



HORSE HILL AND BEYOND

**CORPORATE
PRESENTATION**

November 2018



Disclaimer



This presentation and any additional documents handed out at any meeting (together the “Presentation Materials”) have not been approved by (i) the London Stock Exchange plc or by any authority which could be a competent authority for the purposes of the Prospectus Directive (Directive 2003/71/EC); or (ii) an authorised person within the meaning of the Financial Services and Markets Act 2000 (“FSMA”). The Presentation Materials are being supplied to you for information purposes only by UK Oil & Gas Plc (the “Company” or “UKOG”). References to the Company, or UKOG will also be deemed to include its subsidiaries, both directly and indirectly held (including through nominees) all wholly owned. These Presentation Materials have been prepared by and are the sole responsibility of the Company. The Directors of the Company have taken all reasonable care to ensure that the facts stated herein are true to the best of their knowledge, information and belief. Investing in the Company may expose an individual to significant risk of losing all of the property or other assets invested.

These Presentation Materials do not constitute, or form part of, a prospectus relating to the Company, nor do they constitute or contain any invitation or offer to any person to subscribe for, purchase or otherwise acquire any shares in the Company or advise persons to do so in any jurisdiction, nor shall it, or any part of it form the basis of or be relied on in connection with any contract or as any inducement to enter into a contract or commitment with the Company. No reliance may be placed for any purpose whatsoever on the information or opinions contained in the Presentation Materials or on their completeness. No representation or warranty, express or implied, is given by the Company as to the accuracy of the information or opinions contained in the Presentation Materials, or any further written or oral information made available to you or your advisors, and is subject to updating, completion, revision, amendment or verification, which may result in material changes. The information contained in these Presentation Materials has not been independently verified. By attending the presentation and/or retaining these Presentation Materials you will be taken to have represented, warranted and undertaken that:

(i) you are a Relevant Person (ii) you have read and agree to comply with the contents and restrictions of this disclaimer (iii) you will use the information in these Presentation Materials solely for evaluating your possible interest in acquiring securities of the Company and (iv) you will conduct your own analysis or other verification of the data and information set out in these Presentation Materials and will bear the responsibility for all or any costs incurred in doing so.

Any recipient of these Presentation Materials who is in any doubt about the investment to which this presentation relates should consult an authorised person specialising in advising on investments of this kind. These Presentation Materials do not constitute a recommendation regarding the shares of the Company, and should not be construed as legal, business, tax or investment advice. Prospective investors are encouraged to obtain separate and independent verification of information and opinions contained in the Presentation Materials as part of their own due diligence.

Disclaimer (cont.)



Neither the Company, nor its advisers accept liability whatsoever for any loss howsoever arising, directly or indirectly, from use of these Presentation Materials or their contents or otherwise arising in connection therewith. The Company, in its sole discretion, reserves the right to amend or supplement these Presentation Materials at any time. The Company also reserves the right, in its sole discretion, to terminate discussions with any person at any time. The reproduction, copying or distribution of these Presentation Materials in other jurisdictions may be restricted by law.

These Presentation Materials are not for distribution outside the United Kingdom directly or indirectly, by any means (including electronic transmission) either to persons with addresses in Canada, Australia, Japan, the Republic of South Africa or the Republic of Ireland, or to any citizens, nationals or residents thereof, or to any corporation, partnership or other entity created or organized under the laws thereof. Any failure to comply with these restrictions may constitute a violation of the laws of any such other jurisdictions.

These Presentation Materials contain certain forward-looking information about the Company which are statements, beliefs, opinions or projections that are not historical facts, and which may be identified by the use of terminology such as “proposes,” “may,” “believes,” “anticipates,” “projects,” “expects,” “estimates” or “forecasts” or comparable terminology and which reflect the Company’s or, as appropriate, the Company’s Directors current expectations and beliefs about future events. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed in such statements, beliefs and opinions depending on a variety of factors.

Past performance, trends or activities of the Company or its shares cannot be relied on as a guide to future performance, trends or activities. Any forward-looking information contained in these Presentation Materials has been prepared on the basis of a number of assumptions which may prove to be incorrect, and accordingly, actual results may vary from those projected as a result of, among other factors, changes in economic and market conditions, changes in the regulatory environment and other business and operational risks. Recipients of these Presentation Materials should not place reliance on forward-looking statements, which speak only as of the date of the Presentation Materials. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events, circumstances or otherwise or to reflect the occurrence or non-occurrence of any events.



STRATEGIC POSITION IN UK ONSHORE OIL & GAS

- Largest acreage holder in south east UK
- Leader in Kimmeridge Limestone oil play
- Diversified across traditional and naturally fractured reservoirs

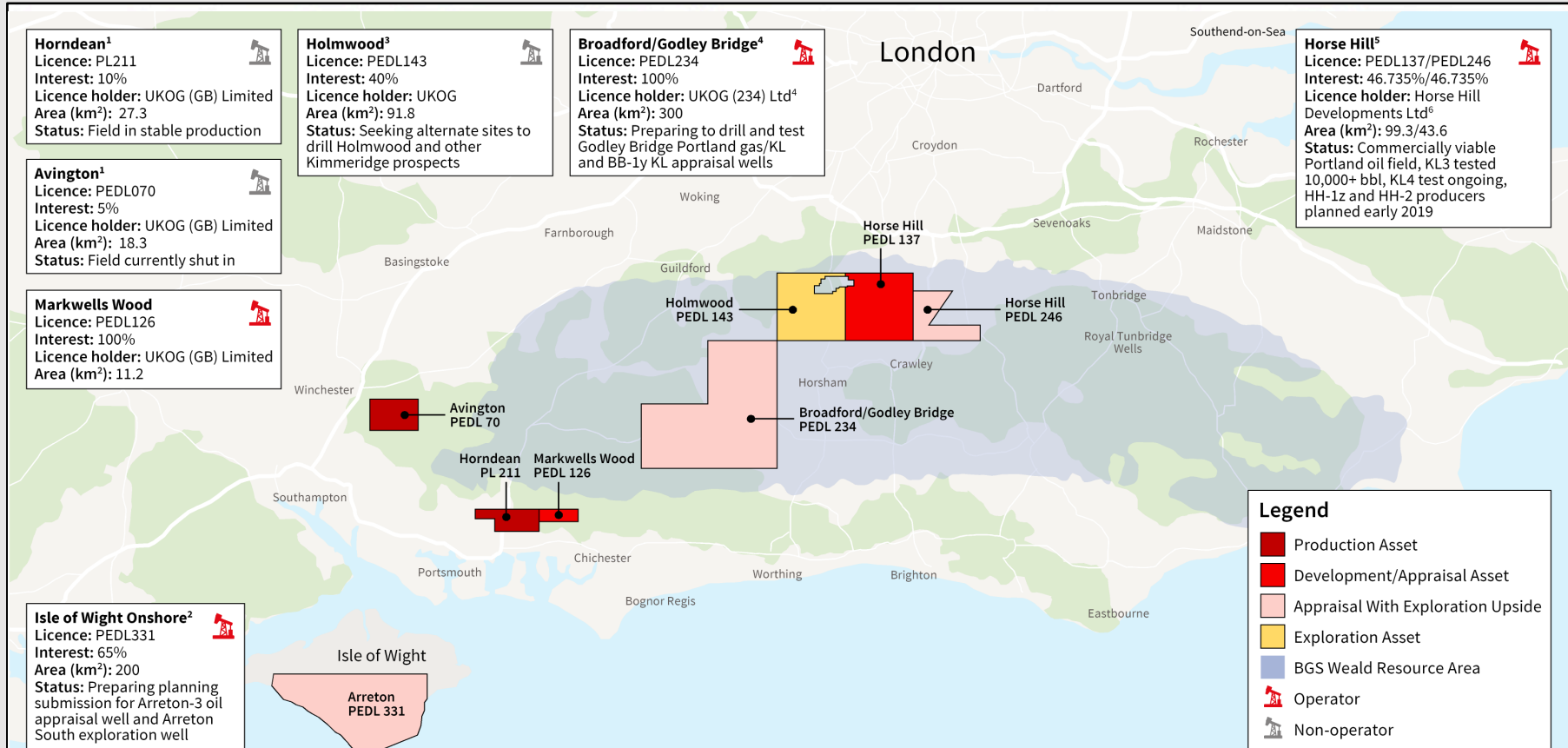
CLEAR PATHWAY TO FULL SCALE OIL PRODUCTION

- Horse Hill commercially viable
- Horse Hill production wells in 2019
- Planned production in late 2019 / early 2020

SIGNIFICANT APPRAISAL & EXPLORATION UPSIDE

- 3 further discoveries to appraise
- Arreton & Godley Bridge High-impact Appraisal wells
- 11.4 MMbbl of discovered conventional resources (excludes KL, Godley Bridge gas)
- PEDL234 KL, Arreton S, Holmwood exploration

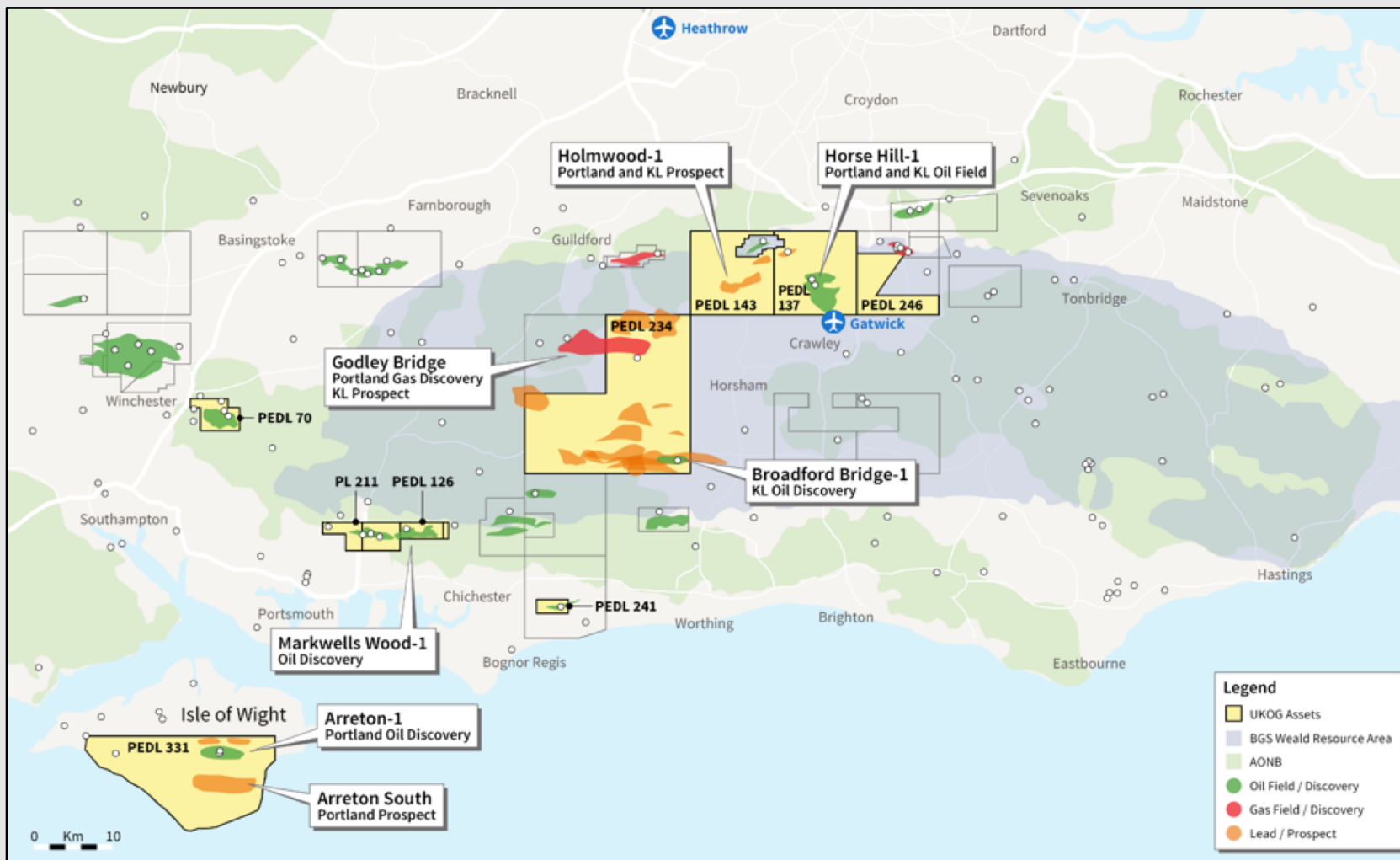
Strategic UK Onshore Position: Largest Acreage Holder in SE UK (c. 800km²)



Notes:

- Oil field currently in production.
- Isle of Wight Arreton Oil discovery, 127 mmbbl OIP plus look-alike Arreton S. prospect with 55 mmbbl Portland OIP
- Exploration asset containing Horse Hill look-alike Holmwood Portland/KL prospect plus additional KL prospects
- Appraisal and Exploration asset: contains BB-1/1z KL oil discovery, Godley Bridge Portland gas discovery plus KL prospects. UKOG has a 100% interest in UKOG (234) Ltd, which has a 100% interest in PEDL234.
- HH-1 Portland and KL oil field. Portland declared commercial, KL EWT ongoing, Two production wells HH-1z & HH-2 planned early 2019
- UKOG has a direct 71.9% interest in HHDL, which has a 65% interest in PEDL137 and PEDL246.

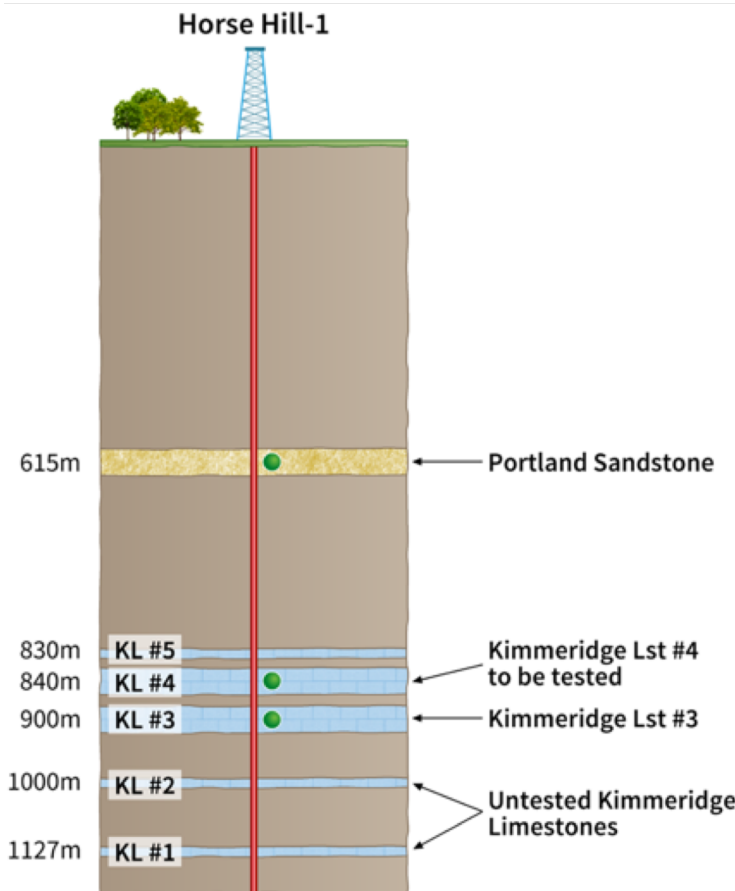
Portfolio: Multiple High Impact Projects



Horse Hill 2018 and Beyond



Horse Hill Extended Well Tests 2018



Summary Flow Test Results

	Portland	KL 3	KL4
Maximum metered rate	470 bopd *	902 bopd **	To be tested
Calculated future optimised rate	362 bopd *	n/a	To be tested
Sustained average daily rates	220-240 bopd *	342 bopd * **	To be tested
Total test production (14/11/2018)	3,672 bbl	10,248 bbl	To be tested

* Pumped
** Natural

Flow Test Production

- 2016 – 1,940 bbl
- 2018 – 13,920 bbl
- 2018 – c. US\$ 1.1 million flow test revenues

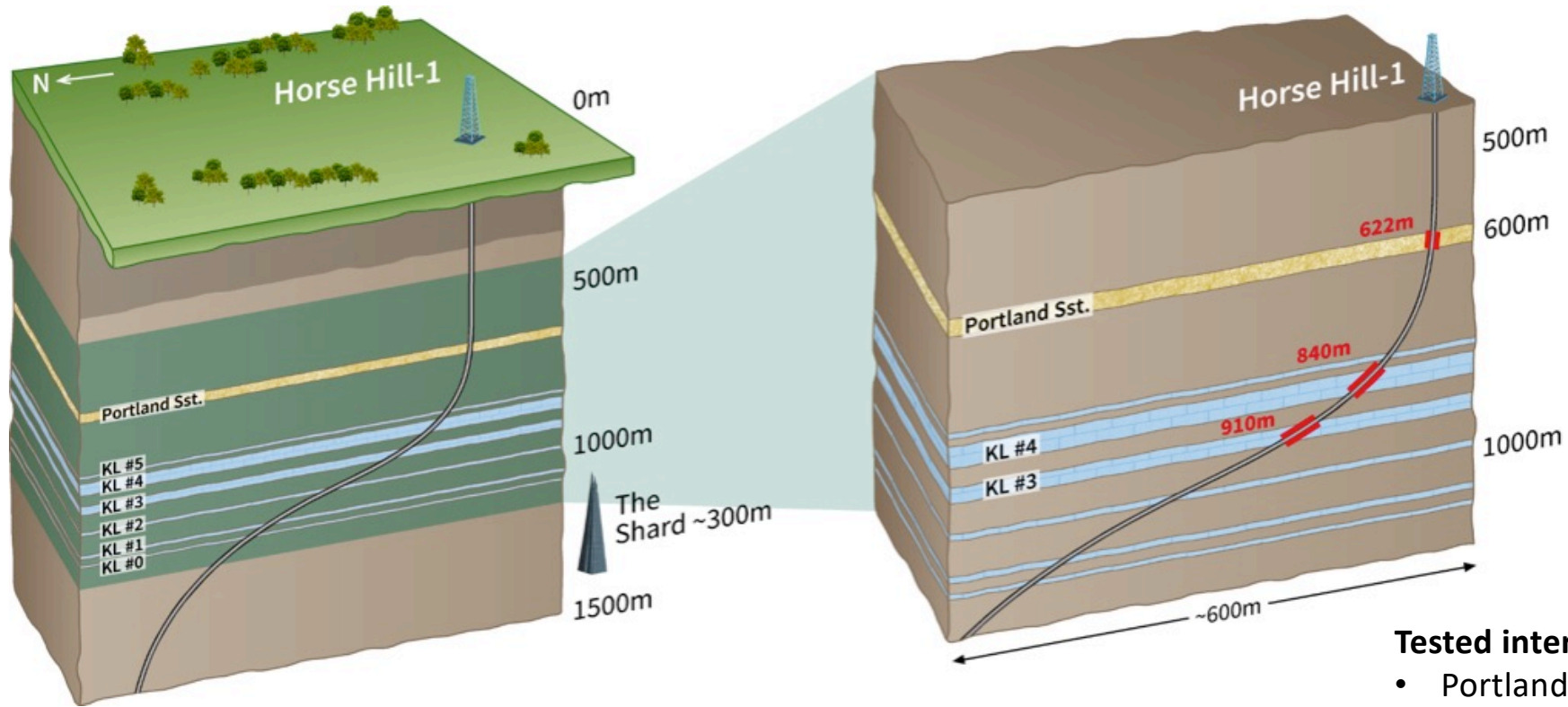
Portland

- Commercially viable
- The HH-1 well "sees" a connected Portland oil in place ("OIP") of approximately 7-11 million barrels (independent analysis)
- Zero formation water produced i.e. dry oil

Kimmeridge Limestone 3

- Initial daily oil rate 771 bopd, zero formation water produced
- Pressure interpretation indicates KL3 and KL4 are one single connected oil pool with an implied minimum vertical extent of 358 ft

Horse Hill -1 Extended Well Test Configuration



Tested interval

- Portland 113 ft
- KL3 83 ft @ 43°
- KL4 86 ft @ 45°

Horse Hill Development Forward Programme



- **Well test programme to date delivered proof of commercial viability on time and on budget**
- Long-term production start target late 2019 / early 2020
- Each production well targeting between 750 bopd – 1,000 bopd

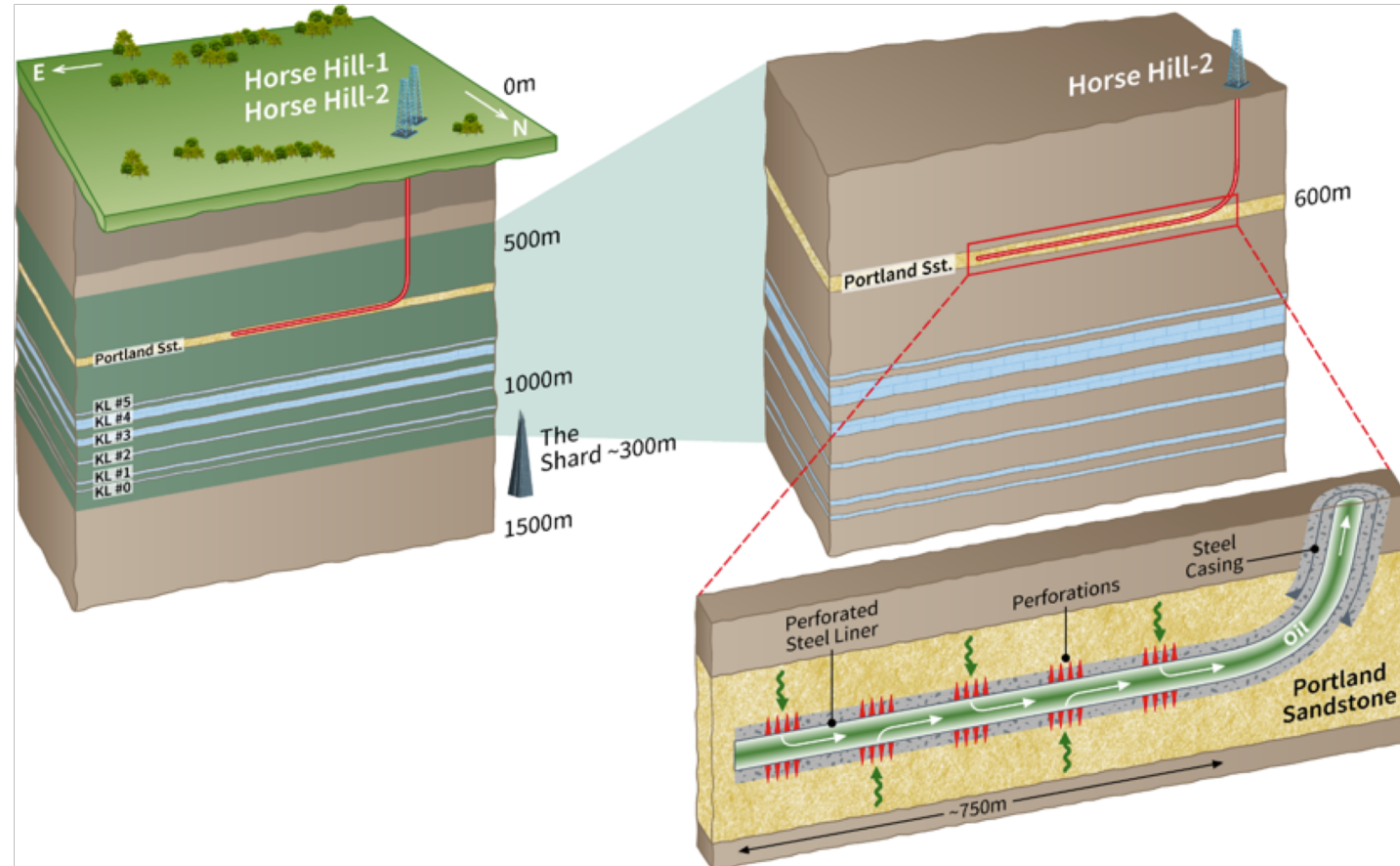
Overview of Key Milestones	2018				2019				2020				
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Site Preparation/Upgrades	Grey	Grey											Completed
HH-1 Well Test Production	Light Blue	Light Blue	Green	Green	Green	Light Green	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Commerciality declared
2 nd Production Well & HH-1z Sidetrack*						Red							Drill/test permits in place
Test production HH-1/1z & HH-2	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Green	Green	Light Blue	Light Blue	Light Blue	Light Blue	
Planning and Production Permitting			Yellow	Yellow	Yellow	Yellow	Yellow						Submission Dec 2018
Production Facilities**	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Dark Blue	Light Blue	Light Blue	Light Blue	Light Blue	
Planned Long Term Production**									Green	Green	Green	Green	Target initial rate 750-1,000 bopd per well
HH-3, 4, 5, 6 production wells**									Red	Red	Red	Red	

* HH-2 & HH-1z drilling may be accelerated to Q1 2019 dependent on rig availability

** Subject to planning approvals and funding

Horse Hill-2 Horizontal Production Well

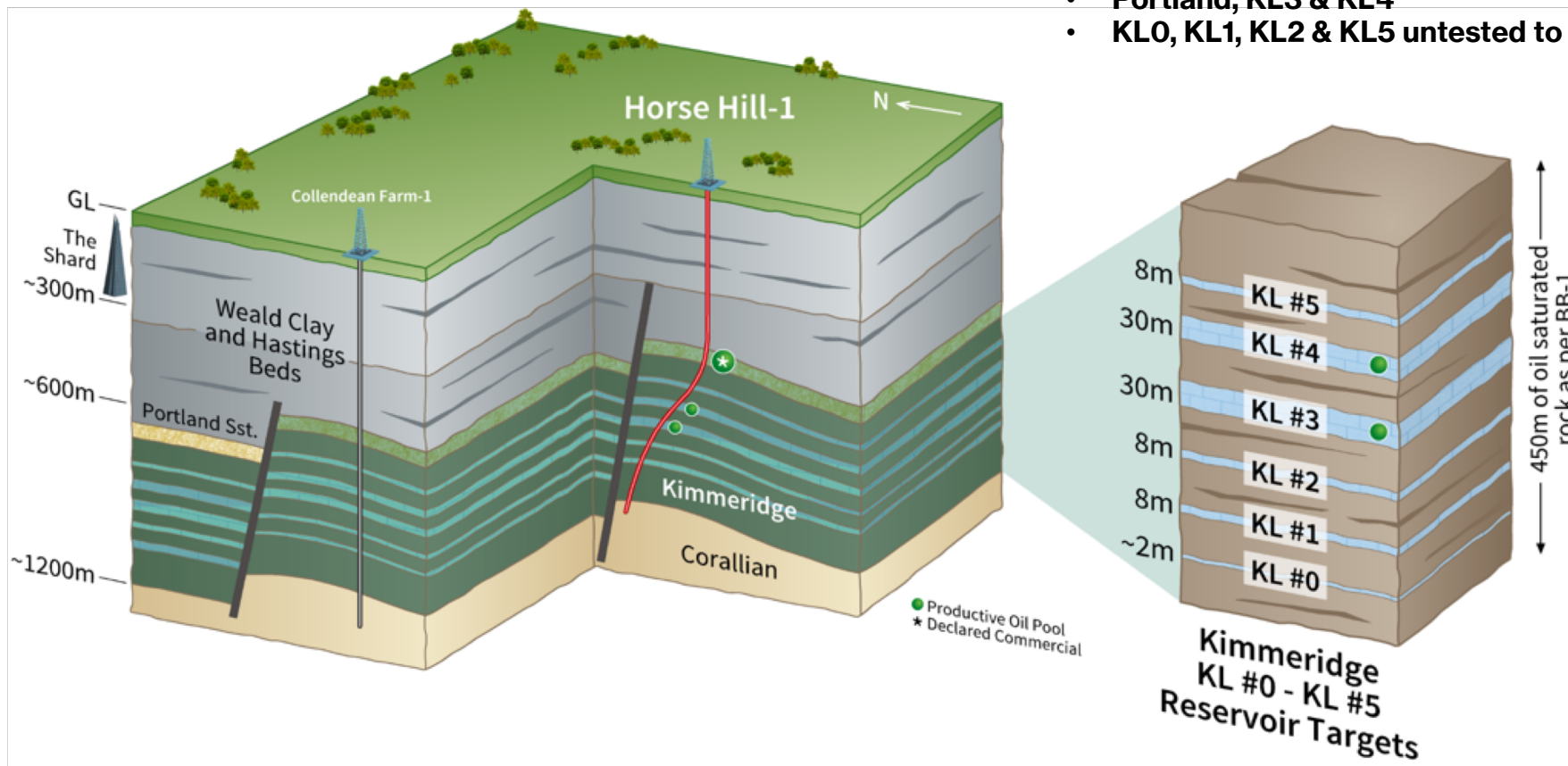
- **Scheduled to be first well into long term production**
- **Well scheduled Q2-Q3/2019**
- **Testing Q3 2019**
- **Permits in place**
- **Completed as a horizontal production well**
- **Possible use of Fishbones completion to further increase rate**
- **Production Target: 750-1000 bopd**



Horse Hill - Kimmeridge & Portland Oil Pools

Three productive and commercially viable oil pools

- Portland, KL3 & KL4
- KLO, KL1, KL2 & KL5 untested to date

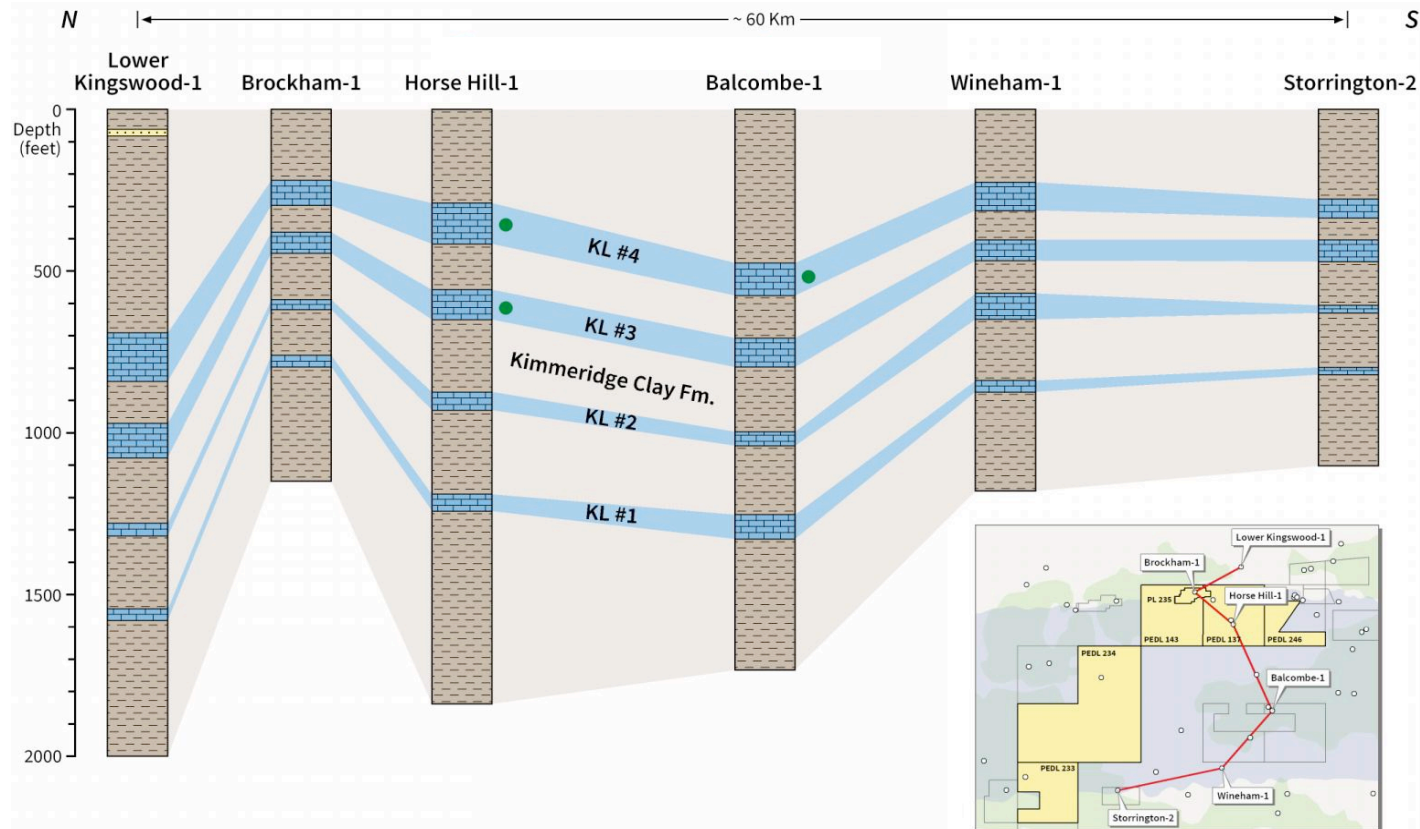


Kimmeridge – World Class Oil Source Rock



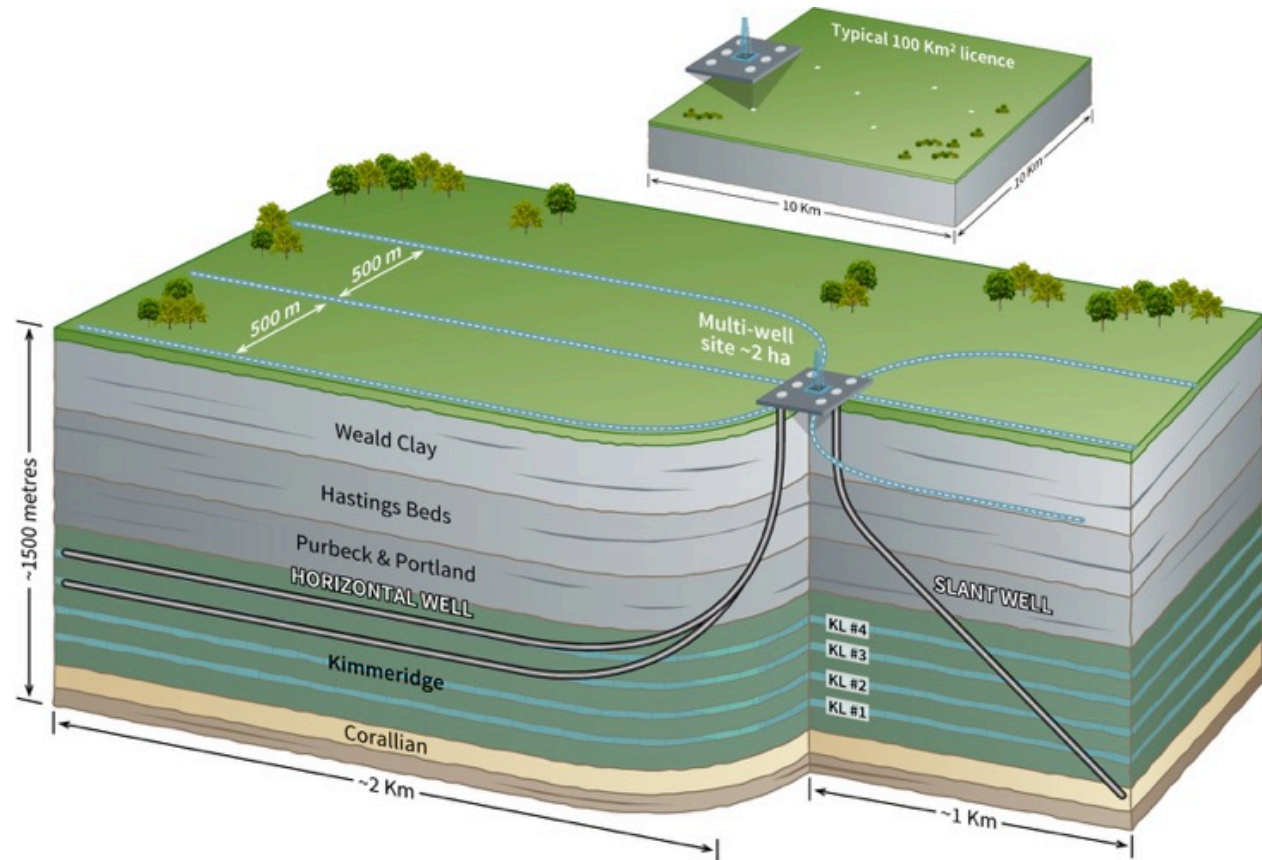
Kimmeridge – Extensive & Naturally Fractured

- Kimmeridge Shale is the major source of North Sea oil
- Natural fractures within the Kimmeridge Limestones
- Kimmeridge Limestones are regionally extensive



Kimmeridge Development Concept: Possible Scale and Assumptions

- Multiple wells in ~2 ha sites
- Target Initial rate 1000 bopd per horizontal well
- Target recovery 1 MMbbl/well
- Production costs estimated @ ~ £17/bbl or \$21/bbl
- Horizontals and/or slant wells
- Multiple completions and co-mingled production
- Natural flow then pump (ESP)



Kimmeridge Development Concept: Low Impact

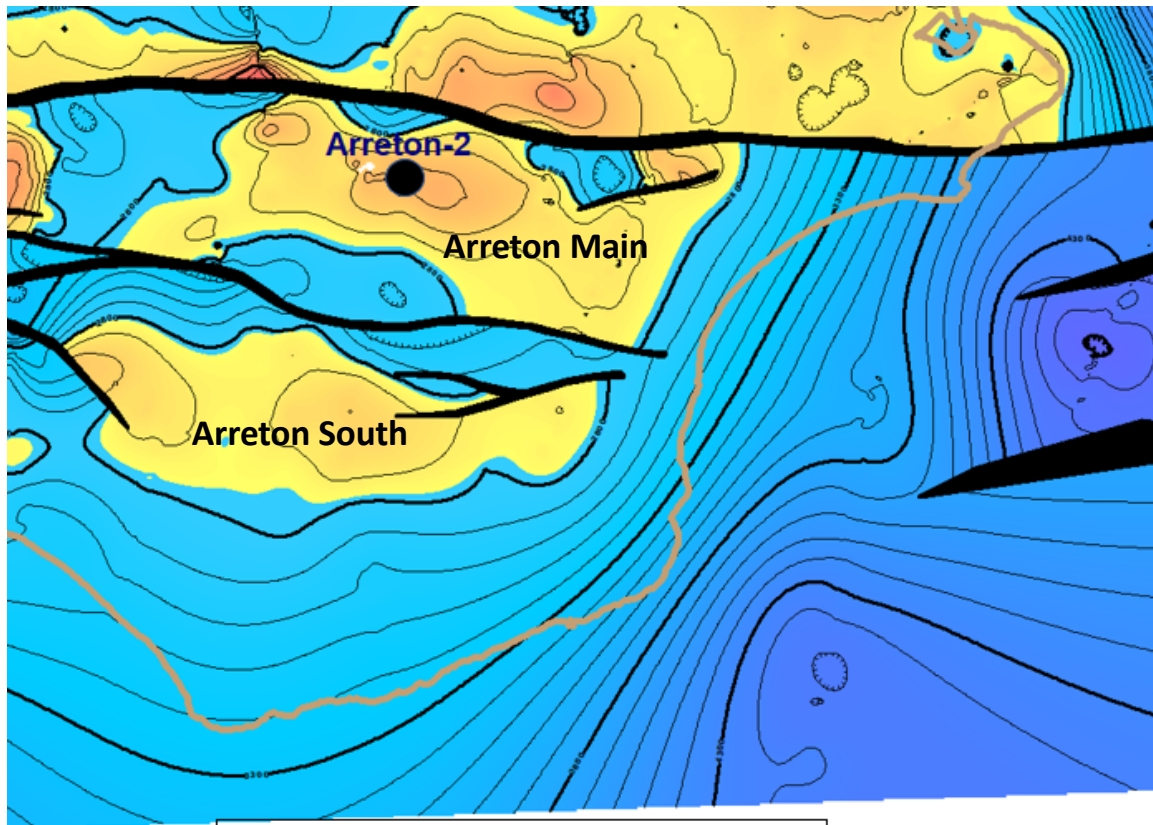
- Multiple wells in ~2 ha sites
- 4-8 sites per 100 km²
- Wells and pumps below ground level
- Low-rise storage tanks
- Mitigate impact by seeking brownfield site and / or locations near A-roads / rail-links



High Impact Future Projects: Significant Upside



Arreton Oil Discovery: N. Sea Size Oil Pool + Upside



Arreton Main Conventional Oil Discovery Four times HH-1 Portland Oil in Place Analogue to HH-1 Portland discovery

- Same size as typical current North Sea field/prospect opportunities
- 127 million bbl Oil in Place*
- 10 million bbl 2C resources*
- 10-45% expected recovery factors**
- Drill Arreton-3 by Q1 2020
- Target 750 -1000 bopd in Q4 2020 from horizontal production wells

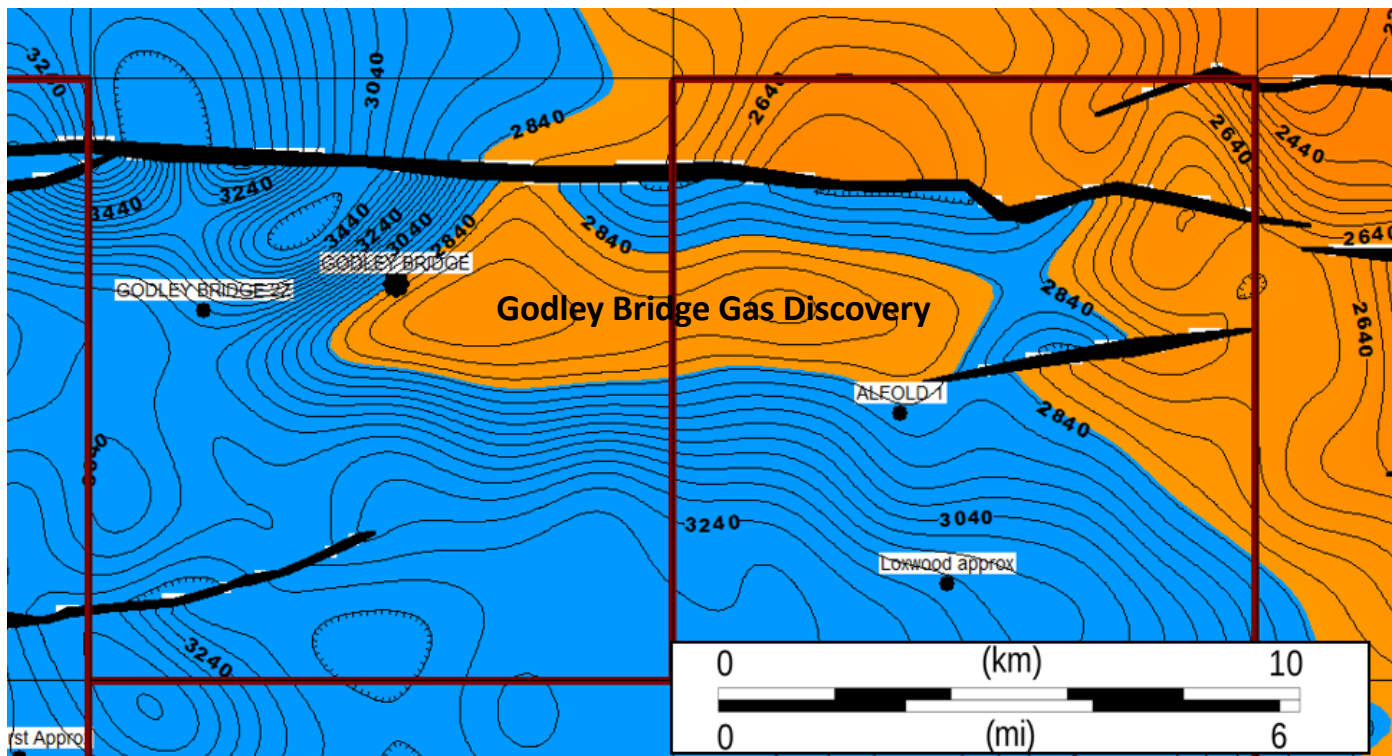
Arreton South Look-alike Prospect

- Larger Portland OIP than Arreton Main
- Drill immediately post Arreton Main commerciality

* Xodus 2018 P50

** Assumes analogy to Xodus 2018 HH Portland test-derived recoveries

Godley Bridge: N. Sea Size Gas Discovery



Godley Bridge PEDL234 N. Sea Size Gas Discovery plus Underlying Kimmeridge Upside

Portland

- Portland gas appraisal project
- Gross 56 Bcf Portland gas in place*
- Estimated recovery factor 60-80%

Kimmeridge

- Largest undrilled KL oil/gas prospect in Weald Basin

Plans

- Site leased
- Planning application Jan/Feb 2019
- Drill, core & test 2020

* UKOG internal P50 estimate

2019 – 2020 Operated Assets Programme

	2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Production & Development								
Horse Hill Portland & KL	Test Prod.	Drilling	Test Prod.	Facilities	Long Term Production/ Further Production Wells			
Appraisal								
Arreton Main					Drilling	Test Production		
Godley Bridge						Drilling	Test Production	
Broadford Bridge Sidetrack							Drilling	Test Prod.
Exploration								
Arreton South							Drilling	Test Prod.
PEDL234 KL new site								Drilling

Directors & Management Team



Allen D Howard

Non-Executive Chairman

Allen Howard is President & CEO of Houston-based Apex Completions, having previously been Senior Vice President of Houston-based Premier Oilfield Laboratories. Mr Howard also held senior positions with Schlumberger and Nutech. He holds a degree in Chemical Engineering from Texas Tech University and an MBA from Mays Business School in Texas.

Stephen Sanderson

Chief Executive Officer

Stephen Sanderson joined UK Oil & Gas Investments PLC in September 2014 and was appointed Executive Chairman and Chief Executive in July 2015. A highly-experienced petroleum geologist, oil industry veteran and upstream energy business leader, with over 30 years operating experience, Stephen is a proven oil finder and has been instrumental in the discovery of more than 10 commercial conventional fields, including the giant Norwegian Smorbuk-Midgaard field complex. Stephen held a variety of senior management roles for ARCO, Wintershall AG and three junior start-ups. He created and ran successful new exploration businesses in Africa, Europe and South America. He is a graduate and Associate of the Royal School of Mines, Imperial College, London, a Fellow of the Geological Society of London, a member of the American Association of Petroleum Geologists and a member of the Petroleum Exploration Society of Great Britain.

Matt Cartwright

Chief Operating Officer (non-board position)

Matt Cartwright joined UK Oil & Gas Investments in July 2014. He was appointed to the role of Chief Operating Officer in September 2015. Matt has worked for 35 years in the oil & gas industry for super-majors and start-ups. He started his career with BP and ARCO in the UK before spending 13 years with Total where he made a significant contribution to Total's growth in the Canadian heavy oil sands, the UK Elgin/Franklin development and in several ultra-deep-water W. Africa projects. His international experience encompasses Canada, Norway, France, Africa and the Middle East. Matt has a 1st Class engineering degree from the University of Cambridge.

Kiran Morzaria

Finance Director

Kiran Morzaria holds a Bachelor of Engineering (Industrial Geology) from the Camborne School of Mines and an MBA (Finance) from CASS Business School. He has extensive experience in the mineral resource industry working in both operational and management roles. Mr. Morzaria spent the first four years of his career in exploration, mining and civil engineering. He then obtained his MBA and became the Finance Director of Vatukoula Gold Mines Plc. He has served as a director of a number of public companies in both an executive and non-executive capacity.

Nicholas Mardon Taylor

Non-Executive Director

Nicholas Mardon Taylor served as the Chief Financial Officer of Hurricane Energy PLC from May 2012 until January 2016. He has worked in the oil industry for over 35 years, his first involvement in the North Sea being in the early licensing rounds. He was with Hurricane from 2005 to January 2016 when he was the Group's first CFO and was subsequently responsible for the Group's Environmental Management System.

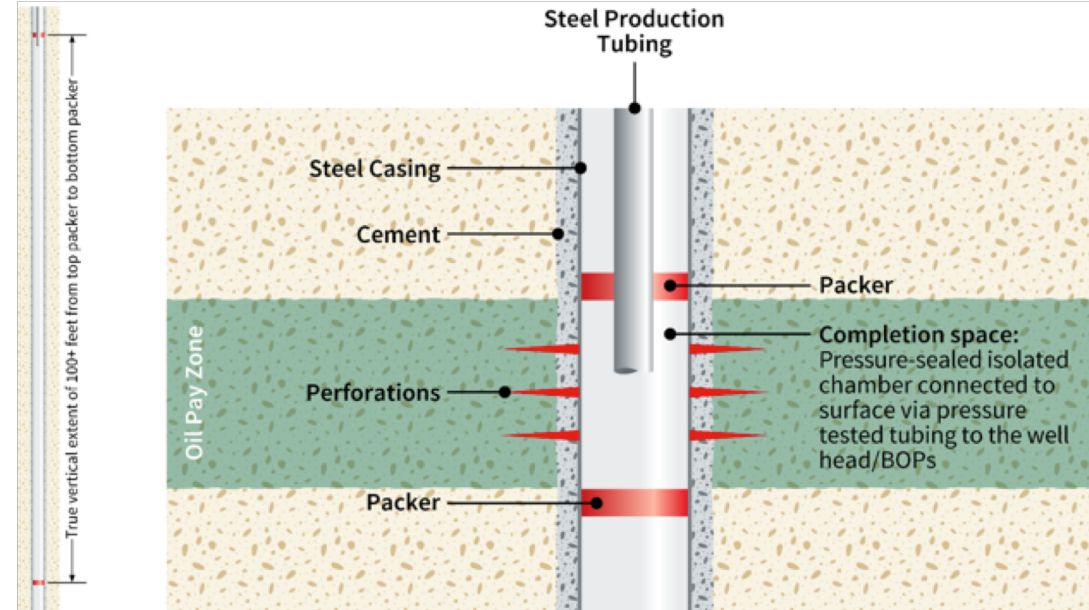
UKOG: The A Team



Appendices



2018 KL3 & KL4 Test Downhole Completion

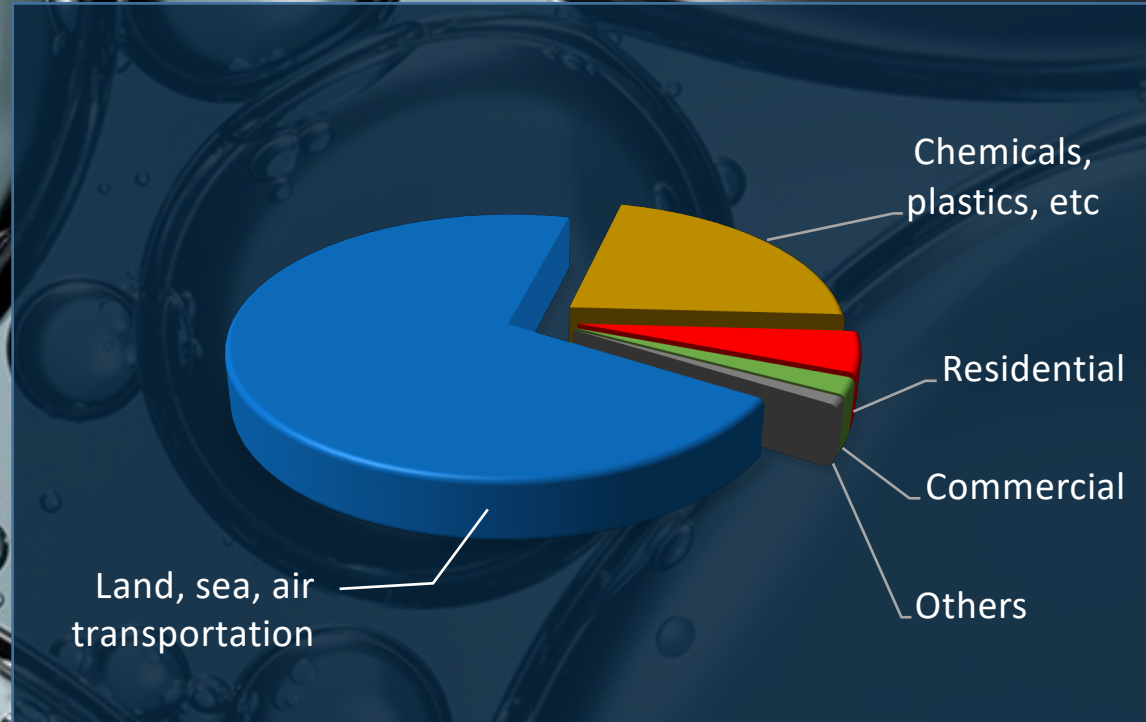


Completion model to scale: sliding sleeve (red) and production packer (grey). The model shows the actual 45° inclination of the HH-1 well within the KL3 and KL4.

UK Daily Oil Consumption

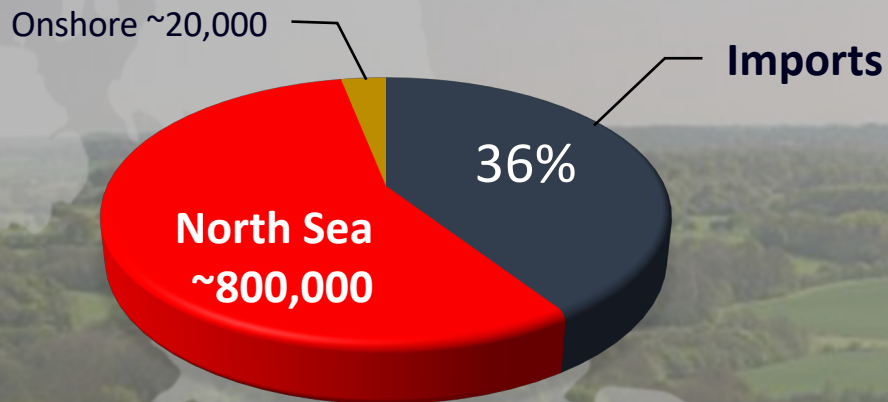
Britain consumes
**~1.4 million
barrels per day**

- 70% of it is used as fuel for transport.
- 30% of it is used as petrochemical feedstock
- None of it is used for electricity generation



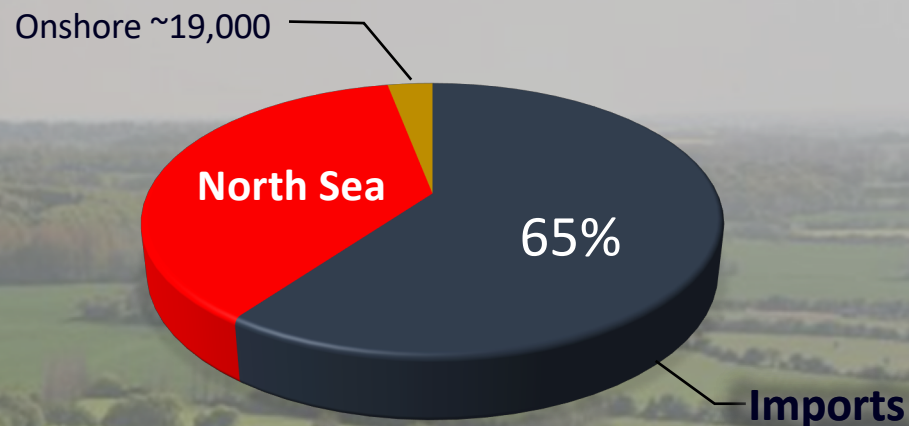
UK Oil Import Dependency Set to Increase

2016 (BOPD)



Net oil import dependency
36%

2030 (BOPD)



Net oil import dependency
65%