

28 September 2023

Nostra Terra Oil and Gas Company PLC

Interim Results for the six months ended 30 June 2023

Nostra Terra (AIM: NTOG), the oil and gas exploration and production company with a portfolio of assets in the USA, is pleased to announce its unaudited results for the six-month period ended 30 June 2023. A copy of the Interim Results is available on the Company's website, www.ntog.co.uk.

Financial Highlights

- \$1,472,000 Revenue for the period (30 June 2022: \$2,003,000)
- \$530,000 Gross profit from operations for the period (30 June 2022: \$1,203,000 profit)
- \$481,000 profit before non-cash items (depletion, depreciation, amortisation, and interest)
- \$48,000 profit for the period (30 June 2022: \$203,000 loss)
- 21,023 barrels of oil total production for the period (30 June 2022: 20,383 barrels of oil)
- Borrowing increased to \$4,203,000, an increase of \$317,000 vs. 31 December 2022

Post-period events:

- Favourable ruling regarding Fouke Wells increasing the production limit to 126 bopd per well (50%+) as announced on 30 August 2023

Chairman's report

The first six months of 2023 have been a period of consolidation and prudent progress for Nostra Terra Oil & Gas.

In the wider world, the war in Ukraine continued, though the global pandemic crisis has finished with the end of lockdowns in China. This was supposed to release pent-up demand for energy in China as their economy fired back up. It has yet to happen for a variety of reasons. However, a global increase in energy demand and continuing effects from the war mean that the WTI spot benchmark price has strengthened to around \$90 per barrel at the time of writing.

The Company continued to take advantage of these relatively high oil prices throughout the period to concentrate on optimising production from our existing producing wells. Toward that end, a further four workovers at Pine Mills were carried out to continue supporting production volumes and revenues.

Despite some well-specific operational issues, Nostra Terra produced an operating profit for the period of \$176,000 (\$48,000 after financing costs).

In March 2023, Jeffrey Henry LLP was replaced by MAH as the Company's auditors. Jeffrey Henry no longer

had sufficient capacity to service Nostra Terra and many others of its clients' needs, and so had to withdraw from providing audit services to several companies.

Post period, in August 2023, the Texas Railroad Commission (as regulator) approved the operator's request for an increase in the allowable field rate from 82 bopd to 126 bopd each for the Fouke #1 and Fouke #2 wells. This significantly increased the cap on the production rate from the Company's two currently most productive wells, removing a regulatory brake on our potential revenue stream.

I would like to thank our shareholders again for their support over the last six months.

Dr Stephen Staley

Chairman

28 September 2023

Chief Executive Officer's report

We had a strong first half of the year. Our focus has been on increasing cash flow. This was achieved by maintaining production levels and keeping operating costs low.

Revenue was robust at \$1,472,000 for the period (30 June 2022: \$2,003,000). Gross profit from operations for the period was \$530,000 (30 June 2022: \$1,203,000 profit). Average oil sales prices during the period were \$70.04 per barrel (30 June 2022: \$98.28), and average production was 116 bopd (2022: 112 bopd)

At the beginning of 2022, the Fouke 2 (32.5% WI) well was drilled and put into production. The well was then tested and flowed at a rate of 145 bopd over a 24-hour period with 0% watercut and placed into continuous production. This production rate exceeded that of the offset Fouke 1 well by 77% because the Fouke 1 had been limited by field rules ("allowable") to 82 bopd per well. As a result of the past performance of the Fouke 1 and the test rate of the Fouke 2, the operator requested a substantial increase in the field allowable rate so that both wells could be produced at higher and more efficient rates. The hearing took place in March 2023, with the final order granting the proposed changes being approved in August 2023.

Due to the excellent returns from these wells, Nostra Terra continues to look for similar opportunities in the Company's 100% working interest acreage in Pine Mills. We have let our application for Tunisian acreage lapse for now but maintain good relations with the authorities there and may recommence the process in due course. Additionally, the Company continues actively seeking and assessing new opportunities within the US and abroad.

I wish to extend a sincere thank you to our shareholders for your continued support, and I look forward to updating you as we continue to grow our Company.

Matt Lofgran

Chief Executive Officer

28 September 2023

For further information, visit www.ntog.co.uk or contact:

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Nostra Terra Oil and Gas Company plc

Consolidated Income Statement for the six months ended 30 June 2023

	<i>Unaudited</i> Six months to 30 June 2023 \$'000	<i>Unaudited</i> Six months to 30 June 2022 \$'000	<i>Audited</i> Year to 31 December 2022 \$'000
Revenue	1,472	2,003	4,021
Cost of sales			
Production Costs	(647)	(581)	(1,779)
Well impairment	-	-	(897)
Depletion, depreciation, amortisation	(295)	(219)	(539)
Total cost of sales	(942)	(800)	(3,215)
GROSS PROFIT	530	1,203	806
Exploration costs written off	-	(813)	-
Share based payment	(40)	(80)	(156)
Administrative expenses	(319)	(478)	(1,074)
Foreign exchange (loss)/gain	5	(25)	26
OPERATING PROFIT/ (LOSS)	176	(193)	(398)
Finance costs	(138)	(49)	(199)
Other income	10	39	51
INCOME/ (LOSS) BEFORE TAX	48	(203)	(546)
Income tax	-	-	-
INCOME/ (LOSS) FOR THE PERIOD	48	(203)	(546)
Attributed to:			
Owners of the company	48	(203)	(546)
Earnings per share expressed in cents per share:			
Continued Operations			
Basic (cents per share)	3	0.006	(0.03)
Diluted (cents per share)	3	0.005	(0.03)

The Group's operating profit or loss arose from continuing operations.
There were no recognised gains or losses other than those recognised in the income statement above.

Nostra Terra Oil and Gas Company plc

Consolidated Statement of Comprehensive Income for the six months ended 30 June 2023

	<i>Unaudited</i> Six months to 30 June 2023 \$'000	<i>Unaudited</i> Six months to 30 June 2022 \$'000	<i>Audited</i> Year to 31 December 2022 \$'000
INCOME (LOSS) FOR THE PERIOD	48	(203)	(546)
Other comprehensive income:			
Currency translation differences	-	-	-
Total comprehensive income for the period	48	(203)	(546)
Total comprehensive income attributable to:			
Owners of the company	48	(203)	(546)

Nostra Terra Oil and Gas Company plc

Consolidated Statement of Financial Position as at 30 June 2023

Note	<i>Unaudited</i> As at 30 June 2023 \$'000	<i>Unaudited</i> As at 30 June 2022 \$'000	<i>Audited</i> As at 31 December 2022 \$'000
ASSETS			
Non-current assets			
	2,519	2,328	2,224
	1,215	1,119	1,308
	3,734	3,447	3,532
Current assets			
	571	650	558
	64	16	66
	125	114	132
	760	780	756
LIABILITIES			
Current liabilities			
	761	1,153	1,051
	164	273	94
	925	1,426	1,145
NET CURRENT LIABILITIES	(165)	(646)	(389)
Non-current liabilities			
	361	321	340
	4,203	3,295	3,886
	4,564	3,616	4,226
NET LIABILITIES	(995)	(815)	(1,083)
EQUITY AND RESERVES			
	8,142	8,142	8,142
	22,115	22,115	22,115
	(676)	(676)	(676)
	463	386	423
	(31,039)	(30,782)	(31,087)
	(995)	(815)	(1,083)

Nostra Terra Oil and Gas Company plc

Consolidated cash flow statement For the six months ended 30 June 2023

	<i>Unaudited</i> Six months to 30 June 2023	<i>Unaudited</i> Six months to 30 June 2022	<i>Audited</i> Year to 31 December 2022
Notes	\$'000	\$'000	\$'000
Cash flows from operating activities			
Operating income (loss) for the period	48	(203)	(546)
Adjustments for:			
Depreciation of property, plant and equipment	154	113	299
Amortisation of intangible assets	121	87	202
Exploration costs written off	-	813	-
Well impairment	-	-	897
Depletion	21	19	38
Other Income	(10)	(39)	(51)
Foreign exchange	(5)	25	26
Share based payment	40	80	156
Operating cash flows before movements in working capital	369	895	1,021
(Increase) /decrease in receivables	(13)	(302)	(211)
(Decrease)/increase in payables	(295)	208	105
(Increase)/decrease in deposits and prepayments	2	-	(50)
Interest paid	138	49	199
Net cash generated by operations	201	850	1,064
Cash flows from investing activities			
Purchase of intangible assets	(416)	(1,214)	(1,318)
Purchase of plant and equipment	(64)	(345)	(719)
Disposals	2	30	40
Increase in decommissioning liabilities	21	19	38
Net cash from investing activities	(457)	(1,510)	(1,959)
Cash flows from financing activities			
Proceeds from issued share capital	-	194	194
Net borrowing	387	591	1,003
Finance costs	(138)	(49)	(199)
Lease payments	-	(7)	(16)
Net cash from financing activities	249	729	982
Increase/(decrease) in cash and cash equivalents	(7)	69	87
Cash and cash equivalents at the beginning of the period	132	45	45
Cash and cash equivalents at the end of the period	125	114	132

Nostra Terra Oil and Gas Company plc

Consolidated Statement of Changes in Equity For the six months ended 30 June 2023

	Share capital \$'000	Deferred shares \$'000	Share premium \$'000	Share option reserve \$'000	Translation reserve \$'000	Retained losses \$'000	Total \$'000
As at 1 January 2023	1,593	6,549	22,115	423	(676)	(31,087)	(1,083)
Income for the period	-	-	-	-	-	48	48
Share based payments	-	-	-	40	-	-	40
As at 30 June 2023	1,593	6,459	22,115	463	(676)	(31,039)	(995)
	Share capital \$'000	Deferred shares \$'000	Share premium \$'000	Share option reserve \$'000	Translation reserve \$'000	Retained losses \$'000	Total \$'000
As at 1 January 2022	1,538	6,549	21,976	306	(676)	(30,579)	(886)
Loss for the period	-	-	-	-	-	(203)	(203)
Shares issued, net of expenses	55	-	139	-	-	-	194
Share based payments	-	-	-	80	-	-	80
As at 30 June 2022	1,593	6,549	22,115	386	(676)	(30,782)	(815)
	Share capital \$'000	Deferred shares \$'000	Share premium \$'000	Share option reserve \$'000	Translation reserve \$'000	Retained losses \$'000	Total \$'000
As at 1 January 2022	1,538	6,549	21,976	306	(676)	(30,579)	(886)
Loss for the year	-	-	-	-	-	(546)	(546)
Shares issued, net of expenses	55	-	139	-	-	-	194
Expired options & warrants	-	-	-	(38)	-	38	-
Share based payments	-	-	-	155	-	-	155
As at 31 December 2022	1,593	6,549	22,115	423	(676)	(31,087)	(1,083)

Nostra Terra Oil and Gas Company plc

Notes to the interim report For the six months ended 30 June 2023

1. General Information

Nostra Terra Oil and Gas Company plc (Nostra Terra) is a company incorporated in England and Wales and quoted on the AIM market of the of the London Stock Exchange (ticker: NTOG). The principal activity of the group is disclosed as described in the report Chairman's statement and Chief Executive Officer's Report.

2. Basis of preparation

The consolidated interim financial information for the 6 months to 30 June 2023 has been prepared in accordance with the measurement and recognition principles of UK adopted international accounting standards and accounting policies that are consistent with the Group's Annual report and Accounts for the year ended 31 December 2022 and that are expected to be applied in the Group's Annual Report and Accounts for the year ended 31 December 2023. They do not include all of the information required for the full financial statements and should be read in conjunction with the 2022 Annual Report and Accounts which were prepared in accordance with UK adopted international accounting standards.

The comparative financial information for the year ended 31 December 2022 in this interim report does not constitute statutory accounts for that period under section 435 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2022 have been reported on by the Group's auditors and delivered to the Registrar of Companies. The report of the auditors contained a "material uncertainty related to going concern" paragraph but the auditor's report did not contain any statement under section 498 of the Companies Act 2006.

Going concern

The consolidated interim financial information has been prepared on the assumption that the Group is a going concern. When assessing the foreseeable future, the directors have looked at a period of 12 months from the date of approval of this report.

The Group's forecasts and projections, taking account of reasonable possible changes in trading performance, show that the group should be able to operate within the level of its current cash resources, however a material uncertainty exists in relation to the Group's ability to repay its liabilities as they become due. We note that as at the balance sheet date, the Group has net current liabilities of \$165k and net liabilities of \$995k.

After making enquiries, the directors have a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future. They continue to adopt the going concern basis in preparing the consolidated interim financial information, however as noted above a material uncertainty exists which may cast significant doubt on the Group's ability to continue operating as a going concern.

3. Earnings/(loss) per share

The calculation of earnings per ordinary share is based on earnings after tax and the weighted average number of ordinary shares in issue during the period. For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The group had two classes of dilutive potential ordinary shares, being those share options granted to employees and suppliers where the exercise price is less than the average market price of the group's ordinary shares during the year, and warrants granted to directors and one former adviser.

	<i>Unaudited</i> Six months to 30 June 2023	<i>Unaudited</i> Six months to 30 June 2022	<i>Audited</i> Year to 31 December 2022
Income (loss) per ordinary shareholders (\$000)	48	(203)	(546)
Weighted average number of ordinary shares	746,520,534	718,736,004	732,742,452
Basic (cents per share)	0.006	(0.04)	(0.07)
Diluted (cents per share)	0.005	(0.04)	(0.07)

4. Share Capital

The issued share capital as at 30 June 2023 was 746,520,534 ordinary shares of 0.1p each (31 December 2022: 746,520,534; 30 June 2022: 746,520,534).