

17 April 2018

Union Jack Oil plc
(“Union Jack” or the “Company”)
Positive Workover Results from Fiskerton Airfield
Wressle Planning Application Update
New Corporate Presentation

Union Jack Oil plc (AIM: UJO), a UK-focused onshore hydrocarbon production, development and exploration company is pleased to announce positive initial production results from the recent well workover programme designed to increase production at the Fiskerton Airfield Oilfield (EXL294-UJO: 20%), a progress update on planning and associated works in respect of the Wressle field development (PEDL180 and P182-UJO: 15%) and a new Corporate Presentation available on the Company’s website (www.unionjackoil.com).

Fiskerton Airfield Oilfield

Union Jack acquired a 20% economic interest in EXL294 containing the Fiskerton Airfield Oilfield (“**Fiskerton**”), located approximately seven miles East of the City of Lincoln, in November 2017.

Fiskerton represented an opportunity for the joint venture partners to enhance its cash flows and profitability because of prior underinvestment. Following its acquisition, the joint venture partners planned to increase production initially via low cost well interventions including the installation of new tubing, pumps and the isolation of water producing zones. To that end, workovers of two wells, FA-3 and FA-1, were successfully completed in the period January to March 2018.

Production operations have now resumed at Fiskerton and initial field production, prior to further optimisation and operations during the coming months including the increasing of the pumping rate, is approaching 30 barrels of oil per day (“**bopd**”) gross of good quality oil (35.2° API gravity), a significant increase on the pre-workover rate of 16 bopd gross.

Oil production since resumption of operations to date has exceeded 1,250 barrels gross and oil is being sold and transported by road tanker to a refinery at Immingham, North East Lincolnshire.

Wressle Planning Update and Operations

Union Jack holds a 15% interest in PEDL 180 and 182 which contain the Wressle oil discovery, located in Lincolnshire on the Western margin of the Humber Basin, that the joint venture partners plan to develop at an initial constrained output of 500 bopd gross.

In January 2018, and following the appeal process, the operator announced its intention to submit two new applications to the North Lincolnshire Council:

1. an application to extend the existing planning consent for a further year; and
2. the application of a revised Wressle field development plan that will specifically address the points raised by the Planning Inspector resulting from the appeal process in January 2018.

The first application was submitted to the North Lincolnshire Council on 13 April 2018.

In respect of the revised Wressle field development application, since January 2018 the operator has drilled two deeper cored groundwater boreholes in addition to the investigation boreholes previously drilled. The data from these operations is being used to support this application which will contain a

revised site design and hydrological risk assessment. Once the operator has received and integrated the results of the hydraulic conductivity tests executed on the core samples, the revised Wressle field development application will be submitted in May 2018.

David Bramhill, Executive Chairman of Union Jack commented:

“I am pleased to be able to report that our Fiskerton production acquisition is beginning to generate cash flow following recent workovers with gross production now approaching 30 barrels per day. We expect there to be incremental rises in production at Fiskerton as the partners fine tune and learn more about field production and individual well characteristics. The payback time in respect of our investment represents excellent value given the modest entry price. Our share of production at Fiskerton, added to our 20% interest in the producing Keddington oilfield, all help improve cash flow.

“On Wressle, I re-iterate that the joint venture partners are fully committed to its development and I am pleased to report progress on a revised development plan application. Wressle remains the “game changer” for Union Jack and I am sure that the revised application that will address the points raised by the Planning Inspector resulting from the appeal process will empirically demonstrate the integrity of the revised development plan. A successful outcome from the revised Wressle field development application could see our net production from this development reach 75 bopd.

“Union Jack recently formed a relationship with Humber Oil & Gas Limited, as recently reported, and we have taken jointly an interest in PEDL253 containing the Biscathorpe-2 Prospect that is expected to be drilled around mid-year 2018. Both companies are reviewing further joint acquisitions together.

“With these initiatives, I remain confident that Union Jack will achieve its objective of becoming a cash flow positive company in due course.”

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