

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR.

9 September 2022

**Union Jack Oil plc**  
**("Union Jack" or the "Company")**  
**Loan Facility Provided to Europa Oil & Gas (Holdings) plc**

Union Jack Oil plc (AIM: UJO) a UK focused onshore hydrocarbon production, development and exploration company is pleased to announce that a loan facility and charge agreements have been executed between Union Jack and Europa Oil & Gas (Holdings) plc ("Europa" or the "Borrower") for Union Jack to provide Europa with a loan for £1,000,000 ("Loan Facility" or "Loan Facility and Charge Agreements").

The key terms of the Loan Facility and Charge Agreements are set out below:

- 12 month term ("Term")
- Principal of £1,000,000 ("Principal") that is repayable at end of the Term or in part or in full at any earlier time at the discretion of the Borrower
- Interest will accrue daily on the amount of Principal outstanding at an interest rate of 11% per annum and is payable quarterly in arrears
- The Loan Facility is secured against an unencumbered 10% interest in the Borrower's UK onshore licence interest over PEDL180 and PEDL182 including the Wressle oilfield and associated infrastructure ("Security")

The Board believes that the Loan Facility provides an attractive commercial return to Union Jack on cash funds deployed with appropriate Security.

**Executive Chairman of Union Jack, David Bramhill commented:** "Revenues from Wressle have financially transformed the cash flow and our balance sheet in the past 12 months. Union Jack is now on a material growth trajectory which augurs well for the future of the Company and its shareholders.

"Our working capital position remains robust and continues to grow with cash balances, receivables and liquid investments standing at approximately £10,500,000 as at 6 September 2022, with steady improvement expected by year end 2022, given current oil prices.

"This strong position, combined with being debt free, allows us to confirm we are covered for G&A, OPEX and CAPEX costs that are contracted or planned for at least the next 12 months, including the cost of any development and drilling activities that are currently under consideration during 2022/2023 at the Wressle, West Newton, Keddington and Biscathorpe projects.

"The mandate of the Board is to ensure that the Company's capital and investments generate an attractive commercial return for shareholders. That also applies to deploying any surplus cash balances currently on deposit to ensure they work as hard as possible and attract optimum interest rates to generate additional revenues."

**For further information, please contact  
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