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Highlands Natural Resources plc

7 July 2017

("Highlands" or the "Company")

Result of Subscription

Highlands, the London-listed natural resources company, is pleased to announce that following the announcement on 6 July 2017 (the "Fundraising Announcement") regarding a conditional offer via PrimaryBid (the "Subscription"), it has received a strong response from investors pursuant to the Subscription and has raised aggregate gross proceeds of £2.0 million at 12 pence per New Ordinary Share (the "Issue Price").

Together with the Placing to raise £0.59 million and the £0.61 million commitment secured from Raisa II, LLC, details of both of which are also set out in the Fundraising Announcement, Highlands has so far raised a total of £2.74 million net of expenses, which is sufficient to drill the first well at its East Denver Project.

In addition, as announced yesterday, the Company is making an Open Offer to enable qualifying shareholders to have the opportunity to participate in the capital raising process at the Issue Price. It is proposed that the Open Offer will raise up to £0.81 million, in addition to the funds raised pursuant to the Subscription and Placing.

The Subscription is conditional, *inter alia*, on the passing of resolutions authorising the issue of New Ordinary Shares at the Company's General Meeting, which is expected to be convened at 11.00 am on 31 July 2017.

Unless otherwise defined, capitalised terms shall have the meaning as those set out in the Prospectus. Further terms of the Fundraising are set out in the Prospectus.

Robert Price, Chairman and CEO of Highlands, commented:

"We are delighted with the level of support received from investors who subscribed via PrimaryBid. The fundraising allows us to commence drilling at East Denver, where success will be transformational for Highlands, marking our first oil and gas production. I look forward to updating our shareholders in the coming months."

Dave Mutton, Chief Operating Officer of PrimaryBid, said:

"It's exciting for PrimaryBid to assist another main market listed company to fundraise via our network of retail investors, demonstrating that fair access to new share issues is not just relevant for investors in AIM but for the main market too."

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