

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

UNION JACK OIL plc

---

Annual Report and  
Financial Statements

---

# 2016

---



# Directors, Officers and Advisers

## DIRECTORS

**David Bramhill**  
Executive Chairman

**Joseph O'Farrell**  
Executive

**Graham Bull**  
Non-Executive

**Raymond Godson**  
Non-Executive

## COMPANY OFFICE

6 Charlotte Street,  
Bath BA1 2NE,  
England

Telephone: +44 (0) 1225 428139  
Fax: +44 (0) 1225 428140  
Email: [info@unionjackoil.com](mailto:info@unionjackoil.com)  
Web: [www.unionjackoil.com](http://www.unionjackoil.com)

## REGISTERED NUMBER

07497220

## SECRETARY AND REGISTERED OFFICE

Brian Marshall  
6 Charlotte Street,  
Bath BA1 2NE,  
England

## REGISTRARS

Computershare Investor Services PLC  
The Pavilions,  
Bridgwater Road,  
Bristol BS13 8AE,  
England

## AUDITOR

BDO LLP  
55 Baker Street,  
London W1U 7EU,  
England

## SOLICITORS

Osborne Clarke  
2 Temple Back East,  
Temple Quay,  
Bristol BS1 6EG,  
England

## BANKERS

Royal Bank of Scotland plc  
8-9 Quiet Street,  
Bath BA1 2JN,  
England

## NOMINATED ADVISER

SP Angel Corporate Finance LLP  
Prince Frederick House,  
35-39 Maddox Street,  
London W1S 2PP,  
England

## JOINT BROKERS

SP Angel Corporate Finance LLP  
Prince Frederick House,  
35-39 Maddox Street,  
London W1S 2PP,  
England

Turner Pope Investments (TPI) Limited  
6th Floor,  
Becket House,  
36 Old Jewry,  
London EC2R 8DD,  
England

# Contents

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

Our strategy is the appraisal and exploitation of the assets currently owned. Simultaneous with this process, the Company's management expects to continue to use its expertise to acquire further licence interests over areas where there is a short lead time between the acquisition of the interest and either exploration drilling or initial production from any oil or gas fields that may be discovered.



## SUMMARY OF LICENCE INTERESTS HELD BY UNION JACK OIL PLC

PEDL180 PEDL182 WRESSLE DISCOVERY BROUGHTON NORTH  15%	PEDL005(R) KEDDINGTON OILFIELD LOUTH NORTH SOMERCOTES  10%	PEDL339 LOUTH EXTENSION  10%	PEDL143 HOLMWOOD PROSPECT  7.5%
PEDL253 BISCATHORPE  12%	PEDL241 NORTH KELSEY  20%	PEDL201 BURTON ON THE WOLDS  10%	PEDL209 LAUGHTON  10%

### BUSINESS AND STRATEGY

- 2** Chairman's Statement
- 6** Strategic Report
- 8** Review of Operations

### GOVERNANCE

- 18** Directors' Report
- 20** Corporate Governance Report
- 21** Directors' Responsibilities Statement
- 22** Independent Auditor's Report on the Financial Statements

### FINANCIAL STATEMENTS

- 23** Income Statement
- 24** Statement of Comprehensive Income
- 25** Balance Sheet
- 26** Statement of Changes in Equity
- 27** Statement of Cash Flows
- 28** Principal Accounting Policies
- 32** Notes to the Financial Statements

### ANNUAL GENERAL MEETING

- 43** Notice of Annual General Meeting

# Chairman's Statement

I am pleased to present to the shareholders of Union Jack Oil plc ("**Union Jack**" or the "**Company**"), the Annual Report and Financial Statements for the year ended 31 December 2016.

2016 was a year that your Board regards as one of solid progress where our Company made significant headway in the face of the continuing low oil price and volatile stock markets. Noteworthy were value adding transactions and operating events that resulted in an expansion of our portfolio of licence interests, transforming the status of Union Jack from a pure exploration company into one with actual oil and gas reserves.

Looking back on my 2015 Chairman's Statement, I re-iterated then that the objective of the Company remained focused on building a successful UK onshore conventional hydrocarbon concern with the intention of expanding and developing our existing high quality licence interest portfolio. In this respect, in 2016 we welcomed the addition to our portfolio of a 7.5% interest in PEDLI 43 containing the drill-ready Holmwood Prospect located in Surrey, in the Weald Basin. This is our first foray in the South East and Holmwood-1 is expected to be drilled in H2 2017. In addition, we purchased a further 3.34% of PEDLI 80 and PEDLI 82 containing the Wressle-1 discovery located in our traditional area of operation in the East Midlands.

Subsequent to the acquisition of an additional 3.34% interest in PEDLI 80 and PEDLI 82 from Europa Oil & Gas Limited ("**Europa**"), in March 2017 Union Jack acquired a further 3.33% in the blocks from Celtique Energie Petroleum Limited, bringing Union Jack's combined interest to 15%. The latter acquisition of interest is subject to the approval of the Oil and Gas Authority ("**OGA**") which is expected imminently. The result of these two acquisitions is multi-fold, the almost doubling of our oil and gas reserves and contingent resources identified by ERC Equipoise Ltd ("**ERCE**")

within their independent Competent Persons Report ("**CPR**"), the expected increase in the production revenues when on-stream and the additional interest in the Broughton North Prospect in the Mean Prospective Resources contained in this 40-49% geological Chance of Success ("**COS**") prospect.

## **PEDLI 80 AND PEDLI 82 – WRESSLE**

The PEDLI 80 and PEDLI 82 licences are located in Lincolnshire, on the western margin of the Humber Basin, within the established East Midlands producing province and are on trend with the nearby discoveries at Crosby Warren, Brigg and Broughton.

The licences contain the Wressle-1 discovery that produced an aggregate of 710 barrels of oil equivalent per day from the zones tested.

As highlighted above, the Company, now holds a 15% interest (3.33% subject to OGA approval) in these licences, as a result of a further acquisition of interest.

During September 2016 ERCE prepared an independent CPR in respect of the Wressle-1 discovery. A summary of their findings can be found on the Company's website ([www.unionjackoil.com](http://www.unionjackoil.com)).

The oil and gas reserves and contingent resources identified by ERCE in the PEDLI 80 and PEDLI 82 licences, in aggregate, exceeded the operator's original pre-drill estimate.

ERCE has estimated that the gross oil initially in place is 14.8 million stock tank barrels across three reservoir sands, the Ashover Grit, Wingfield Flags and Penistone Flags, of which 2.15 million stock tank barrels gross are potentially recoverable as 2P Reserves.

### OPERATIONAL HIGHLIGHTS

- Competent Persons Report indicates gross hydrocarbons in place at Wressle-I to be 14.8 million barrels of oil equivalent
- Acquisition of a 7.5% interest in PEDL143 incorporating the drill-ready Holmwood Prospect
- Acquisition of a further 3.34% in PEDL180 and PEDL182 containing the Wressle-I discovery

### FINANCIAL HIGHLIGHTS

- Cash balance in excess of £2.0 million as at 30 April 2017
- £700,000 before expenses raised in September 2016 to further expand the Company's asset portfolio
- The Company remains debt free

In addition, ERCE has identified further Contingent Resources of 1.53 million stock tank barrels of oil gross and 2.0 billion cubic feet of gas ("**bcf**") gross in the Penistone Flags reservoir at Wressle which are over and above the oil and gas 2P Reserves identified in the Ashover Grit and Wingfield Flags reservoirs. The conversion of the Penistone Flags Contingent Resources into 2P Reserves, in full or in part, is reliant upon receipt of development approvals and commencing production at Wressle and on a subsequent development plan being identified for considerable oil and gas volumes present in the Penistone Flags reservoir.

Commercial oil production is expected to initiate at an estimated 500 barrels per day following Environmental Agency and planning approvals.

The uplift in both 2P Reserves and Contingent Resources identified by ERCE in its CPR highlight a major attraction of the proposed conventional onshore development in respect of the two licence areas that contain the Wressle-I discovery and the resulting additional significant upside potential. Even in this moderately low oil price environment, the Wressle development has the benefits of low capital and operating costs and the same is also expected of the Penistone Flags Contingent Resources, assuming their conversion to 2P Reserves.

ERCE also made an estimate of the Broughton North Prospect within PEDL182. Their findings indicated oil in place of 3.43 million stock tank barrels gross. The Broughton North Prospect is drill-ready, subject to obtaining planning permission, and benefits from the results of the Wressle-I discovery significantly reducing the geological risk over PEDL180 and PEDL182.

Consequently, ERCE attributes a high geological COS with a range of 40% to 49% for the prospect. Mapping of the Broughton North Prospect also benefits from the same high quality 3D seismic data as was used to identify the Wressle-I hydrocarbon discovery.

Surprisingly, in January 2017 the North Lincolnshire Council, despite a positive recommendation by the Council's Planning Officer, which itself was determined following a comprehensive and thorough review of the Field Development Plan, declined planning approval for development. However, at the same meeting the application for the installation of groundwater monitoring boreholes was approved.

Subsequently, Union Jack recently announced that an appeal process has commenced and that a new planning application has been submitted in parallel with the appeal process.

The groundwater monitoring boreholes for Wressle have now been successfully installed and the Environmental Permit from the Environmental Agency is expected to be issued in the near future.

Extensive work has been carried out by the operator to progress the Wressle appeal process and environmental clearance for the development of a conventional project.

Union Jack looks forward to progressing Wressle to first oil from what is a significant discovery for our Company.

# Chairman's Statement

## **PEDL253 – BISCATHORPE**

PEDL253 is within the proven hydrocarbon fairway of the South Humber Basin and is on trend with the Saltfleetby gas field, Keddington oil field and the Louth and North Somercotes prospects.

Biscathorpe is a large, well defined four-way dip closed structure mapped from recently reprocessed 3D seismic. A drill-ready prospect with planning consent for drilling and any subsequent testing is expected to be drilled during H2 2017, subject to partner consent, adding considerable risk adjusted value. The Biscathorpe-1 structure was drilled by BP in 1987 and encountered a thin oil-bearing sandstone.

The sand unit is expected to thicken away from the crest of the structure and the operator's Best Estimate is a gross Prospective Resource of 14 million barrels of oil with a geological COS of 40%.

During 2017, Union Jack commissioned an independent review of the Biscathorpe 3D by geophysical consultants, Sotwell Exploration Ltd. The results of this review were highly encouraging and the comments included that well ties, by synthetic seismogram, are high quality and allow a robust link between the geology and seismic data.

Other key points highlighted were that, in Sotwell's opinion, the Biscathorpe "concept" is confirmed, with good evidence of the possibility of the sand thickening away from the previous well location, that the whole area is very attractive for oil exploration and that a "mega" play trap is potentially feasible with further stratigraphic upside. The proposed Biscathorpe-2 well location to appraise the prospect appears optimal and any additional wells linked to seismic would probably display new prospect concepts.

In March 2017, the OGA granted a further one year extension to PEDL253 and the licence now expires on 30 June 2018.

## **PEDL143 – HOLMWOOD**

In May 2016, Union Jack entered into an agreement with Europa to acquire a 7.5% interest in PEDL143 containing the drill-ready Holmwood Prospect. This is the first Weald Basin licence interest located in the South of England to be introduced to the Union Jack UK onshore portfolio.

Holmwood is a conventional oil prospect first identified by BP in 1988 and is estimated by the operator to hold gross mean un-risked Prospective Resources of 5.6 million barrels of oil with a geological COS of 33%. Holmwood is on trend with, and located just 12 kilometres from, the Horse Hill-1 discovery.

Holmwood-1 is expected to be drilled in the Autumn of 2017.

## **OTHER ASSETS**

Other assets held by Union Jack include interests in the producing Keddington oil field PEDL005(R) (10%) which provides the Company with a modest income each month from its share of oil production, North Kelsey PEDL241 (20%), Burton on the Wolds PEDL201 (10%), PEDL339 (10%) which contains an extension of the Louth Prospect and PEDL209 (10%) where the unsuccessful and fully impaired Laughton well was drilled in early 2016.

A detailed review of Union Jack's asset base can be found in the Review of Operations section within this Annual Report.

## **CORPORATE AND FINANCIAL**

Union Jack remains debt free and our cash balance as at 30 April 2017 stands in excess of £2 million, with more than enough funds to cover the costs of our current planned drilling campaign which includes Biscathorpe-2 and Holmwood-1, and surplus working capital for at least a 12 month period from the date of approving the financial statements.

In September 2016, the Company raised £700,000 before expenses of £73,685 to further expand its near-term development and production portfolio. This expansion was satisfied by the acquisition of a 3.34% interest in PEDL180 and PEDL182 soon after completing that funding.



During February 2017, as described in the Events After the Balance Sheet Date note, the Company raised £1.4 million before expenses of £129,347 in a significantly oversubscribed placing with a view to utilising the funds raised to increase Union Jack's interests in the licences within its existing portfolio. Some of the proceeds were used to acquire a further 3.33% interest in PEDLI80 and PEDLI82 containing the Wressle-1 discovery and the Broughton North Prospect. Further funds resulting from the 2017 placing remain to be invested.

We continue to apply strict financial control and discipline to our activities and pride ourselves on our low general and administrative costs which during this period were on par with those reported last year.

Union Jack was largely insulated from the low oil price environment witnessed during the first half of 2016 due to our low corporate overheads, low operating costs by virtue of being onshore UK and our strategy of remaining debt free which allowed management to focus on low cost, late stage project acquisitions while maintaining a tight rein on our cash position. The result was that our growth plans were largely unaffected and the quest for new assets was successful along with our key aspiration to develop our "jewel in the crown", the Wressle-1 discovery that is currently seeking a satisfactory outcome to obtaining planning approval and moving into production.

I would like to take this opportunity to personally thank the rest of my Board, Joe O'Farrell, Graham Bull and Ray Godson for their sound advice, technical support and professional guidance in respect of Company matters. The same comment applies to our advisers for their help in assisting Union Jack, all of whom contribute to the seamless running of our Company.

#### SUMMARY

Given our focused strategy, I remain optimistic that 2017 will deliver positive results from the foundations that have been nurtured over recent years. We look forward to the drilling of Biscathorpe-2 and Holmwood-1 and, of the utmost importance, a resolution to the development of Wressle which, if and when positively determined, will ensure first oil resulting in a material transformation in cash flow to Union Jack.

We believe our focused strategy and maintaining a low cost base is key to managing risk and allowing Union Jack to thrive in difficult conditions, while ensuring that our asset portfolio remains well balanced by combining appropriate components of production, appraisal, discovery and exploration and, importantly, also ensuring we are adequately funded for all future commitments.

The future of Union Jack remains bright.

**David Bramhill**

Executive Chairman

15 May 2017

# Strategic Report

FOR THE YEAR ENDED 31 DECEMBER 2016

## STRATEGY

Our strategy is the appraisal and exploitation of the assets currently owned. Simultaneous with this process, the Company's management expects to continue to use its expertise and cash resource to acquire further licence interests in the UK over areas where there is a short lead time between the acquisition of the interest and either exploration drilling or initial production from any oil or gas fields that may be discovered.

## BUSINESS REVIEW

Union Jack Oil plc is a UK registered company, focused on the exploration for, and future development of, hydrocarbon projects.

A review of the Company's operations during the year ended 31 December 2016 and subsequently to the date of this report is contained in the Chairman's Statement and Review of Operations.

The loss for the year amounted to £892,594 (2015: £587,301).

The directors do not recommend the payment of a dividend (2015: nil).

In September 2016, 411,764,706 new ordinary shares were issued for cash at 0.17 pence per share raising £700,000 before expenses of £73,685.

The enlarged issued share capital following the issue of new shares described in this section is 3,300,473,511 ordinary shares of 0.025 pence each and 831,680,400 deferred shares of 0.225p each.

## FUTURE DEVELOPMENTS

The directors intend to continue their involvement with the licences as disclosed in the Review of Operations. They continue to seek further acquisition opportunities for onshore oil and gas exploration and development.

## KEY PERFORMANCE INDICATORS

The Company has made good progress during the year ended 31 December 2016. Traditional KPIs are not appropriate to the Company. Performance is measured by monitoring exploration costs and ensuring sufficient funds are available to meet exploration commitments.

The directors were successful in raising funds to ensure the Company is adequately funded to meet all of its current commitments in respect of licence terms and drilling commitments to the end of May 2018.

In May 2016, the Company acquired from Europa Oil & Gas Limited a 7.5% interest in PEDL143 containing the drill-ready Holmwood Prospect.

In November 2016, the Company acquired a 3.34% interest in PEDL180 and PEDL182 containing the Wressle discovery well from Europa Oil & Gas Limited. This took the Company's interest in PEDL180 and PEDL182 to 11.67%.

Intangible Assets totalled £2,079,340 (2015:£1,165,077).

The Company's Income Statement reports revenues for the first time of £22,119 (2015: nil) in respect of production income from the Keddington oil field.

## PRINCIPAL RISKS AND UNCERTAINTIES

As with the majority of companies within the energy sector the business of oil and gas exploration and development includes varying degrees of risk. These risks broadly include operating reliance on third parties, the ability to monetise discoveries and the risk of cost overruns. There are also specific, political, regulatory and licensing risks attached to various projects as well as issues of commerciality, environmental, economic, competition, reliance on key personnel, contractor and judicial factors.

Commodity prices will have an impact on potential revenues and forward investment decisions by the operator on the projects invested in as the economics may adversely be affected. However, onshore development costs are lower than for offshore developments. The Company does not use hedging facilities. The Company holds adequate Directors' Insurance cover and the Company is covered by the operator's insurance during drilling and other operational situations. The Board, in its opinion, has mitigated risks as far as reasonably practicable.

The principal risks to the Company as well as the mitigation actions are set out below:

### **Strategic: A weak or poorly executed development process fails to create shareholder value**

This can be effected by poor selection of exploration projects where hydrocarbons are not located.

This risk is mitigated through performing a detailed technical review, both internally by management and externally by advisers before an investment decision is taken, for each investment which includes a valuation exercise on the potential return on monies spent. All but one of the Company's current project investments are at a stage where drilling and potential development can be executed within a relatively short lead time. The amount of interest acquired in each project is dependent upon the Company's financial capability to fulfil its obligation. The Company's technical management team is highly skilled with many years' industry experience.

No commercially viable hydrocarbons were identified at Burton on the Wolds-1 drilled in October 2014. However, source rock analysis completed in 2015 indicates the presence of unconventional potential in the licence area. The potential revenues identified from this analysis would exceed costs and accordingly, the directors continue to actively evaluate the licence with a view to possible future explorative drilling.



**Operational: Operational events can have an adverse effect**

The main risk is the failure to find economic hydrocarbons.

This risk is mitigated by an ongoing review of each project and maintaining strong relationships with the project operators. All external technical project meetings are attended by at least one member of the Union Jack management team and its results reported to the Board.

A further potential risk is the reliance upon the operator Egdon Resources plc and its ability to determine timetables and priorities which are beyond the control of Union Jack.

This risk has been slightly mitigated by entering into a licence interest acquisition where Europa Oil & Gas are the operator.

**External Risk: Lack of growth caused by political, industry or market factors**

The Company operates exclusively within the United Kingdom ("UK") and the Board considers that the UK onshore hydrocarbon arena offers excellent value under a regime with a very clearly spelt out protocol giving the opportunity to develop assets unhindered.

As mentioned in this review, oil and gas price volatility can cause concern. However, onshore developments can continue as planned in most cases as development costs are lower than for offshore. Lack of control over key assets is mitigated by the fact that our operator of choice, Egdon, has a very transparent operating protocol and all partners are involved, both formally and informally, with offering input to the ongoing development of the projects in which they are involved. The Company's in-house technical team is involved at all times and regular technical meetings are held in which opportunity is given to comment.

**Financial Risk: The lack of ability to meet financial obligations**

The main risk is the lack of funds being available to pay for our future drilling commitments.

All drilling expenditure associated with exploration assets is forecast and budgeted at least 12 months in advance. The Company raises its funds through the financial market by share issues and does not become involved in derivatives and borrowing to fund its financial obligations. Further comment in respect of Financial Risk Management Objectives and Policies, Cash Flow Risk, Credit Risk, and Liquidity Risk are also covered within this Strategic Report.

**FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Company's activities expose it to a number of financial risks including cash flow risk, credit risk and liquidity risk.

The use of financial derivatives is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of financial derivatives to manage these risks. The Company does not use derivative financial instruments for speculative purposes.

**CASH FLOW RISK**

During the year the Company's activities did not expose it to financial risks of changes in foreign currency exchange rates.

**CREDIT RISK**

The Company's principal financial assets are bank balances and cash. The credit risk on liquid funds is limited because the counterparty is a bank with high credit-rating.

**LIQUIDITY RISK**

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company uses its existing cash funds.

**GOING CONCERN**

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chairman's Statement, Review of Operations and the Strategic Report. The directors' forecasts demonstrate that the Company will meet its day-to-day working capital and share of estimated drilling costs over the forecast period (being at least 12 months from the date the financial statements were approved) from the cash held on deposit at the year end. The principal risk to the Company's working capital position is drilling cost overruns. The Company has sufficient funding to meet planned drilling expenditures and a level of contingency. Taking account of these risks, sensitised forecasts show that the Company should be able to operate within the level of funds currently held. The directors have 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 in preparing the financial statements.

**APPROVAL OF THE BOARD**

This Strategic Report 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 the Annual Report to be reasonable in light of the information available up to the time of their approval of this report, 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.

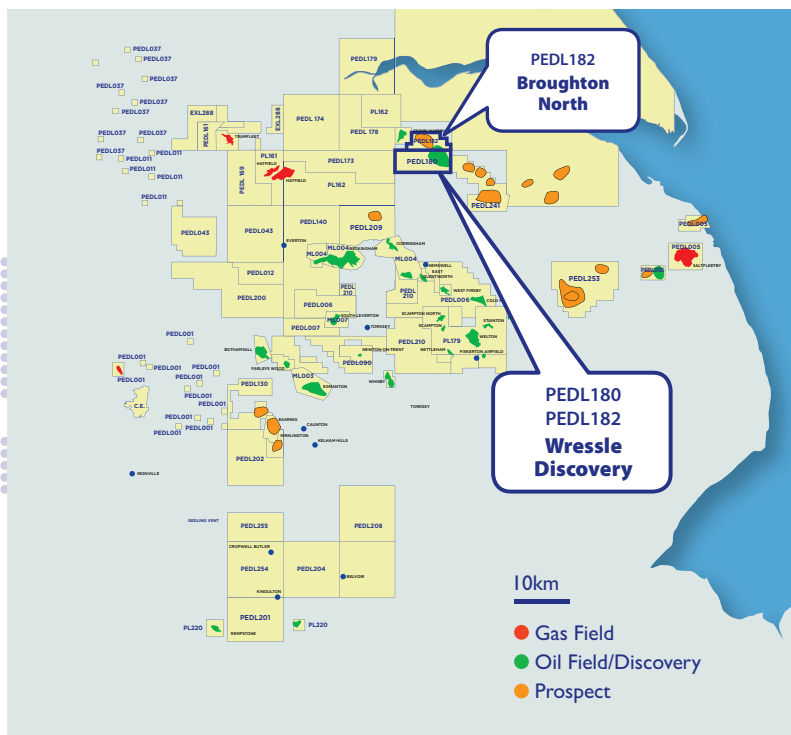
Accordingly, no reliance may be placed on the forward-looking statements.

On behalf of the Board

**David Bramhill**  
Executive Chairman

15 May 2017

# Review of Operations



PEDL180  
PEDL182

## WRESSLE DISCOVERY

PEDL182

## BROUGHTON NORTH

INTEREST HELD BY  
UNION JACK OIL PLC  
**15%**

Further acquisitions have raised Union Jack's interest in PEDL180 and PEDL182 containing the Wressle hydrocarbon discovery to 15%.

Oil and gas Reserves and Contingent Resources identified by the Competent Person in aggregate exceed the Operator's original pre-drill estimates.

Following two further acquisitions of interests in PEDL180 and PEDL182 during 2016 and 2017 respectively, Union Jack now holds a 15% interest in these licences.

These licences contain the Wressle-1 conventional discovery well from which first commercial oil is expected to flow at an initial constrained rate of approximately 500 barrels a day following receipt of Environmental Agency and Planning approvals.

Located in Lincolnshire, on the western margin of the Humber Basin, the above licences contain the Wressle-1 oil discovery and are on trend with the nearby discoveries at Crosby Warren, Brigg and Broughton.

Subsequent to the initial acquisition of the 8.33% interest, the Wressle discovery was mapped as extending into PEDL182 and as a result the Company acquired, from Egdon, at no extra cost, an 8.33% interest in the entire Wressle-1 discovery mapped over PEDL180 and PEDL182.

In September 2016 the Company acquired a 3.34% interest in PEDL180 and PEDL182 from Europa Oil & Gas Limited for a consideration of £600,000. In addition, during February 2017 a further 3.33% interest was acquired from Celtique Energie Petroleum Limited for the same consideration.

The results of a Competent Person's Report prepared by ERCE were published in September 2016. ERCE made independent estimates of the Reserves, Contingent and Prospective Resources associated with the Wressle-1 discovery and the Broughton North Prospect.

There were several highlights considered within this report which included:

- Oil and gas reserves and Contingent Resources identified by the Competent Person in aggregate exceed the Operator's original pre-drill estimates

“ ”

IN SEPTEMBER 2016, SHAREHOLDERS WERE UPDATED WITH POSITIVE RESULTS FROM THE COMPETENT PERSON'S REPORT GIVING PROVEN RESERVES TO THE PROJECT.



- Gross P Mean Oil Originally in Place (“**OOIP**”) is 14.8 million stock tank barrels in aggregate across three reservoir sands, the Ashover Grit, Wingfield Flags and Penistone Flags, of which 2.15 million stock tank barrels are potentially recoverable
  - Gross 2P oil Reserves of 0.62 million stock tank barrels identified across two reservoir sands, the Ashover Grit and Wingfield Flags that form the basis of the initial development plan which currently excludes development of the material Penistone Flags reservoir sands
- In respect of the Broughton North Prospect ERCE commented;
- The Broughton North Prospect has OOIP of 3.43 million stock tank barrels, gross unrisks Mean Prospective Resources of 0.51 million stock tank barrels and 0.51 bcf of gas in aggregate across two reservoir sands, the Ashover Grit and Penistone Flags
  - Broughton North is a drill-ready prospect, subject to obtaining planning permission
- The Broughton North Prospect benefits from the results of the Wressle-1 oil and gas discovery and the Broughton-B1 exploration well that significantly reduces the geological risk over PEDL180 and PEDL182. Consequently ERCE attributes a high geological COS with a range of 40% to 49% for the prospect
  - Mapping of the Broughton North Prospect also benefits from the same high quality 3D seismic data as was used to identify the Wressle-1 oil and gas discovery

The table below show the net volumes of hydrocarbons attributable to Union Jack

	GROSS VOLUMES			NET VOLUMES ATTRIBUTABLE TO UNION JACK		
	OIL MMSTB	GAS BCF	OIL EQUIV MMBOE	OIL MMSTB	GAS BCF	OIL EQUIV MMBOE
2P Ashover Grit and Wingfield Flags	0.62	0.20	0.65	0.09	0.03	0.10
2C Penistone Flags	1.53	2.00	1.86	0.23	0.30	0.28
Broughton North Mean Unrisks Prospective Resources	0.51	0.51	0.60	0.08	0.08	0.09

## REVIEW OF OPERATIONS



“”

SHAREHOLDERS WERE UPDATED ON THE INITIAL SUCCESSFUL ASHOVER GRIT FLOW TEST WHICH RECORDED 80 BOPD AND 47,000 CUBIC FEET OF GAS PER DAY DURING A 16 HOUR MAIN FLOW PERIOD.

The Wressle-1 well was spudded in July 2014. 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.

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 47,000 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 456,000 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.

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.

“ ”

MAPPING OF THE BROUGHTON NORTH PROSPECT ALSO BENEFITS FROM THE SAME HIGH QUALITY 3D DATA SET AS WAS USED TO IDENTIFY THE WRESSLE-1 DISCOVERY.



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 barrels of oil equivalent per day (“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 with 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.

Focus is now concentrated on acquiring the required consents such as planning and environmental permissions to enable commercial production from the Wressle discovery.

In January 2017 the North Lincolnshire Council declined planning consent for the development of the Wressle-1 discovery. At the same meeting, however, the application for the installation of groundwater monitoring boreholes was approved.

The Operator, Egdon, having consulted with the Joint Venture Partners (“JV”) and having taken further advice, have informed the JV that they have submitted a formal appeal against the refusal of planning consent.

In addition, Egdon has, in parallel, submitted a new planning application for the Wressle development which includes even more detailed information to address the specific concerns outlined by the North Lincolnshire Council in their refusal. The Board of Union Jack believes that this dual track approach will provide the best opportunity for a successful outcome with the minimum of delay. On this basis the licence costs are not impaired in these financial statements.

#### THE INTERESTS IN PEDL180 AND PEDL182 ARE HELD BY:

Egdon Resources U.K. Limited (operator)	25.0%
Celtique Energie Petroleum Limited	30.0%
Europa Oil & Gas Limited	30.0%
Union Jack Oil plc	15.0%

## REVIEW OF OPERATIONS

PEDL005(R)

### KEDDINGTON

PEDL339

### LOUTH EXTENSION

INTEREST HELD BY  
UNION JACK OIL PLC  
**10%**

**Producing oilfield with increased production potential from two additional prospects.**

**Louth Prospect extends into PEDL339.**

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

Under the terms of the acquisition agreement Union Jack agreed to pay 20% of the costs of the Keddington-5 sidetrack development well drilled in January 2016 and the proposed Louth exploration well. The Company has not paid any upfront cash to earn the 10% economic interest in PEDL005(R). Under the terms

of the agreement Union Jack has also earned a 10% interest from Egdon in PEDL339, which contains the mapped extension to the Louth Prospect. This licence was awarded to the existing Joint Venture group in the UK 14th Landward Oil and Gas Licensing Round.

#### KEDDINGTON OILFIELD

Union Jack owns a 10% interest in Keddington and the associated infrastructure and production facilities. Union Jack receives 10% of all production revenues. The partners in Keddington are seeking to maximise the value of the “Greater Keddington” area through two additional 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.

Keddington has produced in excess of 300,000 barrels of oil to date and is currently producing approximately 30 bopd from the Keddington-3Z

well. Testing of the recently drilled Keddington-5 sidetrack well has initially seen production dominated by formation water and plans are being considered to target undrained reservoir sequences.

#### LOUTH PROSPECT

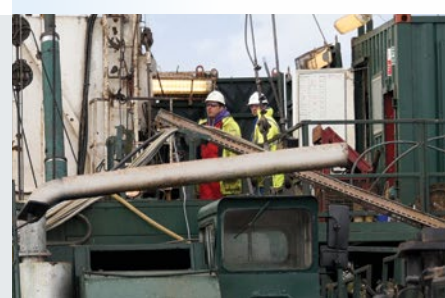
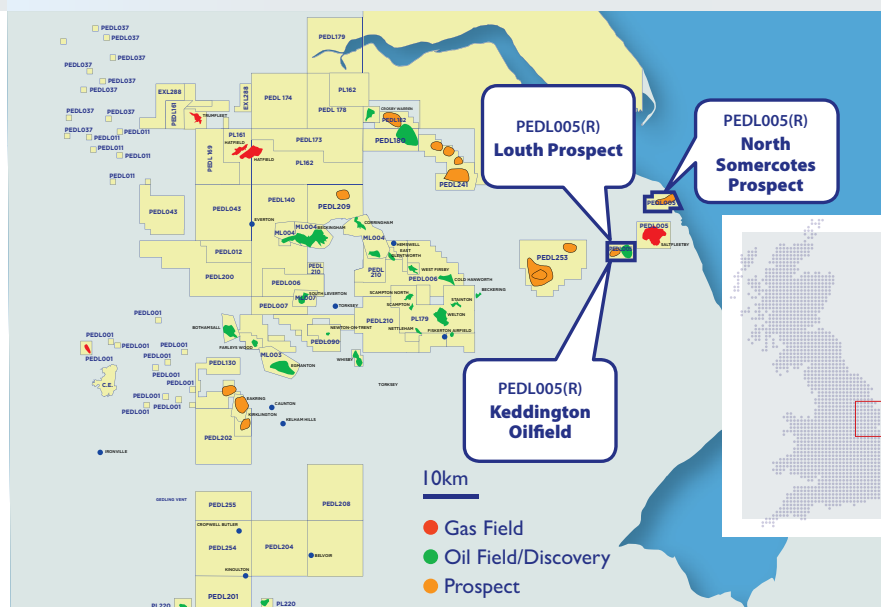
The Louth oil prospect is located mostly within PEDL005(R) and extends into PEDL339. Located on the margins of the Humber Basin, the prospect is defined on reprocessed 3D seismic data and is estimated by the operator to contain a STOIP of 5.5 million barrels and gross mean Prospective Resources of 1.4 million barrels with an attractive COS of 37%.

#### NORTH SOMERCOTES

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%.

#### THE INTERESTS IN PEDL005(R) ARE HELD BY:

	KEDDINGTON OILFIELD	PEDL005(R) EXCLUDING KEDDINGTON
Egdon Resources U.K. Limited (operator)	45.0%	65.0%
Nautical Petroleum Limited	10.0%	10.0%
Terrain Energy Limited	35.0%	15.0%
Union Jack Oil plc	10.0%	10.0%



PEDL143

## HOLMWOOD PROSPECT

INTEREST HELD BY  
UNION JACK OIL PLC

**7.5%**

The first Weald Basin licence interest to Union Jack's expanding UK onshore portfolio.

Unrisked gross mean prospective resources of 5.6 million barrels from the shallower sandstone reservoirs only.

In May 2016, Union Jack entered into an agreement with the Operator, Europa to acquire a 7.5% economic interest in PEDL143 located within the Weald Basin in southern England and containing the drill-ready Holmwood Prospect.

During 2015 planning permission was obtained for both the surface well location and underground wellpath for the Holmwood-I exploration well expected to be drilled in H2 2017.

The Holmwood Prospect is a conventional oil prospect first identified by BP in 1988, and is estimated by the Operator to hold gross mean unrisked prospective resources of 5.6 million barrels of oil in the Portlandian and Corallian sandstones with a geological COS of 33%. The P90 – P10 range of prospective resources is 1 to 11 million barrels of oil which is the typical range for the Weald Basin, based on the 14 oil and gas fields that have been discovered and produced in the Weald Basin to date.

The Holmwood Prospect lies 12 kilometres immediately to the west of, and on trend with, the Horse Hill-I discovery well in PEDL137 where earlier in 2016 UK Oil & Gas Investments PLC and its partners reported excellent flow rates from test production from the Upper Portland sandstone reservoir and the Upper and Lower Kimmeridge

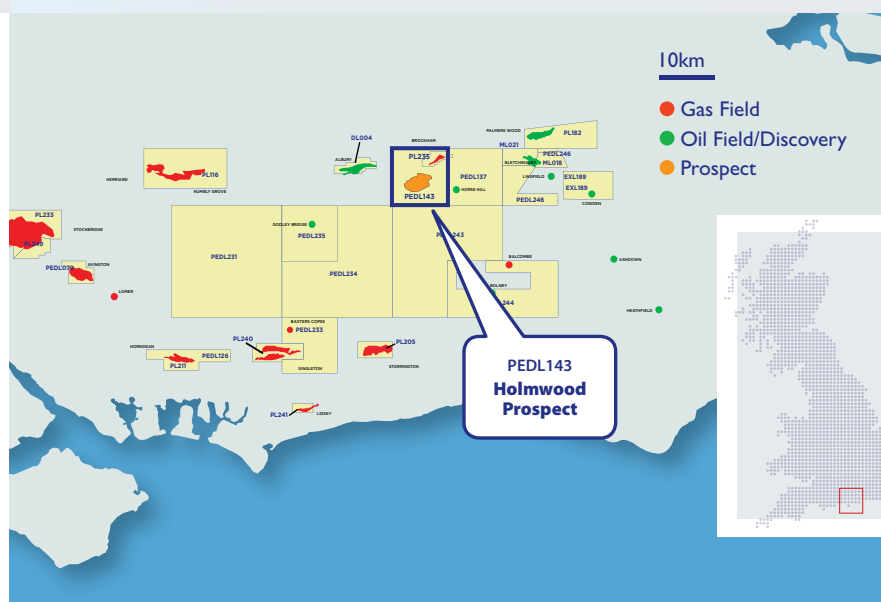
limestone reservoirs. The Holmwood Prospect also lies approximately five kilometres south of the Brockham oilfield that produces from the Portland sandstone reservoir.

The Holmwood-I exploration well will penetrate similar stratigraphy to the Horse Hill-I discovery, including the possibility that oil may be encountered in the Jurassic Upper and Lower Kimmeridge Micrites, in addition to its principal targets in the Corallian and Portlandian sandstone. Possible resources within the Jurassic limestones, equivalent to those at the Horse Hill-I discovery have not been estimated in the Operator's mean unrisked prospective resources forecast of 5.6 million barrels of oil and so offer further upside potential.

A two year extension has been granted by the OGA to 1 October 2018 in respect of this licence.

### THE INTERESTS IN PEDL143 ARE HELD BY:

Europa Oil and Gas Limited (operator)	20.0%
UK Oil & Gas Investments PLC	30.0%
Egdon Resources UK Limited	18.4%
Angus Energy plc	12.5%
Warwick Energy Exploration Limited	10.0%
Union Jack Oil plc	7.5%
Altwood Petroleum Limited	1.6%



## REVIEW OF OPERATIONS

PEDL253

### BISCATHORPE

INTEREST HELD BY  
UNION JACK OIL PLC  
**12%**

**Drill-ready prospect expected to be drilled during H2 2017 adding considerable risk adjusted value.**

In March 2013, Union Jack entered into an agreement with Egdon, the licence operator, and Montrose Industries Limited (“Montrose”) to acquire 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 gasfield 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 that 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 within 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 the operator’s Best Estimate is a gross Prospective Resource of 14 million barrels of oil, with a COS of 40%, within the mapped structural closure. There is also the potential for stratigraphic trapping to the west

which, if present, could increase the expected gross Prospective Resources to 41 million barrels of oil. 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 have been identified from which a vertical well to a depth of 2,100 metres can be drilled.

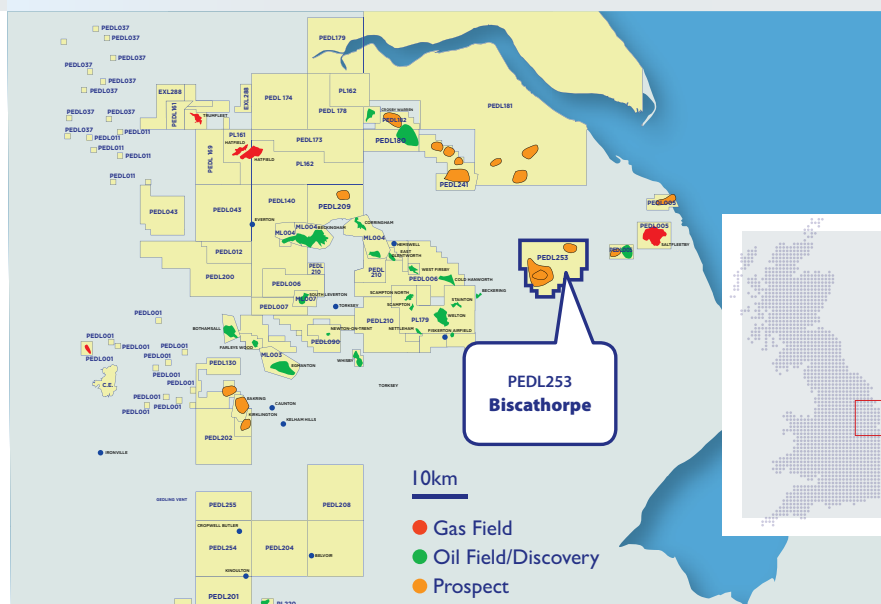
In March 2015, planning consent was granted for the drilling and any subsequent testing of the Biscathorpe-2 exploration well.

Drilling of the Biscathorpe-2 conventional exploration well is expected during H2 2017.

A one year extension has been granted by the OGA to 30 June 2018 in respect of this licence.

#### 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%





PEDL241

## NORTH KELSEY

INTEREST HELD BY  
UNION JACK OIL PLC  
**20%**

### Drill-ready multi-target prospect.

Union Jack holds a 20% interest in PEDL241 containing the North Kelsey Prospect. The initial holding was 10% which was acquired from Egdon, the operator, during 2013 on a two for one promote agreement whereby Union Jack earned its interest by bearing an increased share of certain costs.

In June 2015 Celtique Energie Petroleum Limited relinquished its interest in PEDL241 and the Company acquired pro-rata a further 10% interest for a nominal consideration and without promote.

PEDL241 is located within the proven hydrocarbon fairway of the Humberside platform. The North Kelsey Prospect is located approximately 10 kilometres to the south of the Wressle-1 discovery in PEDL180.

The prospect is defined on 3D seismic data and has the potential for up to four stacked sandstone reservoirs in the Chatsworth, Beacon Hill, Raventhorpe and Santon sandstones. The nearby Crosby Warren oilfield and the Brigg oil discovery are productive from the Upper Carboniferous Namurian aged reservoirs.

The gross mean combined Prospective Resources for these multiple objectives, as calculated by Egdon, are estimated to be 6.7 million barrels of oil.

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

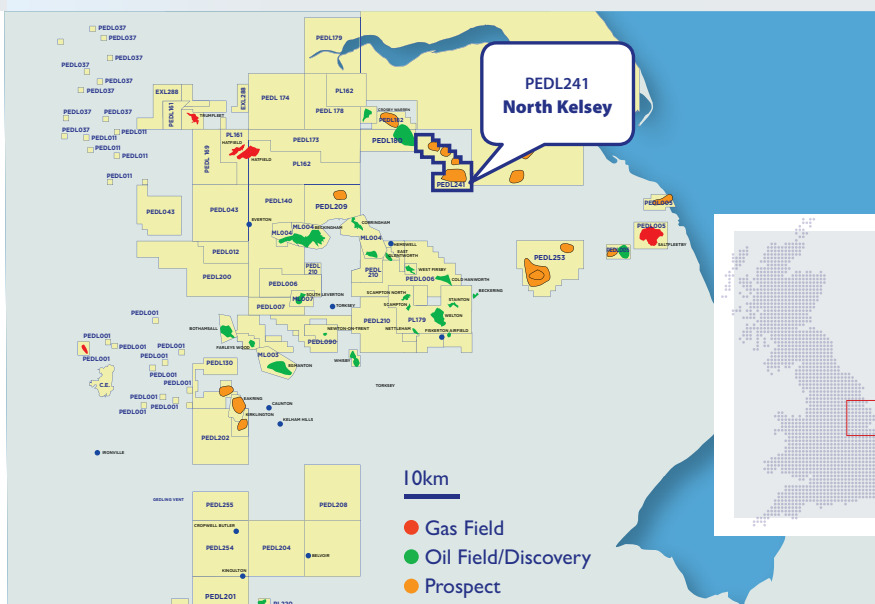
In December 2014, the Planning and Regulation Committee of Lincolnshire County Council granted planning consent for the drilling of, and any subsequent testing of, the North Kelsey-1 well.

Drilling of the North Kelsey-1 well is subject to farm out and is targeted to commence before June 2018.

A one year extension has been granted by the OGA to 30 June 2018 in respect of this licence.

#### THE INTERESTS IN PEDL241 ARE HELD BY:

Egdon Resources U.K. Limited (operator)	80.0%
Union Jack Oil plc	20.0%



## REVIEW OF OPERATIONS

PEDL201

### BURTON ON THE WOLDS

INTEREST HELD BY  
UNION JACK OIL PLC  
**10%**

#### Significant Bowland-Hodder Shale potential.

Drilling operations were completed in October 2014 on the Burton on the Wolds-I well located on PEDL201 in Leicestershire which was drilled on a geological feature known as the Hathern Shelf, a stable platform area, evaluating a conventional oil prospect in the Rempstone sand, productive at the Rempstone oilfield to the west of PEDL201.

The well encountered the Rempstone sand in the primary reservoir which was water wet and as a result the well was plugged and abandoned.

However, a thickness of Bowland Shale was encountered during drilling, which according to studies undertaken by the British Geological Survey, has potential for unconventional resources of shale oil or gas if buried to greater depths.

Drill cutting samples of the Bowland Shale source rock collected at the well were sent for analysis to Houston based Weatherford Laboratories to determine source rock quality. Weatherford are recognised experts in source rock evaluation.

Following analysis, Weatherford concluded that the Upper Bowland-Hodder Shale interval in the Burton on the Wolds well from the East Midlands region of the UK is a very good source rock containing dominantly oil prone Type II organic matter.

The Bowland Shale at the site of the Burton on the Wolds-I well is deemed, not unsurprisingly, to be thermally immature owing to its shallow depth. Source rock maturity is a function of heat flow, burial depth and time. To the north of the well location is the Hoton Fault which forms the southern boundary of the Widmerpool Trough. Regional well correlations show the Bowland Shale to be buried at a much greater depth and is believed to be thermally mature for hydrocarbon generation.

The results of the Weatherford analysis and the BGS studies suggest an unconventional shale play is present under the retained part of PEDL201.

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 summary concluded

that the mean deterministic un-risked in place volumes within that shale area could be approximately 5.4 billion barrels of oil and in excess of 2.7 trillion standard cubic feet of gas gross.

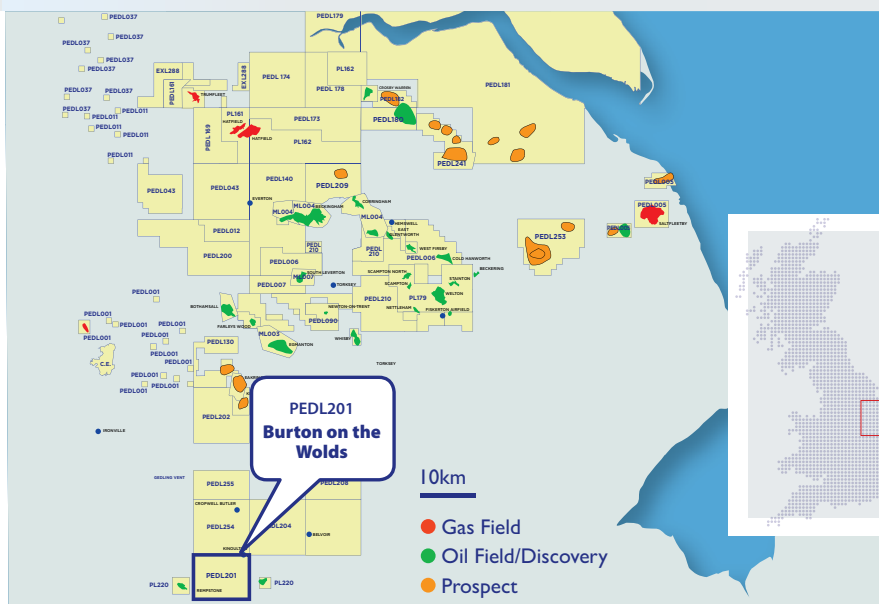
Elsewhere in the world, the combination of the technologies has permitted extensive shale developments such as the Bakken oil play in the US. Shale oil recovery factors in the US have ranged from 1% to nearly 10%. If recovery factors, even at the low end of those achieved in the US can be seen in the UK these volumes would represent significant economic developments.

Awards of licences adjacent to PEDL201 to other parties under the 14th Round, offer great encouragement regarding the unconventional play within the area under licence.

The directors are considering their options to generate cash inflows from this development. As unconventional potential has been highlighted in the licence area, of which the potential revenues would exceed costs, no impairment is considered appropriate at this time whilst further evaluation is planned and budgeted.

#### THE INTERESTS IN PEDL201 ARE HELD BY:

Egdon Resources UK Limited (operator)	45.0%
Celtique Energie Petroleum Limited	32.5%
Terrain Energy Limited	12.5%
Union Jack Oil plc	10.0%



PEDL209

## LAUGHTON

INTEREST HELD BY  
UNION JACK OIL PLC  
**10%**

**Two additional conventional prospects and hydrocarbon potential to be further evaluated.**

In January 2016, Union Jack acquired from Egdon Resources plc a 10% interest in PEDL209 in respect of the conventional prospects only within the licence area for no upfront consideration.

PEDL209 is located along the eastern side of the Gainsborough Trough, a proven hydrocarbon province within the East Midlands and contained the Laughton Prospect.

The Laughton Prospect had multiple conventional Carboniferous sandstone targets with the primary objective being the Silkstone Rock, a sandstone interval which is productive in the analogous Corringham oilfield located five kilometres to the south east.

Two other potential reservoirs, the Kilburn Sandstone and the Wingfield Flags, were also targeted by the Laughton-1 well.

In February 2016 the Laughton-1 well was spudded, targeting a structural trap at a depth of over 1,500 metres below ground level defined on re-processed 2D seismic data.

The Laughton-1 well reached a total depth of 1,700 metres in line with the pre-drill prognosis. During drilling, the well recorded hydrocarbon shows from a number of potential reservoir sequences including the Kilburn Sandstone, Chatsworth Grit, Ashover Grit and Kinderscout Grit. The Silkstone Rock primary objective was poorly developed in the well. Analysis

of the wireline log data indicated that the hydrocarbon saturations associated with the shows were not sufficiently encouraging to warrant testing.

The rig was released from contract and the wellsite has been fully restored to its original condition.

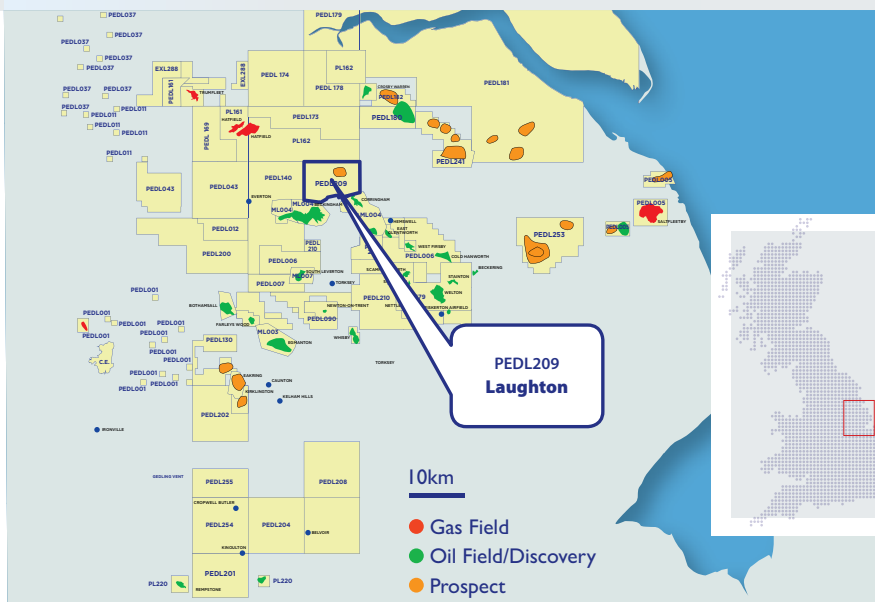
Costs of £298,711 have been impaired with regard to PEDL209.

The drilling of the Laughton-1 well completes the farm-in deal between Egdon and Union Jack and also the work commitment for the licence's first term which allows it to proceed into its second term.

Two further conventional prospects within PEDL209 and the remaining hydrocarbon potential are to be further evaluated.

### THE CONVENTIONAL INTERESTS IN PEDL209 ARE HELD BY:

Egdon Resources UK Limited (operator)	38.0%
Blackland Park Exploration Limited	28.0%
Stelinmatvic Industries Limited	24.0%
Union Jack Oil plc	10.0%



# DIRECTORS' REPORT

## FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their report together with the financial statements for the year ended 31 December 2016.

The directors have chosen, in accordance with section 414C(11) of the Companies Act 2006, to set out in the Company's Strategic Report information required by Schedule 7 to the Accounting Regulations to be contained in the Directors' Report. This information includes future developments of the Company and the risks associated with the use of financial instruments.

### DIRECTORS

The directors in office at the end of the year, and their interests in the shares of the Company as at 1 January 2016 and 31 December 2016, were as shown in the table below.

	ORDINARY SHARES	
	31 December 2016	1 January 2016
D Bramhill	52,164,580	52,164,580
J O'Farrell	118,870,063	118,870,063
R Godson	30,764,706	25,764,706
G Bull	4,000,000	4,000,000

Raymond Godson purchased 5,000,000 ordinary shares which are held in trust for the benefit of his minor grandchildren.

These shares have been included in the above table of interests.

Directors who served during the year are as follows:

David Bramhill (executive director);

Joseph O'Farrell (executive director);

Raymond Godson (non-executive director);

Graham Bull (non-executive director).

### DIRECTORS' REMUNERATION

The remuneration of the directors for the year ended 31 December 2016 and the year ended 31 December 2015 was as follows:

	SALARIES AND FEES	
	2016 £	2015 £
D Bramhill	80,000	80,000
J O'Farrell	50,000	50,000
R Godson	25,000	25,000
G Bull	25,000	25,000

Directors' remuneration is disclosed in note 4 of these financial statements.

Copies of the Service Agreements in respect of D Bramhill and J O'Farrell are available for inspection at the Company's Registered Office. Copies of the Letters of Appointment in respect of G Bull and R Godson are available for inspection at the Company's Registered Office.

### ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held on 22 June 2017 in accordance with the Notice of Annual General Meeting on page 43. Details of the resolutions to be passed are included in this notice.

### EVENTS AFTER THE BALANCE SHEET DATE

The following events have taken place after the year end:

In February 2017, 1,032,589,694 new ordinary shares were issued for cash at 0.135 pence per share raising approximately £1,400,000 before expenses.

The enlarged issued share capital following the issue of new shares described in this section is 4,333,063,205 ordinary shares of 0.025 pence each.

In March 2017, the Company acquired a 3.33% interest in PEDL180 and PEDL182 containing the Wressle oil discovery from Celtique Energie Petroleum Limited for a consideration of £600,000. The Company now holds an interest of 15% in PEDL180 and PEDL182.

### CAPITAL STRUCTURE

Details of the issued share capital, together with details of the movements in the Company's issued share capital during the year, are shown in note 12(a).

### DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors at the date of the approval of this Annual Report confirm that:

- so far as the directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

### AUDITOR

BDO LLP was appointed Auditor during the year.

A resolution to reappoint BDO LLP will be proposed at the forthcoming Annual General Meeting.

### COMPANY NAME AND REGISTERED NUMBER

The registered number of Union Jack Oil plc is 07497220.

On behalf of the Board

**David Bramhill**  
Executive Chairman

15 May 2017

# CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The Company's securities are traded on the AIM Market of the London Stock Exchange ("AIM"). The Company has considered the Quoted Company Alliance ("QCA") corporate governance guidelines for AIM companies relevant to the Company but due to the size and nature of its current business has not adopted the UK Corporate Governance Code in its entirety.

## THE BOARD

During the year the Board of Directors of Union Jack Oil plc consisted of two executive directors and two non-executive directors as disclosed within the Directors, Officers and Advisers section of this report, who were responsible for the proper management of the Company. The Board met in person or by telephone, as permitted by the current Articles of Association, three times during the year. In addition, the Board held numerous project appraisal and strategy discussions during the year.

The Board will meet at least four times in the coming year to review trading performance and budgets, ensure adequate funding, set and monitor strategy, examine acquisition opportunities and report to shareholders. The Board has a formal schedule of matters specifically reserved to it for decisions.

## REMUNERATION COMMITTEE

The Remuneration Committee comprises Graham Bull, who acts as its Chairman, and Raymond Godson.

The current executive director remuneration package comprises basic salary only. Directors' remuneration for the year is noted in the Directors' Report and shown in note 4 on page 32.

Those disclosures form part of this report.

The remuneration of non-executive directors is determined by the Board.

## AUDIT COMMITTEE

The Audit Committee comprises Raymond Godson, who acts as its Chairman, and Graham Bull. The Committee is responsible for considering a wide range of financial matters.

This Committee also provides a forum for reporting by the Company's auditor. The executive directors may attend meetings by invitation.

## INTERNAL FINANCIAL CONTROL

The directors are responsible for establishing and maintaining the Company's internal financial control systems. These are designed to meet the particular needs of the Company and the risks to which it is exposed, and by their nature can provide reasonable but not absolute assurance against material misstatement or loss.

The key procedures that the directors have established to provide effective internal financial controls are:

- **Identification of Business Risks**

The Board is responsible for identifying the major business risks faced by the Company and for determining the appropriate course of action to manage these risks.

- **Investment Appraisal**

Capital expenditure is regulated by authorisation limits. For expenditure beyond the specified limits including investments in exploration projects, detailed proposals are submitted to the Board for review and sign-off.

- **Financial Reporting**

The Company has a comprehensive system for reporting financial results to the Board.

- **Audit Committee**

The Audit Committee considers and determines relevant action in respect of any control issues raised by the external auditor.

# DIRECTORS' RESPONSIBILITIES STATEMENT

## FOR THE YEAR ENDED 31 DECEMBER 2016

The directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the Company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. The directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market. In preparing these financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

# INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

## TO THE MEMBERS OF UNION JACK OIL PLC

We have audited the financial statements of Union Jack Oil plc ("the Company") for the year ended 31 December 2016 which comprise the Income Statement, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows, Principal Accounting Policies and the related notes 1 to 22. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

### SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### OPINION ON FINANCIAL STATEMENTS

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of the Company's loss for the year then ended;
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

### OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of this audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Anne Sayers**, Senior Statutory Auditor

for and on behalf of BDO LLP, Statutory Auditor,  
London, United Kingdom

15 May 2017

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)



# INCOME STATEMENT

## FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	31.12.16 £	31.12.15 £
<b>Revenue</b>		22,119	–
Cost of sales		(22,696)	–
<b>Gross loss</b>		(577)	–
Administrative expenses (excluding impairment charge)		(598,075)	(605,742)
Impairment	2	(298,711)	–
<b>Total administrative expenses</b>		(896,786)	(605,742)
<b>Operating loss</b>	2	(897,363)	(605,742)
Other income	3	–	12,713
Finance income	5	5,654	6,569
<b>Loss before taxation</b>		(891,709)	(586,460)
Taxation	6	(885)	(841)
<b>Loss for the financial year</b>		(892,594)	(587,301)
<b>Attributable to:</b>			
Equity shareholders of the Company		(892,594)	(587,301)
<b>Loss per share</b>			
Basic and diluted loss per share (pence)	7	(0.03)	(0.02)

The accompanying accounting policies and notes form an integral part of these financial statements.

# STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2016

	31.12.16 £	31.12.15 £
Loss for the financial year	(892,594)	(587,301)
Other comprehensive income	–	–
<b>Total comprehensive loss for the financial year</b>	<b>(892,594)</b>	<b>(587,301)</b>

The accompanying accounting policies and notes form an integral part of these financial statements.

# BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	31.12.16 £	31.12.15 £
<b>Assets</b>			
<b>Non-current assets</b>			
Exploration and evaluation assets	8	2,079,340	1,165,077
Investments	9	40,000	40,000
		2,119,340	1,205,077
<b>Current assets</b>			
Trade and other receivables	10	62,700	27,232
Cash and cash equivalents	11	1,861,964	3,078,311
		1,924,664	3,105,543
<b>Total assets</b>		4,044,004	4,310,620
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	18	85,312	85,649
Provisions	19	18,000	18,000
<b>Total liabilities</b>		103,312	103,649
<b>Net assets</b>		3,940,692	4,206,971
<b>Capital and reserves attributable to the Company's equity shareholders</b>			
Share capital	12(a)	2,696,399	2,593,458
Share premium	13	4,566,072	4,042,698
Share-based payments reserve	13	167,924	167,924
Accumulated deficit	13	(3,489,703)	(2,597,109)
<b>Total equity</b>		3,940,692	4,206,971

The financial statements of Union Jack Oil plc, registered number 07497220, were approved and authorised for issue by the Board of Directors on 15 May 2017 and were signed on its behalf by:

**David Bramhill**  
Director

The accompanying accounting policies and notes form an integral part of these financial statements.

# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2016

	Share capital £	Accumulated deficit £	Share premium £	Share-based payment reserve £	Total £
Balance at 1 January 2015	2,475,811	(2,009,808)	3,282,848	349,833	4,098,684
<b>Total comprehensive loss</b>	<b>–</b>	<b>(587,301)</b>	<b>–</b>	<b>–</b>	<b>(587,301)</b>
<b>Contributions by and distributions to owners</b>					
Issue of share capital	117,647	–	682,353	–	800,000
Share issue costs	–	–	(104,412)	–	(104,412)
Expiry of share-based payments	–	–	181,909	(181,909)	–
<b>Total contributions by and distributions to owners</b>	<b>117,647</b>	<b>–</b>	<b>759,850</b>	<b>(181,909)</b>	<b>(695,588)</b>
<b>Balance at 31 December 2015</b>	<b>2,593,458</b>	<b>(2,597,109)</b>	<b>4,042,698</b>	<b>167,924</b>	<b>4,206,971</b>
Balance at 1 January 2016	2,593,458	(2,597,109)	4,042,698	167,924	4,206,971
<b>Total comprehensive loss</b>	<b>–</b>	<b>(892,594)</b>	<b>–</b>	<b>–</b>	<b>(892,594)</b>
<b>Contributions by and distributions to owners</b>					
Issue of share capital	102,941	–	597,059	–	700,000
Share issue costs	–	–	(73,685)	–	(73,685)
<b>Total contributions by and distributions to owners</b>	<b>102,941</b>	<b>–</b>	<b>523,374</b>	<b>–</b>	<b>626,315</b>
<b>Balance at 31 December 2016</b>	<b>2,696,399</b>	<b>(3,489,703)</b>	<b>4,566,072</b>	<b>167,924</b>	<b>3,940,692</b>

The accompanying accounting policies and notes form an integral part of these financial statements.

# STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	31.12.16 £	31.12.15 £
<b>Cash flow from operating activities</b>	14	(694,601)	(543,846)
<b>Cash flow from investing activities</b>			
Purchase of intangible assets	8	(1,153,715)	(534,320)
Purchase of investments		–	(20,000)
Interest received		5,654	6,569
<b>Net cash used in investing activities</b>		(1,148,061)	(547,751)
<b>Cash flow from financing activities</b>			
Proceeds on issue of new shares	12(a)	700,000	800,000
Cost of issuing new shares	12(a)	(73,685)	(104,412)
<b>Net cash generated from financing activities</b>		626,315	695,588
<b>Net decrease in cash and cash equivalents</b>		(1,216,347)	(396,009)
Cash and cash equivalents at beginning of financial year		3,078,311	3,474,320
<b>Cash and cash equivalents at end of financial year</b>	11	1,861,964	3,078,311

The accompanying accounting policies and notes form an integral part of these financial statements.

# PRINCIPAL ACCOUNTING POLICIES

Union Jack Oil plc is a company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is 6 Charlotte Street, Bath BA1 2NE, England. The nature of the Company's operations and its principal activities are set out in the Directors' Report, Strategic Report and Review of Operations. These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

## BASIS OF PREPARATION

The annual financial statements of Union Jack Oil plc ("the Company") have 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.

IFRS is subject to amendment and interpretation by the International Accounting Standards Board ("IASB") and the IFRS Interpretations Committee, and there is an ongoing process of review and endorsement by the European Commission. These accounting policies comply with each IFRS that is mandatory for accounting periods ending on 31 December 2016.

The financial statements have been prepared under the historical cost convention except for the valuation of certain warrants for shares. The principal accounting policies set out below have been consistently applied to all periods presented.

## GOING CONCERN

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chairman's Statement, Review of Operations and the Strategic Report. The directors' forecasts demonstrate that the Company will meet its day-to-day working capital and share of estimated drilling costs over the forecast period (being at least 12 months from the date the financial statements were approved) from the cash held at the date of the signing of these financial statements. The principal risk to the Company's working capital position is drilling cost overruns. The Company has sufficient funding to meet planned drilling expenditures and a level of contingency. Taking account of these risks, sensitised forecasts show that the Company should be able to operate within the level of funds currently held. The directors have 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 in preparing the financial statements.

## REVENUES

Revenues represent amounts receivable for the sale of crude oil, net of taxes, and are recognised on delivery to a third party storage facility on behalf of a customer.

## CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and deposits held at call with banks.

## FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised on the Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

Trade and other receivables are initially measured at fair value, and are subsequently measured at amortised cost using the effective interest method.

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost using the effective interest rate method.

## EXPLORATION AND EVALUATION COSTS

Costs (including research costs) incurred prior to obtaining the legal rights to explore an area will be expensed immediately to the Income Statement, as these are classified as pre-licence costs.

Expenditure incurred on the acquisition of a licence interest will initially be capitalised on a licence-by-licence basis. Costs will be held within exploration and evaluation costs until such a time as the exploration phase on the licence area is complete or commercial reserves have been discovered.

Exploration expenditure incurred in the process of determining exploration targets will be capitalised initially within intangible assets as exploration and evaluation costs. Exploration costs will initially be capitalised whilst exploration and evaluation activities are continuing, and until the success or otherwise has been established. The success or failure of each exploration/evaluation effort will be judged generally on a licence-by-licence basis. Capitalised costs will be written off on completion of exploration and evaluation activities unless the results indicate that hydrocarbon reserves exist and that these reserves are commercially viable.

All such costs will be subject to regular technical, commercial and management review for indicators of impairment which includes confirming the continued intent to develop or otherwise extract value from the licence, prospect or discovery. Where this is no longer the case, the costs will be immediately expensed.

## PRINCIPAL ACCOUNTING POLICIES

### DEVELOPMENT AND PRODUCTION

Following evaluation of successful exploration wells, if commercial reserves are established and the technical feasibility of extraction is demonstrated, and once a project is sanctioned for commercial development, then the related capitalised exploration/evaluation costs will be transferred into a single field cost centre within development/producing assets after testing for impairment within Property, Plant and Equipment. Where results of exploration drilling indicate the presence of hydrocarbons which are ultimately not considered commercially viable, all related costs will be written off to the Income Statement.

All costs incurred after the technical feasibility and commercial viability of producing hydrocarbons have been demonstrated will be capitalised within development/producing assets on a field-by-field basis. Subsequent expenditure will be capitalised only where it either enhances the economic benefits of the development/producing asset or replaces part of the existing development/producing asset.

Net proceeds from any disposal of an exploration asset will initially be credited against the previously capitalised costs. Any surplus proceeds will be credited to the Income Statement.

### DECOMMISSIONING AND SITE RESTORATION COSTS

Plug and abandonment and demobilisation costs will be recognised in full when wells have been suspended or facilities installed, or as soon as a constructive obligation arises. A corresponding amount equivalent to the provision will also be recognised as part of the cost of the asset. The amount recognised will be the estimated cost of decommissioning, discounted to its net present value, and will be reassessed each year. Changes in the estimated timing or cost estimates will be dealt with prospectively by recording an adjustment to the provision, and a corresponding adjustment to the decommissioning asset. The unwinding of the discount on the decommissioning provision will be included as a finance cost.

### IMPAIRMENT

The carrying amounts of non-current assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable. If there are indicators of impairment, such as a well not encountering commercial quantities of oil or a site being shut-in, an exercise is undertaken to determine whether the carrying values are in excess of their recoverable amount. Such review is undertaken on an asset by asset basis, except where such assets do not generate cash flows independent of other assets, in which case the review is undertaken at the cash generating unit level on a field-by-

field basis. For intangible exploration and evaluation assets potential impairment triggers may include the short term expiry of a licence, lack of budgeted spend, or the lack of potential for commercial development of the asset. The potential recoverable value of such assets is assessed by the directors based on their knowledge of the assets and available information. The Company's cash-generating units are the smallest identifiable groups of assets that generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

A previously recognised impairment loss is reversed if the recoverable amount increases as a result of a reversal of the conditions that originally resulted in the impairment. This reversal is recognised in the profit and loss account and is limited to the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised in the prior years.

The recoverable amount of assets is the greater of their value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairments are recognised in the income statement to the extent that the carrying amount exceeds the assets' carrying amount. The revised carrying amounts are amortised in line with the Company's accounting policies.

### FARM-INS AND PROFIT-SHARING AGREEMENTS

The Company accounts for its own assets, liabilities and cash flows measured in accordance with the terms of the production sharing agreement and the accounting treatment reflects the agreement's commercial effect. The Company's turnover and cost of sales include revenues and operating costs associated with the Company's interest.

### CURRENT TAX

Current tax is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Income Statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the Balance Sheet date.

## PRINCIPAL ACCOUNTING POLICIES

### DEFERRED TAX

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the Balance Sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the Balance Sheet date. Deferred tax is charged or credited in the Income Statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

### INTERNATIONAL FINANCIAL REPORTING STANDARDS IN ISSUE BUT NOT YET EFFECTIVE

At the date of authorisation of these financial statements, the IFRS Interpretations Committee has issued standards, interpretations and amendments which are applicable to the Company. Whilst these standards and interpretations are not effective for, and have not been applied in the preparation of, these financial statements, the following may have an impact going forward:

**IFRS 15 - Revenue from contracts with customers (effective 1 Jan 2018)**

**Amendments to IFRS 2 - Classification and measurement of share-based payment transactions (effective 1 Jan 2018)**

The Company is in the process of assessing the impact of new standards taking effect on or after 1 January 2018. The Company's revenues are expected to increase over the coming years and the impact of IFRS 15 will be assessed once the structure of sale contracts is known.

### EQUITY INSTRUMENTS

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

### SHARE-BASED PAYMENTS – WARRANTS

Equity-settled share-based payments in respect of warrants for professional services are measured at the fair value of the equity instruments at the grant date, on the basis that this is immaterially different from the fair value of the services provided. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 12(b). The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the number of equity instruments that will eventually vest. At each Balance Sheet date, the Company revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in the Income Statement such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity reserves.

### INVESTMENTS

Investments represent available-for-sale investments and are initially held at fair value and are subsequently measured at fair value or at cost where fair value is not readily ascertainable. Gains and losses arising from changes in fair value are recognised directly in equity until the investment is disposed of or is determined to be impaired, at which time the cumulative gain or loss recognised previously in equity is included in the net profit or loss for the year.



## PRINCIPAL ACCOUNTING POLICIES

### CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in this note, the directors are required to make judgements regarding the choice and application of accounting policies, as well as estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimates that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

#### Warrants

In determining the fair value of warrants and the related charges to the Income Statement, the Company makes assumptions about future events and market conditions. The fair value is determined using a valuation model which is dependent on estimates, including the future volatility of the Company's share price and the expected life of the warrants. This is determined by using historic data from similar companies and historic trends on exercising warrants by warrant holders. See note 12(b).

#### Impairment

Management is required to assess the exploration and evaluation assets for indicators of impairment. Note 8 discloses the carrying value of the exploration and evaluation assets.

Impairment is considered on a licence-by-licence basis.

In assessing the need to impair exploration and evaluation assets the Board makes assumptions about the future progress and likely successful outcome of exploration and drilling activities. Due diligence is performed at the outset of the investment before an investment is made. At an early stage of exploration of each investment the need for impairment is determined through monitoring market and industry conditions, competent person reports on each prospect and information from each licence's main operator.

In the case of those licences where drilling has commenced and management is committed to further exploration and evaluation with sufficient financial resources available to do so, impairment is not recognised unless technical analysis confirms that commercially viable hydrocarbons are insufficient to recover costs incurred.

In respect of PEDL201, the Burton on the Wolds-1 well was drilled and no conventional commercial hydrocarbons were discovered.

However, unconventional potential has been highlighted within the licence area, of which the potential revenues would exceed costs as at 31 December 2016 of £345,655.

The directors are considering their options to generate cash inflows from this development and accordingly the directors continue to actively evaluate the licence with a view to possible future explorative drilling. As unconventional potential has been highlighted in the licence area, of which the potential revenues would exceed costs, no impairment is considered appropriate at this time.

In February 2016 the Laughton-1 well within PEDL209 was spudded targeting a structural trap at a depth of over 1,000 metres below ground level defined on re-processed 2D data. The Silkstone Rock primary objective was poorly developed in the well. Analysis of the wireline log data indicated that the hydrocarbon saturations associated with the shows were not sufficiently encouraging to warrant testing.

The rig was released from contract and the wellsite has been fully restored to its original condition.

The directors have considered their options in respect of PEDL209 and believe that although the licence interest currently remains in the Union Jack Oil portfolio it is appropriate to impair the costs of £298,711 spent to date on this licence.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

## 1 BUSINESS AND OPERATING SEGMENTS

The Company is considered to have one operating segment, being the exploration for, and future development of, hydrocarbon projects in the United Kingdom.

## 2 OPERATING LOSS

	31.12.16 £	31.12.15 £
Operating loss is stated after charging:		
Impairment charge	298,711	–
Staff costs (see note 4)	197,399	198,362
Fees payable to the Company's auditor for:		
– The audit of these financial statements	18,000	23,000
– Tax compliance services	6,000	6,000

The impairment charge of £298,711 is in respect of Laughton (PEDL209).

## 3 OTHER INCOME

During the year a sum of £nil (2015: £12,713) was received in respect of the Company's share of test production from the Wressle-1 well and the Keddington oilfield, currently under development.

## 4 STAFF COSTS

The aggregate payroll cost in the year of the employees, all of whom are directors, was as follows:

	31.12.16 £	31.12.15 £
Salaries	180,000	180,000
Social security costs	17,399	18,362
	197,399	198,362

The average number of persons employed by the company during the year was 4 (2015: 4).

Details of each director's remuneration are included in the Directors' Report.

### Highest paid director

The highest paid director received remuneration of £80,000 (2015: £80,000).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

**5 FINANCE INCOME**

	31.12.16 £	31.12.15 £
Bank interest	5,654	6,569

**6 TAXATION**

	31.12.16 £	31.12.15 £
<b>Current tax</b>		
UK corporation tax	–	–
Adjustment in respect of prior periods	885	841
Total UK corporation tax charge	885	841

The differences between the current tax shown above and the amount calculated by applying the standard rate of UK corporation tax for oil and gas companies of 40% (2015: 50%) to the loss before tax is as follows:

	£	£
Loss on ordinary activities before tax	(891,709)	(586,460)
Tax on Company loss on ordinary activities at standard UK corporation tax rate of 40% (2015: 50%)	356,684	293,230
Effects of:		
Impairment of intangible assets not deductible for tax purposes	(119,484)	–
Finance income	2,262	3,284
Losses carried forward	(239,462)	(296,514)
Adjustment in respect of prior periods	885	841
Current tax charge for year	885	841

During the year the Company paid £885 corporation tax on its finance income for the previous year of £6,569.

A deferred tax asset of £909,401 (2015: £967,243) relating to the carry forward of losses from trading and pre-trading expenditure has not been recognised in the year as at present it is not envisaged that any tax will become payable in the foreseeable future against which those losses could be utilised as deductions.

On 16 March 2016, the Government announced a reduction in the supplementary charge to 10%. This has reduced the effective tax rate to 40%.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 7 LOSS PER SHARE

The Company has issued warrants over ordinary shares which could potentially dilute the basic loss per share in the future. Further details are given in note 12(b).

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

During the current and prior year the Company had warrants in issue as detailed in note 12(b). At 31 December 2016 the Company had 55,052,548 (2015: 55,052,548) warrants in issue. These warrants have not been taken into account when calculating the diluted loss per share as their impact was anti-dilutive. Therefore the basic and diluted loss per share are the same.

Loss per share	2016 Pence	2015 Pence
Loss per share from continuing operations	(0.03)	(0.02)

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

	2016 £	2015 £
Loss used in the calculation of total basic and diluted earnings per share	(892,594)	(587,301)

Number of shares	2016	2015
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	2,994,752,318	2,492,898,974

As detailed in note 12, the Company has 831,680,400 (2015: 831,680,400) deferred shares. These have not been included within the calculations of basic shares above on the basis that IAS 33 defines an ordinary share as an equity instrument that is subordinate to all other classes of equity instruments. Any residual interest in the assets of the Company would not currently, on liquidation, go to the deferred shareholders, hence they are not currently considered subordinate. These deferred shares have not been taken into account when calculating the diluted loss per share as their impact was anti-dilutive.

As detailed in note 22, the Company issued 1,032,589,694 new ordinary shares after the year end. If the transaction had occurred before the year end the weighted average number of ordinary shares used above, in the calculation of loss per share, would have been increased.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 8 INTANGIBLE ASSETS

	31.12.16 £	31.12.15 £
At 1 January	1,165,077	832,100
Costs incurred during the year	1,212,974	314,977
Costs impaired	(298,711)	–
Provision for site restoration	–	18,000
At 31 December	2,079,340	1,165,077

The Laughton-1 well reached a total depth of 1,700 metres in line with the pre-drill prognosis. During drilling, the well recorded hydrocarbon shows from a number of potential reservoir sequences including the Kilburn Sandstone, Chatsworth Grit, Ashover Grit and Kinderscout Grit. The Silkstone Rock primary objective was poorly developed in the well. Analysis of the wireline log data indicated that the hydrocarbon saturations associated with the shows were not sufficiently encouraging to warrant testing.

The rig was released from contract and the wellsite has been fully restored to its original condition.

Costs of £298,711 have been impaired with regard to PEDL209.

Intangible assets (less provision for impairment) comprise amounts capitalised as follows:

		31.12.16 £	31.12.15 £
Wressle	PEDL180	1,378,156	723,703
Burton on the Wolds	PEDL201	345,655	340,877
Keddington/Louth	PEDL005(R)	245,324	19,471
Biscathorpe	PEDL253	62,163	54,006
North Kelsey	PEDL241	33,252	27,020
Holmwood	PEDL143	14,260	–
Louth Extension	PEDL339	265	–
Broughton North	PEDL182	265	–
		2,079,340	1,165,077

#### 9 INVESTMENTS

The Company is the beneficial owner of 169,959 (2015: 169,959) ordinary shares in Elephant Oil Limited, a company registered in England and Wales, for which it has paid £40,000 (2015: £40,000). Elephant Oil Limited has 23,218,183 (2015: 22,822,927) ordinary shares in issue. Union Jack Oil plc has a 0.73% (2015: 0.74%) interest in that company. The principal activity of Elephant Oil Limited is the exploration and evaluation of hydrocarbon assets.

The directors consider the cost to equate to fair value (Level 3 hierarchy).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

**10 TRADE AND OTHER RECEIVABLES**

	31.12.16 £	31.12.15 £
Trade receivables	16,902	–
VAT	16,343	5,645
Other receivables	–	4,362
Prepayments	29,455	17,225
	62,700	27,232

The directors consider that the carrying values of trade and other receivables are approximate to their fair value.

All of the Company's receivables have been reviewed for indications of impairment. None of the receivables was found to be impaired.

**11 CASH AND CASH EQUIVALENTS**

	31.12.16 £	31.12.15 £
Cash at bank	1,861,964	3,078,311

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets is equal to their fair value.

**12(a) SHARE CAPITAL**

Allotted and issued: Number	Class	Nominal value	31.12.16 £	31.12.15 £
3,300,473,511 (31 December 2015: 2,888,708,805)	Ordinary	0.025p	825,118	722,177
831,680,400 (31 December 2015: 831,680,400)	Deferred	0.225p	1,871,281	1,871,281
Total			2,696,399	2,593,458

Ordinary shares hold voting rights and are entitled to any distributions made on winding up. Deferred shares do not hold voting rights and are not entitled to distributions made on winding up.

**Allotments during the year**

In September 2016, 411,764,706 new ordinary shares with a par value of 0.025 pence were issued at 0.17 pence per share and are fully paid.

Total consideration received was £700,000, of which £597,059 has arisen in share premium.

Issue costs of £73,685 have been charged to the share premium account.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 12(b) SHARE-BASED PAYMENTS – WARRANTS

Details of the number of warrants and the weighted average exercise price (WAEP) outstanding during the year are as follows:

Year ended December 2016	Number of warrants	WAEP £
Outstanding and exercisable at the beginning of the year	55,052,548	0.003
Outstanding and exercisable at the end of the year	55,052,548	0.003

Year ended December 2015	Number of warrants	WAEP £
Outstanding and exercisable at the beginning of the year	335,652,548	0.003
Expired in the year	(280,600,000)	0.003
Outstanding and exercisable at the end of the year	55,052,548	0.003

The fair values of warrants in issue are calculated using the Black-Scholes model. The inputs into the model are as follows:

Date of grant	04.12.12	20.12.12	17.03.14	26.09.14
Number in issue at 31 December 2016	6,074,510	3,644,706	5,333,333	39,999,999
Share price at date of grant	0.3p	0.3p	0.23p	0.38p
Exercise price	0.25p	0.25p	0.225p	0.225p
Expected volatility	69%	69%	77%	77%
Expected life (years)	5.0	2.5	2.5	2.5
Risk-free rate	0.8464%	0.8464%	0.26%	0.26%
Expected dividend yield	0%	0%	0%	0%
Fair value at date of grant	£11,099	£5,194	£22,000	£43,570
Earliest vesting date	20.12.12	20.12.12	17.03.14	26.09.14
Expiry date	20.12.22	20.12.17	17.03.19	26.09.19

In respect of the warrants granted on 17 March 2014 totalling 17,333,333, a number of 12,000,000 were exercised in 2014 leaving 5,333,333 unexercised at 31 December 2015 and 31 December 2016.

The Company recognised income of £nil (2015: £181,909) related to equity-settled share based payment transactions during the year.

During the prior year 280,600,000 warrants expired. On expiry, the fair value of those warrants being £181,909 was transferred from the share-based payment reserve to share premium, where the expense was initially recognised.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 13 RESERVES

The nature and purpose of each reserve within equity is as follows:

Share capital – represents the nominal value of shares issued.

Share premium – represents the amount subscribed for share capital in excess of nominal value, less related share issue costs.

Share-based payment reserve – represents the cumulative cost of warrants issued in return for professional services.

Accumulated deficit – represents cumulative profits or losses, and all other net gains and losses and transactions with owners not recognised elsewhere.

#### 14 RECONCILIATION OF LOSS TO CASH GENERATED FROM OPERATIONS

	31.12.16 £	31.12.15 £
Loss before taxation	(891,709)	(586,460)
Impairment of intangibles	298,711	–
Finance income	(5,654)	(6,569)
Income taxes paid	(885)	(841)
	(599,537)	(593,870)
(Increase)/decrease in trade and other receivables	(35,468)	6,006
(Decrease)/increase in trade and other payables	(59,596)	44,018
Cash used in operations	(694,601)	(543,846)



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

**15 FINANCIAL INSTRUMENTS**

**Classification of financial instruments**

The tables below set out the Company's accounting classification of each class of its financial assets and liabilities.

<b>Financial assets measured at cost</b>		<b>£</b>
<b>At 31 December 2016</b>		
Investments: available-for-sale		40,000
<b>At 31 December 2015</b>		
Investments: available-for-sale		40,000

<b>Financial assets measured at amortised cost</b>		<b>£</b>
<b>At 31 December 2016</b>		
Trade receivables		16,902
Cash and cash equivalents		1,861,964
Total carrying value		1,878,866
<b>At 31 December 2015</b>		
Other receivables		4,362
Cash and cash equivalents		3,078,311
Total carrying value		3,082,673

All of the above financial assets' carrying values approximate to their fair values at 31 December 2016 and 31 December 2015 given their nature and short times to maturity.

<b>Financial liabilities measured at amortised cost</b>		<b>£</b>
<b>At 31 December 2016</b>		
Trade payables		59,145
Accruals		24,000
Other creditors		2,167
Total carrying value		85,312
<b>At 31 December 2015</b>		
Trade payables		57,649
Accruals		28,000
Other creditors		–
Total carrying value		85,649

All of the above financial liabilities' carrying values approximate to their fair values at 31 December 2016 and 31 December 2015 given their nature and short times to maturity.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 16 FINANCIAL INSTRUMENT RISK EXPOSURE AND MANAGEMENT

The principal financial risks to which the Company is exposed are: liquidity risk and credit risk. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them.

##### Credit risk

The Company's credit risk is primarily attributable to its cash balances and such risk is limited because the third party is an international bank.

The Company's total credit risk amounts to the total of the sum of the receivables, cash and cash equivalents. At the year end this amounted to £1,895,209 (2015: £3,088,318).

##### Liquidity risk

In managing liquidity risk, the main objective of the Company is to ensure that it has the ability to pay all of its liabilities as they fall due. The Company monitors its levels of working capital to ensure that it can meet its debt repayments as they fall due.

The table below shows the undiscounted cash flows on the Company's financial liabilities as at 31 December 2016 and 31 December 2015 on the basis of their earliest possible contractual maturity.

##### At 31 December 2016

	Total £	Within 2 months £	Within 2-6 months £	Greater than 6 months £
Trade payables	59,145	59,145	–	–
Other creditors	2,167	2,167	–	–
Accruals	24,000	–	24,000	–
	85,312	61,312	24,000	–

##### At 31 December 2015

Trade payables	57,649	57,649	–	–
Accruals	28,000	–	28,000	–
	85,649	57,649	28,000	–

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 16 FINANCIAL INSTRUMENT RISK EXPOSURE AND MANAGEMENT (CONTINUED)

##### Capital management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, add shareholder value and to maintain an optimal capital structure to reduce the cost of capital. The Company defines capital as being share capital plus reserves as disclosed in the Balance Sheet.

The Board of Directors monitors the level of capital as compared to the Company's commitments, and adjusts the level of capital as is determined to be necessary, by issuing shares.

The Company is not subject to any externally imposed capital requirements.

#### 17 FINANCIAL COMMITMENTS

The Company had no financial commitments as at 31 December 2016 or 31 December 2015, other than those recognised in the Balance Sheet.

#### 18 TRADE AND OTHER PAYABLES

	31.12.16 £	31.12.15 £
Trade payables	59,145	57,649
Accruals	24,000	28,000
Other creditors	2,167	–
	85,312	85,649

#### 19 PROVISIONS

	£
Provisions for future site restoration at 31 December 2015 and 31 December 2016	18,000
Outstanding at 31 December 2015 for Wressle (PEDL180)	18,000
Provided for in the year for Laughton (PEDL209)	11,605
Utilised in the year for Laughton (PEDL209)	(11,605)
Outstanding at 31 December 2016 for Wressle (PEDL180)	18,000

At 31 December 2016 there were no site works requiring restoration for which the Company has not already met the related costs.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 20 RELATED PARTY TRANSACTIONS

Details of key management personnel remuneration are disclosed in note 4. Key management comprises only the directors.

Charnia Resources (UK), an entity owned by Graham Bull, non-executive director, was paid £38,400 (2015: £27,840) in respect of consulting fees. No amounts were outstanding at the year end (2015:nil).

Jayne Bramhill, spouse of David Bramhill, received the sum of £6,000 (2015: £4,500) from the Company in respect of IT maintenance and administration costs. No amounts were outstanding at the year end (2015:nil).

During the year, Raymond Godson, non-executive director purchased 5,000,000 ordinary shares which are held in trust for the benefit of his minor grandchildren.

#### 21 CONTINGENT LIABILITIES

In the event of a discovery of oil within the PEDL143 Holmwood licence area, a balance of £159,375 would become payable to one of the other parties to the licence. The liability is not provided for in these financial statements since at this stage the payment is not probable.

There were no contingent liabilities at 31 December 2015.

#### 22 EVENTS AFTER THE BALANCE SHEET DATE

The following events have taken place after the year end:

In February 2017, 1,032,589,694 new ordinary shares were issued for cash at 0.135 pence per share raising approximately £1,400,000 before expenses of £129,347.

The enlarged issued share capital following the issue of new shares described in this section is 4,333,063,205 ordinary shares of 0.025 pence each.

In March 2017, the Company acquired a 3.33% interest in PEDL180 and PEDL182 containing the Wressle oil discovery from Celtique Energie Petroleum Limited for a consideration of £600,000. As a result the Company holds an interest of 15% in PEDL180 and PEDL182.

# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (the “**AGM**”) of Union Jack Oil plc (the “**Company**”) will be held at the offices of Osborne Clarke, 2 Temple Back East, Temple Quay, Bristol BS1 6EG on 22 June 2017 at 11.00 a.m. to consider and, if thought fit, pass the following resolutions, of which resolutions numbered 1 to 5 will be proposed as ordinary resolutions and resolution number 6 will be proposed as a special resolution:

## ORDINARY RESOLUTIONS

### 1 Report and accounts

To receive the audited annual accounts of the Company for the year ended 31 December 2016, together with the Directors’ Report and the Auditor’s Report on those annual accounts.

### 2 Re-election of director retiring by rotation

To re-elect Raymond Godson as a director, who retires by rotation in accordance with the Company’s Articles of Association.

### 3 Re-appointment of auditor

To re-appoint BDO LLP as auditor of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next general meeting at which accounts are laid before the Company.

### 4 Auditor’s remuneration

To authorise the directors to determine the remuneration of the auditor.

### 5 Directors’ authority to allot shares

That, in substitution for any equivalent authorities and powers granted to the directors prior to the passing of this resolution, the directors be and they are generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 (the “**Act**”) to exercise all powers of the Company to allot shares in the Company, and to grant rights to subscribe for or to convert any security into shares in the Company (“**Relevant Securities**”) up to an aggregate nominal amount of £541,632.90 (representing approximately 50% of the issued share capital of the Company at the date of this notice) provided that, unless previously revoked, varied or extended, this authority shall expire on the conclusion of the next Annual General Meeting of the Company, except that the Company may at any time before such expiry make an offer or agreement which would or might require Relevant Securities to be allotted after such expiry and the directors may allot Relevant Securities in pursuance of such an offer or agreement as if this authority had not expired.

## SPECIAL RESOLUTION

### 6 Directors’ power to issue shares for cash

That, conditional upon the passing of resolution number 5, the directors be and they are empowered pursuant to Section 570(1) of the Act to allot equity securities (as defined in Section 560(1) of the Act) of the Company wholly for cash pursuant to the authority of the directors under Section 551 of the Act conferred by resolution 5 above as if Section 561(1) of the Act did not apply to such allotment provided that the power conferred by this resolution shall be limited to the allotment of equity securities up to an aggregate nominal value equal to £541,632.90 (representing approximately 50% of the issued share capital of the Company at the date of this notice) and, unless previously revoked, varied or extended, this power shall expire on the conclusion of the next Annual General Meeting of the Company, except that the Company may before the expiry of this power make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such an offer or agreement as if this power had not expired.

By order of the Board

**Brian Marshall FCA**

Company Secretary

Dated: 15 May 2017

Registered Office:  
6 Charlotte Street  
Bath BA1 2NE

#### Notes:

- 1 Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), only those members registered in the register of members of the Company at 6.00 p.m. on 20 June 2017 (or if the AGM is adjourned, 48 hours before the time fixed for the adjourned AGM) shall be entitled to attend and vote at the AGM in respect of the number of shares registered in their name at that time. In each case, changes to the register of members after such time shall be disregarded in determining the rights of any person to attend or vote at the AGM.
- 2 If you wish to attend the AGM in person, you should arrive at the offices of Osborne Clarke, 2 Temple Back East, Temple Quay, Bristol BS1 6EG in good time before the AGM, which will commence at 11.00 a.m. In order to gain admittance to the AGM, members may be required to prove their identity.
- 3 A member who is entitled to attend, speak and vote at the AGM may appoint a proxy to attend, speak and vote instead of him. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares (so a member must have more than one share to be able to appoint more than one proxy). A proxy need not be a member of the Company but must attend the AGM in order to represent you. A proxy must vote in accordance with any instructions given by the member by whom the proxy is appointed. Appointing a proxy will not prevent a member from attending in person and voting at the AGM (although voting in person at the AGM will terminate the proxy appointment). A proxy form is enclosed. The notes to the proxy form include instructions on how to appoint the Chairman of the AGM or another person as a proxy. You can only appoint a proxy using the procedures set out in these notes and in the notes to the proxy form.
- 4 To be valid, a proxy form, and the original or duly certified copy of the power of attorney or other authority (if any) under which it is signed or authenticated, should reach the Company's registrar, Computershare Investor Services PLC of The Pavilions, Bridgewater Road, Bristol BS99 6ZY, by no later than 11.00 a.m. on 20 June 2017.
- 5 The notes to the proxy form include instructions on how to appoint a proxy by using the CREST proxy appointment service.
- 6 In the case of joint holders of shares, the vote of the first named in the register of members who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.
- 7 A member that is a company or other organisation not having a physical presence cannot attend in person but can appoint someone to represent it. This can be done in one of two ways: either by the appointment of a proxy (described in Notes 3 to 5 above) or of a corporate representative. Members considering the appointment of a corporate representative should check their own legal position, the Company's Articles of Association and the relevant provision of the Companies Act 2006.
- 8 Copies of the executive directors' service contracts with the Company and letters of appointment of the non-executive directors are available for inspection at the registered office of the Company during the usual business hours on any weekday (Saturday, Sunday or public holidays excluded) from the date of this notice until the conclusion of the AGM.





**UNION JACK OIL**

**Union Jack Oil plc**

6 Charlotte Street,  
Bath BA1 2NE,  
England

Telephone: +44 (0) 1225 428139

Fax: +44 (0) 1225 428140

Email: [info@unionjackoil.com](mailto:info@unionjackoil.com)

Web: [www.unionjackoil.com](http://www.unionjackoil.com)