

UK Oil & Gas Investments Plc

("UKOG" or the "Company")

UKOG agrees to buy 10% interests in Eakring-Dukes Wood and Kirklington oil fields in the UK

UK Oil & Gas Plc (AIM: UKOG) announces that it has reached agreement to acquire Angus Energy Eakring Development Limited ("Eakring") and Angus Energy Kirklington Development Limited ("Kirklington") which in turn own 10% interests in onshore UK Petroleum Exploration and Development Licences ("PEDLs") PEDL 118 and PEDL 203 located in Nottinghamshire in the East Midlands Petroleum Province. The operators of these PEDL's is Egdon Resources Plc ("Egdon"). UKOG has the rights to increase its ownership of PEDL 118 to 20% by paying 30% of the cost of the next well to be drilled on the licence.

The total aggregate consideration for Eakring-Dukes Wood and Kirklington is £290,000, comprising a cash sum of £140,000 and the issue of 18,750,000 ordinary shares to a market value of £150,000 (equivalent to a price of 0.8p per share) and will be escrowed for a period of 3 months once issued. The deal is expected to close in full within 30 days.

Commenting on the acquisition UKOG's Chairman David Lenig commented:

"UKOG are looking forward to working on these exciting oil fields with Egdon, the operators of the Eakring-Dukes Wood and Kirklington oil fields, who are evaluating a short -term restart of production and a long-term growth plan for the fields."

"This transaction is our second UK onshore oil investment and provides the Company exposure to two further conventional oil plays where we see significant upside potential going forward at a time of growing investment interest in the UK's onshore hydrocarbon sector by International Oil and Gas companies."

About PEDL 118 and PEDL 203:

Licence PEDL 118 contains the Eakring-Dukes Wood abandoned oil field which produced from a number of stacked shallow sandstone reservoirs of Carboniferous age from 1940 until 1966. The field was discovered in 1939 and extensively drilled and produced during the Second World War, where production peaked at 1600 barrels of oil per day in 1941. A water flood was initiated in 1947 and total production at abandonment in 1966 was 6.5 million barrels of oil (mmbo) out of mapped 25.6 mmbo in place. However, extensive studies by BP during the 1980's indicated that the water flood resulted in some reservoirs being prematurely "killed" and unswept. Recognition of the potential to rejuvenate the field to take advantage of increased oil price, improved technology and the identification of undrilled and undrained parts of the field led to the drilling of a new well, Dukes Wood-1, in 2010 and which was completed as a producer from the Ashover Grit reservoir. A dual-completion allows water injection into the sub-Alton Crawshaw sandstone.

Licence PEDL 203 contains the Kirklington oil field, discovered by BP in 1985 and which produced oil from the Sub-Alton Crawshaw reservoir between 1991 and 1998 and from the Chatsworth Grit reservoir from 2003 to 2004. Production was restored in 2009 and a new sidetrack well drilled in 2010 and completed for production from the Chatsworth Grit reservoir.

The Dukes Wood and Kirklington oil fields are operated as a joint development by the operator, Egdon Resources U.K. Limited, to optimise costs and returns. The Dukes Wood-1 and Kikrlington-3Z wells are currently shut-in. Potential new drilling locations in areas of the Dukes Wood/Eakring field not previously produced (e.g. Eakring North Lead) and locations where producible oil remains are under

evaluation with a view to agreeing a short -term restart of production and a long-term growth plan for the field.

Following completion, the interests in the licences will be as follows:

PEDL 118:

Egdon Resources U.K. Limited	50% (Operator)
Terrain Energy Limited	25%
Nautical Petroleum AG (Now owned by Cairn Energy Plc)	15%
UK Oil & Gas Investments Plc	10%

PEDL 203:

Egdon Resources U.K. Limited	50% (Operator)
Terrain Energy Limited	25%
Nautical Petroleum AG (Now owned by Cairn Energy Plc)	15%
UK Oil & Gas Investments Plc	10%

Transaction details:

The aggregate consideration of £290,000 for the acquisitions of the companies that own the 10% interests in Eakring-Dukes Wood and Kirklington shall be paid as follows:

1. UKOG will immediate pay £40,000 on account.
2. On completion of all necessary legal documentation within 30 days, UKOG will make a further payment of £100,000 and issue 18,750,000 ordinary shares in UKOG to a market value of £150,000. These shares are to be escrowed for a period of 3 months.

Note: The technical aspects of this news release have been taken from public information in relation to the Licence interests.

Enquiries:

UK Oil & Gas Investments Plc	Tel: 020 7440 0640
David Lenigas / Donald Strang	
Beaumont Cornish (Nominated Adviser)	Tel: 020 7628 3396
Roland Cornish / Michael Cornish	
XCAP Securities PLC (Corporate Broker)	Tel: 020 7101 7070
David Lawman	
Square 1 Consulting (Public Relations)	Tel: 020 7929 5599
David Bick/Mark Longson	