

**Stock Data**

Share Price: 0.16p  
Market Cap.: £24.7m  
Shares in issue: 15,440.9m

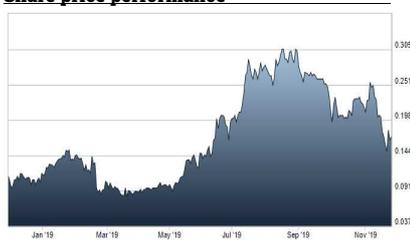
**Company Profile**

Sector: Oil & Gas  
Ticker: UJO.L  
Exchange: AIM

**Activities**

Oil and gas drilling, development and investment company focused on the UK onshore sector in the East Midlands and Southern England.

**Share price performance**



Source: LSE

**Past performance is not an indication of future performance.**

**Turner Pope contact details**

Turner Pope Investments (TPI) Ltd  
8 Frederick's Place  
London  
EC2R 8AB

Tel: 0203 657 0050  
Email: [info@turnerpope.com](mailto:info@turnerpope.com)  
Web: [www.turnerpope.com](http://www.turnerpope.com)

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**Barney Gray**                      **Research analyst**  
Tel: 0203 657 0050  
[barney@turnerpope.com](mailto:barney@turnerpope.com)

# Union Jack Oil plc

**Union Jack has raised £5.0m by way of a placing and subscription of 3,333.3 million new shares at a price of 0.15p per share. The net proceeds of the placing will be used to fund the company's contribution to further appraisal drilling and reprocessing of new seismic data at West Newton (UJO: 16.665%). Union Jack will also utilise part of the placing proceeds to fund its share of an anticipated side-track well at Biscathorpe where the company holds a 22% working interest.**

The fund raising comprised a placing of approximately 2,929 million new shares and a subscription of 404.3 million shares at a price of 0.15p per share to raise gross proceeds of £5.0m. As part of the placing, Union Jack director Joe O'Farrell has subscribed for 33.3 million shares. Following admission of the shares to AIM, Mr O'Farrell will hold over 275.7 million Union Jack shares representing 1.79% of the company.

Union Jack has outlined that the new funds will enable the company to participate fully in a proposed appraisal programme on its flagship West Newton project located on licence PEDL183 in the East Riding of Yorkshire. In particular, the placing proceeds will allow the company to progress a planned two well drilling and testing programme focusing on the West Newton project discoveries in H1 2020.

The company will also be funded to complete a seismic acquisition programme over a range of other structures that have been identified over the PEDL183 licence area. Union Jack believes that the permit holds substantial upside additional to the West Newton discovery and volumetric data on West Newton itself, compiled by the operator Rathlin Energy, indicates a highly material onshore hydrocarbon discovery.

On 11 November 2019, Rathlin published the results of a technical study focusing on the Kirkham Abbey formation within the West Newton discovery and upgraded its estimated volumes of in-place hydrocarbons within the reservoir. The re-evaluated data indicated gross base case liquids of 146.4 mmbbls and 211.5 BCF of gas in place with an upside case of 283 mmbbls of oil and 265.9 BCF of gas. The West Newton project partners have now commissioned a revised CPR which could imply a significant upgrade to pre-drill resource estimates.

The balance of the placing funds will be used for working capital purposes and Union Jack also intends to participate in a side-track well at Biscathorpe located on PEDL253 in Lincolnshire. The Egdon Resources-operated Biscathorpe-2 appraisal well was completed in July 2019 and confirmed the presence of hydrocarbons in two intervals. The results of this well coupled with reprocessing of existing 3D seismic are expected to justify a sidetrack of Biscathorpe-2 in 2020 to confirm the potential commerciality of the discovery.

**Union Jack is now funded to advance the company on several fronts over the next twelve months. We expect initial activity to focus on assessing the significance of the West Newton discoveries through an exciting appraisal programme in H1 2020, potentially augmented by the drilling of a side-track well on Biscathorpe within a similar time frame. Additional to this, a positive result from the Wressle field Public Enquiry, held in early November, could be announced after the upcoming UK General Election before the end of the year. We believe that a positive outcome here will provide additional support for the share price as Union Jack makes progress across its core asset portfolio.**

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