

30 November 2015

UK Oil & Gas Investments PLC
(“UKOG” or the “Company”)
Horse Hill-1 Oil Discovery, Weald Basin, UK
Flow Test Consent from the UK Environment Agency

UK Oil & Gas Investments PLC (London AIM and ISDX:UKOG) announces that it has been informed by Horse Hill Developments Limited (“HHDL”) that the Environment Agency (“EA”) has formally granted the necessary permit to flow test the Horse Hill-1 (“HH-1”) oil discovery well. The HH-1 well, drilled at the end of 2014, is located within onshore exploration Licence PEDL137, on the northern side of the Weald Basin near Gatwick Airport, in which UKOG owns a 20.163% net attributable interest.

Operational planning for the test is in the final stages of completion and the necessary work-over rig and test equipment have been contracted. The Company expects these flow tests to be conducted in the coming months as soon as practicable following the last remaining regulatory sign-offs from the Health and Safety Executive and Oil and Gas Authority.

The flow test is designed to test both the oil bearing Upper Portland sandstone reservoir and the Kimmeridge limestone reservoirs beneath the Portland. The test will provide the necessary reservoir engineering data to enable the Company to assess the commercial viability of the Portland sandstone oil discovery, which encountered significant oil shows whilst drilling, and to further advance the “proof of concept” process for the Kimmeridge tight oil play, which has previously been shown to flow oil elsewhere in the same formations of the Weald Basin, at Balcombe some 10 miles to the south.

Stephen Sanderson, UKOG’s and HHDL’s Executive Chairman Commented:

“The consent to flow test is a major milestone for the Company. The flow test’s outcome will help UKOG shape its future Portland oil development activities and materially advance its knowledge and growth in the Kimmeridge tight oil play within our licences and the wider Weald Basin.

The Company is now fully focussed on delivering a successful HH-1 test programme as soon as possible following final regulatory consents.”

UKOG's interest in Horse Hill

The HH-1 well is located within onshore exploration Licence PEDL137, on the northern side of the Weald Basin near Gatwick Airport. UKOG owns a 30% direct interest in HHDL and a 1.02% interest in HHDL via its 6% interest in Angus Energy Limited. HHDL is a special purpose company that owns a 65% participating interest and operatorship of Licence PEDL137 and the adjacent Licence PEDL246 in the UK Weald Basin.

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WH Ireland (Nominated Adviser and Broker)

Glossary

discovery	a discovery is a petroleum accumulation for which one or several exploratory wells have established through testing, sampling and/or logging the existence of a significant quantity of potentially moveable hydrocarbons
flow test	a flow test or well test involves testing a well by flowing hydrocarbons to surface, typically through a test separator. Key measured parameters are oil and gas flow rates, downhole pressure and surface pressure. The overall objective is to identify the well's capacity to produce hydrocarbons at a commercial flow rate
limestone	a sedimentary rock predominantly composed of calcite (a crystalline mineral form of calcium carbonate) of organic, chemical or detrital origin. Minor amounts of dolomite, chert and clay are common in limestones. Chalk is a form of fine-grained limestone
play	a set of known or postulated oil and or gas accumulations sharing similar geological, geographical, and temporal properties, such as source rock, migration pathways, timing, trapping mechanism, and hydrocarbon type
sandstone	a clastic sedimentary rock whose grains are predominantly sand-sized. The term is commonly used to imply consolidated sand or a rock made of predominantly quartz sand
tight oil	oil found or expected to be present within a reservoir with low permeability, i.e. a tight reservoir. The term, in the case of the Kimmeridge tight oil play, is applied to a play where trapped petroleum accumulations are expected to be pervasive throughout a large area and that are not significantly affected by hydrodynamic influences (also called "continuous-type deposits").

Notes to Editors:

The Company has interests in the following UK licences:

Asset	Licence	UKOG's Interest	Licence Holder	Operator	Area (km ²)	Status
Avington ¹	PEDL070	5%	UKOG (GB) Limited	IGas Energy Plc	18.3	Field in stable production.
Baxters Copse ²	PEDL233	50%	UKOG Weald Limited	IGas Energy Plc	89.6	Reviewing economics of appraisal/ development well.
Brockham ¹	PL234	3.6%	Angus Energy ⁵	Angus Energy ⁵	8.9	Drilling of sidetrack well being considered.

Holmwood ^{3,7}	PEDL143	30%	UKOG	Europa Oil & Gas (Holdings) plc	91.8	H-1 exploration commitment well planned.
Horndean ¹	PL211	10%	UKOG (GB) Limited	IGas Energy Plc	27.3	Field in stable production.
Horse Hill ⁴	PEDL137	20.163%	Horse Hill Developments Ltd ⁶	Horse Hill Developments Ltd ⁶	99.3	Flow testing of HH-1 planned, EA consent received.
Horse Hill ⁴	PEDL246	20.163%	Horse Hill Developments Ltd ⁶	Horse Hill Developments Ltd ⁶	43.6	Flow testing of HH-1 planned, EA consent received.
Isle of Wight (Offshore) ³	P1916	77.5%	UKOG Solent Limited	UKOG Solent Limited	46.7	Awaiting 14th Round, UKOG adjacent onshore acreage.
Isle of Wight (Onshore) ³	14th Round	TBA	TBA	TBA	200.0	Subject to 14th Round awards.
Lidsey ¹	PL241	4.2%	Angus Energy ⁵	Angus Energy ⁵	5.3	Drilling of infill well being considered.
Markwells Wood ²	PEDL126	100%	UKOG (GB) Limited	UKOG (GB) Limited	11.2	Compiling Field Development Plan.

Notes:

1. Oil field currently in production.
2. Oil discovery pending development and/or appraisal drilling.
3. Exploration asset with drillable prospects and leads.
4. Oil discovery pending flow testing.
5. UKOG has a 6% interest in Angus Energy. Angus Energy has a 70% interest in Lidsey and a 60% interest in Brockham.
6. UKOG has a direct 30% interest in HHDL, plus an indirect 1.02% interest via Angus Energy. HHDL has a 65% interest in PEDL137 and PEDL246.
7. Farm-in to 10% of Warwick's interest subject to OGA consent.