

12 July 2018

Highlands Natural Resources plc ('Highlands' or 'the Company')

Issue of shares

Highlands, the London-listed oil and gas company, announces that, pursuant to the exercise of warrants, an application has been made for an additional 1,666,667 ordinary shares in the Company to be admitted to trading on the Official List of the UK Listing Authority by way of a Standard Listing and to trading on the London Stock Exchange's Main Market for listed securities (“**Admission**”). Admission is expected to take place on 18 July 2018. These are all of the warrants issued at the time of the Company's placing in July 2017.

Following Admission, the New Ordinary Shares will rank *pari passu* in all respects with the existing ordinary shares of 5 pence each in issue, including the right to receive all dividends and other distributions declared, and the total number of ordinary shares in Highlands with voting rights will be 118,164,367. This figure may be used by Highlands shareholders as the denominator for calculations to determine if they have a notifiable interest in Highlands under the Disclosure and Transparency Rules, or if such interest has changed.

Disclosure of notifiable interests

Due to the issue of the above Shares, although the number of Ordinary Shares held by Renegade Oil & Gas Company LLC has not changed, with effect from Admission they will no longer hold a notifiable interest.

****ENDS****

For further information:

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Notes to Editors

Highlands (LSE: HNR.L) is a London-listed natural resources company with a portfolio of high-potential oil, gas and helium assets and technologies. The Company's core projects include:

- **Colorado Shale:** having developed a horizontal oil and gas project targeting the East Denver Niobrara shale formation, Highlands retains a 7.5% carried interest in the project, which is fully funded and operated by Highlands' partners. East Denver is currently producing from two wells, with six additional wells currently drilling, and up to 24 wells can be drilled in total. Highlands is now developing plans to advance its 2,721-acre shale project in the Denver Julesburg Basin west of Denver.
- **Enhanced Oil Recovery:** DT Ultravert, a re-fracking and parent well protection technology with four patents allowed and additional patents pending in the United States and internationally. Highlands is advancing commercial conversations with a range of oil and gas operators and service providers to commercialize DT Ultravert technology, potentially supported by its own 800-acre low-cost nitrogen discovery in Kansas and its 46,000 landholding which is prospective for CO₂ in Arizona.
- **Helios Two:** a 220,000+ acre helium and natural gas prospect in SE Montana with drilling and assessment operations ongoing.