**UNION JACK OIL PLC**

(AIM: UJO)

**Changes to Licence Terms - PEDL241, PEDL253, PEDL209 and PEDL201**

Union Jack Oil plc ("**Union Jack**" or the “**Company**"), an onshore oil and gas production and exploration company with a focus on drilling, development and investment opportunities in the United Kingdom hydrocarbon sector, notes that Egdon Resources plc ("**Egdon**") has released an RNS regarding “UK Licence Changes” including various licence extensions and conversions of licences to new model terms where Union Jack has interests.

Egdon’s RNS contained the following information of relevance to Union Jack interests:

*“Egdon Resources plc (AIM: EDR) is pleased to advise that the Oil and Gas Authority (“OGA”) has approved various licence extensions and conversions of licences to new model terms.*

*The OGA has offered holders of existing UK Onshore licences the opportunity to adopt 14th Round licence terms which allow licensees to nominate areas to be retained in exchange for additional work programmes. Egdon has elected to follow this path on four operated licences and one further non-operated licence where the partnership has also decided to accept the new licensing terms:*

* *The first six year term for PEDL241 (Egdon 80%) containing the drill-ready North Kelsey oil prospect has been extended by one further year to 30 June 2017. (Egdon Resources UK Limited 80% and Union Jack Oil plc 20%)*
	+ *The first term for PEDL253 containing the drill-ready Biscathorpe oil prospect has been extended by one further year to 30 June 2017. (Egdon Resources UK Limited 52.8%, Montrose Industries Limited 35.2% and Union Jack Oil plc 12%)*
	+ *PEDL201 has adopted the new 14th Round licence terms and will continue without further relinquishment. (Egdon Resources UK Limited 32.5%, Celtique Energie Petroleum Ltd 32.5%, Corfe Energy Limited 12.5%, Terrain Energy Limited 12.5% and Union Jack Oil plc 10%)*
	+ *PEDL209 has adopted the new 14th Round licence terms and will continue without further relinquishment. (Egdon Resources UK Limited 50%, Blackland Park Exploration Limited 28%, Stelinmatvic Industries Limited 12% and Union Jack Oil plc 10%)”*

**David Bramhill, Executive Chairman of Union Jack, commented:** “These licence extensions and conversions of licences to new model terms allow additional time for the JV’s to drill the onshore oil prospects at North Kelsey and Biscathorpe and adopting the new 14th Round terms for PEDL201 will allow us to further evaluate the unconventional resource potential of the retained area.

In addition to Wressle, which is anticipated to produce first oil during Q4 2016, Union Jack holds a portfolio of high calibre licence interests containing several drill-ready prospects including Biscathorpe, North Kelsey, Keddington, Holmwood, Louth, North Somercotes and Broughton North.

The Company holds cash in excess of £2.3 million and remains debt free.”

For further information, please contact:

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| **Union Jack Oil plc** David Bramhill | +44 (0) 77871 60682  |
|  |  |
| **Shore Capital** *Nominated Adviser* Edward MansfieldAnita Ghanekar *Corporate Broking* Jerry Keen  | +44 (0) 20 7408 4090  |
|  |  |
| **SP Angel** *Joint Broker*Richard Hail | +44 (0) 20 3470 0470 |
|  |  |
| **Yellow Jersey PR Limited** *Public Relations* Dominic BarrettoAiden Stanley | +44 (0) 7768 537 739 +44 (0) 7584 085 670 |