28 September 2011

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

Interim results for the six months ended 30 June 2011

Highlights

- Successful settlement agreement with HPI
- 100% interest and operatorship in Bloom property in Kansas
- Substantial interests acquired in Colorado and Oklahoma, plus two smaller interests in Texas
- Interim loss before taxation: £221,000 (2010: £178,000)
- Loss per share for the interim period: 0.014p (2010: 0.011p)

Chairman's statement

During the six months to 30 June 2011, Nostra Terra has continued to build its asset base within established hydrocarbon regions of the US. I believe that we are now in a position to show strong revenue and asset growth.

After negotiations that began in the second half of 2010, the Company reached an agreement in May this year with Hewitt Petroleum, Inc, the operator of our assets in Kansas, to end our relationship. We believe the terms of this agreement, which were outlined in detail in our last annual report and are briefly summarised in the Chief Executive's review, put us in a much stronger position to pursue our growth strategy.

We are now looking to scale up our pipeline of quality projects - selectively and substantially - and to grow both our revenue stream and our reserves.

In January we acquired small interests in two additional horizontal plays in Texas targeting compartmentalised reservoirs of oil and gas that were overlooked or under produced when the original vertical wells were drilled. Both of these wells proved successful, and are currently in production.

By the end of the interim period, we had acquired larger interests in two promising multi-well projects; a 16.25% working interest in the Verde Prospect in Colorado, and a 30% working interest in the Bale Creek prospect in Oklahoma.

During the remainder of 2011, we intend to continue to build and upgrade our asset base. Our existing operations are now fully funded with the raise of £2m in July. We also have facilities to fund further 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 2011

Chief Executive's report

Operational Overview

During the first half of 2011, Nostra Terra made considerable progress in building its portfolio of oil and gas assets within established producing regions of the US.

Results from the three wells in which we acquired small working interests during 2010 and the early part of 2011 have been very encouraging and validate our strategy of pursuing rapid growth by applying advanced exploration and production technologies in order to target and win "new oil from old fields".

On the strength of these successes, we are now focused on identifying, screening and acquiring larger percentage interests and acreage holdings, with the objective of substantially increasing the scale of our activities and revenues.

Perhaps the key development in relation to the Company's ability to accelerate its growth strategy was the completion of the agreement in May this year to end our relationship with Hewitt Petroleum, Inc. and related entities (the "HPI Entities").

As detailed in our annual report, Nostra Terra has now assumed full ownership and operatorship of the producing Bloom Property in Kansas, while assigning its interests in other HPI-operated assets and in the Liberty #1 well to the HPI Entities. Other terms of the agreement include:

1. a US$1.3 million note issued to Nostra Terra and secured by other assets of the HPI Entities, which will mature on 31 December 2011 and accrues interest at 10% per annum; and

2. in the expectation that HPI's successor, Richfield Oil & Gas Company, will become publicly traded, Nostra Terra has a warrant to subscribe for up to 6 million shares of Richfield common stock with an aggregate exercise price of US$1.5 million at a strike price of US$0.25 per share, expiring one year after the shares are admitted to trading on either the Toronto Stock Exchange or the TSX Venture Exchange.

In January, we acquired small interests in two properties operated by New Century Exploration, Inc. The first was a 1% interest in the Vintage Hills Prospect Unit, located within the Giddings Field in Texas. The second was a 3% interest in the Nesbitt Prospect Unit, located in the Woodlawn Field, Texas.

The first horizontal well on the Vintage Hills Unit, Agnello #1, was drilled in January to target one of four separate oil-bearing Austin Chalk reservoirs. The well is currently producing approximately 53 barrels of oil equivalent per day (boepd) gross.

In the Nesbitt unit, the first of potentially three horizontal wells was spudded in March targeting the Middle Pettet Limestone. It is currently producing at an average rate of approximately 26 boepd gross.

In June, we completed two agreements to acquire significantly larger interests in substantial properties with multi-pay potential.

The first of these is a 16.25% working interest in the Verde Prospect Unit, which covers 636 acres in south-eastern Colorado. The initial well was drilled in August into the Mississippian formation to a total vertical depth of 5,300 feet. Electric logs and samples taken during drilling showed encouraging indications of hydrocarbons. The well has now been completed and is showing encouraging levels of production.

Also in June, we announced the acquisition of a 30% working interest in the Bale Creek Prospect Unit in Oklahoma. The acreage is located within a very prolific oil system that is proven to be productive from multiple, stacked-pay reservoirs.

Phase I of the Bale Creek development plan involves acquisition and interpretation of proprietary 2D and 3D seismic data, followed by drilling a pilot hole to determine the most promising of the multiple potentially productive zones within the acreage, and finally drilling of three horizontal wells and construction of production and transmission facilities. The first well is targeted for spudding in the fourth quarter of 2011.

Phase II will include up to four more horizontal wells and additional production facilities. The final determination on moving to Phase II is expected to be made by mid-2012.

As we are now pursuing larger interests and expanding our project pipeline, we were happy to accept an offer in August to dispose of our 2% interest in the Austin Chalk re-entry well in Lee County, Texas, which we acquired in June 2010. Nostra Terra paid US$17,800 for its share of the re-entry costs and received US$18,600 from the sale of its share, after also receiving net revenues during the period of ownership of more than US$34,000.

Financial Overview

The results for the six months ended 30 June 2011 show a pre-tax loss of £221,000 (2010: £178,000) on a turnover of £96,000. The Company's cash position at 30 June 2011 was £110,000 (2010: £720,000).

Funding

At the end June 2011, we successfully raised £2 million before expenses by way of a placing of 333,333,335 new shares at 0.6 pence per share, enabling us to accelerate the pace of our growth activities. These funds were received after the interim period on 1 July 2011,

In September, we took a further significant step to increase our financial flexibility by entering into a Standby Equity Distribution Agreement ("SEDA") with YA Global Master SPV Ltd. ("YA Global"). Under this agreement, YA Global has committed to subscribe, if requested by the Company, for up to £5 million of ordinary shares over a period of three years. The shares will be priced at 96% of the lower of the daily volume weighted average prices during the 10-day pricing period following a draw down request, or at a price agreed in writing between the two parties prior to the commencement of the pricing period. Nostra Terra also has the right to set a minimum acceptable price for each draw down, and to increase the commitment amount to £10 million at any time during the three-year term of the SEDA.

This agreement demonstrates our commitment to building a larger, more profitable oil and gas company, and provides another strategic option that can help us to achieve that goal rapidly and competitively.

We continue to identify abundant opportunities to grow and upgrade our asset base. While most of these are within our existing financial resources, we wanted to ensure that we are able to enter negotiations on a wide range of potential acquisitions in the strongest possible position. We believe the SEDA, combined with the fact that we are debt-free and fully funded on our current projects, provides further evidence of Nostra Terra's flexibility and resourcefulness in securing the most attractive deals that will add maximum value for our shareholders.

Matt Lofgran
Chief Executive Officer

28 September 2011

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 2011

	Note	Six months to 30 June 2011 Unaudited £'000s	Six months to 30 June 2010 Unaudited £'000s	Year to 31 December 2010 Audited £'000s
Revenue		96	4	137
Cost of sales		(81)	-	(256)
Gross profit/(loss)		15	4	(119)
Administrative expenses		(253)	(182)	(472)
Operating loss		(238)	(178)	(591)
Other income		17	-	-
Loss before tax		(221)	(178)	(591)
Income tax (charges)/recovery		-	-	-
Loss for the financial period		(221)	(178)	(591)
Other comprehensive income/(cost)				
Translation difference		(119)	12	-
Total comprehensive deficit for the financial period		(340)	(166)	(591)
Loss per share				
Attributed to:				
Equity holders of the company		Pence	Pence	Pence
Basic and diluted	**2**	(0.014p)	(0.011p)	(0.038p)

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 2011

	Note	As at 30 June 2011 Unaudited £'000s	As at 30 June 2010 Unaudited £'000s	As at 31 December 2010 Audited £'000s
Assets				
Non-current assets				
Other intangibles		1,519	2,621	1,211
Property, plant and equipment		203	-	261
		1,722	2,621	1,472
Current assets				
Trade and other receivables		849	12	794
Cash and cash equivalents		110	932	720
		959	944	1,514
Current liabilities				
Trade and other payables		109	277	176
		109	277	176
Net current assets		850	667	1,338
Non-current liabilities				
Other loans	**5**	354	380	315
Net assets		2,218	2,908	2,495
Equity				
Capital and reserves				
Share capital		1,613	1,550	1,550
Share premium account		6,842	6,842	6,842
Translation reserve		(107)	-	12
Accumulative deficit		(6,130)	(5,484)	(5,909)
Total equity		2,218	2,908	2,495

Nostra Terra Oil and Gas Company plc

Cash flow statement
for the six months ended 30 June 2011

	Note	Six months to 30 June 2011 Unaudited	Six months to 30 June 2010 Unaudited	Year to 31 December 2010 Audited
		£'000	£'000	£'000
Cash flows from operating activities	**3**			
Cash generated/(consumed) by operations		(411)	(148)	(446)
Net cash outflow from operating activities		(411)	(148)	(446)
Cash flows from investing activities				
Sale/(purchases) of plant and equipment		47	-	(269)
Purchase of intangibles - new oil properties		(309)	(815)	(460)
Net cash from investing activities		(262)	(815)	(729)
Cash flows from financing activities				
Proceeds on issue of shares		63	-	-
Increase/(decrease) in cash and cash equivalents		(610)	(963)	(1,175)
Cash and cash equivalents at the beginning of the period		720	1,895	1,895
Bank balances and cash		110	932	720

Nostra Terra Oil and Gas Company plc

Consolidated statement of changes in equity
for the six months ended 30 June 2011

	As at 30 June 2011 £'000	As at 30 June 2010 £'000	As at 31 December 2010 £'000
As at beginning of period	2,495	3,086	3,086
Deficit for the period	(340)	(178)	(591)
Issue of share capital net of expenses	63	-	-
As at end of period	2,218	2,908	2,495

Nostra Terra Oil and Gas Company plc

Notes to the interim report
for the six months ended 30 June 2011

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 2010.

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)
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 2011 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 2010 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 2011 Unaudited	**Six months to 30 June 2010 Unaudited**	**Year to 31 December 2010 Audited**
Loss per ordinary share			
Basic and diluted	(0.014p)	(0.011p)	(0.038p)

The loss per ordinary share is based on the Company's loss for the period of £221,000 (30 June 2010 - £178,000; 31 December 2010 £591,000) and basic weighted average number of shares in issue of 1,596,425,583 (30 June 2010- 1,549,600,583; 31 December 2010- 1,549,600,583).

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

Nostra Terra Oil and Gas Company plc

Notes to the interim report
for the six months ended 30 June 2011

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

	Six months to 30 June 2011 Unaudited £'000s	Six months to 30 June 2010 Unaudited £'000s	Year to 31 December 2010 Audited £'000s
Loss for the period	(340)	(178)	(591)
Adjustments for:			
Depreciation of property, plant and equipment	11	-	12
Amortisation of intangibles	1	-	-
(Increase)/decrease in receivables	(55)	18	291
(Decrease)/increase in payables	(67)	(15)	(116)
Foreign exchange losses	39	27	(42)
Net cash from operating activities	(411)	(148)	(446)

4. Segmental analysis

In prior years, segment information reported externally was analysed on the basis of one class of business, being oil and gas exploration, development and production and the sale of hydrocarbons and related activities; and in only one geographical area, the Ukraine. However, information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is now more specifically focused on the different geographical location of the oil properties. The Group's reportable segments under IFRS 8 are therefore as follows:

Ukraine: a 25% profit share in the onshore Oktyabrskoe oil field in the Ukraine.

US mid-continent properties are located in the Central Kansas Uplift (CKU) and include the following:

(i) Hoffman: a 25% working interest in five production wells and one salt water disposal well on the Hoffman property, located within the Trapp field in Barton County and Russell County, Assigned to HPI entities.

(ii) Bloom: a 100% working interest in nine production wells and two salt water disposal wells on the Bloom property, located within the Chase-Silica field in Rice County, Kansas. The Company has assumed operatorship of the producing Bloom property.

(iii) Boxberger: a 50% working interest in 11 wells, including at least two salt water disposal wells, on the Boxberger property, located in Russell County, Kansas within the Gorham field. The Company is entitled to 75% of revenues until it has received 100% of its initial development costs from production revenues. Assigned to HPI entities.

(iv) Koelsch: a 50% working interest in two production wells and one salt water disposal well in the Koelsch property, located in Stafford County, Kansas. Property Assigned to HPI entities.

(v) Utah: a 7% working interest before payout and a 5% working interest after payout in the Liberty #1 exploratory well in Juab County, Utah. Property Assigned to HPI entities.

(vi) Texas: a 2% working interest in an Austin Chalk re-entry well in Lee County, Texas.

The chief operating decision maker internal report is based on the location of the oil properties as disclosed below.

Segment results - 30 June 2011	**US mid-continent 2010 £**	**Ukraine 2010 £**	**Head office 2010 £**	**Total 2010 £**
Revenue				
Total	113	-	-	113
Inter company	-	-	-	-
Revenue	113	-	-	113
Operating loss before depreciation, amortisation, share-based payment charges and restructuring costs:	(374)	22	(101)	(453)
Operating loss	(261)	22	(101)	(340)
Loss before taxation	(261)	22	(101)	(340)
Segment assets - 30 June 2011				
Intangible assets	1,519	-	-	1,519
Other assets	1,116	6	40	1,162
	2,635	6	40	2,681

5. Loan notes issued by Nostra Terra (Overseas) Limited

The long-term creditors represent 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.

6. Share Capital

The issued share capital as at 30 June 2011 was 1,612,100,583 ordinary shares of 1p each and as at 30 June 10 and 31 Dec 2010 were 1,549,600,583 ordinary shares of 1p each respectively.

On 17 January 2011, Matt Lofgran, Chief Executive Officer of Nostra Terra, exercised 62,500,000 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 £62,500.

7. Post Balance Sheet Event

On 1 July 2011, the company successfully raised £2,000,000 before expenses by way of a placing of 333,333,335 new ordinary shares of 0.1p each in the capital of the Company at 0.6 pence per new Ordinary Share. The Placing was undertaken with existing and new investors.