

WESSEX EXPLORATION PLC

Half Yearly Report

Wessex Exploration plc (“Wessex” or the “Company”) is pleased to announce its half yearly results for the period ended 31 December 2009.

The strategic objective of Wessex is to add value by proving up leads and plays in the licence areas held by the Company. Wessex seeks to balance shareholder exposure to risk and capital outlay with appropriate reward by de-risking prospects including the drilling of high impact wells by other parties.

Highlights

- Trading commenced on the PLUS-quoted market in December 2009
- Major interest growing in Guyane Offshore acreage with addition of Shell and Total to the licence operated by Tullow
- Work continues to de-risk other assets
- Financial results reflect prudent spend

Managing Director’s Statement

I am pleased to report to shareholders of Wessex on the inaugural half yearly results for the six months ended 31 December 2009.

The period under review has seen good progress on both corporate and operational fronts. In December trading in the shares of the Company commenced on the PLUS-quoted market following its transition to a public limited company.

On the operational front Wessex has concentrated on the evaluation of its project interests in Guyane, the Mozambique Channel (offshore Madagascar) and Southern England.

Guyane

Considerable interest has been shown in the Guyane Maritime Exclusive Exploration Licence, operated by Hardman Petroleum France S.A.S., a subsidiary of Tullow Oil plc (“Tullow”). Wessex has a 50% interest in Northpet Investments Limited, which holds a 2.5% interest in the licence.

Tullow completed a re-evaluation of the licence in 2008 and the focus of exploration shifted to high impact leads in the southeast portion of the block. These leads comprise high-risk stratigraphic traps analogous to the Jubilee field, offshore Ghana.

To de-risk the prospectivity and delineate drilling targets a 2,500 square mile 3-D seismic survey commenced in September 2009. Processing and interpretation of the data is ongoing and a drilling decision will be made in due course.

On 11 November 2009 Tullow announced that it had reached an agreement to farm down a 33% interest in this licence to Shell. The agreement includes the option to

acquire an additional 12% stake at a later date. Further to this, on 8 December 2009 Tullow announced that it had farmed down a 25% interest in the licence to Total S.A. These transactions are highly encouraging for Wessex, illustrating the potential upside in this project.

Southern England

In Southern England, exploration work continued on three onshore licences, PEDL's 089, 238 and 239 in which Wessex holds 30%, 50% and 25% interests respectively. The operator, Australian listed Norwest Energy, completed a high resolution ground gravity survey of PEDL 238, and meshed the results of this survey with those of the previously-acquired air gravity gradiometer (FTG) survey flown over PEDL's 089 and 239 in early 2009. This airborne survey is the first of its type used in hydrocarbon exploration in the United Kingdom.

The preliminary results of the airborne survey have revealed several interesting prospects and leads, including the previously recognised Hurst Castle lead. Work is also continuing with the interpretation of the legacy land seismic survey data acquired in the area in the late seventies and eighties by other operators. A preliminary study with scoping economics suggests that even very small hydrocarbon accumulations can be profitable onshore in the area of the licences.

The work programmes on the licences will continue to focus on data gathering and interpretation. In addition, Wessex is seeking to introduce new companies to the acreage. This proposed farm out process will reduce the capital exposure of the Company in line with our strategy.

Juan de Nova (Mozambique Channel)

In the Mozambique Channel, offshore East Africa, Wessex continued the evaluation of the 9,000 square kilometre Juan de Nova Est Permit, in which it has a 70% equity and working interest. The permit, issued by the French Government, has been subject to only the minimum amount of investigation over the years. The permit lies off the northwestern coast of the island of Madagascar where the large heavy oil occurrences of Tsimimoro and Bemolanga are being exploited by Madagascar Oil Limited in partnership with Total S.A.

Preparations have commenced in respect of a farm out campaign for Juan de Nova and a detailed technical brochure has been compiled for distribution to potential farminees. Wessex presented the project at the North American Prospect Exposition (NAPE 2010) in Houston in early 2010 and several companies showed interest in opening discussions.

Saharawi Arab Democratic Republic

Little work was completed on two large offshore and onshore licences in the Western Sahara, where a sovereignty dispute has essentially held the area under *force majeure*. However, the collection of data and information from various sources continues.

Summary

The financial results reflect the Company's prudent spend and in summary Wessex, although in the early stages of development, has seen excellent work carried out

across its asset base. In particular the equity interest in Guyane, although small, could prove to be exceptionally valuable over the coming months.

In summary the Wessex exploration portfolio contains many opportunities and I look forward to continual development in 2010 and beyond.

Frederick Dekker
Managing Director

24 March 2010

The directors of Wessex accept responsibility for this announcement.

Wessex Exploration plc
Fred Dekker, Managing Director
Tim Heeley

001 415 8470171
020 7887 1454
07956 525433

Westhouse Securities Limited
Tim Feather
Matthew Johnson

020 7601 6100
tim.feather@westhousesecurities.com
matthew.johnson@westhousesecurities.com

Yellow Jersey PR
Dominic Barretto

020 8980 3545
07768 537739
dominic@yellowjerseypr.com

**Unaudited Profit and Loss Account
for the six months ended 31 December 2009**

	Notes	Six months ended 31 December 2009 £	Year ended 30 June 2009 £
Turnover		-	-
Administrative expenses		(182,376)	(98,784)
Other operating income		309	-
Operating loss on ordinary activities before taxation		(182,067)	(98,784)
Tax on loss on ordinary activities	1	-	-
Loss for the financial period from continuing operations after taxation		(182,067)	(98,784)

**Unaudited Balance Sheet
as at 31 December 2009**

	Notes	31 December 2009 £	30 June 2009 £
Assets			
Fixed assets			
Intangible assets	2	686,503	106,283
Tangible assets		3,287	3,652
Investments		276,297	127,250
		<u>966,087</u>	<u>237,185</u>
Current assets			
Debtors		56,813	218
Cash at bank		626,330	69,157
		<u>683,143</u>	<u>69,375</u>
Total assets		<u>1,649,230</u>	<u>306,560</u>
Creditors			
Amounts falling due within one year		94,537	180,183
		<u>94,537</u>	<u>180,183</u>
Net current assets		588,606	(110,808)
		<u>588,606</u>	<u>(110,808)</u>
Total assets less current liabilities		<u>1,554,693</u>	<u>126,377</u>
Capital and Reserves			
Called up share capital	3	304,365	491,304
Share premium	4	1,072,507	-
Profit and loss account	4	177,821	(364,927)
		<u>1,554,693</u>	<u>(364,927)</u>
Total shareholders' funds		<u>1,554,693</u>	<u>126,377</u>

Notes to the Unaudited Financial Information for the six months ended 31 December 2009

Accounting policies

Accounting convention:

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Tangible fixed assets:

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery: 20% on reducing balance

Deferred tax:

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

1. Taxation

No liability to UK corporation tax arose on ordinary activities for the six months ended 31 December 2009.

2. Intangible assets

	Other intangible assets £
Cost	
At 1 July 2009	106,283
Additions	<u>580,220</u>
At 31 December 2009	<u>686,503</u>
Net book value	
At 31 December 2009	<u>686,503</u>
At 30 June 2009	<u>106,283</u>

Intangible asset additions in the period include the acquisition on 29 October 2009 of the non US projects portfolio from Osceola Hydrocarbons Limited for a purchase consideration of cost +10%.

3. Called up share capital

	31 December 2009 £	30 June 2009 £
Allotted and issued:		

Number:	Class:	Nominal value:		
304,364,824	Ordinary	0.1p	304,365	-
196,521,506	Ordinary	0.25p	-	491,304
			<hr/>	<hr/>
			304,365	491,304
			<hr/>	<hr/>

On 15 December 2009, trading of the entire ordinary share capital of the Company commenced on the PLUS-quoted market.

4. Reserves

	Profit and loss account £	Share premium £	Total £
At 1 July 2009	(364,927)	-	(364,927)
Loss for the period	(182,067)	-	(182,067)
Share issue	-	1,463,735	1,463,735
Share issue costs	-	(7,270)	(7,270)
Capital reduction	724,815	(383,958)	340,857
	<hr/>	<hr/>	<hr/>
	177,821	1,072,507	1,250,328
	<hr/>	<hr/>	<hr/>

5. Post Balance Sheet Events

No significant events have taken place since the balance sheet date.

6. Copies of the Half Yearly Report

A copy of this Half Yearly Report is available on the Company's website at <http://www.wessexexploration.com>

7. The financial information for the period ended 31 December 2009 has not been audited and does not constitute statutory accounts within the meaning of section 434 of the Companies ACT 2006. The figures have, however, been subject to a review by the Company's auditors.