

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

20 February 2020

Union Jack Oil plc ("Union Jack" or the "Company") Update on West Newton Activity Programme

Union Jack Oil plc (AIM: UJO), a UK focused onshore conventional hydrocarbon production, development and exploration company is pleased to provide an update regarding the planned work programme at West Newton within the PEDL183 licence area onshore UK covering the re-commencement of the Extended Well Test ("EWT") at the successful West Newton A-2 well site and the proposed commencement of appraisal drilling operations at the separate West Newton B-1 well site.

PEDL183 covers an area of 176,000 acres and is situated in East Yorkshire within the onshore UK section of 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, with reservoirs within the Permian Zechstein geological group, in particular the Kirkham Abbey geological formation.

West Newton A-2 Test

Following the successful drilling of the A-2 well as announced by the Company on 17 June 2019, the EWT operations were paused in late August 2019 in order to design a test that was better suited to evaluate the significant oil column encountered in the A-2 well, as opposed to the original intention to test predominantly gas. This alternative test has been designed by Rathlin Energy (UK) Limited ("Rathlin" or the "Operator"), and all necessary equipment has been identified to recommence the EWT.

The redesigned test requires that the Operator obtains regulatory approvals prior to the recommencement of the new EWT. Rathlin is actively engaged with the relevant regulatory bodies in respect of this process.

The Health and Safety Executive's ("HSE's") 21-day Borehole Sites and Operations Regulations notification period has been satisfied with no objections raised by the HSE. Subsequently, Rathlin has now filed a revised operating plan to the Environment Agency ("EA") for approval.

Following EA approval, the Operator will notify the Oil and Gas Authority in respect of the recommencement of the EWT.

West Newton B-1 Appraisal Drilling

The process for the commencement of drilling operations at the B site are independent of the EWT at West Newton A-2.

The bottom hole drilling location for the B-1 well has been finalised and preparations are currently underway for the works required for the commencement of operations at the B site, which will begin during Q2 2020.

Two wells are permitted to be drilled from the West Newton B site. The first well drilled from the B site, West Newton B-1, is designed to further appraise the Kirkham Abbey formation, and to test the deeper Cadeby formation at its optimum location, particularly given the encouraging results retrieved from the West Newton A-1 and A-2 wells.

David Bramhill, Executive Chairman of Union Jack commented:

“All the results to date continue to support our belief that West Newton is a large-scale, conventional, onshore oil and gas development asset.

“We remain on track in our pursuit to obtain final regulatory approval for the recommencement of the EWT at West Newton A-2. Comfort can be gained by the fact that no objections were raised by the HSE during its review. Union Jack expects that the EA determination will require 4 – 6 weeks to facilitate.

“Progress continues to be made in respect of the appraisal programme, particularly, the drilling of the West Newton B-1 well.

“Union Jack has already met its financial commitments in respect of funding the EWT on West Newton A-2 and, with cash resources in excess of £6.5 million, we are more than adequately funded for the drilling and testing of the West Newton B-1 well and the EWT on the B-2 well.

“Outside of the West Newton work programme, we are also funded for our other committed projects in our portfolio in respect of our 2020 work programme where activity is dominated by the development of the Wressle discovery (PEDL180/182), where planning consent for the development was granted in January 2020, and also includes appraisal activity at Biscathorpe (PEDL253).

“Union Jack intends to report separately on progress at both Wressle and Biscathorpe following planned meetings with the operator during February and March 2020.

“We look forward to updating shareholders as soon as practicable.”

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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