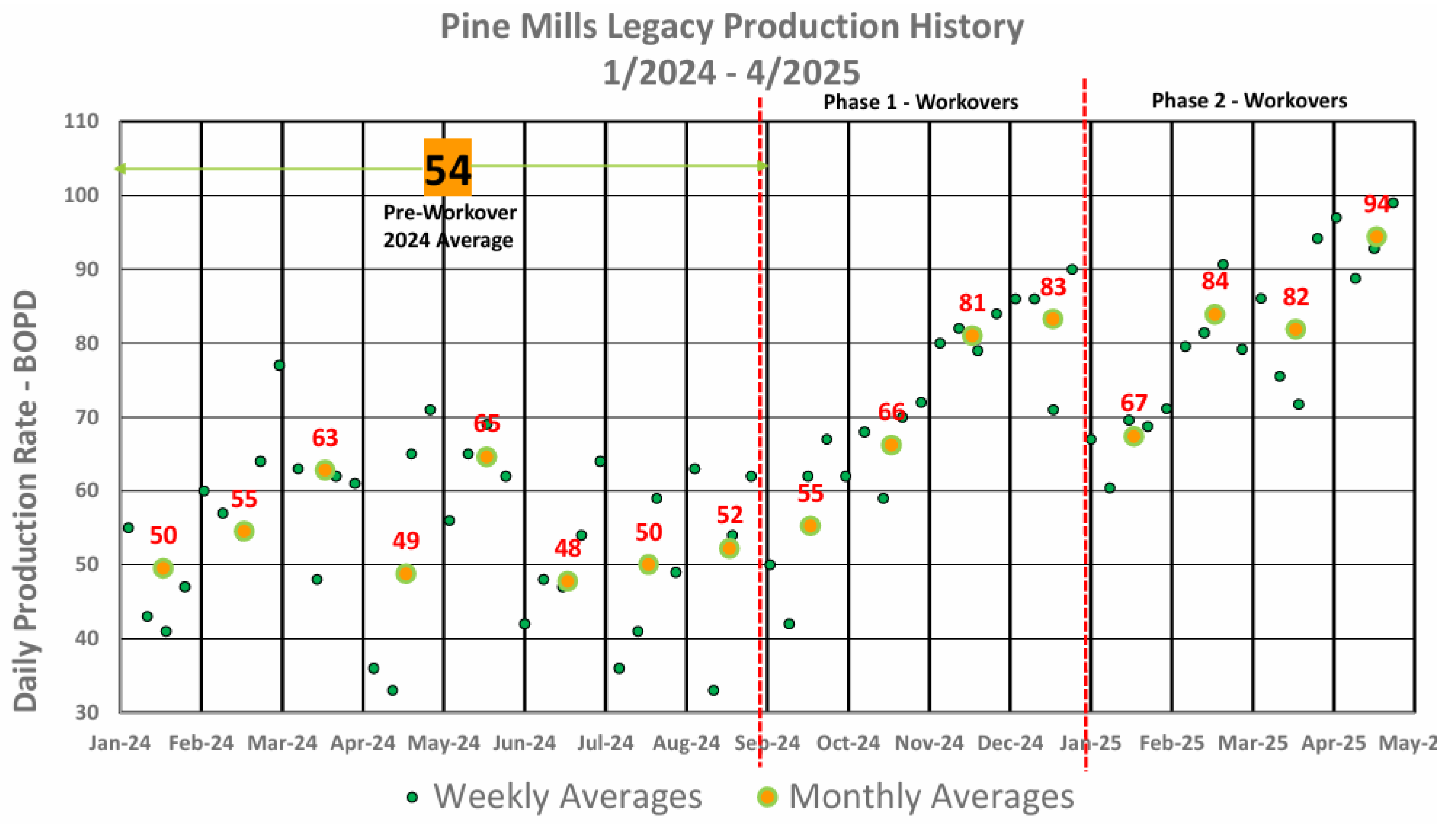
Energy Research

Nostra Terra Oil & Gas Company plc*

Delivering oil production growth in the US

16 June 2025

David Mirzai



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Non-Independent Research
***SP Angel is Nomad and Broker to NTOG**
All $ in the report are USD unless otherwise specified

Energy Initiation Report

Nostra Terra Oil & Gas*

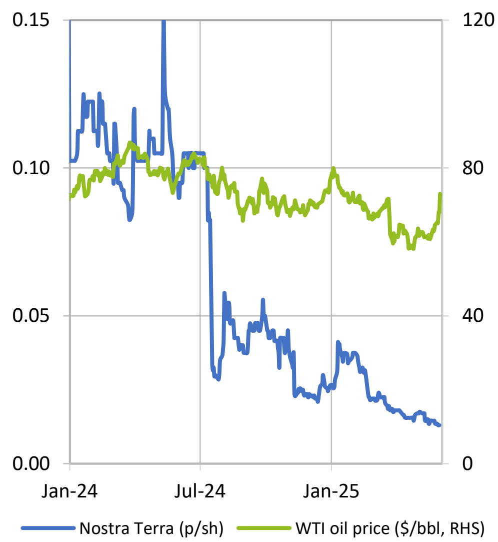
NTOG LN **BUY**
TP 0.06p

16 June 2025

Stock Data

Ticker (AIM)	NTOG LN
Share Price	0.0135p
Market Cap	£0.94m

Price Chart



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Delivering oil production growth in the US

Nostra Terra is an AIM-listed oil company that offers UK investors attractive exposure to US conventional oil production growth in Texas.

After the introduction of a new management team in May 2024, NTOG has invested to return ten idle wells to production and restart an EOR programme, with further self-funded growth options being pursued.

Workover programme has increased production and cash flow

Nostra Terra is currently producing c.130b/d from onshore US conventional oil assets, with the majority coming from its flagship Pine Mills field (100% WI) in East Texas. Since a new management team was introduced 12M ago, the Company has successfully reduced operating costs by 25%, reactivated ten non-producing wells and upgraded the infrastructure at Pine Mills. NTOG's low-cost, quick-cycle workover programmes have resulted in a near-doubling in output, which has resulted in the Company now being cash flow positive at both the operating and corporate level.

Pursuing several low risk production growth opportunities

NTOG anticipates further gains from the restart of the enhanced oil recovery (EOR) waterflood project to provide pressure support to the reservoir, which has seen the pumping units upgraded to handle increased fluid flow. In addition, the Company and its partner have agreed on a location to drill the Fouke-3 development well (32.5% WI) in 3Q25, which could add up to 124b/d gross on success and achieve payback within months. NTOG has also now initiated the technical work to look for additional lower risk behind-pipe opportunities and undrained fault blocks.

Pine Mills delivering high margin netbacks to fund future investment

All of NTOG's operations in the US target conventional reservoirs, typically with lower lifting costs and longer reserve lives than shale assets. This delivers high netback operations at both Pine Mills and Fouke, which are cash flow positive at oil prices above $25/bbl, making the company fairly resilient to an extended low oil price environment. Based on our $67/bbl WTI oil price assumption, we expect the Company to generate $1.4m EBITDA in 2026e, providing the cash flow for further growth investments.

Initiate with a Buy rating and a 12M TP of 0.06p/share

We initiate coverage on NTOG as a Buy given the considerable discount the Company trades at compared to the NPV10 of its proved reserves. We set a 0.06p/sh 12M target price that is based solely on the value of the Core NAV assets and the upcoming Fouke-3 development well. We expect delivery of production and cash flow growth this year to establish a track record, build the management team's credibility and drive a re-rating in the share.

Blue sky upside: active M&A market provides scale opportunities

In our view, oil and gas companies benefit from accretive acquisitions that provide both financial and operational synergies, as well as offering investors a larger scale entity with a more balanced portfolio of production assets and deeper inventory of drilling opportunities. We think that delivering on its growth strategy will position NTOG to leverage the existing operating platform to opportunistically expand the asset portfolio in Texas.

INVESTMENT CASE

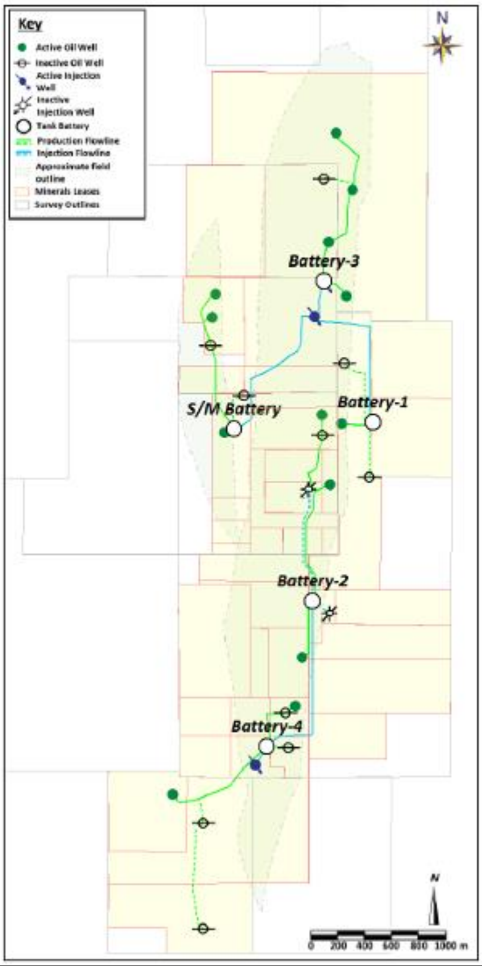
History of the flagship Pine Mills field

The Pine Mills conventional oil field in East Texas is the flagship production asset in the NTOG portfolio

The Pine Mills conventional oil field was discovered in 1949 with the No. 1 Duratt well located in Wood County, onshore East Texas. The field is characterised by a major north-south trending fault that dips westward and traps oil in high porosity reservoirs in the sub-Clarksville, Woodbine Sands, Woodbine Wagoner and Paluxy formations. The field covers 2,400 acres and was developed during the 1950s through a series of shallow vertical production wells with initial focus on sub-Clarksville formation development. All leases are Held By Production (HBP).

The Pine Mills oil field taps the prolific Woodbine trend, in the Mid-continent oil producing area that includes the neighbouring East Texas oil field, which has produced more than 5bnb since its discovery in 1930. Wells drilled in 1950s and 1960s were drilled to the West of the fault and targeted high flow rates of over 100b/d per well. Early field production rates naturally declined but, due to a steady increase in capital investment such as water injection and electric submersible pumps, aggregate production actually began to increase again from 2007.

Map showing wells and infrastructure over Pine Mills field



Source: Nostra Terra Oil & Gas

NTOG paid $1.2m cash in two transactions over the end of 2016 to acquire a 100% interest in the Pine Mills field and the Buccaneer Operating Company, which was producing 100b/d gross from 15 wells and had a further four shut-in wells available for reactivation. With total historic production of ~12.3mb of oil from inception to 2016 on the field, the Company saw significant upside potential. There followed an initial period of reactivating previously shut-in wells and carrying out workovers on other wells, which boosted production in 2018 and early 2019.

However, the prior NTOG management team then chose to utilise the free cash flow and debt capacity of the Pine Mills field to fund higher risk/impact projects elsewhere in Texas and beyond. The field underwent a roughly 10% annual natural decline from average production of 107b/d in 2019 to 54b/d in 2024 ahead of the arrival of a new leadership team in May 2024.

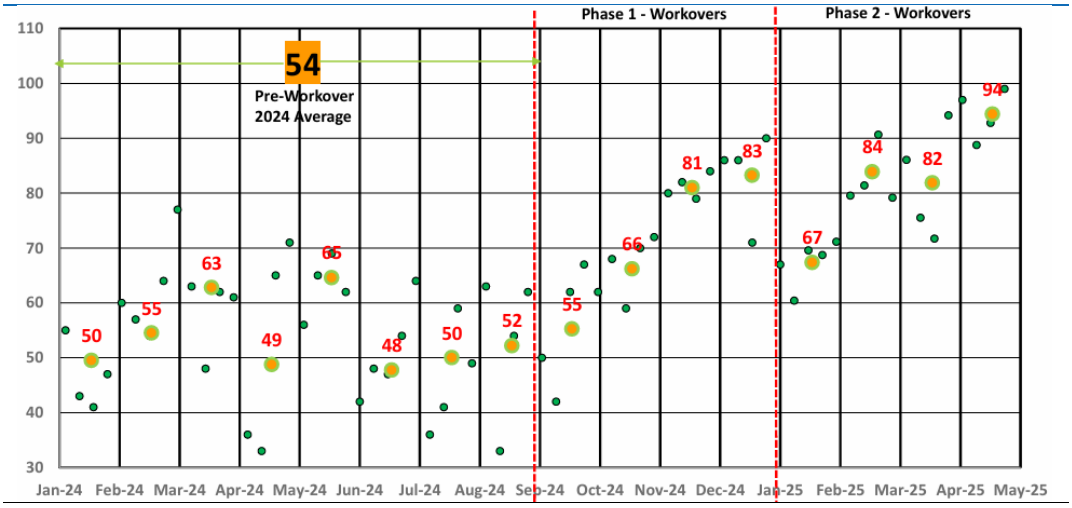
Quick cycle workover programmes have almost doubled output

The workover programme to reactivate 10 dormant wells and restart waterflood support has doubled production output

The new management team of CEO Paul Welch and NED Jim Newman quickly stabilised the Pine Mills field production rates and implemented cost reduction initiatives, which included divesting select West Texas assets to significantly reduce the operating costs. The Company invested ~$0.5m in 3Q24 to fund a low-cost, quick-cycle Phase 1 workover programme that restored five idle wells at the Pine Mills field and boosted output by 30b/d to 80b/d gross.

Following the success of Phase 1, NTOG raised a further $0.5m in 4Q24 and $0.5m in 1Q25 to accelerate the Phase 2 workover programme on five additional wells at the Pine Mills field. Encouraging results have also been delivered from the waterflood restart, with two pumping units now upsized to handle increased fluid flow in the north of the field. This programme has already increased output to over 100b/d gross, with a target of up to 150b/d on completion.

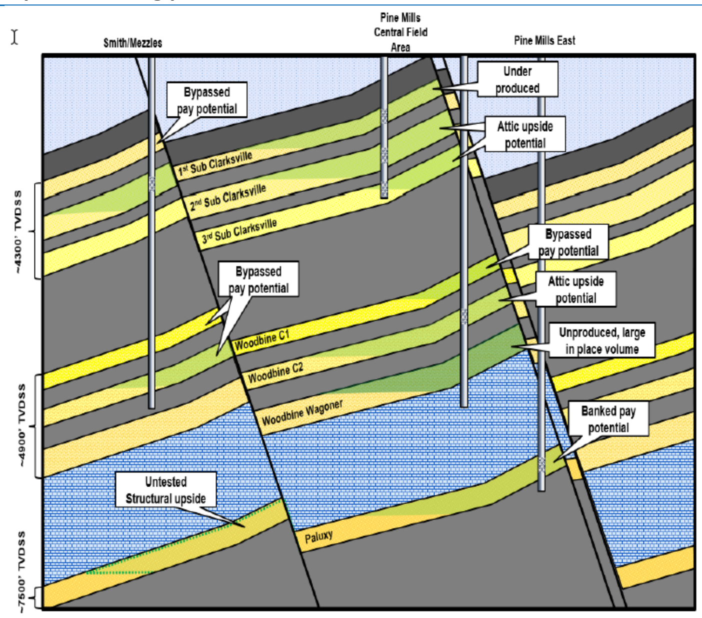
Pine Mills production history since January 2024



Source: Nostra Terra Oil & Gas

The Pine Mills field has been developed to date using a simplified geological model based on legacy 2D seismic, with wells being drilled to the west of a large north-south fault to target the sub-Clarksville and Woodbine horizons. The recent access to 3D seismic has enabled NTOG to map a slightly more complex faulted structure and identify attic oil that is bypassed by the existing wells. Following the success of the workover programmes, the Company now plans to target additional production potential through infill drilling and recompleting existing wells.

Pine Mills development drilling potential



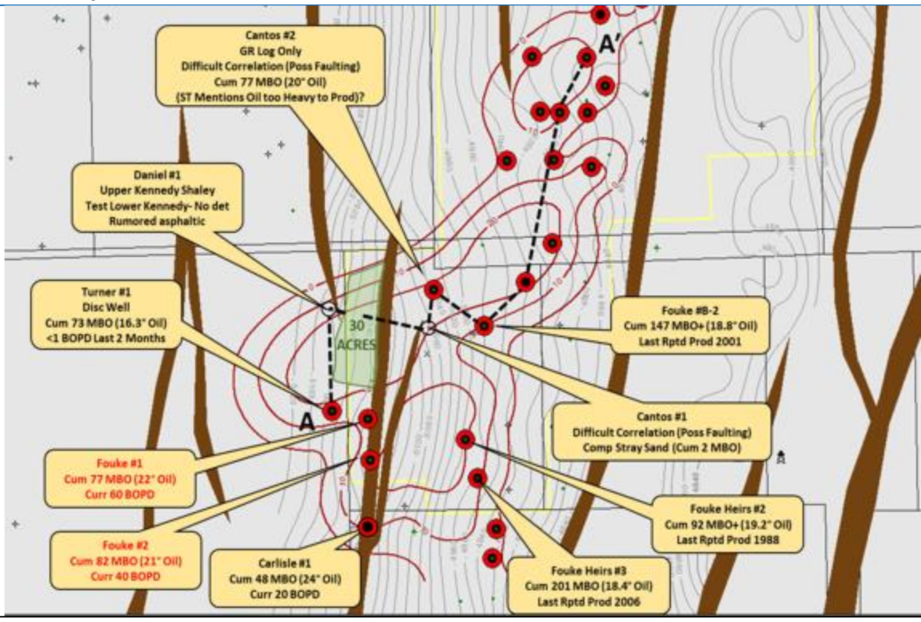
Source: Nostra Terra Oil & Gas

Fouke area studies indicate significant upside potential

The initial Fouke wells delivered high production rates and quick paybacks, with the Fouke-3 well drilling in 3Q25

In early 2020, NTOG agreed to farm-out a 67.5% stake over an 80-acre portion of the Company's 2,400-acre holding at Pine Mills to Cypress Minerals, which had acquired 3D seismic covering the target area and identified several potential well locations. Following this, Cypress drilled the two successful "Fouke" wells in 2021 and 2022 on the Pine Mills field targeting the main sub-Clarksville horizon, which have continued to produce at a flat rate of 100b/d with very little water since May 2024 and have now produced over 180,000 barrels of oil in aggregate.

Structure map at sub-Clarksville level in the Pine Mills field

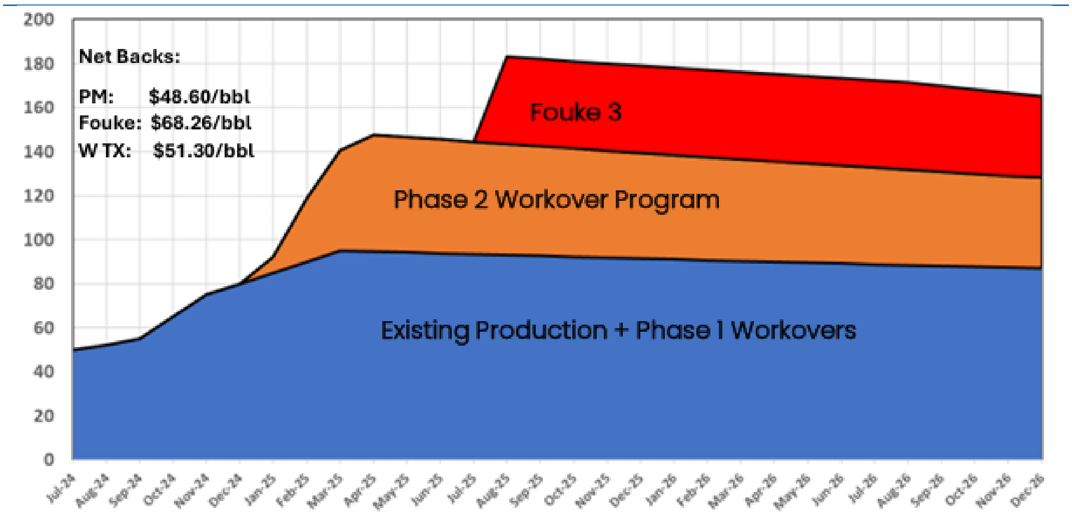


Source: Nostra Terra Oil & Gas

NTOG (32.5% WI) negotiated an agreement with Cypress (67.5% WI) in early 2024 to review the existing 3D seismic data for new Fouke-like opportunities over 88,000 acres in East Texas. The partners have agreed on a location to drill the Fouke-3 well, with planning ongoing and operations likely to commence in late 3Q25 subject to rig availability. This location is estimated to contain over 300,000 barrels of recoverable oil and, on success, could be produced at the maximum new field allowable rate of 124b/d that would enable payback in a matter of months.

NTOG also has ongoing technical studies in the Fouke area of Pine Mills to provide pressure support to the existing wells, which appear to be some distance from an active aquifer. The high volumes these wells have produced has reduced the reservoir pressure locally, with a new review looking to determine how best to enhance the reservoir pressure from water injection.

NTOG near-term (net) production forecast



Source: Nostra Terra Oil & Gas

Active M&A market provides scale opportunities in Texas

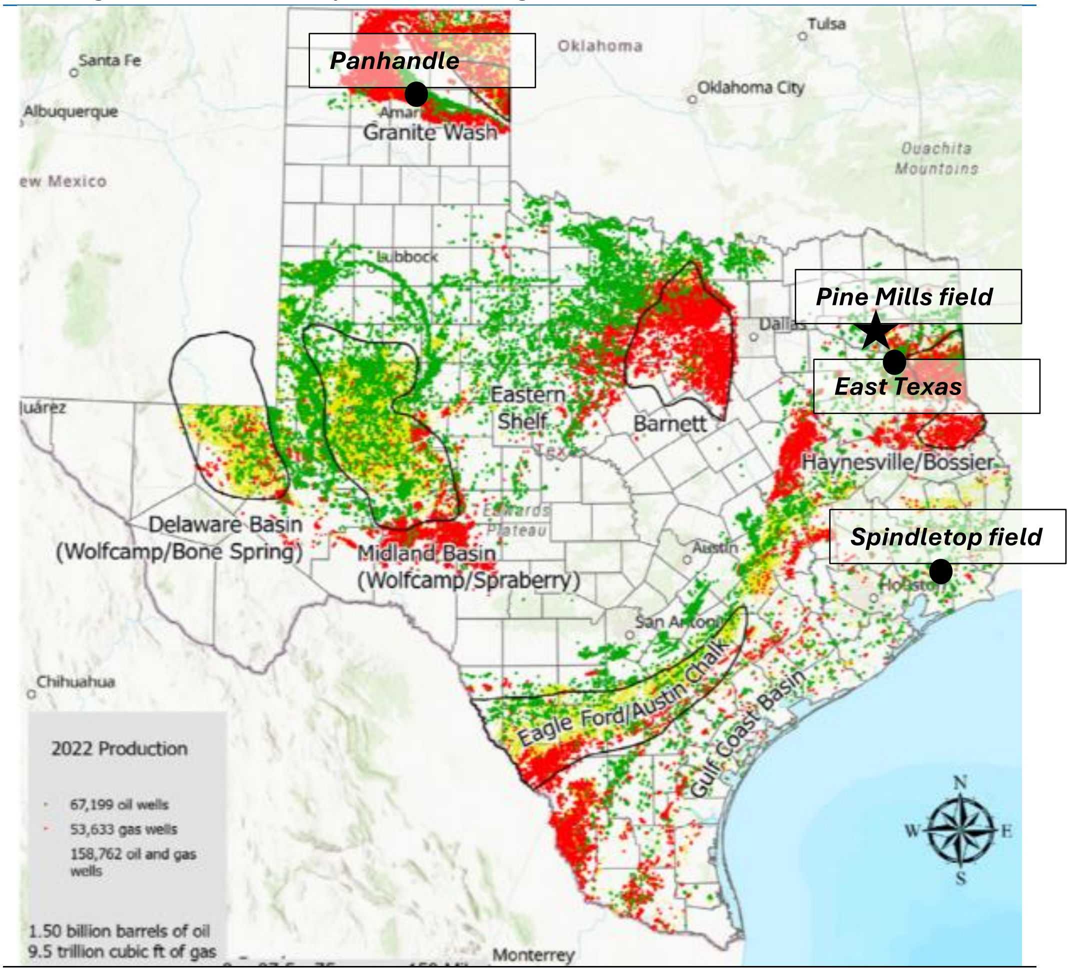
Investors have supported mergers between E&P operatorss to increase scale and improve cost efficiencies

The production base has already almost doubled at the Pine Mills field following the two phases of workovers, with further growth anticipated following the upgrading of pumping units to handle increased flow rates from ramp-up of the waterflood EOR programme. Taken together with the maintenance capital expenditure and overhead reductions, NTOG is now a profitable and cash flow positive company at both the operating and corporate level.

NTOG anticipates future investment opportunities at the field that target bypassed oil through additional workovers and recompletions on the existing well stock, the expansion of the EOR waterflood programme and the potential for new well drilling if the seismic data study identifies prospective locations of additional bypassed fault blocks (Fouke analogues) in the study area. The management has recently talked of a potential Fouke-4 well, subject to further derisking.

However, now that the Company has established a profitable base it is considering inorganic growth opportunities, with an ambition to be producing 5,000b/d in the next 3 to 5 years. Historically, the East Texas Oil Field was the second-largest oil field in the US outside Alaska and has produced over 5bnb of oil from in excess of 30,000 historic and active oil wells. As a result, there remain hundreds of oil and gas operators in East Texas with production operations, which provides a large potential pool for consolidation and an active M&A market.

Oil and gas well distribution map of Texas, showing relative location of Pine Mills field



Source: The University of Texas at Austin (link)

The workover programmes and cost reductions have delivered better than anticipated results on Pine Mills and Fouke, which are cash flow positive at oil prices above $25/bbl, making the company fairly resilient to an extended low oil price environment. We expect the management team to look to bring more under-capitalised assets into the portfolio in the medium-term as funding and opportunity allows. Still, while a weakening oil price may put nearby operators under pressure to divest, the recent commodity price volatility also makes it difficult to close the bid-ask spread between buyers and sellers and to access new financing to fund acquisitions.

Valuation Methodology

In formulating our valuation assumptions, we have forecast constant benchmarks and apply these inputs into our DCF model. Our assumptions reflect a $70/bbl long-term flat Brent oil price ($67/bbl WTI) and $4.0/mcf HH gas price from 2026 onwards and a US$1.35:£1.00 FX rate, discounted to 31 December 2024. We apply a standard 10% discount rate to NTOG's assets and incorporate the following assumptions into our financial model:

Metric	Assumption
Potential shares in issue (diluted billions)	7.02bn
LT exchange US$/£	US$1.35
LT Brent oil price	US$70/bbl
LT HH gas price	$4.0/mcf
NPV/boe Discount Rate	10%
Discount Date	31/12/2024

Source: SP Angel estimates

NTOG's portfolio provides an established production base with additional drilling upside potential

We value NTOG using a similar approach to all of our E&P companies, with risk-adjusted net asset value ("Risked NAV") of all of its key assets as the primary valuation metric. We typically do this by modelling a Discounted Cash Flow (DCF) of the key assets in detail, taking the Company's net effective interest and applying a risk factor. We think that it is useful for investors to think of NTOG's asset base in terms of what can already be considered as commercial (e.g. 1P proved reserves) and what still has to be de-risked by further drilling (the Fouke-3 development well). This gives us greater flexibility to 'upgrade' the individual risk factors and adjust each as appropriate on news flow and delivery of commercial milestones, and so better reflect the market's evolving view on the "worth" of the asset base.

Summary Valuation

Asset	Region	Resource (mboe)	Stage	Net WI	Net resource (mboe)	NPV ($/b)	Unrisked value (p/sh)	Risk factor	Net risked resources (mboe)	Net risked value (US$m)	Net risked value (£m)	Net risked value (p/sh)
Pine Mills (Proved)	US	0.63	P	100.0%	0.63	15.1	0.10	100%	0.6	9.5	7.0	0.100
Grant asset	US	0.05	P	57.2%	0.03	8.7	0.00	100%	0.0	0.2	0.2	0.003
Production assets		**0.68**			**0.66**	14.8	**0.10**		**0.7**	**9.7**	**7.2**	**0.103**
Pine Mills (Upside)	US	0.07	D	100.0%	0.07	9.4	0.01	75%	0.1	0.5	0.4	0.005
Development assets		**0.07**			**0.07**		**0.01**		**0.1**	**0.5**	**0.4**	**0.005**
Net Cash / (Debt) @ YE24							-0.04			-4.2	-3.1	-0.044
G&A (2Yr)							-0.02			-1.5	-1.1	-0.015
2025 adj (tax, other)							0.01			0.6	0.4	0.006
Core NAV		**0.75**			**0.73**		**0.06**		**0.7**	**5.2**	**3.8**	**0.055**
Fouke-3 well	US	0.30	A	32.5%	0.10	9.8	0.01	50%	0.0	0.5	0.4	0.005
Appraisal assets		**0.30**			**0.10**		**0.01**		**0.0**	**0.5**	**0.4**	**0.005**
Fouke waterflood	US	0.30	A	32.5%	0.10	9.0	0.01	25%	0.0	0.2	0.2	0.002
Fouke look-alike	US	0.30	E	32.5%	0.10	9.0	0.01	20%	0.0	0.2	0.1	0.002
Pine Mills (RF)	US	1.17	A	100.0%	1.17	8.6	0.11	15%	0.2	1.5	1.1	0.016
Speculative NAV		**1.77**			**1.36**		**0.12**		**0.2**	**1.9**	**1.4**	**0.020**
Total Risked NAV		**2.82**			**2.19**		**0.19**		**1.0**	**7.6**	**5.6**	**0.080**

Source: SP Angel estimates

The above Risked NAV reflects NTOG's existing portfolio with SPA resource estimates in line with the independently assessed reserves as at 1 December 2024. The proved reserves (1P) reflect the revenues generated from the existing well stock left to blow down naturally without any significant further investment until towards the end of this decade. The 0.63mb of 1P recoverable oil net to NTOG is derived from 1.45mb of gross proved oil reserves estimated on the existing Pine Mills and Fouke well stock. We also include ~10b/d net from the Grant asset.

We include 0.3mb resource upside from success with the Fouke-3 appraisal well, as well as similar amounts from a proposed Fouke waterflood programme and a potential Fouke-4 look-alike well. There is also significant potential from increasing the recovery factor of the 38.1mb oil-in-place from 33% (12.55mb) as at December 2024 to efficiencies approaching 50% (+6mb).

Recommendation and target price

We initiate coverage on Nostra Terra Oil & Gas as a BUY with a 0.06p/sh target price that is based solely on the value of the Core assets and the upcoming Fouke-3 appraisal well, which provides 344% potential upside to the current share price. In our view, the current market capitalisation is more than underpinned by the value of the existing production base (proved reserves), while further organic production growth can be supported by investment of the Company's operating cash flow. We expect delivery of production and cash flow growth this year will help to establish a track record for the management team and build credibility with the market, which should result in a re-rating of the share price towards our TP.

In our view, the delivery of volume additions from the two successful workover programmes and the anticipated success from the Fouke-3 appraisal well will restore positive sentiment in the Company as a growth stock. We expect NTOG to exit December 2025 with over 140b/d net production, which is estimated to generate $1.4m of EBITDA in 2026e at $70/bbl Brent ($67/bbl WTI). We would then expect the enhanced production and cash flows generated from this year's investments to be recycled in 2026e to support oil-focused opportunities in the Pine Mills field that offer excellent economics and quick cycle returns to the Company.

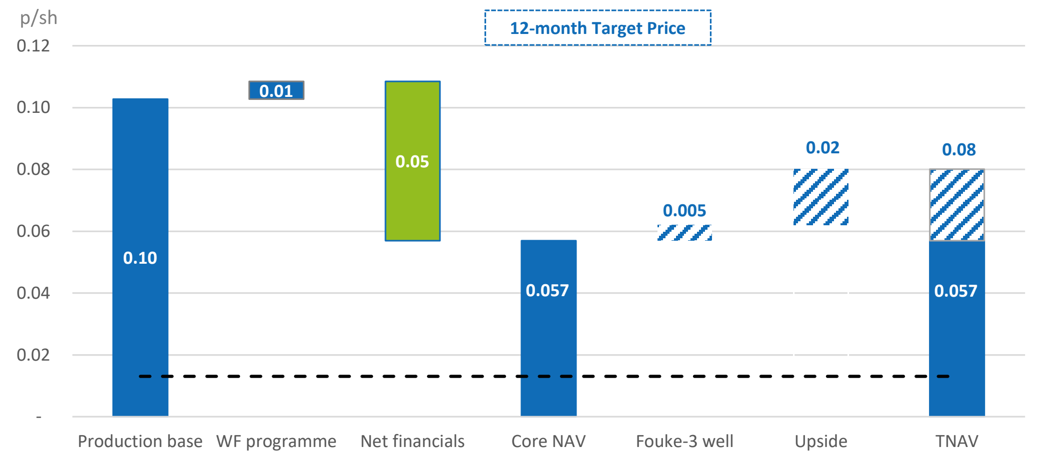
We expect delivery of the investment programme to narrow the discount on NTOG's valuation multiple

E&P investors in the US commonly apply an earnings or cashflow multiple approach vs peer group valuations to quickly assess the relative value of a production-based business. At this stage, the new management team lacks an historical track record or the predictable cash flows associated with a defined long-term investment programme. We would expect NTOG to improve the visibility of its production, cash flow and capital investment profile as the Company matures, which would improve its standing versus peers in comparative metric tables, as well as giving investors a larger and more stable baseline of production assets and cash flow.

Our Core NAV value is made up of the proved reserves in East Texas at the Pine Mills field, which includes the two existing Fouke production wells, and the Grant asset in West Texas. We also include some risked value for NTOG's enhanced oil recovery programme, which has already delivered better than expected results from the restart of waterflood operations in the northern section of the field.

Investors will also be exposed in 3Q25 to drilling of a new Fouke-3 development well location north of Fouke #1, subject to final planning and funding. This is considered as lower risk as there are five offset wells as control points plus a 2018 3D seismic survey over the area that has been interpreted by the Company. This development location is estimated to hold 300kb of recoverable oil volumes that we risk at 1-in-2 chance of success ahead of drilling.

Waterfall Chart for NTOG



Source: SP Angel estimates

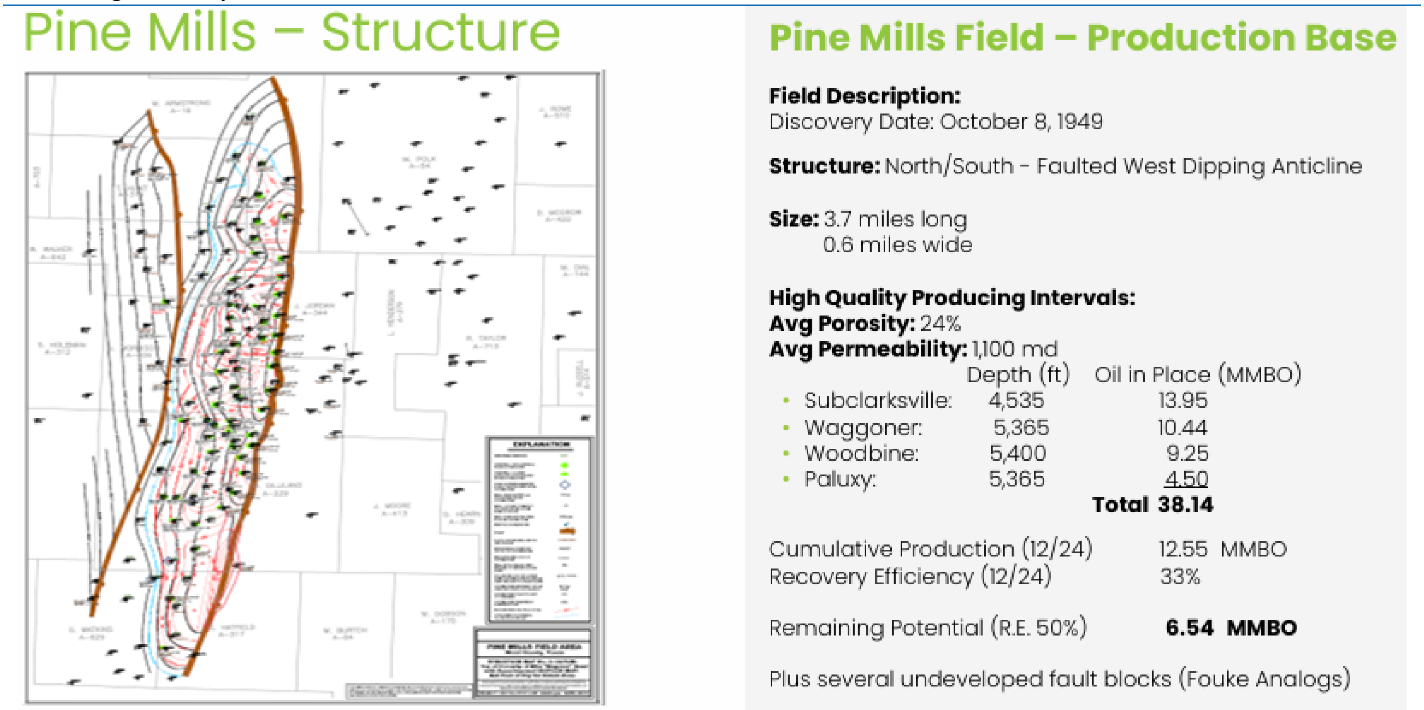
NTOG has a senior lending facility with the Washington Federal Bank that is currently close to its maximum level of $4.25m. The cost of the facility has decreased over the year in line with the reduction in US Federal Reserve interest rates, and is currently 7.5% with further rate reductions anticipated in 2025. The lending base is reviewed biannually and the term of the facility was recently extended in January for another three years on similar terms.

The net financials in the SPA Core NAV also includes two years of discounted G&A expenses, now reduced to an estimated ~$0.8m per annum for 2025e following significant year-on-year cost savings introduced by the new management team over the last 12M.

We include additional upside in our Risked NAV, which at this stage NTOG has not committed firm and defined expenditures or prospective resources to. This includes the possible expansion of the EOR waterflood programme to the Fouke area and the potential for new well drilling if the seismic data study identifies prospective locations of additional bypassed fault blocks (Fouke analogues) in the study area.

Management also believes that given the excellent quality of the reservoir in terms of high porosity and permeability, there is potential to increase the recovery factor from 33% (12.5mb) as at December 2024 to efficiencies approaching 50% (19mb) of the estimated 38.1mb oil-in-place. Most fields typically see the recovery factor and estimated ultimate recovery (EUR) increase over time in response to additional investment in workovers and equipment.

Remaining resource potential at Pine Mills field



Source: Nostra Terra Oil & Gas

We note that there are no current oil price hedges in place for NTOG's future production, which leaves investors fully exposed to any temporary or permanent move in the oil price. Given the volatility of energy prices in recent years, we estimate that a $10/bbl move in our LT Brent oil prices results in a $0.5m boost to our annual 2026 EBITDA estimates (ahead of any capital investment that year) and a c.45% increase in our Core NAV.

NAV Sensitivity Matrix

LT Brent oil price	Core NAV, p/sh	Net debt (2025e), $m	EBITDA (2026e), $m
$60/bbl	0.030p/sh	$4.5m	$0.9m
$70/bbl	**0.055p/sh**	**$4.0m**	**$1.4m**
$80/bbl	0.079p/sh	$3.6m	$1.9m

Source: SP Angel estimates

Financials and SPA forecasts for Nostra Terra Oil & Gas

In US$ (unless stated)		**2020A**	**2021A**	**2022A**	**2023A**	**2024A**	**2025E**	**2026E**	**2027E**	**2028E**
Period end share price (p)		**0.146**	**0.305**	**0.215**	**0.183**	**0.014**	**0.014**	**0.014**	**0.014**	**0.014**
Basic YE NOSH (m)		**580**	**704**	**747**	**747**	**4,775**	**6,949**	**6,949**	**6,949**	**6,949**
AVG $:£		**1.30**	**1.34**	**1.24**	**1.24**	**1.28**	**1.35**	**1.35**	**1.35**	**1.35**
Market cap (£m)		**0.8**	**2.1**	**1.6**	**1.4**	**0.6**	**0.9**	**0.9**	**0.9**	**0.9**
Market cap ($m)		**1.1**	**2.9**	**2.0**	**1.7**	**0.8**	**1.3**	**1.3**	**1.3**	**1.3**
EV ($m)		**4.0**	**5.8**	**5.8**	**6.1**	**5.0**	**5.3**	**4.2**	**3.4**	**3.3**
Income Statement		**2020A**	**2021A**	**2022A**	**2023A**	**2024A**	**2025E**	**2026E**	**2027E**	**2028E**
WTI	$/bbl	39.2	68.1	94.9	77.6	75.8	67.0	67.0	67.0	67.0
Natural gas	$/mcf	2.7	3.4	6.6	2.7	2.4	3.5	4.0	4.0	4.0
Revenue	$m	1.0	2.3	4.0	2.8	2.0	2.7	3.2	3.0	2.8
Opex	$m	-1.1	-1.7	-1.8	-1.4	-1.2	-1.0	-1.0	-1.0	-1.0
EBITDAX	$m	-1.0	-0.4	1.0	0.5	-0.4	0.9	1.4	1.2	0.9
EBITDA	$m	-1.1	-0.5	0.1	0.5	-0.4	0.9	1.4	1.2	0.9
DDA	$m	-0.3	-0.4	-0.5	-0.6	-0.7	-0.8	-0.8	-0.7	-0.7
EBIT	$m	-1.4	-0.9	-0.4	-0.1	-1.1	0.1	0.6	0.4	0.3
Exceptionals	$m	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net finance income	$m	0.1	-0.2	-0.1	-0.3	-0.4	-0.4	-0.4	-0.3	-0.3
EBT	$m	-1.3	-1.1	-0.5	-0.5	-1.5	-0.3	0.3	0.1	0.0
Tax	$m	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	$m	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	$m	**-1.3**	**-1.1**	**-0.5**	**-0.5**	**-1.5**	**-0.3**	**0.3**	**0.1**	**0.0**
EPS (basic)	Cents	-0.35	-0.16	-0.07	-0.06	-0.08	0.00	0.00	0.00	0.00
Balance Sheet		**2020A**	**2021A**	**2022A**	**2023A**	**2024A**	**2025E**	**2026E**	**2027E**	**2028E**
Cash	$m	0.1	0.0	0.1	0.0	0.1	0.3	1.4	2.2	2.3
Debt	$m	3.0	3.0	4.0	4.4	4.3	4.3	4.3	4.3	4.3
Net debt/(cash) BV	$m	2.9	2.9	3.8	4.4	4.2	4.0	2.9	2.1	2.0
Cash Flow		**2020A**	**2021A**	**2022A**	**2023A**	**2024A**	**2025E**	**2026E**	**2027E**	**2028E**
Cash flow from Operations	$m	-0.9	-0.1	1.1	0.5	-0.6	1.1	1.5	1.1	0.9
Cash used in Investing	$m	-0.5	-0.5	-2.0	-0.6	-0.4	-1.0	0.0	0.0	-0.4
Cash used in Financing	$m	1.2	0.5	1.0	0.0	1.1	0.1	-0.4	-0.4	-0.4
Change in cash	$m	-0.2	0.0	0.1	-0.1	0.1	0.1	1.1	0.8	0.1
FCF	$m	-1.2	-0.4	-0.2	0.3	-0.9	0.0	1.5	1.1	0.4
DACF	$m	-1.1	-0.2	0.9	0.1	-1.0	0.7	1.1	0.7	0.5
Production (Net entitlement)										
Oil production	kbo/d	0.08	0.10	0.12	0.11	0.08	0.12	0.14	0.13	0.12
Gas production	mmcf/d	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total production	kboe/d	0.08	0.10	0.12	0.11	0.08	0.12	0.14	0.13	0.12
Production growth	%	0%	26%	19%	-13%	-27%	50%	21%	-7%	-7%
1P reserves	mboe	0.8	1.1	1.0	1.0	0.6				
Valuation										
Period end share price	p/sh	0.15	0.31	0.22	0.18	0.01	0.01	0.01	0.01	0.01
Market cap	$m	1.1	2.9	2.0	1.7	0.8	1.3	1.3	1.3	1.3
EV	$m	4.0	5.8	5.8	6.1	5.0	5.3	4.2	3.4	3.3
P/E	(x)	n/a	n/a	n/a	n/a	n/a	n/a	453.9	1071.7	n/a
EV/DACF	(x)	-3.8	-23.7	6.7	44.5	-5.0	7.7	3.8	4.5	6.1
EV/1P	($/boe)	5.3	5.4	5.7	6.2	8.0	nm	nm	nm	nm
EV/bopd	$/boe/d	49.9	57.1	48.3	58.0	65.3	46.1	30.1	26.3	27.4
Div yield	(%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield	(%)	-108%	-14%	-11%	15%	-110%	4%	116%	89%	33%
Net debt/EBITDA	(x)	-2.8	-5.5	27.3	9.0	-10.0	4.6	2.1	1.8	2.2
Net debt/Equity	(%)	-490%	-331%	-355%	-291%	-311%	-359%	-346%	-292%	-267%
Net debt/EBITDAX	(x)	-2.9	-7.3	3.8	8.9	-10.7	4.6	2.1	1.8	2.2
EBITDAX/interest	(x)	17.0	-2.6	6.8	1.4	-1.0	2.3	3.9	3.5	3.0
Interest cover	(x)	22.7	-6.1	-2.7	-0.4	-2.7	0.3	1.8	1.4	0.9
ROACE	(%)	-149%	-50%	-16%	-4%	-34%	4%	17%	11%	7%
EV/EBITDAX	(x)	-4.0	-14.4	5.8	12.3	-12.8	6.1	3.0	2.9	3.5

Source: SP Angel estimates

APPENDICES

Directors and Senior Management

Paul Welch, Chief Executive Officer

Mr. Welch is an international energy executive with over 30 years of industry experience, having worked for Shell Oil Company (15 years) and several large independents, including Hunt Oil Company and Pioneer Natural Resources.

Mr. Welch was CEO of AIM-listed explorer Chariot Oil and Gas (2009-2012) and of Sea Dragon Energy (2013-2015), before becoming the CEO of SDX Energy (2015-2019) following the merger with Madison PetroGas in October 2015. He was subsequently appointed as CEO of Cosimo Holding Ltd in 2019. Mr. Welch was also appointed Chairman of ACP Energy PLC in 2022.

Mr. Welch graduated from the Colorado School of Mines with bachelor's and master's degrees in petroleum engineering. He also holds an MBA in Finance from Southern Methodist University (SMU) in Dallas, Texas. Mr Welch joined Nostra Terra in 2022 was appointed CEO in 2024.

Dr Stephen Staley, Non-executive Chairman

Dr Staley has over 40 years' wide-ranging management, technical and commercial experience in the international oil, gas and power sectors. He was until October 2019 the CEO and a director of Upland Resources Limited, a London-listed (Standard Listing) oil & gas company which he co-founded, currently with a focus in Sarawak. He is a non-executive director of 88 Energy Limited, an Australian oil & gas company with assets onshore Alaska and Namibia. 88 Energy has a dual listing on the ASX and AIM. Dr Staley also co-founded and brought to the AIM market Fastnet Oil & Gas plc (where he was the founding CEO) and Independent Resources plc (where he was the founding managing director). He was also both a technical consultant to, and non-executive director of, Cove Energy plc, which was a highly successful East Africa focused explorer that sold to PTTEP for £1.2bn in 2012. Dr Staley is owner and founder of Derwent Resources Limited, an upstream consultancy advising on oil and gas opportunities. Prior to this he has worked for companies including Cinergy Corp and Conoco.

He holds a BSc (Hons.) in geophysics from Edinburgh University, a PhD in petroleum geology from Sheffield University and an MBA from Warwick University. He is a fellow of the Geological Society and a member of the Geoscience Energy Society of Great Britain and The Arctic Club. Dr Staley joined Nostra Terra in 2020.

Jim Newman, Non-executive Director

Mr. Newman is an international energy executive with over 35 years of industry experience in multiple facets of the oil and gas industry, including well abandonment, well intervention, water management, regulatory compliance, vertical and horizontal drilling and completions, and financial management. He started his career at Triple N Services (22 years), which he successfully sold to Basic Energy Services LP, where he served in various positions for 13 years, ultimately as the Executive Vice President of Operations until he stepped down in 2021.

Mr Newman graduated from the Colorado School of Mines with a bachelor's degree in petroleum engineering. He is the managing partner of Clean Rig Power and Dos Hermanos International and the CEO of Aquafortus, a private equity-backed technology company that has developed sustainable proprietary processes to treat heavy brines in oil & gas, mining, and industrial applications. Mr Newman joined Nostra Terra in 2024.

Mr Newman is a registered Professional Engineer in Texas and is active in the Society of Petroleum Engineers, most recently serving on the SPE US Advisory Council. He also sits on the Texas Tech Petroleum Advisory Board, is active on the board of the Southwestern Petroleum Short Course and is a board member of the Permian Basin Association. He previously served in a similar role for the Colorado Oil & Gas Association.

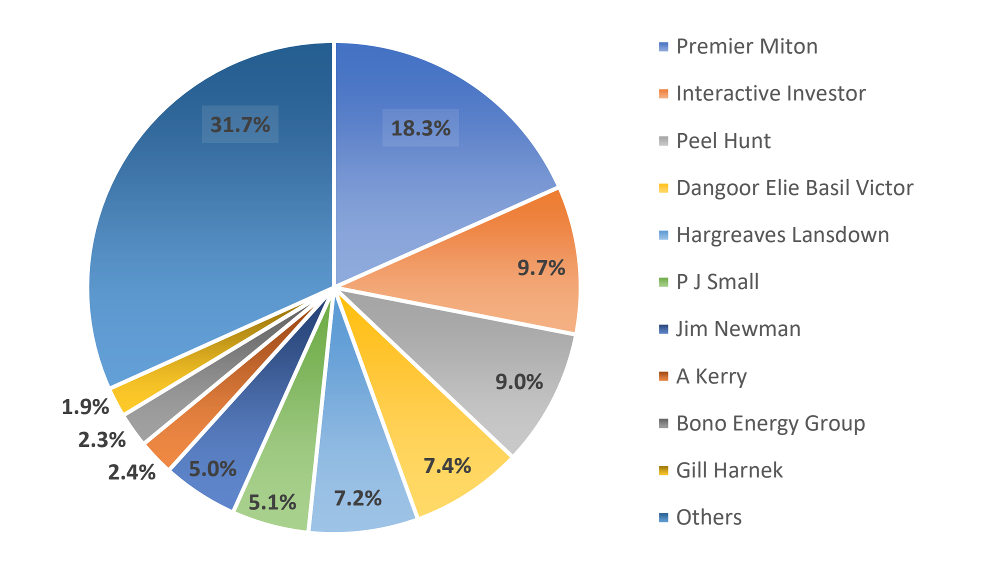
Nostra Terra Oil & Gas major shareholders

Nostra Terra Oil & Gas was first admitted to trading on AIM (London Stock Exchange) in July 2007, with an initial strategy to build a sustainable mid-tier oil and gas business.

Following a corporate review and refreshed executive, NTOG has acted in the last 12M to pivot the Company's strategic focus towards the Pine Mills field asset.

In 3Q24, NTOG completed an equity placing of $0.5m to fund the Phase 1 workover programme on the Pine Mills field, which was subsequently followed by further equity raises of $0.5m in 4Q24 and $0.5m in 1Q25 to accelerate the Phase 2 workover programme on the field.

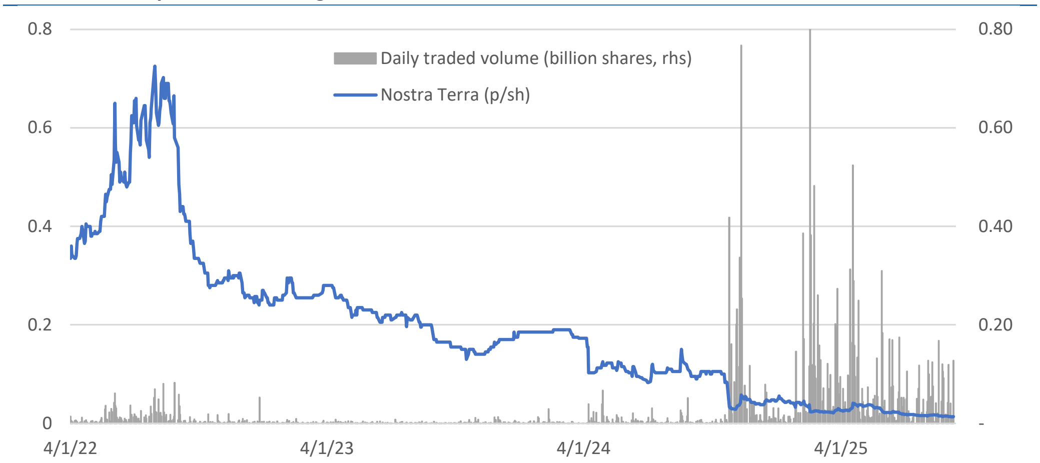
Top ten shareholders



Source: Bloomberg, Company

As at 27 April 2025, c.93% of the issued ordinary shares of NTOG were held by the public and therefore trading in the Company's shares exhibits a relatively strong liquidity and turnover position on the AIM market.

Historic stock price and trading volumes on main London AIM market

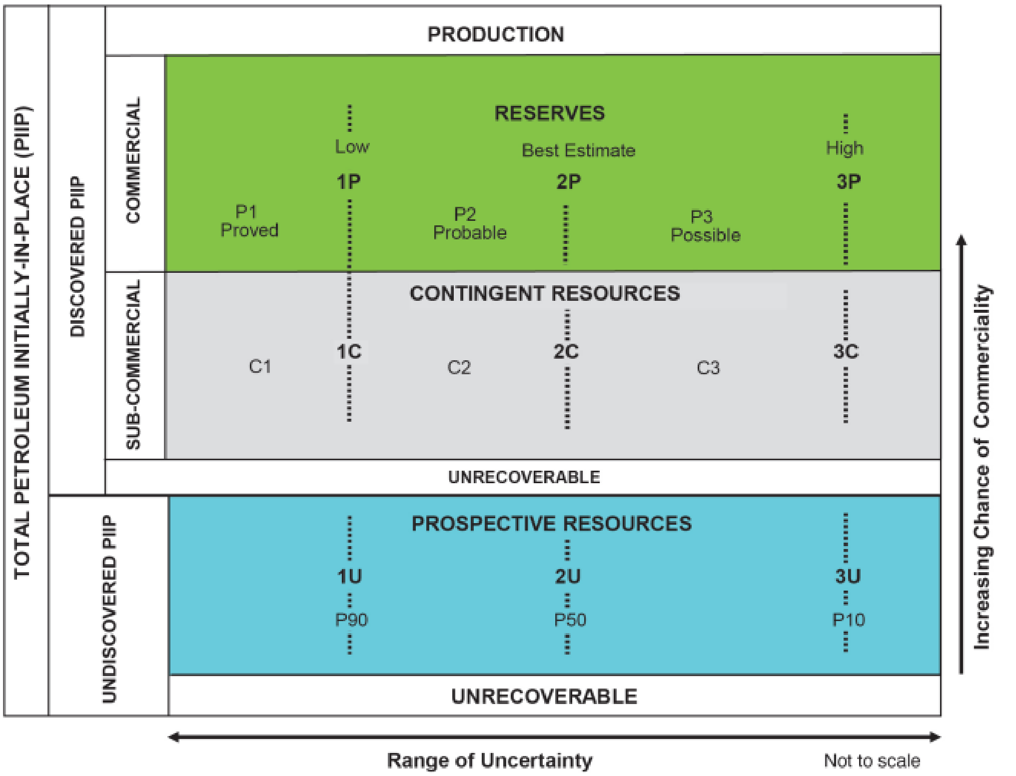


Source: Bloomberg

SPE Petroleum Resources Management System (PRMS)

The figure below graphically represents the PRMS resources classification system. The system classifies resources into discovered and undiscovered and defines the recoverable resources classes: Production, Reserves, Contingent Resources, and Prospective Resources, as well as Unrecoverable Resources. The horizontal axis reflects the range of uncertainty of estimated quantities potentially recoverable from an accumulation by a project, while the vertical axis represents the chance of commerciality (Pc), which is the chance that a project will be committed for development and reach commercial producing status.

Resources classification framework (SPE-PRMS)



Source: SPE

The following definitions apply to the major subdivisions within the resources classification:

- **Total Petroleum Initially-In-Place (PIIP)** is all quantities of petroleum that are estimated to exist originally in naturally occurring accumulations, discovered and undiscovered, before production.
- **Discovered PIIP** is the quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations before production.
- **Production** is the cumulative quantities of petroleum that have been recovered at a given date.

When the range of uncertainty is represented by a probability distribution, a low, best, and high estimate shall be provided such that:

- There should be at least a 90% probability (**P90**) that the quantities actually recovered will equal or exceed the low estimate.
- There should be at least a 50% probability (**P50**) that the quantities actually recovered will equal or exceed the best estimate.
- There should be at least a 10 probability (**P10**) that the quantities actually recovered will equal or exceed the high estimate.

Multiple development projects may be applied to each known or unknown accumulation, and each project will be forecast to recover an estimated portion of the initially-in-place quantities. The projects shall be subdivided into commercial, sub-commercial, and undiscovered, with the estimated recoverable quantities being classified as reserves, contingent resources, or prospective resources respectively, as defined below.

Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Reserves must satisfy four criteria: discovered, recoverable, commercial, and remaining (as of the evaluation's effective date) based on the development project(s) applied. Reserves are recommended as sales quantities as metered at the reference point. Where the entity also recognizes quantities consumed in operations (CiO), as Reserves these quantities must be recorded separately. Non-hydrocarbon quantities are recognized as Reserves only when sold together with hydrocarbons or CiO associated with petroleum production. If the non-hydrocarbon is separated before sales, it is excluded from reserves. Reserves are further categorized in accordance with the range of uncertainty and should be sub classified based on project maturity and/or characterized by development / production status.

Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations, by the application of development project(s) not currently considered to be commercial owing to one or more contingencies. Contingent Resources have an associated chance of development. Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality. Contingent Resources are further categorized in accordance with the range of uncertainty associated with the estimates and should be sub-classified based on project maturity and/or economic status.

Undiscovered PIIP is that quantity of petroleum estimated, as of a given date, to be contained within accumulations yet to be discovered.

Prospective Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective Resources have both an associated chance of geologic discovery and a chance of development. Prospective Resources are further categorized in accordance with the range of uncertainty associated with recoverable estimates, assuming discovery and development, and may be sub-classified based on project maturity.

Unrecoverable Resources are that portion of either discovered or undiscovered PIIP evaluated, as of a given date, to be unrecoverable by the currently defined project(s). A portion of these quantities may become recoverable in the future as commercial circumstances change, technology is developed, or additional data are acquired. The remaining portion may never be recovered because of physical/chemical constraints represented by subsurface interaction of fluids and reservoir rocks.

The sum of reserves, contingent resources, and prospective resources may be referred to as "**remaining recoverable resources**." Importantly, these quantities should not be aggregated without due consideration of the technical and commercial risk involved with their classification. When such terms are used, each classification component of the summation must be provided. Other terms used in resource assessments include the following:

Estimated Ultimate Recovery (EUR) is not a resources category or class, but a term that can be applied to an accumulation or group of accumulations (discovered or undiscovered) to define those quantities of petroleum estimated, as of a given date, to be potentially recoverable plus those quantities already produced from the accumulation or group of accumulations. For clarity, EUR must reference the associated technical and commercial conditions for the resources; for example, proved EUR is Proved Reserves plus prior production.

Technically Recoverable Resources (TRR) are those quantities of petroleum producible using currently available technology and industry practices, regardless of commercial considerations. TRR may be used for specific projects or for groups of projects, or can be an undifferentiated estimate within an area (often basin-wide) of recovery potential.

Key risks

Exploration and production risks

There is no assurance that NTOG's exploration and drilling activities will be successful or, if they are successful, that commercial quantities of oil and/or gas can be recovered from the Company's licensed areas. No assurance can be given that, if commercial reserves are discovered, the Company will be able to realise such reserves as intended. Negative results from exploration programmes may result in downgrading their prospectivity. An area may therefore be considered not to merit further investment and licences could be surrendered (subject to the approval of the licensing authority) prior to the drilling of any exploratory wells.

Regulatory changes

The Company's strategy has been formulated in the light of the current regulatory environment and likely future changes. The regulatory environment may change in the future and such changes may have a material adverse effect on NTOG.

Licences and contractual risks

NTOG's activities are dependent upon the grant and maintenance of appropriate licence concessions, leases, permits and regulatory consents which may not be granted or may be withdrawn or made subject to limitations. Unforeseen circumstances or circumstances beyond the control of the Company may lead to commitments given to licensing authorities not being discharged on time. Although the Company believes that the authorisations will be renewed following expiry or grant (as the case may be), there can be no assurance that such authorisations will be renewed or granted or as to the terms of such grants or renewals.

Operational and environmental risks

Drilling, appraisal, exploration, construction, development and production activities may involve significant risks and operational hazards and environmental, technical and logistical difficulties. These include, inter alia, the possibility of uncontrolled hydrocarbon emissions, fires, earthquake activity, extreme weather conditions, coastal erosion, explosions, blowouts, cratering, over-pressurised formations, unusual or unexpected geological conditions, unpredictable drilling-related problems, equipment failure, labour disputes and the absence of economically viable reserves. These hazards may result in delays or interruption to production, cost overruns, substantial losses and/or exposure to substantial environmental and other liabilities. Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner, which could limit or curtail production or development.

Non-achievement of anticipated timetables

Drilling rigs or other equipment may not be available at the time envisaged (due to, for example, delays in making appropriate modifications, adverse weather conditions, insolvency of the owners or total loss) or may fail to perform in accordance with the Board's expectations in regard to the timetable. There is no guarantee that replacement equipment will be available on reasonable commercial terms or at all. Failure to meet the expected timetables may result in the Company being unable to generate cash from those assets. This would have a material adverse effect on the Company's business, prospects, financial condition and operations. The Company's anticipated timetables for all of its current and expected operations are Board estimates based on a number of variables not all of which are under the Company's direct control. The Company is dependent upon the operators of its assets to act in accordance with agreed plans in respect of each of the assets, but the Company has no control over such persons save under contractual terms which may be costly and time consuming to enforce. If the timetable estimates prove to be wrong or the operators or any of them do not take the actions in relation to maintaining or developing the assets then it may lead to delays or further problems which may have a material adverse effect on the Company's business, prospects, financial condition and operations.

Early-stage licence development with no proven reserves

Certain of the operations in which NTOG has an interest are at a mature stage of development and future success will depend on the Company's ability to successfully manage the current projects and to take advantage of further opportunities which may arise. There can be no guarantee that the Company can or will be able to, or that it will be commercially advantageous for the Company to, develop any acreage subject to any tenement, permits or licences in which the Company has or may acquire an interest.

Reserve and resource estimates

Any future reserve and/or resource figures for projects in which the Company may invest, or may acquire, will be estimates and there can be no assurance that the oil, gas and hydrocarbons are present, will be recovered or that they can be brought into profitable production. Reserves and resources estimates may require revisions based on actual production experience. Furthermore, a decline in the market price for oil and gas that may be discovered could render oil and gas reserves containing relatively low volumes of hydrocarbons uneconomic to recover and may ultimately result in a restatement of reserves.

Environmental regulation

Environmental and safety legislation in jurisdictions in which the Company operates may change in a manner that may require stricter or additional standards than those now in effect, a heightened degree of responsibility for companies and their directors and employees, and more stringent enforcement of existing laws and regulations. There may also be unforeseen environmental liabilities resulting from oil and gas activities, which may be costly to remedy. In particular, the acceptable level of pollution and the potential clean-up costs and obligations and liability for toxic or hazardous substances for which the Company may become liable as a result of its activities, may be impossible to assess against the current legal framework and current enforcement practices of the various jurisdictions in which the Company operates, or in which it may operate in the future.

Market risk

In the development of oil and gas reserves, the marketing of the Company's future production of oil and gas from such reserves will be dependent on market fluctuations and the availability of processing and refining facilities and transportation infrastructure, including access to ports, shipping facilities, pipelines and pipeline capacity at economic tariff rates, over which the Company may have limited or no control. Pipelines may be inadequately maintained and subject to capacity constraints and economic tariff rates may be increased with little or no notice and without taking into account producer concerns.

Increase in drilling and production costs, and availability of drilling equipment

The oil and gas industry historically has experienced periods of rapid cost increases. Increases in the cost of exploration, production and development would affect the Company's ability to invest in prospects and to purchase or hire equipment, supplies and services. In addition, the availability of drilling rigs and other equipment and services is affected by the level and location of drilling activity around the world.

Volatility of commodity prices

The demand for, and price of, oil and gas are highly dependent on a variety of factors, including international supply and demand, weather conditions, the price and availability of alternative fuels, actions taken by governments and international cartels, and global economic and political developments. International oil and gas prices have fluctuated widely in recent years and may continue to fluctuate significantly in the future.

Funding

While NTOG currently generates sufficient cash flows from its oil and gas operations to pay for the Company's ongoing costs and commitments, it may in the future enter into new obligations or look to acquire additional assets that may need to be funded via equity raisings and/or debt funding, as well as asset sales or farmouts.

SP Angel site visit

Representatives from the SP Angel Research and Corporate Finance team visited NTOG's offices in Dallas and the Pine Mills field in East Texas during August 2024 to meet the management and operational teams and to verify the Company's assets.

Pine Mills Battery #2 processing facilities

Source: SP Angel

Pine Mills Battery #4 processing facilities

Source: SP Angel

Fouke-1 well and processing facilities

Source: SP Angel

Fouke-2 well

Source: SP Angel

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*SP Angel acts as Nominated Advisor and Corporate Broker to Nostra Terra Oil and Gas Company Plc

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