NEW WORLD OIL AND GAS PLC

Interim Report

For the six months ended 30 June 2015

Chairman's Statement

The oil industry as a whole continues to experience turbulent times and it appears too early to predict where oil prices might settle. The Company is not immune from the market situation, as seen by the challenges of finding new partners for our exploration projects, but our recent fundraising efforts have left us in a good position with no significant forward commitments. As a result the Company is well positioned to take advantage of new opportunities that may arise in the near future.

During the six months under review, our efforts were focused on raising funds and post period end, we were delighted to close the Placing and Open Offer having raised £3.5 million from new and existing investors. With this funding in place, we are now able to consider ways of moving New World forward.

The Board has been focussed on evaluating development paths for the Group's exploration projects in Belize and Denmark, as well as identifying additional projects, typically pre-production, production or oil field enhancement opportunities that may have the potential to generate cash flow and be value accretive for shareholders.

We recognise the need to reduce capital exposure for exploration plays in the current oil price environment and with this in mind have been in active discussions with farm-in partners in Belize and Denmark.

In Belize, where our 2013 drilling showed encouraging oil shows, discussions with potential interested partners are on-going. The Group's current intention is to drill a new well on the C Prospect at our Blue Creek Project with a farm-in partner. We have been active on the ground and identified a suitable well location and have outlined a drilling plan and cost analysis to enable the drill programme to commence quickly on the completion of negotiations with a farm-in partner and ahead of the Production Sharing Agreement ("PSA") termination date on 12 October 2015. Additionally, we are looking at alternatives to ensure we can maintain the Group's presence in Belize should a farm-in partner not be found before the PSA termination date, including possibly re-applying for the Blue Creek licence under a new PSA.

In Denmark, having been granted extensions to the work programmes for the Group's three licences in March until 15 September 2015 in order to allow us to conduct additional technical work together with the Group's partners, we have been in discussions with potential farm-in partners for our Danica Jutland and Danica Resources projects. The Board maintains its belief that there is significant prospectivity within these licences but in the current oil price environment does not believe that its existing funds would be best allocated to advance these projects without a farm-in partner. Accordingly, if farm-in discussions are not successful, the Board is likely to recommend relinquishing the licences and appropriate accounting provisions have been made.

In line with our strategy to bolster our existing portfolio, the Board, utilising its oil and gas expertise and network, has been actively evaluating projects that may have the potential to generate immediate or near-term cash-flow. Over the last six months we have looked at approximately seven projects that potentially fit this criteria. The Company continues to consider opportunities, including entering into non-binding letters of intent to permit the Company to evaluate projects in the oil field enhancement space. Having completed the Placing and Open Offer, we are now in a strong position to take these discussions further.

We recently announced our intention to hold a shareholder call on 17 September 2015, ahead of our planned 2015 Annual General Meeting. The Board welcomes the opportunity to start and maintain a constructive dialogue with all shareholders to help shape the strategy of New World going forward. We look forward to shareholder participation in this event, details of which will be provided shortly.

Outlook

With funding in place, a committed management team and potential new opportunities in addition to the Group's existing portfolio, we remain hopeful for the remainder of 2015 and the opportunities it will bring to us and our loyal shareholder base. We look forward to updating the market on our progress. I would like to take this opportunity to thank you all for your support and I look forward to delivering on our objectives in the year ahead.

Christopher Einchcomb 28 August 2015

Operations Report

There have been no significant developments on the operating side in the licences currently held by the Group in Belize and Denmark since the announcements for the 2014 year-end financials, and the Company's Placing and Open Offer circular dated 11 June 2015. The Company continues in its efforts to find farm-in partners for these licences.

Financial Review

As an exploration and development company with no current revenues, we are reporting a loss for the six months ended 30 June 2015 of US\$1,403,000 down from US\$1,934,000 in the corresponding period of 2014 and US\$1,209,000 (excluding impairment charges) compared to the last six months. As a result of the Placing and Open Offer that concluded in July 2015, the Company's cash position (as at closing of business on 28 August 2015), stands at approximately US\$4,479,266. The Board believes that this is sufficient working capital to enable the Company to start implementing its stated strategy.

The Board has already taken impairment charges on Belize (70%) and Denmark (92%) at the end of 2014. As of 30 June 2015, the Board determined it prudent to increase the Denmark reserve to 100% based on the 15 September 2015 expiration date of its Denmark licences. The Board will continue to review this issue given the current state of farm-out discussions.

The Company's cost containment and cash preservation initiatives remain a high priority with the Board. Accordingly, in March 2015, the Company began accruing, but not paying, Non-executive Directors fees, while the Executive Directors began applying all fees and remuneration against the outstanding Executive Director loans.

In addition, the Company is continuing its efforts to obtain reimbursement for the loan to the former CEO, as well as the Euro 1.0 million advanced to Dr. Moaaz Alfahaid of Kuwait as part of the Niel Petroleum - Al Maraam - New World agreement. It is the intention of the Company to use every means at its disposal to collect all or part of these debts in the near future.

The Board and executive management will continue not to draw salaries and accrue benefits until the Company's future is more secure and outstanding loans to the Company are redeemed. We are constantly managing fixed and variable costs and taking advantage of market conditions to find further cost reductions that are not detrimental to the business.

Georges Sztyk 28 August 2015

INDEPENDENT REVIEW REPORT TO NEW WORLD OIL AND GAS PLC

Introduction

We have been engaged by New World Oil and Gas Plc ("the Company") to review the interim consolidated financial statements for the six months ended 30 June 2015 comprising the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Cash Flows and related notes. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

This report is made solely to the Company in accordance with guidance contained in ISRE 2410 (UK and Ireland) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the conclusions we have formed.

Directors' Responsibilities

The interim financial report is the responsibility of, and has been approved by the Directors. The Directors are responsible for preparing the interim financial report in accordance with the rules of the London Stock Exchange Plc for companies trading securities on the AIM Market.

As disclosed in Note 1, the accounting policies are consistent with those adopted in the 2014 financial statements and that the Directors intend to use in the next financial statements. The interim financial statements included in this interim report have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as adopted by the European Union.

Our Responsibility

Our responsibility is to express to the Company a conclusion on the interim financial statements in the interim report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review we are not aware of any material modifications that should be made to the financial information as presented in the interim consolidated financial statements for the six months ended 30 June 2015.

CHAPMAN DAVIS LLP Chartered Accountants 2 Chapel Court London SE1 1HH

Consolidated Statement of Comprehensive Income For the 6 months ended 30 June 2015

	Note	\$'000 Six months ended 30 June 2015 (Unaudited)	\$'000 Six months ended June 2014 (Unaudited)	\$'000 Year ended 31 December 2014 (Audited)
Revenue		-	-	-
Impairment of intangible assets Administrative expenses Legal and professional costs		(550) (661) (200)	(1,682) (243)	(10,500) (2,665) (336)
Operating Loss Interest receivable Provision for losses on financial instrument Gain on contract settlement		(1,411) 8 -	(1,925) 12 (21)	(13,501) 24 (171) 1,939
Loss before Taxation Income tax		(1,403)	(1,934)	(11,709)
Loss for the period		(1,403)	(1,934)	(11,709)
Other comprehensive income:		-	-	
Total comprehensive loss for the period		(1,403)	(1,934)	(11,709)
Basic loss per share (expressed in cents)	2	(0.20)	(0.28)	(1.67)

Consolidated Statement of Financial Position

As at 30 June 2015

	Notes	\$'000 30 June 2015 (Unaudited)	\$'000 30 June 2014 (Unaudited)	\$'000 31 December 2014 (Audited)
ASSETS NON-CURRENT ASSETS Intangible assets – exploration expenditure Tangible assets – plant and equipment Other receivables	3	1,562 7 -	12,406 28 -	2,112 14 -
Total non-current assets		1,569	12,434	2,126
CURRENT ASSETS Inventories Trade and other receivables Cash and cash equivalents		- 415 296	70 2,526 2,876	50 517 1,144
Total current assets		711	5,472	1,711
TOTAL ASSETS		2,280	17,906	3,837
LIABILITIES Current liabilities Trade and other payables		(871)	(5,319)	(1,025)
Total current liabilities		(877)	(5,319)	(1,025)
NET CURRENT (LIABILITIES)/ASSETS		(160)	153	686
NET ASSETS		1,409	12,587	2,812
SHAREHOLDERS' EQUITY Share capital		_	_	-
Share premium		47,369 920	47,369	47,369
Share-based payment reserve Retained losses		(46,880)	920 (35,702)	920 (45,477)
TOTAL EQUITY		1,409	12,587	2,812 =====

Consolidated Statement of Cash Flows

For the 6 months ended 30 June 2015

	\$'000 Six months ended 30 June 2015 (Unaudited)	\$'000 Six months ended 30 June 2014 (Unaudited)	\$'000 Year ended 31 December 2014 (Audited)
Cash flows from operating activities Operating loss Depreciation Impairment of intangible assets Gain on contract settlement Decrease in receivables Decrease in payables Decrease in inventories	(1,411) 7 550 - 102 (154) 50	(1,925) 1 - 54 214 20	(13,501) 15 10,500 1,939 796 470 40
Net cash outflow from operating activities	(856)	(1,636)	259
Returns on investments and servicing of finance Interest received	8	12	24
Net cash inflow from returns on investments and servicing of finance	8	12	24
Investing activities Payments to acquire intangible assets Advance to Al-Maraam		(57) (1,368)	(263)
Net cash outflow from investing activities	-	(1,425)	(263)
Cash flows from financing activities Net conversion of financial instrument Niel Petroleum S.A. Advance		17 4,800	16
Net cash inflow from financing activities	-	4,817	16
Net decrease/(increase) in cash and cash equivalents	(848)	1,768	36
Cash and cash equivalents at beginning of period	1,144	1,108	1,108
Cash and cash equivalents at end of period	296 =====	2,876 =====	1,144

Consolidated Statement of Changes in Equity For the 6 months ended 30 June 2015

	Share premium	Share-based payment reserve	Retained loss		
	\$'000	\$'000	\$'000	Total \$'000	
Balance at 1 January 2014	47,369	920	(33,768)	14,521	
Total comprehensive loss for the period	-	-	(1,934)	(1,934)	
Transactions with owners in their capacity as owners	ers				
Shares issued Cost of shares issued	-	-	- -	-	
At 30 June 2014	47,369 =====	920	(35,702)	12,587	
Balance at 1 January 2014	47,369	920	(33,768)	14,521	
Total comprehensive loss for the period	-	-	(11,709)	(11,709)	
Transactions with owners in their capacity as owners	ers				
Shares issued Cost of shares issued Share-based payments	- - -	- - -	- - -	- - -	
At 31 December 2014	47,369 =====	920 =====	(45,477) =====	2,812 =====	
Balance at 1 January 2015	47,369	920	(45,477)	2,812	
Total comprehensive loss for the period	-	-	(1,403)	(1,403)	
Transactions with owners in their capacity as owners					
Shares issued Cost of shares issued	-	-	-	-	
At 30 June 2015	47,369 =====	920	(46,880) =====	1,409	

Notes to the Interim Report

1. PRINCIPAL ACCOUNTING POLICIES

Presentation of Interim results

This interim report was approved by the Directors on 28th August 2015. The results for the 6 months ended 30 June 2015 have not been audited, but were the subject of an independent review carried out by the Company's auditors, Chapman Davis LLP. Their review confirmed that the figures were prepared using applicable accounting policies and practices consistent with those adopted in the 2014 annual report and to be adopted in the 2015 annual report. The financial information contained in this interim report does not constitute statutory accounts as defined by the Companies (Jersey) Law 1991.

The interim accounts have been prepared under the historical cost convention in accordance with International Financial Reporting Standards as adopted by the European Union.

The Directors acknowledge their responsibility for the interim report and confirm that, to the best of their knowledge, the interim consolidated financial statements for the six months ended 30 June 2015 have been prepared in accordance with International Financial Reporting Standards, including IAS 34 "Interim Financial Statements", and complies with the listing requirements for companies trading securities on the AIM market. This interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual report for the year ended 31 December 2014.

The Directors are of the opinion that ongoing evaluations of the Company's interests indicate that preparation of the accounts on a going concern basis is appropriate.

2. LOSS PER SHARE

	\$'000 Six months ended 30 June 2015 (Unaudited)	\$'000 Six months ended 30 June 2014 (Unaudited)	\$'000 Year ended 31 December 2014 (Audited)
Loss for the period	(1,403)	(1,934)	(11,709)
Weighted average number of ordinary shares in issue - millions	703	703	703
Loss per share – basic (cents)	(0.20)	(0.28)	(1.67)

No diluted loss per share is presented as the effect of the exercise of outstanding warrants is to decrease the loss per share.

3. INTANGIBLE ASSETS – Exploration Expenditure

	\$'000
Carrying value at 1 January 2014	12,349
Additions in the six months ended 30 June 2014:	57
Carrying value at 30 June 2014	12,406
Carrying value at 1 January 2014	12,349
Additions in year to 31 December 2014:	263
Impairment charge	(10,500)
Carrying value at 31 December 2014:	2,112
Carrying value at 1 January 2015	2,112
Additions in the six months ended 30 June 2015:	-
Impairment charge	(550)
Carrying value at 30 June 2015	1,562

The Directors undertook an impairment review of the Group's intangible assets as at 30 June 2015 and determined it prudent to record a full impairment reserve of its Denmark intangible assets based on the 15 September 2015 expiration date of the Group's Denmark licenses.

4. REVENUE AND SEGMENTAL ANALYSIS

Segment information is presented in respect of the Group's management and internal reporting structure. The Group had no revenue during the year.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Operating and Geographical segments

The Group comprises the following operating segments:

Corporate – Parent company administrative costs, general business development and AIM related costs.

Exploration & development – costs in relation to the Group's direct oil and gas exploration operations.

Notes to the Interim Report continued

4. (Cont'd)

Six months ended 30 June 2015 Business Segments		Corporate	Exploration &	Total
		\$'000	development \$'000	\$'000
Result Loss for the period		(821) =====	(582)	(1,403)
Balance sheet Segment assets Segment liabilities		644 (863)	1,636 (8)	2,280 (871)
Net assets		(219)	1,628 =====	1,409 =====
Geographical segments	Denmark \$'000	Belize \$'000	Jersey \$'000	Total \$'000
Result				
Loss for the period	(568) =====	(14) =====	(821) =====	(1,403) =====
Balance Sheet				
Segment assets - Intangible	- 29	1,562 45	- 644	1,562 718
- Other Segment liabilities	(8)	45 -	(863)	(871)
Net assets	21 =====	1,607	(219)	1,409
Six months ended 30 June 2014 Business Segments		Corporate	Exploration &	Total
		\$'000	development \$'000	\$'000
Parault		*	*	*
Result Loss for the period		(1,934)	-	(1,934)
Balance sheet		=====	=====	=====
Segment assets Segment liabilities		5,430 (5,231)	12,476 (88)	17,906 (5,319)
Net assets		199	12,388	12,587
		=====	=====	=====

Notes to the Interim Report continued

4. (Cont'd)

Geographical Segments	Denmark \$'000	Belize \$'000	Jersey \$'000	Total \$'000
Result Loss for the period	-	-	(1,934) =====	(1,934) =====
Balance Sheet Segment assets - Intangible - Other Segment liabilities	7,471 61 (88)	4,935 92 -	5,347 (5,231)	12,406 5,500 (5,319)
Net assets	7,444 =====	5,027 =====	116 =====	12,587
Year ended 31 December 2014 Business Segments		Corporate \$'000	Exploration & development \$'000	Total \$'000
Result Loss for the period		(1,082) =====	(10,627) =====	(11,709)
Balance sheet Segment assets Segment liabilities		1,620 (832)	2,217 (193)	3,837 (1,025)
Net assets		788 =====	2,024 =====	2,812
Geographical Segments	Denmark \$'000	Belize \$'000	Jersey \$'000	Total \$'000
Result Loss for the period	(7,088) =====	(3,539)	(1,082) =====	(11,709)
Balance Sheet Segment assets - Intangible - Other Segment liabilities	550 46 (193)	1,562 59 -	1,620 (832)	2,112 1,725 (1,025)
Net assets	403	1,621	788 =====	2,812

5. EVENTS AFTER THE REPORTING DATE

On 11 June 2015, the Company announced its intention to raise up to £3.5 million (before expenses) by way of an Open Offer and Placing for up to 3.9 billion Open Offer Shares. On 7 July 2015 the Company announced that eligible shareholders exercised their Open Offer Entitlements for 581 million Open Offer Shares. Under the Placing Agreement, Cornhill Capital, as placing agent for the Company, has received Placing Commitments from certain persons for 3.3 billion Clawback Shares under the Placing, which were issued on 13 July 2015.

DIRECTORS, SECRETARY AND ADVISERS

Directors Petro Roman Sztyk (Executive Director and

Chief Executive Officer)

Georges Nicolas Sztyk (Finance Director) Stephen Polakoff (Non-Executive Director)

Roland Frederick Hodder (Non-Executive Director)

Christopher Charles Gilbert Einchcomb (Non-Executive Director

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