28 September 2012

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

Interim results for the six month period ended 30 June 2012

Highlights:

- 69% increase in revenue to £162k (2011: £96k)
- 280% increase in gross profit to £57k (2011 £15k)
- Acquisition of 10% working interest in Warrior Prospect (Oklahoma)
- First Warrior well (Oklahoma) brought into production, second well being planned and permitted
- Initial Verde well (Colorado) reached payout in 9 months
- First and second Bale Creek wells (Oklahoma) drilled and in evaluation process
- Began foreclosure and enforcement proceedings re $1.3m US “Richfield Note”
- New $3m loan facility secured

Post Balance Sheet highlights:

- Acquisition of varying working interests in Chisholm Trail Prospect (Oklahoma) of 5%, 10% and 20%
- Drilling kicked-off on Chisholm Trail Prospect, 2 wells currently being drilled
- Placings of £870,000 and £200,000
- Second development well in Verde Prospect reached Total Depth and now being completed

Chairman’s statement

During the six months to 30 June 2012, Nostra Terra has continued to build its asset base within established hydrocarbon regions of the US.

Our horizontal drilling programs in Oklahoma were expanded with the acquisition of two further programs. These are in addition to the first horizontal program already announced and drilled in Oklahoma this year. During the remainder of 2012, we will continue to upgrade our portfolio while growing both our revenue stream and our reserves as more and more development wells are drilled.

As previously announced, a US$1.3 million secured loan note (“Note”) due from Richfield Oil and Gas Company is now in default. The Note is secured on both producing and non-producing assets. The Company is now in the process of collection and foreclosure of assets.

With the raise of £1,070,000 in September 2012, our existing operations are funded and we have facilities available to take advantage of attractive acquisitions. Consequently, I believe we are well positioned, both financially and technically, to identify and capture many more value-adding growth opportunities within our focus areas.

I would like to end by thanking all our shareholders for their continuing loyalty to Nostra Terra, and we look forward to advising you of further progress and milestones in the months ahead.

Sir Adrian Blennerhassett
Chairman

28 September 2012

Chief Executive's report

Operational Overview

Throughout the first half of 2012, Nostra Terra accelerated building its portfolio of oil and gas assets within established producing regions of the US. Our approach is to target and produce "new oil from old fields" from use of modern technology: 3-D seismic, horizontal drilling, and hydraulic fracturing (fraccing).

Our focus has been to participate in prospects that offer the opportunity to drill and produce numerous "de-risked" development locations quickly after the initial well. The approach is now paying off as an increasing number of development locations are being drilled in addition to the initial wells of our new prospects.

We drilled the first well on the Bale Creek Prospect (Oklahoma) this year, where we have a 30% Working Interest (WI). Following acquisition of 3-D seismic, a pilot well was drilled which served the dual purposes of first providing a suite of evaluation logs and ,second, a saltwater disposal well (SWD) to serve all potential production wells on the prospect. Two targeted wells were then drilled, one horizontal and one vertical. Both wells produced oil in swab testing. While the first well (horizontal) was found to be abnormally low in pressure, the second is under continued evaluation. A third location has been permitted and will be spudded within the next several weeks.

In January, we acquired a 10% WI in the Warrior Prospect, operated by Crown Energy. This is our second project located in Oklahoma that concentrates on applying horizontal technologies in under-produced areas. The asset is in an area of stacked-pay reservoirs with several potential locations on the prospect. The first well was drilled and put into production and the production facility was designed to accommodate additional wells. Improvements in the well design have been made and will be implemented in the second location. That location is now being permitted and prepared with drilling planned during 2013.

Nostra Terra revealed in September that it has also entered into an agreement with Ward Petroleum for the Chisholm Trail Project which is our third, multi-well horizontal drilling project in Oklahoma this year. The prospect area is large in size and a leasing program is on-going. Nearby drilling has resulted in several wells that produce in excess of 200boepd after the first 30 days of "flush" production. Nostra Terra owns a 20% net interest in this active program within which Working Interests in the individual wells vary between 5%, 10% and 20%. The wells in which Nostra Terra will own 5% and 20% working interests, respectively, are anticipated to start drilling later this year. With results from neighbouring wells, we anticipate this prospect also has the potential to deliver rapid payouts with continued strong production levels.

Two additional wells with working interests of between 0.08% and 0.47% in the project have already been spudded and will also be completed in Q4 of 2012. Success in the area is expected to lead to a proposal for more de-risked locations.

Our first vertical well in the Verde Prospect in Colorado yielded outstanding results by reaching pay-out within the first nine months of continuous production. The second development well location based on 3D seismic was evaluated, drilled and completed last week. We expect that it will yield similar results to the first and to be on production within the coming weeks. Results will be announced as the well reaches stabilized production. Nostra Terra owns a 16.25% WI in this prospect.

Throughout the year we've been generating our own prospects and continue to transition towards larger investments in entire prospective plays. Our goal is to take on overall control of our own destiny through generating, drilling, and operating our own prospects.

With this in mind, initial work has been focused on an area in Oklahoma where there are stacked-pay reservoirs and ample service companies. The focus during the first half of the year has been on acquiring and interrupting 3-D seismic data. The data has been acquired and interpreted in three different phases and initial prospects have now been identified.

In Kansas we performed a series of tests on the wells on the Bloom Prospect during the first half of the year. This caused a temporary drop in production levels leading to the upgrading of some of the pumping equipment and production rates have returned to previous levels. With stabilized production levels this prospect continues to provide solid cash flow.

January to July 2012 Net Production

Prospect	State	Operator Status	H1 2012 net production (boe)	Working Interest (WI)	No. of Wells (June 2011)	No. of Wells (June 2012)	Potential Locations
Bloom	Kansas	Operator	1894	100%	3	3	-
Vintage Hills	Texas	Non-op	10	1%	1	1	3
Nesbitt	Texas	Non-op	67	3%	1	1	3
Verde	Colorado	Non-op	1365	16%	0	1	4
Warrior	Oklahoma	Non-op	180	10%	0	1	6
Bale Creek	Oklahoma	Non-op	0	30%	0	2	7
Chisholm Trail	Oklahoma	Non-op	0	20%	0	0	5+
Total			3516		5	9	28+

In February 2012 Hewitt Petroleum, Inc., now Richfield Oil and Gas (Richfield), was in default of the US$1.3 million secured note. Nostra Terra has begun collection of the note through foreclosure of the secured assets. While this process is underway, the principal amount of the note continues to accrue interest at the rate of 10% per annum. In addition, Richfield is responsible for all legal fees related to the collection thereof.

Financial Overview

During the interim period, revenues rose 69% to £162k (2011: £96k) while gross profits showed a 280% increase rising to £57k. The increase in revenue is due to increased production levels. The increase in gross profit is due in part to operational efficiencies achieved on Bloom after taking over operations from HPI (now Richfield). Administrative costs of £330k were up 30% on the same period last year resulting in an Interim loss before taxation: £356,000 (2011: £221,000). The increase in administrative costs reflects additional investor relation fees, legal fees on the recovery of the Richfield Note and increased travel costs due to the higher level of activity.

The Company's cash position at 30 June 2012 was £744,000 (2011: £110,000).

Funding

At the beginning of May 2012, we entered into a loan facility of up to US $3 million (the "Loan Facility"), with YA Global Master SPV Ltd ("YA Global"), an investment fund managed by Yorkville Advisors LLC. The initial advance on the loan facility was US$1 million ("Initial Advance") and the Company may request further advances of up to US$2 million. The Loan Facility is subject to interest at a rate of 10% per annum and is for a term of 360 days. The Loan Facility is supported by the Standby Equity Distribution Agreement ("SEDA") between Nostra Terra and YA Global announced on 7 September 2011.

On 6 September we successfully raised £870,000 before expenses by way of a placing of 241,666,667 new shares at 0.36 pence per share, enabling us to support the development of the Chisholm Trial Prospect and other work in the field. In order to support additional institutional demand, on 27 September we raised an additional £200,000 before expenses by way of a placing of 55,555,556 new shares at 0.36 pence per share. The proceeds will help accelerate the drilling campaign in Oklahoma with an additional well at the Chisholm Trail project and another at the Bale Creek project.

We continue to identify abundant opportunities to upgrade our portfolio. Having the SEDA and P-note at our disposal increases our flexibility in financing further acquisitions.

Matt Lofgran
Chief Executive Officer

28 September 2012

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

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Nostra Terra Oil and Gas Company plc

Statement of comprehensive income
for the six months ended 30 June 2012

	Note	Six months to 30 June 2012 Unaudited £'000s	Six months to 30 June 2011 Unaudited £'000s	Year to 31 December 2011 Audited £'000s
Revenue		162	96	244
Cost of sales		(105)	(81)	(370)
Gross profit/(loss)		57	15	(126)
Administrative expenses		(330)	(253)	(933)
Operating loss		(273)	(238)	(1,059)
Interest received		45	17	63
Finance costs		(128)	-	-
Loss before tax		(356)	(221)	(996)
Income tax (charges)/recovery		-	-	-
Loss for the financial period		(356)	(221)	(996)
Other comprehensive income/(cost)				
Translation difference		(37)	(119)	(-)
Total comprehensive deficit for the financial period		(393)	(340)	(996)
Loss per share				
Attributed to:				
Equity holders of the company		Pence	Pence	Pence
Basic and diluted	**2**	(0.018p)	(0.014p)	(0.056p)

The Company'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

Statement of financial position as at 30 June 2012

	Note	As at 30 June 2012 Unaudited £'000s	As at 30 June 2011 Unaudited £'000s	As at 31 December 2011 Audited £'000s
Assets				
Non-current assets				
Other intangibles		2,421	1,519	1,221
Property, plant and equipment		385	203	220
		2,806	1,722	1,441
Current assets				
Trade and other receivables		984	849	974
Deposits and prepayments		16	-	11
Cash and cash equivalents		744	110	1,457
		1,744	959	2,442
Current liabilities				
Trade and other payables		262	109	57
		262	109	57
Net current assets		1482	850	2,385
Non-current liabilities				
Other loans	**5**	1,005	354	368
Net assets		3,283	2,218	3,458
Equity				
Capital and reserves				
Share capital		2,168	1,613	1,950
Share premium account		8,401	6,842	8,401
Translation reserve		12	(107)	12
Accumulative deficit		(7,298)	(6,130)	(6,905)
Total equity		3,283	2,218	3,458

Nostra Terra Oil and Gas Company plc

Cash flow statement
for the six months ended 30 June 2012

	Note	Six months to 30 June 2012 Unaudited	Six months to 30 June 2011 Unaudited	Year to 31 December 2011 Audited
		£'000	£'000	£'000
Cash flows from operating activities	**3**			
Cash generated/(consumed) by operations		(174)	(411)	(1,223)
Net cash outflow from operating activities		(174)	(411)	(1,223)
Cash flows from investing activities				
Sale/(purchases) of plant and equipment		(184)	47	(8)
Purchase of intangibles - new oil properties		(1,210)	(309)	9
Net cash from investing activities		(1,394)	(262)	1
Cash flows from financing activities				
Proceeds on issue of shares		218	63	1,959
Proceeds from loans		637	-	-
Net cash from financing activities		855	63	1,959
Increase/(decrease) in cash and cash equivalents		(713)	(610)	737
Cash and cash equivalents at the beginning of the period		1,457	720	720
Bank balances and cash		744	110	1,457

Nostra Terra Oil and Gas Company plc

Consolidated statement of changes in equity
for the six months ended 30 June 2012

	As at 30 June 2012 £'000	As at 30 June 2011 £'000	As at 31 December 2011 £'000
As at beginning of period	3,458	2,495	2,495
Deficit for the period	(393)	(340)	(996)
Issue of share capital net of expenses	218	63	1,959
As at end of period	3,283	2,218	3,458

Nostra Terra Oil and Gas Company plc

Notes to the interim report
for the six months ended 30 June 2012

1. Nature of financial information

These interim results have been prepared in accordance with International Financial Reporting Standards and on the historical cost basis, using generally recognised accounting principles and using the accounting policies which are consistent with those set out in the Company's annual report and accounts for the year to 31 December 2011.

As at that date of authorisation of these financial statements, the following Standards and Interpretations, have been issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC), but are not yet effective and, therefore, have not been adopted by the Company:

Standards

IFRS 9 - Financial Instruments (Issued Nov 2009)
IFRS10 - Consolidated Financial Statements (Issued May 2011)
IFRS 11 - Joint Arrangements (Issued May 2011)
IFRS 12 - Disclosures of Interests in Other Entities (Issued May 2011)
IFRS 13 - Fair Value Measurement (Issued May 2011)
IAS1 – Presentation of items of other Comprehensive Income – Amendments to IAS 1 (Issued June 2011)
IAS 19 – Employee Benefits (Issued June 2011)
IAS 27 - Separate Financial Statements (Issued May 2011)
IAS 28 - Investments in Associates and Joint Ventures (Issued May 2011)

The unaudited results for period ended 30 June 2012 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 2011 are extracted from the statutory financial statements which have been filed with the Registrar of Companies and which contain an unqualified audit report, did not draw attention to any matters by way of an emphasis of matter paragraph 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 Finsgate, 5-7 Cranwood Street, London EC1V 9EE. The interim statement will also be available on the Company's website www.ntog.co.uk.

2. Loss per share

	Six months to 30 June 2012 Unaudited	Six months to 30 June 2011 Unaudited	Year to 31 December 2011 Audited
Loss per ordinary share			
Basic and diluted	(0.018p)	(0.014p)	(0.056p)

The loss per ordinary share is based on the Company's loss for the period of £356,000 (30 June 2011 - £221,000; 31 December 2011 - £996,000) and basic weighted average number of shares in issue of 1,951,297,522 (30 June 2011- 1,596,425,583; 31 December 2011- 1,777,379,579).

Given the Company's loss for the period, the diluted loss per share is the same as the basic loss per share.

3. Reconciliation of operating loss to net cash outflow from operating activities.

	Six months to 30 June 2012 Unaudited	Six months to 30 June 2011 Unaudited	Year to 31 December 2011 Audited
	£'000s	£'000s	£'000s
Loss for the period	(393)	(340)	(996)
Adjustments for:			
Depreciation of property, plant and equipment	19	11	34
Amortisation of intangibles	10	1	2
(Increase)/decrease in receivables	(10)	(55)	(180)
(Decrease)/increase in payables	205	(67)	(119)
(Increase) in deposits and prepayments	(5)		(11)
Foreign exchange losses	0	39	47
Net cash from operating activities	(174)	(411)	(1,223)

5. Other Loans

The long-term creditors represent £364,233 relating to unsecured and interest-free loan notes issued by Nostra Terra (Overseas) Limited ("NTOL") on 25 May 2007 which are due for repayment on or before 30 November 2012 with no contingency based on the cash flow from NTOL's Ukrainian assets.

The remaining £640,300 included within other loans represents the initial advance on the loan facility entered with YA Global in May 2012. The loan facility is subject to interest at a rate of 10% per annum, is for a term of 360 days and is supported by the SEDA between Nostra Terra and YA Global.

6. Share Capital

The issued share capital as at 30 June 2012 was 2,167,943,091 ordinary shares of 1p each and as at 30 June 11 was 1,605,885,113 and 31 Dec 201 was 1,549,600,583 ordinary shares of 1p each respectively.

On 29 June 2012, Matt Lofgran, Chief Executive Officer of Nostra Terra, exercised 217,842,506 Warrants to subscribe for new ordinary 0.1p shares in the Company at a price of 0.1p per share for a total consideration of £217,843.

On 25 January 2012, the Company has granted options to directors over 38,000,000 new ordinary shares of 0.1p each. The options have an exercise price of 0.41p, the closing middle market price of the shares as at 24 January 2012, and have an expire on 25 January 2017.

None of the options above have been exercised and all remain outstanding at the period end. The fair value of the options granted during the period has been calculated using the Black Scholes model assuming the inputs shown below:

Grant date	January 2012

Share price at grant date	0.41p
Exercise price	0.41p
Expected option life in years	5
Risk free interest rate	4%
Expected volatility	10%
Expected dividend yield	0%
Fair value of option	0.05p

Volatility has been estimated by taking the historic volatility in the Company's share price over two years.

7. Post Balance Sheet Events

On 19 July 2012, the Board agreed, in accordance with the Company's ongoing executive incentivisation scheme, to award performance-related options to the Company's CEO, Matt Lofgran, and COO, Alden McCall. Matt Lofgran has been granted 20,000,000 options and Alden McCall has been granted 50,000,000 options, with vesting subject to performance criteria during the next 12 months. A further 50,000,000 options have also granted to each with vesting subject to performance criteria during the subsequent 12 months.

On 29 August 2012, the Company entered into an agreement with Ward Petroleum Corporation to acquire 20% working interest in the Chisholm Trail Prospect, located in Oklahoma.

On 6 September, we successfully raised £870,000 before expenses by way of a placing of 241,666,667 new shares at 0.36 pence per share, enabling us to support the development of the Chisholm Trial Prospect and other work in the field.

On 27 September 2012, the Company raised £200,000 before expenses by way of a placing of 55,555,556 new ordinary shares at 0.36 pence per share in order to support additional institutional demand.