Jersey Company number: 129667

Upland Resources Limited

Annual Report and Consolidated Financial Statements

for the 18 month Period from 1 July 2022 to 31 December 2023
(with comparative period being the year ended 30 June 2022)

Upland Resources Limited

Contents

Upland Resources Limited

Officers and Professional Advisers

Directors	Bolhassan Di Aimi Nasharuddin Dixon Wong Kit Seng Andrew Hurst
Registered Office	3rd Floor 44 Esplanade St Helier Jersey JE4 9WG
Jersey Company Number	129667
Brokers & Financial Advisers	Optiva Securities Limited 118 Piccadilly London W1J 7NW Oak Securities 90 Jermyn Street London SW1Y 6JD
Auditors	PKF Littlejohn LLP 15 Westferry Circus London E14 4HD
UK Legal Advisers	Hill Dickinson LLP The Broadgate Tower 20 Primrose Street London EC2A 2EW
Company Secretary	Ogier 44 Esplanade St Helier Jersey JE4 9WG
Principal Bankers	Coutts & Co 440 Strand London WC2R 0QS

Upland Resources Limited

Board of Directors

Bolhassan Di – ***Chairman and Chief Executive Officer***
Mr Di has many years of political and commercial experience within the Sarawak region. He has held positions as Chairman of the Public Accounts Committee, Assistant Minister in the Sarawak Chief Minister's Department and subsequently Assistant Minister at the Ministry of Infrastructure Development and Communication. A graduate of the School of Engineering at Sheffield University, he began his career in 1979 at Sarawak Shell Bhd. (a subsidiary of Royal Dutch Shell plc) where he gained project planning, design, construction, commissioning and start-up experience in offshore projects. These included the F6A project in Sarawak waters (the largest offshore gas project in the region), the E11 and F23 gas production projects in Sarawak waters and also projects such as the St Joseph and South Furious offshore oil production platforms in Sabah waters. From 1987 to 1997, he was also the Chairman of the Miri Port Authority, now a key economic catalyst in the industrial and economic development of Sarawak. He has also had significant oil and gas experience with Shell in South Korea, Singapore, the North Sea and the Netherlands.

Dixon Wong Kit Seng - ***Non-Executive Director***
Mr Wong is a director of a number of businesses owned by Tune Group and has been involved in a variety of roles within the organisation including corporate finance, group strategy, driving organisational change and synergies across the group. One of Upland's major shareholders, Tune Assets Limited, is part of the Tune Group. Mr Wong has previously worked for HSBC Bank Malaysia and the Bank of Tokyo-Mitsubishi. Mr Wong holds a BCom, Accounting and Finance from the University of Queensland, Australia and a Master of Business degree from the Queensland University of Technology.

Aimi Nasharuddin - ***Non-Executive Director***
Mr Nasharuddin carries over 30 years of business, corporate finance and hands-on operational experience. An accountant by profession, he started his career at Arthur Andersen & Co as an auditor and business advisor where he was involved in mapping out strategies and implementing business processes for various sectors of corporates, including manufacturing, financial and investment, property development, construction and oil and gas-based companies. He later gained further expertise in the corporate world at CIMB Investment Bank Berhad, the largest investment bank in Malaysia, where he was integral to some of the largest transactions involving financial restructuring, business re-engineering, takeovers, reverse takeovers, acquisitions and corporate financing.

Professor Andrew Hurst - ***Non-Executive Technical Director***
Professor Hurst has a wealth of industry knowledge and expertise and has a proven track record in generating new oil-rich exploration plays. He has strong O&G industry connections that include research investment. With a distinguished academic career, Professor Hurst is currently the Chair of Energy Geoscience at the University of Aberdeen and was also academic lead for the creation and development of the Department of Petroleum Geoscience and a new MSc course in Petroleum Geoscience at University of Brunei. He has also served as advisor to and/or member to the Danish, Norwegian and UK Energy national research councils.

Upland Resources Limited

Chairman's Statement

We are pleased to report our audited results for the 18-month period ended 31 December 2023.

The strategy for the Company is to acquire assets, businesses or target companies that have operations in the oil and gas exploration and production sector which it would then look to develop and expand. In this reporting period we have concentrated the majority of our efforts on opportunities in Sarawak, Malaysia.

Sarawak is a rapidly growing oil and gas producing region. Upland is uniquely positioned in Sarawak. In the reporting period we have been actively exploring a region centred around Limbang and Lawas. A block denoted as SK334 that is 6,685km2 in size.

During the reporting period the outlook for the Company and its shareholders improved dramatically with the signing on 1 September 2022 of an agreement between our associate Upland Big Oil Sdn Bhd (UBO) and Petroleum Sarawak Sdn Bhd (PETROS), the state regulator, to complete a 15-month Joint Technical Study of onshore block SK334 at a cost of US$1.3m. The JTS was completed on 26 November 2023. On 24 September 2023 our associate Upland Big Oil Sdn Bhd (UBO) commenced discussions with PETROS about the award of a Production Sharing Contact. Discussions are ongoing. Our partner in UBO is Big Oil Ventures Sdn Bhd, a company based in Kuching Sarawak whose principals have many years of technical experience.

Our technical team based in Sarawak is outstanding. Post period we have extended our technical team with a range of world class advisors and contractors so that our overall team who will work in Sarawak has over 600 years of experience. Our Sarawak management team is complemented at the Group corporate level by Andrew Hurst, Gerry Murray and myself all with extensive industry experience. Since we anticipate significant growth and to broaden our range of required experience, post period we have also appointed a Chief Commercial Officer, Albert May, who joined the company on May 1st 2024.

In line with our strategy to be focussed on Sarawak, as reported, licenses in Tunisia (Saouaf) and the UK(Dunrobin) have been relinquished or not renewed.

Regarding corporate matters, Professor Andrew Hurst of the University of Aberdeen joined the Board as Technical Director on 11 January 2023. We are delighted to welcome Andrew to the Upland Board. He has a wealth of industry knowledge and expertise ,with strong O&G industry connections. Notably he was the academic lead for the creation and development of the Department of Petroleum Geoscience at the University of Brunei and an expert witness at the Depp Water Horizon hearings. He will be a key member of the Sarawak Technical Committee constituted on 18 September 2023. The other Board change occurred when Chris Pitman decided not to seek re-election at our AGM held on 28 September 2022.

Our management team was strengthened in 2022 with the appointments of Gerard Murray as COO on 30 June 2022 and John Forrest as CFO on 6 May 2022. Gerry is an experienced energy industry professional who holds a MSc Oil & Gas Management from the University of Aberdeen while Chuck is a CPA with many years of public company experience who joined the Company after the unfortunate passing of Jeremy King. Gerry and Chuck have provided valuable support to me as CEO. Post period, on May 1 2024, we have appointed Albert May as CCO. Albert is a strategist and financial markets specialist who has previously been a KPMG London consulting partner and who holds a Bsc in Economics from the University of Bristol and Msc in Computer Science from the University of Cambridge.

Regarding finances, despite challenging financial markets, during the reporting period the Group raised £2,643,127, before expenses of £94,600. Further details can be found in the Directors Report which follows and in Notes 8 (Share-based payments) and Note 17 (Stated capital).

I am also pleased to report that on 26 April 2024 the Company announced a circa US$4m (approximately £3.2m) institutional placement of shares. The funds will be received post issuance of these accounts. These funds will contribute towards our current operational plan including the drilling of the first well on SK334. We also announced the appointment of Oak Securities Limited as Joint Broker.

We welcome our new investors and thank our loyal shareholder base who participated in these financings.

I look forward to updating shareholders as we progress during 2024 towards our goal to become the leading onshore exploration and production company in Sarawak.

Bolhassan Di

CEO and Chairman

15 May 2024

Upland Resources Limited

Strategic Report for the 18 month Period Ended 31 December 2023

The Directors present their strategic report for the period ended 31 December 2023.

Principal activity

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

During the period the Group's focus shifted to Block SK334 in Sarawak, Malaysia, This evolved through the staged acquisition of a 45% interest in Upland Big Oil Sdn Bhd (UBO) by our Sarawak subsidiary Upland Resources (Sarawak) Sdn Bhd. Details of the acquisition of our interest in UBO are provided in Note 12. UBO is reported as an Investment in Associate on the Consolidated Statement of Financial Position and accounted for by the Equity Method. As permitted by IFRS 6, until UBO receives a license, the cost of exploration and evaluation expenditures relating to Project SK334 are expensed in the UBO accounts, our share being £357,165 (refer Note 12).

Future strategy

The Sarawak Basin is a prolific oil and gas producing basin. Seven geological provinces have been identified in the basin, namely the West Baram Delta, Balingian, Central Luconia, Tinjar, Tatau, West Luconia and North Luconia.

Block SK334, Onshore Sarawak comprises of Limbang and Lawas areas, covering an area of 6,685km2. The Block is located directly south and east of Onshore Brunei Blocks L and M that are proven to be an active petroleum system with numerous oil and gas shows and discoveries.

Available data includes 6,350km2 of airborne Full Tensor Gravity (FTG) data acquired in 2015, 456km of 2D seismic data acquired in 2016 and various fieldwork reports, geochemical studies and technical reports. No wells have ever been drilled in Block SK334.

Block SK334 is expected to have good prospectivity as it shares the same geological setting and basin history with significant discoveries in the Belait and Jerudong fields in Brunei.

Several oil and gas seepages were recorded in the delineated prospective areas, and hydrocarbon micro-seepage study conducted in 2015 has confirmed the presence of active petroleum systems in the area.

Three prospects were mapped as faulted anticlinal closures, where the largest of the prospects has an asymmetric high relief dome. The other is a lead that has as a three- way fault closed structure.

Malaysia has doubled its exploration success in 2022 with 10 Discoveries. E&P Operators recorded a total of Ten hydrocarbon discoveries in Malaysia in 2022, following the increase of exploration activities in the country. Eight oil and gas discoveries were made off the coast of Sarawak, and one each off the coast of Sabah and Peninsular Malaysia.

It is the belief of the Upland Board of directors that the Company is unequally positioned in the region and that time and resources spent on proving up Block SK334 have potential to generate significant returns for shareholders. Our focus on Sarawak is in line with our corporate vision and strategy whereby we look for opportunities in the region where we have comparative advantages in terms of knowledge and corporate networking.

Business activity during the period

Sarawak: Corporate Activity & JTS

On 2 September 2022 the Company announced that URS had entered into an agreement with BOV and PETROS to complete a 15-month Joint Technical Study (JTS). The main objectives of the JTS were (i) to assess the hydrocarbon potential of SK334;(ii) identify leads and prospects in the study area; (iii) derisk SK334 for future exploration.

On 10 October 2022 the Company announced that URS and BOV had reached agreement to use Upland Big Oil Sdn Bhd (UBO) to finance the costs of the JTS estimated at USD 1.25m The announcement also reported that technical data had been transferred from PETROS and the first technical workshop was set for 18 October 2022. URS purchased a 20% interest in UBO for nominal cost of Malaysian Ringgit (MR) 200 with an obligation to fund 20% of the JTS cost.

On 28 November 2022, discussions between BOV and URS commenced about URS acquiring a larger interest in UBO. Effective 1 April 2023, URS agreed to begin funding 45% of the monthly JTS cost.

On 19 December 2022, about 60 days into the JTS, a Progress meeting was held with PETROS who expressed satisfaction with the progress of JTS.

On 14 March 2023 the Company announced that Andrew Hurst (Non-Executive Technical Director) and Gerry Murray (COO) had joined the UBO Technical Study Committee as Geological Governance Lead and Corporate Advisor.

The JTS was completed on 28 November 2023 and presented to PETROS on 6 December 2023 during the final technical workshop. A Letter/Application in respect of the Production Sharing Contract (PSC) was submitted by UBO to PETROS on 24 September 2023

UBO commenced the search for a drill rig in July 2023. In November 2023 discussions with Huisman Geo BV commenced leading to a drillrig reservation agreement which has been signed in April 2024 to secure availability of the rig.

On 21 February 2023 URS completed the purchase of a further 25% of UBO, increasing the Group's interest to 45% at an aggregate cost of 423,597 (Note 12). The transaction was completed with a combination of cash and shares of UPL.

As mentioned, we are now fully focused on our intended high impact drill program onshore at Sarawak

The following is extracted from our market announcement on 28 March 2024 and provides a summary of our near-term plan

SK334 Exploration: Progress Report & Next Steps

- Drill crew & Project teams identified, contracts under review.
- Onshore drilling rig Inspection completed on 26th February 2024 at Sviadnov, Czech Republic, as part of SK334 drilling rig selection and operational preparation. The rig is concluded to be suitable for our plans.
- Pre-drill work programme developed for accelerated drilling programme.
- Commencement of formal farm-out proceeding with interest from strategic reviewed, shortlist now being finalised.
- Planning & scheduling of anticipated works with PETROS.
- Engagement on PSC work scope with PETROS.
- Signed a Rig Reservation agreement with Huisman Geo BV which entails a commitment of Euro 125,000.

PEDL299

Upland Resources (UK Onshore) Limited holds a 25% interest in PEDL 299. A cost-sharing arrangement has been put in place under the Joint Operating Agreement between the co-licencees (INEOS Upstream and Europa Oil & Gas). INEOS have extended the term of this licence to July 2024. As yet, no firm plans have been established.

Significant events since the balance sheet date

Since 31 December 2023, 16,833,332 shares have been issued on the exercise of 1.20 warrants for gross proceeds of £202,000.

On 13 April 2024 the Company entered into an agreement with Huisman Geo BV whereby the Company will pay a non-refundable fee of Euro 25,000 per month for a term of 3 months, extendable for a further 2 months, to reserve availability of a LOC400-6 Drill Rig.

On 26 April 2024 the Company announced a placement of 96,927,000 shares at 3.3p for gross proceeds of £3,198,591.

Principal risks and uncertainties

The directors consider that the main business risks and uncertainties of the Group are:

Sub-surface risks

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

Mitigation: All externally provided historical data is rigorously examined and discarded when appropriate. New data acquisition will be considered and relevant 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 1: The Group's success depends on skilled management as well as retention of technical and administrative staff and consultants. The loss 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 that they are competitive.

Going concern risk

Risk: The Group at the date of approval of these accounts has insufficient financial resources to meet its non-discretionary expenses for the next 12 months nor the final capital expenditure amount for that period which is not yet known..

Mitigation: Despite challenging financial markets, the Group has a loyal shareholder base and raised £2,643,127 before expenses during the reporting period and has recently announced an approximate £3,198,000 financing which is scheduled to close later in May 2024. Also, the Company has received interest from several potential joint venture partners interested in financial participation in our opportunities in Sarawak.

Approved by the Board on 15 May 2024 and signed on its behalf by:

A Nasharuddin
Director

Upland Resources Limited

Directors' Report for the 18 month Period Ended 31 December 2023

Details of key events during the year, significant events affecting the Company and its subsidiaries since the end of the financial year and an indication of likely future developments in the business of the Company and its subsidiaries are included in the Strategic Report.

Directors of the Group

The directors who held office during the year were as follows:

- Bolhassan Di – Chairman and Chief Executive Officer
- Dixon Wong Kit Seng
- Aimi Nasharuddin
- Andrew Hurst (appointed 11 January 2023)
- Christopher Pitman (resigned 28 September 2022)

Financial Results

It is noted that the results cover an 18 month reporting period.

In June 2023, the board elected to change the year end of Upland Resources Limited from 30 June 2022 to period ended 31 December 2023 to align its current balance sheet date and future results of operations with those of its main subsidiary in Sarawak and of its associated company, Upland Resources (Sarawak) Sdn Bhd and Upland Big Oil Sdn Bhd respectively.

The Group's share of the cost of the Joint Technical Study of £299,755 together with administrative expenses of £57,410 incurred during the period by Upland Big Oil Sdn Bhd have been expensed in the Consolidated Statement of Comprehensive Income. Under IFRS6, exploration and evaluation expenditures incurred after obtaining the legal right to explore and evaluate SK334, will be capitalised on the Consolidated Statement of Financial Position.

During the period the Group raised £2,643,127 before expenses of £94,600 from the issue of shares and exercises of warrants and options. Note 17 has further information about Share Capital.

The Group's loss on ordinary activities after taxation amounted to £2,167,066 for the 18 month period (2022 - £494,295) which equated to (0.23) pence per share (2022 – (0.07) pence. The loss included £357,169 our share of the loss of our 45%-owned affiliate Upland Big Oil Sdn Bhd which arose primarily from the cost of the Joint Technical Study. No dividend was paid (2022 – £nil).

Financial instruments and risk management

An explanation of the Group's financial risk management objectives, policies and strategies and information about the use of financial instruments by the Company is given in note 9 to the financial statements.

Capital structure

During the 18 months ended 31 December 2023, the Company raised £2,643,127 before expenses from the issue of shares and the exercise of share warrants and share options.

Details of the issued share capital, together with details of the movements in the Company's issued share capital during the period, are shown in note 17 to the financial statements. The company has one class of ordinary shares which carry no right to fixed income.

There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Articles of Association and prevailing legislation. The Directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights.

No person has any special rights of control over the Company's share capital.

With regard to the appointment and replacement of Directors, the Company is governed by its Articles of Association, the Companies (Jersey) Law 1991 and related legislation. The Articles themselves may be amended by special resolution of the shareholders.

Directors' interests

As at 31 December 2023, the beneficial interests of the Directors and their connected persons in the ordinary share capital of the Company were as follows:

Director	Number of Ordinary Shares	% of Ordinary Share Capital
B Di *	37,384,622	3.13%
A Nasharuddin	14,730,770	1.32%
D Wong	-	
A Hurst	1,666,666	0.14%

* Includes 7,788,460 shares held by the director's spouse.

Directors Renumeration

Limited Long Term Incentive Plan ("LTIP")

The Company has established a LTIP as part of the general remuneration plan of the Company. All executive directors and senior managers are eligible to participate in the LTIP. Awards under the LTIP are determined by the non-executive directors of the Company following full consultation with the executive directors. Awards may be made every year, measuring performance against goals.

During the period, cash bonus awards of £295,000 (2022 - £nil) and share option awards of £540,117 (2022 - £nil) have been made under the LTIP.

The LTIP is composed of three primary elements; a share option plan, an annual bonus plan and an annual salary plan. In determining the level of LTIP award in a given year, consideration is given to performance during the 11 months ended 30 November against goals established by the Board.

Further information is provided in Note 7.

Share option scheme

As at 31 December 2023, the Directors and their connected persons held share options as follows:

Director	Date of grant	Options held at 30 June 2022	Granted during the period	Exercised during the period	Options held at 31 December 2023
B Di	4 November 2022	-	10,000,000	10,000,000	-
	27 February 2023	-	50,000,000	-	50,000,000
A Nasharuddin	4 November 2022	-	8,000,000	-	8,000,000
	27 February 2023	-	10,000,000	-	10,000,000
D Wong	4 November 2022	-	8,000,000	-	8,000,000
	27 February 2023	-	10,000,000	-	10,000,000
A Hurst	27 February 2023	-	10,000,000	-	10,000,000

Substantial shareholders

The following had interests of 3 per cent or more in the Company's issued share capital as at 31 December 2023:

Party Name	Number of Ordinary Shares	% of Ordinary Share Capital
M N B Zakaria	125,674,475	10.52%
Tune Assets Limited	74,579,604	6.24%
Leigh Allen	37,500,000	3.14%
Bolhassan Di	37,384,622	3.13%

Warrants

On 27 October 2022, the Company issued 69,440,000 warrants to subscribe for new ordinary shares (on the basis of 1 new ordinary share for each warrant) at a subscription price of 0.4p per ordinary share and exercisable at any time up to 1 May 2024. 66,640,000 warrants were exercised during the period.

On 28 February 2023, the Company issued 149,250,000 warrants to subscribe for new ordinary shares (on the basis of 1 new ordinary share for each warrant) at a subscription price of 1.2p per ordinary share and exercisable at any time up to 28 February 2025. 6,888,888 warrants were exercised during the period.

Directors Warrants

	Term	Exercise Price	Number
Bolhassan Di	Until 28 February 2025	1.20p	5,375,000
Andrew Hurst	Until 28 February 2025	1.20p	383,333

Dividend policy

The Company does not anticipate declaring any dividends in the immediate future.

Corporate governance

The Board is not obliged to follow the provisions of a formal governance code and given its present size does not intend to formally adopt any specific code, but will apply governance that the Directors consider to be appropriate, having due regard to the principles of governance set out in the UK Corporate Governance Code.

In order to implement its business strategy, the Company has adopted a corporate governance structure whereby the key features of its structure are:

The Board of Directors is knowledgeable and experienced and has extensive experience

The Company does not have separate audit and risk, nomination or remuneration committees. Decisions in these areas are made by the full Board which we consider appropriate for a 4 person Board. However as the Group's operations are expected to expand in 2024, with personnel additions being a part of the expansion and accordingly the board is expecting to constitute nomination and remuneration committees along with an audit and risk committee. During the period a Technical Committee comprised of Bolhassan Di , Andrew Hurst and Gerry Murray was formed along with a Financial& Investment Committee comprised of Bolhassan Di, Dixon Wong, Aimi Nasharuddin, John Forrest and Gerry Murray . The Board as a whole is responsible for the appointment of auditors and for the review of the integrity of the Company's financial statements and of formal announcements concerning the Company's capital structure, operations updates and financial results;

At every Annual General Meeting of the Company, one-third of the Directors for the time being (or if their number is not a multiple of three, then the number nearest to and not exceeding one-third) will retire from office and will be eligible for re-election. In addition, any Director who has been appointed to the Board other than pursuant to a Resolution of Members since the last Annual General Meeting of the Company will retire and again will be eligible for re-election;

Should the Company seek to transfer from a Standard Listing to either a Premium Listing or other appropriate listing exchange, further rules might apply to the Company under the Listing Rules and Disclosure Guidance and Transparency Rules including the UK Corporate Governance Code with which the Company would be obliged to comply or explain any derogation.

Internal control and risk management

The Board has the ultimate responsibility for the Group's internal control and risk management. The Board monitors internal controls and risk management systems regularly. The Group has established a system of control and risk management involving an appropriate degree of oversight by the Board.

The management, via board meetings, provide the Board with updates of risk and uncertainties facing the Group and accompanying actions to mitigate such risks. The Board is satisfied with the appropriateness of the risk management framework which provides for the identification and management of risk factors by management and non-executive Directors.

As the Group expands, the Board will ensure that the Group's control and risk management process is regularly reviewed and updated as the Board deems necessary.

Environmental, Social and Governance (ESG) and Sustainability

Environmental Policy

Protection of the environment and focused environmental management are of primary importance to the board of the Company. It is essential to conduct our operations so as to minimise the impact of the environment from our activities.

Key objectives include:

- Provide resources such as financial ,equipment, personnel and training to implement our policy and to develop and promote our environmental commitments
- Identify , assess and manage issues and associated risks using best industry practices.
- Apply a mitigation hierarchy when Identifying environmental control measures to offset impact from operations, from avoidance to mitigation and restoration.
- Comply with applicable environmental laws and regulations and standards in the countries in which we operate.
- Engage with local communities and use their knowledge of the local environment to assist the Company in protection and conservation of environmental resources.
- Incorporate into our planning pollution prevention and minimisation of greenhouse gas emissions and carbon intensity of our projects.
- Promote efficiency in the use of energy and water to conserve natural resources and reduce emissions.
- Operate in a safe manner to avoid, spills, leaks or discharge of pollutants.
- Ensure that an effective response capability is in place and regularly tested so that incidents can be responded to in a timely and effective manner should they occur.
- Identify and work toward environmental goals which are regularly reviewed and evaluated to promote their improvement.
- Ensure that contractors are informed about and comply with our environmental policies and standards and if necessary assist contractors to raise their standards.
- Use our influence with business partners to promote high standards of environmental management.
- Support local conservation projects.
- Ensure that environmental accidents, incidents or non-compliances are promptly reported and investigated and that corrective and preventive action taken and training programs utilised where necessary.
- Monitor and evaluate our own and contractor competence and capabilities and conduct periodic audits to ensure controls are effective.
- Report on our environmental performance and the status of our environmental objectives.

Our Environmental Policy will be reviewed at least annually.

Social Policy

Contribution to the communities in which we work is a priority for the board of the Company. It is critical that the Company operates in a manner which minimises the impact of our activities and delivers positive outcomes to these communities.

Our objectives are as follows:

- Provide resources such as financial, equipment, personnel and training to implement our policy and to develop and promote our social commitments through visible leadership.
- Comply with applicable social laws, regulations and follow best international industry practice.
- Ensure that potential adverse social impacts are identified, evaluated and avoided and when avoidance is not possible, then strive for minimisation and appropriate compensation. Avoid or minimise requirements for physical or economic displacement. Develop appropriate plans for mitigation, compensation and resettlement for loss of assets.
- Avoid causing or contributing to adverse human rights situations, taking all feasible steps to ensure our operations are not directly linked or through business relationships to adverse impacts on human rights.

- Establish suitable platforms to share requisite information with different stakeholders, including local communities, while promoting dialogue and engagement.
- Devise and implement transparent and fair grievance procedures for the communities. Ensure that grievance proceedings are recorded, investigated and a response is given in a timely manner.
- Honour international labour standards as defined by the International Labour Organisation and ensure equal-opportunity and non-discriminatory hiring practices.
- Engage with local communities in which the Company operates, their representatives and other stakeholders to support projects and initiatives that benefit these communities.
- Strive to preserve cultural heritage in countries and communities where we operate and consult with national cultural heritage specialists.
- Support and respect the rights of indigenous communities within the scope of our operations.
- Manage the social, environmental, health and economic impact arising from the influx of project-related people.
- Use our leverage and influence with business partners to promote high standards of social performance and ensure that contractors are aware of and comply with our social policies and standards and assist contractors to improve their performance where necessary.
- Identify social performance objectives , review these objectives regularly to promote continual improvement.

Our Social Policy will be reviewed at least annually.

The Company is committed to sustainable operations by putting ESG policy at the core of our operations.

Climate Adaption, Resilience And Transition

Management periodically considers the effects of climate change and climate-related risk.

No principal risk has been identified in Sarawak, but a more extensive review will be completed in 2024 as part of the anticipated planning and scheduling of UBO’s 2024 work program.

The Company, which is still at the exploration stage, has identified no climate-related disclosures for inclusion in the financial statements.

Going concern

The Directors have acknowledged the latest guidance on going concern from the Financial Reporting Council (FRC). 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.

The Directors have completed a final assessment of the Group's financial resources, including forecasts. Based on this review the Directors have concluded that the Group currently has insufficient financial resources to meet its non-discretionary expenses for the 12 months from the date of approval of these accounts nor the final capital expenditure amount for that period which is not yet known.

The Directors note that Upland Resources Limited has a loyal shareholder base and raised £2,643,127 before expenses during the reporting period and has recently announced an approximate £3,198,000 financing which is scheduled to close later in May 2024 but is not yet completed. The Directors also note interest from several potential joint venture partners interested in financial participation in the Group's opportunities in Sarawak.

After suitable deliberation, 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 a period of at least twelve months from the date of approval of the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. Additional discussion is included in the Principal Risks and Uncertainties section of the Strategic Report.

The auditors have made reference to going concern by way of a material uncertainty with their audit report due to the fact that the fundraising mentioned above is not yet complete.

Disclosure of information to the auditors

The directors of the Company who held office at the date of the approval of this Annual Report as set out above confirm that:

- so far as they are aware, there is no relevant audit information (information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware, and

- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Approved by the Board on 15 May 2024 and signed on its behalf by:

A Nasharuddin
Director

Upland Resources Limited

Statement of Directors' Responsibilities

As a Jersey registered company, the Directors to prepare financial statements for each financial period. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs') as endorsed by the EU and applicable law. Under Company law 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 Group and of the Profit and Loss of the Group for the period. In preparing these financial statements the Directors are required to:

- Select suitable accounting policies and then apply them consistently ;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, 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.

In accordance with article 103 of the Companies (Jersey) Law 1991 the Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the requirements of Companies (Jersey) Law 1991 as a whole.

The Directors are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. The work carried out by the auditors does not involve the consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred in the accounts since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors confirm that to the best of their knowledge the financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the undertakings included in the consolidation taken as a whole; the Strategic Report includes a fair review of the development and performance of the business and the position of the Group and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties they face; and the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's position, performance, business model and strategy.

This responsibility statement was approved by the Board on 15 May 2024 and signed on its behalf by:

A Nasharuddin
Director

Upland Resources Limited

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

Opinion

We have audited the financial statements of Upland Resources Limited (the 'group') for the period ended 31 December 2023 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and Notes to the Financial Statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and EU endorsed IFRS.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's affairs as at 31 December 2023 and of its loss for the period then ended;
- have been properly prepared in accordance with EU endorsed IFRS; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 2 in the financial statements, which indicates that for the period ended 31 December 2023, the group incurred an operating loss of £2,167,066 and continues to generate losses due to the group not being revenue generative. The group's ability to meet all of the operating costs and budgeted spend requirements for the next twelve months from the date of approval of the financial statements is reliant on the group raising further finance. The directors are confident in the group's ability to raise the necessary funds to enable the group to meet its obligations as they fall due. These events or conditions, along with the other matters as set forth in note 2, indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's ability to continue to adopt the going concern basis of accounting included:

- Assessing the group's cash flow forecast which covered a period of no less than twelve months from the date of approval of these financial statements;
- Challenging and evaluating the key assumptions and inputs included in the cash flow forecast and ensuring they are in line with our understanding of the business obtained during the course of the audit;
- Assessing management's price forecasts for expenses to obtain an understanding of the appropriateness of these price inputs; and
- Reviewing and assessing the adequacy of the disclosure within the financial statements related to the directors' assessment of the going concern basis of preparation.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our application of materiality

We applied the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. At the planning stage, materiality is used to determine the financial statement areas that are within the scope of our audit and the nature, timing and extent of our audit procedures during the audit.

We calculated group materiality at 5% of adjusted loss before tax which resulted in a figure of £65,000. Adjusted loss before tax was determined as an appropriate basis for materiality because the principal focus of the group for the period was incurring expenditure in their pursuit of identifying assets which could be developed and expanded in the oil and gas sector.

Group performance materiality was set at £39,000, being 60% of the materiality of the group financial statements as a whole. The performance materiality is based on our assessment of the relevant risk factors including our expectation in relation to the level of estimation inherent to the group.

We agreed to report to those charged with governance all audit differences identified through our audit with a value in excess of £3,250 calculated as 5% of the materiality of the group financial statements as a whole. We also agreed to report any other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

Our approach to the audit

In designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular we looked at areas involving significant accounting estimates and judgements by the directors and considered future events that are inherently uncertain. These included, but were not limited to the recoverability of the loan with the joint venture and the valuation of the share-based payments. We also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud. Procedures were then performed to address the risks identified and for the most significant assessed risks of material misstatement, the procedures performed are outlined below in the Key audit matters section of this report.

An audit was performed on the financial information of the group's significant operating components which, for the period ended 31 December 2023, were located in the United Kingdom and Malaysia.

Each component was assessed as to whether they were significant to the group either due to their size or risk. The parent company and two subsidiaries were considered to be significant due to identified risk and size. A full-scope audit of the financial information was performed by us on each of the significant components.

Component materiality applied ranged between £500 and £54,200 and performance materiality ranged between £300 and £32,520 .

The approach detailed above gave us sufficient appropriate evidence for our opinion on the group financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material uncertainty related to going concern section we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our scope addressed this matter
Accounting for the investment in Upland Big Oil Sdn Bhd (Note 12)	
During the period, the group (through its subsidiary Upland Resources (Sarawak) Sdn Bhd), acquired a 45% equity interest in Upland Big Oil Sdn Bhd. **Given the quantum of the balance and its impact on the loss for the year, this is considered a key audit matter.**	Our work in this area included: • Assessing the appropriateness of management's accounting treatment of the equity interest as an investment, by considering the nature of the acquisition in line with IAS 28, *Investments in Associates and Joint Ventures*; • Assessing the recoverability of investments by reference to underlying net asset values and potential future of the underlying assets; • Confirming ownership of the investment; and • Ensuring adequate disclosure in line with the reporting requirements of the applicable standards are made in financial statements. Based on the audit work performed, the accounting for the investment is reasonable.
Recoverability of the loan to Upland Big Oil Sdn Bhd (Note 13)	
The loan with the associate is a significant asset in the Consolidated Statement of Financial Position. Given the continuing losses incurred by the associate, there is a risk that the loan balance may not be fully recoverable. **Given the recoverable value of the loan is dependant on the award of the production sharing contract and the commercial exploitation which are inherently uncertain and management judgement is required in**	Our work in this area included: • Reviewing management's impairment assessment and challenging the key assumptions and inputs; • Obtaining confirmation of the successful completion of the Joint Technical Study on the licence areas relevant to the associate's operation; • Ensuring that there is no evidence indicating that the Production Sharing Contract will not be granted by making

determining the recoverable value, this is considered a key audit matter.	enquires of management and reviewing correspondence with the local authority; and • Ensuring adequate disclosures are made in the financial statements. Based on the procedures performed, we consider the loan to be recoverable.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- proper accounting records have not been kept, or proper 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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and the industry in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, and application of cumulative audit knowledge and experience of the industry.

- We determined the principal laws and regulations relevant to the group in this regard to be those arising from Rules of the London Stock Exchange and the Companies (Jersey) Law 1991. The team remained alert to instances of non-compliance with laws and regulations throughout the audit.

- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group with those laws and regulations. These procedures included, but were not limited to: making enquiries of management; reviewing minutes of meetings; and reviewing correspondence and Regulatory News Service announcements.

- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that the potential for management bias was identified in relation to the recoverability of the loan with the associate (see the Key audit matters section of this report) and the valuation of the share based payments. We addressed this by challenging the key assumptions made by management when auditing these significant accounting estimates.

- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilitieshttp://www.frc.org.uk/auditorsresponsibilitieshttp://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor's-responsibilities-forhttps://www.frc.org.uk/auditors/audit-assurance/standards-and-guidance/2010-ethical-standards-for-auditors-(1). This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with our engagement letter dated 18 October 2023. 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 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.

Joseph Archer (Engagement Partner)

For and on behalf of PKF Littlejohn LLP

Recognised Auditor

15 May 2024

15 Westferry Circus
Canary Wharf
London E14 4HD

Consolidated Statement of Comprehensive Income for the Period Ended 31 December 2023

	Note	Period ended 31 December 2023 £	Year ended 30 June 2022 £
Exploration and evaluation expenditure	10	(25,743)	(139,467)
Administrative expenses		(1,784,158)	(354,828)
Operating loss	3	(1,809,901)	(494,295)
Share of profit or loss of associate	12	(357,165)	-
Loss before tax		(2,167,066)	(494,295)
Taxation	4	-	-
Net Loss for the financial period		(2,167,066)	(494,295)
Other comprehensive income / (loss)		0	0
Total comprehensive income for the financial period		(2,167,066)	(494,295)
Loss attributable to:			
Owners of the Company		(2,167,066)	(494,295)
Total comprehensive income attributable to:			
Owners of the Company		(2,167,066)	(494,295)
Earnings per share			
Basic and diluted (pence per share)	5	(0.23)	(0.07)

The above results were derived from continuing operations.

The notes on pages 27-46 form an integral part of these financial statements.

Upland Resources Limited

Consolidated Statement of Financial Position as at 31 December 2023

	Note	31 December 2023 £	30 June 2022 £
Non-current assets			
Tangible fixed assets	11	3,433	-
Investment in associate	12	66,432	-
Trade and other receivables	13	579,899	-
		649,764	-
Current assets			
Trade and other receivables	13	32,130	7,185
Cash and cash equivalents	14	654,721	305,526
		686,851	312,711
Total assets		1,336,615	312,711
Equity and liabilities			
Stated capital	17	10,976,259	8,427,732
Share options reserve		522,675	-
Retained earnings		(10,835,809)	(8,686,185)
Total equity		663,125	(258,453)
Current liabilities			
Trade and other payables	15	673,490	571,164
Total equity and liabilities		1,336,615	312,711

These financial statements were approved and authorised for issue by the Board on 15th May 2024 and signed on its behalf by:

A Nasharuddin

Director

The notes on pages 27 to 46 form an integral part of these financial statements

Upland Resources Limited

Consolidated Statement of Changes in Equity for the Period Ended 31 December 2023

Equity attributable to equity holders of the parent company

	Stated capital £	Share options reserve £	Retained earnings £	Total equity £
At 1 July 2021	8,427,732		(8,191,890)	235,842
Loss and total comprehensive income for the year	-		(494,295)	(494,295)
At 30 June 2022	8,427,732		(8,686,185)	(258,453)

	Stated capital £	Share options reserve £	Retained earnings £	Total equity £
At 1 July 2022	8,427,732	-	(8,686,185)	(258,453)
Loss and total comprehensive income for the 18 months	-	-	(2,167,066)	(2,167,066)
Transactions with shareholders				
Issue of shares	2,253,900	-	-	2,253,900
Issue costs	(94,600)			(94,600)
Grant of share options	-	540,117	-	540,117
Exercise of share options	40,000	(17,442)	17,442	40,000
Exercise of share warrants (Note 9)	349,227	-	-	349,227
At 31 December 2023	10,976,259	522,675	(10,835,809)	663,125

The notes on pages 27 to 46 form an integral part of these financial statements.

Upland Resources Limited

Consolidated Statement of Cash Flows for the Period Ended 31 December 2023

	Note	Period ended 31 December 2023 £	Year ended 30 June 2022 £
Cash flows from operating activities			
Loss from operations for the period / year		(1,809,901)	(494,295)
Adjustments to cash flows from non-cash items:			
Depreciation	11	681	-
Share-based payment expense	8	540,117	-
Foreign exchange loss / (gain)		24,150	(37,713)
Operating cash flows before working capital movements		(1,244,953)	(532,008)
(Increase)/decrease in trade and other receivables		(604,844)	1,142
Increase in trade and other payables		92,472	40,691
Net cash flow used in operating activities		(1,757,325)	(490,175)
Cash flows from investing activities			
Acquisition of share in associate	12	(23,076)	-
Purchase of fixed assets	11	(4,114)	-
Net cash flow used in investing activities		(27,190)	-
Cash flows from financing activities			
Repayment of short term loan		(50,000)	-
Issue of ordinary shares, net of issue costs		2,207,860	-
Net cash flow from financing activities		2,157,860	-
Net increase/(decrease) in cash and cash equivalents		373,345	(490,175)
Cash and cash equivalents at beginning of period / year	14	305,526	757,988
Exchange differences in respect of cash and cash equivalents		(24,151)	37,713
Cash and cash equivalents at end of period / year	14	654,721	305,526

Note: Non cash movements in the above cashflow included shares which were issued to creditors to settle short term loans of £125,000 and as part of the cost of acquisition of associate £215,667.

The notes on 27 to 46 form an integral part of these financial statements.

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. On 15 August 2019, the Company was registered in Jersey by way of a continuation out of the British Virgin Islands and migration into Jersey. The Company is a no par value company. There is no limit on the number of shares of any class that the Company is authorised to issue.

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

The Company has changed its year end from 30 June to 31 December. As a result the Consolidated Statement of Comprehensive Income and the Consolidated Statement of Cashflows cover the 18-month period ended 31 December 2023 while comparative figures are for the 12 month period ended June 30, 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The Board has reviewed the accounting policies set out below and considers them to be the most appropriate to the Group's business activities.

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs and IFRIC interpretations) issued by the International Accounting Standards Board (IASB) as endorsed by the EU and with those parts of Companies (Jersey) Law 1991 applicable to companies preparing their accounts under IFRS. The financial statements have been prepared under the historical cost convention except where otherwise stated.

No Company information is included in the financial statements as it is not required by Companies (Jersey) Law 1991.

The financial information is presented in Sterling (£).

Standards and interpretations issued but not yet applied

Standards and amendments to existing standards effective 1 January 2023

At the date of approval of these financial statements Standards and Interpretations listed below, had been issued but were not yet effective. The directors do not anticipate that the adoption of these standards or interpretations or future amendments to existing standards will have a material impact on the financial statements in the year of initial application.

- Amendment to IAS 37: Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts;
- Amendment to IFRS 3: Business Combinations - Reference to Conceptual Framework;
- Amendment to IAS 16: Property Plant & Equipment – Proceeds before Intended Use

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 31 December 2023.

Where the Group has control over an investee, the investee is classified as a subsidiary. The Group controls an investee if all three of the following measures of control are present: power over the investee; exposure to variable returns from the investee and the ability of the investor to use its power to affect those returns.

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.

Individual company income statement

Under Companies (Jersey) 1991 Law, the company is not required to present its individual income statement.

Going concern

These financial statements have been prepared on a going concern basis, which assumes that the Group will continue to be able to meet its liabilities as they fall due for the foreseeable future. The Group meets its current day to day working capital requirements through existing cash reserves.

During the 18 months ended 31 December 2023, the Company raised £2,643,127 before expenses from the issue of shares and the exercise of share warrants and share options.

As announced on 26 April 2024 the Company has arranged a share placement in the gross amount of £3,198,591 which will complete later in May 2024. Also announced on 26 April 2024 is interest from several potential joint venture partners interested in financial participation in the Group's opportunities in Sarawak.

The Directors believe that the Group will be able to raise sufficient cash to enable it to continue its operations, including exploration in Sarawak , and to continue to meet, as and when they fall due, its liabilities for at least the next twelve months from the date of approval of the Group financial statements. The Group financial statements have, therefore, been prepared on the going concern basis. The auditors have made reference to going concern by way of a material uncertainty in their audit report due to the fact that the fundraising announced has not yet been formally concluded.

Intangible assets

Oil and gas assets: exploration and evaluation

Costs incurred prior to obtaining legal rights to explore are expensed to the income statement. This applied to the cost of exploration and evaluation expenditure incurred by Upland Big Oil Sdn Bhd during the period . Upon receipt of a license in Sarawak the Group will adopt IFRS 6 in respect of SK334 as outlined below.

The Group has adopted the 'successful efforts' method of accounting for Exploration and Evaluation ("E&E'') costs, having regard to the requirements of IFRS 6 'Exploration for and Evaluation of Mineral Resources'.

The successful efforts method means that only the costs which relate directly to the discovery and development of specific oil and gas reserves are capitalised. Such costs may include costs of license acquisition, technical services and studies, exploration drilling and testing but do not include costs incurred prior to having obtained the legal rights to explore the area. Under successful efforts accounting, exploration expenditure which is general in nature is charged directly to the income

statement and that which relates to unsuccessful drilling operations, though initially capitalised pending determination, is subsequently written off. Only costs which relate directly to the discovery and development of specific commercial oil and gas reserves will remain capitalised and to be depreciated over the lives of the reserves. The success or failure of each exploration effort will be judged on a well-by-well basis as each potentially hydrocarbon-bearing structure is identified and tested. Exploration and evaluation costs are capitalised within intangible assets.

Upon receipt of a license in Sarawak the Group will adopt IFRS 6. During the period all lease and licence acquisition costs, geological and geophysical costs and other direct costs of exploration, evaluation and development are expensed to the income statement. Intangible assets comprise costs relating to the exploration and evaluation of properties which the directors consider to be unevaluated until reserves are appraised as commercial, at which time they are transferred to tangible assets as 'Developed oil and gas assets' following an impairment review and depreciated accordingly. Where properties are appraised to have no commercial value, the associated costs are treated as an impairment loss in the period in which the determination is made.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. The carrying value of tangible fixed assets is assessed annually and any impairment charged to income statement.

Depreciation

Tangible fixed assets are depreciated on a straight-line method to their residual values at rates based on the estimated useful lives of the assets, as follows:

- Office equipment – 10% per annum, straight line
- Computer equipment – 20% per annum, straight line

Associates

Associates are entities over which the Group has significant influence but not control. Generally the Group has a shareholding of 20-50%. Investments in associates are accounted for using the equity method. Under the equity method the investment is initially recognised at cost and the carrying value is increased or decreased to recognise the Group's share of the profit or loss of the associate since acquisition.

When the Group's ownership interest in an investment is increased and significant influence is obtained, the Group measures the fair value at the point of obtaining significant influence and compares that amount against the carrying value and any gain or loss is included in the statement of comprehensive income. The fair value of the investment plus the deemed fair value of any consideration paid is treated as the deemed cost and proceeds to be accounted for under the equity method.

The Group's share of post-acquisition profit or loss is recognised in the statement of comprehensive income and its share of post-acquisition movements is classified as other comprehensive income.

The Group determines at each reporting date whether there is any objective evidence to indicate that the investment in associate is impaired.

If the Group disposes of part of its interest in an associate such that it no longer has significant influence over the associate, it recognises the difference between the value of consideration received and the residual carrying value of the interest retained and the carrying value at the date significant influence is lost and any gain or loss is recognised as other comprehensive income.

Financial assets

The financial assets held by the Group are classified as Trade and other receivables and cash and cash equivalents. These assets are non-derivative financial assets with fixed or determinable repayments which are not quoted on an active market. They are initially carried at fair value plus transaction costs attributable to their acquisition and are subsequently carried at amortised cost using the effective interest rate method less any impairment. Impairment arises when there is objective evidence that the Group will not be able to collect the amount due under the receivable.

Impairment is reviewed at least annually in accordance with IFRS9 by comparing the carrying cost against the present value of future cash repayments. For receivables which are reported as net, the provision will be reported separately in the Consolidated Statement of Financial Position The amount of the provision will be provided as an administrative expense. In future accounting periods, the provision might be adjusted and the impact of any adjustment to the provision would be included in Profit and Loss. If the receivable proves uncollectible the gross asset carrying value would be written off against the provision.

Cash and cash equivalent assets

These amounts comprise cash on hand and with banks. Cash equivalents are accounts that are highly liquid readily convertible to cash including short term investments and short term deposits.
Any cash or cash equivalents that are subject to restrictive conditions are classified separately as Restrictive cash.

Derecognition

The Group derecognises a financial asset when the contractual cashflow attached to that asset expires or is transferred to another entity.

The Group derecognises a financial liability e when the obligation is discharged , cancelled or expires.

Financial Liabilities

The Group's financial liabilities include trade and other payables, short term and long terms loans, whether secured or unsecured. These liabilities are initially carried at cost and subsequently at amortised value using the interest rate method. All interest and other costs associated with these liabilities are expensed , as incurred, and included as part of Finance costs in the Profit & Loss. Where any liability includes convertibility, the fair value of the equity and liability portions is determined on date of issue of the convertible instrument using appropriate discount factors

Equity

Equity comprises the following:

- "Stated capital" represents the amount of cash or other consideration received by the company for the issue of shares of that class net of share issue costs;
- "Retained earnings" includes all current and prior years as disclosed in the Statement of comprehensive income results less any dividends paid;
- "Share options reserve" represents equity-settled share-based remuneration stated at the fair value of share options issued. As options are exercised their cost is transferred to Retained earnings.

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 Company's functional and presentational currency. The functional currency of the Malaysian operations is the Malaysian Ringgit.

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.

Operating segments

The Group operates in one business segment, the exploration and development of oil and gas assets. It currently operates in three jurisdictions: Jersey (Upland Resources Limited); Sarawak (Upland Resources (Sarawak) Sdn Bhd and Upland Big Oil Sdn Bhd) and the UK (Upland Resources (UK Onshore) Limited). The Group operating focus is in Southeast Asia.

Critical estimates and judgements

The preparation of financial statements in conformity with EU endorsed IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities as well as the disclosure of the reported amounts of revenues and expenses during the reporting period. Actual outcomes could differ from those estimates.

The Group had no significant assets nor liabilities as at 31 December 2023 or 30 June 2022 which were measured using significant accounting estimates or judgements other than

(i) the assessment and conclusion by the directors that no impairment of advances to Upland Big oil Sdn Bhd (UBO) is necessary. Sarawak is the long-term area of interest for the Group and UBO will be the investment entity.
(ii) the determination to classify UBO as an associate
(iii) the assumptions used in Note 8 in the valuation of stock options.

Taxation

Current taxation for each taxable entry in the Group is calculated based on the local taxable income and the local statutory tax rate.

Deferred Taxation

Deferred taxation is calculated on the liability method on temporary differences arising between the tax base of assets and liabilities and their carrying values in the financial statements, The amount of deferred tax is determined using tax rates and laws that have been enacted by the balance sheet date are expected to apply when the related deferred tax asset is realised or the related deferred tax liability settled.

Deferred tax liabilities are provided in full.

Deferred tax assets are recognised to the extent it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Changes at fair market value in deferred tax assets or liabilities are recognised as a component of income tax expense in the Statement of Comprehensive income.

Share based payments

In line with IFRS 2, the Group operates an equity-settled, share-based compensation plan, under which the entity receives services from directors and persons discharging managerial responsibilities as consideration for equity instruments (options) of the entity. The fair value of the services received is measured by reference to the estimated fair value at the grant date of equity instruments granted and is recognised as an expense over the vesting period. The estimated fair value of the option granted is calculated using the Black Scholes option pricing model or Monte Carlo Simulation. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

The proceeds received net of any directly attributable transaction costs are credited to share premium when the options are exercised.

Equity-settled share-based payment transactions with parties other than directors and persons discharging managerial responsibilities are measured at the fair value of the goods and services received, except where the fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the counterparty renders the service.

Climate Adaption, Resilience and Transition

Management periodically considers the effects of climate change and climate-related risk.

No principal risk has been identified in Sarawak, but a more extensive review will be completed in 2024 as part of the anticipated planning and scheduling of UBO's 2024 work program.

The Company, which is still at the exploration stage, has identified no climate-related disclosures for inclusion in the financial statements.

3 Operating loss

Arrived at after charging/(crediting):

	Period ended 31 December 2023 £	Year ended 30 June 2022 £
Fees payable to the Company's auditor and its associates – audit of the financial statements (Note)	44,000	22,000
Depreciation of tangible fixed assets	681	-
Share option expense	540,117	-
Exploration and evaluation expenditure	25,743	139,467
Loss/(gain) on foreign exchange	24,150	(37,713)

Note
On 3 July 2023 the Company announced the appointment of PKF Littlejohn LLP as its new auditor for the 18-month period ended 31 December 2023. The appointment was approved by shareholders at the Annual General Meeting held on 29 December 2023.

Segmental Analysis

The Group operates in one business segment, the exploration and development of oil and gas assets. It currently operates in three jurisdictions: Jersey (Upland Resources Limited); Sarawak (Upland Resources (Sarawak) Sdn Bhd and Upland Big Oil Sdn Bhd) and the UK (Upland Resources (UK Onshore) Limited).

Segment results, assets and liabilities include items directly attributable to a segment as well as those than can be allocated on a reasonable basis.

31 December 2023

	Jersey £	Sarawak £	UK £	Total £
Results				
Loss before income tax	1,727,820	409,316	29,930	2,167,066
Assets				
Non -Current assets	-	649,764	-	649,764
Current assets excluding cash	32,000	-	130	32,130
Cash	519,512	135,209	-	654,721
Total assets	551,512	784,973	130	1,336,615
Liabilities				
Current	480,483	190,508	2,500	673,491
Non-current	-	-	-	-
Total liabilities	480,483	190,508	2,500	673,491

30 June 2022

	Jersey £	Tunisia £	UK £	Total £
Results				
Loss before income tax	320,613	164,184	9,498	494,295
Assets				
Non - Current assets	-	-	-	-
Current assets excluding cash	7,185		-	7,185
Cash	303,291	-	2,235	305,526
Total assets	310,476	-	2,235	312,711
Liabilities				
Current	565,664	3,000	2,500	571,164
Non-current	-	-	-	-
Total liabilities	565,664	3,000	2,500	571,164

4 Taxation

The tax charge for the period can be reconciled to the loss in the Statement of Comprehensive Income as follows:

	Period ended 31 December 2023	Year ended 30 June 2022
	£	£
Loss before tax on continuing operations	(2,167,066)	(494,295)
Tax at the applicable standard tax rate of 4.5% (2022 – 19%)	(98,235)	(93,916)
Change in unrecognised deferred tax assets	98,234	93,916
Tax charge for the period	-	-

The Company has migrated to Jersey and is a Jersey registered company. With the loss of two UK-based directors, decision making is now outside the UK and the Company has notified HMRC. This is reflected in the lower weighted average tax rate where the loss of Upland Resources Limited is treated as non-taxable.

A weighted average tax rate of 4.5% has been used to calculate deferred tax. No deferred tax asset has been recognised in respect of these losses as there is insufficient evidence that the amount will be recovered in future years.

Upland Resources (UK Onshore) Limited has £3,645,484 tax losses carried forward. No deferred tax asset has been recognised in respect of these losses, for similar reason noted above.

5 Loss per share

The calculation of basic loss per share is based on the following loss and number of shares:

	Period ended 31 December 2023	Year ended 30 June 2022
Loss for the period from continuing operations	£2,167,066	£494,295
Weighted average shares in issue	961,371,914	686,768,853
Basic loss per share (pence per share)	0.23p	0.07p

Basic loss per share is calculated by dividing the loss for the period from continuing operations of the Group by the weighted average number of ordinary shares in issue during the period.

The disclosure of the diluted loss per share is the same as the basic loss per share as the conversion of share options and warrants decreases the basic loss per share, thus being anti-dilutive.

6 Staff costs

There were no staff costs paid during the year. Directors emoluments are disclosed in Note 7 and share-based payments disclosed in note 8.

There are no defined benefit or defined contribution pension arrangements in operation.

7 Directors’ and other PDMRs’ remuneration

Directors’ and other PDMRs’ remuneration for the 18 month period are as follows (comparable balances cover the preceding 12 months) :

Director	Period	Salary/Fee	LTIP – Bonus(1)	LTIP – Share options	Total pay
		£	**£**	**£**	**£**
B Di	**1 July 2022 – 31 December 2023**	175,995	190,000	227,272	**593,267**
	Annualised	117,330			
	1 July 2021 – 30 June 2022	25,000	-	-	25,000
A Nasharuddin	**1 July 2022 – 31 December 2023**	32,832	15,000	55,920	**103,752**
	Annualised	21,888			
	1 July 2021 – 30 June 2022	-	-	-	-
D Wong	**1 July 2022 – 31 December 2023**	32,832	15,000	55,920	**103,752**
	Annualised	21,888			
	1 July 2021 – 30 June 2022	-	-	-	-
A Hurst	**1 July 2022 – 31 December 2023**	28,204	15,000	41,966	**85,170**
(from 11 January 2023)	1 July 2021 – 30 June 2022	-	-	-	-
C Pitman	**1 July 2022 – 31 December 2023**	5,409	-	-	**5,409**
(until 28 September 2022)	1 July 2021 – 30 June 2022	40,448	-	-	40,448
J King	**1 July 2022 – 31**	-	-	-	**-**

	December 2023				
(until 18 April 2022)	1 July 2021 – 30 June 2022	20,670	-	-	20,670
G Murray (COO)	**1 July 2022 – 31 December 2023**	90,830	30,000	76,903	**197,733**
	Annualised	60,553			
	1 July 2021 – 30 June 2022	-	-	-	-
J Forrest (CFO)	**1 July 2022 – 31 December 2023**	97,083	30,000	76,903	**203,986**
	Annualised	64,722			
	1 July 2021 – 30 June 2022	-	-	-	-
Total	**1 July 2022 – 31 December 2023**	**463,185**	**295,000**	**534,884**	**1,293,069**
	1 July 2021 – 30 June 2022	86,118	-	-	86,118

1 *Bonuses were payable on award and completion of Joint Technical Study. £255,000 remains outstanding within accrued expenses at the period end*

8 Share-based payments

Share option scheme

On 4 November 2022, the Company granted share options over 45,000,000 ordinary shares at an exercise price of 0.4p per share. The options may be exercised at any time up to 4 November 2027. There are no performance conditions attached to these share options.

On 27 February 2023, the Company granted share options over 110,000,000 ordinary shares at an exercise price of 0.6p per share. The options may be exercised at any time up to 27 February 2028. There was a vesting condition that the share price reach 2p. That vesting condition has been satisfied.

The fair value of the share options was determined using the Black Scholes Model in the case of the 4 November 2022 stock option grant and Monte Carlo simulation in the case of the 27 February 2023 stock option grant. The Monte Carlo method was used for the second option because of the existence of a vesting condition based on share price.

	Number of options	**Weighted average exercise price (pence per share)**
Outstanding at beginning of period	-	-
Granted during the period	155,000,000	0.54
Exercised during the period	(10,000,000)	0.40
Cancelled during the period	(3,000,000)	0.40
Outstanding at end of period	142,000,000	0.55

At the end of the period, 142,000,000 share options were exercisable (2022 - nil). The share options outstanding at the end of the year had a weighted average remaining contractual life of 4 years.

The total charge for the period was £540,117 (2022 - £nil).

The following assumptions were used in the calculations:

Valuation Technique	Black Scholes Model	Monte Carlo simulation
Exercise Price	.40p Option	.60p Option
Mid Market share price	.275p	.625p
Volatility(%)	87.62	86.93
Dividend yield (%)	0	0
Risk-free interest rate (%)	3.40	3.69
Expected life of options	5 years	5 years

Warrants

On 14 July 2020, the Company issued 33,571,431 warrants to subscribe for new ordinary shares (on the basis of 1 new ordinary share for each warrant) at a subscription price of 1.3p per ordinary share and exercisable at any time during the period of 2 years from 14 July 2020. These warrants expired unexercised in July 2022.

On 27 October 2022, the Company issued 69,440,000 warrants to subscribe for new ordinary shares (on the basis of 1 new ordinary share for each warrant) at a subscription price of 0.4p per ordinary share and exercisable at any time up to 1 May 2024. 66,640,000 of these warrants were exercised during the period.

On 28 February 2023, the Company issued 149,250,000 warrants to subscribe for new ordinary shares (on the basis of 1 new ordinary share for each warrant) at a subscription price of 1.2p per ordinary share and exercisable at any time up to 28 February 2025. 6,888,888 of these warrants were exercised during the period.

	Number of warrants	**Weighted average subscription price (pence per share)**
Outstanding at beginning of period	33,571,431	1.30
Lapsed during the period	(33,571,431)	1.30
Granted during the period	218,690,000	0.95
Exercised during the period	(73,528,888)	0.47
Outstanding at end of period	145,161,112	1.18

At the end of the year, 145,161,112 warrants were exercisable (2022 – 33,571,431). The warrants outstanding at the end of the year had a weighted average remaining contractual life of 1.2 years.

The total charge for the period was £Nil (2022 - £nil).

9 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.

The table below sets out the carrying value of all financial assets and liabilities and where applicable shows the valuation level used to determine the fair value at the reporting date. The fair value of all financial assets and liabilities is not materially different to the book value.

Cash and receivables	31 December 2023 (£)	30 June 2022 (£)
Cash and cash equivalent	654,721	305,526
Trade and other receivables	612,029	7,185
Trade and other liabilities		
Trade and other payables	673,490	571,164

Market risk

Interest Rate Risk

During the period and at 31 December 2023 the Group had no significant interest rate risk. The Group had no interest bearing liabilities nor debtors which were being charged interest.

Foreign exchange risk

The Group is exposed to foreign exchange risk. The functional currency of the parent company is British pounds while the Malaysian Ringgit is the currency of our Malaysian companies. In addition the parent company funds the Malaysian companies with US Dollars.

The Group follows a non-speculative policy on exchange rates.
The exposure to these exchange rate risks is considered significant to the Group and the Directors are considering arrangements such as hedging that can be implemented to mitigate this risk.

The Group held cash balances as shown in the following table.

	At 31 December 2023	At 30 June 2022
British Pounds	518,732	4,793
Malaysian Ringgit	798,244	-
US Dollars	1031	365,658

During 2023 the following history for currency pairs shown was:

	Average Rate	Highest	Lowest
GBP: MYR	5.67	6.04	5.13
USD: MYR	4.56	4.79	4.24
GBP: USD	1.24	1.31	1.18

In addition the Group had an advance to its associate Upland Big Oil Sdn Bhd of £579,899 at 31 December 2023 reported in UBO accounts as MYR 3,388,620. The directors have concluded that while a foreign exchange risk exits, no impairment of this asset is necessary.

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'. The Group is not subject to any externally imposed capital requirements.

In addition the Group had an advance to its associate Upland Big Oil Sdn Bhd of £579,899 at 31 December 2023 reported in UBO accounts as MYR 3,388,620. The directors have concluded that while a foreign exchange risk exits, no impairment of this asset is necessary.

	On Demand £	0-90 Days £	3-12 Months £	More than 12 months £
Trade and other receivables	-	32,130	-	579,899
Total	-	32,130	-	579,899

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 31 December 2023 was £698,705 (2022 – (£258,453)).

Trade and other payables

31 December 2023	Total £	On Demand £	Within 3 months £	3 – 12 months £
Trade Payables	111,905	-	111,905	-
Other Payables	194,278	-	194,278	-
Deferred Income	20,000	-	20,000	-
Accrued Expenses	347,307	10	347,297	-
Total	673,490	10	673,480	-

30 June 2022	Total £	On Demand £	Within 3 months £	3 – 12 months £
Trade Payables	154,524	-	154,524	-
Short-Term Loan	150,000	150,000	-	-
Accrued Expenses	266,640	10	216,630	50,000
Total	571,164	150,010	371,154	50,000

10 Intangible assets

Exploration and evaluation (E&E) costs

The Saouaf Licence terminated on 22 December 2022. Exploration and evaluation costs of £nil (2022 - £134,111) associated with this licence incurred in the period have been charged directly to profit and loss.

Exploration and evaluation costs of £25,743 (2022 - £5,356) associated with the P2478 Inner Moray Firth Licence incurred in the period have been charged directly to profit and loss.

Costs incurred prior to obtaining legal rights to explore are expensed to the income statement. This applied to the cost of exploration and evaluation expenditure incurred by Upland Big Oil Sdn Bhd during the period . Upon receipt of a license in Sarawak the Group will adopt IFRS 6 in respect of SK334 , the major impact of which would result in capitalisation of exploration and evaluation expenditures as incurred.

11 Tangible fixed assets

Group

	Computer and office equipment £
Cost	
Additions	4,114
At 31 December 2023	4,114
Depreciation	
Charge for period	681
At 31 December 2023	681
Carrying amount	
At 31 December 2023	3,433
At 30 June 2022	-

These assets are located in the office of Upland Resources (Sarawak) Sdn Bhd.

12 Investments

Company

	31 December 2023 £	30 June 2022 £
Investments in subsidiaries	-	7,030

	Subsidiaries £
Cost	
At 30 June 2022 and 31 December 2023	7,030
Impairment	
Charge for period	7,030
At 31 December 2023	7,030
Carrying amount	
At 31 December 2023	-
At 30 June 2022	7,030

Group

	31 December 2023 £	30 June 2022 £
Investments in associates	66,432	-

	Associates £
Carrying amount as at 1 July 2022	-
Acquisition of interest in associate	423,597
Share of loss of associate after tax	(357,165)
Carrying amount as at 31 December 2023	66,432

Details of undertakings

Undertaking	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiaries			
Upland Resources (UK Onshore) Limited*	Ordinary	100%	Petroleum exploration and development
Upland (S Tunisia) Limited*	Ordinary	100%	Dormant
Upland (Ksar Hadada) Limited	Ordinary	100%	Dormant
Upland Resources (Sarawak) Sdn Bhd*	Ordinary	100%	Petroleum exploration and development

All the above undertakings are incorporated in the UK, other than Upland Resources (Sarawak) Sdn Bhd which is incorporated in Malaysia.

During the period Upland Resources Limited wrote off its investment in Upland Resources (UK) Onshore Limited in the amount of £7,030.

Investment in Associate

Upland Big Oil Sdn Bhd *	Ordinary	45%	Petroleum exploration and development

Upland Big Oil Sdn Bhd (UBO) is located at BT 234, 1ST Floor, Tower B2, Icom Square, Jalan Pending, 93450 Kuching, Sarawak. During the period, the group acquired a 20% interest in UBO from Big Oil Ventures Sdn Bhd on 09 September 2022 and then a further 25% with effect from 21 February 2023. The strategic importance of UBO to the Group is highlighted in the Strategic Report. The interest in UBO is accounted for by the equity-accounting method.

Summarised financial information of the associated undertaking as at 31 December 2023 is as follows:

	UBO
	£
Dividends received from the associate	-
Current assets	107,740
Non-current assets	14,389
Current liabilities	1,150,749
Non-current liabilities	-
Revenue	-
Loss – wholly from continuing operations	1,028,791
Total comprehensive loss	1,028,791

The UBO interest was acquired at a cost of £423,597 (US$ 550,000) in two stages 20% in September 2022 and a further 25% effective 21 February 2023 bring the total ownership holding to 45%. The cost of the initial 20% was the par value of the shares Malaysian Ringgit 200 (£30), while the cost of the next 25% was £423,567.

		£
Cost of Investment	(Note 1)	423,597
Share of Net assets acquired		(105,791)
Premium Paid		529,388
Cost of investment		423,597
Share of UBO losses During period		(357,165)
Carrying Value 31 December 2023		66,432

The cost of the acquisition was satisfied by the issue of shares in Upland Resources Limited of £210,931 and in cash payments, of which £184,854 was outstanding at the balance sheet date. At 31 December 2023, Advances to UBO were £579,899 (note 13).

13 Debtors

	31 December 2023	**30 June 2022**
	£	**£**
Other debtors	130	-
Prepayments	32,000	7,185
Total current trade and other debtors	32,130	7,185

	31 December 2023	30 June 2022
	£	£
Amounts owed by related parties	579,899	-
Total non-current trade and other debtors	579,899	-

The primary Debtor in the amount of £579,899 is our 45%-owned affiliate Upland Big Oil Sdn Bhd (UBO). Advances to UBO are interest-free, unsecured with no fixed term for repayment.

14 Cash and cash equivalents

	31 December 2023 £	30 June 2022 £
Cash at bank	654,721	305,526

15 Creditors

Due within one year	31 December 2023 £	30 June 2022 £
Trade payables	111,905	154,524
Short-term loan	-	150,000
Other tax and social security	5,983	-
Other payables	188,295	-
Accrued expenses	347,307	266,640
Proceeds received for warrants to be issued	20,000	-
	673,490	571,164

Included in accrued expenses are bonuses payable of **£**255,000 to directors and officers in respect of the completion of the Joint Technical Study. Trade payables of **£**111,905 are payables of Upland Resources Limited incurred in the ordinary course of business while other payables include £184,854 payable at 31 December 2023 and since paid relating to the acquisition of our UBO interest.

16 Financial instruments

The Group's accounting classification of its financial assets and liabilities is as follows:

	31 December 2023 £	30 June 2022 £
Financial assets		
Trade and other receivables	647,609	7,185
Cash and cash equivalents	654,721	305,526
	1,302,330	312,711
Financial liabilities		
Financial liabilities measured at amortised cost		
Trade and other payables	673,490	571,164

17 Allotted and called up (Note 1)	31 December 2023 £	30 June 2022 £
Stated capital on 1,194,597,737 (2022 – 686,768,853) shares of no par value	10,976,259	8,427,732

The Company has one class of ordinary shares which carry no rights to fixed income. Each ordinary share confers upon the holder: the right to one vote at a meeting of the members of the Company or on any resolution of the members; the right to an equal share in any dividend paid by the Company; and the right to an equal share in the distribution of the surplus assets of the Company on its liquidation.

Stated Capital

	31 December 2023	30 June 2022
Number of shares in issue at start of period/year	686,768,853	686,768,853
Number of shares issued in period/year	507,828,884	-
Number of shares in issue at end of period/year	1,194,597,737	686,768,853

18 Capital and financial commitments

Group

None

19 Related party transactions

Key management personnel

The aggregate of fees and bonuses paid to key management personnel, or their connected companies, during the 18 month period was £758,185 (12 months 2022 - £122,118).

Share-based payments made to key management personnel in the period amounted to £534,884 (2022 - £nil).

At the balance sheet date, £284,364 (2022 - £120,430) was outstanding payable to key management personnel, or their connected companies, and included in creditors.

Other related parties

The Group has loaned its associate £579,899 in the period (2022 - £nil). At the balance sheet date, £579,899 was outstanding due from the associate and included in non-current debtors.

20 Contingent liability

On 22 October 2022, the Group applied for an extension of the Saouaf Permit for one year to 22 December 2023. The Tunisian government did not approve the Group's application and effective 22 December 2022 the Group no longer had an interest in the Saouaf Permit. All costs have been written off. It is possible that the Tunisian authorities may seek compensation for unfunded work commitments. Management has considered this and has taken legal advice about the scale and scope of compensation and considers the possibility of material outflows in relation to this matter to be unlikely.

21 Ultimate controlling party

The Directors believe there to be no ultimate controlling party.

22 Events after the reporting date

Details of events after the balance sheet date impacting on the Group are included in the Strategic Report on page 7 of this Annual Report.