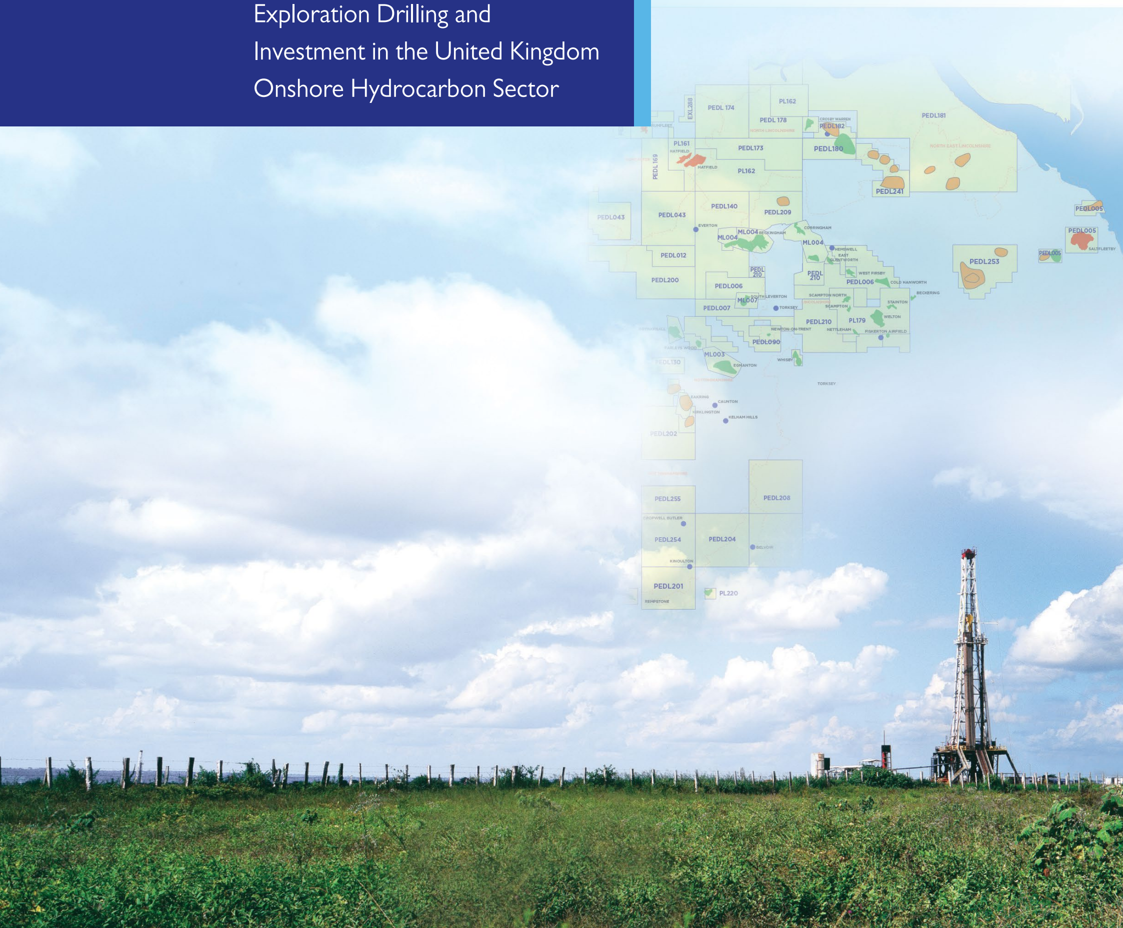
UNION JACK OIL plc

HALF YEARLY REPORT

FOR THE SIX MONTHS ENDED 30 JUNE 2015

UNION JACK OIL

Production, Development, Exploration Drilling and Investment in the United Kingdom Onshore Hydrocarbon Sector



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UNION JACK OIL

Union Jack Oil plc is a low-cost onshore oil and gas company with a focus on production, development, exploration drilling and investment in the United Kingdom. The issued share capital is traded on the AIM Market of the London Stock Exchange (Ticker: UJO).

Our strategic objective remains focused on building a successful UK onshore exploration and production company. We intend to continue to develop and expand our existing portfolio of drill-ready prospects, adding value and drilling them. We will also consider acquiring attractive low-cost producing or appraisal assets that bring production upside or additional prospects that fit our strategy.

Our strategy of focusing on drill-ready prospects helps technically de-risk the portfolio and shorten the lead time between the acquisition of an asset and either exploration drilling or initial production from any resulting discoveries.

Union Jack is involved in conventional oil and gas projects where costs are manageable and monetisation of any discoveries can be achieved within a short timeframe by applying relatively simple development techniques. We believe the full-cycle costs associated with onshore production, development and exploration in the UK remain attractive in a low oil price environment.

We apply strict financial and technical discipline to our activities and we pride ourselves on our low general and administrative costs.

CONTENTS

CHAIRMAN'S STATEMENT

INTRODUCTION AND PROJECT REVIEW

I am pleased to present this Half Yearly Report for the six months ended 30 June 2015 to the shareholders of Union Jack Oil plc ("Union Jack" or the "Company").

I wish to re-state the Directors' confidence in the future of our Company despite the sustained decline in worldwide oil prices which commenced in Q3 2014, with the corresponding impact on the economic conditions within the oil and gas sector.

Over the past two years, Union Jack's strategy has been to focus on low-cost UK onshore projects initially in exploration and more recently in development and production. This focus has enabled the Company to achieve a number of important milestones whilst retaining a strong balance sheet, with in excess of £2.5 million in cash held on deposit at 28 September 2015. In addition, the Company remains debt free.

During the period we have continued to expand our portfolio of assets whilst driving forward development and value of our existing assets, with ongoing well tests at the oil and gas discovery at the Wressle-1 well within PEDL180. The Company has additionally increased its stake in PEDL253 which contains the Biscathorpe Prospect and PEDL241 containing the North Kelsey Prospect. The Board will continue to seek to add further shareholder value to the enlarged asset portfolio going forward.

Whilst hydrocarbon asset values have declined globally, the Board remains optimistic that they will recover in line with the oil price. The current oil price decline provides the Company, with its healthy cash balance, with the opportunity to leverage its position to acquire further interests at good value entry points in additional licences to gain further exposure to production, development and appraisal assets. One such example is the acquisition, after the period end, of a 10% interest in the producing Keddington oilfield, part of PEDL005(R) located in Lincolnshire which also incorporates the Louth and North Somercotes prospects.

Keddington has produced in excess of 300,000 barrels of oil to date and is currently producing approximately 30 to 35 barrels of oil per day ("bopd") gross from two wells. Union Jack owns an interest in Keddington, the associated infrastructure and production facilities, providing Union Jack with an instant, albeit currently small, production base, transforming your Company from a pure explorer to a producer. This demonstrates the Board's intent to eventually progress to a cash positive scenario. A step-out/appraisal well is expected to be drilled at Keddington in Q4 2015, which, if successful, has the potential to increase production dramatically.

However, the highlight of the last six months has been the results of the ongoing production tests at the Wressle-1 discovery within PEDL180 in Lincolnshire in which Union Jack holds an 8.33% interest. Significant value has been created by the drill-bit at Wressle which is being confirmed by the excellent flow results from the Penistone Flags, Ashover Grit and Wingfield Flags formations, which have test produced an aggregate of over 700 barrels of oil equivalent per day ("boepd") gross.

Encouragingly, oil and gas has flowed from the Penistone Flags reservoir without any sign of water being present and the well test data together with the log data indicate that the elevation of the oil water contact is deeper than previously considered, a highly positive situation.

Plans are currently being finalised for a workover of the well in order to remove the existing completion, cement off the existing Zone 3a perforations in the Penistone Flags and radial drill horizontal bores to be followed by a short flow test to establish the nature of the fluids in this interval.

In addition, the partners in Wressle are expecting in the near future the results of the re-processing of the 3D seismic data over the Wressle structure which will assist in finalising the Field Development Plan and identifying any further prospectivity.

Post the period, end the operator, Egdon Resources U.K. Limited ("Egdon"), commenced the planning and permitting work which will support the submission of a Field Development Plan and a planning application for early oil production at Wressle.

The operator has commenced the planning and permitting work which will support the submission of a Field Development Plan and a planning application for early oil production at Wressle.

CHAIRMAN'S STATEMENT

On the exploration front, the Board looks forward to the drilling of the Biscathorpe-2 well within PEDL253. During the period, Union Jack increased its interest to 12% from an original 10%. The exploration well is expected to be drilled during Q1 2016. Union Jack will finance its share of the drill costs from existing cash resources.

The Biscathorpe-2 well adds considerable risk adjusted value to the portfolio as the size of the resource is material and the prospect represents a lower geological risk than a pure exploration well given the Biscathorpe-1 well drilled by BP in 1987 encountered thin oil bearing sands.

The Biscathorpe-2 well will be located in a direction towards a potentially thicker sand development within the structural closure of the trap. There also exists potential for stratigraphic trapping in the west of PEDL253 which, if present, could increase the expected gross Prospective Resources as estimated by the operator, from a Best Estimate case of 14 million barrels of oil to a High case of 41 million barrels of oil.

The North Kelsey Prospect, located within PEDL241, in which Union Jack now holds a 20% interest, has multiple targets and is also planned for drilling during 2016. PEDL241 is located within the proven hydrocarbon fairway of the Humberside Platform. The gross mean combined Prospective Resources are estimated by the operator to be 6.7 million barrels of oil.

A comprehensive review of our projects can be found in the Review of Operations section of the Half Yearly Report.

Potential for stratigraphic trapping in the west of PEDL253 which, if present, could increase the expected gross Prospective Resources as estimated by the operator from a Best Estimate case of 14 million barrels of oil to a High case of 41 million barrels of oil.

CORPORATE AND FINANCIAL

Administrative expenses for the six month period are effectively the same as those seen in 2014. Net assets have risen from £2,456,188 to £3,842,646 and, as mentioned earlier in this statement, cash balances at time of writing stand in excess of £2.5 million, enough to cover the costs of our current planned drill programme and Wressle-1 well testing exercises. The Board intends to continue with the same low salary commitment going forward.

I would like to take this opportunity to thank the rest of my Board, Joe O'Farrell, Graham Bull and Ray Godson, for their continued support and guidance. The same comment applies to Shore Capital, our Nominated Adviser and joint broker, and SP Angel, our other joint broker, for their genuine interest in assisting in the growth of Union Jack.

SUMMARY

As we enter the closing stages of 2015 and start to look forward to 2016 and beyond, we find ourselves in a sound position, both in regard to the excellent opportunities within our existing asset portfolio and without any financial concerns in respect of funding our share of future drilling and other commitments.

Consequently, the Company is also well placed to take advantage of the dislocation that currently exists within the oil and gas market. Union Jack's strategy will continue to focus on its low-cost UK onshore portfolio and similar opportunities to create additional value for the Company's owners.

D R Bramhill

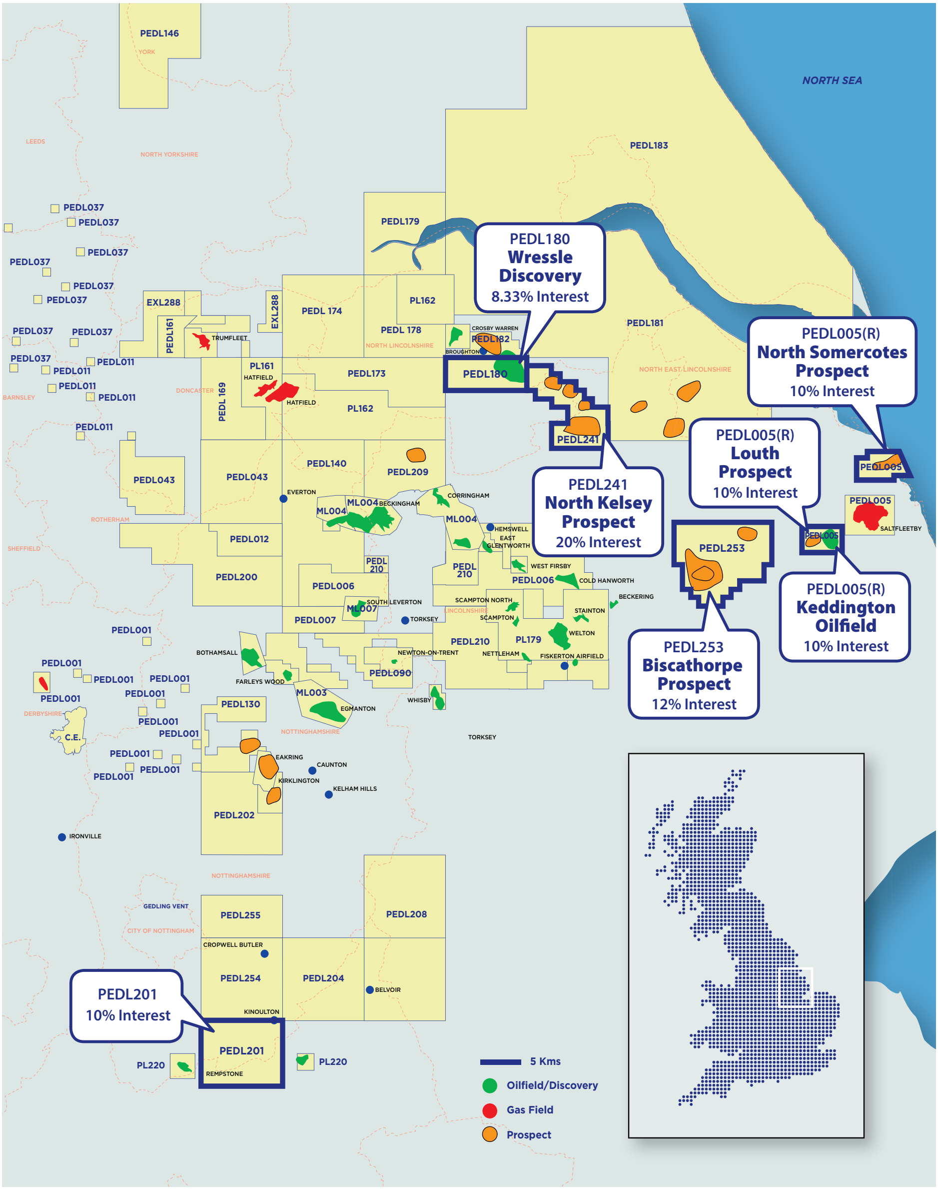
David Bramhill

Executive Chairman

28 September 2015

REVIEW OF OPERATIONS

Union Jack's asset portfolio is well balanced, combining production, discovery, appraisal and exploration.



PEDL180

WRESSLE

INTEREST HELD BY
UNION JACK OIL PLC

8.33%

The operator has commenced the planning and permitting work which will support the submission of a Field Development Plan and a planning application for early oil production at Wressle.

Union Jack holds an 8.33% interest in PEDL180 located in Lincolnshire, on the Western margin of the Humber Basin and is on trend with the producing Crosby Warren oilfield and the Brigg-1 oil discovery, situated to the immediate northwest and southeast of the licence respectively.

In July 2014, the Wressle-1 exploration well was spudded. The Wressle-1 Prospect was defined on proprietary 3D seismic data acquired in 2012, and the well was drilled as a deviated well to a total depth (TD) of 2,240 metres and was designed to intersect a number of prospective Upper Carboniferous age sandstone reservoirs in a structurally favourable position near the crest of the Wressle structure. Pre-drill gross mean Prospective Resources at Wressle are estimated by the operator to be 2.1 million barrels of oil.

On 23 August 2014, TD was reached and elevated mud gas readings were observed over large parts of the interval from the top of the Penistone Flags reservoir target (1,831.5 metres MD - measured depth) to TD.

The well was logged using measurement whilst drilling (MWD) logging tools run on the drill string. Petrophysical evaluation of the log data indicated the presence of hydrocarbon pay in three intervals.

- Penistone Flags – up to 19.8 metres measured thickness (15.9 metres vertical thickness)
- Wingfield Flags – up to 5.64 metres measured thickness (5.1 metres vertical thickness)
- Ashover Grit – up to 6.1 metres measured thickness (5.8 metres vertical thickness)

In February 2015, shareholders were updated on the initial successful Ashover Grit flow test which recorded 80 bopd and 47 thousand cubic feet of gas per day during a 16 hour main flow period.

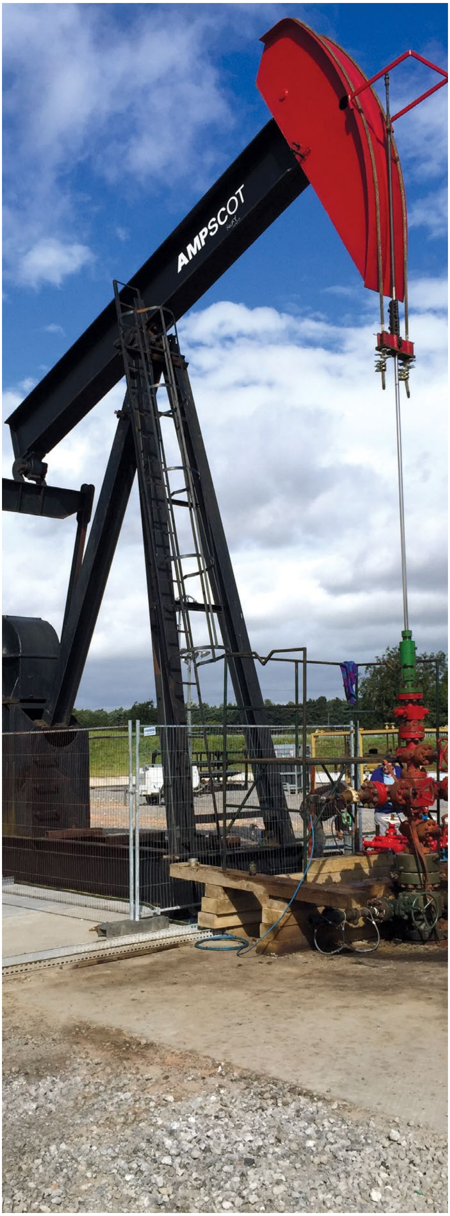
No appreciable volumes of water were observed. The oil is of good quality with a gravity of 39-40° API.

Following the Ashover Grit test, shareholders were updated on the initial successful Wingfield Flags flow test which recorded up to 182 bopd of good quality oil with a gravity of 39-40° API along with up to 456 thousand cubic feet of gas per day.

The next horizon to be flow tested was the Penistone Flags, the last of three hydrocarbon bearing zones identified in the well. The Penistone Flags test produced gas at restricted flow rates of up to 1.7 million cubic feet of gas per day with associated oil of up to 12 bopd and no free water from a 9 metre perforated zone at the top of the formation. Gas flow rates were constrained by the equipment and flaring limits imposed by the environmental permit. The gas and oil are of good quality with the oil having a gravity of 35° API.

The downhole pressure data recorded during the testing will now be analysed to estimate the gas flow rates that could be achieved under production, unconstrained by the flare and permit restrictions.

REVIEW OF OPERATIONS



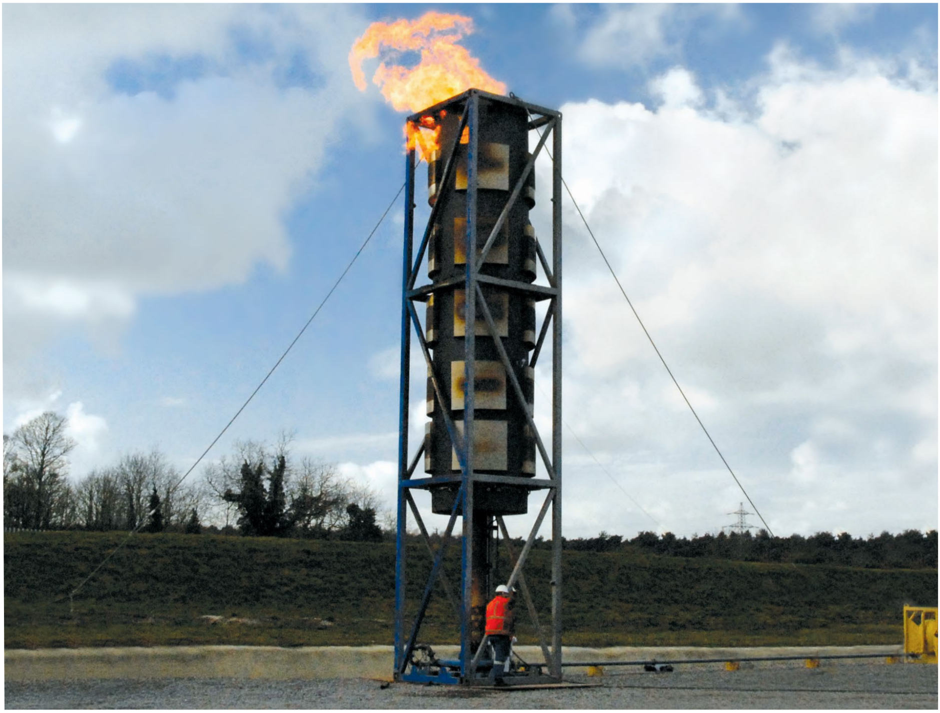
A further test was carried out to evaluate the gas-oil and oil-water contacts in the Penistone Flags by perforating the formation deeper in the section. Zone 3a was perforated over a 7.5 metre interval and produced good quality oil with a gravity of 33° API. A total of 98.5 barrels of oil were recovered during the test, of which flow induced by swabbing operations produced 34.3 barrels of oil. This equates to approximately 77 bopd.

The Penistone Flags Zone 3a interval was pumped for a period of time and achieved average rates over a three day period of 131 bopd and 222,000 cubic feet of gas per day, together totalling 168 boepd with an average producing gas oil ratio of approximately 1,700 cubic feet of gas per barrel of oil.

Due to increasing gas rates, the pump was then stopped and the well allowed to naturally flow to surface on a series of decreasing choke sizes from 12/64" down to 8/64" (being the smallest available). Average rates over a two day period on the 8/64" choke were 105 bopd with 465,000 cubic feet of gas per day, together totalling 182 boepd.

Following the Extended Well Test on Zone 3a, it was noted that both oil and gas had flowed without evidence of any water. Encouragingly, the well test data together with the log data indicate that the elevation of the oil water contact is deeper than originally considered for the Penistone Flags reservoir. An understanding of the oil water contact will enable a more accurate quantification of the oil and gas resource volumes together with optimisation of future well placement for development of this reservoir. In order to meet these objectives the partnership plans to undertake a further test to establish the nature of the fluids in the lowermost part of the Penistone Flags reservoir.

Plans are currently being finalised for a workover of the Wressle-1 well in order to remove the existing completion, cement off the existing Zone 3a perforations, open new perforations into the lowermost parts of the Penistone Flags reservoir and drill short horizontal bores into



the reservoir section by water jetting ("radial drilling") to be followed by a short flow test.

During this operation, remedial works will also be applied to the Ashover Grit reservoir before continuing with the Extended Well Test. Analysis of the well test data indicates that the flow rates were impaired and not representative of the flow rates that could be attained from this interval when fully "cleaned up". The option to include radial drilling of this interval as part of the planned workover is under consideration. These operations are expected to begin during Q4 2015.

The results of re-processing the 3D seismic over the Wressle structure which will assist in finalising the Field Development Plan and identifying any additional prospectivity, are also expected in the near future.

The operator has commenced the planning and permitting work which will support the submission of a Field Development Plan in respect of early oil production at Wressle.

THE INTERESTS IN PEDL180 ARE HELD BY:

Egdon Resources U.K. Limited (operator)	25.00%
Celtique Energie Petroleum Limited	33.33%
Europa Oil & Gas Limited	33.34%
Union Jack Oil plc	8.33%

REVIEW OF OPERATIONS

PEDL005(R)

KEDDINGTON

INTEREST HELD BY
UNION JACK OIL PLC

10.0%

Producing oilfield with increased production potential from a planned side-track well and upside from two drill-ready prospects.

After the period end, in July 2015, Union Jack agreed to acquire a 10% interest from Egdon in PEDL005(R), located in Lincolnshire and incorporating the producing Keddington oilfield, the Louth oil Prospect and the North Somercotes gas Prospect.

Union Jack has agreed to pay 20% of the costs of the proposed new Keddington side track appraisal/development well scheduled to be drilled in Q4 2015 and 20% of the costs of the Louth-1 exploration well currently planned for 2016/2017. The Company is not paying any up-front cash consideration to earn a 10% economic interest in PEDL005(R). Union Jack's contribution towards the cost of the side-track appraisal/development well at Keddington will be financed from existing cash resources.

Keddington Oilfield

Keddington has produced in excess of 300,000 barrels of oil to date and is currently producing approximately 30 to 35 bopd with associated gas from two wells, Keddington-4 and Keddington-3Z. Planning permission is in place for a new side-track appraisal /development well that is currently scheduled to be drilled in Q4 2015.

The proposed step-out/appraisal well at Keddington, if successful, will dramatically increase production.

Union Jack owns a 10% interest in Keddington and the associated infrastructure and production facilities. Additionally, Union Jack will receive 10% of all production revenues going forward. The partners in Keddington are seeking to maximise the value of the "Greater Keddington" area through two additional drill-ready prospects located within PEDL005(R), namely the Louth oil and the North Somercotes gas Prospects. As part of the Acquisition, Union Jack also holds a 10% interest in both of these prospects.

Under the terms of the Acquisition, Union Jack would also earn a 10% interest from Egdon in any new licence block awarded to the existing PEDL005(R) joint venture group in the UK 14th Landward Oil and Gas Licensing Round, which contains the mapped extension of the Louth prospect.

Louth Oil Prospect

The Louth oil Prospect is located mostly within PEDL005(R) and extends into the neighbouring currently unlicensed acreage. Located on the margins of the Humber Basin the prospect is defined on reprocessed 3D seismic data and is estimated by the operator to contain Stock Tank Oil Initially in Place ("STOIIP") of 5.5 million barrels and gross mean Prospective Resources of 1.4 million barrels with an attractive chance of success ("COS") of 37%. A well to test this prospect is planned to be drilled in 2016 or 2017 subject to receipt of planning and other consents.

North Somercotes Gas Prospect

Located on the margins of the Humber Basin, the North Somercotes gas Prospect is within PEDL005(R) to the north of the Saltfleetby gasfield and is estimated by the operator to contain gross mean Prospective Resources of 11.0 billion cubic feet of gas and to have a COS of 25%.

Completion of the acquisition occurred during September 2015 following receipt of the requisite approval from the Oil and Gas Authority.

THE INTERESTS IN PEDL005(R) ARE HELD BY:

	KEDDINGTON OILFIELD	PEDL005(R) EXCLUDING KEDDINGTON
Egdon Resources U.K. Limited (operator)	45%	65%
Nautical Petroleum Limited	10%	10%
Terrain Energy Limited	35%	15%
Union Jack Oil plc	10%	10%

PEDL253

BISCATHORPE

INTEREST HELD BY
UNION JACK OIL PLC

12.0%

Drill-ready prospect expected to be drilled during Q1 2016 adding considerable risk adjusted value.

In March 2013, Union Jack entered into an agreement with Egdon, the licence operator, and Montrose Industries Limited and acquired a 10% interest in PEDL253 containing the Biscathorpe Prospect. During June 2015, Union Jack subsequently acquired an additional 2% interest pro-rata from Egdon and Montrose bringing the Company's interest to 12%.

PEDL253 is located in Lincolnshire, within the proven hydrocarbon fairway of the Humber Basin, on trend with the Saltfleetby gas field and the Keddington oilfield which produces oil from the Upper Carboniferous Westphalian aged reservoir sandstones.

The Biscathorpe Prospect is a well-defined four way dip closed structure mapped from recently reprocessed 3D seismic and adds considerable risk adjusted value that also offers lower geological risk than a pure exploration well given a prior well, Biscathorpe-1, encountering oil bearing sands, has already been drilled.

The Biscathorpe structure was initially drilled and tested by BP in 1987 with the Biscathorpe-1 well which encountered a 1.2 metre thick, oil-bearing sandstone of lower Westphalian age with a 24 metre gross sequence. Biscathorpe-2 will be located in a direction towards a potentially thicker sand development within the structural closure of the trap.

The sand unit is predicted to thicken away from the crest of the structure and there is also potential for stratigraphic trapping in the west which, if present, could increase the expected gross Prospective Resources, as estimated by the operator, from a Best Estimate case of 14 million barrels of oil to a High case of 41 million barrels of oil and to have a COS of 40%. The same sand unit is the producing reservoir in the Keddington oilfield in which Union Jack has acquired a 10% interest.

A subsurface target location to evaluate the exploration potential of the Biscathorpe Prospect and a surface drilling location has been identified from which a vertical well to the depth of 2,100 metres can be drilled.

In March 2015, planning consent was granted for the drilling and any subsequent testing of the Biscathorpe-2 exploration well.

Drilling of the Biscathorpe-2 conventional exploration well is expected in Q1 2016.

THE INTERESTS IN PEDL253 ARE HELD BY:	
Egdon Resources U.K. Limited (operator)	52.8%
Montrose Industries Limited	35.2%
Union Jack Oil plc	12.0%

REVIEW OF OPERATIONS

PEDL241

NORTH KELSEY

INTEREST HELD BY
UNION JACK OIL PLC
20%

Drill-ready prospect expected to be drilled in 2016.

In March 2013, Union Jack acquired a 10% interest in PEDL241 containing the North Kelsey Prospect and subsequently in June 2015, acquired a further 10% from Celtique Energie Petroleum Limited for a nominal consideration and without any promote, bringing the Company's interest in PEDL241 to 20%.

PEDL241 is located some 12 kilometres to the south of Wressle within the proven hydrocarbon fairway of the Humberside Platform.

This prospect is a well-defined tilted fault-block mapped from 3D seismic. Based on offset well data, potential exists for up to four separate oil bearing stacked conventional reservoir intervals in the Chatsworth, Beacon Hill, Ravensthorpe and Santon sandstones. The nearby Crosby Warren oilfield along with the Brigg and Wressle discoveries are productive from the Upper Carboniferous Namurian aged reservoirs.

The gross mean combined Prospective Resources for these multiple objectives are estimated by the operator to be 6.7 million barrels of oil and to have a COS of 25%.

The subsurface target location to evaluate the exploration potential of the North Kelsey Prospect has been defined and a surface drilling location has been identified from which a vertical well can be drilled.

In December 2014, planning consent was granted for the drilling and any subsequent testing of the North Kelsey-1 well.

Drilling of North Kelsey-1 is targeted to commence during 2016.

THE INTERESTS IN PEDL241 ARE HELD BY:	
Egdon Resources U.K. Limited (operator)	80.0%
Union Jack Oil plc	20.0%

PEDL201

BURTON ON THE WOLDS

INTEREST HELD BY
UNION JACK OIL PLC
10.0%

Potential tight oil and gas opportunity.

In October 2014, drilling operations were completed on the Burton on the Wolds-1 exploration well located on PEDL201 in Leicestershire and the well was plugged after penetrating only thin sands in the primary reservoir objective, the Rempstone Sandstone group.

Data received during drilling is now being interpreted in order to evaluate the future prospectivity of the licence. The opportunity to interface the wireline data and fresh cutting samples has been taken and an international consultancy is conducting this work on behalf of the Partnership. This will assist in the quantification of the source rock potential and the unconventional upside that may exist on the licence.

Prior to drilling, in June 2014 industry consultants Molten Limited completed a report commissioned by Union Jack reviewing the shale resource potential within PEDL201.

Molten's review and analysis was summarised as follows:

- Molten calculates the mean deterministic un-risked in place volumes within that shale area of approximately 5.4 billion barrels of oil and over 2.7 trillion standard cubic feet of gas.
- Union Jack's 10% interest of the mean volumes identified would amount to approximately 540 million stock tank barrels of oil initially in place and approximately 270 billion standard cubic feet of gas initially in place.
- Elsewhere in the world, the combination of the technologies of horizontal drilling and hydraulic fracturing has permitted extensive shale developments, most notably in the United States. Although relatively recent in the history of the oil and gas industry, developments such as the Bakken oil play in the US have been producing for over 19 years. Shale oil recovery factors in the US have ranged from approximately 1% to nearly 10%.
- If recovery factors even at the low end of those achieved in the US can be achieved in the UK, these volumes would represent significant economic developments.

The operator, Egdon, and its partners will be offered acreage adjacent to PEDL201 under the 1st tranche of the 14th Round awards providing encouragement regarding the unconventional play in PEDL201.

THE INTERESTS IN PEDL201 ARE HELD BY:	
Egdon Resources U.K. Limited (operator)	32.5%
Celtique Energie Petroleum Limited	32.5%
Terrain Energy Limited	12.5%
Corfe Energy Limited	12.5%
Union Jack Oil plc	10.0%

UNAUDITED CONDENSED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2015

	Notes	Six months ended 30 June 2015 £	Six months ended 30 June 2014 £	Year ended 31 December 2014 £
Continuing operations				
Revenue		–	–	–
Administrative expenses		(259,512)	(222,221)	(551,056)
Operating loss		(259,512)	(222,221)	(551,056)
Finance income		3,474	1,448	4,702
Loss before taxation		(256,038)	(220,773)	(546,354)
Taxation	3	–	–	(902)
Loss for the period		(256,038)	(220,773)	(547,256)
Attributable to:				
Equity shareholders of the Company		(256,038)	(220,773)	(547,256)
Loss per share from continuing operations attributable to equity shareholders				
Basic and diluted loss per share (pence)	2	(0.01)	(0.02)	(0.04)

UNAUDITED CONDENSED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2015

	Six months ended 30 June 2015 £	Six months ended 30 June 2014 £	Year ended 31 December 2014 £
Loss for the financial period	(256,038)	(220,773)	(547,256)
Other comprehensive income	–	–	–
Total comprehensive loss for the period	(256,038)	(220,773)	(547,256)

UNAUDITED CONDENSED BALANCE SHEET

AS AT 30 JUNE 2015

	Notes	Six months ended 30 June 2015 £	Six months ended 30 June 2014 £	Year ended 31 December 2014 £
Assets				
Non-current assets				
Exploration and evaluation assets		1,057,573	218,868	832,100
Investments		40,000	20,000	20,000
		1,097,573	238,868	852,100
Current assets				
Trade and other receivables		62,852	41,490	33,238
Cash and cash equivalents		2,741,214	2,406,865	3,474,320
		2,804,066	2,448,355	3,507,558
Total assets		3,901,639	2,687,223	4,359,658
Liabilities				
Current liabilities				
Trade and other payables		58,993	231,035	260,974
Total liabilities		58,993	231,035	260,974
Net assets		3,842,646	2,456,188	4,098,684
Capital and reserves attributable to the Company's equity shareholders				
Called up share capital	4	2,475,811	2,291,495	2,475,811
Share premium		3,464,757	1,541,755	3,282,848
Share-based payment reserve		167,924	306,263	349,833
Retained earnings		(2,265,846)	(1,683,325)	(2,009,808)
Total equity		3,842,646	2,456,188	4,098,684

UNAUDITED CONDENSED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2015

	Six months ended 30 June 2015 £	Six months ended 30 June 2014 £	Year ended 31 December 2014 £
Cash outflow from operating activities	(301,254)	(217,283)	(354,811)
Cash flow from investing activities			
Purchase of intangible assets	(415,326)	(20,556)	(787,806)
Purchase of investments	(20,000)	–	–
Interest received	3,474	1,448	4,702
Net cash used in investing activities	(431,852)	(19,108)	(783,104)
Cash flow from financing activities			
Proceeds on issue of new shares	–	2,050,712	4,243,912
Cost of issuing new shares	–	(274,663)	(498,884)
Net cash generated from financing activities	–	1,776,049	3,745,028
Net increase in cash and cash equivalents	(733,106)	1,539,658	2,607,113
Cash and cash equivalents at beginning of period	3,474,320	867,207	867,207
Cash and cash equivalents at end of period	2,741,214	2,406,865	3,474,320

NOTES TO THE UNAUDITED FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED 30 JUNE 2015

1 ACCOUNTING POLICIES

Basis of Preparation

These condensed financial statements are for the six month period ended 30 June 2015.

The information for the year ended 31 December 2014 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 2015 are unaudited.

The interim financial information in this report has been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") 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 2014.

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. Thus they continue to adopt the going concern basis of accounting.

2 LOSS PER SHARE ATTRIBUTABLE TO THE EQUITY SHAREHOLDERS OF THE COMPANY

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

Given the Company's reported loss for the period, warrants are not taken into account when determining the weighted average of ordinary shares in issue during the period and therefore the basic and diluted earnings per share are the same.

Basic loss per share	Six months ended 30 June 2015 pence	Six months ended 30 June 2014 pence	Year ended 31 December 2014 pence
Loss per share from continuing operations	(0.01)	(0.02)	(0.04)

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

	Six months ended 30 June 2015 £	Six months ended 30 June 2014 £	Year ended 31 December 2014 £
Earnings used in the calculation of total basic and diluted earnings per share	(256,038)	(220,773)	(547,256)

Number of Shares	Six months ended 30 June 2015	Six months ended 30 June 2014	Year ended 31 December 2014
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	2,418,120,570	1,033,318,325	1,558,344,760

NOTES TO THE UNAUDITED FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED 30 JUNE 2015

3 TAXATION

There was no tax charge for the half yearly period due to the loss incurred. A deferred tax asset in respect of trading losses and share-based payments has not been recognised due to the uncertainty of timing of future profits. The trading tax losses are recoverable against suitable future trading profits.

4 SHARE CAPITAL

At 30 June 2015, there were 2,418,120,570 ordinary shares of a nominal value of 0.025 pence in issue.

At 30 June 2015, there were 831,680,400 deferred shares of 0.225 pence nominal value in issue.

In January 2015, 280,600,000 warrants issued on 22 July 2013, exercisable at 0.30p, expired and were cancelled from the Company's Warrant Register leaving 55,052,548 warrants outstanding at 30 June 2015.

5 EVENTS AFTER THE BALANCE SHEET DATE

On 14 July 2015, the Company reached agreement with Egdon Resources plc to acquire a 10% interest in licence PEDL005(R), located in Lincolnshire.

PEDL005(R) incorporates the Keddington oilfield and the Louth and North Somercotes prospects.

A full review of the acquisition can be found within the Review of Operations in the Half Yearly Report.

6 RELATED PARTY TRANSACTIONS

In June 2015, Union Jack entered into a farm-in agreement to earn an additional 2% interest in PEDL253 containing the Biscathorpe Prospect, bringing the Company's total interest in PEDL253 to 12%. Under the terms of this new farm-in agreement, Union Jack will earn an additional 1.2% interest from Egdon and 0.8% from Montrose Industries Limited. Ray Godson, Non-Executive Director of Union Jack, is also a Director of Montrose Industries Limited which holds a 32.5% interest in PEDL253.

Charnia Resources (UK) Limited, an entity owned by Graham Bull, Non-Executive Director of Union Jack, holds a total 6% carried interest in PEDL253. The carried interest in PEDL253 is assigned to the participants on a pro-rata basis to first production.

Charnia Resources (UK), an unincorporated entity, also owned by Graham Bull, was paid a total of £10,450 during the period under review in respect of consulting fees.

7 COPIES OF THE HALF YEARLY REPORT

A copy of the Half Yearly Report will shortly be posted to shareholders, and is now available on the Company's website www.unionjackoil.com.

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