

**U.S. Oil and Gas Plc ("US Oil" or "the Company")**

**Unaudited Interim Results for the six month period to 31 March 2012**

**U.S Oil and Gas Plc (GXG: USOP), the oil and gas exploration company with exploration assets in Nevada, announces its unaudited Interim Results for the six month period to 31 March 2012.**

**Chairman's Statement**

As previously announced, in 2011 the Company completed the acquisition of data over its original lease area, identifying at least ten drilling targets raising \$7.35M to finance the first stage of its development programme.

A Competent Person's Report (CPR) from independent petroleum consultants Forrest A. Garb & Associates, Inc. (FGA) was prepared from data related to US Oil's original (pre-December 2011) lease area at Hot Creek Valley. Best Estimate (50% probability based on SPE-PRMS) of Gross Prospective Resources was 189 Million Stock Tank Barrels (MMSTB) with recoverable oil estimated at 67 MMSTB.

Through its wholly owned subsidiary, Major Oil International LLC, the Company successfully bid for an additional seven leases from the Bureau of Land Management bringing the total lease area under its control to 88 Sq KM.

During the six months to 31 March 2012 the Company was admitted to trading on the OTC platform operated by the GXG Markets UK. It also completed and cased its first well, Eblana #1. Preparations for drilling a follow up appraisal well, Eblana #2, were also completed,

During the six month period, Other Income amounted to \$18,111 (2011:\$570) from interest received. Administrative Expenses were \$576k (2011:\$157k). The increase in costs are mainly due to one-off costs associated with the suspension on PLUS Markets on August 23<sup>rd</sup> 2011. Other operational costs increased in line with drilling operations on the first well. Cash and Cash Equivalents amounted to \$5,269k (2011: \$289k) on 31 March 2012.

In June 2012, US Oil announced the first discovery of light sweet crude in Nevada for over 30 years when the company drilled its first well, Eblana #1, to a total depth of 8,550 feet. At least nine large potential oil reservoir intervals and associated high fracture zones were encountered with good porosity and hydrocarbon shows from multiple reservoir intervals.

Subsequent advanced well-log processing and interpretation have now been completed and production zones for perforation and testing have now been identified for flow testing. The downhole programme and its schedule has been agreed with the workover contractor.

In a recent announcement dated 13 August 2012, the Company has confirmed the production testing programme for its Eblana #1 well is expected to commence on 4 September 2012.

The planned work programme through December 2012 will comprise Phase I - the workover programme on Eblana #1, testing and production, the collection of data on the entire lease acreage, completion of the next development well and possible further appraisal wells, and the finalisation of the conceptual development plan. We will follow with Phase II – the implementation of the "Master Development Programme."

The Board believe that the additional funding raised on 26 July 2012 of circa \$1.4M together with the existing cash reserves provides sufficient funding to complete Phase I.

Finally, the Board would like to acknowledge the contribution to the development of the Company of our former Chairman, Mr. Jimmy Guiry, who died on 6 January 2012.

Brian McDonnell  
Chairman

**The following interim historical financial information on U.S. Oil and Gas Plc represents the Company's interim results for the 6 months ended 31 March 2012. The financial information (for which the Directors have accepted responsibility) is unaudited.**

### 1. Consolidated Statement of Comprehensive Income

*For the six months ended 31 March 2012*

	Notes	Six Months Ended 31-Mar-12 \$	Six Months Ended 31-Mar-11 \$	Year Ended 30-Sep-11 \$
<b>Continuing Operations</b>				
Revenue				-
Other Income		18,111	570	7,486
Administrative Expenses		(576,584)	(157,531)	(629,174)
<b>(Loss) before tax</b>		(558,473)	(156,961)	(621,688)
Income tax expense		-	-	-
<b>Loss for the period and total comprehensive loss for the period</b>		(558,473)	(156,961)	(621,688)
<b>Earnings per share (all continuing)</b>				
Basic and diluted (loss) per share (cent)	5.1	(1.39)	(0.50)	(1.78)

### 2. Consolidated Statement of Financial Position

*As at 31 March 2012*

	Note	Six Months ended 31-Mar-12 \$	Six Months ended 31-Mar-11 \$	Year Ended 30-Sep-11 \$
<b>Non Current Assets</b>	5.2	908,692	166,026	726,471

**Current assets**

Debtors	-	3,153,572	33,228
Cash and cash equivalents	5,269,338	289,676	6,218,043
<b>Total assets</b>	<b>6,178,030</b>	<b>3,609,274</b>	<b>6,977,742</b>

**Equity and liabilities****Equity**

Ordinary Share Capital	5.3	5,634	5,158	5,634
Share Premium - Ord Shares	5.3	7,795,577	4,040,536	7,795,577
Other Reserves		44,336	-	-
Retained Earnings		(1,681,689)	(680,810)	(1,123,216)
Equity attributable to the owners of the Company		6,163,858	3,364,884	6,677,995

**Current Liabilities**

Trade & Other Payables		14,172	244,390	299,747
<b>Total liabilities</b>		14,172	244,390	299,747

**Total equity and liabilities**

<b>6,178,030</b>	<b>3,609,274</b>	<b>6,977,742</b>
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**3. Consolidated Statement of Changes in Equity***As at 31 March 2012*

	Ordinary Share Capital	Share Premium	Other Reserves	Retained losses	Total
	\$	\$	\$	\$	\$
<b>Balance at 1 September 2010</b>	4,323	839,619	-	(501,528)	342,414
Loss for the Period	-	-	-	(621,688)	(621,688)
Currency Translation	-	-	-	-	-
Issue of share capital	1,311	7,238,605	-	-	6,957,269
Issue Costs	-	(282,647)	-	-	-
<b>Balance at 30 September 2011</b>	5,634	7,795,577	-	(1,123,216)	6,677,995

<b>Balance at 30 September 2011</b>	5,634	7,795,577	-	(1,123,216)	6,677,995
Loss for the Period	-	-	-	(558,473)	(558,473)
Currency Translation	-	-	44,336	-	44,336
Issue of share capital	-	-	-	-	-
Issue Costs	-	-	-	-	-
<b>Balance at 31 March 2012</b>	<b>5,634</b>	<b>7,795,577</b>	<b>44,336</b>	<b>(1,681,689)</b>	<b>6,163,858</b>

#### 4. Consolidated Statement of Cashflows

For the six months ended 31 March 2012

	Six Months Ended 31-Mar-12 \$	Six Months Ended 31-Mar-11 \$	Year Ended 30-Sep-11 \$
<b>Cash flows from operating activities</b>			
(Loss) for the year	(576,584)	(157,531)	(629,174)
Foreign Exchange Movements	44,336	(23,416)	-
<b>Movements in working Capital</b>			
Decrease/(increase) in trade and other receivables	33,228	(3,153,572)	(33,228)
(Decrease)/Increase in trade and other payables	(285,574)	171,019	225,372
Cash used in operations	(784,594)	(3,163,500)	(437,030)
Interest Paid	-	-	-
<b>Net cash (used) in operating activities</b>	<b>(784,594)</b>		<b>(437,030)</b>
<b>Cash flows from investing activities</b>			
Interest Received	18,111	570	7,486
Payments for exploration and evaluation assets	(182,221)	(40,072)	(600,517)
Net cash used in investing activities	(164,110)	(39,502)	(593,031)
<b>Cash flows from financing activities</b>			
Proceeds from issues of equity shares	-	3,201,752	6,957,269

<b>Net (decrease) / increase in cash and cash equivalents</b>	<u>(948,705)</u>	<u>3,162,250</u>	<u>5,927,208</u>
Cash and cash equivalents at the beginning of period	<u>6,218,043</u>	<u>290,835</u>	<u>290,835</u>
<b>Cash and cash equivalents at end of period</b>	<u><b>5,269,338</b></u>	<u><b>289,676</b></u>	<u><b>6,218,043</b></u>

## 5. Notes to the Interim Financial Information

### 5.1 Loss per share

The calculation of basic loss per ordinary share is based on the loss per year and the average number of ordinary shares in issue during the relevant year as set out below. There is no difference between the diluted loss per share and the basic loss per share.

	<b>Six Months Ended 31-Mar-12 \$</b>	<b>Six Months Ended 31-Mar-11 \$</b>	<b>Year Ended 30-Sep-11 \$</b>
(Loss) for period	<u>(558,473)</u>	<u>(156,961)</u>	<u>(621,688)</u>
Weighted average number of shares	<u>41,398,337</u>	<u>31,707,739</u>	<u>34,960,296</u>
Basic and diluted (loss) per share (cent)	<u><u>(1.35)</u></u>	<u><u>(0.50)</u></u>	<u><u>(1.78)</u></u>

### 5.2 Intangible assets – Exploration and Evaluation Assets

	<b>Nevada, America \$</b>	<b>Total \$</b>
<b>Cost</b>		
At 1 October 2010	125,954	125,954
Additions	<u>600,517</u>	<u>600,517</u>
At 30 September 2011	726,471	726,471
Additions	<u>182,221</u>	<u>182,221</u>
At 31 March 2011	<u>908,692</u>	<u>908,692</u>
<b>Net Book Value</b>		
At 30 September 2011	<u>726,471</u>	<u>726,471</u>
<b>At 31 March 2011</b>	<u><b>908,692</b></u>	<u><b>908,692</b></u>

Expenditure on exploration activities is deferred on areas of interest until a reasonable assessment can be determined of the existence or otherwise of economically recoverable reserves. No amortisation has been charged in the period. The directors have reviewed the carrying value of the exploration and evaluation assets and consider it to be fairly stated and not impaired at 31 March 2011. The recoverability of the exploration and evaluation assets is dependent on the successful development or disposal of oil and gas in the Group's licence area.

### 5.3 Share Capital

	<b>Six Months Ended 31-Mar-12</b>	<b>Six Months Ended 31-Mar-11</b>	<b>Year Ended 30-Sep-11</b>
<b>Authorised equity</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
20,000,000,000 ordinary shares of €0.0001 each	2,854,000	2,854,000	2,854,000
<b>Issued Share Capital</b>	<b>Number of Shares</b>	<b>Share Capital \$</b>	<b>Share Premium \$</b>
Balance 1 October 2010	31,675,507	4,323	839,619
Issued for Cash	5,866,275	835	3,229,308
Share Issue Expenses			(28,391)
Balance 31 March 2011	37,541,782	5,158	4,040,536
Issued for Cash	3,856,555	476	4,009,297
Share Issue Expenses			(254,256)
Balance 30 September 2011	41,398,337	5,634	7,795,577
Issued for Cash			
Share Issue Expenses			
Balance 31 March 2012	<b>41,398,337</b>	<b>5,634</b>	<b>7,795,577</b>

### 5.4 Post Balance Sheet Events

The Company was suspended from the PLUS market on 23<sup>rd</sup> August 2011 and delisted on 7<sup>th</sup> April 2012. The Company listed on the GXG market on 19<sup>th</sup> April 2012.

On 27<sup>th</sup> July 2012, the company conditionally issued 284,019 ordinary shares of €0.00001 at a price of Stg £4.00 raising \$1,785,167.

The financial information has been prepared on a consistent basis applying the accounting policies which have applied in the past and will apply in the next annual accounts.

The financial information has not been audited but has been reviewed by the auditors who have not issued any report on the accounts.

### THE DIRECTORS OF THE COMPANY ACCEPT RESPONSIBILITY FOR THE CONTENTS OF THIS ANNOUNCEMENT

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**Notes to Editors**

U.S. Oil & Gas plc is a GXG quoted (Ticker: USOP) oil and gas exploration company with a strategy to identify and acquire oil and gas assets in the early phase of the upstream life-cycle and mature them. The Company's main asset is in Nye County, Nevada where it holds the entire share capital of US-based company Major Oil International LLC ("Major Oil"). Major Oil has acquired rights to exploration and development acreage in Hot Creek Valley, Nye County, adjacent to the oil and gas rich Railroad Valley area of Nevada, both of which are part of the Sevier Thrust of central Nevada and western Utah, USA.

For further information please refer to our website at: [www.usoil.us](http://www.usoil.us)