

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.

11 September 2023

UNION JACK OIL PLC

(AIM: UJO)

Unaudited Results for the Six Months Ended 30 June 2023

Union Jack Oil plc ("Union Jack" or the "Company"), a UK focused onshore conventional oil and gas production, development and exploration company, is pleased to announce its unaudited results for the Half Year ended 30 June 2023.

FINANCIAL AND OPERATIONAL HIGHLIGHTS

- For the six-month period ended 30 June 2023:
 - Gross Profit of £1,608,973
 - Net Profit of £572,263
 - Revenue of £3,584,866
- Cash balances, receivables and liquid investments stand in excess of £9,250,000 as at 8 September 2023
- Robust Balance Sheet, cash generative and debt free
- All current projects funded for at least the next 12 months without recourse to Capital Markets
- Wressle is amongst the most productive conventional producing UK onshore oilfields with nearly 500,000 barrels of high-quality oil having been produced from the Ashover Grit formation alone
- Wells planned for Keddington, Wressle and West Newton
- Ongoing evaluation of new projects offering short-term cash-flow, rapid payback and accretive value

David Bramhill, Executive Chairman, commented: *"I am very pleased to be again, able to present to the shareholders of Union Jack, a positive set of Half Yearly results, containing several highlights of note, including a sustained profit, a strong cash position and a robust Balance Sheet free of debt.*

"These results reflect the determined effort by the Board of Directors, advisers and technical consultants, all who share the same objective to grow the Company with minimal dilution in the future.

"Union Jack remains in a strong financial position with a combination of consistent cash flows, principally from our flagship asset at Wressle, plus significant future upside potential from our balanced portfolio, giving Union Jack the confidence to support a forward drilling and development programme on our key projects that is being planned for the remainder of 2023 and beyond.

"Union Jack continues to be cash flow positive, covering all current G&A, OPEX and contracted or planned CAPEX costs, including any drilling activities for at least the next 12 months, without recourse to the Capital Markets.

"The future of Union Jack remains bright."

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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 47 years of international oil and gas industry exploration experience. This announcement contains certain forward-looking statements that are subject to the usual risk factors and uncertainties associated with the oil and gas exploration and production business. While the directors believe the expectation reflected within this announcement to be reasonable in light of the information available up to the time of approval of this announcement, the actual outcome may be materially different owing to factors either beyond the Company's control or otherwise within the Company's control, for example, owing to a change of plan or strategy. Accordingly, no reliance may be placed on the forward-looking statements.

Evaluation of hydrocarbon volumes has been assessed in accordance with 2018 Petroleum Resources Management System (PRMS) prepared by the Oil and Gas Reserves Committee of the Society of Petroleum Engineers (SPE) and reviewed and jointly sponsored by the World Petroleum Council (WPC), the American Association of Petroleum Geologists (AAPG), the Society of Petroleum Evaluation Engineers (SPEE), the Society of Exploration Geophysicists (SEG), the Society of Petrophysicists and Well Log Analysts (SPWLA) and the European Association of Geoscientists & Engineers (EAGE).

CHAIRMAN'S STATEMENT

I am pleased to present this Half Yearly Report for the six months ended 30 June 2023 to the shareholders of the Company.

OPERATIONAL AND FINANCIAL HIGHLIGHTS

- Gross profit of £1,608,973 for the six-month period ended 30 June 2023
- Net profit of £572,263 for the six-month period ended 30 June 2023
- Revenue of £3,584,866 for the six-month period ended 30 June 2023
- Cash balances, receivables and liquid investments stand in excess of £9,250,000 as at 8 September 2023
- Robust Balance Sheet, cash generative and debt free
- Wressle is amongst the most productive conventional producing UK onshore oilfields with nearly 500,000 barrels of high-quality oil having been produced from the Ashover Grit formation alone
- Wells planned for Keddington, Wressle and West Newton
- Ongoing evaluation of new projects offering short-term cash-flow, rapid payback and accretive to value

FINANCIAL AND OPERATIONAL OVERVIEW

Union Jack has made good progress during 2023 which can be seen in the Half Yearly results ended 30 June 2023 (the "Period"), with a net profit posted of £572,263 (H1 2022: £2,034,086).

A Gross Profit of £1,608,973 (H1 2022: £2,833,629) was posted for the Period.

Revenues for the Period were £3,584,866 (H1 2022: £4,384,254).

The average oil price received for the Period was USD80 (H1 2022: USD104).

Foreign exchange movements had a negative effect on revenues with the firming of the GBP versus the USD conversion rate.

Contributions from our flagship project Wressle, supplemented by revenues from the Keddington oilfield, have enabled the Company to sustain and support an extremely robust Balance Sheet, with cash, near term receivables and investments currently standing in-excess of £9,250,000 and to remain debt free. The majority of long-term cash is held in a competitive, interest bearing account, without risk to funds.

The Company is fully funded for all G&A, OPEX and planned CAPEX costs, including any budgeted drilling activities for at least the next 12 months without recourse to the Capital Markets.

Since the commencement of the dividend and share buy-back programme during September 2022 to date, the Company has returned over £2,995,000 to shareholders. The dividend policy remains as previously stated and the intention is to continue these payments, based on the proportion of free cash available, subject to our project obligations being fulfilled.

Union Jack's selective investment portfolio during the period has generated significant returns, well over 100% of our original investment from the sale of the Claymore Area Royalty Agreement in May 2023 and a return of 194% on our investment in Egdon Resources plc, as a result of the recent agreed take over by Petrichor Partners LLP.

Operationally, good progress has been made at Wressle where the Joint Venture partners have agreed a budget and drilling programme, targeting the Penistone Flags formation for 2024. Pre-application planning advice has been sought from North Lincolnshire Council for review and a decision has been made on a sales route for the gas produced. A planning application is in preparation along with the associated supporting studies and reports.

Agreement has been reached between the partners to drill a side-track well at the earliest opportunity at Keddington, for which planning consent is already in place. A final well trajectory has been decided upon and procurement of the rig, materials and services is progressing. The well, if successful, will add considerably to production.

West Newton, located in an area that provides excellent regional infrastructure and substantial technically recoverable resources, awaits the drilling of a 1,500 metre horizontal well, where planning has been approved, whilst corporate activity regarding our Joint Venture partners continues with third party discussions regarding future drilling and possible development partnerships.

Additional information on our leading projects at Wressle, West Newton, Keddington and other licence interests can be found later within this statement.

Union Jack remains committed to promoting and investing in the conventional UK onshore oil sector. The opinion of the Board is that several “rich pickings” remain which could be transformed into substantive discoveries over the coming years. However, the rate of progress can only be described as painfully slow due to the wider UK regulatory process that neither the Company nor its Joint Venture partners have the ability to influence. Onshore UK will remain the prime driver for Union Jack and we are confident that our flagship project Wressle, will continue to deliver as the future development plans indicate.

Union Jack’s very able technical team continue to screen and investigate the impressive upside that we believe is contained within our existing projects and we will continue to invest and agree to capital expenditure budgets to advance them. However, over the past year we have considered the potential UK political environment and the possible impacts on Union Jack’s business development over the coming years.

To mitigate future risk, the Board believes it is compelled strategically to seek growth opportunities further afield in politically safe regimes and with sympathetic views toward the oil industry, without compromising the world’s environmental objectives and the aim of a Net Zero target by 2050.

Over the past six months we have appointed a team of specialists who are able to provide a bespoke service in generating potential value adding projects for review and consideration. We are seeking projects that will be self-funding in the short term, without placing undue strain on our strong Balance Sheet, allowing us to remain focused on the onshore UK as our core area of investment. We look forward to updating the market as this search progresses.

PEDL180 AND PEDL182 WRESSLE OILFIELD DEVELOPMENT (40%)

Wressle is located in Lincolnshire on the Western Margin of the Humber Basin.

The Wressle-1 well discovery was defined on proprietary 3-D seismic data. The structure is on trend with the producing Crosby Warren oilfield and the Broughton B-1 oil discovery, both to the immediate northwest, and the Brigg-1 discovery to the southeast. All these wells contain oil in various different sandstone reservoirs within the Upper Carboniferous succession.

Since the resumption of production during August 2021, following the successful proppant-squeeze and coiled tubing operation, Wressle-1 has produced nearly 500,000 barrels of oil from the Ashover Grit formation.

Since late June 2023, limited amounts of water have been observed with water cut averaging approximately 3.72% of total field production. This figure has remained constant throughout July and August 2023.

The Operator has planned for this event and a simple clean water disposal plan is in place which is an inexpensive exercise for the Joint Venture partners.

The start of modest water production is significantly later than originally anticipated, providing further evidence that the expected recoverable volumes from the Ashover Grit are likely to be at the higher estimates detailed in the independent Competent Person's Report ("CPR") prepared by ERCE during 2016. The 2016 CPR forecast gross volumes from the Ashover Grit of 2P 0.54 MMstb and 3P 1.12 MMstb.

The planned maintenance shutdown scheduled for early 2024, where artificial lift equipment capable of pumping in excess of 1,000 barrels of fluid per day was to be installed along with other site upgrades, has been brought forward and the fitting of a downhole jet pump is currently being completed, along with the siting of other surface equipment. This exercise is a natural sequence in the life-cycle of an oil well and offers a reliable method of ensuring the continued operation and the optimisation of its future production performance.

Environmental monitoring throughout the Wressle operation has shown no measurable impact on surface or groundwater quality, no related seismicity and that operational noise levels have been contained within permitted ranges.

Evaluations are continuing in order to deliver a full Field Development Plan that will maximise hydrocarbon recoveries from the Ashover Grit, Wingfield Flags, Penistone Flags and other associated prospects.

WEST NEWTON APPRAISAL PEDL183 (16.665%)

PEDL183 is located onshore UK, north of the River Humber, encompassing the town of Beverley, East Yorkshire. The licence area is within the western sector of the Southern Zechstein Basin.

Union Jack entered into a farm-in during 2018 with Rathlin Energy (UK) Limited ("Rathlin") the Operator, and since that time the West Newton A-2 ("WNA-2") and West Newton B -1Z ("WNB-1Z") drilling programmes have yielded substantial hydrocarbon discoveries within the Kirkham Abbey formation.

Throughout 2022, data collected during drilling operations and well testing, which included core, oil and gas samples, wireline log and well test records were analysed by independent laboratories CoreLab, Applied Petroleum Technology ("APT") and RPS Group Limited ("RPS"). The results of these analyses, in conjunction with internal evaluations, have been invaluable in informing the upcoming programme of work and future drilling plans.

The laboratory reports confirm that the hydrocarbon-bearing Kirkham Abbey reservoir is extremely sensitive to aqueous fluids and that previous drilling of the West Newton wells with water-based mud had created near well-bore damage through the creation of very fine rock fragments, affecting the natural porosity and permeability of the formation which had a detrimental effect on its ability to flow. Further analyses have determined that the use of dilute water-based acids during well testing would have also affected the flow characteristics of the Kirkham Abbey reservoir.

These tests indicate that by drilling the Kirkham Abbey reservoir with an oil-based drilling fluid, damage to the oil and gas reservoir should be minimised.

The Operator, Rathlin, has made applications to the Environment Agency ("EA") for use of oil-based drilling fluids within the hydrocarbon bearing Permian section for both the West Newton A and B sites.

Analyses by APT of numerous oil and gas samples recovered from the West Newton wells during testing, along with evaluation of mud gases measured during drilling utilising a proprietary software package, indicates that the Kirkham Abbey reservoir is predominantly gas (primarily methane 90% plus ethane 5%) with associated light condensate.

RPS has modelled wells extending up to 1,500 metres horizontally through the Kirkham Abbey reservoir. These wells have a much greater likelihood of encountering significant sections of the naturally fractured reservoir, enhancing its productive capability.

In preparation for a decision on the potential development of the West Newton discoveries, the Operator submitted revised planning applications for the development of West Newton to the ERYC. This was approved by the ERYC Planning Committee by a vote of ten to one during March 2022.

A revised CPR was compiled by RPS during 2022, evaluating the resources of PEDL183 as of 30 June 2022, (“Effective Date”).

The results of the 2022 CPR were very encouraging, highlighting:

- Kirkham Abbey Best Case Gross Unrisked Contingent Technically Recoverable Sales Gas is estimated to be 197.6 billion cubic feet (“bcf”)
- Geological Chance of Success of Kirkham Abbey horizontal well estimated to be 85.5%
- Gross NPV10 risked value of Kirkham Abbey Contingent Gas Resource as at Effective Date of USD396.1 million post tax
- Substantial additional Prospective Resource figures for Ellerby, Spring Hill and Withernsea prospects

In the preparation of the 2022 CPR, RPS adopted the Petroleum Resource Management System (“PRMS”) standard.

WEST NEWTON GROSS UNRISKED TECHNICALLY RECOVERABLE SALES

CATEGORY	GROSS TECHNICALLY RECOVERABLE	
	GAS (BCF)	LIQUIDS (MBBL)
1C	99.7	299.4
2C	197.6	593.0
3C	393.0	1,178.9

Note: Net data for Union Jack can be calculated by applying its 16.665% economic interest to the above gross data.

WEST NEWTON GEOLOGICAL CHANCE OF SUCCESS

ASSET	SOURCE ROCK	CHARGE	MIGRATION	RESERVOIR	TRAP	SEAL	GEOLOGICAL COS
West Newton	1.00	1.00	1.00	0.90	0.95	1.00	0.855

A future West Newton development will benefit from being located in an area that provides access to substantial regional infrastructure and could deliver significant volumes of onshore low-carbon sales gas into the UK's energy market.

Domestically produced natural gas is, and will remain, a much-needed part of the energy mix as the UK seeks to reduce its reliance on imported products.

Union Jack looks forward to the drilling of a 1,500 metre horizontal well at the earliest opportunity and unlocking the significant potential of the Greater West Newton project.

PEDL253 BISCATHORPE (45%)

PEDL 253 is situated within the proven hydrocarbon fairway of the South Humber Basin and is on-trend with the Keddington oilfield and the Saltfleetby gasfield.

While drilling the Biscathorpe-2 well, there were hydrocarbon shows, elevated gas readings and sample fluorescence observed over the entire interval from the top of the Dinantian to the Total Depth of the well, with 68 metres being interpreted as being oil-bearing.

Independent consultants APT also conducted analyses, confirming a hydrocarbon column of 33-34 API gravity oil, comparable with the oil produced at the nearby Keddington oilfield.

Further evaluation of the results of the Biscathorpe-2 well, together with the reprocessing of 264 square kilometres of 3D seismic, indicate a material and potentially commercially viable hydrocarbon resource remaining to be appraised.

Subject to a favourable planning appeal decision a side-track well is planned, targeting the Dinantian Carbonate where the Operator has assessed, in accordance with the PRMS Standard, a gross Mean Prospective Resource of 2.55 MMbbl. The overlying Basal Westphalian Sandstone has the potential to add gross Mean Prospective Resources of 3.95 MMbbl. Economic modelling demonstrates that the Westphalian target is economically robust, especially in the current oil price environment. Commercial screening indicates break-even full cycle economics to be USD18.07 per barrel.

During November 2021, a planning application for a side-track drilling operation, associated testing and long-term production was refused by the Lincolnshire County Council Planning Committee, despite being recommended for approval by the planning officers.

The Joint Venture partners are awaiting a decision from the Planning Inspectorate, where an appeal was heard in October 2022.

Union Jack's technical team believe that Biscathorpe remains one of the largest unappraised conventional onshore discoveries within the UK.

PEDL005(R) KEDDINGTON (55%)

The producing Keddington oilfield is located along the highly prospective East Barkwith Ridge, an east-west structural high on the southern margin of the Humber Basin.

A subsurface review conducted by the Operator has highlighted a viable target to the east of the field, with up to 180,000 barrels of incremental production.

Modelling indicates that infill drilling is forecast to improve recovery from the Keddington field by between 113,000 to 183,000 barrels of oil. With planning permission already in place, Keddington presents an excellent opportunity to increase oil production relatively inexpensively.

The Keddington 3-D seismic has been re-processed and a well trajectory agreed between the Joint Venture partners. The procurement of the rig, materials and services is progressing and the drilling of a side-track well is expected to take place at the earliest opportunity.

PEDL241 NORTH KELSEY (50%)

North Kelsey is a conventional oil exploration prospect, on trend with and analogous to the Wressle oilfield which lies approximately 15 kilometres to the northwest. The prospect has been mapped from 3-D seismic data and has the potential for oil in four stacked Upper Carboniferous reservoir targets.

The Operator estimates that gross Prospective Resources range from 4.66 to 8.47 MMbo.

During August 2022, the Operator submitted an appeal on behalf of the Joint Venture, against the refusal of an extension of time to the existing planning permission by Lincolnshire County Council for the drilling and testing of a conventional exploration well at the North Kelsey site.

Subsequent to this event, Union Jack was informed by the Operator that it has withdrawn the planning appeal outlined above.

A new application will be submitted at a later date following consultation with the local community.

NET ZERO CARBON POLICY

The UK is committed by law to reach Net Zero carbon emissions by 2050. Union Jack pursues a strategy whereby it is not the Operator of any of its projects. Therefore, the Company will only work with Operators who have a firm commitment to safety, environmental and social responsibility in all aspects of their operations.

Regardless of the fact that the Company has chosen not to be an Operator, we are subject to the same scrutiny as any other hydrocarbon producer.

We remain pro-active in the quest for Net Zero and Union Jack's focus is to minimise emissions and the carbon footprint generated by its hydrocarbon interests in the most efficient means possible, whilst continuing to contribute positively to the growing demand for energy and hydrocarbon products in the supply chain.

As the demand for energy increases as the global economy recovers, hydrocarbons will continue to play an important role in ensuring the energy security of the UK.

Union Jack's development interests are located close to areas with a high demand for energy and as a consequence management believes that locally produced hydrocarbons provide the benefit of displacing, to some extent, imported hydrocarbons.

OUTLOOK

I am very pleased again to be able to present to the shareholders of Union Jack a positive set of Half Yearly results, containing several highlights of note, including a sustained profit, a strong cash position and a robust Balance Sheet free of debt, reflecting the determined effort and perseverance by the Board of Directors, advisers and valued technical consultants with an unwavering objective to grow the Company going forward with minimal dilution in the future.

Union Jack remains in a strong financial position with a combination of consistent cash flows, principally from our flagship asset at Wressle, plus significant future upside potential from our balanced project portfolio.

Union Jack continues to be cash flow positive covering all G&A, OPEX and contracted or planned CAPEX costs, including any drilling activities for at least the next 12 months without recourse to Capital Markets.

I would like to take this opportunity to thank our shareholders for their continued support and I look forward to the remainder of 2023 and beyond, reporting on a number of fronts, in particular on our potential new ventures.

The future of Union Jack remains bright.

David Bramhill

Executive Chairman

11 September 2023

UNAUDITED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2023

	Notes	Six Months ended 30 June 2023 Unaudited £	Six Months ended 30 June 2022 Unaudited £	Year ended 31 December 2022 Audited £
Revenue		3,584,866	4,384,254	8,507,050
Cost of sales - operating costs		(527,425)	(514,824)	(1,143,967)
Cost of Sales – depreciation		(1,297,439)	(1,035,801)	(2,125,425)
Cost of sales – Net Profit Interest payment		(151,029)	–	(137,179)
Gross profit		1,608,973	2,833,629	5,100,479
Administrative expenses		(925,077)	(789,007)	(1,665,174)
Impairment		(30,201)	–	(475,556)
Total administrative expenses		(955,278)	(789,007)	(2,140,730)
Operating profit		653,695	2,044,622	2,959,749
Finance income		42,231	52,222	86,586
Other income		70,000	42,023	42,444
Profit before taxation		765,926	2,138,867	3,088,779
Taxation	3	(193,663)	(104,781)	517,845
Profit for the period / year		572,263	2,034,086	3,606,624
Attributable to:				
Equity shareholders of the Company		572,263	2,034,086	3,606,624
Earnings per share				
Basic (pence)	2	0.52	1.80	3.20
Diluted (pence)	2	0.51	1.78	3.16

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2023

	Six Months ended 30 June 2023 Unaudited £	Six Months ended 30 June 2022 Unaudited £	Year ended 31 December 2022 Audited £
Profit for the period / year	572,263	2,034,086	3,606,624
Items which will not be reclassified subsequently to profit			
Profit on investment revaluation	267,727	371,230	170,500
Total comprehensive profit for the period / year	839,990	2,405,316	3,777,124

UNAUDITED BALANCE SHEET

AS AT 30 JUNE 2023

	Notes	As at 30 June 2023 Unaudited £	As at 30 June 2022 Unaudited £	As at 31 December 2022 Audited £
Assets				
Non-current assets				
Exploration and evaluation assets		9,312,335	8,866,419	9,134,006
Property, plant and equipment		4,688,927	6,779,563	5,666,212
Investments		937,783	662,748	552,043
Deferred tax asset		1,849,928	–	1,805,025
		16,788,973	16,308,730	17,157,286
Current assets				
Inventory		27,622	19,246	28,038
Trade and other receivables		2,674,289	2,124,110	2,020,913
Cash and cash equivalents		6,280,609	6,503,962	7,155,100
		8,982,520	8,647,318	9,204,051
Total assets		25,771,493	24,956,048	26,361,337
Liabilities				
Current liabilities				
Trade and other payables		1,104,700	383,561	778,290
Non-current liabilities				
Provisions		1,717,206	1,867,061	1,700,069
Deferred tax liability		638,219	–	877,747
Total liabilities		3,460,125	2,250,622	3,356,106
Net assets		22,311,368	22,705,426	23,005,231
Capital and reserves attributable to the Company's equity shareholders				
Share capital	4	7,514,576	7,507,076	7,514,576
Share premium		–	21,528,077	–
Share-based payment reserve		712,634	733,350	712,634
Treasury reserve		(1,748,079)	–	(214,227)
Accumulated profit / (deficit)		15,832,237	(7,063,077)	14,992,248
Total equity		22,311,368	22,705,426	23,005,231

UNAUDITED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2023

	Six months ended 30 June 2023 Unaudited £	Six months ended 30 June 2022 Unaudited £	Year ended 31 December 2022 Audited £
Cash outflow from operating activities	2,178,691	1,006,040	5,811,734
Cash flow from investing activities			
Purchase of intangible assets	(304,596)	(330,375)	(712,935)
Purchase of property, plant and equipment	(366,224)	(197,599)	(2,852,254)
Disposal of assets	227,272	–	–
Fixed term deposit	(1,000,000)	(1,000,000)	(1,000,000)
Loan advanced	–	–	(1,000,000)
Loan capital returned	–	1,000,000	2,000,000
Purchase of investments	(118,013)	–	(100,000)
Sale of investments	–	–	6,772
Interest received	42,231	48,355	105,996
Net cash used in investing activities	(1,519,330)	(479,619)	(3,552,421)
Cash flow from financing activities			
Proceeds on issue of new shares	–	–	33,000
Dividends paid	–	–	(900,527)
Treasury shares	(1,533,852)	–	(214,227)
Net cash generated from financing activities	(1,533,852)	–	(1,081,754)
Net (decrease) / increase in cash and cash equivalents	(874,491)	526,421	1,177,559
Cash and cash equivalents at beginning of period / year	7,155,100	5,977,541	5,977,541
Cash and cash equivalents at end of period / year	6,280,609	6,503,962	7,155,100

Notes to the Unaudited Financial Information

FOR THE SIX MONTHS ENDED 30 JUNE 2023

1 Accounting Policies

Basis of Preparation

These financial statements are for the six-month period ended 30 June 2023.

The information for the year ended 31 December 2022 does not constitute statutory financial statements as defined in section 434 of the Companies Act 2006.

A copy of the statutory financial statements for that period has been delivered to the Registrar of Companies. The Auditor's Report was not qualified, did not include a reference to any matters to which the Auditor drew attention by way of emphasis without qualifying the report and did not contain statements under section 498(2) or (3) of the Companies Act 2006.

The interim financial statements for the six months ended 30 June 2023 are unaudited.

The interim financial information in this report has been prepared in accordance with International Financial Reporting Standards ("IFRS") applied in accordance with the provisions of the Companies Act 2006.

The financial statements have been prepared under the historical cost convention. The principal accounting policies have been consistently applied to all periods presented.

Significant Accounting Policies

The accounting policies and methods of computation followed in the interim financial statements are consistent with those as published in the Company's Annual Report and Financial Statements for the year ended 31 December 2022.

The Annual Report and Financial Statements are available from the Company Secretary at the Company's registered office, 6 Charlotte Street, Bath BA1 2NE or on the Company's website www.unionjackoil.com.

Going Concern

The directors have, at the time of approving the interim financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and continue to adopt the going concern basis of accounting.

2 Profit per Share Attributable to the Equity Shareholders of the Company

Basic profit per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

In the periods prior to 30 June 2022, the share options in issue were excluded as their inclusion would have been anti-dilutive. Where the calculated average share price was lower than the exercise price of share options in issue, these potential ordinary shares have not been included for the purposes of calculating the diluted profit per share.

Basic profit per share	Six months ended 30 June 2023 pence	Six months ended 30 June 2022 pence	Year ended 31 December 2022 pence
Profit per share from continuing operations			
- Basic	0.52	1.80	3.20
- Diluted	0.51	1.78	3.16

The profit and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	Six months ended 30 June 2023 £	Six months ended 30 June 2022 £	Year ended 31 December 2022 £
Profit used in the calculation of total basic and diluted earnings per share	572,263	2,034,086	3,606,624

Number of Shares	Six months ended 30 June 2023	Six months ended 30 June 2022	Year ended 31 December 2022
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share			
- Basic	110,000,979	112,715,896	112,706,307
- Diluted	111,350,979	114,215,896	114,132,334

Treasury Shares

As at 30 June 2023, the Company held 6,300,000 of its ordinary shares in treasury. These shares are not included in the earnings per share calculation. There are no current plans to cancel these shares.

3 Taxation

Consistent with the year-end treatment, current and deferred tax assets and liabilities have been calculated at tax rates which were expected to apply to their respective period of realisation at the period end. The Energy Profits Levy for the year 2023 has been increased to 35% and the CAPEX relief decreased to 129%. OPEX relief remains at 100%.

4 Share Capital

At 30 June 2023, there were 112,865,896 ordinary shares of a nominal value of 5 pence in issue. At 30 June 2023, there were 831,680,400 deferred shares of 0.225 pence nominal value in issue.

5 Events after the Balance Sheet Date

On 28 July 2023, a dividend of 0.3 pence per ordinary share of Union Jack was paid to shareholders. Treasury Shares held by the Company did not qualify for this dividend.

6 Related Party Transactions

Charnia Resources (UK), an unincorporated entity owned by Graham Bull, non-executive director, received from the Company the sum of £60,187 during the period under review in respect of consulting fees. £12,011 was outstanding at the end of the period.

Jayne Bramhill, spouse of David Bramhill, received from the Company the sum of £6,000 during the period under review in respect of IT maintenance and administration costs.

On 19 June 2023, Joseph O'Farrell, Executive Director purchased a total of 133,400 ordinary shares of 5 pence each in Union Jack, at a weighted average price of 31.25 pence each.

7 Copies of the Half Yearly Report

A copy of the Half Yearly Report is now available on the Company's website www.unionjackoil.com.