

17 June 2019

Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement

Union Jack Oil plc
("Union Jack" or the "Company")
Successful Result at West Newton A-2 Appraisal Well

Union Jack Oil plc (AIM: UJO), a UK focused on-shore hydrocarbon production, development and exploration company is pleased to announce positive preliminary results in respect of the recently drilled West Newton A-2 conventional appraisal well, located within PEDL 183 and operated by Rathlin Energy (UK) Limited. Union Jack holds a 16.665% interest in this licence containing the West Newton A-1 discovery well and West Newton A-2 appraisal well.

Highlights

- 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
- Planning permission in place for an extended well test
- Potentially transformational well result for Union Jack

David Bramhill, Executive Chairman of Union Jack, commented:

“The initial results of the West Newton A-2 appraisal well exceed our expectations. The most important aspect of this drilling exercise is that the operation was undertaken in a safe and competent manner by the operator.

“We rank the West Newton project very highly and look forward to the results of testing during Q3 2019”.

“These encouraging results suggest to us that the West Newton project has the potential to achieve our goal of transforming Union Jack from a junior exploration and production company into a self-sustaining mid-tier hydrocarbon producer”.

Drilling and Results Summary

The West Newton A-2 well was spudded on 26 April 2019 and on 9 June 2019 reached a total depth (TD) of 2061 metres. 28 metres of core has been successfully extracted from the primary target, the Kirkham Abbey formation and all planned logging operations have been completed.

A net 65 metre hydrocarbon saturated interval has been encountered from within the Kirkham Abbey formation indicating a substantial hydrocarbon accumulation, including a significant liquids component.

Drilling operations have now concluded, and production casing has been run in preparation for testing of this extended interval, for which planning consent has been received. The proposed extended well test will establish flow rates and will help determine the future drilling and development programme at the West Newton project. Testing is expected to commence in Q3 2019.

The initial petrophysical data obtained from the West Newton A-2 well correlates positively with the results from the West Newton A-1 conventional discovery well. Prior to the drilling of the West Newton A-2 well, a Competent Person's Report compiled by Deloitte, had a Best Estimate Contingent Resource of 189 Bcf of gas equivalent. Volume expectations will initially be updated following further core and log analysis, then again following the extended well test.

The well also encountered hydrocarbon shows within the deeper Cadeby formation, a secondary target. The intersection is consistent with the West Newton A-1 well from which an oil saturated core was recovered. This is highly encouraging, and the formation is planned to be intersected in the future from the West Newton-B well location, where optimal reservoir development is expected, and planning permission is already in place.

Competent Person's Statement

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.

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