UNION JACK OIL plc AIM: UJO



Investor Presentation

June 2019

- West Newton A-1 and A-2 major hydrocarbon discoveries (16.665%)
- Wressle oil and gas discovery (27.5%)
 oil and gas development undergoing planning appeal
- Significant value potential across a balanced, low-risk, low-cost onshore portfolio covering 13 licence interests combining production, discoveries, appraisal, development and exploration

Production, Drilling, Development and Investment in the United Kingdom Onshore Hydrocarbon Sector

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Union Jack Investment Summary



- Low-risk onshore strategy focused on drill-ready projects and value creation
- Balanced portfolio: production, development, appraisal and exploration
- Portfolio activity generates near-term news flow and value drivers
- Positioned to deliver growth: in reserves, production and asset value
- Apply strict financial and technical discipline

Union Jack's Conventional Onshore Focus – balanced portfolio



- Operations exclusively located in an established onshore basin the East Midlands Province
- Assembled a balanced portfolio of 13 licence interests
 - production, development and exploration interests
 - low-risk and low-cost onshore strategy: modest corporate G&A
 - focused on progressing drill-ready projects and value creation
- Principal assets:
 - 16.665% West Newton A-1 gas discovery and West Newton A-2 appraisal well hydrocarbon discovery (PEDL183)
 - 27.5% Wressle-1 oil discovery (PEDL180/182)
 - 22% Biscathorpe Prospect (PEDL253) remains un-appraised
- 20% producing Fiskerton Airfield oilfield (EXL294) and 20% producing Keddington oilfield (PEDL005(R))



PEDL180 PEDL182	Wressle Discovery Broughton North	27.5%	
PEDL183	West Newton	16.665%	
PEDL253	Biscathorpe	22%	
PEDL005(R)	Keddington Oilfield Louth North Somercotes	20%	
PEDL339	Louth Extension		
EXL294	Fiskerton Airfield Oilfield	20%	
PEDL241	North Kelsey	20%	
PEDL118	Dukes Wood	40.070/	
PEDL203	Kirklington	16.67%	
PEDL201	Widmerpool Gulf	26.25%	
PEDL181	Humber Basin	12.5%	
PEDL209	Laughton	10%	

Near-term News Flow and Value Drivers

active in material projects

West Newton discoveries West Newton A-1 and A-2 (16.665%): PEDL183 – significant gas and liquid development opportunity

- Extended well test on recent West Newton A-2 hydrocarbon discovery planned during Q3 2019
- Best Estimate 186 BCF recoverable gas resource with NPV10% of +US\$300 million (gross) in West Newton A-1
- · Proximity to gas markets and infrastructure

Wressle discovery (27.5%): PEDL180/182 – oil development project

- 2.51 MMboe reserves and resources (2P+2C)
- Attractive development project with initial oil production of 500 bbls/d (gross)
- · Successful appeal for extension of planning
- Development application process underway with Planning Inspectorate

Biscathorpe Prospect (22%): PEDL253 – Prospect with considerable remaining upside

- Biscathorpe-2 well suspended for possible future sidetrack
- Prospect remains untested
- Seismic reprocessing underway



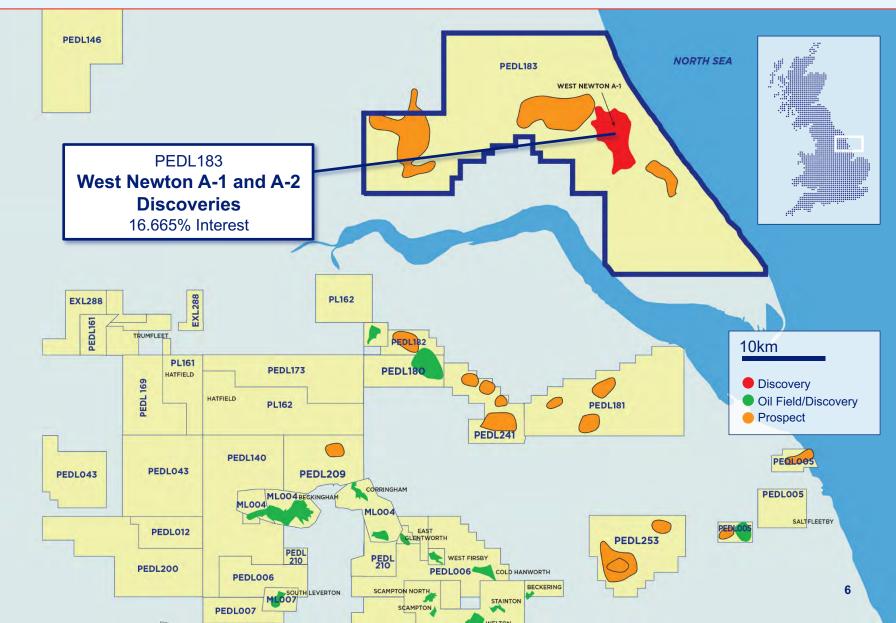






PEDL183 – two significant hydrocarbon discoveries at West Newton





West Newton A-2 Discovery Well-Site





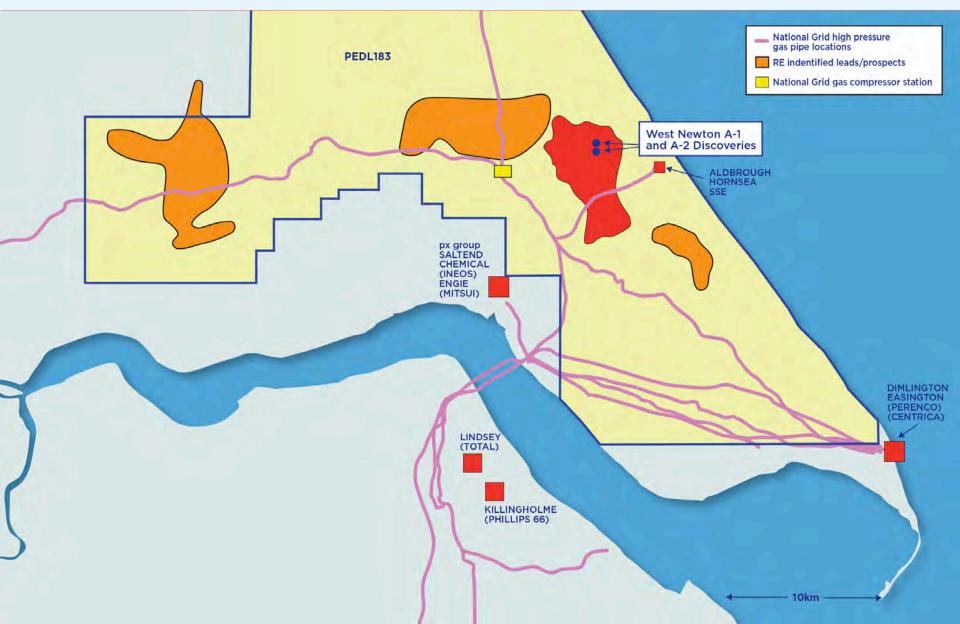
West Newton A-2 Appraisal Well Result – significant liquids component identified



- Substantial hydrocarbon accumulation within a net 65 metre interval encountered in the primary target, the Kirkham Abbey formation
- Significant liquids component identified from core and logging data
- Extended well test planned for Q3 2019
- Potentially transformational well result for Union Jack
- NPV of West Newton project expected to be significantly increased following interpretation of successful A-2 appraisal well
- Further upside potential from further prospects on large 176,000 acre licence area

Onshore Hydrocarbon Discoveries – proximity to markets, existing pipelines and infrastructure





Onshore Hydrocarbon Discoveries

– numerous marketing and sale options



Natural Gas

- Two major UK gas terminals located on licence
 - Dimlington (Perenco operated)
 - Easington (Centrica operated)
- Terminals are important to the UK National Grid, and are connected via pipeline to offshore gas fields

Oil

- Lindsey Oil Refinery (Total operated) and Humber Refinery (Phillips 66 operated) are located to the south of PEDL183
- Tetney Oil terminal (Phillips 66 operated) located south of PEDL183

Pipelines

 Well developed existing oil and gas pipeline infrastructure within and around licence

Power Stations

- PEDL183 is in close proximity to gas-fired electric generation facilities with a combined generation capacity of over 4,700MW of power
- Nearby power stations include;
 - Killingholme A (Uniper operated) and Killingholme B (Centrica operated) power stations in North Lincolnshire
 - Immingham Power Station (Vitol) in North Lincolnshire
 - Saltend Power Station (Engie operated) southwest of West Newton

Other Infrastructure

- Saltend Chemical Park (owned and managed by px group) located south-west of West Newton is host to nine different chemical and energy companies including Engie and Ineos
- Aldbrough Gas Storage facility located east of West Newton
- Ports of Grimsby and Immingham

- Kirkham Abbey Shoal assigned Contingent Resources



	Low	Best*	High	Mean
Total Contingent Resource (MMboe)	15.9	31.5	62.6	36.4

* The Kirkham Abbey Shoal has a combined geological and commercial Probability of Success of 60%

* The Kirkham Abbey "Slope Deposit" represents an additional Best Estimate 9.2 MMboe of Prospective Resource

Source: Deloitte CPR dated 25 July 2017

- Kirkham Abbey Shoal has been assigned Contingent Resources and requires a development plan to convert them to 2P Reserves
- Operator's current economic evaluation of the West Newton A-1 Kirkham Abbey Shoal <u>only</u> (and based on produced reserves of 30.34 MMboe) yields:

NPV10%**: + US\$300 million

- The Kirkham Abbey "Slope Deposit" offers additional significant value and resource upside potential
 - Kirkham Abbey "Slope Deposit" represents an additional 85.9 Bcfe of PIIP and 9.2 MMboe of Prospective Resources

West Newton Hydrocarbon Project – a compelling project technically and financially

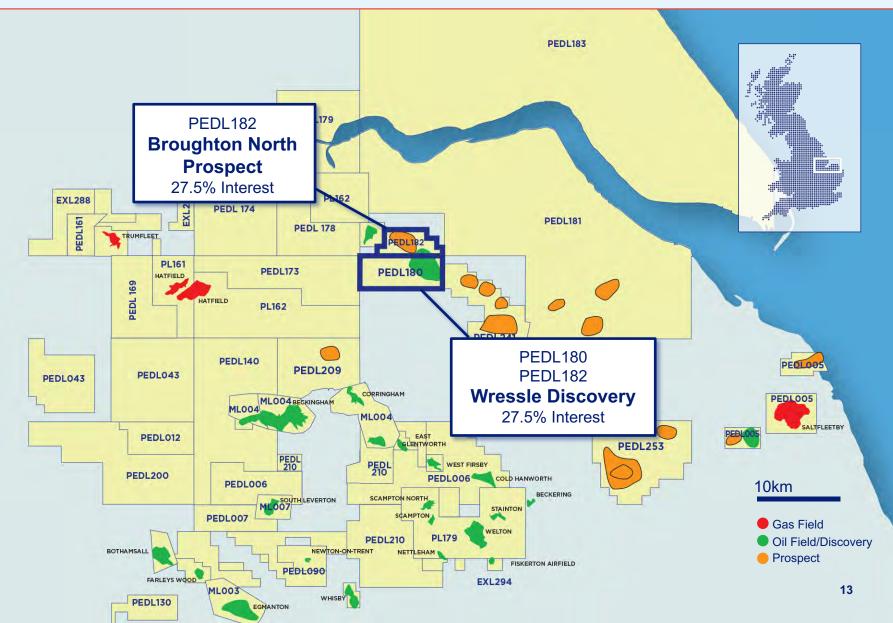


- Two large onshore hydrocarbon discoveries with proximity to existing gas pipelines and infrastructure
- Compelling economic value from the West Newton A-1 gas discovery's contingent resources alone
 - Operator's evaluation of Kirkham Abbey gas only at West Newton A-1 discovery:
 NPV10%* + US\$300 million
 - Contingent resource at West Newton A-2 discovery will have a significant positive financial impact on the current NPV value
- UJO acquired a 16.665% interest in a compelling gas discovery West Newton A-1 on attractive terms followed by a successful hydrocarbon discovery at West Newton A-2 conventional appraisal well
- Additional upside value potential from several other targets located within a significant 176,000 acre licence area

PEDL180 / PEDL182 Wressle Oil Discovery

- project expected to produce 500 bopd oil gross

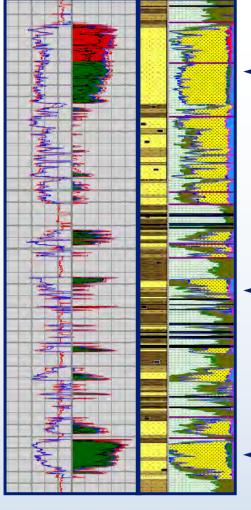




Wressle-1 Discovery well – Reserves, Contingent Resources and composite well log



	Gross Volumes			
	Oil MMstb	Gas bcf	Oil Equiv MMboe	
2P Ashover Grit and Wingfield Flags	0.62	0.20	0.65	
2C Penistone Flags	1.53	2.00	1.86	
Broughton North Mean Unrisked Prospective Resources	0.51	0.51	0.60	



 PENISTONE FLAGS
 15.9 metre pay DST 89 bopd, 35° API and 1.7 mmcfd EWT 180 bopd

 WINGFIELD FLAGS
 5.1 metre pay DST 182 bopd, 39° API and 0.46 mmcfd

ASHOVER GRIT 6.1 metre pay DST 80 bopd, 39 ° API and 0.47 mcfd

Wressle Reserves and Initial Development Plan – estimated 500 bopd gross and significant cash flow



- Gross P Mean Oil Initially In Place ("OIIP") is 14.18* MMbbl
 - In aggregate across three reservoir sands: Ashover Grit, Wingfield Flags and Penistone Flags
 - 2.15* MM bbl are potentially recoverable (2P+2C)
- Gross 2P oil and gas Reserves of 0.62* MMbbl and 0.2 Bcf
 - 2P Reserves identified across two reservoir sands: Ashover Grit and Wingfield Flags only
- Wressle Initial Development Plan
 - 2P reserves <u>only</u> form the basis of the Wressle Initial Development Plan
 - Excludes any contribution from the material Penistone Flags 2C resources of 1.53 MMbbl and 2 Bcf)
 - 500 bopd gross estimated initial oil production
 - Generates significant net cash flow
 - Will also include monetisation of the produced gas by pipeline or electricity generation which will be sold to the National Grid
 - Appeal for extension of planning upheld
 - Appeal for development 5 November 2019

Wressle Contingent Resources – substantial upside in 2C Contingent Resources



- Substantial additional upside in 2C Contingent Resources in the Penistone Flags
 reservoir
 - Over and above the Reserves identified in the Ashover Grit and Wingfield Flags reservoirs
- Penistone Flags has 2C* oil and gas Contingent Resources of 1.53 MMbbl and 2.0 bcf (gross)
- The Penistone Flags reservoir was oil bearing in the Wressle-1 discovery well
- In 1984, BP drilled the Broughton-B1 well by that also tested oil from the Penistone Flags at approximately 40 bbl/d, located ~2 km North West of Wressle-1
- Gross thickness of the Penistone Flags reservoir is material and is expected to be laterally extensive
- Further development options and production planning for the Penistone Flags reservoir is expected to be progressed following commissioning of the initial Wressle Development Plan**
 - Conversion of the Penistone Flags 2C of 1.53 MMbbl into 2P Reserves requires a development plan**
- Anticipated that initial cash flows from Wressle will finance the Penistone Flags development

* Competent Persons Report by ERC Equipoise dated September 2016

**Subject to planning approval

Biscathorpe Prospect



- The Basal Westphalian Sandstone "play" was not tested at the Biscathorpe-2 appraisal well
- The Dinantian Carbonates has oil and gas shows over a 99 metre interval indicating proximity to an effective petroleum system
- Union Jack's technical team are conducting further investigative exercises on well cuttings to determine hydrocarbon presence
- Bicathorpe-2 well suspended for a possible future sidetrack
- Union Jack management believe the Biscathorpe Prospect contains significant remaining upside

Biscathorpe-2 Drilling





Union Jack Oil Investment Overview



- Low-risk onshore strategy focused on drill-ready projects and value creation
- Balanced portfolio: production, development, appraisal and exploration
- Portfolio activity generates near-term news flow and value drivers
- Successful West Newton-2 appraisal discovery combined with West Newton A-2 successful appraisal well poised to deliver a major onshore hydrocarbon development
- Biscathorpe Prospect remains untested, side-track option in place
- Wressle discovery when in production would provide material cash flow
- Positioned to deliver growth: in reserves, production and asset value



Thank you for attending this presentation

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