

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

18 March 2020

Union Jack Oil plc

("Union Jack" or the "Company")

Wressle Oilfield Development Economically Robust at Current Oil Price

Union Jack Oil plc (AIM: UJO), a UK focused onshore hydrocarbon production, development and exploration company is pleased to announce an update in respect of the development plan for the Wressle oilfield located within North Lincolnshire licences, PEDL180 and PEDL182. The Company holds a 27.5% interest in these licences where gross oil production is anticipated to be circa 500 barrels per day.

Egdon Resources plc, the Operator, has updated its economic model for the Wressle oilfield. This work demonstrates that the project is economically robust in the current oil price environment with a cash break-even oil price estimated at \$17.62 per barrel.

The forward plan for the Wressle oilfield development comprises the following key stages:

1. Discharging the planning conditions, finalising detailed designs, tendering and procurement of materials, equipment and services and finalising all HSE documentation and procedures
2. Installation of the ground water monitoring boreholes and establishment of baseline conditions through monitoring
3. Reconfiguration of the site
4. Installation and commissioning of surface facilities
5. Sub-surface operations
6. Commencement of production

Progress to date has concentrated on the enabling works highlighted in point 1 above. The initial work on site will be the installation of the groundwater monitoring boreholes with the main site operations occurring in the last months of the work stream. On current plans, first oil is envisaged during H2 2020.

The Wressle oilfield development was granted planning consent on appeal on 17 January 2020. The Planning Inspector also allowed an application for costs against North Lincolnshire Council ("NLC") and details have subsequently been submitted to NLC.

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

"Economic modelling demonstrates that the Wressle oilfield development is robustly economic at current oil prices with a cash break-even oil price estimate of \$17.62 per barrel. The Wressle oilfield remains one of our more advanced development projects within our business, with an expectation of first oil and associated cash flow in the second half of 2020.

"Progress on our other key projects, at West Newton and Biscathorpe, continues apace. We look forward to providing further updates on these two additional significant projects in our portfolio in the near future.

“Importantly, with in excess of £6.2 million in cash and no debt, Union Jack is funded for all testing and drilling commitments for 2020.”

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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