



HYDROCARBON PRODUCTION,
DRILLING, DEVELOPMENT AND
INVESTMENT ONSHORE UNITED
KINGDOM AND THE UNITED
STATES OF AMERICA



UNION JACK OIL plc

HALF YEARLY REPORT
FOR THE SIX MONTHS
ENDED 30 JUNE 2024



DIRECTORS, OFFICERS AND ADVISERS

DIRECTORS

David Bramhill
Executive Chairman

Joseph O'Farrell
Executive

Graham Bull
Non-Executive

Raymond Godson
Non-Executive

Craig Howie
Non-Executive

COMPANY OFFICE

6 Charlotte Street,
Bath BA1 2NE, England

Telephone: +44 (0) 1225 428139

Email: info@unionjackoil.com

Web: www.unionjackoil.com

✉ : @unionjackoilplc

REGISTERED NUMBER

07497220

SECRETARY AND REGISTERED OFFICE

Matthew Small
c/o Berkeley Hall Marshall Limited
6 Charlotte Street,
Bath BA1 2NE,
England

REGISTRARS

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

AUDITOR

Crowe U.K. LLP
2nd Floor,
55 Ludgate Hill,
London EC4M 7JW,
England

SOLICITORS

Keystone Law
48 Chancery Lane,
London WC2A 1JF,
England

BANKERS

Royal Bank of Scotland plc
Drummond House,
PO Box 1727,
1 Redheughs Avenue,
Edinburgh EH12 9JN,
Scotland

BancFirst
BancFirst Tower,
100 North Broadway,
Oklahoma City,
Oklahoma 73102,
USA

FINANCIAL ADVISER

Gneiss Energy Limited
5th Floor, 64 North Row, Mayfair,
London W1K 7DA,
England

NOMINATED ADVISER AND JOINT BROKER

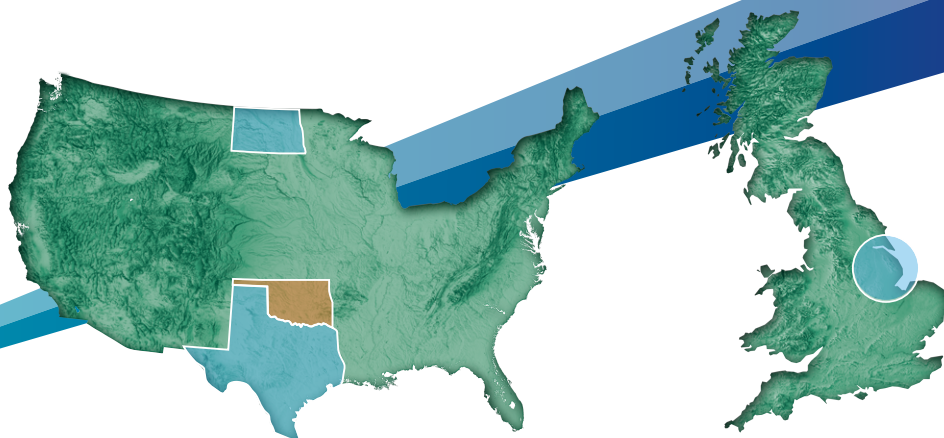
SP Angel Corporate Finance LLP
Prince Frederick House,
35-39 Maddox Street,
London W1S 2PP,
England

JOINT BROKER

Shore Capital Stockbrokers Limited
Cassini House,
57 St James's Street,
London SW1A 1LD,
England

INVESTOR RELATIONS USA

Harbor Access
107 Elm Street,
4th Floor, Stamford CT 06092,
USA



UNION JACK OIL

STRATEGIC PARTNERSHIPS ONSHORE UNITED KINGDOM AND THE UNITED STATES OF AMERICA

Union Jack Oil plc is primarily an onshore oil and gas company with a focus on production, drilling, development and investment in the United Kingdom and the United States of America.

The issued share capital is traded on the AIM Market of the London Stock Exchange (Ticker: UJO) and the OTCQB Venture Market in the United States of America (Ticker: UJOGF).

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.

CONTENTS

BUSINESS AND STRATEGY

| | |
|----------------------|----|
| Chairman's Statement | 2 |
| Licence Interests | 24 |

FINANCIAL STATEMENTS

| | |
|---|----|
| Unaudited Income Statement | 26 |
| Unaudited Statement of Comprehensive Income | 27 |
| Unaudited Balance Sheet | 28 |
| Unaudited Statement of Cash Flows | 29 |
| Notes to the Financial Statements | 30 |

CHAIRMAN'S STATEMENT

I am pleased to present this Half Yearly Report for the six months ended 30 June 2024 to the shareholders of the Company.

The Half Yearly results are positive with the Company remaining in a strong position, profitable, free of debt and holding a balanced portfolio of dependable production assets both sides of the Atlantic, complemented with numerous drilling and development projects.

Dynamic progress has been seen throughout the period under review, especially in the Company's additional area of focus, the USA, where we have already tasted success with our first drilling venture and from a standing start built a balanced asset portfolio.

Cash flow from our dependable flagship development, Wressle, continues to bolster the Company's robust Balance Sheet and has contributed significantly to its financial well-being.

Union Jack's operating style has demonstrated durability and dependability across its key projects, now encompassing both the UK and USA and the prudent management of its cash resources.

The ERC Equipoise Limited ("ERCE") Competent Person's Report ("CPR") in respect of Wressle and Broughton North, dated 31 December 2023, announced on 2 January 2024, matched the Company's expectations, demonstrating an impressive 263% increase in 2P Reserves to 2,373 mboe gross. This adds significant additional value to an already material project within Union Jack's production and development portfolio in the UK.

The favourable result from the NLC, giving planning consent for the drilling of two back-to-back wells and the installation of a gas export line, will allow the production and sale of product from the Penistone Flags formation and the unlocking of the second phase of the Wressle development, where considerable reserves remain. The directors, with the technical support of a recent CPR, believe Wressle will continue to produce hydrocarbons for many years to come.

We are expecting West Newton, another key onshore project within Union Jack's portfolio, with impressive Contingent Resources reported within the RPS Group



Limited (“RPS”) CPR, to see activity during 2025. This enigmatic project, in the opinion of the directors, fully deserves its high ranking within the Company’s asset portfolio. Union Jack’s technical team has dedicated considerable time to examining the “hidden” prospectivity within the PEDL183 licence area, having mapped numerous prospects, indicating possible substantial gas in place, over and above the already discovered Kirkham Abbey formation resource.

In 2023, a decision was made to seek further growth opportunities in other jurisdictions, where operations can be executed unhindered and a sensible and fair tax policy is applied. During the latter part of 2023, Union Jack commenced discussions with Reach and as a result has assembled a quality Mineral Royalty portfolio providing a material monthly income, brokered and managed by Reach. In addition, the Company has, during the period, entered into a number of drilling and development projects with that company.

FINANCIAL AND OPERATIONAL HIGHLIGHTS

- Net profit of £788,996 (2023: £572,263)
- Gross profit of £1,338,776 (2023: £1,608,973)
- Basic earnings per share 0.74 pence (2023: 0.52 pence)
- Oil revenues £2,338,710 (2023: £3,584,866)
- The Company continues to be debt free
- Post Balance Sheet date, a dividend of 0.25 pence per ordinary share was paid during July 2024
- Positive set of results confirms the Company is in a strong position with revenues and profitability being delivered from the UK and USA
- Wressle Competent Person’s Report upgrades recoverable Reserves by 263%
- Planning consent received from North Lincolnshire Council (“NLC”) for the further development of Wressle
- Acquired a balanced portfolio of USA Mineral Royalties for approximately US\$1,000,000 generating a 20%+ return on capital invested to date
- Successful early drilling campaign with Oklahoma, USA based, Reach Oil & Gas Company Inc (“Reach”), resulting in the discovery of the Andrews field
- Acquisition of a 45% interest in the Rogers secondary recovery project
- Moccasin, Taylor and Diana-1 wells planned to be drilled during Q4 2024
- Share trading facility obtained on the OTCQB Venture Market in the USA

The first well drilled on the West Bowlegs Prospect in Oklahoma, Andrews 1-17, in which the Company holds a 45% working interest was declared a commercial discovery in May 2024 after penetrating the primary objective, the Hunton Limestone, one of the main hydrocarbon reservoirs in Oklahoma. This well was quickly followed by the successful Andrews 2-17. These wells now comprise the Andrews field, the first of hopefully many future successful production and development ventures with Union Jack's partners, Reach.

A three well drilling campaign, comprising the Taylor, Moccasin and Diana wells is planned to be executed during Q4 2024, which will provide a sustained stream of news flow for the rest of the year and beyond.

Additional information on the Company's leading projects within the UK at Wressle, West Newton and Keddington, comment on Biscathorpe and North Kelsey, along with details of its expanding USA portfolio can be found later within this statement.

To increase the Company's corporate visibility in the USA, in April 2024, Union Jack's ordinary shares were admitted to trading on the OTCQB Venture Market (Ticker: UJOGF). The Board believes that dual trading of the Company's shares on AIM and the OTCQB will provide enhanced investor benefits, which include easy trading access for investors based in the USA and increased liquidity, due to a broader geographic pool of potential investors.

Ray Godson, non-executive director since the inception of the Company stepped down at the Company's Annual General Meeting in June 2024. To prepare for this, the Company appointed Craig Howie in April 2024, who has assumed Ray's role as Chairman of the Audit Committee and member of the Remuneration Committee. Craig is well versed in energy, finance and the business of Union Jack.

In light of the Company's sound financial position the Board, during the period, declared a dividend of 0.25 pence per share, paid to qualifying shareholders in July 2024.

Union Jack hosts a growing and active X (formerly Twitter) account @unionjackoilplc and remains committed to ensuring the future success of the Company.



WRESSLE DEVELOPMENT

PEDL180 AND PEDL182 (40%)

Wressle is located in Lincolnshire, on the western margin of the Humber Basin.

The Wressle-I (“Wressle”) discovery was defined on proprietary 3D seismic data. The structure is on-trend with the Crosby Warren oilfield and the Broughton North Prospect, both located to the immediate northwest and the Brigg-I discovery to the southeast. These wells contain hydrocarbons in several different sandstone reservoirs within the Upper Carboniferous succession. The majority of the Broughton North Prospect is covered by the same 3D seismic survey to that of the Wressle field.

Since the proppant squeeze and coiled tubing operations conducted during August 2021, Wressle has established itself as Union Jack’s flagship project with initial production rates far exceeding original expectations. Wressle has generated revenues in excess of US\$20,000,000 net to Union Jack before taxes, allowing the Company to be self-



sustaining for almost three years without recourse to external funding from the capital markets. To date, over 650,000 barrels of high-quality oil have been produced and sold from Wressle.

During the period, Wressle produced on constrained flow an average of 472 bbls of oil per day (Union Jack net 188 bbls of oil per day) with a water cut of 23.6%, an oil price of US\$83.46 and site downtime of 11 days.

There was no negative impact on exchange as Wressle income, paid in US\$ is being used to partly fund our USA operations.

During December 2023, the Joint Venture partnership received the results of a CPR compiled by ERCE for Wressle and the Broughton North Prospect.

The highlights of this report are as follows:

- 263% increase in 2P Reserves
- Reclassification of 1,883 million barrels of oil equivalent ("mboe") of Penistone Flags Contingent Resources to 2P Reserves
- 59% upgrade to the Ashover Grit and Wingfield Flags Estimated Ultimate Recoverable
- 23% upgrade to Broughton North Prospective 2U Resources

Wressle Gross Oil and Gas Reserves (mboe)

| Category | Gross Reserves | | |
|--------------------------|----------------|-------|-------|
| | 1P | 2P | 3P |
| 2016 CPR | 303 | 655 | 1,356 |
| Added | — | — | — |
| Produced to 30 June 2023 | (519) | (519) | (519) |
| Revisions | 258 | 354 | 403 |
| Reclassified | 864 | 1,883 | 3,647 |
| 2023 CPR | 906 | 2,373 | 4,887 |
| Reserves Change | 199% | 263% | 261% |

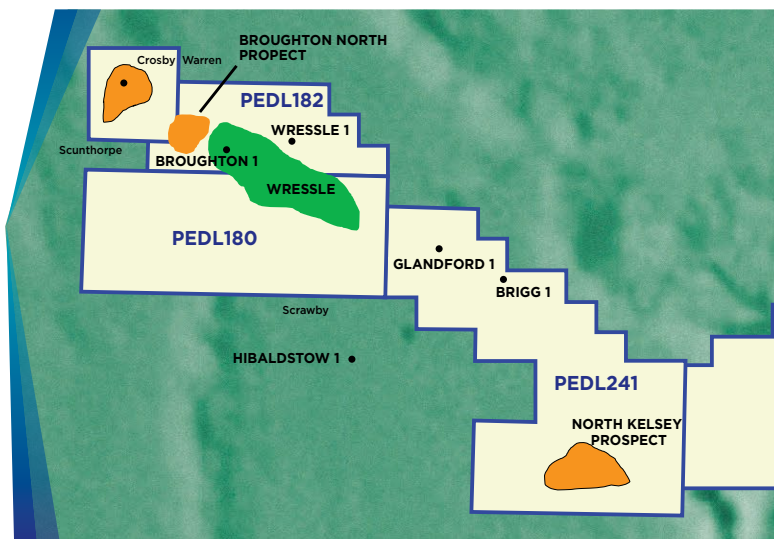
Note: One barrel of oil equivalent ("boe") is equal to 5,714 standard cubic feet ("scf") of natural gas.

Broughton North Gross Oil and Gas Prospective Resources (mboe)

| Category | Gross Unrisked Prospective Resources | | |
|--------------------------|--------------------------------------|-----|-------|
| | 1U | 2U | 3U |
| 2016 CPR | 180 | 494 | 1,156 |
| Added | — | — | — |
| Produced to 30 June 2023 | — | — | — |
| Revisions | 33 | 114 | 376 |
| Reclassified | — | — | — |
| 2023 CPR | 213 | 608 | 1,532 |

During September 2024, planning consent was granted by the NLC supporting the next phase of the Wressle field development. The consent allows for the extension of the Wressle well site that will accommodate the drilling of two new wells, Wressle-2 and 3, an upgrade of production facilities, including fluid storage tanks, separator system, surface pump and associated bunds.

In addition, the positive decision allows for the development and production of the material gas reserves contained within the Penistone Flags and Ashover Grit reservoirs. Gas processing will be sourced and commissioned and a 600-metre underground gas pipeline will be installed, linking the Wressle production site to the national gas grid.



The planning application submitted to the NLC by the Operator, Egdon Resources U.K. Limited was supported by a raft of technical assessments that included the following reports: Landscape and Visual; Ecology Appraisal; Biodiversity Net Gain Assessment; Transport Assessment and Construction Management Plan; Lighting and Noise Assessment, Air Quality Impact Assessment; Archaeology and Cultural Assessment; Statement of Community Involvement; Hydrological Risk Assessment and Flood Risk Assessment.

The positive planning permission at the Wressle Project represents a significant domestic production growth opportunity for Union Jack and provides economic and environmental benefits compared to imports on which the UK is becoming increasingly reliant.

The Board believes that Wressle, in which the Company holds a material interest, will continue to deliver significant revenues for at least the next decade and look forward to the remainder of 2024 and beyond with enthusiasm.

WEST NEWTON DEVELOPMENT

PEDL183 (16.665%)

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

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

The table below notes the West Newton gross unrisks technically recoverable sales volumes as calculated by independent engineers RPS Group Limited ("RPS") in late 2022.

| Category | Gross Technically Recoverable | |
|----------|-------------------------------|----------------|
| | Gas (bcf) | Liquids (mbbl) |
| 1C | 99.7 | 299.4 |
| 2C | 197.6 | 593.0 |
| 3C | 393.0 | 1,178.9 |

Throughout 2022 and 2023, data collected during drilling operations and well testing, which included core, oil and gas samples, wireline log and well test records, were analysed by independent laboratories Core Lab, Applied Petroleum Technology ("APT")

and RPS. The results of these analyses, in conjunction with internal evaluations, have been invaluable in informing the upcoming programme of work and future drilling plans.

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

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

A feasibility study has been completed by independent energy consultants CNG Services Limited on a single well development and gas export plan. The scope of the West Newton feasibility study was to determine the technical and economic viability of a single well development, with production processed from a modular plant and a pipeline from the WNA site to the National Transmission System at an existing above-ground installation.

Commercial gas production could be brought to market within months of a successful production test, resulting in a materially reduced capital investment programme, providing significant early cash flow, whilst additional activity is carried out on the further development of the West Newton project.

GaffneyCline Associates, an international petroleum consultancy, has compiled a Carbon Intensity Study in respect of the gas resource at West Newton, resulting in an AA Rating for its potential gas and upstream production.

Union Jack believe that, in these environmentally aware times, investors will consider investments in companies and projects that support a transition to a low-carbon economy, West Newton being a prime example. As part of the Company's ongoing strategy in respect

of the environment going forward, it is committed to being transparent in respect of its projects and on how its Carbon Management Practice is implemented.

The Joint Venture partners continue to plan the most efficient and economic method to convert the impressive West Newton Contingent Resource into a viable hydrocarbon development within an acceptable time frame.

During May 2024, the North Sea Transition Authority extended the PEDL I83 licence for a further three years following the agreement of a future work programme.

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





KEDDINGTON

PEDL005(R) (55%)

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

A technical review by the Operator has confirmed that there remains an undrained oil resource located on the eastern side of the Keddington field. Planning consent for further drilling is already in place, presenting an opportunity to increase production via a development side-track from one of the existing wells.

To facilitate confirmation of the target definition and well design planning, re-processing of legacy 3D seismic data has been completed.

Modelling indicates that infill drilling is forecast to improve recovery from the Keddington field by between 113,000 to 183,000 barrels of oil, depending on the reservoir permeability model selected and the combination of infill targets.

The sub-surface location of a step-out well has been finalised and it is planned to drill the well, where planning consent is already granted, when the Operator deems appropriate.

Currently, a material upgrade of the production equipment and site modifications at Keddington is ongoing, the result of which is expected to increase efficiency and production rates going forward. Works are expected to be completed and production reinstated during late Q4 2024, adding a further increase to Union Jack's revenue stream.

BISCATHORPE

PEDL253 (45%)

PEDL253 is situated within the proven hydrocarbon fairway of the South Humber Basin and is on-trend with the Keddington oilfield and the Saltfleetby gasfield.

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

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

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

The Operator has assessed, in accordance with the PRMS Standard, a gross Mean Prospective Resource of 2.55 mmbbl. The overlying Basal Westphalian Sandstone has the potential to add gross Mean Prospective Resources of 3.95 mmbbl. Economic modelling demonstrates that the Westphalian target is economically robust, especially in the current oil price environment. Commercial screening indicates break-even full cycle economics of US\$18.07 per barrel.



The successful planning appeal decision has been overturned following a judicial review and the planning inspectorate is arranging a new appeal process.

The ramifications of the nationally publicised judgement of the UK Supreme Court in June 2024 of the “Finch” case obviously continue to hinder the Company’s desire to drill and confirm the view of Union Jack’s technical team who believe that Biscathorpe remains one of the largest unappraised conventional onshore discoveries within the UK.

NORTH KELSEY

PEDL241 (50%)

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

The Operator estimates that gross Prospective Resources range from 4.66 (P90) to 8.47 (P10) mmbbl.

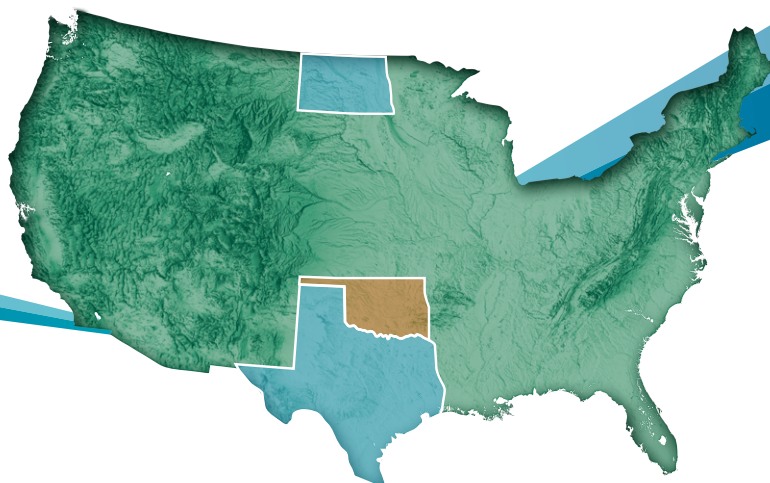
On behalf of the Joint Venture, the Operator is having the seismic data independently re-processed from which a drilling decision will be made in respect of future activity and planning applications.

OTHER LICENCE INTERESTS

Union Jack has interests in a number of other non-core projects, namely PEDL118 (Dukes Wood), PEDL203 (Kirklington), PEDL201 (Widmerpool Gulf) and PEDL209 (Laughton).

These licence interests have all been fully impaired and are at various stages of relinquishment with the exception of Dukes Wood where the geothermal upside potential is being investigated.

Fiskerton Airfield (EXL294) is currently shut in. Longer term potential for the site is to manage produced water through the existing water injection well on site and also for potential geothermal repurposing.



UNITED STATES OF AMERICA STRATEGIC GROWTH AND EXPANSION PLAN

During December 2023, for numerous reasons, including the punitive Energy Profit Levy of 35% imposed on profits generated within the UK, the Board commenced the execution of a plan to seek growth opportunities in jurisdictions with more sympathetic views towards the hydrocarbon industry, without compromising global environmental objectives and the aim of achieving net zero by 2050.

To this end, Union Jack has, from a standing start in late 2023 and early 2024, assembled an attractive and growing portfolio of cash-generating Mineral Royalties, located in the Permian Basin and Eagle Ford Shale, Texas and Bakken Shale, North Dakota, USA, all operated by major producers.

Union Jack's strategic partnership with Reach has also offered Union Jack an opportunity to access a wider inventory of drill-ready prospects and projects in Oklahoma.

Of particular note is the initial drilling success of the Andrews 1-17 and 2-17 wells at West Bowlegs, Oklahoma, USA, where high-quality oil and gas is already being sold to market, providing sustainable cash flow and an additional revenue stream for Union Jack complementing that received from the Company's established and profitable enterprise within the UK.

During the period and post Balance Sheet date, Union Jack entered into several new ventures, described in detail within this overview, all of which contain significant upside if successful.

The Taylor, Moccasin and Diana wells in which the Company holds material interests, scheduled to be drilled during Q4 2024, provide an enviable period of activity for the Company and I look forward to reporting on progress in due course.

MINERAL ROYALTIES

Union Jack has acquired six quality Royalty packages, all brokered by the Company's Oklahoma based agent and adviser, Reach.

The attractions of USA Royalties include:

- Exposure to active and productive basins and some of the largest operators in the USA
- Monthly income with no development or operating costs
- Owned in perpetuity, with no forward liabilities or obligations
- Royalties are estimated to have a long economic life, in some cases more than 26 years and an Internal Rate of Return of over 20%

The Royalty investments where Union Jack holds proxy interests in 165 wells are delivering a consistent, safe and attractive income stream. Return on investment to date, equates to 20%+ on a capital investment of approximately US\$1,000,000.

The Royalties portfolio assembled to date is summarised below:

- Cronus Unit, containing a 25 well package in the Permian Basin, Midland County, Texas, (effective date December 2023); the property is comprised of nine Chevron and 16 XTO (a subsidiary of Exxon) operated wells
- COG Operating LLC (a subsidiary of ConocoPhillips) operated Powell Ranch Unit, consisting of 15 wells in the Permian Basin, Upton County, Texas (effective date November 2023); the property is comprised of seven horizontal and eight vertical wells

- Occidental operated Palm Springs Unit, containing 10 horizontal wells in the Permian Basin, Howard County, Texas (effective date January 2024)
- Bakken Shale, a diversified 96 well interest package, located in Dunn, McKenzie and Williams Counties, North Dakota. Quality operators include Burlington Resources, Continental and Hess (effective date March 2024)
- Permian Basin, an eight well producing unit, located in Howard and Borden Counties, Texas. Operated by Vital Energy Inc, a quoted, Permian Basin focused entity, based in Tulsa, Oklahoma (effective date March 2024)
- Eagle Ford Shale, a nine producing horizontal well package, located in DeWitt County, Texas, operated by ROCC Operating (effective date March 2024)

The Royalties also provide additional upside as new wells are drilled and completed on the properties at no cost to Union Jack. Chevron, one of the operators, has publicly stated its commitment to expanding activities in the Permian Basin.

The operators associated with the Royalties are all major producers, ranking highly in the S&P Global (formerly Standard & Poor's), Fitch, and Moody's credit ratings.

Given the attractions of the current Royalty portfolio, the Company intends to materially expand the number of royalty packages it holds during 2025.

ANDREWS FIELD, OKLAHOMA

The Andrews field located in Seminole County, Oklahoma, within the West Bowlegs area, comprises of the 1-17 and 2-17 wells drilled and completed during May and August 2024, respectively.

The primary target for both wells was the Hunton Limestone ("Hunton"), one of the main hydrocarbon reservoirs in Oklahoma. The Hunton is unconformably overlain by the main oil-prone source rock, the Woodford Shale and is in an excellent position for the migration of oil.

ANDREWS 1-17 WELL

(45%)

- Andrews 1-17 declared a commercial discovery and following completion of a gas pipeline oil and gas are now being sold to the market
- Since being placed on restricted and periodic test production during late May 2024, the Andrews 1-17 well has produced 7,052 barrels of high-quality, ultra-light oil with a gravity of approximately 46 degrees API and additionally 6,407,000 cubic feet of gas since early August 2024
- Water produced from the Andrews 1-17 is being transported via a recently laid pipeline to the Coker injector well to rebuild reservoir pressure in the Rogers and S&M production wells, providing considerable savings on OPEX costs at Andrews-1 and allowing eventual production optimisation



ANDREWS 2-17 WELL

(45%)

- Andrews 2-17 declared a commercial discovery and following completion of a gas pipeline oil and gas are now being sold to the market
- Well perforated in the Hunton and completed early August 2024
- Andrews 2-17 is now on test production and pumping high-quality, ultra-light up to 50 degrees API gravity oil (condensate is 52 degrees API), significantly with no water
- The well produces naturally, due to a gas expansion drive
- Since being placed on restricted and periodic test production in early August 2024, the Andrews 2-17 well has produced 1,014 barrels of oil and 3,656,000 cubic feet of gas
- First oil and gas already being sold to market
- Production rates remain variable whilst a stable flow rate is established





FARM-IN AND DRILLING OF THE TAYLOR WELL, OKLAHOMA

(45%)

Union Jack has agreed to acquire from Reach a 45% working interest in the Taylor well, planned to be drilled back-to-back with the Moccasin well during Q4 2024.

Taylor is an untested 3D seismic supported Hunton Remnant prospect with secondary targets in the Misener and Wilcox sands.

- Analogue case indicates robust economics on success
- Wilcox structures to the north and east of Taylor were prolific in the 1920s, producing in the thousands of barrels of oil per day
- Acreage includes Taylor Hunton Prospect, two Wilcox structures and Misener field with possible infill location
- Operator estimated 40% geological chance of success
- Going forward, the costs of further wells will be based on an unpromoted 45% working interest
- Costs will be paid from existing cash resources

Historically, there have been several regional high-profile producing fields such as North East Tibby (1,600,000 bbls oil), Gray (6,000,000 bbls oil) and West Burnett (1,200,000 bbls oil).

FARM-IN AND DRILLING OF THE MOCCASIN WELL, OKLAHOMA

(45%)

Union Jack has agreed to acquire from Reach a 45% working interest in the Moccasin well which is planned to be drilled back-to-back with the Taylor well.

Moccasin is an untested 3D seismic supported Hunton and Wilcox structure with secondary targets in Pennsylvanian Channel Sands and Base Pennsylvanian Unconformity Sand.

- Analogue case indicates robust economics on success
- Operator assesses a high chance of finding movable hydrocarbons in the Base Pennsylvanian and an approximate 50% chance of success in other target zones
- Structure lies close to the Woodford Shale, the main source for light oil across the region
- Costs will be paid from existing cash resources

The Moccasin structure is a compressive feature associated with the regional Wilzetta fault. This strike-slip fault was active through the Ordovician to early Carboniferous periods and is responsible for several large oil accumulations. In the area of the planned Moccasin well, a deviation in the fault has caused compressive forces forming numerous dome and fault structures which have led to proven prolific oilfields such as the adjacent North-East Shawnee and North-West Redhill fields that have produced more than 6,000,000 barrels of oil.

WILZETTA DIANA-1 FOOTWALL FOLD DRILLING PROJECT, OKLAHOMA

(75%)

Union Jack has an agreement with Reach to drill the Diana-1 well, to test a Footwall Fold Prospect within the Wilzetta Fault play, following the drilling of the Taylor and Moccasin wells.

- Main Wilzetta Fault zone target is underlain by a deeper structure that will also be tested with a high-impact well with estimated recoverable oil in excess of 200,000 barrels of oil
- High-relief compressional fold with a large reverse fault
- Prospect mapping supported by recently reprocessed 3D seismic data
- The prolific Wilzetta Fault plays are the site of numerous oilfields across central Oklahoma with nearby analogue production from:
 - North East Shawnee field, three miles south of the Diana-1 well location, which has produced more than 5,800,000 barrels of oil to date
 - West Belmont field, which has produced more than 580,000 barrels of oil to date
 - Arlington field, ten miles north-east of Diana-1, which has produced more than 1,800,000 barrels of oil to date
- Costs will be paid from existing cash resources

ROGERS SECONDARY RECOVERY PROJECT, OKLAHOMA

(45%)

The Rogers enhanced oil recovery project is located approximately two kilometres from the Andrews 1-17 discovery well and includes plans to significantly increase delivery from Rogers and S&M, two legacy production wells.

Base-case secondary recovery volumes calculated by the Operator suggest that up to a further 124,000 barrels of oil can be recovered. The Company believes the project economics are highly attractive indicating future gross revenues at prevailing oil prices of approximately US\$7.5 million, and an IRR approaching 80%.

Water production sourced from nearby wells will be injected into the Coker injector well to rebuild reservoir pressure and increase hydrocarbon production from Rogers and S&M wells.

The directors believe the Rogers project offers an excellent strategic and locational fit within the Company's portfolio and will help provide operational synergies and increase production and revenues.

EAST SHAWNEE 3D SEISMIC ACQUISITION PROGRAMME, OKLAHOMA

(37.5%)

The East Shawnee 3D seismic acquisition programme is designed to identify further prospects along the Wilzetta Fault, also known as the Seminole Uplift.

Reach is currently completing permitting with the landowners, clearing lines for a vibration source during September and will commence seismic acquisition in early October 2024.

The objective of this 3D seismic acquisition programme is to generate prospects to be drilled during the 2025 drilling campaign.

USA CORPORATE PROGRESS

Since the commencement of activities in the USA to date, Union Jack has made significant progress in building a cash-generating hydrocarbon venture and establishing a new corporate “North American brand” complementing the Company’s already successful oil production and development business in the UK.

The Board is delighted with the rapid progress made in the year-to-date and Union Jack is already generating and banking oil and gas revenues from the Andrews field where payback is expected on its initial investment within six months.

The directors believe the balanced portfolio assembled in a short period of time represents excellent progress.





During April 2024, Union Jack's ordinary shares were admitted to trade on the OTCQB Venture Market in the USA under the ticker UJOGF. The Company believes that dual trading of its ordinary shares on the OTCQB and the AIM Market of the London Stock Exchange will, in time, provide enhanced investor benefits.

Also in early April 2024, Harbor Access (website: harbor-access.com), a proactive North American based Investor Relations Group, was appointed to represent Union Jack and assist with increasing visibility and facilitating a better understanding of the Company in the USA financial markets.

During Q4 2024, the Company intends to appoint a USA based stockbroker to reinforce its recent initiatives in establishing a North American investor base.

CORPORATE AND FINANCIAL

The six-month period under review has seen Union Jack remain a cash-generating and profitable entity. The Company retains a strong Balance Sheet and a clear focus on the development of its flagship assets both in the UK and the opportunity infused USA, where a balanced portfolio of Mineral Royalties along with profitable production, development and exploration assets have already been assembled.

The rationale for the USA ventures, guided by both Reach's and Union Jack's very able technical teams, has already been validated by the success of the Andrews' drilling campaign.

Non-executive director Ray Godson made the decision to step down from the Board of Union Jack at the AGM, held in June 2024. Ray, since the conception of the Company, was an exemplary director and we all wish him an enjoyable retirement. Craig Howie joined the team at Union Jack as an independent non-executive director. Craig, appointed on 22 April 2024, has over 20 years of city and advisory experience, especially within the oil industry and is well known within his peer group in respect of his knowledge of oil enterprises, both junior and major.

Revenues of £2,338,710 (2023: £3,584,866) for the period continued to have a positive effect on the Income Statement, resulting in the Company being able to report a gross profit of £1,338,776 (2023: £1,608,973), and net profit of £788,996 (2023: £572,263).

Trade and other receivables include £1,000,000 cash on long term deposit.

Basic Earnings per share of 0.74 pence were reported (2023: 0.52 pence).

Since the commencement of the Company's dividend policy and share buy-back programme, over £3,000,000 has been returned to shareholders.

The Company retains its policy of returning cash to shareholders when deemed appropriate, taking into consideration its financial requirements going forward.

In view of the Company's sound financial position and the additional income received since the year end from the Royalty portfolio, during May 2024, the Board declared a dividend of 0.25 pence per ordinary share, paid to qualifying shareholders during July 2024.

The Company holds 6,300,000 ordinary shares in Treasury which increase the Earnings Per Share, hold no voting rights and are not entitled to a dividend payment.

I take this opportunity to thank our shareholders for their continued support, as well as my co-directors and advisers, all of whom continue to contribute towards the development and growth of the Company.

OUTLOOK

The Board's confidence in Union Jack's continued growth is evidenced by the Company's solid and profitable 2024 Half Yearly financial results, confirming its resilience, both financially and operationally.

Union Jack's entry into the USA has to date vindicated the Board's decision to secure complementary international growth projects, designed to supplement existing domestic cash flow, without the punitive tax regime now being seen within the UK.

The Board is optimistic that in the medium-term, Union Jack will experience exceptional growth assisted by its expanding portfolio of multiple cash-generating projects in the UK and USA.

In the UK, Union Jack remains focused on the continuing development of its flagship project, Wressle, where the Operator and partners have enterprising, near-term expansion planned. The Board is of the opinion that, within Wressle, where planning consent is in place, there remains significant material upside which will support the Company with revenues for at least another decade. West Newton and Keddington also continue to rank highly within the Company's portfolio of UK assets.

However, it is not difficult to be confident of the opportunities presented in Oklahoma, the scene of our rapid growth strategy, where we are already seeing income from our 45% interest in the Andrews field and the start of a three well drilling campaign, planned for Q4 2024.

Union Jack's success in the USA, from a standing start in early 2024, highlights the ease of entry and ability to execute business there, justifying the Board's decision to seek further growth opportunities internationally to bolster the Company's flagship production and appraisal assets in the UK.

The foundations of Union Jack's growth plan in the USA are being laid swiftly and unhindered.

The Board has confidence in the significant increase in drilling, appraisal and development activity now planned in the pursuit of growth from our balanced UK and USA portfolios where each has the potential for significant value-creation for shareholders. We believe our heightened drilling and development activity and the expected additional news-flow generated, combined with effective investor engagement on both sides of the Atlantic, will continue to attract the ongoing support of our existing shareholders and the attention of new investors, broadening the appeal of the Company to a wider audience.

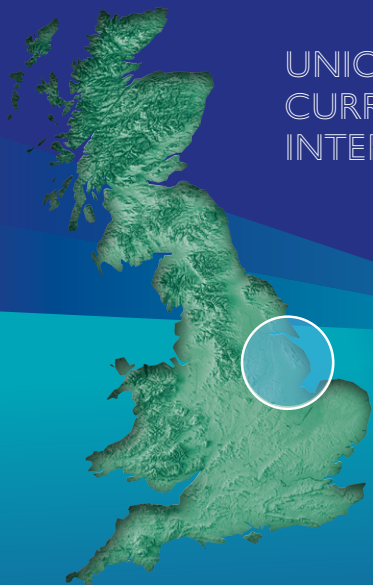
The future of Union Jack remains bright.

David Bramhill

Executive Chairman

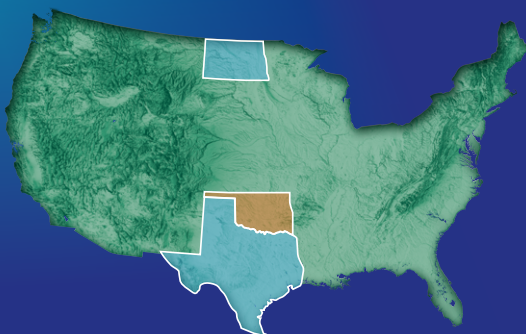
23 September 2024

UNION JACK'S CURRENT LICENCE INTERESTS



UNITED KINGDOM LICENCE INTERESTS

| | | | |
|-----------|--------------------|---|---------|
| 1 | PEDL180 PEDL182 | WRESSLE DEVELOPMENT BROUGHTON NORTH | 40% |
| 2 | PEDL183 | WEST NEWTON | 16.665% |
| 3 | PEDL253 | BISCATHORPE | 45% |
| 4 | PEDL005(R) | KEDDINGTON OILFIELD LOUTH NORTH SOMERCOTES | 55% |
| 5 | EXL294 | FISKERTON OILFIELD | 20% |
| 6 | PEDL241 | NORTH KELSEY | 50% |
| 7 | PEDL118 | DUKES WOOD | 16.67% |
| 8 | PEDL203 | KIRKLINGTON | 16.67% |
| 9 | PEDL201 | WIDMERPOOL GULF | 26.25% |
| 10 | PEDL209 | LAUGHTON | 10% |



UNITED STATES OF AMERICA LICENCE AND ROYALTY INTERESTS

| | |
|---|-----|
| WEST BOWLEGS | 45% |
| DIANA PROSPECT | 75% |
| TAYLOR PROSPECT | 45% |
| MOCCASIN PROSPECT | 45% |
| ROGERS ENHANCED OIL RECOVERY PROJECT | 45% |
| MINERAL ROYALTIES | |

UNAUDITED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2024

| | Notes | Six months ended 30 June 2024 Unaudited £ | Six months ended 30 June 2023 Unaudited £ | Year ended 31 December 2023 Audited £ |
|--|-------|---|---|---|
| Revenue | | 2,338,710 | 3,584,866 | 5,065,679 |
| Cost of sales - operating costs | | (723,910) | (527,425) | (1,118,794) |
| Cost of sales - depreciation | | (213,989) | (1,297,439) | (463,782) |
| Cost of sales - Net Profit Interest payment | | (62,035) | (151,029) | (184,259) |
| Gross profit | | 1,338,776 | 1,608,973 | 3,298,844 |
| Administrative expenses (excluding impairment charge) | | (854,882) | (925,077) | (2,057,506) |
| Impairment | | (2,100) | (30,201) | (56,829) |
| Total administrative expenses | | (856,982) | (955,278) | (2,114,335) |
| Operating profit | | 481,794 | 653,695 | 1,184,509 |
| Finance income | | 81,582 | 42,231 | 141,672 |
| Other income | | 120,268 | 70,000 | 35,142 |
| Profit before taxation | | 683,644 | 765,926 | 1,361,323 |
| Taxation | 3 | 105,352 | (193,663) | (502,234) |
| Profit for the period / year | | 788,996 | 572,263 | 859,089 |
| Attributable to: | | | | |
| Equity shareholders of the Company | | 788,996 | 572,263 | 859,089 |
| Earnings per share | | | | |
| Basic (pence) | 2 | 0.74 | 0.52 | 0.79 |
| Diluted (pence) | 2 | 0.74 | 0.51 | 0.79 |

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2024

| | Six months ended 30 June 2024 Unaudited £ | Six months ended 30 June 2023 Unaudited £ | Year ended 31 December 2023 Audited £ |
|--|---|---|---|
| Profit for the period / year | 788,996 | 572,263 | 859,089 |
| Items which will not be reclassified subsequently to profit | | | |
| Other comprehensive income | | | |
| (Loss) / profit on investment revaluation | (404,114) | 267,727 | 44,984 |
| Taxation | — | — | (170,386) |
| Total comprehensive profit for the period / year | 384,882 | 839,990 | 733,687 |

UNAUDITED BALANCE SHEET

AS AT 30 JUNE 2024

| | Notes | As at 30 June 2024 Unaudited £ | As at 30 June 2023 Unaudited £ | As at 31 December 2023 Audited £ |
|---|-------|---|---|---|
| Assets | | | | |
| Non-current assets | | | | |
| Exploration and evaluation assets | | 12,842,734 | 9,312,335 | 10,905,630 |
| Property, plant and equipment | | 6,015,108 | 4,688,927 | 5,888,456 |
| Investments | | 125,998 | 937,783 | 530,112 |
| Deferred tax asset | | 212,190 | 1,849,928 | 106,838 |
| | | 19,196,030 | 16,788,973 | 17,431,036 |
| Current assets | | | | |
| Inventories | | 12,035 | 27,622 | 21,313 |
| Trade and other receivables | | 2,068,177 | 2,674,289 | 1,525,954 |
| Cash and cash equivalents | | 3,148,939 | 6,280,609 | 5,198,303 |
| | | 5,229,151 | 8,982,520 | 6,745,570 |
| Total assets | | 24,425,181 | 25,771,493 | 24,176,606 |
| Liabilities | | | | |
| Current liabilities | | | | |
| Trade and other payables | | 489,212 | 1,104,700 | 389,523 |
| Non-current liabilities | | | | |
| Provisions | | 1,654,342 | 1,717,206 | 1,890,337 |
| Deferred tax liability | | — | 638,219 | — |
| | | | | 1,890,337 |
| Total liabilities | | 2,143,554 | 3,460,125 | 2,279,860 |
| Net assets | | 22,281,627 | 22,311,368 | 21,896,746 |
| Capital and reserves attributable to the Company's equity shareholders | | | | |
| Share capital | 4 | 7,514,576 | 7,514,576 | 7,514,576 |
| Share-based payment reserve | | 712,634 | 712,634 | 712,634 |
| Treasury reserve | | (1,736,700) | (1,748,079) | (1,736,700) |
| Accumulated profit | | 15,791,117 | 15,832,237 | 15,406,236 |
| Total equity | | 22,281,627 | 22,311,368 | 21,896,746 |

UNAUDITED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

| | Six months ended 30 June 2024 Unaudited £ | Six months ended 30 June 2023 Unaudited £ | Year ended 31 December 2023 Audited £ |
|--|---|---|---|
| Cash flow from operating activities | 418,574 | 2,178,691 | 1,984,019 |
| Cash flow from investing activities | | | |
| Purchase of intangible assets | (2,220,938) | (304,596) | (1,814,716) |
| Purchase of property, plant and equipment | (328,582) | (366,224) | (766,424) |
| Disposal of assets | – | 227,272 | 227,272 |
| Fixed term deposit | – | (1,000,000) | – |
| Purchase of investments | – | (118,013) | (770,173) |
| Sale of investments | – | – | 883,725 |
| Interest received | 81,582 | 42,231 | 141,672 |
| Net cash used in investing activities | (2,467,938) | (1,519,330) | (2,098,644) |
| Cash flow from financing activities | | | |
| Dividends paid | – | – | (319,699) |
| Treasury shares | – | (1,533,852) | (1,522,473) |
| Net cash generated from financing activities | – | (1,533,852) | (1,842,172) |
| Net decrease in cash and cash equivalents | (2,049,364) | (874,491) | (1,956,797) |
| Cash and cash equivalents at beginning of period / year | 5,198,303 | 7,155,100 | 7,155,100 |
| Cash and cash equivalents at end of period / year | 3,148,939 | 6,280,609 | 5,198,303 |

NOTES TO THE UNAUDITED FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 30 JUNE 2024

I ACCOUNTING POLICIES

Basis of Preparation

These financial statements are for the six month period ended 30 June 2024.

The information for the year ended 31 December 2023 does not constitute statutory financial statements as defined in section 434 of the Companies Act 2006.

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

The interim financial statements for the six months ended 30 June 2024 are unaudited.

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

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

Significant Accounting Policies

The accounting policies and methods of computation followed in the interim financial statements are consistent with those as published in the Company's Annual Report and Financial Statements for the year ended 31 December 2023.

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

Going Concern

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

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

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

2 PROFIT PER SHARE ATTRIBUTABLE TO THE EQUITY SHAREHOLDERS OF THE COMPANY (CONTINUED)

| Basic profit per share | Six months ended 30 June 2024 pence | Six months ended 30 June 2023 pence | Year ended 31 December 2023 pence |
|---|---|---|---|
| Profit per share from continuing operations | | | |
| - Basic | 0.74 | 0.52 | 0.79 |
| - Diluted | 0.74 | 0.51 | 0.79 |

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

| | Six months ended 30 June 2024 £ | Six months ended 30 June 2023 £ | Year ended 31 December 2023 £ |
|--|---------------------------------------|---------------------------------------|-------------------------------------|
| Profit used in the calculation of total basic and diluted earnings per share | 788,996 | 572,263 | 859,089 |

| Number of Shares | Six months ended 30 June 2024 | Six months ended 30 June 2023 | Year ended 31 December 2023 |
|---|----------------------------------|----------------------------------|--------------------------------|
| Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share | | | |
| - Basic | 106,565,896 | 110,000,979 | 108,268,772 |
| - Diluted | 106,565,896 | 111,350,979 | 108,531,272 |

Treasury Shares

As at 30 June 2024, the Company held 6,300,000 of its ordinary shares in treasury. These shares are not included in the earnings per share calculation. There are no current plans to cancel these shares.

NOTES TO THE UNAUDITED FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED 30 JUNE 2024

3 TAXATION

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

4 SHARE CAPITAL

At 30 June 2024, there were 112,865,896 ordinary shares of a nominal value of 5 pence in issue.

At 30 June 2024, there were 831,680,400 deferred shares of 0.225 pence nominal value in issue.

5 EVENTS AFTER THE BALANCE SHEET DATE

On 26 July 2024, a dividend of 0.25 pence per ordinary share of Union Jack was paid to shareholders. Treasury Shares held by the Company did not qualify for this dividend.

During August 2024, the Andrews 2-17 well was declared a commercial discovery and brought into production.

During September 2024, the NLC granted planning consent for the further development at Wressle.

6 RELATED PARTY TRANSACTIONS

Charnia Resources (UK), an unincorporated entity owned by Graham Bull, non-executive director, received from the Company the sum of £60,115 during the period under review in respect of consulting fees. £12,000 was outstanding at the end of the period.

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

7 COPIES OF THE HALF YEARLY REPORT


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





Union Jack Oil plc
6 Charlotte Street,
Bath BA1 2NE,
England

Telephone: +44 (0) 1225 428139
Email: info@unionjackoil.com
Web: www.unionjackoil.com

: [@unionjackoilplc](https://twitter.com/unionjackoilplc)