Oracle Coalfields PLC Group
("Oracle" or "the Company")

Interim Results for the six months to 30th June 2011

Oracle Coalfields (AIM:ORCP), the UK developer of a 1.4 billion tonne coal resource in the south-eastern desert of the Sindh Province, Pakistan, today announces its half year results for the six months to 30th June 2011.

Highlights

- Listed on the London Stock Exchange's Alternative Investment Market (AIM) on the 20th April 2011
- Successful fundraising of £3 million through a placing of 30 million ordinary shares
- Strengthened management team
- Appointment of Adrian Loader as Chairman of the Board

Commenting on the results, Shahrukh Khan, Chief Executive Officer of Oracle, said: "We were delighted to have listed on AIM on the 20th April 2011. We were oversubscribed and have sufficient funds to meet the working capital requirements and completion of the feasibility study, although further funding will be required to develop Block VI of the Thar Coal mine. We are currently finalising the Definitive Feasibility Study as well as applying for our Mining Lease, and look forward to keeping shareholders informed of our progress as we develop the project."

-Ends -

ENQUIRIES:

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Chairman's Statement

I am delighted to present my first Chairman's statement since taking over the role of Chairman from Shahrukh Khan and joining the Board on 1st August 2011. My appointment allows Shahrukh to focus on his role as Chief Executive Officer. I am sure you will join me in thanking Shahrukh for his excellent execution of this role up to now, and I look forward to working with him.

It is my pleasure to present the Company's results for the six months to the 30th June 2011, which have been transformational for our Company. The most significant achievement during the period was the admission of the Company's shares to the AIM Market of the London Stock Exchange on the 20th April 2011. This included a successful fundraising of £3 million (pre-expenses) via a placing of 30 million new ordinary shares. The funds raised are being used as additional working capital for our flagship coal project in the Thar Coalfield of Southern Pakistan.

We were pleased at the participation of new as well as existing shareholders in the placing, resulting in it being significantly oversubscribed.

Following our AIM listing we started strengthening our Management team with the appointments of a Project Co-ordinator and a Finance Manager.

Operational update

We continue to make good progress towards meeting our objective of delivering a cost-effective coal mine on the Block VI coal deposit in the Thar Coalfield of Southern Pakistan. We are currently working with SRK Consulting in finalising the Definitive Feasibility Study (DFS). Certain aspects of the environmental studies will not be completed until mid-2012, but this date is still consistent with the objective of first coal production in 2013.

To support the DFS, more than 6,000 meters of additional drilling was carried out at Block VI between August 2010 and February 2011. A total of 35 holes were drilled in a 5 square kilometre area considered to be most favourable for open cast mining and referred to as Phase 1. Of these holes, 14 cored and 9 open holes were drilled for geological purposes, four cored holes were drilled for geotechnical assessment and eight percussion holes were drilled to determine hydrogeological parameters and to identify dewatering requirements for an open pit mine. Samples from four of the cored holes were subjected to geotechnical testing on site and a batch of 316 samples was dispatched to a laboratory in the UK for further tests. All drilled core has been logged and sampled with selected samples sent to Karachi for coal quality testing. Four test wells and four observation holes make up the eight holes drilled for hydrogeological purposes. Measurements are being conducted on these wells and water samples are being analysed in Pakistan as part of the Environmental Social Impact Assessment (ESIA) being carried out by Wardell Armstrong International.

The mine remains based on an open pit design. A truck and shovel operation is projected to be the most cost-effective way to operate the mine initially.

Summary of Results

As expected for a mining company at our stage of development, our consolidated financial results for the six months to the 30th June 2011 show an operational loss for Oracle and its subsidiaries ("Group") after taxation of £451,657 (2010:£79,549), which incorporates the costs of £204,524 incurred by the Company in respect of its admission to AIM, as set out in the financial statement. At the period end, and following the successful fundraising of £3 million at the time of admission, the Group had cash and cash equivalents of £3.33 million (2010: £0.98 million) and total assets less current liabilities of £4.63 million (2010:£1.39 million). The basic loss per share was 0.23p (2010: loss 0.06p).

Funding Requirements

The Group has sufficient funds to cover its working capital requirements. However, additional funds will be needed to develop the Block VI coal mine and the Group is considering a number of options and strategies in respect of debt and equity.

The Coal Market

In the last decade global demand for coal rose by a significant 61 per cent, most of which is attributable to developing countries like China and India and its use for the generation of electricity. According to the International Energy Agency (IEA), in 2010 global coal consumption went up by 10.8%, compared to global demand for oil and gas, which rose by 3.1% and 7.4% respectively. Coal's share in the global energy consumption was 29.6 per cent, the highest it has been since 1970. The reality is that demand for coal will continue to grow as the world needs more steel, cement and energy.

Price of Coal

Major global coal producing countries such as South Africa, Australia and Indonesia have been exporting thermal coal at a premium for some time to major consumers at prices in excess of US$100/tonne.

This has resulted in continuing upward price pressure for consumers in Pakistan and has strengthened the Pakistan government's support for the earliest development of the Thar coalfield as part of its strategy to meet growing domestic demand for energy at lowest possible cost.

Looking Ahead

We are in the fortuitous position of operating in a country which is supportive of our Block VI Thar project. Pakistan's growing critical deficit in power generation is assuming serious political dimensions, particularly so for Karachi as the industrial hub of the country with a population of more than 15 million people. The work programme for developing our coal deposit is proceeding apace, with the target of completing the Definitive Feasibility Study (DFS) in Q3 2011 with the Bankable Feasibility Study (BFS) to follow.

Our project is potentially Pakistan's first large-scale open pit coal mining operation and is already receiving the attention of a wide audience of local and international interests for its strategic potential and what the whole Thar resource could signify for Pakistan's future.

With this responsibility in mind, the company is making every effort to ensure that the development of our coal mine complies with the requirements of international standards and practice, while seeking to bring the coal mine into earliest possible production.

Shareholders will understand that this notable six months of transformation for our company would not have been made possible without the hard work and expertise of our teams in both Pakistan and the United Kingdom. They have set the foundations for building the future of our company.

The Board also extends its thanks to the Coal & Energy Development Department, Government of Sindh, and the Sindh Coal Authority for their continued assistance.

I look forward to updating the market on the progress of our Company in due course.

Adrian Loader
Chairman of the Board
Oracle Coalfields PLC

CONSOLIDATED INCOME STATEMENT
FOR THE 6 MONTHS ENDED 30 JUNE 2011

	Notes	(Unaudited) 6 months to 30 June 2011 £	(Unaudited) 6 months to 30 June 2010 £	(Audited) Year ended 31 Dec 2010 £CONTINUING
OPERATIONS				
Revenue		-	-	-
Administrative expenses		(249,596)	(79,846)	(222,674)
OPERATING LOSS BEFORE EXCEPTIONAL ITEMS		(249,596)	(79,846)	(222,674)
Exceptional items	4	(204,524)	-	-
OPERATING LOSS		(454,120)	(79,846)	(222,674
Finance costs		-	(11)	-
Finance income		2,463	308	1,085
LOSS BEFORE TAX		(451,657)	(79,549)	(221,589)
Tax		-	-	-
LOSS FOR THE PERIOD		(451,657)	(79,549)	(221,589)
Loss attributable to:				
Owners of the parent		(443,085)	(79,549)	(221,589)
Non-controlling interests		(8,572)	-	-
		(451,657)	(79,549)	(221,589)
Earnings per share:				
Basic loss per share		(0.23p)	(0.06p)	(0.15p)
Diluted loss per share		(0.21p)	(0.05p)	(0.13p)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE 6 MONTHS ENDED 30 JUNE 2011

	Notes	(Unaudited) 6 months to 30 June 2011 £	(Unaudited) 6 months to 30 June 2010 £	(Audited) Year ended 31 Dec 2010 £
LOSS FOR THE PERIOD		(451,657)	(79,549)	(221,589)
OTHER COMPREHENSIVE INCOME				
Equity-settled share-based payment transactions		22,876	-	-
Exchange difference arising on consolidation		(3,820)	13,073	1,724
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF INCOME TAX		19,056	13,073	1,724
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(432,601)	(66,476)	(219,865)
Total comprehensive income attributable to:				
Owners of the parent		(424,029)	(66,476)	(219,865)
Non-controlling interests		(8,572)	-	-

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2011

	Notes	(Unaudited) As at 30 June 2011 £	(Unaudited) As at 30 June 2010 £	(Audited) As at 31 Dec 2010 £ASSETS
NON-CURRENT ASSETS				
Intangible assets		1,181,808	506,967	855,830
Property, plant and equipment		2,414	2,903	2,814
Loans and other financial instruments		62,721	64,292	63,645
		1,246,943	574,162	922,289
CURRENT ASSETS				
Trade and other receivables		107,633	12,508	36,093
Cash and cash equivalents		3,334,935	977,913	1,506,475
		3,442,568	990,421	1,542,568
TOTAL ASSETS		4,689,511	1,564,583	2,464,857
EQUITY				
SHAREHOLDERS' EQUITY				
Called up share capital	5	214,211	162,916	184,211
Share premium		5,940,351	2,194,232	3,284,291
Share scheme reserve		52,464	-	-
Translation reserve		(8,383)	6,786	(4,563)
Retained earnings		(1,577,882)	(992,757)	(1,134,797)
		4,620,761	1,371,177	2,329,142
Non-controlling interest		7,457	16,029	16,029
TOTAL EQUITY		4,628,218	1,387,206	2,345,171
LIABILITIES				
CURRENT LIABILITIES				
Trade and other payables		61,293	108,977	119,686
Financial liabilities - borrowings				
Non-interest bearing loans and borrowings		-	68,400	-
TOTAL LIABILITIES		61,293	177,377	119,686
TOTAL EQUITY AND LIABILITIES		4,689,511	1,564,583	2,464,857

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTHS ENDED 30 JUNE 2011

	Called up share capital £	Retained earnings £	Share premium £	Share scheme reserve £
Balance at 31 December 2009	122,360	(913,208)	1,309,043	-
Other comprehensive income	-	-	-	-
Loss for the period	-	(79,549)	-	-
Total comprehensive income	-	(79,549)	-	-
Issue of share capital (net)	40,556	-	885,189	-
Balance at 30 June 2010	162,916	(992,757)	885,189	-
Other comprehensive income	-	-	-	-
Loss for the period	-	(142,040)	-	-
Total comprehensive income	-	(142,040)	-	-
Issue of share capital (net)	21,295	-	1,090,059	-
Balance at 31 December 2010	184,211	(1,134,797)	3,284,291	-
Other comprehensive income	-	-	-	22,876
Loss for the period	-	(443,085)	-	-
Total comprehensive income	-	(443,085)	-	22,876
Equity-settled share-based transactions	-	-	(29,588)	29,588
Issue of share capital (net)	30,000	-	2,685,648	-
Balance at 30 June 2011	214,211	(1,577,882)	5,940,351	52,464

	Translation reserve £	Total £	Non-controlling interest £	Total equity £
Balance at 31 December 2009	(6,287)	511,908	16,029	527,937
Other comprehensive income	13,073	13,073	-	13,073
Loss for the period	-	(79,549)	-	(79,549)
Total comprehensive income	13,073	(66,476)	-	(66,476)
Issue of share capital (net)	-	925,745	-	925,745
Balance at 30 June 2010	6,786	1,371,177	16,029	1,387,206
Other comprehensive income	(11,349)	(11,349)	-	(11,349)
Loss for the period	-	(142,040)	-	(142,040)
Total comprehensive income	(11,349)	(153,389)	-	(153,389)
Issue of share capital (net)	-	1,111,354	-	1,111,354
Balance at 31 December 2010	(4,563)	2,329,142	16,029	2,345,171
Other comprehensive income	(3,820)	19,056	-	19,056
Loss for the period	-	(443,085)	(8,572)	(451,657)
Total comprehensive income	(3,820)	(424,029)	(8,572)	(432,601)
Equity-settled share-based transactions	-	-	-	-
Issue of share capital (net)	-	2,715,648	-	2,715,648
Balance at 30 June 2011	(8,383)	4,620,761	7,457	4,628,218

CONSOLIDATED CASHFLOW STATEMENT
FOR THE 6 MONTHS ENDED 30 JUNE 2011

	Notes	(Unaudited) 6 months to 30 June 2011 £	(Unaudited) 6 months to 30 June 2010 £	(Audited) Year ended 31 Dec 2010 £
Cash flows from operating activities				
Cash generated from operations	1	(518,011)	(21,174)	(174,777)
Interest paid		-	(11)	-
Net cash from operating activities		(518,011)	(21,185)	(174,777)
Cash flows from investing activities				
Purchase of intangible fixed assets		(369,341)	(971)	(361,776)
Purchase of tangible fixed assets		-	-	(437)
Interest received		2,158	3	470
Net cash from investing activities		(367,183)	(968)	(361,743)
Cash flows from financing activities				
Loan repayments in the period		-	68,400	-
Share issue		3,000,000	1,216,690	2,318,040
Cost of share issue		(284,352)	(290,945)	(280,941)
Net cash from financing activities		2,715,648	994,145	2,037,099
(Decrease)/Increase in cash and cash equivalents		1,830,454	971,992	1,500,579
Cash and cash equivalents at the beginning of period	2	1,504,481	5,921	5,896
Cash and cash equivalents at end of period		3,334,935	977,913	1,506,475

NOTES TO THE CASH FLOW STATEMENT FOR THE 6 MONTHS ENDED 30 JUNE 2011

1. RECONCILIATION OF LOSS BEFORE TAX TO CASH GENERATED FROM OPERATIONS

	Notes	(Unaudited) 6 months to 30 June 2011 £	(Unaudited) 6 months to 30 June 2010 £	(Audited) Year ended 31 Dec 2010 £
Loss before tax		(451,657)	(79,549)	(221,589)
Equity-settled shared-based payment transactions		22,876	-	-
Amortisation of intangible assets		42,861		
Finance costs		-	11	-
Finance income		(2,463)	(308)	(1,085)
		(388,383)	(79,846)	(222,674)
Decrease/(Increase) in trade and other receivables		(71,235)	119	(23,156)
Increase/(Decrease) in trade and other payables		(58,393)	58,553	71,053
Cash generated from operations		(518,011)	(21,174)	(174,777)

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the cash flow statement in respect of cash and cash equivalents are in respect of these balance sheet amounts:

Period ended 30 June 2011

	(Unaudited) As at 30 June 2011 £	(Audited) As at 31 Dec 2010 £
Cash and cash equivalents as previously reported	3,334,935	1,506,475
Effect of exchange rate changes	-	(1,994)
Cash and cash equivalents as restated	3,334,935	1,504,481

Period ended 30 June 2010

	(Unaudited) As at 30 June 2010 £	(Audited) As at 31 Dec 2009 £
Cash and cash equivalents as previously reported	977,913	5,859
Effect of exchange rate changes	-	62
Cash and cash equivalents as restated	977,913	5,921

Period ended 31 December 2010

	(Audited) As at 31 Dec 2010 £	(Audited) As at 31 Dec 2009 £
Cash and cash equivalents as previously reported	1,506,475	5,859
Effect of exchange rate changes	-	37
Cash and cash equivalents as restated	1,506,475	5,896

Cash and cash equivalents consist of cash in hand and balances with banks.

NOTES TO THE FINANCIAL STATEMENTS UNAUDITED RESULTS FOR THE 6 MONTHS ENDED 30 JUNE 2011

1. INFORMATION

These interim consolidated financial statements for the six month period ended 30 June 2011 have been prepared using the historical cost convention, on a going concern basis and in accordance with the International Financial Reporting Standards ("IFRS") including IAS 34 'Interim Financial Reporting' and IFRS 6 ' Exploration for and Evaluation of Mineral Resources', as adopted by the European Union ("EU"). They have also been prepared on a basis consistent with the accounting policies expected to be applied for the year ending 31 December 2011, and which are also consistent with the accounting policies applied for the year ended 31 December 2010 except for the adoption of new standards and interpretations.

These interim results for the six months ended 30 June 2011 are unaudited and do not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The financial statements for the year ended 31 December 2010 have been delivered to the Registrar of Companies and filed at Companies House and the auditors' report on those financial statements was unqualified and did not contain a statement made under Section 498(2) or Section 498(3) of the Companies Act 2006.

2. ACCOUNTING POLICIES

Reporting entity
Oracle Coalfields PLC is a company domiciled in United Kingdom. The address of the Company's registered office is Richmond House, Broad Street, Ely, Cambridgeshire, CB7 4AH. The Company primarily is involved in the exploration for coal.

Compliance with accounting standards
These financial statements have been prepared in accordance with Interna-

tional Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements have been prepared under the historical cost convention.

Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for revenues and expenses during the year and the amounts reported for assets and liabilities at the balance sheet date. However, the nature of estimation means that the actual outcomes could differ from those estimates.

The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are the measurement of any impairment on intangible assets and the estimation of share-based payment costs. The Company determines whether there is any impairment of intangible assets on an annual basis. The estimation of share-based payment costs requires the selection of an appropriate model, consideration as to the inputs necessary for the valuation model chosen and the estimation of the number of awards that will ultimately vest.

Intangible fixed assets - exploration costs

Expenditure on the acquisition costs, exploration and evaluation of interests in licences including related overheads are capitalised. Such costs are carried forward in the statement of financial position under intangible assets and amortised over the minimum period of the expected commercial production of coal in respect of each area of interest where:

a) such costs are expected to be recouped through successful development and exploration of the area of interest or alternatively by its sale;

b) exploration activities have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active operations in relation to the areas are continuing.

An annual impairment review is carried out by the directors to consider whether any exploration or development costs have suffered impairment in value where a site has been abandoned or confirmed as no longer technically feasible. Accumulated costs in respect of areas of interest that have been abandoned are written off to the profit and loss account in the year in which the area is abandoned.

Exploration costs are carried at cost less any provision from impairment.

Property, plant and equipment

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

Motor vehicles	- 20% on reducing balance
Computer equipment	- 30% on reducing balance

Investments

Fixed asset investments are stated at cost. The investments are reviewed annually and any impairment is taken directly to the profit and loss account.

Financial instruments

Financial assets and liabilities are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

- Cash and cash equivalents comprise cash held at bank and short term deposits
- Trade payables are not interest bearing and are stated at their nominal value
- Equity instruments issued by the Company are recorded at the proceeds received except where those proceeds appear to be less than the fair value of the equity instruments issued, in which case the equity instruments are recorded at fair value. The difference between the proceeds received and the fair value is reflected in the share based payments reserve.

Taxation
Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the balance sheet date.

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

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Profit and losses of overseas subsidiary undertakings are translated into sterling at the average rate for the year. The statements of financial position of overseas subsidiary undertakings are translated at the rate ruling at the statement of financial position date. Differences arising from the translation of Group investments in overseas subsidiary undertakings are recognised as a separate component of equity.

Net exchange differences classified as equity are separated tracked and the cumulative amount disclosed as a translation reserve.

The principal place of business of the Group is the United Kingdom with sterling being the functional currency. Funds are advanced to Pakistan as required to finance the exploration costs which are payable in Rupees.

Share-based payment transactions
Where equity settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the income statement over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of all options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of

whether market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Where terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the income statement over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the income statement or share premium account if appropriate, are charged with the fair value of goods and services received.

Cash and cash equivalents
Cash and cash equivalents for the purpose of the cash flow statement comprise cash and bank balances.

3. LOSS PER SHARE

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares of 196,973,430 (30 June 2010- 122,807,804 and 31 December 2010- 145,644,977) outstanding during the period.

Diluted earnings per share is calculated using the weighted average number of shares of 218,109,508 (30 June 2010- 148,311,396 and 31 December 2010- 168,767,361) adjusted to assume the conversion of all dilutive potential ordinary shares.

4. EXCEPTIONAL ITEMS

During the period the company incurred costs of £204,524 in respect of its admission to the AIM market on 20 April 2011.

5. CALLED UP SHARE CAPITAL

	(Unaudited) 30 June 2011 £	(Unaudited) 30 June 2010 £	(Audited) 31 Dec 2010 £
Allotted, called up and fully paid			
214,211,000 Ordinary shares of 1p each	214,211	162,916	184,211

The number of shares in issue was as follows:

	Number of shares
Balance as 31 December 2009	122,359,668
Issued during the period	40,556,332
Balance at 30 June 2010	162,916,000
Issued during the period	21,295,000
Balance at 31 December 2010	184,211,000
Issued during the period	30,000,000
Balance at 30 June 2011	214,211,000