23 February 2018

UPLAND RESOURCES LIMITED

("Upland" or the "Company")

INTERIM RESULTS FOR THE SIX MONTH PERIOD FROM 1 JULY TO 31 DECEMBER 2017

Upland Resources Limited (LSE: UPL), the oil and gas company actively building a portfolio of attractive upstream assets, is pleased to announce its interim results for the six month period between 1 July 2017 and 31 December 2017. The Company continued to make excellent progress in the second half of 2017 and has been able to announce the conditional Farm-in Agreement for a working interest in the UK Seaward Production Licence P2235 which contains the Wick Prospect. Since 31 December 2017 the Company also announced Tune Assets Limited as a new cornerstone investor for the business.

Highlights include:

- Entering into a conditional Farm-In Agreement with Corallian Energy Limited for a 40% working interest in UK Seaward Production Licence P2235 (UKCS Block 11/24b) in the Inner Moray Firth, containing the Wick Prospect.
- Outside the UK, strong progress continues to be made in business development activities in Malaysia and North Africa.
- Pre-tax loss of £337,839 for the six months to 31 December 2017, compared to a £416,442 loss for the comparable six months to 31 December 2016. The reason for the decreased costs is the absence of the one-off expenditures relating to fundraising activities incurred in the comparative period.
- The Company continues to be well placed to capitalise on the returning confidence in the sector and remains committed to keeping investors and the market up to date on continued activities.

Post-period end

- Formal completion of the investment by Tune Assets Limited ("**Tune**") of £1,000,000 in new ordinary shares at a price of 1.35p per share. Alongside Tune's investment in the Company, Tune holds major interests in a range of entities including Queens Park Rangers Football Club, Caterham Cars and AirAsia.
- The environmental survey work of the area surrounding the proposed location for the forthcoming Wick well was successfully completed earlier this month.
- Following the decision by North Lincolnshire District Council to reject Egdon Resources UK Limited's applications for the development of the Wressle Oil Field (PEDLs 180 and 182) for a second time and the Planning Inspectorate's rejection of two of the three appeals made by Egdon (the operator of PEDLs 180 and 182) against these rejections, Upland Resources (UK Onshore) Limited ("**Upland UK**") terminated its agreement to acquire a 10% stake in the field. Upland UK has been fully reimbursed its £160,000 deposit from Europa Oil & Gas Limited and has no further obligations in respect to the farm-in.

- The Company appointed Crowe Clarke Whitehill LLP as its new auditors, replacing Wilkins Kennedy LLP.

Steve Staley, Upland Resources Limited CEO, said:

"Our interim results show the continued progress we are making towards executing our strategy. We are seeing good headway being made toward drilling of the Wick Prospect and the recent, successful completion of the environmental survey is an encouraging development as we look towards spudding the well later this year.

I am expecting the next few months to be an exciting time for the Company, and believe we are well placed to take advantage of the opportunities available to us. I am therefore looking forward to updating our shareholders on our progress over the coming weeks."

For more detailed information please see the full Director's Interim Report below. The Interim Report and Accounts will be available shortly at the Company's website www.uplandres.com

This announcement contains inside information for the purposes of Article 7 of the Regulation (EU) No 596/2014 on market abuse

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Notes

Upland Resources Limited is an upstream oil & gas company whose highly experienced management team has a track record of creating major value for shareholders in junior oil & gas companies, *including Cove Energy plc. The Company has extensive technical and commercial skills and contacts, management having held senior roles in Petronas, Conoco, Shell etc.*

REPORT OF THE DIRECTORS
FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2017

Upland Resources ("**Upland**" or the "**Company**") continued to make good progress in the second half of 2017.

During the reporting period, Upland assessed a large number of hydrocarbon assets, with a focus on the Company's core areas of the UK, South East Asia and North Africa. On 30th November 2017 it announced that its wholly-owned subsidiary, Upland Resources (UK Onshore) Limited ("**Upland UK**"), had signed a conditional farm-in agreement with Corallian Energy Limited for a 40% working interest in UK Seaward Production Licence P2235 (UKCS Block 11/24b) (the "**P2235 Farm-in Agreement**") in the Inner Moray Firth, containing the Wick Prospect.

The Directors believe that the Wick Prospect has an attractive risk/reward balance. The Wick structure as a whole offers the potential for in-place resources of around 250 MMbbl in a well-understood petroleum system yet, because of the shallow water and drilling depth, is estimated to cost only about £4.2 million to drill. It also offers Upland a substantial participating stake in a near-term well on attractive farm-in terms. In addition, the Directors believe that the wider Inner Moray Firth area holds further substantial, unexplored prospectivity.

Upland UK had previously entered into an agreement to acquire a 10% stake in PEDLs 180 and 182, onshore UK. This was contingent on award of planning permissions. In July 2017, North Lincolnshire District Council rejected the planning applications submitted by Egdon Resources UK Limited ("**Egdon**") (as operator of PEDLs 180 and 182) for the development of Wressle Oil Field for a second time. Egdon then initiated a planning appeal against these decisions. The Planning Inspectorate held hearings in respect of this appeal in early November 2017, with the decision made to reject the appeal in early January 2018.

Outside the UK, good progress continued to be made in business development activities in Malaysia and North Africa. We look forward to updating shareholders in due course.

We expect the coming months to be exciting ones for investors.

Operating environment still providing many opportunities

During the period, oil prices continued their steady recovery. However, the effect of the recently depressed oil price continues to have a significant impact on the oil industry. Costs of many goods and services required to carry out oil & gas exploration and appraisal remain low and some oil companies have not yet returned to levels of activity seen before the price fall. This generally favours Upland by reducing levels of competition and the levels of our costs. Demand for oil is strengthening and major producing nations appear to be abiding by agreed production quotas. We do now see, as a result of the relatively stable oil prices of late, confidence returning to the industry which in the long run is also good for Upland.

Events since the end of the reporting period

On 5 January 2018, the Planning Inspector issued his decision to reject the appeals by Egdon against two of the planning refusals by North Lincolnshire County Council's Planning Committee in respect of the development of the Wressle oil discovery in licences PEDL180 and PEDL182.

Consequently, on 25 January 2018, Upland terminated its farm-in to PEDLs 180 and 182 and was later reimbursed by Europa its £160,000 deposit plus interest. Upland and its subsidiary have no further obligations in respect of this farm-in.

Also in January 2018, Upland replaced Wilkins Kennedy LLP ("**WK**") with Crowe Clarke Whitehill LLP as its auditors. WK were incurring greater regulatory costs as a result of their work for us than they were making in fees from Upland audit work, making it no longer commercially viable for them to continue.

At the end of January, the Company was pleased to announce the investment of £1,000,000 in new Upland ordinary shares by Tune Assets Ltd at a price of 1.35p per share. Tune Assets holds major interests in a range of entities including Queens Park Rangers Football Club, Caterham Cars and AirAsia. Tune Assets is owned by Tony Fernandes and Kamarudin Meranun, two of the most successful and entrepreneurial businessmen in South East Asia.

Results for the period

The financial results for the six month period ended 31 December 2017 are appended to this report.

Upland made a pre-tax loss of £337,839 for the six months to 31 December 2017, compared to a £416,442 loss for the comparable six months to 31 December 2016. The principal reason for the decreased costs in the six month period is the absence of the one-off expenditures incurred in the comparative period associated with the successful fundraising in that period.

The Company has no debt and continues to be in a strong position to finance its obligations.

Your Board believes that Upland has a bright future ahead of it and is well placed to take advantage of opportunities.

Risks and uncertainties

The Group has identified the following as key risks in the second six months of this financial year:

Subsurface risks

Risk (1): The success of the business relies on accurate and detailed analysis of the subsurface. This can be impacted by poor quality data, either historical or recently gathered, and limited coverage. Certain information provided by external sources may not be accurate.

Mitigation: All externally provided and historical data is rigorously examined and discarded when appropriate. New data acquisition is considered and adequate programmes implemented, but historical data can be reviewed and reprocessed to improve the overall knowledge base.

Risk (2): Data can be misinterpreted leading to the construction of inaccurate models and subsequent plans.

Mitigation: All analytical outcomes are challenged internally and peer reviewed. Interpretations are carried out on modern geoscience software.

Corporate risks

Risk: The Group's success depends upon skilled management as well as technical and administrative staff. The loss of service of critical members of the Group's team could have an adverse effect on the business.

Mitigation: The Group periodically reviews the compensation and contract terms of its staff and consultants to ensure they are competitive.

Going Concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they adopt the going concern basis in preparing the Company's financial statements.

Auditing

This interim report and accounts for the six month period ended 31st December 2017 (the "**Interim Report and Accounts**") has not been audited or reviewed pursuant to the Financial Reporting Council guidance on 'Review of Interim Financial Information''.

Statement of Directors' Responsibilities

The Interim Report and Accounts is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the Interim Report and Accounts in accordance with the Disclosure Guidance and Transparency Rules (the "**DTRs**") of the United Kingdom's Financial Conduct Authority (the "**FCA**"). The DTRs require that the accounting policies and presentation applied to the half yearly figures must be consistent with those applied in the latest published annual accounts.

The Directors confirm that, to the best of their knowledge, the set of financial statements contained in the Interim Report and Accounts, which have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting' as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit and loss of the Group, as required by DTR 4.2.2 and in particular include a fair review of:-

- the important events that have occurred during the half of the financial year and their impact on the set of financial statements contained in the Interim Report and Accounts, as required by DTR 4.2.7R;
- the principal risks and uncertainties for the remaining half of the year as required by DTR 4.2.7R; and
- related party transactions that have taken place in the first half of the current financial year.

The Directors of Upland Resources Limited are Norza Zakaria (*Non-Executive Chairman*), Stephen Staley (*Chief Executive Officer*), Jeremy King (*Non-Executive*) and Bolhassan Di (*Non-Executive*).

Norza Zakaria
Chairman
23 February 2018

Stephen Staley
Chief Executive Officer

UPLAND RESOURCES LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE INTERIM SIX MONTH PERIOD ENDED 31 DECEMBER 2017

	6 months to 31 December 2017 £	6 months to 31 December 2016 £
Revenue	-	-
Administrative expenses	(337,839)	(416,442)
Operating loss	(337,839)	(416,442)
Loss before taxation	(337,839)	(416,442)
Taxation	-	-
Loss and Total Comprehensive Income for the Period Attributable to Equity Owners of the Company	(337,839)	(416,442)
Loss per share in pence – basic and diluted	(0.09)	(0.17)

The results above derive wholly from continuing operations.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

	Note	31 December 2017 £	30 June 2017 £
Current Assets			
Other debtors	2	178,245.	173,542.
Cash and cash equivalents		1,956,057.	2,250,872.
		2,134,302	2,424,414.

Total assets		**2,134,302**.	**2,424,414**.
Equity			
Share capital		-.	-.
Share premium		3,751,831.	3,751,831.
Retained earnings		(1,756,276)	(1,418,437)
Total equity		1,995,555.	2,333,394.
Current liabilities			
Other payables	3	138,747.	91,020.
Total equity and liabilities		**2,134,302**.	**2,424,414**.

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE INTERIM SIX MONTH PERIOD ENDED 31 DECEMBER 2017

	Premium on shares £	**Retained earnings £**	**Total equity £**
At 1 July 2017	3,751,831	(1,418,437)	2,333,394
Loss for the period	-	(337,839)	(337,839)
At 31 December 2017	3,751,831	(1,756,276)	1,995,555

	Premium on shares £	**Retained earnings £**	**Total equity £**
At 1 July 2016	1,627,201	(670,199)	957,002
Issue of shares	2,200,000	-	2,200,000
Share issue costs	(82,370)	-	(82,370)
Loss for the period	-	(416,442)	(416,442)
At 31 December 2016	3,744,831	(1,086,641)	2,658,190

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CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE INTERIM SIX MONTH PERIOD ENDED 31 DECEMBER 2017

	6 months to 31 December 2017 £	6 months to 31 December 2016 £
Cash Flows from Operating Activities		
Loss from operations	(337,839)	(416,442)
(Increase) in other debtors	(4,703)	(168,409)
Increase/(decrease) in trade and other payables	47,727	(40,813)
Net cash flow from operating activities	(294,815)	(625,664)
Cash Flows from Financing Activities		
Proceeds from issuance of shares of no par value	-	1,270,000
Costs of issuance of shares of no par value	-	(82,370)
Net cash generated from financing activities	-	1,187,630
Net (decrease)/increase in cash and cash equivalents	**(294,815)**	**561,966**
Cash and cash equivalents at the beginning of the period	2,250,872	1,039,352
Cash and cash equivalents at the end of the period	**1,956,057**	**1,601,318**

UPLAND RESOURCES LIMITED

NOTES TO THE INTERIM ACCOUNTS

1 Accounting policies

The same accounting policies and methods of computation are followed in these interim accounts as compared with the most recent annual financial statements.

2 Other debtors

	31 December 2017 £	30 June 2017 £
Other debtors	1,255	2,325
Prepayments	176,990	171,217
	178,245	173,542

3 Other payables

	31 December 2017 £	30 June 2017 £
Accruals	138,747	91,020

4 Related party transactions

The directors are considered to be the key management personnel of the company. During the interim period, the company paid fees to directors amounting to £108,317 (year ended 30 June 2017 - £249,271).

During the interim period, the company was charged fees and commission of £10,000 (year ended 30 June 2017 - £102,370) by a company of which a director of the company is also a director and shareholder. Of this amount, £nil (year ended 30 June 2017 - £82,370) has been charged to the share premium reserve.

During the interim period, the company was charged consultancy fees of £18,000 (year ended 30 June 2017 - £14,000) by a director of the company.

5 Commitments and post balance sheet events

At the balance sheet date, the group had entered into a conditional agreement for the farm-in of a 10% participating interest in each of PEDLs 180 and 182 in respect of UK onshore Blocks SE90a and SE91b, including the Wressle Field (the "**Wressle Farm-in Agreement**").

Completion of the Wressle Farm-in Agreement was conditional on the satisfaction of a number of conditions precedent, with the receipt of planning permissions being the key condition.

It was announced on 5 January 2018 that the Planning Inspectorate had rejected the appeals against two of the three planning refusals by North Lincolnshire County Council's Planning Committee in respect of the development of the Wressle oil discovery in licences PEDL 180 and 182.

Given the uncertainty of future planning applications the group has terminated the Wressle Farm-in Agreement with effect from 25 January 2018. The £160,000 deposit previously paid has been returned to the group and the group will have no further financial obligations under the Wressle Farm-in Agreement.

In addition, at the balance sheet date, the group held a 25% interest in PEDL 299. A cost-sharing arrangement has been put in place under the Joint Operating Agreement between the co-licensees. Under that arrangement, it is estimated that the group's share of the costs over the remaining 4 years of the licence will be $837,500, with no significant costs expected to be incurred before 2019.

In November 2017, the group entered into an agreement to farm-in to a 40% interest in UK Seaward Production Licence P2235 (UKCS Block 11/24b) containing the Wick Prospect. The company will pay 53.33% of the first £4.2 million of costs related to the environmental survey and the first Wick well, with costs above that cap being funded pro-rata to interests in the Licence. The Wick well is currently estimated to have a dry-hole cost of approximately £4.2 million. Completion of the P2235 Farm-in agreement is conditional on, inter alia, the approval by the UK Oil & Gas Authority of the group as a farminee to the Licence, availability of funding to the company sufficient to satisfy its obligations under the P2235 Farm-in Agreement and the Licence continuing in full force and effect.

On 21 February 2018, the Company completed the subscription by Tune Assets Limited for 74,074,074 new shares of no par value in the Company, raising £1,000,000 before expenses.