

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.

13 September 2022

Union Jack Oil plc
("Union Jack" or the "Company")
Gaffney Cline Report
Reserves and Contingent Resources of the Wressle Oilfield PEDL180 and PEDL182
Illustrative Production Scenario
Upside Potential

Union Jack Oil plc (AIM: UJO), the UK focused onshore hydrocarbon production, development and exploration company, is pleased to announce that Gaffney, Cline & Associates Limited ("GaffneyCline") has prepared an independent Reserves and Contingent Resources report with an Effective Date of 30 June 2022, on the Wressle Oilfield, PEDL180 and PEDL182, onshore United Kingdom. Included in this work was the development of an Illustrative Production Scenario for the potential future development of the field that includes the Contingent Resources. In addition, an independent assessment of the upside potential of the producing Ashover Grit and the Santon Sands horizons was undertaken.

HIGHLIGHTS

- Ashover Grit Speculative Deeper Oil-Water Contact assessment indicates a potentially significant increased estimate of STOIP ("Stock Tank Oil Initially in Place") of 10.12 million barrels of oil ("MMBbl") and a recoverable resource of 2.43 MMBbl
- The Wressle-1 well also indicated the hydrocarbon potential of the Santon Sandstone where GaffneyCline has estimated a Contingent Resource
- Illustrative Production Scenario shows a constrained plateau production rate of 800 barrels of oil per day for approximately five years
- Ashover Grit and Wingfield Flags oil reserves at the Effective Date of 30 June 2022 stood at 1P 320,000, 2P 670,000 and 3P 1,030,000 barrels of oil following past production of 203,000 barrels of high-quality oil with zero water cut

An abridged version of the Report is presented and the full Report can be viewed on the Company's website www.unionjackoil.com

In addition, an animated PowerPoint highlighting the key points of the Report can also be viewed on the Company's website.

The Report has been prepared exclusively for Union Jack and its content does not necessarily reflect the Operators or other Partner views.

In the preparation of the Report, GaffneyCline has adopted the Petroleum Resources Management System ("PRMS") standard and used definitions contained therein.

GaffneyCline has approved this RNS and PowerPoint presentation.

RESERVES AND CONTINGENT RESOURCES OF THE WRESSLE OILFIELD

Licence Summary and Ownership Details

The Wressle oilfield is located within licences PEDL180 and PEDL182 in Lincolnshire on the Western Margin of the Humber Basin.

Union Jack holds a 40% economic interest in these licences.

Licence Ownership Details

Licence	Holders (WI)	Operator	Area (km ²)	Award Date	Expiry Date
PEDL180	Union Jack Oil plc (40%) Egdon Resources U.K. Limited (30%) Europa Oil and Gas Limited (30%)	Egdon	40	1 July 2008	1 July 2039
PEDL182	Union Jack Oil plc (40%) Egdon Resources U.K. Limited (30%) Europa Oil and Gas Limited (30%)	Egdon	19	1 July 2008	1 July 2039

Wressle Oilfield Oil Reserves as at 30 June 2022

Reservoir	Gross (MMBbl)			Net to Union Jack (MMBbl)		
	1P	2P	3P	1P	2P	3P
Ashover / Wingfield	0.32	0.67	1.03	0.17	0.27	0.41

The remaining 2P reserves of 0.67 MMBbl compares to initial gross 2P reserves of 0.62 MMBbl as originally reported in the Company's announcement of 26 September 2016. This figure is post past production of 203,000 barrels of oil.

Wressle Oilfield Contingent Resources as at 30 June 2022

Reservoir	Gross (MMBbl)			Net to Union Jack (MMBbl)		
	1C	2C	3C	1C	2C	3C
Penistone Flags	0.85	1.56	2.74	0.34	0.62	1.10
Santon Sandstone	0.03	0.06	0.11	0.01	0.02	0.04

Gross Contingent Resources are 100% of the volumes estimated to be recoverable from the discovery if it is developed.

The volumes reported here are "unrisked" in the sense that no adjustment has been made for the risk that the discovery would not be developed in the form envisaged or not at all (i.e. no "Chance of Development" factor has been applied).

Wressle Oilfield Gas Contingent Resources as at 30 June 2022

Reservoir	Gross (Bscf)			Net to Union Jack (Bscf)		
	1C	2C	3C	1C	2C	3C
Ashover Grit	0.21	0.44	0.67	0.08	0.18	0.27
Penistone Flags	0.95	1.98	2.52	0.38	0.79	1.01

Wingfield Flags	0.03	0.05	0.11	0.01	0.02	0.04
Santon Sandstone	0.06	0.11	0.20	0.02	0.04	0.08

The associated gas from the Ashover Grit and Wingfield Flags production is classified as Contingent Resources as no method to monetise these resources is currently in place. Contingent Resource estimates take into account gas production to effective date.

The volumes reported here are “unrisked” in the sense that no adjustment has been made for the risk that the discovery would not be developed in the form envisaged or not at all (i.e. no “Chance of Development” factor has been applied).

Wressle Oilfield: Estimates of Gross Technically Recoverable Resources (“TRR”)

Reservoir	Oil TRR (MMBbl)			Gas TRR (Bscf)		
	Low	Best	High	Low	Best	High
Ashover Grit	0.39	0.77	1.58	0.22	0.43	0.87
Wingfield Flags	0.04	0.08	0.16	0.05	0.08	0.15
Penistone Flags	0.85	1.56	2.74	0.95	1.98	3.52
Santon Sandstone	0.03	0.06	0.11	0.01	0.02	0.04

Cumulative production to 30 June 2022 is 203 MBbl of oil and 116 MMscf of gas.

ASHOVER GRIT AND SANTON SANDS UPSIDE POTENTIAL

Ashover Grit Deeper Oil-Water Contact

There remains uncertainty about the extent and size of the Ashover Grit trap. Mapping of the Ashover Grit at the Wressle oilfield by GaffneyCline using the 3D seismic data indicates that the spill-point of the trap could be deeper than the oil-down-to (“ODT”) derived from log data used in the estimation of Reserves. However, a water-up-to (“WUT”) in the deeper part of the Ashover Grit in the Wressle-1 well at 1,622m TVDs is deeper than the closure. Therefore, the trapping mechanism and spill-point are uncertain and may be deeper than the values used in the Reserves estimation. These results provide a potentially significant increased STOOIP estimate and potentially recoverable volumes. Not all of the volumes may be recoverable from the Wressle-1 location.

Single Deterministic Estimate for Deeper Oil-Water Contact Scenario

Reservoir	STOIP (MMBbl)	Recoverable (MMBbl)
Ashover Grit (Deeper Oil-Water Contact)	10.12	2.43

The volumes estimated use the same reservoir parameters as the Reserves estimates for the Ashover Grit with the exception of the Gross Rock Volume estimate

A recovery factor of 24% is assumed.

Santon Sandstone Upside Potential

The Wressle-1 well also indicated the hydrocarbon potential of the Santon Sandstone. This reservoir requires further data to be obtained during future drilling in the field before any development can be planned, however this provided additional future potential. This formation was not tested in the Wressle-1 well.

Santon Sandstone Contingent Oil Resources

Reservoir	Gross (MMBbl)			Net to Union Jack (MMBbl)		
	1C	2C	3C	1C	2C	3C
Santon Sandstone	0.03	0.06	0.11	0.01	0.02	0.04

Santon Sandstone Contingent Gas Resources

Reservoir	Gross (Bscf)			Net to Union Jack (Bscf)		
	1C	2C	3C	1C	2C	3C
Santon Sandstone	0.06	0.11	0.20	0.02	0.04	0.08

Future Development of the Wressle Oilfield and Illustrative Oil Production Profile

The Wressle-1 well is currently producing oil and gas from the Ashover Grit reservoir.

The current field development Plan (“FDP”) envisages that along with continued production from the Ashover Grit and Wingfield Flags, the Penistone Flags reservoir is developed with two or three additional wells.

Based on the reserves and contingent resources identified in the Report, an Illustrative Production Scenario shows that a constrained plateau production rate of 800 barrels of oil per day may be possible for approximately five years.

There is significant uncertainty on the initial flowrate that will be obtained from the Penistone Flags reservoir and that, whilst the observation that 800 barrels of oil per day may be possible for approximately five years and is based in part on the recent FDP, this Illustrative Production Scenario does not necessarily reflect the Operator’s or the other Partner’s views.

Executive Chairman of Union Jack David Bramhill, commented: “The GaffneyCline Report reflects a serious technical effort over a prolonged period and its content is highly encouraging for the future of the Wressle development.

“GaffneyCline’s findings, observations and technical work in respect of the potential upside in respect of the Ashover Grit reservoir have gone a long way in answering our questions regarding future potential upside and prolonged productivity.

“The Illustrative Production Profile indicates robust and material productivity for at least five years and beyond. Should the Deeper Oil-Water Contact potential of the Ashover Grit reservoir become proven, the incremental value of Wressle as a development would be transformational for the Wressle partners.

“The current Reserves at the Ashover Grit and Wingfield Flags in respect of 2P figures according to GaffneyCline stands at 670,000 bbls of oil as at 30 June 2022. This figure is post past production figures of 203,000 bbls of oil, a substantial upgrade to the originally reported recoverable Reserve.

“Union Jack thanks GaffneyCline for their diligence in compiling this excellent, informative, and value adding report.”

About GaffneyCline

GaffneyCline is an international energy consultancy, which has been operating worldwide since 1962. GaffneyCline focuses solely on the petroleum and energy industry and specialises in the provision of policy, strategy, technical and commercial assistance to governments, financial institutions, and international oil, gas and energy companies worldwide.

The provision of Energy Transition and Carbon Intensity Assessment have recently been added as a core component of GaffneyCline's international business.

(www.gaffneycline.com)

Glossary

Standard Oil Industry Terms and Abbreviations

Bbl	Barrels
Bopd	Barrels oil per day
Bscf or Bcf	Billion standard cubic feet
°C	Degrees Celsius
E&P	Exploration and production
km	Kilometres
km ²	Square kilometres
m	Metres
M	Thousand
m ³ d	Cubic metres per day
MD	Measured depth
MM	Million
MMBbl	Millions of barrels
MMcf or MMscf	Million standard cubic feet
p.a.	Per annum
PRMS	Petroleum Resources Management System
P10	Value with a 10% probability of being exceeded
P50	Value with a 50% probability of being exceeded
P90	Value with a 90% probability of being exceeded
RF	Recovery factor
scf	Standard cubic feet
scfd	Standard cubic feet per day
So	Oil saturation
stb	Stock tank barrel
STOIIP	Stock tank oil initially in place
Sw	Water saturation
TD	Total depth
TRR	Technically Recoverable Resources
TVDss	True vertical depth subsea
1C	Low estimate of Contingent Resources
2C	Best estimate of Contingent Resource
3C	High estimate of Contingent Resources
2D	Two dimensional
3D	Three dimensional
1P	Proved Reserves
2P	Proved plus Probable Reserves
3P	Proved plus Probable plus Possible Reserves

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