

September 19, 2024

## Nostra Terra Oil and Gas Company PLC

### Interim Results for the six months ended 30 June 2024

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 2024. A copy of the Interim Results is available on the Company's website, [www.ntog.co.uk](http://www.ntog.co.uk).

#### Financial Highlights

- \$938,000 Revenue for the period (30 June 2023: \$1,472,000)
- \$230,000 profit before non-cash items (depletion, depreciation, amortisation and interest)
- \$792,000 loss for the period (30 June 2023: \$48,000 profit)

#### Operational and Strategic Highlights

- 12,593 barrels oil total production for the period (30 June 2023: 21,265 barrels oil)
- Change in Leadership with relevant skill set and experience; now focusing on cashflow
- New CEO (Paul Welch) taken over from Founder after 15 years with a clear plan for organic growth at Pine Mills

#### Post-period events:

- Strengthened Executive and BOD with exceptional in-depth O&G / Permian experience
- Clear plan to improve Pine Mills' production and step-up in cash flow by year end
- Significantly trimmed G&A: concentrating on Pine Mills while divesting non-core assets (South & West Texas)
- On 17 July 2024, following approval at general meeting, the company announced the subdivision of ordinary shares of £0.001 each into one Deferred Share of £0.0009 and one Ordinary Share of £0.0001 each.
- On 29 July 2024, the company raised £450,000 (before expenses) through a placing and subscription of 1,499,999,998 new ordinary shares.

#### Chairman's report

The first half of 2024 was a period of change for Nostra Terra. New leadership and a new strategy to focus and reinvest in our core Pine Mills asset was announced in June 2024 and put into effect post period end with the implementation of with a clear plan to increase Pine Mills' production and step-up cash flow by year end.

Operationally, Nostra Terra operated during the first half of 2024 in an environment of generally lower oil prices than in 2023. Despite a strengthening of WTI prices in the first quarter of this year, they have subsequently been on a downward path. At the time of writing, prices for WTI October delivery sit just below \$70 per barrel.

The review of existing 3D seismic data over the Pine Mills area yielded potential new locations that could host wells with similar (highly attractive) performance characteristics to our existing Fouke wells. These new locations represent considerable, relatively low risk upside to our existing resource base in the area.

Cost reduction initiatives, are expected to show an impact on the 2024 full-year results. The Pine Mills work involves enhancing or reinstating production from a number of existing wells in a cost-effective manner. These investments are expected to have short payback times and are also likely to have a positive impact on the

results in the second half of the current financial year. This work is now well underway, and we hope to be able to announce initial results in the coming weeks.

Nostra Terra's board saw several changes in the first half of this year, with Matt Lofgran stepping down as CEO, and Paul Welch moving from non-executive director to take on that role, Jim Newman, our largest shareholder, joined the board as a non-executive director. Mr. Newman established his equity position in the Company through his participation in a successful fundraise by the Company of £300,000 in January 2024

Post period-end, we were pleased to announce the appointment of SP Angel Corporate Finance LLP as both sole broker and as nominated advisor to the Company. Cost reduction initiatives have also continued, with the board of directors being focused on managing the Company's cash flow.

I would like to thank shareholders for their continued support and look forward to updating them on further developments.

**Dr Stephen Staley**

Chairman

19 September 2024

## Chief Executive Officer's report

Production was down in the first half of the year due to declines in the Pine Mills wells, the sale of non-performing assets in West Texas and the cessation of production in South Texas.

Revenue was \$938,000 during the first half of the year (30 June 2023: \$1,472,000). Gross loss from operations for the period was \$792,000 (30 June 2023: \$48,000 profit). Average oil sales prices during the period were \$74.45 per barrel (30 June 2023: \$70.00 per barrel).

Production declines, which started in the second half of 2023, continued into the reporting period. However, the issues behind the increased decline rates have been addressed, and the field rates are now stable. Our cost reduction initiatives started during the second half of the reporting period and post period, have now been fully implemented. The asset disposal process continues with two properties remaining to be sold. The initial disposal of the West Texas assets (Coleman and Raschke) significantly reduced the operating costs in the area. The remaining asset, the Grant lease, is now operating profitably, and the offers received were insufficient to justify a sale. In South Texas, two assets are in a sale process as a package and have attracted multiple interested parties and offers but these sales have yet to close. The Company has no further investment plans for these assets, and they will continue to be actively marketed until they are sold.

The proceeds of the successful £450,000 fundraising, before expenses, carried out in July 2024, are being used to fund a new strategic initiative in Pine Mills. These funds are being used to return six currently idle wells back to production in the Pine Mills field. There are currently two workover rigs in the field, and two of the six planned workovers are now complete, with the remainder expected to be complete by the end of September 2024. The target of these first six workovers is to increase field production by 38 bopd, net to NTOG, and I look forward to updating the market once we have evaluated the workovers' impact.

Finally, concurrent with the technical study ongoing with the 3D seismic review, we have also initiated a second technical study in the Fouke area to provide pressure support. The Fouke 1 and 2 are still producing water-free and appear to be some distance from an active aquifer. The high volumes these wells have produced has reduced the reservoir pressure locally, and these wells are expected to benefit from additional water injection to increase reservoir pressure. This study aims to determine how best to increase the reservoir pressure locally and how much this will increase production rates and, ultimately, the reserve base.

I also wish to sincerely thank our shareholders for their continued support. I look forward to updating you as we continue to grow our Company.

### Paul Welch

Chief Executive Officer

19 September 2024

For further information, visit [www.ntog.co.uk](http://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 2024

	Note	<i>Unaudited</i> Six months to 30 June 2024 \$'000	<i>Unaudited</i> Six months to 30 June 2023 \$'000	<i>Audited</i> Year to 31 December 2023 \$'000
<b>Revenue</b>		938	1,472	2,816
<b>Cost of sales</b>				
Production Costs		(708)	(647)	(1,408)
Depletion, depreciation, amortisation		(290)	(295)	(617)
<b>Total cost of sales</b>		<b>(998)</b>	<b>(942)</b>	<b>(2,025)</b>
<b>GROSS (LOSS)/PROFIT</b>		<b>(60)</b>	<b>530</b>	<b>791</b>
Share based payment		(20)	(40)	(41)
Administrative expenses		(532)	(319)	(870)
Foreign exchange (loss)/gain		(7)	(5)	(6)
<b>OPERATING (LOSS)/PROFIT</b>		<b>(619)</b>	<b>176</b>	<b>(126)</b>
Finance costs		(179)	(138)	(368)
Other income		6	10	22
<b>(LOSS)/PROFIT BEFORE TAX</b>		<b>(792)</b>	<b>48</b>	<b>(472)</b>
Income tax		-	-	-
<b>(LOSS)/PROFIT FOR THE PERIOD</b>		<b>(792)</b>	<b>48</b>	<b>(472)</b>
<b>Attributed to:</b>				
<b>Owners of the company</b>		<b>(792)</b>	<b>48</b>	<b>(472)</b>
<b>Earnings per share expressed in cents per share:</b>				
<b>Continued Operations</b>				
<b>Basic (cents per share)</b>	<b>3</b>	(0.08)	0.006	(0.06)
<b>Diluted (cents per share)</b>	<b>3</b>	(0.08)	0.005	(0.06)

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 2024

	<i>Unaudited</i> Six months to 30 June 2024 \$'000	<i>Unaudited</i> Six months to 30 June 2023 \$'000	<i>Audited</i> Year to 31 December 2023 \$'000
<b>(LOSS)/PROFIT FOR THE PERIOD</b>	(792)	48	(472)
<b>Other comprehensive income:</b>			
Currency translation differences	-	-	-
<b>Total comprehensive income for the period</b>	(792)	48	(472)
Total comprehensive income attributable to:			
Owners of the company	(792)	48	(472)

## Nostra Terra Oil and Gas Company plc

### Consolidated Statement of Financial Position as at 30 June 2024

Note	<i>Unaudited</i> As at 30 June 2024 \$'000	<i>Unaudited</i> As at 30 June 2023 \$'000	<i>Audited</i> As at 31 December 2023 \$'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
	2,259	2,519	2,389
	1,062	1,215	1,230
	<b>3,321</b>	<b>3,734</b>	<b>3,619</b>
<b>Current assets</b>			
	687	571	548
	11	64	28
	52	125	26
	<b>750</b>	<b>760</b>	<b>602</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
	1,176	761	924
	85	164	110
	<b>1,261</b>	<b>925</b>	<b>1,034</b>
<b>NET CURRENT LIABILITIES</b>	<b>(511)</b>	<b>(165)</b>	<b>(432)</b>
<b>Non-current liabilities</b>			
	405	361	382
	4,319	4,203	4,319
	<b>4,724</b>	<b>4,564</b>	<b>4,701</b>
<b>NET LIABILITIES</b>	<b>(1,914)</b>	<b>(995)</b>	<b>(1,514)</b>
<b>EQUITY AND RESERVES</b>			
	8,492	8,142	8,142
	22,130	22,115	22,115
	(676)	(676)	(676)
	491	463	464
	(32,351)	(31,039)	(31,559)
	<b>(1,914)</b>	<b>(995)</b>	<b>(1,514)</b>

## Nostra Terra Oil and Gas Company plc

### Consolidated cash flow statement For the six months ended 30 June 2024

	<i>Unaudited</i> Six months to 30 June 2024	<i>Unaudited</i> Six months to 30 June 2023	<i>Audited</i> Year to 31 December 2023
	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>			
Operating income (loss) for the period	(792)	48	(473)
<b>Adjustments for:</b>			
Depreciation of property, plant and equipment	142	154	324
Amortisation of intangible assets	125	121	251
Depletion	23	21	42
(Profit)/Loss on disposal of Fixed Assets	11	-	-
(Profit)/Loss on disposal of Intangibles	65	-	-
Foreign exchange loss (gain)	7	(5)	6
Share based payment	20	40	41
Other Income	(6)	(10)	(22)
<b>Operating cash flows before movements in working capital</b>	<b>(405)</b>	<b>369</b>	<b>169</b>
(Increase) /decrease in receivables	(139)	(13)	19
Increase/(decrease) in payables	251	(295)	(89)
Increase/(decrease) in deposits and prepayments	17	2	38
Interest paid	179	138	369
<b>Net cash (used)/generated by operations</b>	<b>(97)</b>	<b>201</b>	<b>506</b>
<b>Cash flows from investing activities</b>			
Purchase of intangible assets	(25)	(416)	(416)
Purchase of plant and equipment	(76)	(64)	(248)
Disposals	56	2	2
Increase in decommissioning liabilities	-	21	42
<b>Net cash from investing activities</b>	<b>(45)</b>	<b>(457)</b>	<b>(620)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issued share capital	372	-	-
Net borrowing	(25)	387	377
Finance costs	(179)	(138)	(369)
<b>Net cash from financing activities</b>	<b>168</b>	<b>249</b>	<b>8</b>
Increase/(decrease) in cash and cash equivalents	<b>26</b>	<b>(7)</b>	<b>(106)</b>
Cash and cash equivalents at the beginning of the period	26	132	132
<b>Cash and cash equivalents at the end of the period</b>	<b>52</b>	<b>125</b>	<b>26</b>



## Nostra Terra Oil and Gas Company plc

### Consolidated Statement of Changes in Equity For the six months ended 30 June 2024

	Share capital \$'000	Deferred shares \$'000	Share premium \$'000	Share option reserve \$'000	Translation reserve \$'000	Retained losses \$'000	Total \$'000
<b>As at 1 January 2024</b>	<b>1,593</b>	<b>6,549</b>	<b>22,115</b>	<b>464</b>	<b>(676)</b>	<b>(31,559)</b>	<b>(1,514)</b>
loss for the period	-	-	-	-	-	(792)	(792)
Shares issued, net of expenses	350	-	22	-	-	-	372
Cost of warrants issued	-	-	(7)	7	-	-	-
Share based payments	-	-	-	20	-	-	20
<b>As at 30 June 2024</b>	<b>1,943</b>	<b>6,549</b>	<b>22,130</b>	<b>491</b>	<b>(676)</b>	<b>(32,351)</b>	<b>(1,914)</b>

	Share capital \$'000	Deferred shares \$'000	Share premium \$'000	Share option reserve \$'000	Translation reserve \$'000	Retained losses \$'000	Total \$'000
<b>As at 1 January 2023</b>	<b>1,593</b>	<b>6,549</b>	<b>22,115</b>	<b>423</b>	<b>(676)</b>	<b>(31,087)</b>	<b>(1,083)</b>
Income for the period	-	-	-	-	-	48	48
Share based payments	-	-	-	40	-	-	40
<b>As at 30 June 2023</b>	<b>1,593</b>	<b>6,549</b>	<b>22,115</b>	<b>463</b>	<b>(676)</b>	<b>(31,039)</b>	<b>(995)</b>

	Share capital \$'000	Deferred shares \$'000	Share premium \$'000	Share option reserve \$'000	Translation reserve \$'000	Retained losses \$'000	Total \$'000
<b>As at 1 January 2023</b>	<b>1,593</b>	<b>6,549</b>	<b>22,115</b>	<b>423</b>	<b>(676)</b>	<b>(31,087)</b>	<b>(1,083)</b>
Loss for the year	-	-	-	-	-	(472)	(472)
Shares issued, net of expenses	-	-	-	-	-	-	-
Expired options & warrants	-	-	-	-	-	-	-
Share based payments	-	-	-	41	-	-	41
<b>As at 31 December 2023</b>	<b>1,593</b>	<b>6,549</b>	<b>22,115</b>	<b>464</b>	<b>(676)</b>	<b>(31,559)</b>	<b>(1,514)</b>

# Nostra Terra Oil and Gas Company plc

## Notes to the interim report For the six months ended 30 June 2024

### 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 2024 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 2023 and that are expected to be applied in the Group's Annual Report and Accounts for the year ended 31 December 2024. They do not include all of the information required for the full financial statements and should be read in conjunction with the 2023 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 2023 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 2023 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.

### 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 2024	<i>Unaudited</i> Six months to 30 June 2023	<i>Audited</i> Year to 31 December 2023
(Loss)/earnings per ordinary shareholders (\$000)	(792)	48	(472)
Weighted average number of ordinary shares	1,006,410,644	746,520,534	746,520,534
Basic (cents per share)	(0.08)	0.006	(0.06)
Diluted (cents per share)	(0.08)	0.005	(0.06)

### 4. Share Capital

The issued share capital as at 30 June 2024 was 1,021,520,534 ordinary shares of 0.1p each (31 December 2023: 746,520,534; 30 June 2023: 746,520,534).

## **5. Subsequent events**

On 17 July 2024, following approval at general meeting, the company announced the subdivision of ordinary shares of £0.001 each into one Deferred Share of £0.0009 and one Ordinary Share of £0.0001 each.

On 29 July 2024, the company raised £450,000 (before expenses) through a placing and subscription of 1,499,999,998 new ordinary shares.

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