

Zacks Small-Cap Research

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Union Jack Oil

(UJOGF-OTCQB;
USO-LSE)

UJOGF: Agrees to Be Acquired

Union Jack Oil is an oil and gas company that operates in both the UK and US markets. The valuation is based on the takeover price estimate.

OUTLOOK

Union Jack Oil 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.

Union Jack announced that it has agreed to be acquired by Reabold Resources pending shareholder approval.

Current Price (07/01/26) \$0.07
Valuation \$0.06

SUMMARY DATA

52-Week High \$0.12
52-Week Low \$0.02
One-Year Return (%) N/A
Beta N/A
Average Daily Volume (sh) 703

Shares Outstanding (mil) 147
Market Capitalization (\$mil) \$10
Short Interest Ratio (days) N/A
Institutional Ownership (%) N/A
Insider Ownership (%) N/A

Annual Cash Dividend \$0.00
Dividend Yield (%) 0.00

5-Yr. Historical Growth Rates
Sales (%) N/A
Earnings Per Share (%) N/A
Dividend (%) N/A

P/E using TTM EPS N/A
P/E using 2025 Estimate N/A
P/E using 2026 Estimate N/A

Zacks Rank N/A

Risk Level Medium-high,
Type of Stock Small
Industry Oil and Gas

ZACKS ESTIMATES

Revenue

(in millions of US\$)

	Q1	Q2	Q3	Q4	Year
	(Jan)	(June)	(Sept)	(Dec)	(Dec)
2023		\$4.8A		\$2.0A	\$6.8A
2024		\$3.2A		\$2.1A	\$5.3A
2025		\$1.7A		\$1.6A	\$3.3A
2026		\$3.5E		\$3.7E	\$7.2E

Earnings Per Share

	Q1	Q2	Q3	Q4	Year
	(Jan)	(June)	(Sept)	(Dec)	(Dec)
2023		\$0.69A		\$0.36A	\$1.05A
2024		\$0.98A		-\$0.17A	\$0.81A
2025		-\$0.61A		-\$7.14A	-\$7.75A
2026		-\$0.20E		-\$0.01E	\$0.21E

Update

Union Jack Oil plc (OTCQB: UJOGF) shareholders have reason to feel encouraged this week. After a month of speculation, adjourned annual meetings, and a well-telegraphed courtship, Union Jack's board has formally recommended an all-share offer from Reabold Resources plc, valuing Union Jack's issued and to-be-issued share capital at approximately £6.14 million. For a company that has spent years quietly assembling a diversified, cash-generative portfolio across the UK and US onshore hydrocarbon sectors, this deal looks less like an ending and more like a natural next step — a chance to scale up, diversify further, and put a stronger balance sheet behind an already-promising asset base.

The Story So Far

The path to today's announcement has been anything but sudden. On June 15, Union Jack disclosed that it had received a non-binding indicative offer letter from Reabold, its long-time co-investor in the West Newton gas development in East Yorkshire. That familiarity mattered: this was not a stranger circling the company, but a partner who already understood the assets, the geology, and the upside case from the inside. The market responded warmly — Union Jack shares jumped as much as 14.6% on the news, as investors began pricing in the prospect of a formal bid.

What followed was a careful, well-governed process. Union Jack adjourned its AGM to give shareholders time to weigh the implications of a possible offer before casting votes that might otherwise have complicated negotiations. Executive Chairman David Bramhill was candid with shareholders throughout, signaling that the board was taking the approach seriously and wanted nothing to disrupt the pursuit of a deal that could deliver real value. That patience has now paid off with a firm, board-recommended offer.

The Terms: A Clean, All-Share Combination

Under the agreed terms, Union Jack shareholders will receive 0.051 new Reabold shares for every Union Jack share held. Based on Reabold's closing price of 81.0 pence on June 30, 2026, that values each Union Jack share at approximately 4.19 pence (\$0.056) — a premium of roughly 25% to Union Jack's undisturbed closing price of 3.35 pence on June 12, the day before the possible-offer period began. For long-term holders who have weathered the ordinary volatility of small-cap onshore E&P investing, a quarter-turn premium delivered through a recommended, board-backed process is a meaningful and welcome outcome.

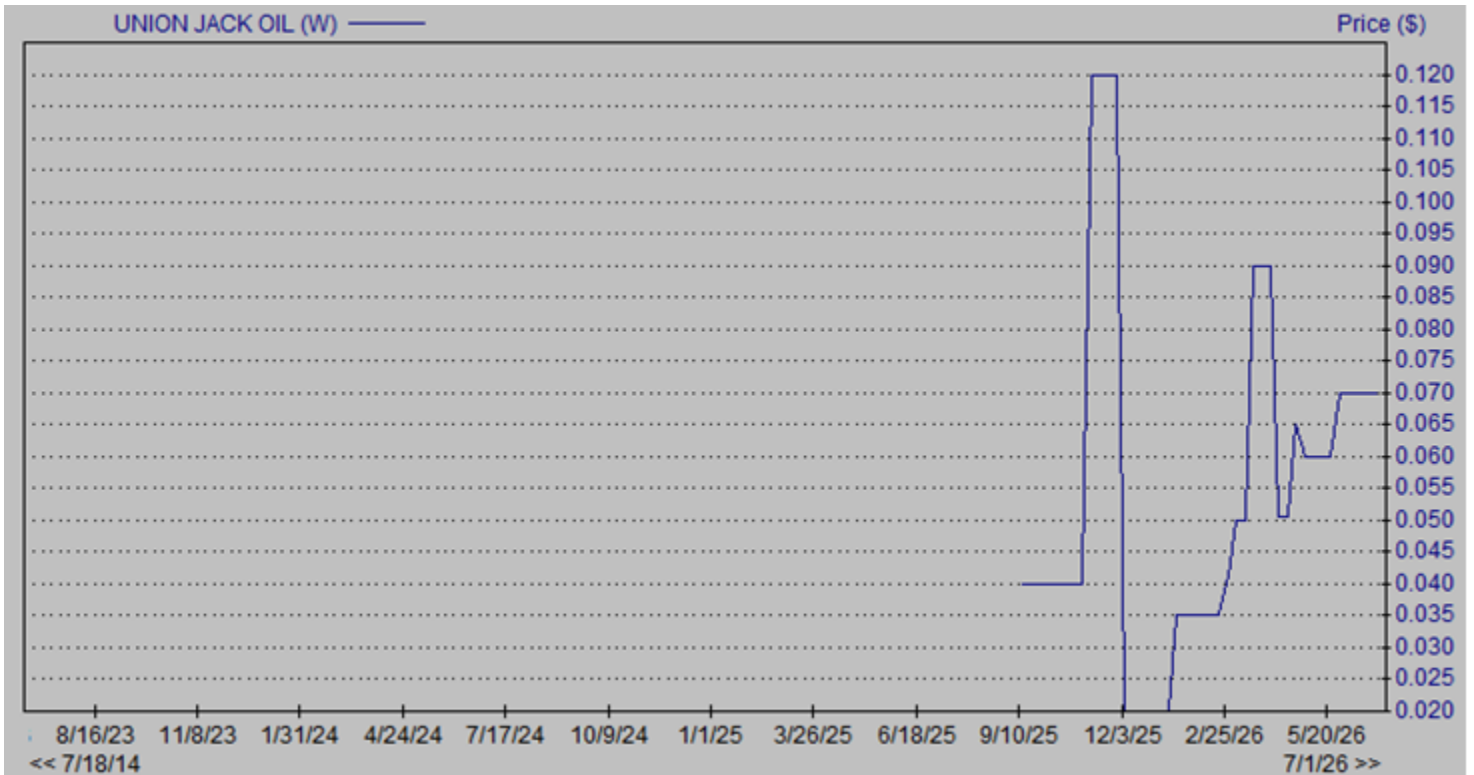
Because the deal is structured as an all-share exchange rather than a cash exit, Union Jack shareholders aren't simply being bought out — they're being invited to keep a seat at the table. Upon completion, Union Jack shareholders are expected to own approximately 34.01% of the enlarged group, which would carry a combined market capitalization of around £17.80 million. In other words, shareholders trade a smaller, standalone position for a proportionate stake in a materially larger, more diversified business — with all the operational leverage that scale can bring.

Why the Board Said Yes

Union Jack's board didn't rubber-stamp this offer casually. In its own words, the tie-up carries a "compelling" strategic rationale, combining two complementary portfolios into a better-capitalized business with enhanced scale in the UK and expanded international reach through the US royalty and working-interest positions Union Jack has built over the past two years — from the Bakken Shale in North Dakota to the Permian and Eagle Ford basins in Texas. Reabold, for its part, brings its own asset base and access to capital markets that could help fund the next phase of drilling and development across the combined portfolio.

Importantly, the board also noted that it had received no alternative proposal capable of funding Union Jack's strategy on comparable terms — a signal that this transaction represents the clearest near-term path to unlocking value and financing continued growth, rather than a defensive fallback.

HISTORICAL STOCK PRICE



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