

Jersey Company number: 129667

UPLAND RESOURCES LIMITED

Interim Report and Accounts

For the Six-Month Period from 1 January 2025 to 30 June 2025

UPLAND RESOURCES LIMITED

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UPLAND RESOURCES LIMITED
DIRECTORS REPORT FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2025

Overview

During the first half of 2025 Upland continued to execute its strategy of building a meaningful upstream portfolio in Southeast Asia while maintaining a disciplined capital approach. Progress has been made on a number of fronts — corporate, operational and partnership-driven — which the Board believes materially de-risks the Group’s medium-term development pathway.

The Group’s accounts at 30 June 2025 showed a consolidated loss for the six – month period of (£ **1,114,655**) and total equity of £ **3,744,648** . Cash increased £ **1,720,392** during the period.

Chairman’s Statement

For the six months ended 30 June 2025

Dear Shareholders,

I am pleased to present Upland’s interim narrative for the period to 30 June 2025. Over the past six months we have focused the organization on a small number of high-impact, technically robust opportunities in Southeast Asia where we can deploy the Group’s technical capability and local relationships to create value.

During the period, the team increased its focus on Sarawak onshore by engaging with the relevant authorities and potential farm-in partners.

- In May 2025 the Group advanced its interest in Brunei — we received formal acknowledgement of our interest from the Petroleum Authority of Brunei on 8 May 2025 and have since continued engagement with Brunei stakeholders. While this acknowledgment is an important procedural milestone, the commercial business strategy and timing remain at the discretion of the Brunei authorities.
- Our joint-venture vehicle, Upland Big Oil (in which Upland holds a 45% interest), was shortlisted for the Brunei 2025 offshore shallow water bidding round — a recognition of the technical capabilities the team has built and of the quality of relationships we continue to cultivate in-region.

These commercial and technical advances have been supported by an active program of partner engagement and technical workstreams. In May the Board led a three-day technical and commercial workshop in Kuala Lumpur with prospective partners and our Joint Technical Study team, including senior technical personnel and advisers, and subsequently continued follow-on discussions in Brunei. We remain committed to prudent technical planning and to selecting partners who can bring the capital and local knowledge required to progress these opportunities.

Financially, the Company published its audited results for the year ended 31 December 2024 in April 2025. The Board remains focused on preserving financial flexibility: during 2025 equity of the Group increased £ **1,127,833** from exercises of warrants and stock options. The cash position and capital structure are being managed to support the next phases of technical de-risking and farm-in discussions.

On corporate matters, the Board was strengthened during the period with the appointment of **Dr**

Razak Damit as a Director. His appointment enhances the Board's local and regional insight, deepening the Company's relationships in Southeast Asia and further aligning governance with Upland's strategic focus in Brunei and Sarawak. The Company also convened its 2025 Annual General Meeting as announced and all resolutions put to shareholders were duly passed. We continue to ensure our board and governance structures are aligned to the Group's evolving strategy.

Outlook — looking ahead to the remainder of 2025, our priorities are clear: (i) to progress the regulatory and commercial processes (ii) to finalize with potential partners on targeted onshore blocks; and (iii) to continue to conserve capital while selectively funding activity that materially advances license value. We acknowledge that license awards and farm-in negotiations naturally follow structured timelines, but we view this as part of a clear pathway toward unlocking long-term value.

The Board is highly encouraged by the recent positive developments and the robust technical platform we have now established. The Company has maintained a healthy cash position and a low, lean operating model, ensuring financial resilience and operational efficiency. We believe we are exceptionally well positioned to capitalise on the opportunities ahead. I would like to thank our team and valued partners for their unwavering commitment, and our shareholders for their continued confidence, as we move decisively to translate these near-term technical and commercial milestones into significant, near-term value creation.

Yours sincerely,

Bolhassan Di

Chairman & Chief Executive

Operational Progress & Commercial Developments

- **Sarawak (Block SK334 and adjacent onshore work):** Upland Resources has increased its focus on Sarawak onshore by engaging with the relevant authorities and potential farm-in partners, where the Company has successfully concluded a Joint Technical Study (JTS) with PETROS. The results of this work confirm the significant technical and commercial potential of the block, underpinned by promising subsurface data and proximity to existing infrastructure. Upland has deepened its engagement with local stakeholders and strengthened its operational readiness in Sarawak, positioning the Company for near-term development. The Board remains confident that Block SK334 represents a transformational opportunity, this remains a core focus of the Group as one of the most direct route to near-term value creation.
- **Brunei :** On 8 May 2025, Upland Resources Ltd received formal acknowledgement from the Petroleum Authority of Brunei confirming its interest in Block L. The Company has noted that, while this is an encouraging development, there can be no certainty of outcome until the Petroleum Authority of Brunei completes its review process and determines its strategic approach with respect to Block L. Subsequently, on 17 June 2025, Upland Big Oil (UBO) paid a refundable data room entry fee of USD\$50,000 to the Petroleum Authority of Brunei in connection with its participation in the Brunei 2025 Shallow Water Open Bidding Process.
- **Supply chain & drilling readiness:** Partnership arrangements with drilling and well-services parties (Vanguard Drilling Energy Services; NRG Well Management; Huisman Drilling) remain in place to support future well and program execution as opportunities crystallise.

Governance & Corporate Actions

- **Directorate change (H1 2025):** The Company appointed **Dr Razak Damit** to the Board. His appointment brings additional regional expertise and further strengthens governance and stakeholder engagement.
- **AGM (28 July 2025):** The Company held its 2025 AGM and all resolutions were passed. Notice of the meeting was published in June and the result announced in July 2025.

Outlook & Near-Term Milestones (remainder of 2025)

1. Continued engagement with the Petroleum Authority of Brunei (monitoring PAB timelines and next steps).
2. Progress in Brunei offshore bidding outcomes for Upland Big Oil and follow-on commercial discussions.
3. Finalizing with potential partners for targeted onshore block in Sarawak.
4. Maintain financial discipline while pursuing targeted, value-accretive technical activity.

Financial Summary

- **Loss for the six months ended 30 June 2025:** £1,114,655 (30 June 2024: loss (£730,237)).
- **Net proceeds and capital-raising activity in 2025:** £1,127,833 from warrant and share options exercises to support the business plan. Refer to Notes 7 (ii) (iii)
- **The Company's associated company Upland Big Oil Sdn Bhd repaid** £1,788,501 of its loan.
- **Balance sheet and liquidity:** The interim financial statements set out the Group's cashflow movements, investment in associate Upland Big Oil (45% stake) and the Board's assessment of going concern; the Board remains focused on matching expenditure to milestones and on securing partner funding for development work programs.
- **Post Balance Sheet Events :** There have been no significant events since 30 June 2025

Principal Risks & Mitigations

Business Risks

Key risks remain the timing and outcome of license awards and farm-in negotiations, commodity price volatility and the timing of capital availability. The Board mitigates these risks by:

- prioritizing technical work which reduces resource and development uncertainty;
- maintaining active engagement with potential equity and JV partners;
- preserving a conservative approach to corporate expenditure and matching spend to specific license milestones.

Going concern risk

Risk: The Group at the date of approval of these accounts has sufficient financial resources to meet its non-discretionary expenses for the next 12 months but the extent of discretionary expenses for that period is not yet known.

Mitigation: Despite challenging financial markets, the Group has a loyal shareholder base having raised £4,561,562 before expenses in 2024 and a further £1,127,833 during the six months ended 30 June 2025. The Group holds current cash balances of approximately US\$ 3,800,000.

Financial Risks

The primary risks are

- (i) Foreign exchange risk. Most of the Group's assets are denominated in Malaysian Ringgit. On average the MYR has weakened less than 1% since 31 December 2024;
- (ii) Credit risk associated with advances made to 45%-owned Upland Big Oil. During the period £1,788,501 was repaid and the remaining balance of approximately £1,486,000 is 52% backed by cash held by UBO.

Basis of Preparation

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. The Group raises finance for its exploration and appraisal activities in discrete tranches to finance its activities for limited periods only and further funding might be required from time to time to finance those activities as well as ongoing administrative expenses.

The Directors believe that the Group will be able to raise, as required, sufficient cash or reduce its commitments to enable it to continue its operations, including the pursuit of future exploration opportunities, 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 interim Group financial statements. The interim Group financial statements have, therefore, been prepared on the going concern basis.

There can be no guarantee that the funds required for discretionary expenditures will be raised within the necessary timeframe; therefore, a material uncertainty exists in regard to the Group's ability to continue to operate as planned and to be able to meet its discretionary commitments and discharge its liabilities in the normal course of business for a period of twelve months from the date of approval of this report. The financial statements do not include the adjustments that would result if the Group was unable to continue in operation.

Audit

This interim report and accounts for the six-month period ended 30 June 2025 (the "**Interim Report and Accounts**") has not been audited or reviewed pursuant to the Financial Reporting Council guidance on 'Review of Interim Financial Information'.

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

UPLAND RESOURCES LIMITED
DIRECTORS' RESPONSIBILITY STATEMENT

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

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

the important events that have occurred during the first half of the financial year and their impact on the set of financial statements contained in the Interim Report and Accounts, as required by DTR 4.2.7R;

the principal risks and uncertainties for the remaining half of the year as required by DTR 4.2.7R; and related party transactions that have taken place in the first half of the current financial year.

Approved by the Board on 28 September 2025:

Bolhassan Di
Chairman

UPLAND RESOURCES LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2025

	30 June 2025	30 June 2024
	£	£
Revenue	-	-
Exploration and evaluation expenditure	-	(69,041)
Administrative expenses excluding:	(889,357)	(540,592)
Broker fees	(7,500)	(22,471)
Legal & professional fees	(65,026)	(29,180)
Regulatory fees	(37,440)	(68,923)
Operating loss	<u>(999,323)</u>	<u>(730,207)</u>
Share of profit or loss of associate	(115,332)	-
Loss before taxation	<u>(1,114,655)</u>	<u>(730,207)</u>
Taxation	-	-
Loss and Total Comprehensive Income for the Period Attributable to Equity Owners of the Parent Company	<u><u>(1,114,655)</u></u>	<u><u>(730,207)</u></u>
Loss per share in pence – basic	<u><u>(0.001)</u></u>	<u><u>(0.006)</u></u>

The results above derive wholly from continuing operations.

UPLAND RESOURCES LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

		30 June 2025	31 December 2024
	Note	£	£
Non-Current assets			
Investment in associate	2	213,306	328,638
Tangible fixed assets		2,812	2,867
Advances to associate	4	<u>1,486,258</u>	<u>3,274,759</u>
		1,702,376	3,606,264
Current assets			
Trade and other receivables	3	46,041	42,182
Cash and cash equivalents		2,070,502	350,055
		<u>2,116,543</u>	<u>392,237</u>
Total assets		<u>3,818,919</u>	<u>3,998,501</u>
Equity			
Stated Capital		16,917,109	15,453,821
Retained earnings		(13,359,681)	(12,245,026)
Share options reserve		187,721	522,675
Total equity		<u>3,744,648</u>	<u>3,731,470</u>
Current liabilities			
Trade and other payables	4	74,271	267,031
Total equity and liabilities		<u>3,818,919</u>	<u>3,998,501</u>

UPLAND RESOURCES LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Stated capital	Share options reserve	Retained earnings	Total equity
	£	£	£	£
At 1 January 2025	15,453,821	522,675	(12,245,026)	3,731,470
Exercise of warrants	613,833			613,833
Share-based payment transactions	849,455	(335,455)		514,000
Loss for the period			(1,114,655)	(1,114,655)
At 30 June 2025	16,917,109	187,721	(13,359,681)	3,744,648

	Stated capital	Share options reserve	Retained earnings	Total equity
	£	£	£	£
At 1 January 2024	10,976,259	522,675	(10,835,809)	663,125
Issue of shares, net of costs	3,876,562			3,876,562
Share-based payment transactions				
Loss for the period			(730,207)	(730,207)
At 30 June 2024	14,852,821	522,675	(11,566,016)	3,809,480

UPLAND RESOURCES LIMITED

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE SIX MONTHS TO 30 JUNE 2025

	30 June 2025 £	30 June 2024 £
Cash Flows from Operating Activities		
Loss from operations	(1,114,655)	(730,207)
Decrease/(increase) in trade and other receivables	(3,859)	16,130
(Decrease)/increase in trade and other payables	(192,760)	(354,363)
Share of loss of associate	115,332	-
Net cash used in operating activities	(1,195,942)	(1,068,440)
Cash flows from Investing Activities		
Repayment by (Advances to) associate	1,788,501	(2,300,000)
Net cash flow used in investing activities	1,788,501	(2,300,000)
Cash Flows from Financing Activities		
Issue of ordinary shares, net of issue costs	1,127,833	3,876,564
Net cash generated from financing activities	1,127,833	3,876,564
Net increase/(decrease) in cash and cash equivalents	1,720,392	508,154
Cash and cash equivalents at the beginning of the year	350,055	654,721
Exchange differences in respect of cash and cash equivalents	55	(32)
Cash and cash equivalents at the end of the period/year	2,070,502	1,162,843

UPLAND RESOURCES LIMITED
NOTES TO THE ACCOUNTS

1. Accounting policies

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

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the Company and its subsidiary Upland Resources (Sarawak) Sdn Bhd at 30 June 2025.

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.

Associates

Associates are entities over which the Group has significant influence but not control. Generally the Group has shareholding of 20-50%. Investments in associates are accounted for using the equity method. Under the equity method the investment is initially recognized at cost and the carrying value is increased or decreased to recognize 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 recognized 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 recognizes 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 recognized as other comprehensive income.

Operating Segments

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

2. Investment in Associate: Upland Big Oil Sdn Bhd(UBO)

	Investment in associate
	£
Carrying amount as at 1 January 2025	328,638
Share of loss after tax	115,332
Carrying amount as at 30 June 2025	<u>213,306</u>

3. Trade and other receivables – current

	30 June 2025	31 December 2024
	£	£
Debtors	32,850	356
Prepayments	<u>13,191</u>	<u>41,826</u>
	<u>46,041</u>	<u>42,182</u>

4. Trade and other receivables – non current

	30 June 2025	31 December 2024
	£	£
Advances to Upland Big Oil Sdn Bhd(UBO)	<u>1,486,258</u>	<u>3,274,759</u>

5. Trade and other payables

	30 June 2025	31 December 2024
	£	£
Trade payables	63,153	123,293
Other tax and social security	2,599	4,342
Other payables	-	50,552
Accrued expenses	<u>8,519</u>	<u>88,844</u>
	<u>74,271</u>	<u>267,031</u>

6. Related party transactions

During the interim period, the company paid fees to directors, or their connected companies, amounting to £162,500 (2024- £162,500).

During the interim period, the company was charged consultancy fees by corporate officers of £100,410 (2024- £131,666).

7. Stated Capital

(i) Shares

During the period, the Company issued 142,152,777 ordinary shares of no par value. See 7 (ii) and (iii). (2024 –113,017,060 ordinary shares).

Net proceeds of £ 1,127,833 have been credited to stated capital. (2024 – £3,876,564).

At 30 June 2025 shares in issue were 1,511,958,048 (31 December 2024 – 1,369,805,271 shares).

(ii) Warrants

During the period 51,152,777 warrants were exercised at 1.20p for proceeds of £ 613,833 (2024 – 19,333,333 warrants at 1.20 for proceeds of £ 232,000). At 30 June 2025 NIL warrants were outstanding.

(iii) Stock options

During the interim period

(a) Nil share options were granted to directors, officers and advisors. (2024 – NIL)

(b) 16,000,000 share options were exercised at .40p for proceeds of £64,000 (2024-Nil) and

(c) 75,000,00 share options were exercised at .60p for proceeds of £450,000 (2024-Nil).

At 30 June 2025 51,000,000 stock options were outstanding with a weighted average exercise price of 53.7p.

8. Subsequent events

None.