone Flags reservoir at Wressle that are over and above the oil and gas reserves identified in the Ashover Grit and Wingfield Flags reservoirs. In addition, PEDL182 also contains the promising Broughton North Prospect.

Net Volumes of hydrocarbons attributable to Union Jack post-acquisition

	GROSS VOLUMES			NET VOLUMES ATTRIBUTABLE TO UNION JACK		
	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 are:

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 interest in the attractive Wressle asset to 15%. The development of Wressle now only remains subject to receipt of planning permission. Subject to receipt of this approval and successfully bringing the project onstream, management expect the Wressle development to generate meaningful cash flows and transform the financial position of the Company.

At the current oil price, 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 acquisition of an increased stake in Wressle is consistent with our strategy of building a balanced portfolio of production, development, appraisal and exploration assets.”

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In accordance with the AIM Rules - Note for Mining and Oil and Gas Companies, the information contained within this 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.

This announcement contains certain forward-looking statements that are subject to the usual risk factors and uncertainties associated with the oil and gas exploration and production business. While the directors believe the expectation reflected within this announcement to be reasonable in light of the information available up to the time of approval of this announcement, the actual outcome may be materially different owing to factors either beyond the Company's control or otherwise within the Company's control, for example, owing to a change of plan or strategy.

Accordingly, no reliance may be placed on the forward-looking statements.