RNS Number : 0194R
UK Oil & Gas Investments PLC
24 June 2015

24 June 2015

UK OIL AND GAS INVESTMENTS PLC
("UKOG" or the "Company)

Unaudited results for the six month period ended 31 March 2015

Chairman's Statement

I am pleased to report the unaudited results of the Company for the six month period ended 31 March 201**5**.

As of today's date, the Company has cash and receivables of approximately £8 million, having raised £6 million by way of a share placement announced on 10 June 2015. Oil production for the period resulted in revenues of approximately £200,000 from 3,434 barrels of oil sold, being UKOG's share of production from the Horndean and Avington oil fields in the Weald Basin.

In addition, UKOG entered into a US$10 million debt facility with YA Global Master SPV, Ltd. ("YAGM") on 28 October 2014, to provide additional funding for further investment. As of today's date, the Company has surplus borrowing capacity of up to US$9.6 million from this facility.

Our strong balance sheet puts the Company in an excellent position to benefit from the current oil price downturn and from the financial difficulties of some of our competitors.

The Company completed its acquisition of three UK subsidiaries of Northern Petroleum Plc ("NOP") and has further consolidated these investments during the reporting period. As of 1 January 2014 these assets have estimated net attributable 2P reserves of 88,750 barrels of oil (see Tables 1 and 2 below) and 2.336 million barrels ("MMbbl") of 2C Contingent Resources (see Table 3 below), excluding volumes in the Markwells Wood oil discovery. We believe these investments will enhance future shareholder value.

Subsequent to the reporting period, on 9 April 2015, UKOG announced that the independent review by petrophysical specialist Nutech Ltd ("Nutech") of oil in place ("OIP") at the Horse Hill-1 ("HH-1") well, in which the Company has a 20.358% interest, in the Weald Basin is 158 MMbbl per square mile. Nutech's OIP evaluation excluded the Upper Portland Sandstone oil discovery. Also, UKOG announced on 11 May 2015 that Xodus independently evaluated that the Upper Portland Sandstone of the HH-1 and Collendean Farm-1 discoveries contains a Best Estimate, or P50, OIP of 21 MMbbl. The HH-1 well is planned to be flow tested within the next accounting period.

Furthermore, on 5 June 2015, UKOG announced that Schlumberger's independent review of OIP at the HH-1 discovery is 271.4 MMbbl per square mile. Finally, on 18 June 2015, UKOG announced that Nutech calculated that the total Jurassic shale plus tight conventional reservoir section contained in the 55 square miles of UKOG's two Horse Hill licences (PEDL137 and PEDL246) is a Best Estimate, or P50, OIP of 9,245 MMbbl. The most significant OIP within the Jurassic section is contained within the shales and tight conventional reservoir limestone sequences of the Kimmeridge, with a calculated Best Estimate, or P50, total Kimmeridge OIP of 5,230 MMbbl. Nutech's OIP evaluation of the total Horse Hill licence area excluded the Upper Portland Sandstone oil discovery.

In due course, it is intended to undertake exploration and appraisal stage operating activities, such as seismic acquisition and drilling, as and when the required UK regulatory approvals and planning permissions are in place.

UKOG's UK EXPLORATION, DEVELOPMENT AND PRODUCTION PORTFOLIO

UKOG (GB) Limited, UKOG Weald Limited and UKOG Solent Limited

- UKOG completed its NOP acquisition on 17 October 2014.
- The NOP companies were re-named UKOG (GB) Limited, UKOG Weald Limited and UKOG Solent Limited.
- Five UK licences were acquired from NOP, four onshore and one offshore, all located in the South of England.
- Four assets are in the Weald Basin, one in the analogous Wessex-Purbeck-Wight basin.
- The assets include the Horndean (UKOG interest 10%) and Avington (UKOG interest 5%) onshore producing oil fields, an offshore Isle of Wight exploration licence (UKOG interest 77.5%) and the Baxters Copse (UKOG interest 50%) and Markwells Wood (UKOG interest 100%) onshore Jurassic Great Oolite oil discoveries.

- On 28 October 2014, UKOG jointly applied for a 200 km^2 onshore licence (UKOG 65%), adjacent to the offshore Isle of Wight licence (P1916), proposing a firm exploration well and seismic, as part of the UK's 14th Landward Licence Round ("14th Round").
- On 25 March 2015, UKOG announced that at P1916, the main prospective Portland Limestone and Triassic Sherwood Sandstone reservoir objectives in the undrilled "M Prospect" contained potential unrisked OIP volumes of 40 MMbbl and 76.5 MMbbl respectively. A gas only case for the Triassic Sherwood estimated a potential gross gas in place ("GIP") volume of 197 billion standard cubic feet of gas ("bcf").
- As announced on 2, 3, 20 February and 12 March 2015, UKOG, via four separate transactions, increased its working interest in the PEDL126 Markwells Wood and P1916 Isle of Wight licences to 100% and 77.5%, respectively.
- Subsequent to the reporting period, on 13 May 2015, the Board announced that the Oil and Gas Authority ("OGA") granted one-year extensions to the exploration period of the PEDL126 Markwells Wood and PEDL233 Baxters Copse licences. Similarly, on 15 June 2015, the Board announced a one-year extension to the P1916 offshore Isle of Wight licence.

Horse Hill Developments Limited ("HHDL"), Licences PEDL137 and PEDL246, Weald Basin

- Preliminary results of the HH-1 well were announced on 24 October 2014, 5 November 2014 and 17 December 2014, stating that an oil discovery was made in the Upper Portland Sandstone, with oil shows and elevated gas readings in the underlying Kimmeridge shales and limestones.
- On 18 March 2015 and 9 April 2015, the Company announced that further well analysis, by the Company and by Nutech had determined that the well data implied an OIP volume of 158 MMbbl per square mile within a 653 feet aggregate pay section, primarily within three limestones and interbedded shales of the Kimmeridge, and the shales of the Oxford and Lias sections. Approximately 72% of OIP, or 114 MMbbl, lies within the Upper Jurassic Kimmeridge interbedded limestone and shale sequence.
- After the reporting period, on 5 June 2015, UKOG announced that Schlumberger's independent review of OIP at the HH-1 discovery is 271.4 MMbbl per square mile.
- After the reporting period, on 18 June 2015, UKOG announced that Nutech calculated that the total Jurassic shale plus tight conventional reservoir section contained in the 55 square miles of UKOG's two Horse

Hill licences (PEDL137 and PEDL246) is a Best Estimate, or P50, OIP of 9,245 MMbbl. The most significant OIP within the Jurassic section is contained within the shales and tight conventional reservoir limestone sequences of the Kimmeridge, with a calculated Best Estimate, or P50, total Kimmeridge OIP of 5,230 MMbbl.

- In March 2015, in two separate transactions, the Company increased its direct interest in HHDL by a further 10%, from 20% to 30% for total consideration of £932,000.
- After the reporting period, on 13 May 2015, the Board reported that the OGA had granted a one-year extension to the PEDL137 exploration period to 30 September 2016. The Company is informed that HHDL would seek, in conjunction with the OGA and other regulators, to move the PEDL137 licence into the Production Period, via, inter alia, the submission of a Horse Hill Field Development Plan to the OGA. The PEDL137 licence provides for a potential Production Period of 19 years.

  Note 1: As noted in the Company's previous announcements, all estimated OIP volumes in this interim report announcement should not be construed as recoverable resources or reserves.

Lidsey and Brockham Producing Oil Fields: Angus Energy Limited ("Angus Energy")

- UKOG owns a 6% share in Angus Energy, which operates and produces oil from both the Lidsey and Brockham oil fields in the UK Weald Basin, south of London.
- The Brockham field is the closest analogous Upper Portland Sandstone producing oil field to the HH-1 discovery. Lidsey produces from the same Great Oolite limestone reservoir as UKOG's Horndean and Avington oil fields and the Markwells Wood and Baxter's Copse discoveries.
- Angus Energy is currently the nominated operator and 22% owner of HHDL. Angus Energy reduced its ownership in HHDL down from 40% during the reporting period.
- Angus Energy plans to drill a side-track at Brockham and a new well at Lidsey.

APPOINTMENT OF CEO

UKOG announced the appointment of Stephen Sanderson as its CEO on 27 January 2015.

NEXT PERIOD

In the next sixth-month period the Directors expect to see a number of developments:

- In conjunction with HHDL, a well flow test is planned for the HH-1 Upper Portland discovery and deeper Jurassic limestone zones: further evaluation of the HH-1 well results will continue including further work to estimate an OIP for the total 55 square mile area of the PEDL137 and PEDL246 licences.
- Studies and planning activities will continue for an appraisal well on the Baxters Copse discovery (IGas Energy Plc ("IGas") 50% Operator and UKOG 50%).
- UKOG will review the potential to appraise and develop the Markwells Wood oil discovery (UKOG 100% and Operator).
- UKOG is expecting licence awards to be made for the UK 14th Round. The Company has applied for an additional 200 km^2 of onshore acreage on the Isle of Wight (UKOG 65%).
- Undertake well design and preliminary regulatory steps necessary to drill the M Prospect in P1916 Isle of Wight (UKOG 77.5% and Operator).
- New production wells are being planned on two of Angus Energy's producing licences (Lidsey and Brockham).
- New static and dynamic reservoir modelling studies will be completed for the Horndean and Avington oil fields, with a view to upgrading 2P reserves and identifying possible infill production well locations.
- UKOG plans to expand its licence position in the UK onshore with additional exploration, development and production investments.

Your Board of Directors will continue to seek out further attractive investments in line with the Company's investment strategy.

INVESTMENTS REVIEW

UKOG (GB) Limited, UKOG Weald Limited and UKOG Solent Limited

On 17 October 2014, UKOG completed its acquisition for £1.5 million of three UK subsidiaries of NOP:

- Northern Petroleum (GB) Limited, for a base consideration of £1,311,999
- NP Weald Limited, for a base consideration of £188,000
- NP Solent Limited, for a base consideration of £1.

The three NOP companies were re-named UKOG (GB) Limited, UKOG Weald Limited and UKOG Solent Limited.

The licences include the following UKOG assets:

- The Horndean (UKOG 10%) and Avington (UKOG 5%) onshore producing oil fields, producing around 20 barrels of oil per day ("bopd") net to UKOG; both fields are operated by IGas.
- Offshore Isle of Wight exploration licence, P1916 (UKOG 77.5% and operator), containing the significant, drill-ready M prospect, with primary targets in the Jurassic Upper Portland Limestone and Triassic Sherwood Sandstone.
- The Baxters Copse (UKOG 50%, IGas operator, PEDL233) and Markwells Wood (UK 100% and operator, PEDL126) onshore oil discoveries.

On 28 October 2014, UKOG jointly applied for a 200 km^2 onshore licence, adjacent to the offshore Isle of Wight licence, as part of the 14th Round along with Angus Energy and Solo Oil plc, to target the same M prospect identified in licence P1916 from an onshore location.

On 11 November 2014, UKOG published a corporate presentation, providing details of the NOP acquisition. This presentation also published, with IGas' consent, the latest independent reserves estimates for Horndean, Avington and Baxters Copse, as shown below in Tables 1, 2 and 3.

Table 1: Horndean Field - Reserve Estimates (Source: Senergy CPR July 2014, Section 2.4.7,)

MMbbl (at 1 January 2014)	**Gross**			**Net Attributable (10%)**			**Operator**
	1P	**2P**	**3P**	**1P**	**2P**	**3P**	
Oil Reserves	0.717	0.856	1.143	0.0717	0.0856	0.1143	IGas

Note: In accordance with Appendix 3 of the AIM Note for Mining and Oil and Gas Companies June 2009 the Company has calculated its net attributable interest which are those reserves attributable to the Company based on its 10% interest in the Horndean licence

Table 2: Avington Field - Reserve Estimates (Source: Senergy CPR July 2014, Section 2.4.2)

MMbbl (at 1 January	**Gross**			**Net Attributable (5%)**			**Operator**
	1P	**2P**	**3P**	**1P**	**2P**	**3P**	

2014)							
Oil Reserves	0.040	0.063	0.125	0.0020	0.00315	0.00625	IGas

Note: In accordance with Appendix 3 of the AIM Note for Mining and Oil and Gas Companies June 2009 the Company has calculated its net attributable interest which are those reserves attributable to the Company based on its 5% interest in the Avington licence

Table 3: Baxters Copse Discovery Contingent Resource Estimates (Source: Senergy CPR July 2014, Section 2.4.3)

MMbbl (at 1 January 2014)	**Gross**			**Net Attributable (50%)**			**Operator**
	1C	**2C**	**3C**	**1C**	**2C**	**3C**	
Contingent Resources	3.114	4.671	6.228	1.557	2.336	3.114	IGas

Note: In accordance with Appendix 3 of the AIM Note for Mining and Oil and Gas Companies June 2009 the Company has calculated its net attributable interest which are those Contingent Resources attributable to the Company based on its 50% interest in the Baxters Copse licence

As announced by the Company on 2 February, 3 February and 20 February 2015, further interests in Markwells Wood and P1916 were acquired from Egdon (E&P) Limited, Egdon Resources U.K. Limited, Montrose Industries Limited and Magellan Petroleum (UK) Limited. UKOG acquired the following interests:

- 10% of Markwells Wood from Egdon Resources U.K. Limited, together with 7.5% of P1916 from Egdon (E&P) Limited, for a combined consideration of £10,000
- 5% of P1916 from Montrose Industries Limited, for a nominal consideration
- 40% of Markwells Wood from Magellan Petroleum (UK) Limited, for £1.

In March 2015, following a new interpretation of 2D seismic, the company presented its view of OIP of the P1916 M prospect and concluded that, if successful, the prospect had potential company-maker impact. The company's view of unrisked OIP and GIP for the main Portland Limestone and Triassic Sherwood Sandstone reservoir objectives is shown in Tables 4 and 5 below. Assessment of further potential in the Osmington Oolites and Kimmeridge section is currently ongoing.

Table 4: P1916 M Prospect - Potential Gross OIP Volumes and Risks (Company estimates)

Reservoir Objective	Low (P90) OIP MMbbl		Most Likely (P50) OIP MMbbl		High (P10) OIP MMbbl		Probability of Success ("POS")
	Total	P1916	Total	P1916	Total	P1916	%
Portland Limestone	17.6*	15.7*	40*	35.3*	80*	70.2*	35%*
Triassic Sherwood Sst	21.9*	21.7*	76.5*	71.3*	205**	169**	11**-20*%

* 4-way dip closure

** Dependent upon a combination of 4-way dip closure plus downthrown fault seal

UKOG has a net attributable interest of 77.5% in P1916

Table 5: P1916 M Prospect - Potential Gross GIIP Volumes and Risks - Triassic Gas Case (Company Estimates)

Reservoir Objective	Low (P90) GIP bcf		Most Likely (P50) GIP bcf		High (P10) GIP bcf		Probability of Success ("POS")
	Total	P1916	Total	P1916	Total	P1916	%
Triassic Sherwood Sst	57.3*	56.8*	197*	184*	520**	426**	11**-20*%

* 4-way dip closure

** Dependent upon a combination of 4-way dip closure plus downthrown fault seal

UKOG has a net attributable interest of 77.5% in P1916

Horse Hill Developments Limited

UKOG increased to 30% its direct interest in HHDL, which owns 65% of the Horse Hill licences. HHDL also operates both of the Horse Hill licences (PEDL137 and PEDL246). UKOG now has a 20.358% interest in the licences.

HHDL completed drilling activities at the HH-1 well, located about 3 miles from Gatwick Airport, in early November 2014. The well made a conventional oil discovery in the Upper Portland Sandstone. Further well analyses, by both the Company and by Nutech identified that potential oil pay exists within tight naturally fractured limestones and shales of the Kimmeridge Clay, Oxford Clay and Lias Formations.

Independent low, medium and high estimates by Xodus of Upper Portland Sandstone OIP were announced by the Company after the reporting period on 11 May 2015, as summarised in Table 6 below. **OIP estimates in Table 6 should not be construed as recoverable resources or reserves.**

Table 6: HH-1 Upper Portland Discovery - Estimated Gross OIP (Source:

Xodus)

MMbbl	Low (P90)	Best (P50)	High (P10)
	14.3	21.0	30.4

As announced after the reporting period on 9 April 2015, Nutech's independent analysis estimated that the HH-1 well (excluding the Upper Portland Sandstone) implied a total OIP of 158 MMbbl per square mile, as summarised in Table 7 below. **OIP estimates in Table 7 should not be construed as recoverable resources or reserves.**

Table 7: HH-1, Nutech Gross OIP Summary Table

Section	Depth, ft TOP	Depth, ft BASE	Gross, ft MD	Pay, ft MD	OIP, MMbbl/sq mile MMBO/Sq. Mile
L. Portland	2038	2320	129	19	**7.2**
Kimmeridge Top	2482	4430	1948	511	**114.9**
Corallian	4430	5000	374	0	0.3
Oxford	5050	5466	415	30	**7.2**
Kellaways	5466	5517	16	0	0.0
Upper Lias	6370	6711	220	0	0.4
Middle Lias	6711	7072	100	4	1.6
Lower Lias	7072	8096	986	53	**17.6**
Triassic	8288	8507	150	12	3.2
Palaeozoic	8508	8837	213	24	5.5
TOTAL			**4308**	**653**	**158.0**

As announced after the reporting period on 5 June 2015, Schlumberger's independent analysis estimated that the HH-1 well implied a total OIP of 271.4 MMbbl per square mile, as summarised in Table 8 below.

Table 8: HH-1, Schlumberger's Gross OIP Summary Table

Section	Depth, ft	OIP, MMbbl/sq mi
Main Upper Portland Sandstone	**2038**	**16.2**

U. Portland shales/silts/thin sands	2148	-
Lower Portland Sandstone	2320	-
Kimmeridge (Total)	**2482**	**176.3**
U. Kimmeridge	2482	21.1
Kimmeridgian Micrite1	2825	4.4
M. Kimmeridge 1	2931	26.4
Kimmeridgian Micrite2	3083	9.3
M. Kimmeridge 2	3184	53.2
Kimmeridgian Micrite3	3450	1.1
L. Kimmeridge Clay	3479	60.3
Top Corallian	4430	-
Corallian Limestone	5001	-
Oxford Clay	**5050**	**19.7**
Kellaways Beds	5466	-
Cornbrash	5518	-
Great Oolite	5521	-
Fullers Earth	5685	-
Inferior Oolite*	5800	-
Lias (Total)	**6370**	**59.2**
Upper Lias	6370	8.0
Middle Lias	6711	27.1
Lower Lias	7072	24.2
Mercia Mudstone	8288	-

Palaeozoic	8507	-
Total Depth	8815	-
TOTAL		**271.4**

* A potential tight conventional oil reservoir with low oil saturations was also interpreted in the Middle Jurassic Inferior Oolite limestone section. This is not reported in Table 1 as further work and cuttings analyses are necessary and ongoing in order to help calibrate the log interpretation in this section to solidify the calculated OIP.

A flow test of the Upper Portland Sandstone discovery and Kimmeridge Limestones is now planned before year-end 2015, subject to the necessary variations to existing regulatory permissions being granted.

Furthermore, as announced on 18 June 2015, Nutech assessed the total Jurassic shale plus tight conventional reservoir section of UKOG's Horse Hill licences contain a Best Estimate, or P50, OIP of 9,245 MMbbl. The most significant OIP within the Jurassic section lies within the shales and tight conventional reservoir limestone sequences of the Kimmeridge, with a calculated Best Estimate, or P50, total Kimmeridge OIP of 5,230 MMbbl. Nutech also stated that analogous producing hybrid tight conventional reservoirs and shale plays show recovery factors of between 3-15% of contacted OIP. Nutech's results are summarised in Table 9 below.

The Nutech study also identifies possible significant OIP within the Middle Jurassic Oolite limestone section that could be analogous to the Mississippian Limestone Play of Oklahoma. Work is ongoing to refine the Company's understanding of this potential additional resource.

Table 9: Nutech's Summary of OIP for PEDL137 and PEDL246

	OIP, MMbbl			
	P90 Low	**P50 Best**	**P10 High**	**Mean**
Zone KIMMERIDGE TOTAL	1,949	5,230	8,881	5,355
Zone CORALLIAN	122	556	1,384	687

Zone OXFORD_CLAY	188	495	908	530
Zone OOLITE	410	1,544	3,352	1,769
Zone LIAS_CLAY	462	1,420	2,994	1,625
TOTAL*	**3,131**	**9,245**	**17,519**	**9,965**

* Arithmetic sum

Angus Energy

UKOG owns a 6% share of Angus Energy, which operates and produces oil from both the Lidsey oil field (PL241, Angus Energy 70%) and Brockham oil field (PL235, Angus Energy 60%) in the UK Weald Basin, south of London. Angus Energy is planning a side-track on Brockham and a new well at Lidsey. Both of these oil fields currently produce from a single well. Angus Energy is also the nominated operator and 22% owner of HHDL.

The reserves in the Brockham field, as of 31 December 2013, estimated by RPS, are summarised in Table 10 below.

The reserves in the Lidsey field, as of 31 December 2013, estimated by RPS, are summarised in Table 11 below.

The Contingent Resources in the Lidsey field, as of 31 December 2013, estimated by RPS, are summarised in Table 12 below.

Table 10: Brockham Field - Reserve Estimates, as of 31 December 2013 (Source: RPS CPR March 2014, Table 2)

Field	**Reserves (Mbbl)**					
	Gross Field			**Angus Working Interest [1]**		
	1P [2]	**2P**	**3P**	**1P [2]**	**2P**	**3P**
Brockham [1]	17.9	47.0	101.5	10.7	28.2	60.9

1. The Brockham field is in PL235. Angus Energy's interest in PL235 is 60%.
2. The 1P case has been truncated to the anticipated PL235 expiry, as published by OGA of 27 October 2017.

Table 11: Lidsey Field - Reserve Estimates, as of 31 December 2013 (Source: RPS CPR March 2014, Table 2)

Field	**Reserves (Mbbl)**	
	Gross Field	**Net Angus Working**

	Gross Field			Interest		
	1P [2]	2P	3P	1P [2]	2P	3P
Lidsey [1]	12.7	36.0	54.7	8.9	25.2	38.3

1. The Lidsey field is in PL241. Angus Energy's working interest in PL241 is 70%.
2. The 1P case has been truncated to the anticipated licence expiry as published by OGA of 1 December 2017.

Table 12: Lidsey Field Contingent Resources, as of 31 December 2013 (Source: RPS CPR March 2014, Table 3)

Field	Contingent Resources (Mbbl) [1]					
	Gross Field			Net Angus Working Interest		
	1C	2C	3C	1C	2C	3C
Lidsey [2]	195.9	413.6	620.3	137.1	289.5	434.2

1. No economic cut-off applied; nominal production cut-off of 6 bopd or 1 January 2033 (whichever earlier) applied, with an assumed start date of 1 January 2016.
2. The Lidsey field is in PL241. Angus Energy's working interest in PL241 is 70%.

RESULTS FOR THE PERIOD

Retained loss for the 6-month period to 31 March 2015 amounted to £383,000 (2014: £290,000 loss).

OUTLOOK

The Board acknowledges that this is an exciting and key period for the Company as it continues to maximise value from its existing investments and continues to seek additional opportunities to grow and add to its portfolio in the core Weald and Wessex Basin area.

In order to provide us with leveraging cutting-edge technology and techniques to exploit the potential of our Weald assets, the Company is working in very close cooperation with two leading oil service companies and technical

specialists, Nutech and Schlumberger. As a junior company we are privileged to call these organisations our technical consultants and will seek to exploit the potential commercial advantage they provide.

The HH-1 flow test, in addition to establishing the likely commercial viability of the Portland conventional oil discovery, is designed as part of a wider programme of proof of concept for the resource play, and is expected to take place before the end of 2015.

The Company will be thoroughly investigating, in the coming period, the use of potential new non-fracking related drilling based stimulation and completion technologies, in both our conventional Oolite reservoirs and the tight limestones of the Kimmeridge. If successful these technologies have the potential to increase economic viability and potential returns from the company's entire Weald portfolio.

Strong funding and technical knowledge also position us well to expand our resource base in the short term via potential conventional limestone reservoir developments at Markwells Wood and Baxters Copse. We eagerly anticipate the announcement of the 14th Round licence awards so that we can implement the planning already in progress to drill our exploration well in the Isle of Wight, together with a possible further well on an identified onshore missed-pay opportunity.

The Company is now well-financed following its recent £6 million share placement and $10 million debt facility with YAGM. Strong funding combined with significant technical knowledge of both the Weald and the isle of Wight means we are well positioned to achieve a goal of expanding our portfolio by the end of the next period.

The Board would like to take this opportunity to thank our shareholders for their continued support and I look forward to reporting further substantive progress over the next period and beyond.

David Lenigas
Chairman

24 June 2015

QUALIFIED PERSON'S STATEMENT

The information contained in this Report has been reviewed and approved by Stephen Sanderson, CEO of UK Oil & Gas Investments PLC. Mr. Sanderson has over 30 years of relevant experience in the oil industry. He is a Fellow of the Geological Society of London and is an active member of the American Association of Petroleum Geologists.

FOR FURTHER INFORMATION, PLEASE CONTACT:

UK Oil & Gas Investments PLC David Lenigas / Steve Sanderson / Don Strang	Tel: 020 7440 0640
WH Ireland (Nominated Adviser and Broker) James Joyce / Mark Leonard	Tel: 020 7220 1666
Square 1 Consulting (Public Relations) David Bick / Mark Longson	Tel: 020 7929 5599

GLOSSARY OF TERMS

Term	**Meaning**
2D seismic	Seismic data collected using the two-dimensional common depth point method.
1P Reserves	Equivalent to Proved Reserves: denotes the low estimate or P90 scenario of Reserves.
2P Reserves	Equivalent to the sum of Proved plus Probable Reserves: denotes the best estimate scenario or P50 of Reserves.
3P Reserves	Equivalent to the sum of Proved plus Probable plus Possible Reserves: denotes the high estimate scenario or P10 of Reserves.
1C Resources	Denotes the low estimate scenario of Contingent Resources.
2C Resources	Denotes the best estimate scenario of Contingent Resources.
3C Resources	Denotes the high estimate scenario of Contingent Resources.
bopd	Barrels of oil per day.
Clastic	Rocks composed of broken pieces of older rocks.
Contingent Resources	Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations, but the applied project(s) are

	not yet considered mature enough for commercial development due to one or more contingencies. Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality. Contingent Resources are further categorized in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by their economic status.
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.
Gas in place	The quantity of gas that is estimated to exist originally in naturally occurring accumulations before any extraction or production.
Lead	A potential accumulation that is not yet sufficiently well-defined to represent a viable drilling target.
Limestones	A carbonate sedimentary rock predominantly composed of calcite or organic, chemical of detrital origin. Minor amounts of dolomite, chert and clay are common in limestones. Chalk is a form of fine-grained limestone.
Mbbl	Thousands of barrels of oil.
MMbbl	Millions of barrels of oil.
Mudstones	An extremely fine-grained sedimentary rock consisting of a mixture of clay and silt-sized particles.
Oil in place	The quantity of oil or petroleum that is estimated to exist originally in naturally occurring accumulations before any extraction or production.
Oolite	A sedimentary rock, most commonly a limestone, formed from ooids, spherical grains composed of concentric mineral layers of diameter 0.25-2 mm; Ooid mineral composition is most frequently calcium carbonate but can be phosphate, chert, dolomite or iron minerals, including hematite. They are usually formed in warm,

	supersaturated, shallow, highly agitated marine water intertidal environments.
P10	A 10% probability that a stated volume will be equalled or exceeded.
P50	A 50% probability that a stated volume will be equalled or exceeded.
P90	A 90% probability that a stated volume will be equalled or exceeded.
Pay	A reservoir or portion of a reservoir that contains economically producible hydrocarbons. The term derives from the fact that it is capable of "paying" an income. The overall interval in which pay sections occur is the gross pay; the smaller portions of the gross pay that meet local criteria for pay (such as minimum porosity, permeability and hydrocarbon saturation) are net pay.
Prospect	An area of exploration in which hydrocarbons have been predicted to exist in economic quantity.
Proved	Proved Reserves (1P, P90) are those quantities of petroleum, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations. If deterministic methods are used, the term reasonable certainty is intended to express a high degree of confidence that the quantities will be recovered. If probabilistic methods are used, there should be at least a 90% probability that the quantities actually recovered will equal or exceed the estimate.
Proved plus Probable	Probable Reserves are those additional Reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than Proved Reserves but more certain to be recovered than Possible Reserves. It is equally likely that actual remaining quantities recovered will be greater than or less than the sum of the estimated Proved plus Probable Reserves (2P, P50). In this context, when probabilistic methods are used, there should be at least a 50% probability that the actual quantities recovered will equal or exceed the 2P estimate.
Proved plus Probable plus Possible	Possible Reserves are those additional reserves which analysis of geo-science and engineering data suggest are less likely to be recoverable than Probable Reserves. The total quantities ultimately recovered from the project have

	a low probability to exceed the sum of Proved plus Probable plus Possible (3P, P10) Reserves, which is equivalent to the high estimate scenario. In this context, when probabilistic methods are used, there should be at least a 10% probability that the actual quantities recovered will equal or exceed the 3P estimate.
Reserves	Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Reserves must further satisfy four criteria: they must be discovered, recoverable, commercial, and remaining (as of the evaluation date) based on the development project(s) applied. Reserves are further categorized in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by development and production status.
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.
Side-track	Re-entry of a well from the well's surface location with drilling equipment for the purpose of deviating from the existing well bore to achieve production or well data from an alternative zone or bottom hole location, or to remedy an engineering problem encountered in the existing well bore.

Consolidated Income Statement (Unaudited) for the six months ended 31 March 2015

	Six months ended 31 March 2015 (unaudited)	Six months ended 31 March 2014 (unaudited)	Year ended 30 September 2014 (audited)
	£'000	£'000	£'000
Turnover	197	-	7

Cost of sales	(127)	-	-
Gross profit	70	-	7
Administration costs	(491)	(290)	(545)
Share based payment	-	-	(351)
Losses on disposal of subsidiary	-	-	-
Total operating costs	(491)	(290)	(896)
Operating loss on ordinary activities before taxation	(421)	(290)	(889)
Share of associate losses	(4)	-	-
Gains/(Losses) on settlements of derivative financial instrument	61	-	(18)
Finance interest expense	(19)	-	-
Loss on ordinary activities before taxation	(383)	(290)	(907)
Taxation	-	-	-
Loss for the financial period	(383)	(290)	(907)

Other comprehensive income			
Unrealised gain on revaluation of derivative financial instrument	-	-	44
Transfer of unrealised gains to income statement	(44)	-	-
Other comprehensive income for the year net of taxation	(44)	-	44
Total comprehensive income for the period attributable to equity holders of the parent	(427)	(290)	(863)
Loss per ordinary share			
Basic and diluted loss per share (pence)	(0.02)	(0.05)	(0.11)

Consolidated Statement of Financial Position (Unaudited) as at 31 March 2015

	As at 31	**As at 31**	**As at 30**

	March 2015 (unaudited)	March 2014 (unaudited)	September 2014 (audited)
	£'000	£'000	£'000
ASSETS			
Non-current assets			
Intangible Assets	1,733	818	-
Property, Plant & Equipment	161	-	-
Investment in Associate	2,128	-	-
Available for sale investments	378	-	1,568
Total non-current assets	4,400	818	1,568
Current assets			
Trade and other receivables	1,659	469	1,414
Derivative financial instrument	-	250	184
Cash and cash equivalents	383	163	982
Total current assets	2,042	882	2,580
TOTAL ASSETS	6,442	1,700	4,148
LIABILITIES			
Current liabilities			
Borrowings	(405)	-	-
Provisions	(359)	-	-
Trade and other payables	(13)	(260)	(496)

Total current liabilities	(777)	(260)	(496)
TOTAL LIABILITIES	(777)	(260)	(496)
NET ASSETS	5,665	1,440	3,652
Equity attributable to equity holders of the parent			
Share capital	11,753	11,669	11,726
Share premium reserve	25,605	20,715	23,192
Share scheme reserve	351	967	351
Revaluation reserve	-	-	44
Accumulated (losses)	(32,044)	(31,911)	(31,661)
TOTAL EQUITY	5,665	1,440	3,652

Consolidated Statement of Changes in Equity for the 6 months ended 31 March 2015

	Share capital £'000	Share premium £'000	Share based payment reserve £'000	Revaluation reserve £'000	Retained earnings £'000	Total attributable to owners of parent £'000
Balance at 30 September 2013	11,595	19,039	866	-	(31,620)	**(120)**
Loss for the year	-	-	-	-	(907)	**(907)**

Other comprehensive income:						
Gain on revaluation of derivative financial instrument	-	-	-	44	-	**44**
Total comprehensive income for the year	-	-	-	44	(907)	**(2,479)**
Shares issued	131	4,365	-	-	-	**4,496**
Share issue costs	-	(212)	-	-	-	**(212)**
Share options lapsed	-	-	(866)	-	866	**-**
Share based payments	-	-	351	-	-	**351**
Total contributions by and distributions to owners of the Company	131	4,153	(515)	-	866	**4,635**
Balance at 30 September 2014	11,726	23,192	351	44	(31,661)	3,652
Loss for the period	-	-	-	-	(383)	**(383)**
Other comprehensive income:						
Transfer of unrealised gain to income statement	-	-	-	(44)	-	**(44)**
Total comprehensive income for the period	-	-	-	(44)	(383)	**(427)**
Shares issued	27	2,533	-	-	-	**2,560**

Share issue costs	-	(120)	-	-	-	**(120)**
Share options lapsed	-	-	-	-	-	**-**
Share based payments	-	-	-	-	-	**-**
Total contributions by and distributions to owners of the Company	27	2,413	-	-	-	**2,440**
Balance at 31 March 2015	**11,753**	**25,605**	**351**	**-**	**(32,044)**	**5,665**

Statement of Cash Flows (Unaudited) for the six months ended 31 March 2015

	Six months ended 31 March 2015 (unaudited)	Six months ended 31 March 2014 (unaudited)	Year ended 30 September 2014 (audited)
	£'000	**£'000**	**£'000**
Cash flows from operating activities			
Operating (loss)	(421)	(290)	(889)
(Increase) in trade and other receivables	(196)	(469)	(1,044)
(Decrease)/Increase in trade and other payable	(584)	139	375
Share based payment charge	-	101	351
Cash generated by operating activities	(1,201)	(519)	(1,207)

Cash flows from investing activities			
Payments to acquire derivative financial instrument	-	(250)	(1,200)
Loans advanced to investee companies	-	-	(370)
Payments to acquire available for sale investments	(590)	-	-
Net payments to acquire intangible assets	(1,483)	(818)	-
Loans advanced from/(to) subsidiary	-	-	-
Net cash outflow from investing activities	(2,073)	(1,068)	(1,570)
Cash flows from financing activities			
Proceeds from issuance of ordinary shares	2,208	1,757	4,129
Share issue costs	(120)	(7)	(212)
Proceeds from borrowings	621	-	-
Repayment of borrowings	(216)	-	-
Interest paid	(19)	-	-
Payments to acquire derivative financial instrument	-	-	(250)
Receipts from settlements of financial instrument	201	-	92

Net cash inflow from financing activities	2,675	1,750	3,759
Net increase in cash and cash equivalents	(599)	163	982
Cash and cash equivalents at beginning of period	982	-	-
Cash and cash equivalents at end of period	383	163	982

Notes to the half-yearly results

1. Basis of preparation

As permitted IAS 34, 'Interim Financial Reporting' has not been applied to these half-yearly results. The financial information of the Company for the six months ended 31 March 2015 have been prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively "IFRS") issued by the International Accounting Standards Board ("IASB") as adopted by the European Union ("adopted IFRS") and are in accordance with IFRS as issued by the IASB. The condensed interim financial information has been prepared using the accounting policies which will be applied in the Company's statutory financial statements for the period ending 31 December 2015.

The financial information shown in this publication is unaudited and does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The comparative figures for the financial year ended 30 September 2014 have been derived from the statutory accounts for30 September 2014. The statutory accounts have been delivered to the Registrar of Companies. The auditors have reported on those accounts; their report was unqualified

and did not contain statements under the section 498(2) or 498(3) of the Companies Act 2006.

2. (Loss) per share

The calculation of the basic and diluted (loss) per share is based upon

	Six months ended 31 March 2015 (unaudited) £'000	Six months ended 31 March 2014 (unaudited) £'000	Year ended 30 September 2014 (audited) £'000
(Loss) attributable to ordinary shareholders	(379)	(290)	(907)
	Number	**Number**	**Number**
Weighted average number of ordinary shares for calculating basic loss per share	1,624,785,121	576,926,583	841,904,149
	Pence	**Pence**	**Pence**
Basic and diluted loss per share	(0.02)	(0.05)	(0.11)

Note: the EPS for the 6 months to 31 March 2014, has taken account of the Capital re-organisation which occurred on 25 November 2013.

3. Availability of the Interim Report

Copies of the report will be available from the Company's registered office and also from the Company's website www.ukogplc.com

END