30 October 2020

Nostra Terra Oil and Gas Company plc
("Nostra Terra" or the "Company")

Interim Results

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 2020.

Highlights:

- Revenue for the period of $417,000 (30 June 2019: $947,000)
- Gross loss from operations (before non-cash items of depreciation and amortization) for the period of $115,000 (30 June 2019: $106,000 profit)
- Average production during first half at 67 boepd net to Nostra Terra (2019: 98 boepd)
- Hedges for all 2020 range from $55.15 to $57.18 per barrel
- Sr. Lending Facility remain in compliance throughout year and currently
- Dr Staley joins the Board (3 Mar)
- £318,000 fundraise (8 Apr)
- Pine Mills Farm-out, in which NTOG get a 25% carry potentially increasing to 32.5%
- 60% reduction in monthly overheads (in effect from 8 June)
- Discovery loan extended to April 2022 (8 June)

Post-period events:

- Caballos Creek acquisition (2 Sep)
- Permian Basin farm-in (21 Sep)
- Oversubscribed fundraise of £500,000 (25 Sep)

Chairman's report

The first half of 2020 was a period of great uncertainty and upheaval for the oil industry and for the world in general.

The most obvious impact on junior oil-producers like Nostra Terra was the sharp reduction in oil prices, and hence revenue, in March and in April. This was as a result of both the suppression of demand by the Covid 19 crisis and the inability of OPEC to maintain production discipline within its member base. Beyond the end of the reporting period price stability appears to have arrived, but at WTI oil prices around $40/bbl, not $60 which was the pre-Covid price.

The Company reacted quickly to the drop in oil prices by accelerating its cost reduction programme across both its US operations and its UK corporate activities. As part of an initiative that pre-dated the above global events, the Directors also agreed to defer their remuneration and in some cases reduce it, to better align it with creating value for shareholders; corporate debt has been reduced too.

The overall effect is a 60% reduction in corporate overhead and a drop in lifting costs, for example, at Pine Mills (East Texas) from about $23/bbl to $16/bbl. This effect should become more apparent in the full year accounts. This makes Nostra Terra a more financially robust company, better able to weather future "storms". The oil price crash has also provided Nostra Terra with more opportunities to pursue its strategy of expanding its low-cost, low-risk production portfolio. Many of the Company's peers, or their creditors, have found themselves in a position where they are prepared to sell or farm-out assets at lower prices than a year ago.

We announced acquisitions in both Caballos Creek, South Texas and in the Permian Basin, West Texas after the end of this reporting period. Both assets are producing from conventional reservoirs, with long-life reserves. We believe there is significant room for growth in both areas through the expenditure of relatively low capex.

In April 2020 we announced that, in spite of the reduced oil price, we successfully negotiated a third party farm-in to undrilled part of our Pine Mills acreage on which they would fund a new well, carrying Nostra Terra for 25% of the costs. In June 2020 we exercised our option under this farm-in agreement to increase our working interest in the well to 32.5%. As I write, we expect, subject to permitting, to spud this well in the very near future.

The first quarter of 2020 saw Nostra Terra involved in requisitions for General Meetings by certain shareholders. This process cost the Company considerable amounts and took up significant management time. I am glad to say that these matters are now behind the Company.

Staying with corporate matters, Nostra Terra continued to benefit from its oil price hedges during the period and raised £318,055 (before expenses) through a placing and subscription for new shares in April 2020, while also appointing Novum Securities Limited as corporate to the Company. I would also like to take this opportunity to thank Ewen Ainsworth for his contribution to the Company during his time as chairman.

The first half of 2020 was a difficult period for the Company, but I believe we have emerged from it stronger than we went into it. With lower costs and corporate debt and post-reporting period increases in reserves and production we should have a firm base on which to grow further. Larger, transformative transactions are also on our radar - we will apply the same detailed due diligence to them as we do to all our potential transactions.

These are exciting times for Nostra Terra and its shareholders. I would like to thank those shareholders for their continued support and look forward to updating them on the Company's continued development over the coming months.

Dr Stephen Staley
Non-Executive Chairman
30 October 2020

Chief Executive Officer's report

The focus for Nostra Terra is to build a solid foundation of low risk, producing assets, where we can then add to our portfolio with different assets, including different geographies, and varying levels of risk. Our assets are located in the USA, in East Texas (Pine Mills) and West Texas (Permian Basin), and post-period we rounded out the portfolio by expanding into a third area, South Texas (with the Caballos Creek acquisition). While the year started off rough, we've made great strides in following through with developing the Company.

The first half of 2020 was a challenging time in the industry and for Nostra Terra. During this time we; made significant cuts to operating costs and overheads, had changes in the board, and used this as an opportunity to reposition the company for attractive opportunities.

Covid-19 had an impact on the global economy and subsequently oil prices. The average WTI oil price during the first half of 2020 was US$25.45, per barrel (compared to US$57.39 in 2019), including a couple days of negative oil prices for the first time in history. As previously announced, some production was temporarily suspended during the lower oil prices in order to conserve capital. As such, revenues were $417,000 compared to $947,000 and the Gross loss from operations (before non-cash items of depreciation and amortization) for the period was $115,000 compared to $106,000 profit during the same period in 2019. The year started with attempts from a shareholder to change the management of the Company which was ultimately put to Shareholders who voted 79/21 against the resolution. The aggressive interventions continued as Covid-19 hit, the global economy took a turn for the worse and oil prices collapsed. The Board fought hard to put the Company in the best position for both near and long-term, and we are happy to announce that this situation is now behind us.

A positive change during the period was the addition of Dr. Stephen Staley to the Board where he is now the non-executive Chairman. Stephen brings a wealth of experience and we're excited to have him as part of the team as we continue on this path to carefully grow the Company. In June we then announced that due to a forensic cost cutting review we were able to reduce our monthly overheads by over 60%. We are benefiting from that now, however given most of the changes were made later in the period this will be reflected more fully in future financials.

During the period we farmed-out an undrilled 80-acre portion of our Pine Mills oil field to another established operator. Nostra Terra receives a 25% carried working interest (at no cost to Nostra) in the first well, and participating at cost for another 7.5% working interest. The well has been planned, the location is being prepared, and drilling is anticipated in the coming days. Our partner benefits from 3D seismic data and the well is targeted to drill higher on the structure than neighbouring, successful wells.

We finished the first half stronger and repositioned - with lower operating costs, a stronger balance sheet, and looking for additional opportunities. We now possess a portfolio of three operational areas, with varied drilling and workover opportunities planned and funded that can have a significant near-term positive impact.

In September we expanded our portfolio by acquiring a 100% working interest in the Caballos Creek oil field in South Texas for $425,000. We were able to execute this with non-dilutive financing. The field was producing circa 30 bopd at the date of acquisition. Proven reserves (producing and non-producing) have a PV10 of US$1,052,300 with estimated remaining economic life of the wells ranging from 16 years to 32 years per well, as per third-party engineering report performed by Netherland Sewell & Associates. We're now in the process of doing a thorough review of geology and engineering, after which we plan to produce an updated reserve report.

In September we also signed a farm-in agreement for an additional asset near our other operations in the Permian Basin. This allows us to carefully expand our footprint during a time of lower asset valuations. There are 15 existing wells which secure the acreage, where we see opportunity in recompleting some of the existing wells and also drilling new, low risk development wells. The Company will pay a US$25,000 fee at closing, followed by US$100,000 towards the initial re-entry of the first well planned for completion. Nostra Terra will earn 50% of the net cashflow for the life of the well, while having an option to acquire a 75% WI, at any point prior to 31 October 2021, in all three leases, for an additional US$210,000 to the seller.

At the end of September we raised £500,000 (before expenses) through an oversubscribed fundraise with institutional and professional investors. Our current work program is funded. We have activity currently taking place in all three areas of operation. Our focus is very much on increasing cashflow through these assets with lasting reserves.

I would like to thank our shareholders. We look forward to updating you on progress during the remainder of the year and onward.

Matt Lofgran
Chief Executive Officer
30 October 2020

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

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

Nostra Terra Oil and Gas Company plc Matt Lofgran, CEO	+1 480 993 8933
Beaumont Cornish Limited (Nominated Adviser) James Biddle / Roland Cornish	+44 (0) 20 7628 3396
Novum Securities Limited (Broker) Jon Belliss	+44 (0) 207 399 9425
Lionsgate Communications (Public Relations) Jonathan Charles	+44 (0) 7791 892509

Nostra Terra Oil and Gas Company plc

Consolidated Income Statement
for the six months ended 30 June 2020

	Note	Six months to 30 June 2020 Unaudited $'000	Six months to 30 June 2019 Unaudited $'000	Year to 31 December 2019 Audited $'000
Revenue		417	947	1,795
Cost of sales				
Production costs		(448)	(662)	(1,166)
Exploration		-	-	-
Well Impairment		-	-	(67)
Depletion, depreciation, amortisation		(84)	(179)	(272)
Total cost of sales		(532)	(841)	(1,505)
GROSS (LOSS)/PROFIT		**(115)**	**106**	**290**
Share based payment		(21)	-	(8)
Administrative expenses		(610)	(814)	(1,614)
Gain on hedging activity		176	32	-
Foreign exchange gain/(loss)		228	(24)	(114)
OPERATING LOSS		(342)	(700)	(1,446)
Other income (expense)		-	49	(99)
Finance expense		(95)	(61)	(194)
LOSS BEFORE TAX		(437)	(712)	(1,739)
Income tax		-	-	-
LOSS FOR THE PERIOD		(437)	(712)	(1,739)

Attributed to:

Owners of the company		(437)	(712)	(1,739)
Earnings per share expressed in pence per share:				
Continued operations				
Basic and diluted (cents per share)	3	(0.16)	(0.39)	(0.92)

The Group's operating 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 2020

	Six months to 30 June 2020 Unaudited $'000	Six months to 30 June 2019 Unaudited $'000	Year to 31 December 2019 Audited $'000
LOSS FOR THE YEAR	(437)	(712)	(1,739)
Other comprehensive income:			
Currency translation differences		-	-
Total comprehensive income for the period	(437)	(712)	(1,739)
Total comprehensive income attributable to:			
Owners of the company	(437)	(712)	(1,739)

Nostra Terra Oil and Gas Company plc

Consolidated Statement of Financial Position as at 30 June 2020

	Note	As at 30 June 2020 Unaudited $'000	As at 30 June 2019 Unaudited $'000	As at 31 December 2019 Audited $'000
ASSETS				
NON-CURRENT ASSETS				
Other intangibles		1,877	1,863	1,787
Property, plant and equipment				
- oil and gas assets		739	653	690
		2,616	2,516	2,477
CURRENT ASSETS				
Trade and other receivables		50	390	352
Deposits and prepayments		186	106	18
Other assets		268	263	108
Cash and cash equivalents		46	201	240
		550	960	718
LIABILITIES				
CURRENT LIABILITIES				
Trade and other payables		908	428	763
Borrowings		517	475	941
Lease liabilities		8	-	16
		1,433	903	1,720
NET CURRENT (LIABILITIES) / ASSETS		(883)	57	(1,002)
NON-CURRENT LIABILITIES				
Decommissioning liabilities		238	228	239
Other loans		2,048	1,820	1,753
Lease liabilities		16	-	16
		2,302	2,048	2,008
NET (LIABILITIES)/ ASSETS		**(569)**	**525**	**(533)**
EQUITY AND RESERVES				
Share capital	4	7,633	7,435	7,435
Share premium		21,024	20,845	20,842
Translation reserve		(676)	(676)	(676)
Share option reserve		113	120	92
Retained losses		(28,663)	(27,199)	(28,226)
		(569)	**525**	**(533)**

Nostra Terra Oil and Gas Company plc

Consolidated cash flow statement
For the six months ended 30 June 2020

	Note	Six months to 30 June 2020 Unaudited $'000	Six months to 30 June 2019 Unaudited $'000	Year to 31 December 2019 Audited $'000
Cash flows from operating activities				
Operating loss for the period		(437)	(712)	(1,739)
Adjustments for:				
Depreciation of property, plant, and equipment		8	53	138
Amortization of intangibles		-	125	134
Well impairment		-	-	67
Accretion expense		-	11	-
Share based payment		21	95	(28)
Operating cash flows before movements in working capital		(408)	(428)	(1,428)
Decrease in receivables		302	12	50
(Increase)/decrease in other assets		(160)	-	153
(Decrease)/increase in payables		145	(214)	129
(Increase)/decrease in deposits and prepayments		(168)	(10)	78
Interest paid		95	(61)	194
Cash generated/(consumed) by operations		**(194)**	**(701)**	**(824)**
Cash flows from investing activities				
Purchase of intangibles - new oil properties		(91)	(126)	(115)
Purchase of plant and equipment		(58)	(170)	(244)
Net cash from investing activities		**(149)**	**(296)**	**(359)**
Cash flows from financing activities				
Proceeds from issue of shares		511	1,437	1,606
Cost of shares issued		(131)	-	(77)
Net borrowing		(128)	(311)	16
Finance costs		(95)	-	(178)
Lease payments		(8)	-	(16)
Net cash from financing activities		**149**	**1,126**	**1,351**
Increase/(decrease) in cash and cash equivalents		(194)	129	168
Cash and cash equivalents at the beginning of the period		240	72	72
Cash and cash equivalents at the end of the period		**46**	**201**	**240**

Nostra Terra Oil and Gas Company plc

Consolidated Statement of Changes in Equity
For the six months ended 30 June 2020

	As at 30 June 2020 $'000	As at 30 June 2019 $'000	As at 31 December 2019 $'000
As at beginning of period	(533)	(295)	(295)
Loss for the period	(437)	(712)	(1,739)
Share based payments	21	95	(28)
Issue of share capital net of expenses	380	1,437	1,529
As at end of period	(569)	525	(533)

Nostra Terra Oil and Gas Company plc

Notes to the interim report
For the six months ended 30 June 2020

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

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations issued by the International Accounting Standards Board (IASB) as adopted by the European Union 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. This interim financial information for the six months ended 30 June 2020 was approved by the Board on 28 October 2020.

The unaudited results for the six months ended 30 June 2020 do not constitute statutory accounts within the meaning of Section 435 of the Companies Act 2006. The comparative figures for the 12 months ended 31 December 2019 are extracted from the statutory financial statements which have been filed with the Registrar of Companies and which contain an unqualified audit report, which did however draw attention to a material uncertainty relating to going concern and contained no statement under Section 498 (2) or (3) of the Companies Act 2006.

Copies of this interim statement are available from the Company at its registered office at Salisbury House, London Wall, London, United Kingdom, EC2M 5PS. The interim statement will also be available on the Company's website www.ntog.co.uk in accordance with Rule 26 of the AIM Rules for Companies.

3. 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.

	Six months to 30 June 2020 Unaudited	**Six months to 30 June 2019 Unaudited**	**Year to 31 December 2019 Audited**
Loss per ordinary shareholders ($000)	(437)	(712)	(1,739)
Weighted average number of ordinary shares	271,137,623	180,722,935	189,131,636
Basic and diluted (cents per share)	(0.16)	(0.39)	(0.92)

The diluted loss per share is the same as the basic loss per share as the loss for the year has an antidilutive effect.

4. Share Capital

The issued share capital as at 30 June 2020 was 356,828,226 ordinary shares of 0.1p each. The issued share capital as at 31 December 2019 and 30 June 2019 was 197,131,903 ordinary shares of 0.1p each.