

## UNION JACK OIL PLC

(AIM: UJO)

### Further Acquisition of Interest in PEDL253 – Biscathorpe

Union Jack Oil plc (“**Union Jack**” or the “**Company**”), an onshore oil and gas exploration company with a focus on drilling, development and investment opportunities in the United Kingdom hydrocarbon sector is pleased to announce that it has reached agreement with Egdon Resources plc (“**Egdon**”) and Montrose Industries Limited (“**Montrose**”) to earn an additional 2 per cent. interest in PEDL253, located in Lincolnshire which contains the Biscathorpe Prospect. On completion of this agreed farm-in Union Jack will hold a 12 per cent. interest in PEDL253.

The Company originally acquired a 10.00 per cent. economic interest in PEDL253 in March 2013 in return for agreeing to pay 20 per cent. of the costs of the Biscathorpe-2 well. Under the terms of this new farm-in, Union Jack will earn an additional 1.2 per cent. interest from Egdon and 0.8 per cent. from Montrose under the same terms as above pro-rata.

Planning consent was granted for the Biscathorpe-2 exploration well in March 2015 and a conventional well is expected to be drilled in Q4 2015.

On completion of these new agreements the interests in PEDL253 will be:

Egdon Resources U.K. Limited (Operator)	52.8%
Montrose	35.2%
Union Jack	12.0%

The transfer of interests remains subject to approval by the Oil and Gas Authority.

The Biscathorpe Prospect is located approximately 15 kilometres to the west of the Keddington oil field and 36 kilometres to the south east of the Wressle-1 discovery currently subject to an Extended Well Test to confirm commerciality in which Union Jack holds an 8.33 per cent. interest.

The Biscathorpe-1 well drilled by BP in 1987 penetrated a thin basal sandstone unit which is interpreted to have been oil bearing. The sand unit is expected to thicken down-dip from the crest of the structure and there is also potential for stratigraphic trapping to the west which could increase the expected gross prospective resources as assessed by Egdon from a Best Estimate case of 14 million barrels of oil to a High case of 41 million barrels of oil respectively.

#### **David Bramhill, Executive Chairman of Union Jack Oil plc commented:**

"The Board believes that the acquisition of a further 2 per cent. of PEDL253 which contains the Biscathorpe Prospect on which the fully funded high impact Biscathorpe-2 conventional well is expected to be drilled in Q4 2015, is consistent with Union Jack's strategy to invest in drill-ready opportunities.

To grow further our drill-ready portfolio, we are currently actively reviewing a number of other potential asset acquisitions that are consistent with our strategy to add further value to the Company.

Following the Extended Well Test, currently underway at the Wressle-1 discovery, we look forward to participating in Biscathorpe-2, confirming the drilling plans for North Kelsey-1 and reporting on further asset acquisitions as they occur"

For further information please contact the following:

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