
WOBURN ENERGY PLC
HALF-YEARLY FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 30 JUNE 2011

| Contents: | Page |
|------------------------------------------------|-------------|
| Chairman's Statement | 1 |
| Consolidated Statement of Comprehensive Income | 2 |
| Consolidated Statement of Financial Position | 3 |
| Consolidated Statement of Changes in Equity | 4 |
| Consolidated Statement of Cash Flows | 5 |
| Notes to the Financial Statements | 6 |

Directors:

Arif Kemal, Chairman (Non-Executive)

John Malcolm Cubitt BSc, PhD, CGeol
Managing Director

Kamran Ahmed, Director (Non-Executive)

Antony Brian Baldry MA, LLB, FChI Arbitrators
Deputy Chairman (Independent Non-Executive)

Hasan Ali Hashwani, Director (Non-Executive)

Rustom Bejon Kanga FCA, Director (Non-Executive)

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Company Number: 04128401

Company Secretary: Deborah King F.C.I.S.

Nominated Adviser & Broker: Beaumont Cornish Limited

Share Registry: Computershare Services PLC
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Qualified Person: Dr John Cubitt (a Director of the Company) has been involved in the oil and gas production industry for more than 30 years. Dr Cubitt is a registered Chartered Geologist (CGeol) and has a BSc and PhD in geology. He has compiled, read and approved the technical disclosure as it relates to Woburn Energy Plc in this half-yearly financial report.

WOBURN ENERGY PLC

CHAIRMAN'S STATEMENT

Woburn's new ventures strategy is to look for new onshore and shallow offshore, oil or gas opportunities within its current geographic areas of activity together with those proven oil basins where it or its directors have experience. In particular, Europe, Africa, the Middle East and Central Asia have been identified as primary target areas. Initially, Woburn is seeking to acquire production to create immediate cash flow and profits and it is also actively examining development and appraisal opportunities for longer-term growth and upside for the Company. Suitable exploration opportunities that fit with our planned portfolio of producing and development assets will also be considered.

The Company has evaluated a number of production and exploration opportunities in Europe and Central Asia over the last 18 months. Considerable effort and funds were expended on progressing these opportunities, in particular on the MKK assets in Pakistan which, as I reported in the 2010 Annual Report, frustratingly we were unable to complete due to events beyond our control.

As part of this process and as previously reported, Cetus Investment Resources Inc, our 86% controlling shareholder, provided the Company with additional loan funding to finance, inter alia, due diligence and professional costs on potential new projects which the Company was reviewing.

The Board is now reviewing alternative potential projects that meet our strategic objectives for the ongoing development of the Company and has identified several for in-depth investigation.

Colombia

Woburn has a 51% shareholding in Las Quinchas Resource Corp. ("LQRC"), which owns a 50% non-operated interest in the Las Quinchas Association Contract. Due to required relinquishments, the Joint Venture is looking to retain the area around the heavy oil and gas discoveries at Acacia Este, Arce and Baul at a minimum. This proposed area is a 5km protection zone around these defined potentially commercial areas and is subject to approval by Ecopetrol.

However, Woburn has recognised that it could be some time before there is any further progress on developing these areas and therefore has decided that the existing invested funds could be better utilised on assets that would have a more immediate impact on the Company's financial condition and potential growth. It therefore announced in June that it is seeking a buyer for its Colombian interests.

Finance

In the absence of funds from the sale of the Colombian interests or from other sources, the Company remains reliant on the ongoing financial support of Cetus, to meet its operating costs. The Company intends to meet any agreed payment of LQRC's unpaid Colombian operator billings, which were \$5,012,835 at the period-end, from a sale of its interests there.

The consolidated statement of financial position at the end of June 2011 includes a net total of \$3,424,891 shown as Asset Held For Sale. This is comprised of the assets and liabilities of LQRC; more details are set out in note 3. On the basis of the information presently available to the Directors they have concluded that no impairment is currently required.

I regret that events beyond our control have prevented the Company from as yet completing a transforming transaction. Woburn continues to seek a longer term solution to its ongoing cash and cash flow needs and to achieve its growth objectives.

Arif Kemal
Chairman

31 August 2011

WOBURN ENERGY PLC

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2011

| | Notes | Half-year ended 30 June 2011 (Unaudited) \$ | Half-year ended 30 June 2010 (Unaudited) \$ |
|-----------------------------------------------------------------------|-------|------------------------------------------------------|------------------------------------------------------|
| Revenue | | - | - |
| Operating expenses | | (235,017) | (539,198) |
| Gross loss | | (235,017) | (539,198) |
| Administrative expenses | | (866,668) | (880,647) |
| Group operating loss | | (1,101,685) | (1,419,845) |
| Bank interest receivable | | 17 | 231 |
| Interest payable | | (121,575) | - |
| Loss before taxation | | (1,223,243) | (1,419,614) |
| Taxation | | - | - |
| Loss for the period from continuing operations | | (1,223,243) | (1,419,614) |
| Discontinued operations | | | |
| (Loss)/profit for the period from discontinued operations | 3 | (19,225) | 493,604 |
| Loss for the period | | (1,242,468) | (926,010) |
| Other comprehensive income | | - | - |
| TOTAL COMPREHENSIVE LOSS FOR THE PERIOD | | (1,242,468) | (926,010) |
| Total comprehensive income attributable to: | | | |
| Equity owners of the Parent Company | | (1,041,799) | (633,050) |
| Minority interest | | (200,669) | (292,960) |
| | | (1,242,468) | (926,010) |
| Loss per share (cents): Continuing operations | 2 | | |
| Basic | | (0.44) | (0.49) |
| Diluted | | (0.44) | (0.49) |
| Loss per share (cents): Discontinued and continuing operations | 2 | | |
| Basic | | (0.45) | (0.27) |
| Diluted | | (0.45) | (0.27) |

WOBURN ENERGY PLC

**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011**

| | Notes | 30 June 2011 <i>(Unaudited)</i> \$ | 31 December 2010 <i>(Audited)</i> \$ |
|-----------------------------------|-------|------------------------------------------|--------------------------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Exploration and evaluation assets | 3 | - | 7,951,889 |
| Current assets | | | |
| Assets held for sale | 3 | 3,424,891 | - |
| Receivables | | 95,842 | 122,574 |
| Cash and cash equivalents | | 304,753 | 1,360,698 |
| | | 3,825,486 | 1,483,272 |
| Total Assets | | 3,825,486 | 9,435,161 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Trade and other payables | 3 | (1,197,830) | (5,357,810) |
| Non-current liabilities | | | |
| Provision for decommissioning | | - | (207,227) |
| Total Liabilities | | (1,197,830) | (5,565,037) |
| Net Assets | | 2,627,656 | 3,870,124 |
| EQUITY | | | |
| Capital and reserves | | | |
| Share capital | | 13,596,651 | 13,596,651 |
| Share premium | | 17,815,055 | 17,815,055 |
| Retained losses | | (30,693,971) | (29,652,172) |
| Shareholders' Funds | | 717,735 | 1,759,534 |
| Minority interests | | 1,909,921 | 2,110,590 |
| | | 2,627,656 | 3,870,124 |

WOBURN ENERGY PLC

**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2011**

| | Share Capital \$ | Share Premium \$ | Share-based Payments Reserve \$ | Retained Losses \$ | Total Shareholders' Equity \$ | Minority Interest \$ | Total Equity \$ |
|-----------------------------------------------------|---------------------|---------------------|------------------------------------------|-----------------------|----------------------------------------|-------------------------|--------------------|
| As at 1 January 2011 | 13,596,651 | 17,815,055 | - | (29,652,172) | 1,759,534 | 2,110,590 | 3,870,124 |
| Total comprehensive income/(loss) for the period | - | - | - | (1,041,799) | (1,041,799) | (200,669) | (1,242,468) |
| Balance at 30 June 2011 | 13,596,651 | 17,815,055 | - | (30,693,971) | 717,735 | 1,909,921 | 2,627,656 |
| As at 1 January 2010 | 13,596,651 | 17,815,055 | 190,800 | (27,374,489) | 4,228,017 | 2,890,311 | 7,118,328 |
| Total comprehensive income/(loss) for the period | - | - | - | (633,050) | (633,050) | (292,960) | (926,010) |
| Balance at 30 June 2010 | 13,596,651 | 17,815,055 | 190,800 | (28,007,539) | 3,594,967 | 2,597,351 | 6,192,318 |

WOBURN ENERGY PLC

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2011**

| | Half-year ended 30 June 2011 (Unaudited) \$ | Half-year ended 30 June 2010 (Unaudited) \$ |
|------------------------------------------------------------|----------------------------------------------------------------|----------------------------------------------------------------|
| Cash flows from operating activities | | |
| Group operating loss from continuing operations | (1,101,685) | (1,419,845) |
| Group operating loss from discontinued operations | (19,225) | - |
| Adjustment for items not requiring an outlay of funds: | | |
| Impairment of exploration assets- discontinuing operations | - | 4,274,000 |
| Write-back of loan- discontinuing operations | - | (4,274,000) |
| Unwinding of discount on abandonment provision | 3,406 | - |
| Foreign exchange differences | 994 | - |
| | <hr/> | <hr/> |
| Operating loss before changes in working capital | (1,116,510) | (1,419,845) |
| Increase in receivables | (20,171) | (44,246) |
| (Decrease)/increase in trade and other payables | (336,281) | 693,918 |
| | <hr/> | <hr/> |
| Net cash used in operating activities | (1,472,962) | (770,173) |
| | <hr/> | <hr/> |
| Investing activities | | |
| Funds used for exploration and evaluation | - | (96,129) |
| Interest received | 17 | 231 |
| | <hr/> | <hr/> |
| Net cash used in investing activities | (1,472,945) | (95,898) |
| | <hr/> | <hr/> |
| Financing activities | | |
| Loan from controlling shareholder | 417,000 | - |
| | <hr/> | <hr/> |
| Net cash from financing activities | 417,000 | - |
| | <hr/> | <hr/> |
| Decrease in cash and cash equivalents | (1,055,945) | (866,071) |
| Cash and cash equivalents at beginning of period | 1,360,698 | 2,216,678 |
| | <hr/> | <hr/> |
| Cash and cash equivalents at end of period | 304,753 | 1,350,607 |
| | <hr/> <hr/> | <hr/> <hr/> |

**NOTES TO THE UNAUDITED HALF-YEARLY FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 30 JUNE 2011**

1. Basis of preparation

Woburn Energy Plc ('the Company') is domiciled in England. The condensed consolidated half-year accounts of the Company for the six months ended 30 June 2011 comprise the accounts of the Company and its subsidiaries (together referred to as 'the Group').

The condensed half-year accounts for the six months ended 30 June 2011 are unaudited. In the opinion of the Directors, the condensed half-year accounts for the period present fairly the financial position, and results from operations and cash flows for the period. The condensed half-year accounts include unaudited comparative figures for the half year ended 30 June 2010.

The financial information contained in this half-year report does not constitute statutory accounts as defined by section 434 of the Companies Act 2006.

Where shown, the comparatives for the year ended 31 December 2010 are not the Company's full statutory accounts for that year but have been extracted from the statutory accounts for that year which have been delivered to the Registrar of Companies. The auditors' report on those accounts, which was unqualified, included references to the going concern note in the accounts to which the auditors drew attention by way of emphasis, without qualifying their report, and did not contain a statement under section 498 (2) – (3) of the Companies Act 2006.

The half-yearly financial report was approved by the Directors on 31 August 2011 and is available on the Company's website www.woburnenergy.com.

Accounting policies

The condensed half-year accounts have been prepared using accounting policies based on International Financial Reporting Standards (IFRS and IFRIC interpretations) issued by the International Accounting Standards Board ("IASB") as adopted for use in the European Union, including IAS 34 'Interim Financial Reporting' and on the historical cost basis. The condensed half-year accounts have been prepared using the accounting policies which are expected to be applied in the Group's next statutory financial statements for the year ending 31 December 2011. The same accounting policies, presentation and methods of computation were applied in the Group's latest audited financial statements for the year ended 31 December 2010.

The Group's financial risk management objectives and policies are consistent with those disclosed in the 2010 annual report.

Going concern

The accounts have been prepared on a going concern basis. During the six month period ended 30 June 2011 the Group made a loss of \$1,242,468 (year ended 31 December 2010: loss of \$3,248,204, six months ended 30 June 2010: loss \$926,010). At 30 June 2011, the Group had net assets of \$2,627,656 (31 December 2010: \$3,870,124, 30 June 2010: \$6,192,318), of which \$717,735 was attributable to equity shareholders and \$1,909,921 to the 49% minority interest in Las Quinchas Resources Corp (see note 3). Net current assets at 30 June 2011 were \$2,627,656 of which the principal asset was Asset Held For Sale of \$3,424,891 (see note 3) (31 December 2010 net current liabilities: \$3,874,538, 30 June 2010: net current liabilities \$1,136,610).

The cash position of the Group fell from \$1,360,698 at 31 December 2010 to \$304,753 at 30 June 2011. A further drawing of £100,000 since the period end has been made under the loan from Cetus, the Company's largest shareholder (see note 4). At 30 June 2011, the Group had trade and other payables outstanding and due within one year of \$5,481,666 and excluding the Cetus loan (see note 4). Of this total, \$5,012,835 related to LQRC and was included in Asset Held For Sale (note 3). Operating cash outflows (before loan drawings, any net LQRC sales proceeds and cash balances) are expected to be approximately \$1,800,000 for each of the years to 30 June 2011-12 and to 31 August 2011-12. As at 31 August 2011, the Group had \$170,000. In view of the current market conditions and the financial condition of the Company, the Board continues to review its options, in particular the need for future finance.

**NOTES TO THE UNAUDITED HALF-YEARLY FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 30 JUNE 2011**

The Group is not currently earning significant revenues and therefore is not profitable because it is still in the exploration phase of its business. The Group is therefore reliant on the future support from its existing shareholders or its ability to raise funds in the open market in order to be able to meet its obligations and planned expenditures in the foreseeable future.

The Directors intend to meet payment of LQRC's unpaid operator billings noted above from the sale of part or all of LQRC's intangible exploration & evaluation assets, which are included in Asset Held For Sale at a book value of \$7,967,340. The Group's controlling shareholder Cetus (note 4) has confirmed that it will continue to provide financial support for the foreseeable future and to at least 30 June 2012 of at least up to the expected operating costs, if required, and not to seek repayment of its loan where this would prejudice the ability of the Company to meet its liabilities, other than unpaid operator billings, as they fall due. The Directors believe that the Group will therefore have appropriate levels of financing and that the Group will have sufficient cash to fund its activities and to continue its operations for the foreseeable future and for the Group to continue to meet its liabilities as they fall due to at least 30 June 2012. The financial statements have, therefore, been prepared on the going concern basis.

2. Loss per share

| | Half-year ended 30 June 2011 | Half-year ended 30 June 2010 |
|--------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| | \$ | \$ |
| Total comprehensive loss attributable to equity shareholders - Continuing | (1,022,574) | (1,126,885) |
| Total comprehensive loss attributable to equity shareholders - Continuing and Discontinued | (1,041,799) | (633,050) |
| Weighted average number of shares in issue | 232,160,407 | 232,160,407 |
| | <u>Cents</u> | <u>Cents</u> |
| Basic loss per share – Continuing | (0.44) | (0.49) |
| Basic loss per share – Continuing and Discontinuing | (0.45) | (0.27) |
| Basic (loss)/earnings per share- Discontinuing | (0.01) | 0.22 |

3. Asset Held For Sale and Discontinued Operations

(a) Asset Held For Sale

On 6 June 2011, the Company announced it was seeking a buyer for its 51% interest in Las Quinchas Resource Corporation ("LQRC), or failing that, for LQRC's interest in the Las Quinchas Association Contract. In accordance with IFRS 5 ("Non-Current Assets Held for Sale and Discontinued"), the book values of the assets and liabilities of LQRC are combined and shown in the Statement of Financial Position at 30 June 2011 as "Asset Held For Sale". The net amount Asset Held For Sale at 30 June 2011 of \$3,424,891 includes \$7,967,340 for non-current intangible exploration & evaluation assets and \$5,012,835 for current trade & other payables. LQRC has no contractual future exploration expenditure commitments.

Having carefully considered the factors relating to the carrying value of, and the inherent uncertainties related to the components of Asset Held For Sale, the Directors have concluded on the basis of the information presently available to them that no impairment to the book value at the period end is required.

WOBURN ENERGY PLC

NOTES TO THE UNAUDITED HALF-YEARLY FINANCIAL REPORT FOR THE SIX MONTHS ENDED 30 JUNE 2011

(b) Discontinued Operations

On 14 February 2011, Black Rock Oil & Gas Surcusal Colombia was placed into liquidation and accordingly from that date is shown in the Consolidated Statement of Comprehensive Income as Discontinued Operations.

4. Control

The Group is controlled by Cetus Investment Resources Inc which owns 86.15% of the Company. Cetus Investment Resources Inc is a wholly-owned subsidiary of Zaver Petroleum International Inc, which is itself a wholly-owned subsidiary of United Paramount Holding Corp. Mr Hashwani is beneficially interested in the entire issued share capital of United Paramount Holding Corp and is therefore the ultimate controlling party.

Included in trade and other payables at 30 June 2011 was \$729,000 owed to Cetus under its shareholder loan. Subsequent to the period end a further £100,000 was drawn under this loan.

5. Material events subsequent to the end of the period

Other than stated above, there have been no significant events after the balance sheet date requiring disclosure.
