

UPLAND RESOURCES LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2015**

UPLAND RESOURCES LIMITED

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UPLAND RESOURCES LIMITED

COMPANY INFORMATION

Directors	M N B Zakaria G H S Staley J E S King	Chairman Chief Executive Officer
BVI Company Number	1701436	
Registered Office	Ritter House Wickhams Cay II Road Town Tortola VG1110 British Virgin Islands	
Bankers	Coutts Bank PLC 440 Strand London WC2R 0QS	
Auditors	Wilkins Kennedy LLP Statutory Auditor Chartered Accountants Bridge House London Bridge London SE1 9QR	
Solicitors	Wragge Lawrence Graham & Co LLP 4 More London Riverside London SE1 2AU	

UPLAND RESOURCES LIMITED

REPORT OF THE DIRECTORS YEAR ENDED 30 JUNE 2015

The Directors are pleased to present their report and the audited financial statements for the year ended 30 June 2015.

Principal activities

The Company and Group was formed for the purpose of acquiring assets, businesses or target companies, that have operations in the oil & gas exploration and production sector that it will then look to develop and expand.

Business review and future developments

The past year has been an exciting one for Upland Resources Limited ("Upland" or the "Company"). We began the year in a strong financial position with significant cash in the bank, and with low corporate overheads.

A major fall in oil price during the reporting period has meant that the number of opportunities available in the market has increased as more companies seek partners for existing projects or are forced to relinquish good assets because of financial difficulties. Unless oil prices recover substantially, we expect this trend to continue as oil price hedges, put in place by producers before the price drop, unwind exposing them to the full impact of markedly reduced revenues.

We believe that this has produced a buyers' market for oil and gas assets which the Company intends to take full advantage of.

New Ventures

During the year, Upland considered a number of potential farm-ins, acquisitions and new permit applications over a range of geographies. A number of these were in Tunisia, where good opportunities were identified. However, the 2015 terrorist attacks on the Bardo Museum in Tunis and on the resort of Sousse have increased concerns about security in the country and led the Company to not pursue these opportunities further.

In October 2014, Upland made an application for a Petroleum Exploration and Development Licence ("PEDL") in the UK 14th Onshore Oil and Gas Licensing Round. This PEDL covers the majority of the acreage in two onshore blocks located in the East Midlands and that we believe to have a very attractive risk/reward profile. The majority of the hydrocarbon potential lies in conventional oil and gas reservoirs – including a former oil field that we believe can be rejuvenated. Upland generated the original concept but this has been further developed with our bid partners Europa Oil & Gas plc and Shale Petroleum (UK) Ltd. Unconventional hydrocarbon potential also exists in the application area. As at the date of this report, the UK Oil & Gas Authority has yet to announce the award of the vast majority of the permits, including for those applied for by Upland and its bid partners.

Results and dividends

The Group's loss on ordinary activities after taxation amounted to £221,069 for the year (2014: loss of £66,474). The Directors are unable to recommend payment of a dividend.

Key Performance Indicators ('KPIs')

The following KPIs are used by the Directors' to understand the business:

	2015 £	2014 £
Operating cash burn	216,712	41,944

Risks and uncertainties

The key risk for the Group is that no suitable investments are identified to move the Group forward in its investment activities and that cash burn reduces its ability to find further opportunities in the future.

UPLAND RESOURCES LIMITED

REPORT OF THE DIRECTORS (continued) YEAR ENDED 30 JUNE 2015

Post balance sheet events

On 26th October 2015, Upland's shares were admitted to listing on the Official List of the UK Listing Authority ("UKLA") by way of a standard listing under Chapter 14 of the UKLA's Listing Rules and to trading on the London Stock Exchange's main market for listed securities.

The Listing was accompanied by the issue of 130,000,000 new ordinary shares in the Company at a price of 1 pence per share, hence raising £1.3 million (before expenses). This has provided Upland with considerable additional liquidity and access to broader sources of capital, which will allow it to consider a wider range of opportunities.

Directors

We are pleased to report that during the reporting period the Company appointed Norza Zakaria as Chairman. During the period, Christian Dennis stepped down as a director so that he could more effectively act as the Company's broker without any perceived conflict of interest. We thank Christian for all his good work for Upland.

The Directors shown below have held office during the whole of the period from 1 July 2014 to the date of this report:

M N B Zakaria (Chairman)
G H S Staley
J E S King

Other changes in Directors holding office are as follows:

C G St J Dennis – resigned 30 May 2015

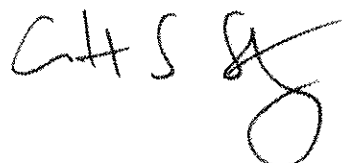
Going concern

The directors have acknowledged the latest guidance on going concern. The directors regularly review the performance of the Group to ensure that they are able to react on a timely basis to opportunities and issues as they arise. After making suitable enquiries, the directors have formed a judgement at the time of approving the financial statements that there is a reasonable expectation that the Group will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Provision of information to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and was approved by the Board and signed on its behalf by:



G H S Staley – Director

Date: 27 November 2015

UPLAND RESOURCES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Directors' Report and the Financial Statements in accordance with applicable law and regulations.

The Directors are required to prepare financial statements for each financial period. The Directors have elected to prepare the Company Financial Statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. The Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**UPLAND RESOURCES LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

We have audited the financial statements of Upland Resources Limited for the year ended 30 June 2015 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Financial Position, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated and Parent Company Statements of Cash Flow and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted for use in the European Union.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Independent Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditor

As explained more fully in the Statement of Directors' Responsibilities on page 5, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and Parent Company's affairs as at 30 June 2015 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

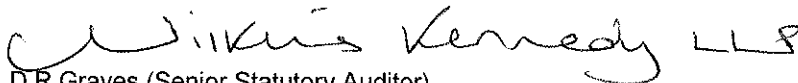
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matter where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- The directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.



D R Graves (Senior Statutory Auditor)
For and on behalf of Wilkins Kennedy LLP
Statutory Auditor
Chartered Accountants
Bridge House
London Bridge
London, SE1 9QR

Date: 27 November 2015

UPLAND RESOURCES LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 30 JUNE 2015**

	Note	2015 £	2014 £
Revenues		-	-
Administrative expenses		(221,069)	(66,474)
		<hr/>	<hr/>
Operating Loss	5	(221,069)	(66,474)
		<hr/>	<hr/>
Loss before taxation		(221,069)	(66,474)
Taxation	7	-	-
		<hr/>	<hr/>
Loss and total Comprehensive Income for the Period from Continuing Operations Attributable to Equity Owners of the Parent Company		(221,069)	(66,474)
		<hr/>	<hr/>

The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

The accompanying accounting policies and notes form an integral part of these Financial Statements.

UPLAND RESOURCES LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015**

	Note	2015 £	2014 £
Assets			
Non-Current Assets			
Investments in Group undertakings	8	-	-
Current Assets			
Other debtors	9	642	777
Cash and cash equivalents		134,184	350,896
		<u>134,826</u>	<u>351,673</u>
Total Assets		<u>134,826</u>	<u>351,673</u>
Equity and Liabilities			
Equity			
Share capital	3	-	-
Share premium		392,201	392,201
Retained earnings		(296,783)	(75,714)
		<u>95,418</u>	<u>316,487</u>
Total Equity		<u>95,418</u>	<u>316,487</u>
Current Liabilities			
Other payables	10	39,408	35,186
		<u>134,826</u>	<u>351,673</u>
Total Equity and Liabilities		<u>134,826</u>	<u>351,673</u>

These financial statements were approved by the Board of Directors on 27 November 2015.

Signed on behalf of the Board of Directors

Director



The accompanying accounting policies and notes form an integral part of these Financial Statements.

UPLAND RESOURCES LIMITED

**COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015**

	Note	2015 £	2014 £
Assets			
Non-Current Assets			
Investments in Group undertakings	8	30	10
Current Assets			
Other debtors	9	642	777
Cash and cash equivalents		134,154	350,886
		<hr/>	<hr/>
		134,796	351,663
		<hr/>	<hr/>
Total Assets		134,826	351,673
		<hr/>	<hr/>
Equity and Liabilities			
Share capital	3	-	-
Share premium		392,201	392,201
Retained earnings		(296,783)	(75,714)
		<hr/>	<hr/>
Total Equity		95,418	316,487
		<hr/>	<hr/>
Current Liabilities			
Other payables	10	39,408	35,186
		<hr/>	<hr/>
Total Equity and Liabilities		134,826	351,673
		<hr/>	<hr/>

These financial statements were approved by the Board of Directors on 27 November 2015.

Signed on behalf of the Board of Directors

Director



The accompanying accounting policies and notes form an integral part of these Financial Statements.

UPLAND RESOURCES LIMITED

STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 30 JUNE 2015

GROUP

	Notes	Premium on shares £	Shares to be issued £	Retained earnings £	Total equity £
Issue of shares		1	-	-	1
Loss for the period		-	-	(9,240)	(9,240)
Balance at 30 June 2013		<u>1</u>	<u>-</u>	<u>(9,240)</u>	<u>(9,239)</u>
Issue of shares		416,500	-	-	416,500
Share issue costs		(24,300)	-	-	(24,300)
Loss for the period		-	-	(66,474)	(66,474)
Balance at 30 June 2014		<u>392,201</u>	<u>-</u>	<u>(75,714)</u>	<u>316,487</u>
Loss for the period		-	-	(221,069)	(221,069)
Balance at 30 June 2015		<u>392,201</u>	<u>-</u>	<u>(296,783)</u>	<u>95,418</u>

COMPANY

	Notes	Premium on shares £	Shares to be issued £	Retained earnings £	Total equity £
Issue of shares		1	-	-	1
Loss for the period		-	-	(9,240)	(9,240)
Balance at 30 June 2013		<u>1</u>	<u>-</u>	<u>(9,240)</u>	<u>(9,239)</u>
Issue of shares		416,500	-	-	416,500
Share issue costs		(24,300)	-	-	(24,300)
Loss for the period		-	-	(66,474)	(66,474)
Balance at 30 June 2014		<u>392,201</u>	<u>-</u>	<u>(75,714)</u>	<u>316,487</u>
Loss for the period		-	-	(221,069)	(221,069)
Balance at 30 June 2015		<u>392,201</u>	<u>-</u>	<u>(296,783)</u>	<u>95,418</u>

The accompanying accounting policies and notes form an integral part of these Financial Statements.

UPLAND RESOURCES LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOW
YEAR ENDED 30 JUNE 2015**

	Note	2015 £	2014 £
Cash Flows from Operating Activities			
Loss from operations		(221,069)	(66,474)
Decrease/(Increase) in other debtors	9	135	(40)
Increase in trade and other payables	10	4,222	24,570
		<hr/>	<hr/>
Net cash flow from operating activities		(216,712)	(41,944)
		<hr/>	<hr/>
Cash Flows from Financing Activities			
Proceeds from issuance of shares of no par value		-	416,501
Costs from issuance of shares of no par value		-	(24,300)
		<hr/>	<hr/>
Net cash generated from financing activities		-	392,201
		<hr/>	<hr/>
Cash Flows from Investing Activities			
Investment	8	-	-
		<hr/>	<hr/>
Net cash outflow from investing activities		-	-
		<hr/>	<hr/>
Net Increase in cash and cash equivalents		(216,712)	350,257
Cash and cash equivalents at beginning of period		350,896	639
		<hr/>	<hr/>
Cash and Cash Equivalents at End of Period		134,184	350,896
		<hr/>	<hr/>

The accompanying accounting policies and notes form an integral part of these Financial Statements.

UPLAND RESOURCES LIMITED

**COMPANY STATEMENT OF CASH FLOW
YEAR ENDED 30 JUNE 2015**

	Note	2015 £	2014 £
Cash Flows from Operating Activities			
Loss from operations		(221,069)	(66,474)
Decrease/(Increase) in other debtors	9	135	(40)
Increase in trade and other payables	10	4,222	24,570
		<hr/>	<hr/>
Net cash flow from operating activities		(216,712)	(41,944)
		<hr/>	<hr/>
Cash Flows from Financing Activities			
Proceeds from issuance of shares of no par value		-	416,501
Costs from issuance of shares of no par value		-	(24,300)
		<hr/>	<hr/>
Net cash generated from financing activities		-	392,201
		<hr/>	<hr/>
Cash Flows from Investing Activities			
Investment	8	(20)	(10)
		<hr/>	<hr/>
Net cash outflow from investing activities		(20)	(10)
		<hr/>	<hr/>
Net Increase in cash and cash equivalents		(216,732)	350,247
Cash and cash equivalents at beginning of period		350,886	639
		<hr/>	<hr/>
Cash and Cash Equivalents at End of Period		134,154	350,886
		<hr/>	<hr/>

The accompanying accounting policies and notes form an integral part of these Financial Statements.

UPLAND RESOURCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2015

1. General Information

The Company was incorporated in the British Virgin Islands on 14 March 2012 as a private limited company with the name Ribes Resources Limited. On 3 September 2013 the company changed its name to Upland Resources Limited.

The Company has adopted a year end of 30 June.

2 Summary of significant accounting policies

2.1 Basis of Preparation

The financial information is presented in Sterling (£).

The financial information has been prepared in accordance with IFRS as adopted by the European Union and the International Financial Reporting Interpretations Committee (IFRIC) interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The financial information has also been prepared under the historical cost convention. A summary of the material accounting policies, which have been applied consistently, are set out below.

The preparation of the financial information in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving judgements or where estimates and assumptions are significant are disclosed in Note 2.10.

2.2 Basis of Consolidation

The consolidated financial information of the Group incorporates the financial statements of the Company and entities controlled by the Company (its subsidiaries).

The results of subsidiaries acquired or disposed of during the period are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial information of subsidiaries to bring the accounting policies into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

2.3 Financial Assets and Liabilities

Financial assets and liabilities comprise of cash at banks and trade payables arising in the normal course of business.

The fair value of financial assets and liabilities are not considered to be materially different to the book value and they are all held at amortised cost.

Financial assets and liabilities are accounted for as follows:

Financial assets and liabilities are initially recognised on the date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

2.4 Cash and Cash Equivalents

Cash and cash equivalents include cash at bank with an original maturity of three months or less.

UPLAND RESOURCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2015

2.5 Equity

Equity comprises the following:

- "Share premium" represents the Premium paid on Shares issued of no par value; and
- "Retained earnings" represents retained losses.

2.6 Foreign Currency Translation

- **Functional and presentation currency**

Items included in the financial information are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Sterling (£), which is the Group's functional and presentational currency.

- **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

2.7 Related Parties

Parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under significant influence of related parties of the Company where those parties are individuals, and post-employment benefit plans which are for the benefit of employees of the Company or of any entity that is a related party of the Company.

2.8 Operating Segments

Due to the current nature of the Group's operations, all costs are incurred within one segment.

2.9 Risk Management

The Directors consider the key risk for the Group at the period end to be the maintenance of its cash reserves. With this in mind the Group has treasury controls in place which ensure that the Group's liquid reserves are kept as cash only and are only deposited at institutions with at least an A credit rating.

2.10 Critical Accounting Estimates and Judgements

Use of Estimates and Judgements

The preparation of the financial information in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The Company and Group had no significant assets or liabilities as at 30 June 2015 which were measured using significant accounting estimates or judgements.

2.11 Standards and interpretations issued but not yet applied

Certain changes to IFRS will be applicable for the Group's financial information in future periods.

To the extent that the Group has not adopted these early in the current financial information, they will not affect the Group's reported profit or equity but they will affect disclosures.

As at the date of approval of this financial information, the following standards and interpretations were in issue but not yet endorsed by the European Union:-

- IFRS 9 Financial Instruments (issued July 2014). IFRS 9 addresses the classification and measurement of financial assets and will replace IAS 3. This Standard will be effective for annual periods beginning on or after 1 January 2018;
- IFRS 15 – Revenue from Contracts with Customers (issued on 28 May 2014). IFRS 15 sets out at what point and how revenue is recognised and also requires enhanced disclosures. Revenue contracts should be recognised in accordance with a single, principles based five-step plan. This Standard will be effective for accounting periods beginning on or after 1 January 2018;
- Amendments to IFRS 10, IFRS 12 and IAS 28 – Investment Entities: Applying the Consolidation Exception (issued on 18 December 2014) and which will be effective for annual periods beginning on or after 1 January 2016;
- Amendments to IAS 1 – Disclosure Initiative (issued on 18 December 2014) and which will be effective for accounting periods beginning on or after 1 January 2016;
- Annual Improvements to IFRSs 2012-2014 Cycle (issued on 25 September 2014) and which will be effective for accounting periods beginning on or after 1 July 2016;
- Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (issued on 11 September 2014);
- Amendment to IAS 27 – Equity Method in Separate Financial Statements (issued on 12 August 2014) and which will be effective for accounting periods beginning on or after 1 January 2016;
- Amendments to IAS 16 and IAS 38 – Clarification of Acceptable Methods of Depreciation and Amortisation (issued on 12 May 2014); and
- Amendment to IFRS 11 – Accounting for Acquisitions of Interests in Joint Operations (issued on 6 May 2014). This amendment concerns the accounting of acquisitions of an interest in a joint operation and will be effective for annual periods beginning on or after 1 January 2016.

The Directors have considered the impact of the above standards and do not believe that they will have a material impact on the Group. Numerous other minor amendments to standards have been made as a result of the IASB's annual improvement projects.

UPLAND RESOURCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2015

3. Share Capital

	2015 £	2014 £
Allotted and Called up:		
Premium on 83,437,861 shares of no par value	392,201	392,201

On incorporation 100 ordinary shares were issued and which were sub-divided into 15,000,000 shares of no par value on 19 July 2013. The company subsequently issued a further 68,437,861 shares of no par value. See also note 14 to the financial statements for detail of shares issued subsequent to the balance sheet date.

4. Dividends

No dividend has been declared or paid by the Company during the year ended 30 June 2015 nor during the year ended 30 June 2014.

5. Operating loss

The operating loss is stated after charging:-

	2015 £	2014 £
Directors remuneration and fees	84,000	42,000
Exceptional item – costs associated with listing	48,695	-
Auditors' remuneration	6,000	5,000
Auditors' remuneration – non-audit services	7,600	-

Auditors' remuneration – non-audit services includes £3,500 that has also been reflected in the exceptional item disclosed above.

UPLAND RESOURCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2015

6. Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk), credit risk and liquidity risk. The Group's overall risk management programme seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by the Board.

(a) Market Risk

Foreign exchange risk

The Group is exposed to foreign exchange risk arising from currency exposure, primarily with respect to the US Dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

The exposure to this risk is not considered material to the Group and thus the Directors consider that, for the time being, no hedging or other arrangements are necessary to mitigate this risk.

(b) Credit Risk

Credit risk arises from cash and cash equivalents.

The Group considers the credit ratings of banks in which it holds funds in order to reduce exposure to credit risk. The Group will only keep its holdings of cash and cash equivalents with institutions which have a minimum credit rating of 'A'.

(c) Liquidity Risk

Management of liquidity risk is achieved by monitoring budgets and forecasts against actual cash flows.

Capital Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure.

The Company monitors capital on the basis of the equity held by the Company, which at 30 June 2015 was £95,418 and at 30 June 2014 was £316,487.

UPLAND RESOURCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2015

7. Taxation

The Company is BVI incorporated and as such, no tax losses have arisen in the period on its losses.

8. Investments

Subsidiary undertakings

Cost and net book value	£
At 1 July 2014	10
Additions	20
	<hr/>
At 30 June 2015	30
	<hr/>

Details of subsidiaries as at 30 June 2015 was as follows:

Name of subsidiary	Place of incorporation	Proportion of ownership interest	Proportion of voting power held	Principal activity
		%	%	
Upland Resources (UK Onshore) Limited	UK	100	100	Oil and gas *
Upland (N Tunisia) Limited	UK	100	100	Non-trading
Upland (El Fahs) Limited	UK	100	100	Non-trading
Upland (S Tunisia) Limited	UK	100	100	Non-trading
Upland (Ksar Hadada) Limited	UK	100	100	Non-trading

Upland (Ksar Hadada) Limited is 100% owned by Upland (S Tunisia) Limited and Upland (El Fahs) Limited is 100% owned by Upland (N Tunisia) Limited.

* refer to the Directors' Report

UPLAND RESOURCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2015

9. Other debtors

	2015 £	2014 £
Prepayments	642	777
	<hr/>	<hr/>
	642	777
	<hr/>	<hr/>

There are no differences between company and group figures, by virtue of the company providing in full against intercompany receivable balances. Accordingly, separate presentation of company and group other debtors was not considered necessary in the consolidated financial statements.

10. Other payables

	2015 £	2014 £
Trade creditors	-	10,000
Accruals	39,408	25,186
	<hr/>	<hr/>
	39,408	35,186
	<hr/>	<hr/>

There are no differences between company and group figures, such that separate presentation of company and group other payables was not considered necessary in the consolidated financial statements.

11. Capital and Financial Commitments

There were no capital commitments authorised by the Directors or contracted for as at 30 June 2015. At the balance sheet date, there were financial commitments associated with the listing of the company as disclosed in the Prospectus.

12. Related party transactions

During the year ended 30 June 2015 Upland Resources Limited was charged fees of £Nil by Optiva Securities Limited ("Optiva"), of which C G St J Dennis and J E S King are also Directors and shareholders (2014: £24,300). At the balance sheet date a balance of £Nil (2014: £Nil) was outstanding as payable to Optiva. As at 30 June 2015 and as at 30 June 2014, Optiva held a 17.98% shareholding in the Company.

During the year ended 30 June 2015 provision for directors' fees relating to Messrs J E S King and C G St J Dennis totalling £24,000 have been reflected in the financial statements and included in accruals (2014: £12,000).

During the year ended 30 June 2015 the company was charged director's fees totalling £60,000 by Derwent Resources Limited ("Derwent"), in respect of the services of G H S Staley (2014: £30,000). At the balance sheet date a balance of £5,000 was outstanding and payable to Derwent and reflected in accruals (2014: £15,000 outstanding and payable to Derwent. Of this balance, £10,000 was included in trade creditors and £5,000 in accruals). As at 30 June 2015 and as at 30 June 2014, G H S Staley held a 19.52% shareholding in the Company.

UPLAND RESOURCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2015

12. Related party transactions (continued)

As at 30 June 2015 and as at 30 June 2014, the Director M Norza Zakaria, held a 15.43% shareholding in the Company.

13. Ultimate controlling party

The directors believe there to be no ultimate controlling party.

14. Post balance sheet events

On 26 October 2015, Upland's shares were admitted to listing on the Official List of the UK Listing Authority ("UKLA") by way of a standard listing under Chapter 14 of the UKLA's Listing Rules and to trading on the London Stock Exchange's main market for listed securities.

The Listing was accompanied by the issue of 130,000,000 new ordinary shares in the Company at a price of 1 pence per share, hence raising £1.3 million (before expenses). This has provided Upland with considerable additional liquidity and access to broader sources of capital, which will allow it to consider a wider range of opportunities.