

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

11 November 2019

Union Jack Oil plc
(“Union Jack” or the “Company”)

Upgraded Operator Volumetrics for the West Newton Kirkham Abbey Reservoir

Union Jack Oil plc (AIM: UJO), a UK focused onshore conventional hydrocarbon production, development and exploration company is pleased to announce an update from Rathlin Energy (UK) Limited (the “Operator”), in respect of the estimated in-place oil and gas volumetrics of the Kirkham Abbey reservoir in the West Newton project area, contained within PEDL183.

The Operator has undertaken a number of core, geochemical and other technical studies, which are outlined in this announcement, and re-evaluated the volumetrics of the West Newton Kirkham Abbey reservoir, utilising data from the West Newton A-1 discovery well and the data available to date, from the West Newton A-2 appraisal well.

Highlights

- Re-evaluation of data indicates a material upgrade in liquid hydrocarbons contained in the Kirkham Abbey reservoir in the West Newton project area
- Base Case:
 - Liquids: 146.4 million barrels (“mm bbl”) of stock tank oil initially in-place (“STOIP”)
 - Gas: 211.5 billion cubic feet (“bcf”) of gas initially in-place (“GIIP”)
- Upside Case:
 - Liquids: 283.0 mm bbl STOIP
 - Gas: 265.9 bcf GIIP

Revised Volumetric Assessment

Based on the well and test data, and subsequent analysis to date, the Operator has provided updated volumetric estimates for two scenarios, a Base Case and an Upside Case, resulting in the following in-place estimates:

Base Case and Upside Case In-Place Volumes

Case	Liquids (mm bbl)	Gas (bcf)
Base Case	146.4	211.5
Upside Case	283.0	265.9

Source: Operator data

Note: Union Jack holds a 16.665% interest in PEDL183

Basis for Re-Evaluation of the Kirkham Abbey Reservoir

- Differing rock volumes, porosities and saturations, based on direct measurement and analogue data, has been used in arriving at the in-place hydrocarbon estimates;

- Evaluation of drilling results from the West Newton A-2 well, particularly the revised petrophysical, fluid saturation, sedimentological and diagenetic analyses;
- Identification of the oil leg in the Kirkham Abbey reservoir in the West Newton A-2 well, based on geochemical analysis of the gas and fluid samples, core fluorescence and surface samples, including results obtained from the Pulsed-neutron Raptor tool;
- 28 metre core sample through the Kirkham Abbey interval, which yielded important sedimentological and depositional data and core analysis.

About PEDL183

PEDL183 covers an area of 176,000 acres and is situated in East Yorkshire, within the Southern Permian Basin. Union Jack holds a 16.665% interest in this licence, which contains the West Newton A-1 discovery well and the West Newton A-2 appraisal well.

In the United Kingdom, the carbonates of the Southern Permian Basin have targeted and produced onshore and offshore in the Southern North Sea Gas Basin. These carbonates have been extensively explored and produced onshore in the Netherlands, Germany and Poland, which provide several direct analogues for PEDL183 and West Newton.

David Bramhill, Executive Chairman of Union Jack, commented:

“The results of the Operator’s analysis confirm that the estimated in-place hydrocarbon volumes at West Newton comprise a significant proportion of liquids, which represent a material increase over and above those figures provided by the existing CPR.

“We are looking at an onshore project with potential offshore resources, and to date, West Newton is demonstrating the elements required to become a significant conventional hydrocarbon development project in the future.”

Competent Person’s Statement

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 experience.

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Definitions

Stock tank oil initially in-place ("STOIIP") or Oil in Place ("OIP")	The total amount of crude oil present in a hydrocarbon reservoir before the commencement of any production. STOIIP includes a quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations, prior to production, plus those estimated quantities in accumulations yet to be discovered. A portion of the STOIIP is considered undiscovered and there is no certainty that any portion of such undiscovered resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of such undiscovered resources. With respect to the portion of the STOIIP that is considered discovered resources, there is no certainty that it will be commercially viable to produce any portion of such discovered resources.
Gas initially in-place ("GIIP")	An estimated measure of the total amount of gas contained in a reservoir before any extraction or production and, as such, a higher figure than Recoverable Gas.